



Larry R. Cope
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October 11, 2005

Docket Clerk
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, California 94102

RE: A.05-06-005 ET AL.

Dear Docket Clerk:

Enclosed for filing with the Commission are the original and five copies of the SUPPLEMENT TO SOUTHERN CALIFORNIA EDISON COMPANY'S (U 338-E) APPLICATION (A.05-06-009) REQUESTING APPROVAL OF LOW INCOME ASSISTANCE PROGRAMS AND BUDGETS FOR PROGRAM YEARS 2006 AND 2007 in the above-referenced proceeding.

We request that a copy of this document be file-stamped and returned for our records. A self-addressed, stamped envelope is enclosed for your convenience.

Your courtesy in this matter is appreciated.

Very truly yours,

Larry R. Cope

LRC:as:LAW-#1253192
Enclosures

cc: All Parties of Record
All Parties of Record in R.04-01-006
(U 338-E)

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

| | | |
|--|---|--------------------------|
| Pacific Gas and Electric Company's Application |) | |
| for Approval of the 2006 and 2007 California |) | A.05-06-005, A.05-06-009 |
| Alternate Rates for Energy and Low Income |) | A.05-06-012, A.05-06-013 |
| Energy Efficiency Programs and Budgets |) | |
| And Related Actions. |) | |
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**SUPPLEMENT TO SOUTHERN CALIFORNIA EDISON COMPANY'S (U 338-E)
APPLICATION (A.05-06-009) REQUESTING APPROVAL OF LOW INCOME
ASSISTANCE PROGRAMS AND BUDGETS FOR PROGRAM YEARS 2006 AND 2007**

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Dated: **October 11, 2005**

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE
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**SUPPLEMENT TO SOUTHERN CALIFORNIA EDISON COMPANY'S (U 338-E)
APPLICATION (A.05-06-009) REQUESTING APPROVAL OF LOW INCOME
ASSISTANCE PROGRAMS AND BUDGETS FOR PROGRAM YEARS 2006 AND 2007**

I.

INTRODUCTION

Pursuant to Administrative Law Judge Weissman's October 7, 2005 email ruling, Southern California Edison Company (SCE) files this supplement to its Application (A.05-06-009) Requesting Approval of Low Income Assistance Programs and Budgets for Program Years 2006 And 2007 (the "Application") to request authority to take actions to mitigate bill impacts on its low- and fixed-income customers during the 2006 winter period and beyond. Specifically, SCE requests the authority to:

- suspend the recertification requirement of CARE through March 31, 2006;
- through March 31, 2006, waive the reconnect deposit for CARE customers;
- allow SCE as part of its Winter Rapid Deployment Initiative to consider CARE customers automatically "income eligible" for two LIEE measures - refrigerator replacements and CFLs – and not require proof of income. CARE customers would complete and sign a self-declaration form attesting to household size and income.

- enable customers to recertify for the CARE program by telephone; and
- spend 2006 and 2007 authorized funds beginning in 2005, if necessary, and count program accomplishments from 2006 funds used in 2005 toward the 2006 goals.

SCE urges the Commission to promptly approve the Application. SCE also urges the Commission to approve SCE's Motion for Authority to Take Actions to Mitigate Bill Impacts on Low-Income Customers During the 2005 Winter Period, filed concurrent with this Supplement in R.04-01-006.

II.

DISCUSSION

A. Background

On June 1, 2005, SCE filed the Application seeking Commission approval of plans and funding for SCE's 2006-2007 LIEE and CARE programs. Subsequently, concerns have arisen over the tight natural gas supply and expected higher natural gas prices this winter. These higher prices will create hardships for some customers, particularly low-income customers.

On September 13, 2005, the Commission noticed an en banc hearing, and directed the utilities to file comments and proposals for mitigating bill impacts on low-income customers during the winter season. SCE filed its proposals on September 28, 2005. At the en banc hearing, held October 6, 2005 in Los Angeles, legislators, regulators, SCE and other investor-owned utilities, CBOs and interested stakeholders presented the expected impacts on customers this winter, and made specific proposals for mitigating those effects on low income customers.

Subsequently, on October 6, 2005, Administrative Law Judge Weissman issued an email ruling directing the utilities to make any proposals for mitigating the bill impacts on low-income customers by no later than October 11, 2005, to enable the Commission to quickly act on these matters by October 27, 2005.

SCE's proposals for the 2006 winter period and beyond are discussed below.

B. SCE's Proposals for the 2006 Winter Period and Beyond

1. Suspend the CARE Recertification Requirement

Currently under the CARE program, recertification of customer eligibility is required (except for submetered customers) every two years.¹ SCE proposes to suspend this requirement during the 2006 winter period (January 1, 2006 – March 31, 2006). A substantial percentage of customers who remain eligible for CARE simply fail to recertify when prompted. SCE has observed that many customers who are removed from the CARE program for failure to recertify subsequently contact SCE to re-apply for CARE once they receive their first bill without the CARE discount.

To avoid the removal of eligible customers during this critical winter period, SCE requests authority to suspend the recertification requirement effective January 1, 2006 through March 31, 2006.

2. Waive the CARE Deposit

SCE requests the authority to waive the reconnect deposit for CARE customers whose service is disconnected during the 2006 winter period (January 1, 2006 - March 31, 2006.)

3. Winter Rapid Deployment Initiative

As part of SCE's increased targeting of low-income customers through CBOs, SCE requests authority as part of its Winter Rapid Deployment Initiative to consider CARE customers automatically "income eligible" for two LIEE measures - refrigerator replacements and CFLs – and not require proof of income. CARE customers would complete and sign a self-declaration form attesting to household size and income.

¹ See D.94-12-049, issued on December 21, 1994 in I.88-07-009, at Conclusion of Law 13 and Ordering Paragraph 6.

4. Streamline Recertification of CARE Customers

SCE requests authority to allow customers to recertify by telephone. This would include in-bound calls from customers and out-bound calls by SCE.

5. Spend 2006 and 2007 Funding Beginning in 2005 if Necessary

In its Application, SCE requests authorization to carryover unspent funds from 2006 into 2007, and if necessary, to advance funds from 2007 to the 2006 program year.² To further enhance SCE's ability to proactively address the needs of low income customers during the 2006 winter period, SCE requests that the Commission authorize SCE to spend 2006 and 2007 authorized funds beginning in 2005, and to count program accomplishments from 2006 funds used in 2005 toward the 2006 goals. There is precedent for granting such a request in the energy efficiency arena.³ SCE requests substantially similar to that in Ordering Paragraph 6 of Decision 05-09-043, dated September 22, 2005.⁴

SCE further requests that the Commission allow the Assigned Commissioner to meet with the utilities, LIOB, CBOs, and other stakeholders and issue Rulings as appropriate to expeditiously tailor the programs as necessary to facilitate low income assistance program delivery to our customers.

² See Exhibit SCE-1 to the Application at 21.

³ See D.05-09-043, issued September 22, 2005, at Ordering Paragraph 6.

⁴ See *id.*, authorizing the utilities "to expend 2006 monies to fund activities in 2005 for programs that have a long start-up period to ensure timely implementation in 2006. The utilities may also use authorized 2006 funds to continue successful 2005 programs that are approved for implementation in this decision to avoid a hiatus in program availability provided all other funding options have been exhausted, as discussed in this decision. The utilities are authorized to use unspent funding authorizations for 2005 and prior program year carryover funding for the program continuity and start-up activities authorized in this decision, without requiring a filing (e.g., petition or motion) for Commission or Administrative Law Judge (ALJ) approval, and shall do so before tapping 2006 program funding budgets.

Program accomplishments from 2006 funds used for the 2005 program activities authorized by this decision shall be counted toward 2006 savings goals on an "actuals" basis. As directed in this decision, Energy Division and the utilities shall establish procedures for determining the amount of 2006 funding authority that was actually carried back to 2005 (after considering the balances in unspent funds from prior year carry forwards as well as program year 2005 authorizations) and for identifying the installations and associated costs (for example, by date and kind of activity) that were funded out of 2006 authorized budgets. If agreement can not be reached between Energy Division and the utilities, the assigned ALJ shall rule on these accounting matters.

III.

CONCLUSION

SCE supplements the Application to request the authority to:

- suspend the recertification requirement of CARE through March 31, 2006;
- through March 31, 2006, waive the reconnect deposit for CARE customers;
- allow SCE as part of its Winter Rapid Deployment Initiative to consider CARE customers automatically “income eligible” for two LIEE measures - refrigerator replacements and CFLs – and not require proof of income. CARE customers would complete and sign a self-declaration form attesting to household size and income.
- enable customers to recertify for the CARE program by telephone; and
- spend 2006 and 2007 authorized funds beginning in 2005, if necessary, and count program accomplishments from 2006 funds used in 2005 toward the 2006 goals.

SCE respectfully urges the Commission to promptly approve the Application. SCE also urges the Commission to approve SCE’s Motion for Authority to Take Actions to Mitigate Bill Impacts on Low-Income Customers During the 2005 Winter Period, filed concurrent with this Supplement in R.04-01-006.

Respectfully submitted,

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October 11, 2005

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 SUPPLEMENT TO SOUTHERN CALIFORNIA EDISON COMPANY'S (U 338-E) APPLICATION (A.05-06-009) REQUESTING APPROVAL OF LOW INCOME ASSISTANCE PROGRAMS AND BUDGETS FOR PROGRAM YEARS 2006 AND 2007 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 **11th day of October, 2005**, at Rosemead, California.

Meraj Rizvi
Project Analyst
SOUTHERN CALIFORNIA EDISON COMPANY

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