



ORA

*Office of Ratepayer Advocates
California Public Utilities Commission*

505 Van Ness Avenue
San Francisco, California 94102
Tel: 415-703-2381
Fax: 415-703-2057

JOSEPH P. COMO
Acting Director

<http://ora.ca.gov>

April 21, 2015

Honorable Jay Obernolte
California State Assembly
State Capitol, Room 4116
Sacramento, CA 95814

RE: AB 1331 (Obernolte) – Oppose

Dear Assemblymember Obernolte:

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

ORA respectfully opposes AB 1331, which would create prohibitive barriers to customer enrollment in the California Alternative Rates for Energy (CARE) program. The CARE program currently provides electricity and natural gas bill discounts to eligible low-income households. AB 1331 would permanently prohibit customers from self-certification if they fail to respond to an income verification request by the utility.

ORA shares your commitment to minimizing the number of ineligible customers enrolled in CARE. However, AB 1331 may result in unintended consequences such as deterring qualified and needy families from seeking CARE program protections. We are also not aware of any evidence to suggest that there are significant numbers of customers who fraudulently sign up for CARE, wait to get de-certified, and after the required waiting period, re-enroll fraudulently via self-certification.

The CPUC has directed the investor-owned utilities to use best practices in using statistical sampling methods with demographic data to review the eligibility of households that appear least likely to qualify for CARE. This targeted approach strikes a good balance between discouraging fraud and ensuring that program funds help those customers genuinely in need of financial assistance.

For these reasons, ORA respectfully opposes AB 1331. ORA looks forward to working with you to ensure that CARE program funding is used most effectively and efficiently to help those in need.

If you have any questions or would like to discuss this matter further, please call ORA's Legislative Advisor, Rebecca Lee, at (916) 327-1407 or me at (415) 703-2381.

Respectfully,

Joseph P. Como, Acting Director
Office of Ratepayer Advocate