

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

|   |   |                          |
|---|---|--------------------------|
| Order Instituting Rulemaking on the         | ) |                          |
| Commission's Proposed Policies and Programs | ) | Rulemaking 04-01-006     |
| Governing Post-2003 Low-Income Assistance   | ) | (Filed January 8, 2004)  |
| Programs                                    | ) |                          |
|   | ) | A.05-06-005, A.05-06-009 |
| And Related Matters                         | ) | A.05-06-012, A.05-06-013 |

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**RESPONSE OF SOUTHERN CALIFORNIA EDISON COMPANY (U 338-E) TO ALJ  
WEISSMAN'S REQUEST FOR INFORMATION FOR THE OCTOBER 6, 2005 FULL  
PANEL HEARING FOR MITIGATING BILL IMPACTS ON LOW-INCOME  
CUSTOMERS DURING THE 2005-2006 HEATING SEASON**

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Dated: **October 05, 2005**

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CUSTOMERS DURING THE 2005-2006 HEATING SEASON**

In accordance with the October 3, 2005 email request of ALJ Weissman, Southern California Edison Company (SCE) hereby submits its response to ALJ Weissman's inquiries, seeking information for the October 6, 2005 Low-Income En Banc Hearing. SCE's response is attached as Appendix A.

Respectfully submitted,

MICHAEL D. MONTOYA  
LARRY R. COPE

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By: Larry R. Cope

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October 05, 2005

## **Appendix A**

In conjunction with the Full Panel Hearing of October 6, 2005 on mitigation of winter utility bills, on October 3, 2005 ALJ Steven Weissman directed the Investor Owned Utilities (IOUs) to provide answers to several questions. The specific direction and questions are as follows:

Pacific Gas and Electric Company, Southwest Gas Company, SDG&E, Southern California Edison Company, and Southern California Gas Company are hereby directed to provide the following information to the Commission at or before the October 6<sup>th</sup> Full Panel Hearing on low income concerns, to the extent to which the information can be developed in that timeframe. Anything available in advance shall be provided to the entire service list by e-mail. For any information that cannot be provided by Thursday, please provide an estimated date for providing the information.

1. What are the utility's total available carry-over funds from prior years for all low-income programs (broken down by program)?
2. For each utility, what are the likely dollar impacts if the Commission were to adopt the proposals to eliminate reconnection fees for CARE customers and to ban winter service shut-offs for customers making minimum bill payments? What are the likely dollar impacts if the Commission were to suspend collection of deposits on low income customers?
3. What would be the potential dollar impact of increasing CARE eligibility to 200% of the federal poverty guidelines? If this amount could be redirected to provide additional rate relief to existing CARE customers, what would be the additional average bill reduction?
4. How could each utility target Low-Income Energy Efficiency program relief to master meter customers and other under-served customers in multi-family dwellings?

In addition, we ask the utilities to be prepared to respond to proposals from other parties, and to comment on the following additional concepts:

1. Suspending CARE recertification activities for the coming winter
2. Committing not to close any local offices during the coming winter and not to close any additional such offices thereafter without first notifying the Commission and receiving approval

**Steven Weissman**

**Administrative Law Judge**

California Public Utilities Commission

505 Van Ness Avenue

San Francisco, CA 94102

(415) 703-2195

SCE Responses to Questions

1. What are the utility's total available carry-over funds from prior years for all low-income programs (broken down by program)?

There are no unencumbered funds from previous program years. With the Winter Rapid Deployment Initiative SCE proposed on September 28, we forecast that we will spend 100% of our current funds.

2. For each utility, what are the likely dollar impacts if the Commission were to adopt the proposals to eliminate reconnection fees for CARE customers and to ban winter service shut-offs for customers making minimum bill payments? What are the likely dollar impacts if the Commission were to suspend collection of deposits on low income customers?

The financial impact of eliminating reconnection fees during the November 30, 2005 through March 31, 2006 timeframe for CARE customers who are disconnected for non-payment is \$700,000. SCE estimates that approximately 30,000 customers would be given a waiver on reconnection fees. Banning winter shutoffs for CARE customers making at least a 50% payment on their current and past balance would mean deferred payments of \$1.6 million. This would need to be collected subsequently from the same CARE customers under payment arrangements at the close of the winter heating season.

Suspending any and all deposits for CARE customers during the period November 30, 2005 through March 31, 2006 would mean an increased SCE write-off exposure of \$5 million, of which we would anticipate writing off \$400,000 to \$500,000. It is important to note that 60% of the \$5 million in suspended deposits occur when customers are initiating new service, with the balance from reconnection of service.

3. What would be the potential dollar impact of increasing CARE eligibility to 200% of the federal poverty guidelines? If this amount could be redirected to provide additional rate relief to existing CARE customers, what would be the additional average bill reduction?

Increasing CARE eligibility to 200% of the federal poverty guidelines would raise SCE's estimate of CARE eligible customers from 1,147,800 to 1,321,771, for a net increase of 173,971 CARE eligible customers. If we assume 83% (our existing CARE Penetration Rate) of these newly eligible customers quickly enroll in CARE, the increase in CARE customers would be 144,396. If the CARE discount expected to be received by these 144,396 customers is not provided to them and instead is redirected to the existing CARE customers, the existing CARE customers would receive an increase of \$2.15 above the current average benefit of \$18 per month. SCE notes that this proposal differs from the proposal endorsed by the utilities, ACCES, Maravilla, and TELACU that would align CARE and LIEE eligibility by increasing CARE eligibility to 200% of the federal poverty guidelines for customers that are 60 and over, or disabled.

4. How could each utility target Low-Income Energy Efficiency program relief to master meter customers and other under-served customers in multi-family dwellings?

SCE has a long history of providing energy efficiency services to master-metered customers. For example, through August 2005 SCE has installed electric appliances and

devices in over 4,300 master-metered dwellings, accounting for 18% of homes served this year.

To accelerate our efforts during the Winter Rapid Deployment period, SCE will target subsidized housing, senior complexes, mobile home parks and other multi-family housing. SCE will work with community organizations, Public Housing Authorities, property management companies, and associations representing mobile home park residents and park owners to identify housing occupied by potentially eligible consumers. In the past, these groups have proven to be effective partners to outreach the low income energy efficiency program in this market and assist in the accelerated delivery of refrigerators and compact fluorescent bulbs to low-income tenants.

#### SCE Comments on Issues Raised

SCE is prepared to comment on the comments other parties have filed as well as the additional two issues raised (CARE re-certification and local offices). SCE has proposed re-certification activities in its September 28 proposal. SCE operates ten company-owned local offices at present along with a large system of Approved Payment Agencies. There are no plans to close any local offices, and SCE would advise the Commission if there are any plans to close the remaining SCE local offices, which are in rural areas. SCE does review APA performance, location, etc. and would change APA locations in the same general geographic area if prudent; no service level would be affected.

## CERTIFICATE OF SERVICE

I hereby certify that, pursuant to the Commission's Rules of Practice and Procedure, I have this day served a true copy of RESPONSE OF SOUTHERN CALIFORNIA EDISON COMPANY (U 338-E) TO ALJ WEISSMAN'S REQUEST FOR INFORMATION FOR THE OCTOBER 6, 2005 FULL PANEL HEARING FOR MITIGATING BILL IMPACTS ON LOW-INCOME CUSTOMERS DURING THE 2005-2006 HEATING SEASON on all parties identified on the attached service list(s). Service was effected by one or more means indicated below:

- Transmitting the copies via e-mail to all parties who have provided an e-mail address. First class mail will be used if electronic service cannot be effectuated.
- Placing the copies in sealed envelopes and causing such envelopes to be delivered by hand or by overnight courier to the offices of the Commission or other addressee(s).
- Placing copies in properly addressed sealed envelopes and depositing such copies in the United States mail with first-class postage prepaid to all parties.
- Directing Prographics to place the copies in properly addressed sealed envelopes and to deposit such envelopes in the United States mail with first-class postage prepaid to all parties.

Executed this **5th day of October, 2005**, at Rosemead, California.

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