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July 19, 2018

Advice No. 5326
(U 904 G)

Public Utilities Commission of the State of California

Subject: Fair and Accurate Credit Act Compliance Process and Closure of the Palm Springs Branch Office Pursuant to Decision (D.) 16-06-046

Purpose

The purpose of this Advice Letter (AL) is to request approval of a technology solution that will eliminate the need for customers to present identity verification documentation to Southern California Gas Company (SoCalGas) by fax or in-person. As described herein, the new identity verification solution is scheduled for implementation on October 26, 2018. Following implementation, SoCalGas is authorized to close its Palm Springs branch office, pursuant to D.16-06-046.¹

Background

D.16-06-046 granted SoCalGas' request to close its Bellflower, Monrovia, and Santa Monica branch offices.² The decision also granted SoCalGas' request to close its Palm Springs branch office following successful implementation of a process for identity verification consistent with Fair and Accurate Credit Act (FACTA) requirements that would not require customers to appear in-person or fax identification documents to SoCalGas.³ SoCalGas was ordered to submit a Tier 2 AL to receive Commission approval of the technology solution and to close the branch office.⁴

¹ The California Public Utilities Commission (CPUC or Commission) affirmed this ruling by D.18-04-031, which denied rehearing on this issue.

² D.16-06-046, Ordering Paragraph (OP) 1 at 57.

³ D.16-06-046, OP 2 at 57.

⁴ D.16-06-046, Conclusions of Law (COL) 3 at 56 and OP 2 at 57.

Discussion

FACTA is federal consumer-rights law that is intended to reduce the risk of identity theft by regulating how consumer account information is handled by creditors and financial institutions. Presently, in order for SoCalGas to comply with FACTA, customers are required to either visit a branch office or fax identification documents to SoCalGas if the customer is not able or willing to validate their identity on www.socalgas.com or when contacting the Customer Contact Center to establish service. SoCalGas' customer identity validation process includes matching the customer's name and social security number or a previous address or a series of challenge question responses to Credit Bureau information.

SoCalGas has developed a technology solution that provides a convenient and secure web-based solution by which customers can photograph and transmit confidential documents to SoCalGas. The web pages will allow customers to upload the identity verification documents and customer information required for FACTA compliance. Customers will have the capability to use the device of their choice (e.g., smart phone, tablet, or computer) to submit their identity verification documents. SoCalGas will receive these documents through a secure e-mail inbox accessible only by the Credit and Collections department. This technology will facilitate accuracy and clarity of received documents while safeguarding customer information.

Upon implementation of this technology solution, the following steps will replace the need for a customer to either appear in-person or fax identification documents to SoCalGas during service establishment:

- If while attempting to establish service with SoCalGas either through the Customer Contact Center or through www.socalgas.com it is determined that a customer requires additional identification be provided for FACTA compliance,⁵ a confirmation e-mail will be sent to the customer with instructions on how to send SoCalGas proof of identification. The e-mail, which will be in both English and Spanish, will contain a link to the designated area within www.socalgas.com where this information can be provided easily and securely.
- On the newly designated area within www.socalgas.com, customers will be presented with examples of the valid forms of identification required and be able to upload their documents in multiple readily accessible, standard file formats.⁶
- After customers successfully upload their identity verification documents, SoCalGas will send a confirmation email to the customer, again in both English

⁵ The procedure whereby SoCalGas determines when additional identification is required from customers is not part of the new technology solution and, therefore, not the subject of this AL, as that process already exists.

⁶ The allowable file formats will include .PDF, .JPG, .JPEG, .tiff, .PNG, .JPG, .TIF, .BMP, .DOC(X), and .XLS(X).

and Spanish, confirming that the documents were received by SoCalGas and are ready for review.

- SoCalGas' Credit and Collections department will review the documents provided and, if verified, will direct the customer to the Customer Contact Center to complete the establishment of service. If additional information is required or if the documents cannot be accepted, as is the process today, SoCalGas will telephone and/or mail the customer a letter to request the required information.
- SoCalGas will retain customer data for five days, after which the files will be deleted.

SoCalGas' technology solution for customer identity verification is scheduled for implementation on October 26, 2018. After this time, customers will no longer be required to visit a branch office or fax any information to SoCalGas to provide the identification documents necessary for FACTA compliance.⁷

Palm Springs Branch Office Closure

The Commission found in D.16-06-046 that the "closure of the...branch offices is in the public interest because it permits SoCalGas to reduce costs by closing four branch offices with relatively few transactions while ensuring that customers affected by the closure have access to reasonably comparable service through alternate means."⁸ The Commission also found that the "closure of the...branch offices will not disproportionately impact low-income, elderly or disabled customers, because those customers will continue to have access to reasonably comparable customer service through alternate means."⁹ The Commission reaffirmed these finding in D.18-04-031, denying rehearing of D.16-06-046. Therefore, the appropriateness of closing the Palm Springs branch office is not at issue in this AL.

The new FACTA technology solution is scheduled for implementation on October 26, 2018. Pursuant to D.16-06-046, SoCalGas will close the Palm Springs branch office shortly thereafter.

As required by D.16-06-046 and as was done for the Bellflower, Monrovia, and Santa Monica branch office closures, SoCalGas will:

- Track and record the ongoing Operation and Maintenance savings after the Palm Springs branch office closure as well as the costs to achieve such closure, with the net savings credited to SoCalGas' Core Fixed Cost Account;¹⁰

⁷ Customers will still be allowed to visit a branch office or fax information to SoCalGas to provide the identification documents, if they prefer.

⁸ D.16-06-046, COL 5 at 56.

⁹ D.16-06-046, COL 6 at 56.

¹⁰ D.16-06-046, OP 4 at 57.

- Conduct an Americans with Disabilities Act audit for those Authorized Payment Locations supporting the Palm Spring branch closure;¹¹
- Implement an Outreach and Education Plan including, along with training Community-Based Organizations and Faith Based Organizations, a means of providing interested customers with information regarding transportation options;¹² and
- Maintain at least two Authorized Payment Locations within a three-mile radius of the branch office.¹³

Protest

Anyone may protest this AL to the Commission. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. The protest must be made in writing and received within 20 days of the date of this AL, which is August 8, 2018. The address for mailing or delivering a protest to the Commission is:

CPUC Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102

A copy of the protest should also be sent via e-mail to the attention of the Energy Division Tariff Unit (EDTariffUnit@cpuc.ca.gov). A copy of the protest shall also be sent via both e-mail and facsimile to the address shown below on the same date it is mailed or delivered to the Commission.

Attn: Ray B. Ortiz
Tariff Manager - GT14D6
555 West Fifth Street
Los Angeles, CA 90013-1011
Facsimile No.: (213) 244-4957
E-mail: ROrtiz@semprautilities.com

Effective Date

SoCalGas believes this AL is subject to Energy Division disposition and, pursuant to OP 2 of D.16-06-046 and General Order (GO) 96-B, should be classified as Tier 2 (effective after staff approval). Therefore, SoCalGas respectfully requests that this submittal become effective on August 18, 2018, which is 30 calendar days from the date submitted.

¹¹ D.16-06-046, OP 6 at 58.

¹² D.16-06-046, OP 7 at 58.

¹³ D.16-06-046, OP 8 at 58.

Notice

A copy of this AL is being sent to SoCalGas' GO 96-B service list and the Commission's service list in A.13-09-010. Address change requests to the GO 96-B service list should be directed via e-mail to tariffs@socalgas.com or call 213-244-2837. For changes to all other service lists, please contact the Commission's Process Office at 415-703-2021 or via e-mail at process_office@cpuc.ca.gov.

Ronald van der Leeden
Director – Regulatory Affairs

Attachment

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER SUBMITTAL 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: Ray B. Ortiz

Phone #: (213) 244-3837

E-mail: ROrtiz@semprautilities.com

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas
PLC = Pipeline HEAT = Heat WATER = Water

(Date Submitted/ Received Stamp by CPUC)

Advice Letter (AL) #: 5326

Subject of AL: Fair and Accurate Credit Act Compliance Process and Closure of the Palm Springs Branch

Office Pursuant to Decision (D.) 16-06-046

Keywords (choose from CPUC listing): Establish Service

AL type: Monthly Quarterly Annual One-Time Other _____

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

D.16-06-046

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: 8/18/18

No. of tariff sheets: 0

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

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: N/A

Service affected and changes proposed¹: N/A

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 submittal, 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: Ray B. Ortiz
555 West 5th Street, GT14D6
Los Angeles, CA 90013-1011
ROrtiz@semprautilities.com
Tariffs@socalgas.com

¹ Discuss in AL if more space is needed.