Company:Southern California Gas Company (U 904 G)Proceeding:2024 General Rate CaseApplication:A.22-05-015Exhibit:SCG-15-S

SUPPLEMENTAL TESTIMONY OF

BERNARDITA M. SIDES

(CUSTOMER SERVICES – OFFICE OPERATIONS)

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA



November 2022

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SUPPLEMENTAL TESTIMONY OF BERNARDITA B. SIDES (CUSTOMER SERVICES – OFFICE OPERATIONS)

INTRODUCTION

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I.

A. Summary of Testimony

The purpose of this testimony is to address the impact of any proposed increase in rates on disconnections for nonpayment in accordance with Senate Bill (SB) 598. That legislation added Public Utilities (PU) Code Section (§) 718(b), which requires the California Public Utilities Commission (CPUC or Commission) to adopt residential utility disconnections for nonpayment as a metric and incorporate the metric into the utility's general rate case.¹ In accordance with PU Code § 718(b)(1)(B), and the Assigned Commissioner's Scoping Memorandum and Ruling (Scoping Memo),² Southern California Gas Company (SoCalGas) has conducted the requisite assessment of whether a proposed increase in rates will impact disconnections for nonpayment and concludes that during this General Rate Case (GRC) period the proposed increase in rates will have little to no impact on disconnections because SoCalGas is following the required disconnection cap mandated by Decision (D.) 20-06-003.³ SoCalGas also concludes that, historically, increases in rates appear to have little to no impact on disconnect rates, and that disconnect rates are primarily influenced by utility policy and practices, as well as other external factors. SoCalGas found that commencing the credit process early, when past due balances are smaller, has made it easier for customers to pay and manage their accounts. The data and analysis presented in section IV validates SoCalGas's assessment by reflecting an increase in the reconnection rate if customers are informed before their arrears balance gets too large.

¹ CA Pub Util Code 718(b)(2).

² Scoping Memo, issued October 3, 2022, at 15. At the July 22, 2022, Prehearing Conference, the assessment required by PU Code Section 718(b)(1)(B) was added to the proceeding with supplemental testimony on the affordability metrics and the impact of disconnections for non-payment for residential customers to be filed on November 18, 2022. (*See* Scoping Memo at 15.)

³D.20-06-003 at 145 (Ordering Paragraph (OP) 1(a)).

1	If payment is not received on an account disconnected for nonpayment, a final bill is		
2	mailed, and eventually, the account is written off against the bad debt reserve. ⁴ As reflected in		
3	the prepared direct testimony of Bernardita M. Sides, Customer Services-Office Operations (Ex.		
4	SCG-15-R) in section VI, the volatility or cyclical nature of the uncollectible rate depends on		
5	macroeconomic, microeconomic and regional economic factors and the variability of seasonal		
6	energy bills. However, the precise incremental impact on the uncollectible rate due to each of the		
7	independent variables is difficult to quantify and correlate. The CPUC Policy and Planning		
8	Division (PPD) report dated December 28, 2017, entitled "A Review of Residential 5000 similarly		
9	acknowledged the complexity of disconnection indicators, identifying the influence of factors,		
10	such as Commission policy, income, unemployment and geography, as contributors to		
11	fluctuations in the disconnect rate over time.		
12	This supplemental testimony will address the following aspects of the assessment		
13	contemplated by PU Code § 718(b)(1)(B):		
14	a. Current policies and processes.		
15	b. Current policies and processes related to Life Support customers.		
16	c. Other considerations impacting disconnection.		
17 18	d. The impact of any proposed increase in rates on disconnections for nonpayment.		
19	II. SOCALGAS CREDIT POLICY AND PROCESSES		
20	A. Overall Policy		
21	SoCalGas is tariffed under Rule 9 – Discontinuance of Service. The tariff provides		
22	overall guidance on the policy and procedures governing Non-Payment of Bills, including but		
23	not limited to, past due noticing, reasonable attempts to contact customers, third party		
24	notification, payment arrangements and termination disputes. A complete copy of Rule 9 is		
25	provided as Appendix B to this testimony. Under Rule 9, a SoCalGas residential account		
26	becomes delinquent 19 days from the initial invoice mail date. A collection action may be		

⁴ There is no financial impact when arrears are written off against a bad debt reserve because bad debt expense would have been recognized, in a prior period, at the time that the reserve was set.

⁵ CPUC Policy and Planning Division, A Review of Residential Customer Disconnection Influences & Trends (December 28, 2017), available at: <u>https://www.cpuc.ca.gov/-/media/cpuc-</u> website/files/uploadedfiles/cpuc_public_website/content/about_us/organization/divisions/policy_and _planning/ppd_work/ppd_work_products_-2014_forward-/disconnection-report-1-.pdf.

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initiated at this date pursuant to Rule 9, Section C4. If payment has still not been received by the time the next bill is ready to be mailed out, an initial late notice is sent with that next month's bill. As required by Rule 9 Section C, SoCalGas notifies customers of the impending disconnection 48-hours prior to disconnection by an outbound dialing call. Those customers not reached by phone are sent a mailed notice, and those customers who have indicated they are a senior citizen or disabled (including customers on medical baseline) have the 48-hour notice hand-delivered to the premise. Payments are accepted at the time of the field delivered 48-hour notice. Rule 9 also requires email notices of pending disconnection to customers who have provided their email addresses. Often, the 48-hour notice triggers the customer to pay or the customer to call the Customer Contact Center (CCC) to resolve the bill prior to disconnection. Prior to disconnecting any residential customer, SoCalGas must offer the residential customer a 12-month payment plan. SoCalGas cannot disconnect any residential customer who is on a 12month payment plan and is current on both the monthly bill and the payment plan.⁶ Delinquent customers may pay their bill or enter into a payment arrangement any time before physical disconnection occurs. When onsite to perform a disconnection of the gas service due to nonpayment, Rule 9(C)(8) requires the gas field representative to allow the customer to make a minimum payment of 20% of the past due balance to leave service active. Should service be disconnected for nonpayment, the customer has payment options to allow reconnection of service.

Customer Service Representatives (CSRs) are trained to advise and educate customers at risk for disconnection about Customer Assistance Programs such as California Alternate Rates for Energy (CARE), Energy Savings Assistance Program (ESAP), Medical Baseline Allowance, Low-Income Home Energy Assistance Program (LIHEAP), the Arrearage Management Payment plan (AMP), Levelized Payment Plan (LPP), and various payment plan options. In addition, CSRs can direct customers to various payment assistance programs such as the Gas Assistance Fund. The Gas Assistance Fund provides customers experiencing temporary financial hardship, and who may not be eligible for state or federal assistance, up to \$100 to pay their SoCalGas bill.

⁶ Decision (D.) 20-06-003 at 145-146 (Ordering Paragraph (OP) 1(d)).

B. Life support/Medical Baseline and Hospice Credit Process

As of January 1, 2018, accounts designated as qualified Life Support/Medical Baseline and Hospice are provided customer care and credit process accommodations in recognition of the unique needs of customers with these designated accounts. For accounts with this designation, the Collections Department attempts to contact the customer to make payment arrangements. Residential customers may not be disconnected for nonpayment if they qualify for medical baseline and the customer agrees to a 12-month payment plan.⁷ SoCalGas reports the metrics related to households enrolled in the Medical Baseline Program in the Disconnections Proceeding, Rulemaking (R.) 18-07-005 monthly report.⁸

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C. Disconnection OIR (R.18-07-005)

The Commission issued R.18-07-005 to help reduce the statewide level of service disconnections for residential energy customers and improve the reconnection process. In that proceeding, the Commission capped the number of disconnections allowed for SoCalGas for each subsequent year at or below 2 percent of the annual disconnection rate.⁹ Additionally, pursuant to the 2014 Disconnection Settlement Agreement, D.14-06-036, and D.18-12-013 at 32 (OP 6), SoCalGas submits monthly disconnection reports to the service list in the Disconnections Proceeding, R.18-07-005.¹⁰ SoCalGas also responds to data requests on disconnection and reconnection from the CPUC Energy Division on an as-requested basis.

D. Considerations Affecting Disconnection

SoCalGas generates a "collect or close order" as the final step in the active collections process. The number of orders processed is dependent on field personnel availability, route efficiency, and the number of eligible accounts. While working a disconnect order, a field

- ⁸ Final Res. E-5169 at OP 5.
- ⁹ D.20-06-003 at 145 (OP 1(a)).

⁷ *Id.* at 145 (OP 1(b)).

¹⁰ Pursuant to the 2014 Disconnection Settlement Agreement, D.14-06-036, and D.18-12-013 at 32 (OP 6), SoCalGas submits disconnection reports.

collector will first attempt to collect payment before manually performing a service disconnection. Pursuant to D.20-06-003 and Rule 9(C)(8), the gas field representative must allow the customer to make a minimum payment of 20% of the past due balance to leave service active.¹¹ In the event of a disconnection, the customer will generally contact the Company and arrange to pay and schedule a reconnection appointment. The reconnection appointment must be completed within 24 hours and lasts approximately 45 minutes. An adult 18 years or older must be present at the reconnection appointment.

E. Credit Moratoriums

SoCalGas places a moratorium on disconnection activity at various times of the year. A disconnection moratorium exists on all Company holidays. SoCalGas also has standard procedures in place that suspend collection activity when the forecasted temperature for a geographical area in our service territory drops to 32 degrees Fahrenheit or below at approximately 5:30 am, or if a SoCalGas representative observes a temperature at or below 32 degrees Fahrenheit while at a customer's residence. SoCalGas cannot disconnect residential customers when temperatures are expected to be below 32 degrees Fahrenheit based on a 72-hour look-ahead period.¹² This requirement is reflected in SoCalGas's Rule 9(C)(14), Temperature Related Limitations.¹³ A voluntary annual winter moratorium takes place mid-December through New Year's Day of the following year. The winter moratorium has been active for the last several years.

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F. COVID-19 Disconnection Moratorium

On April 16, 2020, the Commission adopted Resolution M-4842, Emergency Authorization and Order Directing Utilities to Implement Emergency Customer Protections to Support California Customers During the COVID-19 Pandemic, directing utilities to offer

¹¹ D.20-06-003 at 155 (OP at 49).

¹² *Id.* at 146 (OP 1(f)).

¹³ SoCalGas, *Rule No. 09 – Discontinuance of Service* (Effective May 1, 2021) at Sheet 8, *available at:* <u>https://tariff.socalgas.com/regulatory/tariffs/tm2/pdf/tariffs/GAS_G-RULES_09.pdf</u>.

disconnection protections adopted in D.19-07-015 to all residential customers through April 16, 2021, with an option to extend that date.¹⁴ In response to Resolution M-4842, SoCalGas submitted Advice Letter (AL) 5604-B on May 22, 2020, affirming its compliance with specific emergency customer protections in light of the COVID-19 pandemic and instituted a suspension of customer disconnections for non-payment for residential customers.¹⁵ This moratorium expired in September 2021 per D.21-06-036¹⁶; however, the company is not planning to resume disconnections until the second quarter of 2023 for residential customers.

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D.21-06-036 – Decision Addressing Energy Utility Customer Bill Debt Via Automatic Enrollment in Long Term Payment Plans

In response to the COVID-19 pandemic, D.21-06-036 directed the Investor-Owned Utilities (IOUs) to automatically enroll all active residential customers with energy utility bill arrearages 60 days and older on long term payment plans through September 2022 (referred to as COVID-19 Residential Relief Payment Plans) if they were not on an existing payment plan or enrolled in the AMP.¹⁷ Pursuant to D.21-06-036, customers eligible for a COVID-19 Residential Relief Payment Plan between September 2021 and July 2022, were automatically enrolled in a payment plan amortizing the customer's arrearage over 24 months of payments.¹⁸ Customers actively enrolled in a COVID-19 Residential Relief Payment Plan are not eligible for disconnection.¹⁹

H. D.20-06-003 – Phase I Decision Adopting Rules and Policy Changes to Reduce Residential Customer Disconnections

On June 11, 2020, the Commission approved D.20-06-003, adopting rules and other changes applicable to the IOUs designed to reduce the number of residential customer

- ¹⁸ Id.
- ¹⁹ *Id*.

¹⁴ California Public Utilities Commission, *Resolution M-4842* (April 17, 2020), *available at:* https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M333/K482/333482381.PDF.

¹⁵ SoCalGas Advice 5604-B, Supplement - Implementation of Emergency Customer Protections to Support California Customers During COVID-19 Pandemic Pursuant to Resolution M-4842, *available at:* <u>https://tariff.socalgas.com/regulatory/tariffs/tm2/pdf/submittals/GAS_5604-B.pdf</u>.

¹⁶ D.21-06-036 at 52 (OP 10).

¹⁷ *Id.* at 50 (OP 2) and Appendix A.

1	disconnections and improve reconnection processes for disconnected customers. D.20-06-003		
2	adopts and makes permanent the following protections:		
3 4 5	• Gas utilities are prohibited from disconnecting rest temperatures below 32 degrees are expected based period.		
6 7	• Utilities are prohibited from requiring a deposit for service for residential customers.	or establishing or re-establishing	
8	• Utilities are precluded from charging residential c	ustomers reconnection fees.	
9 10	• Utilities cannot disconnect a residential customer offered a 12-month payment plan.	for nonpayment until they have	
11 12	• Utilities cannot disconnect a residential customer for medical baseline and the customer agrees to a		
13 14	• Disconnection for nonpayment is prohibited until eligible customers in all applicable benefit program		
15 16	• Utilities are prohibited from disconnecting resider has a Low-Income Home Energy Assistance Prog		
17 18	• Gas utilities are prohibited from disconnecting rescustomer pays a minimum of 20 percent of the pa		
19 20	• Reconnections must be completed within 24 hour percent payment of the past due balance and also		
21 22	• Disconnection notices must be improved so that c that they are in danger of having their utilities disc		
23	These customer service disconnection protections became	e effective after the COVID-19	
24	Disconnection moratorium lifted in September 2021. ²¹		
25	J. California Arrearage Payment Program		
26	To help address the economic impacts of the COVID-19	pandemic on Californians, the	
27	State Budget Act of 2021 appropriated \$1 billion from the federal American Rescue Plan Act of		
28	2021 to support the establishment of the California Arrearage Payment Program (CAPP). ²²		
29	CAPP 2021 provided relief in the form of bill credits to active and inactive residential and		
30	commercial utility customers who had accrued energy debt durin	g the COVID-19 pandemic bill	
	²⁰ D.20-06-003 at 3.		
	²¹ D.20-06-003 at 144-146 (OP 1).		
	²² AB 128 (Ting, 2021)	202120220 4 D 129	

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB128.

relief period of March 4, 2020, through June 15, 2021. Customers eligible for relief under CAPP 2021 were protected from the risk of disconnection until May 2022.

The State Budget Act of 2022 appropriated \$1.2 billion to support the adoption of 2022 CAPP due to ongoing financial impacts of the COVID-19 pandemic.²³ The new round of CAPP funding covers active residential utility customer arrearages accumulated between March 4, 2020, and December 31, 2021.²⁴ Residential customers with arrearages accumulated during the 2022 CAPP COVID-19 pandemic bill relief period are protected from discontinuance of service due to nonpayment during the CAPP application period and for an additional 90-days once 2022 CAPP funds are applied on their account.

III. YEAR OVER YEAR RATE COMPARISON – RESIDENTIAL DISCONNECTIONS

Numerous reasons may contribute to a customer's decision not to pay a monthly utility bill, and ultimately be disconnected. This testimony does not attempt to address the broader economic and other factors that may underlie the customer's inability to pay his or her SoCalGas bill.²⁵ We have analyzed only the data SoCalGas possesses on its rate increases over time and its historical disconnection and reconnection figures. That data indicates that since 2010, SoCalGas's residential class average rate has fluctuated year over year, as has the number of disconnections for nonpayment. Based upon the data reflected in Table BS-1 below, SoCalGas observes that the annual number of residential disconnections does not appear to correlate to the fluctuations in the residential class average rate. See Table BS-1 below.²⁶

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²³ California Department of Finance, *California State Budget 2022-23* at 62, *available at:* <u>https://www.ebudget.ca.gov/FullBudgetSummary.pdf</u>.

²⁴ California Department of Community Services and Development, 2022 Capp Program Notice No. 01 at 3, available at: <u>https://csd.ca.gov/Shared%20Documents/22CAPP-PN-01.pdf</u>.

See CPUC Policy and Planning Division, A Review of Residential Customer Disconnection Influences & Trends (December 28, 2017), available at: <u>https://www.cpuc.ca.gov/-/media/cpuc-</u> website/files/uploadedfiles/cpuc_public_website/content/about_us/organization/divisions/policy_and planning/ppd_work/ppd_work_products_-2014_forward-/disconnection-report-1-.pdf.

²⁶ Table BS-1 reflects no residential disconnections after March 2020 due to the COVID-19 Disconnection Moratorium directed by Resolution M-4842. See discussion in Section II(f) above.

TABLE BS-1

Residential Disconnections from 2010 – Present

Year	Total Non - CARE Disconnections	Total CARE Disconnections	Medical Baseline Disconnections*	Total Disconnections	Residential Class Average Rate (cents per therm)**
2010	73,355	66,241	246	139,596	115.32
2011	56,332	55,677	242	112,009	101.43
2012	52,556	54,241	177	106,797	98.62
2013	48,182	53,191	219	101,373	100.16
2014	44,299	50,043	137	94,342	117.76
2015	51,798	58,559	145	110,357	116.43
2016	62,682	66,863	199	129,545	114.93
2017	56,455	60,116	175	116,571	123.71
2018	43,555	63,099	96	106,654	119.18
2019	32,997	59,013	35	92,010	128.39
2020	5,761	10,507	_	16,268	140.36
2021	-	-	-	-	157.55

*Medical Baseline Disconnections are not included in the CARE or non-CARE totals.

** The residential class average rate has not been adjusted for inflation.

IV. RECONNECTION RATES

Reconnection rate is an important metric to track as it provides insight on how feasible it is for customers to resume service once disconnected for non-payment. Data shows customers with high disconnection balances have a difficult time reconnecting service; therefore, reaching customers more quickly will ensure disconnection balances are lower and more manageable for customers. Table BS-2 below shows the historical disconnection and reconnections for the past 12 years.²⁷ The data clearly depicts an overall decrease in disconnections since 2010. Moreover, this historical data shows that the residential class average rate does not have an impact on reconnection rates, and thus should not be correlated.

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²⁷ Table BS-2 reflects no residential disconnections after March 2020 due to the COVID-19 Disconnection Moratorium directed by Resolution M-4842. The 2021 reconnection data showing 4 reconnections reflects customers disconnected prior to the COVID-19 disconnection moratorium who did not respond to SoCalGas' reconnection efforts in 2020.

TABLE BS-2

Year	Total Residential Disconnections	Total Residential Reconnections	Reconnection Rate	Residential Class Average Rate (cents per therm)*
2010	139,596	102,589	73.5%	115.32
2011	112,009	80,333	71.7%	101.43
2012	106,797	75,924	71.1%	98.62
2013	101,373	74,781	73.8%	100.16
2014	94,342	62,558	66.3%	117.76
2015	110,357	60,416	54.7%	116.43
2016	129,545	80,937	62.5%	114.93
2017	116,571	95,084	81.6%	123.71
2018	106,654	86,951	81.5%	119.18
2019	92,010	72,148	78.4%	128.39
2020	16,268	14,911	91.7%	140.36
2021	-	4	-	157.55

Residential Reconnections from 2010 – Present

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*The residential class average rate has not been adjusted for inflation.

V. CONCLUSION

This supplemental testimony has addressed the assessment requested in PU Code § 718(b).

Based upon the data provided and the disconnection process SoCalGas follows, SoCalGas concludes that any rate increase proposed in this GRC period will have little to no impact on customer disconnections for nonpayment, as no direct correlation can be drawn between the two metrics historically. Although the number of disconnections has fluctuated over time just as rates have increased, no direct correlation can be attributed to these data points. SoCalGas's internal policies and processes are effective at managing the number of disconnections on an annual basis and SoCalGas is following the required disconnection cap mandated by D.20-06-003.²⁸ Moreover, these credit policies and practices, and compliance with new rules and policies adopted by the Commission described in Section II, allow an increasing number of customers to successfully reconnect. While numerous factors ultimately influence the disconnection rate for customer nonpayment, including income, unemployment and geography, SoCalGas's approach provides a balanced and reasonable outcome for its entire customer base. This concludes my prepared supplemental testimony.

²⁸ D.20-06-003 at 145 (OP 1(a)).

APPENDIX A GLOSSARY OF TERMS

APPENDIX A

Glossary of Terms

Acronyms	Definition
AMP	Arrearage Management Payment Plan
CAPP	California Arrearage Payment Program
CARE	California Alternate Rates for Energy
CCC	Customer Contact Center
CPUC or Commission	California Public Utilities Commission
CSR	Customer Service Representative
D.	Decision
ESAP	Energy Savings Assistance Program
GRC	General Rate Case
IOU	Investor-Owned Utility
LIHEAP	Low-Income Home Energy Assistance Program
LPP	Levelized Pay Plan
ОР	Ordering Paragraph
PPD	Policy and Planning Division
PU	Public Utilities
R.	Rulemaking
SB	Senate Bill
SoCalGas	Southern California Gas Company

APPENDIX B RULE 9 TARIFF

Rule No. 09 DISCONTINUANCE OF SERVICE

A. CUSTOMER'S REQUEST FOR SERVICE DISCONTINUANCE

- 1. A customer who wants gas service discontinued shall give the Utility notice at least two business days prior to the date service is desired to be discontinued.
- 2. The Utility shall not be required to terminate service earlier than two business days after notice of discontinuance is received. A customer will be held responsible for payment of charges for all services furnished at the premises until the requested date of termination or until the expiration of the required period of notice, whichever date is later.

B. NOTICE OF DISCONTINUANCE

Except as otherwise provided in this Rule, no gas service to a customer may be terminated unless reasonable written prior notice is given to the customer and the customer has a reasonable opportunity to dispute the reasons for the proposed termination. A written statement of residential customers' rights and remedies regarding termination of gas service shall be provided to all new customers, and to all existing customers on an annual basis.

C. NON-PAYMENT OF BILLS

- 1. Past Due Date. A customer's bill for gas service will be considered past due if it is not paid within:
 - a. Nineteen calendar days after mailing when bills are normally made out monthly.*
 - b. Ten calendar days after mailing when bills are made out fortnightly.
 - c. Five calendar days after mailing when bills are made out weekly.
- * Under paragraph C.1.a. and C.2.a., residential customers who are normally billed monthly will have a minimum of 34 calendar days between the date of mailing of the bill and the date of service termination for non-payment.

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 5913 DECISION NO. 21-06-036 (Continued)

ISSUED BY Dan Skopec Vice President Regulatory Affairs

(TO BE INSERTED BY CAL. PUC) SUBMITTED Dec 17, 2021 EFFECTIVE Jan 16, 2022 RESOLUTION NO. M-4842

BMS-B-1

Sheet 1

D

59383-G CAL. P.U.C. SHEET NO. 58983-G CAL. P.U.C. SHEET NO.

Rule No. 09 DISCONTINUANCE OF SERVICE

Sheet 2

D

(Continued)

C. NON-PAYMENT OF BILLS (Continued)

- 2. Past Due Notice
 - a. Residential. The Utility may mail to any residential customer a notice that a bill is past due after the expiration of the applicable period specified in paragraph C.1. The notice that a bill is past due shall state that if the customer is unable to pay the bill by the final date (15 calendar days after the date of mailing of said notice), the customer should contact the Utility to discuss payment arrangements to avoid discontinuance of service. If the bill is not paid, or payment arrangements have not been made by the final date, service may be discontinued for non-payment.
 - b. Non-Residential. A non-residential customer's gas service may be discontinued for non-payment of a past due bill provided that a written notice of discontinuance has been issued and the past due amount has not been paid within seven calendar days of the issuance of the past due notice.
- 3. <u>Third Party Notification</u>. The Utility shall allow elderly (age 65 and over) and handicapped* customers, at their option, to designate a friend, family member, or public or private agency as a third party representative to receive a copy of the notice described in paragraph C.2. The Utility shall establish procedures to ensure that third parties consent to receive such notice, and that a copy of the notice is sent directly to a third party. The Utility shall inform all customers at least once annually of the availability of this service.
- 4. Reasonable Attempt to Contact Customers. Before residential service may be discontinued for nonpayment of bills, the Utility shall make a reasonable attempt to personally contact an adult on the customer's premises prior to termination of service. This reasonable attempt to contact an adult on the customer's premises shall consist of:
 - a. The Utility will solicit or verify customer telephone numbers and/or email address when customers request that service be turned on, when customers contact the Utility for any type of service order or extension, and when the Utility contacts customers at the time of termination of service.
- * Certification from a licensed physician, public health nurse, or social worker may be required by the Utility.

(TO BE INSERTED BY UTILITY) 5913 ADVICE LETTER NO. DECISION NO. 21-06-036 2011

(Continued)

ISSUED BY **Dan Skopec** Vice President Regulatory Affairs

(TO BE INSERTED BY CAL. PUC) SUBMITTED Dec 17, 2021 Jan 16, 2022 EFFECTIVE RESOLUTION NO. M-4842

BMS-B-2

LOS ANGELES, CALIFORNIA CANCELING Revised

CAL. P.U.C. SHEET NO. 59384-G CAL. P.U.C. SHEET NO. 58577-G

	Rule No. 09	Sheet 3
	DISCONTINUANCE OF SERVICE	
	(Continued)	
C. <u>NON-PAYMENT OF BILLS</u>	(Continued)	
4. <u>Reasonable Attempt to Con</u>	tact Customers. (Continued)	
b. At least two attempts wi order to avoid discontine	ll be made to personally contact an adult on the cu nance of service.	stomer's premises in
termination of service at	tact cannot be accomplished, the Utility shall give least 48 hours prior to termination. The Utility sh ponnection notices will notify the customer that ther sist them.	all maintain a record of
may give by email a not	eact, for customers who have provided their email a ice of termination of service at least 48 hours prior record of the emailed notice.	
	on of service, the Utility shall attempt to personally order to avoid discontinuance of service.	v contact an adult on the
provide at least 48 hours	re that there is a handicapped* residential custome s notice by telephone or by visit; however, if person posted in a conspicuous location at the service addr	nal contact cannot be
	Il be trained to communicate with people having la relay services for required communications betwee y.	
language,** large print i	5, the Utility shall include with its Disconnection N nserts and/or leave behind documents (if a custom stomers with direction and contact information on	er is not home during a
* Certification from a lice the Utility.	nsed physician, public health nurse, or social work	er may be required by
	will be consistent with Senate Bill 120, which incl amese, and Korean.	ludes English, Spanish,
	(Continued)	
(TO BE INSERTED BY UTILITY)	ISSUED BY (TO	BE INSERTED BY CAL. PUC)

ADVICE LETTER NO. 5913 DECISION NO. 21-06-036 3C11 ISSUED BY Dan Skopec Vice President Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)			
SUBMITTED	Dec 17, 2021		
EFFECTIVE	Jan 16, 2022		
RESOLUTION N	NO. M-4842		

59385-G CAL. P.U.C. SHEET NO. 58578-G CAL. P.U.C. SHEET NO.

Rule No. 09 DISCONTINUANCE OF SERVICE

Sheet 4

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(Continued)

C. NON-PAYMENT OF BILLS (Continued)

4. Reasonable Attempt to Contact Customers (Continued)

At the request of the customer, the Utility shall provide its Disconnection Notices in Braille. Customers may request such format through the Customer Contact Center. The Braille Disconnection Notice shall also be mailed to customers who have requested bills in Braille. The Braille-translated Disconnection Notice will be in conjunction with the system-generated, non-Braille notice they receive and may not be received the same day. The collection cycle will be adjusted in the customer's favor to accommodate the timing difference of the Braille notice and non-Braille notice.

5. <u>Termination in Error</u>. In the event the Utility terminates service in error, such service shall be restored, without charge, as provided for in Rule No. 10.

6. Termination Dispute for Core Customers

a. <u>Customer Contacts Utility</u>. If the customer is temporarily unable to pay their bill, the Utility may, at its discretion, extend a payment arrangement to a customer who alleges an inability to pay. However, for residential customers,* the Utility shall offer customers a 12-month payment plan or to switch any existing payment arrangements of less than 12 months to a payment plan of 12 months. The customer must contact the Utility prior to the expiration date of any delinquency notice before termination of service to be eligible for payment arrangements. If arrangements are granted, the customer must comply with the agreement and pay all future bills on time in order to continue service. The Utility shall furnish information on the availability of various financial assistance programs to those customers who demonstrate an inability to pay their bill.

Gas service to a residential customer cannot be terminated for nonpayment until the utility offers to enroll eligible customers in all applicable benefit programs administered by the utility. The utility is not required to make affirmative inquiry of every residential household as to whether they are enrolled in applicable benefit programs. If the Utility is in contact with a customer prior to disconnection, however, the Utility shall inquire if the customer is interested in hearing about applicable benefit programs. Residential customers must enroll in the applicable benefit programs within two billing cycles of being made aware of the applicable program.

Low-Income Home Energy Assistance Program (LIHEAP): Gas service to a residential customer shall not be terminated if a customer has a LIHEAP pledge pending.

* Pursuant to D.21-06-036, customers eligible for a COVID-19 Residential Relief Payment Plan between August 2021 and July 2022, shall be automatically enrolled in a payment plan amortizing the customer's arrearage over 24 months of payments.

ISSUED BY **Dan Skopec** Vice President **Regulatory Affairs**

(Continued)

(TO BE I	NSERTED BY CAL. PUC)
SUBMITTED	Dec 17, 2021
EFFECTIVE	Jan 16, 2022
RESOLUTION N	NO. M-4842

Revised CAL. P.U.C. SHEET NO. 57887-G Revised CAL. P.U.C. SHEET NO. 57621-G

Rule No. 09 DISCONTINUANCE OF SERVICE

Sheet 5

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(Continued)

C. NON-PAYMENT OF BILLS (Continued)

6. <u>Termination Dispute for Core Customers</u> (Continued)

b. <u>Customer Contacts the Consumer Affairs Branch (CAB).</u> If you believe there is an error on your bill or have a question about your service, please call Southern California Gas Company customer support at (800) 427-2200. If you are not satisfied with Southern California Gas Company's response, submit a complaint to the California Public Utilities Commission (CPUC) by visiting <u>http://www.cpuc.ca.gov/complaints/</u>. Billing and service complaints are handled by the CPUC's Consumer Affairs Branch (CAB), 505 Van Ness Avenue, Room 2003, San Francisco, CA 94102, phone: 800-649-7570.

If you have limitations hearing or speaking, dial 711 to reach the California Relay Service, which is for those needing assistance relaying telephone conversations. Dial one of the numbers below to be routed to the California Relay Service provider in your preferred mode of communication

Type of call	Language	Toll-Free Number
TTY/VCO/HCO to Voice	English	1-800-735-2929
	Spanish	1-800-855-3000
Voice to TTY/VCO/HCO	English	1-800-735-2922
	Spanish	1-800-855-3000
From or to	English &	1-800-854-7784
Speech-to-Speech	Spanish	

California Relay Service Phone Numbers:

To avoid having service turned off while you wait for the outcome of a complaint to the CPUC specifically regarding the accuracy of your bill, please contact CAB for assistance. If your case meets the eligibility criteria, CAB will provide you with instructions on how to mail a check or money order to be impounded pending resolution of your case. You must continue to pay your current charges while your complaint is under review to keep your service turned on.

- c. <u>CAB Proposed Resolution</u>. Within ten business days after receiving the informal complaint, the CAB will report its proposed resolution by letter both to the customer and the Utility.
- d. <u>Formal Complaint.</u> If the customer is not satisfied with the proposed resolution of the CAB, the customer may file no later than ten business days after the date of the CAB letter, a formal complaint with the Commission at the same address as listed above in C.6.b.
- e. <u>Time Limits.</u> If the customer fails to observe these time limits, the Utility will be entitled to payment, or, if the bill is not paid, to discontinue service.

(Continued)

ISSUED BY Dan Skopec Vice President Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)		
SUBMITTED	Jul 31, 2020	
EFFECTIVE Jul 31, 2020		
RESOLUTION NO.		

59386-G CAL. P.U.C. SHEET NO. 58984-G CAL. P.U.C. SHEET NO.

Rule No. 09 DISCONTINUANCE OF SERVICE

Sheet 6

(Continued)

- C. NON-PAYMENT OF BILLS (Continued)
 - 6. Termination Dispute for Core Customers (Continued)
 - f. Service Not Discontinued. No customer's service may be discontinued while the Utility is investigating a complaint, or while the customer is complying with a payment arrangement, provided the customer also keeps the account current as charges accrue in each subsequent billing period.
 - 7. Master Meter. When the Utility is aware that discontinuance of service to a master meter may deprive residential tenants of gas service, the Utility shall comply with the provisions of paragraph C.1. and C.2. In addition, the Utility shall give the tenants, not less than 15 calendar days prior to the date of discontinuance, notice of their right to become customers without obligation for the bills which have accrued on the master meter. The Utility may satisfy the notice required under this paragraph by posting two such notices at each access point and common areas on the premises when it is not practicable to post a notice on each tenant's door. The notice shall include the amount of the average monthly bill and the name, address and telephone number of a local legal service agency.
 - 8. Payment Agreement. If a customer fails to comply with any payment agreement entered into under paragraph C.6.a. above, the Utility may discontinue service upon 24 hours notice or as otherwise provided in the payment agreement. Such notice shall not entitle the customer to further review by the Utility.

When onsite to perform a disconnection of the gas service due to non-payment, the gas field representative shall allow the customer to make a minimum payment of 20% of the past due balance to leave service active.

The customer can request to be reconnected once the customer has made the minimum 20% payment and also agrees to go on a payment plan. Reconnections following payment and payment arrangement agreement, and consistent with safety protocols, will be completed within 24 hours. The customer will not be required to call another person to have their gas service reconnected once they make a payment.

The Utility shall not disconnect* any residential customer who is on a payment plan** and is current on both monthly bills and the payment plan.

- * Pursuant to D.21-06-036, a customer enrolled in a COVID-19 Residential Relief Payment Plan is not eligible for disconnection.
- ** Pursuant to California Assembly Bill (AB) 135, customers with COVID-19 related debt and are eligible for relief under the California Arrearage Payment Program (CAPP) are protected from the risk of disconnection until June 2022.

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58985-G CAL. P.U.C. SHEET NO. 58729-G CAL. P.U.C. SHEET NO.

Rule No. 09 DISCONTINUANCE OF SERVICE

Sheet 7

(Continued)

C. NON-PAYMENT OF BILLS (Continued)

- 9. Unpaid Bill at a Previous Location. A customer's gas service may be discontinued for nonpayment of a bill for service of the same class rendered to the customer at a previous location served by the Utility, provided said bill is not paid within 19 calendar days after mailing to the new location, and provided further that the Utility has followed the notice requirements of paragraphs C.2. and C.4. at the current location for the bill incurred at the previous location. The customer may dispute this benefit of prior service determination as outlined in Rule No. 03 paragraph D.
- 10. Service to Multiple Locations. Any individual, firm or corporation failing to pay bills due for gas service rendered at one or more locations, within the time limits and subject to the procedures specified in this Rule, shall be subject without further notice to discontinuance of gas service at any or all locations where the Utility provides gas to such individual, firm or corporation, until such bills are paid and credit is reestablished. Residential service, however, may not be discontinued because of nonpayment of bills for other classes of service.
- 11. Serious Illness. Gas service to a residential customer will not be discontinued for nonpayment when the customer has established to the satisfaction of the Utility that such termination would be especially dangerous to the health* of anyone living at the residence served under the customer's bill; or the customer has established to the satisfaction of the Utility that someone living at such residence is handicapped*; and the customer establishes to the satisfaction of the Utility that he or she is unable to pay for such service in accordance with the provisions of the Utility's tariffs.
- 12. Customer Unable to Deliver Payment. If a customer who has received a notice of discontinuance of service under paragraph C.2. notifies the Utility prior to the expiration of such notice that because of infirmities of age and/or handicap, he or she is unable to deliver payment in time to avoid discontinuance of service, the Utility shall offer to make arrangements to collect payment at the customer's home. The customer's claim of infirmity shall be subject to verification by the Utility.

Payments collected at a vulnerable customer's home may be made using the following options: cash, check, or money order.

- 13. Weekends and Holidays. The Utility shall not, by reason of delinquency in payment for gas service, cause cessation of service on any Saturday, Sunday, legal holiday, or at any time during which the business offices of the Utility are not open to the public.
- Certification by a licensed physician, public health nurse, or social worker may be required by the Utility.

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ISSUED BY Dan Skopec Vice President Regulatory Affairs

(TO BE INSERTED BY CAL. PUC) Jul 12, 2021 DATE FILED Jul 12, 2021 EFFECTIVE **RESOLUTION NO.**

BMS-B-7

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58730-G CAL. P.U.C. SHEET NO. 57890-G CAL. P.U.C. SHEET NO.

Rule No. 09 DISCONTINUANCE OF SERVICE

Sheet 8

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(Continued)

C. NON-PAYMENT OF BILLS (Continued)

14. Temperature-Related Limitations. The Utility shall not, by any reason of delinquency in payment for gas service, cause cessation of service when temperatures are below 32 degrees Fahrenheit when forecasted by the Utility based on a 72-hour look ahead period.

D. UNSAFE APPARATUS

- 1. Whenever the Utility determines that any part of a customer's services, appliances or apparatus are at any time unsafe, or that the utilization of gas by means thereof is prohibited or forbidden under authority of any law or municipal ordinance or regulation (until such law, ordinance or regulation shall be declared invalid by a court of competent jurisdiction), the Utility may refuse to serve, or may cease serving, such a customer until the customer shall put such part in good and safe condition and comply with all the laws, ordinances and regulations applicable thereto.
- 2. The Utility does not assume the duty of inspecting the customer's services, appliances or apparatus or any part thereof, and assumes no liability therefor. In the event that the customer finds the gas service to be defective, the customer is requested to immediately notify the Utility to this effect.

E. FRAUD - REFUSAL OR DISCONTINUANCE OF SERVICE

The Utility shall have the right to refuse to provide gas to, or on, any premises and at any time to discontinue service if found necessary to do so in order to protect itself against abuse or fraud.

The Utility may refuse or discontinue gas service if the acts of the applicant or the customer indicate an intent to evade the credit practices of the Utility or if the acts of the customer or conditions on the customer's premises indicate an intent to evade payment of a utility bill or the credit practices of the Utility. If an applicant or customer knowingly furnishes false, incomplete, misleading or inaccurate information or refuses to provide required information to the Utility, it shall be deemed to be an intent to evade the credit practices of the Utility. Upon written request of the applicant or customer, the Utility shall provide a written statement of the reason for such refusal or discontinuance.

F. UNAUTHORIZED USE

The Utility may discontinue service if the acts of the customer or the conditions upon the premises indicate an intent to deny the Utility full compensation for services rendered, including, but not limited to, tampering or unauthorized use. Discontinuance of service for non-payment of a bill for unauthorized use shall be in accordance with the provisions of section C above.

(TO BE INSERTED BY UTILITY) 5794 ADVICE LETTER NO. DECISION NO. 8C5

(Continued)

ISSUED BY **Dan Skopec** Vice President **Regulatory Affairs**

(TO BE INSERTED BY CAL. PUC) SUBMITTED Apr 1, 2021 May 1, 2021 EFFECTIVE RESOLUTION NO. M-4849

57891-G CAL. P.U.C. SHEET NO.

Rule No. 09 DISCONTINUANCE OF SERVICE

Sheet 9

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(Continued)

G. MULTILINGUAL SERVICE

The Utility shall provide a reasonable number of multilingual individuals to advise customers of termination policy where a substantial portion of the customers in the Utility's service area do not speak English.

H. NONCOMPLIANCE WITH THE UTILITY'S TARIFFS

Except as otherwise specifically provided in this rule, the Utility may discontinue service to a customer for non-compliance with any of the Utility's effective tariffs, if, after written notice of at least 15 calendar days for residential customers and seven calendar days for non-residential customers, the customer has not complied with the notice.

This notice may be waived when, in the opinion of the Utility, either a dangerous condition has been discovered or a bonafide emergency is found to exist on a customer's premises, or in the case of a customer utilizing the service in such a manner as to make it dangerous for occupants of the premises, thus rendering the immediate discontinuance of service to the premises imperative.

I. USAGE OF SERVICE DETRIMENTAL TO OTHER CUSTOMERS

The Utility will not provide service to gas equipment, the operation of which will be detrimental to other gas service, and will discontinue gas service to any customer who continues to operate such equipment after being notified by the Utility to discontinue the operation.

J. FAILURE TO ESTABLISH OR RE-ESTABLISH CREDIT AFTER INSTITUTION OF SERVICE

- 1. If, at the request or convenience of a customer, the Utility institutes gas service to a customer prior to his having established credit (as provided in Rule No. 6) and if, within seven calendar days from such institution of service, said customer has not established credit, the Utility shall have the right, upon giving 15 calendar days written notice, and upon the customer's failure to establish credit within such notice period, to discontinue further service of gas. Exceptions to discontinuance of service are as limited by paragraphs C.4., 7., 10., 11. and 13.
- 2. If a non-residential customer does not provide information satisfactory to the Utility to re-establish credit, or fails to provide security as provided in Rule No. 6, the Utility shall have the right to discontinue service to that customer, after giving due notice.

K. TERMINATION OF SERVICE FOR FUMIGATIONS

1. Every person planning to conduct any fumigation, where a fumigator places a tent over any portion of a structure served with natural gas, shall contact the Utility to request a termination of gas service at least two business days prior to commencing the tenting of a structure. In cases where the Utility is unable to terminate the service on the date requested, the Utility shall contact the fumigator to arrange another date.

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(TO BE INSERTED BY CAL. PUC)	
SUBMITTED	Apr 1, 2021
EFFECTIVE	May 1, 2021
RESOLUTION NO. M-4849	

Revised CAL. P.U.C. SHEET NO. 57892-G Original CAL. P.U.C. SHEET NO. 57626-G

Rule No. 09 DISCONTINUANCE OF SERVICE

Sheet 10

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(Continued)

K. TERMINATION OF SERVICE FOR FUMIGATIONS (Continued)

- 2. When the fumigation is complete and the structure is posted as suitable for occupancy (Certificate for Re-Entry), the Utility shall restore the gas service. The customer or their authorized agent is required to provide proof of Certificate for Re-Entry as a condition for reinstating gas service. The Utility shall offer a four-hour service appointment for restoring the gas service.
- 3. Where the fumigator tents the structure without contacting the Utility to request a termination of the gas service, or where the fumigator performs the tenting prior to the Utility terminating the service, and the Utility discovers this condition, the Utility may immediately and without notice, terminate the gas service as an unsafe condition pursuant to Rule 9.D.1. Thereafter, the Utility may restore service; however, Utility may, at its sole discretion, charge and collect from the fumigator any costs incidental to the termination or restoration of service, where the fumigator has tented the structure without notifying the Utility to terminate gas service or tented before service had been terminated.
- 4. If the fumigator violates any of the provisions of Rule 9.K, the Utility shall submit written notice of the alleged violation directly to the violating Branch 1 registered company (pest control operator), with a copy to the Executive Officer of the Structural Pest Control Board and the Director of the Consumer Protection and Safety Division of the California Public Utilities Commission.
- 5. In compliance with D.08-07-046 which approved the Memorandum of Understanding between SoCalGas and the Pest Control Operators of California (PCOC), SoCalGas commits to the following:
 - a) When gas restoration is already offered on Saturdays, schedule the orders for the restoration service after 10:00 a.m.
 - b) Offer gas shut-off service on holidays during which the Utility is already operating under a standard work day.
 - c) Schedule gas shut-off service from 7:00 a.m. to 11:30 a.m.
 - d) If a Utility representative arrives at a PCOC work site to perform a gas shut-off and is unable to perform the shut-off, the Utility representative will immediately contact the Utility scheduling function, or if possible, the PCOC business associated with the shut-off, to attempt to accomplish the shut-off as scheduled.
 - e) Endeavor to address PCOC service issues on an ongoing basis, which shall include, at a minimum, holding in-person meetings with PCOC on no less than an annual basis.
 - f) Reserve the right to modify or discontinue any or all of the services described above; however, the Utility will meet and discuss the planned actions with PCOC prior to making any such changes.