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

Application of Pacific Gas and Electric Company for Expedited Authorization to Change Residential Electric Rates Effective January 1, 2010, as Permitted by Newly Enacted Public Utilities Code Section 739.9 (U39E)	A. 09-10-013
Application of Southern California Edison Company (U338E) for Expedited Authorization to Change Residential Electric Rates Effective January 1, 2010, as Permitted by Newly Enacted Public Utilities Code Section 739.9	A. 09-10-014
In the Matter of the Application of San Diego Gas & Electric Company (U902E) for Expedited Authorization to Change Residential Electric Rates Effective January 1, 2010, as Permitted by Newly Enacted Public Utilities Code Section 739.9	A. 09-10-015

PROTEST OF UTILITY CONSUMERS' ACTION NETWORK (UCAN)

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I. OBJECTION TO THE PROPOSED RATE CHANGE

Pursuant to Rule 2.6 of the Commission's Rules of Practice and Procedure, the Utility Consumers' Action Network (UCAN) submits this Protest to the Application of San Diego Gas & Electric Company (SDG&E) for Expedited Authorization to Change Residential Electric Rates Effective January 1, 2010, as Permitted by Newly Enacted Public Utilities Code Section 739.9 (Application). UCAN protests SDG&E intent to decrease rates for Tiers 3 and 4 as contravene to the statutory requirements that rates be determined with observing the principle that conservation is desirable. UCAN also asserts that non-CARE Tiers 1 and 2 increases would be properly rated at the 3% minimum increase and not the 5% maximum increase as SDG&E suggests.

Code section 739.9 states that the annual percentage change in the Consumer Price Index shall be calculated using the same formula that was used to determine the annual Social Security Cost of Living Adjustment (COLA) on January 1, 2008. SDG&E in its application uses the Social Security COLA for December 2008 (2008 COLA) as the base measure for the rate adjustment. Since 1983, COLAs been increased based upon increases in the CPI-W from the third quarter of the prior year to the corresponding quarter of the current year in which the COLA became effective.¹ SDG&E refers to the COLA it uses, as the "2009 COLA," however, the Social Security Administration categories it as the 2008 COLA.

The 2009 COLA was released on October 15, 2009. The 2009 COLA is measured from the third quarter of 2008 to the third quarter of 2009. This time period would more accurately reflect the prior year as the new rates are proposed to go into effect in 2010 and could not go into effect any sooner than the four quarter of 2009. Utilizing the 2009 COLA would not only satisfy

¹ <http://www.socialsecurity.gov/OACT/COLA/colaseries.html>.

the requirement of Code Section 739.9(a), but also would be more reflective of the current economic state and the ability of energy consumers to pay increased costs. The Social Security Administration determined that there would be no COLA, or more accurately a 0% increase for the 2009 COLA because there cannot be a negative COLA.

UCAN therefore protests SDG&E's request to increase non-CARE Tiers 1 and 2 rates by 5.0%. This increase is not reflective of the 2009 COLA plus 1%. The appropriate increase for non-CARE Tiers 1 and 2 rates would be the minimum 3.0% for, as mentioned above, the 2009 COLA is 0%.

II. PROCEDURAL MATTERS

SDG&E requests that the Application be approved without evidentiary hearings. UCAN concurs. With the modification as proposed above, UCAN believes that the change can be made without hearings. However, UCAN doesn't agree with the use of advice letters for subsequent modifications, given the deceptive adjustment sought by SDG&E in this application.

Respectfully Submitted,

Dated: November 5, 2009

/s/

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CERTIFICATE OF SERVICE

I hereby certify that I, Laura Impastato, have this day served a copy of the foregoing **PROTEST OF UTILITY CONSUMERS' ACTION NETWORK** by electronic mailing serving the electronic service list for A.09-10-013, A.09-10-014, and A.09-10-015. The ALJ has also been provided a paper copy of the protest. Dated at San Diego, California, this 5th day of November, 2009.

Signed,

/s/

Laura Impastato

ELECTRONIC SERVICE LIST FOR A. 09-10-013, A. 09-10-014, A.09-10-015

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