

**CFC DATA REQUEST**  
**CFC-Sempra-2019 #14**  
**SOCALGAS 2019 GRC – A.17-10-008**  
**SDG&E 2019 GRC – A.17-10-007**  
**DATE RECEIVED: APRIL 4, 2018**  
**DATE RESPONDED: APRIL 17, 2018**

1. SCG-41, page AMS-4, describes Reconnection Charge revenues:

"The Reconnection Charge is \$16 to re-establish service subsequent to the closing of a customer account for non-payment pursuant to SoCalGas' Commission-approved Tariff Rule 10. The TY 2019 estimate is based on the three-year historical average (2014-2016) adjusted for the annual growth rates for non-pay turn-on orders for the period 2017-2019. A three-year average was adopted to reflect increased BY 2016 field activity at a slightly decreased level. This forecast methodology utilizes the available historical data. This is an established service with no significant changes; therefore, averaging the costs over a three-year period best reflects a reasonable estimate of the future annual revenues."

SCG-41-WP-R, page 1, shows several categories of Miscellaneous Revenues. Per the below excerpt, Reconnection Charges are forecast at a consistent value (1,513), for 2018 and 2019:

Testimony Item #	Activities	GIL Account Description	SUMMARY OF RESULTS			
			2016 Rec	2017 Est	2018 Est	2019 TY
	<b>Miscellaneous Service Revenues</b>	<b>488</b>				
1	Service Establishment Charges (SEC)	Service Establishment Charges Actual Service Establishment Charges Accr	21,574	21,140	20,749	0
2	AMI Opt Out Fee	Opt Out Fee	0	3,240	2,921	1,054
3	Reconnection Charge	Misc Svs Rev Reconnect Charge	1,797	1,513	1,513	1,513
4	Residential Parts Program	Residential Limited Parts Program	2,539	2,848	2,875	2,889
5	Commercial Parts Program	Rev From Comm Parts Sales	3,535	3,976	4,005	4,037
6	Connect Appliance Program	Revs From Appli Connection Svc	87	109	110	110
7	Natural Gas Vehicle Maintenance	Rev from Cust Owned NGV Station Maint	131	99	99	99
8	Pipeline Services	Pipeline Services Revenue	78	60	60	60
9	Late Payment Charges (Non-Residential)	Rev From Late Pmt Chrg Actual	510	521	521	521
10	Other Customer Service Revenues	Revenue from Set Time Appt Svc Chrg Rev Fr Airqual Prog Hndbk & Smnar Rev for Seismic Services Rev for Seismic Restores Rev for Non-Seismic Restores	87 0 8 444 18	93 0 7 510 20	93 0 7 514 20	94 0 7 518 20
	<b>Sub-Total</b>		<b>30,806</b>	<b>34,135</b>	<b>33,987</b>	<b>10,921</b>

The application proposes a significant rate increase for residential gas customers.

- a. Please explain why SCG does not anticipate any increase in Reconnection Charges for 2019, considering the significant rate increases being proposed.
- b. What Reconnection Charge revenue does SCG expect for 2021?
- c. What total reconnection revenues were realized for 2017? (If 2017 data are not complete to the end of the year, please explain the 2017 YTD revenues recorded.)

**SoCalGas Response 01:**

- a.) The number of reconnections is dependent on the number of disconnections and SoCalGas does not forecast the number of disconnections. The reconnection miscellaneous revenue forecast was based on the three year average of miscellaneous revenues.

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**SoCalGas Response 01 Continued:**

- b.) SoCalGas objects to the portion of this question requesting forecasts beyond Test Year 2019 under Rule 10.1 of the Commission’s Rules of Practice and Procedure to the extent it seeks the production of information that does not exist, as it is outside the scope of this GRC proceeding. Subject to and without waiving the foregoing objection, SoCalGas responds as follows: SoCalGas’ filed application follows the Rate Case Plan, which identifies forecasts for a Test Year of 2019 [Rate Case Plan D.07-07-004, July 12th, 2007 at A-34]. SoCalGas has not forecasted for any period beyond 2019, which is addressed by the attrition mechanism.
  
- c.) 2017 reconnection revenue was \$1,656,292.

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2. SDG&E-18-S, page JDS-5, comments on attempts to link disconnections to average rate levels:

"We have analyzed only the data SDG&E possesses on its rate increases over time and its historical disconnection and reconnection figures. That data indicates that since 2010, SDG&E's residential class average rate has fluctuated, as has the number of disconnections for nonpayment. Based upon the data reflected in Table JS-1 below, SDG&E observes that a comparison of the yearly residential class average electric rate to the monthly average total disconnections does not lead to a conclusion that the two data points correlate. Since 2010, SDG&E's average residential rate has increased year over year, with the exception of 2012. However, the average number of customer late notices has remained roughly flat or consistent year over year."

Page JDS-7 states that...

"Based upon SDG&E's analysis of its rate and disconnection data and the disconnection process SDG&E follows, SDG&E concludes that any rate increase proposed in this GRC period will have little to no impact on customer disconnections for nonpayment."

- a. Does this statement mean that SDG&E anticipates that the move to a default TOU rate structure will have no impact on the number and/or rate of disconnections? Please comment.

**SDG&E and SoCalGas Response 02:**

The purpose of SDG&E-18-S was to address the impact of rates on disconnections for nonpayment in accordance with SB598. SDG&E has not conducted an analysis of rate structure impacts.

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3. SDG&E-18-S, page JDS-3, describes ways customers can make payment arrangements for overdue bills:

"SDG&E understands there are extenuating circumstances, and in those events the ESS can offer pay arrangements with extended timeframes. Customers are made aware of self-service channels such as My Account and the Interactive Voice Response (IVR) systems. Both systems may be used for pay arrangements to help manage monthly charges. My Account also provides customers with information on their energy use, energy conservation tips and rate analysis."

- a. Has SDG&E observed any difference in the probabilities of slipping into arrearage by those receiving and paying their bills electronically versus those taking paper billing? Please comment.

**SDG&E and SoCalGas Response 03:**

SDG&E has not conducted this type of analysis.

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4. SDG&E-18-S, Table JS-3, presents data on Disconnections and Reconnections:

**TABLE JS-3**

<b>Year</b>	<b>Total Annual Residential Disconnections</b>	<b>Total Annual Residential Reconnections (within 12-48 hours)</b>	<b>Residential Reconnections Rate</b>
2010	21,128	15,531	73.5%
2011	20,690	16,075	77.7%
2012	21,691	16,959	78.2%
2013	26,627	22,338	83.9%
2014	28,933	25,186	87.0%
2015	35,899	32,882	91.6%
2016	40,067	35,759	89.2%
2017	45,593	40,363	88.5%

- a. What total Residential Disconnections and Reconnections are anticipated for each of 2019, 2020, and 2021? Please explain.

**SDG&E and SoCalGas Response 04:**

As stated in the response to TURN DATA REQUEST – 021, Question 11, SDG&E does not forecast the total annual amount of disconnections. Similarly, SDG&E does not forecast annual reconnections.