



**Joseph Mock**  
Business Manager  
Regulatory Affairs

555 W. Fifth Street, GT14D6  
Los Angeles, CA 90013-1011  
Tel: 213.244.3718  
Fax: 213.244.4957  
[JMock@socalgas.com](mailto:JMock@socalgas.com)

January 29, 2021

Energy Division Tariff Unit  
California Public Utilities Commission  
505 Van Ness Avenue  
San Francisco, CA 94102

Re: Reply Comments of Southern California Gas Company (SoCalGas) on Energy Division's Draft Resolution M-4849

Dear Tariff Unit:

Pursuant to Rule 14.5 of the Rules of Practice and Procedure of the California Public Utilities Commission (Commission or CPUC), and the instructions accompanying Draft Resolution (Res.) M-4849, *Authorization and Order Directing Utilities to Extend Protections to Support California Customers through June 30, 2021, and to File Transition Plans for the Expiration of the Emergency Customer Protections*, Southern California Gas Company (SoCalGas) hereby submits these reply comments concerning Draft Res. M-4849.

The Draft Resolution extends the Emergency Customer Protections for residential and small business customers through June 30, 2021, with an option to extend further. It further requires the IOUs to file Tier 2 Advice Letters (AL) with its transition plan, or "Transition Plan Advice Letter" by April 1, 2021.<sup>1</sup>

In its comments on the Draft Resolution submitted on January 22, 2021, SoCalGas supported the extension of the protections to June 30, 2021, and concurred that cost recovery for the protections will continue to be recorded in the COVID-19 Pandemic Protections Memorandum Account (CPPMA). SoCalGas supported the transition plan set forth in Draft Res. M-4849, provided: (1) the draft transition plan due to the Low Income Oversight Board (LIOB) on February 25, 2021, be a high-level outline, (2) there is flexibility for the transition plan design, (3) the Commission defines key indicators for customers projected to face disconnection, and (4) there is flexibility for progress and

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<sup>1</sup> Draft Res. M-4849 at 10.

reporting metrics. SoCalGas responds to opening comments provided by the Joint Consumers<sup>2</sup> and Southern California Edison Company (SCE).

### **Reply Comments on the Draft Resolution**

#### **1. Credit and Collections**

##### **a. SoCalGas disagrees with the Joint Consumers' proposal to modify the monthly disconnection cap.**

In Opening Comments, the Joint Consumers state “the monthly disconnection cap previously adopted by the Commission” in Decision (D.)<sup>3</sup> The Joint Consumers reason since there have been zero disconnections and because of the moratorium timing, the disconnection cap should be modified by 1) removing the COVID period in the calculation or 2) as 1/12 of the authorized monthly cap.<sup>4</sup> Preliminarily, the correct procedural device to make changes to the disconnection cap adopted in D.20-06-003 is through a Petition for Modification, not through the Draft Resolution.<sup>5</sup>

SoCalGas recommends that the Investor Owned Utilities (IOUs) not be directed to commit to a formal methodology for disconnections but be permitted to develop an appropriate approach to manage disconnections during the transition period. The IOUs should have the autonomy to work through their transition plans to determine the methodology for disconnections. The IOUs' transition plan should address the methodology and approach that best fits the circumstances of each utility such as weather moratoriums and workforce commitments to seasonal operational needs such as winter safety checks and pilot relights.

##### **b. SoCalGas supports SCE's position that customers may require a further extension of protections which may impact the IOUs' cashflow.**

SCE notes in opening comments that “depending on circumstances going forward, SCE recognizes that there may be consideration for further extension of the customer protections put in place by the Commission.”<sup>6</sup> The continued impact of the pandemic may prevent full restoration of normal utility operations such as payment offices and other supportive institutions that would allow customers to receive the assistance and

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<sup>2</sup> The Utility Reform Network (TURN), Center for Accessible Technology (CforAT), National Consumer Law Center (NCLC) (“Joint Consumers”).

<sup>3</sup> Opening Comments of the Joint Consumers on Draft Resolution, January 21, 2021, at 9.

<sup>4</sup> *Id.* at 9-10.

<sup>5</sup> 20 C.C.R. § 16.4.

<sup>6</sup> Opening Comments of SCE on Draft Res. M-4849, January 21, 2021, at 3.

aid needed. SoCalGas agrees with SCE that further extensions of the customer protections need to consider the impact on the IOUs of this continued support on the IOUs' cash flow.<sup>7</sup> If disconnections are allowed, a significant avoidable cost for a natural gas utility is the procurement of gas commodity for which it must make timely payments to its suppliers. These are cost savings that can then be realized by its customers.

## 2. Low Income

### a. SoCalGas disagrees with the Joint Consumers' statement that the IOUs decreased Marketing, Education & Outreach (ME&O) during the pandemic.

In opening comments, the Joint Consumers state: "The IOUs have suspended numerous activities, and therefore the IOUs have not needed to conduct MEO&O (sic) associated with those activities for an extended period of time. Thus, there should be more than sufficient existing ME&O budget to cover the mandates contained in the Draft Resolution and other Commission decisions."<sup>8</sup> In reality, SoCalGas increased CARE ME&O efforts to help promote the program during the pandemic; therefore, SoCalGas does not agree with the Joint Consumers' statement. For example, SoCalGas increased use of mass media advertising campaigns and customer outreach in the form of additional community-based partnerships to help get the word out about CARE and enroll newly eligible customers resulting from job losses related to the pandemic. Customer Assistance Programs outreach teams also added community partners such as Goodwill of Southern California, Families Forward, Los Angeles County USC Medical Center, and Promotores Collaborative of San Luis Obispo County. There was, however, a reduction in expenses in some operational areas where the protections discontinued the need for tasks such as verification of customer eligibility. SoCalGas was able to accomplish the additional ME&O activities within existing budgets. To the extent SoCalGas requires additional ME&O funds to fulfill the Res. M-4849 mandate, the company may be able to shift funds from other CARE administrative areas.

The Joint Consumers additionally state in opening comments "in the event an IOU records incremental ME&O costs to the memorandum account, the IOU should have the burden of proof to demonstrate why it cannot meet its mandates using existing authorized ME&O budgets."<sup>9</sup> While SoCalGas does not foresee having issues fulfilling the ME&O requirements laid out in Res. M-4849 with its existing budgets, SoCalGas does not agree with the Joint Consumers' recommendation for IOUs to provide

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<sup>7</sup> *Id.*

<sup>8</sup> Opening Comments of Joint Consumers on Draft Resolution, January 21, 2021, at 12.

<sup>9</sup> *Id.* at 12-13.

additional information about the IOUs' ME&O budget. There is already sufficient regulatory reporting on the IOU's program budgets which includes ME&O. Therefore, additional reporting in this regard is an unnecessary layer of Commission oversight and regulatory burden, especially since costs recorded in the memorandum account are subject to future Commission authorization for rate recovery.

**b. SoCalGas supports the Joint Consumers' proposal to include information and promote the availability of other utility assistance programs but with provisions.**

In Opening Comments, the Joint Consumers state: "the Draft Resolution should be modified to require the utility transition plans to also include information and promote the availability of any additional utility assistance programs."<sup>10</sup> While SoCalGas believes this is a positive initiative that will better enable customers to access relevant information they may not know about, SoCalGas recommends this be limited and not implemented through multiple communication channels. SoCalGas envisions additional information being made available through a link connecting customers to a few different web pages (possibly, other frequently visited SoCalGas assistance programs). The link would take customers to a newly created "resources" page where different programs could be added and updated as needed. Due to the temporary nature of the programs, SoCalGas would limit it to online programs for easier updates. SoCalGas would prefer not to include the information on paper documents and applications to avoid the unnecessary time and expenditure associated with doing so. Web page updates are faster and more efficient.

With respect to promoting the availability of other utility assistance programs, SoCalGas recommends that the additional program information be limited to energy-related programs to ensure the IOU does not have to promote unrelated, non-energy programs. SoCalGas is already doing something similar by promoting information and availability of the Low Income Home Energy Assistance Program and the California Lifeline Program. Finally, SoCalGas recommends the IOUs be permitted to reserve the right to make decisions on placement, communication channels and frequency based on availability and resources.

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<sup>10</sup> *Id.* at 6-7.

**Conclusion**

SoCalGas appreciates the opportunity to provide Reply Comments on Draft Res. M-4849 and respectfully requests that the Commission consider and adopt the proposed modifications.

Sincerely,

/s/ Joseph Mock

Joseph Mock  
Business Manager - Regulatory Affairs

Attn: Certificate of Service

cc: All via e-mail  
April Mulqueen, Energy Division  
Service List in A.20-03-014  
Service List in A.19-11-003  
Service List in A.19-09-014  
Service List in R.18-07-006  
Service List in R.18-07-005  
Service List in R.18-03-011  
Service List in R.17-06-024  
Service List in R.15-03-010  
Service List in R.12-06-013  
Service List in General Order 96-B