

SCG-01-WP

Workpapers Supporting the Prepared Direct Testimony of
Jennifer Morris

(Policy)

Table 1*Estimated Allowance Values for Proposed Projects*

		a	b	c	= a + (b x c)	d	= Subtotal x d
Project Identifier	Project Category	Applicable Annual Customer Charge	Applicable Transportation Rate	Estimated Annual Volume (therms)	Subtotal	Non-Residential Multiplier	Estimated Allowance Value ¹
A	Renewable Natural Gas Refueling Station	\$156	\$0.36659	89,940	\$33,127	3.1	\$103,000
B	Renewable Natural Gas Refueling Station	\$156	\$0.36659	120,000	\$44,147	3.1	\$137,000
C	Renewable Natural Gas Refueling Station	\$780	\$0.36659	580,452	\$213,568	3.1	\$662,000
D-1	Renewable Natural Gas Refueling Station	\$780	\$0.36659	1,402,572	\$514,949	3.1	\$600,000 ²
D-2	Renewable Natural Gas Refueling Station	\$780	\$0.36659	525,960	\$193,592	3.1	\$600,000
E	Renewable Natural Gas Refueling Station	\$780	\$0.36659	1,277,340	\$469,040	3.1	\$1,454,000
F	Renewable Natural Gas Refueling Station	\$780	\$0.36659	2,170,644	\$796,516	3.1	\$2,469,000
G	Renewable Natural Gas Refueling Station	\$780	\$0.36659	251,520	\$92,985	3.1	\$288,000
H	Renewable Natural Gas Refueling Station	\$780	\$0.36659	300,000	\$110,757	3.1	\$343,000
						TOTAL	\$6,656,000

Note.

¹ Allowance values are rounded to the nearest thousandth. Allowance values are illustrative estimates and are subject to change. The Applicable Annual Customer Charge, is based on the current effective Schedule G-NGV, Natural Gas Service for Motor Vehicles. The customer charge is either P-1 Service \$13 per month (annualized \$156) or \$65 per month (annualized \$780), depended on end-use priority in accordance with Rule No. 23. The Applicable Transportation Rate is the current Schedule G-NGV, effective February 1, 2025. Estimated Annual Volumes are the estimated usage provided by the customer.

² In accordance with Rule 21, Section E, allowances may not exceed the estimated project costs. If the estimated allowances exceed the estimated project costs, allowance values up to the estimated project cost are provided.

Table 2*SoCalGas Allowances Calculation of Line Extension Rate by Class (for distribution level service)*

February, 2025 Rates		Core C&I	Gas A/C	Gas Engine	NGV	NonCore C&I Distribution	EG-D Tier 1	EG-D Tier 2
1	Allocated Base Margin in Transportation Rates	\$583,074,115	\$68,291	\$13,559,185	\$49,542,682	\$160,890,134	\$28,253,805	\$31,451,422
2	Non-Base Margin Items in Transportation Rates	\$272,086,791	\$38,359	(\$7,684,083)	\$30,356,166	\$91,750,205	\$3,331,279	\$1,956,042
3	Revenue Requirement in Transportation Rates	\$855,160,907	\$106,650	\$5,875,102	\$79,898,848	\$252,640,340	\$31,585,083	\$33,407,464
4	Items Not Used in Line Extension Rate:							
	BBT Transmission Costs	\$44,158,205	\$6,798	\$960,044	\$9,484,191	\$43,428,369	\$5,551,513	\$10,680,657
	Local Transmission Costs	\$21,430,614	\$1,523	\$152,818	\$2,527,995	\$14,266,734	\$1,676,246	\$3,192,324
	Core Storage	\$25,311,438	\$3,491	\$714,886	\$2,017,466	\$0	\$0	\$0
	Non-Base Margin items in Transport Rate	\$272,086,791	\$38,359	(\$7,684,083)	\$30,356,166	\$91,750,205	\$3,331,279	\$1,956,042
	Items Not Used in Line Extension Rate	\$362,987,049	\$50,171	(\$5,856,336)	\$44,385,817	\$149,445,309	\$10,559,038	\$15,829,023
5	Line Extension Basis	\$492,173,858	\$56,479	\$11,731,438	\$35,513,031	\$103,195,031	\$21,026,045	\$17,578,441
6	Average Year Throughput Therms	880,319,652	140,410	19,830,000	195,898,830	894,285,227	114,668,189	220,612,196
7	Line Extension Rate (\$ per Therm)	\$0.5591	\$0.4022	\$0.5916	\$0.1813	\$0.1154	\$0.1834	\$0.0797
8	No. Customers	203,022	4	652	376	556	309	25
9	Average therms/customer	4,336	35,102	30,414	520,727	1,608,427	371,094	8,824,488
10	Average Gross Transport rate\$/therm	\$0.971	\$0.760	\$0.296	\$0.408	\$0.283	\$0.275	\$0.151

Note.

Line 7: The Line Extension Rate excludes certain costs from the gross rate presented in line 10. The resulting rate is the net revenue based on line extension costs.

Line 9: Average therms per customer is calculated by dividing the average year throughput by the number of customers in the appropriate categories.

Line 10: The Average Gross Transport rate reflects costs based on approved revenue requirements and current transportation rates effective February 1, 2025

Table 3
SoCalGas Allowances Calculation of Net Revenue (For Distribution Level Service)

1	Line Extension Rate (\$ per Therm)	Net Revenue Line Extension Rate (\$ per Therm)	\$/therm
	<i>see table 2 for details</i>	Core C/I	\$0.559
		NGV	\$0.181
		Gas A/C	\$0.402
		Gas Engine	\$0.592
		Noncore C/I	\$0.115
		EG Tier 1	\$0.183
		EG Tier 2	\$0.080
2	Average therms/customer		therms/ customer
		Core C/I	4,336
		NGV	520,727
		Gas A/C	35,102
		Gas Engine	30,414
		Noncore C/I	1,608,427
		EG Tier 1	371,094
		EG Tier 2	8,824,488
3	Average Net Revenue per Customer Type		Net revenue \$/customer
		Core C/I	\$2,424
		NGV	\$94,399
		Gas A/C	\$14,120
		Gas Engine	\$17,993
		Noncore C/I	\$185,603
		EG Tier 1	\$68,045
		EG Tier 2	\$703,138

Note.

Table 3 organizes the two primary components from Table 2: *Line Extension Rate* and *Average Therms Per Customer*

Line 3: Average Net Revenue per Customer Type - is calculated by multiplying each category's appropriate Line Extension Rate by their Average Therms (i.e. Core C/I \$0.559 x 4,336 = \$2,424).

Table 4*SoCalGas Cost of Service Factor (Rule 20 Section I and Rule 2 Section P.3.c.1)*

	2025 ROR	Current tariff	% Difference
LACC factor	9.579%	9.701%	-1.3%
O&M factor	4.314%	4.475%	-3.6%
A&G factor	2.476%	2.507%	-1.2%
FFU factor	0.480%	1.316%	-63.5%
60-year replacement multiplier	1.0376	1.0422	-0.4%
Cost of Service Factor per year	17.48%	18.76%	-6.8%
Cost of Service Factor per month	1.46%	1.56%	-6.8%

Note. SoCalGas Cost of Service Factor is currently pending CPUC approval in Advice Letter 6483-G. The information provided in Table 3 is also shown in the pending 17.48% in the 2025 ROR column is the updated factor.

Table 4*SoCalGas Non-Residential Net Revenue Multiplier Calculations*

	Net Revenue \$/customer	Cost of Service Factor	Allowance \$/Customer	Number of Customers/ rate class	Total Allowances/ rate class \$000s	Revenue Requirement in Transportation Rates/ rate class \$000s	Allowance Multiplier per rate class
Core C/I	\$2,424	17.48%	\$13,867	203,022	\$2,815,339	\$855,161	3.3
NGV	\$94,399	17.48%	\$539,981	376	\$203,142	\$79,899	2.5
Gas A/C	\$14,120	17.48%	\$80,768	4	\$323	\$107	3.0
Gas Engine	\$17,993	17.48%	\$102,924	652	\$67,106	\$5,875	11.4
Noncore C/I	\$185,603	17.48%	\$1,061,686	556	\$590,298	\$252,640	2.3
EG Tier 1	\$68,045	17.48%	\$389,234	309	\$120,273	\$31,585	3.8
EG Tier 2	\$703,138	17.48%	\$4,022,097	25	\$100,552	\$33,407	3.0
Non Residential Multiplier				204,944	\$3,897,034	\$1,258,674	3.1