

Customer Assistance

WORKSHOP #1: DISCUSSION OF UTILITY DISCONNECTION AND RECONNECTION DATA

October 12, 2018

SoCalGas Disconnection Practices

- » Contact customers multiple times prior to disconnection, offering many assistance programs to customers in need (CARE, Medical Baseline Allowance, Energy Assistance Funds)
- » Conduct in-person visits to critical care, medical baseline, disabled and elderly customers prior to disconnection
- » Grace period for disconnection eligibility is 8 weeks
- » No disconnection during extreme weather events or on holidays

SoCalGas Key Disconnection Statistics

- » Lowest disconnection rate in state: only 2% of customers annually
- » Only disconnect 7-8% of customers at risk for disconnections
- » Reconnection rate is approximately 80%
- » Unlike other IOU's, SoCalGas must manually reconnect customers for safety reasons
- » Average 1.1 million customers on payment plans

2017 Disconnection Cap Concerns

- » Cap kicks the can down the road
 - Outstanding balances continue to grow
 - More manageable to pay \$100 now than \$500 later
 - Makes disconnection at a later time more likely
- » By the time the customer is disconnected, reconnection may be unaffordable
- » Customer could end up without service

Rapid Relief Proposal

- » Boost participation in payment plans or assistance programs by customers at risk of disconnection
 - The tools are there, but they need to sign up
- » Getting customers on payment plans keeps them from getting disconnected while helping them maintain a manageable outstanding balance.
- » If customers are able to fulfill their payment arrangement plans, then it helps keep their service on and keep rates lower for all ratepayers.

Long-Term Suggestions

- » Conduct customer focus groups to learn:
 - Why customers at risk for disconnections are not using payment plans
 - Customer-preferred communication methods
 - How to boost sign-ups for assistance programs
- » Develop outreach plan to increase payment plan and program participation.
- » The more customers are able to manage their bills and usage, the lower the disconnection rate for the state.