

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

Order Instituting Rulemaking on the  
Commission's Own Motion to Conduct a  
Comprehensive Examination of Investor  
Owned Electric Utilities' Residential Rate  
Structures, the Transition to Time Varying and  
Dynamic Rates, and Other Statutory  
Obligations

U 39 E

R.12-06-013  
(Filed June 21, 2012)

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**STATEMENT OF PACIFIC GAS AND ELECTRIC COMPANY (U 39 E) ON STATUS  
OF CARE RESTRUCTURING PRE-WORKING GROUP DISCUSSIONS PURSUANT  
TO APRIL 1, 2016, ADMINISTRATIVE LAW JUDGE'S RULING**

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Dated: June 6, 2016

Pursuant to the April 1, 2016, email ruling of the Administrative Law Judge (ALJ) on consideration of recommendations for restructuring the California Alternative Rates for Energy (CARE) program in this proceeding, Pacific Gas and Electric Company (PG&E), on behalf of the pre-working group participating parties, hereby files this Statement on Status of CARE Restructuring Pre-Working Group Discussions as required by the ALJ Ruling.<sup>1/</sup> The pre-working group parties include Center for Accessible Technology, Consumer Federation of California, Office of Ratepayer Advocates, PG&E, San Diego Gas & Electric Company, Southern California Edison Company, The Utility Reform Network and Utility Consumers Action Network, with facilitation by the Energy Division.

The ALJ Ruling provided that, at the March 29, 2016 workshop, parties expressed interest in working together to set preliminary goals and a preliminary schedule for this phase of the proceeding. The ALJ ruling directed the parties to hold a pre-working group meeting to discuss next steps, including:

- (1) Identify studies that would be useful and feasible for evaluating possible CARE discount structures;
- (2) Identify long-term steps and schedule for consideration of CARE Restructuring;
- (3) Propose schedule for engagement of other stakeholders, including a possible presentation to the Low Income Oversight Board (LIOB) on July 20, 2016 (Sacramento) or a later LIOB meeting; and
- (4) Identify other Commission proceedings that the CARE restructuring should coordinate with or take into consideration.

PG&E and The Utility Reform Network (TURN) coordinated with the other parties and Energy Division to convene the pre-working group meeting, which was held at the Commission on May 16, 2016. The participating parties appreciate and are grateful for the support of the Energy Division, which assisted and helped facilitate the May 16 meeting, including taking notes and providing an oral status report to the ALJ at the May 26, 2016, status conference in this

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<sup>1/</sup> This Statement is filed and served on behalf of the parties participating in the CARE Restructuring Pre-Working Group, and the participating parties have authorized PG&E to file and serve this Statement on their behalf.

proceeding. The ALJ Ruling requires a joint statement of the parties participating in the CARE Restructuring Pre-Working Group to be filed and served. Accordingly, Attachment 1 provides the joint statement of the participating parties.

Respectfully Submitted,

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By: /s/ Christopher J. Warner  
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Dated: June 6, 2016

# ATTACHMENT 1

## R.12-06-013 - Joint Statement of CARE Restructuring Pre-Working Group Participating Parties

In compliance with the ALJ Ruling issued on April 1, 2016 that directed the parties to hold a pre-working group meeting to discuss next steps and to file and serve a Joint Statement by June 6, 2016, the participating parties provide their status report on the discussions and responses to the following directives in the ALJ Ruling discussed at the May 16, 2016 meeting. The pre-working group parties include Center for Accessible Technology, Consumer Federation of California, Office of Ratepayer Advocates, PG&E, San Diego Gas & Electric Company, Southern California Edison Company, The Utility Reform Network and Utility Consumers Action Network, with facilitation by the Energy Division. Please note that the discussions were informal and preliminary, and do not necessarily represent the final views, positions or recommendations of the participating parties.

### 1) Identify studies that would be useful and feasible for evaluating possible CARE discount structures;

The participating parties generally agreed that further information and data should be gathered and evaluated in order to learn more about the low-income IOU customer population before considering recommendations for new CARE structures. For example, who are customers, where are they, and why are they struggling? Is it climate related? Square footage? Cost of Living? Household size? Climate zone? Where are the struggling customers? The participating parties generally believe this is an essential step to inform potential new CARE structures. The participating parties came up with a “wish list” of data sets that would be interesting to look at to try and answer some of the above questions. This list is below.

In support of this general agreement and as described in response to number 2, the participating parties requested that the investor-owned utilities (IOUs) go back to their data teams to:

- Determine what information from this list is actually available
- What data is available from the Census Bureau, the Low Income Needs Assessment (LINA) study, the CalEnviroScreen, and credit rating agencies (e.g. Experian, Axiom)
- Determine where and how the data can be cross-referenced (e.g. can the data be grouped by a common geographic marker like zip code)
- See what vintage of the data is available

The IOUs will coordinate on a common format for providing the data.

### Potential Data Points:

| Data Point | Potential data source?  |
|------------|---|
| Income     | Credit rating agency, IOU self-reported data collected for CARE applicants), Nielsen (for |

|  |  |
|--|--|
|  | general population)                        |
| Household size (number of people)  | Credit rating agency, Nielsen              |
| House size (sq. footage)   | Credit rating agency, Nielsen              |
| Bills (\$), month, seasonal & annual   | utility                                    |
| Usage (kWh), month, seasonal & annual  | utility                                    |
| Tier usage , monthly   | utility                                    |
| Arrearages (30/60/90/more)   | utility                                    |
| Disconnections & reconnections   | utility                                    |
| Payment arrangements   | utility                                    |
| Balanced payment plans   | utility                                    |
| Payment type   | utility                                    |
| Seasonal workers vs. fully employed  | Census                                     |
| Single parent vs. dual parent households                                       | Census                                     |
| # of income earners in a household   | Census?                                    |
| Household type (multi, single, mobile)   | utility                                    |
| Ownership status (rent, own)   | Some utility, some indirect                |
| 48 hour disconnection / service termination notice                             | utility                                    |
| Tariff? All electric? Master meter?  | utility                                    |
| Area median income   | Census bureau?                             |
| Categorically enrolled?  | IOU  |
| Customer contacts (by channel, e.g. phone, customer center, letter, myaccount) | IOU  |
| Internet access  | Broadband CETF study?                      |
| Customer persona   | IOU  |
| Other utility (water, gas, electric) bill assistance                           | Credit rating agency? Census?              |
| housing assistance (Section 8, HUD)  | Credit rating agency? Census?              |
| SNAP   | Credit rating agency? Census?              |
| CARE eligibility   | Athens Research                            |
| CARE enrolled  | IOU  |
| ESA treated  | IOU  |
| ESA eligible   | Athens                                     |
| LIHEAP treated   | CSD (Community Services and Development)   |
| SASH/MASH participation  | IOU  |
| Housing vintage  | IOU  |
| NEM vs. non-NEM  | IOU  |
| Credit profile   | Credit rating agency                       |
| Credit score   | Credit rating agency                       |
| Senior in household  | Credit rating agency, IOU, census, Nielsen |
| Medical baseline enrolled  | IOU  |

|                         |               |
|-------------------------|---------------|
| Disability in household | Census bureau |
| Language preference     | IOU           |
| Language spoken in home | Census Bureau |
| FERA enrolled           | IOU           |

**Potential Geographic Groupings:**

- zip code
- zip code plus 4
- county
- census tract
- census block
- MSA (metropolitan statistical area)
- IOU climate zone
- urban vs. rural
- Enviro-screen
- IOU service territory

**2) Identify long-term steps and schedule for consideration of CARE Restructuring;**

The participating parties discussed a preliminary schedule and long-term steps for considering various CARE restructuring proposals that parties and stakeholders may wish to consider after evaluating the initial CARE data provide under section 1, above. The participating parties identified the following tentative schedule and long-term steps:

- IOUs to provide status update on data request **prior to July LIOB meeting**
- The goal is to have a publicly available dataset by **year end 2016**
- Use dataset to learn more about the low-income IOU customer population (**Q1 2017**)
- Policy discussion, administrative cost/delivery capability discussion (**Q1 2017**)
- Parties will brainstorm on potential new CARE structures (**Q1 2017**)
- IOUs run bill impacts on a limited set of ideas (**Q2 2017**)
- Consensus recommendations in time for 2018 RDW filings (**Q3/Q4 2017**)

**3) Propose schedule for engagement of other stakeholders, including a possible presentation to the Low Income Oversight Board (LIOB) on July 20, 2016 (Sacramento) or a later LIOB meeting; and**

The participating parties also discussed ways to provide for further engagement with other stakeholders on CARE restructuring, and identified the following potential near-term opportunities:

- status update to RROIR proceeding at PRRR or status conference ( provided **May 25**)
- request for input from the **LIOB** at their **July 20 meeting**

**4) Identify other Commission proceedings that the CARE restructuring should coordinate with or take into consideration.**

The participating parties generally agreed that the CARE restructuring discussions in this proceeding should be coordinated with the following other Commission proceedings that include or may include issues, programs and data that relate to or overlap with CARE restructuring issues and proposals that may be considered in this proceeding:

- CARE/ESA proceeding (A. 14-11-007,et al)
- Energy Efficiency Rolling Portfolios, Policies, Programs, Evaluation, and Related Issues (R. 13-11-005)
- San Joaquin Valley Disadvantaged Communities (R. 15-03-010)
- Green Tariff Shared Renewables (A.12-01-008)
- AB 693 – phase 2 of NEM 2.0 (R.14-07-002)
- RROIR (R. 12-06-013)
- Water-energy nexus (R. 13-12-011)

**Action Items**

In summary, the participating parties generally agreed that the next steps in the working group process should be:

- IOUs to go back and see what is available from their own data sources and what data can be gathered from other sources
- Parties to think about other potential experts to bring into the conversation in 2017