

Protecting Customers from Disconnections

Prompted by concerns over rising energy disconnections in California, the state legislature passed SB 598 (Hueso) in 2017. This important legislation tasked the CPUC with developing and implementing rules and customer protections that will reduce energy disconnections for customers. In June 2020, the CPUC released these new disconnection rules governing all regulated utilities in California.

Protections for ALL Customers

- Utility companies must offer minimum 12-month payment plans.
- Utility companies cannot disconnect customers during extreme weather conditions (above 100°F or under 32°F).
- Utility companies must offer to sign up customers for benefit programs such as CARE and FERA.
- Utility companies cannot disconnect customers with pending LIHEAP pledge.
- Utility companies must create an online pledging system to help streamline the process for customers receiving LIHEAP support.
- Utility companies cannot collect more than 20% of a past due account balance, as an initial payment on past due bills, when setting up customer payment plans.

Medical Baseline Customers

- Allows Nurse Practitioners and Physician Assistants to certify customers for Medical Baseline.
- Provides small grants to specific community-based organizations for Medical Baseline outreach.
- Allows customers to electronically submit Medical Baseline certification documents.

New Programs for Low Income Families

- Requires utility companies to create an Arrearage Management Plan (AMP) for low income families carrying past due balances.
- Requires utility companies to develop and pilot a Percentage of Income Payment Program (PIPP) for extremely low-income families.

Eliminates Deposits and Reconnection Fees

- Eliminates deposits for customers when establishing new service.
- Eliminates deposits for customers when reestablishing service after a shutoff.

Benefit of Service

In the past, utility companies regularly billed customers for outstanding bills from the service of the previous account holder at the same address. This billing practice would require new tenants to pay the bill of a past tenant or risk not being able to establish service or have their service turned off. New rules set forth by the CPUC:

- Requires utility companies to maintain service during an ongoing benefit of service investigation.
- Requires utility companies to standardize evidence requirements from customers to prove they did not benefit from service.
- Requires the utility company to identify two specific triggers to open an investigation.
- Mandates that utility companies provide the evidence to the customer used to determine if they benefitted from service.

Disconnection Caps

- Sets rate caps for each of the utility companies to limit and reduce disconnections throughout California.
- Mandates that no utility can have disconnection rates in any one ZIP code in excess of 30%.
- Requires utility companies to reduce disconnection rates by no later than January 1, 2024.

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