

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



January 25, 2019

Advice Letter 5405

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

SUBJECT: SoCalGas Annual Disconnection Goal Pursuant to Decision 18-12-013.

Dear Mr. van der Leeden:

Advice Letter 5405 is effective as of December 28, 2018.

Sincerely,

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

Edward Randolph
Director, Energy Division



Ronald van der Leeden
Director
Regulatory Affairs

555 W. Fifth Street, GT14D6
Los Angeles, CA 90013-1011
Tel: 213.244.2009
Fax: 213.244.4957

RvanderLeeden@semprautilities.com

December 28, 2018

Advice No. 5405
(U 904 G)

Public Utilities Commission of the State of California

Subject: SoCalGas Annual Disconnection Goal Pursuant to Decision 18-12-013

Purpose

In compliance with Ordering Paragraph (OP) 1(a) of Decision (D.) 18-12-013, Southern California Gas Company (SoCalGas) hereby submits this advice letter (AL) to notify the California Public Utilities Commission (Commission) of SoCalGas' annual disconnection goal.

Background

On September 28, 2017, Governor Brown signed Senate Bill (SB) 598 into law. SB 598 states that disconnections of gas and electric utility customers have been rising and notes the public health impacts in terms of hardship and stress resulting from disconnections, especially among vulnerable populations. Among other things, SB 598 requires the Commission to develop rules, policies or regulations with a goal of reducing the statewide disconnection rate of gas and electric utility customers by January 1, 2024. SB 598 also sets forth circumstances under which a customer shall not be disconnected for nonpayment, including a customer receiving a medical baseline allowance, a customer (or member of their household) receiving hospice care, customer dependence on life-support equipment, or the presence of medical conditions requiring electric and natural gas service to sustain life or prevent deterioration of the medical condition.

On July 20, 2018, the Commission initiated a rulemaking proceeding, Rulemaking (R.) 18-07-005, to consider new approaches to disconnections and reconnections to improve energy access across California's electric and gas investor-owned utilities and to implement specific requirements in SB 598. The Commission also intended to analyze the current disconnection paradigm more broadly to determine if more effective

structures or policies can be adopted to reduce disconnections, reduce costs, and improve the disconnection process across utilities. R.18-07-005 intends to undertake a comprehensive assessment of the root causes of (or events that correlate with) residential customer disconnections while also evaluating the rules, processes and procedures regarding disconnections and reconnections at both a statewide and utility specific level.

On December 13, 2018, the Commission adopted D.18-12-013, which establishes interim rules to reduce residential customer disconnection for California-jurisdictional energy utilities while continuing to consider longer term solutions in the rulemaking proceeding. Pursuant to OP 1(a), effective January 1, 2019, each respective utility is to set a goal of limiting residential customer disconnections to its recorded 2017 percentage. Disconnections implemented for each subsequent year are to remain below the interim annual disconnection goal. OP 1(a) directs the utilities to calculate their annual goals by applying their 2017 disconnection percentages to their residential populations as of the effective date of D.18-12-013 (i.e., December 13, 2018). The recorded 2017 disconnection percentages to be used are set forth in Appendix A of D.18-12-013 (or, 2.10% for SoCalGas). The decision notes that the goal will remain in effect until the end of Phase 1 of the Rulemaking proceeding, but no later than 18 months from the decision (i.e., June 13, 2020).¹ OP 3 of the decision adopts reporting requirements should a utility exceed its annual disconnections goal.

Pursuant to OP 1(a) of D.18-12-013, utilities are required to submit an advice letter presenting their annual disconnection goals.

Calculation of Annual Disconnection Goal

As noted previously, SoCalGas' 2017 disconnection rate of 2.10% is to be applied to its December 13, 2018 residential population in order to determine the annual disconnection goal. SoCalGas' best available information for its residential population is as of December 3, 2018, and therefore uses that information as a proxy for the calculation. SoCalGas' residential population on December 3, 2018 was 5,581,041. Accordingly, SoCalGas' annual disconnection goal for the purposes of D.18-12-013 is 117,202 (i.e., 2.1% * 5,581,041).

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 must be received within 20 days from the date of this AL, which is January 17, 2019. The address for mailing or delivering a protest to the Commission is:

¹ D.18-12-013 at p. 18.

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

Copies 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

This submittal is subject to Energy Division disposition and should be classified as Tier 1 (effective after approval) pursuant to General Order (GO) 96-B and OP 1(a) of D.18-12-013. Therefore, SoCalGas respectfully requests that this submittal be approved and made effective December 28, 2018.

Notice

A copy of this AL is being sent to SoCalGas' GO 96-B service list and the Commission's service lists for R.18-07-005. Address change requests to the GO 96-B service list should be directed via e-mail to Tariffs@socialgas.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

Attachments



ADVICE LETTER SUMMARY

ENERGY UTILITY



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

Company name/CPUC Utility No.:

Utility type:

ELC GAS WATER
 PLC HEAT

Contact Person:

Phone #:
E-mail:
E-mail Disposition Notice to:

EXPLANATION OF UTILITY TYPE

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

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #:

Tier Designation:

Subject of AL:

Keywords (choose from CPUC listing):

AL Type: Monthly Quarterly Annual One-Time Other:

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

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL:

Summarize differences between the AL and the prior withdrawn or rejected AL:

Confidential treatment requested? Yes No

If yes, specification of confidential information:

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information:

Resolution required? Yes No

Requested effective date:

No. of tariff sheets:

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:

Service affected and changes proposed¹:

Pending advice letters that revise the same tariff sheets:

¹Discuss in AL if more space is needed.

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 Avenue
San Francisco, CA 94102
Email: EDTariffUnit@cpuc.ca.gov

Name:
Title:
Utility Name:
Address:
City:
State: Zip:
Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

Name:
Title:
Utility Name:
Address:
City:
State: Zip:
Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email: