

Application: A.23-11-003  
Witness: Ashok Lad  
Chapter: 4 - Supplemental

**SUPPLEMENTAL TESTIMONY OF  
ASHOK LAD  
ON BEHALF OF SOUTHERN CALIFORNIA GAS COMPANY  
(CPPMA OVERVIEW)**

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



March 11, 2024

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1 **SUPPLEMENTAL TESTIMONY OF ASHOK LAD**  
2 **(CPPMA OVERVIEW)**

3 **I. PURPOSE**

4 This supplemental testimony has been prepared as directed by the February 8, 2024,  
5 Administrative Law Judge (ALJ) Ruling Requesting Additional Information (Ruling)<sup>1</sup> issued in  
6 Application (A.) 23-11-003, the Application of Southern California Gas Company (SoCalGas)  
7 for Authorization to Recover Costs Recorded in Its Catastrophic Event Memorandum Account  
8 (CEMA) and Its COVID-19 Pandemic Protections Memorandum Account (CPPMA)  
9 (Application). The Ruling directs SoCalGas to provide responses to five items with regard to  
10 subaccounts and cost allocation methodology. This supplemental testimony will address the  
11 items concerning CPPMA accounting.

12 **II. CPPMA COSTS ARE NOT INCLUDED IN CEMA SUBACCOUNTS**

13 The Ruling directs SoCalGas to “...clarify whether all costs associated with the CPPMA  
14 are booked under CEMA Subaccount F. If SoCalGas booked additional CPPMA costs in an  
15 account other than CEMA Subaccount F, please identify this account or these accounts and add  
16 all line items associated with the CPPMA in Attachment A.”<sup>2</sup>

17 CPPMA costs are not recorded to any of the CEMA subaccounts included in the  
18 Application. The CPPMA is a separate account established as directed by the California Public  
19 Utilities Commission (Commission) to track and recover costs associated with complying with  
20 Resolution (Res.) M-4842 to implement Emergency Customer Protections to support California  
21 customers. In its Application, SoCalGas identified costs that are not currently authorized and  
22 recovered in rates but were necessary for implementation of the directives for the declared  
23 emergency proclamation for COVID-19. The line items associated with the CPPMA have been  
24 added to Attachment A, immediately following Subaccount F.

25 Column N of Attachment A provides justification of the incrementality as requested for  
26 the line items that exceed \$500,000. The two line-items that exceed \$500,000 are for 1) straight-  
27 time labor for management employees and 2) mailing and postage. The labor line item covers  
28 costs for backfilling employees re-assigned to, and labor resources hired for, the work performed

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<sup>1</sup> See: <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M524/K929/524929875.PDF>.

<sup>2</sup> *Id.* at 2.

1 to support the billing system modifications to extend the mandated customer protections and to  
2 secure access to state and federally funded arrearage relief programs on behalf of our customers  
3 as described in the Prepared Testimony of Ashok Lad (Chapter 4)<sup>3</sup> at AL-10 and AL-14 through  
4 AL-15. Also included are labor costs necessary to remove those billing system modifications  
5 upon the expiration of the protections in the phased manner as directed by the Commission. The  
6 mailing and postage expenses cover the costs related to outreach to inform customers of the  
7 restart of collections activities and programs and options available to avoid service interruption  
8 as discussed in the Prepared Testimony of Ashok Lad (Chapter 4) on AL-10 and for the customer  
9 notices in support of the various programs adopted by the Commission in Decision 21-06-036 in  
10 the Bill Debt OIR (R.21-02-014) as described in our testimony starting at AL-12. These billing  
11 related protections (labor associated with billing system modifications and mailing and postage  
12 expenses) could not be forecasted in SoCalGas's General Rate Case (GRC) as the COVID-19  
13 pandemic emergency was not anticipated and the resolution authorizing SoCalGas to establish  
14 the CPPMA emerged after SoCalGas's GRC.

15 This concludes my supplemental testimony.

### 16 **III. WITNESS QUALIFICATIONS**

17 My name is Ashok Lad. My business address is 1801 S Atlantic Blvd, Monterey Park,  
18 California, 91754. I am employed by SoCalGas as Technology Applications Manager in  
19 Customer Operations. I am responsible for overseeing compliance and process improvements  
20 for our Major Markets Customers.

21 I have been employed by SoCalGas since 1989 and have held various positions in  
22 Information Technology and Customer Operations. I have supported the company's  
23 implementation of the billing and collections customer protections necessary to provide relief to  
24 our customers during the COVID-19 Pandemic emergency. I have provided guidance to  
25 customer operations and customer operations technology teams in the development of  
26 procedures needed for compliance with Commission resolutions and decisions related to the  
27 implementation of the customer protections, the relief programs created to help transition  
28 customers from the accumulated utility debt and the lifting of protections.

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<sup>3</sup> See: [https://www.socalgas.com/sites/default/files/Ch\\_04-Testimony\\_of\\_Ashok\\_Lad\\_CPPMA\\_PDF.pdf](https://www.socalgas.com/sites/default/files/Ch_04-Testimony_of_Ashok_Lad_CPPMA_PDF.pdf).

1 I hold a Bachelor of Business Administration degree in Computer Information Systems  
2 from the University of Louisiana, Monroe and Master of Business Administration from  
3 University of Southern California.

4 I have not previously testified before the California Public Utilities Commission.