Southern California Edison Disconnection OIR Workshop – October 12, 2018

SCE's Disconnection Best Practices and Key Statistics

- SCE's main priority for its disconnection policy is to <u>help customers avoid a service interruption</u>.
- The disconnection process takes <u>a minimum of 52 days</u> from the time a bill is generated before a customer becomes eligible for disconnection for that bill.
- <u>SCE contacts customers multiple times</u> prior to disconnection to offer many existing bill payment, financial assistance, and energy savings programs such as:
 - California Alternate Rates for Energy (CARE): 20% discount for qualified customers
 - o Family Electric Rate Assistance (FERA): 12% discount for qualified customers
 - Energy Assistance Fund (EAF): A one-time grant (up to \$100) to help pay electricity bills
 - Medical Baseline Allowance: Allows for an additional 16.5 kWh per day over normal baseline allocation
 - Energy Savings Assistance Program: Helps qualified customers reduce electricity bills by installing free energy-efficient appliances and equipment.
- SCE offers **flexible**, **convenient**, **and customer-focused** payment arrangement plans.
 - SCE and its customers have on average, entered into approximately <u>1.7 million payment</u> <u>arrangements</u> per year.
 - On average, nearly 1 million of these payment arrangements are with CARE customers.
- SCE conducts <u>multiple field visits</u> to seniors, disabled customers, critical care customers, or those who self-certify that they have a medical condition that requires electricity to survive.
- <u>Service disconnections are the last step</u> in an extensive, customer focused process. However, if a customer is disconnected, <u>SCE acts quickly to restore service</u>, with most reconnections typically occurring within minutes of payment.
 - SCE will reconnect customers immediately if they self-certify as having a medical condition that requires electricity to survive.
 - <u>SCE does not require re-establishment of credit for low-income customers</u> who routinely pay late.
 - o **SCE does not require a security deposit** for customers who sign-up for Direct Pay.
- SCE manages the disconnection and reconnection process to:
 - o Increase the likelihood of repayment and reconnection
 - 94% of customers who are disconnected, reconnect when they are 100 days or less past-due.
 - SCE data shows that the longer a customer is on a payment arrangement, the more likely that customer is to default. For example, payment arrangements established at 3 months or greater past-due default at a 67% rate.
 - Lowers bill impact on other customers
 - Maintaining high reconnection rates and low default/write-offs helps keep rates lower for all SCE customers.

