



*Pacific Gas and
Electric Company™*

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August 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: Seventy-Fifth 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 seventy-fifth monthly status report on the results of its Low Income Energy Efficiency and CARE program efforts, showing results through July 2007.

The Joint Utilities, the Energy Division and the Division of Ratepayer Advocates worked together to update and streamline the reporting tables beginning with the January 2007 results. We are submitting the July report to the Energy Division and providing a notice of availability and courtesy copy to the service list in R.07-01-042, based on the directions given by Administrative Law Judge Malcolm to PG&E on March 21, 2007 at 3:24 p.m.

Very truly yours,

/s/

DANIEL F. COOLEY

DFC:pak
Enclosures

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

PG&E Low Income Programs Monthly Report for July 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, as revised with Energy Division, following the February 21, 2007 public workshop. 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 July 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 \$7.6 million for 2007 (plus \$287,500 for PG&E's 2007 Cooling Center Pilot Program) and \$7.4 million for 2008. The authorized LIEE program budget is \$77.7 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 California Public Utilities Commission (Commission) on February 21, 2007. Workshop participants reviewed and reached consensus on the LIEE monthly reports and reporting categories.

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 for all measures where these are available. For measures not included in the PY2001 Evaluation, PG&E is using the best data available from the Database of Energy Efficiency Resources (DEER) or other sources. An impact evaluation of the PY2005 LIEE program is currently underway.

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 in 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 the number of CARE-eligible customers in 2007 on October 15, 2006 (as later authorized going forward 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. As a result of the increase in eligible population, 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.

On May 1, 2007, the Commission issued its annual update to the CARE and LIEE program income guidelines effective June 1, 2007 through May 31, 2008. PG&E has incorporated the new CARE and LIEE income guidelines into its tariffs and all program materials, as filed in Advice Letter 3052-E on May 14, 2007.

Low Income Program Highlights

CARE Program Updates

On June 1, 2007, PG&E implemented the following CARE Program changes:

- Revised Income Guidelines.
- Implemented Categorical Enrollment and four-year certification for fixed-income customers as authorized in D.06-12-038.

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 *Eighteenth Annual Progress Report to the California Public Utilities Commission on the California Alternate Rates for Energy (CARE) Program, January 1, 2006-December 31, 2006*, submitted April 30, 2007.

- Utilized a single application for the CARE and FERA Programs as required by the Commission in Assembly Bill (AB) 2576 enacted in 2006.

CARE Program Automatic Enrollment

PG&E currently exchanges data with Southern California Edison Company (SCE) and Southern California Gas Company (SCG) to automatically enroll their CARE customers who also receive PG&E service. PG&E also participates in data exchanges regarding qualified low income customers with the Sacramento Municipal Utility District (SMUD). PG&E provides natural gas in the SMUD electric service area and will automatically enroll qualified low income customers served by SMUD into CARE.

CARE Program Outreach in July

PG&E's CARE Program rolled out multiple outreach direct mailings to increase enrollment of eligible customers:

- Hispanic Direct Mail: 100,000 English/Spanish direct mail pieces to the Hispanic community.
- Native American Direct Mail: 4,467 English direct mail pieces to the Native American community.
- RDM Direct Mail: 4,219 English/Spanish direct mail pieces to customers who failed to recertify.

The CARE Program participated in outreach events in Vallejo, San Francisco, Brentwood, Oakland, Fresno, Davis, and Half Moon Bay where program representatives were available to answer questions and help customers enroll in the program.

LIEE Leveraging. Currently, PG&E has eight contracts with Low Income Home Energy Assistance Program (LIHEAP) agencies that are not working within PG&E's LIEE program. PG&E is coordinating with these LIHEAP agencies to install PG&E ENERGY STAR[®] refrigerators in homes receiving PG&E electric service 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 participating in 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. In the month of July, 2,696 LIEE participants were enrolled in 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

Table 5L – LIEE Customer Summary

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

Table 6C – CARE Participants as of Month-End

CERTIFICATE OF SERVICE BY ELECTRONIC MAIL OR HAND DELIVERY

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

I am readily familiar with the business practice of Pacific Gas and Electric Company for collection and processing of correspondence for hand delivery to the California Public Utilities Commission. In the ordinary course of business, correspondence is delivered to the California Public Utilities Commission the same day it is submitted.

On the 21st day of August 2007, I served a true copy of:

**SEVENTY-FIFTH 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**

[X] By Electronic Mail – serving the enclosed via e-mail transmission to each of the parties listed on the official service list for R.07-01-042 with an e-mail address.

[X] By Hand Delivery – by placing the enclosed for collection, in the course of ordinary business practice, with other correspondence of Pacific Gas and Electric Company going to the California Public Utilities Commission at 505 Van Ness Avenue, San Francisco, CA, enclosed in a sealed envelope, addressed to the Hazlyn Fortune in the Energy Division.

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

Executed on this 21st day of August 2007, at San Francisco, California.

/s/
Patricia A. Kokason