



*Pacific Gas and
Electric Company™*

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March 21, 2007

VIA HAND DELIVERY

Hazlyn Fortune
California Public Utilities Commission
Energy Division
505 Van Ness Avenue, Area 4-A
San Francisco, CA 94102-3214

Re: Seventieth Status Report of Pacific Gas and Electric Company on the Results of Its Low Income Energy Efficiency and CARE Program Efforts In Compliance With Ordering Paragraph 17 of Decision 01-05-033, Issued May 7, 2001

Dear Ms. Fortune:

In accordance with Ordering Paragraph 17 of Decision 01-05-033, the direction of Administrative Law Judge Gottstein at the July 11 and 28, 2001 status conferences, and the agreements reached between the utilities and the Energy Division on the format and content of the tables, Pacific Gas and Electric Company submits its attached seventieth monthly status report on the results of its Low Income Energy Efficiency and CARE program efforts, showing results through February 2007.

The Joint Utilities, the Energy Division and the Division of Ratepayer Advocates recently worked together to update and streamline the reporting tables beginning with the January 2007 results. We are submitting the February report to the Energy Division and providing a notice of availability to the service list in R.07-01-042, based on the directions given by Administrative Law Judge Malcolm to Pacific Gas and Electric Company on March 21, 2007 at 3:24 pm.

Very truly yours,

/s/

CHONDA J. NWAMU

CJN:pak
Enclosures

cc: ALJ Kim Malcolm
Sarita Sarvate
All Parties on Official Service List for R.07-01-042

Donna L. Wagoner
Mariana Campbell

PG&E Low Income Programs Monthly Report for February 2007

This Low Income Programs Monthly Report complies with Ordering Paragraphs 14 and 17 of Decision (D.) 01-05-033, requiring the utilities to comply with reporting and program evaluation requirements previously established for the California Alternate Rates for Energy (CARE) and Low Income Energy Efficiency (LIEE) programs, including the reporting of costs and effects from these programs on an annual basis using the Reporting Requirements Manual. Reporting categories are consistent with the definitions contained in the Reporting Requirements Manual filed on January 10, 2002. Additionally, utilities are required to file regular monthly status reports on the results of their Low Income Programs.

A complete listing of the Low Income Programs Reporting Tables is included in Attachment A to this report.

Monthly Low Income Programs Reporting

This Low Income Programs Report includes actual LIEE and CARE results and expenditures through February 2007. *All results reported in this monthly report update and supersede data reported in previous reports.*

2007 Reporting. D.06-12-038 authorized PG&E's CARE and LIEE programs and budgets for 2007-2008. The authorized CARE administration budget is \$7.557 million for 2007 and \$7.432 million for 2008. The authorized LIEE program budget is \$77.733 million per year, plus any unspent carryover from previous years.

The Joint Utilities, the Energy Division and the Division of Ratepayer Advocates worked together on a proposal to update and streamline low income reporting tables for 2007. Some of the previous reporting tables were specific to California State Senate Bill X1-5, enacted in 2001, which required Low Income Rapid Deployment Program funding restrictions and criteria that are no longer relevant to the current programs. Additionally, there have been many changes to the low income programs since 2001 that were not adequately represented in program reports.

D.06-12-038, Ordering Paragraph 9, specified that the Joint Utilities should collaborate with the Energy Division on reporting and comply with reporting requirements set forth by the Energy Division. The Joint Utilities, in consultation with the Energy Division and the Division of Ratepayer Advocates, are using the new reporting criteria agreed to in a November 8, 2006 conference call, beginning with the January 2007 report submitted February 21, 2007. A public workshop to discuss low income program reporting was held at the Commission on February 21, 2007. Workshop participants reviewed and reached consensus on the LIEE monthly reports.

PG&E is using the most recent measure energy savings by climate zone developed in the Joint Utility 2001 LIEE Program Evaluation and the Standardization Team's Cost Effectiveness Report.

Customer Eligibility. In March 2003, the Joint Utilities updated and revised the penetration rate calculation methodology in compliance with D.02-07-033 and Assigned Commissioner's Ruling (ACR) dated December 27, 2002, as described in previous reports.¹

To qualify for the CARE and LIEE programs, a residential customer's household income must be at or below 200 percent of Federal Poverty Guidelines, as required by D.05-10-044.

The Joint Utilities updated their annual customer eligibility estimations as required in a June 24, 2004 Commission Scoping Memo and filed these new annual estimates of 2007 CARE-eligible customers on October 15, 2006 (as authorized by D.06-12-038, Ordering Paragraph 10). PG&E uses these new eligibility estimates in these 2007 reports. As a result of this annual demographic adjustment, the estimated CARE and LIEE-eligible populations in PG&E's service area have both increased. PG&E's 2007 CARE and LIEE penetration rates have decreased slightly from the penetration rate reported at the end of 2006 and are thus not comparable to penetration rates reported for 2006.

Low Income Program Highlights

CARE Automatic Enrollment. PG&E currently exchanges data with Southern California Edison Company and Southern California Gas Company to automatically enroll their CARE customers who also receive PG&E service. PG&E has also participated in data exchanges regarding low income qualified customers with the Turlock and Modesto Irrigation Districts (TID and MID), and with Sacramento Municipal Utility District (SMUD). PG&E provides natural gas in the TID, MID and SMUD electric service areas and will automatically enroll qualified low income customers served by these utilities into CARE.

On May 5, 2004 the ACR on Automatic Enrollment authorized that Automatic Enrollment between the utilities and Consumer Services Department (CSD) be implemented. A total of 3,261 CSD customers were automatically enrolled into PG&E's CARE program in 2005. PG&E received no CSD files from the Energy Division in 2006 or 2007 to date.

California Senate Bill 580, enacted in 2005, required the California Department of Health and Human Services (DHHS) to facilitate the utilities' automatic enrollment of low income customers into CARE. Commission staff is working with DHHS to develop a pilot program to automatically enroll participants from the Women with Infants and Children Program into CARE. PG&E is participating in the development and implementation of this pilot program.

¹ The *Joint Utility Methodology for Calculating CARE Penetration* (February 6, 2002) and the *Joint Utility CARE Eligibility Update* (February 21, 2003) can be found as Attachments A and B in PG&E's *Seventeenth Annual Progress Report to the California Public Utilities Commission on the California Alternate Rates for Energy (CARE) Program, January 1, 2005-December 31, 2005*, submitted May 1, 2006.

LIEE Leveraging. Currently, PG&E has contracts with LIHEAP agencies that are not working in PG&E's LIEE program. PG&E is coordinating with these LIHEAP agencies to install PG&E ENERGY STAR[®] refrigerators in PG&E electric homes where the LIHEAP contractors have installed all other measures under the State Weatherization Program.

PG&E and its contractors use PG&E's Energy Partners Online database (EPO) for LIEE activities. The database shows which customers received LIEE services, what year they were provided, and which customers are on the CARE. With this information, the contractors are better able to market to the community, e.g., contacting only those customers who have not received LIEE services in the past.

Through EPO, contractors are provided information about customers who have requested LIEE services (referrals). Each home that receives LIEE services where the customer is not on the CARE rate is then signed up for the CARE discount. This month 415 LIEE participants were enrolled into CARE.

LIEE program materials are provided in seven languages: English, Spanish, Vietnamese, Chinese, Russian, Korean, and Hmong.

In addition, PG&E continues to combine its LIEE and CARE outreach activities in order to leverage low income outreach efforts and provide PG&E low income customers with the knowledge and tools to access all of PG&E's free energy services.

Attachment A
Low Income Programs Monthly Reporting Tables

LIEE Tables

Table 1L – LIEE Program Expenses

Table 2L – LIEE Measure Installations & Savings

Table 3L – Average Bill Savings per Treated Home

Table 4L – LIEE Homes Treated by County

CARE Tables

Table 1C – CARE Program Expenses

Table 2C – CARE Enrollment, Recertification, Attrition, and Penetration

Table 3C – CARE Standard Random Verification Results

Table 4C – CARE Enrollment by County

Table 5C – CARE Capitation Contractors