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**PRESS RELEASE**

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**CPUC IMPLEMENTS MEASURES TO ADDRESS  
RESIDENTIAL ENERGY UTILITY DISCONNECTIONS**

SAN FRANCISCO, February 4, 2010 - The California Public Utilities Commission (CPUC), in its ongoing efforts to reduce the number of natural gas and electric utility residential customer disconnections due to nonpayment, today ordered the state's investor-owned utilities to implement certain interim practices to better assist consumers.

The CPUC ordered Pacific Gas and Electric Company, Southern California Edison, San Diego Gas and Electric Company, and Southern California Gas Company to take the following actions within five business days:

- All utility company customer service representatives must inform any customer that owes an arrearage on a utility bill that puts the customer at risk for disconnection, that the customer has the right to arrange for a bill payment plan extending a minimum of three months in which to repay the arrearage. Customers must keep current on their utility bills while repaying the arrearage balance.
- Once a customer has established credit as a customer of a utility, that utility must not require the customer to pay additional reestablishment of credit deposits with the utility for either slow-payment/no-payment of bills or following a disconnection.

These interim actions are part of a proceeding the CPUC opened today in order to address arrearage management and shutoff prevention for residential energy customers by improving customer notification and education.

“The economic environment and an increase in service disconnections necessitate the need to quickly identify more effective ways for the utilities to communicate with their customers and develop solutions that avoid unnecessary disconnections without placing an undue cost burden on other customers,” said CPUC President Michael R. Peevey. “Each utility has its own process for

communicating with and educating their consumers on ways to avoid disconnections. It is my hope that this proceeding will standardize the best practices of each utility so that all customers are properly informed about ways to address repayment of arrearages before they are disconnected.”

Added Commissioner Dian M. Grueneich, “The interim measures we adopt today should provide the needed relief to households at risk of having their electric or gas service disconnected. However, these measures can only help if the customer calls their electric or gas company to arrange a payment plan.”

“We need to work with the utilities and their customers to establish the best programs for customers who are having a hard time paying their bills while recognizing that all customers must bear the costs incurred to provide utility service,” said Commissioner John A. Bohn.

“I am very concerned about the higher rate of utility disconnections for low income customers,” said Commissioner Timothy Alan Simon. “I am interested in hearing proposals on how to incorporate best practices of certain utilities, such as working with community-based organizations and faith-based organizations to educate customers on our low income assistance program, California Alternate Rates for Energy, or other assistance programs.”

“I am pleased that at my first meeting as a Commissioner I can vote in support of efforts to help consumers avoid disconnection and associated fees,” said Commissioner Nancy Ryan. “I look forward to hearing from parties their ideas on how we can continue to improve the way utilities assist consumers.”

Parties are invited to comment on the interim practices and to suggest other practices by March 12, 2010, with reply comments due on April 2, 2010. The CPUC intends to have a Proposed Decision on its agenda in June 2010. The CPUC encouraged the utilities and consumer groups to continue their dialogue and efforts to determine best practices and to assess whether the interim practices help meet the CPUC goal of reducing disconnections whenever some other method of bill payment can be arranged.

The proposal voted on by the CPUC is available at  
<http://docs.cpuc.ca.gov/PUBLISHED/Graphics/113251.PDF>.

For more information on the CPUC, please visit [www.cpuc.ca.gov](http://www.cpuc.ca.gov).

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