

October 17, 2005

***BY HAND DELIVERY***

Docket Clerk  
Docket Office  
Public Utilities Commission  
of the State of California  
505 Van Ness Avenue, Room 2001  
San Francisco, CA 94102

Re: R.04-01-006 Order Instituting Rulemaking on the Commission's Proposed Policies and Programs Governing Post-2003 Low-Income Assistance Programs

Dear Docket Clerk:

Enclosed for filing in the above-captioned matter are an original and (5) copies of:

**COMMENTS OF PACIFIC GAS AND ELECTRIC COMPANY  
ON PROPOSALS SUBMITTED FOR WINTER 2005-2006 LOW-INCOME  
PROGRAM CHANGES**

Please file the original document, date-stamp a copy, and return the endorsed copy in the stamped, self-addressed envelope provided for this purpose.

Very truly yours,

/s/

Chonda J. Nwamu

CJN/pak

cc: Steven A. Weissman, Administrative Law Judge  
Dian Grueneich, Commissioner  
Susan E. Brown, LIF  
Mariana C. Campbell, ORA  
Karen A. Degannes, ED  
Hazlyn Fortune, ORA  
Donna L. Wagoner, ED  
Josie Webb, ED  
All Parties on Office Service List for R.04-01-006

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking on the Commission's  
Proposed Policies and Programs Governing Post-2003  
Low-Income Assistance Programs.

R.04-01-006

And Related Matters:

A.05-06-005  
A.05-06-009  
A.05-06-012  
A.05-06-013

**COMMENTS OF PACIFIC GAS AND ELECTRIC  
COMPANY ON PROPOSALS SUBMITTED FOR WINTER  
2005-2006 LOW-INCOME PROGRAM CHANGES**

CHRISTOPHER J. WARNER  
LINDA L. AGERTER  
CHONDA J. NWAMU

Pacific Gas and Electric Company  
77 Beale Street  
San Francisco, CA 94105  
Telephone: (415) 973-6623  
Facsimile: (415) 973-0516  
E-Mail: LLA3@pge.com

Attorneys for  
PACIFIC GAS AND ELECTRIC COMPANY

Dated: October 17, 2005

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**COMMENTS OF PACIFIC GAS AND ELECTRIC  
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2005-2006 LOW-INCOME PROGRAM CHANGES**

**I. INTRODUCTION**

Pacific Gas and Electric Company ("PG&E") commends the California Public Utilities Commission ("Commission") for issuing an expedited schedule to review the numerous proposals that have been made related to winter 2005-2006 utility program changes that could reduce the impact of rising natural gas prices on customers, especially low and fixed-income customers. PG&E shares the Commission's concern regarding expected impact of high natural gas prices on low income customers this winter and appreciates the Commission's call for quick action. PG&E is poised to implement its proposed low income program changes upon Commission approval to provide its customers with tools to reduce winter energy bills. PG&E welcomes this opportunity to submit comments and to collaborate on ways to optimize customer relief efforts. Accordingly, by these Comments, PG&E responds to the various winter 2005-2006 proposals submitted to the Commission for consideration.

**II. BACKGROUND**

On October 6, 2005, the Commission held a full panel hearing on the impact that rising gas costs will have on customers and requested that utilities specifically address the potential impact on low and fixed income customers. During the full panel hearing, the Commission reiterated its commitment to respond quickly to utility proposals aimed at reducing the impact of

rising natural gas costs on customers this winter, especially low and fixed income customers. Subsequently to the full panel hearing, on October 7, 2005, ALJ Weissman issued an electronic communication to all parties in low-income proceeding R.04-0-006 establishing an expedited schedule for proposed winter 2005-2006 program changes. Accordingly, in compliance with ALJ Weissman's expedited schedule, PG&E hereby submits Comments on the winter 2005-2006 program change proposals submitted by other interested parties in this proceeding.

### **III. DISCUSSION**

#### **A. LOW INCOME ENERGY EFFICIENCY (LIEE) PROPOSALS**

##### **1. Low Income Census Block Qualifications for LIEE Services**

A number of parties propose the use of census data to identify geographic areas or "blocks" where the overwhelming majority of residents would meet the LIEE income eligibility requirements, and to automatically qualify residents in such blocks for LIEE services. As detailed in PG&E's LIEE Advice Letter (*See PG&E Advice Letter 2666-G/2721-E*, filed October 11, 2005), PG&E supports the implementation of an LIEE census block qualification pilot program. Specifically, for the winter 2005-2006 period commencing upon Commission approval through April 30, 2006, PG&E proposes to select two to ten census blocks where a minimum of 80% of the households fall below the LIEE income qualifications (i.e. 200% of federal poverty guideline for households with seniors and disabled persons, and 175% of federal poverty guideline for all other households), and to automatically qualify all residents in the selected blocks for LIEE services. A census block is comprised of approximately 80 homes so PG&E's proposed census block pilot will affect between 100 and 1,000 homes. As part of PG&E's proposed census block pilot program, PG&E's outreach efforts will include working with civic leaders, community agencies and its LIEE contractors.

Both Sempra's and PG&E's winter 2005-2006 proposals request suspension of the LIEE income documentation requirement to allow implementation of automatic LIEE eligibility based on census block selection. PG&E makes and supports this request because it is necessary to allow implementation of the proposed census block eligibility pilot program. Moreover, because

PG&E will use highly selective criteria to select certain low income census blocks, the overwhelming majority of customers receiving LIEE services as a result of the census block qualification will meet the LIEE income eligibility.

## **2. Furnace Replacement Program**

PG&E supports a winter 2005-2006 furnace replacement pilot program which would replace select inefficient central forced air furnaces in eligible owner occupied homes. There are two distinct winter furnace replacement proposals that have been submitted to the Commission for consideration. ACCES proposes that service providers replace all furnaces that are 20 years or older as part of the LIEE program. Sempra and PG&E propose to replace inefficient central forced air furnaces with efficiencies below 65 percent with new, high efficiency furnaces which have between 80 and 92 percent efficiency.

Although PG&E supports replacement of inefficient central forced air furnaces, PG&E opposes ACCES's proposal to replace all furnaces that are 20 years old. PG&E research indicates that new floor and wall furnaces are not more efficient than very old furnaces because there has not been significant improvement in floor and wall furnace technology over the years. For this reason, the blanket replacement of all furnaces 20 years old will likely not be cost-effective and may not capture significant energy savings. There has, however, been improved technology in the area of central forced air furnaces and new, high efficiency central forced air furnaces are available. As a result, replacing inefficient central forced air furnaces as a winter pilot program could realize significant therm and cost savings for low-income customers during the winter 2005-2006 period. For this reason, PG&E supports a furnace replacement pilot program that replaces inefficient central forced air furnaces in LIEE eligible homes this winter.

The furnace pilot program proposed by PG&E in its LIEE Advice Letter filing limits eligibility to homeowners consistent with current Commission program parameters and would not include renters as proposed by ACCES. PG&E's conservative projections indicate that 3,000 to 4,000 of the 55,000 homes treated annually would qualify for new furnaces if the proposed new measure was limited to homeowners; and, between 6,500 and 8,500 would qualify if the

measure was also available to renters. These estimates are based on the limited data available at this time and the potential number of eligible homes may be significantly higher. The projected cost is between \$10-13 million for homeowners, increasing to a total of \$23-30 million if renters are included. Based on these projections, expansion of the measure to include renters would increase the projected cost by 55 percent and necessitate additional funding beyond PG&E's carryover. Alternatively, if the furnace replacement measure is available to both homeowners and renters and PG&E does not receive additional funding, there will be a significant reduction in the number of houses that will be treated under the LIEE program. Moreover, the Commission has already restricted the program to homeowners, on the grounds that replacement of furnaces in rental units is tantamount to a landlord subsidy. (See D.01-05-033, pp.36-37; D.01-12-020, p.40, OP 5.f.) For these reasons, PG&E's proposed winter furnace replacement pilot is limited to homeowners.

### **3. Replacement of Old, Inefficient and Leaky Water Heaters**

PG&E supports the continued replacement of water heaters that fail natural gas appliance testing and also supports the repair or replacement of leaky and broken water heaters. PG&E believes that ACCES's proposal to replace old, inefficient and leaky gas and electric water heaters as part of the winter LIEE program is too broad and not a cost-effective way to mitigate the impacts of rising natural gas prices this winter. The replacement of inefficient water heaters was one of the rapid deployment measures added to the LIEE program in 2001 to mitigate the impact of the energy crisis at that time. (See D.01-05-033). The LIEE program measures, including the rapid deployment measures, were evaluated and assessed for cost-effectiveness as part of the LIEE Standardization Team's Phase 4 adopted work plan in the *Low Income Energy Efficiency Program Measurement Assessment Study Final Report*, filed with the Commission on June 3, 2003. The Report concluded that the inefficient water heater replacement measure was not cost-effective in any housing type and, as a result, the Commission adopted the Standardization Team's recommendation to drop the measure from the 2004 LIEE program. For the same reason, the replacement of inefficient water heaters as proposed by ACCES should not

be adopted as a winter 2005-2006 LIEE measure.

PG&E currently repairs or replaces water heaters that fail natural gas appliance testing under the LIEE program. In addition, PG&E recently agreed at a LIEE Standardization Team meeting to also repair or replace leaky and broken water heaters identified at LIEE program participant homes as part of its 2006 LIEE program, even if they passed natural gas appliance tests. To assist low income customers reduce their energy bills this winter, PG&E supports the repairing or replacing of leaky or broken water heaters as part of its winter 2005-2006 LIEE program.

**4. Reduce LIEE Paperwork Restrictions and Eliminate Customer Eligibility Barriers**

PG&E supports, in principle, ACCES's general proposal to reduce LIEE paperwork and eliminate existing customer eligibility barriers. However, the desire to reduce LIEE paperwork must be appropriately balanced against the need to ensure that LIEE services are being provided safely and inuring to the benefit of those customers who meet the mandated LIEE eligibility requirements. The utilities use ratepayer funds to implement low income programs and they are responsible to maintain and demonstrate quality assurance and accounting controls. For these reasons, PG&E supports reasonable data collection and PG&E will continue to work with the Commission, contractors and other interested parties to streamline LIEE paperwork requirements and ensure that income documentation requirements are realistic for low income customers.

ACCES's proposal to eliminate the 10 year "go-back" restriction would have the undesired effect of reducing the number of low income customers that are able to receive services through the LIEE program. The 10 year "go-back" restriction provides that once a home is treated as part of the LIEE program, the home is not eligible to be treated again for a period of 10 years. The 10 year "go-back" restriction was mandated in D.01-03-028, and is based on the average life expectancy of the measure mix commonly installed via the LIEE program. Given that there is not sufficient LIEE funding to annually service all of PG&E's estimated 1.6 million LIEE-eligible customers, the "go-back" restriction is an equitable way to

ensure that all eligible customers have a fair chance of receiving services. If utilities are permitted to return to the same home multiple times, the LIEE program will not be able to reach as many customers as it would have been able to treat with the existing “go back” restriction. Further, the LIEE Standardization Team is currently tasked with reviewing the current “go-back” policy and PG&E plans to continue to work with the Commission, contractors and other interested parties to ensure a policy that is fair and equitable to all low-income customers.

ACCES also proposes a waiver of cost restrictions for the LIEE measure entitled Minor Home Repair. As a result of recent Title 24 building code requirements, there are new costs associated with the Minor Home Repair Measure, which is a measure comprised of many different individual measures and building repair activities. This measure has a cost cap associated with it and, therefore, the number of measures installed under the umbrella of the Minor Home Repair Measure has been impacted by the recent Title 24 changes. The LIEE Standardization Team has been working with the public to revise the Minor Home Repair cost caps for 2006 and plans to file a proposed update to the statewide LIEE Program Policy and Procedures Manual (“P&P Manual”) which addresses the increased Title 24 costs and proposes revised caps.

##### **5. Replace Inefficient Refrigerators With High Efficiency Units**

PG&E supports and is already implementing Sempra’s proposal to replace energy inefficient refrigerators with high-efficiency units. Currently, PG&E contractors install refrigerators in the homes of PG&E customers who receive all feasible measures under the LIEE program. In addition, PG&E partners with the federally funded Low Income Home Energy Assistance Program (LIHEAP) to provide PG&E low income customers with high efficiency refrigerators. PG&E has contracts with LIHEAP agencies under which PG&E provides refrigerators to its low income customers whose homes are being weatherized by partner LIHEAP agencies. These leveraging contracts with LIHEAP allow PG&E low income customers to receive refrigerators paid for by PG&E and installed by LIHEAP agencies that are also providing federally funded weatherization services to PG&E customers. PG&E is currently

increasing both the number of refrigerators available to its current LIHEAP partners and the number of new contracts to help increase the number of low income customers served by LIHEAP this winter. As stated in Sempra's filing, the utilities are already authorized to install high efficiency refrigerators and the continued implementation of this LIEE measure does not require Commission action.

**6. Increase 2006-2007 LIEE Program Budgets to 60 Percent**

At the present time, PG&E proposes to fund the proposed winter 2005-2006 LIEE program changes with currently authorized funds and carryover. PG&E may need to seek an increase to its LIEE budget in the future. PG&E does not support ACCES's blanket proposal to increase funding to the utility LIEE programs by as much as 60 percent. As stated in its LIEE Advice Letter filing, PG&E believes that it currently has sufficient funds available for its proposed winter pilots but it may need to request a LIEE budget increase in the future. PG&E is not yet in a position to assess the potential need for a LIEE budget increase because there are a number of unknown factors, e.g. what LIEE winter 2005-2006 proposals will be authorized, what will be the duration of any authorized winter 2005-2006 measures; and what LIEE measures will be authorized for PG&E's 2006 program. Each of these factors will impact whether PG&E will need to seek an increase to its LIEE budget in the future and if so, how much of an increase will be necessary. PG&E is reluctant to support a blanket request for a 60 percent increase in LIEE funding given the current uncertainties surrounding its LIEE program, and the fact that the LIEE program is funded by all of its ratepayers. The Commission must weigh the impact of a rate increase to non-low-income customers – some of whom are on the margin of low-income – against the benefit to low-income customers. For these reasons, at this time, PG&E does not support the proposal to increase the LIEE budget by 60 percent.

**7. Funding Flexibility**

PG&E supports SCE's and TURN's proposal to allow funding flexibility among the various LIEE program years. Specifically, PG&E supports the proposals to allow utilities to

carryover unspent funds from 2006 into 2007; to advance funds from 2007 to 2006; and to spend 2006 and 2007 authorized funds beginning in 2005 to help reduce the impact of rising natural gas prices on low income customers this winter. PG&E further supports SCE's and TURN's proposal to count program savings accomplishments from 2006 funds used in 2005 toward the 2006 energy savings goals. As noted in both SCE's and TURN's filings, there is precedent for this type of funding flexibility in the recent energy efficiency decision (See D. 05-09-043, OP 6)

**B. CALIFORNIA ALTERNATE RATE FOR ENERGY (CARE) PROPOSALS**

**1. Permanent Increase of CARE Eligibility to 200 Percent of Federal Poverty Guideline for Seniors and Disabled Persons**

Many of the parties submitting proposals for winter 2005-2006 program changes proposed a permanent increase in the CARE eligibility to 200 percent of federal poverty guideline for elderly and disabled persons from the current 175 percent, consistent with the current LIEE eligibility. While PG&E proposed the same CARE eligibility increase, PG&E believes it is premature to determine whether the CARE eligibility increase consistent with current LIEE eligibility should continue indefinitely or be revised, until further data on the needs of customers and duration and projected levels of gas prices for the 2006-2007 winter are available. Once further information is available, PG&E, its customers, other stakeholders and the Commission can consider what, if any, changes in the revised 200 percent eligibility standard should be extended, made permanent, or revised.

**2. Suspension of Post-Enrollment Verification**

PG&E proposes to place outbound calls to CARE enrollees who do not return post enrollment verification documentation and to assist them with the verification process over the phone. PG&E is concerned that Sempra's proposal to suspend post-enrollment verification of CARE eligibility may result in fraudulent receipt of the CARE discount by ineligible customers at the expense of ratepayers. As an alternative to the complete suspension of post-enrollment verification, PG&E's post-enrollment verification proposal would still require income verification documentation. However, PG&E believes its proactive phone calls will minimize

the number of eligible CARE enrollees removed from the CARE program for failure to provide post-enrollment income verification without the opportunity for increased fraud in the CARE program.

**3. Enrollment By Phone**

PG&E proposes to place outbound calls to potential CARE enrollees and assist them with the enrollment process over the phone. PG&E would, however, still require that the applicant return a signed CARE application to PG&E. Similarly to the complete suspension of post-enrollment verification, PG&E is likewise concerned that enrollment of CARE customers by phone may lead to a significant amount of fraudulent enrollment in the CARE program. PG&E believes that to minimize fraudulent enrollment in the CARE program, it is important to have CARE enrollees sign a CARE application attesting to their income eligibility. If customers enroll by phone, there is no written attestation to meeting CARE eligibility. As an alternative to CARE phone enrollment, PG&E believes that providing customers with application assistance by phone will increase CARE enrollment yet not expose ratepayers to the risk of fraud associated with phone enrollment.

**4. Suspend CARE Recertification and Extend it an Additional 2 Years**

PG&E proposes to maintain the current CARE recertification process but to allow CARE enrollees to continue to receive the CARE discount for an additional six months if they do not recertify during the winter 2005-2006 period. PG&E does not support Sempra's proposal to suspend CARE recertification and extend it an additional 2 years. The current Commission mandated CARE recertification requirements provide that residential customers must recertify their CARE eligibility every 2 years. Sempra proposes to temporarily suspend CARE recertification this winter and grant CARE enrollees up for recertification during that time an automatic additional 2 years on the CARE discount. PG&E does not support this proposal because the practical implication is that certain CARE enrollees will not be recertified as eligible for a period of four years. PG&E believes that four years is too much time to elapse before

recertifying eligibility because there is a significant likelihood that a CARE enrollee's eligibility status may change within a four year period. For example, a college student may graduate and become employed or a customer's employment status may change.

PG&E's alternative CARE recertification proposal for winter 2005-2006 is to allow utilities the discretion not to remove CARE enrollees from the program for failure to recertify during the winter. Specifically, PG&E proposes to continue its current recertification process, which retains on average 80 percent of CARE enrollees, but to place a moratorium on dropping the approximately 20 percent of CARE enrollees who do not recertify during the winter period. For CARE enrollees who do not recertify during the winter, PG&E proposes to give them an additional six months of the CARE discount. PG&E's proposal ensures that CARE enrollees are not removed from the CARE program during the critical winter months but does not allow a four year period of time without a confirmation of continued eligibility.

## **C. OTHER PROPOSALS**

### **1. Waive Reconnection Deposits for CARE Customers**

PG&E supports the proposal to waive reconnection deposits for CARE customers during the winter 2005-2006 period. SCE proposes to waive the reconnection deposit for CARE customers whose service is disconnected during the 2006 winter period. PG&E, as part of its "Winter Customer Care and Relief Program," has modified its guidelines for reestablishment of credit to waive the deposit for all of its residential and small commercial customers who have either experienced service disruption due to nonpayment or have had significant delinquencies during the winter months of November 1, 2005 through April 30, 2006.

### **2. Freeze and Cap Rates for Residential Gas Customers**

PG&E proposes to implement proposed changes to its CARE and LIEE programs, as well as continue its FERA program, as an effective way to assist low-income customers with rising gas prices this winter. TURN proposes to freeze the rates of CARE and FERA customers, while

capping other residential and small business customers' gas prices at 20% above current rates.<sup>1/</sup> PG&E believes there is insufficient information on TURN's proposals to determine whether they should be considered. Depending on the circumstances, adoption of such mechanisms may lead to unintended consequences that can be more harmful than first anticipated. As PG&E noted at the October 6, 2005 En Banc in Los Angeles, the high energy prices expected this winter are going to be a challenge for all customers. Freezing gas rates for CARE and FERA-eligible customers and capping rate increases for all other residential gas customers would shift costs to other customers or otherwise require residential customers to finance the under collected costs through higher rates later. In addition, freezing or capping gas rates generally would reduce incentives for customer energy efficiency improvements in response to price signals. PG&E urges the Commission take a cautious approach in looking at TURN's proposals in light of the past experience with frozen electric rates during the 2000- 2001 energy crisis, and believes its current winter relief initiatives for its CARE and FERA programs, as well as the current programs, provide a better balance between the needs of its low income customers and the competing needs of other customers.

**3. Winter Moratorium on Shut Offs for Delinquent Bills If Customer makes 50 Percent Payment**

TURN proposes that the IOUs declare a moratorium on service shut-offs for customers who make payments in excess of 50% of each month's bill. In order to assist our customers in dealing with the anticipated increased energy bills this winter, PG&E has implemented a winter relief policy to permit residential and qualified small commercial customers to pay 50 percent of their outstanding balance and enroll in the Balanced Payment Plan program to avoid service interruption during the winter months of November 1, 2005 through April 30, 2006.

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<sup>1/</sup> PG&E assumes that the proposals to freeze rates are limited to gas rates. As a practical matter, electric rates are already frozen for PG&E's CARE customers (because PG&E's electric CARE rates continue to be based on only two tiers, and because the rates for both of these tiers are subject to ABIX caps). A new freeze on electric rates for FERA customers would affect only the portion of such customers' usage in Tier 4 and above (which PG&E nonetheless would oppose, for the same reasons as described above for gas rates).

**4. Create a Third Tier for Winter Baseline Rates**

The proposal to create a third tier for winter baseline rates requires careful investigation and would be premature to adopt at this time. There is a correlation between energy usage and income, and more affluent households account for a higher percentage of customers with higher usage as compared to lower income households and usage. Affluent households can afford increased energy bills and would not necessarily be impacted by the creation of a third tier. However, creation of a third tier could actually have the unintended effect of *discouraging* conservation by reducing the price to customers with lower usage who may be more likely to pay heed to price signals. Nevertheless, the correlation between energy usage and income is not perfect. For these reasons, PG&E believes a third gas rate tier should not be created without full analysis and review.

**5. Support Increased California Low Income Housing Energy Assistance Program (LIHEAP) Allocation**

PG&E agrees with ACCES's assertion that California does not receive its fair share of federal LIHEAP funding. LIHEAP is a federally funded program that provides free weatherization services for homes of low income residents. The California LIHEAP allocation is based on old data and is insufficient to treat the weatherization needs of California's low income population. LIHEAP budgets are established by Congress and PG&E supports efforts to encourage the State's congressional delegation to seek to increase California's LIHEAP allocation.

**6. Scrutinize Utility Proposals to Close Local Offices**

PG&E commits not to close any local offices this winter. TURN proposes that the Commission closely scrutinize utility proposals to close local offices in the near term and expressly mentions PG&E's 2007 GRC proposal to close 84 local offices. PG&E is required to obtain Commission permission prior to the closure of any of its front counter operations in accordance with Decision 95-12-055 and PG&E commits not to close any such operations this winter. However, PG&E's front counter operations on Mission Street in San Francisco will need

to be relocated as a result of seismic renovation to the current structure. Later this year, PG&E will relocate these operations to PG&E's nearby Harrison Street service center. With respect to PG&E's 2007 GRC Application, TURN correctly notes that PG&E is recommending that the Commission approve the closure of all 84 of its front counter operations commencing June 30, 2007. However, PG&E is not planning to close any of its company staffed front counter operations prior to that time. Therefore, the only front counter operations expected to undergo any closure or relocation before June 2007 would be those in need of some form of structural work, expiration of lease, or force majeure.

#### **7. Modify Medical Baseline Allowance Program**

Disability Rights Advocates ("DRA") make a number of proposals related to the IOUs Medical Baseline Allowance programs. PG&E is agreeable to most of DRA's winter proposals. Specifically, PG&E is not opposed to providing an additional compliance advice filing to demonstrate the Company's ongoing and recent outreach efforts to potentially eligible medical baseline customers. PG&E is also willing to develop a process that will ensure that customers improperly denied medical baseline status receive the benefit of such status retroactively to the time of their initial application if such customers are determined to qualify for medical baseline allowance or additional allowances. In addition, PG&E is willing to work with DRA and other interested parties to enhance the appeal process for customers initially denied medical baseline allowances.

PG&E assumes that DRA's proposal to freeze rates for medical baseline customers is limited to gas rates. As a practical matter, electric rates are already frozen for PG&E's medical customers because PG&E's electric rates applicable to medical baseline customers continue to be based on only two tiers and the rates for both those tiers are subject to ABIX caps. With respect to DRA's proposal to freeze gas rates for medical baseline customers, PG&E has the same concerns that are expressed in Section III.C.2., *see infra* pp.10-11, (Freeze and Cap Rates for Residential Gas Customers). Freezing gas rates for medical baseline customers would shift costs to other customers or otherwise require residential customers to finance the under collected costs

through higher rates later. As stated earlier, PG&E urges the Commission to take a cautious approach to proposals to freeze rates.

#### **IV. CONCLUSION**

PG&E appreciates the opportunity to comment on the numerous winter 2005-2006 proposals that have been submitted to the Commission in this low-income proceeding. PG&E looks forward to Commission authority to implement its “Winter Customer Care and Relief Program” consistent with its Advice Letter filings and its Comments provided herein.

Respectfully Submitted,

CHRISTOPHER J. WARNER  
LINDA L. AGERTER

CHONDA J. NWAMU

By: \_\_\_\_\_ /s/  
CHONDA J. NWAMU

Pacific Gas and Electric Company  
77 Beale Street  
San Francisco, CA 94105  
Telephone: (415) 973-6623  
Facsimile: (415) 973-0516  
E-Mail: LLA3@pge.com

Attorneys for  
PACIFIC GAS AND ELECTRIC COMPANY

Dated: October 17, 2005

CERTIFICATE OF SERVICE BY ELECTRONIC MAIL OR U.S. MAIL

I, the undersigned, state that I am a citizen of the United States and am employed in the City and County of San Francisco; that I am over the age of eighteen (18) years and not a party to the within cause; and that my business address is Pacific Gas and Electric Company, Law Department B30A, 77 Beale Street, San Francisco, CA 94105.

I am readily familiar with the business practice of Pacific Gas and Electric Company for collection and processing of correspondence for mailing with the United States Postal Service. In the ordinary course of business, correspondence is deposited with the United States Postal Service the same day it is submitted for mailing.

On the 17<sup>th</sup> day of October 2005, I served a true copy of:

**COMMENTS OF PACIFIC GAS AND ELECTRIC COMPANY  
ON PROPOSALS SUBMITTED FOR WINTER  
2005-2006 LOW-INCOME PROGRAM CHANGES**

By Electronic Mail – serving the enclosed via e-mail transmission to each of the parties listed on the official service list for R.01-08-028 with an e-mail address.

By U.S. Mail – by placing the enclosed for collection and mailing, in the course of ordinary business practice, with other correspondence of Pacific Gas and Electric Company, enclosed in a sealed envelope, with postage fully prepaid, addressed to all parties on the official service list for R.01-08-028 without an e-mail address.

I certify and declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on this 17<sup>th</sup> day of October 2005 at San Francisco, California.

\_\_\_\_\_  
/s/  
PATRICIA A. KOKASON