



**Status of
Energy Utility Service
Disconnections
in California**

March 2011

ABOUT DRA

The Division of Ratepayer Advocates (DRA) is an independent organization housed within the California Public Utilities Commission (CPUC) that represents the customers of California's investor-owned utilities. DRA's statutory mission is to obtain the lowest possible rates for utility service consistent with safe and reliable service levels.

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EXECUTIVE SUMMARY

While California ended 2010 with energy utility service disconnections of residential electric and gas customers at historic lows, the most vulnerable customers still disproportionately face the risk of disconnection. Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), San Diego Gas & Electric Company (SDG&E), and Southern California Gas Company (SoCalGas) made 586,000 disconnections for non-payment of energy bills in 2010, down from 758,000 in 2009. These numbers represent 5.5 % of low-income customers, compared with only 2.9% of non-low-income customers.

Yet in 2010, \$1.8 billion -- a record high amount -- was distributed to low-income customers through California's main energy assistance programs. California's pledge of energy affordability for all households is well established, but it is not being met.

This is the Division of Ratepayer Advocates' (DRA) second report on the *Status of Energy Utility Service Disconnections in California*.¹ Following the first report in November 2009, the California Public Utilities Commission (CPUC) issued new disconnection protection rules that are reflected in the improvements in 2010. Unfortunately, pressure on California's low-income households continues despite lower disconnection rates and high funding for energy assistance.

- Low-income customers with unpaid bills of two months or older total \$55 million, double what was owed at the same time one year ago.
- For half of the low-income disconnects, the customer owes less than \$315.
- 33,000 disconnected low-income customers did not reconnect service in 2010. Some portion of these permanently disconnected households improvise hazardous methods of lighting or heating their in dwelling.

¹ DRA's first report on the *Status of Energy Utility Service Disconnections in California* was released November 2009 and is available at http://www.dra.ca.gov/NR/rdonlyres/2A0C5457-56FC-4821-8C4D-457F4CF204D1/0/20091119_DRAdisconnectionstatusreport.pdf.

Fewer disconnections alone are not enough to help the most vulnerable customers. Furthermore, these reductions may not be sustainable for PG&E and SCE customers. The CPUC requirement for PG&E and SCE to offer disconnection protections is set to expire at the end of 2011. SDG&E and SoCalGas, through 2013, voluntarily locked-in low disconnection rates for both low-income and non-low-income customers, suspended disconnections during extreme weather, and implemented additional new protections.

DRA believes that a better distribution of assistance funds would make bills more reasonable for more customers. Once bills are better linked to a customer's degree of poverty, the utilities should then offer program features that encourage customers to make regular payments on their energy bills. Specifically, DRA recommends the CPUC take the following steps:

- Modify energy assistance to reflect degrees of poverty and customers' varying energy bill burdens.
- Develop energy assistance program features to help customers manage their utility bill debt, and to make monthly bill amounts stable and predictable.
- Drive disconnections down via benchmarks for low-income disconnections of 5% (PG&E) and 6% (SCE).
- Make a contingency plan for customers chronically without electric and gas service.

INTRODUCTION

In the “Background” section of this report, DRA describes the creation of the CARE (California Alternate Rates for Energy) rate discount program and the program’s expansion over the years. DRA summarizes the other major energy assistance programs and funds currently distributed to low-income households in California. This year, DRA broadens the context of the report by incorporating findings from external research on energy poverty and energy program assistance. We rely primarily on Roger Colton’s annual Home Energy Affordability Gap² (Affordability Gap) analysis to estimate the dollars needed to make energy service affordable to all Californians. The second section of the report, “Progress Made in 2010,” presents data showing disconnections are down and payment arrangements are up. This section also describes the consumer protections implemented by the four utilities in 2010. The third section of the report, “Problems Persist,” warns that energy costs are still unmanageable for some low-income households. In the “Recommendations” section, DRA encourages the CPUC to explore creative modifications to current assistance programs. DRA also recommends identifying and tracking households that can no longer afford to be utility customers. Finally, in the “Conclusion,” DRA reminds readers that

the positive conditions of 2010 are unlikely to continue without further intervention, and urges the CPUC to act promptly.

This report utilizes publicly reported customer payment and low-income program data provided by California’s largest investor-owned energy utility companies: Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), San Diego Gas & Electric Company (SDG&E), and Southern California Gas Company (SoCalGas). DRA does not include municipal or small and multi-jurisdictional utilities in its analysis or in this report. DRA supplements the disconnection and payment data from publicly available reports with data provided by the utilities at DRA’s request. For purposes of this report, households enrolled in the CARE program are considered low-income customers. All other residential customers are considered non-low-income customers.

² The 2010 Home Energy Affordability Gap, released February 2011, is conducted by Roger Colton of Fisher, Sheehan & Colton. Multiple local, state and the federal agencies have relied upon his studies and evaluations of home energy affordability issues to design and implement programs.

BACKGROUND

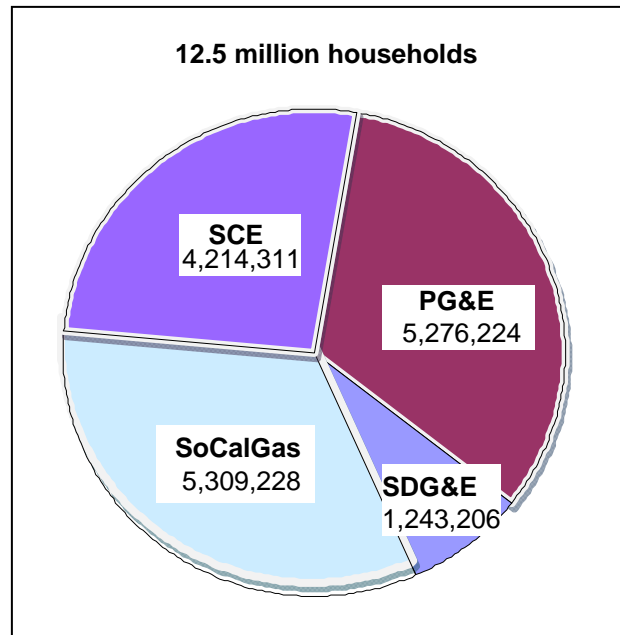
California electric and gas customers' service disconnections peaked in 2009, spurring DRA to devote concentrated attention to the problems of utility customers unable to pay their bills. Subsequently in early 2010, the CPUC directed the PG&E, SCE, SDG&E, and SoCalGas to provide relief to utility customers struggling in the bad economy. Beginning February 4, 2010, these utilities were required to waive credit deposits usually triggered by late payments and disconnections. These utilities were also required to extend minimum terms of three months over which customers could pay past-due bills.³ Additionally, DRA, the CPUC, and the utilities worked collaboratively to secure federal American Resource and Recovery Act matching funds, which doubled the emergency cash grants distributed by the four utilities for energy assistance in 2010.

Ninety-nine percent of all California customers receive either electricity or gas service from PG&E, SCE, SDG&E or SoCalGas.⁴ Together, these four utilities serve 12.5 million households. The total customer count of the four utilities presented in Figure 1 is much greater than 12.5 million, as utility service territories overlap, and some households receive gas service from one

utility and electric service from another. In the case of utility service, a customer equals an entire household.

Figure 1: Number of Households Served by Investor-Owned Utilities

Average Customers Served 2010



1. California's Commitment to Energy Affordability

In 1975, California enshrined in state law the importance of energy affordability with the Miller-Warren Lifeline Energy Act: "Light and heat are basic human rights and must be made available to all the people at low cost for basic minimum quantities."⁵ Then, California accomplished this goal simply by keeping rates low for basic quantities of energy. In 1989, the CPUC was faced with balancing the need for basic quantities of affordable energy *and* for rates that would encourage conservation. Thus, the CPUC allowed

³ CPUC Order Instituting Rulemaking (R.) 10-02-005 of February 4, 2010, pp. 1-2, Ordering Paragraph (OP) 3.

⁴ Data as of November 30, 2010, found in Attachment A of the *Joint Utilities 2010 CARE Eligibility Estimates* filing of December 30, 2010, in proceeding A.08-05-022 et. al.

⁵ Chapter 1010, Stats. 1975, Miller-Warren Energy Lifeline Act, sec. 1(a), cf., Stats. 1982, ch. 1541, section 1(d); also see California Public Utilities Code, Section 739(c)(2).

utilities to raise rates for the lowest amounts of energy usage and also created alternate rates to shield low-income households from the increase.⁶ That is how California's primary program to make energy affordable, the rate discount known as CARE, was born.

The CPUC designed the CARE program with simplicity,⁷ consistency, and fairness in mind. When establishing the eligibility limit for households, the CPUC copied the telephone assistance program eligibility limit, which was 150% of the Federal Poverty Level in 1989.⁸ When establishing the amount of discount, the CPUC settled upon a 15% discount as sufficient to be meaningful to participating customers but within what non-participating customers could bear.⁹

The California Legislature and the CPUC have continued to protect low-income households by expanding the size and scope of the CARE program especially during times of high bills and energy crises. In response to the California energy crisis of 2000, state law prohibited rate increases for all residential usage (including CARE rates) at the two lowest levels of usage.¹⁰

⁶ Decision (D.) 89-072-062 and D.89-02-027 established LIRA (Low Income Rate Assistance), currently known as CARE, pursuant to Senate Bill 987 amending Public Utilities Code 739, and major expansions in eligibility and benefit amounts.

⁷ D.89-09-027, Section II.A.1 (p.7).

⁸ D.89-07-062, Finding of Fact 11, Conclusion of Law 1.

⁹ D.89-07-062, Finding of Fact 3-8, Conclusion of Law 1 and D.89-09-027 Section II.A.1. 1 "Mr. Florio testified for TURN that bill impacts of up to 3% per month are acceptable for the non-participating customer."

¹⁰ Assembly Bill 1X, enacted in 2001 via PU Code Section 731.1(b)(2), prohibited rate increases for all

CARE customers were therefore exempted from paying the energy surcharges enacted in 2001 that were necessitated by the crisis.¹¹ Also in 2001, the CPUC increased the CARE eligibility limit to 175% of the Federal Poverty Level and the rate discount from 15% to 20% of non-CARE residential rates.¹²

To mitigate high gas prices in winter 2005 - 2006, the CPUC increased CARE eligibility to 200% of the Federal Poverty Level and placed a temporary moratorium on CARE disconnections.¹³ In the last ten years, the CARE program has grown from reducing the bills of 2.5 million households by \$287 million in 2001 to reducing the bills of 4.8 million households by \$1.4 billion in 2010.¹⁴

2. How Much Help Do Households Need?

Continual expansion of the CARE subsidy has very likely prevented many temporary and permanent service disconnections by filling in the gap between what California customers are charged for energy and what they can afford. Nationally, and many states individually, define affordable energy around 6% of a household's annual

residential customers up to 130% of baseline usage. The first, or lowest level of residential usage, is known as baseline usage or Tier 1. The next level of usage is known as 100-130% of usage or Tier 2.

¹¹ The surcharges added to energy bills in response to the 2000 energy crisis were enacted in D. 01-05-064.

¹² D.01-05-033 and D.01-06-010.

¹³ D.05-10-044.

¹⁴ Joint Utilities Annual LIEE, CARE, and FERA charts filed February 1, 2011 in A.08-05-022; also see PG&E, SCE, SDG&E and SoCalGas December 2010 monthly CARE reports filed in A.08-05-022; also see PG&E, SCE, SDG&E, and SoCalGas 2001 Annual CARE reports.

income. A multi-state study of energy assistance programs by two of the leading national experts on ratepayer-funded energy assistance programs provides the basis for the 6% figure: assuming 30% of income is reasonable to pay for shelter, and that 1/5 of the shelter cost is assumed to be reasonable to pay for home energy.¹⁵ So 6% is derived from taking 1/5 of 30%.

Affordability Gap

For 2010, the Affordability Gap analysis estimated \$2.1 billion (\$592/household) as the amount that would be required to resolve the affordability problem in California (i.e., reduce energy costs to 6% of household income) for low-income customers.¹⁶

California energy assistance programs distributed \$1.8 billion in 2010. Of the \$1.8 billion, \$1.4 billion was distributed through CARE and the remainder through other ratepayer-funded, federally funded, and utility-funded energy bill discount and grant programs. Not all of the assistance programs distributed cash to reduce bills; an important source of savings comes from usage reduction stimulated by the free

home energy efficiency retrofits and energy education given through the Low Income Energy Efficiency (LIEE) program¹⁷ and the federal weatherization programs.¹⁸

Figure 2: Dollars Distributed by Energy Assistance Programs 2010¹⁹

| Programs Funded by | Bill Discounts/ Grants | Energy Efficiency Improvements |
|--|------------------------|--------------------------------|
| Ratepayers | \$1,400,146,300 | \$275,814,410 |
| Federal Agencies | \$63,482,461 | \$77,218,366 |
| Utility Shareholders, Employees and Customer Donations | \$3,548,549 | |
| Subtotals | \$1,467,177,310 | \$353,032,776 |
| TOTAL | \$1,820,210,086 | |

The main difference between the Affordability Gap estimate and what California actually spends is that the Affordability Gap estimate is based on fewer households than California includes in its programs. The Affordability Gap estimate of \$2.1 billion

¹⁵ Multi-Sponsor Study of Ratepayer Funded Low-Income Programs by APPRISE and Fisher, Sheehan, & Colton, *Ratepayer Funded Low-Income Energy Programs: Performance and Possibilities*, July 2007, Executive Summary p. iv at http://www.appriseinc.org/multi_sponsor_study.htm.

Sponsors of the study included AARP, agencies from five states, and results were presented at the National Low Income Energy Consortium.

¹⁶ The amounts estimated to make energy affordable each year change, because the energy costs used in the analysis change, although the estimated population remains the same. Over the years 2006-2010 the estimated amount per household to make energy affordable to low-income Californians ranges from \$550 to \$765.

¹⁷ The utility-run weatherization and energy efficiency for low-income customers called Low Income Energy Efficiency (LIEE) was enacted in 1987 by PU Codes 2790. The CPUC in 2011 is planning to announce a new name for the program: Energy Savings Assistance Program.

¹⁸ For a comprehensive list of all energy assistance programs in California, including small and multi-jurisdictional utilities, municipal utilities and private programs, see the U.S Department of Health and Human Services LIHEAP clearinghouse website at <http://liheap.ncat.org/profiles/California.htm>.

¹⁹ This table includes assistance programs for customers at or below 200% of Federal Poverty Level (the state-authorized utility program standard) and assistance programs for customers at or below 75% of the state median income (the federal program standard). For a detailed description of these programs and additional assistance programs available to California customers, see Appendix A.

would be enough meet the needs of 3.5 million low-income households (at 185% Federal Poverty Level or below). California's \$1.8 billion in assistance funds was distributed among 4.1 million low-income households (at 200% Federal Poverty Level or below). Because of the different number of households in the estimate and California actual, the most appropriate comparison is dollars per household. The Affordability Gap's estimate of average need per household per year is \$592. California's actual average benefit is \$375.

Needs Assessment

The CPUC has authorized various California-specific studies expanding on low-income customer needs. KEMA's California Low-Income Needs Assessment²⁰ (Needs Assessment) began in 1999 and was concluded in 2007. It characterized low-income issues based on a representative sample of 1,500 homes visited and surveyed in late 2003-2004, and attributed these characteristics to the entire low-income population. The Needs Assessment affirms the importance of assessing energy costs as a percentage of energy burden.²¹ From its representative sample, KEMA projects that 43% of customers below 200% Federal Poverty Level have an average energy burden of 8.4%, even after receiving the CARE

discount.²² DRA believes that using income and bill data from the whole universe of customers will produce more reliable estimates of need at different poverty levels. Ultimately, the Needs Assessment's main recommendation regarding improving energy affordability is to increase participation in the CARE program.

Impact Evaluation

Another CPUC-authorized periodic evaluation of low-income energy use, conservation behavior, and need sheds light on how California's usage-based pricing may impact low-income customers. The West Hill Impact Evaluation²³ (Impact Evaluation) uses two years of monthly utility bills from 40,000 low-income California households. The study compares bills before and after households received service in 2005 from the LIEE program that provides energy efficiency retrofits. This study supports annual CARE program data showing that households enrolled in CARE use less energy than other residential households. The Impact Evaluation also recommends that "non-energy benefits" accruing to the household from energy efficiency upgrades (such as improved health, comfort, and safety) be taken into greater consideration.²⁴

²⁰ For utility and other parties' responses to the Needs Assessment, see Comments filed October 16, 2007 and October 26, 2007 in CPUC Rulemaking 07-01-042 available at http://docs.cpuc.ca.gov/published/proceedings/R0701042_doc.htm.

²¹ California Public Utilities CPUC, Phase II Low-Income Needs Assessment, Final Report, September 7, 2007, pp. 3-26 and 3-27.

²² *Ibid.*, p. 5-12. The sample of homes surveyed includes CARE beneficiaries in proportion to the CARE enrollment rate at the time of the survey, so the average energy burden reported already reflects the CARE discount for the majority of customers.

²³ *Impact Evaluation of the 2005 California Low-Income Energy Efficiency Program*, Final Report, West Hill Energy & Computing, Inc., December 19, 2007, revised January 10, 2008.

²⁴ Usage reduction is an important and well-funded part of California low-income assistance. For purposes of this report we assume that household

3. CARE Program Reaches Nearly All Eligible Customers

California's main energy assistance program, the CARE rate discount, sets an eligibility limit. In the 2010 Affordability Gap's comparison of households below 185% of the Federal Poverty Level, California ranks thirteenth.²⁵ However, studies on poverty in California explain that the Federal Poverty Level undercounts poverty in California, as the Federal Poverty Level does not account for differences in housing costs.²⁶ When adjusted for these costs, California's poverty rates would rank third, behind New York and Washington, D.C.²⁷

The CPUC's current eligibility limit for customers who need help paying energy bills is all households living at or below 200% of the Federal Poverty Level.²⁸ In

benefits equal the home retrofit and weatherization benefits equal non-administrative spending on these programs. However, spending does not translate 1:1 to bill reduction. If non-energy benefits are better quantified, then more benefits to the household, in addition to bill reductions, will be accounted for.

²⁵ The Affordability Gap's ranking is consistent with the overall poverty rankings based on the federal threshold, according to Deborah Reed, *Poverty In California, Moving Beyond The Federal Measure*, Public Policy Institute of California, May 2006.

²⁶ Additional problems with utilizing one threshold statewide, even if adjusting for California's increased housing costs, is that cost-of-living within California varies enough that an annual income that may be adequate in some of the less metropolitan parts of California is not adequate in San Francisco or Los Angeles. California Budget Project, *Making Ends Meet: How Much Does It Cost To Raise A Family In California?*, June 2010.

²⁷ *Poverty In California, Moving Beyond The Federal Measure*, Deborah Reed, Public Policy Institute of California, May 2006, p.21.

²⁸ California also makes provision for customers living at or below 250% of the Federal Poverty Level with a minimum of three people in the household. This program is called the FERA (Family Electric Rate

2010, for a 4-person household, 200% of the Federal Poverty Level equaled an annual income of \$44,400 or less.

Over four million households were estimated in 2010 to be living below 200% of the Federal Poverty Level, which is about 34% of all California households.²⁹ This percentage of households qualifying for CARE has increased about one percent each year over the last few years.³⁰

By the end of 2010, for all utilities combined, 29% of all residential households were enrolled in the CARE program. PG&E, SCE, and SoCalGas have all enrolled more than 90% of its eligible customers in CARE. SCE leads the way with 97% of eligible customer enrolled. Together, this is a 15% increase over the previous year. CARE outreach was highly emphasized in 2009 and 2010. The CPUC's opening of the

Assistance program. These households are eligible for a smaller discount on higher usage. In 2010, for a 4-person household, 250% of the Federal Poverty Level equaled an annual income of \$55,600 or less. FERA customers are negligible for the analysis presented in this report; only 0.1% of residential customers are on FERA.

²⁹ The utilities annually contract with Athens Research to estimate the number of households at different poverty levels to make sure utility assistance programs are reaching as many of these households as possible. The 5.2 million estimate double-counts some households served by more than one utility. When eliminating the double-counting, the estimate is 4.1 million. Attachment A of the Joint Utilities 2010 CARE Eligibility Estimates filing of December 30, 2010 filed in A.08-05-022 et al.

³⁰ The CPUC requires utilities to estimate annually on October 15 the number of low-income households in their service territory for that year. As the current year estimate is not available until the year is nearly over, utilities utilize the prior year estimate to report progress in enrolling customers in the low-income program. Therefore, eligible population estimates generally lag by one year.

disconnection proceeding likely contributed to great efforts to enroll all eligible customers in CARE.³¹

CARE

What does CARE actually provide? The CARE program discount is uncapped, so it can serve all qualifying customers with no limit on how many customers enroll. The benefit reduces bills by a minimum of 20%, but this increases as customers use progressively more energy during the month. For customers that use the most energy, the benefit can be in excess of 50% of the bill. The 20% discount is applied to residential rates for basic amounts of usage (called Tier 1) and for the next blocks of usage above basic (called Tiers 2 and 3). Usage at the higher levels (Tiers 4 and 5) is billed to CARE customers at Tier 3 rates.

Because the CARE discount is tied to California’s tiered rate structure, the practical effect is that the highest usage households receive the greatest CARE discount. Besides the obvious that single person households use less energy, the Impact Evaluation identifies other types of households that use less energy (and therefore receive a smaller discount): renters, those in multi-family dwellings, and those with incomes at the lowest end of the income scale.³²

Figure 3: CARE Assistance Funds Distributed 2010

| | All | PG&E | SCE | SDG&E | SoCalGas |
|-------------------------|-------------|-----------|-----------|----------|-----------|
| Overall (in millions) | \$1,400 mil | \$824 mil | \$353 mil | \$86 mil | \$135 mil |
| Per Household, Per Year | \$286 | \$550 | \$256 | \$294 | \$79 |

³¹ Comments of PG&E, SCE, SDG&E, and SoCalGas in R.10-02-005 assert the importance of increasing CARE enrollment as a strategy to reduce disconnections.

³² Impact Evaluation of the 2005 California Low-Income Energy Efficiency Program, Final Report, West Hill Energy & Computing, Inc., December 19, 2007, revised January 10, 2008, Section 4.5, pp. 40-43.

PROGRESS MADE IN 2010

Disconnections of all residential customers dropped to historic lows in 2010. Despite PG&E’s implementation of remote disconnection via Smart Meters, PG&E’s disconnection rates decreased. In November and December 2010, 90% of PG&E residential disconnects were done remotely. Finally, customer assistance arrangements are at all time highs, showing that utilities are more accommodating of customer requests to pay debt over time.

1. Disconnections at Historic Lows; Non-Low-Income Customers Benefit More

Residential disconnection rates in 2010 were at an all-time low for the four

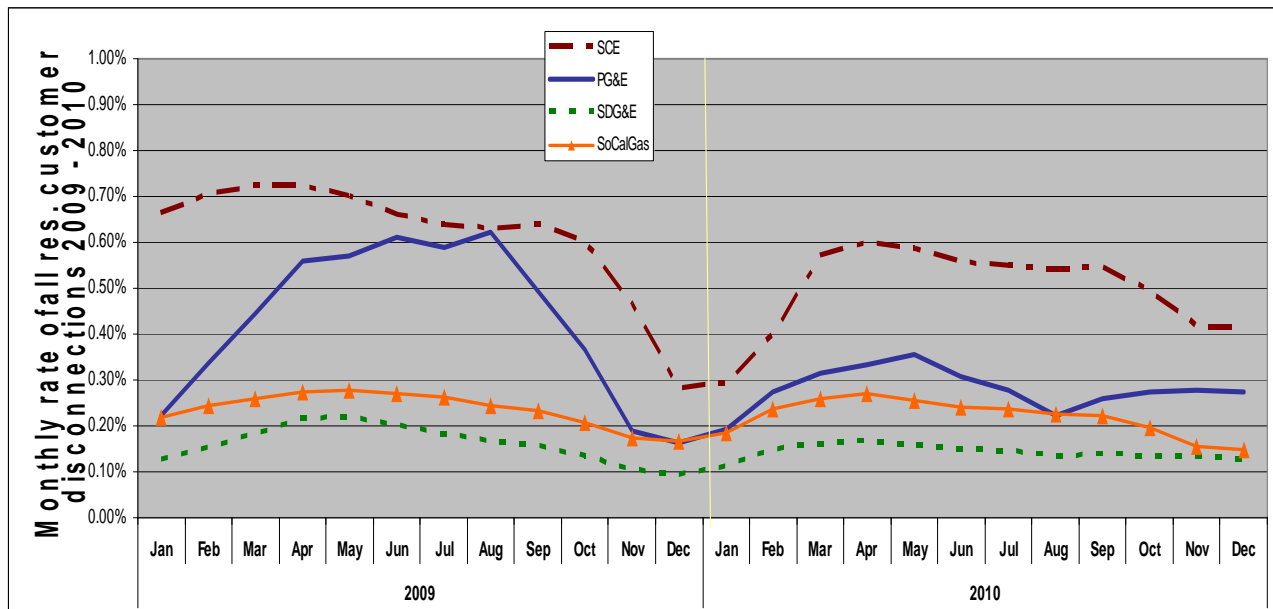
utilities, although disconnection rates still vary among them.

Figure 4: Residential Disconnections Rates 2007-2010

| | All | PGE | SCE | SDG&E | SoCalGas |
|------|-------|-------|-------|-------|----------|
| 2007 | 4.54% | 4.00% | 7.28% | 2.13% | 3.45% |
| 2008 | 4.92% | 4.40% | 7.89% | 2.10% | 3.75% |
| 2009 | 4.75% | 5.15% | 7.50% | 1.92% | 2.81% |
| 2010 | 3.65% | 3.39% | 5.83% | 1.70% | 2.63% |

Figure 5 shows that PG&E made the most significant improvement in 2010, reversing its 2009 trend of rising disconnections. Although SCE’s disconnection rate has dropped overall in 2010, part of the improvement can be attributed to SCE’s suspension of disconnections in January 2010. In the following months of March-December 2010, SCE shows improvement over 2009, but not enough to bring it in line with the other utilities.

Figure 5: Residential Disconnection Rates by Utility 2009-2010, Monthly Basis



SDG&E’s disconnection rate in 2010 slightly declined from its already low 2009 rate. Similarly, SoCalGas’s 2010 disconnections are consistent with its already low 2009 rate.

Non-low-income disconnections dropped slightly more than low-income customers from 2009 to 2010.

Figure 6: Decrease in Disconnections, Low-income vs. Non-low-income, 2009-2010³³

| | PGE | SCE | SDG&E | SoCalGas |
|----------------|------|------|-------|----------|
| Low-income | -34% | -18% | -11% | -3% |
| Non-low-income | -38% | -27% | -16% | -12% |

2. Customers Protected Only Through 2011

2011 has solid protections in place for customers. PG&E and SCE are governed by the CPUC’s July 2010 Disconnection Decision.³⁴ This decision extended the CPUC’s February 2010 rules to waive credit deposits and extend longer terms for re-payment of bills. SDG&E and SoCalGas also implemented these rules

in 2010. However, beginning in 2011, SDG&E and SoCalGas are governed instead by a settlement agreement entered into with consumer advocacy groups,³⁵ including DRA, and approved by the CPUC.³⁶ The central feature of the settlement agreement are disconnection benchmarks (#3 in Figure 7). SDG&E agreed to keep its residential disconnection rate below about 2% of customers annually, and SoCalGas agreed to keep its disconnection rate below 3.3% annually. In the event SDG&E or SoCalGas disconnection rates exceed the benchmark, the utility will then return to implementing credit deposit waivers and offer mandatory 3 month terms of payment plans. The settlement agreement also provides that disconnects will be suspended during temperature highs and lows (#4 in Figure 7). SDG&E and SoCalGas agreed to suspend disconnections when the temperature in a household’s area is 32 degrees or below, or 100 degrees or higher. Among additional protections, SDG&E agreed to a one-year delay in implementing the remote disconnection

Figure 7: Disconnection Protections in Effect 2011, by Utility

| | 1. Credit Deposit Waivers | 2. Mandatory Offer of 3 Month Payment Plan | 3. Disconnection Benchmark (Limit) | 4. Disconnects Suspended During Temperature Highs/Lows | 5. Remote Disconnection Delay & Protections |
|----------|---------------------------|--|------------------------------------|--|---|
| PG&E | • | • | No provision | No provision | No provision |
| SCE | • | • | No provision | No provision | No provision |
| SDG&E | If above benchmark | If above benchmark | • | • | • |
| SoCalGas | If above benchmark | If above benchmark | • | • | • |

³³ These decreases are adjusted to account for changes in the low-income and non-low-income populations.

³⁴ CPUC Decision 10-07-048.

³⁵ Settling Parties are SDG&E, SoCalGas, DRA, The Utility Reform Network (TURN), Greenlining, Disability Rights Advocates, and The National Consumer Law Center (NCLC).

³⁶ Settlement adopted by CPUC in D.10-12-051.

function after installation of the new advanced technology meter (also known as "Smart Meters"). SDG&E further agreed not to remotely disconnect its elderly, disabled, and medically vulnerable customers (#5 in Figure 7).

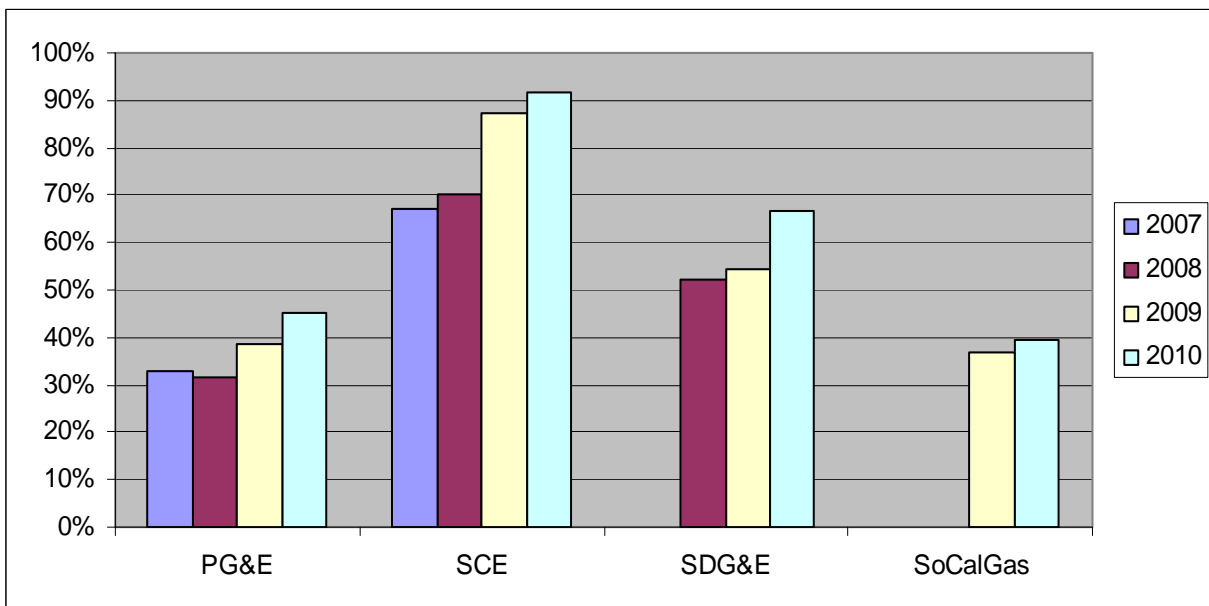
The CPUC's rules applicable to PG&E and SCE will expire at the end of 2011, while the protections of the settlement agreement, governing SDG&E and SoCalGas, will remain in effect until 2014.

3. More Payment Arrangements Offered in 2011

All four utilities offer households extra time to pay their utility bill either before or after missing the due date, and often up until the moment of disconnection.

Utilities typically offer one-time payment extensions or amortization agreements to pay off debt regularly with installment payments. As long as a household has formalized an arrangement with the utility to pay past-due bills over time, the utility is not allowed to disconnect the household.³⁷ If a household fails to make one of the agreed upon payments, the default immediately triggers a 48-hour notice regardless if the household's other bills are current. As noted above, longer payment terms was one of the two policy changes implemented in 2010. The increases in payment arrangement initiated, shown in Figure 8, can be partially attributed to the CPUC's new rules in 2010, requiring the utilities to actively promote payment arrangements.

Figure 8: Total Residential Payment Arrangements 2007-2010, Annual Basis



³⁷ California Public Utilities Code sections 779(b)(2-3) and (e), and 779.1 (f).

Among the four utilities, SDG&E shows the most significant increase in payment arrangements granted, beginning in the early months of 2010 and continuing to rise steadily. Both relative to customers facing a threat of disconnection, and as a percentage of all customers, SDG&E arranged steadily more payment arrangements throughout 2010.

PG&E's payment arrangements increased most significantly during the first six months of 2010. PG&E has simultaneously taken pressure off its customers by changing the past-due bill amounts triggering a 48-hour disconnect notice from \$50 to \$150. SCE's increase in payment arrangements started earlier than PG&E and SDG&E, in the winter of 2009-2010, and since spring 2010 the number of arrangements is close to what it was in earlier years (although arrangements for low-income customers remain higher). SoCalGas's number of payment arrangements is consistent with the prior year, and relative to 48-hour notices, is decreasing.

PROBLEMS PERSIST

1. Deferred Payments Loom

Among the four utilities, past-due payments started to accumulate in mid-2010, and payment data in 2011 shows debt continues a slow but steady rise. At some point in time, this increased debt could cause disconnects to rise again, unless the utilities and the CPUC implement strategies that help customers manage and pay down their past-due balances.

The most recent data showing dollars in debt is from September 2010.³⁸ Together for PG&E, SCE, and SDG&E,³⁹ all residential past-due amounts over 60 days old are \$130 million, 68% higher than September 2009. For just low-income households, past-due amounts over 60 days old are 107% higher, at \$55 million.

Figure 9: Low-income Customer Unpaid Amounts Over 60 Days Old, September

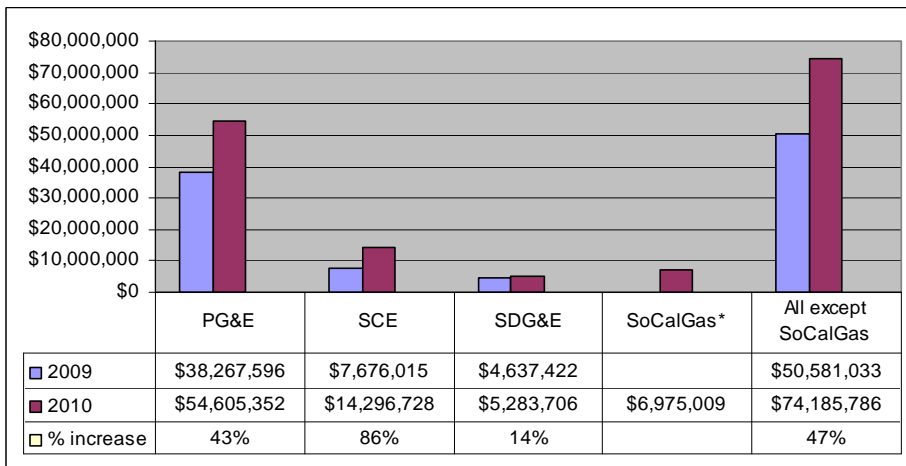
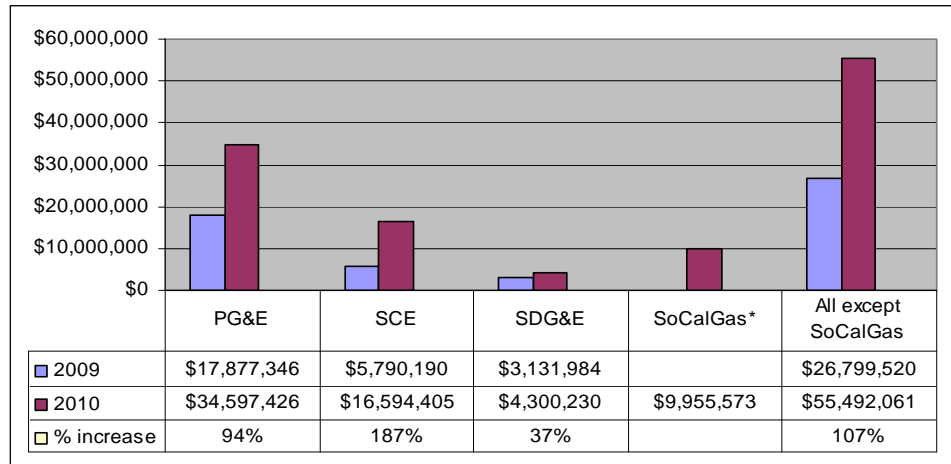


Figure 10: Non-low-income Customer Unpaid Amounts Over 60 Days Old, September

³⁸ / * Utilities delay reporting of the dollars in arrears until after they make their quarterly 10K filings to the Securities and Exchange CPUC. Monthly dollars in arrears data for October, November, and December 2010 will be provided in the utilities' March disconnection reports.

³⁹ SoCalGas did not begin providing past-due data until October 2009; therefore, no comparison is yet publicly available.

Most utilities did not report past-due amounts prior to 2009. Therefore DRA cannot present historical data of outstanding billed amounts. The increase of customer debt shown in Figures 9 and 10 is a comparison of outstanding debt as of September in the years 2009 and 2010. September 2010 is the most recent data available to the CPUC, as utilities delay for several months the release of data on dollars in arrears. Of course, past-due balances over 60 days old are from accounts that started to default several months earlier, so this data reflects unpaid bills from approximately the first six months of 2010.⁴⁰

The utilities also report monthly the number of accounts paying 100%, 50-99%, and less than 50% of bills. This payment amount data shows more recent payment behavior, from December 2010. Fewer accounts in December 2010 paid 100% of bills than one year ago, and more accounts paid less than 50% of their bills.

⁴⁰ Dollars and accounts in arrears are key indicators because they could warn of an upcoming wave of disconnections. However, because this data is limited, and increases are likely caused in part by the CPUC's new policies, DRA cannot give a conclusive interpretation. The CPUC's new policy in 2010 of mandatory minimum terms for payment arrangements will mean more accounts will show an increase in unpaid bills, but these unpaid amounts could be part of an ongoing payment arrangement. The data reported to the CPUC does not segregate past-due accounts that are in a payment arrangement (therefore preventing collection actions) from past-due accounts with no payment arrangements.

2. Large Portion of Low-income Customers Risk Disconnection Regularly

California state law requires all utilities to provide to households that are in default on their bills a written notice or personal contact at least 48 hours prior to disconnection.⁴¹ Each utility sets a threshold amount that a customer must owe before adding the household to the disconnection list. The thresholds are currently:

| | |
|----------|-------|
| PG&E | \$100 |
| SCE | \$25 |
| SDG&E | \$250 |
| SoCalGas | \$60 |

Only a fraction of customers who receive disconnection notices are disconnected. For example, one month about 5% of all customers received disconnect notices, 1.5% still had not paid by the time the notice expired, and less than 0.5% (76,000) of all customers were ultimately disconnected that month.⁴² However, receiving the notice means a household is at risk for disconnection. The term for this is energy insecurity.

Energy Insecurity

Over one-third of PG&E and nearly one-half of SCE low-income customers can be considered energy insecure. These low-income customers receive three or four 48-hour notices of disconnection on average each year.⁴³ Many fewer SDG&E

⁴¹ California Public Utilities Code section 779.1 (b).

⁴² Data from September 2009.

⁴³ Another statewide characterization can be found in the KEMA Low-Income Needs Assessment (2007), which deems 66% of all low-income households energy insecure (p.5-22). The Needs Assessment also states that 22% of its 1,500 low-income homes surveyed had been threatened with disconnection and 5% had been disconnected (p.5-17).

and SoCalGas low-income households receive 48-hour notices during the year. For those that do, SDG&E customers receive on average three notices and SoCalGas customers receive on average two notices each.⁴⁴

3. Low-Income Disconnection Disparity Worsens

Low-income customer disconnects are significantly more frequent than non-low-income customer disconnects, equating to 5.5% of low-income customers annually but only 2.9% of on-low-income customers. The data presented in Figures 11 and 12 indicate that this disparity is getting worse over time.

Figure 11: Four Utilities, Low-income Disconnection Rate vs. Non-low-income Disconnection Rate July 2008 – July 2010, Monthly (9 Month Rolling Average)

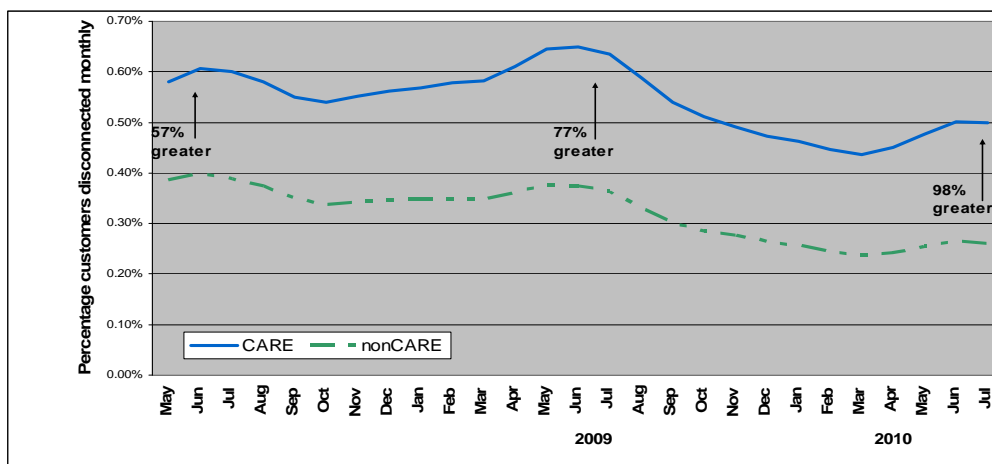
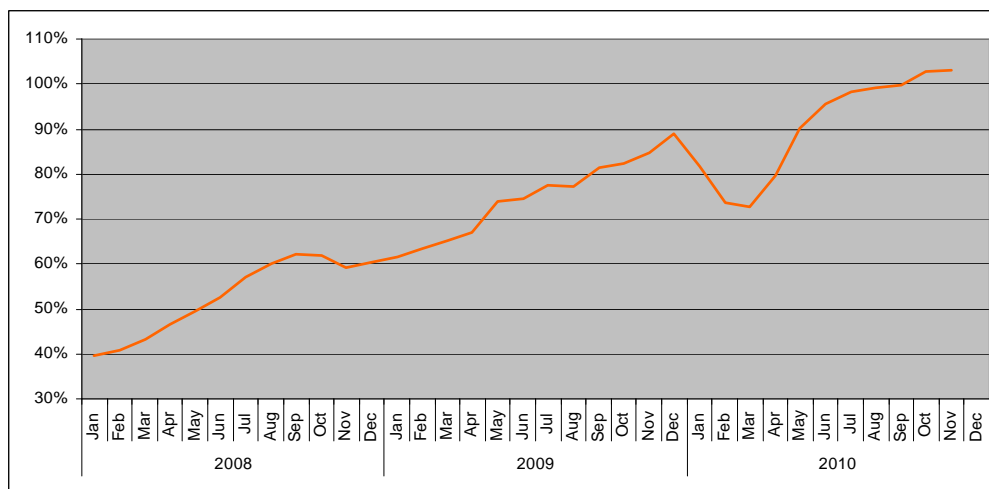


Figure 12: Four Utilities, Percentage Greater Low-income Disconnection Rate than Non-low-income Disconnection Rate, 2008-2010, Monthly Basis



⁴⁴ Because of the way the data is collected and reported, this data assumes that the customer’s CARE status remains the same for the entire calendar year and the following month in which the data is run. Although this is not actually the case, because some customers will either enroll in or leave CARE during the year, the mismatches do not invalidate the analysis. DRA determines that the analysis is valid by comparing the “all residential” rates to the rates separated by “CARE/all except CARE,” and by comparing this “account level” data to the “all occurrences” data. See Appendix C for further explanation.

Until relatively recently, utilities may not have monitored customer disconnections by income, and therefore may not have been aware of this trend. However, this trend is now impossible to ignore and utilities must address this troubling outcome. Even though the CPUC’s disconnection protection rules helped all

Half of the low-income customers who are disconnected owe less than \$315. Losing access to gas and electric service is a grave consequence for debt of this amount. Utilities reported the amounts owed by households at the time of disconnection, for a sampling of months in 2010. By utility, half of the disconnected low-income customers owed less than:

| | |
|----------|-------|
| PG&E | \$315 |
| SCE | \$226 |
| SDG&E | \$152 |
| SoCalGas | \$100 |

4. Dwellings Chronically Without Service Pose Great Safety Risk

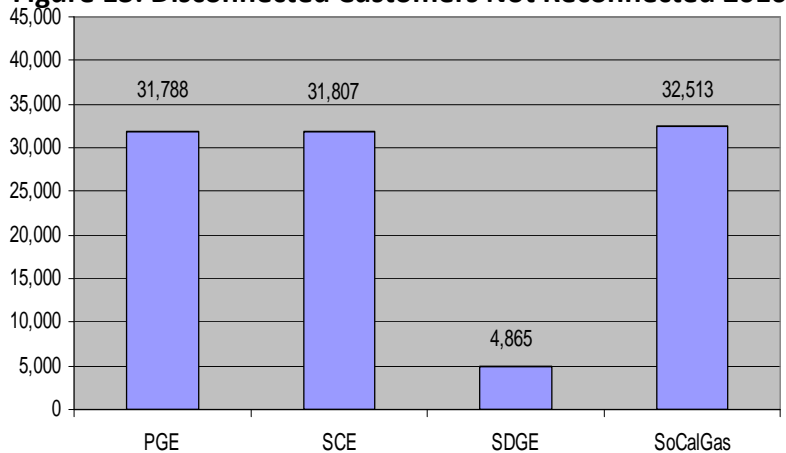
Not all disconnected customers are reconnected. Some portions of these customers live without electricity or natural gas because they cannot afford to reconnect service. These customers need extensive help to get access to electricity and gas. The utilities have the ability distinguish to between customers who cannot afford to reconnect and customers who have moved or no longer require service.

Households may not initiate service if they cannot afford it, or if they cannot amass the deposit to start service. Given that energy affordability is a high priority, California needs an accurate count of how many dwellings are in this situation. In

customers in 2010, non-low-income customers were helped more, causing the gap in disconnection rates to widen. The disparity is further evidence that affordability must be addressed in order to manage disconnection rates, and that the CPUC’s current disconnection protection rules alone are not sufficient. the last few months alone, fatal accidents occurred in households where service had been disconnected and unsafe alternatives were used for heating and lighting.

- January 2011: 4 die in Oakhurst using gas generator to heat home⁴⁵
- January 2011: 2 die in Willowbrook using their oven to heat their home⁴⁶
- December 2010: 4 die in Oakland fire caused by extension cords run from neighboring dwelling⁴⁷

Figure 13: Disconnected Customers Not Reconnected 2010



⁴⁵ <http://www.fresnobee.com/2011/01/17/2236465/bl-ocked-vent-led-to-4-oakhurst.html#> downloaded January 20, 2011.

⁴⁶ <http://www.fdnntv.com/2-Women-Willowbrook-Fatally-Poisoned-Carbon-Monoxide> downloaded February 9, 2011.

⁴⁷ http://articles.sfgate.com/2010-12-31/news/26352717_1_downstairs-apartment-upstairs-unit-apartment-building downloaded January 1, 2011.

RECOMMENDATIONS

The CPUC's new rules in the 2010 Disconnection Decision, and the utilities' aggressive implementation of the new rules, mitigated the effects of the California recession. Waiving credit deposits and extending the terms of payment plans relieved low-income, payment-troubled households from the final consequence of credit and collections actions: disconnections. These protective credit and collections policies do not include a mechanism to resolve the unpaid utility debt that is accumulating for those for whom energy is unaffordable. However, the CPUC has two proceedings scheduled for 2011 to more precisely address the affordability problem.

1. Make Improvements via Two CPUC Proceedings Open in 2011

Every three years, the CPUC reviews and re-authorizes utility plans for low-income energy assistance in California.⁴⁸ The utilities are the program administrators of CARE and LIEE. As program administrations, the utilities present program plans to the CPUC for public review and input. This year, the program plans for 2012-2014 will be presented in utility applications to be filed with the CPUC by May 15, 2011. The CPUC typically takes four to six months to review and consider input.

The CPUC's disconnection proceeding remains open but has stalled with

⁴⁸ Applications 08-05-022 (PG&E); 08-05-024 (SoCalGas); 08-05-025 (SDG&E); 08-05-026 (SCE).

several issues still pending.⁴⁹ Consumer groups including DRA are advocating that the CPUC require the utilities to allow payment-troubled customers to choose their billing date, in order to better align timing of paychecks with utility bills. DRA's benchmark recommendation (#5 below) for PG&E and SCE is also slated for consideration in this proceeding.

2. Assess Energy Costs as a Percentage of Income

DRA's first recommendation is to target the assistance dollars to better reach those customers for whom, even with the CARE discount, energy is still unaffordable. Those targeted are likely to be many of the disconnected CARE customers. The CPUC could potentially achieve a great impact by more carefully targeting the same subsidy amount rather than increasing the total amount. Rather than its current one-size-fits-all discount, the CARE program should start to reflect the varying degrees of poverty among CARE customers. The *Needs Assessment* speculated that the CARE program had "enrolled a significantly larger share of households in the lowest energy burden category," and concluded "In the end, this might not be the best strategy for meeting needs and providing maximum benefits."⁵⁰ Several states, including Illinois, New Jersey, Ohio, and New Hampshire distribute

⁴⁹ Rulemaking 10-02-005, Phase II *Administrative Law Judge's Ruling Providing Opportunity For Comments And Addressing Other Phase II Issues*, August 26, 2010.

⁵⁰ *Needs Assessment*, pp. 7-8 and 7-9.

energy assistance dollars as a percentage of household income.⁵¹

3. Develop New Features of Energy Assistance

The first step is making a household's energy bill a reasonable portion of the household income. Then, improving the payment behavior of the household becomes possible. Together, these two steps should produce desirable outcomes for all parties. The low-income household retains access to an essential service, the utility records less bad debt, and less bad debt flows into the calculation of all customers' rates.

Studies With California Examples

In addition to the studies identified in the Background section in this report, DRA reviewed a wealth of research available from other states and the federal energy assistance program to identify potential changes to CARE.⁵² Two studies include California programs: the multi-state sponsored study *Ratepayer Funded Low-Income Energy Programs Performance and Possibilities Final Report*⁵³ and *PacifiCorp's Low-Income Arrearage Study*.⁵⁴

⁵¹ For Ohio, see <http://development.ohio.gov/community/ocs/EnergyHelp.htm> ;

For Illinois, see <http://liheap.ncat.org/dereg/states/illinois.htm> .

⁵² See Appendix B for list of program assistance evaluations from which recommendations are derived.

⁵³ Apprise and Roger Colton, *Ratepayer Funded Low-Income Energy Programs Performance and Possibilities Final Report*, July 2007 at http://www.appriseinc.org/multi_sponsor_study.htm .

⁵⁴ *Low-Income Arrearage Study* prepared for PacifiCorp March 20, 2007 by M. Sami Khawaja,

Based on DRA's review of the research, features of energy assistance programs likely to improve customer payment behavior are:

- Programs that keep monthly bill payments level
- Addressing past-due burdens as well as current bill amounts (known as arrearage management)

Making bills predictable has been shown to improve customer payment patterns.⁵⁵ Utility credit and collection departments offer a program that keeps monthly payments level, known as "balanced payment" or "level pay" plans. However, the utilities' current rules make this program largely unavailable to payment troubled households because all past-due amounts must be paid in order to enroll in this program. If the utilities' program assistance departments were to work together with the credit and collections departments, they may be able to design program rules that solicit the participation of the payment-troubled customers who most need such a program.

Arrearage Management

This leads to the subject of arrearage management programs. TURN (The Utility Reform Network) filed a Petition asking the CPUC to consider arrearage management in June 2009,⁵⁶ but the

Kevin Monte de Ramos, Anne West, Doug Bruchs, Quantec LLC, in association with Roger Colton.

⁵⁵ Apprise and Roger Colton, *Ratepayer Funded Low-Income Energy Programs Performance and Possibilities Final Report*, July 2007, Executive Summary, xiii.

⁵⁶ See June 16, 2009 *Petition 09-06-22 of The Utility Reform Network to Adopt, Amend or Repeal*

CPUC declined to do so. However, the research from other states makes the case that help with managing past-due bills is a critical feature of assistance programs. The proposals raised in the TURN Petition, with its extensive list of other states' experience with arrearage management, is an excellent starting point for CARE program administrators.

DRA also recommends smaller adjustments to the CARE program or for CARE customers, such as adjusting bill due dates to coincide with paychecks. This particular recommendation is currently pending before the CPUC, and the CPUC should adopt this low cost option.⁵⁷

The CPUC has a perfect example of testing a creative new feature of CARE. The CPUC's Consumer Services and Information Division, and the utilities, launched CHANGES (Consumer Help and Awareness with Natural Gas and Electricity Services) in January 2011.⁵⁸ Using CARE funding, CHANGES adds a "case management" approach to energy assistance, providing comprehensive bill counseling and help for limited and non-English speaking customers. Several multiple language-speaking, community-based organizations statewide will be paid to assist these customers to better understand their energy bills, access the bill discount and

home retrofit benefits, and advocate for the customer if needed. The utilities should report the difference in disconnection rates for these customers before and after they participate in CHANGES, and show if these customers ultimately have fewer disconnections after such assistance.

4. Identify and Consider Those Chronically Without Service

This recommendation captures those whose energy poverty is too great for CARE to fix. We recommend utilities simply report the location of these households annually to appropriate social welfare agencies. New York,⁵⁹ Pennsylvania,⁶⁰ and Ohio⁶¹ are among the states with this simple requirement. Although these are cold-weather states, living without utility service is hazardous regardless.

Additionally, DRA recommends a count of these households be included for the CPUC's consideration of the CARE and LIEE programs for 2012-2014. Furthermore, utility customers who move frequently need to be specially considered next time around. Transient low-income households have generally been excluded from studies such as the Needs Assessment and Impact Evaluation because these studies rely on before and after comparisons to determine changes from the programs. Transient households by definition are

Regulation Pursuant To Pub. Utilities Code Section 1708.5 Related To Arrearage Management And Shutoff Prevention For Residential Customers Of The Major Jurisdictional Electric And Gas Utilities.

⁵⁷ See CPUC Ruling Implementing Phase II of Rulemaking 10-02-005, and all parties' Comments filed September 15, 2010; all parties' Reply Comments filed September 24, 2010.

⁵⁸ CPUC Resolution CSID-004 approved November 19, 2010.

⁵⁹ See New York NYCRR16 Part 11: Home Energy Fair Practices Act And Energy Consumer Protection Act -- Rules
<http://www3.dps.state.ny.us/N/nycrr16.nsf/Parts/6CAA329B4A1945F485256FC7004CFBA3?OpenDocument>.

⁶⁰ See 52 Pennsylvania Code § 56.100.

⁶¹ See Ohio Revised Code 4933.123.

not in the same location long enough to be included in before and after comparisons. Some of the most vulnerable households, since they can no longer afford to be utility customers or because they move frequently, become invisible when energy affordability analysis relies upon utility customer data. Because California is serious about energy affordability, as demonstrated by word and deed, the CPUC has an obligation to understand the depth of energy poverty in California.

PG&E: 5% or fewer low-income customers disconnected annually

SCE: 6% or fewer low-income customers disconnected annually

Benchmarks motivate cooperation between utilities' credit and collections departments and low-income assistance departments. DRA is particularly encouraged by the success of the CARE goal the CPUC set for utilities in its 2008 decision authorizing the program. With no penalties or incentives (other than positive public relations), three of the four utilities (all except SDG&E) have exceeded the CARE program penetration goal of 90%.

5. Benchmark Low-Income Disconnections

Finally, DRA recommends the CPUC set benchmarks for PG&E and SCE disconnection of its low-income customers. SDG&E and SoCalGas already voluntarily put benchmarks in effect through 2013. SDG&E's all residential benchmark is 2.08%. Its low-income benchmark is 3.44%. SoCalGas' all residential benchmark is 3.36%. Its low-income benchmark is 4.32%. DRA recommends the following additional limits on low-income disconnections:⁶²

⁶² DRA's recommended low-income benchmarks are based partially on PG&E's and SCE's overall historical disconnection rates, in order to accommodate differences in geography, demographics, and electricity and/or gas. For PG&E, DRA has determined that its current overall disconnection rate is acceptable and designed the benchmark to keep rates at this level. For SCE, DRA believes disconnection rates still exceed acceptable levels and designed the benchmark to continue to drive down rates. DRA then calculated a low-income disconnection rate no greater than one-and-a-half times a reasonable non-low-income rate. Though DRA's recommended benchmark still does not achieve equal low-income and non-low-income rates, it would move rates closer to the desired goal at a pace that allows utilities to make the necessary adjustments to their collections processes.

CONCLUSION

Another positive outcome of the CPUC's 2010 Disconnection Decision is its requirement for the utilities to regularly report disconnection data. DRA urges the CPUC to use this data to track how low-income disconnection rates change relative to disconnection rates of the rest of residential customers. DRA believes that the difference in disconnection rates between low-income and non-low-income customer groups represents the volume of disconnections due to unaffordability. "An effective EA [Energy Assistance], or a portfolio of EA actions, should provide adequate funding to cover all customers applying for assistance that would allow them to stay on the utility system."⁶³ By using the non-low-income disconnection rate as a guide, the CPUC can gauge when California has accomplished the goal of making electric and gas service accessible and affordable for all California households.

The disconnection outlook for 2011 is positive because utility and regulatory consumer protections are in place, but only for 2011. The disconnection protections required by the CPUC for PG&E and SCE customers will expire at the end of this year. The utilities are preparing to put into effect new, higher rates.⁶⁴ The overall distribution of

energy assistance through the CARE discount will likely be less overall, as CARE rates begin increasing annually for the first time since 2001. Rates will increase even further as the cost of carbon emission reductions hit customers' bills and customers face variable pricing structures designed to drive conservation and reduce carbon emissions.

Low-income utility customers will be least equipped to absorb these costs and risks. The CPUC must pre-emptively call for creative program approaches to energy assistance. DRA's recommendations outlined in this report will go a long way in addressing many of the underlying issues that lead to energy service disconnection. California must be extra vigilant to make sure energy becomes more, not less, affordable.

⁶³ Ken Costello, *How To Determine The Effectiveness of Energy Assistance Programs, And Why It's Important*, National Regulatory Research Institute, December 2009, p. 22.

⁶⁴ SCE Application (A.) 10-11-015, SDG&E A. 10-12-005, and SoCalGas A. 10-12-006 have requested the CPUC authorize new rates for implementation in

2012. The CPUC authorized higher rates for PG&E in 2010 (Application 10-03-014) and implementation of these new rates is pending for 2011.

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Appendices

Status of Energy Utility Service Disconnections in California

March 2011

APPENDIX A: RESIDENTIAL ENERGY ASSISTANCE PROGRAMS

| Residential Energy Assistance Programs in California | | |
|---|---|---|
| Program | Description | Available To: |
| <i>Bill Discounts and Grants:</i> | | |
| California Alternative Rates for Energy (CARE) | 20% discount on energy rates for lowest usage, >20% discount on energy rates for higher usage | Low-income households at or below 200% Federal Poverty Level |
| Family Electric Rate Assistance (FERA) | Rate discount for increased usage | Large lower-middle income households at 200-250% Federal Poverty Level |
| U.S. Department of Health & Human Service: Low Income Home Energy Assistance Program (LIHEAP) | Partial bill payment, crisis grants to avoid disconnection | Low-income households at or below 75% State Median Income |
| PG&E's Relief for Energy Assistance through Community Help (REACH), SDG&E's Neighbor-to-Neighbor, SoCalGas' Gas Assistance Fund (GAF), SCE's Energy Assistance Fund (EAF) | Crisis grants to avoid disconnection | Households demonstrating extreme hardship, in some cases restricted to low-income households, criteria varies |
| Medical Baseline | Charges higher energy usage at the lowest possible rate to accommodate medical equipment that relies upon electricity | Customers on life-support or with special medical needs |
| <i>Usage Reduction:</i> | | |
| California's Low-Income Energy Efficiency (LIEE) | Free energy efficiency home retrofit | Low-income households |
| U.S. Department of Energy: Weatherization Assistance Program (WAP) | Free energy efficiency home retrofit | Low-income households |
| Energy Efficiency and conservation programs | Variety of programs: Appliance rebates, home energy surveys. | All |
| Demand Response programs | Payments to turn off air conditioning during rare periods of peak demand | Households with air conditioning |
| <i>Payment Management:</i> | | |
| Payment Extensions and Installment Plans | Extensions of time to pay deposits and bills | All |
| Level Pay/Balanced Pay | Bill is the same amount each month | All |
| Third Party Notification | Customer can designate an additional person to receive past-due and disconnection notices | All |

APPENDIX B: RESEARCH ON LOW-INCOME PROGRAM ASSISTANCE IMPACTS

Poverty

California Budget Project, *Making Ends Meet: How Much Does It Cost To Raise A Family In California?*, June 2010.

California Budget Project, *A Generation Of Widening Inequality, The State of Working California 1976-2006*, August 2007

Deborah Reed, *Poverty In California, Moving Beyond The Federal Measure*, Public Policy Institute of California, May 2006.

California: Low-Income Energy Costs, Needs, Assistance Programs

APPRISE and Roger Colton, *Ratepayer Funded Low-Income Energy Programs Performance and Possibilities Final Report*, July 2007.

Roger Colton, Home Energy Affordability Gap, Fisher, Sheehan & Colton, April 2006, 2007, 2008, 2009, 2010, February 2011.

KEMA, *Final Report on Phase 2 Low Income Needs Assessment*, prepared for the California Public Utilities Commission, September 2007.

M. Sami Khawaja, Kevin Monte de Ramos, Anne West, Doug Bruchs, Quantec LLC, in association with Roger Colton, *Low-Income Arrearage Study* prepared for PacifiCorp March 20, 2007.

West Hill Energy & Computing, Inc., *Impact Evaluation of the 2005 California Low-Income Energy Efficiency Program*, Final Report,. December 19, 2007 revised January 10, 2008.

Other States' Low-Income Program Assistance Impact On Bills

APPRISE, *Allegheny Power Universal Service Programs*, Final Evaluation Report, July 2008

Jacqueline Berger and David Carroll, APPRISE, *Energy Affordability Program Design Options*, January 2007

Roger D. Colton, *The Impact of Indiana's Low-Income Utility Affordability Programs on Nonpayment Disconnections*, Sept. 3, 2007.

Roger D. Colton, *An Outcome Evaluation of Indiana's Low-Income Rate Affordability Programs*, 2008/2009 Report, August 2009.

Ken Costello, *How To Determine The Effectiveness of Energy Assistance Programs, And Why It's Important*, National Regulatory Research Institute, December 2009.

John Howat, Jerry McKim, Charlie Harak and Olivia Wein, *Tracking the Home Energy Needs of Low-Income Households Through Trend Data on Arrearages and Disconnections*, National Energy Assistance Director's Association, May 2004

Rick Kunkle, *Washington State Low-Income Weatherization Program Evaluation Report For 2006*, Washington State University Extension Energy Program, March 2008 (see Table B-5 on page B-3).

PA Consulting Group, *Maryland Public Service Commission, Electric Universal Service Program Evaluation, Final Evaluation Report*, May 11, 2007

H. Gil Peach & Associates and Smith & Lehmann, prepared for the State of Nevada, *SFY2009 Evaluation: Energy and Weatherization Assistance Programs*, December 28, 2009

APPENDIX C: DISCONNECTION DATA BY UTILITY

Disconnection data from 2010 is publicly available at <http://docs.cpuc.ca.gov/published/proceedings/R1002005.htm>

Blank cells in the tables indicate the utility was not able to provide the historical data.

Because utility bills, payment patterns, and disconnection events are seasonal, it is best to compare the same months from year to year. Therefore the annual totals in the tables below only compare data from months in which data is available in both 2009 and 2010.

PG&E All Residential Customer Data

This table counts number of occurrences. One customer account may experience multiple occurrences.

| Month | Customers | | Disconnect Notices | | Disconnects | | Reconnects | | Payment Arrangements | | Accounts With Arrears 61-90 Days | | Amount Owed From Bills 60 Days and Older | |
|---------------------|----------------------|-----------|--------------------|------------------|------------------|------------------|------------------|------------------|----------------------|------------------|----------------------------------|---------------|--|--------------|
| | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 |
| Jan | 5,311,524 | 5,260,162 | 147,708 | 254,208 | 12,060 | 11,368 | 7,681 | 8,509 | 66,661 | 104,980 | 221,454 | 201,024 | \$112,065,045 | \$61,639,224 |
| Feb | 5,304,466 | 5,266,663 | 172,279 | 299,941 | 15,197 | 14,194 | 9,655 | 10,891 | 67,308 | 111,877 | 256,090 | 241,382 | \$110,853,359 | \$69,290,895 |
| Mar | 5,305,894 | 5,274,437 | 233,753 | 353,043 | 26,352 | 17,717 | 16,081 | 14,220 | 77,869 | 125,318 | 289,164 | 248,232 | \$117,247,562 | \$76,064,001 |
| Apr | 5,310,880 | 5,273,082 | 255,404 | 319,277 | 29,363 | 17,776 | 19,751 | 14,629 | 78,885 | 113,873 | 284,273 | 242,276 | \$113,502,753 | \$78,119,684 |
| May | 5,314,573 | 5,271,601 | 203,242 | 267,345 | 33,158 | 17,201 | 23,594 | 14,075 | 72,257 | 97,242 | 278,067 | 264,030 | \$108,634,601 | \$82,240,484 |
| Jun | 5,326,342 | 5,276,785 | 232,276 | 316,157 | 28,331 | 21,179 | 19,354 | 16,768 | 77,721 | 102,346 | 269,618 | 266,437 | \$101,547,763 | \$82,773,742 |
| Jul | 5,252,091 | 5,273,856 | 231,316 | 138,088 | 35,641 | 10,518 | 24,296 | 7,494 | 82,089 | 77,113 | 192,230 | 258,418 | \$54,193,870 | \$80,178,177 |
| Aug | 5,245,190 | 5,285,558 | 238,168 | 113,564 | 29,331 | 12,251 | 20,171 | 8,096 | 89,632 | 78,783 | 204,819 | 276,336 | \$51,001,462 | \$85,052,048 |
| Sep | 5,249,540 | 5,280,541 | 275,643 | 150,851 | 33,243 | 12,542 | 23,163 | 9,047 | 94,492 | 92,506 | 221,784 | 246,569 | \$56,144,942 | \$89,202,778 |
| Oct | 5,257,410 | 5,282,066 | 271,343 | 191,182 | 14,985 | 16,296 | 13,284 | 12,729 | 91,791 | 96,017 | 91,766 | ⁶⁵ | \$61,768,478 | ¹ |
| Nov | 5,257,512 | 5,282,721 | 190,937 | 196,679 | 9,835 | 14,562 | 7,932 | 11,946 | 76,127 | 94,370 | 104,182 | | \$64,115,100 | |
| Dec | 5,258,060 | 5,287,220 | 250,507 | 217,266 | 4,720 | 13,467 | 4,101 | 11,178 | 91,048 | 104,317 | 100,674 | | \$64,471,515 | |
| ANNUAL TOTAL | | | | | | | | | | | | | | |
| | (average all months) | | (sum all months) | (sum all months) | (sum all months) | (sum all months) | (sum all months) | (sum all months) | (sum all months) | (sum all months) | (average Jan-Sep) | | (average Jan-Sep) | |
| | 5,282,790 | 5,276,224 | 2,702,576 | 2,817,601 | 272,216 | 179,071 | 189,063 | 139,582 | 965,880 | 1,198,742 | 209,510 | 249,412 | \$84,628,871 | \$78,284,559 |

⁶⁵ Utilities delay reporting the dollars and accounts past-due until after they make their quarterly performance public. Monthly dollars in arrears data for October, November and December 2010 will be provided on March 25, 2011 in the utilities' March disconnection reports.

PG&E Residential CARE Customer Data

This table counts number of occurrences. One customer account may experience multiple occurrences.

| Month | Customers | | Disconnect Notices | | Disconnects | | Reconnects | | Payment Arrangements | | Accounts With Arrears 61-90 Days | | Amount Owed From Bills 60 Days and Older | |
|---------------------|----------------------|-----------|--------------------|-----------|------------------|--------|------------------|--------|----------------------|---------|----------------------------------|--------------|--|--------------|
| | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 |
| Jan | 1,137,916 | 1,367,674 | 38,851 | 114,342 | 4,355 | 5,001 | 2,991 | 3,825 | 32,114 | 55,923 | 78,468 | 88,892 | \$27,738,392 | \$20,893,989 |
| Feb | 1,145,358 | 1,399,757 | 46,191 | 134,925 | 5,106 | 6,173 | 3,629 | 4,895 | 31,978 | 58,753 | 92,433 | 106,740 | \$28,994,205 | \$23,893,045 |
| Mar | 1,159,954 | 1,430,889 | 68,032 | 155,689 | 8,531 | 7,497 | 5,516 | 6,153 | 37,339 | 68,190 | 105,597 | 109,191 | \$33,495,972 | \$26,278,822 |
| Apr | 1,176,257 | 1,441,926 | 82,709 | 141,714 | 10,320 | 7,652 | 7,441 | 6,380 | 40,081 | 63,282 | 102,295 | 105,238 | \$33,182,405 | \$27,346,666 |
| May | 1,191,719 | 1,448,955 | 66,213 | 119,260 | 11,732 | 7,364 | 8,943 | 6,141 | 35,577 | 54,250 | 99,352 | 114,102 | \$32,432,768 | \$29,000,637 |
| Jun | 1,207,722 | 1,463,197 | 82,557 | 142,387 | 10,474 | 9,216 | 7,513 | 7,414 | 34,947 | 57,628 | 98,424 | 115,578 | \$30,880,452 | \$29,548,128 |
| Jul | 1,223,447 | 1,460,731 | 85,129 | 57,600 | 12,825 | 4,152 | 9,282 | 2,945 | 39,122 | 40,579 | 76,048 | 115,578 | \$17,397,545 | \$29,011,753 |
| Aug | 1,245,640 | 1,473,872 | 95,615 | 45,391 | 11,236 | 4,892 | 8,091 | 3,227 | 43,731 | 40,310 | 85,926 | 125,075 | \$17,228,916 | \$32,296,408 |
| Sep | 1,272,837 | 1,479,574 | 112,249 | 64,342 | 12,515 | 5,256 | 9,381 | 3,752 | 46,109 | 50,553 | 89,729 | 111,583 | \$17,877,346 | \$34,597,426 |
| Oct | 1,297,145 | 1,490,404 | 112,771 | 85,877 | 6,087 | 7,251 | 5,354 | 5,621 | 44,928 | 53,691 | 91,766 | ¹ | \$19,534,199 | ¹ |
| Nov | 1,320,082 | 1,490,577 | 77,896 | 90,303 | 4,201 | 7,022 | 3,329 | 5,740 | 38,581 | 54,379 | 104,182 | | \$21,577,620 | |
| Dec | 1,351,415 | 1,499,942 | 113,324 | 97,819 | 2,141 | 6,281 | 1,811 | 5,246 | 48,488 | 59,905 | 100,674 | | \$21,504,152 | |
| | | | | | | | | | | | | | | |
| ANNUAL TOTAL | 1,227,458 | 1,453,958 | 981,537 | 1,249,649 | 99,523 | 77,757 | 73,281 | 61,339 | 472,995 | 657,443 | 92,030 | 110,220 | \$26,580,889 | \$28,096,319 |
| | (average all months) | | (sum all months) | | (sum all months) | | (sum all months) | | (sum all months) | | (average Jan-Sep) | | (average Jan-Sep) | |

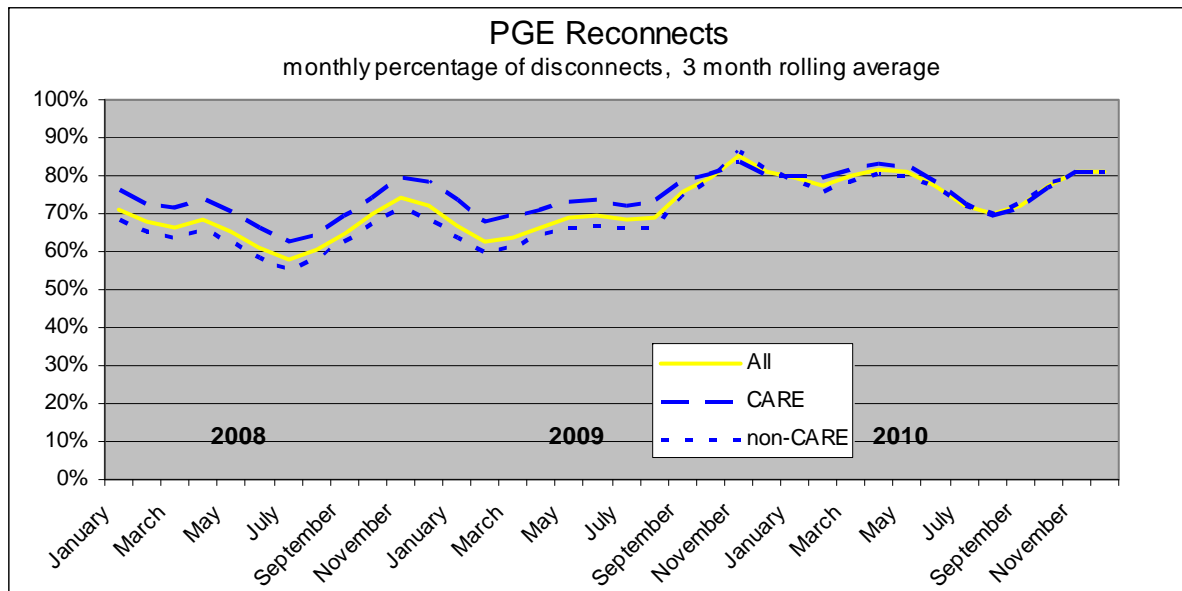
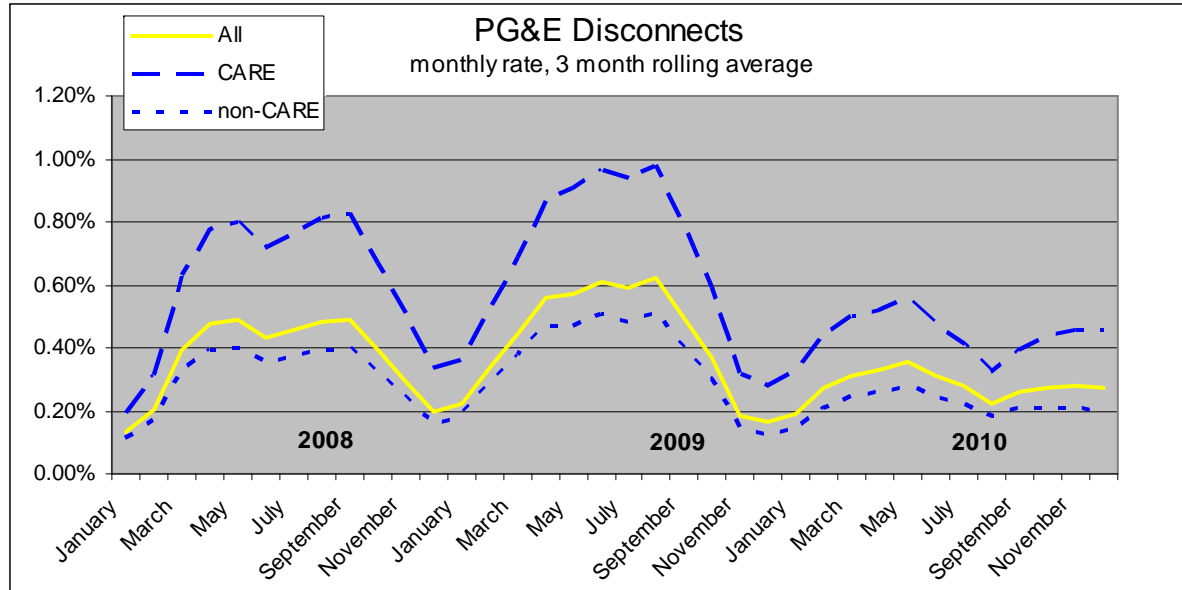
¹ Utilities delay reporting the dollars and accounts past-due until after they make their quarterly performance public. Monthly dollars in arrears data for October, November and December 2010 will be provided on March 25, 2011 in the utilities' March disconnection reports.

PG&E Residential Except CARE Customer Data

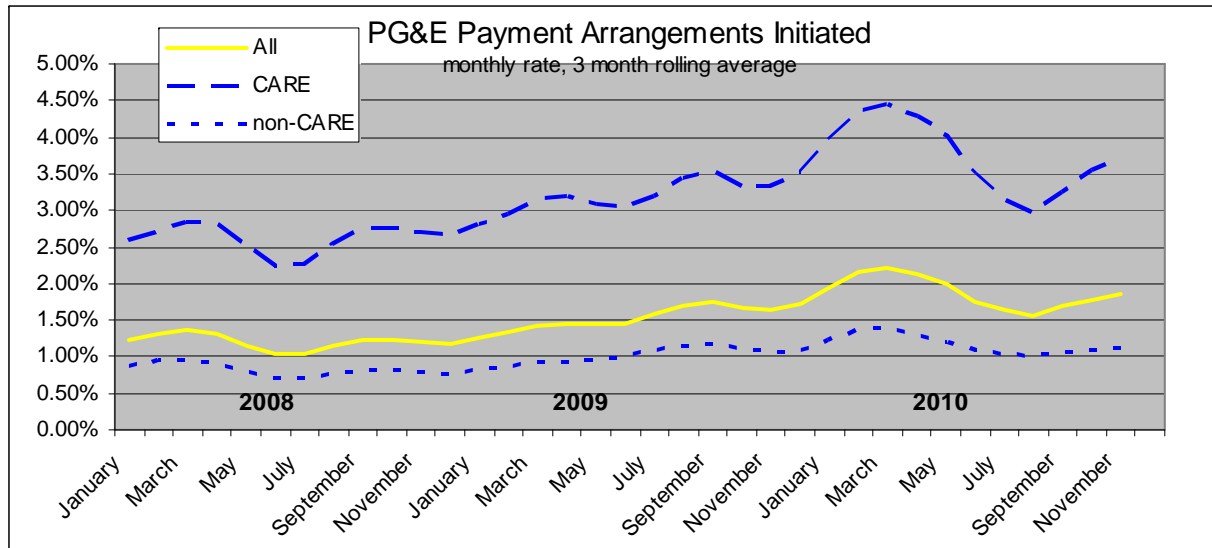
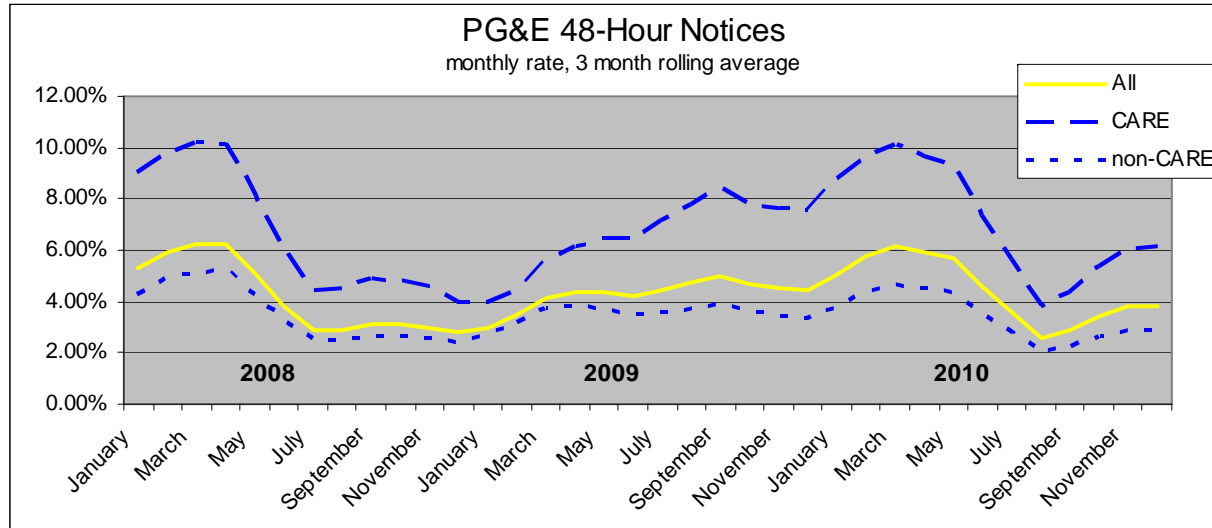
This table counts number of occurrences. One customer account may experience multiple occurrences.

| Month | Customers | | Disconnect Notices | | Disconnects | | Reconnects | | Payment Arrangements | | Accounts With Arrears 61-90 Days | | Amount Owed From Bills 60 Days and Older | |
|---------------------|----------------------|-----------|--------------------|-----------|------------------|---------|------------------|--------|----------------------|---------|----------------------------------|--------------|--|--------------|
| | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 |
| Jan | 4,173,608 | 3,892,488 | 108,857 | 139,866 | 7,705 | 6,367 | 4,690 | 4,684 | 34,547 | 49,057 | 142,986 | 112,132 | \$84,326,653 | \$40,745,235 |
| Feb | 4,159,108 | 3,866,906 | 126,088 | 165,016 | 10,091 | 8,021 | 6,026 | 5,996 | 35,330 | 53,124 | 163,657 | 134,642 | \$81,859,154 | \$45,397,850 |
| Mar | 4,145,940 | 3,843,548 | 165,721 | 197,354 | 17,821 | 10,220 | 10,565 | 8,067 | 40,530 | 57,128 | 183,567 | 139,041 | \$83,751,590 | \$49,785,179 |
| Apr | 4,134,623 | 3,831,156 | 172,695 | 177,563 | 19,043 | 10,124 | 12,310 | 8,249 | 38,804 | 50,591 | 181,978 | 137,038 | \$80,320,348 | \$50,773,018 |
| May | 4,122,854 | 3,822,646 | 137,029 | 148,085 | 21,426 | 9,837 | 14,651 | 7,934 | 36,680 | 42,992 | 178,715 | 149,928 | \$76,201,834 | \$53,239,847 |
| Jun | 4,118,620 | 3,813,588 | 149,719 | 173,770 | 17,857 | 11,963 | 11,841 | 9,354 | 42,774 | 44,718 | 171,194 | 150,859 | \$70,667,311 | \$53,225,614 |
| Jul | 4,028,644 | 3,813,125 | 146,187 | 80,488 | 22,816 | 6,366 | 15,014 | 4,549 | 42,967 | 36,534 | 116,182 | 142,840 | \$36,796,325 | \$51,166,424 |
| Aug | 3,999,550 | 3,811,686 | 142,553 | 68,173 | 18,095 | 7,359 | 12,080 | 4,869 | 45,901 | 38,473 | 118,893 | 151,261 | \$33,772,546 | \$52,755,640 |
| Sep | 3,976,703 | 3,800,967 | 163,394 | 86,509 | 20,728 | 7,286 | 13,782 | 5,295 | 48,383 | 41,953 | 132,055 | 134,986 | \$38,267,596 | \$54,605,352 |
| Oct | 3,960,265 | 3,791,662 | 158,572 | 105,305 | 8,898 | 9,045 | 7,930 | 7,108 | 46,863 | 42,326 | | ¹ | \$42,234,279 | ¹ |
| Nov | 3,937,430 | 3,792,144 | 113,041 | 106,376 | 5,634 | 7,540 | 4,603 | 6,206 | 37,546 | 39,991 | | | \$42,537,480 | |
| Dec | 3,906,645 | 3,787,278 | 137,183 | 119,447 | 2,579 | 7,186 | 2,290 | 5,932 | 42,560 | 44,412 | | | \$42,967,363 | |
| ANNUAL TOTAL | 4,055,333 | 3,822,266 | 1,721,039 | 1,567,952 | 172,693 | 101,314 | 115,782 | 78,243 | 492,885 | 541,299 | 154,359 | 139,192 | \$65,107,040 | \$50,188,240 |
| | (average all months) | | (sum all months) | | (sum all months) | | (sum all months) | | (sum all months) | | (average Jan-Sep) | | (average Jan-Sep) | |

¹ Utilities delay reporting the dollars and accounts past-due until after they make their quarterly performance public. Monthly dollars in arrears data for October, November and December 2010 will be provided on March 25, 2011 in the utilities' March disconnection reports.



Appendices - Status of Energy Utility Service Disconnections in California



SCE All Residential Customer Data

This table counts number of occurrences. One customer account may experience multiple occurrences.

| Month | Customers | | Disconnect Notices | | Disconnects | | Reconnects | | Payment Arrangements | | Accounts With Arrears 61-90 Days | | Amount Owed From Bills 60 Days and Older | |
|---------------------|----------------------|-----------|--------------------|-----------|------------------|---------|------------------|---------|----------------------|-----------|----------------------------------|---------|--|--------------|
| | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 |
| Jan | 4,186,350 | 4,204,205 | | 118,644 | 29,017 | 3,640 | 1,321 | 2,669 | 165,974 | 197,527 | | 90,527 | | \$13,461,324 |
| Feb | 4,187,112 | 4,208,016 | | 232,915 | 27,273 | 21,657 | 1,010 | 15,632 | 138,863 | 171,471 | | 68,881 | | \$11,146,023 |
| Mar | 4,188,205 | 4,209,050 | | 479,938 | 32,247 | 25,242 | 1,766 | 19,294 | 151,521 | 171,370 | | 67,153 | | \$11,046,495 |
| Apr | 4,189,638 | 4,211,863 | | 474,024 | 30,996 | 25,129 | 2,367 | 19,080 | 139,198 | 147,673 | | 76,131 | \$6,516,369 | \$11,816,752 |
| May | 4,191,051 | 4,214,874 | | 420,511 | 27,391 | 25,544 | 2,027 | 19,759 | 139,021 | 132,913 | | 71,724 | \$6,722,793 | \$11,563,467 |
| Jun | 4,190,455 | 4,215,401 | | 417,439 | 29,489 | 23,439 | 1,855 | 17,595 | 155,735 | 143,455 | | 75,647 | \$5,941,677 | \$11,706,619 |
| Jul | 4,192,472 | 4,217,851 | | 453,503 | 26,018 | 21,458 | 1,649 | 16,015 | 165,570 | 150,781 | | 73,770 | \$5,559,777 | \$11,510,974 |
| Aug | 4,193,059 | 4,219,657 | 452,461 | 451,456 | 24,546 | 24,654 | 1,452 | 18,316 | 193,181 | 176,413 | 40,225 | 69,714 | \$5,359,503 | \$11,548,381 |
| Sep | 4,195,386 | 4,221,817 | 518,830 | 478,851 | 28,673 | 22,163 | 1,409 | 16,223 | 209,669 | 185,596 | 33,256 | 73,490 | \$4,587,452 | \$12,750,648 |
| Oct | 4,197,501 | 4,223,680 | 557,126 | 498,489 | 26,936 | 22,229 | 1,315 | 16,282 | 212,349 | 169,627 | 48,343 | 86,488 | \$4,070,654 | ¹ |
| Nov | 4,199,327 | 4,224,293 | 431,033 | 450,093 | 20,082 | 18,015 | 878 | 14,984 | 188,715 | 157,578 | 59,871 | 102,620 | \$5,799,211 | |
| Dec | 4,201,024 | 4,224,884 | 251,702 | 503,808 | 11,637 | 12,707 | 699 | 11,064 | 199,049 | 165,840 | 75,525 | 112,371 | \$7,223,642 | |
| | | | | | | | | | | | | | | |
| ANNUAL TOTAL | 4,192,632 | 4,216,299 | | 4,979,671 | 314,305 | 245,877 | 17,748 | 186,913 | 2,058,845 | 1,970,244 | 51,444 | 88,937 | \$5,781,262 | \$11,816,140 |
| | (average all months) | | (sum all months) | | (sum all months) | | (sum all months) | | (sum all months) | | (average Aug-Dec) | | (average Apr-Sep) | |

¹ Utilities delay reporting the dollars and accounts past-due until after they make their quarterly performance public. Monthly dollars in arrears data for October, November and December 2010 will be provided on March 25, 2011 in the utilities' March disconnection reports.

SCE Residential CARE Customer Data

This table counts number of occurrences. One customer account may experience multiple occurrences.

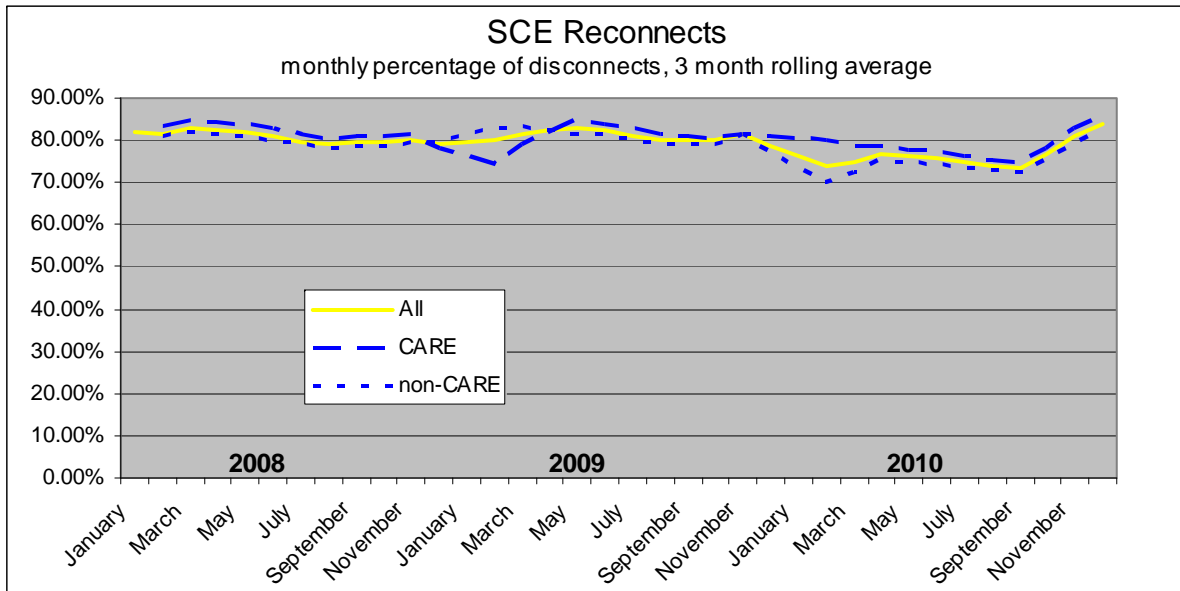
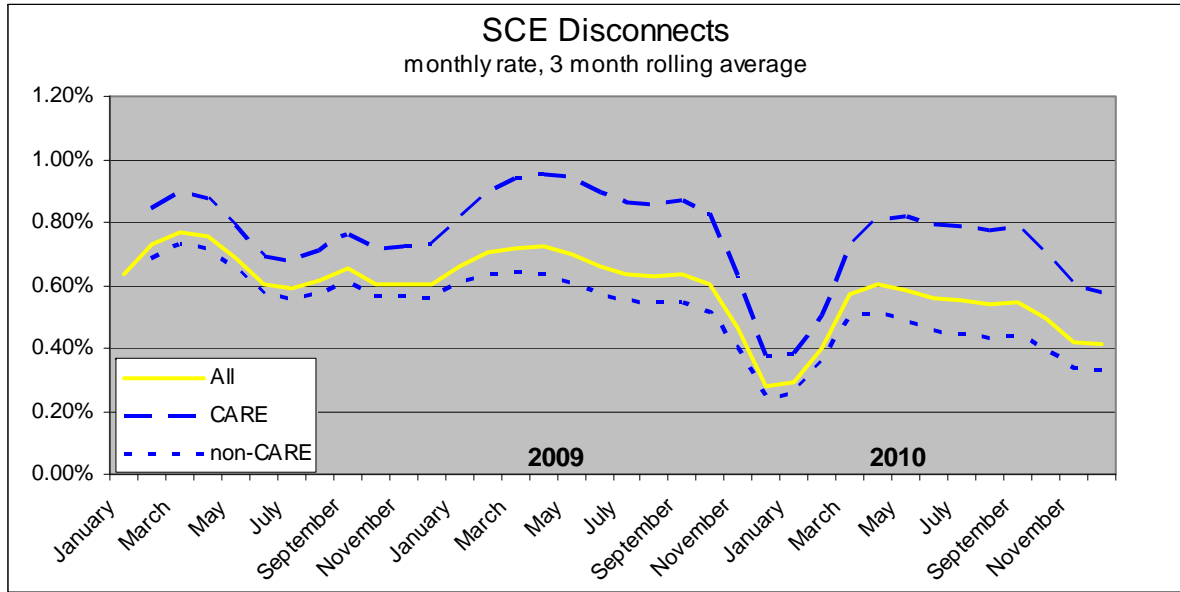
| Month | Customers ⁶⁶ | | Disconnect Notices | | Disconnects | | Reconnects | | Payment Arrangements | | Accounts With Arrears 61-90 Days | | Amount Owed From Bills 60 Days and Older | |
|---------------------|-------------------------|-----------|--------------------|-----------|------------------|---------|------------------|--------|----------------------|-----------|----------------------------------|---------|--|--------------|
| | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 |
| Jan | 1,102,274 | 1,202,227 | | 50,288 | 9,240 | 1,520 | 6,748 | 1,233 | | 119,726 | | 95,059 | | \$11,469,181 |
| Feb | 1,104,863 | 1,216,743 | | 94,833 | 9,247 | 7,875 | 7,028 | 6,207 | | 103,303 | | 83,567 | | \$10,048,566 |
| Mar | 1,101,691 | 1,232,620 | | 200,050 | 11,057 | 9,097 | 8,245 | 7,268 | | 105,003 | | 110,503 | \$5,862,803 | \$12,220,097 |
| Apr | 1,116,348 | 1,253,213 | | 198,487 | 10,936 | 10,168 | 9,419 | 7,830 | 64,925 | 90,188 | | 109,171 | \$5,040,786 | \$12,630,247 |
| May | 1,120,197 | 1,268,839 | | 181,344 | 9,809 | 10,943 | 8,350 | 8,646 | 66,021 | 80,967 | | 98,695 | \$4,930,972 | \$11,606,715 |
| Jun | 1,128,681 | 1,276,317 | | 183,051 | 11,019 | 10,004 | 9,103 | 7,721 | 74,853 | 87,028 | | 98,788 | \$5,672,057 | \$11,054,785 |
| Jul | 1,139,652 | 1,289,444 | | 203,671 | 9,452 | 9,454 | 7,977 | 7,215 | 80,949 | 89,577 | | 92,331 | \$5,824,186 | \$11,014,237 |
| Aug | 1,151,535 | 1,300,327 | 177,027 | 207,345 | 8,966 | 11,038 | 7,269 | 8,316 | 92,850 | 99,875 | 57,929 | 101,170 | \$4,904,950 | \$12,157,180 |
| Sep | 1,157,083 | 1,307,988 | 209,909 | 222,805 | 11,145 | 9,785 | 8,813 | 7,306 | 104,680 | 107,561 | 59,434 | 130,953 | \$5,790,190 | \$16,594,405 |
| Oct | 1,162,900 | 1,320,277 | 224,418 | 233,215 | 10,189 | 9,908 | 8,476 | 7,380 | 106,178 | 97,489 | 76,295 | 121,313 | \$8,562,507 | |
| Nov | 1,176,716 | 1,331,941 | 174,206 | 212,303 | 7,453 | 8,130 | 5,952 | 6,885 | 94,696 | 91,569 | 86,615 | 127,718 | \$10,740,852 | |
| Dec | 1,187,835 | 1,335,597 | 103,803 | 235,264 | 4,417 | 5,631 | 3,621 | 5,045 | 101,875 | 96,829 | 110,833 | 144,849 | \$12,060,944 | |
| ANNUAL TOTAL | 1,137,481 | 1,277,961 | | 2,222,656 | 112,930 | 103,553 | 91,001 | 81,052 | | 1,169,115 | 78,221 | 125,201 | \$5,432,278 | \$12,468,238 |
| | (average all months) | | (sum all months) | | (sum all months) | | (sum all months) | | (sum all months) | | (average of Aug-Dec) | | (average of Mar-Sep) | |

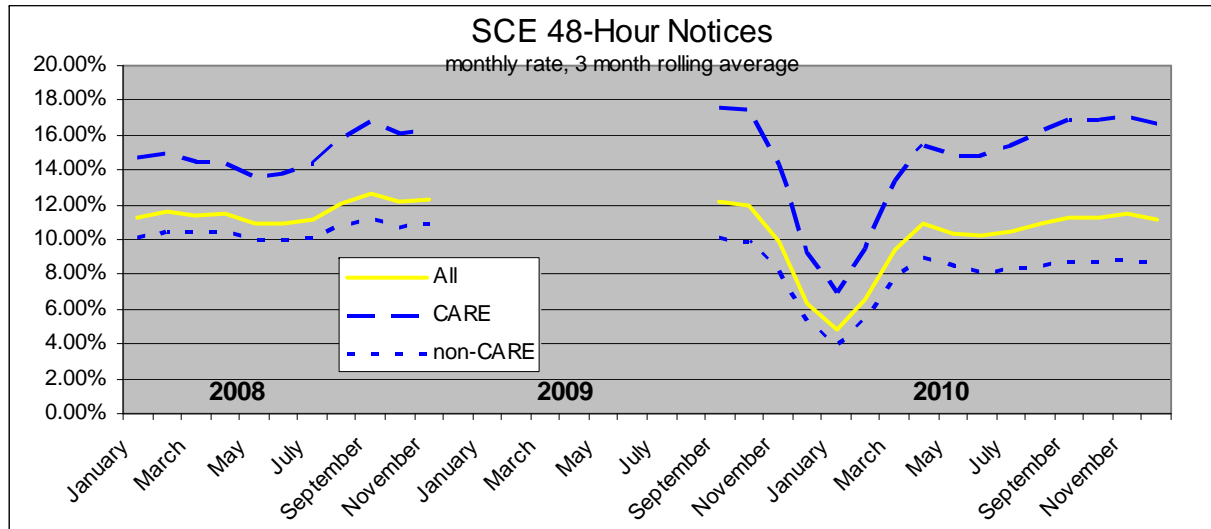
⁶⁶ SCE includes in its CARE customer count reported monthly CARE submetered customers. DRA adjusted the SCE CARE customer count to remove an estimate of submetered customers for a more even comparison between CARE-nonCARE data and among the four utilities.

SCE Residential Except CARE Customer Data

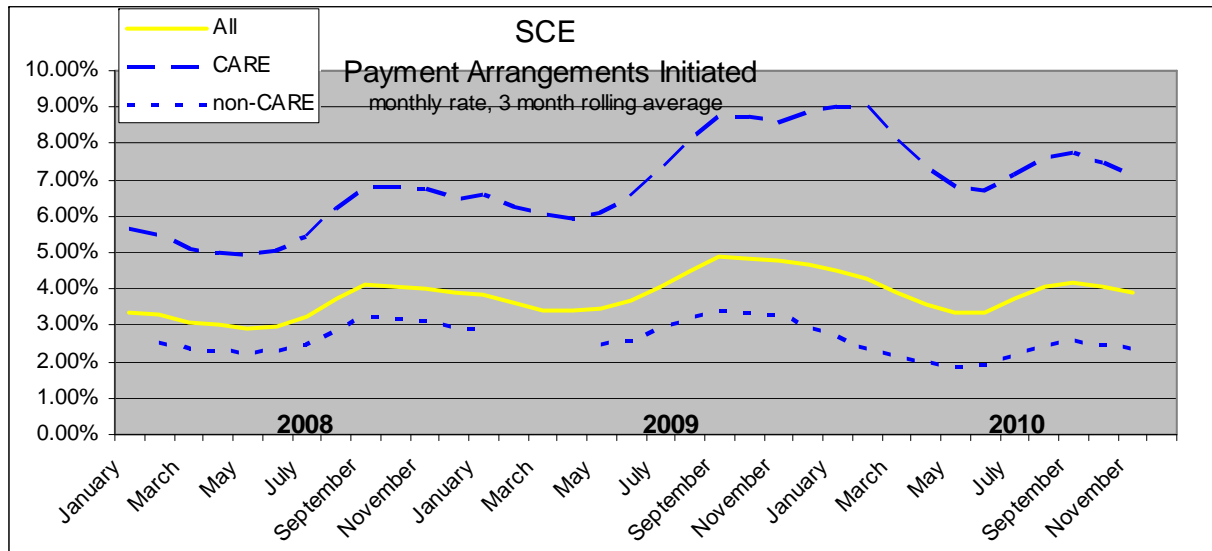
This table counts number of occurrences. One customer account may experience multiple occurrences.

| Month | Customers | | Disconnect Notices | | Disconnects | | Reconnects | | Payment Arrangements | | Accounts With Arrears 61-90 Days | | Amount Owed From Bills 60 Days and Older | |
|---------------------|----------------------|-----------|--------------------|-----------|------------------|---------|------------------|---------|----------------------|---------|----------------------------------|--------|--|--------------|
| | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 |
| Jan | 3,084,076 | 3,001,978 | | 68,356 | 19,777 | 2,120 | 15999 | 1,436 | 92,289 | 77801 | | 41,085 | | \$13,637,489 |
| Feb | 3,082,249 | 2,991,273 | | 138,082 | 18,026 | 13,782 | 15200 | 9,425 | 77,484 | 68168 | | 31,111 | | \$11,633,945 |
| Mar | 3,086,514 | 2,976,430 | | 279,888 | 21,190 | 16,145 | 17536 | 12,026 | | 66367 | | 28,440 | \$9,753,568 | \$13,092,991 |
| Apr | 3,073,290 | 2,958,650 | | 275,537 | 20,060 | 14,961 | 16518 | 11,250 | 74273 | 57485 | | 30,105 | \$7,755,717 | \$12,025,971 |
| May | 3,070,854 | 2,946,035 | | 239,167 | 17,582 | 14,601 | 14541 | 11,113 | 73000 | 51946 | | 26,953 | \$7,880,932 | \$10,011,188 |
| Jun | 3,061,774 | 2,939,084 | | 234,388 | 18,470 | 13,435 | 14753 | 9,874 | 80882 | 56427 | | 28,497 | \$7,845,183 | \$9,813,499 |
| Jul | 3,052,820 | 2,928,407 | | 249,832 | 16,566 | 12,004 | 13486 | 8,800 | 84621 | 61204 | | 26,720 | \$7,908,215 | \$9,090,381 |
| Aug | 3,041,524 | 2,919,330 | 275,434 | 244,111 | 15,580 | 13,616 | 12247 | 10,000 | 100331 | 76538 | 18,682 | 25,173 | \$6,228,718 | \$10,011,726 |
| Sep | 3,038,303 | 2,913,829 | 308,921 | 256,046 | 17,528 | 12,378 | 13,536 | 8,917 | 104989 | 78035 | 15,934 | 26,936 | \$7,676,015 | \$14,296,728 |
| Oct | 3,034,601 | 2,903,403 | 332,708 | 265,274 | 16,747 | 12,321 | 13,672 | 8,902 | 106171 | 72138 | 22,249 | 30,655 | \$10,341,427 | |
| Nov | 3,022,611 | 2,892,352 | 256,827 | 237,790 | 12,629 | 9,885 | 9,983 | 8,099 | 94019 | 66009 | 27,436 | 37,028 | \$13,327,986 | |
| Dec | 3,013,189 | 2,889,287 | 147,899 | 268,544 | 7,220 | 7,076 | 6,029 | 6,019 | 97174 | 69011 | 33,994 | 39,853 | \$14,769,360 | |
| | | | | | | | | | | | | | | |
| ANNUAL TOTAL | 3,055,150 | 2,938,338 | | 2,757,015 | 201,375 | 142,324 | 163,500 | 105,861 | | 801,129 | 23,659 | 31,929 | \$7,864,050 | \$11,191,783 |
| | (average all months) | | (sum all months) | | (sum all months) | | (sum all months) | | (sum all months) | | (average of Aug-Dec) | | (average of Mar-Sep) | |





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⁶⁷ Break in chart due to the utility's inability to provide historical data

SDG&E All Residential Customer Data

This table counts number of occurrences. One customer account may experience multiple occurrences.

| Month | Customers ⁶⁸ | | Disconnect Notices | | Disconnects | | Reconnects | | Payment Arrangements | | Accounts With Arrears 61-90 Days | | Amount Owed From Bills 60 Days and Older | |
|---------------------|-------------------------|-----------|--------------------|---------|------------------|--------|------------------|--------|----------------------|---------|----------------------------------|---------|--|--------------|
| | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 |
| Jan | 1,229,000 | 1,239,341 | 23,820 | 19,977 | 1,832 | 1,342 | 1,321 | 912 | 5,723 | 8,214 | | 115,192 | | \$8,083,247 |
| Feb | 1,229,738 | 1,239,465 | 19,062 | 21,703 | 1,394 | 1,893 | 1,010 | 1,409 | 5,214 | 11,052 | | 107,639 | | \$8,014,710 |
| Mar | 1,230,069 | 1,240,574 | 25,333 | 28,250 | 2,324 | 2,207 | 1,766 | 1,637 | 5,870 | 18,020 | | 114,609 | \$8,629,018 | \$9,613,115 |
| Apr | 1,231,053 | 1,241,636 | 24,572 | 28,531 | 3,042 | 1,891 | 2,367 | 1,392 | 6,025 | 16,692 | | 117,359 | \$8,437,603 | \$10,144,748 |
| May | 1,231,728 | 1,242,359 | 21,892 | 23,799 | 2,547 | 2,117 | 2,027 | 1,601 | 5,618 | 14,734 | | 113,533 | \$8,183,056 | \$10,355,866 |
| Jun | 1,232,501 | 1,242,664 | 22,015 | 23,929 | 2,511 | 1,837 | 1,855 | 1,319 | 4,832 | 15,070 | 119,284 | 122,089 | \$8,256,890 | \$10,742,219 |
| Jul | 1,233,982 | 1,243,809 | 23,840 | 23,332 | 2,270 | 1,568 | 1,649 | 1,148 | 5,219 | 15,584 | 112,808 | 114,940 | \$7,921,897 | \$10,686,290 |
| Aug | 1,235,100 | 1,244,304 | 24,771 | 25,230 | 1,963 | 2,000 | 1,452 | 1,462 | 5,474 | 17,002 | | 106,940 | | \$10,539,060 |
| Sep | 1,235,390 | 1,244,463 | 23,640 | 22,014 | 1,959 | 1,357 | 1,409 | 1,033 | 7,365 | 16,273 | 109,016 | 112,148 | \$7,769,406 | \$9,583,936 |
| Oct | 1,236,917 | 1,246,186 | 22,910 | 19,954 | 1,822 | 1,803 | 1,315 | 1,305 | 7,608 | 15,953 | 115,773 | 105,183 | \$7,398,638 | |
| Nov | 1,237,695 | 1,246,622 | 20,700 | 19,481 | 1,191 | 1,795 | 878 | 1,319 | 7,172 | 16,942 | 118,151 | | \$8,002,295 | |
| Dec | 1,238,148 | 1,247,045 | 24,371 | 19,462 | 874 | 1,318 | 699 | 1,051 | 7,666 | 16,613 | 122,564 | | \$8,433,977 | |
| ANNUAL TOTAL | 1,233,443 | 1,243,206 | 276,926 | 275,662 | 23,729 | 21,128 | 17,748 | 15,588 | 73,786 | 182,149 | 113,703 | 116,392 | \$8,199,645 | \$10,187,696 |
| | (average all months) | | (sum all months) | | (sum all months) | | (sum all months) | | (sum all months) | | (average of Jun, Jul, Sep) | | (average of Mar-Jul, Sep) | |

⁶⁸ SDG&E did not provide customer counts for its nonCARE customers for January and February 2009 so DRA estimated these counts based on SDG&E's previous data submission of active meters.

SDG&E Residential CARE Customer Data

This table counts number of occurrences. One customer account may experience multiple occurrences.

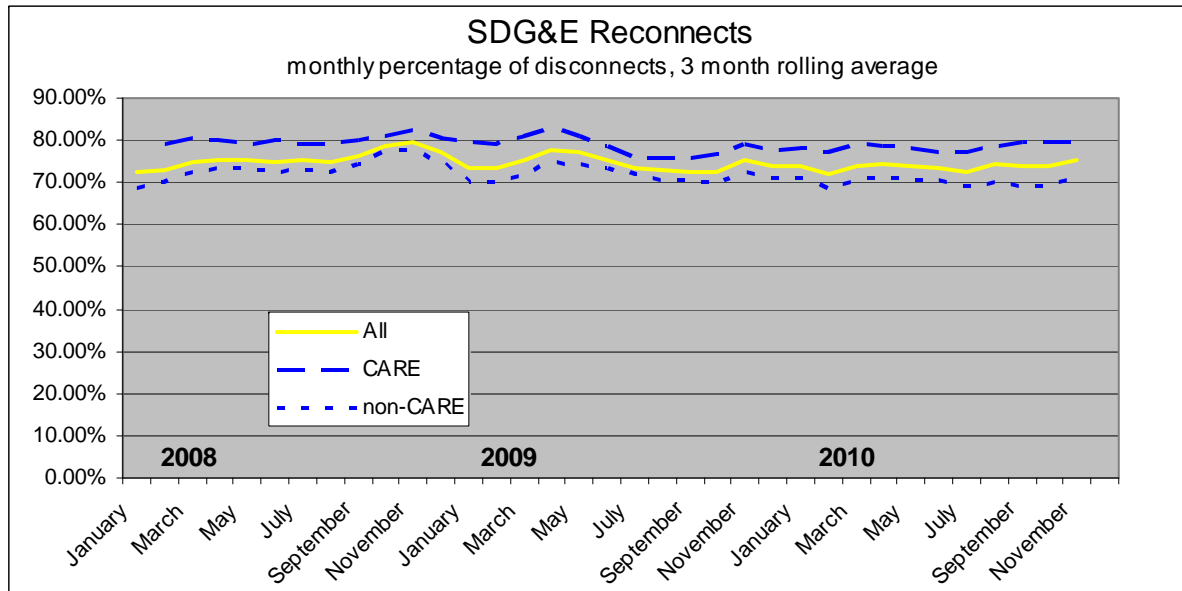
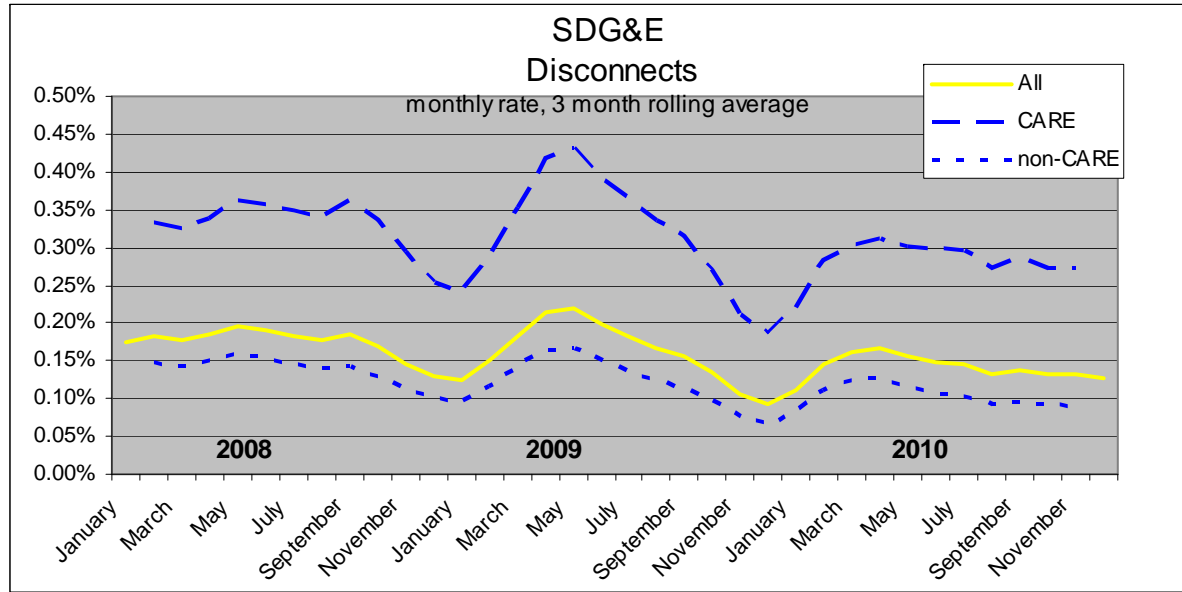
| Month | Customers | | Disconnect Notices | | Disconnects | | Reconnects | | Payment Arrangements | | Accounts With Arrears 61-90 Days | | Amount Owed From Bills 60 Days and Older | |
|---------------------|----------------------|---------|--------------------|---------|------------------|-------|------------------|-------|----------------------|--------|----------------------------------|--------|--|-------------|
| | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 |
| Jan | 232,357 | 260,428 | 7,687 | 7,629 | 673 | 566 | 516 | 405 | 2,701 | 4,164 | | 51,092 | | \$3,390,084 |
| Feb | 234,755 | 261,033 | 5,870 | 7,739 | 520 | 784 | 415 | 620 | 2,368 | 5,636 | | 47,146 | | \$3,335,391 |
| Mar | 236,993 | 261,005 | 8,326 | 10,601 | 861 | 861 | 692 | 694 | 2,822 | 9,273 | | 50,841 | \$3,119,558 | \$4,064,763 |
| Apr | 239,826 | 262,404 | 8,116 | 10,706 | 1,133 | 710 | 941 | 556 | 2,924 | 8,857 | | 52,386 | \$3,128,307 | \$4,266,948 |
| May | 242,878 | 263,947 | 7,339 | 8,677 | 1,010 | 883 | 855 | 683 | 2,805 | 7,889 | | 51,955 | \$3,062,836 | \$4,446,038 |
| Jun | 244,314 | 265,108 | 7,554 | 9,124 | 994 | 802 | 751 | 634 | 2,382 | 8,186 | 169,954 | 56,281 | \$3,107,868 | \$4,669,003 |
| Jul | 245,831 | 272,209 | 8,343 | 9,410 | 870 | 712 | 659 | 539 | 2,688 | 8,766 | 172,861 | 53,624 | \$3,035,541 | \$4,709,547 |
| Aug | 247,928 | 273,854 | 9,114 | 10,222 | 825 | 895 | 626 | 689 | 2,685 | 9,506 | | 50,028 | | \$4,766,063 |
| Sep | 250,909 | 276,823 | 8,543 | 9,082 | 810 | 634 | 615 | 529 | 3,642 | 9,415 | 146,553 | 52,140 | \$3,131,984 | \$4,300,230 |
| Oct | 255,313 | 280,121 | 8,174 | 8,269 | 746 | 833 | 568 | 649 | 3,717 | 9,109 | 149,490 | | \$2,977,624 | |
| Nov | 257,205 | 283,103 | 7,514 | 8,085 | 508 | 818 | 395 | 630 | 3,642 | 9,598 | 157,093 | | \$3,240,506 | |
| Dec | 261,023 | 283,428 | 9,350 | 8,418 | 370 | 644 | 310 | 538 | 3,961 | 9,456 | 166,681 | | \$3,520,685 | |
| | | | | | | | | | | | | | | |
| ANNUAL TOTAL | 245,778 | 270,289 | 95,930 | 107,962 | 9,320 | 9,142 | 7,343 | 7,166 | 36,337 | 99,855 | 163,123 | 54,015 | \$3,097,682 | \$4,409,421 |
| | (average all months) | | (sum all months) | | (sum all months) | | (sum all months) | | (sum all months) | | (average of Jun, Jul, Sep) | | (average of Mar-Jul, Sep) | |

SDG&E Residential Except CARE Customer Data

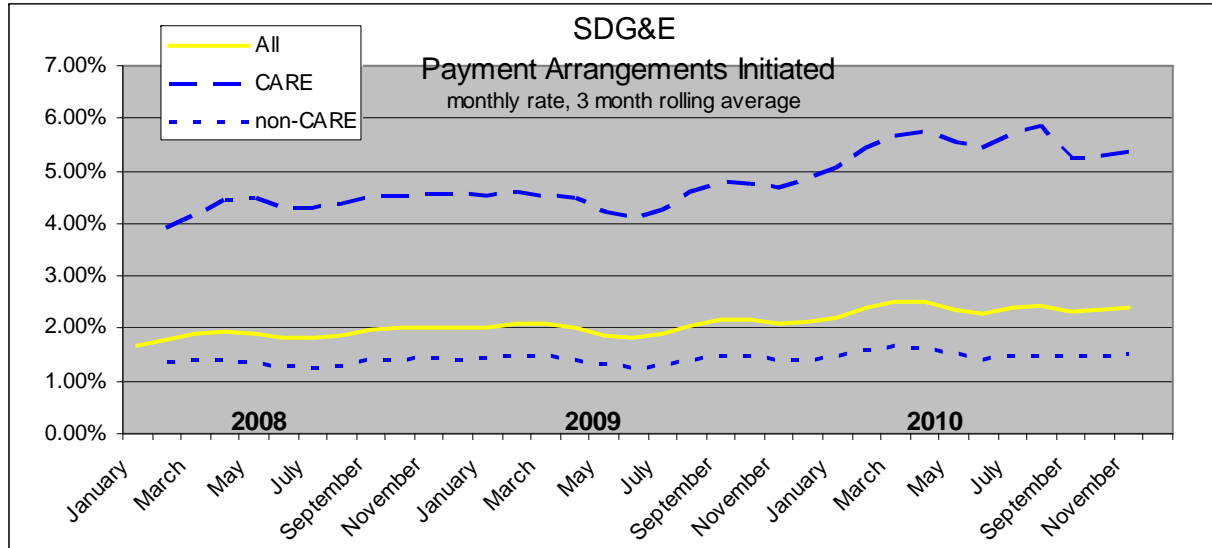
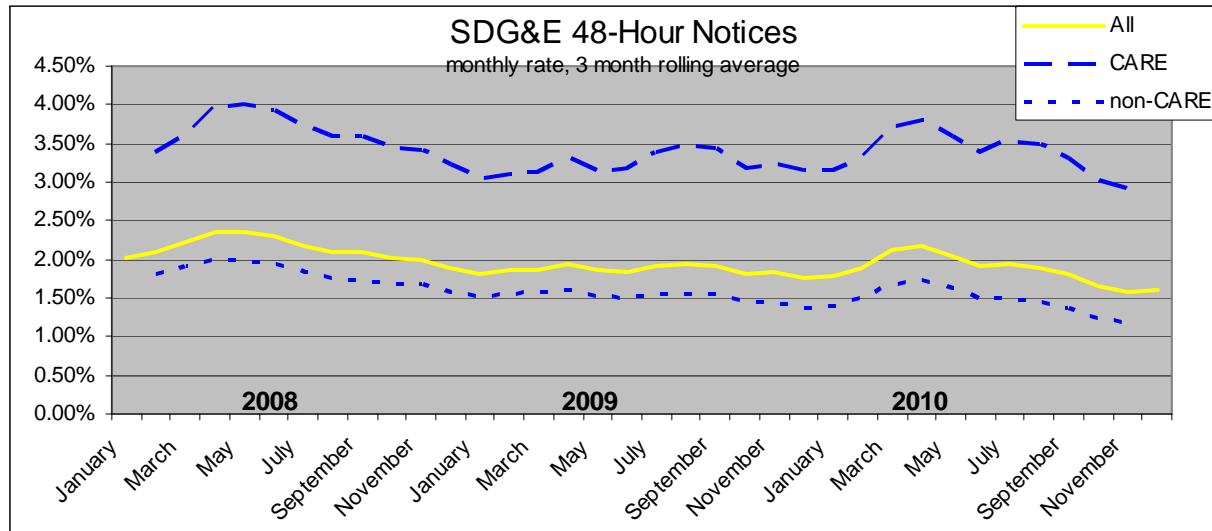
This table counts number of occurrences. One customer account may experience multiple occurrences.

| Month | Customers ⁶⁹ | | Disconnect Notices | | Disconnects | | Reconnects | | Payment Arrangements | | Accounts With Arrears 61-90 Days | | Amount Owed From Bills 60 Days and Older | |
|---------------------|-------------------------|---------|--------------------|---------|------------------|--------|------------------|-------|----------------------|--------|----------------------------------|--------|--|-------------|
| | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 |
| Jan | 996,643 | 978,913 | 16,133 | 12,348 | 1,159 | 776 | 805 | 507 | 3,022 | 4,050 | | 64,100 | | \$4,693,163 |
| Feb | 994,983 | 978,432 | 13,192 | 13,964 | 874 | 1,109 | 595 | 789 | 2,846 | 5,416 | | 60,493 | | \$4,679,319 |
| Mar | 993,076 | 979,569 | 17,007 | 17,649 | 1,463 | 1,346 | 1,074 | 943 | 3,048 | 8,747 | | 63,768 | \$5,509,460 | \$5,548,352 |
| Apr | 991,227 | 979,232 | 16,456 | 17,825 | 1,909 | 1,181 | 1,426 | 836 | 3,101 | 7,835 | | 64,973 | \$5,309,296 | \$5,877,801 |
| May | 988,850 | 978,412 | 14,553 | 15,122 | 1,537 | 1,234 | 1,172 | 918 | 2,813 | 6,845 | | 61,578 | \$5,120,220 | \$5,909,828 |
| Jun | 988,187 | 977,556 | 14,461 | 14,805 | 1,517 | 1,035 | 1,104 | 685 | 2,450 | 6,884 | 69,525 | 65,808 | \$5,149,023 | \$6,073,217 |
| Jul | 988,151 | 971,600 | 15,497 | 13,922 | 1,400 | 856 | 990 | 609 | 2,531 | 6,818 | 65,607 | 61,316 | \$4,886,356 | \$5,976,743 |
| Aug | 987,172 | 970,450 | 15,657 | 15,008 | 1,138 | 1,105 | 826 | 773 | 2,789 | 7,496 | | 56,912 | | \$5,772,997 |
| Sep | 984,481 | 967,640 | 15,097 | 12,932 | 1,149 | 723 | 794 | 504 | 3,723 | 6,858 | 63,171 | 60,008 | \$4,637,422 | \$5,283,706 |
| Oct | 981,604 | 966,065 | 14,736 | 11,685 | 1,076 | 970 | 747 | 656 | 3,891 | 6,844 | 66,906 | 55,998 | \$4,421,014 | |
| Nov | 980,490 | 963,519 | 13,186 | 11,396 | 683 | 977 | 483 | 689 | 3,530 | 7,344 | 68,385 | | \$4,761,789 | |
| Dec | 977,125 | 963,617 | 15,021 | 11,044 | 504 | 674 | 389 | 513 | 3,705 | 7,157 | 69,454 | | \$4,913,292 | |
| | | | | | | | | | | | | | | |
| ANNUAL TOTAL | 987,666 | 972,917 | 180,996 | 167,700 | 14,409 | 11,986 | 10,405 | 8,422 | 37,449 | 82,294 | 66,101 | 62,377 | \$5,101,963 | \$5,778,274 |
| | (average all months) | | (sum all months) | | (sum all months) | | (sum all months) | | (sum all months) | | (average of Jun, Jul, Sep) | | (average of Mar-Jul, Sep) | |

⁶⁹ SDG&E did not provide customer counts for its nonCARE customers for January and February 2009 so DRA estimated these counts based on SDG&E's previous data submission of active meters.



Appendices - Status of Energy Utility Service Disconnections in California



SoCalGas All Residential Customer Data

This table counts number of occurrences. One customer account may experience multiple occurrences.

| Month | Customers | | Disconnect Notices | | Disconnects | | Reconnects | | Payment Arrangements | | Accounts With Arrears 61-90 Days | | Amount Owed From Bills 60 Days and Older | |
|---------------------|----------------------|-----------|--------------------|-----------|------------------|---------|------------------|---------|----------------------|-----------|----------------------------------|---------|--|--------------|
| | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 |
| Jan | 5,264,867 | 5,291,641 | 58,018 | 93,854 | 12,217 | 10,686 | 8,230 | 6,462 | 109,529 | 111,867 | | 458,381 | | \$14,667,727 |
| Feb | 5,268,729 | 5,297,836 | 125,555 | 105,858 | 11,565 | 11,745 | 8,976 | 8,456 | 114,630 | 115,635 | | 406,244 | | \$18,116,193 |
| Mar | 5,272,227 | 5,302,707 | 107,004 | 140,804 | 14,726 | 14,931 | 10,658 | 10,618 | 131,957 | 143,152 | | 500,341 | | \$29,234,256 |
| Apr | 5,274,035 | 5,306,324 | 118,772 | 136,120 | 14,557 | 14,346 | 10,408 | 10,559 | 120,250 | 129,503 | | 533,794 | | \$33,126,392 |
| May | 5,272,936 | 5,308,749 | 107,878 | 113,858 | 14,012 | 13,748 | 9,704 | 10,204 | 104,457 | 107,261 | | 564,745 | | \$31,286,777 |
| Jun | 5,270,004 | 5,308,796 | 99,380 | 135,822 | 15,121 | 12,839 | 10,274 | 8,928 | 95,030 | 111,092 | | 570,747 | | \$28,017,837 |
| Jul | 5,265,457 | 5,307,405 | 99,020 | 140,366 | 13,687 | 11,898 | 8,390 | 8,228 | 91,821 | 108,559 | | 555,396 | | \$24,376,883 |
| Aug | 5,264,838 | 5,309,138 | 88,800 | 136,935 | 12,934 | 12,761 | 8,855 | 8,702 | 85,913 | 102,007 | | 536,248 | | \$19,727,424 |
| Sep | 5,265,525 | 5,312,337 | 80,033 | 121,066 | 11,914 | 11,596 | 8,308 | 8,620 | 76,592 | 92,255 | | 552,254 | | \$16,930,583 |
| Oct | 5,269,281 | 5,316,811 | 77,440 | 117,900 | 11,942 | 11,003 | 9,120 | 9,066 | 77,874 | 92,356 | 542,381 | | \$9,160,720 | |
| Nov | 5,275,335 | 5,321,585 | 68,605 | 101,985 | 8,688 | 8,475 | 7,503 | 7,002 | 75,091 | 81,784 | 541,708 | | \$8,965,921 | |
| Dec | 5,282,847 | 5,327,408 | 80,842 | 123,865 | 6,814 | 5,410 | 6,360 | 5,732 | 88,537 | 104,673 | 588,477 | | \$13,726,958 | |
| ANNUAL TOTAL | 5,270,507 | 5,309,228 | 1,111,347 | 1,468,433 | 148,177 | 139,438 | 106,786 | 102,577 | 1,171,681 | 1,300,144 | | | | |
| | (average all months) | | (sum all months) | | (sum all months) | | (sum all months) | | (sum all months) | | no comparable months yet | | no comparable months yet | |

SoCalGas Residential CARE Customer Data

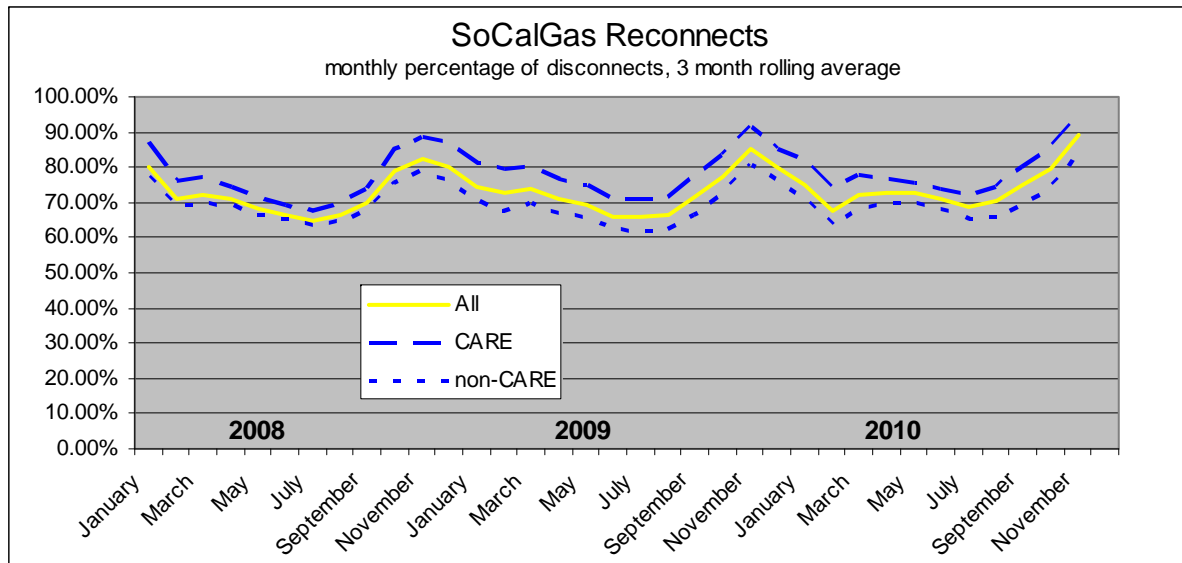
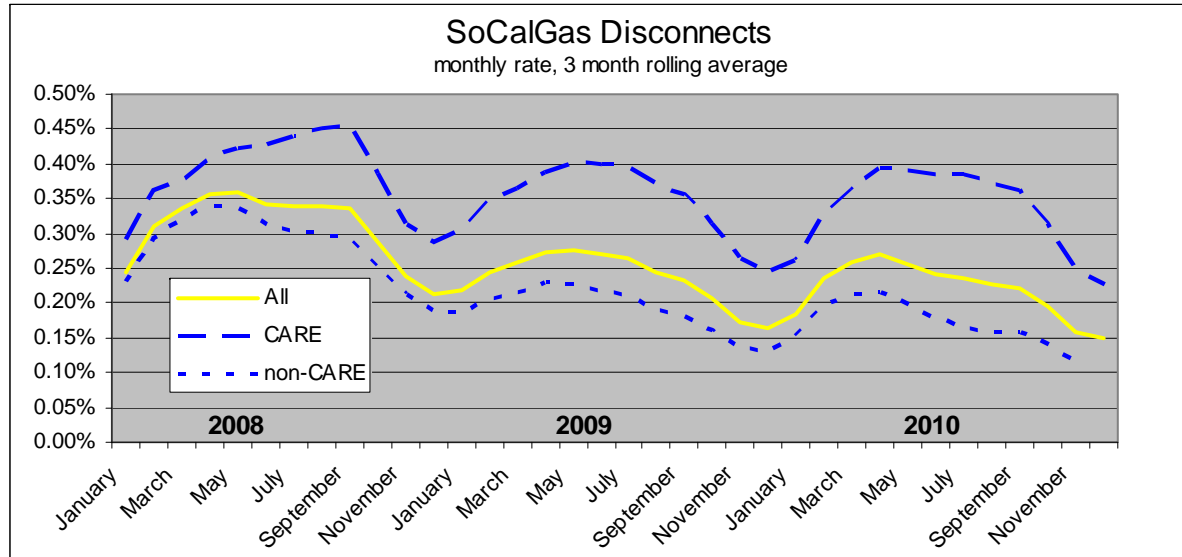
This table counts number of occurrences. One customer account may experience multiple occurrences.

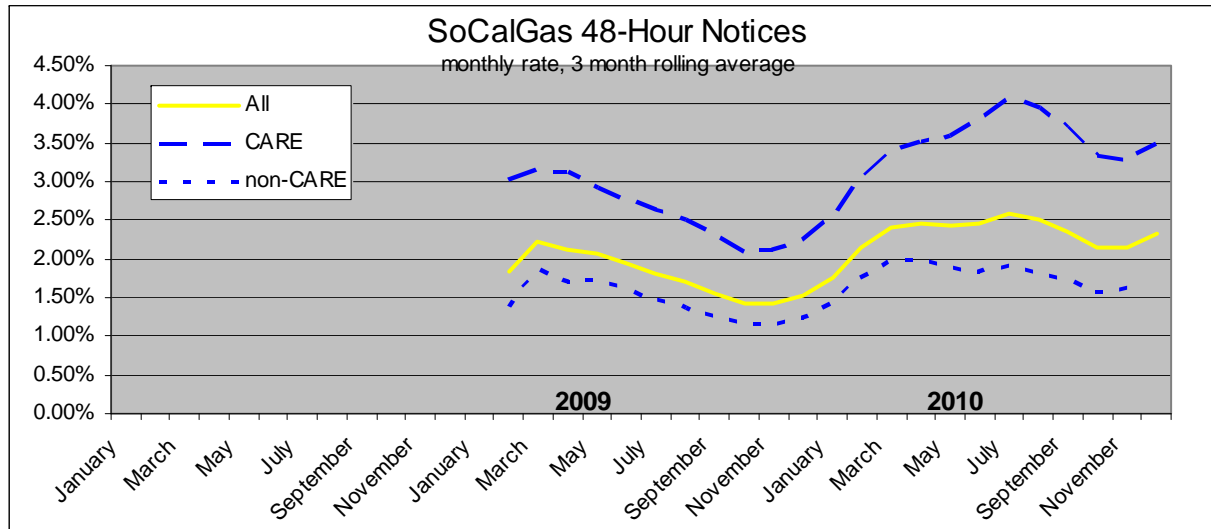
| Month | Customers | | Disconnect Notices | | Disconnects | | Reconnects | | Payment Arrangements | | Accounts With Arrears 61-90 Days | | Amount Owed From Bills 60 Days and Older | |
|---------------------|----------------------|-----------|--------------------|---------|------------------|--------|------------------|--------|----------------------|---------|----------------------------------|---------|--|--------------|
| | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 |
| Jan | 1,441,382 | 1,571,380 | 40,433 | 40,658 | 4,932 | 4,546 | 3,658 | 2,972 | 50,917 | 54,566 | | 212,652 | | \$7,353,022 |
| Feb | 1,450,810 | 1,573,709 | 42,578 | 44,631 | 4,614 | 4,750 | 3,907 | 3,841 | 50,682 | 53,950 | | 186,981 | | \$8,217,845 |
| Mar | 1,458,525 | 1,584,793 | 49,209 | 59,158 | 5,636 | 6,233 | 4,494 | 4,684 | 56,871 | 64,700 | | 234,890 | | \$13,062,433 |
| Apr | 1,481,315 | 1,614,136 | 47,000 | 58,370 | 5,831 | 6,334 | 4,460 | 4,886 | 54,734 | 61,539 | | 256,165 | | \$15,369,725 |
| May | 1,493,227 | 1,633,528 | 42,911 | 52,348 | 5,717 | 6,438 | 4,250 | 4,980 | 48,829 | 53,196 | | 272,758 | | \$15,161,907 |
| Jun | 1,494,052 | 1,656,356 | 40,086 | 66,100 | 6,375 | 6,433 | 4,697 | 4,599 | 44,828 | 58,143 | | 275,041 | | \$13,937,416 |
| Jul | 1,510,316 | 1,676,643 | 41,735 | 70,369 | 5,881 | 6,201 | 3,848 | 4,534 | 45,232 | 58,711 | | 268,614 | | \$12,658,915 |
| Aug | 1,520,244 | 1,689,241 | 37,999 | 68,359 | 5,720 | 6,671 | 4,210 | 4,785 | 43,064 | 55,183 | | 264,021 | | \$11,003,708 |
| Sep | 1,531,174 | 1,685,144 | 34,087 | 61,675 | 5,323 | 6,063 | 4,034 | 4,807 | 38,655 | 50,499 | | 271,561 | | \$9,955,573 |
| Oct | 1,534,382 | 1,697,404 | 33,242 | 58,034 | 5,325 | 5,604 | 4,421 | 4,992 | 37,757 | 49,983 | 240,309 | 273,924 | \$5,892,268 | |
| Nov | 1,542,309 | 1,707,036 | 29,550 | 49,889 | 3,843 | 4,263 | 3,519 | 3,734 | 36,704 | 44,165 | 243,313 | | \$5,884,919 | |
| Dec | 1,560,543 | 1,714,044 | 34,990 | 60,417 | 3,015 | 2,705 | 2,992 | 2,936 | 43,268 | 56,230 | 269,757 | | \$7,473,433 | |
| | | | | | | | | | | | | | | |
| ANNUAL TOTAL | 1,501,523 | 1,650,285 | 473,820 | 690,008 | 62,212 | 66,241 | 48,490 | 51,750 | 551,541 | 660,865 | | | | |
| | (average all months) | | (sum all months) | | (sum all months) | | (sum all months) | | (sum all months) | | no comparable months yet | | no comparable months yet | |

SoCalGas Residential Except CARE Customer Data

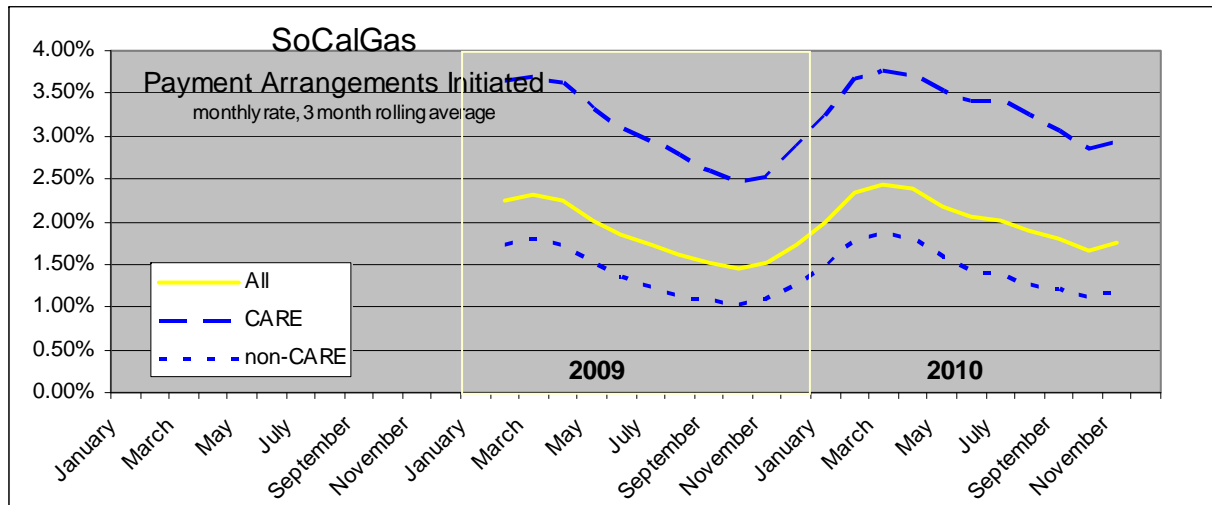
This table counts number of occurrences. One customer account may experience multiple occurrences.

| Month | Customers | | Disconnect Notices | | Disconnects | | Reconnects | | Payment Arrangements | | Accounts With Arrears 61-90 Days | | Amount Owed From Bills 60 Days and Older | |
|---------------------|----------------------|-----------|--------------------|---------|------------------|--------|------------------|--------|----------------------|---------|----------------------------------|---------|--|--------------|
| | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 |
| Jan | 3,823,485 | 3,720,261 | 53,196 | 17,585 | 7,285 | 6,140 | 4,572 | 3,490 | 58,612 | 57,301 | | 245,729 | | \$7,314,705 |
| Feb | 3,817,919 | 3,724,127 | 61,227 | 82,977 | 6,951 | 6,995 | 5,069 | 4,615 | 63,948 | 61,685 | | 219,263 | | \$9,898,348 |
| Mar | 3,813,702 | 3,717,914 | 81,646 | 57,795 | 9,090 | 8,698 | 6,164 | 5,934 | 75,086 | 78,452 | | 265,451 | | \$16,171,822 |
| Apr | 3,792,720 | 3,692,188 | 77,750 | 71,772 | 8,726 | 8,012 | 5,948 | 5,673 | 65,516 | 67,964 | | 277,629 | | \$17,756,667 |
| May | 3,779,709 | 3,675,221 | 61,510 | 64,967 | 8,295 | 7,310 | 5,454 | 5,224 | 55,628 | 54,065 | | 291,987 | | \$16,124,871 |
| Jun | 3,775,952 | 3,652,440 | 69,722 | 59,294 | 8,746 | 6,406 | 5,577 | 4,329 | 50,202 | 52,949 | | 295,706 | | \$14,080,421 |
| Jul | 3,755,141 | 3,630,762 | 69,997 | 57,285 | 7,806 | 5,697 | 4,542 | 3,694 | 46,589 | 49,848 | | 286,782 | | \$11,717,968 |
| Aug | 3,744,594 | 3,619,897 | 68,576 | 50,801 | 7,214 | 6,090 | 4,645 | 3,917 | 42,849 | 46,824 | | 272,227 | | \$8,723,716 |
| Sep | 3,734,351 | 3,627,193 | 59,391 | 45,946 | 6,591 | 5,533 | 4,274 | 3813 | 37,937 | 41,756 | | 280,693 | | \$6,975,009 |
| Oct | 3,734,899 | 3,619,407 | 59,866 | 44,198 | 6,617 | 5,399 | 4,699 | 4074 | 40,117 | 42,373 | 302,072 | | \$3,268,452 | |
| Nov | 3,733,026 | 3,614,549 | 52,096 | 39,055 | 4,845 | 4,212 | 3,984 | 3268 | 38,387 | 37,619 | 298,395 | | \$3,081,002 | |
| Dec | 3,722,304 | 3,613,364 | 63,448 | 45,852 | 3,799 | 2,705 | 3,368 | 2796 | 45,269 | 48,443 | 318,720 | | \$6,253,526 | |
| | | | | | | | | | | | | | | |
| ANNUAL TOTAL | 3,768,984 | 3,658,944 | 778,425 | 637,527 | 85,965 | 73,197 | 58,296 | 50,827 | 620,140 | 639,279 | | | | |
| | (average all months) | | (sum all months) | | (sum all months) | | (sum all months) | | (sum all months) | | no comparable months yet | | no comparable months yet | |





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⁷⁰ Break in chart due to the utility's inability to provide historical data

APPENDIX D: COMPARATIVE DISCONNECTION DATA 2007-2010, BY UTILITY AND FOUR UTILITIES COMBINED

PG&E, SCE, SDG&E and SoCalGas All Residential Customer Data

This table counts number of occurrences. One customer account may experience multiple occurrences.

| Month | Customers | | Disconnect Notices | | Disconnects | | Reconnects | | Payment Arrangements | | Accounts With Arrears 61-90 Days | | Amount Owed From Bills 60 Days and Older | |
|---------------------|----------------------|------------|--------------------|-----------|------------------|---------|------------------|---------|----------------------|-----------|----------------------------------|-----------|--|---------------|
| | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 |
| Jan | 15,991,741 | 15,995,349 | | 486,683 | 55,126 | 27,036 | 39,979 | 18,552 | 347,887 | 422,588 | | 955,162 | | \$109,496,868 |
| Feb | 15,990,045 | 16,011,980 | | 660,417 | 55,429 | 49,489 | 41,869 | 36,388 | 326,015 | 410,035 | | 913,041 | | \$117,104,309 |
| Mar | 15,996,395 | 16,026,768 | | 1,002,035 | 75,649 | 60,097 | 54,286 | 45,769 | | 457,860 | | 1,064,912 | | \$140,224,460 |
| Apr | 16,005,606 | 16,032,905 | | 957,952 | 77,958 | 59,142 | 58,463 | 45,660 | 344,358 | 407,741 | | 1,082,796 | | \$146,047,042 |
| May | 16,010,288 | 16,037,583 | | 825,513 | 77,108 | 58,610 | 58,216 | 45,639 | 321,353 | 352,150 | | 1,107,153 | | \$145,501,030 |
| Jun | 16,019,302 | 16,043,646 | | 893,347 | 75,452 | 59,294 | 55,339 | 44,610 | 333,318 | 371,963 | | 1,123,967 | | \$142,402,082 |
| Jul | 15,944,002 | 16,042,921 | | 755,289 | 77,616 | 45,442 | 55,798 | 32,885 | 344,699 | 352,037 | | 1,079,519 | | \$135,345,968 |
| Aug | 15,938,187 | 16,058,657 | 804,200 | 727,185 | 68,774 | 51,666 | 49,994 | 36,576 | 374,200 | 374,205 | | 1,083,783 | | \$137,487,437 |
| Sep | 15,945,841 | 16,059,158 | 898,146 | 772,782 | 75,789 | 47,658 | 55,229 | 34,923 | 388,118 | 386,630 | | 1,127,940 | | \$146,608,430 |
| Oct | 15,961,109 | 16,068,743 | 928,819 | 827,525 | 55,685 | 51,331 | 45,867 | 39,382 | 389,622 | 373,953 | 892,991 | | \$86,413,999 | |
| Nov | 15,969,869 | 16,075,221 | 711,275 | 768,238 | 39,796 | 42,847 | 32,248 | 35,251 | 347,105 | 350,674 | 930,171 | | \$92,071,038 | |
| Dec | 15,980,079 | 16,086,557 | 607,422 | 864,401 | 24,045 | 32,902 | 20,810 | 29,025 | 386,300 | 391,443 | 1,020,652 | | \$100,713,594 | |
| ANNUAL TOTAL | 15,979,372 | 16,044,957 | 3,949,862 | 9,541,367 | 758,427 | 585,514 | 568,098 | 444,660 | 3,902,975 | 4,651,279 | | | | |
| | (average all months) | | (sum all months) | | (sum all months) | | (sum all months) | | (sum all months) | | no comparable months yet | | no comparable months yet | |

Appendices - Status of Energy Utility Service Disconnections in California

PG&E, SCE, SDG&E and SoCalGas Residential CARE Customer Data

This table counts number of occurrences. One customer account may experience multiple occurrences.

| Month | Customers | | Disconnect Notices | | Disconnects | | Reconnects | | Payment Arrangements | | Accounts With Arrears 61-90 Days | | Amount Owed From Bills 60 Days and Older | |
|---------------------|----------------------|-----------|--------------------|-----------|------------------|---------|------------------|---------|----------------------|-----------|----------------------------------|---------|--|--------------|
| | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 |
| Jan | 3,913,929 | 4,401,709 | | 212,917 | 19,200 | 11,633 | 13,913 | 8,435 | | 234,379 | | 447,695 | | \$43,106,276 |
| Feb | 3,935,786 | 4,451,242 | | 282,128 | 19,487 | 19,582 | 14,979 | 15,563 | | 221,642 | | 424,434 | | \$45,494,846 |
| Mar | 3,957,163 | 4,509,307 | | 425,498 | 26,085 | 23,688 | 18,947 | 18,799 | | 247,166 | | 505,425 | | \$55,626,115 |
| Apr | 4,013,746 | 4,571,679 | | 409,277 | 28,220 | 24,864 | 22,261 | 19,652 | | 223,866 | | 522,960 | | \$59,613,585 |
| May | 4,048,021 | 4,615,269 | | 361,629 | 28,268 | 25,628 | 22,398 | 20,450 | | 196,302 | | 537,510 | | \$60,215,296 |
| Jun | 4,074,769 | 4,660,978 | | 400,662 | 28,862 | 26,455 | 22,064 | 20,368 | | 210,985 | | 545,688 | | \$59,209,332 |
| Jul | 4,119,246 | 4,699,027 | | 341,050 | 29,028 | 20,519 | 21,766 | 15,233 | | 197,633 | | 530,147 | | \$57,394,452 |
| Aug | 4,165,347 | 4,737,294 | | 331,317 | 26,747 | 23,496 | 20,196 | 17,017 | | 204,874 | | 540,294 | | \$60,223,358 |
| Sep | 4,212,003 | 4,749,529 | 364,788 | 357,904 | 29,793 | 21,738 | 22,843 | 16,394 | 193,086 | 218,028 | | 566,237 | | \$65,447,635 |
| Oct | 4,249,740 | 4,788,206 | 378,605 | 385,395 | 22,347 | 23,596 | 18,819 | 18,642 | 192,580 | 210,272 | 457,237 | | | \$36,966,598 |
| Nov | 4,296,312 | 4,812,657 | 289,166 | 360,580 | 16,005 | 20,233 | 13,195 | 16,989 | 173,623 | 199,711 | 483,876 | | | \$41,443,897 |
| Dec | 4,360,816 | 4,833,011 | 261,467 | 401,918 | 9,943 | 15,261 | 8,734 | 13,765 | 197,592 | 222,420 | 534,374 | | | \$44,559,214 |
| | | | | | | | | | | | | | | |
| ANNUAL TOTAL | 4,112,240 | 4,652,492 | 1,294,026 | 4,270,275 | 283,985 | 256,693 | 220,115 | 201,307 | 756,881 | 2,587,278 | | | | |
| | (average all months) | | (sum all months) | | (sum all months) | | (sum all months) | | (sum all months) | | no comparable months yet | | no comparable months yet | |

Appendices - Status of Energy Utility Service Disconnections in California

PG&E, SCE, SDG&E and SoCalGas Residential Except CARE Customer Data

This table counts number of occurrences. One customer account may experience multiple occurrences.

| Month | Customers | | Disconnect Notices | | Disconnects | | Reconnects | | Payment Arrangements | | Accounts With Arrears 61-90 Days | | Amount Owed From Bills 60 Days and Older | |
|---------------------|----------------------|------------|--------------------|---------|------------------|--------|------------------|--------|----------------------|---------|----------------------------------|---------|--|--------------------------|
| | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 |
| Jan | 12,077,812 | 11,593,640 | | 273,766 | 35,926 | 15,403 | 26,066 | 10,117 | | 188,209 | | 507,467 | | \$66,390,592 |
| Feb | 12,054,259 | 11,560,738 | | 378,289 | 35,942 | 29,907 | 26,890 | 20,825 | | 188,393 | | 488,607 | | \$71,609,462 |
| Mar | 12,039,232 | 11,517,461 | | 576,537 | 49,564 | 36,409 | 35,339 | 26,970 | | 210,694 | | 559,487 | | \$84,598,345 |
| Apr | 11,991,860 | 11,461,226 | | 548,675 | 49,738 | 34,278 | 36,202 | 26,008 | | 183,875 | | 559,836 | | \$86,433,457 |
| May | 11,962,267 | 11,422,314 | | 463,884 | 48,840 | 32,982 | 35,818 | 25,189 | | 155,848 | | 569,643 | | \$85,285,734 |
| Jun | 11,944,533 | 11,382,668 | | 492,685 | 46,590 | 32,839 | 33,275 | 24,242 | | 160,978 | | 578,279 | | \$83,192,751 |
| Jul | 11,824,756 | 11,343,894 | | 414,239 | 48,588 | 24,923 | 34,032 | 17,652 | | 154,404 | | 549,372 | | \$77,951,516 |
| Aug | 11,772,840 | 11,321,363 | | 395,868 | 42,027 | 28,170 | 29,798 | 19,559 | | 169,331 | | 543,489 | | \$77,264,079 |
| Sep | 11,733,838 | 11,309,629 | 533,358 | 414,878 | 45,996 | 25,920 | 32,386 | 18,529 | 195,032 | 168,602 | | 561,703 | | \$81,161,079 |
| Oct | 11,711,369 | 11,280,537 | 550,214 | 442,130 | 33,338 | 27,735 | 27,048 | 20,740 | 197,042 | 163,681 | 435,754 | | \$60,265,173 | |
| Nov | 11,673,557 | 11,262,564 | 422,109 | 407,658 | 23,791 | 22,614 | 19,053 | 18,262 | 173,482 | 150,963 | 446,295 | | \$63,708,256 | |
| Dec | 11,619,263 | 11,253,546 | 345,955 | 462,483 | 14,102 | 17,641 | 12,076 | 15,260 | 188,708 | 169,023 | 486,278 | | \$68,903,541 | |
| | | | | | | | | | | | | | | |
| ANNUAL TOTAL | | | | | | | | | | | | | | |
| | (average all months) | | (sum all months) | | (sum all months) | | (sum all months) | | (sum all months) | | (sum all months) | | no comparable months yet | no comparable months yet |

Appendices - Status of Energy Utility Service Disconnections in California

The tables below compare rates of disconnection events using two sets of data. The first set of data, the basis for the tables below labeled “All Occurrences, As % of Accounts” counts each occurrence during the year (one customer account may experience multiple occurrences) and presents the rate as a percentage of accounts. It is conventional in other state and national disconnection analyses to present the rate this way, despite the fact that the multiple occurrences make the rate appear to affect a greater percentage of the customer base than are actually affected.

The second set of data, the basis for the tables below labeled “Accounts With One or More Occurrence, as % of Accounts,” counts only the customer accounts affected one or more times during the year, and thus reflects the percentage of the customer base actually affected, with the following caveat:

*Note regarding data tables “Accounts With One Or More Occurrence” broken down by CARE and All Residential Except CARE: In order to present this data separated by CARE status, we must assume the customer’s CARE status remains the same for the entire calendar year and the following month in which the CARE status data is run. Because the account status data is captured at a different time than the disconnection occurrence data, this is not actually the case. The data for the All Residential table does not have this problem. Because net CARE churn is an overall small percentage of total customers enrolled in CARE, DRA believes the tables separated by CARE and All Residential Except CARE still provide much-needed insight into how much of the customer base is affected by the events.

| 48-HOUR NOTICES OF DISCONNECTION (All Occurrences, As % of Accounts) | | | | | | | | | | | | | | | |
|--|-----------------|------|------|-------|----------|--------|------|------|-------|----------|-----------------------------|------|------|-------|----------|
| | All Residential | | | | | CARE | | | | | All Residential Except CARE | | | | |
| | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas |
| 2007 | | 63% | 138% | 23% | | | 106% | 179% | | | | 51% | 125% | | |
| 2008 | | 50% | 141% | 26% | | | 81% | 182% | 43% | | | 42% | 126% | 22% | |
| 2009 | | 51% | | 22% | 21% | | 79% | | 39% | 32% | | 42% | | 18% | 17% |
| 2010 | 59% | 54% | 112% | 23% | 26% | 92% | 86% | 173% | 40% | 42% | 46% | 41% | 94% | 17% | 21% |

| 48-HOUR NOTICES OF DISCONNECTION (Accounts With One or More Occurrence, As % of Accounts)* | | | | | | | | | | | | | | | |
|--|-----------------|------|-----|-------|----------|--------|------|-----|-------|----------|-----------------------------|------|-----|-------|----------|
| | All Residential | | | | | CARE | | | | | All Residential Except CARE | | | | |
| | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas |
| 2007 | | 22% | 36% | 8% | | | 34% | | | | | 19% | | | |
| 2008 | | 19% | 36% | 9% | | | 26% | | 14% | | | 17% | | 7% | |
| 2009 | | 19% | 35% | 8% | | | 31% | | 14% | | | 15% | | 6% | |
| 2010 | 19% | 19% | 32% | 8% | 12% | 31% | 31% | 48% | 15% | 20% | 13% | 15% | 18% | 6% | 9% |

| 48-HOUR NOTICE OF DISCONNECTION (Average Occurrence Per Account Receiving 2-Day Notice)* | | | | | | | | | | | | | | | |
|--|-----------------|------|------|-------|----------|--------|------|------|-------|----------|-----------------------------|------|------|-------|----------|
| | All Residential | | | | | CARE | | | | | All Residential Except CARE | | | | |
| | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas |
| 2007 | | 2.87 | 3.88 | 2.92 | | | 3.11 | | 2.95 | | | 2.75 | | 2.90 | |
| 2008 | | 2.67 | 3.87 | 2.99 | | | 3.11 | | 2.99 | | | 2.50 | | 2.98 | |
| 2009 | | 2.68 | | 2.86 | | | 2.56 | | 2.49 | | | 2.75 | | 2.92 | |
| 2010 | 3.08 | 2.76 | 3.67 | 2.74 | 2.38 | 2.97 | 2.73 | 3.63 | 2.64 | 2.10 | 3.11 | 2.79 | 3.70 | 2.80 | 2.37 |

Appendices - Status of Energy Utility Service Disconnections in California

| DISCONNECTIONS (All Occurrences, As % of Accounts) | | | | | | | | | | | | | | | | | |
|--|-----------------|-------|-------|-------|----------|--|--------|-------|-------|-------|----------|--|-----------------------------|-------|-------|-------|----------|
| | All Residential | | | | | | CARE | | | | | | All Residential Except CARE | | | | |
| | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas | | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas | | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas |
| 2007 | 4.54% | 4.00% | 7.28% | 2.13% | 3.45% | | | 5.69% | | | 4.14% | | | | 3.22% | | |
| 2008 | 4.92% | 4.40% | 7.89% | 2.10% | 3.75% | | 6.67% | 7.28% | 9.19% | 4.00% | 4.65% | | 4.38% | 3.64% | 7.44% | 1.68% | 3.42% |
| 2009 | 4.75% | 5.15% | 7.50% | 1.92% | 2.81% | | 6.94% | 8.17% | 9.96% | 3.81% | 4.15% | | 3.99% | 4.24% | 6.58% | 1.46% | 2.28% |
| 2010 | 3.65% | 3.39% | 5.83% | 1.70% | 2.63% | | 5.52% | 5.35% | 8.08% | 3.39% | 4.02% | | 2.89% | 2.65% | 4.84% | 1.23% | 2.00% |

| DISCONNECTIONS (Accounts With One or More Occurrence, As % of Accounts)* | | | | | | | | | | | | | | | | | |
|--|-----------------|-------|-------|-------|----------|--|--------|-------|-------|-------|----------|--|-----------------------------|-------|-------|-------|----------|
| | All Residential | | | | | | CARE | | | | | | All Residential Except CARE | | | | |
| | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas | | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas | | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas |
| 2007 | | 3.17% | 5.56% | 1.73% | | | | 4.50% | | | | | | 2.79% | | | |
| 2008 | | 3.95% | 6.25% | 1.72% | | | | 6.15% | | 3.30% | | | | 3.37% | | 1.37% | |
| 2009 | 3.87% | 4.11% | 6.02% | 1.57% | 2.46% | | | 5.36% | | 3.12% | 3.66% | | | 3.73% | | 1.19% | 1.98% |
| 2010 | 3.04% | 2.85% | 4.65% | 1.44% | 2.32% | | 4.70% | 4.03% | 7.29% | 2.90% | 3.57% | | 2.12% | 2.40% | 2.44% | 1.03% | 1.76% |

| DISCONNECTIONS (Average Occurrence Per Account Disconnected)* | | | | | | | | | | | | | | | | | |
|---|-----------------|------|------|-------|----------|--|--------|------|------|-------|----------|--|-----------------------------|------|------|-------|----------|
| | All Residential | | | | | | CARE | | | | | | All Residential Except CARE | | | | |
| | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas | | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas | | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas |
| 2007 | | 1.26 | 1.31 | 1.23 | | | | 1.27 | | 1.23 | | | | 1.26 | | 1.24 | |
| 2008 | | 1.11 | 1.26 | 1.22 | | | | 1.19 | | 1.21 | | | | 1.08 | | 1.23 | |
| 2009 | 1.23 | 1.25 | 1.25 | 1.22 | 1.14 | | | 1.51 | | 1.21 | 1.13 | | | 1.14 | | 1.23 | 1.15 |
| 2010 | 1.20 | 1.19 | 1.25 | 1.18 | 1.13 | | 1.17 | 1.33 | 1.11 | 1.17 | 1.12 | | 1.22 | 1.11 | 1.39 | 1.19 | 1.14 |

| RECONNECTIONS (All Occurrences, As % of Disconnections) | | | | | | | | | | | | | | | | | |
|---|-----------------|------|-----|-------|----------|--|--------|------|-----|-------|----------|--|-----------------------------|------|-----|-------|----------|
| | All Residential | | | | | | CARE | | | | | | All Residential Except CARE | | | | |
| | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas | | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas | | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas |
| 2007 | | 72% | 82% | 75% | 74% | | | 77% | | | 79% | | | 70% | | | 72% |
| 2008 | 74% | 67% | 81% | 76% | 72% | | 77% | 72% | 82% | 80% | 76% | | 72% | 64% | 80% | 73% | 70% |
| 2009 | 76% | 71% | 81% | 75% | 73% | | 78% | 75% | 81% | 79% | 79% | | 75% | 70% | 81% | 72% | 69% |
| 2010 | 76% | 77% | 76% | 74% | 75% | | 79% | 78% | 79% | 78% | 80% | | 74% | 77% | 74% | 70% | 71% |

| RECONNECTIONS (Accounts With One or More Occurrence, As % of Accounts)* | | | | | | | | | | | | | | | | | |
|---|-----------------|-------|-------|-------|----------|--|--------|-------|-------|-------|----------|--|-----------------------------|-------|-------|-------|----------|
| | All Residential | | | | | | CARE | | | | | | All Residential Except CARE | | | | |
| | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas | | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas | | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas |
| 2007 | | 2.31% | 4.60% | 1.24% | | | | 3.50% | | | | | | 1.98% | | | |
| 2008 | | 2.73% | 5.05% | 1.25% | | | | 4.56% | | 2.56% | | | | 2.25% | | 0.96% | |
| 2009 | 2.97% | 3.02% | 4.93% | 1.14% | 1.78% | | | 4.98% | | 2.40% | 2.86% | | | 2.43% | | 0.82% | 1.35% |
| 2010 | 2.41% | 2.24% | 3.89% | 1.05% | 1.71% | | 3.98% | 3.56% | 6.36% | 2.25% | 2.79% | | 1.59% | 1.74% | 1.96% | 0.71% | 1.22% |

Appendices - Status of Energy Utility Service Disconnections in California

| RECONNECTIONS (Average Occurrence Per Account Reconnected)* | | | | | | | | | | | | | | | |
|--|-----------------|------|------|-------|----------|--------|------|------|-------|----------|-----------------------------|------|------|-------|----------|
| | All Residential | | | | | CARE | | | | | All Residential Except CARE | | | | |
| | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas |
| 2007 | | 1.23 | 1.30 | 1.29 | | | 1.23 | | 1.27 | | | 1.23 | | 1.30 | |
| 2008 | | 1.05 | 1.26 | 1.27 | | | 1.12 | | 1.24 | | | 1.02 | | 1.29 | |
| 2009 | 1.20 | 1.18 | 1.23 | 1.26 | 1.14 | | 1.20 | | 1.24 | 1.13 | | 1.18 | | 1.28 | 1.15 |
| 2010 | 1.28 | 1.60 | 1.14 | 1.20 | 1.13 | 1.09 | 1.19 | 1.00 | 1.18 | 1.12 | 1.21 | 1.17 | 1.28 | 1.21 | 1.14 |

| DIFFERENCES BETWEEN DISCONNECTIONS AND RECONNECTIONS (Accounts With One or More Occurrence)* | | | | | | | | | | | | | | | |
|---|-----------------|-------|-------|-------|----------|--------|-------|-------|-------|----------|-----------------------------|-------|-------|-------|----------|
| | All Residential | | | | | CARE | | | | | All Residential Except CARE | | | | |
| | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas |
| 2007 | | 0.85% | 0.95% | 0.49% | | | 1.00% | | | | | 0.81% | | | |
| 2008 | | 1.22% | 1.20% | 0.47% | | | 1.59% | | 0.74% | | | 1.12% | | 0.41% | |
| 2009 | 1% | 1.09% | 1.09% | 0.44% | 0.68% | | 0.38% | | 0.72% | 0.81% | | 1.31% | | 0.37% | 0.63% |
| 2010 | 1% | 0.60% | 0.75% | 0.39% | 0.61% | 0.72% | 0.47% | 0.93% | 0.65% | 0.78% | 0.53% | 0.65% | 0.47% | 0.32% | 0.54% |

| PAYMENT PLANS ESTABLISHED (All Occurrences, As % of Accounts) | | | | | | | | | | | | | | | |
|--|-----------------|------|-----|-------|----------|--------|------|-----|-------|----------|-----------------------------|------|-----|-------|----------|
| | All Residential | | | | | CARE | | | | | All Residential Except CARE | | | | |
| | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas |
| 2007 | | 16% | 40% | 20% | 0% | | 33% | 67% | 0% | 0% | | 0% | | | |
| 2008 | | 14% | 42% | 23% | 0% | | 31% | 70% | 11% | 0% | | | | | |
| 2009 | | 18% | 49% | 24% | 22% | | 38% | 87% | 15% | 37% | | | | | |
| 2010 | | 23% | 47% | 29% | 24% | | 45% | 92% | 37% | 40% | | | | | |

| PAYMENT PLANS ESTABLISHED (Accounts With One or More Occurrence, As % of Accounts)* | | | | | | | | | | | | | | | |
|--|-----------------|------|-----|-------|----------|--------|------|-----|-------|----------|-----------------------------|------|-----|-------|----------|
| | All Residential | | | | | CARE | | | | | All Residential Except CARE | | | | |
| | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas |
| 2007 | | 10% | 24% | 3% | | | 20% | | | | | 8% | | | |
| 2008 | | 9% | 24% | 3% | | | 19% | | 5% | | | 7% | | 1% | |
| 2009 | 16% | 11% | 27% | 4% | 16% | | 24% | | 7% | 24% | | 7% | | 2% | 12% |
| 2010 | | 12% | 20% | | | | 24% | 36% | | | | 8% | 9% | | |

| PAYMENT PLANS ESTABLISHED (Average Occurrence Per Account With Payment Plan Established)* | | | | | | | | | | | | | | | |
|--|-----------------|------|------|-------|----------|--------|------|------|-------|----------|-----------------------------|------|------|-------|----------|
| | All Residential | | | | | CARE | | | | | All Residential Except CARE | | | | |
| | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas |
| 2007 | | 1.51 | 1.69 | 1.27 | | | 1.63 | | 2.51 | | | 1.42 | | 2.63 | |
| 2008 | | 1.54 | 1.73 | 1.32 | | | 1.65 | | 2.28 | | | 1.45 | | 2.43 | |
| 2009 | 1.65 | 1.63 | 1.85 | 1.36 | 1.41 | | 1.58 | | 2.11 | 1.50 | | 1.67 | | 2.22 | 1.34 |
| 2010 | | 1.86 | 2.35 | | | | 1.91 | 2.51 | | | | 1.79 | 2.14 | | |

Appendices - Status of Energy Utility Service Disconnections in California

| UNCOLLECTIBLES (Bad Debt Written Off) | | | | | | | | | | | | | | | |
|---------------------------------------|-------------------------------|----------------------|-----------------------|----------------------|--------------------------------|---------|---------|----------|--------------------------------|------|-------|----------|--|--|--|
| | Authorized Uncollectible Rate | | | | Actual Uncollectible Rate | | | | Uncollectible (millions \$) | | | | | | |
| | PG&E | SCE | SDG&E | SoCalGas | PG&E | SCE | SDG&E | SoCalGas | PG&E | SCE | SDG&E | SoCalGas | | | |
| 2007 | 0.2586% | 0.2250 % | 0.0000% | | 0.2803% | | 0.1600% | 0.2250% | 41.05 | 17.3 | 4.36 | 9.83 | | | |
| 2008 | 0.2586% | 0.2250% | 0.1410% | 0.2380% | 0.3678% | | 0.1830% | 0.3380% | 55.80 | 20.8 | 4.94 | 14.62 | | | |
| 2009 | 0.2586% | 0.2400% | 0.1410% | 0.2380% | 0.4913% | 0.2420% | 0.2230% | 0.3730% | 70.82 | 23.3 | 6.31 | 12.86 | | | |
| 2010 | 0.2586% | 0.2400% | 0.1410% | 0.2380% | not available until March 2011 | | | | not available until March 2011 | | | | | | |
| 2011 | 0.3105% | 0.2400% | 0.1410% | 0.2380% | | | | | | | | | | | |
| 2012 | 0.3105 | 0.227% ⁷¹ | 0.174 % ⁷² | 0.278% ⁷³ | | | | | | | | | | | |

⁷¹ Requested in SCE Application 10-11-015.

⁷² Requested in SDG&E Application 10-12-005.

⁷³ Requested in SoCalGas Application 10-12-006.

APPENDIX E: ENERGY ASSISTANCE PROGRAM DATA 2007-2010, BY UTILITY AND FOUR UTILITIES COMBINED

CARE (California Alternate Rates for Energy) data and Low Income Energy Assistance (LIEE) data is publicly available at <http://www.liob.org/resultsqv.cfm?doctype=10>.

Temporary Energy Assistance for Families (TEAF) American Resource and Recovery Act (ARRA) grant data was provided via utility data request and will be publicly reported in utilities' annual CARE and LIEE reports forthcoming on May 1, 2011.

Federal Program Data: Low Income Home Energy Assistance Program (LIHEAP) Energy Assistance, LIHEAP Weatherization (Wx) and Department of Energy's Weatherization Assistance Program (WAP) was provided by the State of California's Department of Community Services and Development in emails of February 14, 2011 and February 16, 2011.

REACH (Relief for Energy Assistance through Community Help) is PG&E's charitable assistance program
 EAF (Energy Assistance Fund) is SCE's charitable assistance program
 NTN (Neighbor-to-Neighbor) is SDG&E's charitable assistance program
 GAF (Gas Assistance Fund) is SoCalGas' charitable assistance program

| | DOLLARS DISTRIBUTED - ENERGY ASSISTANCE (DISCOUNT & GRANT) PROGRAMS 2010 | | | | | | | | | | | | | | | |
|-------------------|--|-------------|-------------|------------|-------------|----------------------|-----------|-----------|---------|-----------|---------------------------|-------|-------|-------|----------|--|
| | Total \$ Amount | | | | | Number of Households | | | | | \$ Per Household Per Year | | | | | |
| | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas | 4 IOUs ⁷⁴ | PG&E | SCE | SDG&E | SoCalGas | |
| CARE | 1,399,283,851 | 824,812,578 | 353,320,166 | 86,398,899 | 134,752,208 | 4,888,533 | 1,499,942 | 1,381,109 | 293,438 | 1,714,044 | \$286 | \$550 | \$256 | \$294 | \$79 | |
| LIHEAP | 60,032,666 | 33,328,778 | 16,623,305 | 5,024,637 | 5,055,946 | 176,170 | 94,881 | 49,570 | 14,622 | 17,097 | \$341 | \$351 | \$335 | \$344 | \$296 | |
| TEAF (ARRA GRANT) | 4,312,244 | 3,082,160 | 873,830 | 151,555 | 204,698 | 14,115 | 8,399 | 3,301 | 461 | 1,954 | \$306 | \$367 | \$265 | \$329 | \$105 | |
| REACH NTN GAF EAF | 3,548,549 | 1,631,189 | 991,420 | 228,689 | 697,251 | 26,532 | 6,203 | 10,945 | 1,174 | 8,210 | \$134 | \$263 | \$91 | \$195 | \$85 | |

⁷⁴ SCG and SCE joint customers may receive assistance from both companies

Appendices - Status of Energy Utility Service Disconnections in California

| DOLLARS SPENT HOME RETROFIT/WEATHERIZATION 2010 | | | | | | | | | | | | | | | | | |
|--|-----------------|-------------|------------|------------|------------|----------------------|---------|---------|---------|----------|---------------------------|------|---------|---------|----------|-------|-------|
| | Total \$ Amount | | | | | Number of Households | | | | | \$ Per Household Per Year | | | | | | |
| | 4 IOUs | PG&E | SCE | SDG&E | SoCalGas | | PG&E | SCE | SDG&E | SoCalGas | | PG&E | SCE | SDG&E | SoCalGas | | |
| LIEE | 275,814,410 | 135,337,734 | 58,975,023 | 16,179,817 | 65,321,836 | | 383,623 | 129,856 | 121,868 | 21,603 | 110,296 | | \$719 | \$1,042 | \$484 | \$749 | \$592 |
| Wx/WAP | 77,218,366 | | | | | | 46,924 | | | | | | \$1,646 | | | | |