

Company: Southern California Gas Company (U 904 G)  
Proceeding: 2024 General Rate Case  
Application: A.22-05-~~015~~015/-016 (cons.)  
Exhibit: SCG-16-~~2E~~2E

**PREPARED DIRECT TESTIMONY OF**  
**BRIAN C. PRUSNEK**  
**(CUSTOMER SERVICES – INFORMATION)**

**SECOND ERRATA**

**BEFORE THE PUBLIC UTILITIES COMMISSION**  
**OF THE STATE OF CALIFORNIA**



~~May 2022~~ June 2023

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## SUMMARY OF REQUESTS

### Test Year 2024 Summary of Total O&M Costs

| <b>CS - INFORMATION (In 2021 \$)</b> |   |  |                          |
|--------------------------------------|---|--|--------------------------|
|                                      | <b>2021<br/>Adjusted-<br/>Recorded<br/>(000s)</b> | <b>TY2024<br/>Estimated<br/>(000s)</b> | <b>Change<br/>(000s)</b> |
| Total Non-Shared Services            | 21,64897  | 27,227178                              | 5,530                    |
| Total Shared Services (Incurred)     | 0   | 0                                      | 0                        |
| <b>Total O&amp;M</b>                 | <b>21,64897</b>                                   | <b>27,178227</b>                       | <b>5,530</b>             |

### Test Year 2024 Summary of Total Capital IT Costs

| <b>INFORMATION TECHNOLOGY<br/>(in 2021\$)</b> |                                       |                                       |  |
|---|---------------------------------------|---------------------------------------|--|
| <b>CS - Information</b>                       | <b>Estimated<br/>2022<br/>(\$000)</b> | <b>Estimated<br/>2023<br/>(\$000)</b> | <b>Estimated<br/>TY 2024<br/>(\$000)</b> |
| Improving Customer Experience                 | 3,587                                 | 2,565                                 | 0  |
| <b>Total</b>                                  | <b>3,587</b>                          | <b>2,565</b>                          | <b>0</b>                                 |

I am requesting \$27.227 million for Test Year (TY) 2024 operations and maintenance costs associated with the Customer Service – Information (CS-I) cost categories, representing an increase of \$5.530 million over base year (BY) 2021 levels. This testimony describes the CS-I services and costs at Southern California Gas Company (SoCalGas). These services include providing customer focused and timely communications regarding environmental and climate policies, conservation, safety and reliability of the natural gas system, and programs to help customers manage their energy usage more efficiently and effectively. Additionally, CS-I services include account management services for residential, small and medium business, commercial and industrial customers; clean transportation; energy markets; and, for the advancement of decarbonization, greenhouse gas emissions (GHGs) reductions and improvement to local air quality through supporting cleaner transportation, renewable gas options and the emerging hydrogen economy. The CS-I function consists of the following major service areas:

- Strategic Communications and Engagement provides management of marketing and communications efforts across various channels and mediums to keep customers informed of the latest products, natural gas safety, services, and programs;
- Customer Programs and Assistance provides financial rebates for energy conservation for all customers and energy conservation programs and bill assistance to qualified residential customers;

- Customer Solutions manages customer energy and clean transportation needs, renewable natural gas interconnections, products, programs, services, and education and outreach necessary or beneficial to all customer segments including renewable gas products, carbon management, and programs.

My testimony provides estimated expenses for TY 2024 to support ongoing core activities, and requests authorization for incremental costs for the following activities:

- Increase customer awareness of environmental and climate change policies;
- Provide additional creative services, graphic design, scheduling, and production of printed and electronic material necessitated by the increased communications activities;
- Enhance research and analysis to help better inform customer communication preferences, service offerings, content, and trends;
- Expand digital/social media and text messaging to communicate relevant information across more social media channels;
- Expand safety communication and outreach methods to engage customers and contractors;
- Increase education for gas safety, appropriate appliance use, carbon monoxide poisoning awareness, and earthquake preparedness by customers;
- Incremental non-labor dollars to account for increased costs driven by Energy Savings Assistance Natural Gas Appliance Testing, in compliance with Commission directives;
- Increase support for renewable gas projects and offerings; and
- Respond to customer interest for clean transportation products in the heavy-duty trucking, hydrogen fuel vehicles, natural gas vehicles, and other transportation sectors.

My testimony primarily adopts a base-year with adjustments for growth related to expanded support functions for most areas within CS-I. This method is most appropriate because the business functions and responsibilities of this organization most appropriately stem from the 2021 base year and build incrementally from there. This is primarily due to an increase in safety marketing and communications, increased education and outreach for clean transportation, new technologies including the hydrogen economy, carbon management, and increased renewable gas interconnections that are not captured in historical costs. The five-year average was used for Customer Programs and Assistance. This forecasting method is most appropriate for the Customer Programs and Assistance workpaper as it reduces anomalies in the forecast by smoothing costs attributable to business cycle fluctuations, routine employee attrition, and

fluctuations associated with operations and maintenance (O&M) costs that are closely tied with other regulatory program cycles (e.g., Customer Assistance) that are not aligned with the General Rate Case (GRC) cycle. The five-year average baseline forecast was further adjusted, where needed, to account for specific program growth and other incremental costs not reflected in historical cost data.

**SECOND ERRATA PREPARED DIRECT TESTIMONY OF  
BRIAN C. PRUSNEK  
(CUSTOMER SERVICES – INFORMATION)**

**I. INTRODUCTION**

**A. Summary of Customer Services – Information Costs and Activities**

My testimony supports the Test Year 2024 forecasts for operations and maintenance (O&M) costs for non-shared activity, and capital costs for the forecast years 2022, 2023, and 2024, associated with the Customer Services – Information area for SoCalGas. Table BP-1 summarizes my sponsored costs for O&M and Table BP-2 summarizes my costs for IT capital.

**TABLE BP-1  
Test Year 2024 Summary of Total O&M Costs**

| <b>CS - INFORMATION (In 2021 \$)</b> |   |   |                          |
|--------------------------------------|---|---|--------------------------|
|                                      | <b>2021<br/>Adjusted-<br/>Recorded<br/>(000s)</b> | <b>TY 2024<br/>Estimated<br/>(000s)</b> | <b>Change<br/>(000s)</b> |
| Total Non-Shared Services            | 21,64897  | 27,178227                               | 5,530                    |
| Total Shared Services (Incurred)     | 0   | 0                                       | 0                        |
| <b>Total O&amp;M</b>                 | <b>21,64897</b>                                   | <b>27,178227</b>                        | <b>5,530</b>             |

**TABLE BP-2  
Test Year 2024 Summary of Total Capital IT Costs**

| <b>INFORMATION<br/>TECHNOLGY (in 2021\$)</b> |                                       |                                       |  |
|--|---------------------------------------|---------------------------------------|--|
| <b>CS - Information</b>                      | <b>Estimated<br/>2022<br/>(\$000)</b> | <b>Estimated<br/>2023<br/>(\$000)</b> | <b>Estimated<br/>TY 2024<br/>(\$000)</b> |
| Improving Customer Experience                | 3,587                                 | 2,565                                 | 0  |
| <b>Total</b>                                 | <b>3,587</b>                          | <b>2,565</b>                          | <b>0</b>                                 |

Customer Services – Information provides customer service through multiple channels with solutions to enhance the ability of SoCalGas’s customers to understand and manage their energy usage. The services provided by CS-I include:

- Customer communications, research, outreach, and education;
- Services for low-income and disadvantaged customers;
- Account management services to residential, commercial, industrial and clean transportation customers as well as energy markets customers and producers; and
- Services that focus on a sustainable future by reducing greenhouse gas emissions and improving local air quality including supporting clean transportation and

renewable gas options to decarbonize and accelerate the transition to clean energy fuels.

Collectively, these services provide relevant and well-timed customer interactions through various channels regarding safety and reliability of the natural gas system and energy conservation to all customers designed to efficiently and effectively manage their energy usage.

In support of California climate change policies and a more sustainable future, SoCalGas is evolving and driving a clean energy transition, increasing clean energy access and affordability.<sup>1</sup> CS-I is requesting incremental costs related to activities that support the clean energy transition, these activities include customer demand for evolving digital-based customer services, energy saving programs, clean transportation and renewable natural gas, hydrogen economy and carbon management.

Strategic Communications and Engagement (SC&E) is one of the major functional areas in Customer Services - Information. SC&E provides customer communications through various channels, utilizing market research and analytics to help customize service offerings, content, and trends for our entire customer base. SoCalGas understands its customer segments' needs vary by market segment which is why CS-I provides both digital and traditional channels to build awareness of and engagement on existing and new utility services, programs, and resources. By doing this, SoCalGas can adapt to our customers' current needs, expectations, and provide an innovative and informational customer experience. SC&E manages the digital strategy for customer, and employee interactions websites and tools (socialgas.com, My Account residential, My Account business, mobile web, GasLines (Intranet site), outbound email, and SMS text communications), the maintenance, availability, safety, and security of the infrastructure. It is critical SoCalGas meet the rapidly changing customer needs and website infrastructure safety and security requirements that are inherently part of this new digital world.

Customer Programs and Assistance is another major function within CS-I. The team provides the administration of assistance programs offered to residential customers with limited income and/or certain medical conditions. These services help create an equitable transition to sustainable energy, and California will need to take into account that more than a third of

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<sup>1</sup> SoCalGas, *ASPIRE 2045 - Sustainability and Climate Commitment to Net Zero* (March 2021), available at: [https://www.socalgas.com/sites/default/files/2021-03/SoCalGas\\_Climate\\_Commitment.pdf](https://www.socalgas.com/sites/default/files/2021-03/SoCalGas_Climate_Commitment.pdf).

1 residents are living in or near poverty.<sup>2</sup> One of SoCalGas's five sustainability focus areas is to  
2 increase clean energy access and affordability making customer energy efficiency and assistance  
3 programs vital to increase energy equity in the communities that SoCalGas serves.<sup>3</sup> Programs  
4 like the California Alternate Rates for Energy (CARE) can save customers 20% on their monthly  
5 gas bills for eligible low-income households.<sup>4</sup> The Energy Savings Assistance (ESA) Program  
6 allows eligible customers to receive energy-saving home improvements from an authorized  
7 contractor at no cost.<sup>5</sup> The ESA Program helps to "reduce energy usage, increasing affordability,  
8 contributing to increased equity across our communities, and helping people heat their homes  
9 and cook meals for their families with reduced financial burdens."<sup>6</sup> Natural Gas Appliance  
10 Testing (NGAT) is an operational evaluation of all gas appliances in a home including the  
11 measurement of carbon monoxide in the living space.<sup>7</sup> This safety measure mitigates customers'  
12 exposure to unsafe levels of carbon monoxide. Additionally, the Medical Baseline (MBL) and  
13 the Gas Assistance Fund (GAF) programs are critical customer programs that support our most  
14 vulnerable communities. The MBL Program is a California Public Utilities Commission  
15 (CPUC)-mandated program that provides additional natural gas at the lowest rate to households  
16 with a member who has a medical condition that requires additional heating to sustain the

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<sup>2</sup> Public Policy Institute of California (PPIC), *Poverty in California* (July 2021) at 1, available at: <https://www.ppic.org/publication/poverty-in-california>.

<sup>3</sup> SoCalGas, *Leading Through Sustainability*, available at: <https://www.socalgas.com/sustainability/leading-through-sustainability>.

<sup>4</sup> SoCalGas, *California Alternate Rates for Energy (CARE)*, available at: <https://www.socalgas.com/save-money-and-energy/assistance-programs/california-alternate-rates-for-energy>.

<sup>5</sup> SoCalGas, *Energy Savings Assistance Program*, available at: <https://www.socalgas.com/save-money-and-energy/assistance-programs/energy-savings-assistance-program>.

<sup>6</sup> SoCalGas, *ASPIRE 2045 - Sustainability and Climate Commitment to Net Zero* (March 2021), available at: [https://www.socalgas.com/sites/default/files/2021-03/SoCalGas\\_Climate\\_Commitment.pdf](https://www.socalgas.com/sites/default/files/2021-03/SoCalGas_Climate_Commitment.pdf).

<sup>7</sup> Statewide Energy Savings Assistance Program, 2017-2020 Cycle, Policy and Procedures Manual, Version Revised September 2019 at 45-46.



1 individual's health.<sup>8</sup> The GAF program provides SoCalGas bill payment assistance of up to  
2 \$100 per year to customers experiencing financial hardship.<sup>9</sup>

3 The Customer Solutions (CS) team is the third major function within CS-I. This area is  
4 customer facing for customers who will need support to reach California's climate goals. CS  
5 provides support for these customers in the form of outreach, education, and programs regarding  
6 the latest research on decarbonization fuels and technologies, such as hydrogen and Carbon  
7 Capture Utilization and Sequestration (CCUS). CCUS is a process that captures or removes CO<sub>2</sub>  
8 emissions from power generation and other industries such as iron & steel, fertilizer, cement,  
9 chemicals, and refining for either reuses or stores it so it will not enter the atmosphere.<sup>10</sup> The CS  
10 team works directly with the customers to provide guidance and support to help align their  
11 energy needs with California's current environmental policies. These policies include Senate Bill  
12 (SB) 100, SB 32, SB 350, SB 1440, and SB 1383 which supply the groundwork and programs  
13 for utilities to assist their customers in managing their energy usage more efficiently to reduce  
14 greenhouse gas (GHG) emissions and increase the use of clean energy resources.<sup>11</sup> Landfills are

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<sup>8</sup> D.20-06-003 at 5-6.

<sup>9</sup> SoCalGas, *Gas Assistance Fund*, available at: <https://www.socalgas.com/save-money-and-energy/assistance-programs/gas-assistance-fund>.

<sup>10</sup> U.S. Department of Energy, *Carbon Capture, Utilization & Storage*, available at: <https://www.energy.gov/carbon-capture-utilization-storage>.

<sup>11</sup> SB 100 (De Leon, 2018), available at: [https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201720180SB100](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB100).

California Energy Commission, *Clean Energy and Pollution Reduction Act – SB 350*, available at: <https://www.energy.ca.gov/rules-and-regulations/energy-suppliers-reporting/clean-energy-and-pollution-reduction-act-sb-350>;

SB 32 (Pavley, 2016), available at:

[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201520160SB32](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201520160SB32);

SB 350 (De León, 2015), available at:

[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201520160SB350](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201520160SB350);

SB 1440 (Hueso, 2018), available at:

[https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=201720180SB1440](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201720180SB1440);

SB 1383 (Lara, 2016), available at:

[https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=201520160SB1383](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201520160SB1383).

1 considered the third-largest source of methane in the state.<sup>12</sup> The regulations for SB 1383 became  
2 enforceable in 2022, which requires Californians to reduce organic waste disposal by 50% by  
3 2020 and 75% by 2025, and renewable natural gas will play a vital role in reducing short-lived  
4 climate pollutants (SLCP).<sup>13</sup> The large industrial customers want and need options to support  
5 decarbonization while retaining their ability to produce their products within California.  
6 Customers need affordable and obtainable solutions to decarbonize their operations and utilize a  
7 clean fuels network.

8       Regarding costs, my testimony provides estimated expenses for TY 2024 to support  
9 ongoing core activities, and requests the following incremental activities and resources be  
10 authorized:

- 11       • To increase support and analysis on the impacts to customer markets related to  
12 state environmental and climate priorities and communicate those priorities to  
13 customers;
- 14       • To expand safety communication and outreach to engage customers in  
15 disadvantaged communities;
- 16       • To streamline information on all communication mediums and increase services  
17 and communications through more e-channels (e.g., short messaging service  
18 (SMS) text, mobile applications, and social media);
- 19       • To expand customer research and analyses, enhance customer services offerings;
- 20       • To expand safety communication and outreach methods to engage customers; and
- 21       • To account for increased costs driven by Energy Savings Assistance Natural Gas  
22 Appliance Testing (NGAT), in compliance and consistent with Commission  
23 directives driven by the ESA Program.

24       In addition to sponsoring my own organization's costs, my testimony also supports  
25 business justification for the following area:

- 26       • Information Technology (IT) capital costs for technology that supports Customer  
27 Services - Information are sponsored by SoCalGas witness William J. Exon (Ex.  
28 SCG-21, Ch. 2); however, I will cover in my testimony the business rationale for  
29 those costs.

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<sup>12</sup> State of California - CalRecycle, *California's Short-Lived Climate Pollutant Reduction Strategy*,  
available at: <https://www.calrecycle.ca.gov/organics/slcp/>.

<sup>13</sup> Id.

1           **B.       Support To and From Other Witnesses**

2           My testimony also references the testimony and workpapers of several other witnesses,  
3 either in support of their testimony or as referential support for mine. Those witness areas are  
4 Naim Jonathan Peress and Michelle Sim - Sustainability and Climate Policy (Exhibit (Ex.) SCG-  
5 02) Armando Infanzon - Clean Energy Innovations (Ex. SCG-12), Gregory S. Flores and R.  
6 Scott Pearson – Ramp to General Rate Case (GRC) Integration (Ex. SCG-03/SDG&E-03, Ch. 2),  
7 William J. Exon - Information Technology (Ex. SCG-21, Ch. 2) and Rae Maria Yu - Regulatory  
8 Accounts (Ex. SCG-38).

9           **Sustainability and Climate Policy**

10          Customer Solutions provides account management services to residential, commercial,  
11 industrial, and clean transportation customers as well as energy market customers and producers.  
12 The services focus on a sustainable future by reducing greenhouse gas emissions and improving  
13 local air quality including supporting clean transportation and renewable gas options to  
14 decarbonize and accelerate the transition to clean energy fuels. More information on the policies  
15 can be found in the testimony of Mr. Peress and Ms. Sim - Sustainability and Climate Policy (Ex.  
16 SCG- 02).

17          **Clean Energy Innovations**

18          The Clean Transportation Group under CS-I works directly on implementing the Clean  
19 Transportation program. Direct customer outreach to Clean Transportation customers is handled  
20 by the Customer Solutions team. Indirect customer contact activities such as customer support,  
21 product development, public-access station-management, as well as regulatory and legislative  
22 support for Clean Transportation customers, are handled by Clean Energy Innovations. The  
23 underlying activities and cost drivers are described in the testimony by Mr. Infanzon (Ex. SCG-  
24 12).

25          **Ramp to GRC Integration**

26          NGAT is a safety-related program for Energy Savings Assistance (ESA) Program  
27 participants. The purpose is to test in-home equipment for carbon monoxide hazards. SoCalGas  
28 conducts carbon monoxide testing on homes weatherized through the ESA Program in  
29 accordance with the Statewide Energy Savings Assistance Program Installation Standards and  
30 the Statewide Energy Savings Assistance Program Policy and Procedures Manual. The NGAT  
31 program is a safety measure that mitigates customers' exposure to unsafe levels of carbon

monoxide. The testimony of RAMP to GRC Integration witnesses Messrs. Flores and Pearson describe all the risks and factors included in the RAMP report and the process utilized for RAMP to GRC integration.

#### **Regulatory Accounts**

Avoided Cost Calculator Update Memorandum Account (ACCUMA) is an interest-bearing memorandum account recorded on SoCalGas's financial statements established pursuant to Decision (D.) 16-06-007.<sup>14</sup> D. 16-06-007 creates a consistent regulatory framework for the guidance, planning, and evaluation of integrated distributed resources.<sup>15</sup> CS-I oversees and tracks the costs associated with performing the annual Avoided Cost Calculator updates to provide technical assistance or research for the purpose of advancing future refinement of cost-effective methods. Costs are allocated to the utilities in proportion to the current allocation as determined in the energy efficiency proceeding, Rulemaking (R.) 13-11-005. CS-I is seeking recovery of the costs recorded to the Avoided Cost Calculator Update Memorandum Account.

Assembly Bill (AB) 802 is the Commercial Benchmarking memorandum account (AB802MA) established to comply with Assembly Bill 802.<sup>16</sup> AB 802 was signed into law in October 2015 to provide building owners with the ability to request and obtain energy usage data so they can benchmark their buildings.<sup>17</sup> The purpose of the AB 802 memorandum account is to record incremental costs and capital-related costs associated with implementing the requirements of AB802 to maintain and provide energy usage data to building owners and/or their agents.<sup>18</sup> CS-I manages the Commercial Benchmarking account and is seeking recovery of the costs recorded to the AB802MA and for the on-going costs related to AB 802 in TY2024. More information regarding the accounts for ACCUMA and AB 802 can be found in the testimony of Ms. Yu - Regulatory Accounts (Ex. SCG-38).

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<sup>14</sup> SoCalGas Advice Letter 5100-G - Establish Avoided Cost Calculator Update Memorandum Account (ACCUMA) *available at:* <https://tariff.socalgas.com/regulatory/tariffs/tm2/pdf/5100.pdf>.

<sup>15</sup> D.16-06-007.

<sup>16</sup> SoCalGas Advice Letter 4936-G - Establishment of Assembly Bill 802 Memorandum Account (AB802MA) *available at:* <https://tariff.socalgas.com/regulatory/tariffs/tm2/pdf/4936.pdf>.

<sup>17</sup> AB 802 (Williams, 2015), *available at:* [https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=201520160AB802](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201520160AB802).

<sup>18</sup> *See* SoCalGas Advice Letter 4936-G, *available at:* <https://tariff.socalgas.com/regulatory/tariffs/tm2/pdf/4936.pdf>.

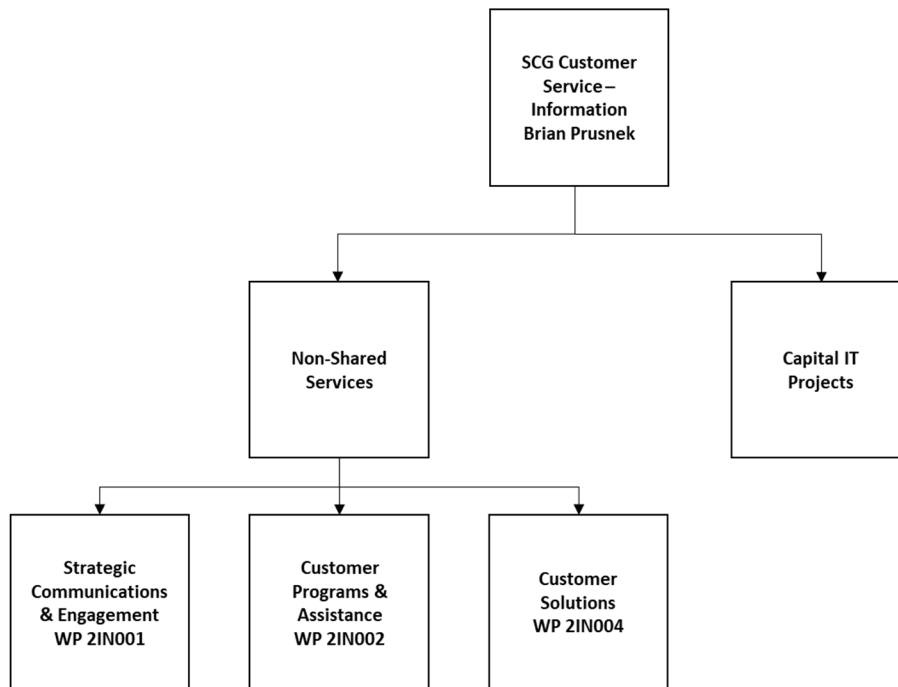
## Information Technology (IT)

I sponsor the business justification for the capital IT projects supporting CS-I activity. These IT projects fall within two primary areas: (1) enhancing customer value and energy management insights derived from SoCalGas's "Ways to Save" online energy and bill analysis tools, and (2) enabling customer authorization of automated sharing of their billing and usage data to third-party energy management providers. The IT capital costs are presented in the testimony of Mr. Exon - Information Technology (Ex. SCG-21).

### C. Organization of Testimony

My testimony is organized into four main categories: Risk Assessment Mitigation Phase Integration, Sustainability and Safety Culture, Non-Shared Services Costs, and Capital Projects. Sub-categories have been created for further organization. The categories are shown in Figure BP-1 below:

**FIGURE BP-1  
Organization of Testimony**



## II. RISK ASSESSMENT MITIGATION PHASE INTEGRATION

Certain costs supported in my testimony are driven by activities described in SoCalGas and SDG&E's May 17, 2021, Risk Assessment Mitigation Phase (RAMP) Report.<sup>19</sup> Table BP-3 provides a summary of the RAMP-related costs supported in my testimony:

**TABLE BP-3**  
**Summary of RAMP O&M Costs**

|  | <b>BY 2021<br/>Embedded<br/>Costs</b> | <b>TY<br/>2024<br/>Total</b> | <b>TY 2024<br/>Estimated<br/>Incremental</b> |
|--|---------------------------------------|------------------------------|--|
| RAMP Risk Chapter  |                                       |                              |  |
| SCG-Risk-3 Incident Related to the Medium Pressure System (Excluding Dig-in) | 1,672                                 | 3,596                        | 1,924  |
| Sub-total  | 1,672                                 | 3,596                        | 1,924  |
| Total RAMP O&M Costs   | 1,672                                 | 3,596                        | 1,924  |

### A. Risk Overview

As summarized in Table BP-3 above, my testimony includes costs to mitigate the safety-related risks and cross-functional factors included in the RAMP report. These risks and factors are further described in Table BP-4 below:

**TABLE BP-4**  
**RAMP Risk Chapter Description**

|   |   |
|---|---|
| SCG Risk -3 – Incident Related to the Medium Pressure System (Excluding Dig-in) | Natural Gas Appliance Testing (NGAT) is a safety measure to help mitigate customers' exposure to unsafe levels of carbon monoxide. The risk of non-adherence to safety programs, policies, and procedures, which may result in severe harm to employees, contractors, and the general public. |
|---|---|

In developing my request, priority was given to key safety risks to determine which currently established risk control measures were important to continue and what incremental efforts were needed to further mitigate these risks. Identifying incremental requests that help to mitigate these risks are reflected in my testimony as adjustments to forecasted costs. This adjustment process was used to identify both RAMP mitigation costs embedded as part of

<sup>19</sup> Please refer to the testimony of Messrs. Flores and Pearson (SCG-03/SDG&E-03, Ch 2) for more details regarding the utilities' RAMP Report.

traditional and historical activities, as well as forecasted RAMP-incremental costs. These can be found in my workpapers as described below. The testimony of RAMP to GRC Integration witnesses Messrs. Flores and Pearson describe all the risks and factors included in the RAMP report and the process utilized for RAMP-to-GRC integration.

#### **B. GRC Risk Controls and Mitigations**

Table BP-5 below summarizes the TY 2024 forecast by workpaper associated with the RAMP activities.

**TABLE BP-5**  
**Summary of Safety Related Risk Mitigation Costs by Workpaper**  
**In 2021 \$ (000s)**

| <b>Workpaper</b> | <b>RAMP ID</b>   | <b>Description</b>                   | <b>BY2021 Embedded Base Costs (000s)</b> | <b>TY2024 Estimated Total (000s)</b> | <b>TY2024 Estimated Incremental (000s)</b> | <b>GRC RSE</b> |
|------------------|------------------|--------------------------------------|--|--------------------------------------|--|----------------|
| 2IN002.000       | SCG-Risk-3 - New | Natural Gas Appliance Testing (NGAT) | 1,672                                    | 3,596                                | 1,924                                      | 0.1            |
| <b>Total</b>     |                  |                                      | <b>1,672</b>                             | <b>3,596</b>                         | <b>1,924</b>                               |                |

For the workpaper identified in Table BP-5 above, additional descriptions of the RAMP controls and mitigations that comprise these forecasts are discussed within the cost category sections below.

The costs for these activities are shown as adjustments to my forecasts and are provided in greater detail in my workpapers. In my workpapers, RAMP mitigation costs are presented as “RAMP-Base” to represent the RAMP-related costs that are embedded in the BY 2021 adjusted-recorded costs and “RAMP-Incremental” to represent TY 2024 estimated incremental costs.

My incremental request supports the on-going management of risks that could pose significant safety, reliability and/or financial consequences to SoCalGas customers and employees. The request includes NGAT, described previously in the summary of safety and risk-related costs, which mitigates our customers’ exposure to carbon monoxide. Per D.05-04-052, “[W]here a cost is one the utility would have to incur regardless of the presence of the low-income programs, it should be funded in base rates, rather than by the limited/earmarked Public Purpose Programs surcharge.”<sup>20</sup> NGAT is part of the ESA Program, a CPUC-approved program,

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<sup>20</sup> D.21-06-015 at 8-9.

1 and has been addressing the safety risks posed from installing air infiltration measures through  
2 energy efficiency improvements.<sup>21</sup>

### 3 **C. Changes from RAMP Report**

4 As discussed in more detail in the RAMP to GRC Integration testimony of Messrs.  
5 Pearson and Flores (Ex. SCG-03/SDG&E-03, Chapter 2), in the RAMP Proceeding, the  
6 Commission's Safety Policy Division (SPD) and intervenors provided feedback on the  
7 Companies' 2021 RAMP Reports. Appendix B in Ex. SCG-03/SDG&E-03, Ch. 2 provides a  
8 complete list of the feedback and recommendations received and the Companies' responses.

9 General changes to risk scores or Risk Spend Efficiency (RSE) values are primarily due  
10 to changes in the Multi-Attribute Value Framework (MAVF) and RSE methodology, as  
11 discussed in the RAMP to GRC Integration testimony. The only change from the 2021 RAMP  
12 Report in my testimony is:

- 13 • In response to stakeholder feedback received in the RAMP Proceeding, SoCalGas  
14 performed additional trenching analysis at a more granular level for some of the  
15 risk mitigations described in my testimony.<sup>22</sup> SoCalGas identified Meter and  
16 Beyond the Meter as an additional tranche for Incidents Related to the Medium  
17 Pressure System risk mitigations.
- 18 • Natural Gas Appliance Testing (NGAT) is included as a specific mitigation with  
19 SCG-Risk-3.

### 20 **III. SUSTAINABILITY AND SAFETY CULTURE**

21 Sustainability at SoCalGas focuses on continuous improvement, innovation, and  
22 partnerships to advance California's climate objectives incorporating holistic and sustainable  
23 business practices and approaches. SoCalGas's sustainability strategy, ASPIRE 2045, integrates  
24 five key focus areas across the Company's operations to promote the public interest, and the  
25 wellbeing of utility customers, employees, and other stakeholders.<sup>23</sup> Please refer to the  
26 Sustainability and Climate Change Policy testimony of Ms. Sim and Mr. Peress (Ex. SCG-02)  
27 for a more detailed discussion of SoCalGas's sustainability and climate policies.

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<sup>21</sup> Statewide Energy Savings Assistance Program, 2017-2020 Cycle, Policy and Procedures Manual, Version Revised September 2019 at 45-46.

<sup>22</sup> "Tranching" refers to a logical disaggregation of a group of assets (physical or human) or systems into subgroups with like characteristics for purposes of risk assessment. D.18-12-014 at 18.

<sup>23</sup> SoCalGas, *ASPIRE 2045 - Climate Commitment* (March 2021), available at: [https://www.socalgas.com/sites/default/files/2021-03/SoCalGas\\_Climate\\_Commitment.pdf](https://www.socalgas.com/sites/default/files/2021-03/SoCalGas_Climate_Commitment.pdf)



1 Safety is foundational to SoCalGas and SoCalGas’s sustainability strategy. As the  
2 nation’s largest gas distribution utility, the safety of SoCalGas’s customers, employees,  
3 contractors, system, and the communities served has been – and will remain – a fundamental  
4 value for the Company and is interwoven in everything SoCalGas does. This safety-first culture  
5 is embedded in every aspect of SoCalGas’s business. The tradition of providing safe and reliable  
6 service spans 150 years of the Company’s history and is summarized in SoCalGas’s Leadership  
7 Commitment statement, which is endorsed by the entire senior management team:

8 SoCalGas leadership is fully committed to safety as a core value. SoCalGas’s Executive  
9 Leadership is responsible for overseeing reported safety concerns and promoting a strong,  
10 positive safety culture and an environment of trust that includes empowering employees to  
11 identify risks and to “Stop the Job.”

12 SoCalGas’s approach to safety is one of continuous learning and improvement where all  
13 employees and contractors are encouraged and expected to engage in areas of opportunity for  
14 learning and promote open dialogue where learning can take place. To learn about SoCalGas’s  
15 overall safety approach please see the Safety & Risk Management System testimony of Neena N.  
16 Master (Ex. SCG-27).

17 The activities described in this testimony advance the state’s climate goals and align with  
18 SoCalGas’s sustainability priorities. Customer Service Information activities support the  
19 transition to clean energy, protect the climate and improve air quality in our communities,  
20 increasing clean energy access by providing the programs and service opportunities for all  
21 customer segments including the hard to decarbonize customers. Some of these services include  
22 the following:

- 23 • Increase education and awareness regarding gas safety, clean fuels strategy,  
24 energy efficiency programs, appropriate appliance use, carbon monoxide  
25 poisoning awareness, and earthquake preparedness;
- 26 • Increase clean energy access and affordability with programs like the California  
27 Alternate Rates for Energy, Energy Savings Assistance Program, Natural Gas  
28 Appliance Testing, Medical Baseline (MBL) and the Gas Assistance Fund  
29 (“GAF”) programs that are critical to providing clean energy access and  
30 affordability to all energy customers;
- 31 • Account management services for residential, small and medium business,  
32 commercial and industrial customers; clean transportation; energy markets; and,  
33 for the advancement of decarbonization, greenhouse gas emissions (GHGs)

reductions and improvement to local air quality through supporting cleaner transportation, renewable gas options and the emerging hydrogen economy.

#### IV. NON-SHARED COSTS

“Non-Shared Services” are activities that are performed by a utility solely for its own benefit. Corporate Center is a cost center that provides certain services to the utilities and to other subsidiaries. For purposes of this general rate case, SoCalGas treats costs for services received from Corporate Center as Non-Shared Services costs, consistent with any other outside vendor costs incurred by the utility. Table BP-7 summarizes the total non-shared O&M forecasts for the listed cost categories.

**TABLE BP-7**  
**Non-Shared O&M Summary of Costs**

| CS - INFORMATION (In 2021 \$)           |   |                               |                  |
|---|---|-------------------------------|------------------|
| A. CS-Information                       | 2021<br>Adjusted-<br>Recorded<br>(000s) | TY2024<br>Estimated<br>(000s) | Change<br>(000s) |
| 1. Strategy Communications & Engagement | 9,14394                                 | 11,396444                     | 2,253            |
| 2. Customer Programs & Assistance       | 2,041                                   | 4,108                         | 2,067            |
| 3. Customer Solutions                   | 10,465                                  | 11,675                        | 1,210            |
| <b>Total</b>                            | <b>21,64897</b>                         | <b>27,178227</b>              | <b>5,530</b>     |

#### A. Strategic Communications and Engagement- Workpaper 2IN001

**TABLE BP-8**  
**TY 2024 Summary of Non-Shared Strategic Communications  
and Engagement (SC&E) Costs**

| CS - INFORMATION (In 2021 \$)       |                                      |                                |               |
|-------------------------------------|--------------------------------------|--------------------------------|---------------|
| A. CS-Information                   | 2021 Adjusted-<br>Recorded<br>(000s) | TY 2024<br>Estimated<br>(000s) | Change (000s) |
| 1. Customer Strategy and Engagement | 9,14394                              | 11,396444                      | 2,253         |
| <b>Total</b>                        | <b>9,14394</b>                       | <b>11,396444</b>               | <b>2,253</b>  |

#### 1. Description of Costs and Underlying Activities

The Strategic Communications and Engagement (SC&E) organization has the responsibility for managing SoCalGas’s customer communications across all segments and mediums. The primary functions and objectives of SC&E are to:

- Provide external communications to customers through varying digital and traditional channels to build awareness of and engagement on existing and new utility services, programs, and resources;
- Create and oversee internal communications, campaigns, newsletters, the intranet site, town halls, and other events to engage and inform employees about the company's operations and top priorities. Additionally, manage all activity associated with graphic design of printed and digital materials in support of internal and external communications.
- Protect the SoCalGas brand from infringement thereby reducing customer confusion that may otherwise result in customers sharing their personal information with malicious sources;
- Educate customers and stakeholders about natural gas safety and reliability, energy management, billing options, payment options, assistance, and rebate programs;
- Adopt and maintain relevant communication channels;
- Manage all primary and secondary customer research, advanced analytics, and modeling to understand customer needs, expectations, and satisfaction with SoCalGas's programs and services;
- Measure customer experience service delivery at key customer interaction touchpoints and deliver insights for process improvements to improve the customer experience (i.e., identify inefficient or non-optimized business processes or approaches that make it difficult for customers to easily transact business with SoCalGas);
- Enforce Web Access Standards to provide web pages and PDF documents available on the website that are compliant with current web, privacy, and accessibility standards; and
- Provide website infrastructure availability and security.

The following provides further details regarding the areas managed by SC&E, as well as details regarding primary cost drivers within these areas.

#### Customer Marketing and Communications

The Customer Marketing and Communications team is primarily responsible for supporting SoCalGas goals and objectives through communication planning and marketing/communication campaigns. The team oversees the development, execution, and reporting of marketing/communications plans and campaigns. To achieve this, the team must monitor and analyze market trends, evaluate and utilize customer research, and identify target markets and channels to strategically and effectively communicate with the specific market segments and increase customer engagement. To help increase the effectiveness of

1 communications for targeted customers, messages are adapted and delivered with culturally  
2 relevant content and in a variety of languages such as English, Spanish, various Asian languages,  
3 and other languages as appropriate.

4 Examples of costs incurred by Customer Marketing and Communications include labor  
5 and non-labor costs related to the annual general pipeline safety and awareness campaign to the  
6 public,<sup>24</sup> the annual winter appliance safety campaign that educates and informs customers on  
7 ways to manage their winter gas bills, and seasonal appliance safety, and ongoing campaigns to  
8 build awareness of evolving digital-based customer services, programs, and information.

9 Customers may receive communications through a variety of digital media to extend  
10 beyond demographic targets, to audience-based targeting that identifies who the customer  
11 segments are and address them directly with messaging that is relevant to their individual needs.  
12 Leveraging data and technology partnerships, SoCalGas can speak to these consumers based on  
13 their detailed demographic, location, purchase history, and intent. Affinity audiences are groups  
14 of people that are placed in predefined buckets of general interests that SoCalGas can then target  
15 with information that delivers tailored messaging that is not only relevant – but matters to them  
16 specifically. Using both internal resources and external vendors, the Customer Marketing and  
17 Communications team develops retargeting to these customer segments across multiple devices  
18 to break through the excessive amount of advertising messages to make sure that SoCalGas  
19 messages are not getting lost, but that they are delivered to the right customer, in the right  
20 environment at the right time.

21 These digital strategies may consist of channels such as video, website content, emails, e-  
22 newsletters, social media, streaming radio/TV, and other interactive media. Traditional channels  
23 such as print advertisements, broadcast media, direct mail, brochures, flyers, and bill inserts may  
24 also be used to accompany digital communications to increase education and awareness.

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<sup>24</sup> The general pipeline safety and awareness campaign is an annual multi-media mass market campaign that provides an amplified approach to raise awareness about pipeline safety and what to do in the event of an emergency. The primary messages of the campaign include: Call 811 Before You Dig and Know How to Recognize and Respond in the Event of a Gas Leak. With the ongoing risk of dig-ins occurring during construction and/or do-it-yourself projects, it is critical for customers to have a clear awareness of how to keep themselves and those around them safe when it comes to natural gas. The campaign supplements SoCalGas' mandated, targeted outreach, by deploying digital media strategies to expand awareness and education across our service territory.

## Employee/ Executive Communications and Creative Services

The Employee/Executive Communications team leads the development and coordination of all employee-facing communications activities. The team oversees and manages the production of internal communications campaigns, newsletters, the intranet site, town halls, and other events to create a mechanism for sharing company news, as well as timely information, to educate employees about the company's top priorities. Internal communications provide a platform for executive leadership to reach all the employees of SoCalGas with important updates, as well as serves as a resource of channels to communicate and educate on safety protocols, progress on initiatives that are aligned to our company's mission, engage employees on the work of colleagues across the company, and inspire employees to get involved, learn more about initiatives, and participate in two-way communication opportunities through town hall platforms, and spaces that allow for comments and questions. Marquees and Digiboards are leveraged across the company to highlight what is most important, timely, and deploy emails on behalf of executives regularly. The messages that are conveyed are in alignment with addressing the interests of employees and explaining the focus concerning the company, leadership, key stakeholders, and customers.

Costs associated with Employee and Executive Communications include work with outside vendors in the production of executive videos, which provide updates on key business initiatives. Additionally, costs may be associated with digital and creative support in the strategy and execution of an employee communications campaign launch or event, such as the annual Virtual Safety Congress.

The Creative Services team manages day-to-day activities associated with graphic design, printing, and branding needs to support customer and employee communications. In particular, the team produces creative assets following brand identity and corporate guidelines, working closely with the Marketing Communications team and internal business partners.

In particular, the materials created by the Creative Services team support numerous SoCalGas programs and services related to education, outreach efforts, bill enclosures that are mandated by the CPUC, and employee and executive communications. Costs that are within this area for ongoing creative services projects include the following:

- Managing an extensive database of cataloged images, which includes updating expiring licensed images, maintaining legal releases of images, and arranging periodic photoshoots for new content;

- Conducting or supporting employee and customer events, such as county fairs, festivals, business symposiums, and in-person employee and executive-speaking events;
- Producing a CPUC mandated annual report of SoCalGas's diversity of vendor relationships based on Diverse Business Enterprises (DBE) Group's metrics, which is distributed to the CPUC and DBE vendors; and
- Improving the reading accessibility of printed communications through efforts such as ensuring that all links and new PDF documents posted on socalgas.com have been formatted in an accessible format that allows the reader to review them using a screen reader.

#### Customer Insights and Analytics.

The Customer Insights and Analytics (CIA) team manages all primary, secondary, and mandated customer research, which supports all areas throughout SoCalGas. The team also measures and monitors customer experience service delivery at key customer interaction touchpoints in order to deliver insights for operational process improvements to improve the customer experience (i.e., identify inefficient or non-optimized business processes that make it difficult for customers to easily transact business with SoCalGas). The CIA team also conducts custom research, advanced analytics, and data modeling to determine the key drivers of customer wants, needs, expectations, perceptions, behavior, and satisfaction with SoCalGas's programs and services. The team is responsible for managing customer experience research, internal tracking studies, customer insight panels, mandated research for pipeline awareness, disadvantaged communities, and low-income customer segments, secondary data, and research requests as well as any other initiatives as required by the company and/or regulatory needs and directives.

The CIA team also manages research and data analysis efforts to support crisis communications, including compliance/community notifications, safety, customer experience, evaluation of energy usage and behaviors by customer segments, and conservation efforts. Costs for the ongoing research projects mentioned above are included within this area.

#### Digital Engagement

The SoCalGas Digital Engagement team is responsible for defining the digital strategy for customer and employee interactions via the websites and tools (socalgas.com, My Account residential, My Account business, mobile web, GasLines (Intranet site), outbound email, and SMS text communications). The Digital Engagement team manages the policies that govern

1 these services, the maintenance, availability, safety, and security of the infrastructure, as well as  
2 the expansion of digital consumer interactions, through multiple channels based on consumer  
3 trends and analytics. The team is responsible for the product management, customer experience,  
4 and user design of these customer and employee channels and the services offered through these  
5 online websites and tools, including two-way services like payment options through  
6 authenticated My Account websites and SMS text channel.

7 In 2020, the migration of socalgas.com to the cloud was completed, to deliver a more  
8 stable website with increased availability and uptime, allowing for critical information to be  
9 more consistently available to our customers.<sup>25</sup> Continued investment and enhancement in this  
10 area and the areas of digital safety and security are critical. The year 2020 began with an  
11 accelerated usage of SoCalGas's digital channels, a trend that is still growing today and will  
12 continue to do so in the coming years with people coming to rely on a "tele-everything" world,  
13 and therefore requires continuous investment.<sup>26</sup>

14 Costs associated with the administration of the day-to-day management and maintenance  
15 of socalgas.com, such as website hosting, safety and security, web user interface development  
16 and optimization, website usage analytics, web technical standards including accessibility  
17 standards for customers with disabilities, videos regarding safety, high bill, and frequently asked  
18 questions (FAQs), streaming media posting, website governance, information architecture and  
19 the Content Management System (CMS) are covered by this team. In addition, Digital  
20 Engagement is responsible for the costs for administration and design of GasLines, which is an  
21 intranet site used at SoCalGas to coordinate the many subsites needed to house and disseminate  
22 information to employees. Finally, the costs for managing the outbound email and SMS text  
23 communications, opt-in/out of these communications, and SMS texts used to allow customers to  
24 perform transactions are also included in this section.

#### 25 Brand Identity, Visual Services and Outreach

26 The activities described in my direct testimony are not for the purpose of promoting the

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<sup>25</sup> Acquia, *Service Level Policy - Product Guide* (May 17, 2021), available at  
<https://docs.acquia.com/guide/service-level/>.

<sup>26</sup> Pew Research Center, *Experts Say the 'New Normal' in 2025 Will Be Far More Tech-Driven, Presenting More Big Challenges* (February 18, 2021), available at:  
<https://www.pewresearch.org/internet/2021/02/18/experts-say-the-new-normal-in-2025-will-be-far-more-tech-driven-presenting-more-big-challenges/>.

1 company name or brand. Brand Identity, Visual Services, and Outreach team is responsible for  
2 all matters related to the SoCalGas brand, brand integrity, and managing brand fee while  
3 ensuring the appropriate use of the brand and accuracy of content in communications to  
4 customers. This includes managing and enforcing brand infringement by others. Brand  
5 infringement often includes individuals and companies falsely representing themselves as being  
6 SoCalGas to mislead or defraud customers.

7 This team directs the creation of in-house photography and videography that is used  
8 widely in communications materials and manages photo licenses and releases. Much of  
9 SoCalGas's communications materials make extensive use of photography. Videography is used  
10 in social media and on SoCalGas.com to inform and educate customers. This team also directs  
11 the operations of the SoCalGas Energy Resource Center in Downey, California which includes  
12 conducting hundreds of informational events for customers annually and is responsible for  
13 conducting local community outreach informational events for customers throughout the  
14 SoCalGas service area annually. Informational events include a focus on safety, safe use of  
15 natural gas, bill payment assistance, and energy conservation.

## 16 **2. Forecast Method**

17 The forecast method developed for this cost category is the base year with adjustments  
18 for growth related to expanded support functions due to the increased focus on safety marketing,  
19 customer behavior & analytics, digital interactions, internal communications, and visual services.  
20 This method is most appropriate because the business functions and responsibilities of this  
21 organization most appropriately stem from the 2021 base year and build incrementally from  
22 there. Therefore, the base year provides a reasonable starting point for future expenditures.

## 23 **3. Cost Drivers**

24 SC&E's total adjusted-recorded expenditures of \$9.1~~4392~~ million in BY 2021 consisted  
25 of \$4.3~~492~~ million in labor costs and \$4.800 million in non-labor costs. Collectively, these  
26 expenditures provided a foundational level of general customer communications, such as the  
27 "Winter Demand Campaign,"<sup>27</sup> research, customer satisfaction studies, and website support. The  
28 costs for this area include employee labor and expenses, software license fees, as well as related

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<sup>27</sup> SoCalGas implemented a winter gas demand response program utilizing smart thermostats. Over 9,200 customers with smart thermostats were recruited into the program and had their temperature set points lowered by up to four degrees during periods of peak demand and system stress.



external contractor support. The increase in California’s climate goals and objectives, social media channels, and customer education around storage and safety are the primary cost drivers impacting the SC&E area.

For TY 2024, SoCalGas is requesting a total of \$11.~~396~~<sup>445</sup> million for SC&E. This forecast is based on a base year cost with an incremental funding request of \$2.253 million above the base-year to accomplish the following:

- Provide additional creative services, graphic design, scheduling, and production of printed and electronic material necessitated by the increased employee communications activities due to the need to keep employees informed and engaged while working remotely as well as the increased focus on customer communications related to customer education on natural gas safety, clean fuels network, energy efficiency programs, customer assistance programs and more;
- Enhance research and analyses to help better inform customer communication preferences, service offerings, content, and trends;
- Increase education regarding gas safety, climate change policies, appropriate appliance use, carbon monoxide poisoning awareness, and earthquake preparedness by customers; and
- Expand social media and text messaging to communicate relevant information across more social media channels.

To support these imperatives, the group will require the following increases in labor and non-labor costs as shown in Table BP-9.

**TABLE BP-9**  
**TY 2024 Incremental Costs – CS&E**

| Strategic Communications and Engagement | TY 2024 - 2021<br>Change (000s) |                |                |          |
|---|---------------------------------|----------------|----------------|----------|
|   | Labor                           | Non-Labor      | Total          | FTE      |
| Executive & Employee Comms              | \$106                           | \$5            | \$111          | 1        |
| Digital Engagement                      | \$331                           | \$334          | \$665          | 3        |
| Marketing/Comms                         | \$223                           | \$910          | \$1,133        | 2        |
| Brand & Visual Services                 | \$105                           | \$58           | \$163          | 1        |
| Customer Insights & Analytics           | \$106                           | \$75           | \$181          | 1        |
| <b>Total TY 2024 Impact</b>             | <b>\$871</b>                    | <b>\$1,382</b> | <b>\$2,253</b> | <b>8</b> |

Executive/Employee Communications and Creative Services

I am requesting \$105,688 in labor for one Creative Service Advisor and \$5,000 in nonlabor equipment for the advisor. This increase is a result of the increased demand for communications in support of customer education on safety, clean fuels network, energy

1 efficiency programs, customer assistance programs and more. Company communications will  
2 continue to be necessary and will grow in demand to share timely updates, progress, and  
3 information in key business areas to both internal and external audiences. This increased focus  
4 will require more support from a Creative Services Advisor to design and produce the materials  
5 that are needed in an expedient manner and as often as needed. A more robust output of materials  
6 will require more labor to help support the demand of production, which includes working with  
7 internal business partners, creating designs, and working with outside vendors to print and  
8 deliver materials at the pace that is required to keep up with company goals to communicate and  
9 keep customers and employees informed.

10 The cost drivers behind this forecast are based on the need for a Creative Services  
11 Advisor to work closely with key business partners in the development and design of customer  
12 educational materials, design of PowerPoint decks for various presentations conducted by leaders  
13 in the company, development of signage and other design to support digital and intranet site  
14 needs in support of customer and employee communications.

15 The Creative Services Advisor will work with outside print vendors to ensure the highest  
16 quality print jobs are created and will manage the entire collateral production process. This role  
17 is necessary to produce the materials that are needed for business units to effectively do their  
18 jobs in support of company goals, with the communications materials necessary to share with  
19 their key stakeholders, customers, and employees. The Creative Services Advisor will also  
20 support SoCalGas's annual mandated Women, Minority, Disabled Veteran and Lesbian, Gay,  
21 Bisexual and Transgender (LGBT) Business Enterprises vendor relationships report to the  
22 CPUC.<sup>28</sup> More information on this report can be found in the testimony of Mr. Joe Chow -  
23 Supply Management, Logistics, & Supplier Diversity (Ex. SCG-17).

#### 24 Digital Engagement

25 Digital channel engagement is increasing not only for utilities but all industries. There is  
26 an intensified digital focus for organizations due to increased demand by customers and  
27 employees and a heightened dependency on digital channels, which was only accelerated by the  
28 COVID-19 pandemic. COVID-19 has transformed the online world, forcing consumers to

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<sup>28</sup> General Order 156 at Section 9, *available at*: <https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/news-and-outreach/documents/bco/utility-supplier-diversity-program/general-order-156.pdf>.

1 change how they do everything from paying bills to shopping for groceries, to engaging with  
2 friends and family. For many consumers, these new dynamics reflect a shift in habits, many of  
3 which will be here to stay.<sup>29</sup> “As the global pandemic unfolds, experts predict people will  
4 develop greater reliance on swiftly evolving digital tools for good and for ill by 2025,” according  
5 to the Pew Research Center.<sup>30</sup> Therefore, it is critical that we also evolve to keep up with  
6 customer expectations, technology advancements, and trends to continue to meet the rapidly  
7 changing customer needs and website infrastructure safety and security requirements that are  
8 inherently part of this new digital world.

9 Customers continue to have ever-changing expectations when it comes to their digital  
10 experience, and they expect us to have the same services and channels as other companies with  
11 whom they do business. Thanks to Google, Amazon, and others, the search field is one of the  
12 most used features on the web.<sup>31</sup> Customers are looking for features like a search first  
13 experience, hyper-personalization, tailored content, Virtual Assistants or Chatbots, etc. We must  
14 continue to align with and adapt to our customer's current needs, expectations, and provide an  
15 innovative user experience with modernized technology with the flexibility to meet their future  
16 needs.

17 Customers are turning to utility websites to self-serve, particularly when in-person  
18 channels are not available, making effective website design key to creating a great customer  
19 experience.<sup>32</sup> This increased demand for self-service requires the continued expansion and  
20 enhancement of our digital channel offerings in the areas of communications and services on  
21 critical topics such as safety, customer assistance programs, energy efficiency rebates, and  
22 customer account management to provide our customers and employees with organized, easy to  
23 find information that meets their growing needs and expectations through these channels.

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<sup>29</sup> Design, Optimize, and promote your self-service options, 2020 E Source Forum.

<sup>30</sup> Pew Research Center, *Experts Say the ‘New Normal’ in 2025 Will Be Far More Tech-Driven, Presenting More Big Challenges* (February 18, 2021), available at: <https://www.pewresearch.org/internet/2021/02/18/experts-say-the-new-normal-in-2025-will-be-far-more-tech-driven-presenting-more-big-challenges/>.

<sup>31</sup> SuperOffice, *The Value of Customer Self-Service in the Digital Age* (May 4, 2021), available at: <https://www.superoffice.com/blog/customer-self-service/>.

<sup>32</sup> Engaging customers through your website – Findings from the E Source 2021 Website Benchmark; Cory Coggins, analyst, Market Research, Heather Hilgenkamp, Ph.D., manager Market Research.

1 Therefore, the Digital Engagement team will need to add \$211,375 in labor and \$15,000 in  
2 nonlabor equipment above the BY 2021, for one Content Strategist and one User  
3 Experience/User Interface (UX/UI) Developer to support this work.

4         The Content Strategist will be responsible for creating information across our websites  
5 and communication channels (socialgas.com, My Account residential, My Account business,  
6 mobile web, GasLines (Intranet site), email, and short message service (SMS) text) to increase  
7 awareness and educate visitors, customers and employees. This role will develop consistent and  
8 timely content to provide information such as high bills and services to help customers better  
9 manage their energy usage. Customers have become more web-savvy and prefer online digital  
10 interactions, features such as SMS text notifications and Virtual Assistants to provide a  
11 compelling customer experience that aligns with the consumers' expectations today.<sup>33</sup> As we  
12 expand our self-service channel with a new Help Center Virtual Assistant, to meet these  
13 customer expectations, the Content Strategist will develop, maintain, and provide new content  
14 and FAQs that will deliver quick answers to customer questions on our programs, offerings, and  
15 account information. The UX/UI Developer will be responsible for applying interactive and  
16 visual design principles focused on the customer experience of our digital channels by enhancing  
17 navigation and self-service features, as well as meeting global web accessibility standards across  
18 our websites. A well-designed website that is informational and easy to navigate builds trust for  
19 visitors and customers to provide better customer service and experience.<sup>34</sup> This position will be  
20 responsible for designing and developing the user interface for our desktop and mobile web  
21 features. The UX/UI Developer will implement new self-service features, such as our Help  
22 Center Virtual Assistant, and optimize our website designs to provide a unified and seamless  
23 digital experience for customers to access critical safety and utility-related program information  
24 and important billing and account data.

25         Digital communication continues to be the norm for more of our customers from  
26 Generation Z to Baby Boomers, who have increasingly gravitated to online channels. It is critical  
27 to use technology to engage with our customers where they prefer, which now more than ever is

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<sup>33</sup> Business 2 Community, *Virtual Agents: Marketing in the Age of Digital Customer Relationships* (June 7, 2011), available at: <https://www.business2community.com/strategy/virtual-agents-marketing-in-the-age-of-digital-customer-relationships-037832>.

<sup>34</sup> *9 Principles of Good Web Design*, available at: <https://www.feelingpeaky.com/9-principles-of-good-web-design/>

1 digital. Providing our customers with a reliable source of information and our future energy  
2 innovations can create an opportunity for the exchange of ideas regardless of technological  
3 barriers.<sup>35</sup>

4 With the increased use of digital channels, comes the increased importance of reliability  
5 of those systems. The move of socalgas.com to the cloud allows for a more stable environment  
6 that more reliably provides vital information on our website. Previously the on-premise system  
7 had dependencies on internal network connectivity and other unrelated applications. Therefore, I  
8 am requesting non-labor costs for \$319,000 above the BY 2021, related to cloud licensing,  
9 cybersecurity, and website availability for socalgas.com. With site availability tools in place,  
10 SoCalGas can monitor issues in real-time and proactively update security settings to manage  
11 communications critical to our customers.

12 With the increase in the use of digital channels, also comes the increase in cybersecurity  
13 dangers. In the article, The Top 22 Security Predictions for 2022, there is a summary of the vast  
14 amounts of information available regarding predictions of top security industry forecasts and  
15 trends, of which there is no shortage.<sup>36</sup> While there is some debate about the specifics of what  
16 will occur, what is clear is that threats have grown significantly throughout the past decade and  
17 will continue their upward trend because it is simply too lucrative with technology innovations,  
18 to alter the cost-benefit calculation for threat actors. Additionally, the COVID-19 pandemic has  
19 caused a significant uptick in cyber-related risks, with new vulnerabilities from threat actors who  
20 want to take advantage of the increased number of people conducting business online.<sup>37</sup> With  
21 ever-increasing cybersecurity threats, SoCalGas's infrastructure is essential to providing reliable  
22 digital communications to our customers.<sup>38</sup> Because of this, the continuous assessment and  
23 enhancement of cybersecurity tools to better respond to outside threats requires having  
24 experienced personnel, therefore, I am requesting \$119,700 in labor above the BY 2021 for one

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<sup>35</sup> Pew Research Center, *Tech is (Just) a Tool* (June 30, 2020), available at:  
<https://www.pewresearch.org/internet/2020/06/30/tech-is-just-a-tool/>.

<sup>36</sup> Government Technology (GT), *The Top 22 Security Predictions for 2022* (December 23, 2021),  
available at: <https://www.govtech.com/blogs/lohrmann-on-cybersecurity/the-top-22-security-predictions-for-2022>.

<sup>37</sup> Accenture, *Emerging Technology: Friend or foe?* (September 23, 2020), available at:  
<https://www.accenture.com/us-en/blogs/security/emerging-technology-friend-or-foe>.

<sup>38</sup> OWASP, *OWASP Top Ten*, available at: <https://owasp.org/www-project-top-ten/>.

1 Senior Software Developer (Cybersecurity). This position will focus on combating distributed  
2 (DDoS)<sup>39</sup> external attacks, as well as security intrusion detection, which is vital to the continued  
3 reliable operation of socalgas.com. This position is an essential part of triaging the cybersecurity  
4 threats that SoCalGas faces today and continually staying ahead of any future threats. Partnering  
5 with the larger corporate cyber and network security teams, this position will help construct an  
6 agile defensive posture to the growing threats to our online ecosystem. Creating a security mesh  
7 within our infrastructure, developing dashboards and consolidating vendor security tools are  
8 some of the key tasks this position will drive.<sup>40</sup>

#### 9 Customer Insights and Analytics

10 I am requesting \$75,000 in non-labor above the BY 2021 for the Touchpoint Action  
11 Program (TAP), a customer experience management program that measures customer reactions  
12 to their interactions with SoCalGas at key touchpoints: Customer Contact Center; Field  
13 Technician; Branch Office Payment Representatives; Interactive Voice Response (IVR),  
14 Website/My Account digital platforms; and Billing. The additional funds are requested for  
15 platform maintenance and enhancements to the technology portal where all TAP data reside and  
16 which makes customer data accessible for instant reporting and analysis that facilitates quicker  
17 action identifying customer pain points, reaching out to customers to resolve any issues and  
18 closing the loop with them, and sharing best practices to improve overall service delivery to  
19 SoCalGas customers across all touchpoint interactions. The technology solution also  
20 accommodates the input of other data streams (e.g., operational) for more comprehensive data  
21 analysis, reporting, modeling for enhanced business operations, and improved service delivery to  
22 customers.

23 I am requesting \$105,688 in labor for a Customer Experience Management Specialist to  
24 better target specific customer groups. Customer Insights and Analytics is constantly enhancing  
25 and expanding consumer, market research, data analytics, and modeling efforts to measure,

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<sup>39</sup> A distributed denial-of-service (DDoS) attack is a malicious attempt to disrupt the normal traffic of a targeted web site by overwhelming the target or its surrounding infrastructure with a flood of Internet traffic. DDoS attacks are effective by using multiple compromised computer systems as sources of attack traffic. Exploited systems can include computers and other networked resources. From a high level, a DDoS attack is like an unexpected traffic jam clogging up the highway, preventing regular traffic from arriving at its destination.

<sup>40</sup> Gartner, *The Top 8 Security and Risk Trends We're Watching* (November 15, 2021), available at: <https://www.gartner.com/smarterwithgartner/gartner-top-security-and-risk-trends-for-2021>.

1 evaluate, and anticipate customer wants, needs, and expectations. The rise in the amount of data  
2 collection and analysis from the availability of big data and the increased reliance on digital  
3 technology has led to new and expanded opportunities for companies to analyze the data  
4 collected along with leveraging and including operational data. This increased data collection  
5 and analysis allows for more comprehensive analyses, targeted modeling output that benefits  
6 varied and diverse customer segments. Utilities have captured large amounts of customer and  
7 demographic information and are now in a position to leverage this information by investing in  
8 data platforms and analysis. This investment in the capabilities of Customer Insights and  
9 Analytics will allow SoCalGas to deliver compelling, timely, and actionable insights that benefit  
10 our customers and help to provide programs and communications that better target and reach  
11 these diverse customer segments. The following increase in resources will be required:

- 12 • 1 FTE: Customer Experience (CX) Management Specialist –A CX specialist is a  
13 professional that optimizes every touchpoint within the multitude of customer  
14 journeys. From the initial point of contact to post-interaction support, a CX  
15 specialist focuses on both the physical and digital interactions each customer has  
16 with SoCalGas. The role focuses on customer-centric approaches to delivering a  
17 smooth, unfragmented, and consistent customer experience across all  
18 touchpoints and at all stages of the customer journey. The position requires  
19 expertise in research and advanced analytics as well as process and program  
20 management and improvement.

#### 21 Brand Identity, Visual Services and Outreach

22 I am requesting \$50,000 in non-labor above the BY 2021 for Energy Resource Center  
23 (ERC) messaging refresh and upgrades. The SoCalGas Energy Resource Center (ERC) in  
24 Downey, California welcomes over 30,000 non-employee event attendees annually. In addition,  
25 there are over 5,000 SoCalGas employees that visit the ERC annually for training, to attend  
26 meetings, and events. This represents a significant opportunity to provide ERC attendees with  
27 key safety information, the safe use of natural gas, hydrogen technology, renewable natural gas,  
28 carbon capture and sequestration, energy conservation, and employee safety. An effective way  
29 of doing this is using large messaging banners throughout the facility including the entry foyer,  
30 the hallways leading to meeting rooms, and the main meeting hall. Messaging banners at the  
31 ERC have not been updated in over eight years. Many are faded, worn and the messaging is out



1 of date. SoCalGas is requesting funding to purchase 20 new banners with relevant, up-to-date  
2 messaging. The cost is projected to be \$50,000.

3 I am requesting \$105,688 in labor and \$8,000 in nonlabor equipment above the BY 2021  
4 for photo/video support. Digital photography and videography are key elements in the  
5 communications that SoCalGas provides externally to its over 21.8 million customers and  
6 internally to over 7,000 employees on messages related to safety, the safe use of natural gas,  
7 energy conservation, and employee safety. Digital assets are used prominently in brochures,  
8 flyers, direct mail, email notifications, and social media for internal employee communications  
9 and externally for customer communications. The creation of digital assets has grown by  
10 approximately 20% per year. Assets must be refreshed regularly to support updated content and  
11 to keep our message to customers and employees relevant. SoCalGas is requesting 1 FTE to  
12 meet the growing demand for digital asset content. The Visual Services Senior Advisor leads  
13 efforts to capture digital assets including commercial-grade photos, videos, and sound while  
14 performing post-production color correction and editing. This position collaborates with the  
15 Strategic Communications and Engagement department and business partners to develop video  
16 strategy storyboards of video stories to be told. The Visual Services Senior Advisor creates and  
17 maintains an archive database of digital photo, video, and sound assets. This provides  
18 compliance with SoCalGas branding initiatives, brand identity guidelines, image usage licenses,  
19 co-branding policies, and proper usage of trademarks and copyrights.

#### 20 Customer Marketing and Communications

21 I am requesting \$900,000 in non-labor above the BY 2021 for expanded safety  
22 communications consisting of the development and execution of engaging and culturally relevant  
23 communications/marketing campaigns. This increase is a result of the media market becoming  
24 increasingly noisy, as technology and digital content production have also increased and  
25 provided more options for consumers than ever before. "COVID may be receding in most  
26 markets but the changes to lifestyles, media consumption and business models continue to fuel  
27 an acceleration in the adoption of digital marketing from both national consumer brands and  
28 small, local and "direct" businesses."<sup>41</sup> Customer choices and preferences on how and where to  
29 receive information differ amongst ages and generation – leading marketing dynamics to change

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<sup>41</sup> MAGNA Global, *Global Economic Recovery Brings Record AD Market Growth* (June 13, 2021),  
available at: <https://magnaglobal.com/magna-global-advertising-forecasts-june-2021/>.



1 rapidly and dramatically. To increase the effectiveness of communications to our targeted  
2 customers, communications campaigns should continue to advance and leverage digital  
3 optimization when necessary to adapt and deliver timely and relevant content and in a variety of  
4 languages such as English, Spanish, and various Asian languages. “The global home  
5 improvement industry is expected to show significant growth in the coming few years.  
6 According to the Joint Center for Housing Studies of Harvard University; Boomers are expected  
7 to account for 56% of all residential remodeling spending by 2025, up from 31% in 2005.”<sup>42</sup>  
8 Furthermore, “while home improvement often refers to building projects that change the  
9 structure of an existing home, it can also include improvements to lawns, gardens, and outdoor  
10 structures, such as gazebos and garages. It also includes maintenance, repair, and general  
11 servicing tasks.”<sup>43</sup> With these projected increases there are targeted communications  
12 opportunities to both licensed and non-licensed contractors along with residential homeowners to  
13 expand awareness and education regarding general pipeline safety, gas leak recognition,  
14 appliance safety and maintenance, emergency preparedness, and seasonal appliance safety  
15 messages to help customers with their bills and usage across the varying seasonal demands.

16 The cost drivers behind this forecast are the development and production of video,  
17 animated digital display ads and other industry trending advertising mediums to deliver highly  
18 engaging, targeted communications and marketing. SoCalGas plans to develop breakthrough  
19 and creative content that will lead to higher performing digital media strategies consisting of  
20 channels such as video, website content, emails, e-newsletters, social media, streaming radio/TV,  
21 and other interactive media. Traditional channels such as print advertisements, broadcast media,  
22 direct mail, brochures, flyers, and bill inserts may also be used to accompany digital  
23 communications to increase education and awareness. As mentioned already, SoCalGas must  
24 continue to align with and adapt to our customers' current needs, expectations, and provide an  
25 innovative customer experience. Using engaging and culturally relevant content coupled with a  
26 variety of digital media to extend beyond demographic targets, and into audience-based targeting  
27 that identifies who the target customers are, SoCalGas could address customers directly with

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<sup>42</sup> Cision PR Newswire, At 4.6% CAGR, Global Home Improvement Market Size is Projected to USD 1093.40 Billion by 2028 Says Brandessence Market Research (January 19, 2022), available at: <https://www.prnewswire.com/news-releases/at-4-6-cagr-global-home-improvement-market-size-is-projected-to-usd-1093-40-billion-by-2028-says-brandessence-market-research-301463585.html>.

<sup>43</sup> *Id.*

1 messaging that is relevant to their individual needs based on data and analytics. Leveraging the  
2 data and technology partnerships, SoCalGas would be able to speak to these customers based on  
3 their detailed demographic, location, purchase history, and intent. Using both internal resources  
4 and external vendors, the general safety communications would be more frequent and retargeted  
5 to relevant customer segments across multiple devices to break through the media clutter and  
6 deliver the right message, in the right environment at the right time. With these resources,  
7 SoCalGas will drive towards proactive communications and provide education and awareness of  
8 safety messages to previously unexposed customers.

9 I am requesting \$222,5000 in labor and \$10,000 in nonlabor equipment for two  
10 Communications Advisors. This increase is a result of the onset of newly mandated CPUC  
11 programs and evolving programs or pilots such as: Energy Savings Assistance Program (ESA),  
12 Arrearage Management Program (AMP), Percentage of Income Payment Plan (PIPP) as well as  
13 changes in customer and stakeholder mindsets, expanded platform of choices, and technology  
14 developments. SoCalGas must evolve and respond to the behaviors of audiences to meet the  
15 communication needs of customers while providing the necessary education and awareness of  
16 programs and services. To better target specific customer and stakeholder groups, more digital  
17 communications strategies are being utilized and numerous data sources, communications assets  
18 and varying messages are continuously being developed and tested to evolve alongside the  
19 changing market trends.

20 The Communications Advisors are responsible for providing strategic planning,  
21 development, and coordination of customer facing communications activities. These positions  
22 support the development and production of highly complex advertising campaigns, and daily  
23 communications to targeted customer segments. The Communications Advisors work with  
24 external agency vendors in the development of campaigns and execution of media assets. The  
25 roles coordinate with cross functional teams and partners to determine the best mediums to use  
26 for specific segments of customers.

**B. Customer Programs & Assistance - Workpaper 2IN002**

**TABLE BP- 10**

**TY 2024 Summary of Non-Shared Customer Programs & Assistance Costs**

| <b>CS - INFORMATION (In 2021 \$)</b> |   |   |                      |
|--------------------------------------|---|---|----------------------|
| <b>A. CS-Information</b>             | <b>2021 Adjusted-<br/>Recorded<br/>(000s)</b> | <b>TY 2024<br/>Estimated<br/>(000s)</b> | <b>Change (000s)</b> |
| 1. Customer Programs & Assistance    | 2,041   | 4,108                                   | 2,067                |
| <b>Total</b>                         | <b>2,041</b>                                  | <b>4,108</b>                            | <b>2,067</b>         |

**1. Description of Costs and Underlying Activities**

The Customer Programs and Assistance area consists of the activity for the administration of assistance programs offered to income eligible residential customers and/or certain medical conditions.<sup>44</sup> As discussed in D.05-04-052, “[W]here a cost is one the utility would have to incur regardless of the presence of the low-income programs, it should be funded in base rates, rather than by the limited/earmarked Public Purpose Programs Surcharge.”<sup>45</sup> Pursuant to this decision, O&M activities described below are costs allocated for recovery in base rates.

Natural Gas Appliance Testing (NGAT)

Per the Energy Savings Assistance Program (ESA) proceeding decision, D.21-06-015, ESA offers weatherization services and energy efficiency measures to low-income customers to help low-income households conserve energy, reduce their energy costs/utility bills, and improve the health, comfort and safety of the home.<sup>46</sup> As part of the services offered under the ESA, SoCalGas performs NGAT in homes that receive air infiltration measures such as weather-stripping, caulking, or window and door repair. For safety purposes, contractors are required to perform an inspection of all natural gas appliances in the home. The process involves an operational evaluation of each gas appliance as well as the measurement of carbon monoxide levels within the living space.<sup>47</sup> D.08-11-031 ordered SoCalGas to charge NGAT to base rates

<sup>44</sup> SoCalGas, *Medical Baseline Allowance Program*, available at: <https://www.socalgas.com/save-money-and-energy/assistance-programs/medical-baseline-allowance>.

<sup>45</sup> D.05-04-052 at 52.

<sup>46</sup> D.21-06-015 at 8.

<sup>47</sup> Statewide Energy Savings Assistance Program, 2017-2020 Cycle, Policy and Procedures Manual, Version Revised September 2019 at 45-46.

1 rather than to the Public Purpose Program funds as a “basic utility service.”<sup>48</sup> In addition,  
2 NGAT should have been included in the SoCalGas and SDG&E’s May 17, 2021, RAMP Report  
3 but it was erroneously omitted and is a post RAMP filing.<sup>49</sup>

#### 4 Medical Baseline

5 The Medical Baseline Allowance (MBL) Program is a CPUC-mandated program that  
6 provides additional natural gas at the lowest rate to households with a member who has a  
7 medical condition that requires additional heating to sustain the individual’s health.<sup>50</sup> SoCalGas’s  
8 MBL activities include outreach, enrollment and application processing, customer support, and  
9 participant recertification. Per the CPUC’s Final Resolution: Medical Baseline Program  
10 Improvements E-5169, SoCalGas is committed to reaching a 3% annual enrollment over the  
11 2018 baseline year for the next three years and seeks recovery of costs associated with the MBL  
12 program to continue its focus on providing program awareness to customers.<sup>51</sup>

#### 13 Gas Assistance Fund (GAF)

14 The Gas Assistance Fund (“GAF”) program provides SoCalGas bill payment assistance  
15 of up to \$100 per year to customers experiencing financial hardship.<sup>52</sup> SoCalGas’s shareholders,  
16 employees, and customers contribute to the GAF program. Over the past two decades, the GAF  
17 program, has helped thousands of Southern Californians facing financial hardship pay their  
18 energy bills. In October/November, SoCalGas solicits customers for contributions to the GAF  
19 program, and SoCalGas shareholders match those contributions, generally on a dollar-for-dollar  
20 basis, up to \$250,000. In 2020, shareholder funds totaled \$500,000 to assist income-qualified  
21 customers who were impacted by the COVID-19 pandemic. In 2021 the GAF program  
22 disbursed approximately \$650,000 and helped more than 6,450 customers to pay their gas bill.  
23 Customer Assistance promotes the program and works with the United Way of Greater Los

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<sup>48</sup> D.08-11-031 at 231 (OP 65).

<sup>49</sup> SoCalGas, *A.21-05-014 – SoCalGas 2021 Risk Assessment and Mitigation Phase (RAMP)* (May 17, 2021), available at: <https://www.socalgas.com/regulatory/2021-ramp-report>.

<sup>50</sup> D.20-06-003 at 5-6.

<sup>51</sup> Resolution E-5169. Implementing Improvements to Medical Baseline Programs and Affirming Compliance with SB 1338 at 18, available at: <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M402/K296/402296800.PDF>.

<sup>52</sup> SoCalGas, *Gas Assistance Fund*, available at: <https://www.socalgas.com/save-money-and-energy/assistance-programs/gas-assistance-fund>.

Angeles to coordinate over 74 Community Based Organizations that identify customers in need of assistance and are responsible for qualifying customers, completing the intake applications, and distributing funds accordingly.

**a. Description of RAMP Mitigations**

NGAT is a safety-related program for Energy Savings Assistance (ESA) Program participants. The purpose is to test in-home equipment for carbon monoxide hazards. SoCalGas conducts carbon monoxide testing on homes weatherized through the ESA Program in accordance with the Statewide Energy Savings Assistance Program Installation Standards and the Statewide Energy Savings Assistance Program Policy and Procedures Manual. CPUC directives order SoCalGas to charge the costs for the NGAT program to base rates rather than to the public purpose funds.<sup>53</sup>

**Summary of RAMP Mitigations  
TABLE BP- 11**

| <b>Workpaper</b> | <b>RAMP ID</b>   | <b>Description</b>                   | <b>BY2021 Embedded Base Costs (000s)</b> | <b>TY2024 Estimated Total (000s)</b> | <b>TY2024 Estimated Incremental (000s)</b> | <b>GRC RSE</b> |
|------------------|------------------|--------------------------------------|--|--------------------------------------|--|----------------|
| 2IN002.000       | SCG-Risk-3 - New | Natural Gas Appliance Testing (NGAT) | 1,672                                    | 3,596                                | 1,924                                      | 0.1            |
| <b>Total</b>     |                  |                                      | <b>1,672</b>                             | <b>3,596</b>                         | <b>1,924</b>                               |                |

**2. Forecast Method**

The forecast method used for this cost category is a five-year average with adjustments for activities related to Natural Gas Appliance Testing (NGAT). With respect to how I estimated costs, a five-year average methodology was adopted to form a “baseline” forecast. The methodology is most appropriate because the costs associated with the administration of these assistance programs fluctuate based on the program's annual goals, targets, and design. For NGAT, these various factors affecting costs are directed by CPUC proceedings outside of the GRC. The current NGAT annual forecast is driven and decided based on D.21-06-015 program requirements including homes treated targets.<sup>54</sup>

<sup>53</sup> D.08-11-031

<sup>54</sup> D.21-06-015 at 498 (OP 111).

**TABLE BP-12**  
**TY 2024 NGAT Forecast Cost Breakdown**

|                            | <b>Estimated<br/>Homes<br/>2024</b> | <b>Expected<br/>NGAT<br/>(85% of<br/>treated<br/>homes)</b> | <b>Total<br/>Forecasted<br/>NGAT Costs<br/>(In 2021 \$,<br/>000s)</b> | <b>Historical<br/>5-year<br/>average cost<br/>(In 2021\$,<br/>000s)</b> | <b>Required<br/>Increase<br/>(In 2021 \$,<br/>000s)</b> |
|----------------------------|-------------------------------------|---|---|---|---|
| Treated<br>Homes Goal      | 93,928                              | 79,839  | \$3,596   | \$1,818   | \$1,778   |
| Net Increase <sup>55</sup> |                                     |   |   |   | 1,778   |

### 3. Cost Drivers

Customer Programs & Assistance recorded total adjusted expenditures of \$2.041 million in 2021, of which \$0.105 million were labor costs and \$1,939 million were non-labor costs. For TY 2024, I am requesting a total of \$4.108 million for Customer Assistance non-shared services. This forecast is based on a net incremental funding request of \$1.778 million above the five-year average to support the increase in NGAT costs.

#### Natural Gas Appliance Testing (NGAT)

This increase is based on significant changes to the ESA Program's goals, targets and design adopted in D.21-06-015 that will result in a higher incidence of NGAT and a fee adjustment to account for inflation. Over the past five years, SoCalGas has treated approximately 62,708 ESA Program units per year, of which approximately 56% have required NGAT services. Per D.21-06-015, the TY 2024 treated home goal for SoCalGas has now increased to 79,839, which represents a 27% increase over the previous five-year average.<sup>56</sup> Additionally, the number of homes requiring NGAT services is likely to rise beyond the five-year average activity levels, due to changes to program goals, target and design adopted in D.21-06-015. The most significant change includes the setting of portfolio energy savings goals to acknowledge that portfolio energy savings is a priority over the number of households treated.<sup>57</sup> Unlike past years, homes treated numbers were approved as targets in D.21-06-015, as opposed to goals, shifting

<sup>55</sup> ESA homes treated goal in 2024 of 93,928 per 21-06-015. Forecasted 85% of homes receiving NGAT. Calculation: 93,928 x 85% = 79,839; 79,839 x \$45.04 per test = \$3,595,940; 2024 forecast of \$3,595,940 - 5-yr avg of \$1,818,342 = \$1,777,599 (or \$1,778K rounded).

<sup>56</sup> D.21-06-015 at 472 (OP 3).

<sup>57</sup> *Id.* at 215.

the program’s emphasis to energy savings over the number of households treated.<sup>58</sup> This will result in the treating of homes with a greater opportunity for measure installation and energy savings. The expected result is greater incidences of the installation of air infiltration measures which will result in more NGAT being conducted. In addition, the CPUC directed SoCalGas to implement the Pilot Plus/Deep program that will result in incidences of NGAT beyond the core ESA Program.<sup>59</sup> As such, SoCalGas anticipates that the number of homes that will require NGAT services will increase from 47% to 85% homes treated.

While the current NGAT unit cost is \$32.10, because SoCalGas annually evaluates the rates it pays for each ESA Program services, my forecast accounts for an increased NGAT per unit cost of \$45.04. The unit cost is based on assumptions for the average time required to conduct each test and estimated wages for qualified resources. Therefore, for TY 2024, SoCalGas forecasts the annual NGAT cost for 79,839 homes at \$45.04 per unit, bringing the total incremental request for Customer Programs & Assistance at \$1.778 million over the five-year average.

### C. Customer Solutions - Workpaper 2IN004

**TABLE BP-13**  
**Summary of Non-Shared Customer Solutions**

| <b>CS - INFORMATION (In 2021 \$)</b> |                                      |                                 |                      |
|--------------------------------------|--------------------------------------|---------------------------------|----------------------|
| <b>A. CS-Information</b>             | <b>2021 Adjusted-Recorded (000s)</b> | <b>TY 2024 Estimated (000s)</b> | <b>Change (000s)</b> |
| Customer Solutions                   | 10,466                               | 11,676                          | 1,211                |
| <b>Total</b>                         | <b>10,466</b>                        | <b>11,676</b>                   | <b>1,211</b>         |

#### 1. Description of Costs and Underlying Activities

This section summarizes activities and costs incurred by the organizations that together provide Customer Solutions. As described more fully below, the primary goal of this group is to strategically manage customer segments to ensure relevant information, services, products, programs, and other offerings are provided to meet and manage customers’ energy and clean transportation needs.

<sup>58</sup> *Id.* at 231.

<sup>59</sup> *Id.* at 479 (OP 38).

The major activities of Customer Solutions consist of providing individualized account management of customer segments as described in Table BP-14; focusing customer services on segments such as the small and medium business (SMB) customers, home builders, developers, and residential customers; advising in areas that pertain to regulatory, tariffs, contracts, air quality, legislation, market and forecast analysis; and presenting customer programs, education and training to the various customer segments listed below.

**TABLE BP - 14**  
**Customer Solutions - Account Management Matrix**

| Customer           |               | Description  |
|--------------------|---------------|--|
| Customer Solutions | Major Markets | Energy Markets<br>Large electric generation, wholesale, international, and enhanced oil recovery customers. California gas and renewable gas producers interconnected or seeking to interconnect to the SoCalGas system.             |
|                    |               | Commercial & Industrial - Select Industry<br>Noncore or noncore eligible (>250,000 therm/year consumption) manufacturers, large hospitals, petroleum refineries, Federal, State, and Los Angeles City and County customers.          |
|                    |               | Commercial & Industrial - Geographically Assigned<br>Hotels, restaurant chains, small hospitals, school districts, small manufacturers, grocery chains, restaurant chain accounts, colleges, and most > 50,000 therm/year customers. |
|                    |               | Clean Transportation<br>Fleet operators, RNG fueling station operators, transit providers  |
|                    | Mass Markets  | Small and Medium Business<br>Medium (> 10,000 therm/year, and < 50,000 therm/year consumption) nonresidential customers, small (<10,000 therm/year consumption) nonresidential customers. <sup>60</sup>                              |

#### Account Management

To effectively serve and meet the needs of the Energy Markets, Commercial & Industrial Markets including most accounts that are greater than 50,000 therms/year, and Clean Transportation customers, SoCalGas delivers individualized account management services through highly trained and specialized Account Representatives (ARs). ARs are assigned to customers and producers included in these segments. AR interactions with customers are critical to communicating with customers regarding safe and reliable service delivery, tariff service

<sup>60</sup> In D.19-07-015, small businesses are “defined in accordance to the utilities definition of ‘small business’ in their rules and tariffs.” D.19-07-015 at 55 (fn. 146).



options for a clean energy transition, regulatory compliance as well for increasing customer satisfaction.

ARs must maintain industry-specific expertise, provide frequent contact with their customer base, provide technical, and policy support by advising on current air quality regulations and compliance, educate customers on clean and sustainable energy options, and manage new business and meter requests. ARs are also responsible for informing customers on their eligible tariff options, explaining the complexities of rate contracts and tariffs (such as curtailment priorities and calculating authorized curtailment quantities), answering questions about their bill and billing process, and assisting eligible customers with navigating the complexities of the Backbone Transportation Service bidding process. To meet these duties, ARs rely on knowledgeable support from a staff team and others in the organization to maintain current, up-to-date, and consistent information to provide to customers.

### Clean Transportation

The Clean Transportation or CT group provides operators of renewable natural gas vehicles (RNGVs), RNGV fueling stations, hydrogen fuel cell vehicles (FCVs), hydrogen fueling stations, vehicles and equipment manufacturers, government agencies, policymakers, and other stakeholders with comprehensive information, education, and training related to Clean Transportation. Customer outreach such as contact support and activities tailored to the customer needs are essential business processes that are performed per customer demand utilizing strategically selected channels. The CT group is crucial to the growing effort of SoCalGas to raise awareness on environmental and climate change policies, market adoption for cleaner fuels, benefits, and funding programs, targeting multi-geographical areas including disadvantaged communities.

The CT group has played a key role in facilitating the increasing transition from diesel-fueled vehicles to cleaner RNGVs in the transportation sector as well as the expansion of private and public RNGV stations. From 2019 to 2021, the number of new RNGV stations installed by private fleets and the general public increased by 15% on average within the SoCalGas service territory.

Direct customer outreach to Clean Transportation customers is handled by the Customer Solutions team. Indirect customer contact activities such as customer support, product development, public-access station-management, as well as regulatory and legislative support for

Clean Transportation customers, are handled by Clean Energy Innovations. The underlying activities and cost drivers for the indirect customer contact activities are described in the testimony by Armando Infanzon (Ex. SCG-12).

The Clean Transportation team recorded total adjusted expenditures of \$0.607 million in 2021, of which \$0.471 million were labor costs and \$0.136 million were non-labor costs. The costs related to the promotion and education on the topic of new and existing Clean Transportation-related products and services. Products (i.e., light-duty vehicles, medium-duty vehicles, heavy-duty vehicles, and refueling station equipment) and services include customer outreach tools and materials, grant funding assistance, truck loan program, safety measures, and training on market subjects and regulations.

#### Mass Markets

The support services strategy for the mass markets and SMB customers is to initiate awareness, increase tools and campaigns, establish primary services, and establish continuous improvement to support this segment effectively. The strategy includes outreach to effectively communicate programs, services, rate education, clean energy options, air quality regulations, and mandated messages to the SMB segment. The unique needs of these customer segments require a different outreach approach than the approach used with Energy Markets and Commercial & Industrial customers.

Additionally, the SMB customers look to SoCalGas to provide them with information regarding energy issues that will directly impact their business, to keep them apprised of all regulatory and rate changes, to share tips on how to save money on their energy bill, and to provide safety-related messages.

#### Staff Support

Staff Support provides analysis, customer needs assessments, market and competitive assessments, and consistent, accurate customer communication materials and facilitates safe and consistent service to customers in accordance with CPUC tariff rules and regulations. The general responsibilities of Staff Support are the following:

- Contracts: Competitive assessments for customers and prospective customers requesting special contracts to compete with alternative pipeline service or alternate fuels. They develop negotiating guidelines and contract terms and conditions, gain management approval for negotiated contracts, develop testimony and supporting documentation to obtain CPUC approval of the negotiated contracts, and develop and implement internal procedures and controls

for contract management and regulatory compliance.

- Rate analysis: Provide expert rate analysis to help ARs work with their customers to select the utility rates and services that best suit their facility needs. Staff Support maintains a bill estimator tool allowing ARs to educate customers about their rate options and the costs associated with each service. Staff Support also works with Gas Engineering, Accounting, and ARs to implement tariff line extension allowances,<sup>61</sup> and works with ARs, Measurement, Regulation and Control, and the Engineering Analysis Center to resolve customer and gas producer questions regarding gas measurement and gas quality.
- Financial and information controls and tariff compliance: Staff Support develops and manages procedures and tools to ensure that all activities undertaken to support customers comply with all applicable CPUC decisions, resolutions, tariff rates, and rules as well as other financial and regulatory rules such as GHG compliance programs like Cap-and-Trade, Sarbanes-Oxley Act, Affiliate Transaction rules, records retention policy, and audit procedures.
- Data and systems governance and compliance: Staff Support provides guidance, direction, training, monitoring, reporting, and support across the Customer Solutions organization in the areas of data analytics, governance, and compliance with the latest CPUC, state, and federal tariffs and regulations pertaining to customer data privacy.<sup>62</sup> In addition, Staff Support coordinates closely with personnel across the Customer Solutions organization, as well as with the SoCalGas Privacy and IT Cybersecurity teams, to ensure adherence to SoCalGas's and industry requirements and best practices with regards to cybersecurity. The Customer Solutions team shares data or access to SoCalGas systems containing data with over one hundred different third-party software providers and/or vendors when factoring in those of the third-party software providers, consultants, and service providers with whom it contracts, thus it must work with all of these entities to ensure adherence. Data privacy, Cybersecurity, and Sarbanes-Oxley Act-related data and system compliance activities, and

<sup>61</sup> See Rule No. 20 ("Gas Main Extensions"), SoCalGas, *available at*: <https://socalgas.com/regulatory/tariffs/tm2/pdf/20.pdf>.

See also Rule No. 21 ("Gas Service Extensions"), SoCalGas, *available at*: <https://socalgas.com/regulatory/tariffs/tm2/pdf/21.pdf>.

<sup>62</sup> As an example, SoCalGas Tariff Rule No. 42 PPRIVACY AND SECURITY PROTECTIONS FOR ENERGY USAGE DATA, requires in section "8. DATA SECURITY" that "(a) Generally. Covered entities shall implement reasonable administrative, technical, and physical safeguards to protect covered information from unauthorized access, destruction, use, modification, or disclosure." And in Section 6, "(c) Disclosures to Third Parties," ... "provided that the covered entity disclosing the data shall, by contract, require the third party to agree to access, collect, store, use, and disclose the covered information under policies, practices and notification requirements no less protective than those under which the covered entity itself operates as required under this Rule, unless otherwise directed by the Commission." SoCalGas Customer Solutions Support Staff must thus work with the hundreds of third-party entities with whom it shares customer data to ensure that the third parties' own procedures and systems are no less protective than those of SoCalGas.

external threats, continue to grow exponentially,<sup>63</sup> thus necessitating increased focus and staffing to support these areas.

- Regulatory filings, data responses, and segment demand forecasting: Staff Support must stay abreast of impending regulation and tariff changes and provide education and training materials to support the rollout of new programs. Regulatory compliance and support including technical contributions to major proceedings, advice letters, compliance filings, data requests, customer segments demand forecasts, the preparation, and submission of reports to regulatory agencies.

#### Portfolio Strategy & Innovation

The Portfolio Strategy & Innovation (PS&I) group defines strategies and oversees a portfolio of strategic initiatives across all refundable programs that design, pilot, test and implement process improvements to increase customer participation, program effectiveness or efficiency, increase energy savings and GHG reductions. The group maintains a center of excellence library of customer best-practices and methodologies to assess and improve the alignment of consumer needs with Customer Solutions implementation by focusing on customer-centric solutions. PS&I is also responsible for overall strategic alignment and status reporting for in-flight renewable gas (RG) initiatives, including the elucidation and tracking of operational RG issues, regulatory proceedings and requirements and identification of opportunities to increase the amount of RG produced or delivered. The group coordinates SoCalGas operational and policy groups to normalize decision-making, developing operational and regulatory roadmaps that help with timely delivery of commission-mandated deliverables as the commission continues to increase the use of renewable gas to decarbonize California's energy usage. The primary functions of the group are:

- Define vision and strategic initiatives for Customer Solutions group, including definition of a customer solution strategy and roadmaps;
- Identify and assist with the definition and implementation of strategic portfolio initiatives, including defining scope, schedule, metrics and goals;
- Manage a central reporting RG PMO to gathering status and report progress on RG programs, initiatives and projects to an executive steering committee,

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<sup>63</sup> See Fortinet, *Cybersecurity Statistics*, available at: <https://www.fortinet.com/resources/cyberglossary/cybersecurity-statistics>, "The use of malware increased by 358% through 2020, and ransomware usage increased by 435% compared to the previous year, according to a study by Deep Instinct. July 2020 alone saw a 653% increase in malicious activity compared to the same month in 2019." Growing trends in data security issues are further discussed in the "Digital Engagement" section of this testimony (Section IV.A.1).

presenting significant issues, concerns and decision timelines. Reporting on dependencies across multiple projects, identifying and escalating issues; and

- Incorporation of decarbonization strategies in regulatory filings, confirming alignment between policy group and business teams to make sure that the policy initiatives support state goals and business objectives/plans.

#### Innovative Kitchen Management

SoCalGas has proposed very aggressive climate commitments and sustainability strategies. SoCalGas customer emissions compose 96% of the emissions reductions necessary to achieve net-zero emissions by 2045. As a result, new and innovative ways to reduce customer emissions are required. One area of critical focus needs to be on behind the meter fugitive methane emissions. Fugitive methane emissions on the customer's side of the meter occur when a customer has a leak in a pipe, appliance connector, a burner, or appliance that prevents the gas from being combusted properly. The California Energy Commission issued a report that studied this issue and determined that more than 50 percent of current fugitive methane emissions come from only three percent of customers.<sup>64</sup> SoCalGas is committed to helping its customers use the gas system effectively and efficiently.

In 2021, SoCalGas launched the Innovative Kitchen Management Project which focused on engagement with commercial food service customers through proactive outreach, methane sensing technologies, and data analytics to further study this issue.<sup>65</sup> Data analytics were used to determine which customers had the highest propensity for current or future fugitive methane emissions. Those customers were invited to participate and were offered proactive service visits to diagnose and repair their natural gas equipment, the installation of appliance-level usage meters and novel smart devices to detect ambient methane emissions. These customers also received low-cost energy efficiency measures through SoCalGas's existing energy efficiency programs. This effort allowed SoCalGas to gather extensive appliance level usage data, analyze trends, and provide customers with recommended solutions. Through the use of proactive

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<sup>64</sup> California Energy Commission, *Assessment of Fugitive Emissions from the Natural Gas System - Commercial Buildings* (CEC Report) (May 2020), available at: <https://www.energy.ca.gov/sites/default/files/2021-05/CEC-500-2020-035.pdf>.

<sup>65</sup> SoCalGas's Innovative Kitchen Management Application Test and Learn Project supports the company's carbon footprint reduction and energy efficiency goals. The project focuses on proactive energy management and methane (CH<sub>4</sub>) detection in the food service industry. The project implementation involves offering energy efficiency portfolio diversification through natural gas appliance upgrades, maintenance, and repairs.

1 equipment diagnosis and smart ambient methane sensing devices, SoCalGas will minimize if not  
2 eliminate ambient emissions while providing customers cleaner, safer, and more affordable  
3 energy solutions. This project embodies SoCalGas's climate commitment, associated  
4 sustainability strategy, and mission to be the cleanest, safest, and most innovative energy  
5 company in America.

6 SoCalGas will continue to implement the Innovative Kitchen Management pilot, and  
7 successor pilots, over the course of the GRC cycle as well as to offer additional innovative  
8 approaches to address fugitive methane emissions for all customers. The initial pilot was  
9 focused on commercial food service establishments; future efforts are envisioned to look at  
10 hospitals, residential systems, and others.

11 Collectively, the Customer Solutions team is responsible for providing information to  
12 customers and agencies about safety, mandated messages, regulatory updates, information on  
13 rates, rate options, air quality regulations, and service offerings.

## 14 **2. Forecast Method**

15 The forecast method developed for this cost category is the base year 2021 with  
16 adjustments for growth related to expanded support functions. This method was selected  
17 because the business functions and responsibilities of this organization most appropriately stem  
18 from the 2021 base year and build incrementally from there. Costs were forecast using the base  
19 year plus adjustments because of increased education and outreach for clean transportation, new  
20 technologies, the hydrogen economy, carbon capture utilization and sequestration, and increased  
21 renewable gas interconnections that are not captured in historical costs.

## 22 **3. Cost Drivers**

23 Customer Solutions recorded total adjusted expenditures of \$10.466 million in BY 2021,  
24 of which \$7.834 million were labor costs and \$2.632 million were non-labor costs. As the  
25 energy environment continues to change, the Customer Solutions organization will need to adjust  
26 its customer offerings in compliance with climate change policy. To support this, I am requesting  
27 \$1.211 million above the base-year to provide resources to address the climate change policies  
28 that may impact all customer segments. As previously discussed, the base year forecast  
29 methodology was used as the basis for the TY 2024 forecast plus adjustments to account for  
30 specific functional changes and growth. The cost drivers behind this forecast are:

- 31 • Climate change policies – Supporting the State's climate change policy initiatives  
32 directly impact all customer segments. Natural gas customers need guidance,

support, and online tools to help align their energy needs with the current environmental policies;

- Customer demand from a continuing increase in the number of customers that operate hydrogen FCVs, hydrogen fueling stations, RNGVs and RNGV fueling stations requiring customer information, education, training and associated products and services;
- Hydrogen economy/Carbon Capture Utilization and Storage; and
- Renewable gas interconnections and tariffs (Rule 45 & SB 1440).

The incremental funding will help fund the resources described in Table BP-15 below.

**TABLE BP-15**  
**TY 2024 NSS Incremental Cost Draft – Customer Solutions**

| <b>Supplemental Customer Solutions Cost Breakdown 2024</b><br><b>(in 2021 \$ 000s)</b> |              |                 |   |         |
|--|--------------|-----------------|---|---------|
| <b>Description</b>   | <b>Labor</b> | <b>Nonlabor</b> | <b>Description</b>  |         |
| New Technologies/<br>Sustainability<br>Educational<br>Outreach Support                 | \$518        |                 | 4.66 FTE: Account Executives to increase support for Clean Transportation and Hydrogen Economy, RNG tariff, Microgrids, new business growth   | \$523   |
|  |              | \$5             | Travel expenses   |         |
|  |              | \$30            | Business My Account   | \$30    |
|  |              | \$152           | Collateral, trade shows, website refresh, increased employee costs, case studies, image updates, and videos for new technologies such as Hydrogen, MicroGrids, Biomethane, and Clean Transportation | \$152   |
| New Technologies/<br>Sustainability_<br>Operational, Tariff<br>& Technical<br>support  | \$115        |                 | 0.5 FTE: VP adjusted labor  | \$1,530 |
|  | \$560        |                 | 4.9 FTE: 3.9 Market Advisors, 1 PM2, CS Staff & Customer Experience   |         |
|  | \$167        |                 | 1.5 FTE: Customer Experience Market Advisors  |         |
|  | \$222        |                 | 2 FTE: Clean Transportation 1 Market Advisor and 1 AE   |         |
|  | \$415        |                 | 1.3 FTE: 0.35 Policy and 0.90 Team Lead support   |         |
|  |              | \$6             | 2.0 FTE: 1 PM3 and 1 AD2 in Data analytics and Compliance   |         |
|  | \$45         |                 | 0.4 FTE: AD2 Program Advisor for AB802MA  |         |

| Supplemental Customer Solutions Cost Breakdown 2024<br>(in 2021 \$ 000s) |                |                |                  |                |
|--|----------------|----------------|------------------|----------------|
| Description  | Labor          | Nonlabor       | Description      |                |
|  |                | (\$1,024)      | Fugitive Methane | (\$1,024)      |
| <b>Incremental Request</b>   | <b>\$2,042</b> | <b>(\$832)</b> | <b>TOTAL</b>     | <b>\$1,211</b> |

#### Staff Support

The State's energy policy initiatives have impacted many of our large, commercial and industrial, and mass-market segments. Customers wishing to develop clean natural gas Distributed Energy Resource (DER) type projects are faced with challenges because of the many policy changes at local, state, and federal levels. As such, our customers need guidance and support to help align their energy needs with the current environmental policies. Our customers are also increasingly dependent on digital platforms such as Business My Account (BMA) for their account management needs, necessitating continuous monitoring of customer feedback and making timely improvements. To date, the impacts of the policy changes have been managed on a limited basis by CS-I business areas through proceedings such as the Self-Generation Incentive Program, Pipeline Safety Enhancement Plan (PSEP), Pipeline Integrity (PI) (maintenance curtailments), and others.<sup>66</sup> However, the number of proceedings that have the potential to impact all customer segments continues to grow.

Support for clean energy programs and initiatives also requires increased data analytics expertise, data-driven insights, and associated data governance. The Customer Solutions team shares customer data, or access to SoCalGas systems containing customer data, with dozens of third-party software providers, consultants, and service providers for the purposes of providing data analytics expertise and/or delivering energy-related programs and services. The team must work with all of these entities to ensure compliance with data privacy and Sarbanes-Oxley Act-related requirements, and to protect against external, exponentially growing cybersecurity threats.<sup>67</sup>

<sup>66</sup> Examples of on-going and anticipated proceedings: Hydrogen Application (TBD), Microgrid OIR (R.19-09-009), Net Energy Metering OIR (R.20-08-020), Integrated DER (R.14-10-003), Gas Planning OIR (R.20-01-007) and Building Decarbonization (R.19-01-011).

<sup>67</sup> See Fortinet, *Cybersecurity Statistics*, available at: <https://www.fortinet.com/resources/cyberglossary/cybersecurity-statistics>, "The use of malware



1 To help consolidate the many policy changes and address growing data governance  
2 needs, I am requesting the following:

- 3 • 1 FTE Market Advisor will be responsible for the digital experience, gather  
4 feedback, suggest implementation of new features that SMB customers desire as  
5 they navigate within Business My Account to manage their gas accounts.
- 6 • 1 FTE Project Manager II will be responsible for managing the Business My  
7 Account expansion to continuously improve/add new capabilities and maintain  
8 tools primarily used by business customers to interact with SoCalGas.
- 9 • 0.5 FTE Market Advisor will be responsible for microgrids consisting of  
10 decentralized power production using renewable gas will require  
11 education/outreach as well as incentive programs to encourage fast adoption.
- 12 • 0.9 FTE Market Advisor will be responsible for outreach/education and staff  
13 support for future tariff(s) and programs to support legislation such as SB 1383  
14 and SB 1440.
- 15 • 1.0 FTE Data Analytics and Compliance Project Manager.
- 16 • 1.0 FTE Advisor will be responsible for providing support across the Customer  
17 Solutions organization in the areas of data analytics, governance, and compliance.

18 As a result of increased regulatory activity significantly impacting customer services  
19 operations, such as disconnections, affordability, arrearages, and payment plans, there is a need  
20 to coordinate and manage regulatory outcomes that can be efficiently and timely operationalized  
21 to support a transformed, positive customer experience. These incremental positions will  
22 provide regulatory policy and compliance support for complex proceedings impacting  
23 customers. This support includes analysis of proposed and final policies, guidance to program  
24 operational areas, support of regulatory audits, and identification and mitigation of risks. To do  
25 this, I am requesting the following:

- 26 • 0.35 FTE Policy Manager responsible for regulatory filings and managerial  
27 oversight of regulatory compliance.
- 28 • 0.90 FTE Advisor 4 will be responsible for regulatory filings, implementation of  
29 regulatory policy, audit support, and compliance.

#### 30 Customer Clean Energy Solutions Staff

31 The Clean Energy Solutions (CES) staff is an incremental staff needed to advance  
32 California's clean energy goals. CES will partner with ARs to understand unique customer

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increased by 358% through 2020, and ransomware usage increased by 435% compared to the previous year, according to a study by Deep Instinct. July 2020 alone saw a 653% increase in malicious activity compared to the same month in 2019." Growing trends in data security issues are further discussed in the "Digital Engagement" section of this testimony (Section IV.A.1).

1 challenges to decarbonization and collaborate with internal and external parties to create  
2 solutions for these customers, including service offerings on renewable gas and carbon  
3 management. For California to reach its climate goals, customers will need individualized  
4 support from ARs to understand what renewable fuels and decarbonization technologies are  
5 available to them, how it benefits their business, and what types of changes may be required to  
6 their specific use case. For example, as H2 reacts differently than natural gas, customers will  
7 need individualized assessments in determining what changes to their processes and equipment  
8 may be required. CES will also provide education to customers on the evolving hydrogen  
9 economy and create the strategy for transitioning customers' processes from natural gas to  
10 hydrogen. To perform the individualized assessments, I am requesting funding for the following:

- 11 • 2.2 FTE - Account Executives to support hydrogen economy, microgrids, new  
12 business growth, renewable gas interconnections, tariffs changes, and new  
13 programs/outreach in support of these activities.
- 14 • 1 FTE - Market Advisor (SMB Clean Energy Outreach) will be responsible for  
15 outreach and education for SMB regarding decarbonization and emission  
16 standards for small businesses and available clean energy technologies that can  
17 meet/beat the standards.
- 18 • 0.5 FTE Market Advisor will be responsible for hydrogen blending  
19 outreach/education support; coordination of customer pilot projects; tariff analysis  
20 and changes may be required.
- 21 • 0.5 FTE - Market Advisor (Hydrogen Production technology & infrastructure)  
22 will be responsible for large-scale H2 production that will require changes to  
23 current interconnection standards and new business processes.
- 24 • 1 FTE Market Advisor will be responsible for existing Rule 45 Renewable Gas  
25 Interconnection incentive program administration and support may increase if  
26 program is extended, increased, or if incentives are created for smaller-scale  
27 renewable gas interconnections to the distribution system.<sup>68</sup>
- 28 • 0.5 FTE - Market Advisor (Carbon Management) will be responsible for Carbon  
29 Management potential new service offering that requires the design of the  
30 program, outreach/education, and implementation.

31 These positions are needed to accelerate the clean energy transition and to reduce  
32 SoCalGas's Scope 3 emissions, which helps California meet the 2045 carbon neutrality goal of

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<sup>68</sup> SoCalGas, *Rule No. 45 – Standard Renewable Gas Interconnection* at 21 (2020), available at:  
<https://tariff.socalgas.com/regulatory/tariffs/tm2/pdf/45.pdf>

Executive Order B-55-18.<sup>69</sup> For California to reach its climate goals, customers will need support in understanding technologies and fuels that will fit their process needs. Staff will collect current data and provide training to the ARs on the latest available research and technologies. The ARs in turn will be able to work with their customers and determine if any of the existing technologies work in their road to decarbonization. For those customers that do not have a fit with existing technologies, Staff will work with ARs to understand what the challenges are that customers face and partner with others to find or create technological or programmatic solutions that will allow the customers to meet the goal of decarbonization. In addition, to equitably increase clean energy access and affordability to all customers, staff will also have one position dedicated to walking SMB through the energy transition. While SMB will have lower usage, they will face similar challenges to larger customers and the transition will take time and effort for the customers to understand the changes that will need to be made to their businesses.

### Clean Transportation

For the Clean Transportation group to meet customer demand, build awareness and support California's GHG reduction goals as set forth in key legislations such as Senate Bill (SB) 32, SB 350, SB 1383, and related regulations<sup>70</sup>, I am requesting the following:

- 0.5 FTE Market Advisor (Hydrogen CT end-use technologies) will be responsible for education/outreach and incentive program implementations involving clean transportation H2 technology for consumer, medium-duty, and heavy-duty vehicles.
- 0.5 FTE Market Advisor (Hydrogen CT refueling infrastructure) will be responsible for education/outreach, incentive program implementation, and new business support for the new infrastructure in development.
- 1 FTE Account Executive will be responsible for collaborations with major industry/trade associations, air agencies, and ports as well as new business support and outreach to major fleets in the transportation sector, developers, manufacturers, and fuel providers.

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<sup>69</sup> Executive Order B-55-18 set a target of statewide carbon neutrality by 2045, *available at*: <https://www.ca.gov/archive/gov39/wp-content/uploads/2018/09/9.10.18-Executive-Order.pdf>.

<sup>70</sup> SB 32 (Pavley, 2016) [https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201520160SB32](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201520160SB32;);  
SB 350 (De León, 2015) [https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201520160SB350](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201520160SB350);  
SB 1383 (Lara, 2016) [https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201520160SB1383](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201520160SB1383).

- 2.5 FTE Account Executives to support the Clean Transportation, new business growth, tariffs changes, and new programs/outreach in support of these activities.

Due to the increasingly dynamic market in the transportation sector and constantly changing government regulations, more resources will be needed to maintain the current level of customer value the Clean Transportation positions in the market. Demand for hydrogen FCVs, hydrogen fueling stations, RNGVs, and RNGV fueling stations will continue to rise as more end-users adopt these cleaner fuel alternatives. Consequently, third-party vendors will offer increasingly innovative products and services that must be addressed by Clean Transportation in an ongoing manner. Additionally, it is crucial to closely monitor all regulatory and legislative activities that affect individual and fleet customers that operate or are considering hydrogen FCVs, hydrogen fueling stations, RNGVs, and RNGV fueling. Additional detail on cost drivers is described in the Clean Transportation testimony of Mr. Infanzon (Ex. SCG-12).

#### Innovative Kitchen Management

SoCalGas will continue to implement the pilot program and estimate to add 25 sites per year versus the initial phase of 100 sites, thus the cost of the program will decrease by \$1.024 million in TY 2024. Customer Solutions will continue to implement pilot programs and innovative approaches to address fugitive methane emissions for all customers. The initial pilot was focused on commercial food service establishments; future efforts are envisioned to look at hospitals, residential systems, and others.

#### Commercial Benchmarking and Public Disclosure Program (AB 802)

SoCalGas established the Commercial Benchmarking program through Advice Letter 4936 to comply with AB 802, which was signed into law in October 2015.<sup>71</sup> The AB 802 memorandum account covered the costs associated with the development of IT system, and business change management activities. The AB 802 memorandum account will be closed in 2023 with commission approval as described more fully in Section IV.C.4 below. The continued management of the program is included in TY2024. I am requesting the following:

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<sup>71</sup> See SoCalGas Advice Letter 4936-G -Establishment of Assembly Bill 802 Memorandum Account (AB802MA), available at <https://tariff.socalgas.com/regulatory/tariffs/tm2/pdf/4936.pdf>.

- 0.4 FTE Advisor will be responsible for the ongoing management and implementation of the Building Energy Use Benchmarking and Public Disclosure Program set forth by California Assembly Bill 802 (AB 802).<sup>72</sup>

#### 4. Mandated

##### Memorandum Account (AB802MA) Commercial Benchmarking

SoCalGas established the AB802 Commercial Benchmarking memorandum account through Advice Letter 4936 to comply with the AB802 Statute.<sup>73</sup> AB 802 was signed into law in October 2015 to provide building owners with the ability to request and obtain energy usage data so they can benchmark their buildings.<sup>74</sup> The Memorandum Account covers the costs associated with the AB802 project work, IT system costs, and business change management activities. The costs associated with IT system include the design, development, implementation to process AB802 benchmarking requests, integration with Energy Star Portfolio Manager, and modifications and integrations to SoCalGas internal systems. The balance as of March 31, 2022, is \$0.6 million undercollected which consists of \$1.178 million of O&M expenses, (\$0.6) million of capital-related costs, and (\$15) thousands of interest. SoCalGas is seeking recovery of these costs per section 5 of AB 802; “The reasonable costs of an electrical or gas corporation in delivering electrical or gas usage data pursuant to this section or other information as required under state or federal law or by an order of the commission shall be recoverable in rates evaluated and approved by the Public Utilities Commission.”<sup>75</sup> All ongoing costs related to AB 802 are included in the TY 2024 forecast and SoCalGas will discontinue recording costs to the AB802MA upon implementation of the TY 2024 GRC Decision. The ongoing activities beginning on January 1, 2024, that support AB 802 will become part of the base business as mentioned above in the Commercial Benchmarking and Public Disclosure Program (AB 802)

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<sup>72</sup> AB 802 (Williams, 2015)  
[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201520160AB802](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201520160AB802);  
see also SoCalGas, *Energy-Efficiency Benchmarking*, available at: <https://www.socalgas.com/for-your-business/energy-savings/benchmarking>.

<sup>73</sup> See SoCalGas Advice Letter 4936-G -Establishment of Assembly Bill 802 Memorandum Account (AB802MA), available at <https://tariff.socalgas.com/regulatory/tariffs/tm2/pdf/4936.pdf>

<sup>74</sup> Id.

<sup>75</sup> Cal Pub. Res. Code Section 25402.10(g).

section.<sup>76</sup> More information regarding the account for AB 802 can be found in the testimony of Ms. Yu - Regulatory Accounts (Ex. SCG-38). Table BP -16 reflects the costs breakdown incurred since 2016.

**Table BP-16**  
**AB802MA - O&M Incurred costs**

| <b>AB802MA</b>                  |             |             |             |             |             |                     |                                    |
|---------------------------------|-------------|-------------|-------------|-------------|-------------|---------------------|------------------------------------|
| <b>Incurred costs (in 000s)</b> |             |             |             |             |             |                     |                                    |
| <b>2016</b>                     | <b>2017</b> | <b>2018</b> | <b>2019</b> | <b>2020</b> | <b>2021</b> | <b>Jan-Mar 2022</b> | <b>Total Balanced<sup>77</sup></b> |
| \$2                             | \$197       | \$194       | \$213       | \$297       | \$214       | \$62                | \$1,178                            |

Avoided Cost Calculator Update Memorandum Account (ACCUMA)

Pursuant to D.16-06-007, SoCalGas submitted Advice Letter 5100 to establish the Avoided Cost Calculator Update Memorandum Account (ACCUMA) to track and record SoCalGas' portion of costs for ongoing updates to the Avoided Cost Calculator.<sup>78</sup> ACCUMA is an interest-bearing memorandum account that is recorded on the Utility's financial statements. Per D.16-06-007, the ACCUMA tracks the costs allocated to the utilities for contractors hired by the Commission to perform annual Avoided Cost Calculator updates and to provide technical assistance or research for the purpose of advancing future refinement of cost-effective methods.<sup>79</sup> Pursuant to D.16-06-007, CS-I is seeking recovery the balance in the account as of December 31, 2021 which is \$51,917 under collected. SoCalGas proposes to amortize this balance in customer gas transportation rates. SoCalGas will keep the ACCUMA open and continue to record incremental costs that may occur beyond December 31, 2021, and will seek recovery in a future GRC or other applicable proceeding designated by the Commission. More information regarding the accounts for ACCUMA can be found in the testimony of Ms. Yu - Regulatory Accounts (Ex. SCG-38). Table BP -17 reflects the costs incurred for 2020 and 2021.

<sup>76</sup> See Testimony of Ms. Yu (Ex. SCG-38) at Section II.B.8.

<sup>77</sup> Software Tax Benefits and capital revenue requirement was recorded from 2016-2018. The Capital project was forecasted for inclusion in rate base in 2019 GRC.

<sup>78</sup> SoCalGas Advice Letter 5100-G - Establish Avoided Cost Calculator Update Memorandum Account (ACCUMA) available at: <https://tariff.socalgas.com/regulatory/tariffs/tm2/pdf/5100.pdf>.

<sup>79</sup> D.16-06-007 at 27 (OP 8).

**BP-17**  
**ACCUMA - O&M**

| <b>ACCUMA - O&amp;M</b><br>Incurred costs (in 000s) |             |                       |
|---|-------------|-----------------------|
| <b>2020</b>   | <b>2021</b> | <b>Total Balanced</b> |
| \$352   | \$ (300)    | \$52                  |

**V. CAPITAL PROJECTS**

I sponsor the business justification for the capital IT projects listed below (Table BP-18). These IT projects fall within two primary areas: (1) enhancing customer value and energy management insights derived from SoCalGas's "Ways to Save" online energy and bill analysis tools, and (2) enabling customer authorization of automated sharing of their billing and usage data to third-party energy management providers. The IT capital costs are presented in the testimony of Mr. Exon - Information Technology (Ex. SCG-21). Table BP-19 summarizes the total capital forecasts for 2022, 2023, and 2024.

**A. Introduction**

I sponsor the business justification for the capital IT projects listed below (Table BP-18). The IT capital costs are presented in the testimony of Mr. Exon - Information Technology (Ex. SCG-21).

**TABLE BP-18**  
**Capital Expenditures Summary of Costs**

| <b>INFO TECH<br/>CAPITAL</b>                  |                                    |                                    |  |
|---|------------------------------------|------------------------------------|--|
| <b>Shown in Thousands<br/>of 2021 Dollars</b> |                                    |                                    |  |
| <b>CS – Information</b>                       | <b>Estimated 2022<br/>(\$000s)</b> | <b>Estimated<br/>2023 (\$000s)</b> | <b>Estimated<br/>2024<br/>(\$000s)</b> |
| <b>A. Improving<br/>Customer Experience</b>   | <b>3,587</b>                       | <b>2,565</b>                       | <b>0</b>                               |
| <b>Total</b>                                  | <b>3,587</b>                       | <b>2,565</b>                       | <b>0</b>                               |

The detailed capital projects by category are summarized in Table BP-19 below.

**TABLE BP-19**  
**Capital Expenditures Summary of Costs**

| <b>Project No.</b>                                 | <b>Capital Projects</b>                     | <b>Estimated<br/>2022<br/>(\$000s)</b> | <b>Estimated<br/>2023<br/>(\$000s)</b> | <b>Estimated<br/>2024<br/>(\$000s)</b> |
|--|---|--|--|--|
| 89051  | SCG Help Center Virtual Assistant           | 851                                    | 0                                      | 0                                      |
| 85690  | SCG CCC Customer Experience Project Phase 4 | 914                                    | 0                                      | 0                                      |
| BC21106  | Customer Experience Phase 5                 | 1,821                                  | 2,565                                  | 0                                      |
| <b>Capital IT Projects, Estimated Annual Total</b> |   | <b>3,587</b>                           | <b>2,565</b>                           | <b>0</b>                               |

**1. 89051 - Help Center Virtual Assistant**

The estimate for the Help Center Virtual Assistant project in 2022 is \$0.851 million. Socialgas.com and My Account are the primary ways in which SoCalGas's customers interact with the Company. SoCalGas is heavily reliant on our self-serve channels to provide customers with the information that they need in a way that meets and exceeds customer expectations. Continued investment in improving our digital channels is an important ongoing strategy that helps SoCalGas further engage with customers. In 2020, the self-serve rate was 65.4% and the increased usage of SoCalGas digital channels by customers means that the Company must continually invest in these channels to meet and exceed customer expectations.

Through analysis conducted by the Digital Engagement Analytics team, various pain-points were identified involving important web FAQ-based pages. As the amount of information and content continues to grow, so does the need to build ways of helping customers easily find the information they need. SoCalGas needs to deliver this in an easy, intuitive, and innovative way.

SoCalGas will build a Web Chat and Voice based natural language interface for users to be able to more easily find answers to Frequently Asked Questions (FAQs) and deflect a significant portion of the calls that result from these pages. The project will build natural language interface to inquire about common account related data, e.g., payment due and usage. In addition, this effort lays out the foundation for future capabilities such as a more comprehensive and integrated virtual agent capable of completing more complex transactions



1 based on Natural Language Processing (NLP), Artificial Intelligence (AI), and Cloud  
2 technologies.

3 Specific details regarding project 89051 (Help Center Virtual Assistant) can be found in  
4 the workpapers of Mr. Exon (Ex. SCG-21-CWP 00755L).

## 5 **2. 85690 Customer Call Center Customer Experience Project Phase 4**

6 The estimates for the Customer Call Center Customer Experience Project Phase 4 project  
7 in 2022 is \$0.914 million. The Customer Experience Project (CEP) Phase 4 is a continuation of  
8 CEP1, CEP2, and CEP3. Phase 4 will continue to implement self-service enhancements to  
9 improve the usability of existing functionality and create new functionality to allow customers to  
10 complete their transaction or retrieve information in the channel of their choice. These  
11 enhancements will further align the IVR, Web, and Customer Service Representative (CSR)  
12 channels to provide a consistent customer experience. In addition to improving the overall  
13 customer experience, these enhancements to SoCalGas self-service channels will have  
14 operational benefits including the increase of self-service utilization and paperless enrollment,  
15 along with improving web payment and billing functionality. The project objectives are focused  
16 on improving services shared by the customer facing systems (e.g., My Account, mobile, IVR,  
17 CIS, Web, etc.) and changes to processes that support these improvements.

18 My Account enhancements include improvements to the payment and billing related  
19 functionality, payment extensions, major transactions such as start, transfer and close orders,  
20 redesign of our preference center (Bill Tracker Alerts and Pay by Text), transactional emails, and  
21 registration.

22 IVR Enhancements include improvements to IVR functionality such as pre-transfer  
23 enhancements, authentication, cell phone verification, payment extensions, account number  
24 retrieval, and Customer Assistance & Programs. Specific details regarding project 85690 (SCG  
25 Customer Call Center Customer Experience Project Phase 4) can be found in the workpapers of  
26 Mr. Exon (Ex. SCG-21-CWP 00755A).

## 27 **3. BC21106 – Customer Experience Project Phase 5**

28 The estimates for the Customer Experience Project Phase 5 project \$1,821 million in  
29 2022 and \$2,565 million in 2023 respectively. Customer Experience Project Phase 5 will  
30 continue to implement self-service enhancements to improve the usability of existing  
31 functionality and create new functionality to enable SoCalGas customers to complete their

1 transaction or retrieve information in the channel of their choice. These enhancements will  
2 further align the IVR, Web, and CSR channels to provide a consistent customer experience. In  
3 addition to improving the overall customer experience, these enhancements to our self-service  
4 channels will have operational benefits including the increase of self-service utilization by  
5 improving billing and gas service order workflows and processes.

6 The project objectives are focused on improving services shared by the customer facing  
7 systems (My Account desktop & mobile, IVR, CIS, socialgas.com) and changes to processes that  
8 support these improvements.

- 9 • Cybersecurity related enhancements to extend MFA (multi factor authentication)  
10 capabilities, security alerts and notifications.
- 11 • Compliance related accessibility upgrades.
- 12 • My Account enhancements to further promote self-service & improve customer  
13 experience in the areas of landing page, service orders, customer billing and  
14 payments.

15 IVR Enhancements to further promote self-service & improve customer experience in the  
16 areas of service orders, customer billing & payments and authentication. Other initiatives  
17 include technology upgrade and test automation.

18 Specific details regarding project BC21106 (SCG Customer Experience Project Phase 5)  
19 can be found in the workpapers of Mr. Exon (Ex. SCG-21-CWP 00755F).

## 20 **VI. CONCLUSION**

21 The SoCalGas forecast of O&M expenses and planned capital project justifications were  
22 carefully developed and expenditures represented in my testimony balances the existing  
23 customer communication, education, assistance and support activities that meet the following  
24 enhanced goals: addressing the states decarbonization and greenhouse gas reduction goals,  
25 increasing clean energy access, supporting customer decarbonization, and more affordable  
26 energy for SoCalGas's energy customers.

27 In summary, these forecasts reflect sound judgment and represent the impact from higher  
28 regulatory expectations to continuously support and enhance the safe operation of the SoCalGas  
29 natural gas system at a reasonable cost. The CPUC should adopt the forecasted expenditures  
30 discussed in this testimony because they are prudent and reasonable.

31 This concludes my prepared direct testimony.

1 **VII. WITNESS QUALIFICATIONS**

2 My name is Brian Prusnek. My business address is 555 W. Fifth Street, Los Angeles,  
3 California. I am currently the Director of Customer Programs and Assistance for SoCalGas, a  
4 Sempra Energy regulated California utility. I am responsible for leading the development,  
5 administration and implementation of energy efficiency and low-income assistance policy and  
6 programs for over 22 million consumers in the Southern California Gas service territory. I have  
7 over 20 years of experience in the energy industry across both the private and public sectors.

8 Prior to my current role, I was the Director for Regulatory Affairs for San Diego Gas  
9 Electric and Southern California Gas for nine years, managing both firms' regulatory and policy  
10 issues across a wide spectrum of matters, including customer pricing, natural gas infrastructure,  
11 finance, biogas, renewable energy, rooftop solar, climate change, electric and natural gas  
12 vehicles and many others.

13 I received my Master of Science degree in Regulatory Economics from Illinois State  
14 University, and I received a B.A. in Economics and Spanish from Mount Union College in  
15 Alliance, Ohio.

16 I have not previously testified before the California Public Utilities Commission.

**APPENDIX A**  
**GLOSSARY OF TERMS**

**APPENDIX A**  
**Glossary of Terms**

| <b>Acronym</b> | <b>Definition</b>                                 |
|----------------|---|
| AB             | Assembly Bill                                     |
| ACCUMA         | Avoided Cost Calculator Update Memorandum Account |
| AR             | Account Representative                            |
| BY             | Base Year   |
| CARE           | California Alternate Rates for Energy             |
| CCC            | Customer Contact Center                           |
| CCUS           | Carbon Capture Utilization and Sequestration      |
| CEP            | Customer Experience Project                       |
| CES            | Clean Energy Solutions                            |
| CIS            | Customer Information System                       |
| CMS            | Content Management System                         |
| COVID-19       | Coronavirus Disease 2019                          |
| CP&A           | Customer Programs & Assistance                    |
| CPI            | Consumer Price Index                              |
| CPUC           | California Public Utilities Commission            |
| CS-I           | Customer Service - Information                    |
| CSR            | Customer Service Representative                   |
| CX             | Customer Experience                               |
| D              | Decision  |
| DAC            | Disadvantaged Communities                         |
| DBE            | Diverse Business Enterprise                       |
| DDoS           | Distributed Denial of Service                     |
| DER            | Distributed Energy Resource                       |
| EPA            | Environmental Protection Agency                   |
| ERC            | Energy Resource Center                            |
| ESAP           | Energy Savings Assistance Program                 |
| Ex             | Exhibit   |
| FAQ            | Frequently Asked Questions                        |
| FOF            | Fueling Our Future                                |
| FTEs           | Full Time Equivalents                             |
| GAF            | Gas Assistance Fund                               |
| GHG            | Greenhouse Gas                                    |
| GRC            | General Rate Case                                 |
| IT             | Information Technology                            |
| IVR            | Interactive Voice Response                        |
| LIEE           | Low Income Energy Efficiency                      |

| Acronym | Definition                                    |
|---------|---|
| MBL     | Medical Baseline                              |
| NACHA   | National Automated Clearing House Association |
| NGAT    | Natural Gas Appliance Testing                 |
| NGV     | Natural Gas Vehicles                          |
| NOx     | Nitrogen Oxide                                |
| O&M     | Operations and Maintenance                    |
| PA/PE   | Payment Arrangements/Payment Extensions       |
| PDF     | Portable Document Format                      |
| PI      | Pipeline Integrity                            |
| PSEP    | Pipeline Safety and Enhancement Plan          |
| RAMP    | Risk Assessment Mitigation Phase              |
| RG      | Renewable Gas                                 |
| RNG     | Renewable Natural Gas                         |
| RNGV    | Renewable Natural Gas Vehicle                 |
| SB      | Senate Bill                                   |
| SC&E    | Strategic Communications and Engagement       |
| SDG&E   | San Diego Gas & Electric Company              |
| Sempra  | Sempra Energy                                 |
| SLCP    | Short-Lived Climate Pollutant                 |
| SMB     | Small, Medium Business                        |
| SMS     | Short Messaging Service                       |
| TY      | Test Year                                     |
| UX/UI   | User Experience/User Interface                |
| WP      | Workpaper                                     |