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

E-mail: public.advisor@cpuc.ca.gov

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

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

Please reference SoCalGas Application No.17-05-007 in any communications you have with the CPUC regarding this matter. All public comments will become part of the public correspondence file for this proceeding and made available for review to the assigned Judge, the Commissioners, and appropriate CPUC staff.



Para más detalles llame al 1-800-342-4545

NOTIFICATION OF SOUTHERN CALIFORNIA GAS COMPANY'S REQUEST TO INCREASE RATES FOR THE MOBILEHOME PARK UTILITY UPGRADE PROGRAM APPLICATION A.17-05-007

On May 5, 2017, Southern California Gas Company (SoCalGas[®]) filed an application with the California Public Utilities Commission (CPUC) for approval to increase rates for the implementation of the Mobilehome Park Utility Upgrade Program (MHP Program). This application seeks approval to implement the MHP Program to convert mobilehome parks to direct utility service for a period of six years (2018-2023). Converting mobilehomes to direct utility service will increase safety and reliability of gas and electric service to MHP residents, facilitate customer enrollment in SoCalGas' current customer assistance programs offerings, and provide MHP customers with Advanced Meters. In March 2014, the CPUC issued Decision (D.) 14-03-022 to adopt a three-year pilot program to convert at least 10% of master-metered and submetered mobilehome parks to direct utility service. The decision gave utilities the option to seek continuation of the program after the three-year pilot program. This decision gave utilities the option to seek continuation of the program after the three-year pilot program. SoCalGas' Mobilehome Park Utility Upgrade Program is a continuation of the three-year CPUC approved program. SoCalGas requests approval to convert an additional 20% of mobilehome spaces within its service territory from 2018-2023.

As shown below, SoCalGas is requesting annual revenue requirement increases due to this program for the years 2018 through 2023. If approved, the increase in each annual revenue requirements would be charged to customers over a 12-month period, or until the costs are recovered. The proposed annual rate increases are shown in the tables below reflecting the revenue requirements.

ESTIMATED IMPACT OF THIS REQUEST ON GAS RATES

SoCalGas has estimated increases in annual revenue requirements of \$0.5 million in 2018, \$3.9 million in 2019, \$12.5 million in 2020, \$22.5 million in 2021, \$32.4 million in 2022 and \$40.3 million in 2023. The table below shows the year with the biggest request increase compared to current rates.¹ The actual rate increase to each customer class by year would depend on how the CPUC ultimately decides all issues in the proceeding.

Illustrative Proposed Class Average Rate Increase Per Customer Class for 2023:²

| Customer Class | Current rates (3/1/17) | Total Rate Increase | Proposed 2023 Rates | % Increase |
|---|------------------------|---------------------|---------------------|-------------|
| Residential | 72.2 ¢/Therm | 1.5 ¢/Therm | 73.7 ¢/Therm | 2.1% |
| Commercial | 29.6 ¢/Therm | 0.6 ¢/Therm | 30.2 ¢/Therm | 2.0% |
| Natural Gas Vehicles | 15.0 ¢/Therm | 0.2 ¢/Therm | 15.2 ¢/Therm | 1.6% |
| Large Industrial (distribution level service) | 7.0 ¢/Therm | 0.1 ¢/Therm | 7.1 ¢/Therm | 1.9% |
| Large Industrial (transmission level service) | 2.0 ¢/Therm | 0.0 ¢/Therm | 2.1 ¢/Therm | 1.3% |
| Backbone Transmission Service | 32.1 ¢/Therm | 0.0 ¢/Therm | 32.1 ¢/Therm | 0.0% |
| System Total | 27.1 ¢/Therm | 0.5 ¢/Therm | 27.5 ¢/Therm | 1.8% |

¹ If cost sharing occurs with a partnering utility, costs reflected may decrease.

² While there will be rate changes between 2018-2023, the table above provides information for the highest year of the increases (2023).

If the CPUC approves SoCalGas' proposal the bill for a typical bundled residential customer, using 35 therms per month, would increase **\$0.53**, or 0-1%, from **\$43.24** to **\$43.77**. Individual customer bills may differ in 2023. SoCalGas is requesting rates become effective in 2018.

FOR FURTHER INFORMATION

You may request additional information or obtain a copy of the application and related exhibits by writing to: Joseph Mock, Southern California Gas Company, 555 W. Fifth St., GT14D6, Los Angeles, CA 90013-1011. SoCalGas' application and attachments may also be inspected at the CPUC's Central Files Office, 505 Van Ness Ave., San Francisco, CA 94102.

Copies of this Application will be available for viewing and printing on the SoCalGas web site at: socialgas.com/regulatory/cpuc.shtml.

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CPUC PROCESS

This application will be assigned to an Administrative Law Judge (Judge) who will determine how to receive evidence and other related documents, necessary for the CPUC to establish a record upon which to base its decision. Evidentiary Hearings (EHs) may be held where parties of record will present their testimony and may be subject to cross-examination by other parties. These EHs are open to the public, but only those who are parties of record can participate.

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

The Office of Ratepayer Advocates (ORA) may review this application. ORA is the independent consumer advocate within the CPUC with a legislative mandate to represent investor-owned utility customers to obtain the lowest possible rate for service consistent with reliable and safe service levels. ORA has a multi-disciplinary staff with expertise in economics, finance, accounting and engineering. For more information about ORA, please call (415) 703-1584, e-mail ora@cpuc.ca.gov or visit ORA's web site at www.ora.ca.gov.

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