Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of San Diego Gas & Electric Company (U902M) for Authorization to Close Certain Branch Offices.	Application 21-11-017

DECISION APPROVING SETTLEMENT

TABLE OF CONTENT

Title **Page**

DECISION APPROVING SETTLEMENT 1
Summary 2
1. Procedural Background 2
2. Issues Before the Commission 5
3. Party Positions ..... ~~5~~6
3.1. SDG&E's Litigation Position ..... ~~5~~6
3.2. Cal Advocates' Position ..... ~~9~~10
3.3. TURN's Position 10
3.4. PG&E's Position ..... ~~10~~11
4. Settlement Agreement ..... ~~10~~11
5. Discussion 15
5.1. Settlement Agreement Standard of Review 15
5.2. The Proposed Settlement ~~Is~~is Reasonable ..... ~~15~~16
5.3. The Proposed Settlement Is Consistent with the Law ..... ~~17~~18
5.4. The Proposed Settlement Is ~~In~~in the Public Interest ..... ~~18~~19
6. Waiver of Review and Comment Period ..... ~~19~~20
7. Assignment of Proceeding ..... ~~19~~20
Findings of Fact ..... ~~19~~20
Conclusions of Law ..... ~~20~~21
ORDER ..... ~~20~~21

DECISION APPROVING SETTLEMENT

Summary

This decision approves the joint party Settlement Agreement resolving the closure of San Diego Gas & Electric Company's Downtown San Diego and National City branch offices. The Settlement Agreement authorizes the permanent closure of these offices on July 1, 2022, and adopts customer communication protocols, the continued use of drop box and authorized payment locations, new reporting requirements, and a process to permit submission of future branch office closure requests. The Settlement Agreement represents a compromise from the litigation positions of all active parties, and is reasonable, consistent with the law, and in the public interest.

This proceeding is closed.

1. Procedural Background

On November 22, 2021, San Diego Gas & Electric Company (SDG&E) filed an Application with the California Public Utilities Commission (Commission) for authorization to permanently close its Downtown San Diego and National City branch offices, and sought an expedited schedule for this proceeding. These SDG&E branch offices, along with others, have been closed since the beginning of the COVID-19 Pandemic in March 2020. SDG&E asserts that the leases for these branch offices are scheduled to expire on June 30, 2022, that their closure would be minimally impactful for its customers due to other branch offices and other service avenues available to its customers, and that their closure would be economically beneficial for ratepayers.

Timely Protests were filed by the Commission's Public Advocates Office (Cal Advocates) and The Utility Reform Network (TURN). These Protests acknowledge the premise that closing branch offices would be economically

beneficial for ratepayers. However, the Protests assert that the closures may negatively impact customers and that there is insufficient proof that possible negative impacts would be mitigated.

A timely Response was filed by Pacific Gas and Electric Company (PG&E), but the Response took no position regarding the Application.

On November 23, 2021, SDG&E filed a Motion for Order Maintaining the Status Quo, requesting that it be entitled to continue to keep closed the two branch offices at issue pending the outcome of its Application, regardless of whether other SDG&E branch offices are going to be reopened. There was no opposition to the Motion. The assigned Administrative Law Judge (ALJ) granted the Motion due to the risk of customer confusion in the event of the possible limited reopening and subsequent closure of these branch offices, and the nonprejudicial nature of the Motion's relief upon the underlying Application regarding the possible permanent closure of these branch offices.

On January 11, 2022, a prehearing conference was held. At that time, discussion was had regarding the substance of the Application, various party positions, issues of law and fact, the possible need for hearing. A possible schedule for resolving the proceeding was discussed, as well as all other matters the parties wished to raise.

On January 18, 2022, the assigned Commissioner issued a Scoping Ruling that set forth the issues and initial schedule for the proceeding. It also allowed for the parties to work toward a settlement of the proceeding if they chose to do so.

On February 16, 2022, TURN, pursuant to the Scoping Ruling, brought a Motion for Evidentiary Hearing. On February 17, 2022, an ALJ Ruling was issued that tentatively set an evidentiary hearing for February 25, 2022, and

requiring a renewed Motion with additional information. On February 23, 2022, SDG&E, Cal Advocates, and TURN sent a procedural e-mail explaining that the parties were in settlement discussions and requesting extensions of time for filing briefing in accordance with the Scoping Ruling schedule. On February 24, 2022, an ALJ Ruling was issued modifying and extending the briefing schedule. As no renewed Motion for Evidentiary Hearing was filed, the tentative February 25, 2022, hearing date was set aside.

On March 11, 2022, the Parties notified the ALJ and the proceeding's Service List that the parties had reached a settlement-in-principle, and requested that the briefing schedule be suspended to allow the Parties to file a Joint Motion for Approval of Settlement. SDG&E also served a notice on the proceeding's Service List of an all-party settlement meeting scheduled for March 18, 2022 (in accordance with Rule 12.1(b) of the Commission's Rules of Practice and Procedure (Rules)). On March 14, 2022, an ALJ Ruling suspended briefing.

On April 4, 2022, SDG&E, Cal Advocates, and TURN filed a Joint Motion for Approval of Settlement Agreement, which attached the proposed Settlement Agreement as an exhibit: that Settlement Agreement is made part of this decision as Attachment 1. On April 5, 2022, PG&E sent an e-mail to the ALJ stating solely that regarding the Motion, "As a procedural matter, PG&E will not be filing

comments."[1] As of April 5, 2022, the proceeding is deemed submitted,[2] and all Motions not expressly ruled upon are determined to be moot.

2. Issues Before the Commission

As defined in the January 18, 2022, Scoping Memo, the issues in this proceeding to be determined or otherwise considered are:

1. Does the Application satisfy all of the requirements of the Public Utilities Code and all applicable Commission Rules, General Orders (GOs), and Decisions?
2. Should the SDG&E Downtown San Diego branch office be permanently closed and if so, are mitigations necessary to address customer impacts?
3. Should the SDG&E National City branch office be permanently closed and if so, are mitigations necessary to address customer impacts?
4. Would the closures of the branch offices result in unmitigated impact on the achievement of the Commission's Environmental and Social Justice Action Plan?
5. May SDG&E apply for authorization of possible future branch office closure requests through a GO 96-B Advice Letter process?

3. Party Positions

3.1. SDG&E's Litigation Position

[1] To ensure a complete record, parties are advised that good practice requires filing and serving statements regarding Motions.

[2] In the course of the proceeding, parties had served the following: On November 22, 2021, SDG&E served as Exhibit SDG&E-01 the prepared direct testimony of Lucy J. Yribe; On January 28, 2022, SDG&E served as Exhibit SDG&E-01-R the revised testimony of Lucy J. Yribe; On February 14, 2022, SDG&E served as Exhibit SDG&E-02 the ~~revised~~rebuttal testimony of Lucy J. ~~Uribe~~Yribe; and on January 31, 2022, TURN served as Exhibit TURN-01 the prepared direct testimony of David Cheng. These are admitted into the record of the proceeding. No additional documents, other than those filed, were submitted by any party to be made part of the record.

SDG&E's litigation position can be summarized as follows. SDG&E currently operates six branch offices in its service territory, which provide customers the option of paying their bills in-person, inquiring about accounts, and completing other customer service transactions. Historically, bill payments account for 95 percent of all SDG&E branch office transactions. However, in the last five years, payments made at SDG&E branch offices have declined, and during this same period, as technology has improved and new channels for customer payment and non-payment transactions have expanded, customers have increasingly migrated to electronic means of making payments, such as home banking, online banking, smartphone apps, and other forms of electronic debit. While payments at branch offices have been declining, the cost of providing branch office services continues to increase.[3]

In March 2020, SDG&E closed its branch offices for health and safety reasons due to the health and safety risks posed by the COVID-19 pandemic and the Stay-at-Home Order issued by Governor Newsom. SDG&E assisted its customers to successfully navigate and adopt alternate ways to receive their service needs and to make payments. Customers, including low income, elderly, and those with disabilities, began to have their service needs met by alternative options for bill payment, customer service, and information.[4]

SDG&E's Application seeks the permanent closure of the Downtown San Diego and National City Branch Offices at the expiration of their current lease terms on June 30, 2022. Those branches have the lowest usage and highest cost per transaction. Together, closure of these two branch offices is estimated to

[3] Application at 2-3.

[4] *Id*. at 3-4, Exhibit SDG&E-01 at 4.

result in an annual cost savings of $206,000 in operating costs, a one-time closure expense of $21,735, and the avoidance of $120,000 in one-time capital expenses for access and functional need enhancement work at the National City Branch Office.[5]

SDG&E argues that cost savings upon closure of these two high-cost and underutilized branch offices is in the best interests of the majority of SDG&E's customers. It further argues that these closures will not disproportionately affect low income, elderly, or persons with disabilities. The Branch Office closures will have a minimal impact on employees as the employees for these two branch offices will be relocated to other branch office locations.[6]

Prior to filing its Application, in accordance with the Commission's guidance in Decision (D.) 98-07-077, Ordering Paragraph (OP) 4, SDG&E provided bi-lingual notice to the customers who have visited the Downtown San Diego and National City Branches Offices at least one time since January 2019. It did so through direct mail, English and Spanish local news publications, and posters prominently displayed at the two Branch Offices. Those notices were provided over 60 days prior to the filing of this Application, and informed customers that SDG&E would be seeking the Commission's permission to permanently close the two Branch Offices, asked customers to contact either the Commission or SDG&E with any questions or comments and informed customers of multiple alternate means to meet their service and payment needs, including the location of the closest alternative branch office and alternative

[5] Application at ~~4-5~~3, Exhibit SDG&E-01-R at 13.

[6] Exhibit SDG&E-01-R at 10-15. SDG&E has four other branch offices spread throughout its service territory and 50 alternate payment locations including some less than three miles from the Downtown San Diego and National City Branch Offices (Exhibit SDG&E-01-R at 10-11).

payment locations (APLs).[7] SDG&E contacted stakeholders to discuss its proposed closure request and solicit their feedback. It received 12 customer comments, summarized in its supporting testimony.[8]

Numerically, SDG&E identified the following decline in usage at its branch offices. From 2016 to the 2020 pandemic closure, branch office use for bill payment services declined about 66 percent, and from 2016 to the 2020 pandemic closure, branch office use for non-bill payment services declined about 85 percent (the use of electronic methods for bill payment and non-bill payment services significantly increased during these periods).[9] Specifically, the National City and Downtown San Diego branch offices have "the lowest usage and highest cost per transaction."[10]

SDG&E has already provided bi-lingual notice to the customers who have visited the Downtown San Diego and National City Branches Offices at least one time since January 2019 through direct mail, it has advertised in English and Spanish local news publications, and it has placed signage at the two Branch Offices beginning 60 days prior to filing its Application. It has informed its customers of multiple alternate means to meet their service and payment needs, and provided information regarding the location of the closest alternative branch office and APLs (SDG&E has 50 APLs, some located less than 3 miles from the Downtown San Diego and National City Branch Offices).[11] SDG&E has Customer Care Centers for phone transactions, payment by mail, and multiple

[7] Exhibit SDG&E-01-R at 14-15.

[8] *Id*. at 16.

[9] Exhibit SDG&E-~~02~~01-R at ~~2~~ 3, 6.

[10] Application at 3.

[11] *Id*. at 4.

electronic payment options including its MyAccount application, home banking, and "Bill Matrix" which is a third-party electronic bill-payment service (*see* Exhibit SDG&E-02 at 9.)

Lastly, SDG&E proposed to streamline any future requests to close a branch office through an advice letter process established in D.98-07-077 for Southern California Edison Company (Edison) for closing a business office. That decision's advice letter criteria address issues including a rational basis for the closure, no discriminatory impact, customer notice, service alternatives, customer responses, and the timing of the advice letter.[12] SDG&E contends that it has, in this proceeding, followed that D.98-07-077 process and performed all of its identified steps prior to filing its Application.[13]

[12] D.98-07-077 OP 4 reads in full as follows:

> Edison shall submit an advice letter no less than 60 days prior to the date it plans to close a business office. The advice letter shall describe the customer notice Edison provided regarding the proposed closure, the service alternatives available to local customers, and the response Edison received from customers, and local officials following its notice, using the following procedures:
>
> a. Notices of proposed office closures must be provided by mail, posting, and published notices. Notice must be given 60 days prior to an advice letter filing notifying the Commission of a planned closure. All notices must be multilingual and should include prominent statements regarding office closure and the Commission's 800-telephone number.
>
> b. Edison should compile responses and include them with the advice letter filing with the Commission.
>
> c. Advice letters must give a 60-day notice of proposed closure and must contain accurate listing of authorized payment agency (APA) locations to serve areas formerly served by the business office.
>
> d. Advice letters must demonstrate a rational basis for the closure and no discriminatory impact of closure upon poor, elderly, minority, or rural customers.

[13] Exhibit SDG&E-~~02~~01-R at 15.

3.2. Cal Advocates' Position

Cal Advocates identified the following issues, based upon its Protest, as follows:

- Whether SDG&E's forecasted costs of closure of $206,000 in annual cost savings and one-time cost savings of $120,000 are accurate and supported;
- Whether the proposed branch office closures are in ratepayer's best interests and would not disproportionately affect low income, elderly, or persons with disabilities;
- Whether ratepayers would benefit financially from the forecasted costs of closure and how; and
- Whether SDG&E's proposed alternate and adopted channels for customers to meet their service needs and make payments are sufficient and reasonable.[14]

3.3. TURN's Position

TURN's position, based upon its Protest, is as follows:

- SDG&E does not provide sufficient proof that the closures are reasonable and in the best interest of its customers;
- SDG&E did not provide specific showing on the impact of the proposed closures on vulnerable customers, as it contends the Commission requires pursuant to D.19-09-051 at 347; and
- SDG&E does not provide sufficient specific basis for seeking the expedited processing of its Application.[15]

3.4. PG&E's Position

PG&E failed to state any position regarding the Application, or regarding the Protests, or regarding the Joint Settlement, and its purpose in becoming a

[14] Cal Advocates Protest at 2.

[15] TURN Protest at 1-3.

party to this proceeding remains unclear. For this reason, we do not treat PG&E as an active party when considering the Settlement Agreement.

4. Settlement Agreement

SDG&E, Cal Advocates, and TURN jointly request the Commission's adoption of their proposed Settlement Agreement, which, among other administrative, legal, and conventional terms, includes these specific important terms and conditions:

Branch Office Closure

The Settlement Agreement adopts SDG&E's proposed permanent closure of the Downtown San Diego Branch Office and National City Branch Office, with a recommended closure date of July 1, 2022. Settling Parties support the permanent closure of these offices because their customer utilization has dramatically decreased over the past five years as customers have moved to utilize alternative channels for their payment and non-payment service needs. As a result, these two branch offices reflect the lowest usage and highest cost per transaction of SDG&E's branch offices.

The drop in utilization of the two offices dramatically accelerated after March 23, 2020, when SDG&E was unexpectedly forced to close its branch offices in response to the COVID-19 pandemic and health and safety concerns. These offices have not reopened, and customers who utilized those offices have navigated to and adopted alternative ways to meet their service needs and to make payments through one or more of the other methods made available by SDG&E. Permanent closure of the two branch office locations, under the conditions agreed upon by the Settling Parties, will allow SDG&E to realize cost savings that inure to the benefit of all of its customers while continuing to

provide service by other means to those customers that previously used the two branch offices.

The parties agree that SDG&E will maintain its current payment drop boxes at the two branch office locations up through and including August 31, 2022.

Outreach and Communications

The Settling Parties agree to use closure notice outreach and communications in both English and Spanish to inform customers about the closures. SDG&E's customer service contact information will include local community-based organizations for the communities served by the closing branch office, 211 San Diego, and a list of available alternative channels for payment and non-payment service needs, including information on the nearest APLs and payment drop box locations. These communications will be posted at or near the payment drop box locations at the affected offices for 60 days and at all other SDG&E branch office locations for 12 months.

Notices will be sent directly to customers who had visited either of the closing branches within 12 months prior to their pandemic closure or who had visited those branch office's payment drop boxes within the 12-month period after those offices had closed due to the pandemic.

SDG&E agrees to provide a draft of the proposed communications to the other Settling Parties prior to any posting or customer communication for those Settling Parties' review and comments, and SDG&E further agrees to make reasonable efforts to accommodate reasonable comments by those Settling Parties.

Customer Service Channels

SDG&E agrees to reasonably maintain diverse channels that provide customers with multiple and efficient ways to meet their payment and non-payment transaction customer service needs. These may include mail, APLs, SDG&E Customer Care Center, MyAccount, Home Banking or Bill Matrix, among other service channels. SDG&E also agrees to maintain the same number of APLs currently serving the communities where these two branch offices are located, and will make reasonable efforts to replace a departing APL in such area for a three-year period, beginning July 1, 2022. If an APL is replaced, SDG&E will update its information channels with information on the new APL.

Reporting Requirement

SDG&E agrees to submit a Tier 1 Advice Letter pursuant to the Commission's GO 96-B procedures to report on several subject areas:

(1) For Customers Subject to the Application, (a) data showing the percentage of customers using SDG&E's particular payment and non-payment transaction channels (including specific data on the Market Creek branch office usage[16]) over the reporting period, and (b) data showing the percentage of customers who are in arrears on their bills, have been disconnected for non-payment, or who have not paid any amount on their bill during the reporting period. These reports will be broken out by percentage of customers who participate in SDG&E's California Alternate Rates for Energy, Family Electric Rate Assistance, and Medical Baseline programs;

(2) a list of the existing APLs; and

(3) a list of the Community-Based Organizations in SDG&E's service territory in the format utilized in the Rulemaking 21-02-014 proceeding. The Settling Parties agree that

[16] The Market Creek branch office serves the San Diego metro area and is located 2.3 miles from the National City branch office location (*see* Exhibit SDGE-~~02~~01-R at 9, 12-13).

there will be two reports encompassing such information for the periods: (a) July 1, 2022 through December 31, 2023, and (b) January 1, 2024 through December 31, 2024. The Tier 1 Advice Letters will be filed in the first quarter of the subsequent year following the reporting period.

Future Branch Office Closure Authorization Protocol

The Settling Parties agree to support SDG&E's request to make future request(s) for authorization to close a branch office location via the GO 96-B Tier 2 Advice Letter process, under the following requirements:

(1) SDG&E agrees that it will not submit an Advice Letter requesting closure of the Market Creek Branch Office prior to December 31, 2023, and for requesting closure of its other branch offices, no earlier than one-year from the date that SDG&E has re-opened such branch office(s);

(2) Prior to submitting an advice letter requesting closure of any branch office location, SDG&E agrees to: (a) notify relevant stakeholders, such as Cal Advocates and TURN, 90 days in advance to discuss and comment upon the prospective request; and (b) notify customers, who conducted a payment or non-payment transaction at the particular branch office location subject to the request in the last 12 months, with at least 60 days' notice;

(3) SDG&E's proposed request will not seek branch office closure less than 60-days from the date of the advice letter submission; and

(4) Notice to customers will be made in the languages prevalent in the local area (bilingual or multilingual) and made by e-mail or by mail for those customers for whom SDG&E does not have a valid e-mail address, by posting at the impacted branch office location and by publication, and contain, at a minimum: (a) prominent statements about the request for branch office closure; (b) request customer feedback and comments on the proposed closure; and (c) provide both SDG&E's contact

information and the Commission's Public Advisors' Office 1-800 telephone number.

(5) SDG&E agrees the contents of the advice letter submission concerning the proposed closure will describe: (a) the customer notice provided; (b) the opportunity for customer comments on the proposed closure and the response received; (c) the alternative channels for payment and non-payment transaction channels available in the local community served by the branch office; (d) a current list of the APLs within a 3-mile radius of the closed Branch Office location that serve the local communities; and (e) to the extent not previously described, the same type of data provided by SDG&E in support of its Application 21-11-017. SDG&E further agrees that it will consider the data and factors included in its reporting obligation under the Settlement Agreement as part of its request in any advice letter for prospective branch office closure.

5. Discussion

5.1. Settlement Agreement Standard of Review

Rule 12.1(d) states: "The Commission will not approve settlements, whether contested or uncontested, unless the settlement is reasonable in light of the whole record, consistent with the law, and in the public interest." The Commission has previously noted that "in order to consider [a] proposed Settlement Agreement… as being in the public interest, we must be convinced that the parties have a sound and thorough understanding of the application and all of the underlying assumptions and data included in the record. This level of understanding of the application and development of an adequate record is necessary to meet our requirements for considering any settlement."[17] The Commission has also previously noted that, "While we understand that a

[17] D.20-12-005 at 25-26.

settlement agreement represents an integrated agreement which contain various concessions and trade-offs from parties to a settlement agreement, the Commission should not be prohibited from disapproving, rejecting or proposing modifications to certain provisions in a settlement agreement that are not supported by the evidence, not in accordance with law, or not in the public interest."[18]

5.2. The Proposed Settlement ~~Is~~is Reasonable

In their Joint Motion, the parties posit as follows:

> During this proceeding, the parties have submitted multiple filings, including testimony, supporting their positions. Further, the parties have engaged in discovery, ensuring that the parties are fully informed about the bases of the terms of this Settlement Agreement. Beginning on or about February 22, 2022, and through the execution of the Settlement Agreement, the Settling Parties devoted substantial time and effort engaging in extensive discussions and negotiations, developing several compromise positions to resolve disputed issues, and eventually arriving at mutually agreed-upon terms.
>
> The Settling Parties have also undergone a careful analysis of the issues presented by the Application and the issues set for determination by the Scoping Memo in negotiating and in reaching agreement on the terms within the Settlement Agreement. In particular, careful attention was paid to what mitigations were necessary to address customer impacts that might result from the closure of the Downtown San Diego and National City Branch Office locations… The terms agreed-upon therefore reflect measures to support customers served by those branch offices, with an effort to avoid an

[18] D.16-12-067 at 60. This quote continues as follows: "[A]ny party to a settlement agreement may elect not to accept modifications proposed by the Commission, and withdraw its request to adopt a proposed settlement agreement, or to seek other relief available."

> unmitigated impact on the achievement of the Commission's Environmental and Social Justice Action Plan.[19]

Here, the settlement terms embrace the scope of the issues presented in the Application and as identified in the Scoping Ruling. SDG&E's Application raised issues regarding the customer harm, customer savings, customer outreach, and future such office closure requirements. The proposed Settlement Agreement resolve each of these issues.

Cal Advocates and TURN are each consumer-protection organizations. Here, they exercised free control of their judgment in entering the proposed Settlement Agreement.

The parties agreed that the Settlement Agreement addressed the proceeding's scope of issues, protected consumer interests, and reduced the inefficiencies of time and cost associated with litigation. The result of the Settlement Agreement is the closure of the two branch offices and therefore a significant savings of consumer monies, while ensuring both alternative means for SDG&E customers to accomplish their service needs, and that these customers would be foreseeably notified of the changes with time to take alternative engagement steps with SDG&E that would not present any foreseeably significant difficulties in their transactions.

Therefore, we find that by resolving these issues without requiring litigation, the Settlement Agreement preserves the time and resources of all parties as well as the Commission, and consequently it is reasonable and compliant with Rule 12.1(d).

[19] Joint Motion at 13-14.

5.3. The Proposed Settlement Is Consistent with the Law

In their Joint Motion, the parties posit as follows:

> The Settlement Agreement is consistent with the Commission's policy favoring settlements and negotiated resolution of issues. By settling, the Settling Parties were able to resolve all issues between them in this proceeding, without further burdening the Administrative Law Judges, the Assigned Commissioner, Commission Staff, and stakeholders with further litigation. The Settlement Agreement aids the cause of judicial economy and efficiency and is "reasonable in light of the whole record, consistent with law, and in the public interest" [*see* Rule 12.1(d)]… Accordingly, the Settling Parties respectfully request that the Commission approve the Settlement Agreement, appended hereto, in a final decision.[20]

In review of SDG&E's Application as a whole, and in review of its various elements, we find nothing unusual in the nature of its requests. SDG&E's Application in not out of compliance with any law or Commission GO, Rule, or prior decision, and we see nothing to suggest, and no party claims, that a statutory provision or prior Commission decision would be contravened or compromised by the Settlement Agreement. Therefore, we find that the Settlement Agreement is consistent with the law, and consequently it is compliant with Rule 12.1(d).

5.4. The Proposed Settlement Is In the Public Interest

In their Joint Motion, the parties posit as follows:

> The Settling Parties have negotiated and achieved a settlement that they believe balance the various interests affected in this proceeding. The negotiation process itself lends credence to the fact that the settlement is in the public interest and is the preferred outcome, as the Commission has recognized: "A

[20] *Id.* at 3.

> very important potential advantage of settlements is that the parties themselves may be better able than the trier of fact to craft the optimal resolution of a dispute" [*see* D.92-08-036 Finding of Fact 9]. During negotiations discussions, the Settling Parties weighed and determined a reasonable, mutually agreed upon outcome. The terms of the Settlement Agreement and the process used to arrive at the mutually acceptable terms demonstrate that the requirements of Article 12 of the Rules of Practice and Procedure and Public Utilities Code Section 451 have been met.[21]

The public interest and the interests of ratepayers must be considered before the Commission approves a proposed settlement. The proposed Settlement Agreement represents an agreement among all parties in a proceeding in which a majority of parties represent the public interest. Also, the proposed Settlement Agreement will spare the Commission and the parties the time, effort, and costs required to litigate the disputed issues. Therefore, we find that taken as a whole, the Settlement Agreement is consistent with the law, and consequently it is compliant with Rule 12.1(d).

6. Waiver of Review and Comment Period

Pursuant to Rule 14.6(c)(2), the period for public review and comment on this proposed decision is waived.

7. Assignment of Proceeding

Clifford Rechtschaffen is the assigned Commissioner and Jason Jungreis is the assigned ALJ in this proceeding.

[21] Public Utilities Code Section 451 provides, in pertinent part: "Every public utility shall furnish and maintain such adequate, efficient, just, and reasonable service, instrumentalities, equipment, and facilities, . . . as are necessary to promote the safety, health, comfort, and convenience of its patrons, employees, and the public."

Findings of Fact

1. The SDG&E Downtown San Diego and National City branch offices have been closed since March 2020 due to the COVID-19 Pandemic.

2. The SDG&E Downtown San Diego and National City branch office leases are scheduled to expire on June 30, 2022.

3. SDG&E has complied with all D.98-07-077 notice requirements regarding the prospective closure of the Downtown San Diego and National City branch offices.

4. The Settlement Agreement provisions provide reasonable notice to potential customers of the SDG&E Downtown San Diego and National City branch offices closure.

5. The Settlement Agreement provisions provide reasonable alternative means for potential customers of the SDG&E Downtown San Diego and National City branch offices to conduct their transactions at nearby locations and through alternative means.

6. The closure of the SDG&E Downtown San Diego and National City branch offices will result in financial savings to SDG&E's customers which is reasonable, prudent, and in the public interest.

7. The Settlement Agreement provisions provide a practical and reasonable means for SDG&E to provide information with appropriate notice regarding the potential closure of other branch offices.

8. The Settlement Agreement preserves the time and resources of all parties as well as the Commission by avoiding litigation.

9. There are no safety considerations directly related to approval of the proposed Settlement Agreement.

Conclusions of Law

1. The settlement agreement is reasonable in light of the whole record, consistent with law, and in the public interest.
2. The settlement agreement should be approved.
3. This proceeding should be closed.

O R D E R

IT IS ORDERED that:

1. San Diego Gas & Electric Company is authorized to close its Downtown San Diego and National City branch offices, along with related notice, alternative customer transaction methodologies, and reporting requirements, all in accordance with the body of this decision and as this decision references the Settlement Agreement in this proceeding, and in particular Sections 2.2—2.5 of that Settlement Agreement, which is attached hereto as Attachment 1.
2. San Diego Gas & Electric Company is authorized to apply for closure of other of its branch offices, along with related notice requirements, through a General Order 96-B Tier 2 Advice Letter process, all in accordance with the process set forth in Decision 98-07-077 Ordering Paragraph 4 and as this decision references the Settlement Agreement in this proceeding, and in particular Section 2.6 of that Settlement Agreement, which is attached hereto as Attachment 1.
3. Application 21-11-017 is closed.

This order is effective today.

Dated _____, at San Francisco, California.

ATTACHMENT 1

Document comparison by Workshare Compare on Friday, May 27, 2022 1:25:15 PM

Input:	
Document 1 ID	file://C:\Users\nd3\OneDrive - The CPUC\CPUC Work\A2111017 Jungreis PD (rcvd.2022-05-06)\Workshare ORIGINAL A2111017 Jungreis PD.docx
Description	Workshare ORIGINAL A2111017 Jungreis PD
Document 2 ID	file://C:\Users\nd3\OneDrive - The CPUC\CPUC Work\A2111017 Jungreis PD (rcvd.2022-05-06)\Workshare MODIFIED A2111017 Jungreis PD (Rev.1).docx
Description	Workshare MODIFIED A2111017 Jungreis PD (Rev.1)
Rendering set	Standard

Legend:	
Insertion	
~~Deletion~~	
~~Moved from~~	
Moved to	
Style change	
Format change	
~~Moved deletion~~	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	36
Deletions	24
Moved from	0
Moved to	0
Style change	0

Format changed	0
Total changes	60