

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**



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Application of Pacific Gas and Electric Company  
for Approval of 2013-2014 Statewide Marketing,  
Education and Outreach Program and Budget  
(U39M).

A.12-08-007  
(Filed August 2, 2012)

And Related Matters.

A.12-08-008  
A.12-08-009  
A.12-08-010

**REPLY COMMENTS OF SOUTHERN CALIFORNIA GAS COMPANY  
(U 904 G) ON RULING OF ASSIGNED COMMISSIONER SOLICITING  
COMMENTS ON WINTERTIME MARKETING**

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Pursuant to the September 28, 2016 *Ruling of Assigned Commissioner Soliciting Comments on Wintertime Marketing* (Ruling), Southern California Gas Company (SoCalGas) hereby submits its Reply Comments to other parties' Opening Comments in response to the questions posed in the Ruling.

**I. PARTIES SUPPORT SOCALGAS' PROPOSAL TO PIVOT ITS  
MARKETING EFFORTS TO ITS WINTER DEMAND RESPONSE  
PROGRAM INITIATIVES**

Upon review of the Opening Comments provided by parties, SoCalGas finds support for its recommendation to pursue additional outreach through its Winter Demand Response Programs and not as part of this proceeding.<sup>1</sup> As stated in its Opening Comments on the Ruling, SoCalGas believes that its Winter Demand Response Programs will sufficiently address the concerns posed in the Ruling, by not only providing cold weather messaging for the 2016-2017

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<sup>1</sup> See, Opening Comments of SoCalGas [full citation omitted], pp. 1-2.

winter, but also encouraging conservation efforts by providing incentives to core customers and posting notifications for noncore customers on SoCalGas' electronic bulletin board.<sup>2</sup> SoCalGas will address the risk of natural gas shortages identified in *The Aliso Canyon Gas and Electric Reliability Winter Action Plan*, through its proposed Winter Demand Response Programs, which will include a messaging component to drive activity in those programs. The California Independent System Operator Corporation (CAISO) supports the proposal to not allocate additional funding for winter Flex Alert activities<sup>3</sup> and “. . . continues to caution that any gas conservation program similar to Flex Alert should be sufficiently differentiated from Flex Alert to ensure there is no customer confusion between electric and gas savings programs.”<sup>4</sup> SoCalGas shares this concern and has developed programs to promote natural gas demand response and not create brand confusion with Flex Alert.

The Utility Reform Network (TURN) also stated that “[i]n light of the significant overlap between some of the programs described in Advice Letter 5035 and the programs contemplated in the Ruling, TURN recommends that the Commission postpone acting on the cold weather messaging activities listed in the Ruling.”<sup>5</sup>

## **II. THE COMMISSION WILL MAKE A DETERMINATION ON COST RECOVERY ISSUES AT A LATER DATE**

In Decision (D.) 16-04-039, the Commission directed that all costs related to the ME&E campaign be tracked in a memorandum account and deferred the determination of cost-recovery to a later date. As required, SoCalGas has tracked all of the costs of the ME&E campaign in its memorandum account. In their Opening Comments, TURN, ORA, and CforAT/Greenlining propose that the costs associated with these efforts should be borne by shareholders, not ratepayers.<sup>6</sup> SoCalGas strongly disagrees and has proposed that the campaign be ratepayer-

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<sup>2</sup> See, Advice Letter No. 5035, pp. 2-4, 7-9.

<sup>3</sup> See, Comments of CAISO [full citation omitted], p. 2 [sic].

<sup>4</sup> *Id.*

<sup>5</sup> Comments of TURN [full citation omitted], p. 2.

<sup>6</sup> See, *Id.* at 1. See also, Comments of ORA [full citation omitted], p. 4 and Comments of CforAT/Greenlining [full citation omitted], p. 1.

