

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE

SAN FRANCISCO, CA 94102-3298



April 28, 2009

NOTICE TO ALPINE, NATURAL GAS OPERATING COMPANY (ALPINE), PACIFICORP (PC), AND WEST COAST NATURAL GAS COMPANY (WEST COAST GAS) REGARDING SERVICE UNDER CARE AND LIEE (at 175% of the Federal Poverty Guideline Level)

Energy Division is issuing this notice to establish the income guidelines for the California Alternate Rate for Energy Program (CARE) and the Low Income Energy Efficiency Program (LIEE).¹

In Resolution E-3524, adopted February 19, 1998, the Commission ordered the Director of the Energy Division (Director) to communicate new income levels to energy utilities no later than May 1 of each year. The Commission further ordered the Director to require energy utilities to file revised tariffs effective June 1 of each year reflecting the new income levels.

Ordering paragraphs 1 and 2 of Decision 06-12-036 directed SouthWest Gas Company (SouthWest) and Sierra Pacific (Sierra) to change their CARE and LIEE income qualification guidelines to 200% from 175% of the Federal Poverty Guideline (FPG) level. Additionally, Ordering Paragraph 14 of Decision 08-12-019 directed Golden State Water Company/Bear Valley Electric (Bear Valley) to change their CARE and LIEE income qualification guidelines to 200% from 175% of the FPG level. The Commission did not change the income guidelines from 175% to 200% for the other small and mid-sized utilities (**Alpine, PacifiCorp, and West Coast Gas**). Please note that the LIEE income guidelines for customers who are 60+ years in age and handicapped are set at 200% of the FPG for **Alpine, PacifiCorp, and West Coast Gas**.

The process of determining the change in the income criteria for the CARE and LIEE programs is set forth in Appendix A of this letter. Following this process, the Energy Division has determined the income limits for 2009-2010 will be unchanged from the previous year, and shall remain as follows:

These income limits are effective from June 1, 2009, to May 31, 2010.

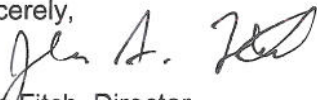
Household Size	CARE & LIEE (at 175% of FPG)
1 - 2	\$26,700
3	\$31,300
4	\$37,800
5	\$44,300
6	\$50,800
Each Additional	\$6,500

Household Size	LIEE: 60+ Years & Handicapped (at 200% of FPG)
1 - 2	\$30,500
3	\$35,800
4	\$43,200
5	\$50,600
6	\$58,000
Each Additional	\$7,400

¹ The Commission authorized the Low-Income Rate Assistance Program (LIRA) by Decisions 89-07-062 and 89-09-044, which set income eligibility at 150% the Federal Poverty Guidelines (FPG). LIRA became CARE, effective January 1, 1995, in accordance with SB 491. Commission Decision 01-06-010, dated June 7, 2001 and Decision 02-01-040, dated January 9, 2002 authorized higher income eligibility guidelines (175% FPG) for the CARE and LIEE programs of Southern California Edison Company, Pacific Gas and Electric Company, Southern California Gas Company, and San Diego Gas & Electric Company. The Commission also authorized higher income eligibility guidelines (175% FPG) for the CARE and LIEE programs of the small and multi-jurisdictional energy utilities consistent with those adopted for the four large energy utilities in Decision 02-01-040, dated January 9, 2002.

Pursuant to Resolution E-3524, the utilities are requested to file revised tariffs with the Energy Division reflecting the income levels noted above by **May 14, 2009**. In addition, the utilities are requested to include the effective dates of the income levels in the revision of their tariff schedules. The tariffs will become effective **June 1, 2009**. All tariffs, internet sites, and printed materials about CARE and/or LIEE are to display the income eligibility guidelines and their effective dates up through a household of six, as shown in the above table. If you have any questions regarding this notice, please contact **Daniel Olson at (415) 703-2801, e-mail: do2@cpuc.ca.gov**.

Sincerely,



Julie Fitch, Director
Energy Division

APPENDIX A

Method of Computing Revised Income Eligibility Levels for CARE and LIEE (175% FPG) Beginning June 1, 2009				
	A	b	c	d
HOUSEHOLD MEMBERS	FACTOR	OLD LEVEL	RAW	ROUNDED
1 or 2	1.001	\$26,700	26,727	26,700
3	1.001	\$31,300	31,331	31,300
4	1.001	\$37,800	37,838	37,800
5	-	\$44,300	-	44,300 ²
6	-	\$50,800	-	50,800
Each Additional (Difference between 3 & 4)		\$6,500		6,500
Note: The incremental difference between "1 or 2" and "3" (\$4,600) will always be less than the amount for each additional household member (\$6,500). The additional household member adder is applied to household member levels 5 and 6.				

Rules for Computing Income Levels (As set forth in Resolution E-3524, dated February 19, 1998)

- (1) The prior period income levels are multiplied by a factor of one plus the inflation factor (Column a · b = c).
- (2) The inflation factor to be used is the "final" CPI-U (Consumer Price Index for all Urban Consumers) for the prior year, as published by the U.S. Department of Labor, Bureau of Labor Statistics. The inflation factor is usually available in January of each year.
- (3) The percentage increase factor is three digits to the right of the decimal. Examples: 2.0% = .020; 8.5% = .085.
- (4) All income level amounts are rounded to the nearest \$100. If the raw number ends rounds to 50 or above, the number should be rounded to the next higher \$100. Examples: 19,326 = 19,300; 16,654 = 16,700.
- (5) The amount for "each additional" should be rounded to the difference between 3 and 4 household members. If the rounding differs, the amount for the "each additional" should be set to the difference between 3 and 4 household members.

² Column "d" contains rounded data for income levels 1 or 2, 3, and 4. The data in column "d" for income levels 5 and 6 contain the additional household member adder of \$6,500.

Method of Computing Revised Income Eligibility Levels for CARE, LIEE and LIEE 60+ Yrs and Handicapped (at 200% of FPG) Beginning June 1, 2009				
	a	b	c	d
HOUSEHOLD MEMBERS	FACTOR	OLD LEVEL	RAW	ROUNDED³
1 or 2	1.001	\$30,500	30,531	30,500
3	1.001	\$35,800	35,836	35,800
4	1.001	\$43,200	43,243	43,200
5	-	\$50,600	-	50,600
6	-	\$58,000	-	58,000
Difference between 3 & 4				
Each Additional	-	\$7,400	-	7,400
Note: The incremental difference between "1 or 2" and "3" (\$5,300) will always be less than the amount for each additional household member (\$7,400). The additional household member adder is applied to household member levels 5 and 6.				

Rules for Computing Income Levels (As set forth in Resolution E-3524, dated February 19, 1998)

- 1 The prior period income levels are multiplied by a factor of one plus the inflation factor (Column a · b = c).
- 2 The inflation factor to be used is the "final" CPI-U (Consumer Price Index for all Urban Consumers) for the prior year, as published by the U.S. Department of Labor, Bureau of Labor Statistics. The inflation factor is usually available in January of each year.
- 3 The percentage increase factor is three digits to the right of the decimal. Examples: 2.0% = .020; 8.5% = .085.
- 4 All income level amounts are rounded to the nearest \$100. If the raw number ends rounds to 50 or above, the number should be rounded to the next higher \$100. Examples: 19,326 = 19,300; 16,654 = 16,700.
- 5 The amount for "each additional" should be rounded to the difference between 3 and 4 household members. If the rounding differs, the amount for the "each additional" should be set to the difference between 3 and 4 household members.

³ Column "d" contains rounded data for income levels 1 or 2, 3, and 4. The data in column "d" for income levels 5 and 6 contain the additional household member adder of \$7,400.