

BEFORE THE PUBLIC UTILITIES COMMISSION OF
THE STATE OF CALIFORNIA



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Application of Pacific Gas and Electric Company for Approval of its 2010 Rate Design Window Proposal for 2-Part Peak Time Rebate and Recovery of Incremental Expenditures Required for Implementation (U39E)

Application 10-02-028
(Filed February 26, 2010)

Application of Pacific Gas and Electric Company for Approval to Defer Consideration of Default Residential Time-Variant Pricing until Its Next General Rate Case Phase 2 Proceeding, or in the Alternative for Approval of its Proposals for Default Residential Time-Variant Pricing and For Recovery of Incremental Expenditures Required for Implementation. (U39E)

Application 10-08-005
(Filed August 9, 2010)

CENTER FOR ACCESSIBLE TECHNOLOGY'S OPENING BRIEF

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I. INTRODUCTION

In accordance with Rule 13.11 of the Commission's Rules of Practice and Procedure, and the schedule set by Administrative Law Judge Roscow following an evidentiary hearing on the PTR proposal at issue in this proceeding, the Center for Accessible Technology (CforAT) submits this opening brief. At hearing, CforAT focused on the potential impact of PG&E's PTR proposal on its constituents, PG&E customers with disabilities. In particular, CforAT focused on the need for effective education and outreach to people with disabilities if PTR is implemented, and what such effective education and outreach would look like. In both this phase and the non-PTR phase of this consolidated proceeding, CforAT has also focused on the impacts of any changes to the residential rate structure on affordability, particularly for low-income customers (including many customers with disabilities).

In order to focus on the areas of particular concern to its constituency, CforAT does not address many of the issues identified in the common briefing outline agreed to by the parties and the Administrative Law Judge; however, the entire briefing outline is set forth below. CforAT reserves the right to address additional issues on reply.

II. PROCEDURAL HISTORY

PG&E filed its Application seeking approval of a 2-part PTR program on February 26, 2010, in accordance with direction issued in D.09-03-026 (the SmartMeter Program Upgrade Decision, also known as the SMU Decision). Disability Rights Advocate (DisabRA), CforAT's predecessor, filed a timely protest raising concerns regarding the need for accessible communication at all stages of any PTR program, including foundational communication, awareness communication, and effective notification of event days.¹ In its Response, PG&E agreed that issues concerning the

¹ Disability Rights Advocates' Protest of 2010 Rate Design Window Application of Pacific Gas and Electric Company (U 39 E), filed on March 29, 2010.

accessibility of the PTR program were appropriate for consideration,² and the Commission agreed in a Scoping Memo.³ On August 9, 2010, DisabRA served all parties in the proceeding with expert testimony by Dmitri Belser, Executive Director of the Center for Accessible Technology, on the issue of accessible communication.⁴

Subsequently, the schedule for the proceeding was suspended to allow the Commission to develop and initiate a comprehensive and logical approach to a resolution of the PTR Application and A.10-08-005, PG&E's DRRP Application.⁵ Further schedule modifications were made in a Ruling issued on March 7, 2011 and the suspension was lifted (and a new schedule set) in an Amended Scoping Memo and Ruling of the Assigned Commissioner, issued on August 18, 2011.

In October of 2011, the Center for Accessible Technology filed a Motion for Party Status indicating its intent to join the proceeding as an active party and to act as a successor to DisabRA; in the same motion, CforAT asked to adopt DisabRA's prior filings and testimony as its own.⁶

² Response of Pacific Gas and Electric Company (U 39 E) to Protests to its 2010 Rate Design Window Application at p. 5.

³ The initial Scoping Memo issued in this proceeding specifically includes as an issue: "The amount and manner of outreach and education to PG&E's residential customers, including customers with disabilities, low income customers, and non-English speaking customers." Scoping Memo and Ruling of Assigned Commissioner, issued on August 18, 2010, at p. 5.

⁴ Testimony of Dmitri Belser, Center for Accessible Technology, on Behalf of Disability Rights Advocates, dated August 9, 2010. This testimony was eventually admitted into evidence as Appendix A to Exhibit CforAT – 1, titled Testimony of Dmitri Belser, Center for Accessible Technology, and dated March 13, 2012.

⁵ Administrative Law Judge's Ruling Revising Procedural Schedule, issued on October 6, 2010.

⁶ Center for Accessible Technology's Motion for Party Status, filed on October 17, 2011. CforAT further noted that "this request is made following an agreement between CforAT and DisabRA regarding representation of the interests of the disability community before the Commission, as discussed in greater detail below. Additionally, Melissa Kasnitz, who formerly led all of DisabRA's work before the Commission, has now moved to CforAT, where she will continue to represent the interests of the disability community. Assuming that this request for party status is granted and CforAT is recognized as DisabRA's successor, DisabRA will cease its active participation in this proceeding." CforAT's motion was granted by an e-ruling from ALJ Roscow on November 14, 2011.

In November of 2011, PG&E filed a motion seeking to consolidate the PTR proceeding, A.10-02-028, with A.10-08-005.⁷ On February 7, 2012, a Ruling was issued consolidating the proceedings and setting legal briefing on certain issues in the consolidated proceeding, but declining to vacate the schedule for hearings on specific issues pertaining to PTR, including the accessibility issues raised first by DisabRA and then adopted by CforAT.⁸ The February 7 Ruling made some adjustments to the schedule for considering the PTR issues, which then proceeding toward hearing.

While the PTR issues have continued to be litigated, PG&E has taken the position that it should be permitted to cease its efforts to implement PTR; instead, PG&E advocates fundamental changes to its residential rate structure, as was set forth in its Response to the February 7 Ruling in the non-PTR phase of this consolidated proceeding, excerpts of which were admitted into the record in the PTR phase of the proceeding.⁹ Overall, via the RRP Report, PG&E advocates that its default residential rate structure remain a tiered system, but with fewer tiers, a reduced differential between the tiers, and the addition of a customer charge. In addition to the default tiered system, PG&E advocates that residential customer have opt-in choices for TOU rates or for CPP (either in combination with tiers or TOU). Finally, PG&E advocates for changes to the CARE discount, which would result in a substantial rate increase for CARE customers. PG&E does not want to provide PTR as either an opt-in or a default rate.

As noted above, while this phase of the proceeding was intended to address the specific issues of PTR, in testimony and at hearing the broader issues raised in the

⁷ Motion of Pacific Gas and Electric Company (U 39 E) to Consolidate the 2010 RDW Application 10-02-028 with the Default Residential Rate Programs Application 10-08-005, filed on November 22, 2011.

⁸ *See generally* Joint Ruling of the Assigned Commissioner and Presiding Administrative Law Judges, issued on February 7, 2012 (February 7 Ruling).

⁹ PG&E March 30, 2012 Residential Rate Program (RRP) Report excerpts, attached as Attachment 1 to Rebuttal Testimony of Karen Zelmar, admitted as Exhibit PGE - 2, Chapter 2, at pp. 3-4. The RRP Report was initially filed on March 30, 2012 as the Response of Pacific Gas and Electric Company (U 39 E) to Questions on Rates for 2012-2020 and Peak Time Rebate Expenditures in the February 7, 2012 Joint Ruling of the Assigned Commissioner and Presiding Administrative Law Judge.

consolidated application of whether and how to proceed with the implementation of PTR (as compared to other rate options) were also addressed.¹⁰

CforAT's primary focus on education and outreach presumes that PTR will be implemented and addresses issues on how implementation should take place. In accordance with the revised schedule for PTR issues set out in the February 7 Ruling, CforAT served testimony from its Executive Director, Dmitri Belser, on the need for accessible outreach and education on March 13, 2012; this testimony incorporated and updated the earlier testimony prepared on behalf of DisabRA.¹¹ Hearings took place as scheduled on April 23-27, 2012.

III. SHOULD THE CPUC PROCEED WITH PTR ON THE CURRENT SCHEDULE?

A. The SMU Decision

CforAT will not be addressing this issue in this Opening Brief except to note that PG&E justified its costs for advanced metering premised on anticipated benefits of PTR.¹²

B. PTR Pilot Results

CforAT will not be addressing this issue in this Opening Brief.

C. Advantages or Disadvantages of Delaying PTR

In order to consider the advantages or disadvantages of implementing or delaying PTR, a threshold issue is whether PTR is intended to serve as a transition to other forms of dynamic pricing, such as CPP, or whether it is an end goal on its own. PG&E argues that it should be allowed to forgo implementing PTR because it believes that PTR is not a

¹⁰ CforAT has substantial concerns about PG&E's overall proposed vision for residential rates as set out in the RRP Report, including its proposed changes to the default tiered rate structure, which were addressed in its Reply Comments on the February 7 Ruling filed jointly with the Greenlining Institute on April 26, 2012 in the non-PTR phase of this proceeding.

¹¹ This testimony was eventually accepted into the record as Exhibit CforAT – 1, including appendices.

¹² See Exhibit DRA – 4, excerpts from the SMU Decision, D.09-03-026, issued in A.07-12-009, PG&E's AMI upgrade application, at p. 23, Table 1 and at pp. 152-153, Tables 3 and 4; see also Tr. Vol. 1 at 39:11-43:20 (Pease) and Tr. Vol. 1 at 122:8-123:4 (Zelmar).

useful interim step toward the utility’s long-term vision for residential rates.¹³ DRA presented evidence that PTR might be as effective as CPP in reducing load, and that in at least one comparative pilot program, customers preferred PTR,¹⁴ which is viewed by customers as a “risk-free” program that can allow them to reduce their bills if they conserve during peak periods, but does not directly penalize them with higher rates if they fail to do so.¹⁵

1. Long Term Residential Rate Vision

CforAT’s response to PG&E’s long term residential rate vision is set out in detail in its joint filing with the Greenlining Institute submitted in the non-PTR phase of this proceeding.¹⁶ Overall, CforAT is focused on PG&E’s failure in its RRP Report to consider the impacts of its vision on affordability, particularly for low income and low use customers.

As PG&E acknowledged at hearing, individual customers generally would view their best rate option as the one in which they would pay the least, on average.¹⁷ Thus, PG&E would expect to try to recruit customers to any rate options adopted as part of its long-term vision by identifying those customers who would save money through those programs and persuading them to select such opt-in rate structures. Those customers who would not benefit financially from an opt-in rate structure such as CPP or TOU would generally be likely to remain on the default rate option, however such option is

¹³ See e.g. Rebuttal Testimony of Daniel Pease, Chapter 1 of Exhibit PG&E – 2 at p. 1-3; see also Tr. Vol. 1 at 12:19-13:17 (Pease).

¹⁴ See Exhibit DRA – 9, presenting results of BGE Pricing Pilot, at slide 1 (“price elasticities for DPP and PTR were not statistically different”) and slide 13 (“Peak Time Rebate Widely Favored”).

¹⁵ See Exhibit DRA – 3, the OP3 Report at p. 16. This report was created by PG&E but was introduced at hearing by the Division of Ratepayer Advocates.

¹⁶ Center for Accessible Technology and the Greenlining Institute’s Reply Comments Addressing Policy Issues Related to Time-Variant Pricing and Residential Rate Design in Response to the Joint Ruling Issued on February 7, 2012, filed on April 26, 2012.

¹⁷ Tr. Vol. 1 at 62:10-18 (Pease).

structured.¹⁸ However, PG&E has a set revenue requirement for its residential customer base, such that “for every person who pays less under a particular rate design, someone else has to pay more for PG&E to collect the forecast revenue.”¹⁹ Overall, if PG&E successfully recruits customers to opt-in programs based on bill savings for those customers, the customers who remain on the default rate will have to make up the difference. Additionally, as acknowledged by PG&E, its long-term vision expressly includes changes to the default tiered rate structure that would have the most impact on rates for low-income customers, including many customers with disabilities.²⁰ In contrast, a default PTR will direct bill savings to those who meet program requirements, while any corresponding increases to make up for lost revenue will be spread more broadly through the residential customer class.

2. SDG&E Full Rollout

CforAT will not be addressing this issue in this Opening Brief.

3. Demand Response Benefits of PTR compared with Other Alternatives

CforAT will not be addressing this issue in this Opening Brief.

4. Customer Impacts and Satisfaction

If the Commission delays or suspends implementation of PTR, the only option available to residential customers outside of the standard tiered rate structure will be the existing tiered time-of-use rate, known as Smart Rate, or nonprice programs such as Smart AC.²¹ However, it is unclear that the existing TOU rate structure is satisfactory to customers, and there is evidence that shows a correlation in at least one customer

¹⁸ This would likely include many low-income and low-use customers. Tr. Vol. 1 at 70:19-71:6 (Pease).

¹⁹ Tr. Vol. 1 at 65:12-28 (Pease). The PG&E witness also correctly noted that some costs, such as fuel, go down if overall consumption is reduced, so not every reduction in costs to one customer class would require increased revenue from another customer class. *Id.* at 64:23-65:11.

²⁰ Tr. Vol. 1 at 74:7-75:12 (Pease).

²¹ Tr. Vol. 1 at 107:21-108:15 (Pease).

segment between adoption of TOU and dissatisfaction with service from PG&E. This correlation can be found in a segmentation study conducted on behalf of PG&E in order to evaluate the utility's 2009-2011 Energy Savings Assistance (ESA) Program.²² The same customer segment also demonstrates the highest level of energy use and the highest levels of disability.²³ PG&E admits that it knows little about its current TOU customers and their satisfaction with the program, yet it prefers to continue forward with TOU (and opt-in CPP) while seeking to avoid implementing PTR.

Notwithstanding PG&E's preference, the record shows that, of the various pricing options under consideration by the Commission at this time, other utility pilot programs have found that customers are most satisfied with PTR, which provides a direct benefit without adding a risk of higher prices is the customer cannot reduce his or her usage during event days.²⁴ Though PG&E argues that PTR presents a risk of dissatisfaction if customers attempt to conserve but do not obtain a discount,²⁵ the utility makes no showing that this roundabout risk of dissatisfaction is greater than the direct customer response if they receive high bills due to paying a premium for consumption during peak hours, as would be incorporated in a CPP program.

5. Accuracy and "Structural Benefitters"

CforAT will not be addressing this issue in this Opening Brief.

²² PG&E's 2009-2011 Energy Savings Assistance (ESA) Program Household Segmentation Research Study, prepared by Hiner & Partners, Inc. The study results were publicly presented in a workshop on February 27, 2012. Excerpts of the PowerPoint presentation from the study, mistakenly dated February 27, 2011, are attached as Appendix B to the Testimony of Dmitri Belser, Exhibit CforAT – 1. *See* Exhibit CforAT – 1, App. B at p. 22 (showing that Segment 7 includes "the highest proportion of customers on Medical Baseline and Life Support, as well as the TOU Rate") and p. 50 (Segment 7 "has the highest electricity usage among the eight groups. . . Another characteristic that sets this segment apart is an above average incidence of someone who is disabled (self reported) living in the home. . . They are the segment with the lowest satisfaction with PG&E as well").

²³ Exhibit CforAT – 1, App. B at pp. 22 and 50.

²⁴ Exhibit DRA – 9.

²⁵ *See* Tr. Vol. 1 at 35:7-21 (Pease).

6. Timing Relative to Generation Capacity Forecasts

CforAT will not be addressing this issue in this Opening Brief.

7. Cost

CforAT will not be addressing this issue except to note that PG&E justified its costs for advanced metering premised on anticipated benefits of PTR.²⁶

8. Other Issues

CforAT has no additional issues to address in this Opening Brief.

IV. PROGRAM ELEMENTS

A. Design of PTR Generally

CforAT will not be addressing this issue in this Opening Brief.

B. Design of the Customer-Specific Reference Level (CRL) as the Savings Threshold

CforAT will not be addressing this issue in this Opening Brief.

C. Bill Protection

CforAT will not be addressing this issue in this Opening Brief.

D. Customer Outreach and Education Methods

There is no dispute that any PTR program needs effective customer outreach and education in order to be effective. PG&E’s proposal includes a full chapter of testimony focused on customer outreach for awareness and notification, including foundational activities, PTR awareness and event notification.²⁷ PG&E states that it “believes the strategies described in this chapter will be critical to the successful rollout of the PTR

²⁶ See Exhibit DRA – 4, excerpts from the SMU Decision, D.09-03-026, issued in A.07-12-009, PG&E’s AMI upgrade application, at p. 23, Table 1 and at pp. 152-153, Tables 3 and 4; see also Tr. Vol. 1 at 39:11-43:20 and Tr. Vol. 1 at 122:8-123:4 (Zelmar).

²⁷ Chapter 5 of PG&E’s Refreshed Testimony (Olsen), served on October 28, 2011, entered into the record as Exhibit PGE – 1.

pricing plan,” and recognizes that PTR would represent “a major change for most PG&E residential customers.”²⁸

CforAT’s primary recommendations²⁹ in this proceeding concern PG&E’s proposals for effective customer outreach and education, specifically addressing the communication needs of those people whose disabilities affect their ability to use standard forms of communication,³⁰ in order to implement PTR (if PTR goes forward at this time). CforAT highlights the way in which all phases of customer communication, including customer input, overall awareness of the rate, and awareness of actual event days, must be conducted so as to reach this constituency.

The three primary recommendations are:

1. Retain a consultant with knowledge of communications access to serve as a resource regarding effective communication with the disability community;
2. Specifically target the disability community in all aspects of the PTR education and outreach plan; and
3. Maximize the accessibility of standard communications throughout all aspects of the PTR education and outreach plan.³¹

²⁸ Exhibit PGE – 1 at p. 5-1.

²⁹ CforAT’s recommendations are set forth in the Testimony of Dmitri Belser, Exhibit CforAT – 1. Exhibit CforAT – 1 includes Mr. Belser’s testimony, dated March 13, 2012, Appendix A to the testimony, which consists of earlier testimony prepared by Mr. Belser for CforAT’s predecessor in this proceeding, Disability Rights Advocates, and Appendix B to the testimony, which consists of excerpts from PG&E’s 2009-2011 Energy Savings Assistance (ESA) Program Household Segmentation Research presentation, presented on February 27, 2012 (mistakenly dated February 27, 2011).

³⁰ In his initial testimony prepared in 2010, Mr. Belser outlined some communications hurdles faced by people with disabilities. Exhibit CforAT – 1, App. A at pp. 3-4. No party challenged the existence of these hurdles or the appropriateness of the overall goal of ensuring that outreach and education regarding PTR is accessible to customers with disabilities.

³¹ Exhibit CforAT – 1, App. A at p. 3.

The substantial majority of Mr. Belser's testimony consists of elaborations on these three primary recommendations, which were also the focus of PG&E's cross-examination of Mr. Belser. Based on the record, all three of these recommendations are justified, and should be incorporated into any PTR program and schedule the Commission may adopt.

1. PG&E Should Retain a Consultant

CforAT recommends that PG&E retain a consultant with expertise on effective communication with people with disabilities so that it can incorporate best practices on effective communication at all stages of its outreach and education effort. The benefits of a consultant, as opposed to efforts to address these issues in-house (which appears to be PG&E's preference) are substantial.

An appropriate consultant would have current expertise, and would have targeted focus on accessibility issues. PG&E was unable to identify in-house expertise on these issues.³² Additionally, as identified by Mr. Belser based on his own experience as an in-house disability expert at a regulated utility, it is common for the responsibilities of an employee to expand, and for some nominal obligations to get lost amid competing pressures; an outside consultant is not subject to these same pressures.³³ A consultant could be engaged at appropriate times in the development of the PTR campaign, without being subject to the same pressures and without requiring the addition of a long-term, full time position.³⁴

³² At hearing, PG&E's witness regarding education and outreach issues, Erik Olsen, stated that PG&E bases its belief that it has sufficient internal expertise on disability access issues on past engagement with CforAT and its predecessor, Disability Rights Advocate. Tr. Vol. 2 at 220:29-221:21 (Olsen). However, CforAT's own expert stated that he was unable to provide comprehensive recommendations on maximizing accessibility of outreach and educational material and that a consultant serving as an ongoing resource would be more appropriate. Exhibit CforAT – 1, App. A at p. 6. If CforAT's expert did not have sufficient information at the time he prepared his testimony to make comprehensive recommendations, than PG&E's claim that its prior work with the same expert provides sufficient expertise to ensure effective outreach in the future is inherently suspect.

³³ Tr. Vol. 5 at 738:24-339:1 (Belser); *see also* Tr. Vol. 5 at 749:13-750:8 (Belser).

³⁴ Tr. Vol. 5 at 752:2-9 (Belser).

Among other contributions, a consultant could help conduct targeted outreach to the disability community on foundational activities, including specialized focus groups,³⁵ help identify resources for reaching people with disabilities,³⁶ stay on top of rapidly-developing accessible communications alternatives and technologies,³⁷ assist in training PG&E employees and contractors who are involved in the PTR education and outreach effort on disability awareness and accommodation,³⁸ and help develop metrics by which to evaluate the success of outreach to the disability community and follow with appropriate adjustments.³⁹

2. PG&E Should Target the Disability Community In All Aspects of its PTR Outreach and Education Campaign

In conjunction with a consultant, PG&E should target the disability community early and should work diligently to incorporate feedback from the community as its outreach and education efforts develop. As noted by Mr. Belser, “if customer feedback is gathered but ultimately not implemented, the entire activity will have little value, and the outreach to the disability community will ultimately be unsuccessful.”⁴⁰ In order to generate awareness of PTR in the disability community, and address the needs of this community in implementing a new rate structure, PG&E should begin with targeted focus

³⁵ Exhibit CforAT – 1, App. A at p. 6. PG&E has experience with this type of process; in Phase 3 of A.10-03-014 regarding PG&E’s efforts to redesign its customer bills, based on the input of CforAT’s predecessor Disability Rights Advocates, PG&E conducted structured interviews with low-vision customers, using an agreed-upon consultant who both identified participants and conducted the interviews, in order to assist in maximizing the accessibility of the standard bills and testing a proposed targeted “low-vision” bill.

³⁶ Many effective channels are informal, based on mailing lists of CBOs or groups formed over social media. See Exhibit CforAT – 1, App. A at p. 9. A consultant who is active in the disability community can locate and obtain access to such channels more easily than someone who is not already knowledgeable about such resources.

³⁷ Exhibit CforAT – 1, App. A at p. 12; *see also* Tr. Vol. 5 at 739:2-9 (Belser).

³⁸ See Exhibit CforAT – 1, App. A at p. 10. PG&E indicated its intent to have training on disability issues conducted in-house by PG&E Academy, but its witness was unable to identify whether any staff within PG&E Academy has specialized expertise in disability awareness or communications with people with disabilities. Tr. Vol. 2 at 228:10-229:22 (Olsen).

³⁹ Exhibit CforAT – 1, App. A at p. 12; *see also* Tr. Vol. 5 at 747:10-748:2 (Belser).

⁴⁰ Exhibit CforAT – 1, App. A at p. 12.

groups, incorporating people with a broad range of disabilities, “to understand how they access information from the utility (and information from other sources, what kinds of accommodations and alternate formats they use, and to give input on PG&E’s plans for the PTR program.”⁴¹ PG&E has used this technique in its efforts to redesign its standard bill so as to maximize accessibility,⁴² and has informally noted the success of its efforts. Both to generate such focus groups and to drive feedback through additional forums such as phone or internet surveys, PG&E should reach out through channels likely to be used by the disability community, such as specialized media, listservs, social networking groups, and community-based organizations (CBOs).⁴³ These same types of channels can subsequently be used for an awareness campaign (with the actual channels updated based on what is learned during the foundational stage).⁴⁴ Finally, PG&E should use the same channels to broadcast event days, as well as provide notice to customers previously identified as disabled using those individual customers’ preferred means of communication.⁴⁵

3. PG&E Should Maximize the Accessibility of Standard Communications

PG&E expressly agrees with CforAT’s recommendation that accessibility of standard communications should be maximized for all aspects of PTR education and outreach.⁴⁶ To the extent that any issue remains regarding this recommendation, it consists only of determining how the recommendation should be implemented.

⁴¹ Exhibit CforAT – 1, App. A at p. 6.

⁴² *See e.g.* Motion of the Settling Parties for Adoption of Settlement Agreement on Revised Customer Energy Statement Issues, filed in A.10-03-014 on November 10, 2011, at p. 5.

⁴³ Exhibit CforAT – 1, App. A at p. 6.

⁴⁴ Exhibit CforAT – 1, App. A at p. 9.

⁴⁵ Exhibit CforAT – 1, App. A at p. 9-10.

⁴⁶ Tr. Vol. 2, 211:11-212:17 (Olsen).

While a consultant could provide further information and ensure that accessibility efforts represent best practices, CforAT provided specific recommendations on how to maximize the accessibility of standard forms of communication. The most important recommendation is for all written materials about PTR, including foundational information, awareness information, and event day notification, to include key information in large print (14 point sans serif font).⁴⁷

Additional recommendations regarding ways to maximize the accessibility of standard foundational information, most notably PG&E's various forms of customer research, include the following:

- People with disabilities affecting their ability to communicate should be accommodated and allowed to participate in standard focus groups and other forms of customer research, if they so choose. In order to effectuate participation in standard customer research, PG&E should be prepared to provide accommodation in the form of alternative formats for written material (for people with vision impairments), an ASL interpreter or captioning service (for people with hearing impairments), or other appropriate accommodation in the focus group process.⁴⁸
- PG&E's website and any third-party website used for internet-based customer research should be designed in accordance with accessibility

⁴⁷ In his Testimony, Mr. Belser repeatedly notes the importance of providing key information in large print in standard written material. *See e.g.* Exhibit CforAT – 1, App. A at pp. 4, 10. CforAT and its predecessor DisabRA have routinely identified “large print” to mean 14 point, sans serif font; this has been adopted by the Commission in multiple decisions. *See, e.g.* *D.12-03-054* at p. 56, Ordering Paragraph 2.j.

⁴⁸ Exhibit CforAT – 1, App. A at pp. 6-7. While PG&E initially indicated that it would not accommodate disabled customers who were interested in participating in customer research efforts such as focus groups, *see* Exhibit CforAT – 3 at Q/A 3-4, it subsequently clarified that PG&E would “comply with legal requirements regarding accessibility” in marketing efforts such as focus groups. Tr. Vol. 2 at 288:25-289:9 (Olsen). State and federal accessibility laws require that entities such as PG&E accommodate people with disabilities in activities such as focus groups.

standards so that people who use screen-readers or who rely on keyboard navigation can participate.⁴⁹

- Telephone outreach should be designed to accommodate people who use TTY machines or relay services.⁵⁰
- Outreach efforts encouraging people to participate in foundational activities should themselves be designed to maximize accessibility.⁵¹

Additional recommendations regarding awareness efforts include:

- All materials generated in support of the awareness campaign should include TTY numbers with the same prominence as voice numbers, and include a notation that relay calls are accepted.⁵²
- Advertisements or public service announcements should be captioned; internet videos should include transcripts and/or ASL interpretation.⁵³
- The campaign should generally look to “universal design” principles in all outreach and education material.⁵⁴

Additional recommendations regarding event day notification include:

- Televised alerts and internet videos should be captioned.⁵⁵

⁴⁹ Exhibit CforAT – 1, App. A at p. 7.

⁵⁰ Exhibit CforAT – 1, App. A at p. 7.

⁵¹ Exhibit CforAT – 1, App. A at pp. 7-8.

⁵² Exhibit CforAT – 1, App. A at p. 10.

⁵³ Exhibit CforAT – 1, App. A at p. 10.

⁵⁴ Exhibit CforAT – 1, App. A at p. 10.

⁵⁵ Exhibit CforAT – 1, App. A at p. 11. At hearing, PG&E indicated that it would rely on FCC captioning requirements governing cable providers without independently ensuring that televised announcements are captioned. Tr. Vol. 2 at p. 216:9-28 (Olsen). Because the incremental costs of providing captioning for televised material that does not yet exist is minimal, CforAT believes that PG&E should commit to ensuring that captions are provided on all such material as it is developed, in order to maximize the ability of people who are deaf/hard of hearing to receive information about event days. PG&E recognizes its obligation to provide captioning on internet videos. Tr. Vol. 2 at 251:15-28 (Olsen)

- PG&E should develop a logo or other visual cue to accompany announcements of event days.⁵⁶
- PG&E should use the preferred forms of communication provided by its identified customers with disabilities for event-day notification.⁵⁷
- PG&E should ensure that third-party vendors used for customer notification can communicate in the customer's preferred format, including telephone notification by TTY or relay service.⁵⁸
- PG&E employees and contractors should be prepared to respond to inquiries from people with disabilities, including those coming via TTY and relay, as well as email and text messaging.⁵⁹

All of these efforts would be consistent with the “Communications Access” provisions of the Memorandum of Understanding (MOU) that is in effect between PG&E and Disability Rights Advocates for the duration of PG&E's current General Rate Case cycle.⁶⁰ Section VII.D.1 of the MOU requires PG&E to provide key information in large print in all written materials to the extent that it is reasonable to do so.⁶¹ Mr. Belser indicated that it would be reasonable to take this step for all PTR-related material, since no such material yet exists and it can be developed from scratch incorporating this

⁵⁶ PG&E has not rejected this recommendation; rather it has stated that such messaging has not yet been developed, and that it will be developed based on positioning and messaging research. Tr. Vol. 2 at 217:28-218:24 (Olsen). This again highlights the need to include people with disabilities in the customer research stage of message development, and to include a consultant who can ensure that the needs of people with disabilities are taken into consideration as such messaging is developed.

⁵⁷ Exhibit CforAT – 1, App. A at pp. 9-10, 11.

⁵⁸ See Tr. Vol. 2 at 254:7-255:5 (Olsen).

⁵⁹ Exhibit CforAT – 1, App. A at p. 11.

⁶⁰ The MOU, which is a public document, was approved by the Commission in D.11-05-018, and was entered as into the record of this proceeding as Exhibit CforAT – 2. The Communications Access obligations are set forth at § VII of the MOU, at pp. 17-23.

⁶¹ Exhibit CforAT – 2 at § VII.D.1.

accessibility feature without incurring more cost than is already planned for development of such material.⁶²

Moreover, while the MOU sets the minimum obligations for PG&E, there is nothing preventing the Commission from providing more explicit direction to PG&E regarding accessibility of communications regarding PTR; in this way, the provisions of the MOU are a floor, not an absolute standard. This possibility is expressly considered within the MOU, in a subsection with the heading “Interaction with Other Proceedings,” which provides direction for the parties to the extent that issues concerning enhanced communications access arise in other proceedings during the life of the MOU.⁶³ Per the terms of the MOU, any order issued in this proceeding stating that it would be reasonable to include key information in large print in all written materials concerning PTR, or requiring implementation of all other accessibility features sought by CforAT, may cause PG&E to adjust its overall priorities in reviewing its customer communications for accessibility, but would not otherwise affect its general obligations.

4. The Evolving Role of PTR and Other Dynamic Pricing/TOU Options Make Accessible and Effective Communications More Important than Ever.

No party disputes the importance of educating customers on changes to residential rate structures, whether the changes are to adopt PTR or to move forward on the other residential rate options under discussion. At hearing, in response to a question of how the utility sees the need for effective customer education generally, PG&E witness Daniel Pease stated:

⁶² Tr. Vol. 5 at 743:24-744:18 (Belser).

⁶³ CforAT – 2 at § VII.F.2. In such circumstances, the parties to the MOU agree to meet and confer to address any potential impacts of Commission decisions issued in other proceedings on the general requirements of the MOU, and recognize that specific orders issued in other proceedings may affect the prioritization of action under the general terms of the MOU. As noted during hearing, the party charged with enforcing the MOU continues to be Disability Rights Advocates, which is no longer an active party in this proceeding. See Tr. Vol. 5 at 755:1-756:2 (Melissa Kasnitz, counsel for CforAT, providing procedural clarification regarding the status of CforAT and DisabRA in this proceeding and in regard to the MOU).

It does appear clear that whether the program is peak time rebate or whether the program is SmartRate, customers need to be aware of the events and need to understand how the pricing programs work in order for them to reduce demand in the way we want. So I think it's critical.⁶⁴

CforAT agrees. In addition, as well as allowing customers to reduce demand, it is vital that customers understand how energy is priced because a lack of understanding can drive dissatisfaction with the utility. PG&E has expressed substantial concern about this very possibility, stemming at least in part from customer complaints following the introduction of Smart Meters and other recent changes in residential service and other recent experiences,⁶⁵ and specifically agreeing that customer tolerance for change and effective customer education go hand in hand.⁶⁶ Again, CforAT agrees.

These joint drivers supporting the need for effective education and outreach are given a further boost in importance based on the information discussed in § III.4, above, showing a correlation between disabled customers, customers with high levels of energy use, customers who have currently opted in to the existing Smart Rate (TOU) pricing plan, and customers with high levels of dissatisfaction with their service by PG&E.⁶⁷

The fact that there is a correlation between these various factors is not, in itself dispositive of anything. However, it does suggest that there is a customer segment for which PG&E has not been successful in its various goals of reaching disabled consumers effectively, educating customers on how to reduce demand, ensuring that customers who have selected optional dynamic pricing rates are well-served by those rates, and/or

⁶⁴ Tr. Vol. 1 at 58:27-59:11 (Pease).

⁶⁵ *See, e.g.* Tr. Vol. 1 at 140:27-141:18 (Zelmar).

⁶⁶ Tr. Vol. 1 at 60:4-6 (Pease).

⁶⁷ Exhibit CforAT – 1, App. B at p. 22 (showing that Segment 7 includes “the highest proportion of customers on Medical Baseline and Life Support, as well as the TOU Rate”) and p. 50 (Segment 7 “has the highest electricity usage among the eight groups. . . . Another characteristic that sets this segment apart is an above average incidence of someone who is disabled (self reported) living in the home. . . . They are the segment with the lowest satisfaction with PG&E as well”).

supporting efforts that would result in customer tolerance for change. As noted by Mr. Belser:

[T]he fact that this correlation exists, without an understanding by PG& as to whether this rate structure [Smart Rate] is in the best interest of the customers who have selected it, shows the importance of making sure that customers have the resources they need to understand; (1) the rates [sic] options that are available to them, (2) the rate structure that will be assigned to them by default if they do not make an alternative selection, and (3) the rate impacts of the various options.⁶⁸

Mr. Belser further notes that these messages are difficult to convey to customers in general, and many people with disabilities in particular, concluding that “the need to fully integrate people with disabilities into the process for developing and rolling out customer communications. . . only increases in importance as the PTR proposal is integrated as part of an even more expansive plan for residential time-variant pricing.”⁶⁹

E. Other Program Design Issues

CforAT has no other program design issues to address in this Opening Brief.

V. PTR REVENUE REQUIREMENT AND COST RECOVERY

CforAT is not addressing any issues concerning PTR revenue requirement and cost recovery in this Opening Brief.

A. Uncontested Issues

B. Outreach and Education Costs

C. Customer Inquiry

D. Information Technology and Online Enablement

E. Recovery of Costs in the GRC vs. Recovery in this PTR Proceeding

F. Other Revenue Requirement/Cost Recovery Issues

⁶⁸ Exhibit CforAT – 1 at p. 4.

⁶⁹ Exhibit CforAT – 1 at pp. 4-5.

VI. OTHER ISSUES

CforAT has no additional issues to address in this Opening Brief.

VII. CONCLUSION

For the foregoing reasons, CforAT respectfully requests that the Commission order PG&E to proceed with implementation of PTR and to incorporate CforAT's recommendations regarding outreach to, and accessible communication with, its customers with disabilities.

Respectfully submitted,

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