

Application No:       A.13-09-010        
Exhibit No.:     
Witness:       Michael Baldwin      

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  ) )  
In the Matter of the Application of Southern California )  
Gas Company (U 904 G) for Approval of Branch Office )  
Optimization Project )  
  ) )  
\_\_\_\_\_ )

A.13-09-010  
(Filed April 28, 2014)

**PREPARED REBUTTAL TESTIMONY**

**MICHAEL H. BALDWIN**

**ON BEHALF OF**

**SOUTHERN CALIFORNIA GAS COMPANY**

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

April 28, 2014

## TABLE OF CONTENTS

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29

I.	INTRODUCTION .....	1
III.	SOCALGAS’ PROPOSED BRANCH OFFICE OPTIMIZATION PROCESS IS A FAIR, TRANSPARENT, AND OBJECTIVE METHOD FOR EVALUATING THE EFFICIENCY OF BRANCH OFFICES .....	3
	A. General Discussion of TURN/CforAT Testimony .....	5
	B. General Discussion of UWUA’s Testimony .....	8
IV.	SOCALGAS’ PROPOSAL TO CLOSE THE SIX BRANCH OFFICES IS IN THE BEST INTEREST OF THE MAJORITY OF SOCALGAS CUSTOMERS.....	9
	A. Low Income Customers Will Not Be Disproportionately Impacted by Branch Office Closures.....	10
	B. SoCalGas’ Application and Supporting Testimony Demonstrate That Customers Served By the Six Branch Offices Proposed to Be Closed Would Receive Reasonably Comparable and Adequate Service.....	13
	C. SoCalGas’ Branch Office Study Demonstrates that Customers Primarily Use Branch Offices to Remit Payments .....	16
V.	SOCALGAS’ RESPONSE TO INTERVENOR RECOMMENDATIONS.....	18
	A. SoCalGas Is Willing to Modify Its Proposed APL Radius .....	18
	B. SoCalGas Adopts Parties’ Recommendation to Propose Future Branch Office Closures Using an Application Process.....	19
	C. SoCalGas Supports the Proposed Changes of Greenlining and CforAT to the Customer Notification Plan .....	19
	D. A Work Share Program Is Not Feasible for SoCalGas Branch Offices .....	21
VI.	SOCALGAS PROPOSES ADDITIONAL MEASURES TO FACILITATE CUSTOMER ASSISTANCE POST BRANCH OFFICE CLOSURES .....	22
VII.	CONCLUSION .....	23
VIII.	QUALIFICATIONS .....	25

**REBUTTAL TESTIMONY OF MICHAEL H. BALDWIN**  
**ON BEHALF OF SOCALGAS**

**I. INTRODUCTION**

The purpose of this testimony is to respond to the prepared direct testimony submitted by several intervening parties to the Southern California Gas Company’s (“SoCalGas”) Branch Office Optimization Process proceeding, Application (“A.”) 13-09-010.<sup>1</sup> In its application and supporting testimony,<sup>2</sup> SoCalGas seeks approval of the Branch Office Optimization Process to better align our customer service channels in an effective and cost efficient manner by: 1) adopting a fair and transparent process to evaluate the performance of branch offices; 2) based on this evaluation process, closing six of our 47 branch offices;<sup>3</sup> and 3) making any future requests to close branch offices via a Tier 2 Advice Letter. My testimony will address several recommendations, assertions and analyses contained in the prepared direct testimonies of the Office of Ratepayer Advocates (“ORA”), The Utility Reform Network (“TURN”), the Greenlining Institute (“Greenlining”), the Center for Accessible Technology (“CforAT”), and the Utility Workers Union of America (“UWUA”) filed on March 28, 2014.

UWUA, TURN and CforAT have made several claims or assertions that are not factually based and are contrary to the evidence SoCalGas has presented in its application and prepared direct testimony. UWUA, TURN, and CforAT are incorrect or draw flawed conclusions in several instances of their prepared testimony regarding SoCalGas’ Branch Office Optimization

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<sup>1</sup> The application was filed pursuant to D.08-07-046, in which the California Public Utilities Commission (“Commission”) permitted SoCalGas to separately apply to close individual offices in the future or revisit the issue in the next General Rate Case. D.08-07-046 at p. 20.

<sup>2</sup> See Prepared Direct Testimony of Michael Baldwin.

<sup>3</sup> The six branch offices are located in Bellflower, Monrovia, Palm Springs, San Luis Obispo, Santa Barbara, and Santa Monica.

1 Process and its proposal to close six branch offices. In this testimony, I dispel these incorrect  
2 and flawed conclusions.

3 **II. BACKGROUND**

4 SoCalGas takes great pride in providing outstanding and cost-efficient customer service.  
5 Part of providing outstanding service is monitoring customer service trends and adapting service  
6 offerings based on the change in customer preferences. Part of providing cost-efficient customer  
7 service is monitoring the benefits of utility assets to determine if the cost of the asset outweighs  
8 the benefits to customers. As Greenlining acknowledges, “There are significant costs involved  
9 in maintaining branch offices, and these costs may outweigh the benefits that a particular branch  
10 office provides, especially as a branch office is utilized by fewer and fewer customers.”<sup>4</sup> Based  
11 on the concern that most customers are not being well-served by keeping low-volume,  
12 underutilized branch offices open, SoCalGas filed its application. The application is in the best  
13 interests of the majority of SoCalGas customers who do not utilize branch offices to remit bill  
14 payment or conduct other non-payment transactions (e.g., service initiation, account balance,  
15 etc.).

16 Over the last seven years, SoCalGas has seen a significant and steady decline in branch  
17 office transactions. Today, most customers do not use branch offices to conduct payment and  
18 non-payment transactions. ORA recognizes “there is evidence of a steady decline in branch  
19 office utilizations by ratepayers especially in the area of bill payments, which accounts for the  
20 majority of its transaction.”<sup>5</sup> For example, the majority or 93% of bill payments in 2012 were  
21 remitted via a self-service option (53.3%),<sup>6</sup> mail (34.4%), or authorized Alternative Payment

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<sup>4</sup> Prepared Direct Testimony of Enrique Gallardo on behalf of Greenlining Testimony at p. 2.

<sup>5</sup> Prepared Direct Testimony of Oge Enyinwa on behalf of ORA at p.6.

<sup>6</sup> Self-service options include My Account, home banking, direct debit, debit card, credit card, electronic check, or pay by phone.

1 Location (“APL”) (5.5%).<sup>7</sup> The majority or 98.3% of non-payment transactions in 2012 were  
2 conducted in the Customer Contact Center (“CCC”)<sup>8</sup> at 85.6% or self-service options at 12.7%.<sup>9</sup>  
3 SoCalGas reasonably anticipates that this trend will continue as customers continue to migrate to  
4 electronic means of conducting utility business. Accordingly, SoCalGas filed its application and  
5 supporting testimony in response to the changing needs and preferred service options of  
6 SoCalGas customers. As a responsible service provider, it is incumbent upon SoCalGas to  
7 provide quality service to customers, while operating as cost effectively as possible.

8 **III. SOCIALGAS’ PROPOSED BRANCH OFFICE OPTIMIZATION PROCESS IS A**  
9 **FAIR, TRANSPARENT, AND OBJECTIVE METHOD FOR EVALUATING THE**  
10 **EFFICIENCY OF BRANCH OFFICES**

11 SoCalGas’ Branch Office Evaluation Process is a three-tiered evaluation process to fully  
12 evaluate the utilization of branch offices, with a particular focus on low-income customers, as  
13 well as the availability and location of effective and comparable service alternatives. The first  
14 step in the Branch Office Optimization Process is to apply four transaction trend criteria to  
15 identify underutilized branch offices. These four criteria help identify branch offices with  
16 continuing declining usage. Second, after identifying underutilized branch offices, SoCalGas  
17 applies three low-income screens to exclude branch offices that are primarily frequented by low-  
18 income customers. Third, SoCalGas applies a proximity screen to help provide that, at a  
19 minimum, any potentially closed branch offices must have at least one APL located within a  
20 five-mile radius of the existing office. The four transaction trend criteria, three low-income  
21 screens and proximity screen comprise the Branch Office Optimization Process.

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<sup>7</sup> See Prepared Direct Testimony of Michael Baldwin at p. 3.

<sup>8</sup> SoCalGas’ CC is open 24 hours a day, seven days a week, to facilitate service requests, inquiries and payments. SoCalGas’ Customer Contact Center provides customer service in six languages — with translation services available in more than 150 additional languages. In addition, SoCalGas’ Customer Contact Center provides telecommunications assistance for hearing or speech-impaired customers who use Telecommunications Device for the Deaf (“TDD”) or a special teletypewriter (“TTY”) communications system.

<sup>9</sup> See Table 1 in Section III.A below.

1           The Branch Office Optimization Process is a fair, transparent, and objective method,  
2 developed using elements from previous Commission decisions. As part of its research when  
3 developing the Branch Office Optimization Process, SoCalGas reviewed and analyzed previous  
4 decisions in which the Commission addressed the appropriateness of closing a utility branch  
5 office.<sup>10</sup> From these decisions, SoCalGas identified key issues, which the Commission  
6 recognized as important to any decision to close a branch office. These issues include: 1) the  
7 potential impact on low-income, disabled, and elderly customers; 2) the adequacy and  
8 reasonableness of service after a branch office is closed; 3) the location and transportation  
9 options of APLs; and 4) customer noticing of the branch office closure.

10           As detailed in its application and testimony, SoCalGas addressed these issues and  
11 integrated them into its proposal. For example, to address the Commission's concern regarding  
12 the potential adverse impacts to low-income customers, SoCalGas incorporated three screens to  
13 exclude branch offices primarily frequented by low-income customers.<sup>11</sup> To address the  
14 Commission's concern regarding the adequacy of customer service after branch office closure,  
15 SoCalGas analyzed and explained in detail the multitude of reasonably suitable service  
16 alternatives for customers. With respect to APLs, SoCalGas included a proximity screen to  
17 provide an APL within a reasonable distance from the proposed closed branch offices.  
18 SoCalGas diligently researched and reported the public transportation options available to  
19 customers using the APLs. To address the Commission's concern regarding customer noticing,  
20 SoCalGas proposes to distribute (in multiple languages) 60-day advance notices to customers in  
21 the six potentially affected communities.

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<sup>10</sup> See D.92-08-038; D.97-04-031; D.07-05-058; D.08-07-046.

<sup>11</sup> Because disabled and elderly customers are disproportionately more likely to be low-income customers, SoCalGas believes that its low-income screens will also mitigate impacts to its disabled and elderly customers. See D.97-04-031 approving SoCalGas proposal to close two branch offices, finding the proposal did not disproportionately affect poor, elderly, and minority customers.

1           **A.       General Discussion of TURN/CforAT Testimony**<sup>12</sup>

2           TURN and CforAT argue:

3           There are several flaws in SoCalGas's assumption. First, the indicator that  
4           SoCalGas uses, "% of BO [branch office] transactions that are SOs [Service  
5           Orders]," is not the only appropriate statistic. It would be more meaningful to  
6           compare the proportion of payments and the proportion of service orders that are  
7           serviced by each channel. SoCalGas has presented the former analysis in Figure 1  
8           of its Testimony called "Total Trends by Payment Channel" (p. 3), but no such  
9           analysis is offered for service orders. Consequently, the record does not indicate  
10          how frequently customers use branch offices for service orders as opposed to  
11          other channels. Again, this reflects SoCalGas's bias...<sup>13</sup>

12          TURN and CforAT are incorrect. SoCalGas does not propose that the percentage of  
13          branch office non-payment transactions is the only appropriate statistic. SoCalGas' branch  
14          office evaluation places emphasis on the number of payment transactions made at branch offices  
15          because payment transactions represent 97% of all total branch office transactions in 2012. By  
16          contrast, non-payment transactions represented only 2.7% of all branch office transactions in  
17          2012. Based on the fact that branch offices largely serve payment transactions, it makes sense  
18          that when evaluating the efficiencies of branch offices the evaluation process gives sufficient  
19          weight to the number of payments remitted at branch offices.

20          To address TURN's concern that SoCalGas did not provide evidence regarding how  
21          frequently customers use branch offices for service orders as opposed to other channels, and to  
22          provide further record evidence, SoCalGas presents Table 1 below. As demonstrated in Table 1,  
23          the overwhelming majority of SoCalGas' customers do not use branch offices to conduct non-  
24          payment transactions. In fact, of the total 5.7 million non-payment transactions made in 2012,  
25          only 99,796 or 1.7% were conducted at branch offices. Of those 99,796 non-payment

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<sup>12</sup> Prepared Direct Testimony of Hayley Goodson and Gayatri M. Schilberg on behalf of TURN and CforAT. Dmitri Belser also submitted testimony on behalf of CforAT.

<sup>13</sup> Prepared Direct Testimony of Hayley Goodson and Gayatri M. Schilberg on behalf of TURN and CforAT at p. 10.

1 transactions made in branch offices in 2012, only 5,801 or 5.8% occurred in the six branch  
 2 offices proposed to be closed.

3 **Table 1: 2012 Non-Payment Transactions (“NPTs”)<sup>14</sup>**

<b>Non-Payment Transactions</b>	<b>Total</b>	<b>% of Total</b>
Total Self Service (IVR* + Web)	725,445	12.7%
CCC	4,902,857	85.6%
All Branch Offices	99,796	1.7%
<b>TOTAL NPTs</b>	<b>5,728,098</b>	<b>100%</b>
<b>PERCENTAGE BY BRANCH OFFICE</b>		
<b>Offices</b>	<b>Total</b>	<b>% of Total (All Channels)</b>
Bellflower	1019	0.018%
Monrovia	1536	0.027%
Palm Springs	1612	0.028%
San Luis Obispo	38	0.001%
Santa Barbara	1305	0.023%
Santa Monica	291	0.005%
<b>TOTAL NPTs</b>	<b>5,801</b>	<b>0.1013%</b>

4 \*Interactive Voice Recognition

5 TURN and CforAT also argue that “[t]he utility’s staffing decisions at branch offices  
 6 directly impact customer usage patterns, creating a potentially self-fulfilling prophecy of  
 7 ‘underutilization.’”<sup>15</sup> TURN and CforAT contend that SoCalGas understaffs branch offices and  
 8 therefore branch offices process fewer non-payment transactions. Nothing could be further from  
 9 the truth. In fact, transaction trends directly influence how and to what degree SoCalGas staffs  
 10 branch offices. For instance, based on the low volume of both payment transactions and non-  
 11 payment transactions at the San Luis Obispo branch office, in 2000, SoCalGas staffed the San  
 12 Luis Obispo branch office with a cashier, whose primary function is processing customer  
 13 payments, instead of a higher-paid Customer Contact Representative (“CCR”), who are trained  
 14 to complete a broader, more complex array of customer transactions. The San Luis Obispo

<sup>14</sup> Table 1 summarizes non-payment transactions remitted as branch offices, as provided in SoCalGas Data Request response to TURN. See Attachment A (Data Request TURN SCG-01).

<sup>15</sup> Prepared Direct Testimony of Hayley Goodson and Gayatri M. Schilberg on behalf of TURN and CforAT at p. 22.



1 branch office has remained staffed with just one cashier for over ten years, as total transactions  
2 for the branch office have not increased to warrant a change, and customers have not complained  
3 or requested a change. To ensure branch office operational efficiency, all SoCalGas branch  
4 office staffing decisions are made based on customer usage. If a specific branch office  
5 experiences more increases in customer utilization staffed for, then staff is added.

6         TURN is completely inconsistent in its approach to SoCalGas branch office operations.  
7 In this proceeding, TURN seems to suggest that SoCalGas should increase branch office staffing  
8 because under staffing branch offices has resulted in fewer non-payment transactions at branch  
9 offices. In other words, TURN is implying that SoCalGas should over staff branch offices on the  
10 off chance that more customers may use the branch offices. However, in SoCalGas' 2012  
11 general rate case ("GRC"), TURN recommended (and the Commission approved) a reduction in  
12 SoCalGas' branch office operational request by \$516,000 due to a decline in payment volumes.<sup>16</sup>  
13 Seemingly, TURN was focused on branch office payment transactions and neglected to consider  
14 the impact their request might have on non-payment transactions. SoCalGas finds it interesting  
15 and a bit confusing that although TURN had an opportunity during the 2012 GRC proceeding to  
16 support a request to increase branch office staffing and to staff branch offices with higher-paid  
17 CCRs, they instead focused on reducing expenses because payment volumes were declining.  
18 Now TURN would have SoCalGas do more at branch offices, but with less funding.

19         CforAT argues that the access barriers at certain local offices and the need to remove  
20 them (or ability to avoid incurring the cost of removing them) should not be used as a reason to  
21 support the closure of certain branch offices.<sup>17</sup> SoCalGas disagrees. \$2 million in capital  
22 expenditures are real costs that would be incorporated into customer rates and therefore should  
23 be factored into the decision. Additionally, CforAT states that overall, the societal benefit to

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<sup>16</sup> SoCalGas Branch Office Optimization Application at p. 7, n. 7.

<sup>17</sup> Prepared Direct Testimony of Dmitri Belser on Behalf of CforAT at p. 1.

1 people with disabilities of having barriers removed at local offices, both for the particular  
2 services offered there and for the example of a prominent business such as SoCalGas meeting its  
3 obligations to provide access, outweighs the modest and long-authorized financial cost of such  
4 barrier removal for all ratepayers.<sup>18</sup> It is not in the best interest of SoCalGas, nor its customers,  
5 to finance the barrier removal at offices that are being proposed for closure and that are not  
6 utility owned assets for the advancement of societal benefit to people with disabilities.

7 **B. General Discussion of UWUA's Testimony**

8 Simply put, UWUA does not support SoCalGas' Branch Office Optimization Process or  
9 the closure of the six branch offices because it is not in UWUA's interests to do so. UWUA  
10 opposes any utility activity which may jeopardize union positions. Consequently, the interests of  
11 UWUA are not always aligned with the interests of SoCalGas customers, and thus UWUA is not  
12 best suited to champion the interests of SoCalGas customers. In this instance, UWUA is not  
13 interested in the fact that SoCalGas customers are funding the costs to maintain underutilized and  
14 grossly cost-ineffective branch offices. Moreover, UWUA seemingly could care less that  
15 SoCalGas customers will realize cost savings and cost avoidance benefits of over \$3 million if  
16 the Commission approves SoCalGas' application. Irrespective of these facts, UWUA continues  
17 to call for increased staffing in underutilized and cost-inefficient branch offices. While claiming  
18 to advocate the interests of SoCalGas customers, UWUA is in fact furthering their own self  
19 interests. UWUA made similar arguments during SoCalGas' 2012 GRC—arguments which the  
20 Commission denied. Accordingly, the Commission should again deny these similar arguments.

21 For the most part, UWUA's testimony is riddled with errors, false accusations and  
22 exaggerations. For example, UWUA contends that there are no options for customers to provide  
23 proof of identity in lieu of providing a social security number.<sup>19</sup> This is patently false.

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<sup>18</sup> Prepared Direct Testimony of Dmitri Belser on Behalf of CforAT at. pp. 3-4.

<sup>19</sup> Prepared Direct Testimony of Belinda Moreno on Behalf of UWUA at p. 8.

1 SoCalGas offers customers the option of faxing identity documents to the Credit and Collections  
2 department, in addition to visiting a branch office.

3 UWUA also misstates that “SoCalGas has made no effort – either before filing its  
4 application or after the filing – to reach out to or discuss the proposal with UWUA and its  
5 members.”<sup>20</sup> When in fact, SoCalGas met with all unions including UWUA at a Joint Steering  
6 Committee meeting on August 27, 2013 to inform them of SoCalGas’ application filing and  
7 offered to answer any questions. No party at the meeting posed any questions. In addition,  
8 branch office supervisors met face-to-face with impacted employees on July 30th, 2013, gathered  
9 information and answered questions. And after all impacted employees were briefed, SoCalGas  
10 notified all branch offices employees on the same day. All of these meetings with UWUA  
11 leadership and impacted employees occurred prior to the SoCalGas September 16, 2013  
12 application filing.

13 **IV. SOCIALGAS’ PROPOSAL TO CLOSE THE SIX BRANCH OFFICES IS IN THE**  
14 **BEST INTEREST OF THE MAJORITY OF SOCIALGAS CUSTOMERS**

15 It is an established and undisputed fact that the overwhelming majority of SoCalGas  
16 customers do not use branch offices. It is also an established and undisputed fact that of the few  
17 customers who do use branch offices, the majority do so for the singular purpose of remitting  
18 payment. TURN and UWUA fail to provide any evidence why it is reasonable for SoCalGas  
19 customers to continue to fund underperforming and costly branch offices and unfairly burden the  
20 majority of customers with these costs when the majority of customers have switched to other  
21 means to conduct utility transactions. Seemingly, these parties fail to consider what is in the best  
22 interest of most SoCalGas customers.

23 Additionally, it cannot be ignored that Southern California Edison (“SCE”) customers,  
24 who are generally the same SoCalGas customers, do not have SCE branch offices available to

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<sup>20</sup> Prepared Direct Testimony of Sandy Null on Behalf of UWUA at p. 15.

1 them in the six potentially affected communities. These same customers represent all customer  
2 segments (Low/Mid/High incomes, with/without internet, CARE/Non-CARE) and are seemingly  
3 able to conduct utility transactions with SCE in much the same way we have proposed that they  
4 would conduct utility transactions with SoCalGas should the Commission permit SoCalGas to  
5 close the six branch offices. In fact, the majority of APLs within a five mile radius of the six  
6 branch offices proposed for closure are also APLs for SCE.

7 **A. Low Income Customers Will Not Be Disproportionately Impacted by**  
8 **Branch Office Closures**

9 Low income customers will not be disproportionately affected by the six branch office  
10 closures. First, SoCalGas' Branch Office Optimization Process incorporates three separate low-  
11 income screens to mitigate disparate impacts to low income customers, disabled and elderly  
12 customers. SoCalGas' process eliminates from consideration branch offices located in areas that  
13 are frequented principally by low-income customers. Specifically, these three screens: 1)  
14 exclude branch offices in areas in which the median household income is below the 2013 CARE  
15 income guideline; 2) exclude branch offices in which the percentage of cash transactions is  
16 greater than or equal to 72%--the median number of cash payments for all branch offices in  
17 2012; and 3) exclude branch offices in areas in which the percentage of unique CARE  
18 customers<sup>21</sup> is greater than the 2012 median of 66.1%.<sup>22</sup>

19 Second, low income customers will not be disproportionately impacted by the six branch  
20 office closures because 87% of CARE customer payments are not made at branch offices.<sup>23</sup> In  
21 fact, CARE customers are much more likely to pay their bills by self-service option, mail, or  
22 APL. This is evidenced by the fact that of the 17.5 million CARE customer payments received  
23 in 2012, 7.8 million or 44.5% were made using a self-service payment channel, 5.2 million or

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<sup>21</sup> Unique CARE customer is defined as a single CARE customer that makes one or more payments at a branch office in a given year.

<sup>22</sup> Prepared Direct Testimony of Michael Baldwin at p. 13.

<sup>23</sup> Prepared Direct Testimony of Michael Baldwin at p. 32.

1 30% were made by mail, and 2.1 million or 12.3% were made at an APL.<sup>24</sup> By contrast, 2.3  
2 million or 13% of CARE customer payments were made at one of the 47 SoCalGas branch  
3 offices.<sup>25</sup> Of those 2.3 million CARE customer payments made at a branch office, 20,519 were  
4 made at one of the six branch offices proposed for closure.<sup>26</sup>

5 Thirdly, low income customers will likely not be disproportionately impacted by the six  
6 branch office closures because the majority of CARE customers, like the majority of all  
7 SoCalGas customers, do not conduct non-payment transactions at branch offices as evidenced by  
8 the fact that customer service orders constitute only 2%-3% of all branch office transactions.<sup>27</sup>  
9 On average, the six branch offices proposed to be closed process less than four non-payment  
10 transactions per day.<sup>28</sup>

11 Notwithstanding, TURN and CforAT would have the Commission believe that low  
12 income customers will be unduly affected by the closure of the six branch offices because  
13 “branch offices are very important service for this customer segment.”<sup>29</sup> This argument is  
14 incorrect and unsupported by facts. As discussed above and in my Prepared Direct Testimony,  
15 low income customers seemingly do not place a high value on branch offices.

16 Table 2 below shows that 29.3% unique CARE customers used one of the six branch  
17 offices as an exclusive means to remit payment.<sup>30</sup> To put the numbers in perspective, only 6,017  
18 SoCalGas CARE customers out a total of 20,519 CARE customers used one of these six branch  
19 offices exclusively for payment in 2012.

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24 Prepared Direct Testimony of Michael Baldwin at p. 32.

25 Prepared Direct Testimony of Michael Baldwin at p. 32.

26 See Table 2 below.

27 Prepared Direct Testimony of Michael Baldwin at p. 6.

28 Prepared Direct Testimony of Michael Baldwin at p. 29.

29 Prepared Direct Testimony of Hayley Goodson and Gayatri Schilberg on Behalf of TURN and CforAT at p. 14.

30 SoCalGas has 1.6 million CARE customers.

**Table 2: 2012 CARE Customer Payments at the Six Branch Offices**

Branch Office	Unique CARE Customer Counts	Payment Channel					% of Customers Using Branch Office Only	Total of Customers Using Another Method
		Branch Office Only	APL	Electronic	Mail	WEB		
Bellflower	5,717	442	2,137	1,895	1,352	567	7.7%	5,275
Monrovia	2,320	837	890	656	573	243	36.1%	1,483
Palm Springs	4,223	1,314	1,504	989	865	362	31.1%	2,909
San Luis Obispo	1,154	496	139	251	274	135	43.0%	658
Santa Barbara	2,552	1,094	317	733	535	217	42.9%	1,458
Santa Monica	4,553	1,834	461	932	1,063	319	40.3%	2,719
<b>TOTAL</b>	<b>20,519</b>	<b>6,017</b>	<b>5,448</b>	<b>5,456</b>	<b>4,662</b>	<b>1,843</b>	<b>29.3%</b>	<b>14,502</b>

TURN and CforAT also argue that closure of the six branch offices may disproportionately impact low income customers because low income customers, who do not have a phone or internet access, require in-person transactions. This argument is unsubstantiated and unsupported by fact. The truth is most low income households in California have a phone and internet access.<sup>31</sup> Today phones—both land line and wireless—are ubiquitous. The Department of Health and Human Services reports that approximately 98.5% of California households have telephone service (wireless, landline, or both).<sup>32</sup> The Public Policy Institute of California (“PPIC”) reports, “nearly all Californians (92%) say they have a cell phone, and 58 percent of them have a smartphone—up from 39 percent in 2011. Most Californians (56%) use their cell phones to access the Internet or email—up 37 points since 2008 and 16 points from 2011.”<sup>33</sup> In addition, the PPIC reports that 77% of California households with incomes of less than \$40,000 have internet access,<sup>34</sup> while, 94% of California households with incomes between

<sup>31</sup> Low income is defined as a CARE-eligible customer. A four-person household earning up to \$47,700 is eligible for CARE enrollment.

<sup>32</sup> “Wireless Substitution: Early Release of Estimate from the National Health Interview Survey,” January – June 2013, Department of Health and Human Services, National Center for Health Statistics, Dec. 2013 at p. 8. See <http://www.cdc.gov/nchs/data/nhsr/nhsr070.pdf>

<sup>33</sup> PPIC: “Californians & Information,” June 2013.

<sup>34</sup> “California’s Digital Divide,” Public Policy Institute of California: June 2013 at p. 7.

1 \$40,000 and \$80,000 have internet access.<sup>35</sup> So contrary to claims, most low income customers  
2 in California have internet access and a phone or smartphone.

3 **B. SoCalGas' Application and Supporting Testimony Demonstrate That**  
4 **Customers Served By the Six Branch Offices Proposed to Be Closed**  
5 **Would Receive Reasonably Comparable and Adequate Service**

6 UWUA and TURN argue that none of the alternatives provided by SoCalGas are  
7 adequate and comparable substitutes for those customers who use a SoCalGas branch office.<sup>36</sup>  
8 SoCalGas disagrees. As the application and supporting testimony make clear, although closure of  
9 branch offices may temporarily alter the routine of some customers who use these branch offices,  
10 customers have a number of other adequate, reasonably comparable means to remit payment,  
11 obtain account information, and receive service assistance. For example, non-payment  
12 transactions can be managed by calling SoCalGas' toll-free CCC or using My Account.  
13 Payment transactions can be made by using an APL, My Account, home banking, direct debit,  
14 debit card, credit card, electronic check, or pay by phone.

15 Although none of these alternatives is meant to be a direct "kind for kind" substitute for a  
16 branch office, these adequate and comparable options provide the majority of customers with a  
17 means to conduct payment and non-payment transactions. For example, for customers that  
18 would like to walk-in to make a payment they may visit an APL and for customers that need to  
19 place a service order they have the option of calling the CCC. In fact, and as demonstrated in in  
20 Table 1 above, over 98% of service orders are placed using the CCC, interactive voice response,  
21 or through My Account.

22 Branch office customers are migrating to these alternative options in droves because  
23 these options are more convenient. Branch offices are limited to normal business hours, and are  
24 closed weekends and holidays. SoCalGas CCCs provides 24 hour, 7 day service. APL business

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<sup>35</sup> "California's Digital Divide," Public Policy Institute of California: June 2013 at p. 7.

<sup>36</sup> Prepared Direct Testimony of Sandy Null on Behalf of UWUA at p. 3. Prepared Direct Testimony of Hayley Goodson and Gayatri M. Schilbert on Behalf of TURN and CforAT at p. 18.

1 hours, in most cases, exceed those of branch offices. Not only are alternatives to branch offices  
2 available, the alternatives provide even greater convenience for customers with their business  
3 hours and multiple service options. Over the last seven years SoCalGas has seen a significant  
4 and steady decline in branch office transactions and customers have increasingly moved to  
5 electronic means of conducting utility business. SoCalGas believes that this trend will continue  
6 as new technologies evolve.

7 APLs are not intended to supplant branch offices. Rather APLs are businesses that  
8 provide customers with a convenient means to remit payment (free of charge). These locations  
9 provide an alternative for customers to pay their bills in-person, and offer customers the  
10 convenience of paying other bills at the same time and location. SoCalGas has over 300 APLs  
11 throughout its service territory.

12 UWUA erroneously argues that APLs do not provide adequate service to customers  
13 because they do not provide a drop box for any after-hours payments.<sup>37</sup> In truth, there is no need  
14 for an after-hours drop box at an APL because the vast majority of APLs operate business hours  
15 that extend beyond the branch office business hours of 9am – 5pm. In addition, most APLs,  
16 unlike branch offices, are open on weekends. Even so, some APLs do have drop boxes for those  
17 customers who do not want to wait for a receipt. APL payments are received and posted on an  
18 hourly basis. In addition, APLs provide receipts customers that can be shown to a SoCalGas field  
19 representative to avoid disconnection at customers' residence.

20 To ensure the safety and convenience of our customers, SoCalGas' APL vendor,  
21 CheckFreePay, pre-screens and evaluates all APLs for such considerations as accessibility to  
22 public transportation, safety, parking, hours of operations, and geographic location prior to  
23 entering our network. These are key considerations when evaluating a potential APL. SoCalGas

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<sup>37</sup> Prepared Direct Testimony of Sandy Null on Behalf of UWUA at p. 14.



1 also requires APLs to sign a confidentiality agreement assuring the protection of customer  
2 information.

3 Furthermore, all APLs are required to be compliant with the Americans with Disabilities  
4 Act (“ADA”). In testimony, UWUA identified an APL located in San Luis Obispo (John’s 76),  
5 which UWUA claimed was not ADA-compliant. On April 17, 2014, SoCalGas’ ADA consultant  
6 (Equal Access)<sup>38</sup> conducted an accessibility audit report for the two APLs near the San Luis  
7 Obispo branch office (John’s 76 and Mailings and More).<sup>39</sup> SoCalGas received the audit report  
8 results on April 21, 2014, identifying several major non-compliant issues at the John’s 76 APL.  
9 As a result, SoCalGas immediately terminated this APL on April 23, 2014. In addition, the audit  
10 report made two minor suggestions for the Mailings and More APL. The audit report  
11 recommended: 1) adjusting the door opening force from 16 pounds to a maximum pounds with  
12 five seconds close time, and 2) either securely fastening the floor mat to the floor or removing  
13 the mat entirely. Mailings and More has since removed the mat and adjusted the door opening  
14 force. Mailings and More has reduced the door opening force to eight pounds, and is working to  
15 either repair the door or replace the door. SoCalGas has met with its APL vendor and re-  
16 enforced the fact that they are contractually required to ensure that APL facilities are ADA  
17 compliant prior to acceptance in the APL network. SoCalGas is working to locate a backup APL  
18 in San Luis Obispo. In addition, as discussed below in Section VI, SoCalGas is proposing to  
19 place a payment kiosk in the Pacific Gas and Electric Company (“PG&E”) San Luis Obispo  
20 branch office.

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<sup>38</sup> Equal Access is an ADA consultant that was approved by Disability Rights Advocates in 2008. CforAT assumed Disability Rights Advocates’ role in California.

<sup>39</sup> See Attachment B.

1                   **C.     SoCalGas’ Branch Office Study Demonstrates that Customers**  
2                   **Primarily Use Branch Offices to Remit Payments**

3                   In response to TURN’s assertion that “the utility has not actually investigated why  
4 customers use branch offices, as opposed to other customer service channels,”<sup>40</sup> SoCalGas  
5 contracted an independent third party research firm, Davis Research, to interview customers who  
6 frequent the six branch offices. In the SoCalGas Branch Office Customer Intercept Study  
7 (“Branch Office Study”),<sup>41</sup> customers were asked a series of questions related to their customer  
8 experience. For example:

- 9                   • What was the main purpose of your visit today?  
10                  • And for what purposes have you visited this location in the past?  
11                  • How far is this location from your home?  
12                  • Besides branch offices like this one, SoCalGas offers other ways to pay your bill,  
13                  what other ways to pay your SoCalGas bill are you aware of?  
14                  • Are you currently enrolled in the California Alternate Rates for Energy Program,  
15                  known as CARE?  
16                  • Besides the branch office, what other ways can you schedule a service request such  
17                  as turning on the gas, an appliance check or a pilot re-light?  
18                  • And which of these methods of paying your bill have you used in the past?  
19                  • Do you have access to the internet where you could visit [socalgas.com](http://socalgas.com)?<sup>42</sup>  
20

21                  Overall, this Branch Office Study results support SoCalGas’ findings that these branch  
22 offices are a vestige of the past for most SoCalGas customers. The Branch Office Study results  
23 indicate that “the overwhelming majority of customers interviewed (93%) were visiting the  
24 branch to pay their gas bill. This number was equally high at each of the six branches and among  
25 all customer segments studied (Low/Mid/High incomes, with/without Internet, CARE/Non-  
26 CARE).”<sup>43</sup> The Branch Office Study results also revealed that 70% of the respondents have never

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<sup>40</sup> Prepared Direct Testimony of Hayley Goodson and Gayatri M. Schilberg on Behalf of TURN and CforAT at p. 16.

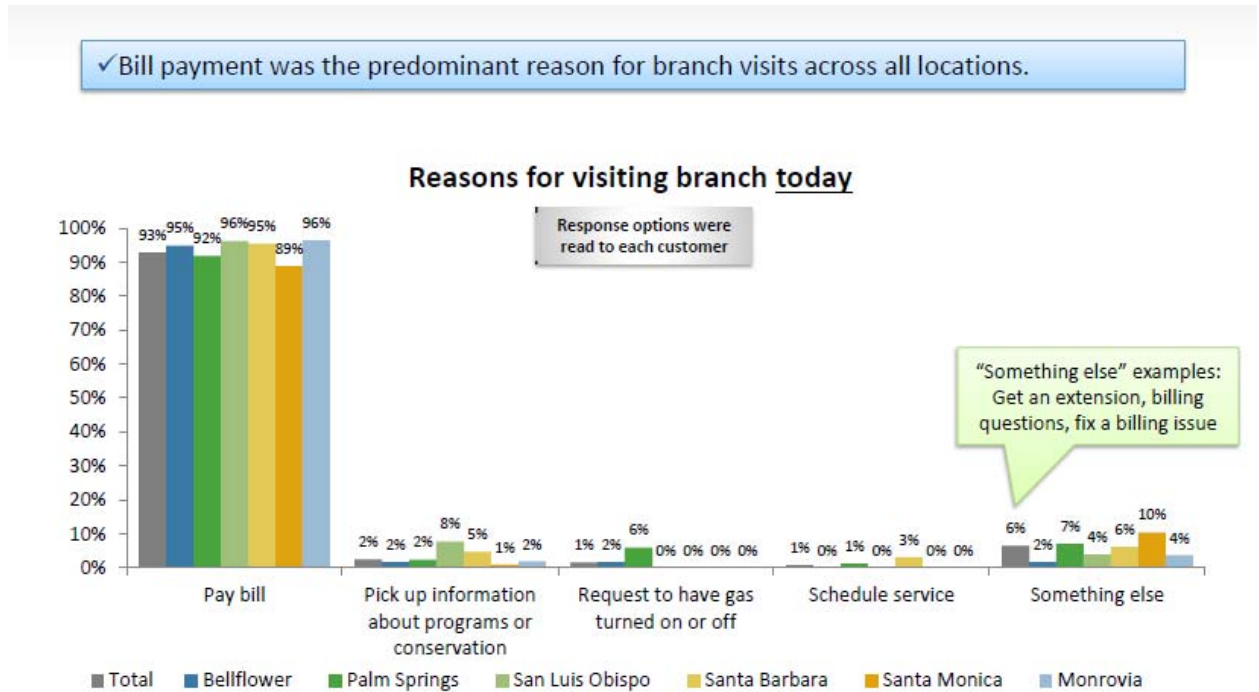
<sup>41</sup> See Attachment C.

<sup>42</sup> The objective of the study was to understand the attitudes and behaviors of branch office visitors at these six branch offices. Customers were interviewed in person after they completed a transaction at one of the six branch locations. The survey took an average of 10 minutes and customers were offered a \$5 gift card to Starbucks in appreciation for their participation. Surveys were conducted on April 11, 14 and 16, 2014. 406 total interviews were conducted.

<sup>43</sup> Branch Office Study at p. 2.

1 used the branch office for any other purpose than to pay a bill.<sup>44</sup> Consistent with SoCalGas’  
 2 findings, the Branch Office Study showed that non-payment transactions in these six branch  
 3 offices were negligible. See Table 3 below.

4 **Table 3: Customer Purpose for Branch Office Visits**



5 In addition, almost 3 out of 4 survey respondents indicated that they live within five miles  
 6 of their branch location. Similar to the results found in the PPIC report mentioned earlier, the  
 7 Branch Office Study found that an average of 74% of the respondents who visited these six  
 8 branch offices have access to the internet. An average of 24% of the respondents stated they  
 9 were CARE customers.<sup>45</sup>

10 Overall, the Branch Office Study results revealed that payments are the main reason for  
 11 customer branch office visits, even though customers are aware of and have access to branch  
 12 office alternatives.  
 13

<sup>44</sup> *Id.*

<sup>45</sup> Branch Office Study at p. 5.

1 **V. SOCALGAS' RESPONSE TO INTERVENOR RECOMMENDATIONS**

2 Several parties provided recommendations to SoCalGas' Branch Office Optimization  
3 Process and application requests. SoCalGas appreciates the suggestions and provides the  
4 following responses.

5 **A. SoCalGas Is Willing to Modify Its Proposed APL Radius**

6 Greenlining suggests that SoCalGas should be required to have at least three  
7 APLs within a five-mile radius of the proposed branch closure. SoCalGas proposed a  
8 five-mile radius because, for the most part, the communities in which SoCalGas proposes  
9 to close branch offices are geographically small. Bellflower has a total area of 6 square  
10 miles and, a total population of 77,356.<sup>46</sup> Monrovia totals 13.7 square miles and a  
11 population of 36,955.<sup>47</sup> Palm Springs has a total area of 94 miles, which includes  
12 significant areas that cannot be developed such as the Santa Rosa Mountains, Jacinto  
13 State Park and Wilderness area, and various ecological preserves. The Palms Springs  
14 population is 45,907.<sup>48</sup> San Luis Obispo is 10.7 square miles, and has a population of  
15 45,878.<sup>49</sup> Santa Barbara has a total area of 19 square miles and a population of 89,639.<sup>50</sup>  
16 Santa Monica has a total area of 8 miles, with a population of 91,812.<sup>51</sup>

17 Based on this information and the location and proximity of APLs and other branch  
18 offices, SoCalGas determined that a five-mile radius was a reasonable distance for customers and  
19 would not oversaturate the small communities with too many APLs. In direct testimonies,  
20 several parties disagreed with SoCalGas' proposed five-mile radius, contending that the distance  
21 was too great. In the interest of its customers and compromise, SoCalGas proposes to use its

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<sup>46</sup> <http://www.city-data.com/city/Bellflower-California.html>.

<sup>47</sup> <http://www.city-data.com/city/Monrovia-California.html>.

<sup>48</sup> <http://www.city-data.com/city/Palm-Springs-California.html>.

<sup>49</sup> <http://www.city-data.com/city/San-Luis-Obispo-California.html>.

<sup>50</sup> <http://www.city-data.com/city/Santa-Barbara-California.html>.

<sup>51</sup> <http://www.city-data.com/city/Santa-Monica-California.html>.

1 best efforts to maintain a minimum of two APLs within a three-mile radius of any closed branch  
2 office.<sup>52</sup>

3 **B. SoCalGas Adopts Parties' Recommendation to Propose Future**  
4 **Branch Office Closures Using an Application Process**

5 ORA, TURN, CforAT, and Greenlining state the Tier 2 Advice Letter process is not an  
6 appropriate or adequate means to provide individualized review and scrutiny of branch office  
7 performances. In addition, they argue that the Tier 2 Advice Letter process does not provide  
8 parties reasonable input. Specifically, Greenlining expresses its concern that “after each round  
9 of closures, the next time the screen is applied, yet more offices will generally be identified for  
10 closure, as other officex replace the eliminated offices as the ‘best candidates for closure.’”<sup>53</sup>

11 SoCalGas recognizes the value in and welcomes stakeholder input. SoCalGas agrees that  
12 closing branch offices impacts many communities and customer segments. SoCalGas also  
13 agrees that closing branch offices implicates many considerations that should be vetted by  
14 interested stakeholders. For these reasons and to address the concerns expressed by other parties,  
15 SoCalGas agrees to use the application process instead of the Tier 2 Advice Letter process to  
16 determine the reasonableness of branch office closures in the future.

17 **C. SoCalGas Supports the Proposed Changes of Greenlining and CforAT to the**  
18 **Customer Notification Plan**

19 As stated in my prepared direct testimony, SoCalGas proposes to provide a clear and  
20 timely notice to affected customers.<sup>54</sup> The noticing plan includes distributing advance notices to  
21 customers in the six potentially affected communities, as well as to customers who utilized one  
22 of the six branch offices in the last six months.<sup>55</sup> The notices will be distributed within 60 days

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<sup>52</sup> For the San Luis Obispo branch office, SoCalGas proposes to install a kiosk at the PG&E San Luis Obispo branch office. See Section VI below.

<sup>53</sup> Prepared Direct Testimony of Enrique Gallardo on Behalf of Greenlining at p. 3.

<sup>54</sup> Prepared Direct Testimony of Michael Baldwin at p. 40.

<sup>55</sup> SoCalGas proposes to provide the notices via ads in local publications, direct mail, flyers, branch office signage, customer contact center notifications, voice response unit notifications, and on SoCalGas' website.

1 of branch office closure and explain payment and service options, including pertinent SoCalGas  
2 web links and telephone numbers. SoCalGas proposes to make information available in both  
3 English and Spanish wherever possible, and analyze zip code data to determine if the notice  
4 should be provided in additional languages.

5 Overall, parties do not oppose SoCalGas' proposed noticing plan. Greenlining comments  
6 that "SoCalGas has a well thought out process, designed to reach customers as effectively as  
7 possible."<sup>56</sup> Nonetheless, both Greenlining and CforAT recommend that the Commission  
8 institute additional requirements to ensure that branch office closure notifications reach as many  
9 customers as possible. Greenlining recommends that SoCalGas translate the notice into a non-  
10 English language if the branch office serves a significant non-English population (i.e., if the zip  
11 codes within a five-mile radius of the branch office includes more than 5% of people who use a  
12 language other than English).<sup>57</sup> To ensure that the branch office closure notification is  
13 effectively communicated to SoCalGas' disabled customers, CforAT recommends:

- 14 • All written notices must include key information in large print (minimum 14 point  
15 sans serif font), including information on how to obtain the full content of the  
16 notice in alternative formats;
- 17 • The complete content of any notice must be available in alternative formats,  
18 including large print, electronic format, Braille and audio, on request;
- 19 • Material posted on the utility website must be in a format that is accessible to  
20 screen readers and otherwise conform to the accessible web standards known as  
21 WCAG 2.0 AA;
- 22 • The utility must be prepared to respond to customer inquiries via relay service or  
23 TTY;

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<sup>56</sup> Prepared Direct Testimony of Enrique Gallardo on Behalf of Greenlining at pp. 4-5.

<sup>57</sup> *Id.*

- For notice in the form of direct mail, any customer who has requested to receive bills in a non-standard format should receive notice in the same format in which he or she receives bills;
- For any customer who has been identified by the utility as having a disability and who has provided the utility with information on his or her preferred form of communication in other contexts, any notice that is generally provided as direct mail should be provided in the customer’s preferred manner.<sup>58</sup>

SoCalGas appreciates Greenlining’s and CforAT’s helpful recommendations.

Greenlining and CforAt provided additional insight regarding the needs of their representative constituencies. Accordingly, SoCalGas proposes to incorporate all of these recommendations into the branch office notification plan.<sup>59</sup>

**D. A Work Share Program Is Not Feasible for SoCalGas Branch Offices**

TURN and CforAT propose that the “Commission encourage SoCalGas to work with the potentially impacted unions, including UWUA, to pursue a resource sharing program to help support the economic sustainability of the branch office.”<sup>60</sup> TURN and CforAT go on to suggest that SoCalGas implement a program much like the Pacific Gas and Electric Company (“PG&E”) Office Services Resource Sharing Program, in which:

In 2007, PG&E implemented a resource sharing program within Office Services where work from other departments is performed by Office Services employees and the cost is charged back to the requesting department. The program was implemented to leverage the Office Services workforce and improve operating efficiencies within the offices. Office Services employees are provided “resource sharing” work to complete during times when there is minimal customer demand at the local office. In 2011, Office Services charged out approximately \$1.5 million to other departments as part of its resource sharing program, which is reflected in the 2011 recorded levels. PG&E plans to continue this program and the overall cost forecast for 2014 assumes that the Office Services

<sup>58</sup> Prepared Direct Testimony of Dmitri Belser on Behalf of CforAT at p. 2.

<sup>59</sup> SoCalGas has already determined that customers who reside in the areas that frequent the Bellflower, Monrovia and Santa Monica Branch Offices do speak languages at home other than English and Spanish that are 5% or greater.

<sup>60</sup> Prepared Direct Testimony of Hayley Goodson and Gayatri M. Schilbert on Behalf of TURN and CforAT at p. 25.

1 organization will perform approximately \$2 million in resource sharing work for other  
2 departments. If this resource sharing program did not exist, PG&E's request for Office  
3 Services would be \$2 million higher than requested.<sup>61</sup>

4 SoCalGas has engaged in conversations with PG&E that would seem to indicate that the  
5 program is not living up to its original intentions. In 2011, PG&E was at the height of its  
6 Advanced Meter Infrastructure ("AMI") installation process and required additional workforce to  
7 make calls to customers to schedule installation appointments. However, now that PG&E's AMI  
8 installation process is complete, alternative work for the branch office employees has virtually  
9 disappeared. In fact, in 2014, PG&E indicated that it expected to do only about \$260,000 worth  
10 of alternative work.

11 Finding alternative work for SoCalGas branch office personnel within their specific  
12 branch offices would be exceedingly difficult. First the department sponsoring the alternative  
13 work must pay for the work completed by the branch office employee. Branch office CCRs are  
14 paid \$33.51 per hour, with loaded overheads the sponsoring department would need to pay  
15 almost \$51 per hour. Moreover, if additional equipment, information technology and training are  
16 required (which would almost certainly be the case), the sponsoring department/function would  
17 be responsible for this incremental costs. Most departments would not find branch office  
18 personnel a feasible alternative for sourcing their work.

## 19 **VI. SOCIALGAS PROPOSES ADDITIONAL MEASURES TO FACILITATE** 20 **CUSTOMER ASSISTANCE POST BRANCH OFFICE CLOSURES**

21 In the event the Commission permits SoCalGas to close the San Luis Obispo branch  
22 office, SoCalGas proposes to place a payment kiosk inside PG&E's San Luis Obispo branch  
23 office. SoCalGas is in discussions with PG&E to install a payment kiosk to accept both cash and  
24 check payments. PG&E's San Luis Obispo branch office is located .5 miles from SoCalGas' San  
25 Luis Obispo branch office. For SoCalGas customers who use public transportation, this is a

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<sup>61</sup> See PG&E-5, p. 3-4 to 3-5, in A.12-11-009.



1 convenient location to the San Luis Obispo Regional Transit Authority Route 1 and Route 2.<sup>62</sup>

2 This proposal will help further ease customer transition after closure of the San Luis Obispo  
3 branch office.

4 In addition, SoCalGas proposes to work with community-based organizations (“CBOs”)  
5 and faith based organizations (“FBOs”) to engage and educate customers that may require  
6 assistance and information of services following branch office closures. During at least the first  
7 six months after a branch office closure, SoCalGas proposes to employ CBOs and FBOs to  
8 communicate with affected customers regarding the branch office closures and to explain and  
9 assist with service alternatives. Specifically, before branch office closures, SoCalGas will train  
10 CBOs and FBOs about the many options customers have to conduct utility business. For  
11 example, CBOs and FBOs can instruct customers on how to enroll in My Account, navigate  
12 SoCalGas’ website, enroll in bill pay, or use SoCalGas’ mobile app. In turn, CBOs and FBOs  
13 will take and share this information in their respective communities. This proposal is intended to  
14 help further facilitate customer assistance after branch office closures, for those customers who  
15 may need it.

## 16 **VII. CONCLUSION**

17 SoCalGas’ Branch Office Optimization Process is needed as a matter of public policy to  
18 help SoCalGas better align our customer service channels in an effective and cost efficient  
19 manner. SoCalGas recognizes that branch offices are important channels of service for  
20 customers, which is why the SoCalGas does not recommend that all high-cost and underutilized  
21 branch offices be closed. Nonetheless, SoCalGas also recognizes that the vast majority of  
22 customers in these six areas are primarily choosing to use other, less costly channels of service.

23 For these reasons and as demonstrated in SoCalGas’ application and supporting  
24 testimony, the Commission should approve the SoCalGas Branch Office Optimization Process

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<sup>62</sup> <http://www.slocity.org/publicworks/download/busmap.pdf>.

1 and application requests because:

- 2 a. The Branch Office Optimization Process is reasonable and consistent with the  
3 directives in D.08-07-046;
- 4 b. Closure of the branch offices currently located in the cities of Bellflower,  
5 Monrovia, Palm Springs, San Luis Obispo, Santa Barbara, and Santa Monica is in  
6 the best interest of the majority of SoCalGas' customers who do not use branch  
7 offices;
- 8 c. SoCalGas offers its customers alternative payment and non-payment transaction  
9 options that are reasonably comparable and provide adequate service;
- 10 d. The Branch Office Optimization Process will not result in an unreasonable  
11 deterioration of service for low-income, special needs, elderly or limited-English  
12 speaking customers because of the three screens to exclude branches located in  
13 low-income communities; because the majority of low-income customers do not  
14 utilize branch offices; and because limited-English speaking customers have other  
15 comparable service alternatives such as the CCC, which provides in-language  
16 services;
- 17 e. The "proximity screen" sufficiently protects customers because it ensures that any  
18 potentially closed branch offices must have a minimum of two APLs located  
19 within a three-mile radius of a closed branch office; and
- 20 f. Commission review of potential future branch closures via Application process  
21 provides sufficient opportunity for stakeholders and the Commission to review  
22 and comment on the facts and policy issues associated with any future proposed  
23 branch office closure.

24 This concludes my testimony.

1 **VIII. QUALIFICATIONS**

2 My name is Michael H. Baldwin. My business address is 1801 South Atlantic  
3 Boulevard, Monterey Park, California, 91754. I was appointed to my current position of  
4 Manager of Remittance Processing and Bill Delivery in December of 2007. My primary  
5 responsibility is the management of the strategy and policy for the overall customer bill  
6 presentment and payment processing channels for both Southern California Gas Company and  
7 San Diego Gas & Electric Company. For customer billing, this includes bill printing and  
8 inserting as well as all electronic bill presentment channels. For payment processing, this  
9 includes mail, walk-in including branch offices and authorized payment locations, as well as all  
10 customer self-service electronic payment channels. Prior to this position, I have held various  
11 managerial and supervisory positions in the Payment Processing and Bill Print areas of the  
12 company as well as Mass Markets Customer Billing Manager. I also managed the California  
13 Alternate Rates for Energy program from 1995-2002. I began my career at Southern California  
14 Gas Company as a meter reader in 1972.

15 I have a Bachelor's of Science Degree in Business Management from Pepperdine  
16 University in Malibu, California – 1981.

17 I have previously testified before the California Public Utilities Commission.

# **ATTACHMENT A**

**SOUTHERN CALIFORNIA GAS COMPANY**  
**BRANCH OFFICE OPTIMIZATION (A.13-09-010)**  
**(DATA REQUEST TURN-SCG-01)**

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**QUESTION 2:**

In Table SCG-MB-4 on page 8 of SoCalGas' Testimony, SoCalGas provides the number of "Branch Office Service Order Transactions" in each year from 2005 to 2012.

- a. Please describe all types of transactions included in the annual figures in this table (e.g., arrange payment extension or payment plan; enroll in CARE; sign up for ESAP, etc.).
- b. For each year, please provide a breakdown of the annual number of transactions by type of transaction, using the categories provided in response to part (a) of this question.

**RESPONSE 2:**

- 2.a See attachment in response 2.b below. Each transaction type is listed in row 3, columns B through BN.
- 2.b See attachment for Branch Office Service Order Transaction type detail by branch office for 2005 through 2012.



Question #2 SCG BO  
Optimization Study\_T

## SCG CUSTOMER SERVICE ORDERS

ABBREVIATED TITLE	LONG TITLE	NOTES
Res B/O Issue	Residential Back On Issue	
Res B/O Cancel	Residential Back On Cancel	
Res B/O Complete	Residential Back On Complete	
Non-Res B/O Issue	Non-Residential Back On Issue	
Non-Res B/O Cancel	Non-Residential Back On Cancel	
Non-Res B/O Complete	Non-Residential Back On Complete	
CAI Disp Clos Cancel	Customer Account Inquiry Dispute Close Cancel	
CAI Other Issue	Customer Account Inquiry Other Issue	
CAI Other Cancel	Customer Account Inquiry Other Cancel	
CAI Pymt Disp Issue	Customer Account Inquiry Payment Dispute Issue	
CAI Pymt Disp Cancel	Customer Account Inquiry Payment Dispute Cancel	
CAI Refund Issue	Customer Account Inquiry Refund Issue	
CAI Refund Cancel	Customer Account Inquiry Refund Cancel	
CAI Trnsfr Pymt Issue	Customer Account Inquiry Transfer Payment Issue	
CAI Trnsfr Pymt Cncl	Customer Account Inquiry Transfer Payment Cancel	
CAI Rate Chng Issue	Customer Account Inquiry Rate Change Issue	
CAI Rate Chng Cancel	Customer Account Inquiry Rate Change Cancel	
CARE Appl Mailed	CARE Application Mailed	
CARE Letter Mailed	CARE Letter Mailed	CARE recertification letter
Applnce List Complt	Appliance List Complete	
Customer Read	Customer Read	
CARE Res & Submtr	CARE Residential & Submeter	CARE application specifically for submetered customers
Close Order - Issue	Close Order - Issue	
Close Order - Cancel	Close Order - Cancel	
Close Order - Complt	Close Order - Complete	
Prnt Dupl Bill Complt	Print Duplicate Bill Complete	
Pymt Ext Notebk	Payment Extension Notebook	Regular payment extension
HBI Order Issue	High Bill Investigation Order Issue	
HBI Order Cancel	High Bill Investigation Order Cancel	
HBI Order Complete	High Bill Investigation Order Complete	
Letter Gener Complt	Letter Generation Complete	
LPP Notebk Complt	Level Pay Plan Notebook Complete	
Memo Create & Upd	Memo Create & Updated	A portion of these are FACTA orders. Part time employees enter memos after customer ID Validated.
Meter Order Issue	Meter Order Issue	
Meter Order Cancel	Meter Order Cancel	
Meter Order Complete	Meter Order Complete	
Misc Money Trsfr	Misc. Money Transfer	
Indiv Cust Prof Comp	Individual Customer Profile Complete	
Bus Cust Prof Comp	Business Customer Profile Complete	
R/V - Issue	Read and Verify - Issue	
R/V - Cancel	Read and Verify - Cancel	
R/V - Complete	Read and Verify - Complete	
Cont. Serv. Agrmt Mailed	Continuous Service Agreement Mailed	
Dep Chrg Reduced	Deposit Charge Reduced	
Cust Reimb Cancl'd	Customer Reimbursement Cancelled	
Cust Reimb Complt	Customer Reimbursement Complete	
Print SOA Complt	Print Statement Of Account Complete	
Servc Order Issue	Service Order Issue	
Servc Order Cancel	Service Order Cancel	
Servc Order Complt	Service Order Complete	
Suspend Coll Compl	Suspend Collection Complete	
T/O Issued	Turn On Issued	
T/O Cancelled	Turn On Cancelled	T/O cancelled are primarily FACTA orders. T/O's updated by FT employee when ID validated at branch office.
T/O Completed	Turn On Completed	
Non-Res T/O Issd	Non-Residential Turn On Issued	
Non-Res T/O Cancl'd	Non-Residential Turn On Cancelled	
Non-Res T/O Complt	Non-Residential Turn On Complete	
Simple Pay Mailed	Simple Pay Mailed	Simple Pay name changed to Direct Debit.
Simple Pay Termin	Simple Pay Terminated	Terminates Immediately.
Simple Pay Term Afr	Simple Pay Terminated After	Terminates after next scheduled debit date.
Trsfr Acct Bal Complt	Transfer Account Balance Complete	
Trsfr Acct Bal Rvrse	Transfer Account Balance Reverse	
Grant Mny Only Allwd	Grant Money Only Allowed	
SEC W/O Complt	SEC Write Off Complete	
Corr Misappld Pymt	Correct Misapplied Payment	









2009 MONTHLY ACTIVITY REPORT - INDIVIDUAL BRANCH OFFICES  
Year to Date as of Dec 31, 2009

Table with columns for Offices (Alhambra, Anaheim, Banning, etc.) and various activity categories (Res B/O Issue, Res B/O Cancel, Res B/O Complete, etc.) and a final TOTAL column.

2008 MONTHLY ACTIVITY REPORT - INDIVIDUAL BRANCH OFFICES
Year to Date as of December 31, 2008

Table with columns for Office names (e.g., Alhambra, Anaheim, Banning) and various activity categories (e.g., Res B/O Issue, Res B/O Cancel, Res B/O Complete). Includes a TOTAL column at the bottom.

Notes:





2005 MONTHLY ACTIVITY REPORT - INDIVIDUAL BRANCH OFFICES  
Year to Date as of December 31, 2005

Table with columns for various activity categories (e.g., Reg B/O Issue, Reg B/O Cancel, etc.) and rows for numerous branch offices (e.g., Alhambra, Anaheim, Banning, etc.) culminating in a '2005 TOTAL' row.

**SOUTHERN CALIFORNIA GAS COMPANY**  
**BRANCH OFFICE OPTIMIZATION (A.13-09-010)**  
**(DATA REQUEST TURN-SCG-01)**

---

**QUESTION 3:**

SoCalGas provides the number of “CIS Orders” in 2012 at each of the six branch offices proposed for closure in Table SCG-MB-14 on page 28 of its Testimony.

- a. Please describe all types of transactions included in the annual figures in this table (e.g., arrange payment extension or payment plan; enroll in CARE; sign up for ESAP, etc.).
- b. For each branch office, disaggregate the annual number of CIS Transactions into the number of transactions of each type identified in response to part (a) of this question.

**RESPONSE 3:**

- 3.a BO Payment Transactions are defined in Table SCG-MB-2 on page 6 of Testimony. CIS Orders are defined in response 2.a above.
- 3.b See 2012 BO Payment Transaction details by branch office below. See 2012 CIS Order details by branch office in response 2.b above.



Question #3 SCG BO  
Optimization Study\_T

## 2012 YTD - MONTHLY ACTIVITY REPORT - INDIVIDUAL BRANCH OFFICES

AS OF DECEMBER 31, 2012

## Stub Transactions

Offices	Office	24-Hr Box	UPAs	Field	Mail	Lobby Box	Total
Alhambra	47,866	7,601	-	5,117	1,192	383	62,159
Anaheim	92,250	7,826	-	3	35	626	100,740
Banning	26,861	3,292	-	697	23	141	31,014
Bellflower	24,639	4,238	974	1,512	19	245	31,627
Central Ave	168,774	5,177	2,034	-	10	548	176,543
Commerce	69,136	2,721	-	13,416	4	188	85,465
Compton	91,936	6,411	16,274	5,357	62	420	120,460
Corona	52,611	6,597	10	1,882	20	195	61,315
Covina	41,214	3,367	-	-	9	132	44,722
Crenshaw	130,499	10,706	1	-	57	388	141,651
Daly Street	134,999	5,708	433	-	23	747	141,910
Delano	50,637	2,279	-	-	14	152	53,082
Dinuba	45,886	3,833	-	-	22	336	50,077
El Centro	68,736	8,926	-	997	74	1,104	79,837
El Monte	63,825	3,837	892	5	14	77	68,650
Fontana	86,088	6,455	-	1,721	65	100	94,429
Glendale	79,430	6,007	-	6,190	92	312	92,031
Hanford	51,526	9,316	-	4	48	1,273	62,167
Hemet	38,268	3,289	-	6,408	32	61	48,058
Hollywood	75,121	9,166	7,652	6,257	40	423	98,659
Huntington Park	128,297	3,493	8,525	3,440	1	286	144,042
Indio	51,872	3,717	-	2,208	630	298	58,725
Inglewood	128,864	11,822	-	6,840	65	229	147,820
Lancaster	49,417	7,066	-	2,190	75	157	58,905
Lompoc	35,389	14,534	-	-	-	951	50,874
Monrovia	19,789	4,421	-	5,482	14	33	29,739
Ontario	50,940	3,106	-	4,817	20	207	59,090
Oxnard	43,100	3,889	-	951	21	360	48,321
Palm Springs	25,346	3,152	-	-	53	93	28,644
Pasadena	44,217	5,861	-	-	12	125	50,215
Pomona	113,260	7,302	-	-	44	863	121,469
Porterville	68,477	6,357	-	1	13	737	75,585
Riverside	59,502	5,390	-	3,259	66	105	68,322
San Bernardino	57,383	2,395	3,867	4,421	106	95	68,267
San Fernando	127,829	9,528	-	3,367	44	637	141,405
San Luis Obispo	10,235	3,873	1	761	56	191	15,117
San Pedro	51,406	4,179	1	3,023	16	164	58,789
Santa Ana	59,681	3,365	1,010	32	66	113	64,267
Santa Barbara	24,137	2,974	-	418	37	1,533	29,099
Santa Fe Springs	42,536	4,445	89	14,246	7	161	61,484
Santa Maria	36,872	5,278	-	961	22	796	43,929
Santa Monica	39,753	9,687	-	1,201	6	1,839	52,486
South Gate	69,546	3,474	15,365	-	30	405	88,820
Van Nuys	144,580	11,671	-	-	96	2,375	158,722
Visalia	41,173	4,108	-	4,324	31	276	49,912
Watts	112,474	3,007	-	-	4	303	115,788
Wilmington	80,191	4,851	250	-	14	237	85,543
<b>2012 TOTAL</b>	<b>3,156,568</b>	<b>269,697</b>	<b>57,378</b>	<b>111,508</b>	<b>3,404</b>	<b>21,420</b>	<b>3,619,975</b>



**ATTACHMENT B**



E Q U A L A C C E S S

## ACCESSIBILITY SURVEY REPORT



**# CA8264**

**MAILING AND MORE**  
**553 Higuera Street**  
**San Luis Obispo, CA.**

ADA/ACCESSIBILITY CONSULTANTS, INC.

■ ESTABLISHED 1996 ■

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ph. 858.248.3771 / bob@equalaccess.biz



## E Q U A L A C C E S S

### ACCESSIBILITY SURVEY REPORT

**MAILING AND MORE**  
**553 Higuera Street**  
**San Luis Obispo, CA.**

April 17, 2014

CheckFreePay, in coordination with Southern California Gas Company (SoCal Gas), requested that Equal Access visit the subject property to observe specific existing conditions and document findings for compliance to the Americans with Disabilities Act Accessibility Standards (ADAAS) and California Building Code (CBC) Chapter 11B, and other more restrictive local accessibility-related ordinances (if any) pertaining only to those items associated with customer payment of SoCal Gas utility bills. Items were surveyed to determine the extent to which they meet applicable standards as they relate to the agreed upon Transaction Related Elements:

1. Parking area for an APL that provides customer parking to the extent that the APL controls the parking area.
2. Pathway from the sidewalk or other adjacent public area to the entrance of the APL facility, to the extent that the APL controls the area between the two points.
3. Pathway from the parking area to the entrance of the APL facility, to the extent that the APL controls the pathway from the parking area to the entrance.
4. Entrance to the APL facility, including the ramp to the entrance, if any.
5. Pathway from the entrance to the service counter and other areas, if any, where SoCal Gas-related transactions take place.
6. Service counter and other areas or equipment, if any, where SoCal Gas-related transactions take place.
7. For those APLs that are part of a franchise or business entity that has five or more total APL locations, public restroom (s) provided by that APL, if any, that are available to customers who conduct SoCal Gas-related transactions at the APL.

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**No other items or issues were observed. There may be other non-CheckFreePay related items and/or issues that remain inaccessible at the facility.**

The site visit was made on April 16, 2014.

### **PROPERTY DESCRIPTION**

Agent is a storefront facility with its front door located directly on a public sidewalk..

Agent has no responsibility for or control over the parking.

Agent has no responsibility and control over the on-site walkways and exterior path of travel.

### **SUGGESTED MODIFICATIONS For Architectural Barrier Removal**

Each verified non-compliant observation below includes a next action to be taken. Those items identified as the most technically feasible in removing architectural barriers include proposed modifications presented in an outline form and in bold text. Some items may be technically infeasible to correct, in Equal Access' opinion, and no proposed modification will be suggested.

The entity that will actually undertake the design, construction, and completion of these modifications are to review and become familiar with the detailed specifications and requirements for compliance of each item found in the Americans with Disabilities Act Accessibility Standards (ADAAS), and the California Building Code (CBC).

Please note that the opening forces and close times of exterior entry doors can change on a daily basis due to interior and exterior atmospheric pressures, temperature, and use. The stated opening forces and close times noted in this report were those recorded on the day of the site visit. Doors with excessive opening force and unacceptable close time, but with all other door items correct, will be considered compliant if they are held fully open during business hours with no exception.

### **THE FOLLOWING IS A SUMMARY OF OBSERVATIONS AND SUGGESTED MODIFICATIONS:**

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## 1. DOORS AND ENTRANCES

- 1.1- Door Operation- Viewed from the exterior- (Photo 1)
  - 1.1.1- Left door opening force- 16 lbs. Close time- 1 second
  - 1.1.2- Right door held closed.
  - 1.1.3- Loose floor mat on interior landing. (Photo 2)

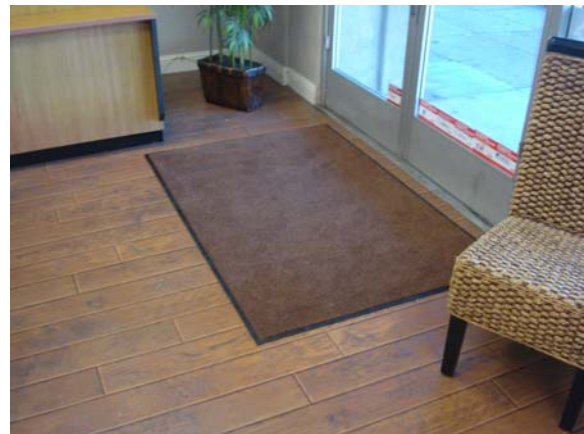
### **Suggested Modifications:**

**Adjust the door opening force to a maximum 5 lbs. with 5 seconds close time.**

**Either securely fasten the floor mat to the floor or remove the mat entirely.**



1



2

**END OF REPORT**

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E Q U A L A C C E S S

## ACCESSIBILITY SURVEY REPORT



**# CA9985**

**76 STATION  
157 Higuera Street  
San Luis Obispo, CA.**

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## E Q U A L A C C E S S

### ACCESSIBILITY SURVEY REPORT

**76 STATION**  
**157 Higuera Street**  
**San Luis Obispo, CA.**

April 17, 2014

CheckFreePay, in coordination with Southern California Gas Company (SoCal Gas), requested that Equal Access visit the subject property to observe specific existing conditions and document findings for compliance to the Americans with Disabilities Act Accessibility Standards (ADAAS) and California Building Code (CBC) Chapter 11B, and other more restrictive local accessibility-related ordinances (if any) pertaining only to those items associated with customer payment of SoCal Gas utility bills. Items were surveyed to determine the extent to which they meet applicable standards as they relate to the agreed upon Transaction Related Elements:

1. Parking area for an APL that provides customer parking to the extent that the APL controls the parking area.
2. Pathway from the sidewalk or other adjacent public area to the entrance of the APL facility, to the extent that the APL controls the area between the two points.
3. Pathway from the parking area to the entrance of the APL facility, to the extent that the APL controls the pathway from the parking area to the entrance.
4. Entrance to the APL facility, including the ramp to the entrance, if any.
5. Pathway from the entrance to the service counter and other areas, if any, where SoCal Gas-related transactions take place.
6. Service counter and other areas or equipment, if any, where SoCal Gas-related transactions take place.
7. For those APLs that are part of a franchise or business entity that has five or more total APL locations, public restroom (s) provided by that APL, if any, that are available to customers who conduct SoCal Gas-related transactions at the APL.

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**No other items or issues were observed. There may be other non-CheckFreePay related items and/or issues that remain inaccessible at the facility.**

The site visit was made on April 16, 2014.

### **PROPERTY DESCRIPTION**

Agent is the only occupant located within a separate, stand-alone building.

Agent has no responsibility for or control over the parking.

Agent has no responsibility and control over the on-site walkways and exterior path of travel.

### **SUGGESTED MODIFICATIONS For Architectural Barrier Removal**

Each verified non-compliant observation below includes a next action to be taken. Those items identified as the most technically feasible in removing architectural barriers include proposed modifications presented in an outline form and in bold text. Some items may be technically infeasible to correct, in Equal Access' opinion, and no proposed modification will be suggested.

The entity that will actually undertake the design, construction, and completion of these modifications are to review and become familiar with the detailed specifications and requirements for compliance of each item found in the Americans with Disabilities Act Accessibility Standards (ADAAS), and the California Building Code (CBC).

Please note that the opening forces and close times of exterior entry doors can change on a daily basis due to interior and exterior atmospheric pressures, temperature, and use. The stated opening forces and close times noted in this report were those recorded on the day of the site visit. Doors with excessive opening force and unacceptable close time, but with all other door items correct, will be considered compliant if they are held fully open during business hours with no exception.

### **THE FOLLOWING IS A SUMMARY OF OBSERVATIONS AND SUGGESTED MODIFICATIONS:**

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## 1. DOORS AND ENTRANCES

- 1.1- Door Operation-
  - 1.1.1- Opening force- 8 lbs. Close time- 2 seconds (Photo 1)
  - 1.1.2- Exterior landing has 10.2% running slope. (Photo 2)
  - 1.1.3- No level landing in front of the call button and as a result, call button is located beyond reach range. (Photo 3)

NOTE: Door held open at all times during business hours.

### **Suggested Modifications:**

**Remove non-compliant exterior landing. Construct a new compliant minimum 5' by 5' concrete exterior landing with its top surface a maximum 1/4" below the finish floor and with maximum 1:48 slope away from the building. Either construct a compliant curb ramp from the new landing down to the existing asphalt driveway surface or slope the asphalt surface on three sides of the landing with maximum 5% slope. Install compliant truncated domes.**

**If door held open at all times during business hours, no opening force and close times need adjustment.**

## 2. INTERIOR PATH OF TRAVEL

- 2.1- The clear width in front of the payment counter is 40" from the face of the counter to a product display end cap and there is no turning space. (Photo 4)

### **Suggested Modifications:**

**Relocate the fixed display shelves directly in front of the payment counter northward to provide a clear 60" from the face of the candy display shelves on the front of the service counter to the end of the fixed shelves. Replace the existing end cap with another end cap on wheels that is easily removed/relocated. By rolling the end cap shelves out of the way, a minimum 60" turning circle will be provided in front of the payment counter.**

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### 3. SERVICE COUNTER-

3.1- Top of the service counter is 35-3/4". (Photo 5)

#### **Suggested Modifications:**

**An adjacent coffee preparation counter (Photo 6) has a top surface that is 33" above the floor and the Agent indicated that they use that surface as the accessible writing counter. This is not acceptable due to the fact that the writing surface is often wet and the surface has remnants of sugar, dry creamer, and trash that prevent writing. Furthermore, the counter is not 36" wide.**

**Provide a hand held clip board to customers who require a lowered writing surface. There is no need to put an ISA sticker onto the clip board.**

**END OF REPORT**



1



2

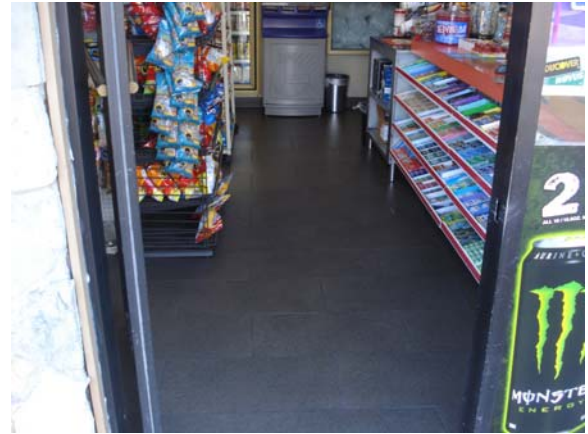
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3



4



5



6

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# **ATTACHMENT C**

# SoCalGas Branch Office Customer Intercept Study

April 2014

Prepared By: Davis Research

# Executive Summary

## *Reason for Visiting the Branch*

- ✓ The overwhelming majority of customers interviewed (93%) were visiting the branch **to pay their gas bill**. This number was equally high at each of the six branches and among all customer segments studied (Low/Mid/High incomes, with/without Internet, CARE/Non-CARE).
- ✓ When asked reasons they have ever visited the branch office, bill payment was still the main reason by a wide margin. While some customers have used the branch to turn gas on or off, pick up program information or schedule service, **70% of customers have never used the branch office for any other purpose than to pay a bill.**
- ✓ While all branches had a very high number of customers using the branch to pay bills, the locations differed in the percentage of customers visiting for other reasons. 90% of customers at Bellflower and 85% at Santa Monica only visited to pay their bill, while at San Luis Obispo and Monrovia, roughly half have visited for other reasons.
- ✓ Customers **without Internet access** were more likely to only visit the branch to pay their bill than customers with Internet access.

## *Alternate Payment Methods*

- ✓ **Online** was the alternative payment method customers were most aware of (54%), followed by **mail** and then **phone**.
- ✓ 88% of customers were aware of other ways to pay their bill besides the branch offices.
- ✓ Socioeconomic status predicted online payment awareness, with awareness increasing along with household income.
- ✓ Half of all customers have **ONLY** ever paid their gas bill at the branch. 1 in 4 have paid by mail at some point in the past, making it the most frequently used alternative payment method.
- ✓ **Convenience** of the branch location was the most cited reason customers chose to pay bills at the branch and not by another method.

# Executive Summary (cont'd)

## *Branch Satisfaction & Evaluation*

- ✓ Overall satisfaction was very high for all branch locations. 92% were “Very satisfied” across all locations and no less than 88% were “Very satisfied” at any one location.
- ✓ Customers were most satisfied with the **time they had to wait in line**, with 83% rating this attribute “Excellent” overall.
- ✓ Customers at the **Monrovia** branch had the highest satisfaction across all attributes, rating the branch either highest or next highest for every attribute.

## *Branch Visitation Behavior*

- ✓ 69% of all customers visit the branch at least once a month; this was consistent across all branches. 8% of customers were making their first visit to the branch, while Monrovia was the only branch where no first time visitors were interviewed.
- ✓ Overall, 72% of customers live within 5 miles of the branch. **San Luis Obispo** was the most remote, with customers traveling an average of 9 miles from their home to the branch.
- ✓ 1 in 5 customers noticed information about income qualified programs like CARE on the date of the interview. Awareness of income qualified program information varied by location. Fewer than 10% of customers at **Bellflower** and **Santa Barbara** noticed such information, while one third of customers at **Santa Monica** and **Monrovia** noticed it.

# Research Objectives and Methodology

## Research Objectives

Understand attitudes and behaviors of branch office visitors:

- Motivations for branch office visits
- Awareness of and access to alternatives to branch office visits for payment and service requests
- Visitor behaviors

## Research Methodology

- ❑ Davis Research interviewed customers in person after they completed a transaction at one of the six branch locations. Survey responses were digitally collected on tablets.
- ❑ The survey took an average of 10 minutes and customers were offered a \$5 gift card to Starbucks in appreciation for their participation.
- ❑ Surveys were conducted on April 11, 14 and 16, 2014.
- ❑ 406 total interviews were conducted:
  - Bellflower (N=59)
  - Palm Springs (N=85)
  - San Luis Obispo (N=26)
  - Santa Barbara (N=65)
  - Santa Monica (N=116)
  - Monrovia (N=55)
- ❑ The survey was offered in English and Spanish. Language of interview varied by location.
  - 22% of all interviews were conducted in Spanish





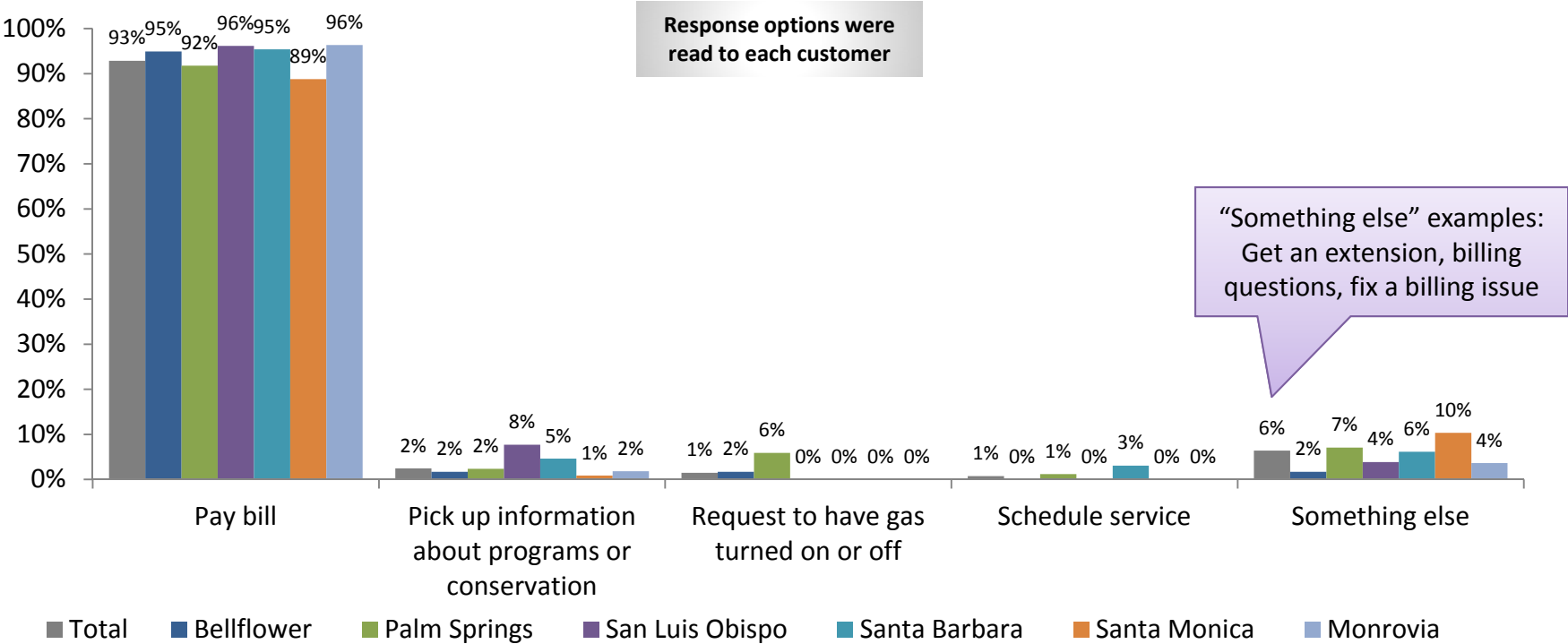
# Respondent Summary

	Total	Bellflower	Palm Springs	San Luis Obispo	Santa Barbara	Santa Monica	Monrovia
Total Completes	406	59	85	26	65	116	55
18-24	4%	7%	4%	4%	3%	4%	2%
25-44	30%	42%	25%	35%	46%	25%	16%
45-54	26%	25%	20%	15%	25%	28%	36%
55-64	17%	12%	19%	19%	11%	17%	25%
65+	21%	14%	29%	23%	14%	25%	18%
Male	51%	41%	60%	35%	52%	59%	38%
Female	49%	59%	40%	65%	48%	41%	62%
Income (median)	\$37,100	\$41,500	\$28,500	\$54,200	\$31,200	\$30,700	\$57,300
CARE Participation	25%	31%	34%	19%	17%	22%	22%
Internet Access	72%	73%	55%	88%	78%	76%	76%

# Purpose for Visiting Today – by Location

✓ Bill payment was the predominant reason for branch visits across all locations.

## Reasons for visiting branch today



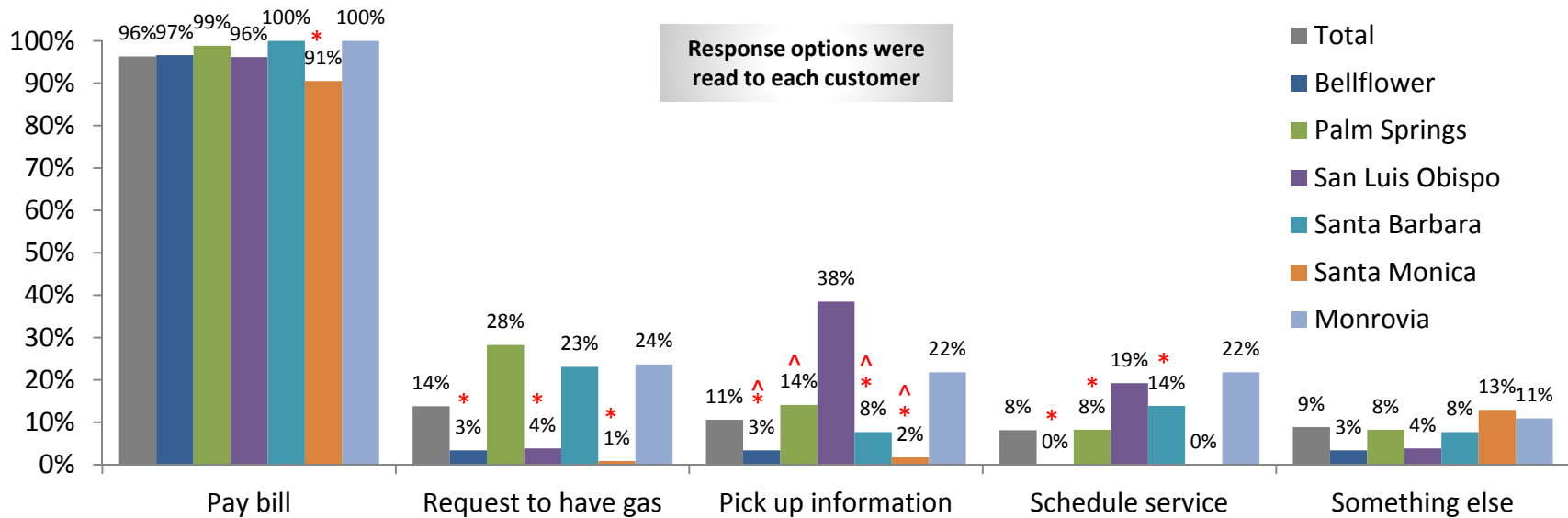
Base: All, N=406

Q1. What was the purpose of your visit today?

# Purpose for All Branch Visits – by Location

- ✓ **Bill payment** was also the predominant reason for all branch visits.
- ✓ **Monrovia** customers were higher than average for every reason to visit the branch.
- ✓ **San Luis Obispo** customers were much more likely to visit the branch to pick up information.

Reasons for visiting branch today and in the past



Response options were read to each customer

\* = 95% statistically significant difference compared to Monrovia  
 ^ = 95% statistically significant difference compared to San Luis Obispo

% represents net of reasons for visiting today plus reasons for visiting in the past.

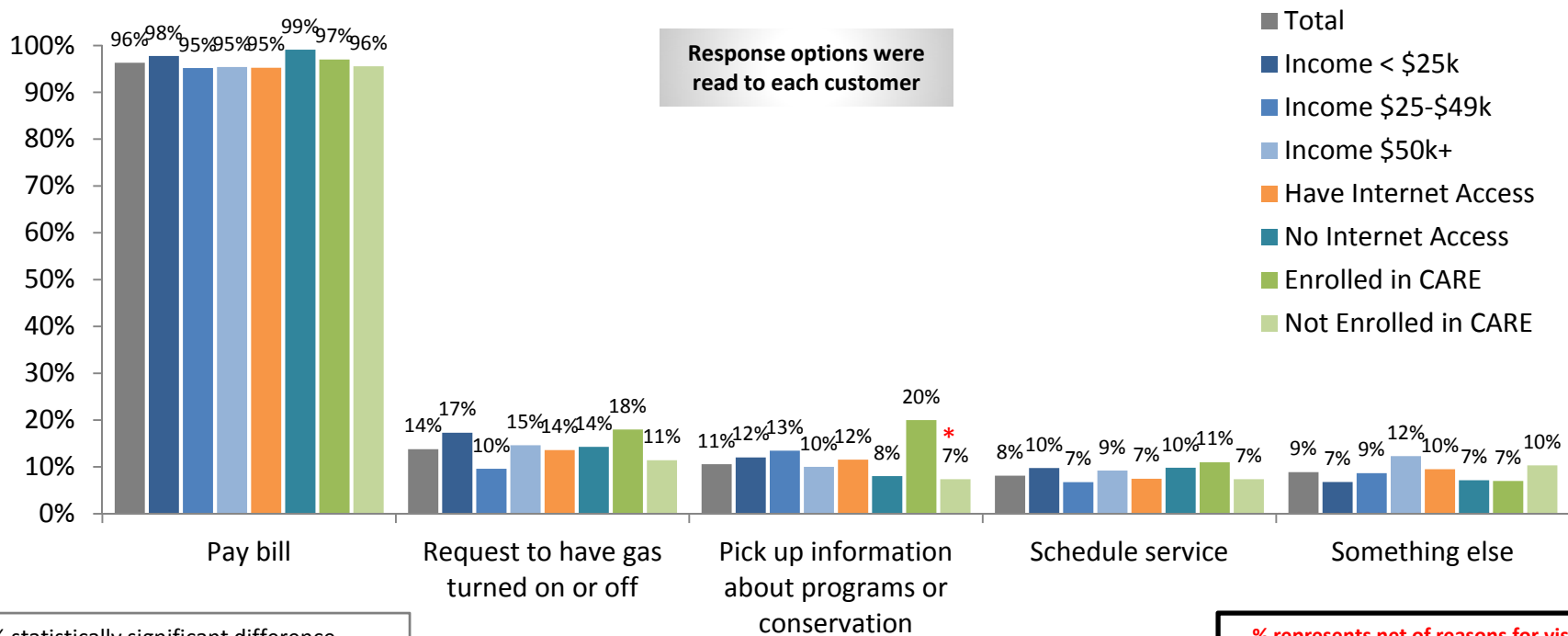
Base: All, N=406

Q1. What was the purpose of your visit today?  
 Q2. Have you visited this location in the past, excluding today, for any of the following purposes?

# Purpose for All Branch Visits – by Segment

- ✓ **Bill payment** was the main reason for all branch visits across all customer types.
- ✓ There was very little variation among the customer segments. **CARE enrollees** naturally visited the branch more often to pick up special program information.

## Reasons for visiting branch today and in the past



\* = 95% statistically significant difference compared to those enrolled in CARE

% represents net of reasons for visiting today plus reasons for visiting in the past.

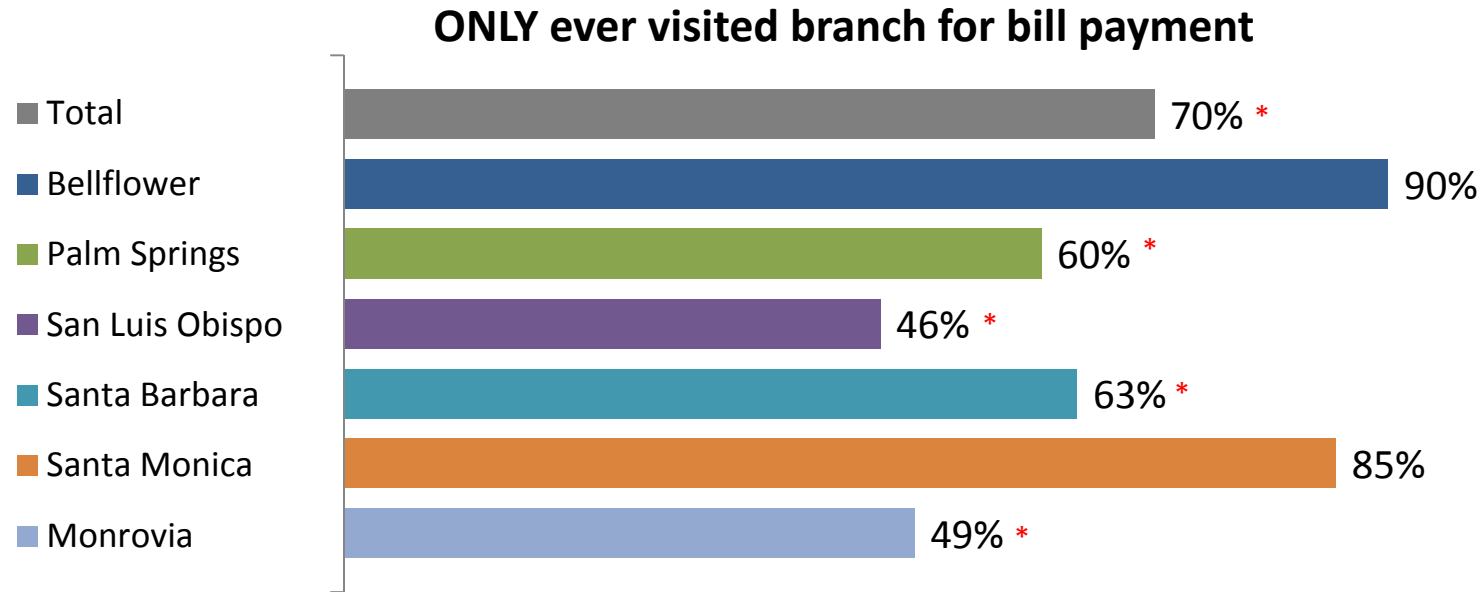
Base: All, N=406

Q1. What was the purpose of your visit today?

Q2. Have you visited this location in the past, excluding today, for any of the following purposes?

# Customers who only visit the branch to pay a bill – by location

- ✓ 2 out of every 3 customers have only ever visited the branch location to pay their bill.
- ✓ 90% of customers at **Bellflower** and 85% at **Santa Monica** have only visited to pay their bill.
- ✓ Over half of the customers visiting the **San Luis Obispo** and **Monrovia** branches have visited for reasons other than bill payment.



\* = 95% statistically significant difference compared to Bellflower and Santa Monica

% represents net of reasons for visiting today plus reasons for visiting in the past.

Base: All, N=406

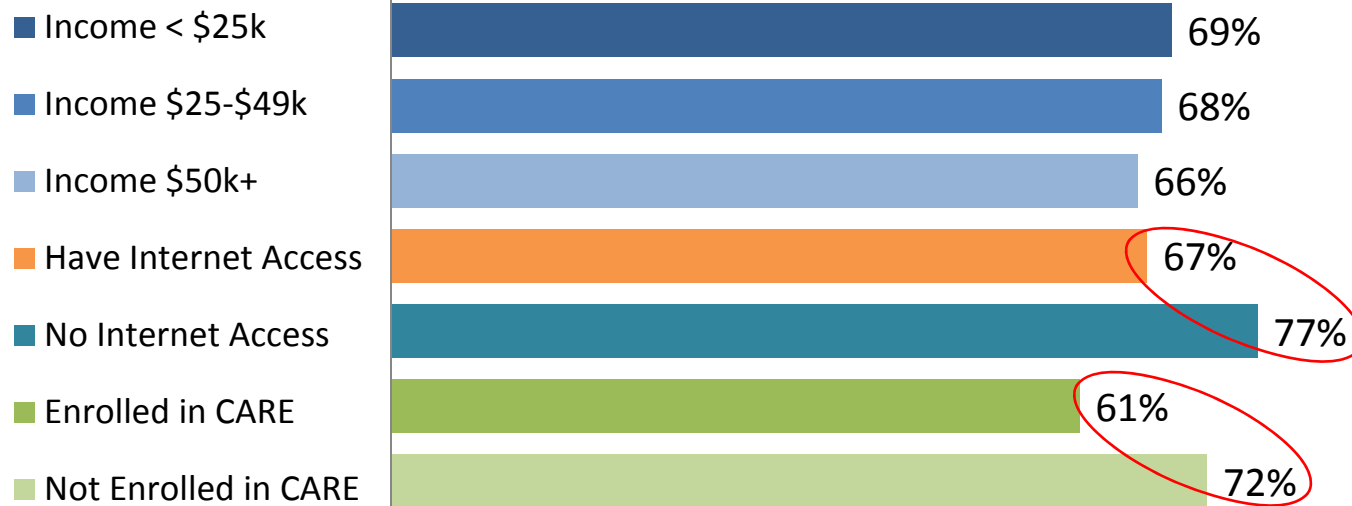
Q1. What was the purpose of your visit today?


Q2. Have you visited this location in the past, excluding today, for any of the following purposes?

# Customers who only visit the branch to pay a bill – by segment

- ✓ Customers **without Internet access** were more likely to only visit the branch to pay their bill than customers with Internet access.
- ✓ Customers **enrolled in CARE** were less likely to only visit the branch to pay their bill than customers not enrolled in CARE.

## ONLY ever visited branch for bill payment



 = 95% statistically significant difference

**% represents net of reasons for visiting today plus reasons for visiting in the past.**

Base: All, N=406

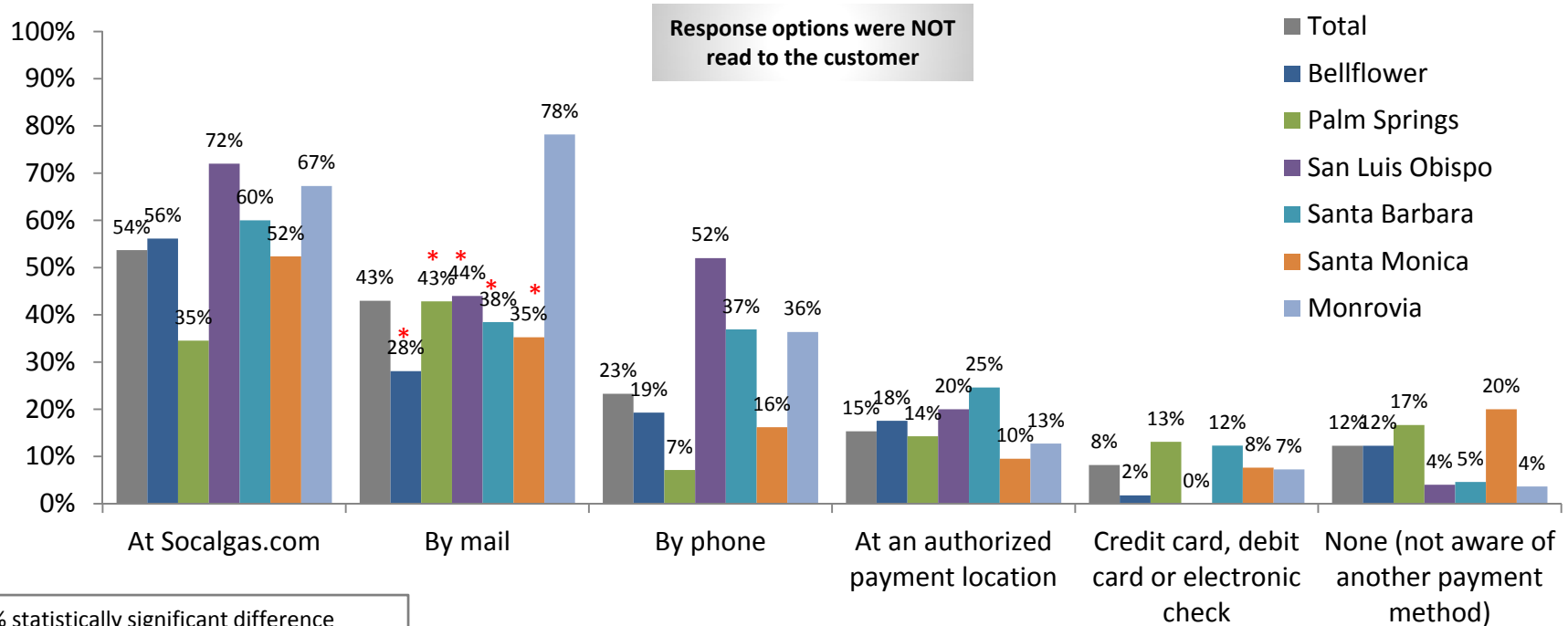
Q1. What was the purpose of your visit today?

Q2. Have you visited this location in the past, excluding today, for any of the following purposes?

# Payment Methods Aware – by Location

- ✓ Paying online at Socalgas.com was the most well-known alternative to paying at the branch for nearly all locations.
- ✓ Only **Palm Springs** and **Monrovia** had higher pay by mail awareness than online awareness, though online payment among Monrovia customers was also very high.

## Other known payment methods



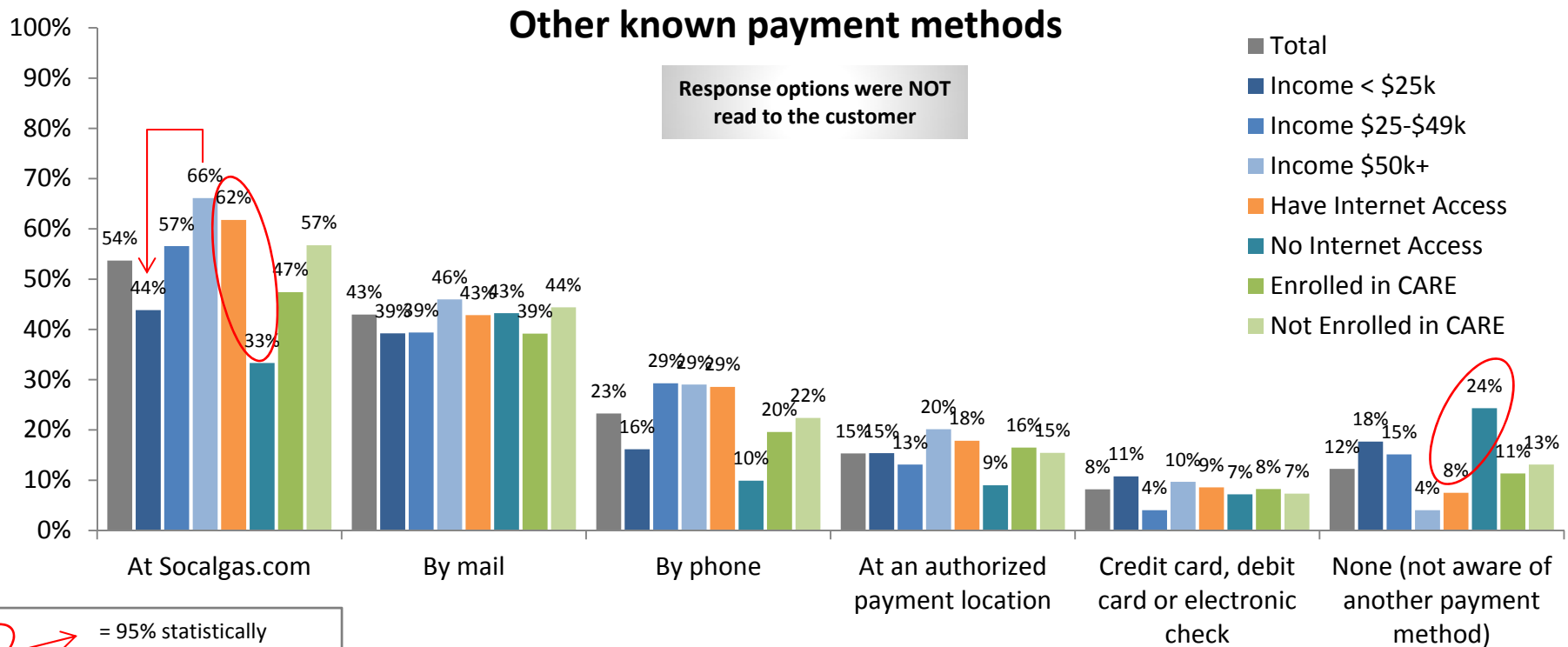
\* = 95% statistically significant difference compared to Monrovia

Base: Ever paid at branch, N=391

Q5. Besides branch offices like this one, SoCalGas offers other ways to pay your bill. What other ways to pay your SoCalGas bill are you aware of?

# Payment Methods Aware – by Segment

- ✓ Paying online at Socalgas.com was the most well-known alternative to paying at the branch, with online bill payment awareness increasing along with household income.
- ✓ Those **without Internet access** were less aware of online bill payment and also less aware of any alternative to paying at the branch.



Base: Ever paid at branch, N=391

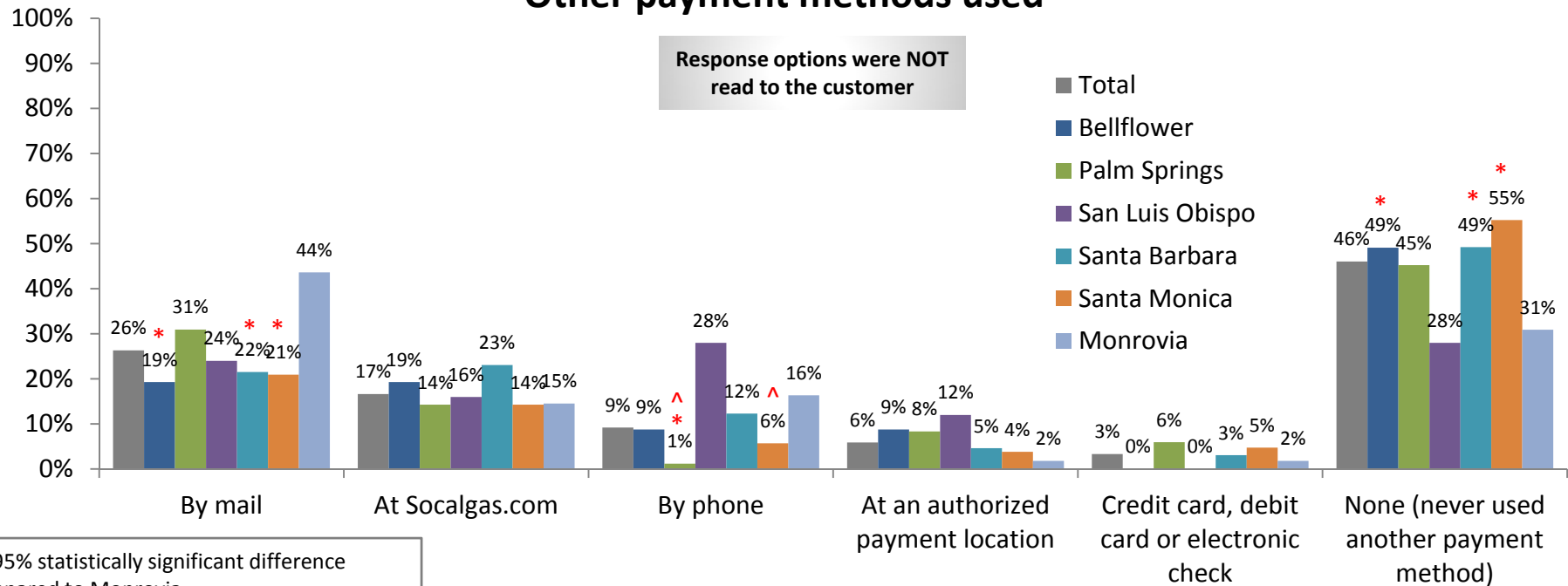
Q5. Besides branch offices like this one, SoCalGas offers other ways to pay your bill. What other ways to pay your SoCalGas bill are you aware of?



# Payment Methods Used – by Location

- ✓ While online bill payment at Socalgas.com had the highest awareness, bill payment **by mail** was the most common alternative used by customers who have paid at a branch office location.
- ✓ Customers at the **Monrovia** and **San Luis Obispo** branches were the most likely to have used an alternative payment method in the past.

## Other payment methods used



Response options were NOT read to the customer

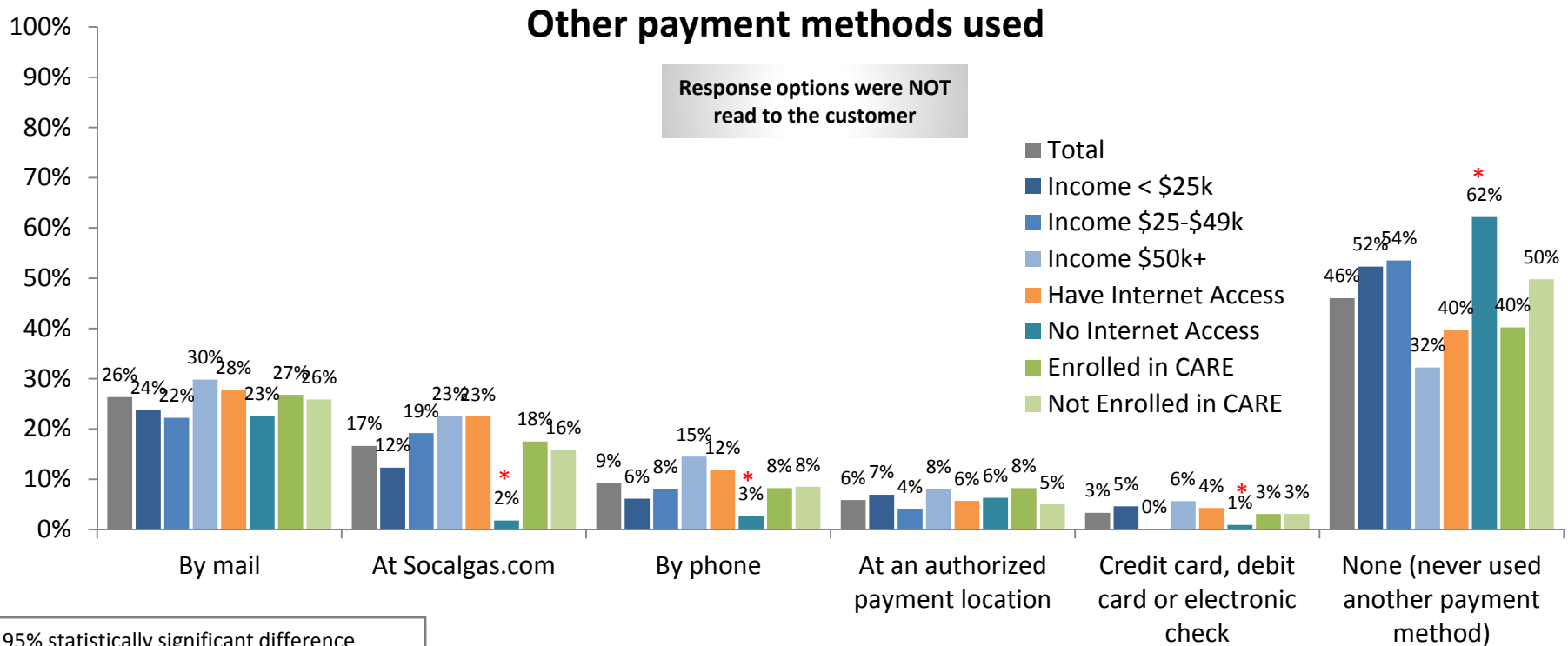
\* = 95% statistically significant difference compared to Monrovia  
 ^ = 95% statistically significant difference compared to San Luis Obispo

Base: Ever paid at branch, N=391

Q6. Which of these methods of paying your bill have you used in the past, if any?

# Payment Methods Used – by Segment

- ✓ Roughly one out every four customers have paid their bill by mail in the past. This is consistent across all customer segments.
- ✓ Those **without Internet access** were less likely to have used online bill payment and also less likely to have used any alternative to paying at the branch.



\* = 95% statistically significant difference compared to those with internet access

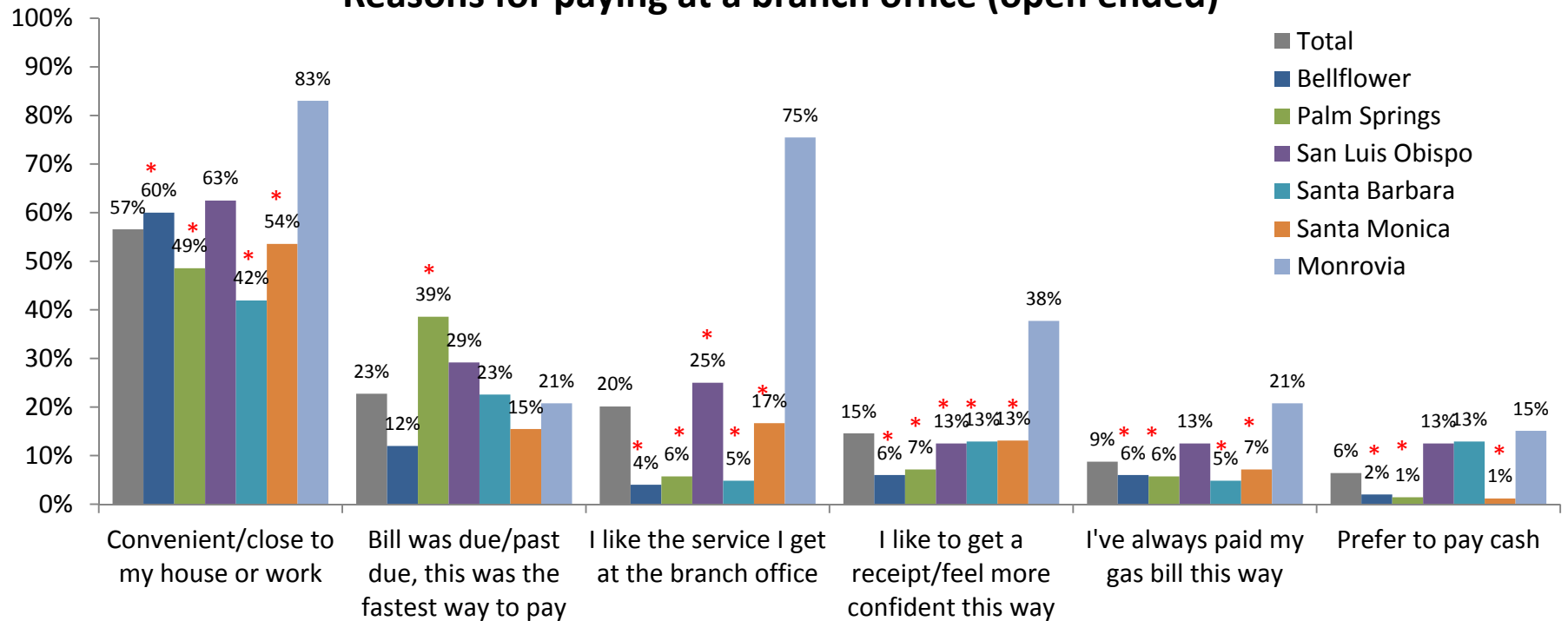
Base: Ever paid at branch, N=391

Q6. Which of these methods of paying your bill have you used in the past, if any?

# Top Reasons for Paying at a Branch Office

- ✓ **Convenience** of the branch location was the predominant reason customers gave as to why they chose to pay at the branch instead of by other methods of which they were aware. This was followed by **urgency to pay a due or past due bill** and **better service** received at the branch.
- ✓ 3 out of 4 **Monrovia** customers like paying at the branch because of the service they receive.

Reasons for paying at a branch office (open ended)



\*= 95% statistically significant difference compared to Monrovia

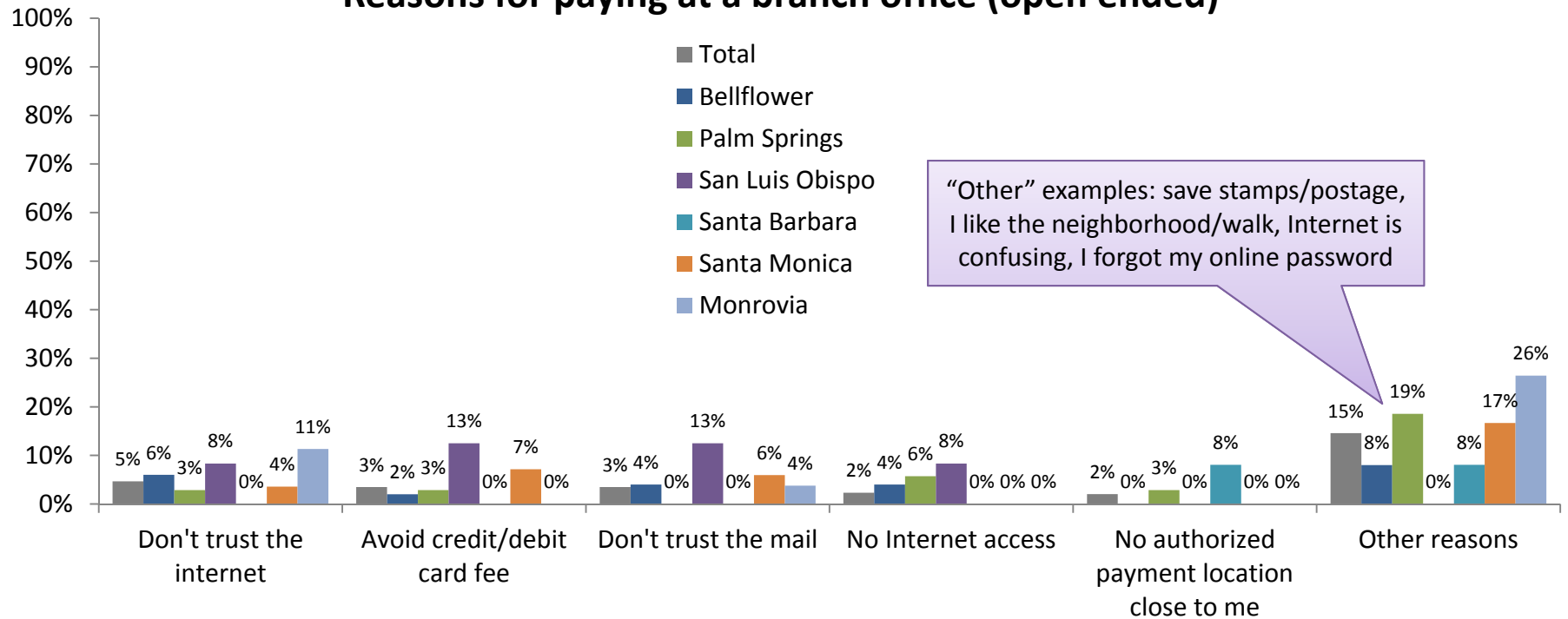
Base: Ever paid at branch AND aware of other payment methods, N=343

Q7. Why did you pay your bill today at a SoCalGas branch office location instead of using another method?

# Other Reasons for Paying at a Branch Office

✓ Minor reasons customers gave for using the branch to pay their bill varied, though a **technology gap** seems to exist, where some customers either lack the technology or don't trust the technology required to make bill payments any other way.

Reasons for paying at a branch office (open ended)

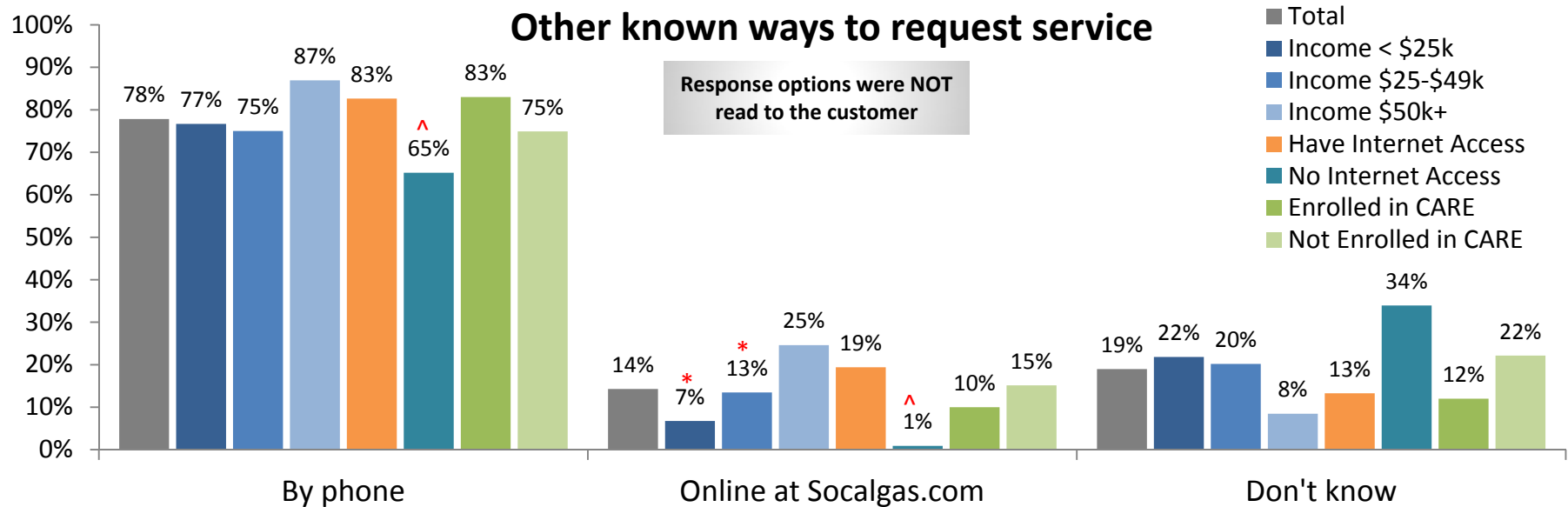


Base: Ever paid at branch AND aware of other payment methods, N=343

Q7. Why did you pay your bill today at a SoCalGas branch office location instead of using another method?

# Service Request Methods – by Segment

- ✓ Requesting service **by phone** was the most well-known alternative to doing so at a branch, while awareness of **online service requests** was much lower.
- ✓ Like online payments, online service request awareness increased along with household income.
- ✓ Those **without Internet access** not only had less awareness of online service requests, but had less awareness of service requests by phone as well.



\* = 95% statistically significant difference compared to those with Income \$50K+

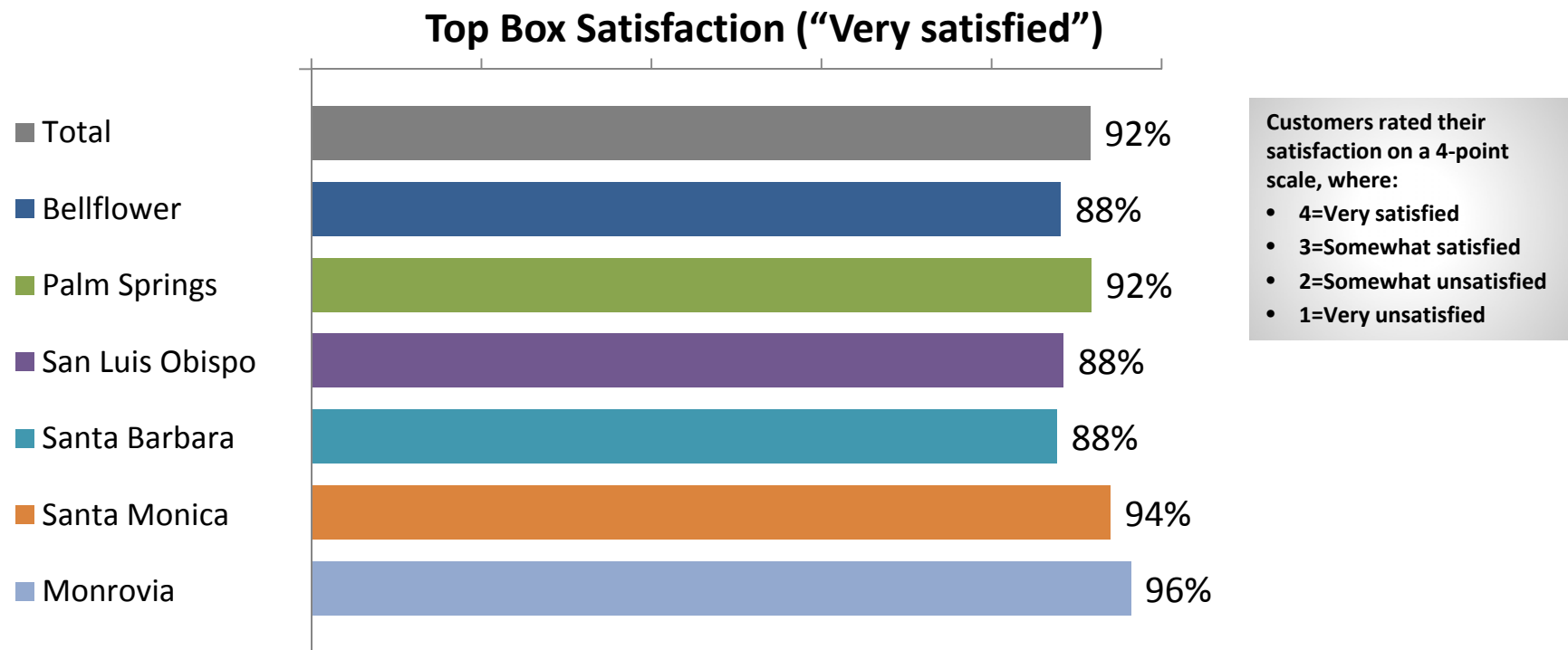
^ = 95% statistically significant difference compared to those with internet access

Base: All, N=406

Q8. Besides the branch office, what other ways can you schedule a service request that you are aware of?

# Overall Satisfaction with Visit

- ✓ Customers' overall satisfaction with their visit on the day of the interview was very high, with 92% overall being "Very satisfied" and no less than 88% "Very satisfied" at any one location.
- ✓ Customers interviewed at the **Monrovia** location had the highest satisfaction, with 96% being "Very satisfied" with their visit.

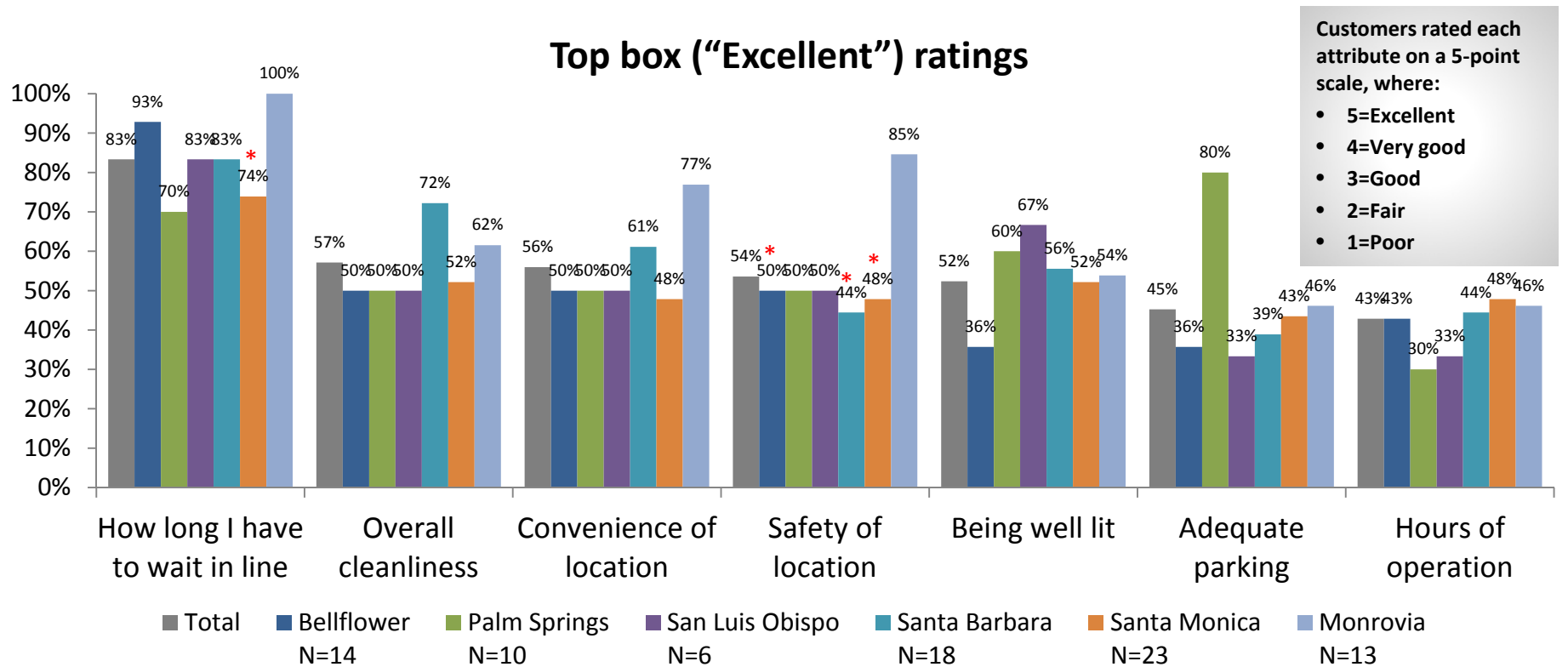


Base: All, N=406

Q11. Thinking about your experience today, how satisfied are you with the overall quality of service you received?

# Branch Location Attributes

- ✓ The length of time waiting in line was the highest rated attribute across all locations.
- ✓ Monrovia was either highest rated or next highest rated for every attribute.



\*= 95% statistically significant difference compared to Monrovia

**Base: N=84**

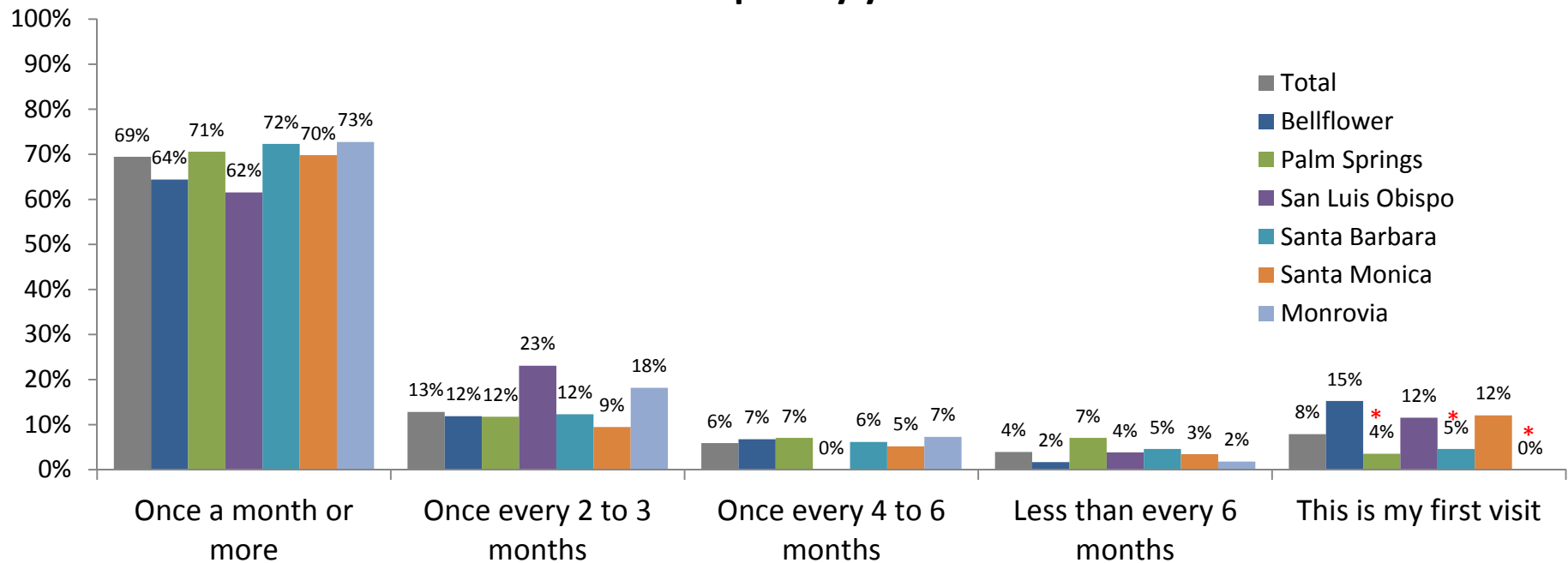
**NOTE:** This question was only asked on 4/11/14. The decision was made to stop asking this question to help reduce the survey length.

Q12. How would you rate this location on \_\_\_\_\_?

# Frequency of Branch Visits – by Location

- ✓ More than 2/3 of customers visit the branch location once a month or more.
- ✓ **Bellflower** had the most customers making their first ever visit at 15%.

## How frequently you visit



\*= 95% statistically significant difference compared to Bellflower

Base: All, N=406

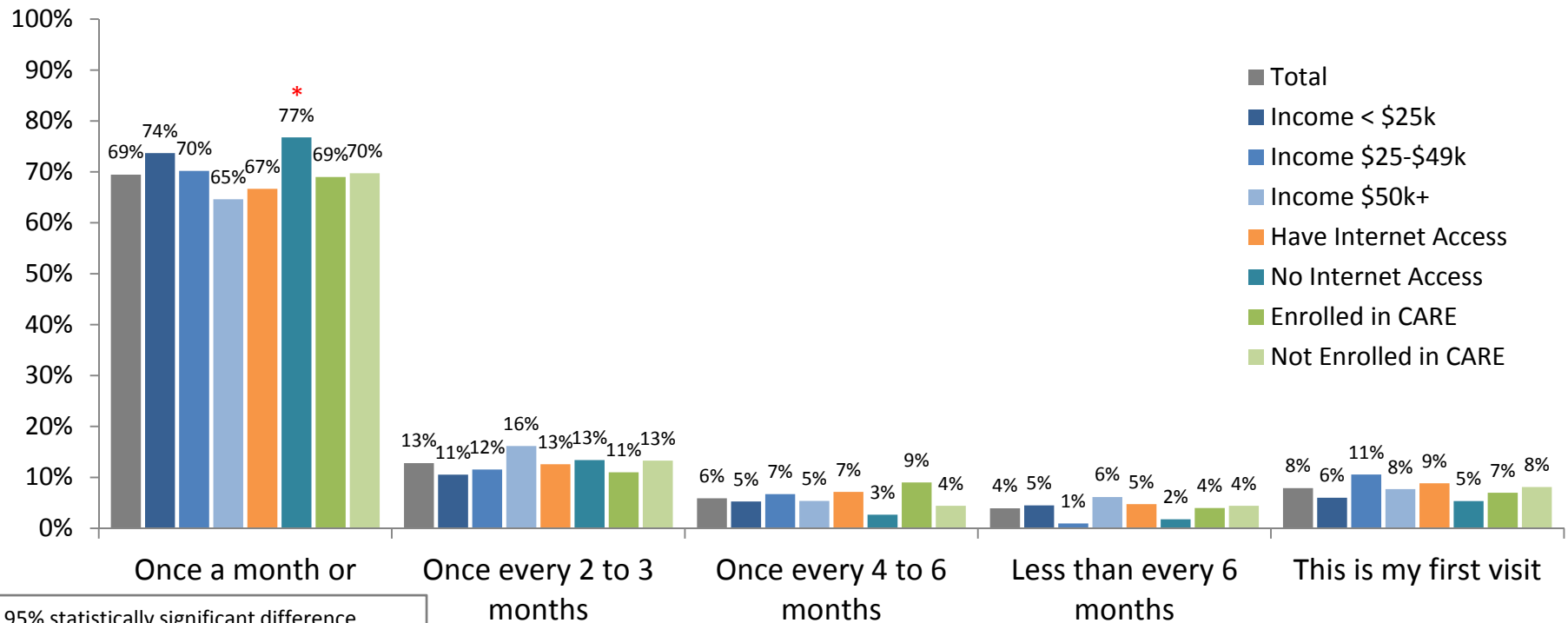
Q3. How frequently do you visit this location?



# Frequency of Branch Visits – by Segment

- ✓ Customers **without Internet access** were more likely to visit the branch every month than customers with Internet access.
- ✓ Whether or not a customer was enrolled in CARE had no effect on how often they visited a branch.

## How frequently you visit



\* = 95% statistically significant difference compared to those with internet access

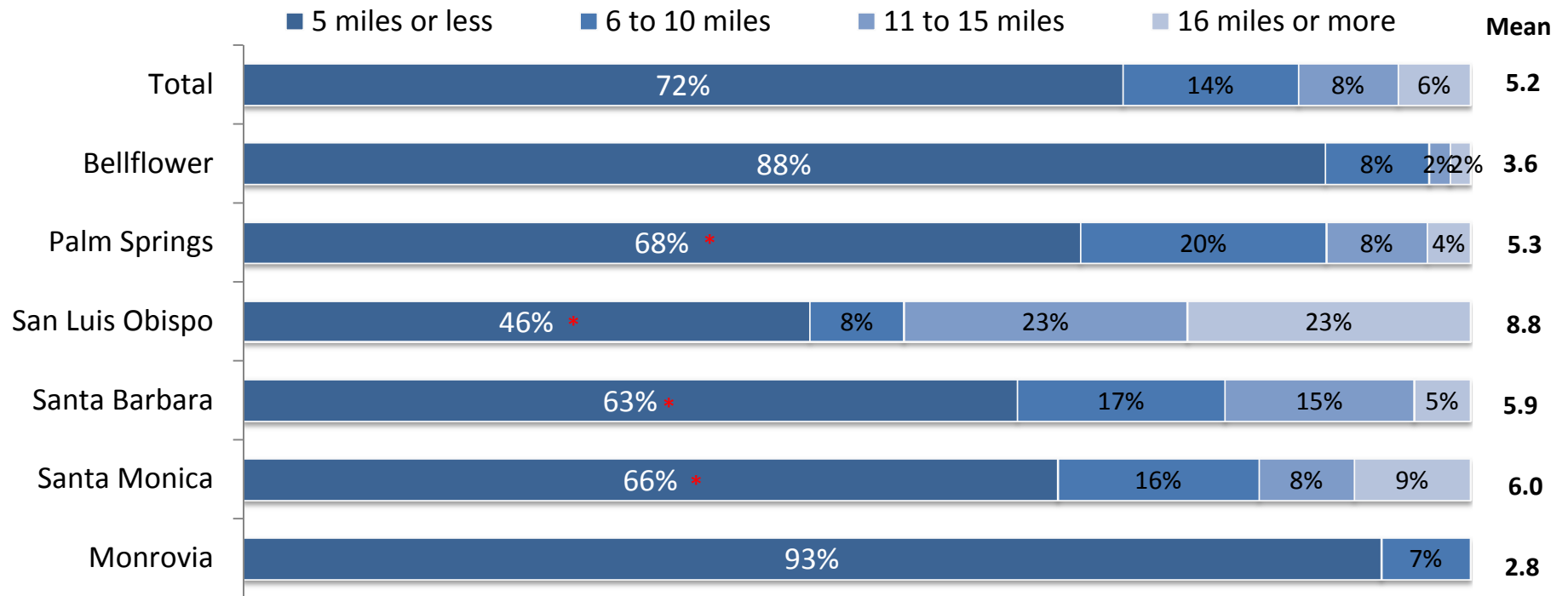
Base: All, N=406

Q3. How frequently do you visit this location?

# Location distance from Home

- ✓ Almost 3 out of 4 customers overall live within 5 miles of their SoCalGas branch location.
- ✓ **San Luis Obispo** was the most remote, with a majority (54%) more than five miles away.
- ✓ **Monrovia** was the closest, with 93% within five miles and 100% within 10 miles of the branch.

Distance from home in miles



\* = 95% statistically significant difference compared Monrovia and Bellflower

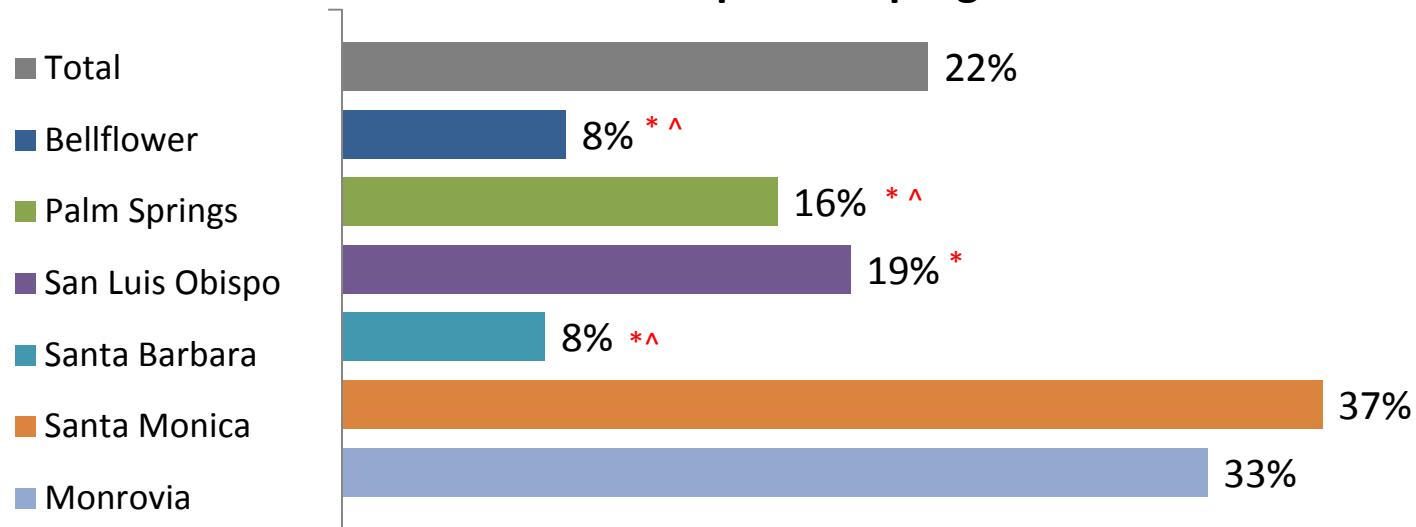
Base: All, N=406

Q4. How far is this location from your home?

# Income Qualified Programs – by Location

- ✓ About one out of every five customers noticed information about income qualified programs like CARE on the date of the interview.
- ✓ Awareness of income qualified program information varied by location. Fewer than one in ten customers at **Bellflower** and **Santa Barbara** noticed such information, while one third of customers at **Santa Monica** and **Monrovia** noticed it.

Noticed income qualified program information



\* = 95% statistically significant difference compared to Santa Monica  
 ^ = 95% statistically significant difference compared to Monrovia

Base: All, N=406

Q10. While you were in the office today, did you see or hear information about income qualified programs such as CARE or medical baseline?

# Conclusions

- Payments are the main reason for customer branch office visits.
- As a whole, customers are aware of and have access to branch office alternatives, but they are less likely to use them due to convenience, habit and, among some customers, a technology gap.
- Additionally, positive customer experiences reinforce the practice of visiting the branch offices.

# Appendix



BO Intercept  
urvey\_Final\_04\_07\_14

**Please see the following attached documents:**

**Branch Office Intercept Survey\_Final\_04\_07\_14**

Branch Office Intercept Survey

Location \_\_\_\_\_

Time \_\_\_:\_\_\_ am/pm

Interviewer \_\_\_\_\_

[INTRODUCTION]

**Hello, I'm with Davis Research and we're doing a short survey with Southern California Gas Company customers. May I please take a few minutes of your time to ask about your visit to the SoCalGas branch office today? As a thank you, you will receive a \$5 Starbucks gift card. Your answers will be completely confidential, and I'm not selling anything.**

**[IF ASKED] The survey should take about 5 minutes.**

**SCREENING QUESTIONS**

Just a few questions to make sure you qualify and then we'll get started.

S1. Are you 18 years of age or older?

Yes

No

THANK AND TERMINATE

S2. Are you employed by Southern California Gas Company?

Yes

No

THANK AND TERMINATE

**MAIN QUESTIONNAIRE**

1. What was the main purpose of your visit today? [READ LIST. SELECT ALL THAT APPLY. RANDOMIZE ORDER.]

Pay bill/make a payment [ASK Q7\_1]

Request to have my gas turned on or off

Schedule service such as a pilot re-light or an appliance check

Pick up information about income assistance programs or conservation tips

Other (specify) \_\_\_\_\_

2. And for what purposes have you visited this location in the past? [READ LIST. SELECT ALL THAT APPLY.]

Pay bill/make a payment [IF Q1 NE 1 BUT Q2 = 1, ASK Q7\_2]

Request to have my gas turned on or off

Schedule service such as a pilot re-light or an appliance check

Pick up information about income assistance programs or conservation tips

Other (specify) \_\_\_\_\_

None – this is my first visit [SKIP TO Q4]

3. How frequently do you visit this location? [READ LIST.]

- More than once a month
- Once a month
- Once every 2 to 3 months
- Once every 4 to 5 months
- Once every 6 months
- Less than every 6 months
- This is my first visit (**DO NOT READ**)

4. How far is this location from your home? Would you say: [READ LIST.]

- 1 mile or less
- 2 to 5 miles
- 6 to 10 miles
- 11 to 15 miles
- 16 miles or more

[IF DO NOT MENTION PAY BILL/MAKE A PAYMENT IN Q1 OR Q2, SKIP TO Q8]

5. Besides branch offices like this one, SoCalGas offers other ways to pay your bill. What other ways to pay your SoCalGas bill are you aware of? [DO NOT READ. SELECT ALL THAT APPLY. PROBE "ANY OTHERS?" UNTIL NON-RESPONSIVE.]

- At Socalgas.com [customer may say "the web site" "the internet" "online"]
- By mail
- By phone
- At an authorized payment location such as Walmart or other store
- Credit card, debit card or electronic check through Bill Matrix
- Direct debit from my bank account
- Online bill pay through my bank
- Other (specify) \_\_\_\_\_
- None [SKIP TO Q8]

[PIPE IN RESPONSES FROM Q5]

6. And which of these methods of paying your bill have you used in the past? [READ LIST. SELECT ALL THAT APPLY.]

- At Socalgas.com [customer may say "the web site" "the internet" "online"]
- By mail
- By phone
- At an authorized payment location such as Walmart or other store
- Credit card, debit card or electronic check through Bill Matrix
- Direct debit from my bank account
- Online bill pay through my bank
- Other (specify) \_\_\_\_\_
- None

Don't know (**DO NOT READ**)

7. [IF Q1=1] Q7\_1 Why did you pay your bill today at a SoCalGas branch office location instead of using another method?

[If Q1 ≠1 and Q2=1] Q7\_2 You mentioned that you've used the SoCalGas branch office to pay for a bill in the past. Why did you pay for your bill using the SoCalGas branch office instead of using another method?

[DO NOT READ LIST. SELECT ALL THAT APPLY. PROBE "ANY OTHERS?" ONCE.]

The bill was due/past due/and this was the fastest way to pay it  
I like to get a receipt/feel more confident this way  
I like the service I get at the branch office  
Convenient/close to my house or work  
I don't have a bank account  
I don't have access to the internet  
Don't know how to pay my bill at socalgas.com  
Don't know how to pay my bill by phone  
I don't have a credit or debit card  
Prefer to pay cash  
Don't want to pay the \$1.50 fee for paying with a credit/debit card  
Don't trust the mail  
Don't trust the internet  
Don't trust the authorized payment locations  
Don't know where the authorized payment locations are  
No authorized payment location is convenient/close to me  
I've always paid my gas bill this way  
Wasn't aware of the other alternatives  
Other (specify) \_\_\_\_\_  
Don't know

8. Besides the branch office, what other ways can you schedule a service request such as turning on the gas, an appliance check or a pilot re-light? [DO NOT READ. CHECK ALL THAT APPLY.]

At Socalgas.com [customer may say "the web site" "the internet" "online"]  
By phone/calling the call center  
Other (specify) \_\_\_\_\_  
Don't know

9. Are you currently enrolled in the California Alternate Rates for Energy Program, known as CARE?

Yes  
No  
Don't know



10. While you were in the office today, did you see or hear information about income qualified programs such as CARE or medical baseline?

Yes

No

[CHECK PROGRESS AFTER A FEW HOURS ON MONDAY, APRIL 14TH. DELETE Q12 IF SURVEY TOO LONG]

11. Thinking about your experience today, how satisfied are you with the overall quality of service you received? Would you say you were...[READ SCALE]

Very satisfied

Somewhat satisfied

Somewhat unsatisfied, or

Very unsatisfied

12. I'd like you to rate this location on a list of characteristics. The first one is [INSERT CHARACTERISTIC.] How would you rate this location on [INSERT ITEM]. Would you say it is: [READ SCALE FOR FIRST ITEM. REPEAT SCALE IF NECESSARY. CONTINUE WITH ALL ATTRIBUTES.]

Excellent

Very Good

Good

Fair

Poor

Don't know (**DO NOT READ**)

ATTRIBUTES – RANDOMIZE ORDER

Convenience of location

Overall cleanliness

Safety of location

Hours of operation

Having adequate parking

Being well lit

How long I have to wait in line

We're almost finished! These last few questions are for classification purposes only. All of your answers are confidential.

13. Do you have access to the internet where you could visit [socialgas.com](http://socialgas.com)? [SELECT ALL THAT APPLY.]

Yes – at home

Yes – at work

Yes – at library

Yes on smartphone

No internet access

14. Please stop me when I read the category that includes your age. [READ LIST.]

18-24  
25-44  
45-54  
55-64  
65 or older

15. Into which of the following categories does your total annual household income fall?  
[READ LIST. IF NECESSARY STATE, "THIS IS FOR CLASSIFICATION PURPOSES ONLY. ALL OF YOUR INFORMATION IS CONFIDENTIAL."]

Less than \$25,000  
\$25,000 to less than \$50,000  
\$50,000 to less than \$75,000  
\$75,000 to less than \$100,000  
\$100,000 to less than \$150,000  
\$150,000 or more  
Don't know (**DO NOT READ**)  
Prefer not to answer (**DO NOT READ**)

16. RECORD GENDER (DO NOT ASK)

Male  
Female

**Those are all of my questions. Thank you very much. Here's your gift card. Enjoy the rest of your day!**