



**California Public Utilities Commission**  
**505 Van Ness Ave., San Francisco**

**FOR IMMEDIATE RELEASE**

Media Contact: Terrie Prosper, 415.703.1366, [news@cpuc.ca.gov](mailto:news@cpuc.ca.gov)

**PRESS RELEASE**

Docket #: R.18-07-005

## **CPUC ACTS TO ENSURE ESSENTIAL UTILITY SERVICES FOR CONSUMERS AT RISK OF DISCONNECTIONS**

SAN FRANCISCO, October 7, 2021 – The California Public Utilities Commission (CPUC), in ongoing efforts to identify ways to help consumers keep essential utility services, today ordered investor-owned utilities to implement Percentage of Income Payment Plan (PIPP) pilot programs to reduce residential disconnections of electric and natural gas service.

Today’s decision authorizes Pacific Gas and Electric Company (PG&E), San Diego Gas & Electric (SDG&E), Southern California Edison (SCE), and Southern California Gas Company (SoCalGas) to implement PIPP pilot programs, which allow a participant to pay a predetermined affordable percentage of their monthly income toward their electricity or natural gas bill. Participants will receive a monthly bill cap for current charges set at four percent of their household’s monthly income. Monthly bill caps will be standardized for households in two income tiers: 0-100 percent of Federal Poverty Guidelines, and 101-200 percent of Federal Poverty Guidelines. Customers of the large investor-owned utilities and participating Community Choice Aggregators (CCAs) who are enrolled in the [California Alternate Rates for Energy](#) (CARE) program are eligible for the pilots if they are located in one of the zip codes with the highest rates of reoccurring disconnections in a utility’s service territory, or if they have experienced two or more disconnections during the 12 months prior to the disconnections moratorium.

“This important Decision will provide additional relief for customers working to recover from the devastating impacts of the COVID-19 crisis,” said Commissioner Darcie L. Houck, who is assigned to the proceeding. “As the moratorium on utility service disconnections comes to an end, we need programs that support California’s most vulnerable populations now more than ever.”



PG&E, SDG&E, SCE, and SoCalGas will enroll up to 15,000 total participants for 48 months to test whether a PIPP program can reduce the number of low-income households at risk of disconnection, encourage participation in energy saving and energy management programs, increase access to essential levels of energy service, and control program costs.

“We know that many Californians chronically struggle to pay their bills to meet their most basic human needs, such as electricity and natural gas. The Percentage of Income Payment Plan will provide the most vulnerable Californians, especially the elderly and others on limited fixed incomes, with an affordable bill that they can pay,” said Commissioner Martha Guzman Aceves.

“This innovative pilot can help address a growing financial, health, and safety risk for thousands of Californians who struggle to afford essential utility services,” said Commissioner Clifford Rechtschaffen.

The CPUC has taken many actions toward ensuring consumers have safe and affordable energy service, including initiating a proceeding focused on the San Joaquin Valley to establish a methodology for identifying disadvantaged communities in the region and approving \$56 million in funding for 11 pilots that seek to reduce energy costs for households in these communities by way of appliance retrofit pilots, expanded outreach and enrollment in existing demand-side management programs, and new bill protection measures. In addition, in response to the COVID-19 pandemic, which has exacerbated affordability challenges, the CPUC has taken numerous measures to help protect consumers, including temporary moratoria on disconnections for failure to pay utility bills, expanded access to bill subsidy programs, and requiring utilities to offer payment plans for customer debt.

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

<https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M412/K735/412735667.PDF>.



Documents related to this proceeding are available at

[https://apps.cpuc.ca.gov/apex/f?p=401:56:0::NO:RP,57,RIR:P5\\_PROCEEDING\\_SELECT:R1807005](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 [www.cpuc.ca.gov](http://www.cpuc.ca.gov).

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