



DRA

*Division of Ratepayer Advocates
California Public Utilities Commission*

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JOSEPH P. COMO
Acting Director

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April 9, 2013

Honorable Kevin de León
California State Senate
State Capitol, Room 5108
Sacramento, CA 95814

Honorable Susan Eggman
California State Assembly
State Capitol, Room 2003
Sacramento, CA 95814

Honorable Al Muratsuchi
California State Assembly
State Capitol, Room 4117
Sacramento, CA 95814

RE: SB 37 (de León) – Oppose

Dear Senator de León, Assemblymember Eggman and Assemblymember Muratsuchi,

DRA (Division of Ratepayer Advocates) is the independent consumer advocate within the California Public Utilities Commission (CPUC). DRA's statutory mandate is to obtain the lowest possible rate for utility service consistent with reliable and safe service levels. DRA also advocates for customer and environmental protections in connection with utility service.

DRA respectfully opposes your SB 37, which would enact *the California Clean Energy Consumer Access Act of 2013* and would authorize the CPUC to require large electrical or gas corporations to develop and implement an on-bill repayment (OBR) program for energy efficiency, distributed generation, renewable energy or demand response improvements. Under the OBR program, the repayment for the financing for these improvements would be included in the residential utility customers' monthly bill and provides for utility service disconnections in the event customers are unable to make their OBR loan payments.

DRA strongly supports California's energy efficiency goals and increasing residential customers' access to energy efficiency and clean energy improvements but we are concerned that SB 37 will have the unintended consequence of putting customers, in particular middle- and low-income customers, at greater risk for incurring disconnections. SB 37 adds PU Code Section 2833.11, which would remove important disconnection protections provided by PU Code Sections 779.2 and 777.1(e)(3), which prohibit utilities from terminating service for delinquent payment or non-payment of non-utility services. DRA strongly opposes the denial of energy utility services, essential services, for non-payment of a nonessential service. This is an especially important issue for low-income customers, who experience disconnection at a rate that is three times higher than the average disconnection rate.

DRA would like to work with you to modify the bill language so that OBR customers would not be subject to energy service disconnection for non-payment of their OBR obligations.

If you have any questions or would like to discuss this matter further, please call DRA's Deputy Director Matthew Marcus, at (916) 327-3455 or Elise Torres at (415) 703-1567.

Respectfully,

Joseph P. Como, Acting Director
Division of Ratepayer Advocates

By
Matthew Marcus
Deputy Director