



SOUTHWEST GAS CORPORATION

April 1, 2021

DRAFT

Advice Letter No. -G

(U 905 G)

Public Utilities Commission of the State of California

Subject: Transition Plan for the Expiration of Emergency Customer Protections Pursuant to Resolution M-4849

Purpose

Southwest Gas Corporation (Southwest Gas or Company) hereby submits this Tier 2 Advice Letter pursuant to Ordering Paragraph (OP) 5 of Resolution M-4849, *Authorization and Order Directing Utilities to Extend Emergency Customer Protections to Support California Customers Through June 30, 2021, and to File Transition Plans for the Expiration of the Emergency Customer Protections* (Resolution M-4849).

Background

In July 2019, the Commission issued Decision (D.) 19-07-015, which established a permanent set of emergency disaster customer protection measures that utilities are mandated to implement in the event the Governor of California or the President of the United States declares a state of emergency and the disaster has either resulted in the loss or disruption of the delivery or receipt of utility service and/or resulted in the degradation of the quality of utility service.

On March 4, 2020, Governor Newsom declared a State of Emergency in California related to COVID-19 to make additional resources available, formalize emergency actions already underway across multiple state agencies and departments, and help the State of California in the event of a broader spread of COVID-19. As a result, and pursuant to OP 2 in D.19-07-015, Southwest Gas submitted Advice Letter 1130 on March 25, 2020 detailing the Emergency Disaster Relief Program (EDRP) customer protections implemented by the Company in response to COVID-19.

On April 16, 2020, the Commission adopted Resolution M-4842 (Resolution M-4842) ratifying the directives issued in the March 17, 2020 Letter from Executive Director Alice Stebbins implementing EDRP customer protections. Resolution M-4842 recognized that “The COVID-19 pandemic represents a different type of emergency, one where the threat – in this case, a virus—necessitates a response which impacts Californians’ ability to pay for utility service...Therefore...the Commission extends to California customers the emergency customer protections from D.19-07-015...through April 16, 2021, with an



option to extend.”¹ All residential and small business customers in California are eligible for the emergency customer protections.²

Southwest Gas submitted Advice Letter 1130-A in compliance with Resolution M-4842 to establish the COVID-19 Pandemic Protections Memorandum Account (CPPMA) and address new requirements pertaining to EDRP Customer Protections implemented and those not implemented in response to COVID-19, as well as Southwest Gas’ Communications and Outreach Plan pertaining to COVID-19. Advice Letters 1130-B and 1130-C were subsequently submitted to offer additional clarifications and modify the CPPMA.³

On February 11, 2021, the Commission adopted Resolution M-4849 extending the customer protection measures for residential and small business customers adopted in D.19-07-015 and D.19-08-025 through June 30, 2021. Pursuant to OP 2 in Resolution M-4849, Southwest Gas submitted Advice Letter 1161 demonstrating compliance with the extension of emergency customer protections to support California customers in the Company’s service territory.

OP 5 in Resolution M-4849 states:

Electric, gas, and water corporations subject to this Resolution shall each file Tier 2 Advice Letter with their transition plans for the expiration of Emergency Customer Protections by April 1, 2021. The transition plans shall include 1) a timeline of new start and resumed activities, 2) a marketing, education and outreach (ME&O) strategy, 3) an explanation of the activities timeline and ME&O strategy accounts for compliance and safety, and 4) a progress tracking and reporting plan. The goal of the transition plan is to proactively enroll customers in programs to manage their utility bills and inform relevant customers of the changes to programs they are already on, to effectively ease customers through a transition off of Emergency Customer Protections (and, in the case of water IOUs, the future expiration of the disconnect moratorium in the Governor’s Executive Order N-42-20). Electric and gas corporations shall serve copies of the Advice Letters to R.18-03-011, A. 14-11-007, A.15-02-001, A.19-11-003, A.20-03-014, R.15-03-010, R.18-07-006, R.18-07-005, R.12-06-013, and A.19-09-014 proceeding service lists, and the service list of any new proceeding established to Address Energy Utility Customer Bill Debt Accumulated During the Coronavirus Pandemic. Water corporations shall serve copies of the Advice Letters to R.18-03-011 and R.17-06-024 proceeding service lists.

¹ Resolution M-4842, at pgs. 3-4.

² *Id.*, at pg. 4.

³ The referenced Advice Letters were approved by the Energy Division on December 16, 2020, effective March 4, 2020.



Transition Plan

Current COVID-19 Emergency Customer Protections

Current emergency customer protection activities include:

- Moratorium on service disconnects
- Suppression of late fees
- Suppression of re-establishment deposits
- California Alternate Rates for Energy (CARE)
 - Suspended CARE program removals for residential customers, as well as suspended recertification and income verification requests for CARE customers
- Suspended recertification requests for Medical Baseline Allowance program
 - This will remain our process indefinitely
- Updated bill and disconnect notice language to remove “turn off” and “disconnect”

Customer Support Through the Pandemic

COVID-19 Customer Assistance Queue – Southwest Gas customers impacted by COVID-19 may navigate through our automated phone system to speak to a specialist to discuss account assistance

- To best assist customers, associates received specified training on:
 - Flexible payment options
 - Payment assistance programs
 - Agency referrals

Customers will always be able to speak to a trained representative to provide these services, regardless of timeframe.

Post-Call Survey – Southwest Gas customers can opt into a survey after speaking with a representative to provide feedback on their experience

- Survey question asking, “Have you or someone in your household been impacted by COVID-19 and would you like additional information on resources available?”
- Customers who positively respond receive information on flexible payment options, payment assistance programs and agency referrals

Outbound Payment Assistance program – Southwest Gas places outbound calls to customers who are identified as being in arrears and have not called in to speak to a Customer Solutions representative

- Staffed program with COVID-19 Assist Queue representatives
- To date, dialed over 3000 California customers
 - ~1000 contacted
 - ~130 enrolled in CARE



- ~250 were provided agency referrals
- ~300 were provided flexible payment options

Agency Payments - Southwest Gas works with California agencies launching the multiple channels for assistance and tracking of impacted customers

- To date, received over \$400,000 in payments assisting ~1100 customers

Post-EDRP Transition to Business as Usual

Southwest Gas plans to ease customers back into standard business practices starting with our recent initiative of placing customers who are more than 60 days past due and are more than \$20 in arrears on an automated Deferred Payment Arrangement for 8 months. This will help customers bring their accounts current over an extended period.

- July 1, 2021
 - Re-institute third party collections activity (charged off/closed accounts).
- August 1, 2021
 - Re-instate billing late payment charges and re-establishment deposits
 - Southwest Gas will continue through at least December 31, 2021 to waive fees or deposits upon customer request if they advise us that they are COVID impacted.
- September 1, 2021
 - Re-instate disconnects for non-payment
 - Southwest Gas will not through at least December 31, 2021 disconnect a customer who has informed us they are COVID-19 impacted.
- October 1, 2021
 - Begin sending recertification and random income verification request letters to CARE customers.
- December 2021
 - Begin removing customers from the CARE program, who do not complete recertification or income verification requirements

Customer Notifications

As Southwest Gas begins the gradual transition from emergency customer protections, customers will be notified through multiple channels.

- Messaging will reference the end of COVID-19 customer protections as of 6/30/2021, including:
 - Late Payment Charge re-instatement
 - Re-establishment deposit re-instatement
 - Service disconnection re-instatement
- Channels and timing include:
 - General bill messages beginning in June 2021
 - Website messaging throughout swgas.com beginning in June 2021



- Opower Energy Savings Portal messaging targeted to low income customers beginning in June 2021
- In addition, the following targeted messaging for CARE customers around recertification and income verification requirements will be implemented:
 - Targeted CARE bill messages beginning September 2021
 - Letters requesting CARE recertification and income verification will be mailed beginning in October 2021

Customer Reporting and Tracking

Southwest Gas currently tracks customers reporting COVID-19 impacts and automated deferred payment arrangements, and we will continue providing monthly reporting to the Energy Division for:

- COVID-19 Related Changes in Sales, Uncollectibles, Aging Receivables and Bad Debt
- CARE Reporting

Effective Date

Pursuant to OP 5 in Resolution M-4849, this Advice Letter is classified as Tier 2 (effective after Energy Division approval) and is subject to Energy Division disposition pursuant to General Order (GO) 96-B. Therefore, Southwest Gas respectfully requests this Advice Letter be made effective on May 1, 2021, which is thirty (30) days after the date of submission.

Protest

Anyone may protest this Advice Letter to the Commission. The protest must state the grounds upon which it is based with specificity. The protest must be sent no later than 20 days after the date of this Advice Letter submission and shall be sent by letter via U.S. Mail, facsimile, or electronically mailed. The address for mailing or delivering a protest to the Commission is:

ATTN: Tariff Unit
Energy Division
California Public Utilities Commission
505 Van Ness Avenue, 4th Floor
San Francisco, CA 94102
Email: edtariffunit@cpuc.ca.gov
Facsimile: 415-703-2200



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Copies should also be mailed to the attention of the Director, Energy Division, Room 4004, at the same address as above, and mailed, emailed or faxed to:

Mr. Justin Lee Brown
Senior Vice President/General Counsel
Southwest Gas Corporation
P.O. Box 98510
Las Vegas, NV 89193-8510
Email: justin.brown@swgas.com
Facsimile: 702-364-3452

Notice

Southwest Gas is exempt from the notice requirements set forth in General Rule 4.2 in GO 96-B since this Advice Letter is submitted in compliance with OP 5 in Resolution M-4849.

Service

In accordance with GO 96-B, General Rule 7.2, Southwest Gas is serving copies of this Advice Letter and related tariff sheet to the utilities and interested parties shown on the attached list. Pursuant to OP 2 in Resolution M-4849, Southwest Gas will also serve this Advice Letter to all individuals on the established service lists in Rulemaking (R.) 18-03-011, Application (A.) 14-11-007, A.15-02-001, A.19-11-003, A.20-03-014, R.15-03-010, R.18-07-006, R.18-07-005, R.12-06-013, and A.19-09-014.

Communications regarding this submission should be directed to:

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Respectfully submitted,

SOUTHWEST GAS CORPORATION

By: _____
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