

May 22, 2003

**Advice 2461-G/2381-E**

(Pacific Gas and Electric Company ID U 39 M)

Public Utilities Commission of the State of California

**Subject: Revisions to Gas and Electric Rule 6 – Establishment and Reestablishment of Credit**

Pacific Gas and Electric Company (PG&E) hereby submits for filing revisions to its gas and electric rules. The affected tariff sheets are listed on the enclosed Attachment I.

**Purpose**

The purpose of this filing is to revise the language of gas and electric Rule 6 – *Establishment and Reestablishment of Credit*, to more appropriately reflect the capabilities of PG&E's new customer information system called CorDaptix. This revision also conforms PG&E's residential credit deposit tariffs to those of Southern California Edison.

**Background**

As part of its on-going efforts to improve customer service, PG&E implemented a new customer information system. On December 6, 2002, PG&E switched from its current information system to the new CorDaptix system. As a result of the change to the new customer information system, PG&E has identified the need to modify the credit establishment options provided in Rule 6 because the customer information system does not maintain customer history in a manner consistent with the credit determination methodologies described in the rule.

The changes in the computer information system, combined with PG&E's utilization of a credit scoring mechanism since 1997, has made two credit establishment options described in Rule 6, obsolete.<sup>1</sup> With credit scoring, applicants whose credit score indicates a high risk or those for whom scores are unavailable are asked to pay a deposit or provide a guarantor. This credit scoring mechanism is used by other utilities and industries, and has been a reliable method for PG&E in determining a customer's eligibility to establish credit.

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<sup>1</sup> Resolution G-3203, dated March 7, 1997, approved the use of a predictive credit risk score for each applicant.

**Tariff Revisions**

PG&E proposes to delete the language contained in gas Rule 6, Sections A.3, A.5, and B.6, and the corresponding electric Rule 6, Sections A.1.c, A.1.e, and A.2.f.

**Protests**

Anyone wishing to protest this filing may do so by sending a letter by **June 11, 2003**, which is 20 days from the date of this filing. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. Protests should be mailed to:

IMC Branch Chief  
Energy Division  
California Public Utilities Commission  
505 Van Ness Avenue, Room 4002  
San Francisco, California 94102  
Facsimile: (415) 703-2200

Copies should also be mailed to the attention of the Director, Energy Division, Room 4005 and Jerry Royer, Energy Division, at the address shown above. It is also requested that a copy of the protest be sent via postal mail and facsimile to Pacific Gas and Electric Company on the same date it is mailed or delivered to the Commission at the address shown below.

Pacific Gas and Electric Company  
Attention: Brian Cherry  
Director, Regulatory Relations  
77 Beale Street, Mail Code B10C  
P.O. Box 770000  
San Francisco, California 94177  
Facsimile: (415) 973-7226

**Effective Date**

PG&E requests that this advice filing become effective on regular notice, **July 1, 2003**, which is 40 days after the date of filing.

**Notice**

In accordance with General Order 96-A, Section III, Paragraph G, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the

attached list. Address changes should be directed to Sandra Ciach at (415) 973-7572. Advice letter filings can also be accessed electronically at:

[http://www.pge.com/customer\\_services/business/tariffs/](http://www.pge.com/customer_services/business/tariffs/)

Vice President - Regulatory Relations

Attachments



RULE 6—ESTABLISHMENT AND REESTABLISHMENT OF CREDIT

An applicant for PG&E service may be required to establish credit. A customer whose PG&E service has been terminated for nonpayment of an energy bill or whose payments have been past due, as set forth below, may be required to reestablish credit.

When, for an applicant's convenience, PG&E provides service to the applicant before credit is established and the applicant fails to establish credit in accordance with this rule, service may be terminated after notice is given in accordance with Rule 8.

**A. ESTABLISHMENT OF CREDIT—RESIDENTIAL SERVICE**

Credit will be established if the applicant:

- 1. makes a cash deposit to secure payment of bills as prescribed in Rule 7; or
- 2. furnishes a guarantor, satisfactory to PG&E, to secure payment of bills for the service requested; or

(D)

- 3. otherwise establishes credit to the satisfaction of PG&E.

(T)

(D)

**B. ESTABLISHMENT OF CREDIT— OTHER THAN RESIDENTIAL SERVICE, EXCEPT FOR TRANSMISSION SERVICES**

Credit will be established if the applicant:

- 1. is the owner with a substantial equity, of value satisfactory to PG&E, in the premises to be served; or
- 2. makes a cash deposit to secure payment of bills as prescribed in Rule 7; or
- 3. furnishes a guarantor, satisfactory to PG&E, to secure payment of bills for the service requested; or

(Continued)



RULE 6—ESTABLISHMENT AND REESTABLISHMENT OF CREDIT  
(Continued)

B. ESTABLISHMENT OF CREDIT—OTHER THAN RESIDENTIAL SERVICE, EXCEPT FOR TRANSMISSION SERVICES (Cont'd.)

4. has been a customer of PG&E for a similar type of service within the past two years and during the last twelve consecutive months of that prior service has had not more than two past due bills as defined in Rules 8 and 11, provided that the periodic bill for such previous service was equal to at least 50 percent of that estimated for the new service, and provided further, that the credit of applicant is unimpaired in the opinion of PG&E; or

5. otherwise establishes credit to the satisfaction of PG&E.

(T)

(D)

C. ESTABLISHMENT OF CREDIT—SHIPPERS TAKING PG&E'S FIRM INTERSTATE RIGHTS

1. Shippers shall provide PG&E with written verification, originating with the interstate pipeline(s), that: (1) they have met the interstate pipeline(s) creditworthiness standards; or (2) they have provided security to the interstate pipeline(s).

2. Written verification shall be required by PG&E at the time the shipper bids for interstate capacity as provided in Rule 21.1.

D. ESTABLISHMENT OF CREDIT—TRANSMISSION SERVICES

Customers of PG&E's transmission services including, but not limited to, transportation, storage, parking and lending shall establish credit in accordance with Rule 25.

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