



March 2, 2010

Dear Friends:

I wanted to provide you with an update on the California Public Utilities Commission (CPUC), efforts to reduce the number of natural gas and electric utility residential customer disconnections due to nonpayment. On February 4, 2010 the CPUC ordered Pacific Gas and Electric Company, Southern California Edison, San Diego to take the following actions:

- 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 are interim actions which are part of a proceeding the CPUC opened in order to address arrearage management and shutoff prevention for residential energy customers by improving customer notification and education. The way things seem to be going, the CPUC is trusting the utilities' judgment about what help consumers need to avoid shutoff. In the case of PG&E, that means giving consumers "one more chance" to keep a payment plan before refusing to work with them anymore. It also means giving at least some consumers one more chance to avoid a late payment deposit if they pay in full and on time every single month going forward. The problem is that consumers who have been struggling will continue to struggle, so our policies must be designed to help them pay what they owe for their utility usage and avoid shutoff.

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. **You can send a letter from your agency to the CPUC commissioners with your comments/suggestions. What do you think the CPUC and Utilities need to do in order to reduce disconnections. is three months an acceptable minimum thresh hold? What kind of payment plans would be acceptable?**

SAVE THE DATE! The CPUC intends to have a Proposed Decision on its agenda in June 2010. We need the CPUC to be serious enough about reducing shutoffs that it is willing to take formal action on the matter. The CPUC needs to monitor shutoff numbers, exchange information about best practices, and prevent a major increase in shutoffs once new metering technologies (smart meter) enable remote disconnection.

UPCOMING RATE INCREASES! On another note, the CPUC will be holding Public

Participation meetings in the spring to discuss PG&E's request for **another rate increase**. So far TURN has suggested that meetings be held in: San Francisco, Oakland, Fresno, Bakersfield, Stockton, Sonoma, and Valley Springs (Calaveras). We will also request additional hearings in San Luis Obispo, Redding, and Davis. These meetings will be held in PG&E service areas. Please let us know what you think!

If you have any questions, please call me at (415) 954-8094.

Sincerely, Ana Montes
Organizing Director

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