

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



April 20, 2020

File No.: A.18-07-024

Ronald van der Leeden
~~Director, Regulatory Affairs~~
Southern California Gas Company
555 W. Fifth Street, GT14D6
Los Angeles, CA 90013-1011

**RE: Request for Extension of Time to Comply with Ordering Paragraphs 10 and 23 of
Decision 20-02-045 (Application 18-07-024)**

Dear Mr. van der Leeden:

On April 3, 2020, Southern California Gas Company (SoCalGas) submitted a letter requesting an extension of time to comply with Ordering Paragraphs 10 and 23 of Decision (D.) 20-02-045 that, if granted, would defer the scheduled transportation rate increase for Schedule G-10, Core Commercial and Industrial Service until January 1, 2021. As discussed below, in light of the impact of COVID-19 on small businesses, I find it reasonable to defer the scheduled rate increase to September 1, 2020 in order to pursue the appropriate regulatory vehicle. Accordingly, as described below, SoCalGas shall: 1) file a petition for modification in Application (A.) 18-07-024, no later than May 15, 2020, describing the requested deferral and proposing how the related undercollection should be treated, and 2) no later than five days from the issuance of this letter, submit a Supplement to SoCalGas' Triennial Cost Allocation Proceeding (TCAP) implementation Advice Letter 5609 requesting to extend implementation of the rate change of G-10 customer class to September 1, 2020 and describing how SoCalGas will track the undercollection until a determination of the Petition for Modification is made. Furthermore, SoCalGas is prohibited from taking any action to recover the undercollection until given further direction from the Commission.

In its April 3, 2020 request, SoCalGas explains that, in response to COVID-19 and the Governor's State of Emergency Declaration, SoCalGas has implemented a Disaster Relief Program that provides residential and non-residential customer protections. SoCalGas points to the May 1, 2020 rate increase for small businesses that is required by D.20-02-045. To mitigate the current impacts of COVID-19 on small businesses, SoCalGas asks the Commission to extend the time to comply with the rate increase to January 1, 2021. SoCalGas underscores that as a result of curtailing the rate increase, there would not be a change in the underlying authorized allocation of costs. This would, however, lead to an undercollection accrual to SoCalGas' fixed cost balancing accounts, which SoCalGas proposes would be collected from all core customers in a future period. Relatedly, San Diego Gas & Electric Company (SDG&E) submitted a letter on the same day as SoCalGas making an identical request.

In response to the requests of SDG&E and SoCalGas, TURN submitted a letter on April 6, 2020 recommending the Commission deny both requests for lack of support and inappropriate

Ronald van der Leeden

April 20, 2020

Page 2

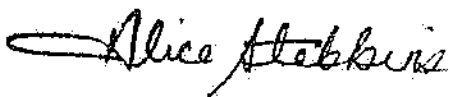
procedure. Further, TURN suggests the Commission consider these actions in the context of a more holistic approach to developing responses to the pandemic's challenges. Alternatively, TURN asks that if the Commission chooses to adopt the rate relief, it should do so without determining the ratemaking treatment for any resulting undercollection. TURN contends that the Commission should consider whether relief for small businesses that assigns the shortfall disproportionately to residential customers is reasonable or fair under the current circumstances.

I agree that an extension request is not the appropriate procedural vehicle for SoCalGas' request because, as noted by TURN, the resultant outcome is materially different than the outcome of the decision SoCalGas is purporting to implement and comply with. However, given the exigency of the circumstances, I find it reasonable to allow for a 120-day delay in order to pursue the more appropriate procedural vehicle, as described below.

Pursuant to Rule 16.6 of the Commission's Rules of Practice and Procedure, the request of SoCalGas for an extension of time is partially granted. SoCalGas is permitted a 120-day delay to implement Ordering Paragraphs 10 and 23 of D.20-02-045. During that time, SoCalGas is instructed to proceed as follows: SoCalGas shall 1) file a petition for modification in A.18-07-024, no later than May 15, 2020, describing the requested deferral and proposing how the related undercollection should be treated, and 2) within five working days of the issuance of this letter, submit a Supplement to SoCalGas' TCAP implementation Advice Letter 5609, requesting to extend implementation of the rate change of G-10 customer class to September 1, 2020 and describing how SoCalGas will track the undercollection until a determination of the Petition for Modification is made.

SoCalGas shall serve a copy of this letter by email on all parties who received a copy of the April 3, 2020 request for an extension of time to comply with Ordering Paragraphs 10 and 23 of D.20-02-045.

Sincerely,



Alice Stebbins
Executive Director