

Company: Southern California Gas Company (U 904 G)  
Proceeding: Microgrid Optional Tariff  
Application: A.25-04-006  
Exhibit: SCG-05

**PREPARED REBUTTAL TESTIMONY OF**  
**ARMANDO INFANZON, VICTOR GARCIA, AND JAWAAD MALIK**  
**ON BEHALF OF SOUTHERN CALIFORNIA GAS COMPANY**

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

**December 15, 2025**

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**PREPARED REBUTTAL TESTIMONY OF ARMANDO INFANZON, VICTOR  
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**I. INTRODUCTION (Witness: Armando Infanzon)**

The purpose of this prepared rebuttal testimony on behalf of Southern California Gas Company is to address intervenor testimony submitted by the Public Advocates Office (Cal Advocates) as submitted by witness Juliet Walsh, dated November 14, 2025 (Cal Advocates Testimony (Walsh)), Colusa Indian Energy (CIE) as submitted by witness Ken Ahmann, dated November 14, 2025 (CIE Testimony (Ahmann)), Energy Pathways LLC (EP) as submitted by witness Carol Denning, dated November 14, 2025 (EP Testimony (Denning)), Small Business Utility Advocates (SBUA) as submitted by witness Michael Brown, dated December 12, 2025 (Exhibit (Ex.) SBUA-01 (Brown)), Southern California Generation Coalition (SCGC) as submitted by witness Catherine E. Yap, dated November 14, 2025 (Ex. SCGC-01 (Yap)), and The Utility Reform Network (TURN) as submitted by witness Sylvie Ashford, dated November 14, 2025 (Ex. TURN-01 (Ashford) regarding the Application For Adoption of a Microgrid Optional Tariff (Application). This rebuttal testimony responds to some of Cal Advocates, CIE, EP, SBUA, SCGC, and TURN's (collectively, intervenors) claims regarding SoCalGas's proposed tariff.

SoCalGas's proposed Microgrid Optional Tariff (MOT) is a fully elective, optional tariff service that would provide the opportunity to leverage microgrids for the energy needs of existing and prospective non-residential customers located in SoCalGas's service territory. The MOT will provide a new option for microgrid development in SoCalGas's service territory to foster customer choice. The MOT is aligned with California's objectives of improving reliability and resilience and supporting economic growth by providing a solution for new electric demand for facilities like data centers and EV charging with high energy needs. Costs for the MOT would be borne by only customers enrolling in the program – any costs not covered by participating customers would not be paid by other ratepayers. As a utility regulated by the CPUC and trusted by its customers – as shown in the customer letters of support attached to the

1 direct testimony and the additional letters attached hereto<sup>1</sup> – SoCalGas is a natural provider of  
2 the MOT.

## 3 **II. PROTECTION AGAINST RATEPAYER IMPACT AND SUBSIDIZATION**

### 4 **A. The MOT Correctly Allocates Costs to Shareholders and MOT Customers** 5 **(Witness: Victor Garcia)**

6 The MOT is structured in a way to fund the program without broad ratepayer funding or  
7 backing, consistent with similar SoCalGas shareholder-funded tariffs.<sup>2</sup> However, certain parties  
8 claim the MOT does not sufficiently protect ratepayers from potential costs of the MOT. Cal  
9 Advocates claims that the MOT “fails to provide sufficient ratepayer protections.”<sup>3</sup> TURN  
10 similarly argues that “[d]eploying GRC resources to support MOT customers would shift costs  
11 away from their approved purposes and could constrain the utility’s ability to carry out  
12 authorized activities.”<sup>4</sup>

13 As explained in direct testimony, the MOT follows prior Commission-approved  
14 methodologies and regulatory requirements. MOT project costs will be charged only to tariff  
15 customers; non-participating ratepayers will not subsidize or bear any business risk. While  
16 SoCalGas may utilize embedded costs<sup>5</sup> for the MOT, the costs will be tracked and recorded in  
17 the MOT balancing account (MOTBA) using internal order numbers, such that non-participating  
18 ratepayers do not incur these costs and will not bear financial risk. This process allows for  
19 SoCalGas to properly account for embedded costs included in general rates.

20 The majority of MOT costs will be incremental<sup>6</sup> and contracted with third parties.  
21 SoCalGas expects that for most MOT projects, the total incremental cost and/or third-party cost

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<sup>1</sup> See Attachment A for letters of support received by SoCalGas since the Application was filed.

<sup>2</sup> Collectively, SoCalGas’s shareholder-funded tariffs are: Compression Services Tariff (CST), Biogas Conditioning and Upgrading Services (BCS) Tariff, and Distributed Energy Resources Services (DERS) Tariff.

<sup>3</sup> Ex. CA-01Cal Advocates Testimony (Walsh) at 2-1 to 2-2.

<sup>4</sup> Ex. TURN-01 (Ashford) at 3.

<sup>5</sup> As described in Prepared Supplemental Testimony (Ex. SCG-04 (Garcia)) at 6, the embedded costs include direct costs approved in the GRC such as company labor, labor overheads, non-labor overheads, Administrative & General overheads, and fixed cost loader.

<sup>6</sup> Incremental costs are costs not included in the GRC.

1 would be at least 80% of the total project cost.<sup>7</sup> This percentage will vary on a project-by-  
2 project basis. The anticipated total embedded costs potentially allocated to the MOT program  
3 are expected to be immaterial and represent only a minimal portion of overall costs within  
4 general rates.<sup>8</sup>

5 Further, the matter of ratepayer impact and potential subsidization has been previously  
6 addressed by the Commission for similar programs. The Commission reviewed and authorized  
7 the same framework for three prior shareholder-funded tariffs, each employing the Commission-  
8 approved methodology now proposed for the MOT. Specifically, in D.12-12-037 (CST Final  
9 Decision), the Commission stated: “The Southern California Gas Company shall establish  
10 balancing and tracking accounts to ensure that customers taking service through the Compression  
11 Service Tariff bear all costs and risks associated with the provision of the Compression Services  
12 Tariff and to ensure thereby that non-participating customers bear none of the costs and risks  
13 associated with the Compression Services Tariff.”<sup>9</sup> SoCalGas followed this previously  
14 approved structure (and similar structures in the Biogas Conditioning Service<sup>10</sup> and the  
15 Distributed Energy Resources Services<sup>11</sup> tariffs) in creating the MOT – the structure prevents  
16 non-participating customers from incurring costs associated with this shareholder-funded tariff.

17 **B. Cost Tracking Methodologies for the MOT Are Well-Established and Sound**  
18 **(Witness: Victor Garcia)**

19 Costs for the MOT will be tracked in the MOTBA, using SoCalGas’s established  
20 accounting methods. Several parties<sup>12</sup> claim that the proposed MOTBA may not capture all the  
21 embedded costs, that the costs (including overheads) cannot be verified, or that there is  
22 insufficient detail on how costs will be tracked.

23 SoCalGas has consistently demonstrated compliance with the Commission-approved cost  
24 tracking methodologies in prior proceedings for the shareholder-funded tariffs and the internal

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<sup>7</sup> Ex. TURN-01 (Ashford) at Appendix B, pp. 35.

<sup>8</sup> This allocation is completed regularly according to established Commission procedures.

<sup>9</sup> CST Final Decision D.12-12-037 at 65 (OP 3).

<sup>10</sup> D.13-12-040.

<sup>11</sup> D.15-10-049.

<sup>12</sup> Cal Advocates Testimony (Walsh) at 2-2 to 2-3; Ex. TURN-01 (Ashford) at 4; EP Testimony (Denning) at 10-11; CIE Testimony (Ahmann) at 5.

1 order system provides detailed and transparent cost tracking. To further elaborate on the process  
2 outlined in the direct testimony of Victor Garcia, SoCalGas will utilize internal orders to track  
3 and account for MOT-related costs across the company. Internal orders are used to track costs  
4 directly associated with specific projects and to track costs associated with items such as capital,  
5 operation and maintenance (O&M), 3<sup>rd</sup> party services, affiliate billings, etc. as applicable.<sup>13</sup> The  
6 process that SoCalGas will use for tracking MOT related costs is no different than the process  
7 used to track costs in the ordinary course of business and other shareholder-funded tariffs.  
8 Internal orders created for the MOT will only be utilized for MOT activities. In addition,  
9 organizations providing labor and non-labor resources will be properly trained to verify that time  
10 or materials associated with the MOT are properly tracked by MOT internal orders and recorded  
11 to the MOTBA. SoCalGas also anticipates that, similar to what was ordered in the DERS Tariff  
12 Final Decision, Preliminary Statements used to create the MOT balancing account will be  
13 submitted to the Commission. The Preliminary Statement for the MOTBA will include the  
14 description of the purpose of the account, the types of costs and/or revenues that are to be tracked  
15 in the account, and specific accounting procedures that the utility must follow to record  
16 transactions for the balancing account.

17 **C. The Proposed MOT Includes Details on Accounting Treatment of Costs**  
18 **(Witness: Victor Garcia)**

19 In regard to the claim of a lack of detail in the methodologies for assigning GRC costs to  
20 projects raised by certain intervenors,<sup>14</sup> in the Prepared Direct Testimony of Victor Garcia,  
21 SoCalGas provided detailed descriptions of both direct charging and allocation methodologies,  
22 as well as the primary methodology that will be used.<sup>15</sup> In the Prepared Testimony of Armando  
23 Infanzon, additional detail was provided regarding the activities and functions that would be  
24 included in direct charging.<sup>16</sup> SoCalGas also further explained in response to data requests how  
25 other costs would be allocated.<sup>17</sup>

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<sup>13</sup> Prepared Direct Testimony of Victor R. Garcia on behalf of SoCalGas (Ex. SCG-03 (Garcia)) at VRG-2.

<sup>14</sup> Ex. TURN-01 (Ashford) at 4.

<sup>15</sup> Ex. SCG-03 (Garcia) at VRG-1.

<sup>16</sup> Prepared Direct Testimony of Armando Infanzon on behalf of SoCalGas (Ex. SCG-02 (Infanzon)) at AI-23.

<sup>17</sup> Ex. TURN-01 (Ashford) at Appendix B, pp.10, 11, 12.

1           **D.     The MOT Captures All Applicable Overheads (Witness: Victor Garcia)**

2           MOTBA will include all the corresponding overheads for labor, non-labor,  
3 Administrative & General (A&G), and the Fixed Cost Loader (FCL) as shown in Table 1 below.  
4 The components included in the overheads are the same as what was included in previous  
5 Commission-approved shareholder-funded tariffs. The following provides details of each  
6 component. Note that the numbers and percentages used below are illustrative only. Actual  
7 overhead costs and percentages that apply to the program will vary over time.

- 8           •     **Labor Overheads** – Labor overheads represent indirect costs associated with  
9 salaries paid to employees and are applied to internal labor and labor billed to  
10 other parties. The standard labor overheads include Payroll Tax, Incentive  
11 Compensation Plan, Workers' Compensation, Public Liability and Property  
12 Damage, Pension and Benefits, and Vacation and Sick.
  - 13           ○     **Payroll Tax** - The Payroll Tax overhead represents the company's portion  
14 of required contributions to the state and federal governments for State  
15 Unemployment Insurance, Federal Unemployment Insurance, and Federal  
16 Retirement and Medicare Insurance. The Payroll Tax overhead will be  
17 applied to total direct labor costs and is currently 7.65%.
  - 18           ○     **Incentive Compensation Plan (ICP)** – The ICP overhead represents the  
19 incentive compensation plan costs paid to employees based on individual  
20 employee and company performance as compared to pre-established  
21 goals. The ICP overhead will be applied to total direct labor costs and is  
22 currently 22.52%.
  - 23           ○     **Workers' Compensation (Workers' Comp)** – The Workers' Comp  
24 overhead represents the cost of expected payments to employees for work-  
25 related injuries, plus the cost of workers' compensation insurance  
26 premiums to cover claims over a certain dollar amount. The Workers'  
27 Comp overhead will be applied to total direct labor costs and is currently  
28 2.92%.
  - 29           ○     **Public Liability and Property Damage (PLPD)** – The PLPD overhead  
30 represents the costs of expected payments to third parties for liability and  
31 property damage claims submitted to the company plus the cost of



insurance premiums to cover claims over a certain dollar limit. The PLPD overhead will be applied to total direct labor costs and is currently 8.08%.

- **Pension and Benefits (P&B)** – The P&B overhead represents costs paid by the company to provide employee benefits, such as flex health benefits plans, employee pension contributions and expense, the company match portion of contributions to the qualified retirement savings plan 401(k), and retiree health benefits. The P&B overhead will be applied to total direct labor costs and is currently 31.79%.
- **Vacation and Sick (V&S)** – The V&S overhead represents costs paid by SoCalGas for employees’ non-productive time, such as vacation and sick days, holidays, and jury duty. The V&S overhead will be applied to total direct labor costs and is currently 21.53%.
- **Non-Labor Overheads** – The standard non-labor overheads consist solely of the Purchasing overhead rate.
- **Purchasing** – The Purchasing overhead rate represents costs related to the procurement activity in obtaining goods and services for the organizations. The Purchasing overhead will be applied to total direct non-labor costs (which generally represent purchased materials and services) and is currently at 0.64%.
- **Administrative & General (A&G) Overhead** – The A&G overhead represents the cost of administrative and general support provided by functional areas such as Accounting and Finance, Human Resources, Information Technology, and Tax. The A&G overhead will be applied to all direct costs, both labor and non-labor, and is currently 21.47% and 2.85% for O&M and capital, respectively.
- **Fixed Cost Loader (FCL)** – The FCL represents costs for buildings, furniture, computer equipment, software, and miscellaneous equipment which may be used in providing the service to a third party. FCL will be applied to all total direct O&M costs, both labor and non-labor, and is currently 7.86%.

Table 1 below summarizes the types of overheads and their respective rates as of November 2025. Actual overhead costs and percentages that apply to the program will vary over

1 time.

**Table 1: Applicable Overhead Loaders**

| Overhead Type                          | Loading Base           | O&M            | Capital       |
|--|------------------------|----------------|---------------|
| <b>Labor Overhead:</b>                 |                        |                |               |
| 1) Payroll Tax                         | Labor                  | 7.65%          | 7.65%         |
| 2) Incentive Compensation Plan         | Labor                  | 22.52%         | 22.52%        |
| 3) Workers' Compensation               | Labor                  | 2.92%          | 2.92%         |
| 4) Public Liability and Property       | Labor                  | 8.08%          | 8.08%         |
| 5) Pension & Benefits                  | Labor                  | 31.79%         | 31.79%        |
| 6) Vacation & Sick                     | Labor                  | 21.53%         | 21.53%        |
| <b>Total Labor Overheads:</b>          |                        | <b>94.49%</b>  | <b>94.49%</b> |
| <b>Non-Labor Overheads:</b>            |                        |                |               |
| 7) Purchasing                          | Non-labor              | <b>0.64%</b>   | <b>0.64%</b>  |
| <b>8) Administrative &amp; General</b> | Total Direct Costs     | <b>21.47%</b>  | <b>2.85%</b>  |
| <b>9) Fixed Cost Loader</b>            | Total Direct Costs     | <b>7.86%</b>   | -             |
| <b>Total Labor Overheads</b>           | 1, 2, 3, 4, 5, 6, 8, 9 | <b>123.82%</b> | <b>97.34%</b> |
| <b>Total Non-Labor Overheads</b>       | 7, 8, 9                | <b>29.97%</b>  | <b>3.49%</b>  |

**E. The MOT Appropriately Manages Customer Credit Risk (Witness: Armando Infanzon)**

As designed, the MOT shields non-participating ratepayers from the costs of the program. However, several parties claim the MOT may cause indirect financial risk to ratepayers. TURN states that “Costs associated with this risk [of loss] could be passed onto ratepayers if cost allocation is imprecise, or if the MOT negatively impacts SoCalGas’s credit rating and finances.”<sup>18</sup> Cal Advocates similarly states that “SoCalGas fails to ensure ratepayers are properly protected from a potential MOT customer default.”<sup>19</sup>

To mitigate financial risk, and as provided in the proposed tariff for the MOT,<sup>20</sup>

<sup>18</sup> Ex. TURN-01 (Ashford) at 5.

<sup>19</sup> Cal Advocates Testimony (Walsh) at 2-4 to 2-5.

<sup>20</sup> Application Attachment A at 6-7.

1 SoCalGas's Credit Risk Management organization conducts credit reviews in accordance with  
2 established methodologies and criteria. SoCalGas maintains a credit evaluation process that  
3 includes reviewing a customer's payment history, any available financial information, and third-  
4 party credit services data, as applicable. Customers who do not meet the creditworthiness  
5 requirements may be required to provide collateral to mitigate the credit risk and potential for  
6 default. Acceptable collateral instruments include and are not limited to letters of credit, cash  
7 deposits and surety bonds. Additionally, for customers with creditworthy parent companies,  
8 parent company guarantees are also utilized as a risk mitigation measure at the discretion of  
9 SoCalGas's Credit Risk Management organization. In addition, in the potential event of a  
10 customer default, MOT microgrid assets can be repurposed and redeployed to other sites or  
11 projects in order to continue utilizing the remaining life of the equipment and mitigate the risk of  
12 stranded assets. SoCalGas will also carefully manage the capital allocated to MOT projects to  
13 mitigate any potential risk.

14 Several parties have suggested that a default by MOT customers could negatively impact  
15 SoCalGas's credit risk and, in turn, affect ratepayers.<sup>21</sup> This concern is without any meaningful  
16 basis. Credit ratings are determined primarily by a company's business risk profile and its ability  
17 to meet debt obligations. Intervenor's assertions also do not recognize the scale of MOT project  
18 costs relative to SoCalGas's total annual capital expenditures. In fact, given its relatively small  
19 scale compared to SoCalGas's regulated operations, expected impacts associated with the MOT  
20 are immaterial from a credit perspective and could even provide an opportunity for business  
21 diversification. One of the key metrics used by credit rating agencies to assess debt-servicing  
22 ability is the Funds from Operations (FFO)/Debt ratio. SoCalGas regularly monitors its FFO to  
23 Debt ratio and other credit metrics. The expected credit impact of the MOT is immaterial.

### 24 **III. COMPLIANCE WITH REASONABLE RATES, RELIABILITY, AND SAFETY**

#### 25 **A. The MOT Has Reasonable, Appropriate Program Terms (Witness: Armando** 26 **Infanzon)**

27 The MOT has been designed to comply with established accounting treatments and to  
28 apply established pricing methodologies, consistent with those used for cost-of-service  
29 formulation in the GRC. However, despite the fact that the MOT is fully elective, several

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<sup>21</sup> Cal Advocates Testimony (Walsh) at 2-5; Ex. TURN-01 (Ashford) at 5.

1 intervenors claim that the MOT will not provide reasonable rates to participating customers. Cal  
2 Advocates, TURN, and CIE argue that “there is no way to determine whether SoCalGas’s  
3 proposed tariff rate is reasonable,” and the program lacks certain safeguards to ensure reasonable  
4 rates, similar to the DERS Tariff.<sup>22</sup> Contrary to intervenors’ claims, the MOT should and does  
5 include similar safeguards as those approved in D.15-10-049 (DERS Final Decision). The  
6 DERS Final Decision specifically notes the Commission’s conclusion that “it is reasonable to  
7 employ a cost-of-service formulation, employing full overhead loaders and indirect charges  
8 using a capital charge rate, no lower than the utility authorized weighted average cost of  
9 capital.”<sup>23</sup> As proposed, the MOT will use the same tracking and ratemaking method as  
10 approved in the DERS Final Decision. Also, CIE’s claim that the MOT will provide perpetual  
11 services is inaccurate.<sup>24</sup> As indicated in the Application, the term of service will be negotiated  
12 between SoCalGas and the customer.<sup>25</sup> This includes a definitive term for the agreement and an  
13 end date for the service. In addition, as an optional tariff, no customer is under any obligation to  
14 enroll in the MOT, or use SoCalGas for their microgrid needs, and potential customers will be  
15 provided with information on other microgrid service providers.

16 **B. The MOT will Comply with Safety and Reliability Requirements for**  
17 **Microgrid Facilities (Witness: Armando Infanzon)**

18 SoCalGas has emphasized that it will comply with any and all safety and regulatory  
19 requirements that are applicable to MOT projects. However, Cal Advocates claims that  
20 SoCalGas has not sufficiently shown it will comply with such requirements.<sup>26</sup> This assertion is  
21 inaccurate and does not reflect SoCalGas’s proposed approach to implementing the MOT. As  
22 stated in SoCalGas’s Supplemental Testimony, SoCalGas will comply with relevant technical,  
23 operational, and safety standards applicable to the MOT project and its microgrid configuration  
24 to support the safety and reliability of projects.<sup>27</sup> While the MOT is designed to offer different

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<sup>22</sup> Cal Advocates Testimony (Walsh) at 4-2; CIE Testimony (Ahmann) at 4; Ex. TURN-01 (Ashford) at 4.

<sup>23</sup> Decision 15-10-049, DERS Tariff Final Decision, at 119 (Conclusions of Law (COL))

<sup>24</sup> CIE Testimony (Ahmann) at 3.

<sup>25</sup> Ex. SCG-02 (Infanzon) at 23, 24.

<sup>26</sup> Cal Advocates Testimony (Walsh) at 1-2.

<sup>27</sup> Ex. SCG-04 (Infanzon) at 10.

1 reliability options to accommodate customer-specific requirements, SoCalGas emphasizes that  
2 safety and reliability measures will be observed, such that MOT operations will adhere to  
3 established industry safety standards and applicable codes. MOT projects will employ safety  
4 compliance as described in SoCalGas’s 2025 Safety Plan<sup>28</sup> (including any future updates).  
5 SoCalGas’s H2IE was developed following all applicable reliability and safety standards  
6 (including SCE’s Rule 21). There have not been any safety incidents regarding the construction  
7 and operation of this project.<sup>29</sup>

8 Cal Advocates claims that SoCalGas only “lists some organizations that publish technical  
9 and operational standards” but does not identify “which technical standards will apply”.<sup>30</sup> The  
10 volume of operational, safety, and technical standards that could apply to MOT projects  
11 (depending on the specific project) are considerable given the various structural, electrical,  
12 hardware, and software components of a microgrid. The types of standards that would apply to a  
13 particular MOT project may vary based on various configurations and be substantial, which is  
14 one of the beneficial characteristics of microgrids overall. To expand on what was already  
15 provided in Supplemental Testimony,<sup>31</sup> SoCalGas is providing a non-exhaustive list of examples  
16 of standards that could apply to MOT projects, which again could vary based on a project’s  
17 configuration.

#### 18 Electric Rule 21 – Generating Facility Interconnections

- 19 • Institute of Electrical and Electronics Engineers (IEEE) Series 2030, such  
20 as:
  - 21 • 2030.12-2025 – IEEE Approved Draft Guide for the Design of  
22 Microgrid Protection Systems

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<sup>28</sup> SoCalGas 2025 Gas Safety Plan (*available at* [https://www.socalgas.com/sites/default/files/2025-03/2025\\_SoCalGas\\_Gas\\_Safety\\_Plan\\_0.pdf](https://www.socalgas.com/sites/default/files/2025-03/2025_SoCalGas_Gas_Safety_Plan_0.pdf)).

<sup>29</sup> Cal Advocates seems to minimize the importance of the H2IE project. The project is award-winning and received praise from the Lieutenant Governor of California, Eleni Kounalakis. It also provides enough power for over 100 homes – not just the one that is being actively powered. *See* [H2]IE Innovation Experience brochure (*available at* [https://www.socalgas.com/sites/default/files/2023-01/SCG\\_Innovation\\_Experience\\_brochure.pdf](https://www.socalgas.com/sites/default/files/2023-01/SCG_Innovation_Experience_brochure.pdf)); at A.22-05-015/016 (cons.), August 14, 2023, Opening Brief of Southern California Gas Company and San Diego Gas & Electric Company in the Test Year 2024 General Rate Case at 275-277.

<sup>30</sup> Cal Advocates Testimony (Walsh) at 1-4.

<sup>31</sup> Ex. SCG-04 (Infanzon) at 10-11.

- 2030.7-2017 – IEEE Standard for the Specification for Microgrid Controllers
- 2030.8-2018 – IEEE Standard for the Testing of Microgrid Controllers
- 2030.9-2019 – IEEE Recommended Practice for the Planning and Design of the Microgrid
- IEEE 1547-2018 & IEEE 1547a-2020 – IEEE Standard for Interconnection and Interoperability of DERs with Associated Electric Power Systems Interface
- UL Solutions (UL)1741/UL1741SA - Standard for Inverters, Converters, Controllers and Interconnection System Equipment for Use with Distributed Energy Resources/Supplement A
- UL 1973 - Batteries for Use in Stationary and Motive Auxiliary Power Applications
- National Fire Protection Association (NFPA) 70 – National Electrical Code (NEC)
- NFPA 1 – Fire Code
- NFPA 101 – Life Safety Code
- NFPA 110 – Standard for Emergency and Standby Power Systems
- NFPA 853 – Standard for the Installation of Fuel Cell Power Systems
- NFPA 855 – Standard for the Installation of Stationary Energy Storage Systems
- NFPA 111 – Standard on Stored Electrical Energy Emergency and Standby Power Systems
- NFPA 72 – Standard for National Fire Alarm and Signaling Code
- NFPA 2 – Hydrogen Technologies Code
- NFPA 99 – Healthcare Facilities Code

#### IV. MARKET FOR MICROGRIDS

##### A. The Microgrid Market Remains Significantly Underserved in California, Including Within SoCalGas's Service Territory (Witness: Armando Infanzon)

One of the key motivations for offering the MOT is due to the interest in such a program offered by SoCalGas. This is evidenced by the letters of support and the market study included with the opening testimony. SoCalGas has received additional letters of support since filing opening testimony, which are included as Attachment A to this Testimony. The market sectors which have provided these additional letters of support include: universities, water district(s),

1 sanitation district, cities, tribal nation, and a transit agency.

2 Despite various market sectors seeking programs like these, several intervenors (EP,  
3 TURN, and the Cal Advocates) claim that utility involvement in the provision of microgrid  
4 services is unnecessary because the microgrid market is allegedly already well-served. EP  
5 argues California's microgrid market is already robust and mature, and TURN questions the lack  
6 of evaluation of microgrid developers in Verdant Associates' report.<sup>32</sup>

7 As described in the Prepared Direct Testimony of Armando Infanzon (Chapter 2),<sup>33</sup>  
8 SoCalGas commissioned a study with Verdant Associates in late 2024 to identify and evaluate  
9 the customer sectors and segments in SoCalGas's service territory that could benefit from having  
10 behind-the-meter microgrids. This microgrid market study was conducted to gain an  
11 understanding of the technical and serviceable market for behind-the-meter microgrids in  
12 SoCalGas's service territory. For each segment with microgrid potential, Verdant Associates  
13 identified the viability of different configurations and sizes of microgrid technologies and  
14 assessed different benefits the customers may realize including reliability, resilience, and  
15 economic payback. The results of the study indicate: 1) there is considerable untapped microgrid  
16 potential in SoCalGas's territory; 2) the microgrid potential increases significantly if the financial  
17 value of resilience is included in the economic assessment; 3) increasing the knowledge and  
18 awareness of the benefits of microgrids are necessary for adoption; and 4) additional programs,  
19 incentives, and financial mechanisms may also be needed to grow the adoption of microgrids.  
20 The results show the existing penetration rate of microgrids within SoCalGas's service territory  
21 remains low across all customer segments (less than 1%), with data centers having the highest  
22 penetration rate of 25% (primarily attributable to the current low number of data centers within  
23 SoCalGas's service territory).<sup>34</sup>

24 Since Verdant Associates completed its study in early 2025 (based on data as of October  
25 22, 2024 in the DOE Microgrid Installation Database), there have been 91 additional microgrids  
26 installed in the U.S. (as of November 13, 2025) with an installed capacity of 797 MW, which  
27 represents a growth of 8% based on number of facilities and 15% based on installed capacity

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<sup>32</sup> Ex. TURN-01 (Ashford) at 9-10.

<sup>33</sup> Ex. SCG-02 (Infanzon) at 20.

<sup>34</sup> Ex. SCG-02 (Infanzon) at 21.

1 over approximately the past year.<sup>35</sup> In California, during the time period, seven new projects  
2 were added to the database with an installed capacity of 108 MW.<sup>36</sup> Out of these seven newly  
3 added microgrids installed in California over approximately the past year, two are utility  
4 microgrids (utility side of the meter) with an installed capacity of 97 MW, representing  
5 approximately 90% of the growth in California.<sup>37</sup> Excluding the two utility microgrids, the other  
6 newly added five projects have an installed capacity of 11 MW, representing approximately 10%  
7 of the growth in California. None of the seven new projects are located within SoCalGas's  
8 service territory.<sup>38</sup>

9 This latest data reinforces SoCalGas's position that the microgrid market remains largely  
10 underserved, with substantial untapped potential. Also, recent forecasts developed by leading  
11 consultancies<sup>39</sup> suggest that power generation capacity to serve data centers in California will  
12 grow by approximately 400 – 500 megawatts over the next several years and potentially by more  
13 than 1 GW over the next decade. This market dynamic underpins value that the MOT can bring  
14 to the data center industry and the state of California. The MOT is well-positioned to play a  
15 pivotal role in facilitating the deployment of microgrids. By offering another option as a  
16 microgrid provider to potential customers, SoCalGas may facilitate a higher penetration of  
17 microgrids in its service territory.

## 18 **V. COMPETITION CONCERNS**

19 As proposed, the MOT includes measures to allow fair competition among microgrid  
20 providers. Intervenor assert that utility involvement in the provision of MOT services is unfair  
21 or anti-competitive and SoCalGas disrupts the market with “structural” or “unfair” advantages.<sup>40</sup>

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<sup>35</sup> Onsite Energy Installation Database – Microgrids, available at: <https://www.onsite-energy-installations.ornl.gov/?page=1&size=20> (data updated on November 13, 2025).

<sup>36</sup> *Id.*

<sup>37</sup> Enchanted Rock, *California Expands Strategic Reliability Reserve Program*, available at: [California Boosts Electricity Supply for Summer Heat](#). The microgrids are front-of-the-meter generation sites hosted by Modesto Irrigation District and Turlock Irrigation District.

<sup>38</sup> Onsite Energy Installation Database – Microgrids, available at: <https://www.onsite-energy-installations.ornl.gov/?page=1&size=20> (data updated on November 13, 2025).

<sup>39</sup> Consultancies include: Bloomberg, NEF, Wood Mackenzie, and JLL.

<sup>40</sup> CIE Testimony (Ahmann) at 5; Cal Advocates Testimony (Walsh) at 3-1, 3-2.



1 The primary issues of contention are: 1) SoCalGas's cost of capital, 2) SoCalGas's access to  
2 customer data and customer relationships, 3) the potential for bias in treatment of providing new  
3 gas service for MOT customers compared to non-MOT customers, and 4) whether the MOT  
4 service must be provided under an affiliate.

5 **A. Cost of Capital (Witness: Armando Infanzon)**

6 CIE and EP claim that SoCalGas's cost of capital gives them a competitive advantage  
7 over other microgrid developers.<sup>41</sup> This point is unsubstantiated and factually incorrect.  
8 SoCalGas's cost of capital does not provide a competitive advantage. The topic of SoCalGas's  
9 cost of capital was fully litigated in the Compression Services Tariff proceeding (A.11-11-011)  
10 and the Commission has already determined that there was no "unfair" competitive advantage  
11 stemming from SoCalGas's cost of capital. D.12-12-037 concluded that SoCalGas's cost of  
12 capital "does not give it an unfair competitive advantage over non-utilities providing compressed  
13 gas services."<sup>42</sup>

14 In addition, as described in Section III.A of this rebuttal testimony, SoCalGas is  
15 proposing, as part of the MOT cost-of-service formulation, to utilize a capital charge rate no  
16 lower than the utility authorized cost of capital. In addition, if appropriate, SoCalGas may  
17 negotiate with the customer to include a risk adder to compensate for the customer's credit and  
18 risk profile. This potential risk adder would be determined based on the customer credit analysis  
19 and negotiated commercial arrangements. In Ordering Paragraph 10 of the DERS Final  
20 Decision, the Commission approved that SoCalGas may use "a capital charge rate, no lower than  
21 the utility authorized weighted average cost of capital (although the negotiated capital charge  
22 rate may be higher than the utility authorized cost of capital) to ensure that the charge for the  
23 provision of the DERS Tariff is not unfairly competitive."<sup>43</sup>

24 **B. Customer Relationships and Access to Data (Witness: Armando Infanzon)**

25 CIE and EP incorrectly assert that SoCalGas's access to customer data and customer  
26 relationships creates an unfair market advantage.<sup>44</sup> Similar to the cost of capital, SoCalGas's

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<sup>41</sup> CIE Testimony (Ahmann) at 5; EP Testimony (Denning) at 3.

<sup>42</sup> D.12-12-037 at 60 (Findings of Fact (FOF) 9).

<sup>43</sup> D.15-10-049 at 123 (Ordering Paragraph (OP) 10).

<sup>44</sup> CIE Testimony (Ahmann) at 5; EP Testimony (Denning) at 18.

1 relationships with customers and access to data was litigated in the Compression Services Tariff  
2 proceeding. The decision in that proceeding (D.12-12-037) concluded that “SoCalGas’s  
3 reputation with customers, for good or for bad, does not provide it with an unfair competitive  
4 advantage,”<sup>45</sup> and “SoCalGas’s access to customer information does not provide it with unfair  
5 competitive advantage in the provision of compressed gas services because the customer  
6 information does not provide information on who would desire compressed gas services.”<sup>46</sup>

7 Overall, intervenors’ assertion that SoCalGas’s broad service territory and access to  
8 customer data confers a competitive advantage in identifying MOT prospects lacks merit.  
9 Natural gas consumption patterns are not a reliable indicator of customer interest or suitability  
10 for MOT projects. Furthermore, a significant portion of future electricity demand (e.g., data  
11 centers and EV charging) is expected to arise from new developments that may or may not  
12 already have existing natural gas utility connections.

13 Even so, in the decision approving a Compression Services Tariff (D.12-12-037), the  
14 Commission concluded it is possible through regulation to eliminate any unfair advantage.<sup>47</sup> At  
15 the time, SoCalGas could have had customer information for those interested in having an onsite  
16 compressed natural gas (CNG) facility more readily available. The Commission agreed that  
17 reporting, along with the disadvantages that new entrants do not have, made the program  
18 appropriate for approval.<sup>48</sup> These disadvantages included:

- 19 • To offer or to change this service, SoCalGas must receive Commission approval.
- 20 • To change the pricing formula, SoCalGas must also receive Commission
- 21 approval.
- 22 • SoCalGas cannot restrict the offering in any way that is discriminatory. SoCalGas
- 23 has an obligation to serve, and must offer the service throughout its territory on
- 24 equal terms, or have a rational basis for not doing so.<sup>49</sup>

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<sup>45</sup> D.12-12-037. at 61 (Findings of Fact (FOF) 15).

<sup>46</sup> D.12-12-037 at 61 (Findings of Fact (FOF) 16).

<sup>47</sup> *Id.* at 33.

<sup>48</sup> *Id.* at 34.

<sup>49</sup> *Id.*

1 Consistent with the approach and requirements under the previously Commission  
2 approved shareholder-funded tariffs and as provided in SoCalGas Supplemental Testimony,<sup>50</sup>  
3 SoCalGas will incorporate the following measures designed to eliminate any perceived  
4 competitive advantage.

- 5 • Use CPUC approved competitively neutral scripts and marketing documents to  
6 inform customers and help answer questions on the MOT.
- 7 • Present MOT customers with a list of other known microgrid service providers  
8 who offer the same or similar service in the service territory.
- 9 • Have MOT customers sign a certification form stating the customer is aware of  
10 other service providers prior to signing a tariff contract with SoCalGas.
- 11 • Provide a webpage on socalgas.com dedicated to providing MOT program  
12 information on a non-discriminatory basis and using CPUC approved language.  
13 The website will include SoCalGas contact information for questions customers  
14 may have.
- 15 • Provide the MOT only to non-residential customers. The MOT excludes  
16 community-based microgrids (in-front-of-the-meter) and microgrids to residential  
17 customers.
- 18 • Periodic reports submitted to the Commission to provide relevant information  
19 such that customers receive equal treatment regarding the steps needed to  
20 establish service with a management certification that there has been no  
21 preference shown to any project.
- 22 • SoCalGas will not use bill inserts to market the MOT.
- 23 • SoCalGas shall not tie the provision of the MOT to any other SoCalGas-provided  
24 service.

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<sup>50</sup> Ex. SCG-04 (Infanzon) at 8.

1           **C.     Neutral Treatment of the Gas Service Connection Process (Witness:**  
2           **Armando Infanzon)**

3           Cal Advocates, CIE, and EP assert that the proposed MOT framework could enable  
4 SoCalGas to delay or deny gas service connection requests from third parties or approve its own  
5 gas connections at accelerated timelines over competitors.<sup>51</sup> However, all tariffs governing gas  
6 service connections are subject to CPUC review and approval (e.g., SoCalGas Rules 20 and 21)  
7 and are to be provided on a non-discriminatory basis.

8           Additionally, the matter of equal treatment for customers seeking gas service connection  
9 was thoroughly examined and resolved in the Compression Services Tariff proceeding. To  
10 provide transparency for the equal treatment of new gas service connections, D.12-12-037  
11 requires SoCalGas to include in their bi-annual report key performance indicators (KPIs)  
12 comparing CST customers and non-CST customers to verify equal treatment of customers and  
13 prevent potential unfair competitive advantage.<sup>52</sup> Similarly, the MOT could adopt a comparable  
14 reporting structure by disclosing gas service connection timeframes for both tariff and non-tariff  
15 customers during each reporting period to the CPUC. This approach would promote  
16 transparency, accountability, and equitable access for all customers requesting natural gas  
17 service connection. Below is a sample of some KPIs that could be included in the annual report:

18           **Overview of KPI Reporting for the MOT**

19           I.       Plots of cycle times for the reporting period showing both average and standard  
20 deviation, divided into subsets for MOT and non-MOT projects:

21               a.     Preliminary Site Evaluation KPIs (days):

- 22                   i.     All Customers
- 23                   ii.    MOT Customers
- 24                   iii.   Non-MOT Customers

25               b.     New Business Service KPI (weeks)

- 26                   i.     All Customers
- 27                   ii.    MOT Customers

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<sup>51</sup> CIE Testimony (Ahmann) at 6-7; EP Testimony (Denning) at 18-19, 22; Cal Advocates Testimony (Walsh) at 3-3.

<sup>52</sup> D.12-12-037 at 64.

- iii. Non-MOT Customers
- c. A table for each metric (Preliminary Pressure Request KPI, New Business Service KPI) listing each project in order of initiation with the following columns:
  - i. Project number (project numbering based on when each project entered the process from 1 to N where N is the number of projects completed in the reporting period)
  - ii. MOT or Non-MOT Tariff project
  - iii. Metric cycle time
  - iv. Metric variance from target
  - v. Variance explanation (if greater than one standard deviation)

These KPIs would provide additional transparency and address concerns of SoCalGas providing preferential treatment to MOT customers for gas service connections.

**D. Offering the MOT as a Utility Enables Equitable Service and Proper Commission Oversight (Witness: Armando Infanzon)**

TURN states that SoCalGas does not explain “why it should offer these new, competitive services directly rather than through an affiliate.”<sup>53</sup> Offering the proposed tariff as a utility service provides the benefit of ongoing Commission oversight and application of important Commission policies and procedures, as well as transparency. For example, whenever SoCalGas wishes to change the scope and framework of the MOT, Commission approval is required along with the opportunity for intervenors to engage. Additionally, as a regulated utility, SoCalGas cannot restrict the offering in any way that is discriminatory. SoCalGas must offer the service throughout its territory on equal terms, or have a rational basis for not doing so. In addition, when engaging potential MOT customers, SoCalGas will present to them a list of other microgrid service providers who offer the same or similar service. SoCalGas strongly believes that providing the MOT to customers as a regulated utility will benefit both the customer and the overall market. Requiring an affiliate to offer the MOT is unnecessary. Any issues raised by intervenors can be addressed through standard guardrails and reporting, similar to other programs.

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<sup>53</sup> Ex. TURN-01 (Ashford) at 9.

1           **E.       SoCalGas Does Not Have Timing Advantages (Witness: Armando Infanzon)**

2           Several parties claim that SoCalGas has advantages over developers regarding capturing  
3 market share. Energy Pathway states “SoCalGas uses ratepayer resources immediately to  
4 identify customers, analyze opportunities, develop relationships, and pre-engineer solutions.  
5 Even if costs are eventually credited back, SoCalGas captures market share using advantages  
6 independent developers can never access.”<sup>54</sup> Independent developers have internal resources  
7 available to them to perform common market assessment tasks such as identifying customers,  
8 analyzing opportunities, developing relationships, and pre-engineering solutions. SoCalGas does  
9 not have a “timing advantage” over every independent developer in SoCalGas’s service territory,  
10 including those developers that are not under the same regulatory and reporting requirements as a  
11 regulated utility. As just one example, such developers can, and are, gaining “timing  
12 advantages” during this time while SoCalGas is seeking approval of the program. The proposed  
13 MOT promotes a competitive market by reducing barriers to entry and expansion of the  
14 deployment of microgrids, fostering customer choice in the marketplace. This in turn will  
15 encourage competition, resulting in more competitive prices and more choices for customers.

16           **VI.       CUSTOMER BENEFITS**

17           **A.       Part of the MOT’s Value is Customer Choice and Microgrid Customization**  
18           **(Witness: Armando Infanzon)**

19           Cal Advocates claims that SoCalGas failed to provide adequate detail in its application  
20 and proposes a “broad sweep of potential activities and options in which it may be involved and  
21 therefore has not identified or calculated the value that any specific role SoCalGas would  
22 provide.”<sup>55</sup> Part of SoCalGas’s value proposition to customers is that the MOT can  
23 accommodate a wide range of customer needs and preferences. This includes providing a range  
24 of technologies and ownership options that can be tailored to fit a customer’s specific needs. A  
25 database<sup>56</sup> sponsored by DOE and maintained by ICF and Oak Ridge National Laboratory,

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<sup>54</sup> EP Testimony (Denning) at 10.

<sup>55</sup> Cal Advocates Testimony (Walsh) at 1-2.

<sup>56</sup> Onsite Energy Installation Database, *available at*: <https://www.onsite-energy-installations.ornl.gov/?page=1&size=20> The database was previously called the Microgrid Installation Database managed by ICF.

1 shows that microgrids in the U.S. and California are made up of a variety of technologies (such  
2 as fuel cells, CHP, solar PV, and battery storage), a variety of groupings of those technologies,  
3 and a variety of sizes.

4 Cal Advocates also claims that SoCalGas has the “flexibility to design almost any type of  
5 microgrid.”<sup>57</sup> Though Cal Advocates implies this as a drawback, it is actually one of the  
6 important characteristics of the MOT, which enables microgrids to be customized to meet  
7 customers’ needs. This may include different levels of reliability or different levels of cost.  
8 Limiting this benefit of microgrids would be detrimental to the deployment of microgrids and  
9 customer choice. The MOT aims to be technology-neutral, prioritizing safety, reliability, and  
10 resilience as the main drivers to determine microgrid setups. SoCalGas provides a unique option  
11 in the marketplace by being able to flex between providing a complete turn-key microgrid  
12 solution and allowing customers to select SoCalGas to be responsible for specific aspects of the  
13 microgrid project. SoCalGas can add value in any of the proposed roles of planning, designing,  
14 engineering, procuring, constructing, operating and maintaining because of SoCalGas’s  
15 experience in implementing complex engineering projects from beginning to end and because of  
16 SoCalGas’s experience working with various Engineering, Procurement, and Construction (EPC)  
17 firms.

18 **B. SoCalGas Provided Sufficient Explanation of the MOT’s Economic Benefits**  
19 **(Witness: Armando Infanzon)**

20 SoCalGas has explained through testimony a number of benefits from providing the  
21 MOT. Cal Advocates claims that “SoCalGas does not discuss what types of economic benefit  
22 these types of energizations [data centers and electric transportation facilities] can create,  
23 whether or how economic benefits are not already being achieved by the market, or provide a  
24 dollar estimate to quantify them.”<sup>58</sup> First, Cal Advocates does not identify a reason why  
25 SoCalGas must provide any and all anticipated benefits, down to the dollar amount. Providing a  
26 dollar estimate or an estimate of jobs created specifically by the MOT would be speculative  
27 because it would depend on the number of and specifics associated with potential MOT projects.

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<sup>57</sup> Cal Advocates Testimony (Walsh) at 1-2.

<sup>58</sup> Cal Advocates Testimony (Walsh) at 1-3.

1 A Guidehouse report found that California microgrids yielded 4,670 jobs as of 2021.<sup>59</sup> One of  
2 the economic benefits described in the MOT application was not necessarily to fill a void in job  
3 creation, but rather to point out that the MOT could support additional job growth and local  
4 economic benefits based on expected impacts that microgrid development can have on local  
5 communities.<sup>60</sup> The Guidehouse report forecasts national incremental microgrid capacity along  
6 with corresponding job creation over the forecasted 10 years. This forecast implies roughly an  
7 18-to-1 ratio of jobs created per MW of microgrid development. A 2024 DOE employment  
8 report<sup>61</sup> shows that more than half of the employment for microgrids was in construction, which  
9 could be supported by qualified contractors in the local community.

### 10 **C. Support of Critical Facilities (Witness: Armando Infanzon)**

11 Similarly, Cal Advocates also claims that “SoCalGas does not state that it will prioritize  
12 critical facility resilience through this program or set a target for number of critical facilities it  
13 will serve.”<sup>62</sup> While microgrids are expected to be especially beneficial for critical facilities,  
14 designing the program to prioritize, narrow, or restrict eligibility to only critical facilities over  
15 other customer segments could arguably be considered a form of customer discrimination and  
16 limit the potential benefits to the various interested participants (which are included as  
17 Attachment A of this Testimony). SoCalGas intends for each potential eligible MOT customer  
18 to have the opportunity to participate in the MOT program with similar attention and service.  
19 SoCalGas does not think it is necessary or prudent to restrict the program eligibility for certain  
20 types of facilities. Again, SoCalGas indeed views critical facilities as one of the customer  
21 segments that could significantly benefit from microgrids and plans to engage interested critical  
22 facilities regarding the MOT and the benefits of microgrids.

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<sup>59</sup> Guidehouse, “*The Renewable Energy Economic Benefits of Microgrids*,” November 2021, Slide 5, available at: [https://static1.squarespace.com/static/5472abbae4b0859145039552/t/6193d0e801c64e39c1662e1d/1637077225523/CSI+Final+Report\\_FINAL+%2811-16-21%29.pdf](https://static1.squarespace.com/static/5472abbae4b0859145039552/t/6193d0e801c64e39c1662e1d/1637077225523/CSI+Final+Report_FINAL+%2811-16-21%29.pdf).

<sup>60</sup> Gridscape, *Harnessing the Power of Microgrids for Local Job Creation and Economic Growth* (April 18, 2023), available at: <https://grid-scape.com/harnessing-the-power-of-microgrids-for-local-job-creation-and-economic-growth/>.

<sup>61</sup> DOE, United States Energy & Employment Report 2024 (October 1, 2024), Table 14, pg. 80 (available at [https://www.energy.gov/sites/default/files/2024-10/USEER%202024\\_COMPLETE\\_1002.pdf](https://www.energy.gov/sites/default/files/2024-10/USEER%202024_COMPLETE_1002.pdf).)

<sup>62</sup> Cal Advocates Testimony (Walsh) at 1-3.



1           **D.       The MOT Can Reduce Greenhouse Gas Emissions (Witness: Jawaad Malik)**

2           Several parties are drawing a sweeping conclusion that the MOT does not reduce  
3 greenhouse gases (GHGs).<sup>63</sup> However, MOT projects can reduce GHGs depending on the fuel  
4 that customers choose, as described in the Prepared Direct Testimony of Jawaad Malik (Chapter  
5 1).<sup>64</sup> The MOT aims to enable customer choice, prioritizing energy reliability and resiliency in  
6 the near-term. Customer choice helps to reduce barriers for microgrid deployment, which is part  
7 of Senate Bill (SB) 1339 goals.<sup>65</sup> Regardless of the fuel a customer chooses in the near-term, the  
8 MOT creates a pathway for large-scale energy customers to transition to cleaner fuels in the  
9 future, given that generation technologies under the MOT would be capable of transitioning to  
10 clean fuels at some time in the future with minimal or no retrofits.

11           In addition, most facilities that rely on backup generators utilize diesel as their fuel  
12 source. Providing alternatives to these generators is a clear environmental benefit. As stated in  
13 the MOT Application, “emissions reductions can be particularly significant if the MOT is used to  
14 replace facilities relying on diesel backup generators.”<sup>66</sup> As of 2021, the total capacity of diesel  
15 backup generators in the Bay Area Air Quality Management District and South Coast Air  
16 Quality Management district was over 12 GW; the statewide capacity in 2025 could be closer to  
17 20 GW.<sup>67</sup> A MOT customer may need to fuel their linear generator with natural gas today, with  
18 significant benefits over diesel, to make the project economics work and could retain the  
19 capability to transition to renewable natural gas (RNG) or renewable hydrogen in the future,  
20 achieving lower project emissions and further supporting decarbonization.

21           Alternatively, customers with near-term sustainability goals may choose a blend of  
22 gaseous fuels to produce low or even negative carbon electricity when charging electric vehicles.

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<sup>63</sup> Cal Advocates Testimony (Walsh) at 5-3; Ex. TURN-01 (Ashford) at 7-8; Ex. SBUA-01 (Brown) at 25-26.

<sup>64</sup> Prepared Direct Testimony of Jawaad Malik on behalf of SoCalGas (Ex. SCG-01 (Malik)) at JM15.

<sup>65</sup> Cal. Pub. Util. Code § 8371(b) (“Without shifting costs between ratepayers, develop methods to reduce barriers for microgrid deployment.”)

<sup>66</sup> Ex. SCG-01 (Malik) at JM15.

<sup>67</sup> NewsData, Oct. 2021, *The Diesel Fired California Dream*, available at:  
[https://www.newsdata.com/california\\_energy\\_markets/bottom\\_lines/the-diesel-fired-california-dream/article\\_f65b1070-2876-11ec-b3f1-f3ef2c8a4076.html](https://www.newsdata.com/california_energy_markets/bottom_lines/the-diesel-fired-california-dream/article_f65b1070-2876-11ec-b3f1-f3ef2c8a4076.html).

1 As an illustration and mentioned in the Prepared Direct Testimony of Armando Infanzon  
2 (Chapter 2),<sup>68</sup> the electricity produced from a blend of 88% natural gas and 12% dairy biogas  
3 when used in a fuel cell can provide a Low Carbon Fuel Standard (LCFS) carbon intensity just  
4 below zero. This is in comparison to California grid power which has an LCFS carbon intensity  
5 of approximately 81 gCO<sub>2</sub>/MJ.<sup>69</sup> This can also present a cost-effective solution for MOT  
6 customers, as the weighted cost of the blended fuel is substantially lower than procuring 100%  
7 RNG from alternative feedstocks (i.e. landfills, wastewater treatment plants). Clean renewable  
8 hydrogen could have a carbon intensity near zero, so it could result in a significant reduction in  
9 emissions compared to using the grid. It is important to reiterate that limiting microgrid projects  
10 to only renewable fuels or to specific emission reduction targets would create barriers to  
11 microgrid adoption due to the current costs of renewable fuels and possible limitations to  
12 accessing renewable fuels. Focusing on only carbon intensity would ignore economic,  
13 reliability, and other benefits discussed in the Application and testimony.

## 14 **VII. ELECTRIC INFRASTRUCTURE IMPACT (Witness: Jawaad Malik)**

15 While the definition of a microgrid<sup>70</sup> is a localized energy system with its own power  
16 sources (as explained in the Testimony of Witness Infanzon), several parties claim that SoCalGas  
17 fails to provide support for how the MOT would avoid or delay grid upgrades. Cal Advocates  
18 states that SoCalGas “fails to prove its claim that its proposed MOT can delay or eliminate  
19 infrastructure upgrades.”<sup>71</sup> TURN also states that “SCG provides no support for claimed grid  
20 benefits,” and “SCG has not identified a single instance in which a MOT agreement has directly  
21 delayed or eliminated the need for electric infrastructure projects, or reduced land use  
22 requirements for an electric utility.”<sup>72</sup> However, MOT projects can reduce strain on the electric  
23 grid, potentially helping to reduce and/or manage demand, including demand flexibility and load  
24 balancing, on the grid, and/or delay or avoid electric infrastructure upgrades. In Supplemental

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<sup>68</sup> Ex. SCG-02 (Infanzon) at 26.

<sup>69</sup> CI for CA average grid electricity (ARB LCFS App# B0533).

<sup>70</sup> Ex. SCG-02 at 3. The definition of a microgrid is provided in Ex. SCG-04 (Infanzon) at 3.

<sup>71</sup> Cal Advocates Testimony (Walsh) at 5-1.

<sup>72</sup> Ex. TURN-01 (Ashford) at 6-7.

1 Testimony, SoCalGas provided the Brattle report<sup>73</sup> as a reference showing that large microgrids,  
2 when co-located with new load, can minimize or avoid transmission upgrades. SoCalGas also  
3 points to an article by Center for Climate and Energy Solutions (C2ES), which reported that  
4 strategically located microgrids can “help delay or avoid investment in new electric capacity  
5 (e.g. “peaker” plants, transmission lines, energy storage or other infrastructure).”<sup>74</sup> In addition, a  
6 2024 article published by ICF categorized microgrids as a Non-Wire Alternative (NWA) and  
7 stated that “NWAs offer a cost-effective alternative to traditional infrastructure upgrades and  
8 allow for postponing or deferring upgrades for the electrical grid.”<sup>75</sup> It is evident that microgrids  
9 have the potential to delay or avoid electric infrastructure upgrades, and the same can be said for  
10 the MOT. The extent to which a microgrid may contribute to delaying or avoiding electric  
11 infrastructure upgrades can depend on a variety of factors with size and location being two of  
12 them. It would be premature to attempt to quantify the potential impacts of MOT projects on  
13 electric infrastructure absent a running program and project. SoCalGas has shown both here and  
14 in Supplemental Testimony that there is sufficient research and industry consensus that  
15 microgrids, and therefore the MOT, are capable of helping to delay or avoid costly electric  
16 infrastructure upgrades.

17 In regard to TURN’s comment regarding SoCalGas not having an example of a MOT  
18 agreement that avoids or delays electric infrastructure projects or reduces land use  
19 requirements,<sup>76</sup> is inapt. SoCalGas has not yet been given authority to pursue development of a  
20 MOT project, therefore SoCalGas signing a MOT agreement would be premature.

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<sup>73</sup> CATF/Brattle, *Optimizing Grid Infrastructure and Proactive Planning to Support Load Growth and Public Policy Goals* (July 2025) at 34, available at: <https://www.brattle.com/wp-content/uploads/2025/07/Optimizing-Grid-Infrastructure-and-Proactive-Planning-to-Support-Load-Growth-and-Public-Policy-Goals.pdf>.

<sup>74</sup> Center for Climate and Energy Solutions, *Microgrids* (available at: <https://www.c2es.org/content/microgrids/#:~:text=When%20sited%20strategically%20within%20the,to%20re%2Denergize%20the%20macrogrid.>)

<sup>75</sup> ICF, *How Cost Effective are Solar and Storage as Non-Wire Alternatives?* (November 12, 2024) (available at <https://www.icf.com/insights/energy/solar-storage-cost-analysis-as-non-wires-alternatives.>)

<sup>76</sup> Ex. TURN-01 (Ashford) at 6.

1           TURN also states that “Finally, absent proactive coordination, the MOT could actually  
2 increase costs for other electric ratepayers.”<sup>77</sup> This allegation that the MOT could increase costs  
3 for electric ratepayers is without basis, and appears to misunderstand the MOT proposal.  
4 Electric utilities, if applicable, have mechanisms such as Departing Load Charge and Standby  
5 fees<sup>78</sup> to mitigate the risk of non-participating electric ratepayers incurring costs for departing  
6 loads. This was addressed in Section 5 of Supplemental Testimony.<sup>79</sup>

7           Finally, the potential benefits with respect to electric infrastructure costs are not the sole  
8 basis for offering the MOT. As shown in direct testimony, there are numerous benefits with  
9 respect to reliability, price certainty, and resilience that may flow from microgrids offered  
10 through the MOT.

## 11 **VIII. INTERVENORS’ REQUESTED MODIFICATIONS TO THE MOT**

### 12 **A. Eligible Technologies as Part of the MOT Offering (Witness: Armando** 13 **Infanzon)**

#### 14 **Combined Heat and Power (CHP)**

15           Several parties, including SCGC, CIE, and EP requested to include CHP as an eligible  
16 technology or place exceptions on CHP technology used under the MOT.<sup>80</sup> SoCalGas is  
17 supportive of explicitly listing CHP as an eligible technology under the MOT.

#### 18 **District Energy Systems**

19           CIE and EP recommended including District Energy Systems under the MOT.<sup>81</sup>  
20 However, District Energy Systems fall outside the scope of the proposed MOT. The MOT was  
21 specifically designed to address microgrid configurations that operate behind the customer meter  
22 to enhance resiliency and reliability for individual customers or facilities. District Energy

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<sup>77</sup> Ex. TURN-01 (Ashford) at 7.

<sup>78</sup> As an example, this link provides an overview of SCE’s Standby and Departing Load Charges  
<https://www.sce.com/business/smart-energy-solar/solar-for-business/interconnection-and-standby-rates>.

<sup>79</sup> Ex. SCG-04 (Infanzon) at 8-9.

<sup>80</sup> CIE Testimony (Ahmann) at 8; EP Testimony (Denning) at 20-21; Ex. SCGC-01 (Yap) at 14-15.

<sup>81</sup> CIE Testimony (Ahmann) at 8; EP Testimony (Denning) at 21.

1 Systems, by contrast, involves broader infrastructure and operational frameworks that may  
2 extend beyond the customer-side applications contemplated in the MOT.

### 3 **Limitations on Generation Technologies and Fuel Types**

4 Cal Advocates and TURN recommended limiting fuel types and generation options.<sup>82</sup> As  
5 previously mentioned, restricting microgrid projects to specific fuels or GHG requirements  
6 would create barriers to microgrid adoption for certain customers. The MOT can certainly be  
7 leveraged as a pathway to transition to cleaner fuels in the future given that generation  
8 technologies like linear generators, fuel cells, and CHP can transition to renewable fuels  
9 relatively easily with minimal to no modifications. In the near term, the MOT can serve as a  
10 bridge for customers who need resilience and reliability today at a consistent price point but also  
11 want to be capable of decarbonizing their energy in the future without significant additional  
12 capital spend. An example of this is provided in the Testimony of Witness Malik (Chapter 1)  
13 pertaining to the installation of a linear generator (using natural gas) and battery storage by  
14 Prologis, to support heavy duty EV charging as the local utility was not able to provide grid  
15 power within three years.<sup>83</sup>

16 Regarding overall generation options, the MOT program intends to be technology  
17 agnostic. However, if the Commission deems it necessary to add requirements on MOT  
18 generation options, SoCalGas strongly suggests that the requirement only be that MOT projects  
19 use generation technologies capable of using renewable fuels.

### 20 **B. Establish a Sunset Date for the MOT (Witness: Armando Infanzon)**

21 Several parties have requested to establish a sunset date for the MOT.<sup>84</sup> SoCalGas is  
22 open to a sunset date and if the Commission deems this prudent, SoCalGas recommends  
23 following the established sunset dates for previous Commission approved shareholder-funded  
24 tariffs of 10 years to execute new MOT services agreements.

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<sup>82</sup> Ex. TURN-01 (Ashford) at 2; Cal Advocates Testimony (Walsh) at 5-2.

<sup>83</sup> Ex. SCG-01 (Malik) at 10.

<sup>84</sup> Ex. TURN-01 (Ashford) at 2; Ex. SCGC-01 (Yap) at 13.

1           **C.      Mandatory Ownership Transfer (Witness: Armando Infanzon)**

2           CIE and EP request the MOT provide a mandatory ownership transfer or buyout  
3 options.<sup>85</sup> SoCalGas plans to include, as part of the terms and conditions of the customer  
4 agreement, any optional buyout provisions and ownership transfer options at the conclusion of  
5 the agreement term.

6           **D.      Independent Auditing (Witness: Armando Infanzon)**

7           Several intervenor parties including TURN, CIE, EP are suggesting establishing  
8 independent auditing of the MOT program.<sup>86</sup> The Public Utilities Code grants the Commission  
9 authority to audit SoCalGas and impose requirements on SoCalGas. In particular, Public  
10 Utilities Code section 314.6 states that “the Commission may conduct...audits of any entity or  
11 program created by any order, decision, motion, settlement, or other action of the  
12 Commission.”<sup>87</sup> SoCalGas believes that existing Commission authority and oversight is  
13 sufficient for the MOT program and that additional auditing outside of the Commission would be  
14 unnecessary, costly, and potentially duplicative.

15           **E.      Rate Calculation (Witness: Armando Infanzon)**

16           Similar to the requirement for DERS, SoCalGas shall retain and make available to  
17 Commission staff analysis used to develop the rate ultimately charged to each MOT customer.  
18 SoCalGas shall retain this analysis for the duration of the MOT program. Additionally,  
19 SoCalGas shall specify the cost of capital that SoCalGas used to calculate the total tariff cost for  
20 each customer project. The DERS Tariff Final Decision states that “it is reasonable to employ a  
21 cost-of-service formulation, employing full overhead loaders and indirect charges using a capital  
22 charge rate, no lower than the utility authorized weighted average cost of capital.”<sup>88</sup> SoCalGas  
23 will use the same ratemaking methodology for the MOT as what was approved in the DERS  
24 Final Decision.

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<sup>85</sup> CIE Testimony (Ashford) at 8; EP Testimony (Denning) at 21.

<sup>86</sup> CIE Testimony (Ahmann) at 8; EP Testimony (Denning) at 21; Ex. TURN-01 (Ashford) at 2.

<sup>87</sup> Cal. Pub. Util. Code § 314.6.

<sup>88</sup> D.15-10-049 at 119 (Conclusion of Law (COL) 25).

1           **F.       Market Competition (Witness: Armando Infanzon)**

2           EP is requesting that SoCalGas must conduct an open competitive solicitation for third-  
3 party microgrid developers to bid prior to providing service themselves directly to the MOT  
4 customer.<sup>89</sup> SoCalGas disagrees with this recommendation, as it would create unnecessary  
5 delays, would impose a restriction not imposed on other market participants, and potentially  
6 subjects non-utilities to Commission oversight.<sup>90</sup> Further, this has not been a requirement for  
7 SoCalGas's other shareholder-funded tariffs.

8           CIE requests a modification of parity access to gas-usage and infrastructure data for  
9 qualified developers.<sup>91</sup> As stated above, such information is not useful with respect to finding  
10 potential microgrid customers. SoCalGas also disagrees with this request as existing regulations  
11 and guidelines prohibit utilities from sharing customer and infrastructure data with third parties.

12           CIE recommends uniform permitting and interconnection timelines for all participants.<sup>92</sup>  
13 SoCalGas already employs standardized processes for all new gas service connection requests,  
14 and these procedures are applied uniformly across the SoCalGas customer base. As explained  
15 above, the MOT could report on gas service connection timeframes for both tariff and non-tariff  
16 customers to demonstrate fair treatment.

17           **G.       Additional Reporting and Compliance Requirements (Witness: Armando**  
18           **Infanzon)**

19           TURN requests that SoCalGas present rate components, terms, and conditions for  
20 Commission review.<sup>93</sup> As explained in the Prepared Direct Testimony of Armando Infanzon  
21 (Chapter 2), sample agreements will be submitted for approval via advice letter 30 days after the  
22 application is approved.<sup>94</sup> SoCalGas does not plan to submit executed contracts for Commission  
23 approval, consistent with the approach taken for previously Commission approved shareholder-

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<sup>89</sup> EP Testimony (Denning) at 21.

<sup>90</sup> Such an RFP process raises a number of questions and issues with respect to what would be presented in the RFP, who would it be communicated to, who oversees the process to confirm fairness and neutrality, and what if disputes arise regarding the process, among others.

<sup>91</sup> CIE Testimony (Ahmann) at 7.

<sup>92</sup> CIE Testimony (Ahmann) at 7.

<sup>93</sup> Ex. TURN-01 (Ashford) at 2.

<sup>94</sup> Ex. SCG-02 (Infanzon) at 22.

1 funded tariffs, for which such approval was not required and would further delay the process of  
2 constructing microgrids.

3         TURN requested to expand MOT reporting to include revenue and emissions impacts.<sup>95</sup>  
4 As SoCalGas explained in the response to TURN DR 02, Question 6<sup>96</sup>, SoCalGas does not plan  
5 to include program-related revenues or customer rate impacts, as pricing terms are individually  
6 negotiated with each customer and will be governed by confidentiality provisions to be outlined  
7 in the MOT agreement. In regard to emission impact reporting, SoCalGas is open to reporting  
8 emission impacts for each MOT project.

9         SBUA recommends the MOT to provide standardized contracts, engineering assistance,  
10 and tailored credit terms to make participation feasible for small commercial customers.<sup>97</sup>  
11 SoCalGas is unclear regarding the specific tailored credit terms or standardized contract  
12 language referenced by SBUA. Without fully understanding the modification request it is  
13 speculative to establish standardized terms at this time. As proposed in the MOT application,  
14 agreements will be negotiated between participating customers and SoCalGas.

15         SBUA and EP request the MOT be modified to report on items such as MOT customer  
16 electricity usage, deployed capacity, and MOT project pipelines.<sup>98</sup> As described in the Prepared  
17 Direct Testimony of Armando Infanzon (Chapter 2), SoCalGas is already proposing to submit  
18 annual reports to the CPUC that include total energy generated from MOT facilities (electric and  
19 gaseous) and total energy used/consumed by MOT facilities on an aggregated basis.<sup>99</sup> EP also  
20 requests for quarterly reporting requirements.<sup>100</sup> SoCalGas suggests this cadence may be too  
21 frequent given typical project timelines and suggests this frequency be annual, similar to what  
22 was adopted for the BCS and DERS tariffs.

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<sup>95</sup> Ex. TURN-01 (Ashford) at 2.

<sup>96</sup> Ex. TURN-01 (Ashford) at Appendix B, pp.8.

<sup>97</sup> Ex. SBUA-01 (Brown) at 32.

<sup>98</sup> Ex. SBUA-01 (Brown) at 15.

<sup>99</sup> Ex. SCG-02 (Infanzon) at 25.

<sup>100</sup> EP Testimony (Denning) at 15.



1           **H. Tribal Requests (Witness: Armando Infanzon)**

2           CIE and EP request Tribal Right of First Refusal (ROFR) for projects on Tribal Lands  
3 and tribal consultation requirements.<sup>101</sup> SoCalGas is fully committed to proper engagement with  
4 the Native American Tribes of California and respects the sovereignty of the Tribal governments.  
5 SoCalGas also recognizes the importance of complying with CPUC Tribal Consultation Policy.  
6 SoCalGas supports tribal consultation requirements before constructing any MOT projects on  
7 tribal lands. SoCalGas values the opportunities to collaborate with the California Tribes to  
8 support their energy needs and to work with tribal owned microgrid developers and contractors.  
9 SoCalGas is open to discussing with parties the details on how this would be best implemented  
10 under the MOT.

11           **I. Other (Witness: Armando Infanzon)**

12           SBUA requests the MOT be modified to enable its microgrids to provide electricity to the  
13 grid during times of grid stress.<sup>102</sup> The primary benefit of the MOT is to provide reliability and  
14 resilience for MOT customers. Microgrids operating under the MOT can provide the greatest  
15 value to customers during times of grid stress, supporting continuity of service. How customers  
16 utilize the electricity generated by a MOT microgrid will be at their discretion, consistent with  
17 the focus of on customer choice and flexibility, and compliant with any separate regulatory  
18 requirements.

19           SCGC recommends that the MOT should be strictly sized to meet customer needs and  
20 only customer needs.<sup>103</sup> SoCalGas does not agree with limiting the sizing of the MOT projects,  
21 as the MOT was designed to provide customer choice and flexibility to best serve their energy  
22 needs and preferences.

23           EP recommends mandatory coordination between SoCalGas and overlapping electric  
24 IOUs, CCAs, and municipal utilities prior to MOT project approval.<sup>104</sup> SoCalGas disagrees with  
25 this recommendation as any coordination with electric IOUs and non-IOU operators should be  
26 limited to what is necessary for a MOT project to comply with existing rules and regulations.

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<sup>101</sup> CIE Testimony (Ahmann) at 8; EP Testimony (Denning) at 20.

<sup>102</sup> Ex. SBUA-01 (Brown) at 23.

<sup>103</sup> Ex. SCGC-01 (Yap) at 10.

<sup>104</sup> EP Testimony (Denning) at 14.

1 Also, SoCalGas does not consider it a prudent use of resources to engage in discussions with  
2 electric operators regarding hypothetical MOT projects that lack defined size and location.  
3 However, SoCalGas is open to any Commission guidance on this matter. Regardless, MOT  
4 projects will have to engage with electric IOUs under Rule 21.<sup>105</sup> In addition, SoCalGas will  
5 engage with non-IOU electric operators in accordance with their respective procedures and  
6 guidelines.

7 EP recommends joint review and comment opportunities for proposed MOT projects  
8 exceeding defined capacity thresholds (e.g., >1MW).<sup>106</sup> SoCalGas disagrees that further review  
9 of specific MOT projects is necessary, as guidelines and requirements for MOT projects will be  
10 incorporated in the final approved MOT Tariff and associated sample agreements.

## 11 **IX. CONCLUSION**

12 This concludes our prepared rebuttal testimony

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<sup>105</sup> Ex. SCG-04 (Infanzon) at 3.

<sup>106</sup> EP Testimony (Denning) at 15.

1 **X. WITNESS QUALIFICATIONS**

2 **JAWAAD A. MALIK**

3 My name is Jawaad Malik. My business address is 555 West 5th Street, Los Angeles,  
4 California, 90013. I am employed by SoCalGas as Senior Vice President, Strategy and  
5 Sustainability. My responsibilities include the development of a comprehensive strategy and  
6 sustainability plan to position SoCalGas as a long-term leader supporting California's  
7 decarbonization goals. The comprehensive strategy focuses on the vital role the gas grid  
8 provides to support California's energy system objectives.

9 I have been employed by the Sempra family of companies since 2007 and have held  
10 positions of increasing responsibility, including Vice President, Strategy and Sustainability and  
11 Chief Environmental Officer, Vice President of Gas Acquisition, Vice President of Accounting  
12 and Finance, Director of Financial and Operational Planning, General Rate Case Program  
13 Manager, Financial Planning Manager and Sarbanes Oxley (SOX) and Business Controls  
14 Supervisor. Prior to joining the Sempra family of companies, I held various finance and auditing  
15 related roles, including Manager of credit risk and risk control at the Los Angeles Department of  
16 Water and Power, and as an insurance auditor for the California Department of Insurance. I have  
17 a bachelor's degree in accounting from California State University, Los Angeles, and a master's  
18 degree in business administration with an emphasis in finance from Pepperdine University. I am  
19 also a certified public accountant.

20 I have over 20 years of experience in electric and gas utilities industry, and I have  
21 previously testified before the California Public Utilities Commission.

1 **ARMANDO INFANZON**

2 My name is Armando Infanzon. My business address is 555 West 5th Street, Los Angeles  
3 California, 90013. I am employed by Southern California Gas Company as Director of Market  
4 Development. I have been in my current position since June 2020. In my current position my  
5 responsibilities include project development of low carbon initiatives including microgrids,  
6 distributed energy resources, clean transportation and carbon capture, utilization and  
7 sequestration. I also manage the Research Development & Demonstration (RD&D) Refundable  
8 Program and the Federal Energy Retrofit Program (FERP) for SoCalGas.

9 Between 2011-2014, I served as Smart Grid Policy Manager for San Diego Gas and  
10 Electric (SDG&E) representing the company on regulatory and legislative issues at state and  
11 federal levels.

12 I have been employed by Sempra Energy, SDG&E, and/or SoCalGas since 1998 and  
13 have held various management level positions covering an array of different areas including  
14 business development, regulatory and energy policy, economic analysis, financial planning,  
15 corporate finance, and asset management. I received a bachelor's degree in accountancy from the  
16 Autonomous University of Baja California in 1997 and a master's degree in business  
17 administration from San Diego State University in 2000.

18 I have over 25 years of experience in electric and gas utilities and energy industries, and I  
19 have previously testified before the California Public Utilities Commission.

**VICTOR R. GARCIA**

My name is Victor R. Garcia. I am the Principal Accountant Supervisor of Financial Accounting for SoCalGas. My business address is 555 West Fifth Street, Los Angeles, California 90013. I graduated from California State University, Los Angeles in 2015 with a Bachelor of Science degree in Business Administration and a Bachelor of Arts degree in Applied Economics, and I graduated from the University of Southern California in 2024 with a Master of Business Administration. I have been in the Financial Accounting department since September 2019. Previously, I worked in the Regulatory Accounts department since July 2017, the PSEP Budgets and Planning department since July 2016, and the Plant Accounting department since July 2015.

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

## **ATTACHMENT A**



December 10, 2025

Alice Reynolds President  
California Public Utilities Commission  
300 Capitol Mall  
Suite 500 Sacramento, CA 95814

Dear President Reynolds,

The Association of California Cities – Orange County (ACC-OC) represents the regional policy interests of Orange County cities and special districts. Collectively, our members provide essential services to approximately 3.2 million residents and regularly collaborate across jurisdictional boundaries on a wide range of public policy issues.

On behalf of ACC-OC, I am writing in support of Southern California Gas Company's (SoCalGas) proposed Microgrid Optional Tariff (MOT) for microgrid service in California.

SoCalGas' proposed MOT program is designed to support non-residential customers with new or incremental electric demand. Participation in the program is voluntary and offers customers the opportunity to deploy customized microgrid systems tailored to their specific operational, reliability, and resilience needs. By providing an additional option to meet localized energy demand, the MOT program can help address capacity constraints while supporting continuity of critical services.

Microgrids are self-contained energy systems capable of generating, storing, and managing energy on-site. As such, they present an opportunity to promote and expand the use of alternative and cleaner energy resources, including solar and wind generation, which can contribute to improved air quality and reduced emissions for local communities. In addition, microgrids can enhance system resilience by reducing reliance on centralized infrastructure, particularly during extreme weather events, emergencies, or grid disruptions.

The MOT program represents an elective, flexible, and innovative energy solution for communities and facilities facing limited electrical capacity or seeking greater energy reliability. ACC-OC appreciates that the proposed tariff is structured to provide customer choice while encouraging infrastructure solutions that align with California's broader energy, environmental, and resiliency goals.

For these reasons, ACC-OC respectfully supports approval of SoCalGas' proposed Microgrid Optional Tariff and appreciates the California Public Utilities Commission's consideration of this important proposal.

Sincerely,

Kris Murray, Executive Director  
Association of California Cities – Orange County



5005 EL CAMINO REAL • P.O. BOX 6075 • ATASCADERO, CA 93423 • (805) 466-2428

# ATASCADERO MUTUAL WATER COMPANY

ESTABLISHED 1913

December 12, 2025

Southern California Gas Company  
ATTN: John Rohner  
750 Industrial Way, SC9373  
San Luis Obispo, CA 93401

Subject: Letter of Support for SoCalGas Microgrid Optional Tariff (MOT)

Dear Mr. Rohner:

Accept this letter as Atascadero Mutual Water Company's (AMWC) support for the Southern California Gas Company's proposed Microgrid Optional Tariff (MOT) for microgrid service in California.

AMWC's service area encompasses 34 square miles on the central coast in San Luis Obispo County, much of which is in a high fire hazard area. AMWC serves approximately 32,000 residents and businesses.

AMWC is highly reliant on a reliable electrical distribution system. Expanded deployment of microgrids across California will improve reliability, resiliency, and the timely power deliveries allowing AMWC to provide its shareholders with a continuous supply of water while mitigating the risks associated with wildfires and public safety power shutoff events. For these reasons, we respectfully urge the California Public Utilities Commission to approve Southern California Gas Company's proposed tariff for microgrid service.

Respectfully,

John B Neil  
General Manager



December 8, 2025

California Public Utilities Commission  
505 Van Ness Avenue  
San Francisco, CA 94102

**Re: Letter of Support for Southern California Gas Company's Proposed Microgrid Optional Tariff**

To Whom It May Concern:

BSD Builders, Inc. is pleased to express our strong support for Southern California Gas Company's proposed **Microgrid Optional Tariff (MOT)**. As a commercial general contractor with a proven solution to deliver reliable and consistent energy to critical facilities, we recognize the critical importance of programs that expand access to reliable, flexible, and cost-effective microgrid solutions.

We would like to emphasize the need for reliable and uninterrupted power for all critical organizations. These range from universities, hospitals and other diverse organizations to manufacturing and processing plants that keep America going. We see microgrids as essential infrastructure to keeping today's world operational, enhancing community resilience, and support California's decarbonization goals. BSD Builders, Inc. aligns strongly with these perspectives. Our clients increasingly demand infrastructure capable of withstanding power disruptions caused by wildfires, extreme weather, and grid instability, and we view the MOT as an important tool to deliver on their behalf.

BSD Builders, Inc. brings extensive experience in delivering complex healthcare energy and infrastructure projects, where reliability is not optional but mission-critical. Hospitals, medical campuses, and specialty care facilities require continuous, clean, and resilient power to protect patient safety, preserve life-support systems, and support essential medical operations. Our team has tailored this technology to the vulnerable healthcare facilities in California by developing a turnkey Microgrid/Combined Heat Power (CHP) system that has a Special Seismic Certification. This means that all equipment has been shook at an 8.0 earthquake and turned on after to prove that it can withstand California's earthquakes. Our mission is to ensure continuity of care will continue in the event of any grid outage (natural disaster, overuse or otherwise). The need for backup power and increased customer resilience for critical facilities as outlined under the MOT strongly align with the requirements of our healthcare clients.

BSD Builders, Inc. views the MOT as a necessary and forward thinking framework that will help California organizations with critical, high-reliability operations deploy advanced microgrid systems without undue financial or administrative burden. We believe this tariff will accelerate the adoption of resilient energy infrastructure, support environmental goals, and enable public-serving institutions to maintain safe, uninterrupted operations during emergencies.

We appreciate the Commission's consideration of this tariff, and we encourage approval of the Microgrid Optional Tariff so that we at BSD Builders, Inc. can continue supporting customers and utilities to deliver the resilient, sustainable energy systems California urgently needs.

Sincerely,

  
Jeff Blair  
President, BSD Builders, Inc.



**CALIFORNIA STATE UNIVERSITY, LOS ANGELES**  
**COLLEGE OF ENGINEERING, COMPUTER SCIENCE AND TECHNOLOGY**  
Hydrogen Research and Fueling Facility

Southern California Gas Company (SoCalGas)  
350 S. Grand Ave  
Los Angeles, CA 90017

Re: Letter of Support – SoCalGas  
Ref: California Advanced Microgrids

December 1, 2025

To Whom It May Concern:

I am a Professor of Sustainable Energy and Transportation in the Department of Technology and the Technical Director for the Hydrogen Research and Fueling Facility (HRFF) at California State University, Los Angeles (Cal State LA). I have nearly 25 years of experience in fuel cell technologies, which can play a fundamental role in the SoCalGas proposed California Advanced Microgrids undertaking—an effort I enthusiastically support. This project ultimately requires approval of the Microgrid Optional Tariff (MOT), which seeks to develop microgrid facilities, both behind-the-meter and off-grid, for eligible existing and prospective customers in SoCalGas's service territory.

I have been collaborating with the SoCalGas Research Group since 2009 and have had the opportunity to observe its cutting-edge approach to emerging technologies and innovation. California is transitioning to renewable energy resources and fuels that produce reduced GHG and NOx emissions. This transition can be strongly supported by introducing reliable and resilient distributed power generation that quickly responds to customer demands while flexibly addressing intermittency. Potential markets include commercial applications (academic institutions, hospitals, retail, schools), industrial sectors (ports, airports, military installations, data centers), and community-serving facilities (EV charging, government buildings). While data centers currently represent a small portion of microgrids in California, this market segment is expected to grow rapidly, requiring large amounts of power not presently available on the California grid.

Potential microgrid technologies include small nuclear reactors, gas turbines, and fuel cells. I would particularly like to highlight stationary fuel cell technologies capable of using natural gas, renewable hydrogen, and their blends. The three major fuel cell systems—Molten Carbonate Fuel Cells by FuelCell Energy, Phosphoric Acid Fuel Cells by Doosan/HyAxiom, and Solid Oxide Fuel Cells by Bloom Energy—have proven records of operation in California and globally.

One especially relevant example is the Tri-Gen plant, a distributed power generation microgrid developed by FuelCell Energy in partnership with Toyota at the Port of Long Beach. The plant,

based on Molten Carbonate Fuel Cell technology, utilizes Renewable Natural Gas supplied by SoCalGas. It produces 2.3 MW of electric power, 1,200 kg/day of fuel-grade hydrogen, and significant volumes of water—hence the name Tri-Gen. The electricity is used by Edison, the hydrogen fuels fuel-cell trucks operating at the port and Toyota Mirais, and the water is used to wash vehicles before delivery to dealerships. The RNG supplied to the plant is produced by the Victor Valley Wastewater Reclamation Authority, which converts biogas from landfill food waste and sewer co-digestion into renewable natural gas injected into the local pipeline. This project exemplifies the creative deployment of microgrids that support industry, decarbonization, and zero-emission transportation. For additional detail, I would encourage reading my article in Forbes online: “Altered Carbon Portal At The Toyota Terminal In The Port Of Long Beach.”

We need a broader deployment of trailblazing projects like this in California, and I am happy to support the research and workforce training required to advance them. I fully support SoCalGas’s Advanced Microgrid services application and appreciate your consideration. I encourage the Commission to approve the proposal and the associated regulatory framework it entails. Please contact me at [blekhman@calstatela.edu](mailto:blekhman@calstatela.edu) or 323-343-4569 if more details are required.

Sincerely,

A handwritten signature in black ink that reads "David Blekhman". The script is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

David Blekhman, Professor of Technology

Technical Director, Hydrogen Research and Fueling Facility



**Gabriel Reyes**  
*Mayor*

**Daniel Ramos**  
*Mayor Pro Tem*

**Stevevonna Evans**  
*Council Member*

**Angelo Meza**  
*Council Member*

**Amanda Uptergrove**  
*Council Member*

**Jessie Flores**  
*City Manager*

November 10, 2025

Southern California Gas Company

Re: City of Adelanto – Letter of Support for SoCalGas' Microgrid Optional Tariff (MOT)

To Whom It May Concern:

The City of Adelanto is pleased to express its strong support for Southern California Gas Company's proposed Microgrid Optional Tariff (MOT) for microgrid service in California.

The City of Adelanto encompasses 53 square miles in the High Desert region of San Bernardino County, at the heart of the Mojave Desert. Once a thriving U.S. Air Force community supporting George Air Force Base, Adelanto has a proud legacy of service, innovation, and resilience. Today, we are home to approximately 37,000 residents—with nearly 40% living below the poverty level—and are designated as a disadvantaged community. Despite economic challenges, Adelanto remains one of the fastest-growing cities in the High Desert region, with dynamic expansion across the logistics, advanced manufacturing, and clean energy sectors—all of which depend on reliable and scalable electrical infrastructure.

Unfortunately, the existing Southern California Edison (SCE) distribution station serving Adelanto has reached full capacity. As a result, several major development projects—already approved and ready for construction—now face indefinite delays due to the unavailability of additional electrical service.

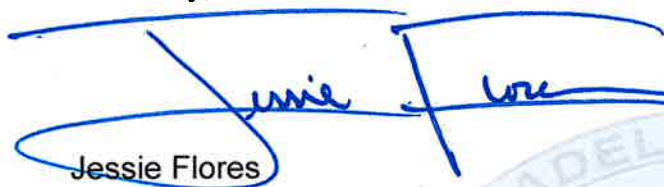
We therefore respectfully urge the California Public Utilities Commission (CPUC) to accelerate solutions to this pressing challenge by approving SoCalGas' proposed tariff for microgrid service. The City of Adelanto supports the expanded deployment of microgrids across California to deliver reliable, resilient, and timely power to residents and businesses, while mitigating the risks associated with wildfires and public safety power shutoff events.

Furthermore, the City of Adelanto is not only eager to participate in this initiative but wishes to be at the forefront for consideration as a host city for SoCalGas' early implementation efforts. We are currently creating a Resilient Energy Corridor Zone within our city to support the development of advanced energy infrastructure, including microgrids, renewable

generation, and clean-fuel technologies. This zone is designed to serve as a model for integrating energy reliability, economic growth, and environmental sustainability.

We stand ready to collaborate with SoCalGas and the CPUC to pilot this program and demonstrate how public-private partnerships can deliver meaningful energy solutions for disadvantaged and fast-growing communities across California.

Sincerely,

  
Jessie Flores





"Service Builds Tomorrow's Progress"

## THE CITY OF ARTESIA, CALIFORNIA

18747 CLARKDALE AVENUE, ARTESIA, CALIFORNIA 90701

Telephone 562 / 865-6262

FAX 562 / 865-6240

December 11, 2025

Southern California Gas Company

RE: City of Artesia - Letter of Support for SoCalGas' Microgrid Optional Tariff (MOT)

To Whom It May Concern:

The City of Artesia is pleased to express its support for Southern California Gas Company's proposed Microgrid Optional Tariff (MOT) for microgrid service in California.

Located in southeastern Los Angeles County, Artesia is a small but vibrant community with a rich cultural and agricultural heritage. Once sustained by Artesian wells and dairy farming, the City has evolved into a residential and commercial hub and a regional connector between Los Angeles and Orange Counties via the SR-91 Freeway. With a population of 16,395, Artesia is largely built out, relying on well-maintained infrastructure to support established neighborhoods and active commercial corridors along Pioneer Boulevard, Artesia Boulevard, and South Street.

As urban communities continue to face energy challenges related to extreme weather, grid strain, and growing electrification needs, access to reliable and resilient energy systems is essential. Microgrids offer a valuable solution by providing localized power that can operate during outages and support critical services, small businesses, and community-serving facilities. The MOT program provides a voluntary, customer-funded pathway for non-residential users to adopt customized microgrid systems that utilize a range of clean and low-carbon technologies, including solar, battery storage, renewable natural gas, clean hydrogen, and fuel cells.

Supporting this initiative aligns with the City of Artesia's priorities related to climate adaptation, air quality improvement, renewable energy advancement, modernization of local energy infrastructure, and enhanced emergency preparedness and disaster resilience. The program also protects fiscal stability, as participation is voluntary and costs are borne solely by participating customers, with no financial impact to the City or general ratepayers.

The City of Artesia appreciates SoCalGas' commitment to providing flexible, technology-neutral energy solutions that strengthen reliability and support state and local climate goals. We welcome opportunities to collaborate on efforts that enhance resilience, public safety, and economic stability for our community.

Sincerely,

Rene Trevino  
Mayor





## CITY OF FOUNTAIN VALLEY

CITY HALL 10200 SLATER AVENUE FOUNTAIN VALLEY, CALIFORNIA 92708

THE OFFICE OF THE MAYOR  
Website: [www.fountainvalley.org](http://www.fountainvalley.org)

(714) 593-4403 FAX: (714) 593-4494  
Email: [fvproud@fountainvalley.org](mailto:fvproud@fountainvalley.org)

**Mayor:**  
Jim Cunneen

**Vice Mayor:**  
Patrick Harper

**Council Members:**  
Kim Constantine  
Glenn Grandis  
Ted Bui

**City Manager:**  
Maggie Le

December 11, 2025

Alice Reynolds  
President, California Public Utilities Commission  
300 Capitol Mall, Suite 500  
Sacramento, CA 95814

Dear President Reynolds,

The City of Fountain Valley supports the Southern California Gas Company's (SoCalGas) proposed Microgrid Optional Tariff (MOT) for microgrid service in California. Currently, the existing Southern California Edison distribution station serving the region's communities has reached capacity. As a result, several major commercial development projects now face indefinite delays due to the unavailability of additional electrical service.

SoCalGas' proposed MOT program is designed to support non-residential customers with new electric demand. The proposed program is voluntary and is intended to provide customers with customized microgrid systems that address their specific energy needs while enhancing reliability and resilience. As microgrids are self-contained energy systems that can generate, store and manage energy for their customers, they can be used to promote and expand alternative energy sources, such as solar and wind, that will improve air quality for residents.

The MOT program is both an elective and flexible innovative energy solution for communities that face limited electrical capacity. The City urge the California Public Utilities Commission to approve SoCalGas' tariff for microgrid service. If you have any questions, please contact City Manager, Maggie Le, at (714) 593-4402.

Sincerely,

Jim Cunneen, Fountain Valley Mayor



take center stage

December 10, 2025

Southern California Gas Company

**RE: LETTER OF SUPPORT FOR SOCALGAS' MICROGRID OPTIONAL TARIFF (MOT)**

To Whom It May Concern:

I am pleased to express support for Southern California Gas Company's proposed Microgrid Optional Tariff (MOT) for microgrid service in California. The City of Indio is a rapidly growing community and the current electrical infrastructure is often inadequate to accommodate that growth. Microgrids could prove very helpful in addressing the needs of our community.

The MOT proposed by SoCal Gas is a voluntary program designed to provide non-residential customers with customized microgrid systems that address their specific energy needs while enhancing reliability and resilience. Under the proposed framework, MOT would introduce an additional option in the marketplace, enabling customers to choose SoCalGas as their microgrid developer. Customers retain the flexibility to select any microgrid provider, including non-utility entities, based on individual preferences and specific project requirements.

I respectfully urge the California Public Utilities Commission (CPUC) to accelerate solutions to this pressing challenge by approving SoCal Gas' proposed tariff for microgrid service.

If you have any questions regarding the content of this letter of support, please email me at [bmontgomery@indio.org](mailto:bmontgomery@indio.org).

Respectfully,

Bryan H. Montgomery  
City Manager

cc: Mayor and City Council



**Luis Mc Arthur**  
Mayor



**Office of the Mayor**

300 West Third Street  
Oxnard, CA 93030  
(805) 385-7430

December 8, 2025

Southern California Gas Company

Re: City of Oxnard - Letter of Support for SoCalGas' Microgrid Options Tariff (MOT)

To Whom it May Concern:

The City of Oxnard is pleased to provide this letter of support for Southern California Gas Company's (SoCalGas) proposed Microgrid Optional Traffic (MOT) for microgrid service in California.

The City of Oxnard is located along the Southern California coastline and is home to approximately 200,000 residents. Historically designated as a disadvantaged community, Oxnard faces challenges related to pollution exposure, health vulnerabilities, income and housing burdens, and environmental justice. Our residents steward a rich natural ecosystem and a strong agricultural sector, however long-standing economic challenges have heightened inequities.

In alignment with our Climate Action and Adaptation Plan (CAAP), Oxnard is committed to advancing a clean energy future. With the City's CAAP goals, and plans to remove energy facilities along the coastline, the City is a case study in how to transition away from fossil fuel generation toward clean energy solutions. In doing so the City addresses environmental justice concerns, and restores degraded coastal lands. As a city at the forefront of this transition, Oxnard is supportive of programs that advance these goals.

For these reasons, we urge the California Public Utilities Commission (CPUC) to advance solutions to this pressing challenge by approving SoCalGas' proposed MOT. The City of Oxnard supports the broader deployment of microgrids across California as a means to deliver reliable, resilient, and timely power to residents and businesses, while reducing the risks associated with wildfire, habitat degradation, and Public Safety Power Shutoff events.

Additional work and analysis is still needed. However, we stand ready to explore options, and begin collaborating with SoCalGas and the CPUC to pilot this program and to demonstrate how public-private partnerships can deliver meaningful energy solutions for disadvantaged and fast-growing communities across California.

Sincerely,

A handwritten signature in black ink, appearing to read "Luis A. Mc Arthur".

Luis A. Mc Arthur  
Mayor



**Jorge E. Garcia, City Manager**  
760 Mattie Road, Pismo Beach, CA 93449  
(805) 773-7928 | PismoBeach.org

December 12, 2025

Southern California Gas Company

Re: City of Pismo Beach – Letter of Support for SoCalGas' Microgrid Project

To Whom It May Concern,

The City of Pismo Beach is pleased to express its support for Southern California Gas Company's (SoCalGas) Microgrid project in California.

The City of Pismo Beach has a resident population of a little over 8,000, but as a favorite place for locals, domestic and international visitors, at the height of our tourist season, the population swells to over 35,000. All are depending on the City for reliable water and sewer service. When there are power outages, we rely on portable generators to protect health and safety. In addition, our city's electrical demand is growing, as people purchase small beach homes and replace them with large, luxury homes that all include electric vehicle chargers.

We respectfully urge the California Public Utilities Commission (CPUC) to accelerate solutions to the issue of increasing electrical demand and static supply by supporting a SoCalGas microgrid service approach. We support the expanded deployment of microgrids across California to deliver reliable, resilient and timely power to residents and businesses, while mitigating the risks of public safety power shutoff events.

Sincerely,

A handwritten signature in blue ink, appearing to be "Jorge E. Garcia", written over a faint circular background.

Jorge E. Garcia



## Office of Economic and Business Affairs

505 South Garey, Pomona, Calif. 91766

(909) 992-6501 | [pomonaca.gov](http://pomonaca.gov)

December 11, 2025

### California Public Utilities Commission

505 Van Ness Avenue

San Francisco, CA 94102

### Subject: Letter of Support for SoCal Gas Microgrid Optional Tariff (MOT)

To Whom It May Concern:

On behalf of **The City of Pomona**, I am pleased to provide this Letter of Support for Southern California Gas Company's (SoCalGas) application for the Microgrid Optional Tariff (MOT).

The City of Pomona is a 22-square mile City located 30 miles east of Los Angeles. Its population of over 140,000 is situated in the Los Angeles basin and is regularly challenged by environmental impacts from carbon emissions, both stationary and mobile. This is compounded by the reality that Pomona is a socioeconomically disadvantaged community as defined by the State and has historically faced cumulative and disproportionate environmental impacts in its neighborhoods.

As the City navigates these day-to-day environmental impacts, it also faces the existential crisis of preparing for climate-related events, such as an increase in extreme heat days. To that end, the City is already working through a Transformative Climate Communities grant on establishing a resilience center at Palomares Community Center. This project would enable the community center to operate without interruption in the event of power outages through a microgrid system.

Pomona sees great potential and value in pursuing more microgrid solutions to build out the resilience of non-residential sites, including City facilities, institutional sites, and public transit hubs, against future climate-related impacts citywide. City staff has had the opportunity to learn more about SoCalGas' microgrid options, including hydrogen-powered microgrids, and are confident there is potential for these systems to be deployed in Pomona. We strongly encourage you to consider adoption of the MOT to enable Pomona to more meaningfully consider microgrid options.

Sincerely,

Ata Khan

Deputy Director

Office of Economic and Business Affairs

[ata.khan@pomonaca.gov](mailto:ata.khan@pomonaca.gov)

Pomona OEBA | Help us invest in the human scale.



James Morales, Jr.  
*Chairman of the Board*

Ronald L. Coats  
*Vice Chairman*

Chris Carrillo  
*Governing Board Member*

Phillip R. Goodrich  
*Governing Board Member*

David E. Smith  
*Governing Board Member*

Michael Moore, P.E.  
*General Manager/CEO*

3111 Greenspot Road  
Highland, CA 92346

(909) 889-9501  
eastvalleywater.gov

December 10, 2025

Southern California Gas Company

Re: East Valley Water District - Letter of Support for SoCalGas' Microgrid Optional Tariff (MOT)

To Whom It May Concern:

East Valley Water District (District) is pleased to express its support for Southern California Gas Company's proposed Microgrid Optional Tariff (MOT) for microgrid service in California.

The District provides water and wastewater services to residents within its 30-square-mile service area. This includes more than 108,000 people within the cities of Highland and San Bernardino, portions of unincorporated San Bernardino County, the Yuhaaviatam of San Manuel Nation, and Patton State Hospital.

East Valley Water District recently completed construction of the Sterling Natural Resource Center, a new wastewater treatment facility. The facility's mission is to "Make Every Source a Resource," and it uses state-of-the-art digester technology to convert organic waste streams into 3 megawatts of renewable energy to power operations. Innovative approaches that help reduce impacts on the electrical grid are essential to the District's continued growth and ability to serve the region.

We respectfully urge the California Public Utilities Commission (CPUC) to support innovative energy options by approving SoCalGas' proposed tariff for microgrid service. The District supports expanding access to microgrids across California, giving organizations additional pathways to secure reliable, resilient, and timely power for residents and businesses while reducing the risks associated with wildfires and public safety power shutoff events.

Sincerely,

Michael Moore  
General Manager/CEO





**BOARD OF DIRECTORS**  
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Harvey R. Ryan, Vice President

**GENERAL MANAGER**  
**LEGAL COUNSEL**  
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Darcy M. Burke, Treasurer  
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Andy Morris, Director

Greg Thomas  
Best, Best & Krieger  
Christy Gonzalez

December 8, 2025

**ELECTRONIC MAIL**

Southern California Gas Company

**SUBJECT: SOCALGAS' MICROGRID OPTIONAL TARIFF (MOT) - SUPPORT**

To Whom It May Concern:

On behalf of Elsinore Valley Municipal Water District (EVMWD), I am pleased to express our support for Southern California Gas Company's (SoCalGas) proposed Microgrid Optional Tariff (MOT) for microgrid service in California.

EVMWD is a public, non-profit special district that has proudly provided water, wastewater, and recycled water services to more than 163,000 residents throughout western Riverside County since 1950. As stewards of essential public resources, we are committed to delivering high-quality, safe, and sustainable water services to our community. Many of our customers are part of disadvantaged or severely disadvantaged communities, representing roughly one-third of our service area.

Our community is vulnerable to wildfires, making water access critical for firefighting and resident safety. Water storage tanks play a key role in emergency response, but they rely on electricity to operate the pumps. During Public Safety Power Shutoff (PSPS) events, outages can interrupt operations, creating major challenges when wildfire threat and power loss rise together. Expanding power access strengthens fire response and boosts emergency readiness.

We respectfully support the California Public Utilities Commission (CPUC) to approve SoCalGas' proposed tariff for microgrid service, which would expand deployment of microgrids across California to deliver reliable, and timely power while mitigating the risks associated with wildfires and PSPS events.

Should you have any questions about our position or need additional information, please contact me at [gthomas@evmwd.net](mailto:gthomas@evmwd.net) or 951-674-3146.

Sincerely,

Greg Thomas  
General Manager

GT/se

g:\admin\1-2025 correspondence\25133se.docx



**Foothill Transit**

December 2, 2025

California Public Utilities Commission  
505 Van Ness Avenue  
San Francisco, CA 94102

**RE: Letter of Support for SoCalGas' Microgrid Optional Tariff (MOT)**

To Whom it May Concern,

On behalf of Foothill Transit, I am writing to express our support for Southern California Gas Company's (SoCalGas) proposed Microgrid Optional Tariff (MOT) for microgrid service.

As one of the region's leaders in zero-emissions public transportation, Foothill Transit recognizes the importance of reliable, resilient, and innovative energy solutions. Foothill Transit has led the nation in operating one of the largest zero-emissions hydrogen fuel bus fleets and has been a pioneer in zero emissions battery electric bus technology since 2010. Microgrids, especially those designed by utility-supported tariff, offer a promising pathway for enhancing energy resilience as we continue to develop our zero-emissions infrastructure.

The Microgrid Optional Tariff proposed by SoCalGas supports regional energy projects by enabling predictable and collaborative development of microgrids. The development of microgrids can be an important part in maintaining reliable service for transit services, especially during grid disruptions driven by extreme weather, wildfires, or other climate-related events. For transit agencies like ours, continuity of operations is fundamental to public safety, community mobility, and economic vitality. Strengthening regional and state energy resilience through microgrids will also help California meet its long-term sustainability and decarbonization goals. We believe this tariff can help support partnerships between utilities, public agencies, and other stakeholders to build the energy infrastructure needed to support clean-energy technologies.

For these reasons, we are in support of SoCalGas's Microgrid Optional Tariff.

Sincerely,

Doran J. Barnes  
Chief Executive Officer

100 S. Vincent Ave., Suite 200 • West Covina, CA 91790 W [foothilltransit.org](http://foothilltransit.org) P 626.931.7300 F 626.915.1143

**MEMBER CITIES** Arcadia, Azusa, Baldwin Park, Bradbury, Claremont, Covina, Diamond Bar, Duarte, El Monte, Glendora, Industry, Irwindale, La Puente, La Verne, Monrovia, Pasadena, Pomona, San Dimas, South El Monte, Temple City, Walnut, West Covina and Los Angeles County **A PUBLIC AGENCY**

December 9, 2025

Southern California Gas Company  
555 W Fifth Street  
Los Angeles, CA 90013

**RE: Letter of Support  
Southern California Gas Company's Application for Microgrid Optional Tariff Program**

To Whom it May Concern:

As the world evolves so does the way we generate, deliver and consume power. Microgrids are at the heart of the distributed energy conversation and FuelCell Energy, Inc., has been an integral part of that discussion whether it is supporting local communities for essential service power microgrids, university based microgrids or the ever-relevant topic of designing customized microgrids for critical facilities and large loads across California, the United States and the globe. FuelCell Energy supports Southern California Gas Company's application for a microgrid tariff program as this will further promote the needs of customers across the state of California. This tariff will position Southern California Gas Company to engage with industry leaders, such as FuelCell Energy, in providing the stable, resilient energy resources needed to support the significant projected growth in the next few years.

FuelCell Energy is an American clean technology and manufacturing company providing large-scale, always-on, power and emissions management solutions. The company was founded in the United States in 1969 by two scientists devoted to pursuing technological innovations that address a wide variety of energy priorities through patent-protected U.S. innovation and compound combinations that produce and use energy in ways that are smarter and cleaner. Today, FuelCell Energy is the only fuel cell company in the world with projects over 10MW operating for at least 10yrs, has over 22 years of proven baseload power generation, 687 modules deployed, holds 542 global patents covering our fuel cell technology and 17 million MWhs generated.

Our molten carbonate fuel cells run on the different fuels available to CA sites, biogas, pipeline gas, and future blends with hydrogen. Our fuel cells are highly efficient for both power generation and combined heat and power applications. We believe our carbonate platform unlocks the full potential of behind the meter power through non-combustion, electrochemical conversion, providing energy which is cleaner and significantly more efficient than traditional combustion-based generation.

FuelCell Energy is proud that our multi-featured platform that can be configured to provide multiple value streams, including electricity, hydrogen, high grade heat including steam, and recovered water. It is through the design of individualized microgrids that these value streams really show their ultimate potential. This allows FuelCell Energy to deliver a return on investment for its customers, such as Southern California Gas Company, to design a microgrid generation facility unique to the location and needs of the customer. FuelCell Energy reiterates its support of the proposed tariff program and looks forward to working with Southern California Gas Company.

Very truly yours,



Director, Tech & Product Solutions  
FuelCell Energy, Inc.  
[pfukumoto@fce.com](mailto:pfukumoto@fce.com)

December 10, 2025

California Public Utilities Commission  
505 Van Ness Avenue, Suite 3008  
San Francisco, CA 94102

**Re: Hyundai Motor Group – Letter of Support for SoCalGas Microgrid Optional Tariff Application**

Dear CPUC,

On behalf of Hyundai Motor Group, I am writing in support of SoCalGas' Microgrid Optional Tariff (MOT) Application. The MOT represents a vital step towards modernizing the state's energy infrastructure, providing critical reliability and resilience for customers, particularly essential services and critical facilities during grid outages, such as those caused by public safety power shutoffs (PSPS) or natural disasters. The ability for customers to choose this service and potentially own their microgrid assets will accelerate the deployment of localized energy solutions, which in turn supports the public health and welfare of local communities.

Microgrids offer significant benefits beyond enhanced resilience. They facilitate the integration of diverse, clean energy resources, thereby supporting California's ambitious decarbonization and greenhouse gas (GHG) reduction goals. By allowing for localized control and generation, microgrids can reduce the strain on the broader transmission and distribution system, potentially deferring costly and time-consuming infrastructure upgrades that might burden all ratepayers. Furthermore, a robust microgrid framework fosters innovation and can provide greater cost certainty for customers, offering an attractive solution for businesses considering locating or expanding within the state.

A key advantage of the proposed optional tariff is its fuel-agnostic approach, which allows for the innovative integration of emerging energy technologies like hydrogen and fuel cells. The option to use hydrogen as a fuel for microgrids aligns with the state's broader clean energy transition and diversification of energy supply. Fuel cells convert the chemical energy of hydrogen into electricity efficiently and with zero emissions at the point of use, offering a powerful, continuous, and clean source of backup or primary power that can operate indefinitely as long as fuel is supplied.



The inclusion of hydrogen and fuel cell technology within the microgrid framework also bolsters long-term energy independence and security. As technology matures and infrastructure expands, hydrogen can provide long-duration energy storage capabilities that complement intermittent renewable energy sources like solar and wind power, which are becoming increasingly prevalent in California's energy mix. Approving this application will enable the demonstration and deployment of such advanced clean generation projects, driving the innovation necessary to achieve a truly resilient, reliable, and decarbonized energy future for all Californians.

As a multinational vehicle manufacturer with over 200,000 employees, a presence in 193 countries, a sophisticated and vertically integrated worldwide supply network, and vast experience in the hydrogen fuel cell technology space, Hyundai is uniquely qualified to deliver true solutions necessary to accomplish the State of California's climate and clean air goals.

As a 51-affiliate strong group, Hyundai is determined to provide hydrogen-based power solutions for stationary power generation (PEM fuel cell generators for backup generation or EV charging) and hydrogen production systems (PEM electrolyzers).

These initiatives go alongside our efforts in mobility, where we are leading the industry with close to 50,000 fuel cell passenger vehicles and around 3,000 commercial vehicles (trucks and buses) deployed worldwide, including California, while venturing into port decarbonization with pilot projects for fuel cell powered forklifts and container handling equipment.

Sincerely,



James L. Park  
Senior Vice President, Energy & Hydrogen  
Hyundai Motor North America



6075 Kimball Avenue • Chino, CA 91708  
P.O. Box 9020 • Chino Hills, CA 91709  
TEL (909) 993-1600 • FAX (909) 993-1985  
[www.ieua.org](http://www.ieua.org)

December 9, 2025

California Public Utilities Commission  
505 Van Ness Avenue  
San Francisco, CA 94102

RE: Inland Empire Utilities Agency Support for the SoCalGas Microgrid Optional Tariff (MOT)

Dear Commissioners:

On behalf of the Inland Empire Utilities Agency (IEUA), I am writing in support of Southern California Gas Company's (SoCal Gas) proposed Microgrid Optional Tariff (MOT). Microgrids represent a critical solution for improving energy reliability, affordability, and sustainability, particularly for essential facilities such as water treatment plants that must remain operational during emergencies. The proposed MOT program will offer customers flexibility in technology and fuel choices, promotes resilience during outages, and aligns with California's decarbonization goals.

Like SoCal Gas, IEUA has a long-standing commitment to clean energy and sustainability. IEUA serves approximately 950,000 residents in western San Bernardino County and is proud of our reputation of promoting greater water supply reliability through significant contributions to a diverse regional water supply portfolio, including water from stormwater capture, recycling and reuse, and imported water supplies. IEUA is committed to regional success through sustainable water and wastewater services, environmental stewardship, and energy-efficient practices, consistently prioritizing renewable energy and innovative technologies to enhance reliability and resilience. The Agency invests in renewable resources such as solar and battery storage to reduce greenhouse gas emissions and improve energy reliability. These efforts, like SoCal Gas's proposed MOT program, support California's climate goals while ensuring resilient operations for essential utilities.

We commend SoCalGas for advancing this initiative and look forward to collaborating on efforts that reinforce California's energy infrastructure. For these reasons we urge the California Public Utilities Commission to move forward with approving the MOT. Please contact Alyson Piguee at [apiguee@ieua.org](mailto:apiguee@ieua.org) or (909) 993-1467 with any questions.

Sincerely,

INLAND EMPIRE UTILITIES AGENCY

Steven J. Elie  
Board Director  
Chair, Community & Legislative Affairs Committee

*Water Smart - Thinking in Terms of Tomorrow*

Marco Tule  
President

Jasmin A. Hall  
Vice President

Steven J. Elie  
Secretary/Treasurer

Michael Camacho  
Director

Paul Hofer  
Director

Shivaji Deshmukh  
General Manager



**LOS ANGELES COUNTY  
SANITATION DISTRICTS**  
*Converting Waste Into Resources*

**Robert C. Ferrante**

Chief Engineer and General Manager

1955 Workman Mill Road, Whittier, CA 90601-1400  
Mailing Address: P.O. Box 4998, Whittier, CA 90607-4998  
(562) 699-7411 • [www.lacsd.org](http://www.lacsd.org)

December 2, 2025

The Los Angeles County Sanitation Districts (LACSD) appreciates the opportunity to comment on SoCalGas's proposed Microgrid Optional Tariff (MOT) and is pleased to offer this letter of general support.

LACSD is a regional public agency that serves the wastewater and solid waste management needs of over 5.5 million people across 78 cities and unincorporated areas of Los Angeles County. We operate and maintain an extensive network of facilities, including water reclamation plants, solid waste processing sites, and energy recovery systems. Our mission is to protect public health and the environment, while finding innovative ways to recover valuable resources such as water, energy, and materials.

As part of our commitment to environmental sustainability and operational resiliency, LACSD continues to explore the use of microgrids to support our critical infrastructure. Microgrids offer several potential benefits, including improved energy reliability and resiliency, cost savings on energy bills, and the productive use of renewable resources such as biogas. These systems can help ensure uninterrupted service at essential facilities during power outages and can contribute to California's broader climate and energy goals.

LACSD is generally supportive of efforts by utilities, including SoCalGas, to offer microgrid solutions. We recognize that the proposed MOT could provide an additional option for agencies and institutions like ours to implement tailored microgrid systems with minimal upfront capital investment. We appreciate SoCalGas's proactive approach in developing innovative programs such as the MOT and look forward to continuing to evaluate opportunities that enhance energy resilience and sustainability in our operations.

Sincerely,

*William Chen*

Will Chen  
Division Engineer  
Los Angeles County Sanitation Districts



## LETTER OF SUPPORT

Nationwide Data Centers, LLC  
Palm Springs, California  
December 09, 2025

To Whom It May Concern,

Nationwide Data Centers, LLC is writing to express its support for the Southern California Gas Company (SoCalGas) Microgrid Tariff Initiative. We believe this tariff has the potential to provide meaningful benefits to large energy users and new technology infrastructure projects throughout the region.

For our planned 40 MW modular data center campus in Palm Springs—with future scalability to several hundred megawatts—the availability of a tariff-based microgrid program represents an important additional pathway for securing resilient, dispatchable power. Having multiple viable power options is essential as we evaluate long-term infrastructure planning for our site.

Our support for this initiative reflects the value of having the tariff available as an option. Once the tariff is approved and the specific implementation details are finalized, we will then determine whether utilizing SoCalGas infrastructure is the best route for our project at that time. Having this flexibility is critical as we continue to develop our power strategy, which includes multiple potential energy sources and interconnection pathways.

We appreciate the efforts of SoCalGas and the regulatory agencies involved in advancing this tariff and expanding energy resiliency solutions across Southern California.

Sincerely,

*David Ruch*

David Ruch  
Managing Partner  
Nationwide Data Centers, LLC  
303-888-6114  
David@NHLfinance.com

**6500 South Quebec St., Ste 300  
Centennial, CO 80111**





December 11, 2025

SOUTHERN CALIFORNIA GAS COMPANY

**SUBJECT: SUPPORT FOR SOCALGAS' MICROGRID OPTIONAL TARIFF (MOT)**

To Whom It May Concern:

Board of Directors

**Brian J. Brady**  
President

**J. D. Harkey**  
Senior Vice President

**Carol Lee Gonzales-Brady**

**John E. Hoagland**

**William E. Plummer**

**John V. Rossi**

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Engineering & Operations

**Kathleen M. Naylor**  
Chief Financial Officer/Treasurer

**Jennifer Serna**  
District Secretary

**James B. Gilpin**  
Best Best & Krieger LLP  
General Counsel

On behalf of Rancho California Water District (Rancho Water/District), a water, wastewater, and recycled water provider serving approximately 150,000 residents in the City of Temecula, portions of the City of Murrieta, and unincorporated Riverside County, we are pleased to express our support for Southern California Gas Company's proposed Microgrid Optional Tariff (MOT) for microgrid service in California.

Rancho Water is committed to delivering safe, reliable, and affordable services to the communities we serve. Reliable power is essential to operating our facilities, maintaining service for customers, and ensuring readiness during emergencies. As our region continues to face wildfire threats, Public Safety Power Shutoff events, and other conditions that can disrupt electricity, local access to dependable power becomes increasingly critical for sustaining operations and protecting public health and safety.

We support the California Public Utilities Commission's approval of the MOT because it would help expand access to microgrid systems that can keep critical facilities operational during outages, provide price certainty, and reduce reliance on diesel backup generation. These benefits are especially important for water and wastewater agencies that must maintain uninterrupted operations to ensure fire protection, water quality, and emergency response. Additionally, the proposed tariff aligns with statewide goals to improve resilience, support decarbonization, and meet growing energy needs in a cost-effective manner.

Thank you for the opportunity to provide comments. We appreciate SoCalGas' efforts to expand energy reliability options for essential service providers. Should you have any questions about our position or need additional information, please contact our Director of Government and Public Affairs, Danielle Coats, at [coatsd@ranchowater.com](mailto:coatsd@ranchowater.com) or (951) 526-6961.

Sincerely,

**RANCHO CALIFORNIA WATER DISTRICT**

Jason Martin  
General Manager

064\_socalgas program (002)/mjr



December 5, 2025

Southern California Gas Company

Re: Riverside Community College District – Letter of Support for SoCalGas’ Microgrid  
Optional Tariff (MOT)

To Whom It May Concern:

The Riverside Community College District (RCCD) is pleased to express its strong support for Southern California Gas Company’s proposed Microgrid Optional Tariff (MOT) for microgrid service in California.

RCCD serves more than 60,000 students across three colleges—Moreno Valley College, Norco College, and Riverside City College—spanning a service area of diverse and fast-growing communities within western Riverside County. As one of the largest community college districts in the state, RCCD plays a central role in workforce development, economic mobility, and regional resilience. Our campuses serve students from communities with significant socioeconomic challenges, and we are entrusted with providing safe, reliable learning environments, advanced workforce laboratories, and critical student support services year-round.

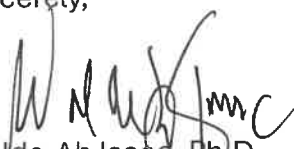
Today, the district faces growing energy-reliability concerns due to expanding enrollment, and the rising demand for advanced instructional and training facilities. Modern educational environments—from health sciences simulation centers to applied technology labs—require stable and resilient power. Unplanned outages, public safety power shutoff events, and grid-capacity limitations directly affect instructional continuity, student safety, and our ability to meet the workforce needs of the Inland Empire.

We therefore respectfully urge the California Public Utilities Commission (CPUC) to accelerate solutions to these challenges by approving SoCalGas’ proposed tariff for microgrid service. RCCD supports the expanded deployment of microgrids as a means to enhance energy reliability, resilience, and near-term capacity across California’s educational institutions, public agencies, and workforce development centers. The MOT’s voluntary, flexible, and technology-neutral design provides campuses like ours with a practical pathway to deploy customized microgrid systems that strengthen operational reliability and long-term sustainability.

Furthermore, RCCD is eager to explore opportunities to participate in this initiative and is well positioned to serve as a host for early implementation efforts. We are actively engaged in evaluating innovative energy strategies—such as distributed generation, renewable integration, battery storage, and resiliency hubs—that align with the MOT framework. Our campuses already function as community anchors during emergencies, and microgrid solutions would significantly expand our ability to serve students and the broader region during periods of grid disruption.

RCCD stands ready to collaborate with SoCalGas and the CPUC to pilot this program and demonstrate how partnerships between public institutions and utility providers can deliver meaningful energy-resilience solutions for California's diverse communities.

Sincerely,



Wolde-Ab Isaac, Ph.D.  
RCCD Chancellor





December 9, 2025

Alice Reynolds  
President, California Public Utilities Commission  
300 Capitol Mall, Suite 500  
Sacramento, CA 95814

Dear President Reynolds,

I am writing on behalf of the San Bernardino Council of Governments (SBCOG) in support of the Southern California Gas Company's (SoCalGas) proposed Microgrid Optional Tariff (MOT) for microgrid service in California.

SBCOG's member agencies include all of our county's 24 cities and towns, as well as the County of San Bernardino. Our agency leads efforts to address a number of regional matters important to the future of the residents and businesses within San Bernardino County. Our jurisdiction encompasses 20,000 square miles and includes a number of rural communities.

Presently, the existing Southern California Edison distribution station, serving communities in the High Desert region of our county, has reached capacity. As a result, several major commercial development projects now face indefinite delays due to the unavailability of additional electrical service.

SoCalGas' proposed MOT program is designed to support non-residential customers with new electric demand. The proposed program is voluntary and is intended to provide customers with customized microgrid systems that address their specific energy needs while enhancing reliability and resilience. As microgrids are self-contained energy systems that can generate, store and manage energy for their customers, they can be used to promote and expand alternative energy sources, such as solar and wind, that will improve air quality for residents.

The MOT program is both an elective and flexible innovative energy solution for communities that face limited electrical capacity. We therefore urge the California Public Utilities Commission to approve SoCalGas' tariff for microgrid service. If you have any questions, please contact our Director of Council of Governments, Monique Arellano, at (909) 884-8276.

Respectfully,

Carolyn Schindler  
Executive Director  
San Bernardino Council of Governments



November 24, 2025

Southern California Gas Company

Re: Letter of Support for SoCalGas' Microgrid Optional Tariff (MOT)

To Whom It May Concern:

I am pleased to express my support for the Southern California Gas Company's (SoCalGas) proposed Microgrid Optional Tariff (MOT) for microgrid service in California.

As the 5<sup>th</sup> most populous and 15<sup>th</sup> fastest-growing County in California, we support innovative and timely approaches to meet our communities' energy needs.

Therefore, I support expanding microgrid deployment across California to deliver reliable, resilient, and timely power to residents and businesses while mitigating the risks posed by wildfires and public safety power shutoffs.

Non-residential microgrids can be an essential tool in achieving this goal while also improving reliability and affordability, enhancing economic growth, and freeing up additional electricity infrastructure for housing projects. These microgrids will support sectors with significant energy needs, such as data centers, EV charging infrastructure, airports, hospitals, and emergency services.

Not to mention, they could also lead to a reduction in greenhouse gas emissions through the use of decarbonized fuels such as renewable natural gas, clean renewable hydrogen, and "solar plus storage" options, supporting California's decarbonization goals.

Most importantly, under the tariff, the MOT project costs would be recovered from the specific tariff customer with no subsidy from or financial risk borne by other ratepayers. This protection will help keep rates down while also supporting the expansion of energy infrastructure.

In my opinion, application A.25-04-006 submitted by SoCalGas on April 16, 2025, should be approved by the California Public Utilities Commission(CPUC). This project directly



supports consumers by empowering California through access to safe, clean, and affordable utility services and infrastructure.

I hope that the CPUC expedites this application to support growing communities and the needs of all Californians.

Sincerely

A handwritten signature in blue ink that reads 'Curt Hagman'.

Curt Hagman  
Fourth District Supervisor  
San Bernardino County Board of Supervisors



December 9, 2025

Southern California Gas Company

Subj: SoCalGas' proposal to develop microgrid solutions

To Whom It May Concern,

I am a faculty member in the Mechanical & Aerospace Engineering department at UCLA, and I write in support of your efforts to advance microgrid technologies in Southern California. Microgrids offer a opportunity for disruptive innovation within the context of an existing industry whose sheer scale and requirement for reliability can too often hinder such innovation. I applaud your plans to build localized energy ecosystems that can work and grow alongside the traditional grid.

Innovation of all types relies on two main ingredients — creativity and intelligent agile adaptability. Microgrids offer myriad opportunities for energy systems innovation as an interconnected system of subcomponents: sources, storage, controls, and data tools such as smart forecasting. As a teacher of the best and brightest engineers that our state has to offer, I attest that a very large fraction of young engineers is highly disposed to developing innovative energy solutions, and I am confident that microgrid engineering careers will be very appealing to many of them in comparison to careers in other fields, including traditional energy infrastructure and systems.

Moreover, as a co-founder of a California-based spinout company (SolGrapH Inc.), I attest that microgrid technology could be crucial to building clean-energy infrastructure that must be located in remote areas of the state. For example, SolGrapH uses direct, concentrated solar energy to produce advanced materials such as graphite for EV battery anodes, and its facilities must be located in remote desert locations where microgrids would be ideal solutions for local, on-site electric power.

In closing, I reiterate my support for your proposal to develop microgrid infrastructure.

Sincerely yours,

Timothy S. Fisher

Professor of Mechanical & Aerospace Engineering,

John P. and Claudia H. Schauerman Endowed Chair in Engineering

December 6, 2025

To: Southern California Gas Company

Re: Letter of Support for SoCalGas' Proposal for Advancing Behind-the-Meter and Off-Grid Microgrid Solutions in Southern California

To Whom it May Concern:

I am Theodore Tsotsis, the Robert E. Vivian Professor of Chemical Engineering and Materials Science at the University of Southern California (USC). I have been involved in energy-related research for more than forty years, focusing in recent years on the production, storage and utilization of renewable energy. My research has received broad attention and support from Federal, State, and Industrial sponsors.

I am happy to provide a letter of support for SoCalGas' proposed Microgrid Optional Tariff (MOT) application to CPUC to develop and deploy behind-the-meter and off-grid microgrids. Our State faces increasing energy challenges caused by rising demand, aging grid infrastructure, and extreme weather events of growing frequency and impact. In response to these challenges, enlightened policy initiatives and incentives both at the Federal and State levels are expanding in recent years opportunities for the development of decentralized and distributed energy technology solutions, in the process making microgrids an important and long-term strategic investment for utilities, businesses, and towns and cities. Within our State's strong commitment and push toward decarbonization and grid modernization, these



microgrids present a significant opportunity to enhance energy availability and reliability while underpinning the transition to cleaner energy sources.

As our State, and particularly the Southern California region, continues to face, and is forced to address complex energy challenges, microgrids as those proposed for development in SoCalGas' MOT proposal to CPUC will play a crucial role in ensuring a stable, cost-effective and more sustainable energy future. Microgrids offer greater reliability and resiliency, can potentially provide bill savings to end-users, and enable the use of renewable energy resources (solar, wind, RNG, green hydrogen, etc.). Microgrids offer a flexible and scalable approach to addressing Southern California's energy challenges, by helping to mitigate capacity shortfalls, enhance reliability, improve affordability, and strengthen resilience.

I believe that SoCalGas, given their expertise in energy infrastructure and their commitment to supporting our State's decarbonization goals, are well qualified and equipped to spearhead the development of microgrid services under their proposed MOT structure. Their system will allow them to partner and work together with non-residential customers to develop custom-tailored, reliable and resilient microgrid solutions. I, therefore, strongly endorse their MOT proposal to CPUC.

Sincerely,



Theodore T. Tsotsis  
Robert E. Vivian Professor  
AIChE Fellow, NAI Fellow

December 8, 2025

**Letter Of Support  
Southern California Gas Company  
Application for Microgrid Optional Tariff Program**

It is my pleasure to provide this letter to express our support for the Microgrid Optional Tariff proposed by Southern California Gas Company.

XENDEE provides sophisticated software and engineering services to plan, design, engineer and operate microgrid facilities for both behind-the-meter and off-grid applications. Our patented software technology has won the prestigious Edison Gold Award for innovation in human critical infrastructure, and the Edison Bronze Award for innovation in AI energy management for data centers.

Idaho National Laboratory, the Office of Electricity at the US Department of Energy, and the University of Illinois Urbana-Champaign recently demonstrated how XENDEE optimally designed and operated microgrids can reduce carbon emissions by up to 85% for data centers, and campuses, thus laying the foundations for the future of energy systems.

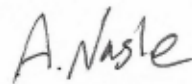
In fact, XENDEE is the team and technology behind the planning, design, engineering and operation of microgrids for world renown projects, some of which include:

- OpenAI Stargate 1 data center
- Kingdom of Saudi Arabia's NEOM sustainable city
- Southern Pennsylvania Resilience Corridor developed after Hurricane Sandy

Moreover, we are the Microgrid/VPP/DER software of record for the New York Power Authority, 2025 Yes SF Top Innovator for the City of San Francisco, 2025 World Economic Forum Top Innovator, and the standard software platform for rapid, repeatable and resilient planning and operation of microgrids for the US Dept of Defense.

XENDEE has a rich history of collaboration with Southern California Gas Company, and we encourage the Commission on the proposed Microgrid Optional Tariff. XENDEE looks forward to growing our partnership with Southern California Gas Company to support their efforts in offering microgrid solutions in California.

Sincerely,



**Adib Naslé**  
Co-founder and CEO





# Yorba Linda Water District

**TO:** SoCalGas

**FROM:** Brett R. Barbre, Director – Yorba Linda Water District

**DATE:** December 5, 2025

**RE:** Support for SoCalGas Microgrid Optional Tariff (MOT)

The Yorba Linda Water District (YLWD), which provides water and sewer services to Yorba Linda and portions of Anaheim, Brea, Placentia, and unincorporated portions of Orange County, is located in the northeast corner of Orange County. The Chino Hills State Park borders the eastern and northern boundaries of the District, creating a substantial Urban-Wildland Interface Area (UWIA) prone to fires during Santa Ana wind conditions.

Our District's assets, valued at \$1.34 billion, include 14 reservoirs, 12 booster pump stations, 10 groundwater wells, two Heli-Hydrants, and the nation's largest PFAS Water Treatment Plant. The elevation of our service area ranges from 250' to 1,390', which requires a reliable power source to ensure all portions of our upper elevations have a plentiful water supply, especially during fires.

The YLWD service area has experienced catastrophic fires and, in 2018, embarked upon a fire-hardening process of our at-risk infrastructure. We installed two state-of-the-art Heli-Hydrants, which provide unlimited access to the water supply for firefighting helicopters in the UWIA. In addition, given that our community is vulnerable to Public Safety Power Shutoff (PSPS) by our local electric provider, Southern California Edison, we have sought redundant, reliable backup power sources and have begun installing permanent natural gas backup generators at our critical booster pump stations.

The creation of SoCalGas microgrids would be a perfect fit for water districts, such as YLWD, that need redundant, reliable power to prevent empty reservoirs or fire hydrants anywhere in our community during wildfires. The California Public Utilities Commission should approve innovative projects such as MOTs.

**Brett R. Barbre**

Director

1998-2001; 2022-Present

District Office: 1717 East Miraloma Avenue • Placentia, CA 92870

Mailing: PO Box 1193 • Yorba Linda, CA 92885-1193

Cell: 714-396-1350 • E-Mail: [DirectorBarbre@ylwd.com](mailto:DirectorBarbre@ylwd.com)

Web: [www.ylwd.com](http://www.ylwd.com)



# ***Yuhaaviatam of San Manuel Nation***

December 5, 2025

Re: Letter of Support for SoCalGas' Microgrid Optional Tariff (MOT)

To Whom It May Concern:

On behalf of the Yuhaaviatam of San Manuel Nation (Nation), I write to express our strong support for Southern California Gas Company's (SoCalGas) proposed Microgrid Optional Tariff (MOT) for microgrid service in California.

The Yuhaaviatam of San Manuel Nation's Reservation was established in 1891 and today spans more than 1,100 acres within the Nation's 7.4-million-acre ancestral territory. Since time immemorial, the Nation has been committed to preserving and protecting its ancestral lands as a stewardship obligation. As such, it is important to continue to seek and develop new options for utility delivery throughout our ancestral footprint.

The MOT will allow for microgrids to be developed throughout the region, providing the option for reliable, affordable decarbonization in California. SoCalGas will manage plan designs, construct, operate, and maintain customized contracts with service fees; costs will be borne by participating customers only. Fuel flexibility includes natural gas, RNG, and future clean hydrogen. The Nation has found SoCalGas to be a reliable utility partner, and we are confident they have the ability to effectively manage these projects.

We therefore respectfully urge the California Public Utilities Commission (CPUC) to accelerate solutions to this pressing challenge by approving SoCalGas' proposed tariff for microgrid service. The Nation supports the expanded deployment of microgrids across California to deliver reliable, resilient, and timely power to residents and businesses, while mitigating the risks associated with wildfires and public safety power shutoff events.

Thank you,



Lynn R. Valbuena  
Chairwoman  
Yuhaaviatam of San Manuel Nation