

STATE OF CALIFORNIA

Public Utilities Commission
San Francisco**M e m o r a n d u m**

Date: June 20, 2012

To: The Commission
(Meeting of June 21, 2012)

From: Lynn Sadler, Director
Office of Governmental Affairs (OGA) — Sacramento

Subject: **SB 1207 (Fuller) – California Alternate Rates for Energy program.**
As amended: May 25, 2012

LEGISLATIVE SUBCOMMITTEE RECOMMENDATION: SUPPORT IF AMENDED**SUMMARY OF BILL**

SB 1207 would modify Section 739.1 of the PU Code to change the rules governing the operation of the California Alternate Rates for Energy (CARE) program, a rate assistance program for low income energy customers. The rule changes would reduce egregious or high energy usage at discounted rates.¹ Specifically, the bill grants the Investor Owned Utilities (IOUs) the authority to:

- Require proof of income for CARE customers with monthly (or other bill period) energy usage that exceeds **400%** of baseline.
- Require CARE customers with energy usage that exceeds **400%** of baseline to participate in “an energy savings assistance program” that includes a residential energy audit that may provide information and assistance in reducing energy usage.
- Require CARE customers with energy usage that exceeds **400%** of baseline to notify them whether their residence is rented, and if so, provide information about the identity of the landlord. The IOU may then provide the landlord with any evaluation or audit recommendations pursuant to the aforementioned energy savings assistance program audit.
- Require any CARE customer found to be ineligible to provide back payment for the difference between the CARE program rate and the rate that the subscriber would have been required to pay if they he or she were not a CARE program participant.

¹ The CARE program is a subscription-based rate subsidy program.

The bill mandates that the IOUs shall:

- Require CARE customers with energy usage that exceeds 600% of baseline to participate in “an energy savings assistance program” that includes a residential energy audit.
- Remove from the program any CARE customer with energy usage that exceeds 600% who has failed to lower his or her energy usage within 120 days of undergoing an energy audit.
- Remove and bar for two years any CARE program participants found to be defrauding a utility program, including CARE, energy savings assistance, or medical baseline, by means of bypassing the meter, diversion, or altered, imitation, or counterfeit documentation, or misrepresentation of eligibility.

Lastly, the bill authorizes the California Public Utilities Commission (CPUC):

- To put reasonable limitations on an electrical or gas corporation’s authority to require back payment for customers ineligibly enrolled in CARE.

Amendments taken on May 25 stipulate that:

- “Requirements imposed pursuant to this paragraph shall be consistent with procedures adopted by the commission.”

SUMMARY OF SUPPORTING ARGUMENTS FOR RECOMMENDATION

Evidence presented by the IOUs and others in the 2012-2014 CARE Budget Applications proceeding (A.11-05-017) has demonstrated that a small number of customers may be using large amounts of energy under the CARE rate for illegitimate purposes. Additionally, the CARE program’s extraordinarily high enrollment figures and penetration rates indicate that some CARE customers may be enrolled in the program fraudulently.

A May 4, 2012 Proposed Decision (PD) of Administrative Law Judge (ALJ) Kimberley Kim proposes several CARE program rule changes to limit fraudulent activity. If adopted by the CPUC, the PD would direct the IOUs to implement many of the CARE program rule changes introduced by this bill. Under existing statutory authority the CPUC may make appropriate rule or tariff changes to address fraudulent activity, rendering the bill unnecessary.

An analysis of egregious CARE usage shows that the problem pertains only to electric, and that program controls on CARE gas users as proposed in the bill are unnecessary. Lastly, the bill should clarify whether CARE program restrictions for extreme high usage customers are hinged upon enrollment in the IOU-administered Energy Savings

Assistance Program (ESA) program (or ESAP)² or some other energy savings assistance program.

SUMMARY OF SUGGESTED AMENDMENTS

SB 1207 should be amended to comport with the CPUC's recent PD on this same topic:

(h) (1) In addition to existing audits of eligibility, an electrical ~~or gas~~ corporation may require proof of income eligibility for those CARE program participants whose electricity ~~or gas~~ usage, in any monthly or other billing period, exceeds 400 percent of baseline usage. The authority of an electrical ~~or gas~~ corporation to require proof of income eligibility is not limited by the means by which the CARE program participant enrolled in the program, including if the participant was automatically enrolled in the CARE program because of participation in a governmental assistance program. If a CARE program participant's electricity ~~or gas~~ usage exceeds 400 percent of baseline usage, the electrical ~~or gas~~ corporation may require the CARE program participant to participate in ~~an energy savings assistance program~~ the Energy Savings and Assistance Program (ESAP) that includes a residential energy ~~audit~~ assessment, in order to provide the CARE program participant with information and assistance in reducing his or her energy usage. Continued participation in the CARE program may be conditioned upon the CARE program participant agreeing to participate in ~~an energy savings assistance program~~ the ESAP within 45 days of notice being given by the electrical ~~or gas~~ corporation pursuant to this paragraph. ~~The electrical or gas corporation may require the CARE program participant to notify the utility of whether the residence is rented, and if so, the identity of the landlord, and the electrical or gas corporation may share any evaluation and recommendation relative to the residential structure that is made as part of an energy audit, with the landlord of the CARE program participant.~~ Requirements imposed pursuant to this paragraph shall be consistent with procedures adopted by the commission.

(2) If a CARE program participant's electricity ~~or gas~~ usage exceeds 600 percent of baseline usage, the electrical ~~or gas~~ corporation shall require the CARE program participant to participate in ~~an energy savings assistance program~~ the ESAP that includes a residential energy ~~audit~~ assessment, in order to provide the CARE program participant with information and assistance in reducing his or her energy usage. Continued participation in the CARE program shall be conditioned upon the CARE program participant agreeing to participate in the ~~energy savings assistance program~~ ESAP within 45 days of a notice made by the electrical ~~or gas~~ corporation pursuant to this paragraph. ~~The electrical or gas corporation may require the CARE program participant to notify the utility of whether the residence is rented, and if so, the identity of the landlord, and the electrical or gas corporation may share any evaluation and recommendation relative to the residential structure that is made as part of an energy audit, with the landlord of the CARE program participant.~~ Following

² Formerly called the Low-Income Energy Efficiency (or LIEE) program, ESAP is a measure-based, direct install energy efficiency program.

~~the completion of the energy audit, if the CARE program participant's electricity or gas usage continues to exceed 600 percent of baseline usage, the electrical or gas corporation may remove the CARE program participant from the program if the removal is consistent with procedures adopted by the commission.~~

DIVISION ANALYSIS (Energy Division)

1. The Commission is aware of CARE program fraud.

At an October 2011 workshop held in the 2012-2014 CARE budget application proceeding (A.11-05-017), parties provided anecdotal evidence that a small number of customers are likely using the CARE rate to subsidize medical marijuana production operations in clear violation of CARE program rules. Several news reports have reported similar instances³. Other news reports indicate that some IOU customers may be enrolled in the CARE program fraudulently because they have incomes that that would disqualify them. PG&E data shows that the top 1% of CARE energy users account for 10% of overall electric usage and receive roughly \$42.4 million in CARE subsidy.

2. The Commission has sufficient authority and is taking deliberate action to address CARE abuses.

After more than 20 years of outreach and enrollment efforts, the CARE Program is posting extraordinarily high enrollment figures. The CARE program subsidy is growing and is expected to exceed \$3.6 billion dollars in the 2012-2014 cycle. Under current projections, the CARE participation/penetration rate is reaching (and may exceed) 100% of the CARE eligible population within many of the IOUs' territories. These high penetration rates suggest that some customers may be inappropriately enrolled in the program. One of the reasons for the high CARE enrollment is the "categorical enrollment" process, which automatically enrolls certain customers who also participate in other social programs for low-income people.⁴

In response to these and other administrative concerns, the IOUs proposed a variety of CARE program changes in their budget applications; including increased Post Enrollment Verification⁵ of existing CARE customers and additional scrutiny of the Categorical Enrollment rules. In regards to egregious energy users, PG&E sought

³ Greenon, Thadeus. "PG&E seeks reform in CARE program, looks to rein in abuse of low-income rates by pot growers." *The Times-Standard* 23 October 2011. (http://www.times-standard.com/ci_19176562?IADID=Search-www.times-standard.com-www.times-standard.com), Greenon, Thadeus "Keeping the lights on: Indoor pot growers skirt high electric bills through discount program for low income" *The Times-Standard* 9 October 2011. (http://www.times-standard.com/ci_19075768)

⁴ The Categorical Enrollment Program permits a low income customer to be deemed income qualified and therefore eligible for the CARE program benefits, if they are also enrolled in one or more of an approved list of governmental low income assistance programs.

⁵ Post-Enrollment Verification is a process wherein the IOUs send notification to a CARE customer to provide documentation to prove that customer's household income in accordance with program rules.

similar, if not identical, modifications to CARE program rules as those outline in the bill. In reply testimony, SCE requested that any CARE program changes to address egregious CARE users be implemented statewide.

Many parties to the proceeding have contributed thoroughly and meaningfully through testimonies, comments and other filings to provide input on the IOUs' CARE program proposals. Through that public and transparent process, the ALJ's PD directs the IOUs to require:

- CARE electric customers with usage above 600% of baseline to have 90 days to reduce usage or be removed and barred from the program for 2 years.
- CARE electric customers with usage between 400%-600% of baseline must undergo Post-Enrollment Verification and apply for the ESA program within 45 days of notice.
- The electric IOUs are to develop and field a standard income verification document that may require these customers provide a state or federally verified form of income proof, such as the household's annual tax returns.
- Allow all prior approved Categorical Enrollment programs be retained; however, the IOUs be directed to submit all Categorically Enrolled customers to undergo Post-Enrollment Verification within three months of enrollment. Additionally, Categorical Eligibility shall be retained for the enrollment of new CARE customers only and all CARE re-certifications (renewals) shall require income documentation for renewal. No customers shall be allowed to self-recertify without providing income documentation.
- Rates of Post-Enrollment Verification for all IOUs shall be increased from the current 1-4% to 25% of enrolled customers per year.

Lastly, the Commission is reconsidering its past emphasis on a 90% CARE penetration target, outlined in a prior decision, and will instead focus on delivering the program to only those customers who are income eligible.

Outside of the budget application process, the IOUs already have the ability to update their tariff filings to institute such program changes through both formal and informal Commission procedures. Additionally, the Commission has a variety of procedural tools to institute CARE program changes, without new legislation. These tools have the advantage of allowing and considering thoughtful public comment in its decision making.

3. The bill takes a legislative ratemaking approach that would restrict Commission authority to administer its ratemaking mandate and bypass existing processes for stakeholder input.

The Commission has authority, under current law, to change CARE program rules as necessary and appropriate. The Commission is supportive of considering "back-billing" penalties and program controls for customers misusing the CARE program, however mandating such changes by law reduces the Commission's ability to adjust program rules as market conditions change or new developments arise.

For example, during the A.11-05-017 workshop on CARE issues (including egregious energy use), customer advocate stakeholders presented anecdotal instances where, due to the prolonged economic downturn, multiple families are forced to live in single, shared households. Subsequently, that CARE account may see much higher energy consumption rates than a typical, household residing in a similar home. The bill's provision on back-billing would potentially add additional financial burden on families in this situation. Without the constraints the bill would impose, the Commission and the IOUs would be able to assess these kinds of cases on an individual basis.

In the A.11-05-017 public record, many parties warned of unintended consequences and contended that overly prescriptive program rules could harm legitimately deserving customers (such as disabled customers with high energy needs) and that the Commission (and IOUs) should tread lightly on this matter. Modification to program rules by regulation, rather than legislation, preserves flexibility to adjust program rules rapidly, as necessary.

4. The bill addresses a problem that does not exist in its application to natural gas usage.

An analysis of egregious CARE energy usage (customers with usage of 400%+ of baseline) shows that the problem largely applies to *electric* service customers. The issue is most prominent in PG&E's service territory and in response to an ALJ Ruling requiring more data on the issue, SCE and SDG&E identified that 0.7%-0.92% of their respective CARE electric residential customers had annual usage during 2010 between 400% and 600% of their baseline and 0.1%-0.2% of CARE electrical residential customers had usage over 600% of baseline.

SoCalGas, a gas-only utility, reported that during 2010, only 0.12% of its CARE customers had annual gas usage of 400-600% of baseline quantities and only 0.02% had annual gas usage over 600% of baseline quantities. In reply testimony for the A.11-05-017 proceeding, SoCalGas noted that they did not have the egregious CARE usage issues similar to those cited by PG&E or the other IOUs.

The bill inappropriately targets CARE abuse for gas consumption. As the problem of egregious energy is less evident for gas customers, if adopted, the bill should bifurcate the issue and any egregious CARE program changes be implemented only of those IOUs who provide electricity.

5. The bill language is unclear in reference to the Energy Savings Assistance Program.

The bill refers to "an energy savings assistance program," as having audit program offerings, which certain CARE customer would be required to utilize. This language is potentially confusing or mischaracterizes the CPUC-regulated and IOU-administered Energy Savings Assistance Program (ESAP). See above for additional discussion.

PROGRAM BACKGROUND

The CARE program was established by statute, codified in Public Utilities Code Sections 739.1 and 739.2. This program assists qualifying low-income customers in that it mandates discount of no less than 20 percent be provided on monthly gas and electric charges. As a practical matter, the discount the IOUs provide is oftentimes greater than 20 percent.

In 2005, the Commission increased the CARE income eligibility from 175 to 200 percent of the Federal Poverty Guidelines for all customers. In May of each year, the Commission provides new income eligibility information that is used to establish program income qualification criteria for the following year. This process was mandated by Resolution E- 3524, adopted in February of 1998.

LEGISLATIVE HISTORY

None.

FISCAL IMPACT

Unknown.

STATUS

SB 1207 is pending committee referral in the Assembly.

SUPPORT/OPPOSITION

Support

California Chamber of Commerce
County of Humboldt
Division of Ratepayer Advocates
Greenlining Institute (if amended)
League of California Cities
Pacific Gas and Electric Company
San Diego Gas & Electric Company
Sempra Energy Utilities
Southern California Edison (if amended)
Southern California Gas Company
TURN (The Utility Reform Network) (if amended)

Opposition

None on file.

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BILL LANGUAGE

BILL NUMBER: SB 1207 AMENDED
BILL TEXT

AMENDED IN SENATE MAY 25, 2012
AMENDED IN SENATE MAY 1, 2012
AMENDED IN SENATE APRIL 16, 2012
AMENDED IN SENATE APRIL 9, 2012

INTRODUCED BY Senator Fuller

FEBRUARY 22, 2012

An act to amend Section 739.1 of the Public Utilities Code, relating to public utility rates.

LEGISLATIVE COUNSEL'S DIGEST

SB 1207, as amended, Fuller. California Alternate Rates for Energy program.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including electrical corporations and gas corporations, as defined. Existing law authorizes the commission to fix the rates and charges for every public utility, and requires that those rates and charges be just and reasonable. The Public Utilities Act requires the commission, in establishing residential electric and gas rates, to ensure that the rates are sufficient to enable the electrical or gas corporation to recover a just and reasonable amount of revenue from residential customers as a class, while observing the principle that electricity and gas services are necessities, for which a low affordable rate is desirable while observing that conservation is desirable. The act requires the commission to establish a program of assistance to low-income electric and gas customers, referred to as the California Alternate Rates for Energy or CARE program.

This bill would authorize an electrical or gas corporation to require proof of income eligibility for those CARE program participants whose electricity or gas usage exceeds 400% of baseline usage. The bill would authorize an electrical or gas corporation to require a CARE program participant whose electricity or gas usage exceeds 400% of baseline usage to participate in an energy savings assistance program that includes a residential energy audit and would authorize an electrical or gas corporation to condition continued participation in an energy savings assistance program if a CARE program participant's electricity or gas usage exceeds 400% of baseline usage. The bill would require an electrical or gas corporation to require a CARE program participant whose electricity or gas usage exceeds 600% of baseline usage to participate in an energy savings assistance program that includes a residential energy audit and would make participation in an energy savings assistance program mandatory if a CARE program participant's electricity or gas usage exceeds 600% of baseline usage. The bill would authorize an electrical or gas corporation to remove a CARE program participant

from the program if, after the completion of a residential energy audit, the program participant's monthly electricity or gas usage exceeds 600% of baseline usage, as specified.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 739.1 of the Public Utilities Code is amended to read:

739.1. (a) As used in this section, the following terms have the following meanings:

(1) "Baseline quantity" has the same meaning as defined in Section 739.

(2) "California Solar Initiative" means the program providing ratepayer funded incentives for eligible solar energy systems adopted by the commission in Decision 05-12-044 and Decision 06-01-024, as modified by Article 1 (commencing with Section 2851) of Chapter 9 of Part 2 and Chapter 8.8 (commencing with Section 25780) of Division 15 of the Public Resources Code.

(3) "CalWORKs program" means the program established pursuant to the California Work Opportunity and Responsibility to Kids Act (Chapter 2 (commencing with Section 11200) of Part 3 of Division 9 of the Welfare and Institutions Code).

(4) "Public goods charge" means the nonbypassable separate rate component imposed pursuant to Article 7 (commencing with Section 381) of Chapter 2.3 and the nonbypassable system benefits charge imposed pursuant to the Reliable Electric Service Investments Act (Article 15 (commencing with Section 399) of Chapter 2.3).

(b) (1) The commission shall establish a program of assistance to low-income electric and gas customers with annual household incomes that are no greater than 200 percent of the federal poverty guideline levels, the cost of which shall not be borne solely by any single class of customer. The program shall be referred to as the California Alternate Rates for Energy or CARE program. The commission shall ensure that the level of discount for low-income electric and gas customers correctly reflects the level of need.

(2) The commission may, subject to the limitation in paragraph (4), increase the rates in effect for CARE program participants for electricity usage up to 130 percent of baseline quantities by the annual percentage increase in benefits under the CalWORKs program as authorized by the Legislature for the fiscal year in which the rate increase would take effect, but not to exceed 3 percent per year.

(3) Beginning January 1, 2019, the commission may, subject to the limitation in paragraph (4), establish rates for CARE program participants pursuant to this section and Sections 739 and 739.9, subject to both of the following:

(A) The requirements of subdivision (b) of Section 382 that the commission ensure that low-income ratepayers are not jeopardized or overburdened by monthly energy expenditures.

(B) The requirement that the level of the discount for low-income electricity and gas ratepayers correctly reflects the level of need as determined by the needs assessment conducted pursuant to subdivision (d) of Section 382.

(4) Tier 1, tier 2, and tier 3 CARE rates shall not exceed 80 percent of the corresponding tier 1, tier 2, and tier 3 rates charged

to residential customers not participating in the CARE program, excluding any Department of Water Resources bond charge imposed pursuant to Division 27 (commencing with Section 80000) of the Water Code, the CARE surcharge portion of the public goods charge, any charge imposed pursuant to the California Solar Initiative, and any charge imposed to fund any other program that exempts CARE participants from paying the charge.

(5) Rates charged to CARE program participants shall not have more than three tiers. An electrical corporation that does not have a tier 3 CARE rate may introduce a tier 3 CARE rate that, in order to moderate the impact on program participants whose usage exceeds 130 percent of baseline quantities, shall be phased in to 80 percent of the corresponding rates charged to residential customers not participating in the CARE program, excluding any Department of Water Resources bond charge imposed pursuant to Division 27 (commencing with Section 80000) of the Water Code, the CARE surcharge portion of the public goods charge, any charge imposed pursuant to the California Solar Initiative, and any other charge imposed to fund a program that exempts CARE participants from paying the charge. For an electrical corporation that does not have a tier 3 CARE rate that introduces a tier 3 CARE rate, the initial rate shall be no more than 150 percent of the CARE baseline rate. Any additional revenues collected by an electrical corporation resulting from the adoption of a tier 3 CARE rate shall, until the utility's next periodic general rate case review of cost allocation and rate design, be credited to reduce rates of residential ratepayers not participating in the CARE program with usage above 130 percent of baseline quantities.

(c) The commission shall work with electrical and gas corporations to establish penetration goals. The commission shall authorize recovery of all administrative costs associated with the implementation of the CARE program that the commission determines to be reasonable, through a balancing account mechanism. Administrative costs shall include, but are not limited to, outreach, marketing, regulatory compliance, certification and verification, billing, measurement and evaluation, and capital improvements and upgrades to communications and processing equipment.

(d) The commission shall examine methods to improve CARE enrollment and participation. This examination shall include, but need not be limited to, comparing information from CARE and the Universal Lifeline Telephone Service (ULTS) to determine the most effective means of utilizing that information to increase CARE enrollment, automatic enrollment of ULTS customers who are eligible for the CARE program, customer privacy issues, and alternative mechanisms for outreach to potential enrollees. The commission shall ensure that a customer consents prior to enrollment. The commission shall consult with interested parties, including ULTS providers, to develop the best methods of informing ULTS customers about other available low-income programs, as well as the best mechanism for telephone providers to recover reasonable costs incurred pursuant to this section.

(e) (1) The commission shall improve the CARE application process by cooperating with other entities and representatives of California government, including the California Health and Human Services Agency and the Secretary of California Health and Human Services, to ensure that all gas and electric customers eligible for public assistance programs in California that reside within the service territory of an electrical corporation or gas corporation, are enrolled in the CARE

program. To the extent practicable, the commission shall develop a CARE application process using the existing ULTS application process as a model. The commission shall work with public utility electrical and gas corporations and the Low-Income Oversight Board established in Section 382.1 to meet the low-income objectives in this section.

(2) The commission shall ensure that an electrical corporation or gas corporation with a commission-approved program to provide discounts based upon economic need in addition to the CARE program, including a Family Electric Rate Assistance program, utilize a single application form, to enable an applicant to alternatively apply for any assistance program for which the applicant may be eligible. It is the intent of the Legislature to allow applicants under one program, that may not be eligible under that program, but that may be eligible under an alternative assistance program based upon economic need, to complete a single application for any commission-approved assistance program offered by the public utility.

(f) The commission's program of assistance to low-income electric and gas customers shall, as soon as practicable, include nonprofit group living facilities specified by the commission, if the commission finds that the residents in these facilities substantially meet the commission's low-income eligibility requirements and there is a feasible process for certifying that the assistance shall be used for the direct benefit, such as improved quality of care or improved food service, of the low-income residents in the facilities. The commission shall authorize utilities to offer discounts to eligible facilities licensed or permitted by appropriate state or local agencies, and to facilities, including women's shelters, hospices, and homeless shelters, that may not have a license or permit but provide other proof satisfactory to the utility that they are eligible to participate in the program.

(g) It is the intent of the Legislature that the commission ensure CARE program participants are afforded the lowest possible electric and gas rates and, to the extent possible, are exempt from additional surcharges attributable to the energy crisis of 2000-01.

(h) (1) In addition to ~~random~~ existing audits of eligibility, an electrical or gas corporation may require proof of income eligibility for those CARE program participants whose electricity or gas usage, in any monthly or other billing period, exceeds 400 percent of baseline usage. The authority of an electrical or gas corporation to require proof of income eligibility is not limited by the means by which the CARE program participant enrolled in the program, including if the participant was automatically enrolled in the CARE program because of participation in a governmental assistance program. If a CARE program participant's electricity or gas usage exceeds 400 percent of baseline usage, the electrical or gas corporation may require the CARE program participant to participate in an energy savings assistance program that includes a residential energy audit, in order to provide the CARE program participant with information and assistance in reducing his or her energy usage. Continued participation in the CARE program may be conditioned upon the CARE program participant agreeing to participate in an energy savings assistance program within 45 days of notice being given by the electrical or gas corporation pursuant to this paragraph. The electrical or gas corporation may require the CARE program participant to notify the utility of whether the residence is rented, and if so, the identity of the landlord, and the electrical or gas corporation may share any evaluation and

recommendation relative to the residential structure that is made as part of an energy audit, with the landlord of the CARE program participant. *Requirements imposed pursuant to this paragraph shall be consistent with procedures adopted by the commission.*

(2) If a CARE program participant's electricity or gas usage exceeds 600 percent of baseline usage, the electrical or gas corporation shall require the CARE program participant to participate in an energy savings assistance program that includes a residential energy audit, in order to provide the CARE program participant with information and assistance in reducing his or her energy usage. Continued participation in the CARE program shall be conditioned upon the CARE program participant agreeing to participate in the energy savings assistance program within 45 days of a notice made by the electrical or gas corporation pursuant to this paragraph. The electrical or gas corporation may require the CARE program participant to notify the utility of whether the residence is rented, and if so, the identity of the landlord, and the electrical or gas corporation may share any evaluation and recommendation relative to the residential structure that is made as part of an energy audit, with the landlord of the CARE program participant. Following the completion of the energy audit, if the CARE program participant's electricity or gas usage continues to exceed 600 percent of baseline usage, the electrical or gas corporation may remove the CARE program participant from the program if the removal is consistent with procedures adopted by the commission.