

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



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Order Instituting Rulemaking to Consider Smart  
Grid Technologies Pursuant to Federal Legislation  
and on the Commission's Own Motion to Actively  
Guide Policy in California's Development of a  
Smart Grid System

Rulemaking 08-12-009  
(Filed December 18, 2008)

**COMMENTS OF SOUTHERN CALIFORNIA GAS COMPANY (U 904 G) ON  
COMMISSIONER'S PROPOSED DECISION**

Steven D. Patrick  
*Attorney for*  
**SOUTHERN CALIFORNIA GAS COMPANY**  
555 West Fifth Street, Suite 1400  
Los Angeles, CA 90013-1011  
Telephone: (213) 244-2954  
Facsimile: (213) 629-9620  
E-Mail: [sdpatrick@semprautilities.com](mailto:sdpatrick@semprautilities.com)

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**I.**

**INTRODUCTION**

Pursuant to the California Public Utilities Commission's ("Commission") Rules of Practice and Procedure (Rules), Public Utilities Code §§ 311(d) and 311(e), Article 14, Southern California Gas Company ("SoCalGas") submits its comments in response to the Proposed Decision ("PD") of Commissioner Michael Peevey adopting rules to protect the privacy and security of the electricity usage data of the customers of Pacific Gas & Electric Company ("PG&E"), Southern California Edison Company ("SCE") and San Diego Gas & Electric Company ("SDG&E").

**II.**

**PD CORRECTLY LIMITS RULES TO ELECTRIC IOUS BUT SHOULD CONSIDER  
GAS UTILITY ONLY PHASE IN FUTURE**

SoCalGas was ordered to participate in the Smart Grid OIR proceeding ("Rulemaking" R. 08-12-009) through the Commission's Decision (D.) 10-04-027 approving SoCalGas' AMI project and authorizing SoCalGas to deploy AMI meters to its approximately 6 million customers.<sup>1</sup> Consistent with the Commission's direction in D.10-04-027, SoCalGas filed a Motion for Party Status in R.08-12-009 on June 8, 2010.<sup>2</sup>

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<sup>1</sup> D.10-04-027, pages 43-44.

<sup>2</sup> Motion was subsequently granted by ALJ Sullivan on June 9, 2010.

As the PD recognizes, “the Order Instituting Rulemaking that initiated this proceeding set the scope of this proceeding as that of considering further actions pertaining to electric utilities and the smart grid. It did not include gas companies, community choice aggregators, or electric service providers.”<sup>3</sup> Therefore, the PD correctly concludes that, “this decision does not adopt rules and policies that apply to other electrical corporations in addition to PG&E, SCE, and SDG&E, and to gas corporations, community choice aggregators and electric service providers. This decision, however, commences a new phase of this proceeding to explore whether the rules and policies adopted in this decision should apply to these entities.”<sup>4</sup> These findings are consistent with the positions SoCalGas presented in this proceeding which emphasized that gas service is materially different from electric service, and must not be bound by electric service focused smart grid<sup>5</sup> policy decisions and that the issues considered in R.08-12-009 to date, “provide only limited applicability to a gas AMI system such as SoCalGas is constructing pursuant to D.10-04-027.”<sup>6</sup>

SoCalGas believes the PD implicitly recognizes the difference between gas and electric service and preserves full consideration of the issues considered in the PD with respect to SoCalGas along with other electric service providers to be separately considered in a subsequent proceeding or phase of this proceeding. However, SoCalGas is concerned that such a proceeding with the majority of parties either providing or interested in electric service issues of necessity would focus on electric service issues to the marginalization or exclusion of gas service issues unique to SoCalGas as a gas-only service provider. An example of SoCalGas’ unique status is that SoCalGas is not installing ‘Smart Meters’ but a materially different automated meter reading system. This and other features of SoCalGas’ AMI program merit a ‘gas-only’ proceeding so that privacy issues concerning AMI gas service can be examined on their own merits and not get lost during consideration of the electric issues of the electric service providers.

SoCalGas urges the Commission to amend the PD to provide a separate phase of this proceeding be opened to consider just gas-only utilities. As the PD is currently drafted, gas utilities would be joined in a next phase of the proceeding with parties such as electric IOUs, community choice aggregators and other electric service providers. SoCalGas believes the PD is

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<sup>3</sup> PD, COL 11.

<sup>4</sup> PD, p.4

<sup>5</sup> SoCalGas is not required to file a smart grid deployment plan like the electric IOUs.

<sup>6</sup> *Comments of SoCalGas on Administrative Law Judge’s Ruling* dated January 24, 2011, p. 3

