
May 16, 2011

ADVICE 84-W
(U 338-W)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
WATER DIVISION

SUBJECT: Adjustment of Existing Income Limitations for
California Alternate Rates for Energy

In compliance with the California Public Utilities Commission (Commission) Energy Division's letter dated April 27, 2011 (Letter), and pursuant to Resolution E-3524, Southern California Edison Company (SCE) hereby submits for filing the following revised tariff sheets which are listed on Attachment A and are attached hereto.

PURPOSE

This advice filing revises Schedule W-1-CARE, Santa Catalina Island California Alternate Rates for Energy (CARE) Domestic Water Service, to reflect the increase in household annual income limitations applicable to the CARE program for 2011-2012 in compliance with the Energy Division's Letter. In the Letter, utilities are requested to file revised tariffs reflecting the effective date of June 1, 2011.

BACKGROUND

The Commission authorized the Low Income Ratepayer Assistance (LIRA) program by Decision (D.) 89-07-062 which became effective September 1989. SCE's electric Schedule D-LI, Low Income Rate – Domestic Service, became effective pursuant to D.89-09-44 on November 1, 1989. The program name was changed from LIRA to CARE effective January 1, 1995, in accordance with Senate Bill 491. Accordingly, SCE's electric rate schedule was renamed to Schedule D-CARE.

In compliance with Resolution W-4665, SCE established Schedule W-1-CARE which provides Santa Catalina Island (Catalina) low-income domestic water customers with CARE discounts.¹ Catalina customers who qualify for the CARE program for electric

¹ Advice 63-W established Schedule W-1-CARE.

and/or gas service are enrolled automatically in the CARE program for water service. A CARE application² will be required for participation and recertification in the CARE program unless the customer has completed an approved CARE application for electric and gas service and is currently receiving service under Schedule D-CARE or G-1-CARE. In accordance with Ordering Paragraph 12 of Resolution W-4665, low-income customers on Catalina receive a 20 percent discount from water service rates under Schedule W-1-CARE.

Household income limitations are used to determine whether a person or household qualifies for discounts provided under CARE schedules. The Commission, in Resolution E-3524, directed the Energy Division to communicate new income eligibility levels to the utilities on May 1 of each year. The Commission further required the Energy Division to direct the utilities to file revised tariffs, effective June 1 of each year, reflecting the new income levels.

PROPOSED TARIFF CHANGES

The Energy Division's Letter provides an inflation factor of 1.016 applicable to the current household annual income limitations under the various CARE programs. The inflation factor used is the "final" Consumer Price Index All Urban Consumers for the prior year, as published by the U.S. Department of Labor, Bureau of Labor Statistics. Income levels for CARE program eligibility are calculated by the Energy Division and are based upon the rules for computing income levels as set forth in Resolution E-3524 dated February 19, 1998. This advice filing updates Schedule W-1-CARE by incorporating the new household income limitation levels and effective date of June 1, 2011.

SCE is filing this advice letter in compliance with Resolution E-3524. Ordering Paragraph 3 of that resolution states:

Beginning in 1998, all electric and gas utilities providing service under CARE and LIW shall file tariffs reflecting new income eligibility levels in accordance with the instructions provided in the letter from the Director of the Energy Division. Tariffs shall become effective on June 1 of each year. (Emphasis added)

² Form 14-782 CARE/FERA Program filed as an Attachment to Advice 173-G/2585-E.

However, as shown in the table below,³ SCE notes that the income eligibility levels provided in the Letter from the Director of the Energy Division exceed 200% of federal poverty guideline levels and in some cases significantly.

Persons in Household	200% of Federal Poverty Guidelines	Energy Division April 27, 2011 CARE Income Guidelines	Actual CARE Income Limits as % of Federal Poverty Guidelines
1	\$21,780	\$31,800	292%
2	\$29,420	\$31,800	216%
3	\$37,060	\$37,400	202%
4	\$44,700	\$45,100	202%
5	\$52,340	\$52,800	202%
6	\$59,980	\$60,500	202%
7	\$67,620	\$68,200	202%
8	\$75,260	\$75,900	202%
Each Additional Person	\$7,640	\$7,700	

This violates Public Utilities Code Section 739.1(b)(1) which requires:

The Commission shall establish a program of assistance to low-income electric and gas customers with annual household incomes that are no greater than 200 percent of the federal poverty guideline levels,...(Emphasis added.)

Therefore, in addition to the tariffs and forms reflecting the income eligibility levels provided in the Letter from the Director of the Energy Division (see Attachment B), SCE is filing the tariff sheet that complies with the requirements of Public Utilities Code Section 739.1(b)(1). (See Attachment C for Schedule W-1-CARE⁴) Although this advice letter is filed with a Tier 1 designation, which is the historical designation for advice letters modifying CARE income eligibility requirements, SCE requests direction from the Water Division as to which set of tariffs and forms to implement on June 1, 2011.

No cost information is required for this advice filing.

³ Attachment D provides an expanded version of this table with a description of each entry in it.

⁴ Filed forms with income limitation levels that comply with the requirements of Public Utilities Code Section 739.1(b)(1) are not contained herein but will be provided via substitute sheets to SCE's Advice 173-G/2585-E if the Energy Division directs SCE to implement the tariff included in Attachment C.

This advice filing will not increase any rate or charge, cause the withdrawal of service, or conflict with any other schedule or rule.

TIER DESIGNATION

Pursuant to General Order (GO) 96-B , Water Industry Rule 7.3.1(3), this advice letter is submitted with a Tier 1 designation.

EFFECTIVE DATE

In compliance with Resolution E-3524, this advice letter is effective June 1, 2011.

NOTICE

Anyone wishing to protest this advice filing may do so by letter via U.S. Mail, facsimile, or electronically, any of which must be received no later than 20 days after the date of this advice filing. Protests should be mailed to:

Director, Water Division
CPUC
505 Van Ness Avenue
San Francisco, California 94102
E-mail: water_division@cpuc.ca.gov
Facsimile: (415) 703-2200

In addition, protests and all other correspondence regarding this advice letter should also be sent by letter and transmitted via facsimile or electronically to the attention of:

Akbar Jazayeri
Vice President of Regulatory Operations
Southern California Edison Company
2244 Walnut Grove Avenue
Rosemead, California 91770
Facsimile: (626) 302-4829
E-mail: AdviceTariffManager@sce.com

Bruce Foster
Senior Vice President, Regulatory Affairs
c/o Karyn Gansecki
Southern California Edison Company
601 Van Ness Avenue, Suite 2030
San Francisco, California 94102
Facsimile: (415) 929-5540
E-mail: Karyn.Gansecki@sce.com

There are no restrictions on who may file a protest, but the protest shall set forth specifically the grounds upon which it is based and shall be submitted expeditiously.

In accordance with Section 4 of GO 96-B, SCE is serving copies of this advice filing to the interested parties shown on the attached GO 96-B, R.07-01-042, and Resolution W-4665 service lists. Address change requests to the GO 96-B service list should be directed by electronic mail to AdviceTariffManager@sce.com or at (626) 302-4039. For changes to all other service lists, please contact the Commission's Process Office at (415) 703-2021 or by electronic mail at Process_Office@cpuc.ca.gov.

Further, in accordance with Public Utilities Code Section 491, notice to the public is hereby given by filing and keeping the advice filing at SCE's corporate headquarters. To view other SCE advice letters filed with the Commission, log on to SCE's web site at <http://www.sce.com/AboutSCE/Regulatory/adviceletters/>.

For questions, please contact Prabha Cadambi at (626) 302-8177 or by electronic mail at Prabha.Cadambi@sce.com.

Southern California Edison Company

Akbar Jazayeri

AJ:pc;jm
Enclosures

**CALIFORNIA PUBLIC UTILITIES
COMMISSION**
Advice Letter Filing Summary Sheet

(Date Filed / Received Stamp by CPUC)

Company Name: Southern California Edison Company

CPUC Utility Number: U 338-W

Address: 2244 Walnut Grove Avenue

City, State, ZIP: Rosemead, CA 91770

Filing AL #: 84-W

Requested Effective Date: 6/1/11

Resolution Required?

Tier Designation: 1

	Name:	Email Address:	Phone No.:	Fax No.:
Filer	James Yee	James.Yee@sce.com	626-302-2509	626-302-4829
Certif.	James Yee	advicetariffmanager@sce.com	626-302-2509	No. Tariff Sheets: 2

(Name, email address & Phone and FAX numbers are Required for "Filer")

Annual Revenue Change: \$ _____ %

Date Filed with the CPUC: 5/16/11 **Date Served to the Service List:** 5/16/11

Tariff Schedules: Schedule W-1-Care and Table of Contents

Subject of Filing: Adjustment of Existing Income Limitations for California Alternate Rates for Energy
(Service(s) included)

Authorization for Filing: Resolution E-3524
(Resolution #, Decision #, etc.)

Related Advice Letter(s):
(Similar service, replacement filing)

Notes/Comments:
(Other information & reference to advice letter, etc.)

Send Protest and/or Correspondence within 20 days to:

Director, Water Division
505 Van Ness Ave., San Francisco, CA 94102

and if you have email capability, also email protest to:

water_division@cpuc.ca.gov

Protest also must be served on utility:

(see utility advice letter for more information)

(FOR CPUC USE ONLY)

- WTS Program/Activity/Type _____ / _____ / _____
- Resolution Required
- WD Suspension on: ___ / ___ / ___
- Comm. Suspension on: ___ / ___ / ___

Resolution No.: W - _____

Rev. 04/01/05

Supv. / Analyst: _____ / _____

Due Date to Supv.: _____

Analyst Completion Date: _____

Supervisor Approval Date: _____

AL / Tariff Effective Date: _____

Notes: _____

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 724-W	Schedule W-1-CARE	Revised 624-W
Revised 725-W	Table of Contents	Revised 713-W



Schedule W-1-CARE Sheet 1
SANTA CATALINA ISLAND CALIFORNIA ALTERNATE RATES FOR ENERGY (CARE)
DOMESTIC WATER SERVICE

APPLICABILITY

Applicable for domestic service to CARE households residing in a permanent single-family accommodation where a customer meets all the Special Conditions of this Schedule. Customers who receive water service under Schedule W-1 are eligible for this Schedule.

TERRITORY

The City of Avalon, Santa Catalina Island.

RATES

Rates, as applicable under Schedule W-1, shall apply. The sum of the resulting charge, plus the applicable Service Charge, is then reduced by the 20 percent CARE discount. The PUCRF identified in Schedule UF-W is applied.

SPECIAL CONDITIONS

1. CARE Household: A CARE Household is a household where the total gross income from all sources is less than shown on the table below based on the number of persons in the household. Total gross income shall include income from all sources, both taxable and nontaxable. Persons who are claimed as a dependent on another person's income tax return are not eligible. These income limits are effective as of June 1, 2011. (T)

<u>No. of Persons In Household</u>	<u>Total Gross Annual Income</u>	
1-2	\$31,800	(I)
3	37,400	
4	45,100	
5	52,800	
6	60,500	(I)

For Households with more than six persons, add \$7,700 annually for each additional person. (I)

(Continued)

(To be inserted by utility)
 Advice 84-W
 Decision _____

Issued by
Akbar Jazayeri
Vice President

(To be inserted by Cal. PUC)
 Date Filed May 16, 2011
 Effective _____
 Resolution E-3524



TABLE OF CONTENTS

Sheet 1

	<u>Cal. P.U.C. Sheet No.</u>	
TITLE PAGE	92-W	
TABLE OF CONTENTS - RATE SCHEDULES	725-W	(T)
TABLE OF CONTENTS - LIST OF CONTRACTS AND DEVIATIONS.....	725-W	(T)
TABLE OF CONTENTS - RULES	700-W	
TABLE OF CONTENTS - SAMPLE FORMS	700-W	
PRELIMINARY STATEMENT:		
A. Territory Served by the Utility	283-W	
B. Types and Classes of Service	283-W	
C. Description of Service.....	283-W	
D. Procedure to Obtain Service	283-W	
E. Symbols	284-W	
F. Income Tax Component of Contributions Provision	309-310-W	
G. Tax and Depreciation Change (TDC) Memorandum Account	330-331-W	
H. Water Related Costs and Fees (WRCF) Memorandum Account	337-338-W	
I. Water Contamination Litigation Expense Memorandum Account	351-W	
J. Water Quality Balancing Account.....	466-467-W	
K. Office of Drinking Water User Fees Balancing Account.....	468-469-W	
L. Deferred Revenue Requirement Tracking Account (DRRTA).....	418-W	
M. Purchased Power Expenses Memorandum Account (PPEMA).....	425-W	
N. Catalina Water CARE Memorandum Account	437-W	
O. Catalina Water Rationing Memorandum Account (CWRMA).....	582-W	
SERVICE AREA MAP.....	3-W	

RATE SCHEDULES

<u>Schedule No.</u>	<u>Title of Sheet</u>	<u>Cal. P.U.C. Sheet No.</u>	
14.1	Staged Mandatory Water Conservation and Rationing	583-584-585-586-587-W	
		588-589-590-W	
DE	Residential Service to Utility Employees	90-W	
FWY	Fresh Water Yield.....	287-W	
TRA-W	Tax Reform Act of 1986, Surcharge Credit	255-W	
UF-W	Surcharge to Fund Public Utilities Commission Reimbursement Fee	402-W	
W-1	General Metered Fresh Water Service.	711-W	
W-1-CARE	Santa Catalina Island California Alternate Rates For Energy (CARE).....	724-540-W	(T)
W-4	Dedicated Water Service for Private Fire Protection Systems	712-682-W	
W-SE	Service Establishment Charge.....	189-W	

LIST OF CONTRACTS AND DEVIATIONS

	<u>Cal. P.U.C. Sheet No.</u>
List of Contracts and Deviations	6-W

(Continued)

(To be inserted by utility)
 Advice 84-W
 Decision _____

Issued by
Akbar Jazayeri
Vice President

(To be inserted by Cal. PUC)
 Date Filed May 16, 2011
 Effective _____
 Resolution E-3524

ATTACHMENT B

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



April 27, 2011

**NOTICE TO INVESTOR OWNED UTILITIES AND SOUTHWEST GAS COMPANY,
CALIFORNIA PACIFIC ELECTRIC COMPANY (FORMERLY SIERRA PACIFIC)
AND BEAR VALLEY ELECTRIC PROVIDING SERVICE UNDER CARE AND
ENERGY SAVINGS ASSISTANCE PROGRAM (FORMERLY KNOWN AS LOW
INCOME ENERGY EFFICIENCY PROGRAM/LIEE)
(at 200% of the Federal Poverty Guideline Level)**

Energy Division is issuing this notice to update the income eligibility for the California Alternate Rate for Energy Program (CARE) and the Energy Savings Assistance Program.

This notice is pursuant to Resolution E-3524, adopted February 19, 1998, in which the Commission ordered the Director of the Energy Division (Director) to communicate new income levels to utilities by letter no later than May 1 of each year. The Commission further ordered the Director to require energy utilities to file revised tariffs effective June 1 of each year reflecting the new income levels.

The process of determining the change in the income eligibility for the CARE and Energy Savings Assistance programs is set forth in Appendix A of this letter. Following this process, and pursuant to Resolution E-3524 and Decision 05-12-044, the Energy Division has updated the income eligibility guidelines for 2011-2012 as follows:

Household Size	CARE & Energy Savings Assistance Programs (at 200% FPG)
1-2	\$31,800
3	\$37,400
4	\$45,100
5	\$52,800
6	\$60,500
Each Additional	\$7,700

These income limits are effective from June 1, 2011 to May 31, 2012.

Pursuant to Resolution E-3524, by May 14, 2011, the utilities are requested to file revised tariffs with the Energy Division reflecting these income levels. All tariffs, internet sites and printed materials about CARE and/or Energy Savings Assistance programs are to display these revised income eligibility guidelines and their effective dates, up through a household of six. If you have any questions regarding this notice, please contact Syreeta Gibbs at (415) 703-1622, e-mail: svg@cpuc.ca.gov.

Sincerely,

Julie A. Fitch
Director, Energy Division

APPENDIX A

Method for Computing Revised Income Eligibility Levels for CARE and Energy Savings Assistance Programs (at 200% of FPG) Beginning June 1, 2011				
	a	b	C	d¹
Household Members	FACTOR	OLD LEVEL	RAW	ROUNDED
1 or 2	1.016	\$31,300	\$31,800	\$31,800
3	1.016	\$36,800	\$37,388	\$37,400
4	1.016	\$44,400	\$45,110	\$45,100
5		\$52,000		\$52,800
6		\$59,600		\$60,500
Difference between 3 & 4				
Each Additional				\$7,700
Note: The incremental difference between "1 or 2" and "3" (\$5,600) will always be less than the amount for each additional household member (\$7,700). The additional household member adder is applied to household member levels 5 and 6.				

Rules for Computing Income Levels (As set forth in Resolution E-3524, dated February 19, 1998)

1. The prior period income levels are multiplied by a factor of one plus the inflation factor (Column $a + b = c$)
2. The inflation factor to be used is the "final" CPI-U (Consumer Price Index for all Urban Consumers) for the prior year, as published by the U.S. Department of Labor, Bureau of Labor Statistics. The inflation factor is usually available in January of each year.
3. The percentage increase factor is two digits to the right of the decimal. Examples: 2.0% = .020; 8.5% = .085
4. All income level amounts are rounded to the nearest \$100. If the raw number rounds to 50 or above, the number should be rounded to the next higher \$100. Examples: 19,326 = 19,300; 16,654 = 16,700.
5. The amount for "each additional" should be rounded to the difference between 3 and 4 household members. If the rounding differs, the amount for the "each additional" should be set to the difference between 3 and 4 household members.

¹ Column "d" contains rounded data for income levels 1 or 2, 3 and 4. The data in column "d" for income levels 5 and 6 contain the additional household member adder of \$7700.

ATTACHMENT C

Schedule W-1-CARE Sheet 1
SANTA CATALINA ISLAND CALIFORNIA ALTERNATE RATES FOR ENERGY (CARE)
DOMESTIC WATER SERVICE

APPLICABILITY

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TERRITORY

The City of Avalon, Santa Catalina Island.

RATES

Rates, as applicable under Schedule W-1, shall apply. The sum of the resulting charge, plus the applicable Service Charge, is then reduced by the 20 percent CARE discount. The PUCRF identified in Schedule UF-W is applied.

SPECIAL CONDITIONS

1. CARE Household: A CARE Household is a household where the total gross income from all sources is less than shown on the table below based on the number of persons in the household. Total gross income shall include income from all sources, both taxable and nontaxable. Persons who are claimed as a dependent on another person's income tax return are not eligible. These income limits are effective as of June 1, 2011, and are in accordance with Public Utilities Code 739.1(b) which states annual household incomes are no greater than 200 percent of the federal poverty guideline levels.. (T)
(T)

<u>No. of Persons In Household</u>	<u>Total Gross Annual Income</u>	
1	\$21,780	(R)
2	29,420	(R)
3	37,060	(I)
4	44,700	
5	52,340	
6	59,980	(I)

For Households with more than six persons, add \$7,640 annually for each additional person. (I)

(Continued)

(To be inserted by utility)
Advice 84-W
Decision _____

Issued by
Akbar Jazayeri
Vice President

(To be inserted by Cal. PUC)
Date Filed May 16, 2011
Effective _____
Resolution E-3524

ATTACHMENT D

CPUC CARE Income Guidelines for June 1, 2011 - May 31, 2012 vs. Federal Poverty Guidelines

A	B	C = B x 2	D	E = D/C
Persons in Household	Federal Poverty Guidelines Notice January 20, 2011 [1]	200% of Federal Poverty Guidelines	Energy Division April 27, 2011 CARE Income Guidelines	Actual CARE Income Limits as % of Federal Poverty Guidelines [2]
1	\$10,890	\$21,780	\$31,800	292%
2	\$14,710	\$29,420	\$31,800	216%
3	\$18,530	\$37,060	\$37,400	202%
4	\$22,350	\$44,700	\$45,100	202%
5	\$26,170	\$52,340	\$52,800	202%
6	\$29,990	\$59,980	\$60,500	202%
7	\$33,810	\$67,620	\$68,200	202%
8	\$37,630	\$75,260	\$75,900	202%
Each Additional Person	\$3,820	\$7,640	\$7,700	

[1] Federal Register / Vol. 76, No. 13 / Thursday, January 20, 2011 Notice.

Federal guidelines require the Secretary of the Department of Health and Human Services to update the poverty guidelines at least annually, adjusting them for CPI - Urban Consumers. The above figures are for the 48 contiguous states and the District of Columbia. Separate guidelines are published for Alaska and Hawaii.

[2] SB 695, Chaptered October 2009, revised Public Utilities Code 739.1(b)(1) to read, "The commission shall establish a program of assistance to low-income electric and gas customers with annual household incomes that are no greater than 200 percent of the federal poverty guideline levels the cost of which shall not be borne solely by any single class of customer. The program shall be referred to as the California Alternate Rates for Energy or CARE program. The commission shall ensure that the level of discount for low-income electric and gas customers correctly reflects the level of need." [underlining added for emphasis]