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CPUC ACTS TO REDUCE NATURAL GAS AND ELECTRIC DISCONNECTIONS FOR RESIDENTIAL CUSTOMERS

SAN FRANCISCO, December 13, 2018 - The California Public Utilities Commission (CPUC), recognizing that there are immediate reforms needed to help reduce the statewide level of service disconnections for residential energy customers and improve the reconnection process, today ordered investor-owned utilities to:

- Prohibit the disconnection of elderly and medically vulnerable customers, such as those who qualify for medical baseline, life support and/or who are above 65 years old;
- Prevent disconnections during extremely hot or freezing days; and,
- Limit the rate of disconnections to 2017 levels.

The CPUC has implemented policies and procedures to reduce natural gas and electric utility service disconnections in the past, however, the rate of customer disconnections continues to rise. The interim rules put into effect today will remain in place while the CPUC considers longer term solutions to reduce disconnections and improve reconnection processes and outcomes for disconnected customers.

"Reducing disconnections benefits all ratepayers. These immediate measures will protect the life and wellbeing of our most vulnerable customers as we continue to develop comprehensive approaches to disconnections. It also sets the baseline from which to base future reductions," said Commissioner Martha Guzman Aceves, the Commissioner assigned to the proceeding.

Added Commissioner Clifford Rechtschaffen, "Utility disconnections are strongly tied to people's inability to pay, and dramatically impact quality of life. This decision is an important first step in reducing disconnections in California."



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On September 28, 2017, Senate Bill 598 was signed into law requiring the CPUC to develop rules, policies, and regulations with a goal of reducing the statewide disconnection rate of natural gas and electric utility customers by January 1, 2024. Additionally, the CPUC must analyze the impacts of any utility rate increases on disconnection rates in each utility's General Rate Case.

The proposal voted on is available at:

http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M249/K967/249967105.PDF.

Documents related to this proceeding are at:

https://apps.cpuc.ca.gov/apex/f?p=401:56:0::NO:RP,57,RIR:P5 PROCEEDING SELECT:R1807005.

The CPUC regulates services and utilities, safeguards the environment, and assures Californians' access to safe and reliable utility infrastructure and services. For more information on the CPUC, please visit <u>www.cpuc.ca.gov</u>.

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