

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

Application of Southern California Gas
Company (U 904 G) for Approval of its Energy
Savings Assistance and California Alternate
Rates for Energy Programs and Budgets Bridge
Funding for Program Year 2027.

Application 25-06-_____
(Filed June 27, 2025)

**APPLICATION OF SOUTHERN CALIFORNIA GAS COMPANY (U 904 G) FOR
APPROVAL OF ITS ENERGY SAVINGS ASSISTANCE AND CALIFORNIA
ALTERNATE RATES FOR ENERGY PROGRAMS AND BUDGETS BRIDGE
FUNDING FOR PROGRAM YEAR 2027**

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June 27, 2025

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PROGRAM YEAR 2027**

I. INTRODUCTION

In accordance with Rule 15 of the California Public Utilities Commission’s (“Commission”) Rules of Practice and Procedure, Southern California Gas Company (“SoCalGas”) hereby submits its Application for Approval of its Energy Savings Assistance (“ESA”) and California Alternate Rates for Energy (“CARE”) Programs budgets and bridge funding for Program Year (“PY”) 2027 (“Application”).

In Decision (“D.”) 21-06-015, the Commission established the goals, directives, budgets and program funding levels for the current CARE, Family Electric Rate Assistance (“FERA”), and ESA Program cycle for PYs 2021-2026. However, the Commission did not specifically address the timing or requirements for Pacific Gas and Electric Company (“PG&E”), Southern California Edison Company (“SCE”), San Diego Gas & Electric Company (“SDG&E”), and SoCalGas (collectively, the “IOUs”) to file their respective low-income programs applications post-2026. The Commission’s Energy Division (“ED”) issued informal guidance and provided an outline for suggested content for the next low-income programs application and a pathway for bridge funding.¹ With ED input, the IOUs agreed each to file a (1) bridge funding application, and (2) full program cycle application. This approach is intended to (a) provide continuity in program funding and operations, (b) provide time to receive and incorporate stakeholder

¹ On October 31, 2024, ED issued an informal guidance document to the IOUs in preparation for the next ESA/CARE/FERA application proceeding and program cycle.

feedback into the Full Program Application, and (c) allow for sufficient time for the Commission to review and issue a timely decision on the full program application. The IOUs also consulted with ED to restructure the ED Staff Guidance to IOUs on ESA/CARE/FERA/CAS (Guidance Document) and obtained input from ED staff regarding application filing dates. The Guidance Document provides the IOUs direction on the structure and other aspects of both the bridge funding and full program applications. Following this communication, the IOUs communicated the revised Guidance Document and the anticipated filing deadlines for the respective applications to the service list.² This filing consists of the Application and prepared direct testimony specific for one year of bridge funding for PY 2027 in support of the Application. The IOUs expect to file a subsequent low-income programs application for PYs 2028-2033 in Q4 2025. The prepared direct testimony described herein is served concurrently here with and incorporated in the Application by reference.

II. BASIS FOR THE APPLICATION

Consistent with D.21-06-015 that authorized budgets for CARE, FERA and ESA Programs for the 2021-2026 program cycle, SoCalGas provides testimony detailing its 2027 bridge funding request for CARE and ESA Program budgets. SoCalGas's proposal and bridge funding request will allow for the continuation of the CARE and ESA Programs.

III. OVERVIEW OF REQUEST

In this Application, SoCalGas will continue its commitment to provide programs and services designed to meet the needs of its low-income, hard-to-reach and disadvantaged communities as well as those with limited English proficiency ("LEP"), who may benefit from SoCalGas's Customer Assistance programs.³ SoCalGas's proposal is consistent with prior years because it seeks approval for funding necessary for serving the existing customer base and maintaining or exceeding the 90% program participation goal so that all willing and eligible customers are enrolled in the CARE Program. SoCalGas therefore requests the Commission to approve its Application for PY 2027 to allow continuity in activity for CARE and ESA Programs.

² On February 21, 2025, PG&E on behalf of the IOUs notified all parties on the Application ("A.") 19-11-003 service list, provided an update regarding the upcoming application process and timeline.

³ SoCalGas interchangeably refers to its ESA and CARE Programs as its Customer Assistance Programs.

IV. SUMMARY OF APPLICATION AND TESTIMONY

SoCalGas offers the following prepared testimony that presents ESA and CARE Program proposals for PY 2027 which conforms to the requirements set forth in the Guidance document.

Testimony sponsored by Mr. Octavio Verduzco, Customer Assistance Program Manager, addresses ESA Program and CARE Program Plans and Budgets. Mr. Verduzco's testimony sponsors the operational, marketing and outreach elements of both SoCalGas's ESA and CARE Program proposals and requests.

V. ESA PROGRAM

A. ESA Main Program

SoCalGas proposes no changes to PY 2026 ESA annual energy savings goals and ESA household treatment goals and targets in the Application. However, SoCalGas proposes an increase to the PY 2026 ESA budget and requests the bridge funding for PY 2027 be adjusted based on estimated inflation rates. For PY 2027, SoCalGas escalated its labor based on its TY 2024 General Rate Case (GRC) approved inflation rate of three percent (3%) to account for any inflation-related adjustments. SoCalGas requests for approximately \$123.15 million for its PY 2027 ESA Portfolio budget which provides the necessary funding for a continuation of current required program activities through the end of the 2027 bridge year.

B. ESA Multi-Family Whole Building (MFWB) Program

SoCalGas requests that the 2027 bridge year maintain all existing structural and operational components of the MFWB program to maintain program continuity and oversight. SoCalGas proposes changes to SoCalGas's MFWB household treatment targets and annual energy savings goals (therms).

C. ESA Pilot Plus/Deep

The Joint Pilot Plus and Deep Implementation aims to complete all remaining homes, ramp down the pilot, and complete all evaluation, measurement, and verification by the end of the PY 2026. As a result, SoCalGas has no proposed goals or budget allocations for the 2027 bridge year.

D. Low Income Needs Assessment

SoCalGas requests authority to submit a Joint IOU Tier 2 Advice Letter to initiate the 2028 Low Income Needs Assessment ("LINA") study in 2027.

E. ESA Cost Effectiveness Test (“ESACET”)

SoCalGas calculated an ESACET value of 0.63 for PY 2027 using PY 2024 portfolio composition along with updated budget information.

VI. CARE PROGRAM

SoCalGas does not propose any additional changes to the CARE eligibility guidelines and requirements for PY 2027 and proposes to continue its current program goals, budget, service deliveries, and strategies that have proven to be successful in the current program cycle PY 2021-2026.

For PY 2027, SoCalGas escalated its labor based on its TY 2024 GRC approved inflation rate of 3% to account for any inflation-related adjustments. For 2026, SoCalGas requests authorization for additional budget for the CARE subsidy, reflecting an increase in customer enrollment from the authorized CARE subsidy in D.21-06-015 for PYs 2021-2026. This increase is based on the oversubscription of CARE participation at its current rate in 2024 of 110%. SoCalGas proposes a total CARE budget of \$232.37 million for PY 2027.

A. Community Help and Awareness with Natural Gas and Electricity Services (“CHANGES”)

D.15-12-047 approved the Community Help and Awareness of Natural Gas and Electricity Services (“CHANGES”) program which provides outreach, education, and bill assistance on natural gas and electricity bills and services to LEP consumers through a statewide network of Community-Based Organizations (“CBOs”). CHANGES is a CPUC program designed to assist LEP customers with their energy-related needs. The CHANGES program is administered by a third-party implementer selected by and contracted with the CPUC. The CHANGES third party implementer manages the same network of CBOs who also provide direct services for the Telecommunications Education and Assistance in Multiple Languages (“TEAM”) program which provides services in similar nature to CHANGES but focuses on supporting the same LEP customers with telecommunications services.⁴ CHANGES uses the same CBOs in TEAM, and this allows consumers a “one-stop shop” for education and assistance on telecommunications and energy services. SoCalGas proposes to maintain the authorized

⁴ Direct Testimony of Octavio Verduzco on behalf of SoCalGas (Exhibit (Ex.) SoCalGas-01) at 15.

funding for the CHANGES program.⁵ For PY 2027, SoCalGas will continue to utilize the existing funding mechanism at the funding levels approved for PY 2021-2026 through the CARE program to support the CHANGES program in 2027.

VII. REVENUE REQUIREMENTS AND RATE IMPACT

SoCalGas does not propose any changes to the revenue allocation or rate design for the CARE or ESA Program.

SoCalGas's CARE program costs are currently recovered using an Equal Cent Per Therm ("ECPT") approach to allocate costs between the customer classes. The CARE Program rates are calculated by multiplying the program cost by the allocation factor and dividing by the applicable billing determinants minus any exempt throughput. SoCalGas recovers its CARE Program costs through the Public Purpose Program ("PPP") surcharge. The CARE Program cost is calculated from the revenue requirement, which is based on the combination of both the administration costs and the CARE subsidy and any pending balancing accounts.⁶

SoCalGas's ESA Program costs are currently recovered from the residential customer class. The ESA Program rates are calculated by multiplying the program cost by the allocation factor and dividing by the applicable billing determinants minus any exempt throughput. SoCalGas recovers its ESA Program costs through the PPP surcharge. The ESA Program cost is calculated from the revenue requirement, which is based on the combination of both the energy efficiency ("EE") category costs as well as the administrative and other cost categories.⁷

SoCalGas requests that the Commission authorize recovery of the program plans and budgets proposed in this Application by means of the proposed CARE and ESA Program cost for PY 2027.

A. CARE Balancing Account

SoCalGas maintains a two-way CARE balancing account ("CAREA") to track the CARE program expenses incurred against gas surcharge funds reimbursed from the State Board of Equalization ("BOE"). SoCalGas maintains the CAREA by recording entries for CARE administrative costs, CARE discounts, and gas surcharges billed at the end of each month.

⁵ *Id.*

⁶ *Id.* at 27-28.

⁷ *Id.* at 28-29.

SoCalGas also records to the CAREA remittances of PPP funds collected from ratepayers to the BOE and subsequently records the reimbursement of those funds one to two months after the funds were remitted. SoCalGas does not propose any changes to the CAREA.

B. Direct Assistance Program Balancing Account

SoCalGas maintains a one-way Direct Assistance Program Balancing Account (DAPBA) to record the difference between actual ESA Program expenses and ESA Program-related gas surcharge revenues billed to customers which are remitted to/reimbursed from the State BOE. Any over collected balances in the DAPBA at the end of the program cycle will be refunded to ratepayers in connection with the PPP surcharge rate update advice letter filing. Any overspending above authorized levels (*e.g.* an under collected balance) at the end of the program cycle are not recoverable from ratepayers. SoCalGas does not propose any changes to the DAPBA.

SoCalGas requests that the Commission authorize recovery of the program plans and budgets proposed in this Application by means of the proposed CARE and ESA Program cost for PY 2027.

VIII. STATUTORY AND PROCEDURAL REQUIREMENTS

A. Rule 2.1 (a) – (c)

This Application is made pursuant to Section 451, 701, 702, 728, and 729 of the Public Utilities Code of the State of California; the Commission’s Rules of Practice and Procedure; and the other relevant prior decisions, orders, and resolutions of the Commission.

1. Rule 2.1 (a) – Legal Name

Southern California Gas Company is a public utility corporation organized and existing under the laws of the State of California. SoCalGas’s principal place of business and mailing address is 555 West Fifth Street, Los Angeles, California 90013.

2. Rule 2.1 (b) – Correspondence

All correspondence and communications to SoCalGas regarding this Application should be addressed to:

Kristine Huliganga
Regulatory Case Manager for:
SOUTHERN CALIFORNIA GAS COMPANY
555 West Fifth Street, GT14D6
Los Angeles, California 90013
Telephone: (213) 231-6987
E-Mail: khuliganga@socalgas.com

A copy should also be sent to:

Ismael Bautista, Jr.
Attorney for:
SOUTHERN CALIFORNIA GAS COMPANY
555 West Fifth Street, GT14G1
Los Angeles, California 90013
Telephone: (213) 231-5978
Facsimile: (213) 629-9620
E-mail: ibautista@socalgas.com

3. Rule 2.1 (c) – Proposed Category, Need for Hearings, Issues to be Considered, and Schedule

a. Proposed Category of Proceeding

SoCalGas proposes to categorize this Application as a “rate setting” proceeding within the meaning of Rules 1.3(g) and 7.1 and because the Application will have a potential future effect on rates.

b. Need for Hearings

Because of the limited factual issues to be addressed in this proceeding, SoCalGas does not anticipate a need for hearings.

c. Issues to be Considered and Relevant Safety Considerations

The principal issue to be considered in this proceeding is whether or not the Commission should approve the ESA and CARE Programs proposed in this Application, and whether the Commission should therefore grant the relief requested as summarized in Section VIII below. There do not appear to be relevant safety concerns with respect to this Application.

d. Proposed Schedule

Because of the limited factual issues to be addressed in this proceeding, SoCalGas does not anticipate a need for hearings. SoCalGas proposes the following schedule for this Application:

Event	Date
SoCalGas files Application	June 27, 2025
Responses/Protests to Application	within 30 days Daily Calendar Notice
SoCalGas Reply to Responses/Protests	within 10 days, per Rule 2.6
Prehearing Conference	September 1, 2025
Intervenor Testimony	November 21, 2025
Rebuttal Testimony	December 19, 2025
Evidentiary Hearings (<i>if needed</i>)	January 12-31, 2026
Opening Briefs	February 13, 2026
Reply Briefs	February 27, 2026
Proposed Decision	May 2026
Commission Decision	June 2026

4. Rule 2.2 – Articles of Incorporation

A copy of SoCalGas’s Restated Articles of Incorporation, as last amended, presently in effect and certified by the California Secretary of State, was previously filed with the Commission on October 1, 1998, in connection with SoCalGas’s Application No. 98-10-012, and is incorporated herein by reference.

5. Rule 3.2 (a) – (d)

In accordance with Rule 3.2 (a)-(d) of the Commission’s Rules of Practice and Procedure, SoCalGas provides the following information:

a. Rule 3.2 (a)(1) – Balance Sheet and Income Statement

The most recent updated Financial Statement, Balance Sheet and Income Statement for SoCalGas as of December 31, 2024 is attached to this Application as Attachment A.

b. Rule 3.2(a)(2) and (3) – Statement of Present and Proposed Rates

The illustrative rate changes that will result from this Application are described in Attachment F, Table B-2.

c. Rule 3.2(a)(4) – Description of Applicant’s Property and Equipment

A general description of SoCalGas’s property and equipment was previously filed with the Commission on May 3, 2004 in connection with SoCalGas’s Application 04-05-008, and is incorporated herein by reference. A statement of Original Cost and Depreciation Reserve as of, December 31, 2024 is attached as Attachment B.

d. 3.2(a)(5) and (6) – Summary of Earnings

A summary of earnings for SoCalGas as of December 31, 2024 is included herein as Attachment C.

e. Rule 3.2(a)(7) – Depreciation

For financial statement purposes, depreciation of utility plant has been computed on a straight-line remaining life basis at rates based on the estimated useful lives of plant properties. For federal income tax accrual purposes, SoCalGas generally computes depreciation using the straight-line method for tax property additions prior to 1954, and liberalized depreciation, which includes Class Life and Asset Depreciation Range Systems, on tax property additions after 1954 and prior to 1981. For financial reporting and rate-fixing purposes, “flow through accounting” has been adopted for such properties. For tax property additions in years 1981 through 1986, SoCalGas has computed its tax depreciation using the Accelerated Cost Recovery System. For years after 1986, SoCalGas has computed its tax depreciation using the Modified Accelerated Cost Recovery Systems and, since 1982, has normalized the effects of the depreciation differences in accordance with the Economic Recovery Tax Act of 1981, the Tax Reform Act of 1986, and the Tax Cuts and Job Act of 2017.

f. Rule 3.2(a)(8) – Proxy Statement

A copy of SoCalGas’s most recent proxy statement, dated April 26, 2025, was mailed to the Commission on April 28, 2025, and is incorporated herein by reference.

g. Rule 3.2(a)(10) – Statement Pass Through to Customers

SoCalGas seeks in this Application reflect estimated costs to SoCalGas and passes through to customers only costs that SoCalGas incurs for the services and commodities that it furnishes.

h. Rule 3.2(b) – Notice to State, Cities and Counties

SoCalGas will, within twenty days after the filing this Application, mail a notice to the State of California and to the cities and counties in its service territory.

i. Rule 3.2 (c) – Newspaper Publication

SoCalGas will, within twenty days after the filing of this Application, publish in newspapers of general circulation in each county in their service territory notice of this Application.

j. Rule 3.2 (d) – Bill Insert Notice

SoCalGas will, within 45 days after the filing of this Application, provide notice of this Application to their customers along with the regular bills sent to those customers that will generally describe the proposed rate changes addressed in this Application.

6. Rule 1.9 - Service

This is a new application. No service list has been established. Accordingly, SoCalGas will electronically serve this application on parties to the service list for the following proceeding: A.19-11-006 and R. 25-04-010.

IX. CONCLUSION

For the reasons set forth in this Application and accompanying testimony, SoCalGas respectfully asks the Commission for:

- 1) Approval of its PY 2027 CARE and ESA Program plans and forecasted administrative costs;
- 2) Authorization to implement the CARE and ESA Program activities as described in this testimony and summarized herein;
- 3) Authorization to continue to shift funds in the same manner as approved in D.21-06-015;
- 4) Authorization to utilize unspent funds from Pilot Plus/ Pilot Deep from PY 2021 - PY 2026 to main ESA Program;
- 5) Authorization to carry over funds from the current PY 2021-2026 cycle to conduct ESA Program Impact and Process Evaluations during PY 2027; and

VERIFICATION

I am an officer of Southern California Gas Company and am authorized to make this verification on its behalf. I am informed and believe that the matters stated in the foregoing Application are true to my own knowledge, except as to matters which are therein stated on information and belief, and as to those matters, I believe them to be true.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 27th day of June 2025 at Los Angeles, California.

Respectfully submitted,

By:

/s/ Don Widjaja

DON WIDJAJA

Vice President – Customer Services

SOUTHERN CALIFORNIA GAS COMPANY

ALISO CANYON ATTESTATION

1. I am Vice President of Customer Services for Southern California Gas Company (SoCalGas). I am providing this attestation based upon the requirements of Ordering Paragraph 5 of California Public Utilities Commission (CPUC or Commission) Decision (D.) 23-09-022.
2. On December 23, 2015 the CPUC-Executive Director issued a letter to SoCalGas directing SoCalGas to provide information to the CPUC concerning costs associated with the uncontrolled release of natural gas from Well SS-25 at the Aliso Canyon Storage Field from October 23, 2015 through February 11, 2016 (the Incident).
3. Beginning in December 2015, SoCalGas has reported to the Commission the costs associated with the Incident in the monthly Incident-related cost report submitted pursuant to the Executive Director's December 23, 2015 (Directive Report).
4. On October 28, 2022, SoCalGas, the California Public Utilities Commission's Safety and Enforcement Division ("SED") and the Public Advocates Office at the California Public Utilities Commission ("Cal Advocates") filed a Joint Motion for Adoption of Settlement Agreement in Investigation (I.) 19-06-016 seeking approval of the Settlement Agreement entered into by SoCalGas, SED, and Cal Advocates (Settlement Agreement).
5. On September 12, 2023, the Commission issued Decision (D.) 23-09-002 which approved the Settlement Agreement between SoCalGas, SED, and Cal Advocates resolving I.19-06-016.
6. Ordering Paragraph 5 of D.23-09-002 states that SoCalGas shall submit an attestation by a Vice President or higher company executive with every application requesting rate recovery attesting that it has not included any expenses or costs identified in the Settlement Agreement. This attestation requirement shall apply for five years from the date of the final issuance of this decision.
7. I reviewed the costs requested in this Application and the most recent Directive Report. Based on my review of the costs, the Directive Report, and other diligence, I am informed and believe, and upon such information and belief, certify that SoCalGas has not included

any expenses or costs identified in the Settlement Agreement adopted in D.23-09-002 in the enclosed Application being filed on June 27, 2025.

Executed on June 27, 2025, at Los Angeles, California.

By: /s/ Don Widjaja
DON WIDJAJA

Vice President – Customer Services
SOUTHERN CALIFORNIA GAS COMPANY

ATTACHMENT A

SOUTHERN CALIFORNIA GAS COMPANY
BALANCE SHEET
ASSETS AND OTHER DEBITS
DECEMBER 31, 2024

1. UTILITY PLANT		<u>2024</u>
101	UTILITY PLANT IN SERVICE	\$27,322,708,031
102	UTILITY PLANT PURCHASED OR SOLD	-
105	PLANT HELD FOR FUTURE USE	-
106	COMPLETED CONSTRUCTION NOT CLASSIFIED	-
107	CONSTRUCTION WORK IN PROGRESS	1,860,874,977
108	ACCUMULATED PROVISION FOR DEPRECIATION OF UTILITY PLANT	(8,339,794,779)
111	ACCUMULATED PROVISION FOR AMORTIZATION OF UTILITY PLANT	(239,879,537)
117	GAS STORED-UNDERGROUND	<u>61,422,045</u>
TOTAL NET UTILITY PLANT		<u>20,665,330,737</u>

2. OTHER PROPERTY AND INVESTMENTS		
121	NONUTILITY PROPERTY	31,236,718
122	ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF NONUTILITY PROPERTY	(14,492,651)
123	INVESTMENTS IN SUBSIDIARY COMPANIES	-
	NONCURRENT PORTION OF ALLOWANCES	-
124	OTHER INVESTMENTS	1
125	SINKING FUNDS	-
128	OTHER SPECIAL FUNDS	-
TOTAL OTHER PROPERTY AND INVESTMENTS		<u>16,744,068</u>

SOUTHERN CALIFORNIA GAS COMPANY
BALANCE SHEET
ASSETS AND OTHER DEBITS
DECEMBER 31, 2024

3. CURRENT AND ACCRUED ASSETS		<u>2024</u>
131	CASH	11,421,869
132	INTEREST SPECIAL DEPOSITS	-
134	OTHER SPECIAL DEPOSITS	-
135	WORKING FUNDS	120,773
136	TEMPORARY CASH INVESTMENTS	-
141	NOTES RECEIVABLE	-
142	CUSTOMER ACCOUNTS RECEIVABLE	1,216,653,660
143	OTHER ACCOUNTS RECEIVABLE	51,857,186
144	ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS	(255,015,839)
145	NOTES RECEIVABLE FROM ASSOCIATED COMPANIES	-
146	ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES	15,994,207
151	FUEL STOCK	-
152	FUEL STOCK EXPENSE UNDISTRIBUTED	-
154	PLANT MATERIALS AND OPERATING SUPPLIES	141,545,646
155	MERCHANDISE	-
156	OTHER MATERIALS AND SUPPLIES	-
158	GHG ALLOWANCE	702,103,420
	(LESS) NONCURRENT PORTION OF ALLOWANCES	-
163	STORES EXPENSE UNDISTRIBUTED	(4,980,986)
164	GAS STORED	148,336,943
165	PREPAYMENTS	76,325,719
171	INTEREST AND DIVIDENDS RECEIVABLE	818,090
173	ACCRUED UTILITY REVENUES	-
174	MISCELLANEOUS CURRENT AND ACCRUED ASSETS	3,394,350
175	DERIVATIVE INSTRUMENT ASSETS	3,697,168
	TOTAL CURRENT AND ACCRUED ASSETS	<u>2,112,272,206</u>
4. DEFERRED DEBITS		
181	UNAMORTIZED DEBT EXPENSE	47,859,722
182	UNRECOVERED PLANT AND OTHER REGULATORY ASSETS	5,165,763,896
183	PRELIMINARY SURVEY & INVESTIGATION CHARGES	1,397,667
184	CLEARING ACCOUNTS	5,272,775
185	TEMPORARY FACILITIES	-
186	MISCELLANEOUS DEFERRED DEBITS	537,246,609
188	RESEARCH AND DEVELOPMENT	-
189	UNAMORTIZED LOSS ON REACQUIRED DEBT	-
190	ACCUMULATED DEFERRED INCOME TAXES	1,203,376,311
191	UNRECOVERED PURCHASED GAS COSTS	-
	TOTAL DEFERRED DEBITS	<u>6,960,916,980</u>
	TOTAL ASSETS AND OTHER DEBITS	<u>\$ 29,755,263,991</u>

SOUTHERN CALIFORNIA GAS COMPANY
BALANCE SHEET
LIABILITIES AND OTHER CREDITS
DECEMBER 31, 2024

5. PROPRIETARY CAPITAL

2024

201	COMMON STOCK ISSUED	(834,888,907)
204	PREFERRED STOCK ISSUED	(21,551,075)
207	PREMIUM ON CAPITAL STOCK	-
208	OTHER PAID-IN CAPITAL	-
210	GAIN ON RETIRED CAPITAL STOCK	(9,722)
211	MISCELLANEOUS PAID-IN CAPITAL	(1,481,306,680)
214	CAPITAL STOCK EXPENSE	143,261
216	UNAPPROPRIATED RETAINED EARNINGS	(5,849,142,471)
219	ACCUMULATED OTHER COMPREHENSIVE INCOME	26,905,227
TOTAL PROPRIETARY CAPITAL		<u>(8,159,850,367)</u>

6. LONG-TERM DEBT

221	BONDS	(6,650,000,000)
224	OTHER LONG-TERM DEBT	(709,338,770)
225	UNAMORTIZED PREMIUM ON LONG-TERM DEBT	-
226	UNAMORTIZED DISCOUNT ON LONG-TERM DEBT	17,743,363
TOTAL LONG-TERM DEBT		<u>(7,341,595,407)</u>

7. OTHER NONCURRENT LIABILITIES

227	OBLIGATIONS UNDER CAPITAL LEASES - NONCURRENT	(96,473,272)
228.2	ACCUMULATED PROVISION FOR INJURIES AND DAMAGES	(88,352,468)
228.3	ACCUMULATED PROVISION FOR PENSIONS AND BENEFITS	(60,911,737)
228.4	ACCUMULATED MISCELLANEOUS OPERATING PROVISIONS	-
245	NONCURRENT DERIVATIVE INSTRUMENT LIABILITIES	-
230	ASSET RETIREMENT OBLIGATIONS	(2,929,729,947)
TOTAL OTHER NONCURRENT LIABILITIES		<u>(3,175,467,424)</u>

SOUTHERN CALIFORNIA GAS COMPANY
BALANCE SHEET
LIABILITIES AND OTHER CREDITS
DECEMBER 31, 2024

8. CURRENT AND ACCRUED LIABILITIES

	2024
231 NOTES PAYABLE	(1,037,164,589)
232 ACCOUNTS PAYABLE	(848,362,500)
233 NOTES PAYABLE TO ASSOCIATED COMPANIES	-
234 ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES	(37,544,168)
235 CUSTOMER DEPOSITS	(69,407,484)
236 TAXES ACCRUED	(7,442,517)
237 INTEREST ACCRUED	(73,268,636)
238 DIVIDENDS DECLARED	(323,266)
241 TAX COLLECTIONS PAYABLE	(34,239,543)
242 MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES	(558,556,156)
243 OBLIGATIONS UNDER CAPITAL LEASES - CURRENT	(30,399,104)
244 DERIVATIVE INSTRUMENT LIABILITIES	(42,974,956)
245 DERIVATIVE INSTRUMENT LIABILITIES - HEDGES	
	(2,739,682,919)
TOTAL CURRENT AND ACCRUED LIABILITIES	(2,739,682,919)

9. DEFERRED CREDITS

252 CUSTOMER ADVANCES FOR CONSTRUCTION	(128,593,850)
253 OTHER DEFERRED CREDITS	(661,996,370)
254 OTHER REGULATORY LIABILITIES	(4,332,126,081)
255 ACCUMULATED DEFERRED INVESTMENT TAX CREDITS	(5,648,757)
257 UNAMORTIZED GAIN ON REACQUIRED DEBT	-
281 ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED	-
282 ACCUMULATED DEFERRED INCOME TAXES - PROPERTY	(2,425,452,903)
283 ACCUMULATED DEFERRED INCOME TAXES - OTHER	(784,849,913)
	(8,338,667,874)
TOTAL DEFERRED CREDITS	(8,338,667,874)

TOTAL LIABILITIES AND OTHER CREDITS	<u><u>\$ (29,755,263,991)</u></u>
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SOUTHERN CALIFORNIA GAS COMPANY
STATEMENT OF INCOME AND RETAINED EARNINGS
TWELVE MONTHS ENDED DECEMBER 31, 2024

1. UTILITY OPERATING INCOME

400	OPERATING REVENUES		6,201,502,193
401	OPERATING EXPENSES	3,376,041,545	
402	MAINTENANCE EXPENSES	449,373,700	
403-7	DEPRECIATION AND AMORTIZATION EXPENSES	922,237,734	
408.1	TAXES OTHER THAN INCOME TAXES	214,985,343	
409.1	INCOME TAXES	471,740	
410.1	PROVISION FOR DEFERRED INCOME TAXES	322,874,749	
411.1	PROVISION FOR DEFERRED INCOME TAXES - CREDIT	(312,382,385)	
411.4	INVESTMENT TAX CREDIT ADJUSTMENTS	(1,163,285)	
411.6	GAIN FROM DISPOSITION OF UTILITY PLANT	-	
411.7	LOSS FROM DISPOSITION OF UTILITY PLANT	-	
	TOTAL OPERATING REVENUE DEDUCTIONS		<u>4,972,439,141</u>
	NET OPERATING INCOME		<u>1,229,063,052</u>

2. OTHER INCOME AND DEDUCTIONS

415	REVENUE FROM MERCHANDISING, JOBBING AND CONTRACT WORK	-	
417	REVENUES FROM NONUTILITY OPERATIONS	-	
417.1	EXPENSES OF NONUTILITY OPERATIONS	(13,142,017)	
418	NONOPERATING RENTAL INCOME	615,283	
418.1	EQUITY IN EARNINGS OF SUBSIDIARIES	-	
419	INTEREST AND DIVIDEND INCOME	95,296,507	
419.1	ALLOWANCE FOR OTHER FUNDS USED DURING CONSTRUCTION	73,269,074	
421	MISCELLANEOUS NONOPERATING INCOME	(2,589,992)	
421.1	GAIN ON DISPOSITION OF PROPERTY	-	
	TOTAL OTHER INCOME	<u>153,448,855</u>	
421.2	LOSS ON DISPOSITION OF PROPERTY	(328,541)	
425	MISCELLANEOUS AMORTIZATION	-	
426	MISCELLANEOUS OTHER INCOME DEDUCTIONS	(46,540,930)	
	TOTAL OTHER DEDUCTIONS	<u>(46,869,471)</u>	
408.2	TAXES OTHER THAN INCOME TAXES	(520,708)	
409.2	INCOME TAXES	(2,854,787)	
410.2	PROVISION FOR DEFERRED INCOME TAXES	(123,602,991)	
411.2	PROVISION FOR DEFERRED INCOME TAXES - CREDIT	104,830,806	
420	INVESTMENT TAX CREDITS	-	
	TOTAL TAXES ON OTHER INCOME AND DEDUCTIONS	<u>(22,147,680)</u>	
	TOTAL OTHER INCOME, DEDUCTIONS AND TAXES		<u>84,431,704</u>
	INCOME BEFORE INTEREST CHARGES		1,313,494,756
	NET INTEREST CHARGES*		<u>356,793,511</u>
	NET INCOME		<u><u>\$956,701,245</u></u>

*NET OF ALLOWANCE FOR BORROWED FUNDS USED DURING CONSTRUCTION. (\$28,530,065)

STATEMENT OF INCOME AND RETAINED EARNINGS
TWELVE MONTHS ENDED DECEMBER 31, 2024

3. RETAINED EARNINGS

RETAINED EARNINGS AT BEGINNING OF PERIOD, AS PREVIOUSLY REPORTED	5,093,734,289
NET INCOME (FROM PRECEDING PAGE)	\$956,701,245
DIVIDEND TO PARENT COMPANY	-
DIVIDENDS DECLARED - PREFERRED STOCK	(1,293,065)
DIVIDENDS DECLARED - COMMON STOCK	(200,000,000)
OTHER RETAINED EARNINGS ADJUSTMENT	-
RETAINED EARNINGS AT END OF PERIOD	<u><u>5,849,142,471</u></u>

ATTACHMENT B

SoCalGas
Plant Investment and Accumulated Depreciation
As of December 31, 2024

ACCOUNT NUMBER	DESCRIPTION	ORIGINAL COSTS	ACCUMULATED RESERVE	NET BOOK VALUE
INTANGIBLE ASSETS				
301	Organization	76,457	-	76,457
302	Franchise and Consents	592,060	-	592,060
303	Cloud Compute	136,910,604	(23,047,184)	113,863,420
	Total Intangible Assets	137,579,122	(23,047,184)	114,531,937
PRODUCTION:				
325	Other Land Rights	-	-	-
330	Prd Gas Wells Const	-	-	-
331	Prd Gas Wells Eqp	-	-	-
332	Field Lines	-	-	-
334	FldMeas&RegStnEquip	-	-	-
336	Prf Eqpt	-	-	-
	Total Production	-	-	-
UNDERGROUND STORAGE:				
350	Land	4,539,484	-	4,539,484
350SR	Storage Rights	19,069,515	(17,709,097)	1,360,417
350RW	Rights-of-Way	25,354	(20,132)	5,222
351	Structures and Improvements	204,252,740	(44,329,631)	159,923,109
352	Wells	771,162,589	255,556,896	1,026,719,485
353	Lines	250,431,238	(32,523,029)	217,908,209
354	Compressor Station and Equipment	516,166,648	(105,838,021)	410,328,627
355	Measuring And Regulator Equipment	19,544,069	(5,885,942)	13,658,126
356	Purification Equipment	181,710,173	(100,730,261)	80,979,911
357	Other Equipment	158,019,172	(40,874,947)	117,144,226
	Total Underground Storage	2,124,920,981	(92,354,164)	2,032,566,816
TRANSMISSION PLANT- OTHER:				
365	Land	9,599,020	-	9,599,020
365RW	Rights-of-Way	129,775,363	(30,397,613)	99,377,750
366	Structures and Improvements	306,162,895	(33,942,055)	272,220,840
367	Mains	3,883,426,073	(943,737,864)	2,939,688,210
368	Compressor Station and Equipment	683,562,650	(133,910,095)	549,652,555
369	Measuring And Regulator Equipment	462,186,850	(68,679,159)	393,507,691
370	Communication Equipment	120,534,446	(36,204,050)	84,330,396
371	Other Equipment	34,817,193	(7,918,468)	26,898,725
	Total Transmission Plant	5,630,064,491	(1,254,789,304)	4,375,275,187
DISTRIBUTION PLANT:				
374	Land	29,737,007	-	29,737,007
374LRTS	Land Rights	3,789,180	(2,426,124)	1,363,057
375	Structures and Improvements	456,731,760	(101,887,586)	354,844,175
376	Mains	7,257,053,467	(3,276,049,878)	3,981,003,589
378	Measuring And Regulator Equipment	240,644,606	(107,437,534)	133,207,072
380	Services	4,373,523,391	(2,523,958,670)	1,849,564,722
381	Meters	1,067,324,519	(427,833,040)	639,491,478

SoCalGas
Plant Investment and Accumulated Depreciation
As of December 31, 2024

ACCOUNT NUMBER	DESCRIPTION	ORIGINAL COSTS	ACCUMULATED RESERVE	NET BOOK VALUE
382	Meter Installation	740,022,591	(297,053,131)	442,969,459
383	House Regulators	210,515,080	(99,290,643)	111,224,438
387	Other Equipment	80,487,390	(37,628,568)	42,858,821
	Total Distribution Plant	14,459,828,991	(6,873,565,173)	7,586,263,818
GENERAL PLANT:				
389	Land	1,342,839	-	1,342,839
389LRTS	Land Rights	74,300	(49,486)	24,814
390	Structures and Improvements	251,161,402	(2,056,867,910)	(1,805,706,509)
391	Office Furniture and Equipment	2,390,367,855	-	2,390,367,855
392	Transportation Equipment	1,945,297	-	1,945,297
393	Stores Equipment	310,753	-	310,753
394	Shop and Garage Equipment	165,890,148	-	165,890,148
395	Laboratory Equipment	10,455,872	-	10,455,872
396	Construction Equipment	-	-	-
397	Communication Equipments	312,704,694	-	312,704,694
398	Miscellaneous Equipment	1,602,903	(916,759)	686,144
	Total General Plant	3,135,856,062	(2,057,834,155)	1,078,021,907
	Subtotal	25,488,249,647	(10,301,589,980)	15,186,659,666
121	Non-Utility Plant	32,335,315	(14,541,971)	17,793,344
117GSUNC	Gas Stored Underground - NonCurrent	61,422,045	-	61,422,045
GCL	GCT - Capital Lease	-	-	-
	Total Other - Non-Utility Plant	93,757,360	(14,541,971)	79,215,389
	Total-Reconciliation to Asset History Totals	25,582,007,007	(10,316,131,952)	15,265,875,055
	Dec 2024 Asset 1020 Report	25,582,007,007	(10,316,131,952)	15,265,875,055
	Difference	(0)	-	(0)

ATTACHMENT C

**SOUTHERN CALIFORNIA GAS COMPANY
SUMMARY OF EARNINGS
TWELVE MONTHS ENDED DECEMBER 31, 2024
(DOLLARS IN MILLIONS)**

<u>Line No.</u>	<u>Item</u>	<u>Amount</u>
1	Operating Revenue	\$6,202
2	Operating Expenses	<u>4,972</u>
3	Net Operating Income	<u><u>\$1,230</u></u>
4	Weighted Average Rate Base	\$12,446
5	Rate of Return*	7.67%
	*Authorized Cost of Capital	

ATTACHMENT D

Acronym	Abbreviations
AB	Assembly Bill
ACR	Assigned Commissioner's Ruling
AOBD	Automated Outbound Dialing
APL	Authorized Payment Location
AVM A4	Automated Voice Messaging
BIA GA	Bureau of Indian Affairs General Assistance
BOE	State Board of Equalization
BPO	Branch Payment Office
CalWORKS	California Work Opportunity and Responsibility to Kids
CARE	California Alternate Rates for Energy
CAREA	CARE Balancing Account
CET	Cost Effective Tool
CBO	Community Based Organization
CCC	Customer Contact Center
CHANGES	Community Help and Awareness with Natural Gas and Electricity Services
CEDARS	California Energy Data and Reporting System
CIS	Customer Information System
Commission / CPUC	California Public Utilities Commission
CSID	Consumer Service and Information Division
CSR	Customer Service Representative
D.	Decision
DAC	Disadvantaged Communities
DAPBA	Direct Assistance Program Balancing Account
DCSD	Department of Community Services and Development
ECPT	Equal Cent Per Therm
EE	Energy Efficiency
ESA	Energy Savings Assistance Program
FBO	Faith Based Organization
FERA	Family Electric Rate Assistance
FPG	Federal Poverty Guidelines
FTE	Full Time Employee
GAF	Gas Assistance Fund
GRC	General Rate Case
HCS	Health, Comfort and Safety
HCV	Housing Choice Voucher
HUD	Department of Housing and Urban Development
HUD-VASH	HUD-Veterans Affairs Supportive Housing
Interim Model	Interim Probability Model
IOUs	Investor-Owned Utilities
IT	Information Technology
IVR	Interactive Voice Recognition

Acronym	Abbreviations
LEP	Limited English Proficiency
LIHEAP	Low Income Home Energy Assistance Program
LINA	Low Income Needs Assessment
LIOB	Low-Income Oversight Board
LIRA	Low Income Rate Payer Assistance
MFWB	Multifamily Whole Building
MOU	Memorandum of Understanding
NSLP	National School Lunch Program
OBD	Outbound Dialer
OCR	Optical Character Recognition
OP	Ordering Paragraph
PEV	Post Enrollment Verification
PG&E	Pacific Gas and Electric
PPIC	Public Policy Institute of California
PPP	Public Purpose Program
PRIZM	Potential Rating Index for Zip Marketers
PUC	Public Utility Code
PY	Program Year
RHA	Richard Heath and Associates
SB	Senate Bill
SCE	Southern California Edison
SCT	Societal Cost Test
SDG&E	San Diego Gas and Electric
SEC	Service Establishment Charge
SNAP	CalFresh/Supplemental Nutrition Assistance Program
SoCalGas	Southern California Gas Company
SPOC	Single Point of Contact
SSI	Supplemental Security Income
SSVF	Support Services for Veterans Families
TANF	Temporary Assistance for Needy Families
TDD	Telecommunication Device for the Deaf
VA	Department of Veterans Affairs
VAMCs	Veterans at VA Medical Centers
VASH	Veterans Affairs Supportive Housing
VITA	Volunteer Income Tax Assistance
WIC	Women, Infants and Children

ATTACHMENT E

CPUC Decision	Summary
D.92-04-024	Expanded the program to include eligibility for customers residing in non-profit group living facilities, including women's shelters and homeless shelters.
D.92-12-039	Expanded the program to include eligibility for qualified non-profit group living facilities.
D.95-10-047	Authorized residents of agricultural housing facilities managed by the Office of Migrant Services to qualify for CARE.
D.01-06-010	The discount increased from 15% to 20% and changed the income eligibility criteria from 150% to 175% of FPG.
D.05-10-044	Approved various new initiatives for low-income programs during the winter of 2005-2006 ("Winter Initiative"). One of the major changes adopted by the Commission was the revision of the CARE income eligibility guidelines from 175% to 200% of the FPG.
D.06-12-038	Adopted the utilities' program plans and budgets for PY 2007-2008 and also authorized them to implement the following program changes: 1) categorical eligibility, which permitted customers to qualify for CARE based on their participation in certain state or federal public assistance programs; 2) four-year recertification for low-income customers on a fixed income; 3) a process to enroll certain prospective CARE-qualified households by telephone; 4) a process to allow customers to recertify their CARE eligibility through its Interactive Voice Recognition ("IVR") system; and, 5) internet-based CARE enrollment and recertification.
D.08-11-031	Set a 90% CARE penetration goal for IOUs and recognized the difficulty of reaching a 100% penetration goal for CARE.
Resolution CSID-004	Approved a pilot program, The Community Help and Awareness with Natural Gas and Electricity Services ("CHANGES") to provide in-language energy-related (electric and natural gas) outreach, education, and resolution of needs and disputes, to LEP consumers in their preferred languages through a statewide network of Community-Based Organizations ("CBOs") funded through CARE.
D.11-05-020	Authorized the sharing of low-income information between energy and water utilities. The decision also permitted the IOUs to include data sharing costs in their PY 2012-2014 budget applications.
D.11-11-010	Adopted bridge funding to allow the continuation of the programs in the absence of the application decision by January 1, 2012.
D.12-03-054	Ordered that the IOUs shall continue to implement the customer service disconnection practice adopted in the Rulemaking ("R").10-02-005. The utilities are required to make sure that their Customer Service Representatives ("CSRs") offer customers the option of enrollment in CARE by telephone discussion with a CSR.

CPUC Decision	Summary
D.12-08-044	Adopted program plans and budgets for PY 2012-2014 and retained the 90% CARE penetration goal. The IOUs were directed to retain the current list of categorical eligibility programs and file an updated list on January 31 of each year, which would be reviewed by the Commission's Energy Division staff. The utilities were also directed to develop a long-term Post Enrollment Verification ("PEV") model using specific factors.
D.12-12-011	Approved continued funding for the CHANGES pilot program through the end of the 2012-2014 program years. The Commission also directed the Consumer and Service and Information Division ("CSID") and the Energy Division to work with the CHANGES contractor, Self Help for the Elderly, and the IOUs to develop additional tracking, reporting requirements and success criteria.
D.14-08-030	Addressed Phase II issues from D.12-08-044. The decision adopted bridge funding for all the IOUs from January 1, 2015 through December 31, 2015, provided additional guidance for categorical eligibility, and directed utilities to submit applications within 90 days of the decision.
D.16-11-022	Approved a budget for PY 2017 – 2020 and extended the program cycle to 2020. The decision also approved SoCalGas's request to provide CARE enrollment through CSRs when customers call the Customer Contact Center ("CCC") to turn-on or back-on service, or to make payment arrangements.
D.17-12-009	Directed the IOUs to update their My Account/My Energy websites for mobile versioning. Requirements included the ability to increase font size, access CARE information in the utility's main LEP languages, and allow customers to enroll in CARE as well as complete CARE recertification and PEV.
D.19-07-015 in R.18-03-011	Directed the IOUs to support low-income residential customers in the event of a qualifying emergency disaster by temporarily freezing up to 12 months CARE eligibility rules, suspending program removals and increasing assistance limits, as well as working closely with community outreach contractors to keep customers informed of these changes.
D.21-06-015	Approved the CARE budget for the 2021-2026 program cycle. In addition, it modified the recertification period for the CARE Expansion program from two to four years, exempted certain fixed-income CARE customers from future CARE recertification and verification requests after initial verification, and adopted a 4-year recertification cycle for enrolled CARE customers defined as having a high probability of being eligible.

ATTACHMENT F

Table 1: CARE Participation and Enrollment Percentage Goals
Southern California Gas Company

CARE Participation Goals	2026 Authorized in D.21-06-015	2027 Proposed
Participation/ Enrollment Goal	95%	95%

Table 2: CARE Proposed Budgets
Southern California Gas Company

Categories	2026 Authorized Budget in D.21-06-15	2026 Anticipated Budget	2027 Proposed Budget
CARE Administrative Budget	\$10,915,864	\$10,915,863	\$11,230,214
CARE Subsidy Budget	\$144,495,405	\$228,046,865	\$221,138,371
CARE Administrative + Subsidy Budget	\$155,411,268	\$238,962,728	\$232,368,585

Table 5: ESA Annual Energy Savings Goals (kWh, kW, Therms)^[1]
Southern California Gas Company

Category	kWh	kW	Therms
2026	0	0	1,435,220
2027	0	0	1,435,220

Notes:

[1] The Proposed Annual Energy Savings Goals (kWh, kW, and Therms) for PY 2027 are for the entire ESA Portfolio, including Main ESA, MFWB, Pilot Plus/Pilot Deep and other pilots.

Table 5a: Southern Multifamily Whole Building Program Annual Energy Savings Goals (kWh, kW, Therms)²
Southern California Gas Company

	2026			2027		
	kWh	kW	Therms	kWh	kW	Therms
SDG&E	2,692,022	NA	155,382	2,017,714	NA	155,195
SCE	6,912,729	NA	NA	4,567,451	NA	NA
SoCalGas	NA	NA	639,884	NA	NA	1,495,996
Southern MFWB	9,604,751	NA	795,266	6,585,165	NA	1,651,191

Notes:

NA - Not Applicable

[2] D. 21-06-015 OP 141, Approved MFWB Household Treatment Targets PY 2023-2026 and OP 142, Approved MFWB Portfolio Savings Goals PY 2023-2026

Table 6: Annual ESA Household Treatment Goals and Targets^[2]
Southern California Gas Company

Year	Target
2026	69,837
2027	69,837

Notes:

[2] The household treatment goals and targets for PY 2027 for the entire ESA Portfolio, including Main ESA, MFWB, Pilot Plus/Pilot Deep and other pilots.

Table 6a: Annual ESA Household Treatment Goals and Targets^[2]
Southern California Gas Company

	2026	2027
SDG&E	8,800	8,360
SCE	13,200	12,540
SoCalGas	18,000	17,100
Southern MFWB	40,000	38,000

Notes:

[2] D. 21-06-015 OP 141, Approved MFWB Household Treatment Targets PY 2023-2026 and OP 142, Approved MFWB Portfolio Savings Goals PY 2023-2026

Table 7: ESA Portfolio Budget
Southern California Gas Company

Category	2026	2027
EE	\$ 82,844,757	\$ 82,844,757
EE-MF	\$ 20,563,740	\$ 27,380,263
SPOC	\$ 308,278	\$ 317,526
EE-Pilots ^[1]		
EE Subtotal	\$ 103,408,497	\$ 110,225,020
Training Center	\$ 827,048	\$ 851,859
Workforce Education and Training	\$ -	\$ -
Inspections	\$ 1,586,833	\$ 1,634,438
Marketing and Outreach	\$ 1,462,019	\$ 1,505,880
Studies ^[2]	\$ 200,000	\$ 389,750
Regulatory Compliance	\$ 513,413	\$ 528,815
General Administration	\$ 8,050,562	\$ 8,292,079
CPUC Energy Division	\$ 107,152	\$ 110,367
Subtotal - Admin	\$ 12,747,027	\$ 13,313,188
Program Total	\$ 116,155,524	\$ 123,538,208
Staff Proposal Pilot (PPPD)	\$ 6,510,545	\$ -
Portfolio Total	\$ 122,666,069	\$ 123,538,208

Notes:

[1] These include other pilots.

[2] The budget for the year 2026 includes the approved funds of \$125,000 for the ESA Main Process and Impact Evaluation, along with \$75,000 allocated for the Adhoc Company's Evolving Study and Data Needs. The budget for the year 2027 includes approved funds of \$250,000 for the ESA Main Process and Impact Evaluation, \$62,500 for the LINA 2028 Study, and an additional request of \$77,250 for the Adhoc Study budget. These allocations are based on the approved decision D21-06-015.

Table 7a: ESA Southern Multifamily Whole Building Program Budget
Southern California Gas Company

Category	Southern MFWB		SDG&E		SCE		SoCalGas	
	2026	2027	2026	2027	2026	2027	2026	2027
EE-MF	\$42,676,611	\$52,392,970	\$8,910,876	\$10,726,978	\$13,353,511	\$16,516,378	\$20,412,223	\$25,149,615
EE Subtotal	\$ 42,676,611	\$ 52,392,970	\$ 8,910,876	\$ 10,726,978	\$ 13,353,511	\$ 16,516,378	\$ 20,412,223	\$ 25,149,615
General Administration - Regional	\$3,131,206	\$2,888,679	\$637,069	\$626,241	\$972,602	\$970,674	\$1,521,535	\$1,534,291
General Administration - IOU	\$1,072,530	\$1,526,563	\$276,868	\$123,186	\$260,823	\$268,625	\$534,839	\$696,357
SPOC	\$1,131,820	\$951,665	\$651,613	\$462,210	\$171,929	\$171,929	\$308,278	\$317,526
Non-EE Subtotal	\$ 5,335,556	\$ 5,366,907	\$ 1,565,550	\$ 1,211,638	\$ 1,405,354	\$ 1,411,228	\$ 2,364,652	\$ 2,548,174
Program Total	\$ 48,012,167	\$ 57,759,877	\$ 10,476,426	\$ 11,938,615	\$ 14,758,866	\$ 17,927,606	\$ 22,776,875	\$ 27,697,789

Table 8: ESA and CARE Studies Budget
Southern California Gas Company

	Timelines and Budgets for Remaining Studies Authorized in D.21-06-015			
	2026	2027	2028	Total
Studies ^[1]				
Adhoc Company's Evolving Study and Data Needs	\$75,000	\$77,250	\$0	\$152,250
Joint IOU - 2028 Low Income Needs Assessment (LINA) Study ^[2]	-	\$62,500	\$62,500	\$125,000
Joint IOU - ESA Main - Impact and Process Evaluation ^[3]	\$125,000	\$125,000	-	\$250,000
Joint IOU - MFWB - Impact and Process Evaluation ^[4]	-	\$125,000	\$125,000	\$250,000
Total Studies	\$200,000	\$389,750	\$187,500	\$777,250

^[1] Authorized per D.21-06-015, funds for studies may be rolled over to the next program year or borrowed from a future program year within the cycle, to allow for flexibility in scheduling changes with these efforts. Funding for studies is not solely supported via the ESA program budget; some studies are jointly supported via the CARE budget. Funding amounts listed reflect SoCalGas's 25% allocation among the IOUs. Final authorized budgets may be adjusted by the ESA/CARE Study Working Group per D.21-06-015.

^[2] Authorized per D.21-06-015 (OP 167), the 2028 LINA will be conducted during PYs 2027 and 2028 and is funded 50/50 via ESA and CARE budgets.

^[3] Authorized per D.21-06-015 (OPs 166 and 169), impact and process evaluations for ESA Main are funded by the ESA portfolio budget. Because of unanticipated delays in ramping up the ESA Main program, the IOUs are proposing to begin these evaluations in PY 2026 and complete them in PY 2027.

^[4] Authorized per D.21-06-015 (OPs 166 and 169), impact and process evaluations for MFWB are funded by the ESA portfolio budget. Because of unanticipated delays in ramping up the MFWB program, the IOUs are proposing to begin these evaluations in PY 2027 and complete them in PY 2028.

Table A-1 ESA Portfolio Cost Effectiveness [*] [1]

Southern California Gas Company

Program Year	Ratio of Program Benefits over Costs					Row Notes
	Energy Savings Assistance Cost Effectiveness Test (ESACET)	Resource Test [2]	Total Resource Cost (TRC) Test [3]	Program Administrator Cost (PAC) Test [3]	Ratepayer Impact Measure (RIM) Test [3]	
PY 2021	0.34	0.26				Values as provided in SoCalGas's ESA Annual Report
PY 2022	0.33	0.03	0.15	0.15	0.15	Values as provided in SoCalGas's ESA Annual Report
PY 2023	0.7	0.36	0.18	0.18	0.18	Values as provided in SoCalGas's ESA Annual Report
PY 2024	0.64	0.45	0.23	0.23	0.23	Values as provided in SoCalGas's ESA Annual Report
PY 2025	0.74	0.36	0.18	0.18	0.18	Forecasted values as calculated from data in prior ESA application
PY 2026	0.79	0.36	0.18	0.18	0.18	Forecasted values as calculated from data in prior ESA application
PY 2027	0.66	0.28	0.26	0.26	0.2	Forecasted using PY 2024 portfolio composition (i.e. measure mix) along with updated budget information
PY 2027 MFWB [5]	1.06	-	0.76	0.82	-	Source of cost effectiveness results is SDG&E

Notes:

[*] The CPUC Energy Division has not added the Societal Cost Test (SCT) functionality to the Cost Effectiveness Tool (CET). This functionality is required in order to calculate SCT ratios for the ESA Program.

SoCalGas is expected to provide an addendum to its application once the SCT functionality is added to the CET

[1] Cost effectiveness at the portfolio level (ESA Main and MFWB) as required by D.16-11-022 (at 198) and D.17-12-009 (at 200). This does not include pilot cost effectiveness.

For Southern MFWB, the portfolio cost effectiveness only includes the IOU's share of costs and benefits. The cost effectiveness of the Southern MFWB program is shown in Table A-2

[2] Formerly known as the Resource TRC, updated per June 2018 Recommendations of the ESA Cost Effectiveness Working Group.

[3] Provided for PY2021 through PY2026 in compliance with Decision 19-05-019.

[5] Source of cost effectiveness results is SDG&E AL 4115-E/3144-G Tables 8 and 9 (at 8).

**Table A-2 Southern MFWB Cost Effectiveness
Southern California Gas Company**

	Energy Savings Assistance Cost Effectiveness Test (ESACET)	Total Resource Cost Test (TRC)
PY 2023 ^[5]	0.38	0.33
PY 2024 ^[5]	0.46	0.44
PY 2025 ^[5]	0.48	0.42
PY 2026 ^[5]	0.54	0.48
PY 2027 ^[5]	0.65	0.46

Note:

[5] Source of cost effectiveness results is SDG&E AL 4115-E/3144-G Tables 8 and 9 (at 8).

Table B-1: CARE Program Budget
Southern California Gas Company

CARE Budget Categories	Anticipated PY 2026	Proposed PY 2027
Outreach	\$ 4,707,071	\$ 4,848,283
Processing, Certification, Recertification	\$ 2,415,355	\$ 2,487,816
Post Enrollment Verification	\$ 269,025	\$ 277,096
IT Programming	\$ 1,171,431	\$ 1,206,574
CHANGES	\$ 437,502	\$ 437,502
Study & Pilots		\$ -
Measurement and Evaluation		\$ -
Regulatory Compliance	\$ 597,258	\$ 615,176
General Administration	\$ 1,231,275	\$ 1,268,213
CPUC Energy Division Staff	\$ 86,946	\$ 89,554
SUBTOTAL ADMINISTRATIVE COSTS	\$ 10,915,863	\$ 11,230,214
Customer Subsidies	\$ 228,046,865	\$ 221,138,371
TOTAL PROGRAM COSTS & Customer Subsidies	\$ 238,962,728	\$ 232,368,585

Table B-2: ESA/CARE Gas Rate impacts
Southern California Gas Company

2027							
Category ^[1]	Average Rate Excluding CARE/ESA Surcharge	CARE Subsidy Portion of Rate	CARE Administration Portion of Rate	ESA Program Portion of Rate (includes ESA Admin)	ESA Program Administration Portion of Rate	Total CARE/ESA Surcharge	Average Rate Including CARE/ESA Surcharge
Customer Type							
Residential (non CARE)	0.03289	0.04178	0.00259	0.04619	0.00568	0.09056	0.12346
Residential (CARE)	0.03289	0.00000	0.00000	0.04619	0.00568	0.04619	0.07908
Commercial ^[2]	0.09011	0.04178	0.00259	0.00000	0.00000	0.04438	0.13449
Industrial ^[3]	0.00903	0.04178	0.00259	0.00000	0.00000	0.04438	0.05341
Agricultural	NA		NA	NA	NA	NA	NA
Lighting	NA		NA	NA	NA	NA	NA
System	0.03709	0.04178	0.00259	0.02212	0.00272	0.06650	0.10359

Notes:

[1] Category types will vary across IOUs

[2] Core C/I

[3] NonCore C/I

Table B-4: CARE Enrollment
Southern California Gas Company

Category	Total Enrolled 12-31-24	Estimated PY 2025 Net Enrollments	Estimated PY 2026 Net Enrollments	Estimated PY 2027 Net Enrollments	Estimated Year End PY 2027 Participation	Estimated PY 2027 Goal Rate ^(a)
(Source)	(1)	(2)	(3)	(4)	(5)	(6)
	1,756,132	1,760,110	1,755,512	1,750,576	108%	95%

Notes:

(a) Estimated Goal Rate will fluctuate based on updated CARE Eligibility information.

(1) Low Income Annual Report, filed July 1, 2025

(2) Low Income Monthly Report for May 2025, filed June 23, 2025

(3) Based on the most recent estimates from 2025 enrollments, eligibility factors, and residential meter growth rate.

(4) SoCalGas Assumes Estimated Eligible Customers annual growth rate is 1% .

(5) Assumes we will trend downwards from current 110% enrollment rate by 1% each year.

(6) Assumes we will maintain 2021-2026 Program Goal which is to maintain or exceed 90% penetration