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January 18, 2024

Advice No. 6250-G
(U 904 G)

Public Utilities Commission of the State of California

Subject: Southern California Gas Company's Implementation of 24-Month Payment Plans Pursuant to Decision (D.) 23-08-049

Purpose

Pursuant to California Public Utilities Commission (Commission or CPUC) Decision (D.) 23-08-049 Ordering Paragraph (OP) 1, Southern California Gas Company (SoCalGas) hereby submits this Tier 1 Advice Letter (AL) confirming implementation of the following: (1) SoCalGas will offer 24-month payment plans to eligible residential customers until October 1, 2026; (2) SoCalGas will allow customers to pay off 24-month payment plans early; and (3) SoCalGas will notify customers if they miss 24-month plan payment by email and text message.

Background

On September 6, 2023, the Commission issued D.23-08-049, directing Pacific Gas and Electric (PG&E), Southern California Edison Company (SCE), San Diego Gas & Electric (SDG&E), and Southern California Gas Company (together, the Investor Owned Utilities (IOUs)) to offer 24-month payment plans to eligible residential customers until October 1, 2026.¹ The intent of the 24-month payment plan is to reduce the burden for customers to pay off their arrearages.

In D.23-08-049, the Commission declined to require the IOUs to automatically enroll customers in 24-month payment plans.² The Commission further clarified that residential customers will be eligible for 24-month payment plans if they have unpaid

¹ D.23-08-049, Conclusion of Law (COL) 1.

² *Id.* at COL 7.

bills that are at least 60 days past due and if they are not enrolled in a payment plan, a Net Energy Metering tariff, levelized billing, budget billing, or automatic billing.³

Discussion

24-Month Payment Plan Implementation

In compliance with D.23-08-049, SoCalGas shall begin offering 24-month payment plans to eligible residential customers starting on January 18, 2024 until October 1, 2026. A residential customer shall be considered eligible to enroll in payment plans of this duration if they meet the following criteria:

- Account has unpaid bills at least 60 days past due.⁴
- Account is not currently enrolled in a payment plan, Net Energy Metering tariff, levelized billing, budget billing, or automatic billing.⁵

Payment Plan Terms

The decision clarifies the terms of the 24-month payment plans as follows:

- (a) customers may miss two payments before being removed from the payment plan,
- (b) each missed payment amount will be amortized over the remaining payments and added to the remaining payments,
- (c) utilities shall not disconnect any residential customer who is current on both current monthly bills and the 24-month payment plan,
- (d) a utility may offer the 24-month payment plan to customers to fulfill the requirements of Ordering Paragraph 1(d) of D.20-06-003, and
- (e) a customer may elect to participate in the 24-month payment plan more than once.⁶

In the context of payment arrangements, SoCalGas defines missed payments as payment amounts that are not equal to or greater than the installment amount including the current amount due, payments not made on or before the due date, or a combination of the two, or a payment that is returned by the bank. SoCalGas will allow a customer to miss two payments while enrolled in the 24-month payment plan, however, SoCalGas will terminate the plan upon the third missed payment. Should the customer miss a payment, the missed payment amount shall be amortized over the remaining payments and added to the remaining payments.

SoCalGas does not disconnect customers with active payment plans, which aligns with the D.23-08-049's requirement preventing IOUs from disconnecting any residential customer who is current on both monthly bills and the 24-month payment plan. Prior to disconnecting any residential customer, SoCalGas will offer the customer a 24-month

³ *Id.* at COL 3.

⁴ SoCalGas is requiring a minimum past due balance of \$25 or more to be eligible for enrollment, as monthly installment amounts must be at least \$1.

⁵ Net energy metering tariffs do not apply to SoCalGas. Level Pay Plan is SoCalGas's levelized billing, budget billing, or automatic billing equivalent.

⁶ D.23-08-049, COL 2.

payment plan to fulfill the requirements of Ordering Paragraph 1(d) of D.20-06-003.⁷ Should a customer opt for a plan with a shorter duration, SoCalGas will instead offer the 12-month payment plan in compliance with OP 1(d). Further, customers are not limited to payment plans of these durations, as they are able to work with the Customer Service Representatives to create payment plans of varying durations⁸ based on their specific needs.

SoCalGas recognizes that having many options when it comes to payment plans provides customers with the flexibility needed to better complete their plans. SoCalGas also recognizes that customers should not be penalized for either early completion or failure to complete their plans, therefore existing practices allow for new plans to be created in both scenarios. This practice aligns with D.23-08-049's requirement permitting customers to participate more than once in a 24-month payment plan. After October 1, 2026, customers will be allowed to remain on their active plans until the respective plan is broken or completed.

Enrollment

D.23-08-049 clarifies that the Commission should not require utilities to automatically enroll customers in long-term payment plans at this time.⁹ Per existing SoCalGas practice, any customer who calls the Customer Contact Centers with billing inquiries related to past due balances, mentions financial hardship, or inquires about assistance will be made aware of various payment assistance options ranging from customer programs to payment plans. SoCalGas customer service representatives (CSRs) will offer the 24-month payment plans to customers who meet the eligibility requirements outlined above. Customers will be informed of the plan requirements and asked to provide contact information such as a mobile phone number and email address in compliance with D.23-08-049.¹⁰ Enrollment in these plans shall begin effective January 18, 2024.

Once enrolled, a customer shall be able to access payment plan details via SoCalGas's Interactive Voice Response (IVR) system, or by logging into their MyAccount online. Due to timing constraints, self-service options for enrollment will not be available upon

⁷ D.20-06-003, OP 1(d) provides: "Prior to disconnecting any residential customer, the utility shall offer the residential customer a 12-month payment plan. The utility shall not disconnect any residential customer who is on a 12-month payment plan and is current on both monthly bills and the 12-month payment plan."

⁸ Customers currently have the option to create payment arrangements with the following durations: 3 months, 6 months, and 12 months. 24-month payment plans will be offered starting January 18, 2024.

⁹ D.23-08-049, COL 7.

¹⁰ *Id.* at COL 6.

24-month payment plan implementation, however, SoCalGas is working towards self-service enrollment capabilities (IVR and online options) being available at a later date.

Customer Notifications

SoCalGas shall notify customers of missed payments in compliance with D.23-08-049.¹¹ Should a customer miss a payment while enrolled in a 24-month payment plan, a customer will receive a notification via email and text message where an email address and/or mobile phone number have been provided by the customer.¹² At enrollment, SoCalGas will ask that customers consent to receive text message as part of the 24-month payment plan set up and will notify customers that they may opt out of text messaging after they have been enrolled. Customers will also be provided with an opportunity to update their contact information as part of the 24-month payment plan enrollment process. Missed payment notifications will inform the customer that a payment has been missed and that failure to comply with the plan requirements for the remaining duration will result in plan termination. A contact number and a link to available assistance options will also be included should the customer require additional support.

Protest

Anyone may protest this Advice Letter 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 submitted electronically and must be received within 20 days after the date of this Advice Letter, which is February 7, 2024. Protests should be submitted to the attention of the Energy Division Tariff Unit at:

E-mail: EDTariffUnit@cpuc.ca.gov

In addition, protests and all other correspondence regarding this Advice Letter should also be sent electronically to the attention of:

Attn: Gary Lenart
Regulatory Tariff Manager
E-mail: GLenart@socalgas.com
E-mail: Tariffs@socalgas.com

¹¹ D.23-08-049, COL 4,5 and OP 1(c).

¹² SoCalGas will send direct mail notifications for customers who do not have access to digital forms of communication and plans to implement at a later date.

Effective Date

SoCalGas asserts this AL is subject to Energy Division disposition and should be classified as Tier 1 (effective pending disposition) pursuant to GO 96-B. It is in compliance with D.23-08-049. Therefore, SoCalGas respectfully requests that it be made effective for service on January 18, 2024, which is the date submitted.

Notice

A copy of this Advice Letter is being sent to SoCalGas' General Order (GO) 96-B service list and the Commission's service list in R.18-07-005. Address change requests to the GO 96-B service list should be directed via e-mail to Tariffs@socalgas.com or call 213-244-2424. 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.

/s/ Joseph Mock
Joseph Mock
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: