



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

Order Instituting Rulemaking to Consider New Approaches to Disconnections and Reconnections to Improve Energy Access and Contain Costs.

Rulemaking 18-07-005

**ADMINISTRATIVE LAW JUDGE'S RULING REQUIRING DATA FROM RESPONDENT UTILITIES**

**Summary**

This ruling requests information from Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), San Diego Gas & Electric Company (SDG&E) and Southern California Gas Company (SoCalGas) as detailed in Attachment A. The response to Attachment A is due September 28, 2018.

**1. Background**

On July 20, 2018, the Commission issued Rulemaking (R.) 18-07-006 pursuant to Senate Bill (SB) 598 in order to address disconnection rates across California's electric and gas investor-owned utilities by adopting policies and rules that reduce disconnection and improve reconnection processes and outcomes for disconnected customers. Among other things, R.18-07-006 suggests that although extensive information has been gathered in a previous rulemaking (R.10-02-005) and through quarterly reporting from the respondent utilities, the Commission still needs additional information about the most significant drivers of disconnections and holistic and cost-effective ways to reduce and avoid them.

Opening and reply comments were received from the Center for Accessible Technology/National Consumer Law Center, the City and County of San Francisco, SCE, The Utility Reform Network, PG&E, SoCalGas/SDG&E, GRID Alternatives, the Greenlining Institute, the California Community Choice Association, the California Association of Small and Multi-Jurisdictional Utilities, Southwest Gas, Public Advocates Office of the Public Utilities Commission<sup>1</sup>, and the Coalition of California Utility Employees on August 9, 2018 and August 24, 2018, respectively.

A review of these comments indicates that more information is needed on current disconnection practices and procedures at the utilities, as well as information on the status of disconnection rates and numbers. In addition, as several parties point out, the quarterly reporting requirement on disconnections ordered in R.10-02-005 is due to expire this year and should be extended.

## **2. Request for Information**

In order to provide a level place at which to begin discussion of potential new policies and procedures on disconnection, it is necessary to have the respondent utilities provide answers to questions included in Attachment A to this ruling. It is also necessary to extend the quarterly reporting requirement of the utilities on disconnections. An updated format for quarterly reporting is provided as Attachment B to this ruling.<sup>2</sup>

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<sup>1</sup> The Office of Ratepayers Advocates was renamed the Public Advocates Office of the Public Utilities Commission pursuant to SB 854, which the Governor approved on June 27, 2018.

<sup>2</sup> Parties may contact Energy Division staff if they have any questions or need clarification regarding Attachments A or B.

Respondent utilities shall provide this information by September 28, 2018.

**IT IS RULED** that:

1. Information is required to analyze the complexities and costs of new and proposed practices affecting customer disconnections.
2. It is necessary to have information on disconnections on an ongoing basis.
3. The information provided shall be provided through answers to the questions in Attachment A to this ruling and on an ongoing basis through the questions in Attachment B.
4. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall provide this information by September 28, 2018.

Dated September 12, 2018, at San Francisco, California.

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/s/ GERALD F. KELLY  
Gerald F. Kelly  
Administrative Law Judge

# **Attachment A**

## **Attachment A**

### ***Disconnection Policies and Guidance***

1. How many residential customers qualified for service disconnection monthly, from 2010 to present? Please provide a graph and a narrative.
2. How many residential customers were disconnected each month, from 2010 to present? Please provide a graph and a narrative.
  - a. For each of those years please provide the number of customers who were disconnected 1x, 2x, 3x+ in that year.
3. What policies does your utility use to determine when residential customers will be disconnected for non-payment? Please provide a narrative account explaining the process by which the utility decides to issue a disconnection notice and to then follow through on the disconnection. The narrative account should include a description of how the utility decides:
  - a. Which customers are eligible for disconnection,
  - b. Which eligible customers will be disconnected on a given day, and
  - c. Which eligible customers will be reconnected on a given day.
  - d. Which customers are eligible to receive service extender devices (if your utility offers them)
4. Please describe any change to disconnection policies from 2010 to present.
5. Please describe the process to disconnect a customer who has been referred to your utility from a community choice aggregator. (if applicable to your utility)

### **Effectiveness of previous policies and programs**

1. Provide a narrative summary of the following policies and programs implemented in compliance with the D.14-06-036 settlement agreement:
  - a. Effectiveness of payment arrangement plans
  - b. Effectiveness of field visits to vulnerable customers
  - c. Effectiveness of communication policies

### **Payment/arrearage**

1. On average, how much does a residential customer owe in arrears upon disconnection for non-payment? Please provide the response in total dollar amount as well as the percentage of the monthly average residential bill. Please provide this information by customer group (CARE/non-CARE/FERA/Medical Baseline)
2. How many residential customers are currently on a payment plan? How many payment plans has the utility created annually since 2010? Please provide a graph and a narrative.
  - a. What percentage of payment plans were completed in three months and what percentage took more than three months?
  - b. What are the circumstances that would cause you utility to offer a longer than three-month payment plan?
3. How many residential customers were on a payment plan with the utility upon disconnection for non-payment? Please provide response with number of residential customers per year since 2010 and please include both a graph and a narrative.
4. How many residential customers are on a payment plan that they have broken upon disconnection for non-payment? Please provide response with number of residential customers per year since 2010 and please include both a graph and a narrative.
5. What is the total dollar value of residential accounts written off as uncollectible following disconnection for non-payment? Please provide response in total dollar value per year since 2010, with a graph and a narrative.
  - a. Provide separate analysis for CARE customers and FERA customers.
6. When does your utility deem an arrearage 'uncollectible?'
7. Please provide a description of how arrearages from closed accounts are transferred to new accounts.
8. What proportion of bills are paid with credit card? With check? Other forms of payment?

### **Reconnection policies**

1. How long does it take your utility to reconnect residential customers' gas and/or electricity service upon payment? Please respond with a range that includes both the longest and shortest periods between payment and reconnection.
2. How much does the average residential customer have to pay before their gas and/or electricity service is reconnected from 2010 to present? Please provide the answer in total dollar amount and percentage of monthly average residential bill for each year from 2010 to present. Please provide information as a graph and a narrative.
3. What other steps must residential customers take before their gas and/or electricity service is reconnected, in addition to bill payment? Please describe, in detail, who residential customers must contact, or any other action customers must take to reconnect their gas and/or electricity service.
4. How much do the following residential customer types have to pay before their gas and/or electricity service is reconnected: CARE customers, FERA customers, and Medical Baseline customers from 2010 to present? Please provide the answer in total dollar amount and percentage of monthly average residential bill for each year from 2010 to present. Please provide information as a graph and a narrative.

### **Establishing credit and security deposits**

1. What percent of customers who are re-establishing credit take the option to use non-cash security deposits?
2. Please provide a list of what types of credit information are collected on customers. This can be provided confidentially to the Energy Division, if preferable.
3. In what circumstances does your utility report non-payment of a utility bill to credit agencies?
  - a. Are there any prohibitions or limitations on your utility reporting non-payment of a utility bill to credit agencies?

**General information**

1. Please provide a list of residential rate increases since 2016.
2. Please provide the monthly disconnection rate by zip code in your utility's territory since 2010.
3. Please provide the median arrearage amount by zip code in your utility's territory since 2010.

(End of Attachment A)



# **Attachment B**

**Attachment B**

# Quarterly reporting on disconnections and arrearages

Please provide this information for the most recent month that there is complete data by the date listed in the ruling. Thereafter, please provide on a quarterly basis.

## ***Section 1 - Payment arrangements and bill assistance***

| Number of customers requesting bill assistance |                  |      |      |                     |       |
|--|------------------|------|------|---------------------|-------|
| Month  | Non<br>CARE/FERA | CARE | FERA | Medical<br>Baseline | Total |
|  |                  |      |      |                     |       |

| Number of customers with ongoing payment plans |                  |      |      |                     |       |
|--|------------------|------|------|---------------------|-------|
| Month  | Non<br>CARE/FERA | CARE | FERA | Medical<br>Baseline | Total |
|  |                  |      |      |                     |       |

| Number of customers receiving payment extension of <30 days |                  |      |      |                     |       |
|---|------------------|------|------|---------------------|-------|
| Month   | Non<br>CARE/FERA | CARE | FERA | Medical<br>Baseline | Total |
|   |                  |      |      |                     |       |

| Number of customers with 3 month payment arrangements |                  |      |      |                     |       |
|---|------------------|------|------|---------------------|-------|
| Month   | Non<br>CARE/FERA | CARE | FERA | Medical<br>Baseline | Total |
|   |                  |      |      |                     |       |

| Number of customers with 3 month+ payment arrangements |                  |      |      |                     |       |
|--|------------------|------|------|---------------------|-------|
| Month  | Non<br>CARE/FERA | CARE | FERA | Medical<br>Baseline | Total |
|  |                  |      |      |                     |       |

| Month | Number of customers who were connected with outside bill payment assistance from organizations (IOU/Local Service Provider) | Number of customers who received outside bill payment assistance from organizations (IOU/Local Service Provider) |
|-------|---|--|
|       |   |  |

\*Please break this amount down by customer group if the information is available.

**Section 2 - Broken payment arrangements**

| Number of customers with late or broken 3 month payment arrangements |               |      |      |                  |       |
|--|---------------|------|------|------------------|-------|
| Month  | Non CARE/FERA | CARE | FERA | Medical Baseline | Total |
|  |               |      |      |                  |       |

| Number of customers with late or broken 3 month+ payment arrangements |               |      |      |                  |       |
|---|---------------|------|------|------------------|-------|
| Month   | Non CARE/FERA | CARE | FERA | Medical Baseline | Total |
|   |               |      |      |                  |       |

**Section 3 – Arrearages**

| Number of customers in arrears |               |      |      |                  |       |
|--------------------------------|---------------|------|------|------------------|-------|
| Month                          | Non CARE/FERA | CARE | FERA | Medical Baseline | Total |
|                                |               |      |      |                  |       |

| Number of customers 31-60 days in arrears |               |      |      |                  |       |
|---|---------------|------|------|------------------|-------|
| Month                                     | Non CARE/FERA | CARE | FERA | Medical Baseline | Total |
|   |               |      |      |                  |       |

| Number of customers 61-90 days in arrears |               |      |      |                  |       |
|---|---------------|------|------|------------------|-------|
| Month                                     | Non CARE/FERA | CARE | FERA | Medical Baseline | Total |
|   |               |      |      |                  |       |

| Number of customers 91-120 days in arrears |               |      |      |                  |       |
|--|---------------|------|------|------------------|-------|
| Month                                      | Non CARE/FERA | CARE | FERA | Medical Baseline | Total |
|  |               |      |      |                  |       |

| Number of customers 121+ days in arrears |               |      |      |                  |       |
|--|---------------|------|------|------------------|-------|
| Month                                    | Non CARE/FERA | CARE | FERA | Medical Baseline | Total |
|  |               |      |      |                  |       |

| Number of accounts paid 100% within 30 days from statement date |               |      |      |                  |       |
|---|---------------|------|------|------------------|-------|
| Month   | Non CARE/FERA | CARE | FERA | Medical Baseline | Total |
|   |               |      |      |                  |       |

| Number of accounts paid 50-99% within 30 days from statement date |               |      |      |                  |       |
|---|---------------|------|------|------------------|-------|
| Month   | Non CARE/FERA | CARE | FERA | Medical Baseline | Total |
|   |               |      |      |                  |       |

| Number of accounts paid <50%% within 30 days from statement date |               |      |      |                  |       |
|--|---------------|------|------|------------------|-------|
| Month  | Non CARE/FERA | CARE | FERA | Medical Baseline | Total |
|  |               |      |      |                  |       |

Total Dollar amount of Residential Accounts in Arrears – Month

| Number of Days                | All Balances | % of total outstanding |
|-------------------------------|--------------|------------------------|
| 20-30 days                    |              |                        |
| 31-60 days                    |              |                        |
| 61-90 days                    |              |                        |
| 91-120 days                   |              |                        |
| 121-150 days                  |              |                        |
| 151-179 days                  |              |                        |
| 180+ days                     |              |                        |
| Total outstanding receivables |              |                        |

Total Dollar amount of non-CARE/FERA accounts in Arrears – Month

| Number of Days                | All Balances | % of total outstanding |
|-------------------------------|--------------|------------------------|
| 20-30 days                    |              |                        |
| 31-60 days                    |              |                        |
| 61-90 days                    |              |                        |
| 91-120 days                   |              |                        |
| 121-150 days                  |              |                        |
| 151-179 days                  |              |                        |
| 180+ days                     |              |                        |
| Total outstanding receivables |              |                        |

Total Dollar amount of CARE accounts in Arrears – Month

| Number of Days                | All Balances | % of total outstanding |
|-------------------------------|--------------|------------------------|
| 20-30 days                    |              |                        |
| 31-60 days                    |              |                        |
| 61-90 days                    |              |                        |
| 91-120 days                   |              |                        |
| 121-150 days                  |              |                        |
| 151-179 days                  |              |                        |
| 180+ days                     |              |                        |
| Total outstanding receivables |              |                        |

Total Dollar amount of FERA accounts in Arrears – Month

| Number of Days                | All Balances | % of total outstanding |
|-------------------------------|--------------|------------------------|
| 20-30 days                    |              |                        |
| 31-60 days                    |              |                        |
| 61-90 days                    |              |                        |
| 91-120 days                   |              |                        |
| 121-150 days                  |              |                        |
| 151-179 days                  |              |                        |
| 180+ days                     |              |                        |
| Total outstanding receivables |              |                        |

Total Dollar amount of Medical Baseline accounts in Arrears – Month

| Number of Days                | All Balances | % of total outstanding |
|-------------------------------|--------------|------------------------|
| 20-30 days                    |              |                        |
| 31-60 days                    |              |                        |
| 61-90 days                    |              |                        |
| 91-120 days                   |              |                        |
| 121-150 days                  |              |                        |
| 151-179 days                  |              |                        |
| 180+ days                     |              |                        |
| Total outstanding receivables |              |                        |

Total Dollar amount of Residential accounts in Arrears by amount owed – Month

| Amount owed                   | All Balances | % of total outstanding |
|-------------------------------|--------------|------------------------|
| \$500 >                       |              |                        |
| \$1000 - \$500                |              |                        |
| \$2000-1000                   |              |                        |
| <\$2000                       |              |                        |
| Total outstanding receivables |              |                        |

Total Dollar amount of non-CARE/FERA accounts in arrears by amount owed – Month

| Amount owed                   | All Balances | % of total outstanding |
|-------------------------------|--------------|------------------------|
| \$500 >                       |              |                        |
| \$1000 - \$500                |              |                        |
| \$2000-1000                   |              |                        |
| <\$2000                       |              |                        |
| Total outstanding receivables |              |                        |

Total Dollar amount of CARE accounts in arrears by amount owed – Month

| Amount owed                   | All Balances | % of total outstanding |
|-------------------------------|--------------|------------------------|
| \$500 >                       |              |                        |
| \$1000 - \$500                |              |                        |
| \$2000-1000                   |              |                        |
| <\$2000                       |              |                        |
| Total outstanding receivables |              |                        |

Total Dollar amount of FERA accounts in arrears by amount owed – Month

| Amount owed                   | All Balances | % of total outstanding |
|-------------------------------|--------------|------------------------|
| \$500 >                       |              |                        |
| \$1000 - \$500                |              |                        |
| \$2000-1000                   |              |                        |
| <\$2000                       |              |                        |
| Total outstanding receivables |              |                        |

Total Dollar amount of Medical Baseline accounts in arrears by amount owed – Month

| Amount owed                   | All Balances | % of total outstanding |
|-------------------------------|--------------|------------------------|
| \$500 >                       |              |                        |
| \$1000 - \$500                |              |                        |
| \$2000-1000                   |              |                        |
| <\$2000                       |              |                        |
| Total outstanding receivables |              |                        |

**Section 4 – Disconnection/termination**

| Number of customers sent disconnection notices |               |      |      |                  |       |
|--|---------------|------|------|------------------|-------|
| Month  | Non CARE/FERA | CARE | FERA | Medical Baseline | Total |
|  |               |      |      |                  |       |

| Number of customers experiencing disconnection for non-payment |               |      |      |                  |       |
|--|---------------|------|------|------------------|-------|
| Month  | Non CARE/FERA | CARE | FERA | Medical Baseline | Total |
|  |               |      |      |                  |       |

| Out of those disconnected in the month please show those for whom it is their 2 <sup>nd</sup> or more disconnection that year |               |      |      |                  |       |
|---|---------------|------|------|------------------|-------|
| Month   | Non CARE/FERA | CARE | FERA | Medical Baseline | Total |
|   |               |      |      |                  |       |

| Number of customers reconnected within 24 hours |               |      |      |                  |       |
|---|---------------|------|------|------------------|-------|
| Month   | Non CARE/FERA | CARE | FERA | Medical Baseline | Total |
|   |               |      |      |                  |       |

| Number of customers reconnected within 48 hours |               |      |      |                  |       |
|---|---------------|------|------|------------------|-------|
| Month   | Non CARE/FERA | CARE | FERA | Medical Baseline | Total |
|   |               |      |      |                  |       |

| Number of customers reconnected within 72 hours |               |      |      |                  |       |
|---|---------------|------|------|------------------|-------|
| Month   | Non CARE/FERA | CARE | FERA | Medical Baseline | Total |
|   |               |      |      |                  |       |

| Number of customers reconnected within 72+ hours |               |      |      |                  |       |
|--|---------------|------|------|------------------|-------|
| Month  | Non CARE/FERA | CARE | FERA | Medical Baseline | Total |
|  |               |      |      |                  |       |

**Section 5 – Security Deposits**

| Number of customers with security desopits |               |      |      |                  |       |
|--|---------------|------|------|------------------|-------|
| Month                                      | Non CARE/FERA | CARE | FERA | Medical Baseline | Total |
|  |               |      |      |                  |       |

**Section 6 – Notices**

| Number of customers who received an initial disconnection notice (15 day or similar) |               |      |      |                  |       |
|--|---------------|------|------|------------------|-------|
| Month  | Non CARE/FERA | CARE | FERA | Medical Baseline | Total |
|  |               |      |      |                  |       |



| Number of customers who received a secondary disconnection notice (48 hour or similar) |               |      |      |                  |       |
|--|---------------|------|------|------------------|-------|
| Month  | Non CARE/FERA | CARE | FERA | Medical Baseline | Total |
|  |               |      |      |                  |       |

**Section 7 – Basic information**

| Number of active customer accounts in IOU territory |               |      |      |                  |       |
|---|---------------|------|------|------------------|-------|
| Month   | Non CARE/FERA | CARE | FERA | Medical Baseline | Total |
|   |               |      |      |                  |       |

| Number of customers referred from CCA for disconnection |               |      |      |                  |       |
|---|---------------|------|------|------------------|-------|
| Month   | Non CARE/FERA | CARE | FERA | Medical Baseline | Total |
|   |               |      |      |                  |       |

\*Please list this information by CCA if possible.

- A list of zip codes within the IOU territory by disconnection rate for that quarter, descending
- A list of zip codes within the IOU territory by total number of disconnections for that quarter, descending

(End of Attachment B)