

Released: August 20, 2021

CALIFORNIA DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT

CALIFORNIA ARREARAGE PAYMENT PROGRAM (CAPP)

CAPP PROGRAM NOTICE NO. 2021-03

The purpose of this official correspondence is to provide implementation information and guidance to the general public and state energy utility service providers regarding the California Arrearage Payment Program (CAPP) administered by the Department of Community Services and Development (CSD).

CAPP PROGRAM NOTICE NO. 2021-03

TO: ALL ENERGY UTILITY COMPANIES

SUBJECT: CALIFORNIA ARREARAGE PAYMENT PROGRAM (CAPP)
UTILITY SURVEY-CLARIFICATION

DATE: August 20, 2021

REFERENCE: Government Code Section 16429.5
Assembly Bill 135 (Chapter 85, Statutes of 2021)

The purpose of this CAPP Program Notice (CAPP PN) is to notify eligible energy utilities of changes to CAPP Utility Survey requirements outlined in CAPP PN 2021-02 dated August 2, 2021. Updated survey requirement changes are designed to ensure CAPP Utility Survey submissions from state energy utility companies reflect a consistent and accurate capture of residential and commercial customer utility arrearages incurred during the COVID-19 pandemic relief period. Therefore, it is essential state energy utilities review and apply updated CAPP Utility Survey requirements outlined in this program guidance in the completion of the CAPP Utility Survey.

Updated CAPP Utility Survey requirements are further detailed in the matrix below and effective with the issuance date of this program notice.

Summary of Changes:

Relevant PN #2021-02 Section	Section Summary – Current Description	Revision
Introduction - Important Note	States that IOUs will submit customer data to CSD on behalf of the Community Choice Aggregator (CCA). CCAs are required to complete an attestation upon reviewing data submitted to the CSD on their behalf.	This section is revised per the following: CCA utility arrearage data will be captured via the two following methods: 1. CCA Arrearage Data Tracked by IOUs <ul style="list-style-type: none">• Will be captured on CAPP Supplemental CCA Account Form and submitted to each CCA – along with an explanation of the parameters used by the IOU to identify and compile utility arrearage data for CCA customers. IOUs will forward completed CAPP Supplemental Account Forms to CCAs no later than September 2, 2021 for review and acceptance.

Relevant PN #2021-02 Section	Section Summary – Current Description	Revision
		<ul style="list-style-type: none"> • CCAs must complete their review and submit the CAPP Supplemental CCA Account Form and required attestation via the CAPP Portal by September 9, 2021. • For reference, the CAPP Supplemental CCA Account Form is designed to capture the following CCA customer and utility arrearage data tracked within IOU customer billing systems: <ul style="list-style-type: none"> a. Total number of residential CCA electric accounts serviced by the energy utility; b. Total number of commercial CCA electric accounts serviced by the energy utility; c. Total number of residential CCA accounts with past due balances of 60 days or more incurred during the COVID-19 pandemic relief period as defined in PN 2021-03; d. Total number of commercial CCA accounts with past due balances of 60 days or more incurred during the COVID-19 pandemic relief period as defined in PN 2021-03; e. Total aggregate arrearage balance for all residential CCA accounts with past due balances of 60 days or more incurred during the COVID-19 pandemic relief period as defined in PN 2021-03; f. Total aggregate arrearage balance for all commercial accounts with past due balances of 60 days or more incurred during the COVID-19 pandemic relief period as defined in PN 2021-03. <p>2. CCA Arrearage Data Not Captured by IOU Customer Billing Systems and Tracked Solely by CCAs</p>

Relevant PN #2021-02 Section	Section Summary – Current Description	Revision
		<ul style="list-style-type: none"> • For accounts receivables that have been “returned” to CCAs as bad debt and that are no longer tracked by IOU billing systems, CCAs must complete and submit a CAPP Survey to account for this specific utility arrearage or account receivable. • CCAs must submit the CAPP Survey and required CAPP Attestation Form no later than September 9, 2021 in the CAPP Portal.
Introduction - Action Item	This section of PN 2021-02 advises energy utilities that the CAPP Utility Survey must be submitted in the CAPP Portal no later than September 2, 2021 to be eligible for a CAPP Allocation.	In accordance with this PN, the CAPP Utility Survey deadline for submission has been extended to September 9, 2021.
Section 1: Utility Survey Phase	Introduction: States that the CAPP Utility Survey must be completed by September 2, 2021.	
Section 1: Utility Survey Phase	<p><u>CAPP Utility Survey Requirements:</u> Advises that energy utilities will need to compile information identifying residential and commercial customers with past-due bills of 60-days or more incurred during the COVID-19 pandemic relief bill period covering March 4, 2020 through June 15, 2021.</p> <p><u>CAPP Utility Survey Overview:</u></p>	<p>Method for identifying and quantifying customer utility arrearages during the COVID-19 pandemic relief period.</p> <p>Updated Definition: “COVID-19 pandemic bill relief period” means the period from March 4, 2020, to June 15, 2021, inclusive, and includes any customer billing period that includes these dates. Under this definition, utility companies can include the total amount of any past due energy bill that includes any usage charges falling within the pandemic relief period towards reported utility arrearages.</p> <p>For example: A past due energy utility bill amounting to a total of \$110 and covering the</p>

Relevant PN #2021-02 Section	Section Summary – Current Description	Revision
	<p>Advises that customer arrearages incurred outside the COVID-19 pandemic bill relief period shall not be reported on the CAPP Utility Survey and cannot be used to calculate total energy arrearages.</p>	<p>billing period of February 15, 2020 – March 15, 2020, the total reportable utility arrearage is \$110.</p> <p>Commercial Account Definitions: Energy utilities shall utilize the following updated definitions to identify Commercial Customer Accounts and to aggregate the corresponding qualified arrearages.</p> <p>Please note: Updated definitions are specific to utility company classification: 1. IOUs and CCAs; and 2. Public Utility Companies and Electric Cooperatives.</p> <p>Updated Definitions:</p> <p>1. IOUs (including Small Multi-Jurisdictional Utilities) and CCAs shall define a Commercial Customer as a “non-residential” account, excluding entities or individuals enrolled in other distinct customer rate schedules and/or rule that an energy utility has established to receive electric and natural gas services for uses including, but not limited to, residential, agricultural, industrial, municipal/government, and street lighting.</p> <p>2. Public Utilities and Electrical Cooperatives shall define a commercial customer as a person or entity enrolled to receive electric or gas service for commercial or business purposes pursuant to the utility’s existing commercial rate schedule and/or rule. A commercial customer excludes entities or individuals enrolled in other distinct customer rate schedules and/or rules that the energy utility has established including, but not limited to, residential, agricultural, industrial, street lighting,</p>

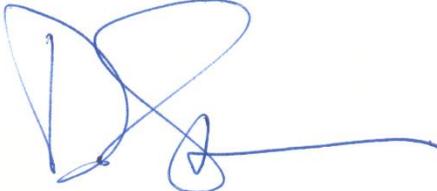
Relevant PN #2021-02 Section	Section Summary – Current Description	Revision
		municipal/government, and area or street lighting.

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All CAPP PNs, along with release dates of crucial CAPP implementation phases and energy utility responses, will be posted on CSD’s public-facing internet [website](#).

If you have questions or need additional guidance regarding CAPP, please contact CSD at CAPP@csd.ca.gov.

Sincerely,



DAVID SCRIBNER
Director