



BEFORE THE PUBLIC UTILITIES COMMISSION OF THE
STATE OF CALIFORNIA

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

R.18-07-005

REPLY COMMENTS OF SOUTHERN CALIFORNIA EDISON COMPANY (U 338-E)
ON ADMINISTRATIVE LAW JUDGE'S RULING ON NEXT STEPS FOR THE ARREARAGE
MANAGEMENT PLAN (AMP) PROGRAM

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I.

INTRODUCTION

Pursuant to California Public Utilities Commission (Commission or CPUC) Rules of Practice and Procedure, and in compliance with Administrative Law Judge (ALJ) Wang’s Ruling on the next steps for the Arrearage Management Plan (AMP) issued on April 10, 2023, Southern California Edison Company (SCE) respectfully submits the following reply comments.

II.
DISCUSSION

A. An Extension to the Current AMP Program Sunset Date is Temporary and a Long-Term Decision for the AMP Program Should Be Informed by the Results of an Evaluation

No party opposes extending the current sunset date of June 11, 2024, for the AMP program; however, all parties provide various proposals on what the timeline should be.¹ TURN strongly supports extending the AMP program beyond the current sunset date, stating that extending the AMP program until December 31, 2026, is needed to effectively evaluate the AMP program without the effect of the COVID-19 pandemic-related disconnection moratoriums.² However, TURN also claims that since the Commission (1) determined in Decision (D.) 20-06-003 that the IOUs should adopt the AMP program, (2) will permit the investor-owned utilities (IOUs) to file a Tier 3 Advice Letter after three years to recommend improvements to the AMP program, and (3) will open a proceeding in three years to reauthorize the AMP program, that any potential evaluation and associated recommendations for the AMP program are limited to making improvements to the AMP program—not whether the AMP program would continue past the proposed sunset.³ SCE strongly disagrees. TURN fails to cite in D. 20-06-003 where the Commission permits the IOUs to “provide data relevant to whether the AMP should be reauthorized as set forth in this decision, modified or terminated.”⁴

¹ SCE and nine other parties provided Opening Comments on the Ruling: California Community Choice Association (CalCCA); Center for Accessible Technology (CforAT); National Consumer Law Center (NCLC); Pacific Gas & Electric Company (PG&E); Public Advocates Office (Cal Advocates); Southern California Gas Company, San Diego Gas & Electric Company (Sempra); Utility Consumers’ Action Network (UCAN); and the Utility Reform Network (TURN).

² See TURN Opening Comments, pp. 2-3.

³ See TURN Opening Comments, pp. 3-4.

⁴ D. 20-06-003, p. 109.

SCE reiterates its prior comments,⁵ which were also shared by PG&E,⁶ that the IOUs are still provided with an opportunity, regardless of whether it occurs in this rulemaking or in a new proceeding as outlined in D. 20-06-003, to submit informed recommendations and data for modifying or terminating the AMP program. Therefore, SCE supports a *temporary* extension to allow for an effective evaluation, which could then inform any decision to modify, extend, or conclude the AMP program.

B. AMP Evaluation and Metrics

Most parties agree that more time is needed before an effective AMP evaluation can begin. In its opening comments, however, Cal Advocates states that since the AMP program was initiated on June 11, 2020, the IOUs have enough data on completed and failed payment plans to allow for the Commission to begin to evaluate AMP.⁷ CalCCA adds that an AMP evaluation should begin now to provide a baseline for a future evaluation.⁸ SCE disagrees with Cal Advocates and CalCCA. Although the AMP program was adopted in June 2020, pursuant to D. 20-06-003, the IOUs did not begin enrolling customers into the AMP program until February 2021. Further, for SCE, residential disconnections did not resume until October 2022 and on a very constrained basis given limitations associated with California Arrearage Payment Program (CAPP) requirements.⁹ SCE does not yet have a significant number of customers with at least 6-12 months of post-disconnection moratorium bill payment data to begin an effective evaluation of the AMP program. As such, any evaluation of the AMP program should examine customer payment behavior that has occurred *after* the COVID-19 related disconnection moratorium to allow for a sufficient number of customers to be included in the analysis.

⁵ See SCE Opening Comments, p. 2.

⁶ See PG&E Opening Comments, pp. 1-2.

⁷ See Cal Advocates Opening Comments, p. 2.

⁸ See CalCCA Opening Comments, p. 3.

⁹ See Cal. Gov. Code § 16429.10(i)(2) (“A utility applicant shall not disconnect a residential customer’s utility service, regardless of balance owed after applying a 2022 CAPP benefit, for 90 days after a 2022 CAPP benefit is applied.”).

Additionally, PG&E¹⁰ and SDG&E¹¹ recommend including in the AMP program evaluation a cost-benefit analysis. SCE agrees. It is important to also understand the overall cost of the AMP program for ratepayers relative to the cost and benefits to AMP participants, and without this understanding, the AMP program should not be indefinitely authorized, as CforAT and NCLC recommend.¹² For example, if ratepayer cost is determined to be very high but only a small percent of the AMP participants have changed their payment behavior and no longer accrue arrearages (thereby avoiding the cost of disconnections), the AMP program could be a very costly program with little customer benefit.

III.

CONCLUSION

SCE appreciates the opportunity to submit these reply comments and respectfully requests the Commission to adopt SCE's recommendations as proposed herein.

¹⁰ See PG&E Opening Comments, p. 3.

¹¹ See SDG&E Opening Comments, p. 5.

¹² See CforAT/NCLC Opening Comments, p. 2.

Respectfully submitted,

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