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If you would like to follow this proceeding, or any other issue before the CPUC, you may use the CPUC's free subscription service. Sign up at: <http://subscribecpuc.cpuc.ca.gov/>.

If you would like to learn how you can participate in the proceeding, have informal comments, or have questions about the CPUC processes, you may access the CPUC's Public Advisor Office (PAO) webpage at [www.cpuc.ca.gov/pao](http://www.cpuc.ca.gov/pao). You may also contact the Public Advisor's Office as follows:

Write: CPUC Public Advisor's Office  
505 Van Ness Ave.  
San Francisco, CA 94102

Email: [public.advisor@cpuc.ca.gov](mailto:public.advisor@cpuc.ca.gov)

Phone: 1-866-849-8390 (toll-free) or 1-415-703-2074

TTY: 1-866-836-7825 (toll-free) or 1-415-703-5282

Please reference **SoCalGas Demand Response Program Application No. A.18-11-005** in any communications you have with the CPUC regarding this matter. All public comments will become part of the public correspondence file for this proceeding and made available for review to the assigned ALJs, the assigned Commissioner, and appropriate CPUC staff.



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## SOUTHERN CALIFORNIA GAS COMPANY NOTICE TO INCREASE RATES FOR THE 2020-2022 DEMAND RESPONSE PROGRAM APPLICATION NO. A.18-11-005

On November 6, 2018, Southern California Gas Company (SoCalGas®) filed an application with the California Public Utilities Commission (CPUC) requesting to increase rates to fund the 2020-2022<sup>1</sup> Demand Response Program. This application is requesting a \$62.8 million increase for years 2020-2022. The CPUC will review the proposed Demand Response Program and associated budgets included in the application. The proposed Demand Response Program is designed to provide demand response programs to residential, commercial, industrial and agricultural customers. These programs seek to help customers reduce their energy usage during times of peak demand.

### ESTIMATED IMPACT OF THIS REQUEST ON NATURAL GAS RATES

If the CPUC fully approves this application, SoCalGas' revenue requirement will increase to reflect the authorized budget for the demand response programs. The total request for years 2020-2022 is an increase of \$62.8 million. The revenue requirement will increase by \$27.9 million in 2020. In comparison to 2020, the revenue requirement will decrease by \$10.4 million in 2021 and \$10.4 million in 2022. SoCalGas is requesting that these rates become effective on January 1, 2020, or as soon thereafter as possible.

The tables on the next page show the estimated rate impact for years 2020-2022. The percent change in year 2020 is compared to current rates. Each subsequent percent change is compared to the previous year.

<sup>1</sup> SoCalGas is proposing that the Demand Response Program begin Q4 of 2019 and that the 2019 costs be rolled into 2020 such that rates will not be impacted until 2020.

**SOUTHERN CALIFORNIA GAS COMPANY DEMAND RESPONSE PROGRAM  
NATURAL GAS AVERAGE RATE INCREASE FOR YEARS 2020-2022**

<b>Customer Class</b>	<b>Current Rates</b>			<b>2020</b>		<b>2021</b>		<b>2022</b>	
<b>Core-CARE</b>	<b>\$/th</b>	<b>\$/th</b>	<b>% change</b>	<b>\$/th</b>	<b>% change</b>	<b>\$/th</b>	<b>% change</b>	<b>\$/th</b>	<b>% change</b>
Residential	0.98319	0.99274	1%	0.98916	0%	0.98919	0%		
Commercial/Industrial	0.61400	0.61772	1%	0.61633	0%	0.61634	0%		
Gas AC	0.51041	0.51177	0%	0.51126	0%	0.51127	0%		
<b>Core-Non CARE</b>									
Residential	1.15720	1.16675	1%	1.16318	0%	1.16320	0%		
Commercial/Industrial	0.70318	0.70690	1%	0.70551	0%	0.70552	0%		
Gas AC	0.56554	0.56690	0%	0.56639	0%	0.56639	0%		
Gas Engine	0.53729	0.54024	1%	0.53913	0%	0.53914	0%		
Natural Gas Vehicle	0.46579	0.46579	0%	0.46579	0%	0.46579	0%		
<b>Noncore</b>									
Commercial/Industrial	0.08243	0.08298	1%	0.08277	0%	0.08278	0%		

If approved, the average monthly residential bill of 34 therms or \$38.80 (present rates) would increase \$0.32, or 0.8% to \$39.12 in 2020. In 2021, bills would decrease by \$0.12 or 0.3% from \$39.12 in 2020 to \$39.00 in 2021. In 2022, there would be no change in average monthly residential bills (\$39.00 in 2021 and \$39.00 in 2022). Individual customer bills may differ.

**FOR FURTHER INFORMATION**

You may request additional information or obtain a copy of the application from SoCalGas by writing to: Corinne Sierzant, SoCalGas, 555 West Fifth St., GT14D6, Los Angeles, CA 90013. SoCalGas' application can also be reviewed at the CPUC's Central Files Office, appointment only. For more information, contact [aljcentralfilesid@cpuc.ca.gov](mailto:aljcentralfilesid@cpuc.ca.gov) or 1-415-703-2045.

The application is also available electronically on the SoCalGas website at [socialgas.com/regulatory](http://socialgas.com/regulatory)

Copies of this insert will be available for viewing and printing on SoCalGas' website at [socialgas.com/regulatory/bill-inserts](http://socialgas.com/regulatory/bill-inserts)

**CPUC PROCESS**

The application has been assigned to an Administrative Law Judge (Judge) who will determine how to receive evidence and other related documents, necessary for the CPUC to establish a record upon which to base its decision.

After considering all proposals and evidence presented during the formal hearing process, the Judge will issue a proposed decision which may adopt SoCalGas' proposals, modify, or deny them. Any CPUC Commissioner may sponsor an alternate decision. The proposed decision, and any alternate decisions, will be discussed and voted upon at a scheduled CPUC Voting Meeting.

The Public Advocates Office (Cal Advocates) may review this application. Cal Advocates is the independent consumer advocate within the CPUC with a legislative mandate to represent investor-owned utility customers to obtain the lowest possible rate for service consistent with reliable and safe service levels. Cal Advocates has a multi-disciplinary staff with