

## GLOSSARY OF ENERGY ACRONYMS

### **CARE - California Alternative Rates for Energy Program**

This program is provided directly to low income households through their utility companies. CARE provides a 15 percent reduction in electric rates for eligible households. CARE participants have been exempted from the rate increases approved in 2001 by the California Public Utilities Commission.

### **CEC - California Energy Commission**

The state's primary energy planning and policy agency, the CEC is responsible for forecasting energy needs, licensing power plants, promoting energy efficiency through building and appliance standards, developing energy technologies, supporting renewable energy, and planning and directing the state's response to power emergencies.

### **CPUC - California Public Utilities Commission**

The state's regulatory agency for energy, the CPUC regulates privately owned telecommunications, electric, natural gas, water, railroad, rail transit, and passenger transportation companies.

### **DOE - US Department of Energy**

The principal energy agency at the federal level, the DOE is primarily responsible for promoting secure, competitive, and environmentally responsible sources and production of energy; researching and analyzing energy data and prices; and increasing the efficiency and productivity of energy use.

### **EOB - Electricity Oversight Board**

Created by AB 1890 (Brulte, Chapter 854, Statutes of 1996), the EOB oversees power transmission operations, continuously monitors the electricity market, and represents the state in dealings with the Federal Energy Regulatory Commission.

### **FERC - Federal Energy Regulatory Commission**

This independent regulatory agency within the US Department of Energy regulates the transmission and sale of natural gas, oil, and electricity in interstate commerce.

### **ISO - California Independent System Operator**

Created by AB 1890 (Brulte, Chapter 854, Statutes of 1996), this independent, nonprofit corporation assumed computerized control on March 31, 1998 of the long distance, high voltage power lines that deliver electricity throughout California and between neighboring states and Mexico.

### **IOU - Investor-Owned Utility**

IOUs are privately owned utilities that are regulated by the state, and sometimes federal, government, and earn a return for investors. The IOUs in California are [Pacific Gas & Electric \(PG&E\)](#), [Southern California Edison \(SCE\)](#), [PacifiCorp](#), [Sierra Pacific Power](#), and [Bear Valley Electric](#). (PG&E and SCE are the largest IOUs and thus the most commonly referred to). [San Diego Gas & Electric \(SDG&E\)](#) deregulated in July 1999 and is thus no longer regulated with the other IOUs. Publicly owned utilities include municipal utilities, such as the [Sacramento Municipal Utility District \(SMUD\)](#).

### **LIHEAP - Low Income Home Energy Assistance Program**

This US Department of Health and Human Services program is administered by the state's Department of Community Services and Development. LIHEAP is made up of three program components. The Weatherization Program provides free services to improve the energy efficiency of homes, including attic insulation, weatherstripping, and minor housing repairs. The Home Energy Assistance Program (HEAP) provides financial assistance to eligible households to offset heating and cooling costs. The average HEAP payment is \$182 per year. Finally, the Energy Crisis Intervention Program provides payments for weather-related or energy-related emergencies.

### **PG&E - Pacific Gas and Electric Company**

A wholly owned subsidiary of the PG&E Corporation, PG&E provides natural gas and electric service to approximately 12 million people in Northern and Central California.

### **PX - California Power Exchange**

Created by AB 1890 (Brulte, Chapter 854, Statutes of 1996), this nonprofit public benefit corporation acted as a centralized exchange for buyers and sellers of power in California. The PX effectively shut down on January 30, 2001 due to its inability to enforce a FERC order to ensure that sellers in the PX market not bid over \$150 per MWh.

### **QF - Qualifying Facilities**

QFs are qualified small power producers and cogeneration facilities that are exempt from electricity regulation. In 1978, the Public Utility Regulatory Policies Act (PURPA) was enacted to encourage the efficient use of fossil fuels and renewable resources in electric power production. Toward this end, PURPA made it easier for small power producers and cogenerators to enter the electricity market by exempting them from Federal Energy Regulatory Commission (FERC) regulation. To qualify for this exemption, facilities must meet certain ownership, operating, and efficiency criteria established by FERC; for example, if at least 75 percent of a facility's total energy input is made up of renewable resources, it can be classified as a "QF."

### **SCE - Southern California Edison**

The largest subsidiary of Edison International, SCE provides power for approximately 11 million people in Central and Southern California.

### **SDG&E - San Diego Gas & Electric Company**

A subsidiary of Sempra Energy, SDG&E provides power for approximately 3 million people in the San Diego area.

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*The California Budget Project (CBP) was founded in 1994 to provide Californians with a source of timely, objective and accessible expertise on state fiscal and economic policy issues. The CBP engages in independent fiscal and policy analysis and public education with the goal of improving public policies affecting the economic and social well-being of low and middle income Californians. General operating support for the California Budget Project is provided by grants from the California Endowment; Penney Family Fund; and the James Irvine, Ford, Charles Stewart Mott, Friedman Family, and California Wellness Foundations and individual donations and subscriptions. Erin Riches wrote this paper. Visit the CBP web site at [www.cbp.org](http://www.cbp.org).*

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