

Division of Ratepayer Advocates

The Voice of Consumers, Making a Difference!

Status of

Energy Utility Service Disconnections

in California

November 2009

Dana S. Appling, Director, DRA

California Public Utilities Commission

505 Van Ness Avenue

San Francisco, California 94102

(415) 703-2544 www.dra.ca.gov

EXECUTIVE SUMMARY

This year in California, more low-income residential customers have been unable to pay their electricity and natural gas bills, which has resulted in more service disconnections. This trend of increased disconnections places undue hardship on customers at a time of high unemployment and economic uncertainty.

In this report, the California Public Utilities Commission's (Commission) Division of Ratepayer Advocates (DRA) presents utility disconnection data comparing the past twelve months of September 2008 through August 2009 to prior years, back to January 2006. DRA also compares California trends to national trends.

Utility data shows:

- Disconnections of low-income customers are 19% higher than the past year, with the largest increase for Pacific Gas & Electric's (PG&E) customers.
- Disconnections of non-low-income customers have decreased, except in PG&E's service territory.
- While low-income customers have traditionally suffered more disconnections than non-low-income, the recent disparity is the worst in three years.
- A large number of customers, particularly low-income, go through the disconnect-reconnect cycle.
- Utility workforce constraints limit disconnections to a fraction of those customers failing to pay after receiving final disconnect notices. The remote disconnection functionality of Smart Meters lifts this constraint.

Increasing service disconnections during the economic downturn exacerbates the hardship that likely led to the service disconnection in the first place. Most disconnected customers, within hours or days of disconnection, pay their utility bills in order to be reconnected. Based on the high rates of reconnection, DRA questions whether some disconnections are preventable.

As winter approaches, DRA urgently recommends:

- The Commission require the utilities to implement specific strategies that compel customer payment prior to, rather than post, disconnection, with the goal of eliminating all avoidable disconnections.
- The Commission require the utilities to reduce low-income disconnection rates in line with the disconnection rates of non-low-income customers.
- The Commission keep disconnections at or below historical levels whether remote disconnection via Smart Meters is implemented or not.
- The Commission require safeguards to protect against negative consequences of remote disconnection when Smart Meters are installed.

In the coming months, DRA will continue to track monthly disconnection data and analyze the additional metrics the utilities are scheduled to provide in order to determine if these troubling trends in service disconnections continue.

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ABOUT DRA

The Division of Ratepayer Advocates (DRA) is an independent organization within the California Public Utilities Commission that represents consumers' interests on utility matters. DRA's statutory mission is to obtain the lowest possible rates for utility services consistent with safe and reliable service levels.

INTRODUCTION

Making energy bills manageable is one of DRA's prime concerns. As unemployment and foreclosure rates climbed in winter 2008-2009, DRA took action. Throughout 2009 DRA collected disconnection data and conducted ongoing discussions with the four largest California energy utility companies: Pacific Gas and Electric (PG&E), Southern California Edison (SCE), San Diego Gas & Electric-Sempra (SDG&E), and Southern California Gas-Sempra (SoCalGas).

Service disconnections and reconnections indicate changes in customers' ability to manage their energy costs, pay their bills, and ultimately keep their electric and natural gas service on. Another good indicator of customer difficulty prior to disconnection is the volume and the dollar amount of unpaid bills (known as arrearages). The utilities did not begin reporting arrearage data to DRA until this month, November 2009.

DRA utilizes the most recent data provided by the utilities in this report and includes the raw data in Appendix A. In the course of reporting over the year, each utility has found data errors and revised previous submissions. In a few cases the utility has not yet provided revisions to DRA, and DRA notes the need for and the nature of the error in the utility-specific tables in Appendix A.

BACKGROUND

Customer utility debt creates financial impacts for the utilities and all customers. Customers who incur utility debt resulting in service disconnections pay the social costs of functioning without electricity and natural gas in addition to the explicit costs of reconnection fees and deposits to re-establish credit. Whether customers are disconnected for hours, days, or months, their health and welfare is compromised because their usual means of keeping warm and cool, lighting, bathing, storing food and cooking are taken away.

While California's high unemployment and foreclosure rates prompted this report, a variety of factors affect disconnections and arrearages. Most obviously, high bills can trigger hardship. Severe weather may require more heating and cooling than usual, and changes in electric and natural gas rates will also affect the bill. Additionally, California's rules governing payment, credit, disconnections, and utility billing and collections policies and practices can affect disconnections and arrearages.¹

Finally, access to energy assistance programs and options may also affect disconnection rates. California customers have access to a variety of ratepayer-funded and federally funded energy assistance programs, as well as private charitable funds, but the California Alternative Rates for Energy (CARE) program is the most widely available (to approximately one-third of all California households served by the four investor-owned utilities²).

¹ California requirements for utility deposits, disconnections, and payment plans are found in the utilities' tariffs:

Rule 6 provides the definitions for the establishment and reestablishment of Credit. Rule 7 provides the definition of the deposits requirements

Rule 8 provide the definitions for the timeliness and forms of notice that the utility must provide to its customers and

Rule 11 defines the terms for the discontinuance and restoration of service.

Rule 11 is applicable for Electric service and Rule 9 for Gas service. Rule 11 and Rule 9 define the terms and conditions under which the utility may initiate discontinuance and restoration of service for non payment or late payment of past due bills. Essentially, all the rules attempt to be as explicit as to the tariff terms addressing :

What time duration constitutes liability for late payment

Utility response notices and duration for customer response

Potential extension agreements

Failure to agree on payment arrangements

Billing or credit deposit request dispute process

Failure to establish or reestablish credit

Other charges for termination and restoration of service

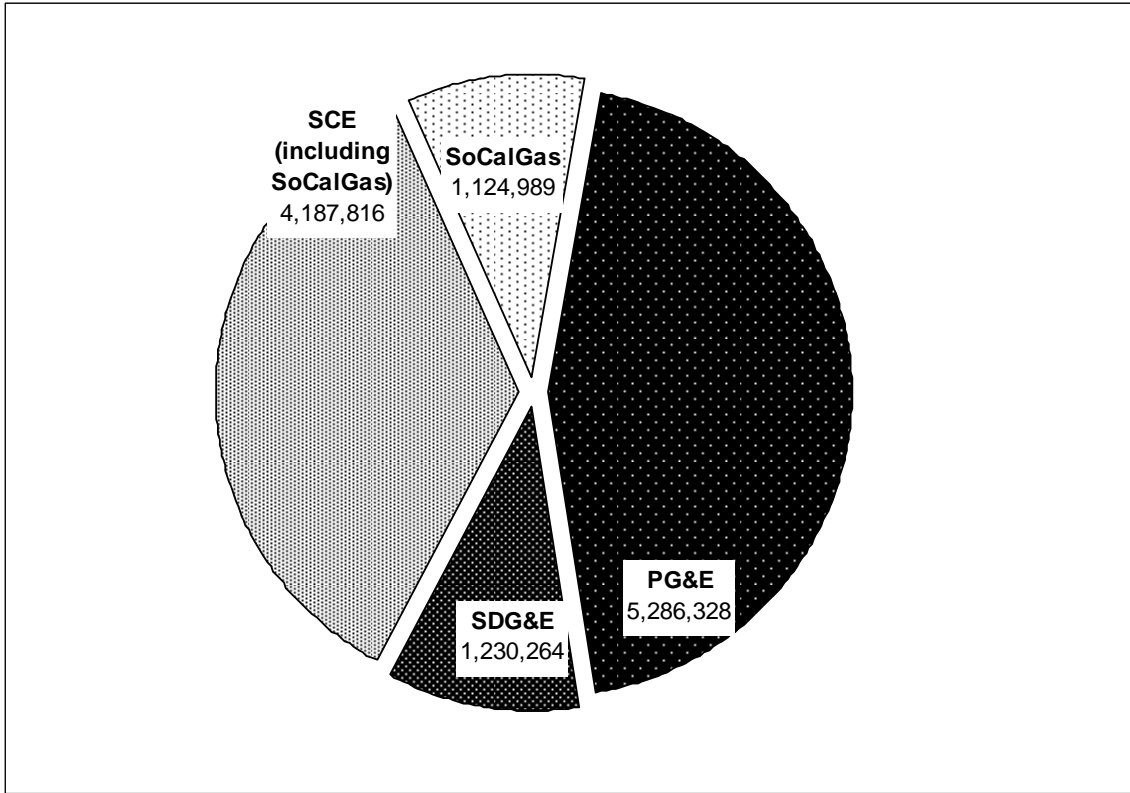
² See Compliance Filing in A.08-05-022 et. Al on October 15, 2008, of SCE on behalf of itself, SoCalGas, SDG&E, and PG&E, Regarding the Annual Estimates of CARE-eligible customers and Related Information.

Residential Energy Assistance Programs in California		
Program	Description	Available To:
<i>Bill Discounts and Grants:</i>		
California Alternative Rates for Energy (CARE)	Minimum 20% discount on energy rates	Low-income households
Family Electric Rate Assistance (FERA)	Rate discount for increased usage	Large lower-middle income households
U.S. Department of Health & Human Service: Low Income Home Energy Assistance Program (LIHEAP)	Partial bill payment, crisis grants to avoid disconnection	Low-income households
PG&E's Relief for Energy Assistance through Community Help (REACH), SDG&E's Neighbor-to-Neighbor, SoCalGas' Gas Assistance Fund (GAF), SCE's Energy Assistance Fund (EAF)	Crisis grants to avoid disconnection	Households demonstrating extreme hardship, in some cases restricted to low-income households
Medical Baseline	Bills more energy at the lowest possible rate	Customers on life-support or with special medical needs
<i>Usage Reduction:</i>		
California's Low-Income Energy Efficiency (LIEE)	Free energy efficiency home retrofit	Low-income households
U.S. Department of Energy: Weatherization Assistance Program (WAP)	Free energy efficiency home retrofit	Low-income households
Energy Efficiency and conservation programs	Variety of programs: Appliance rebates, home energy surveys.	All
Demand Response programs	Payments to turn off air conditioning during rare periods of peak demand	Households with air Conditioning
<i>Payment Management:</i>		
Payment Extensions and Installment Plans	Extensions of time to pay deposits and bills	All
Level Pay/Balanced Pay	Bill is the same amount each month	All
Third Party Notification	Customer can designate an additional person to receive past-due and disconnection notices	All

1. About California's investor-owned utilities

PG&E and SDG&E are the two major dual-fuel California utilities, providing both natural gas and electricity to customers. PG&E serves customers in most of Northern and Central California, while SDG&E is by far the smallest of the four utilities, serving customers in San Diego and Imperial Counties. SCE provides electric service throughout much of Southern California, and SoCalGas provides natural gas service in overlapping areas in Southern California. Assuming that all SCE customers are also customers of SoCalGas, together the four utilities serve 11.8 million customers.

**Figure 1: California Investor-Owned Energy Utilities' Average Customer Base
September 2008 – August 2009**



Since most SCE and SoCalGas customers are served by both companies, it is likely that some of the disconnected customers of SCE are the same customers disconnected by SoCalGas.

2. One-quarter of California utility customers are enrolled in the California Alternative Rates for Energy (CARE) discount program for low-income customers

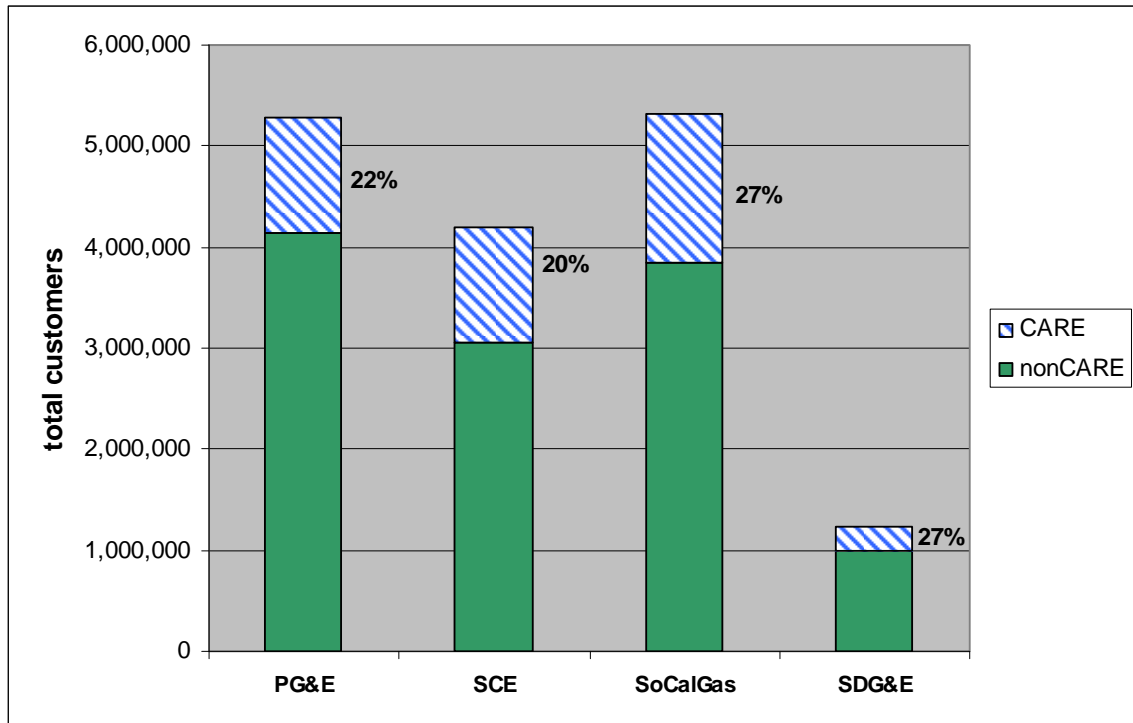
For purposes of this report, households enrolled in the California Alternative Rates for Energy (CARE) program are considered low-income customers and all other residential customers are considered non-low-income customers. CARE customers have incomes at or below 200% of the Federal Poverty Level. In 2009, for a 4-person household, this equates to an annual income of \$43,200 or less. CARE enrollment requires customers to self-certify their eligibility for the program and about 3% of CARE customers each year must provide documentation that they meet the eligibility requirements.³

³ In 2008, 3.08% of CARE customers were required to provide proof of eligibility. See the utilities' December 2008 monthly CARE and LIEE reports, Table C3.

As of September 2009, 4.3 million customers were enrolled in CARE (84%) out of an estimated 5.1 million eligible for the program.⁴⁵

Figure 2 shows each utility’s total residential customer base separated by customers receiving the CARE rate discount and those on the non-CARE rate.

Figure 2: Total Number of California Utility Customers, By Low-income and Non-low-income



Comparing disconnection metrics separately by low-income and non-low-income customer groups is particularly important in the current economic climate. In fact, when displayed for all residential customers regardless of income, disconnection rates do not look significantly higher because the minimal increase (3%) in disconnections for the larger group of non-low-income customers masks the 19% increase in disconnections of the smaller group of low-income customers.

⁴ Source: Utilities’ September 2009 LIEE and CARE monthly reports, CARE Table 4C.

⁵ The Commission requires utilities to estimate annually on October 15 the number of low-income households in their service territory for that year. As the current year estimate is not available until the year is nearly over, utilities utilize the prior year estimate to report progress in enrolling customers in the low-income program. Therefore, eligible population estimates generally lag by one year.

ISSUES PRESENTED BY DISCONNECTION DATA TRENDS

1. Disconnections of low-income customers increase in 2009; non-low-income customers disconnections rates remain approximately the same

Overall, more customers have been disconnected in September 2008 – August 2009 compared to the prior twelve months. The increase is greatest for low-income customers. Non-low-income customer disconnections during September 2008 – August 2009 were less than the past twelve months for all utilities except for PG&E. The statewide increase of non-low-income customers in 2008 – 2009 presented in **Figure 3** is therefore attributable solely to PG&E.

Figure 3: Two Year Comparison of Disconnections By Low-income and Non-low-income Annual Basis⁶

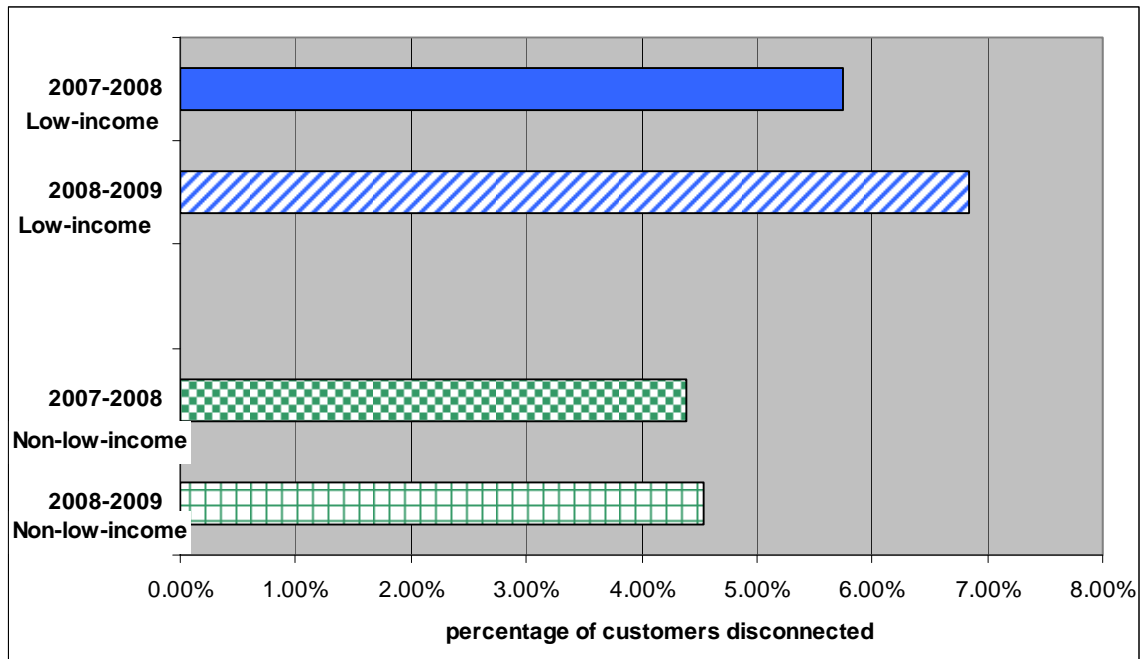
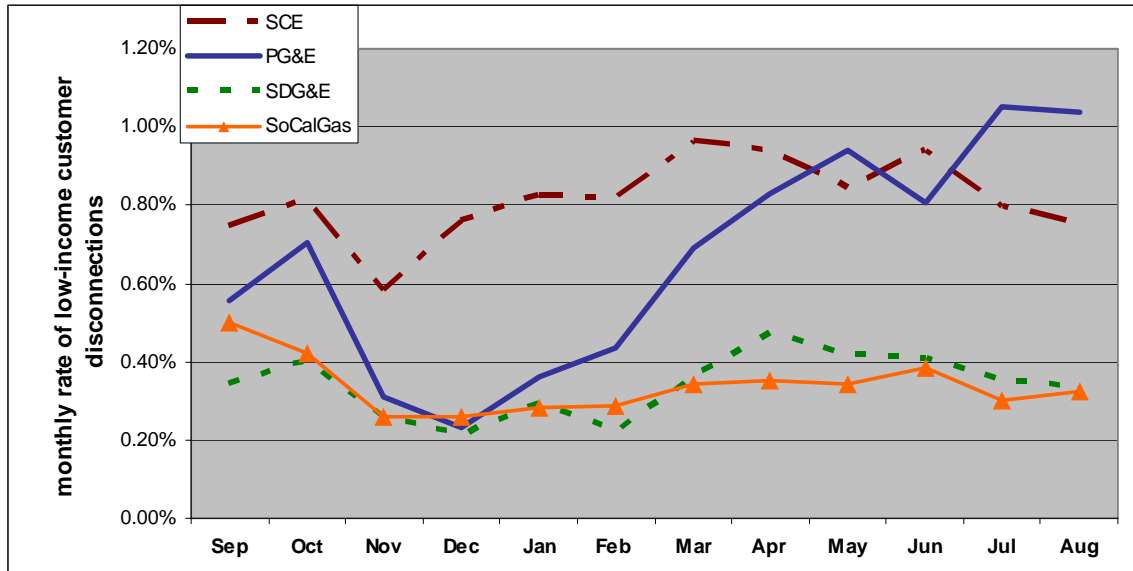


Figure 4 compares disconnection rates of low-income customers monthly (instead of annually) among utilities. Disconnections typically start going down in the fall, and three California utilities are trending downward. PG&E is an exception with its disconnection rate remaining high.

⁶ The figures in Table 3 include all disconnections, including multiple disconnections of the same customer, as a percentage of customers. Therefore, these percentages are slightly greater than if customers are counted only once for multiple disconnections. Additionally, the national rates of disconnection used for comparison in this report include multiple disconnections of the same customer.

**Figure 4: September 2008 – August 2009 Low-income Disconnection Rates By Utility
Monthly Basis**

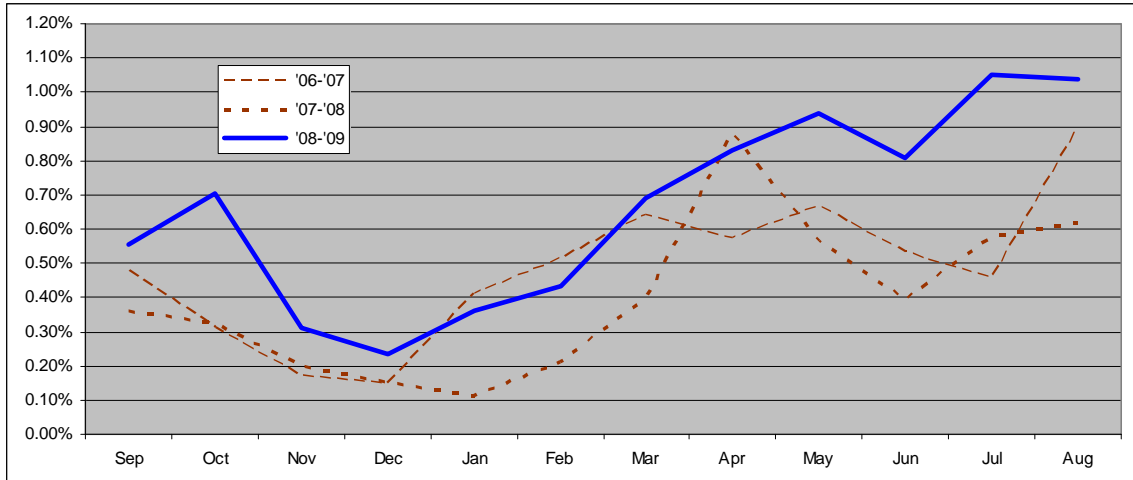


a. PG&E’s disconnection rates of all customers higher in 2009

In April 2009, PG&E became the first investor-owned utility to disconnect customers remotely utilizing Advanced Metering Infrastructure technology, known as AMI or Smart Meters. In the next section of this report DRA discusses concerns associated with remote disconnection – such as safety risks, and DRA’s recommended safeguards.

PG&E’s disconnection rates for all customers have been higher than the previous year for eleven out of the past twelve months, which adds up to a 69% increase over the prior twelve month period. In the summer months June – August 2009, PG&E’s low-income customers have been disconnected at a rate of 0.97% monthly. This exceeds the previous three summer rates of 0.53%, 0.63%, and 0.59% for 2008, 2007, and 2006, respectively. This increase for low-income customers is not only out of line with PG&E’s historical rates, but is now higher than that of the other California utilities.

**Figure 5: Three Year Comparison of PG&E's Low-income Disconnection Rates
Monthly Basis**



However, PG&E's disconnection rate for its non-low-income customers also surpasses the previous year by 30%. For Jan – Aug 2009, PG&E's non-low-income customers were disconnected at an average monthly rate of 0.46%, compared to 0.39% and less in the same months of the previous three years.

PG&E also has a higher annual disconnection rate for all residential customers than the national average for dual-fuel utilities. In 2007, PG&E's disconnection rate was 4.19%, compared to a national average rate of 3.80%.⁷

- b. SCE low-income customers disconnected more in 2009; overall SCE disconnection rates exceed national average⁸

Overall, SCE customers in 2009 have been disconnected at rates comparable to prior years, but SCE's low-income disconnection rate in September 2008 – August 2009 was 11% higher than the previous period. Meanwhile, SCE non-low-income

⁷ For the source of the 2007 national comparisons here, DRA utilizes data from PG&E's response to the national collections survey conducted for the *2008 Individual State Report by the NARUC Consumer Affairs Subcommittee on Collections Data Gathering*, approved November 17, 2008 available at <http://www.naruc.org/Publications/2008%20NARUC%20Collections%20Survey%20Report.pdf>

⁸ SCE's provided the complete set of disconnection data including disconnection events stemming from non-payment of energy bills and credit deposits for the months January 2008 – August 2009. SCE's disconnection data January 2006 – December 2007 excludes disconnection events stemming from non-payment of credit deposits. DRA has estimated the earlier months' data January 2006-December 2007 in order to compare SCE's disconnection rates to the other California utilities.

customers in 2009 are faring slightly better, with a 4% decrease in disconnections over the previous period.

In 2009, 0.86% of SCE low-income customers were disconnected monthly on average. The year before in 2008, 0.79% of SCE low-income customers were disconnected monthly on average.⁹

SCE's non-low-income customers have had slightly fewer disconnections in 2009. Their disconnection rate through August 2009 is 0.61%, compared to 0.64% for the same months in 2008 and 0.65% in 2007.

SCE's increase was primarily in the winter 2008 - 2009. SCE's disconnection rates since August 2009 are consistent with prior years.

While SCE is within range of its own historical disconnection rates, it is significantly higher than national averages of electric-only utilities. SCE's overall disconnection rate of all residential customers in 2007 was 6.13%, compared to a national average of 4.70%.¹⁰ The 6.13% rate likely understates SCE's disconnection rate because 6.13% appears to be based on SCE data that excludes disconnections for nonpayment of deposits.

- c. SDG&E's low-income customers fare approximately the same in 2009; overall SDG&E disconnection rates lower than national average

SDG&E low-income customer disconnections in 2009 are exceeding the prior year only by a slight 4%. The monthly average disconnection rate in January – August 2009 for SDG&E low-income customers is 0.36%, compared to 0.35% and 0.34% for 2008 and 2007, respectively.

Furthermore, SDG&E's overall disconnection rates for all residential customers are lower than national averages for dual-fuel utilities. SDG&E's disconnection rate in 2007 was 2.13%, compared to the national average of 3.80%.¹¹

⁹ These monthly SCE low-income disconnection rates compare Jan-Aug in 2008 and Jan-Aug in 2009 for disconnections stemming from both non-payment of energy bills and non-payment of credit deposits.

¹⁰ For the source of the 2007 national comparison here, DRA utilizes data from SCE's response to the national collections survey conducted for the *2008 Individual State Report by the NARUC Consumer Affairs Subcommittee on Collections Data Gathering*, approved November 17, 2008 available at <http://www.naruc.org/Publications/2008%20NARUC%20Collections%20Survey%20Report.pdf>

¹¹ For the source of the 2007 national comparison here, DRA utilizes data from SDG&E's response to the national collections survey conducted for the *2008 Individual State Report by the NARUC Consumer Affairs*

d. SoCalGas customers disconnected less in 2009; fewer disconnections than national average

In contrast to PG&E, SoCalGas customers in 2009, both low-income and non-low-income, experienced the lowest disconnection rates in years with an overall 14% drop in residential disconnections.

In 2009, the average monthly disconnection rate for low-income customers was 0.33%, compared to 0.43% and 0.39% for the same months in 2008 and 2007, respectively.¹² SoCalGas' non-low-income customers similarly had fewer disconnections in 2009. Their 2009 average monthly disconnection rate was 0.23%, compared to 0.30% and 0.29% for 2008 and 2007, respectively.¹³

Finally, SoCalGas' overall disconnections of all residential customers compares favorably to national averages. In 2007, SoCalGas had an annual disconnection rate of 3.58% of customers, compared to the national average of gas-only utilities of 5.0%.¹⁴

2. The ever-present disparity between low-income and non-low-income disconnections worsens in 2009

Utility disconnections are seasonal, with most disconnections occurring after the winter heating season. All four utilities' disconnection rates peak in the spring through summer.¹⁵ Low-income customers have always been disconnected at higher rates than non-low-income customers. However, the disparity between low-income and non-low-income customer disconnections is currently the worst in three years.

Subcommittee on Collections Data Gathering, approved November 17, 2008 available at <http://www.naruc.org/Publications/2008%20NARUC%20Collections%20Survey%20Report.pdf>

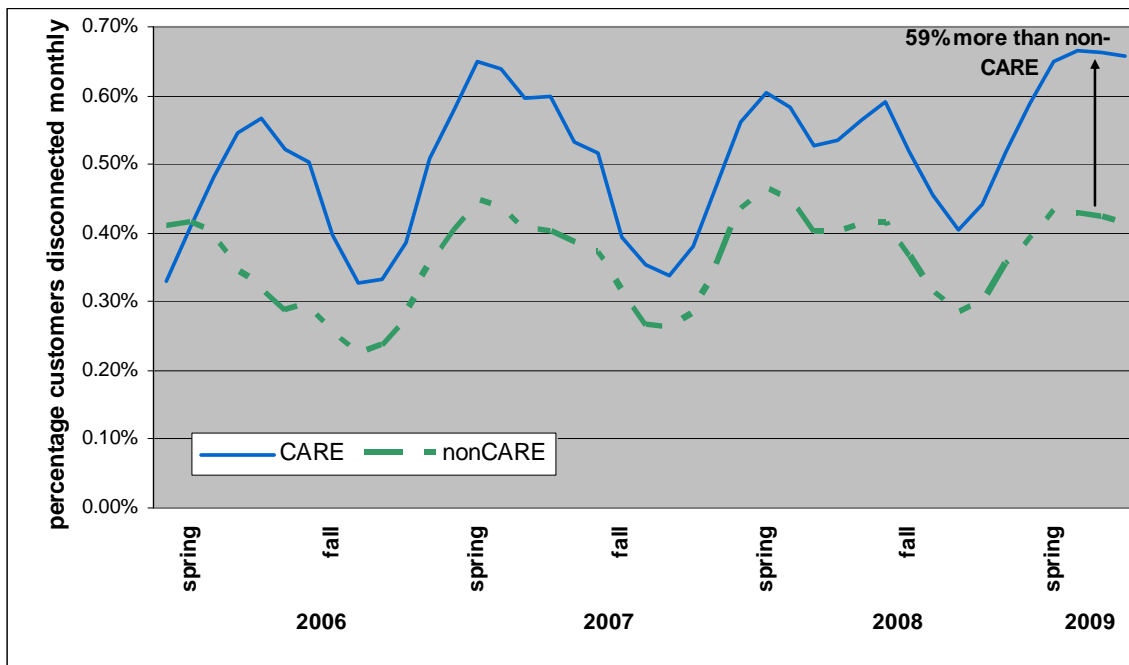
¹² DRA is not including a comparison to SoCalGas' low-income disconnection rate in 2006, because there was a moratorium on disconnections of CARE customers in winter 2006, therefore making the data from 2006 non-comparable.

¹³ SoCalGas has identified an undercount of its low-income (CARE) customer disconnections for all months prior to 2009, and no correction has been provided yet to DRA. However, here DRA presents the comparison of undercounted data as the best available data.

¹⁴ For the source of the 2007 national comparison here, DRA utilizes data from SoCalGas' response to the national collections survey conducted for the *2008 Individual State Report by the NARUC Consumer Affairs Subcommittee on Collections Data Gathering*, approved November 17, 2008 available at <http://www.naruc.org/Publications/2008%20NARUC%20Collections%20Survey%20Report.pdf>

¹⁵ Contrary to DRA's expectation the electric-only utility's (SCE's) disconnection rates also peak following the winter season although SCE issues the most 2-day notices of disconnection following the summer cooling season.

Figure 6: Four Utilities' 2006-2009 Disconnection Rates By Low-income and Non-low-income
Monthly Basis (3 month average)¹⁶



The majority of disconnected customers are reconnected quickly. But low-income customers disconnected without any record of reconnection have nearly doubled during September 2008 – August 2009 over the prior twelve months. In contrast, disconnections without any record of reconnection of non-low-income customers remained virtually the same compared to the prior twelve months.

3. Many customers go through the disconnect – reconnect cycle

The majority of customers disconnected in California are reconnected. In fact, California’s rates of reconnections are significantly higher than national rates of reconnection.

¹⁶ Winter 2005-2006 and the following months are an anomaly because the Commission issued a moratorium on disconnections of CARE customers beginning in March 2006. When the moratorium was lifted in summer 2006, CARE disconnections shot up.

Table 1: 2007 National and California Reconnections By Utility Type¹⁷

	PG&E/ Duel-Fuel Utilities	SCE/ Electric-Only Utilities	SDG&E/ Duel-Fuel Utilities	SoCalGas/ Gas-Only Utilities
CA (NARUC data)	80%	82%	75%	67%
National (NARUC data)	67%	67%	67%	45%

California’s reconnection rates have remained consistently high over the years 2006 - 2009. During the spring season when reconnections peak each year, 75% of customers were reconnected in 2006, 75% of disconnected customers were reconnected in 2007, 73% of customers reconnected in 2008, and 75% of customers reconnected in 2009.

When faced with the loss of utility service, most disconnected customers find the means to pay their bill, plus reconnection fees and deposits to re-establish credit. These customers also end up sustaining the costs imposed by the service disconnection, such as food spoiled without refrigeration, time and money spent going outside the home for hot water and food, and lost wages from time spent at home dealing with the disconnection. It certainly is costly for the utility to perform the service disconnection and reconnection, but it is much more costly for the customer.

¹⁷ For the source of the 2007 national comparison here, DRA utilizes data from the utilities’ responses to the national collections survey conducted for the *2008 Individual State Report by the NARUC Consumer Affairs Subcommittee on Collections Data Gathering*, approved November 17, 2008 available at <http://www.naruc.org/Publications/2008%20NARUC%20Collections%20Survey%20Report.pdf>

Estimated Customer Cost of Disconnection & Reconnection	Estimated Utility Cost of of Disconnection & Reconnection
Reconnection fee-----\$10 - \$71	Disconnection-----\$66.50
Credit deposit (2x monthly bill) ----- \$160	Reconnection-----\$66.50
Spoiled food, damaged equipment, lost wages ----- \$100 - \$450	
TOTAL \$270 - \$681	TOTAL \$133

The costs of service disconnections and reconnections add up for the utility, and these costs are eventually borne by all ratepayers. The estimated costs to the utilities and the disconnected customers add up annually to \$230 million.

Furthermore, the cost to the disconnected customer substantially erodes the energy assistance that the customer received that year. For example, in 2008, low-income customer enrolled in CARE received a discount of \$408 on their electricity and gas bills over the course of the year. One cycle of disconnection and reconnection, costing \$270 - \$681, is enough to erase the annual CARE benefit.

California’s relatively high reconnection rates beg the questions:

- Are utilities using disconnection as a convenient revenue collection tool rather than as the last resort?
- Can these customers be compelled to pay prior to, rather than post, disconnection?

These questions are especially urgent to resolve in light of the reconnection data separated by low-income and non-low-income customers. During 2007 – 2008, of the 213,031 CARE customers who had their service disconnected, 171,736 or 81%, were reconnected. During 2008 – 2009, of the 271,829 CARE customers who had their service disconnected, 211,360, or 78% were reconnected. For non-low-income customers, during both twelve month periods, about 72% of disconnected customers were reconnected.

4. Remote disconnection capability will likely increase disconnection rates

PG&E began remotely disconnecting customers utilizing its Advanced Metering Infrastructure/Smart Meter network in April 2009. SCE has not yet implemented remote disconnections but intends to do so as soon as feasible. Currently, according to PG&E, 80% of those customers receiving 2-day notices of disconnection pay their past-due bills. Those that do not pay become “eligible for disconnection,” meaning the utility has complied with the tariffed rules governing disconnection and can disconnect the customer without further notice. Utilities report that only a minority of those customers “eligible for disconnection” are actually disconnected, because there is a fixed amount of utility staff assigned to disconnection and reconnection, and this fixed amount of staff is not large enough to reach the majority of those eligible for disconnection.

With remote disconnection via Smart Meters, this limiting workforce factor will be removed, and utilities could theoretically disconnect all those eligible for disconnection. This means that the disconnect rate could triple or quadruple from historical levels. Consequently, the harm and hardship associated with disconnecting customers could increase. In the concluding section of this report, DRA suggests safeguards to establish for remote disconnection.

DRA RECOMMENDS EXPANDING ALTERNATIVES TO DISCONNECTION AND IMPLEMENTING SAFEGUARDS FOR REMOTE DISCONNECTIONS

DRA believes that some disconnections could be prevented with additional incentives established. The Commission should act quickly to reduce preventable disconnections, with a special focus on low-income customers. Specifically, the Commission should act to stop the increase of low-income disconnections and to bring the low-income disconnection rates in-line with overall residential disconnections. Beyond that, overall disconnection rates could be reduced. More aggressive communication with the customer prior to disconnection would reduce costs to the company, the customer, and remove the safety risk associated with loss of utility service.

DRA has identified the following strategies to reduce disconnection.¹⁸

- Set goal of bringing disconnections to lower-than-historical levels whether remote AMI shut-off is implemented or not.
- Benchmark disconnect rates and require utilities to bring the disconnection percentage for low-income customers more in line with non-low-income customers.
- Direct energy utilities to give priority installation of programmable communicating thermostats to customers who are at risk for disconnection so that they can better manage their usage and load.
- Require energy utilities to engage in proactive offers of the variety of assistance programs before disconnection takes place.
- Offer customers the ability to receive disconnect notices via a preferred method that is most likely to get their attention (phone calls, e-mails, text-messaging, and 3rd party notification).
- Increase in-person contacts before disconnection.
- Provide additional messages in late payment and disconnect notices that constructively alert customers of the options the utilities may offer and provide the list of costs (both direct and indirect) the customers may face when service is shut-off.
- Offer autopay to all customers, and provide incentives for signing up for autopay or for fulfilling commitments to payment plans.

¹⁸See DRA's recommendations made to the Commission in May and June 2009 at <http://docs.cpuc.ca.gov/efile/EXP/102844.pdf>. DRA's recommendations made to the Commission July 23, 2009 in Response to TURN Petition 09-06-022 are at <http://docs.cpuc.ca.gov/efile/RESP/104939.pdf> and on August 3, 2009 at <http://docs.cpuc.ca.gov/efile/REP/105415.pdf>. See DRA's recommendations of October 19, 2009 at <http://docs.cpuc.ca.gov/efile/CM/108457.pdf>.

- Randomly survey customers (those eligible for disconnection) during customer interactions to identify the most effective means of helping them avoid future disconnections.
- Energy utilities should share best practices on an on-going basis.¹⁹

With regard to remote disconnections, DRA recommends the Commission put in place the following safeguards:

- Maintain the personal contact associated with “in-person” disconnections for a transition period until:
 - Any initial problems with Smart Meters are addressed
 - Utilities file status reports with the Commission that identify Smart Meter remote disconnection issues and present solutions used to mitigate any issues
 - Ratepayers have been informed about new disconnection processes
 - Alternatives to the “in-person” service associated with disconnection are created (for instance, disconnection hotline with live agents available to respond to customer problems associated with disconnections, increase local payment centers).
- Modify reconnection fees to reflect only the new cost of remote reconnection
- Retain existing precautions on disconnection for extreme weather and for vulnerable customers

DRA is currently supporting The Utility Reform Network’s (TURN’s) Petition to the Commission advocating the Commission initiate a rulemaking to create an arrearage management program and implement strategies to reduce disconnections. Finally, DRA will continue to analyze the utilities’ data and provide its findings in periodic reports.

¹⁹ The four utilities have each reported adjustments to their billing and payment assistance practices in 2009 that, if successful, could also be employed by the other utilities. For example, SoCalGas and SDG&E now allow payment plans to extend up to the maximum twelve months allowed by Commission-authorized tariffs. PG&E extended by a month the period that customers have to resolve their bills before disconnection occurs. SCE now more actively offers alternatives to requiring a credit deposit, and will bill the credit deposit over time.

APPENDIX A

This appendix presents raw utility data used in the tables and charts contained in this report. *Italicized numbers indicate DRA estimates* and underlined numbers indicate problematic data as explained in the footnotes associated with the SCE, SDG&E, and SoCalGas data tables.

Table 2: All California IOU Combined Summary All Residential Customer Disconnection Data²¹

Month	Customers		Disconnect Notices ²⁰		Disconnects		Reconnects	
	2007	2008	2007	2008	2007	2008	2007	2008
Sep	15,932,751	16,108,719			57,532	71,993	43,919	50,737
Oct	15,947,127	16,134,062			56,489	76,052	45,992	57,171
Nov	15,971,497	16,144,518			43,842	46,899	34,675	37,686
Dec	15,986,323	16,151,732			36,072	46,625	29,119	36,481
	2008	2009	2008	2009	2008	2009	2008	2009
Jan	15,998,233	15,987,513		854,017	52,912	56,986	38,451	40,106
Feb	16,011,361	15,987,102		831,760	57,984	57,894	44,980	43,077
Mar	16,027,728	15,989,276		909,213	71,802	75,825	52,863	54,602
Apr	16,042,471	15,990,934		908,473	94,128	78,644	69,226	59,491
May	16,063,892	15,986,207		835,336	72,702	79,791	55,981	60,139
Jun	16,070,064	15,983,657		827,745	64,248	75,661	43,667	55,862
Jul	16,080,661	15,870,118		846,451	71,032	76,557	47,485	54,575
Aug	16,094,233	15,872,713		841,327	73,183	75,115	50,828	53,823
	AVERAGES for 12 months		TOTALS for 12 months		TOTALS for 12 months		TOTALS for 12 months	
	16,018,862	16,017,213	11,533,217	10,321,298	751,925	818,042	557,185	603,750

²⁰ SoCalGas provided erroneous data for Disconnect Notices prior to 2009 making this metric for Combined IOU Disconnect Notices unavailable for the months of January 2006 – December 2008.

²¹ Because SCE and SoCalGas serve many of the same households, the total IOU customers exceed the total number of households in California.

Table 3: All California IOU Combined Summary Low-Income Residential Customer Disconnection Data

Month	Customers		Disconnect Notices ²²		Disconnects		Reconnects	
	2007	2008	2007	2008	2007	2008	2007	2008
Sep	3,745,435	3,805,373			14,998	22,025	13,724	17,075
Oct	3,748,376	3,853,233			17,588	23,668	14,353	19,704
Nov	3,766,989	3,872,632			11,976	14,195	9,838	12,929
Dec	3,763,438	3,896,726			10,343	15,245	8,669	12,498
	2008	2009	2008	2009	2008	2009	2008	2009
Jan	3,604,554	3,924,701		271,108	15,340	18,080	11,525	13,116
Feb	3,622,112	3,952,843		261,184	15,956	18,875	13,466	14,442
Mar	3,652,334	3,995,044		289,518	19,999	24,844	15,972	17,974
Apr	3,675,327	4,044,074		305,634	25,757	26,932	20,769	21,216
May	3,698,148	4,068,940		281,355	20,921	26,873	17,257	21,480
Jun	3,718,699	4,084,124		294,055	18,125	27,210	13,641	20,516
Jul	3,746,968	4,090,362		312,862	20,074	26,920	15,283	20,369
Aug	3,762,689	4,144,873		319,564	21,954	26,962	17,238	20,041
	AVERAGES for 12 months		TOTALS for 12 months		TOTALS for 12 months		TOTALS for 12 months	
TOTALS	3,708,756	3,977,744			213,031	271,829	171,736	211,360

²² SoCalGas provided erroneous data for Disconnect Notices prior to 2009 making this metric for Combined IOU Disconnect Notices unavailable for the months of January 2006 – December 2008.

Table 4: All California IOU Combined Summary Non-Low-Income Residential Customer Disconnection Data

Month	Customers		Disconnect Notices ²³		Disconnects		Reconnects	
	2007	2008	2007	2008	2007	2008	2007	2008
Sep	12,187,316	12,303,346			43,021	49,968	30,231	33,663
Oct	12,198,751	12,280,829			39,494	52,385	31,693	37,467
Nov	12,204,508	12,271,886			32,297	32,703	24,890	24,757
Dec	12,222,885	12,255,006			26,125	31,380	20,490	23,982
	2008	2009	2008	2009	2008	2009	2008	2009
Jan	12,393,679	12,062,812		582,910	37,572	38,905	26,926	26,990
Feb	12,389,249	12,034,259		570,576	42,029	39,019	31,514	28,635
Mar	12,375,394	11,994,232		619,696	51,803	50,981	36,891	36,628
Apr	12,367,144	11,946,860		602,839	68,371	51,712	48,456	38,275
May	12,365,744	11,917,267		553,981	51,780	52,918	38,723	38,659
Jun	12,351,365	11,899,533		533,690	46,123	48,451	30,027	35,346
Jul	12,333,693	11,779,756		533,588	50,958	49,637	32,202	34,206
Aug	12,331,544	11,727,840		521,763	51,229	48,153	33,590	33,782
	AVERAGES for 12 months		TOTALS for 12 months		TOTALS for 12 months		TOTALS for 12 months	
TOTALS	12,310,106	12,039,469		4,519,043	540,802	546,212	385,634	392,390

²³ SoCalGas provided erroneous data for Disconnect Notices prior to 2009 making this metric for Combined IOU Disconnect Notices unavailable for the months of January 2006 – December 2008.

Table 5: Pacific Gas & Electric All Residential Customer Disconnection Data

Month	Customers		Disconnect Notices		Disconnects		Reconnects	
	2007	2008	2007	2008	2007	2008	2007	2008
Sep	5,279,738	5,327,488	284,924	178,747	13,522	24,618	10,158	15,861
Oct	5,281,943	5,324,044	277,876	183,147	12,390	29,415	9,886	20,685
Nov	5,281,034	5,321,260	278,179	140,798	7,771	12,170	6,294	9,500
Dec	5,285,390	5,320,235	264,234	153,916	6,332	8,601	4,598	6,273
	2008	2009	2008	2009	2008	2009	2008	2009
Jan	5,288,606	5,307,296	292,098	147,708	5,478	12,920	3,917	8,329
Feb	5,291,728	5,301,523	287,531	172,279	10,532	16,343	7,222	10,528
Mar	5,300,598	5,298,775	369,795	233,753	18,728	27,284	12,178	17,297
Apr	5,304,045	5,296,208	341,911	255,404	38,572	30,772	26,493	21,278
May	5,307,345	5,290,492	291,883	203,242	24,248	34,827	18,172	25,616
Jun	5,311,768	5,290,697	179,251	232,276	19,964	29,707	11,328	20,599
Jul	5,311,835	5,178,207	145,003	231,316	28,205	35,691	16,112	23,992
Aug	5,320,358	5,179,716	144,599	238,168	27,085	35,672	17,815	24,297
	AVERAGES for 12 months		TOTALS for 12 months		TOTALS for 12 months		TOTALS for 12 months	
TOTALS	5,297,032	5,286,328	3,157,284	2,370,754	212,827	298,020	144,173	204,255

Table 6: Pacific Gas & Electric Low-Income Residential Customer Disconnection Data

Month	Customers		Disconnect Notices		Disconnects		Reconnects	
	2007	2008	2007	2008	2007	2008	2007	2008
Sep	1,200,501	1,096,817	108,588	58,649	4,335	6,108	3,487	5,142
Oct	1,199,884	1,107,246	105,371	60,361	3,893	7,799	3,333	6,836
Nov	1,198,773	1,115,450	104,613	45,781	2,400	3,447	2,110	3,397
Dec	1,186,751	1,125,567	98,918	50,131	1,802	2,618	1,422	2,267
	2008	2009	2008	2009	2008	2009	2008	2009
Jan	1,025,338	1,133,688	100,829	38,851	1,160	4,114	1,027	2,922
Feb	1,033,247	1,142,415	99,909	46,191	2,173	4,961	1,893	3,698
Mar	1,042,331	1,152,835	125,549	68,032	4,139	7,938	3,349	5,454
Apr	1,050,406	1,161,585	116,459	82,709	9,234	9,655	7,798	7,218
May	1,058,451	1,167,638	99,997	66,213	5,951	10,956	5,500	8,697
Jun	1,066,939	1,172,077	57,151	82,557	4,192	9,463	3,328	6,779
Jul	1,076,381	1,149,563	46,931	85,129	6,198	12,070	5,036	8,502
Aug	1,086,547	1,180,166	46,725	95,615	6,725	12,264	5,974	9,276
	AVERAGES for 12 months		TOTALS for 12 months		TOTALS for 12 months		TOTALS for 12 months	
TOTALS	1,102,129	1,142,087	1,111,040	780,219	52,202	91,393	44,257	70,188

Table 7: Pacific Gas & Electric Non-Low-Income Residential Customer Disconnection Data

Month	Customers		Disconnect Notices		Disconnects		Reconnects	
	2007	2008	2007	2008	2007	2008	2007	2008
Sep	4,079,237	4,230,671	176,336	120,098	9,187	18,510	6,671	10,719
Oct	4,082,059	4,216,798	172,505	122,786	8,497	21,616	6,553	13,849
Nov	4,082,261	4,205,810	173,566	95,017	5,371	8,723	4,184	6,103
Dec	4,098,639	4,194,668	165,316	103,785	4,530	5,983	3,176	4,006
	2008	2009	2008	2009	2008	2009	2008	2009
Jan	4,263,268	4,173,608	191,269	108,857	4,318	8,806	2,890	5,407
Feb	4,258,481	4,159,108	187,622	126,088	8,359	11,382	5,329	6,830
Mar	4,258,267	4,145,940	244,246	165,721	14,589	19,346	8,829	11,843
Apr	4,253,639	4,134,623	225,452	172,695	29,338	21,117	18,695	14,060
May	4,248,894	4,122,854	191,886	137,029	18,297	23,871	12,672	16,919
Jun	4,244,829	4,118,620	122,100	149,719	15,772	20,244	8,000	13,820
Jul	4,235,454	4,028,644	98,072	146,187	22,007	23,621	11,076	15,490
Aug	4,233,811	3,999,550	97,874	142,553	20,360	23,408	11,841	15,021
	AVERAGES for 12 months		TOTALS for 12 months		TOTALS for 12 months		TOTALS for 12 months	
TOTALS	4,194,903	4,144,241	2,046,244	1,590,535	160,625	206,627	99,916	134,067

Table 8: Southern California Edison All Residential Customer Disconnection Data²⁴

Month	Customers		Disconnect Notices		Disconnects		Reconnects	
	2007	2008	2007	2008	2007	2008	2007	2008
Sep	4,167,394	4,181,914	<i>417,156</i>	514,420	<i>25,122</i>	26,900	<i>20,140</i>	20,794
Oct	4,169,721	4,183,270	<i>536,980</i>	557,417	<i>30,092</i>	29,216	<i>24,145</i>	23,637
Nov	4,171,183	4,185,360	<i>473,423</i>	450,611	<i>21,330</i>	19,847	<i>17,966</i>	15,866
Dec	4,170,928	4,184,901	<i>429,223</i>	541,650	<i>20,060</i>	26,827	<i>16,325</i>	21,198
	2008	2009	2008	2009	2008	2009	2008	2009
Jan	4,172,856	4,186,350	490,180	<i>524,927</i>	29,300	29,017	22,958	22,747
Feb	4,173,737	4,187,112	483,092	<i>459,775</i>	28,788	27,273	24,528	22,228
Mar	4,175,067	4,188,205	478,283	<i>465,149</i>	33,055	32,247	26,936	25,781
Apr	4,176,253	4,189,638	467,123	<i>456,773</i>	34,616	30,996	28,460	25,937
May	4,177,821	4,191,051	489,627	<i>450,585</i>	27,175	27,391	22,668	22,891
Jun	4,177,576	4,190,455	404,733	<i>437,343</i>	23,748	29,489	18,926	23,856
Jul	4,179,374	4,192,472	480,995	<i>461,465</i>	24,472	26,018	19,475	21,463
Aug	4,181,251	4,193,059	517,778	<i>451,930</i>	25,585	24,546	20,485	19,516
	AVERAGES for 12 months		TOTALS for 12 months		TOTALS for 12 months		TOTALS for 12 months	
TOTALS	4,174,430	4,187,816	5,668,593	5,772,045	323,343	329,767	263,012	265,914

²⁴ Italicized data indicates data estimated by DRA. SCE provided the complete set of disconnection data including disconnection events stemming from non-payment of energy bills and credit deposits only for the months January 2008 – August 2009. SCE's disconnection data September – December 2007 excludes disconnection events stemming from non-payment of credit deposits. DRA has estimated the excluded data in order to compare SCE's disconnection rates to the other California utilities.

Table 9: Southern California Edison Low-Income Residential Customer Disconnection Data²⁵

Month	Customers		Disconnect Notices		Disconnects		Reconnects	
	2007	2008	2007	2008	2007	2008	2007	2008
Sep	1,040,299	1,090,853	<i>139,348</i>	<i>175,942</i>	<i>7,381</i>	<i>8,145</i>	<i>5,925</i>	<i>6,424</i>
Oct	1,032,249	1,100,223	<i>177,264</i>	<i>194,951</i>	<i>8,281</i>	<i>8,979</i>	<i>6,624</i>	<i>7,386</i>
Nov	1,029,791	1,100,928	<i>152,009</i>	<i>159,849</i>	<i>5,359</i>	<i>6,443</i>	<i>4,378</i>	<i>5,274</i>
Dec	1,024,148	1,104,556	<i>137,362</i>	<i>189,457</i>	<i>5,447</i>	<i>8,404</i>	<i>4,323</i>	<i>6,697</i>
	2008	2009	2008	2009	2008	2009	2008	2009
Jan	1,025,283	1,117,274	<i>156,757</i>	<i>184,137</i>	<i>8,242</i>	<i>9,240</i>	<i>6,518</i>	<i>6,748</i>
Feb	1,027,886	1,124,863	<i>154,266</i>	<i>166,545</i>	<i>8,310</i>	<i>9,247</i>	<i>7,214</i>	<i>7,028</i>
Mar	1,043,964	1,146,691	<i>150,705</i>	<i>163,951</i>	<i>9,678</i>	<i>11,057</i>	<i>8,111</i>	<i>8,245</i>
Apr	1,047,982	1,161,348	<i>145,104</i>	<i>167,809</i>	<i>9,917</i>	<i>10,936</i>	<i>8,354</i>	<i>9,419</i>
May	1,046,382	1,165,197	<i>153,994</i>	<i>164,892</i>	<i>7,929</i>	<i>9,809</i>	<i>6,748</i>	<i>8,350</i>
Jun	1,053,682	1,173,681	<i>127,762</i>	<i>163,858</i>	<i>6,869</i>	<i>11,019</i>	<i>5,602</i>	<i>9,103</i>
Jul	1,063,697	1,184,652	<i>156,381</i>	<i>177,655</i>	<i>7,064</i>	<i>9,452</i>	<i>5,770</i>	<i>7,977</i>
Aug	1,066,092	1,196,535	<i>175,250</i>	<i>176,836</i>	<i>7,731</i>	<i>8,966</i>	<i>6,292</i>	<i>7,269</i>
	AVERAGES for 12 months		TOTALS for 12 months		TOTALS for 12 months		TOTALS for 12 months	
TOTALS	1,041,788	1,138,900	1,826,201	2,085,881	92,208	111,697	75,860	89,920

²⁵ Italicized data indicates data estimated by DRA. SCE provided the complete set of disconnection data including disconnection events stemming from non-payment of energy bills and credit deposits only for the months January 2008 – August 2009. SCE's disconnection data September – December 2007 excludes disconnection events stemming from non-payment of credit deposits. DRA has estimated the excluded data in order to compare SCE's disconnection rates to the other California utilities.

Table 10: Southern California Edison Non-Low-Income Residential Customer Disconnection Data²⁶

Month	Customers		Disconnect Notices		Disconnects		Reconnects	
	2007	2008	2007	2008	2007	2008	2007	2008
Sep	3,127,095	3,091,061	<i>277,812</i>	<i>338,479</i>	<i>18,229</i>	18,756	<i>14,252</i>	14,371
Oct	3,137,472	3,083,047	<i>359,722</i>	<i>362,467</i>	<i>22,405</i>	20,238	<i>17,576</i>	16,252
Nov	3,141,392	3,084,432	<i>321,419</i>	<i>290,762</i>	<i>16,403</i>	13,404	<i>13,642</i>	10,592
Dec	3,146,780	3,080,345	<i>291,866</i>	<i>352,193</i>	<i>15,010</i>	18,423	<i>12,043</i>	14,501
	2008	2009	2008	2009	2008	2009	2008	2009
Jan	3,147,573	3,069,076	333,424	<i>340,797</i>	21,059	19,776	16,440	15,999
Feb	3,145,851	3,062,249	328,827	<i>293,237</i>	20,479	18,026	17,315	15,200
Mar	3,131,103	3,041,514	327,579	<i>301,205</i>	23,378	21,190	18,825	17,536
Apr	3,128,271	3,028,290	322,020	<i>288,971</i>	24,699	20,060	20,106	16,518
May	3,131,439	3,025,854	335,634	<i>285,700</i>	19,246	17,582	15,920	14,541
Jun	3,123,894	3,016,774	276,972	<i>273,493</i>	16,879	18,470	13,325	14,753
Jul	3,115,677	3,007,820	324,615	<i>283,818</i>	17,408	16,566	13,705	13,486
Aug	3,115,159	2,996,524	342,529	<i>275,102</i>	17,855	15,580	14,193	12,247
	AVERAGES for 12 months		TOTALS for 12 months		TOTALS for 12 months		TOTALS for 12 months	
TOTALS	3,132,642	3,048,916	3,842,418	3,686,224	233,050	218,071	187,343	175,996

²⁶ Italicized data indicates data estimated by DRA. SCE provided the complete set of disconnection data including disconnection events stemming from non-payment of energy bills and credit deposits only for the months January 2008 – August 2009. SCE's disconnection data September – December 2007 excludes disconnection events stemming from non-payment of credit deposits. DRA has estimated the excluded data in order to compare SCE's disconnection rates to the other California utilities.

Table 11: San Diego Gas & Electric All Residential Customer Disconnection Data²⁷

Month	Customers		Disconnect Notices		Disconnects		Reconnects	
	2007	2008	2007	2008	2007	2008	2007	2008
Sep	<i>1,211,984</i>	1,226,000	25,027	24,143	2,404	2,180	1,744	1,609
Oct	<i>1,212,251</i>	1,227,000	20,361	27,637	2,036	2,420	1,590	1,912
Nov	<i>1,213,587</i>	1,228,000	28,590	22,301	1,244	1,594	887	1,320
Dec	<i>1,215,193</i>	1,229,000	24,769	23,719	1,670	1,378	1,236	1,052
	2008	2009	2008	2009	2008	2009	2008	2009
Jan	<i>1,217,157</i>	1,229,000	24,740	23,820	2,543	1,832	1,757	1,321
Feb	<i>1,219,123</i>	1,229,738	24,512	19,062	2,130	1,394	1,590	1,010
Mar	<i>1,221,151</i>	1,230,069	26,971	25,333	1,971	2,324	1,483	1,766
Apr	<i>1,222,610</i>	1,231,053	29,624	24,572	2,356	3,042	1,771	2,367
May	<i>1,223,913</i>	1,231,728	29,303	21,892	2,466	2,547	1,880	2,027
Jun	<i>1,223,000</i>	1,232,501	27,342	22,015	2,365	2,511	1,762	1,855
Jul	<i>1,224,000</i>	1,233,982	27,566	23,840	2,176	2,270	1,620	1,649
Aug	<i>1,225,000</i>	1,235,100	24,879	24,771	2,165	1,963	1,657	1,452
	AVERAGES for 12 months		TOTALS for 12 months		TOTALS for 12 months		TOTALS for 12 months	
TOTALS	1,219,081	1,230,264	313,684	283,105	25,526	25,455	18,977	19,340

²⁷ Italicized data indicates data estimated by DRA. SDG&E began providing total customer counts beginning with June 2008. Prior to June 2008, SDG&E substituted counts of independently metered and submetered electric and gas accounts, broken down by CARE and nonCARE residential groups.

Table 12: San Diego Gas & Electric Low-Income Residential Customer Disconnection Data²⁸

Month	Customers		Disconnect Notices		Disconnects		Reconnects	
	2007	2008	2007	2008	2007	2008	2007	2008
Sep	223,052	236,462	7,105	7,888	621	780	629	608
Oct	225,057	238,153	5,273	8,831	811	923	627	756
Nov	224,834	238,482	8,283	6,993	689	596	298	495
Dec	229,759	241,196	6,946	7,734	556	493	505	407
	2008	2009	2008	2009	2008	2009	2008	2009
Jan	226,285	232,357	7,414	7,687	718	673	613	516
Feb	226,103	234,755	6,255	5,870	500	520	581	415
Mar	226,593	236,993	8,298	8,326	810	861	513	692
Apr	228,969	239,826	8,921	8,116	707	1,133	609	941
May	230,232	242,878	8,978	7,339	830	1,010	664	855
Jun	232,164	244,314	8,720	7,554	787	994	638	751
Jul	233,288	245,831	8,530	8,343	606	870	612	659
Aug	234,373	247,928	7,786	9,114	761	825	607	626
	AVERAGES for 12 months		TOTALS for 12 months		TOTALS for 12 months		TOTALS for 12 months	
TOTALS	228,392	239,931	92,509	93,795	8,396	9,678	6,896	7,721

²⁸ Italicized data indicates data estimated by DRA. SDG&E began providing total CARE customer counts beginning with January 2009. Prior to January 2009, SDG&E substituted counts of independently metered and submetered electric and gas accounts, broken down by CARE and nonCARE residential groups.

Table 13: San Diego Gas & Electric Non-Low-Income Residential Customer Disconnection Data²⁹

Month	Customers		Disconnect Notices		Disconnects		Reconnects	
	2007	2008	2007	2008	2007	2008	2007	2008
Sep	<i>998,786</i>	<i>999,416</i>	17,922	16,255	1,603	1,400	1,115	1,001
Oct	<i>997,022</i>	<i>998,786</i>	15,088	18,806	1,290	1,497	963	1,156
Nov	<i>998,657</i>	<i>999,446</i>	20,307	15,308	864	998	589	825
Dec	<i>995,268</i>	<i>997,795</i>	17,823	15,985	1,055	885	731	645
	2008	2009	2008	2009	2008	2009	2008	2009
Jan	<i>1,000,640</i>	996,643	17,326	16,133	1,705	1,159	1,144	805
Feb	<i>1,002,719</i>	994,983	18,257	13,192	1,442	874	1,009	595
Mar	<i>1,003,826</i>	993,076	18,673	17,007	1,329	1,463	970	1,074
Apr	<i>1,003,036</i>	991,227	20,703	16,456	1,567	1,909	1,162	1,426
May	<i>1,003,213</i>	988,850	20,325	14,553	1,665	1,537	1,216	1,172
Jun	<i>1,000,444</i>	988,187	18,622	14,461	1,546	1,517	1,124	1,104
Jul	<i>1,000,364</i>	988,151	19,036	15,497	1,409	1,400	1,008	990
Aug	<i>1,000,376</i>	987,172	17,093	15,657	1,403	1,138	1,050	826
	AVERAGES for 12 months		TOTALS for 12 months		TOTALS for 12 months		TOTALS for 12 months	
TOTALS	1,000,363	993,644	221,175	189,310	16,878	15,777	12,081	11,619

²⁹ Italicized data indicates data estimated by DRA. SDG&E began providing total CARE customer counts beginning with January 2009. Prior to January 2009, SDG&E substituted counts of independently metered and submetered electric and gas accounts, broken down by CARE and nonCARE residential groups

Table 14: Southern California Gas All Residential Customer Disconnection Data³⁰

Month	Customers		Disconnect Notices		Disconnects		Reconnects	
	2007	2008	2007	2008	2007	2008	2007	2008
Sep	5,233,363	5,250,988			16,483	18,294	11,876	12,473
Oct	5,236,271	5,251,071			11,970	15,001	10,370	10,936
Nov	5,242,055	5,254,880			13,496	13,287	9,527	11,000
Dec	5,248,544	5,257,832			8,009	9,819	6,959	7,957
	2008	2009	2008	2009	2008	2009	2008	2009
Jan	5,255,178	5,264,867		58,018	15,590	13,217	9,819	7,709
Feb	5,257,885	5,268,729		125,555	16,534	12,884	11,639	9,311
Mar	5,258,988	5,272,227		107,004	18,047	13,970	12,266	9,758
Apr	5,259,046	5,274,035		118,772	18,584	13,834	12,501	9,909
May	5,256,809	5,272,936		107,878	18,812	15,026	13,260	9,605
Jun	5,254,763	5,270,004		99,380	18,171	13,954	11,651	9,552
Jul	5,251,002	5,265,457		99,020	16,179	12,578	10,278	7,471
Aug	5,249,383	5,264,838		88,800	18,347	12,934	10,871	8,558
	AVERAGES for 12 months		TOTALS for 12 months		TOTALS for 12 months		TOTALS for 12 months	
TOTALS	5,250,274	5,263,989			190,222	164,798	131,017	114,239

³⁰ SoCalGas Disconnect Notices data is erroneous prior to January 2009 and has not yet been updated.

Table 15: Southern California Gas Low-Income Residential Customer Disconnection Data³¹

Month	Customers		Disconnect Notices		Disconnects		Reconnects	
	2007	2008	2007	2008	2007	2008	2007	2008
Sep	1,291,437	1,391,119			<u>2,481</u>	<u>6,992</u>	<u>3,683</u>	<u>4,901</u>
Oct	1,301,014	1,417,550			<u>4,668</u>	<u>5,967</u>	<u>3,769</u>	<u>4,726</u>
Nov	1,323,495	1,427,700			<u>3,837</u>	<u>3,709</u>	<u>3,052</u>	<u>3,763</u>
Dec	1,332,614	1,435,398			<u>2,479</u>	<u>3,730</u>	<u>2,419</u>	<u>3,127</u>
	2008	2009	2008	2009	2008	2009	2008	2009
Jan	1,337,416	1,441,382		40,433	<u>5,100</u>	<u>4,053</u>	<u>3,367</u>	<u>2,930</u>
Feb	1,344,575	1,450,810		42,578	<u>4,785</u>	<u>4,147</u>	<u>3,778</u>	<u>3,301</u>
Mar	1,348,714	1,458,525		49,209	<u>5,540</u>	<u>4,988</u>	<u>3,999</u>	<u>3,583</u>
Apr	1,357,365	1,481,315		47,000	<u>5,817</u>	<u>5,208</u>	<u>4,008</u>	<u>3,638</u>
May	1,372,615	1,493,227		42,911	<u>6,240</u>	<u>5,098</u>	<u>4,345</u>	<u>3,578</u>
Jun	1,375,522	1,494,052		40,086	<u>6,245</u>	<u>5,734</u>	<u>4,073</u>	<u>3,883</u>
Jul	1,383,254	1,510,316		41,735	<u>6,045</u>	<u>5,234</u>	<u>3,865</u>	<u>3,231</u>
Aug	1,385,426	1,520,244		37,999	<u>6,736</u>	<u>4,907</u>	<u>4,365</u>	<u>2,870</u>
	AVERAGES for 12 months		TOTALS for 12 months		TOTALS for 12 months		TOTALS for 12 months	
TOTALS	1,346,121	1,460,137			59,973	59,061	44,723	43,531

³¹ Underlined data has been identified by SoCalGas as an undercount, and no correction has been provided yet to DRA. However, based on DRA's comparison of the undercounted to corrected data for the months of 2009 for which corrected data has been provided, DRA believes the undercount will not change the overall analysis of trends. SoCalGas Disconnect Notices data is erroneous prior to January 2009 and has not yet been updated.

Table 16: Southern California Gas Non-Low-Income Residential Customer Disconnection Data³²

Month	Customers		Disconnect Notices		Disconnects		Reconnects	
	2007	2008	2007	2008	2007	2008	2007	2008
Sep	3,941,926	3,859,869			<u>14,002</u>	<u>11,302</u>	<u>8,193</u>	<u>7,572</u>
Oct	3,935,257	3,833,521			<u>7,302</u>	<u>9,034</u>	<u>6,601</u>	<u>6,210</u>
Nov	3,918,560	3,827,180			<u>9,659</u>	<u>9,578</u>	<u>6,475</u>	<u>7,237</u>
Dec	3,915,930	3,822,434			<u>5,530</u>	<u>6,089</u>	<u>4,540</u>	<u>4,830</u>
	2008	2009	2008	2009	2008	2009	2008	2009
Jan	3,917,762	3,823,485		17,585	<u>10,490</u>	<u>9,164</u>	<u>6,452</u>	<u>4,779</u>
Feb	3,913,310	3,817,919		82,977	<u>11,749</u>	<u>8,737</u>	<u>7,861</u>	<u>6,010</u>
Mar	3,910,274	3,813,702		57,795	<u>12,507</u>	<u>8,982</u>	<u>8,267</u>	<u>6,175</u>
Apr	3,901,681	3,792,720		71,772	<u>12,767</u>	<u>8,626</u>	<u>8,493</u>	<u>6,271</u>
May	3,884,194	3,779,709		64,967	<u>12,572</u>	<u>9,928</u>	<u>8,915</u>	<u>6,027</u>
Jun	3,879,241	3,775,952		59,294	<u>11,926</u>	<u>8,220</u>	<u>7,578</u>	<u>5,669</u>
Jul	3,867,748	3,755,141		57,285	<u>10,134</u>	<u>8,050</u>	<u>6,413</u>	<u>4,240</u>
Aug	3,863,957	3,744,594		50,801	<u>11,611</u>	<u>8,027</u>	<u>6,506</u>	<u>5,688</u>
	AVERAGES for 12 months		TOTALS for 12 months		TOTALS for 12 months		TOTALS for 12 months	
TOTALS	3,904,153	3,803,852			130,249	105,737	86,294	70,708

³² ³² Underlined data has been identified by SoCalGas as an overcount, and no correction has been provided yet to DRA. However, based on DRA's comparison of the overcounted to corrected data for the months of 2009 for which corrected data has been provided, DRA believes the overcount will not change the overall analysis of trends. SoCalGas Disconnect Notices data is erroneous prior to January 2009 and has not yet been updated.