

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking on the Commission's Proposed Policies and Programs Governing post-2003 Low-Income Assistance Programs.	Rulemaking 04-01-006 (Filed January 8, 2004)
In the Matter of the Application of PACIFICORP for Approval of 2005 Low-Income Assistance Program Budgets.	Application 04-06-038 (File June 30, 2004)
In the Matter of the Application of Southwest Gas Corporation (U 905 G) for Approval of Program Year 2005 Low-Income Assistance Program Budgets.	Application 04-07-002 (Filed June 30, 2004)
Application of Southern California Gas Company (U 904 G) for Approval of Program Year 2005 Low-Income Assistance Programs and Funding.	Application 04-07-010 (Filed July 1, 2004)
Application of San Diego Gas & Electric Company (U 902 M) for Approval of Program Year 2005 Low-Income Assistance Programs and Funding.	Application 04-07-011 (Filed July 1, 2004)
Southern California Edison Company's (U 338-E) Application Regarding Low-Income Assistance Programs for Program Year 2005.	Application 04-07-012 (Filed July 1, 2004)
Application of Pacific Gas and Electric Company (U 39 M) for Approval Of The 2005 California Alternate Rates for Energy and Low Income Energy Efficiency Programs and Budget.	Application 04-07-013 (Filed July 1, 2004)
IN THE MATTER of the Application SIERRA PACIFIC POWER COMPANY (U 903), for an Order Approving its 2005 California Alternate Rates for Energy (CARE) and Low Income Efficiency (LIEE) Plans and Budgets.	Application 04-07-014 (Filed July 1, 2004)

In the Matter of the Application of Avista Corporation for Approval of Program Year 2005 Low-Income Assistance Program Budgets.	Application 04-07-015 (Filed July 1, 2004)
In the Matter of the Application of the SOUTHERN CALIFORNIA WATER COMPANY (U 133 W) Regarding Low Income Assistance Programs for its Bear Valley Electric Service Customers for Program Year 2005.	Application 04-07-020 (Filed July 8, 2004)
Application of Alpine Natural Gas Operating Company No. 1 LLC in Compliance with Decision 03-12-016 (PY 2004 Low Income Energy Efficiency (“LIEE”) and California Alternate Rates For Energy (“CARE”) program Plans).	Application 04-07-027 (Filed July 2, 2004)
In the Matter of the Application of West Coast Gas Company (U-910-G) For Approval of Program Year 2005 Low-Income Assistance Program Budgets.	Application 04-07-050 (Filed July 29, 2004)

ADMINISTRATIVE LAW JUDGE’S RULING CONSOLIDATING APPLICATIONS FOR PROGRAM YEAR 2005 LOW-INCOME ENERGY EFFICIENCY AND CALIFORNIA ALTERNATE RATES FOR ENERGY PROGRAMS OF THE SMALL AND MULTI-JURISDICTIONAL UTILITIES AND LARGE INVESTOR OWNED UTILITIES (IOUs), ISSUING DATA REQUEST TO IOUs, AND ADDRESSING LOW INCOME OVERSIGHT BOARD MEMBERSHIP

In accordance with the Scoping Memo issued in Rulemaking (R.) 04-01-006, applications for approval of Low-Income Energy Efficiency (LIEE) and California Alternate Rates for Energy (CARE) program plans for program year (PY) 2005 were filed by Sierra Pacific Power Company (Sierra Pacific), Bear Valley Electric

Service Company (Bear Valley)/Southern California Water Company (SCWC)),¹ PacifiCorp, Southwest Gas Corporation (Southwest Gas), Alpine Natural Gas Company Operating Company No. 1 LLC (Alpine), Avista Utilities (Avista), and West Coast Gas Company (West Coast Gas). These utilities are referred to as the small and multi-jurisdictional utilities under Commission jurisdiction, or Small Multi-Jurisdictional Utilities (SMJUs).

In addition, the large Investor Owned Utilities (IOUs), Pacific Gas and Electric Company (PG&E), Southern California Edison (Edison), San Diego Gas & Electric Company (SDG&E) and Southern California Gas Company (SoCalGas) filed similar LIEE and CARE applications for PY 2005.

I expect the Commission to issue decisions on all of the foregoing applications before the end of 2004, so that programs may start up on schedule at the beginning of 2005. I note, however, that if a Commission decision does not issue on time, previous decisions have provided for continuation of PY 2004 funding until a decision issues.²

Consolidation of Applications

By this ruling, Applications (A.) 04-06-038 (PacifiCorp), 04-07-002 (Southwest Gas), 04-07-010 (SoCalGas), 04-07-011 (SDG&E), 04-07-012 (Edison), 04-07-013 (PG&E), 04-07-014 (Sierra Pacific), 04-07-015 (Avista), 04-07-020 (Bear Valley/SCWC), 04-07-027 (Alpine), and 04-07-050 (West Coast Gas) are hereby consolidated. The service list in R.04-01-006 will serve as the service list

¹ Bear Valley is operated by SCWC.

² D.03-03-007, Ordering Paragraph 20 (SMJUs); D.02-09-021, Ordering Paragraph 2 (IOUs).

in this consolidated proceeding, in addition to any service list created for any of the foregoing individual application proceedings.

Procedural Next Steps for PY 2005 Program Planning

While the Scoping Memo in R.04-01-006 indicated that the Commission's Energy Division would hold workshops on the SMJUs' applications, the Energy Division and I are assessing whether workshops are necessary. We may proceed simply with data requests. The same process may occur with regard to the IOUs' applications. In any event, parties should expect to receive data requests in the near future, if they have not already received them, with regard to their individual applications. I attach the first set to the IOUs to this ruling. All recipients of data requests shall respond to the requests within 10 calendar days of issuance, unless the data request specifies a different response time.

I have scheduled hearings in one issue related to all IOU applications – a statewide carbon monoxide (CO) flu threshold level for post-room ambient testing – for October 27 and 28, 2004, 10:00 a.m., at 505 Van Ness Avenue, San Francisco, California. I do not anticipate the need for hearings to resolve other issues in this proceeding. However, I note that Edison has asked for a rate increase in connection with its proceeding, and has indicated in its published notice of the rate increase that hearings will occur. Interested parties shall address whether the law will permit the Commission to proceed on Edison's application without hearings.

Low Income Oversight Board Membership

The Low Income Oversight Board (LIOB) advises the Commission on issues pertinent to the LIEE and CARE programs. The current membership of the LIOB is as follows, with each member serving a two-year term that expired on May 2, 2004.

Board Member Maria Juarez
Community Action Partnership
Riverside County
2038 Iowa Avenue
Suite B-102
Riverside, CA 92507

Information Contact:
Shelley Plumlee
909-955-4900

Board Member Carl Wood
CA Public Utilities Commission
505 Van Ness Ave., Room# 5209
San Francisco, CA 94102

Information Contact:
Dolores Montellano
415-703-2283

**Board Member
Janine Scancarelli**
Folger Levin & Kahn LLP
275 Battery Street, 23rd Floor
San Francisco, CA 94111

Information Contact:
Tricia Verbick
415-365-7477

Board Member Alan Woo
Community Action Partnership
of Orange County
12640 Knott Street
Garden Grove, CA 92841.

Information Contact:
Marilene Panal
714-897-6670 ext. 3400.

Board Member Tim Dayonot
Department of Community
Services and Development
700 N. 10th Street
Room 258
Sacramento, CA 95814

Information Contact:
Dawn Chambers
916-341-4263

Board Member Ron Garcia
Reliable Energy Mgmt. Inc.
6250 Paramount Boulevard
Long Beach, CA 90805

Information Contact:
Eva Martinez
562-984-5511

Board Member Ortensia Lopez
El Concilio of San Mateo
1419 Burlingame Ave. Suite N
Burlingame 94010

Information Contact:
Carol Hatten
650-373-1095

Board Member Yole Whiting
San Diego Gas And Electric Co.
8335 Century Park Court
Bldg. 1 2nd Floor
Conference Room 12-720

Information Contact:
Gloria Saporito
858-654-1231

In order to avoid the problem of concurrent expiration of terms in the future, I propose that the Commission consider staggering LIOB members' terms in the future. To accomplish this, I propose that the Commission fill the seven positions it is authorized to fill³ by reappointing approximately half the current members for a one-year term, and reappointing approximately half for a two-year term. Current members who desire to continue on the LIOB should communicate their desires to Donna Wagoner in the Energy Division, at dlw@cpuc.ca.gov or (415) 703-3175, and indicate whether they would like to continue for one year or two years. I urge all current members appointed by the Commission to consider continuing their service, and assume that the Commission will attempt to accommodate any member's desire in this regard.

³ One of the nine appointments is made by the Governor, and one is made by the state Department of Community Services and Development

If, after all members contact Ms. Wagoner, it appears that there will be vacancies, this information will be conveyed to the LIOB and new potential members solicited.

Parties interested in this matter may file comments on the foregoing proposal and make suggestions regarding LIOB board member terms. Any comments shall be filed with the Commission's Docket Office, 505 Van Ness Avenue, San Francisco, CA 94102 within two weeks of the date of this ruling, and shall be served on the service list for this proceeding. The service list is available on the Commission's website at http://www.cpuc.ca.gov/published/service_lists/R0401006_63968.htm.

IT IS RULED that:

1. Applications (A.) 04-06-038 (PacifiCorp), 04-07-002 (Southwest Gas Corporation), 04-07-010 (Southern California Gas Company), 04-07-011 (San Diego Gas & Electric Company), 04-07-012 (Southern California Edison Company), 04-07-013 (Pacific Gas and Electric Company), 04-07-014 (Sierra Pacific Power Company), 04-07-015 (Avista Utilities), 04-07-020 (Bear Valley Electric Service Company /Southern California Water Company), 04-07-027 (Alpine Natural Gas Company Operating Company No. 1 LLC), and 04-07-050 (West Coast Gas Company) are hereby consolidated.
2. The service list in Rulemaking (R.) 04-01-006 will serve as the service list in this consolidated proceeding, in addition to any service list created for any of the foregoing individual application proceedings.
3. Parties shall respond to any data requests issued by the Energy Division or me related to their Low-Income Energy Efficiency/California Alternate Rates for Energy applications, including the data request attached to this ruling, within 10 calendar days from issuance, unless the data request specifies a different response time.

4. Within 15 days of issuance of this ruling, interested parties shall address whether the law will permit the Commission to proceed on Edison's application without hearings.

5. Parties wishing to comment on my proposals for staggering the terms or other issues related to LIOB membership shall do so within 15 days of the date this ruling is issued.

6. Unless otherwise indicated, all filings, reports, comments, and other submittals in this consolidated proceeding shall be filed with the Commission's Docket Office in this consolidated docket and served electronically on all appearances and the state service list in R.04-01-006. Service by U.S mail is optional, except that one hard copy shall be mailed to the assigned Administrative Law Judge. In addition, if there is no electronic mail address available, the electronic mail is returned to the sender, or the recipient informs the sender of an inability to open the document, the sender shall immediately arrange for alternate service (regular U.S mail shall be the default, unless another means is mutually agreed upon). Parties that prefer a hard copy or electronic file in original format in order to prepare analysis and filings in this proceeding may request service in that form as well. The current service list for R.04-01-006 is available on the Commission's web page,

http://www.cpuc.ca.gov/published/service_lists/R0401006_63968.htm.

Dated September 27, 2004, at San Francisco, California.

/s/ SARAH R. THOMAS

Sarah R. Thomas
Administrative Law Judge

ATTACHMENT

Page 1

**FIRST SET OF ALJ DATA REQUESTS REGARDING IOU APPLICATIONS
FOR LIEE/CARE FUNDING 2005**

The applicable IOUs shall respond to the following questions within 10 calendar days of mailing of the ruling to which these data requests are appended.

Southern California Edison

Application

1. p. 22: energy education - is it in languages other than English?
2. p. 24: Did the parties consult with LIOB before making their recommendation re the pilot?
3. p. 27: Edison says it measured Cool Center program success - what did it find?
4. p. 28: Why the reduction to 15 Cool Centers?
5. p. 29: Why is it more efficient to work with *new* community-based organizations?
6. p. g-2: Should education at Cool Centers be focused not only on conservation (voluntary efforts) but on energy efficiency (built in measures that don't require customer action)?

Reply

7. p. 1 of *Schichtl* testimony: Why not?: "The portion of the difference between CARE rates and standard domestic rates attributable to surcharge exemptions was not included in the reported CARE subsidy."
8. pp. 1-2: Why?: "Energy surcharges adopted in 2001 were technically eliminated in post-PROACT rates, though the associated rate differential between CARE and non-CARE domestic rates was maintained. Whereas this difference had formerly been the result of a specific exemption adopted by the Commission, in post-PROACT rates it simply became part of the CARE subsidy."
9. p. 2 of *Nall* testimony: I find the explanation of why the number of homes served increased confusing. Is it just because of a joint agreement between Edison and SoCalGas? Was SoCalGas not a partner of Edison's in previous budgets?
10. p. 4: Same problem - still not clear why budget increased so much.

ATTACHMENT
Page 2

Pacific Gas and Electric

Application

11. p. 4: If actual electric/gas expenditure split is 64%/36%, why are they asking for a 70/30 revenue split?
12. pp. 4-5: Do rate changes require notice/hearings?
13. p. 2-9: Do contractors also vary in how much profit they receive?
14. p. 2-10: Did the IOUs/ORAs talk to the LIOB as the scoping memo suggested they do?
15. p. 3-1: PG&E says that it will consolidate the electric revenue requirement change authorized in this proceeding in a proposal to change Public Purpose Program rates and total rates. Earlier it says it will incorporate the rate change into other changes effective 1/1/05. Are these two different things?
16. p. 3-6: PG&E did a data exchange with Edison and SoCalGas - could they do the same with SDG&E and vice versa?
17. Tab 2, pp. 2-3: What is "landlord co-pays"? What is "other administration" and why is it so high?
18. Tab 2, p.3 - Why are PG&E's costs so much higher than SCE, SCG and SDG&E?

ATTACHMENT

Page 3

Southern California Gas

Application

19. p. GEL-12: How can they move funding for testing to the LIEE budget and not "negatively affect the number of homes SoCalGas can include in its 2005 program?" They say they can do this through "program efficiencies," but how?

Reply

20. p. 5: Is there really any chance that there will savings from having Carbon Monoxide (CO) testing recovered from Public Purpose Program (PPP) funds rather than general rates? SoCalGas uses this as a ratepayer benefit justifying a change in the *status quo*.
21. p. 8: The Energy Education "workshops" don't seem very focused on energy efficiency. They talk about conservation-type measures (turning off lights and TV, shorter showers). How do the workshops address energy efficiency?
22. p. 9: Is Community Action Partnership serving the "low-income" as LIEE/CARE defines it if they're serving first time homebuyers?
23. p. 10: SoCalGas does not discuss a survey regarding its Energy Education workshops - and SDG&E does. Why didn't SoCalGas do a survey to document the effectiveness of its workshops?
24. p. 10-11: How do PU Code 327 and 381.5's requirements of "local employment and job skill development" relate to LIEE/CARE?
25. p. 12: Has SoCalGas included Call Center costs all along, or did it do so after D.89-09-044, then stop doing so, then reinstate at some point? I cannot tell from the discussion.

ATTACHMENT
Page 4

San Diego Gas and Electric

Application

26. p. CAR-5: Need more information on what period the 6,700 customer-sign-up occurred in, and how many seniors signed up as result of the workshops.
27. p. GEL-4: How is "energy education" delivered? Is it tied to measure installation - e.g., do they make presentation, and then immediately sign people up for measures - or is it more of a workshop where people leave with just brochures.

Reply

28. p. 5: Was SDG&E omitted from the settlement because it didn't have a proceeding pending, or for some other reason?
29. p. 6: It is unclear whether SDG&E is saying it wants only CO testing costs incurred by its outside contractors in PPP, or whether it wants outside contractor costs plus its own internal costs - wording is unclear.
30. p. 8: Unclear whether SDG&E is describing past workshops or present ones - switches between present and past tense. What does SDG&E do now?
31. p. 11: Note that SDG&E did a survey re its Energy Education programs and SoCalGas did not. Why not?
32. p. 12: Same question as on SoCalGas re PU Code 327 and 381.5.
33. p. 14: Why does SDG&E believe it would have to re-do all tariff rates to 7 decimals if Cool Center tariffs goes to 7 decimals?
34. p. 15: Same question as on SoCalGas re whether SDG&E has been including Call Center costs all along or whether it has done so intermittently. Wording is hard to interpret.

(END OF ATTACHMENT)

CERTIFICATE OF SERVICE

I certify that I have by mail, and by electronic mail to the parties to which an electronic mail address has been provided, this day served a true copy of the original Administrative Law Judge’s Ruling Consolidating Applications for Program Year 2005 Low-Income Energy Efficiency and California Alternate Rates for Energy Programs of the Small and Multi-Jurisdictional Utilities and Large Investor Owned Utilities on all parties of record in this proceeding or their attorneys of record.

Dated September 27, 2004, at San Francisco, California.

/s/ JANET V. ALVIAR
Janet V. Alviar

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to ensure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

The Commission’s policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at (415) 703-2074, TTY 1-866-836-7825 or (415) 703-5282 at least three working days in advance of the event.