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ED Tariff Unit  
California Public Utilities Commission  
505 Van Ness Avenue  
San Francisco, California 94102

Re: **REPLY COMMENTS OF SAN DIEGO GAS AND ELECTRIC COMPANY ON DRAFT RESOLUTION M-4849**

San Diego Gas & Electric Company (SDG&E) appreciates the opportunity to submit Reply Comments on Draft Resolution M-4849 (Draft Resolution), which would extend Emergency Customer Protections due to COVID-19 pandemic for residential and small business customers from April 16, 2021 to June 30, 2021.

## **I. INTRODUCTION**

The Opening Comments on the draft resolution generally support the extension of the existing Emergency Customer Protections through June 30, 2021 and the development of transition plans for customers when the protections end. However, and as discussed in greater detail below, certain Opening Comments require further discussion.

## **II. DISCUSSION**

### **1. The Disconnection Cap Should Not be Modified Because the Resolution Addresses A Transition Plan to Resume Utility Disconnections**

The Utility Reform Network, Center for Accessible Technology and National Consumer Law Center (Joint Consumers) argue that the Draft Resolution should be modified to include a modified monthly disconnection cap for the large investor-owned utilities (IOUs).<sup>1</sup> D.20-06-003 established the disconnection cap in June 2020, during the COVID-19 pandemic, with the intention that investor owned utilities begin to “follow the rolling cap methodology ... after the moratorium on disconnections is lifted by the Commission.”<sup>2</sup> In implementing the disconnection cap, the Commission was aware of the interplay between the Emergency Customer Protections provided in Resolution M-4842 and extended by the Draft Resolution, and specifically ordered that the rolling methodology apply at the termination of those protections.

There is no need to modify the disconnection cap to address the termination of the Emergency Customer Protections. While the cap has a required monthly rolling methodology to ensure that

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<sup>1</sup> Comments of The Utility Reform Network, National Consumer Law Center, and Center for Accessible Technology on Draft Resolution M-4849 (January 21, 2021) (Joint Consumers’ Comments) at 9.

<sup>2</sup> D.20-06-003 at 34, OP 4.

disconnection rates remain within the cap, SDG&E's overall 3% cap is an annual target which SDG&E anticipates will generally be implemented on a proportional basis over a 12-month period. Thus, the Joint Consumers claim that "[i]f the rolling cap methodology were to be applied following the end of the disconnection moratorium, the formula would allow the IOUs to conduct nearly a year's worth of disconnections within a single month without exceeding the cap,"<sup>3</sup> is based on a faulty assumption. The Joint Consumers' assumptions are further misplaced because it is not in SDG&E's interest, or the interest of its customers, to "conduc[t] a large number of residential disconnections immediately after the Emergency Customer Protections are lifted."<sup>4</sup> And finally, if a utility conducted a disproportionate number of disconnections in one month, it would then be unable to perform disconnections in later months, due to the monthly rolling cap calculation. Both the annual and monthly nature of the disconnection cap work to reasonably limit disconnections at the termination of the Emergency Customer Protections, so there is no need for it to be modified.

Additionally, because D.20-06-003 specifically addresses that the rolling cap methodology is to go into effect at the end of the disconnection moratorium, the end of the moratorium was precisely the "period as envisioned"<sup>5</sup> by the Commission for the adoption of the monthly disconnection cap. To that end, the Joint Consumers are seeking a modification to D.20-06-003, and such a request should be made through a Petition for Modification of the decision itself, or another appropriate regulatory vehicle.

The Transition Plans provided for in the Draft Resolution will provide the Commission and stakeholders with data to understand and assess how investor owned utilities are "effectively easing customers through a transition off of Emergency Customer Protections," including the disconnection moratorium.<sup>6</sup> During the pandemic, SDG&E has implemented several protections that will aid in reducing the risk of disconnection for residential customers once the Emergency Customer Protections have been lifted. For instance, beginning on February 1, 2021, eligible low-income residential customers will be able to enroll in the arrearage management payment (AMP) plan offered by the large IOUs. This will help residential customers who have accumulated arrears during COVID-19 avoid disconnection while reducing their debt. Additionally, pursuant to D.20-06-003, the IOUs are required to offer 12-month payment plans prior to a residential customer disconnection.<sup>7</sup> Further, if a residential customer has a Low Income Home Energy Assistance Program (LIHEAP) pledge pending, the utilities are prohibited from disconnecting customers.<sup>8</sup> Lastly, once a residential customer is made aware of any benefit programs they may be eligible for, they have two billing cycles to enroll,<sup>9</sup> without any threat of disconnection.

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<sup>3</sup> Joint Consumers' Comments at 9.

<sup>4</sup> Joint Consumers' Comments at 10.

<sup>5</sup> Id.

<sup>6</sup> Draft Resolution at 14.

<sup>7</sup> D.20-06-003 at 21-22 and Ordering Paragraph (OP) 1(d). The 12-month payment plans were initially offered as a component of the Emergency Customer Protections and were made permanent by the Disconnection OIR.

<sup>8</sup> D.20-06-003 at 15, 22, and OP 1(e).

<sup>9</sup> D.20-06-003 at 27 and OP 1(c).

## **2. SDG&E Intends to Continue Pro-Rata Allocation for CCA Customers Eligible for the Emergency Customer Protections**

The California Community Choice Association (CalCCA) stated, “Pacific Gas and Electric Company should continue to apply its suspension of Tariff Rule 23.R.3 or partial payments as approved by the Energy Division in Advice Letter 5816-E-B, and Southern California Edison Company should continue its existing practices for application of partial payments by unbundled customers.”<sup>10</sup> While no CCA in SDG&E’s service territory submitted Comments to the Draft Resolution, SDG&E would like to address allocation of partial payments. SDG&E’s advice letter implementing its Emergency Customer Protections also proposed allocating partial payments from CCA customers on a pro rata basis between SDG&E charges and CCA charges.<sup>11</sup> While the duration of pro rata allocation was solely intended for the original temporary Emergency Customer Protections, through April 16, 2021, SDG&E plans to continue the pro rata allocation for all CCA customers who are eligible for the Emergency Customer Protections through June 30, 2021.

### **CONCLUSION**

SDG&E appreciates the opportunity to provide these Reply Comments and respectfully requests their consideration prior to approval of a Final Resolution.

Sincerely,

/s/ Clay Faber  
CLAY FABER  
Director – CA & Federal Regulatory

cc:

Service List A.20-03-014, A.19-11-003, A19-09-014,  
R.18-07-006, R.18-07-005, R.18-03-011, R.17-06-024,  
R15-03-010, R.12-06-013.

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<sup>10</sup> Comments on Draft Resolution M-4849 – Authorization and Order Directing Utilities to Extend Emergency Customer Protections to Support California Customers Through June 30, 2021, And To File Transition Plans for the Expiration of the Emergency Customer Protections (January 22, 2021) at 1-2.

<sup>11</sup> SDG&E Advice Letter 3516-E-D/2854-G-D, approved June 16, 2020 and effective March 19, 2020 at 10.