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The number of low-income households cut off by Pacific Gas and Electric Co. after they fell behind on their utility bills jumped 75 percent this year, according to a state report released Thursday.



For the 12 months that ended in August, 91,393 low-income households lost their utility service, compared with 52,202 in the previous 12-month period. Most soon paid to have service restored.

The report, from a division of the California Public Utilities Commission, found that shut-offs increased throughout the state as the recession devastated home finances.

But the increase has been most notable at San Francisco's PG&E. Statewide, the number of low-income homes that lost electric or gas service grew by 27.6 percent, the report found. The report examined data from California's big investor-owned utilities, and does not include the public utilities in Sacramento and Los Angeles.

The report's authors aren't sure why the number of disconnected customers is growing so quickly at PG&E, compared with other utilities in the state. PG&E rate hikes last fall and this spring may have played a role. So may the utility's new SmartMeters.

# Wireless cutoff

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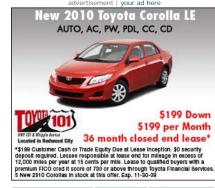
The advanced electricity and gas meters, being installed throughout Northern and Central California, allow PG&E to shut off service via a wireless signal, without sending an electrician to the home. The easier process may be leading to more shut-offs, said Dana Appling, director of the utility commission's Division of Ratepayer Advocates, which issued the report.

"All they have to do is flip a switch," she said, adding that her division doesn't have solid proof that the meters are leading to more disconnections.

"We can't tell with precision," she said. "We can only make an assumption."

The advanced meters have already provoked an uproar among some PG&E customers who claim they aren't accurate, overstate energy usage and lead to higher bills.

PG&E spokesman Joe Molica said the process for shutting off SmartMeter customers follows the same basic timeline as it does for everyone else. Before terminating service, the utility mails the customer a 15-day notice, followed by a 48-hour notice. The company also tries to reach the customer by phone, he said.



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Molica also noted that the number of low-income households shut off by PG&E is still lower than the number disconnected by Southern California Edison, which serves fewer customers. That utility cut off 111,697 in the last 12-month period, up 21 percent from the previous year.

Poor customers weren't the only people who lost utility service over unpaid bills. A total of 818,042 California utility customers - of all income brackets - were shut off in the most recent 12-month period, up 8.8 percent. PG&E's total hit 298,020, up 40 percent.

## Some want action

Consumer advocates say that the rising number of disconnections throughout the state demands government action. The Utility Reform Network (TURN), a consumer watchdog group, asked the utilities commission earlier this year to begin a formal process of looking for ways to cut the number of shut-offs. The commission had been scheduled to vote today on a motion to reject TURN's request, but the vote has now been

"These shut-off figures are really a reflection of the economy and how hard people are struggling," said Mark Toney, TURN's executive director. "This is the kind of evidence the (utilities commission) cannot turn a blind eye to."

He, too, wondered if the SmartMeters could be contributing to an increase in disconnections. The old way of shutting off customers - scheduling an electrician to visit a home - cost the company money.

"That gave the company an incentive to negotiate with people," Toney said. "With SmartMeters, you eliminate that cost. You take away that incentive for utilities to negotiate with customers."

# **Power loss**

The number of low-income households in which utility service was shut off in the 12 months ending in August:

**Statewide:** 271,829, up 27.6 percent

PG&E:

91,393, up 75 percent

Southern California Edison: 111,697, up 21 percent

San Diego Gas & Electric: 9,678, up 15 percent

Source: California Public Utilities Commission, Division of Ratepayer Advocates

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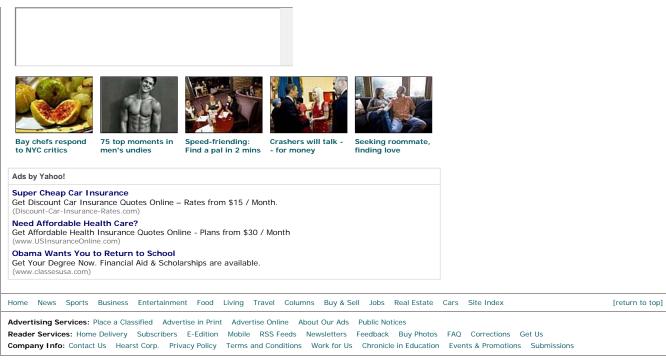
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