

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



November 20, 2013

Advice Letters:

4537-G

4537-G-A

Rasha Prince, Director
Regulatory Affairs
Southern California Gas
555 W. Fifth Street, GT14D6
Los Angeles, CA 90013-1011

SUBJECT: D.12-08-044, OP 95 Tier 2 Advice Letter Proposing Long-Term Probability Model

Dear Ms. Prince:

Advice Letters 4537-G and 4537-G-A are effective October 3, 2013.

Sincerely,

A handwritten signature in cursive script that reads "Edward F. Randolph".

Edward F. Randolph, Director
Energy Division



Rasha Prince
Director
Regulatory Affairs

555 W. Fifth Street, GT14D6
Los Angeles, CA 90013-1011
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October 21, 2013

Advice No. 4537-A
(U 904 G)

Public Utilities Commission of the State of California

Subject: Partial Supplement: D.12-08-044, Ordering Paragraph (OP) 95 Tier 2 Advice Letter Proposing Long-Term Probability Model

Purpose

This filing complies with the Energy Division's directive for Southern California Gas Company (SoCalGas) and the other energy utilities to submit partial supplements to summarize the results of CARE Post-Enrollment Verification (PEV) across various years.

Background

On September 1, 2013, SoCalGas submitted Advice No. (AL) 4537 to request approval by the California Public Utilities Commission (Commission) of a proposed post enrollment and post re-certification long-term probability model and selection rates for California Alternate Rates for Energy (CARE) enrollees. SoCalGas received notification on September 24, 2013 that AL 4527 was given an initial suspension for further staff review, along with a request from Energy Division staff for additional information on both CARE customers randomly selected for PEVs, and data on CARE customers selected for PEVs by the employed probability models. Due to the method employed by SoCalGas in performing its PEV selection process, this is a combined dataset (i.e., SoCalGas will not have separate tables for customers associated with random selection and PEV model selection). In addition, prior to 2007 there is no probability model in place.

Compliance

Table 1 below depicts the annual rate of customers who were removed from the program due to non-response or ineligibility:

Year	Total CARE Population as of December	Number of CARE Participants Requested to Verify	% of CARE Population Total	Participants Approved (Income Verified as Eligible)	Participants Dropped (Due to non-response)	Participants Dropped (Verified as Ineligible)	Total Dropped	% Dropped via PEV process	% of Total CARE Population Dropped
2007	1,332,614	25,806	1.94%	7,277	22,325	937	23,262	90.14%	1.75%
2008	1,435,398	46,842	3.26%	10,532	21,771	1,972	23,743	50.69%	1.65%
2009	1,560,543	50,001	3.20%	13,327	24,402	1,764	26,166	52.33%	1.80%
2010	1,714,044	60,117	3.51%	13,425	32,405	2,316	34,721	57.76%	2.00%
2011	1,716,495	62,285	3.63%	15,315	31,702	2,222	33,924	54.47%	2.00%
2012	1,649,360	52,147	3.16%	11,356	28,479	2,271	30,750	58.97%	1.90%
2013 *	1,618,685	48,212	2.98%	10,611	18,591	1,842	20,433	42.38%	1.26%

* Year-to-date as of September 2013

Prior to the issuance of Decision (D.) 12-08-044, SoCalGas had been utilizing a CARE PEV probability model using the following approach:

- Randomly select approximately 5% of the CARE population for potential post enrollment verification.
- From the sample, utilize the CARE PEV model to target those customers warranting PEV based on a probability score.

Due to the sequence of first performing a random selection, and then using the model to develop a sub-set of customers to undergo PEV, the information provided in each table satisfies the request for information regarding customers selected according to both of those methods.

Tables 2, 3, and 4 below depict the annual rate of customers who were removed from the CARE program from the CARE PEV probability model after random and PEV model selection:

Table 2: Summary of Customers Removed from the CARE Program, Year 2010

Year 2010 (as of December)	PEV - Returned Approved (Verified as Eligible)	PEV - Customer Terminated	PEV - Denied (Verified as Ineligible)	CARE Participants Dropped (Due to non- response)	Customers not Selected for PEV
Customer Count (N)	24,503	893	2,316	32,405	1,653,927
Enrollment by Documentation Provided					
a) Income Documentation Provided	54.79%	n/a	92.78%	n/a	n/a
b) Categorical Program Documentation Provided	42.74%	n/a	7.02%	n/a	n/a
c) Categorical and Income Documentation Provided	2.47%	n/a	0.20%	n/a	n/a
Total	100.00%	n/a	100.00%	n/a	n/a
Enrollment by Eligibility Type:					
a) Self Certified as Categorically Eligible	29.86%	9.29%	5.05%	29.91%	28.78%
b) Self Certified as Income Eligible	32.30%	26.32%	68.11%	42.67%	22.53%
c) Automatic Enrollment (via data sharing, ESA participation, etc.)	37.84%	64.39%	26.84%	27.42%	48.69%
Total	100.00%	100.00%	100.00%	100.00%	100.00%

n/a = Not Applicable

**Table 3: Summary of Customers Removed from the CARE Program, Year 2011
(as of December)**

Year 2011 (as of December)	PEV - Returned Approved (Verified as Eligible)	PEV - Customer Terminated	PEV - Denied (Verified as Ineligible)	CARE Participants Dropped (Due to non- response)	Customers not Selected for PEV
Customer Count (N)	27,378	983	2,222	31,702	1,654,210
Enrollment by Documentation Provided:					
a) Income Documentation Provided	55.94%	n/a	91.81%	n/a	n/a
b) Categorical Program Documentation Provided	41.85%	n/a	8.09%	n/a	n/a
c) Categorical and Income Documentation Provided	2.21%	n/a	0.10%	n/a	n/a
Total	100.00%	n/a	100.00%	n/a	n/a
Enrollment by Eligibility Type:					
a) Self Certified as Categorically Eligible	31.94%	10.68%	5.71%	31.86%	27.72%
b) Self Certified as Income Eligible	33.98%	21.26%	60.21%	37.14%	20.47%
c) Automatic Enrollment (via data sharing, ESA participation, etc.)	34.08%	68.06%	34.08%	31.00%	51.81%
Total	100.00%	100.00%	100.00%	100.00%	100.00%

n/a = Not Applicable

**Table 4: Summary of Customers Removed from the CARE Program, Year 2012
(as of December)**

Year 2012 (as of December)	PEV - Returned Approved (Verified as Eligible)	PEV - Customer Terminated	PEV - Denied (Verified as Ineligible)	CARE Participants Dropped (Due to non- response)	Customers not Selected for PEV
Customer Count (N)	20,283	1,114	2,271	28,479	1,597,213
Enrollment by Documentation Provided:					
a) Income Documentation Provided	55.99%	n/a	89.12%	n/a	n/a
b) Categorical Program Documentation Provided	42.39%	n/a	10.77%	n/a	n/a
c) Categorical and Income Documentation Provided	1.62%	n/a	0.11%	n/a	n/a
Total	100.00%	n/a	100.00%	n/a	n/a
Enrollment by Eligibility Type:					
a) Self Certified as Categorically Eligible	30.75%	10.06%	5.72%	32.12%	27.35%
b) Self Certified as Income Eligible	27.12%	22.17%	56.90%	32.22%	19.93%
c) Automatic Enrollment (via data sharing, ESA participation, etc.)	42.13%	67.77%	37.38%	35.66%	52.72%
Total	100.00%	100.00%	100.00%	100.00%	100.00%

n/a = Not Applicable

SoCalGas notes differences in values between Table 1 and Tables 2, 3, and 4 may be observed as the information associated with the latter reflects status as of December for each year requested, whereas Table 1 contains information regarding counts of different PEV activities for the given year. Due to processing time values for a particular program year may change after the month of December.

Protest

Pursuant to General Order 96-B, Section 7.5.1, due to the limited nature of this supplemental advice letter, SoCalGas is requesting the protest period not be reopened by the filing of this supplement.

Effective Date

SoCalGas requests that this Supplemental AL 4437-A be approved concurrent with approval of the original AL 4437, as supplemented herein, and that the effective date be the same as requested in the original AL: the first day of the month following 30 days from the date of approval.

Notice

A copy of this advice letter is being sent to the parties listed on Attachment A, which includes the service list for A.11-05-018.

Rasha Prince
Director – Regulatory Affairs

Attachments

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No. **SOUTHERN CALIFORNIA GAS COMPANY (U 904G)**

Utility type:

ELC

GAS

PLC

HEAT

WATER

Contact Person: Sid Newsom

Phone #: (213) 244-2846

E-mail: SNewsom@semprautilities.com

EXPLANATION OF UTILITY TYPE

ELC = Electric

GAS = Gas

PLC = Pipeline

HEAT = Heat

WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: 4537-A

Subject of AL: Partial Supplement: D.12-08-044, Ordering Paragraph (OP) 95 Tier 2 Advice Letter
Proposing Long-Term Probability Model

Keywords (choose from CPUC listing): CARE

AL filing type: Monthly Quarterly Annual One-Time Other

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:

D.12-08-044

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL No

Summarize differences between the AL and the prior withdrawn or rejected AL¹: N/A

Does AL request confidential treatment? If so, provide explanation: No

Resolution Required? Yes No

Tier Designation: 1 2 3

Requested effective date: 11/20/13

No. of tariff sheets: 0

Estimated system annual revenue effect (%): _____

Estimated system average rate effect (%): _____

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: None

Service affected and changes proposed¹ See Advice Letter

Pending advice letters that revise the same tariff sheets: None

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division

Attention: Tariff Unit

505 Van Ness Ave.,

San Francisco, CA 94102

EDTariffUnit@cpuc.ca.gov

Southern California Gas Company

Attention: Sid Newsom

555 West 5th Street, GT14D6

Los Angeles, CA 90013-1011

SNewsom@semprautilities.com

tariffs@socalgas.com

¹ Discuss in AL if more space is needed.

ATTACHMENT A
Advice No. 4537-A

(See Attached Service Lists)