



California Public Utilities Commission

505 Van Ness Ave., San Francisco

FOR IMMEDIATE RELEASE

Contact: Terrie Prosper, 415.703.1366, news@cpuc.ca.gov

PRESS RELEASE

Docket #: A.08-05-022

CPUC SETS UTILITY BUDGETS FOR LOW INCOME ENERGY PROGRAMS

SAN FRANCISCO, November 6, 2008 - The California Public Utilities Commission (CPUC) today approved energy related low income program budgets totaling approximately \$3.6 billion for 2009-11 for Pacific Gas and Electric Company, San Diego Gas and Electric Company, Southern California Edison, and Southern California Gas Company.

The California Alternate Rates for Energy (CARE) subsidy budgets approved are approximately \$2.6 billion and the Low Income Energy Efficiency (LIEE) program budgets are approximately \$1 billion. The LIEE program provides energy efficient appliances and weatherization measures at no cost to eligible California households in order to reduce their energy costs, as well as energy education during a home energy audit. CARE provides a 20 percent discount on monthly energy bills for California households whose income is less than 200 percent of the federal poverty rate, which equates to \$43,200 per year or less for a family of four.

In making its decision, the CPUC stressed that LIEE can no longer operate with a business-as-usual approach. As stated in the California Long-Term Energy Efficiency Strategic Plan (The Plan), the LIEE program must evolve into a resource program that garners significant energy savings in the state while providing an improved quality of life for California's low income population. Today's decision creates a framework within which to carry out these two complementary objectives. The decision adopts new



approaches to outreach methodologies and program delivery that provides a path to reach The Plan's two goals. First, all eligible customers will be given the opportunity to participate in the LIEE program by 2020. Second, the LIEE programs will be an energy resource by delivering increasingly cost-effective and longer-term savings.

The decision sets a goal of 90 percent for the CARE penetration rate, which is approximately 4.9 million households. To assist the utilities in increasing CARE enrollment, the decision provides two significant new tools: categorical eligibility based on a customer's participation in other public benefits programs (similar to the California LifeLine telephone program) and an automatic web-based enrollment tool.

Specific changes to the current programs include:

- A focus on reaching out to customers with high energy burden, high energy use, and high energy insecurity;
- Adoption of a "Whole Neighborhood Approach" to installing LIEE measures;
- Development of a single, statewide marketing, education, and outreach program;
- Enhancing outreach to customers with disabilities;
- Promoting relevant workforce, education, and training programs; and
- Requiring that lighting programs support new laws and the changing marketplace.

"Today's decision carefully and appropriately balances the need to enhance the cost-effectiveness of our low income programs while continuing to recognize the important health and safety benefits these programs provide," said CPUC President Michael R. Peevey.

Commissioner Dian M. Grueneich, the Commissioner assigned to this proceeding, added, "Given the current national economic decline, the CARE program provides a safety net for these financially strapped households. The discount they receive on their utility bills will lower their monthly energy costs and enable them to use those savings towards other expenses such as rent, food, or health care costs."



The budget breakdown is available at:

http://docs.cpuc.ca.gov/PUBLISHED/AGENDA_DECISION/93393.htm.

For more information on the CPUC, please visit www.cpuc.ca.gov.

###

