

Application: A.25-06-XXX  
Exhibit No.:   
Witness: Frank Lopez

**PREPARED DIRECT TESTIMONY OF  
FRANK LOPEZ  
ON BEHALF OF  
SOUTHERN CALIFORNIA GAS COMPANY  
(CHAPTER 2 – STAKEHOLDER ENGAGEMENT)**

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

June 12, 2025

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**PREPARED DIRECT TESTIMONY OF  
FRANK LOPEZ  
(STAKEHOLDER ENGAGEMENT)**

**I. PURPOSE AND OVERVIEW OF TESTIMONY**

The purpose of my prepared direct testimony is to demonstrate the prudent and reasonable execution of Southern California Gas Company's (SoCalGas) Angeles Link Phase 1 stakeholder engagement activities and development of the Environmental Social Justice (ESJ) Community Engagement Plan (ESJ Plan) prepared in Phase 1, in accordance with Decision (D.) 22-12-055 (Phase 1 Decision).<sup>1</sup> My testimony covers activities which collectively resulted in \$6.3 million in operating and maintenance (O&M) expenditures for Phase 1 activities and support the \$24.3 million recorded to the Angeles Link Memorandum Account (ALMA).<sup>2</sup> As demonstrated in my testimony and workpapers, these costs were reasonably incurred and, accordingly, the associated revenue requirement as described in Chapter 6 (Direct Testimony of Jenny Chhuor and Michael W. Foster) is justified for rate recovery. To facilitate the review process and for ease of reference, additional information regarding the stakeholder engagement activities and development of the ESJ Plan is included in my supporting workpapers. The information in this chapter is designed to provide a summary of the activities and associated costs.

**II. BACKGROUND**

In Application (A.) 22-02-007 (ALMA Application), among other things, SoCalGas proposed the formation of a Planning Advisory Group (PAG) to engage with stakeholders and receive technical advice and collaboration on the design and development of Angeles Link.<sup>3</sup> In the Phase 1 Decision, the California Public Utilities Commission (Commission or CPUC)

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<sup>1</sup> Phase 1 Decision at 74-78 (Ordering Paragraphs (OP) 3(e)-(h), 5(b)-(d), 7, 8). The activities covered in this testimony were scoped and conducted in compliance with the Phase 1 Decision in its entirety, which includes broader requirements than those required for cost recovery, including OP 6(l) and OP 6(m) (*id.* at 76). Phase 1 Decision OP 6 requirements to advance to Phase 2 are being addressed in A.24-12-011.

<sup>2</sup> Expenditures for these activities were incurred from January 2023 through December 2024, with some discrete trailing charges in 2025.

<sup>3</sup> A.22-02-007, Application of Southern California Gas Company for Authority to Establish a Memorandum Account for the Angeles Link Project (February 17, 2022), *available at*: <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M451/K500/451500036.PDF>.

1 authorized SoCalGas to record costs associated with conducting preliminary engineering, design,  
2 and environmental feasibility studies.<sup>4</sup> The Phase 1 Decision also directed SoCalGas to form a  
3 PAG and engage community-based organizations in the Angeles Link planning process either by  
4 inviting them to join the PAG or some other stakeholder engagement process. Specifically, the  
5 Phase 1 Decision directed SoCalGas to conduct at least quarterly stakeholder engagement  
6 meetings with the PAG and community-based organizations of affected interest groups,  
7 including disadvantaged communities (DAC) and environmental social justice (ESJ)  
8 communities, that are equipped to serve the communities that may be potentially impacted by  
9 Angeles Link.<sup>5</sup> As noted by the Phase 1 Decision, “particularly at this early stage of the  
10 Project[,] SoCalGas’ commitment to an iterative stakeholder feedback process is beneficial for  
11 the development of the Project.”<sup>6</sup> The required stakeholder engagement was more akin to what  
12 is commonly seen during the Certification of Public Convenience and Necessity (CPCN) stage  
13 (i.e., once a specific project has been proposed), reflecting an unprecedented level of outreach  
14 and stakeholder inclusion at the feasibility study stage. Further, this unprecedented level of  
15 stakeholder engagement this early in the Angeles Link planning process (particularly DACs and  
16 ESJ communities) aligns with the Commission’s Environmental & Social Justice Action Plan  
17 (ESJ Action Plan) and adheres to the project-specific standards in the Phase 1 Decision.<sup>7</sup>

18 Consistent with the Phase 1 Decision, SoCalGas coordinated with Energy Division staff  
19 to create a PAG, composed of representatives from industry, labor, academia, tribal  
20 governments, and environmental organizations, and a Community Based Organization  
21 Stakeholder Group (CBOSG), composed of community-based organizations, to seek engagement  
22 and consultation from organizations with diverse community perspectives.<sup>8</sup> This group included  
23 environmental and ESJ organizations, faith-based organizations, community economic  
24 development groups, and other stakeholders that serve communities that could be impacted by

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<sup>4</sup> Phase 1 Decision Approving the Angeles Link Memorandum Account to Record Phase One Costs, available at: <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M500/K167/500167327.PDF>.

<sup>5</sup> Phase 1 Decision at 74-78 (OP 3(e), 5(d), 6(m), 8).

<sup>6</sup> *Id.* at 46.

<sup>7</sup> *Id.* at 75 (OP 5(b)-(d)).

<sup>8</sup> *Id.*

1 Angeles Link. In Phase 1, SoCalGas held a total of 27 meetings and workshops<sup>9</sup> with PAG and  
2 CBOSG members, as well as more than 30 one-on-one meetings with members to solicit their  
3 feedback on the studies and stakeholder engagement process. SoCalGas provided multiple  
4 opportunities for the PAG and CBOSG to convey feedback during key milestones and  
5 incorporated stakeholder input during the development of the Phase 1 Studies. In accordance  
6 with the Phase 1 Decision,<sup>10</sup> SoCalGas made unredacted quarterly reports available to the public  
7 and provided them to the Commission and stakeholders documenting progress, key milestones,  
8 stakeholder feedback, schedule updates, and substantive updates on the preliminary results and  
9 findings from the Phase 1 Studies. SoCalGas successfully executed a robust and transparent  
10 stakeholder engagement process in Phase 1.

11 The development of the ESJ Plan, which includes an ESJ community screening  
12 assessment (ESJ Screening), was developed in response to stakeholder feedback and in  
13 accordance with the Phase 1 Decision.<sup>11</sup> During a stakeholder workshop held in July 2023,  
14 SoCalGas presented the scope of its ESJ Assessment, which initially relied on state and federal  
15 mapping tools to identify environmental justice communities near the initial route configurations  
16 that would be evaluated in the Preliminary Routing & Configuration Analysis for Angeles  
17 Link.<sup>12</sup> Stakeholders recommended SoCalGas instead focus on holding transparent community  
18 engagement meetings in DACs along potential hydrogen pipeline corridors. In response to this  
19 feedback, SoCalGas developed the ESJ Plan to guide Phase 2 engagement with ESJ communities  
20 and DACs along potential directional routes. Importantly, the ESJ Plan aligns closely with the  
21 Commission's ESJ Action Plan goals, supporting future engagement efforts that prioritize  
22 inclusivity, transparency, and meaningful community collaboration.

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<sup>9</sup> The first PAG/CBOSG meeting was held in March 2023 and culminated in the final meeting in December 2024.

<sup>10</sup> Phase 1 Decision at 74-75 (OP 3(h)), 77 (OP 7). The quarterly reports provided status updates on the feasibility studies during Phase 1, identified and responded to stakeholder feedback received, and attached transcripts of PAG and CBOSG meetings and materials presented at these meetings held during that quarter. The quarterly reports were submitted to the California Public Utilities Commission (Commission) and are published on SoCalGas's website at: <https://www.socalgas.com/regulatory/angeleslink>.

<sup>11</sup> Phase 1 Decision at 75-76 (OP 5(b)-(c), 6(l)).

<sup>12</sup> The Preliminary Routing & Configuration Analysis evaluated approximately 1,300 miles of initial route configurations, providing a wide range of options within which to narrow down the route for the Angeles Link system.

As demonstrated herein, SoCalGas’s stakeholder engagement activities and the development of the ESJ Plan were conducted prudently and reasonably, with input from PAG and CBOSG members and in alignment with the Phase 1 Decision. These initiatives were designed to promote inclusive participation from the PAG and CBOSG and gather valuable insights from a broad spectrum of stakeholders.

### III. COST COMPONENTS FOR STAKEHOLDER ENGAGEMENT AND ESJ PLAN

Table 1 below provides a summary of the costs incurred by SoCalGas to support the stakeholder engagement activities and the development of the ESJ Plan. A combination of internal and external resources were utilized to effectively execute these activities. Direct costs for these activities reflect labor and non-labor costs. Labor costs include SoCalGas personnel supporting Angeles Link. Non-labor costs include third-party contractor costs associated with PAG and CBOSG meeting facilitation and planning support provided by Lee Andrews Group (LAG) and Arellano and Associates (Arellano), as well as expenses incurred for stakeholder comment tracking support provided by Insignia Environmental (Insignia), and other miscellaneous costs.<sup>13</sup> Indirect costs reflect costs for overhead loaders.<sup>14</sup> The total loaded cost for the stakeholder engagement activities and the development of the ESJ Plan is \$6.3 million.

**Table 1: Chapter 2 Total Costs (in millions)**

Stakeholder Engagement				
Description	Labor	Non-Labor	Overheads	Total Loaded Costs
Stakeholder Engagement	\$1.0	\$3.6	\$0.9	\$5.5
ESJ Plan	\$0.1	\$0.6	\$0.1	\$0.8
<b>Total Costs</b>	<b>\$1.1</b>	<b>\$4.2</b>	<b>\$1.0</b>	<b>\$6.3</b>

### IV. PHASE 1 DECISION REQUIREMENTS

In the Phase 1 Decision, the Commission provided that SoCalGas may seek recovery of Phase 1 costs if it satisfies conditions set forth in OP 3 and demonstrates how the recorded costs and activities meet the project-specific standards identified in OP 5. The stakeholder

<sup>13</sup> See Chapter 1 (Direct Testimony of Shirley Arazi and Amy Kitson) for additional details.

<sup>14</sup> See Chapter 6 (Direct Testimony of Jenny Chhuor and Michael W. Foster) for additional details.

1 engagement activities and the development of the ESJ Plan demonstrate compliance with the  
2 following requirements in OP 3, OP 5, OP 7, and OP 8:

- 3 • OP 3(e): SoCalGas shall conduct quarterly stakeholder engagement meetings,  
4 including quarterly meetings with Planning Advisory Group members. SoCalGas  
5 shall also identify and invite participation from community-based organizations  
6 that may potentially be impacted by the Project, including disadvantage[d]  
7 communities and environmental social justice groups, in either the quarterly  
8 Planning Advisory Group meetings or some other stakeholder engagement  
9 process.
- 10 • OP 3(h): SoCalGas shall submit to the Commission's Deputy Executive Director  
11 for Energy and Climate Policy quarterly reports to provide an update of the  
12 Angeles Link Project and the feasibility studies, and to report on any preliminary  
13 results and findings. The reports shall not include any redacted data or finding  
14 unless SoCalGas is granted confidentiality of the data in accordance with General  
15 Order 66-D. The reports shall be made available to the public. SoCalGas shall  
16 solicit feedback from parties and the Planning Advisory Group members and  
17 include this feedback in the reports. SoCalGas shall serve these reports on the  
18 service list of this proceeding.
- 19 • OP 5(b): How did the planning process consider the impacts to disadvantaged  
20 communities and address environmental justice concerns in the development of  
21 the Project?
- 22 • OP 5(c): How did the planning process consider California environmental law and  
23 public policies in the development of the Project?
- 24 • OP 5(d): How did the planning process gather and address stakeholder concerns?
- 25 • OP 7: Southern California Gas Company (SoCalGas) shall make the data,  
26 findings, and results of its Phase One feasibility studies and quarterly reports to  
27 the Commission's Deputy Executive Director for Energy and Climate Policy  
28 available to the public and not redacted, unless SoCalGas is granted  
29 confidentiality of the data in accordance with General Order 66-D.
- 30 • OP 8: Southern California Gas Company (SoCalGas) shall conduct quarterly  
31 stakeholder engagement meetings with parties in this proceeding and community-

1 based organizations (CBOs) of affected interest groups, including disadvantaged  
2 communities (DAC) and environmental social justice (ESJ) communities.

- 3 • OP 8(a): SoCalGas shall engage the active parties in this proceeding through the  
4 Planning Advisory Group (PAG). In coordination with Energy Division staff, the  
5 PAG shall meet at least on a quarterly basis. The parties' participation through the  
6 PAG shall be eligible for compensation through the Commission's Intervenor  
7 Compensation program for their participation in the PAG, subject to the  
8 guidelines set in Public Utilities Code Sections 1801-1812 and other limitations of  
9 the program.
- 10 • OP 8(b): SoCalGas shall proactively identify and invite the involvement from  
11 CBOs, including ESJ and DAC groups, that are equipped to serve the  
12 communities that will be impacted by the Angeles Link Project. SoCalGas shall  
13 consider how to meaningful engage with CBOs, including DAC and ESJ groups,  
14 either through inviting them to join the quarterly PAG meetings or some other  
15 quarterly stakeholder engagement process, and provide compensation to CBOs for  
16 their participation which may include a per-diem stipend for participation at  
17 quarterly stakeholder meetings. SoCalGas shall record the costs of CBO  
18 compensation in the Angeles Link Memorandum Account as part of Phase One  
19 activities.
- 20 • OP 8(c): SoCalGas shall coordinate with Energy Division and its PAG members  
21 to devise a plan and a set of procedures to compensate CBOs and file a Tier 2  
22 advice letter with the Commission's Energy Division as soon as practicable with a  
23 detailed plan and set of procedures for CBO compensation.

## 24 **V. STAKEHOLDER ENGAGEMENT**

### 25 **A. Stakeholder Engagement Activities**

26 Pursuant to the Phase 1 Decision, SoCalGas created a comprehensive stakeholder  
27 engagement process in coordination with the Commission's Energy Division.<sup>15</sup> In coordination  
28 with Energy Division staff, SoCalGas initially invited stakeholders to participate in the PAG  
29 representing government entities, environmental justice nonprofits, environmental nonprofits,

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<sup>15</sup> Phase 1 Decision at 74 (OP 3(e)), 78 (OP 8(a)-(b)).



1 labor groups, industry, academia, disadvantaged communities, ratepayer advocates, and all  
2 parties of A.22-02-007.<sup>16</sup> The final PAG membership roster included approximately 50  
3 organizations, all of whom received communications, Phase 1 study materials (e.g., scope of  
4 work, draft technical approach, preliminary findings and data, draft report), agendas and other  
5 relevant information related to Phase 1 activities and stakeholder engagement meetings.

6 In accordance with the Phase 1 Decision, SoCalGas also established a formal stakeholder  
7 engagement process similar to the PAG, known as the CBOSG, to broaden engagement and  
8 consultation with stakeholders with diverse community perspectives. Rather than expanding the  
9 PAG, SoCalGas established a separate, dedicated CBOSG to keep both groups at a manageable  
10 size in order to cultivate an environment that would allow for more meaningful stakeholder  
11 participation. CBOSG meetings also provided members with information that was less technical  
12 and more tailored to their specific interests and areas of focus. SoCalGas invited ESJ  
13 organizations, DAC organizations, faith-based organizations, community economic development  
14 groups, and other stakeholders representing local community interests to participate on the  
15 CBOSG, consistent with the Phase 1 Decision. The CBOSG was composed of approximately 30  
16 members.

17 Both the PAG and CBOSG were formed at the launch of Phase 1, when no specific  
18 pipeline directional routes had been assessed or identified. As acknowledged in the Phase 1  
19 Decision, what was known at the time was that Angeles Link would ultimately deliver clean  
20 renewable hydrogen into the Los Angeles Basin.<sup>17</sup> As a result, for Phase 1, SoCalGas focused its  
21 outreach on organizations serving the greater Los Angeles Basin. An application was used to  
22 collect data from potential participants of the CBOSG, and the question was posed whether the  
23 organization served the Los Angeles area. No organization that applied to participate in the  
24 CBOSG was denied membership, including applications by organizations that were not initially  
25 invited by SoCalGas.

26 Energy Division staff provided guidance leading up to the first PAG and CBOSG  
27 meetings in March 2023, focusing on membership and agenda planning, and remained informed  
28 on stakeholder engagement meeting updates and agendas throughout Phase 1. The stakeholder

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<sup>16</sup> *Id.*

<sup>17</sup> *Id.* at 3.

1 engagement process was continually refined based on feedback from both PAG and CBOSG  
2 members throughout Phase 1. SoCalGas shared this feedback with Energy Division staff during  
3 touchpoints to coordinate on agendas and logistics for stakeholder engagement meetings. These  
4 meeting approach refinements promoted transparency and inclusiveness, making the content  
5 more accessible and digestible for all stakeholders.

6 One significant refinement was the increased frequency of stakeholder meetings, which  
7 shifted from quarterly to, at times, monthly meetings. There was a strong desire from the PAG  
8 and CBOSG to be involved in the early stages of Phase 1 Studies, to receive scope of work  
9 documentation, and to have the opportunity to contribute to the technical approach for studies,  
10 including inputs and assumptions, which led to the increased number of stakeholder meetings to  
11 address the requests. This increased level of stakeholder engagement was not initially planned  
12 but these supplemental meetings underscored SoCalGas's commitment to being responsive to  
13 stakeholder feedback. Further, SoCalGas developed an approach to gather and incorporate  
14 stakeholder feedback for the Phase 1 Studies, which was presented to stakeholders in the second  
15 quarterly meeting of 2023.<sup>18</sup> SoCalGas presented the following four key milestones for the PAG  
16 and CBOSG to provide feedback: (1) scope of work, (2) technical approach, (3) preliminary data  
17 and findings, and (4) draft study. These milestones were selected because they represented  
18 critical points at which relevant feedback could meaningfully influence the Phase 1 Studies and  
19 allowed SoCalGas to adequately and appropriately "share data from the Phase One Studies with  
20 stakeholders" in a digestible format in accordance with the Phase 1 Decision.<sup>19</sup> This milestone  
21 approach led SoCalGas to conduct supplemental meetings in addition to the quarterly  
22 touchpoints to gather feedback on Phase 1 studies. At each milestone, stakeholders were given  
23 anywhere from 2-4 weeks to provide input on documents provided, and extensions were  
24 routinely granted. SoCalGas also solicited input from PAG and CBOSG members at stakeholder  
25 meetings regarding the scopes of work and technical approaches for the various studies. For  
26 example, SoCalGas conducted live polls during meetings to ascertain the topics of greatest  
27 interest. This approach allowed for stakeholder prioritization of certain studies, giving the most  
28 pertinent topics appropriate focus.

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<sup>18</sup> See Q2 2023 Angeles Link Phase 1 Quarterly Report at 5-6.

<sup>19</sup> Phase 1 Decision at 76 (OP 6(m)).

1 The CBOSG process was designed to meaningfully engage members representing  
2 organizations who serve DAC and ESJ interests, in alignment with the Commission’s ESJ Action  
3 Plan.<sup>20</sup> In addition to the key milestone process, SoCalGas tailored meetings to meet the requests  
4 of CBOSG members. For example, SoCalGas incorporated less technical material, held  
5 breakout sessions, and hosted meetings in non-SoCalGas facilities located in ESJ communities.  
6 Additionally, to enhance the technical knowledge of our CBOSG members, SoCalGas organized  
7 a series of comprehensive educational sessions. For example, SoCalGas held a “Hydrogen 101”  
8 session designed to provide foundational information about hydrogen uses, which was conducted  
9 by an internal subject matter expert (SME).<sup>21</sup> As hydrogen safety and safety response emerged  
10 as a topic of interest among our CBOSG members, SoCalGas invited a third-party company, Det  
11 Norske Veritas (DNV), to provide additional information on hydrogen safety and properties.<sup>22</sup>  
12 Additionally, SoCalGas’s Emergency Management Director presented the company’s approach  
13 to emergency management.<sup>23</sup> SoCalGas also held an “Air Emissions 101” session featuring  
14 insights from both an internal SME and a third-party representative from Mitsubishi Power  
15 Americas, explaining nitrogen oxides (NOx) emissions and hydrogen combustion.<sup>24</sup>

16 SoCalGas received positive feedback regarding the format of the technical presentations.  
17 As a result, SoCalGas continued to accommodate additional presentations from third-party  
18 speakers whenever feasible. SoCalGas was able to secure a speaker from the California  
19 Hydrogen Fuel Cell Partnership to discuss hydrogen uses in the mobility sector and associated  
20 statewide emissions reductions benefits.<sup>25</sup> Given that workforce development and community  
21 benefits were also topics of interest, SoCalGas invited representatives from New Ways to Work  
22 (a non-profit focused on workforce development programs), Los Angeles World Airports, and  
23 the Community Benefits Officer for the Alliance for Clean Renewable Hydrogen Energy

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<sup>20</sup> Refer to Goal 5 of the Commission’s Environmental & Social Justice Action Plan, *see* CPUC, *Environmental & Social Justice Action Plan – Version 2.0* (April 7, 2022), available at: <https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/news-and-outreach/documents/news-office/key-issues/esj/esj-action-plan-v2jw.pdf>.

<sup>21</sup> *See* Q3 2023 Angeles Link Phase 1 Quarterly Report Appendices at 103.

<sup>22</sup> *Id.* at 268-284.

<sup>23</sup> *See* Q1 2024 Angeles Link Phase 1 Quarterly Report Appendices at 879-882.

<sup>24</sup> *See* Q3 2023 Angeles Link Phase 1 Quarterly Report Appendices at 291-294.

<sup>25</sup> *See* Q4 2023 Angeles Link Phase 1 Quarterly Report Appendices at 879-905.

1 Systems (ARCHES) to speak.<sup>26</sup> In addition, to facilitate and encourage feedback, SoCalGas held  
2 additional breakout sessions to delve deeper into discussion topics, including DAC and ESJ  
3 impacts,<sup>27, 28</sup> workforce planning and development,<sup>29</sup> and air emissions.<sup>30</sup>

4 Ultimately, SoCalGas held 27 meetings and workshops, as well as over 30 one-on-one  
5 meetings with members. During the course of the Phase 1, over 70 organizations participated in  
6 the PAG and CBOSG. These sessions were designed to solicit input and foster meaningful  
7 dialogue about Angeles Link Phase 1 activities. In addition to the workshops and meetings, and  
8 in accordance with the Phase 1 Decision,<sup>31</sup> SoCalGas provided quarterly reports to the  
9 Commission and stakeholders to provide, among other things, updates on the progress of the  
10 Phase 1 studies. Updates to the scope and schedule for completing the studies, meeting  
11 materials, as well as transcripts and written responses to comments were communicated via the  
12 quarterly reports. The stakeholder meetings and quarterly reports illustrate how SoCalGas  
13 effectively gathered and addressed stakeholder concerns in the planning process, in compliance  
14 with the Phase 1 Decision.<sup>32</sup>

15 SoCalGas made data and information accessible to stakeholders in accordance with the  
16 Decision through different mediums.<sup>33</sup> In response to the volume of information and materials in  
17 Phase 1, SoCalGas created a “Living Library” that hosted a wide range of documents. This  
18 library included presentations, meeting recordings, meeting transcripts from each PAG and  
19 CBOSG quarterly meeting and workshop, informational documents (e.g., preliminary findings,  
20 draft feasibility studies), PAG/CBOSG rosters, and comment letters received from stakeholders  
21 during the course of conducting Phase 1 activities. The library was accessible to all PAG and  
22 CBOSG participants on demand, promoting transparency and ease of engagement.

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<sup>26</sup> See Q2 2024 Angeles Link Phase 1 Quarterly Report Appendices at 959-962 and 989-990.

<sup>27</sup> See Q3 2023 Angeles Link Phase 1 Quarterly Report at 10-11 (Section III).

<sup>28</sup> See Q3 2024 Angeles Link Phase 1 Quarterly Report Appendices 4-10 at 485-493.

<sup>29</sup> See Q1 2024 Angeles Link Phase 1 Quarterly Report Appendices at 993-994.

<sup>30</sup> See Q4 2023 Angeles Link Phase 1 Quarterly Report Appendices at 1011-1012.

<sup>31</sup> Phase 1 Decision at 74-75 (OP 3(h)), 77 (OP 7).

<sup>32</sup> *Id.* at 75 (OP 5(d)).

<sup>33</sup> *Id.* at 74-77 (OP 3(h), 6(m), 7).

1 In summary, SoCalGas demonstrated a strong commitment to transparency, oversight,  
2 and engagement throughout Phase 1 of Angeles Link, which fostered a sense of ownership and  
3 collaboration among the parties involved. By actively collecting, responding to, and integrating  
4 stakeholder feedback in this robust manner, SoCalGas created a stakeholder engagement  
5 framework that is unprecedented for an investor-owned utility at the feasibility stage of a project.  
6 This required a concerted effort from personnel and third-party consultants to remain agile and  
7 continuously refine the stakeholder engagement process in response to feedback.

#### 8 **B. Stakeholder Engagement Facilitation**

9 SoCalGas retained two contractors to support facilitation of both the PAG and CBOSG  
10 stakeholder engagement meetings. SoCalGas initially sought to retain one third-party contractor  
11 with expertise in developing and managing stakeholder engagement programs for large  
12 infrastructure projects in Southern California. SoCalGas determined that objectives for the  
13 contractor would include supporting SoCalGas's compliance with the Phase 1 Decision,<sup>34</sup>  
14 processing stakeholder feedback, and facilitating meaningful participation and input from the  
15 PAG and CBOSG during Phase 1. Through the interview process, SoCalGas identified two  
16 contractors with complementary strengths to facilitate a robust and transparent stakeholder  
17 engagement process—Arellano and LAG.

18 Arellano was selected to facilitate the PAG meetings and provide facilitation support  
19 during the CBOSG meetings. Arellano is a reputable Diverse Business Enterprise (DBE) firm  
20 based in Chino, California, that specializes in developing and implementing stakeholder  
21 engagement activities for large infrastructure providers throughout Southern California.  
22 Arellano is a communications firm with over thirty years of experience and expertise in  
23 community relations and government relations and they primarily serve the Southern California  
24 region in six counties across 189 cities. Chester Britt, Executive Vice President at Arellano, has  
25 decades of experience overseeing communications and engagement for multiple transit  
26 infrastructure projects in the Los Angeles Basin. Arellano participated in and led planning  
27 meetings, supported the preparation of presentation outlines and materials, managed the Living  
28 Library and communications with the PAG, and prepared stakeholder meeting summary reports  
29 to document key themes that emerged from stakeholder meetings.

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<sup>34</sup> Phase 1 Decision at 74-78 (OP 3(e), 3(h), 5(b), 5(d), 7, 8).

1 SoCalGas retained LAG to facilitate CBOSG meetings. LAG is also a reputable DBE  
2 firm based in Los Angeles, California with over thirty years of experience and expertise in public  
3 relations, communications, facilitation, strategy, and community outreach and engagement for  
4 government agencies, private sector, and non-profit clients. Their experience includes  
5 developing and implementing stakeholder engagement activities for transportation and  
6 infrastructure projects, real estate development, and education and environmental justice  
7 programs throughout Southern California. LAG brought a unique strength to support ESJ  
8 engagement through Alma Marquez, a former executive director of environmental justice  
9 organizations in both Riverside and Los Angeles. Leveraging Ms. Marquez's deep-rooted  
10 relationships and expertise, LAG successfully engaged community-based organizations  
11 representing diverse community interests. LAG also created workshops to help educate  
12 nonprofits and facilitate conversations to solicit input.

13 SoCalGas found that a combined team of Arellano and LAG was prudent and would  
14 create efficiencies in the stakeholder engagement process. Arellano led planning and meeting  
15 facilitation while LAG provided valuable engagement strategies to create meaningful  
16 participation in community-based organizations, DACs, and ESJ organizations. Efficiencies  
17 were achieved through joint planning meetings with SoCalGas, Arellano, and LAG, facilitating  
18 collaboration and helping avoid isolated workstreams. This collaborative approach allowed for  
19 the preparation of consistent and well-coordinated meeting materials for PAG and CBOSG  
20 meetings.

21 Both meeting facilitators were contracted on a monthly retainer basis, which was based  
22 on a scope of work, rather than hourly billing. This approach offered predictable expenditures,  
23 increased administrative efficiency, and helped control overall expenses in support of keeping  
24 costs associated with Phase 1 reasonable. Feedback from stakeholders led to an increase in  
25 workshops outside of the minimum quarterly meeting cadence, which was communicated to  
26 Energy Division staff. As a result, contract adjustments were required for both meeting  
27 facilitators to reflect the change in contractor scope-of-work and increasing the accompanying  
28 contract costs while maintaining that overall costs remained reasonable. The dedicated efforts of  
29 both LAG and Arellano were instrumental in organizing successful stakeholder engagement  
30 meetings, and their contributions were commended by stakeholders.

1 In response to stakeholder feedback, SoCalGas prioritized accessibility by expanding  
2 meeting locations beyond company facilities, incurring additional venue costs, and instructed  
3 facilitators to prioritize venues in DACs, while supporting local vendors where possible.  
4 Twenty meetings were held in person in various locations including San Pedro, Downey,  
5 Compton, Los Angeles, Long Beach, Wilmington and Lynwood. Additionally, all stakeholder  
6 meetings were conducted in a hybrid format to accommodate both in-person and virtual  
7 participants. This format required video production equipment and technical staff to live stream  
8 and record meetings, enabling remote participants to fully engage with presentations and in-room  
9 discussions. Television screens were used on-site so in-person participants could view  
10 presentation materials and see virtual participants in real time. SoCalGas also utilized court  
11 reporter services to transcribe meetings, and copies of the meeting transcripts were included in  
12 SoCalGas's quarterly reports.

### 13 C. CBOSG Compensation<sup>35</sup>

14 The Phase 1 Decision required SoCalGas to “coordinate with Energy Division and its  
15 PAG members to devise a plan and a set of procedures to compensate CBOs and file a Tier 2  
16 advice letter with the Commission’s Energy Division as soon as practicable with a detailed plan  
17 and set of procedures for CBO compensation.”<sup>36</sup> In accordance with the Phase 1 Decision,  
18 SoCalGas developed a compensation plan and submitted the Tier 2 Advice Letter (AL) 6146-G  
19 on May 31, 2023,<sup>37</sup> which was approved on June 30, 2023. AL 6146 approved a compensation  
20 rate of \$500 for each quarterly meeting and any incremental meetings scheduled outside of  
21 quarterly cadence were to be compensated at \$150 an hour. As the cadence of meetings  
22 increased SoCalGas communicated to Energy Division staff the need to update the compensation  
23 procedures. Accordingly, SoCalGas revised the CBOSG compensation procedures and

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<sup>35</sup> PAG members are eligible for compensation through the Commission’s Intervenor Compensation program in accordance with Phase 1 Decision OP 8(a) (Phase 1 Decision at 77-78). A per diem stipend for participation in stakeholder engagement meetings was provided to CBOSG members in accordance with OP 8(b) (*id.*).

<sup>36</sup> *Id.* at 77-78 (OP 8(c)).

<sup>37</sup> See SoCalGas AL 6146-G, available at: <https://tariffsprd.socalgas.com/view/filing/?utilId=SCG&bookId=GAS&flngKey=4540&flngId=6146&flngStatusCd=Approved>.

submitted AL 6311-G for approval.<sup>38</sup> AL 6311-G was approved on June 11, 2024, allowing SoCalGas to compensate CBOSG members the greater dollar amount of two options (\$500 flat rate or \$150 an hour) for their participation in stakeholder engagement meetings. Many CBOs were either not set up as vendors or did not want to become formal vendors for payment through SoCalGas's System Applications and Products (SAP) system. To streamline payment and reduce the administrative burden on CBOs, LAG provided a one-page invoice form to participating CBOs during stakeholder meetings, and CBOs were paid within seven days of LAG receiving the invoice. These transactions were communicated to SoCalGas during stakeholder engagement planning meetings and were documented in LAG's invoicing submitted to SoCalGas.

#### **D. Stakeholder Feedback Management and Quarterly Reports**

In accordance with the Phase 1 Decision, SoCalGas submitted quarterly reports to the Commission and stakeholders, which were made publicly available and contained, without redaction, updates on the progress of the Phase 1 studies.<sup>39</sup> Among other things, these quarterly reports addressed stakeholder comments provided throughout Phase 1.

SoCalGas developed a comprehensive feedback tracking system to catalog, organize, and address the volume of stakeholder comments received. To manage this process, SoCalGas expanded the scope of work its third-party contractor Insignia,<sup>40</sup> who played a critical role in managing the tracking system. Insignia entered and categorized stakeholder comments and coordinated with SMEs on stakeholder feedback review. The scale of stakeholder participation was significant: SoCalGas received over 100 comment letters from PAG and CBOSG members, amounting to over 1,000 pages of stakeholder comments and SoCalGas responses. Stakeholder feedback was submitted through various channels, including verbal comments during in-person and virtual meetings (both large meetings and one-on-ones), discussions at workshops, and written feedback via email, providing stakeholders multiple avenues to be heard. Almost all Phase 1 Studies did not advance to the next milestone without first being shared with the PAG

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<sup>38</sup> See SoCalGas AL 6311-G, available at: <https://tariffsprd.socalgas.com/view/filing/?utilId=SCG&bookId=GAS&flngKey=4762&flngId=6311-G&flngStatusCd=Approved>.

<sup>39</sup> Phase 1 Decision at 74-75 (OP 3(h)), 77 (OP 7).

<sup>40</sup> See Chapter 4 (Direct Testimony of Jessica Kinnahan Foley) for additional details.



1 and CBOSG members for review and input.<sup>41</sup> These key milestones—Scope of Work, Technical  
2 Approach, Preliminary Data and Findings, and Draft Study—and stakeholder feedback shaped  
3 agendas for quarterly meetings and workshops. The Phase 1 stakeholder engagement process  
4 provided multiple opportunities for the scope, approach, and content of the Phase 1 Studies to be  
5 reviewed, discussed, and commented on. The final Phase 1 Studies summarized how stakeholder  
6 feedback was addressed and incorporated where appropriate. Please see Chapters 3-5 for further  
7 details regarding changes made to Phase 1 Studies incorporating stakeholder feedback.  
8 Stakeholder feedback and responses to comments were also provided in quarterly reports  
9 submitted to the Commission in accordance with the Phase 1 Decision.<sup>42</sup>

## 10 **VI. ESJ PLAN**

11 The Phase 1 Decision recognized that “active stakeholder engagement is beneficial because it  
12 can help identify and address potential impacts of the Project on disadvantaged and  
13 environmental justice communities.”<sup>43</sup> The stakeholder engagement process provided SoCalGas  
14 valuable insights into DAC and ESJ concerns that allowed SoCalGas to consider at an early  
15 stage how impacts on these groups could be addressed in the development and planning of  
16 Angeles Link. At a workshop in July 2023, SoCalGas presented the scope of work for the  
17 proposed ESJ Assessment to the PAG and CBOSG. At the time of the workshop, SoCalGas  
18 planned for the ESJ Assessment to present the state and federal government mapping tools used  
19 to identify the environmental justice communities that could be located near Angeles Link.  
20 During discussions that followed the presentation, SoCalGas received feedback indicating that  
21 the ESJ Assessment should not rely solely on government mapping tools to identify and solicit  
22 feedback from DACs. The feedback recommended that, as part of SoCalGas’s ESJ Assessment,  
23 meaningful, transparent, and direct community engagement meetings should be held in DACs  
24 along potential directional routes to solicit their input in future phases. In response to  
25 stakeholder feedback, and in accordance with the Phase 1 Decision,<sup>44</sup> SoCalGas developed the

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<sup>41</sup> The Phase 1 Demand Study progressed more rapidly than anticipated due to interdependencies, leading to the consolidation of two milestones—Technical Approach and Preliminary Data and Findings—into a single deliverable.

<sup>42</sup> Phase 1 Decision at 74-75 (OP 3(h)), 77 (OP 7).

<sup>43</sup> *Id.* at 65 (Finding of Fact (FOF) 26).

<sup>44</sup> *Id.* at 75-76 (OP 5(b)-(d), 6(l)).

1 ESJ Plan as a guide for future engagement with ESJ communities and DACs in Phase 2 of  
2 Angeles Link. The ESJ Plan includes an ESJ community screening assessment (ESJ Screening),  
3 which provides baseline DAC designation information and other demographic information for  
4 the potential directional routes identified in Phase 1. By developing the majority of the ESJ Plan  
5 in house, SoCalGas was able to align the plan closely with stakeholder input while also being  
6 efficient. Ultimately, the ESJ Plan was well received by many CBOSG members, who  
7 commended SoCalGas's efforts.

## 8 **VII. CONCLUSION**

9 As outlined above, SoCalGas prudently and reasonably executed the stakeholder  
10 engagement activities and ESJ Plan in accordance with the Phase 1 Decision. The  
11 comprehensive stakeholder engagement process included 27 meetings and workshops with the  
12 PAG CBOSG members, as well as over 30 one-on-one meetings to solicit feedback. During the  
13 course of Phase 1, over 70 organizations participated in the PAG and CBOSG. SoCalGas  
14 provided multiple opportunities for stakeholder feedback during key milestones, produced  
15 voluminous quarterly reports, created a "Living Library" for accessible information, and held  
16 educational sessions such as "Hydrogen 101" and "Air Emissions 101," demonstrating  
17 SoCalGas's commitment to responsive and inclusive engagement. Further, stakeholder feedback  
18 was instrumental in shaping the ESJ Plan, which would serve as a guide for future engagement  
19 with ESJ communities and DACs in Phase 2 of Angeles Link. In conclusion, the stakeholder  
20 engagement process was instrumental in guiding the Phase 1 Studies. Based on the information  
21 contained in my testimony and supporting workpapers, the Commission should find reasonable  
22 the costs incurred in executing the stakeholder engagement activities and ESJ Plan in Phase 1 of  
23 Angeles Link.

24 This concludes my prepared direct testimony.

1 **VIII. WITNESS QUALIFICATIONS**

2 My name is Frank Lopez. My business address is 555 West 5th Street, Los Angeles,  
3 California, 90013. For the past two years, I have been the Director of Regional Public Affairs  
4 for SoCalGas. I have 20 years of experience in public affairs and stakeholder engagement,  
5 including two years leading a coalition of environmental and social justice organizations. I have  
6 also participated in multiple stakeholder engagement processes throughout my career. I have a  
7 Bachelor of Arts degree in business economics from the University of California at Santa  
8 Barbara and a Master of Arts degree in public policy from the University of California at Los  
9 Angeles.

10 I have not previously testified before the Commission.