

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Legal Division

San Francisco, California

Date: August 22, 2002

Resolution L-301

RESOLUTION

RESOLUTION L-301: Low Income Oversight Board Funding

SUMMARY

In order to promote continuity until new legislation takes effect on August 8, 2002, this Resolution establishes a mechanism to fund interim activities of the Low Income Oversight Board. We order Pacific Gas and Electric Company (PG&E), San Diego Gas and Electric Company (SDG&E), Southern California Gas Company (SoCalGas) and Southern California Edison Company (SCE) to reimburse the travel and administrative expenses of the Low Income Oversight Board (LIOB) incurred between May through August 8, 2002, from the amounts these companies have previously budgeted for reimbursing the Low Income Advisory Board (LIAB). This will allow the LIOB to continue its important work of advising the Commission on current issues facing low-income gas and electric customers prior to the effective date of the legislation that provides a different funding mechanism for the LIOB.

DISCUSSION

By SBX2 2, the Legislature established the Low-Income Oversight Board to advise the Commission on low-income electric and gas customer issues and to serve as a liaison for the Commission to low-income ratepayers and representatives. The duties of the LIOB include assisting the Commission with streamlining the application and enrollment process of programs for low-income electric and gas customers with general low-income programs (Public Utilities Code Section 381.1(e),¹ assisting the Commission with an assessment of the needs of low-income electricity and gas ratepayers (§ 382.1(a)(5)), and working with the

¹ All further Code Sections refer to the Public Utilities Code unless otherwise indicated.

Commission to improve the California Alternate Rates for Energy (CARE) application process and otherwise meet the objectives of the low-income objectives of the CARE program. (§ 739.1(d)).

The Commission and its staff are currently working on these projects—conducting a needs assessment of the needs of low-income gas and electric ratepayers, streamlining the enrollment process for programs for low-income gas and electric customers with general low-income programs, and improving the CARE application process. The input of the LIOB is important to ensure that the needs of low-income gas and electric ratepayers are adequately considered as the Commission completes these tasks.

For that reason, the Commission adopted a charter for the LIOB on May 2, and approved the appointment of eight of the nine LIOB members.² The LIOB met on May 29 and June 14, and has already reviewed and commented on the second phase of the low-income energy program needs assessment initiated by the Commission's Energy Division as directed by the Commission's Resolution E-3646, and provided comments on the Commission's proposed decision regarding automatic enrollment of eligible customers in the CARE program.

SBX2 2 also provided that “[a]ll reasonable costs incurred by the board, including, staffing, travel, and administrative costs, shall be reimbursed through the public utilities reimbursement account and shall be part of the budget of the commission and the commission shall consult with the board in the preparation of that portion of the commission's annual proposed budget.” (§ 382.1 (f)(3).) The Commission expects to modify its budget to include these expenses incurred after August 8, 2002, the effective date of SBX2 2. (Government Code § 9600(a) (providing that extraordinary legislation goes into effect 91 days after the close of the session closes, which in this case is May 9, 2002.))

In the meantime, until the effective date of SBX2 2's funding mechanism, we believe it is appropriate for PG&E, SCE, SDG&E and SoCalGas to pay for the travel and administrative expenses of the LIOB from the amounts reflected in the budgets of these utilities for the LIOB's predecessor, the Low Income Advisory

² One member is to be appointed by the Governor, who has not yet filled that vacancy.

Board.³ In Decision (D.) 00-06-003 we ordered each of these utilities to fund LIAB's activities on a pro rata basis until further notice. (Ordering Paragraphs 2 and 3.) In compliance with D.01-05-033, each of these utilities files monthly reports reflecting Rapid Deployment expenditures. The April 2002 compliance reports of the utilities all reflected budgeted amounts for LIAB or LIOB expenses. The Commission's budget continues to reflect reimbursement authority for LIAB expenses. Travel and administrative expenses associated with each meeting is about \$8,000, so we anticipate expenditures well below the Commission's \$200,000 spending authority for the LIAB's expenses.

NOTICE AND COMMENTS

Notice

Draft Resolution L-301 was mailed on July 23, 2002 and posted on the Commission's Daily Calendar and served on the Service List for R.01-08-027. The Daily Calendar Notice, and Service List Notice provided that comments concerning the draft resolution could be filed by July 30, 2002, and that reply comments must be filed by August 6. No comments were filed.

Comments

FINDINGS

1. By SBX2 2, the Legislature established a Low-Income Oversight Board (LIOB) to advise the Commission on low-income electric and gas customer issues and to serve as a liaison for the Commission to low-income ratepayers and representatives.
2. The important and time sensitive nature of the LIOB's duties, especially in assisting with the low-income gas and electric ratepayers' needs assessment and improving the CARE enrollment process, requires that the LIOB meet before the effective date of the funding mechanism described in SBX2 2.

³ SBX2 2 replaced the former Low Income Advisory Board with the LIOB. The LIOB serves many of the same functions as the LIAB.

ORDER

1. We order Pacific Gas and Electric Company (PG&E), San Diego Gas and Electric Company (SDG&E), Southern California Gas Company (SoCalGas) and Southern California Edison Company (SCE) to reimburse the travel and administrative expenses of the Low Income Oversight Board (LIOB) incurred between May through August 8, 2002, from the amounts these companies have previously budgeted for reimbursing the Low Income Advisory Board (LIAB).
2. The costs shall be split as we ordered in D.00-06-003: PG&E 30%; SCE 30%; SDG&E 15% and SoCalGas 25%.

This Resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed and adopted at a conference of the Public Utilities Commission of the State of California held on August 22, 2002, the following Commissioners voting favorably thereon:

WESLEY M. FRANKLIN
Executive Director

LORETTA M. LYNCH
President

HENRY M. DUQUE

CARL W. WOOD

GEOFFREY F. BROWN

MICHAEL R. PEEVEY
Commissioners