

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

Application of SOUTHERN CALIFORNIA GAS
COMPANY (U 904 G) for Approval of 2028-
2031 Portfolio Plan and 2032-2035 Business Plan

A.26-03-XXX
(Filed March 16, 2026)

**APPLICATION OF SOUTHERN CALIFORNIA GAS
COMPANY (U 904 G) FOR APPROVAL OF 2028-2031 PORTFOLIO PLAN
AND 2032-2035 BUSINESS PLAN**

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March 16, 2026

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I. INTRODUCTION

Pursuant to Article 2 of the Rules of Practice and Procedure of the California Public Utilities Commission (“CPUC” or “Commission”) and Decision (“D.”) 21-05-031 Southern California Gas Company (“SoCalGas”) respectfully submits this application for its 2028-2031 Portfolio Plan and 2032-2035 Business Plan. This application provides an overview of all content included in SoCalGas’s 2028-2031 Portfolio Plan and 2032-2035 Business Plan, summary of the content by chapter, summary of attachments, and statutory and procedural requirements. On December 15, 2025, an extension was granted to all program administrators to file the application by March 16, 2026.

SoCalGas requests the Commission to approve a budget cap for 2028 to 2035 of approximately \$1.25 billion, which includes two four-year portfolio cycles: 2028-2031 and 2032-2035. The first four-year portfolio cycle covers 2028 to 2031 and includes SoCalGas’s program budget of \$600 million. The second four-year portfolio cycle covers 2032 to 2035 and includes SoCalGas’s program budget of \$646 million. The numbers above do not include a budget request of approximately \$231 million for the four Regional Energy Networks (“RENs”) operating in SoCalGas service territory. The proposed energy efficiency portfolio is designed to deliver cost-effective Total System Benefit (“TSB”) and maintain a forecasted Resource Acquisition Total Resource Cost (“TRC”) ratio of 1.88 for the cumulatively for Program Years 2028-2031.

II. BACKGROUND

In May 2021, the Commission issued D.21-05-031 that adopted changes to (1) Total System Benefits, (2) approach to segmenting Energy Efficiency portfolios, and (3) a new process for the submission and approval of Portfolio Administrators' (PA") energy efficiency Business Plans. Ordering Paragraph (OP) 5 of D.21-05-031 orders all current energy efficiency PAs to file applications on February 15, 2022, for program year 2024, and every four years after that, containing the following elements:

1. A business plan to cover an eight-year period. The business plan shall serve as a strategic plan for the energy efficiency efforts of the program administrator, and shall contain sector-level strategies, metrics, and an eight-year budget;
2. A four-year program portfolio, beginning with program year 2024. This portion of the application shall contain: detailed sector and program strategies; annual budgets, totaling to a four-year revenue requirement; cost-effectiveness showings over the four-year period; and implementation plans, or links to them, for all programs that are currently operating or planned to operate during the four-year portfolio period, with the exception of third-party programs where the contract has not yet been awarded; and
3. The technical inputs given in Table 2 of the decision.¹

The Commission also stated: "Energy efficiency budgets, goals, and cost-effectiveness forecasts should be cumulative during each four-year portfolio period."²

In D.21-05-031, OP 6, the Commission required portfolio administrators to use a template developed and maintained by the Commission staff for the eight-year portfolio plan and the four-year strategic business plan applications.³ On September 29, 2025, Energy Division distributed its templates for this respective filing, which included an outline for the narrative portions, attachment

¹ D.21-05-031 (OP 5).

² *Id.* at 77, Conclusion of Law (COL) 24.

³ D.21-05-031 (OP 6).

tables, and supplementary budget information. Energy Division followed up with updates to the templates on November 20, 2025, January 28, 2026, and February 4, 2026.

SoCalGas prepared its Business Plan and Portfolio Plan in compliance with the direction provided in D.21-05-031 and the templates provided by Energy Division. SoCalGas looks forward to continuing to engage with the Commission and stakeholders and serving its customers through strengthening its longstanding commitment to energy efficiency.

III. SUMMARY OF DIRECT TESTIMONY

This Application consists of four exhibits that contain SoCalGas’s proposal for energy efficiency 2028-2031 Portfolio Plan and 2031-2035 Business Plan. The testimony and supporting materials filed concurrently with this application generally align to and respond to the prompts from the Energy Division template. Exhibit 1 covers SoCalGas’s 2028-2031 Portfolio Plan and 2032-2035 Business Plan chapters 1 through 11. Exhibit 2 includes all program cards. Exhibit 3 includes all receipts and confirmations and Exhibit 4 includes all testimony workpapers.

| EXHIBIT - CHAPTER # | TITLE |
|---------------------|--|
| EX.01 | Overview of Exhibit 01, Prepared by Andrew Steinberg |
| EX. 01 - CH. 01 | Prepared Direct Testimony of Andrew Steinberg, Chapter 1 (SoCalGas’s EE 2028-2031 Portfolio Plan and 2032-2035 Business Plan Executive Summary) |
| EX. 01 - CH. 02 | Prepared Direct Testimony of Darren M. Hanway, Chapter 2 (SoCalGas’s EE 2028-2031 Portfolio Plan and 2032-2035 Business Plan Portfolio Summary) |
| EX. 01 - CH. 03 | Prepared Direct Testimony of Darren M. Hanway Chapter 3 (SoCalGas’s EE 2028-2031 Portfolio Plan and 2032-2035 Business Plan Portfolio Strategies) |
| EX. 01 - CH. 04 | Prepared Direct Testimony of Simon Cheng, Chapter 4 (SoCalGas’s EE 2028-2031 Portfolio Plan and 2032-2035 Business Plan Forecast Methodology and Zero-Based Budgeting) |
| EX. 01 - CH. 05 | Prepared Direct Testimony of Darren M. Hanway, Chapter 5 (SoCalGas’s EE 2028-2031 Portfolio Plan and 2032-2035 Business Plan Portfolio Management) |
| EX. 01 - CH. 06 | Prepared Direct Testimony of Darren M. Hanway, Chapter 6 (SoCalGas’s EE 2028-2031 Portfolio Plan and 2032-2035 Business Plan Portfolio Sector and Segment Strategy) |
| EX. 01 - CH. 07 | Prepared Direct Testimony of Darren M. Hanway, Chapter 7 (SoCalGas’s EE 2028-2031 Portfolio Plan and 2032-2035 Business Plan Portfolio Coordination) |
| EX. 01 - CH. 08 | Prepared Direct Testimony of Roy M. Christian, Chapter 8 (SoCalGas’s EE 2028-2031 Portfolio Plan and 2032-2035 Business Plan Stakeholder Engagement) |
| EX. 01 - CH. 09 | Prepared Direct Testimony of Roy M. Christian, Chapter 9 (SoCalGas’s EE 2028-2031 Portfolio Plan and 2032-2035 Business Plan Evaluation, Measurement & Verification) |

| EXHIBIT - CHAPTER # | TITLE |
|---------------------|--|
| EX. 01 - CH. 10 | Prepared Direct Testimony of Simon Cheng, Chapter 10 (SoCalGas's EE 2028-2031 Portfolio Plan and 2032-2035 Business Plan Cost & Cost Recovery) |
| EX. 01 - CH. 11 | Prepared Direct Testimony of Roy M. Christian, Chapter 11 (SoCalGas's EE 2028-2031 Portfolio Plan and 2032-2035 Business Plan New or Modified EE Policy) |
| EX. 02 | Prepared Direct Testimony of Darren M. Hanway, Program Cards |
| EX. 03 | Prepared Direct Testimony of Darren M. Hanway, CEDARS Confirmation |
| EX. 04 | Prepared Direct Testimony of Simon Cheng, Testimony Workpapers |
| Attachment A | Statements of Qualifications |
| Attachment B | Statewide Assessment Process (OP 2) |

The areas of testimony submitted is per the directive of D.21-05-031, OP 6 and the templates provided by Energy Division in connection with D.21-05-031. The following provides a summary of the relevant testimony areas covered by the witnesses in Exhibit 1.

A. Prepared Direct Testimony of Andrew Steinberg, Overview of Exhibit 1 and Chapter 1 (SoCalGas's Energy Efficiency 2028-2031 Portfolio Plan and 2032-2035 Business Plan Executive Summary)

Witness Andrew Steinberg provides an overview of the Company's proposals in this Application in the Introduction of Exhibit 1, and in Chapter 1 provides the brief description of the Application's intent. The description in Chapter 1 includes what type of stakeholder engagements were done, whether and how ratepayers in different classes/sectors were impacted, and a summary of policy proposals.

B. Prepared Direct Testimony of Darren M. Hanway, Chapter 2 (SoCalGas's Energy Efficiency 2028-2031 Portfolio Plan and 2032-2035 Business Plan Portfolio Summary)

Witness Darren Hanway's prepared direct testimony provides an overview of SoCalGas's service territory and related factors. This chapter includes a summary of expected performance metrics covering the four-year and eight-year budget requests.

C. Prepared Direct Testimony of Darren M. Hanway Chapter 3 (SoCalGas's Energy Efficiency 2028-2031 Portfolio Plan and 2032-2035 Business Plan Portfolio Strategies)

Witness Darren Hanway's prepared direct testimony describes portfolio strategies for the four-year portfolio plan and eight-year business plan, and dependencies on new or updated policies. This chapter provides a detailed description of strategies and responses to prompts included in the testimony template.

D. Prepared Direct Testimony of Simon Cheng, Chapter 4 (SoCalGas’s Energy Efficiency 2028-2031 Portfolio Plan and 2032-2035 Business Plan Forecast Methodology and Zero-Based Budgeting)

Witness Simon Cheng’s prepared direct testimony addresses the application’s business plan forecast methodology and zero-based budgeting. His testimony also includes the following and notes on how delivery type and measurement methods are being incorporated into:

1. Methodologies to forecast and allocate Resource Acquisition, Equity, Market Support, and Codes and Standards program budget and benefits;
2. Methodologies to forecast and allocate program budget and benefits by sector; and
3. Methodologies and calculations associated with zero-based budgeting⁴

The second half of this section of testimony includes program modifications from 2024-2027 portfolio cycle including closed program and list of new programs and placeholders.

E. Prepared Direct Testimony of Darren Hanway, Chapter 5 (SoCalGas’s Energy Efficiency 2028-2031 Portfolio Plan and 2032-2035 Business Plan Portfolio Management)

Witness Darren Hanway’s direct testimony provides an overview of key metrics and outcomes over the next eight-year cycle and explains SoCalGas’s strategies to optimize the portfolio and manage risks. Mr. Hanway’s testimony explains the expectations and responsibilities of SoCalGas to the third-party implementers and SoCalGas’s plan to support third party performance, including the requirements prescribed by D.23-02-002. This testimony also provides a summary of the current portfolio of statewide programs, including how the program incorporates results and recommendations from evaluation studies, as well as statewide assessments based on D.23-06-055 (COL 7).

F. Prepared Direct Testimony of Darren Hanway, Chapter 6 (SoCalGas’s Energy Efficiency 2028-2031 Portfolio Plan and 2032-2035 Business Plan Portfolio Sector and Segment Strategy)

Witness Darren Hanway’s direct testimony provides a description into each sector and segment (e.g., residential, commercial, industrial, agricultural, public, and cross-cutting, etc.) and provides the Company’s strategy, including key target populations and end-uses (e.g., in

⁴ D.21-05-031 (COL 22) and (OP 8).

residential: single family, multifamily, farmworker housing). Mr. Hanway’s testimony includes budget distribution details provided by sector for the four-year and cumulative eight-year plan.

G. Prepared Direct Testimony of Darren M. Hanway, Chapter 7 (SoCalGas’s Energy Efficiency 2028-2031 Portfolio Plan and 2032-2035 Business Plan Portfolio Coordination)

Witness Darren Hanway’s direct testimony describes coordination, including the coordination with other PAs, Energy Savings Assistance (“ESA”) Programs, and other Demand Side Programs.

H. Prepared Direct Testimony of Roy M. Christian, Chapter 8 (SoCalGas’s Energy Efficiency 2028-2031 Portfolio Plan and 2032-2035 Business Plan Stakeholder Engagement)

Witness Roy Christian’s direct testimony provides a summary of feedback received through the stakeholder engagement meetings, in developing the application, policy proposals, and a summary of how SoCalGas addressed such feedback.

I. Prepared Direct Testimony of Roy M. Christian, Chapter 9 (SoCalGas’s Energy Efficiency 2028-2031 Portfolio Plan and 2032-2035 Business Plan Evaluation, Measurement & Verification)

Witness Roy Christian’s direct testimony provides an overview of SoCalGas’s planned evaluation, measurement, and verification (“EM&V”) activities for 2028-2031. Mr. Christian’s testimony addresses SoCalGas plans to maintain core objectives, proposing four areas of focus to provide support for program segments and portfolio achievement:

- Portfolio *Ex Ante* Savings
- Portfolio Optimization and Evolution
- Support Program Impacts (*Ex Post*)
- General Portfolio and Program EM&V Support

J. Prepared Direct Testimony of Simon Cheng, Chapter 10 (SoCalGas’s Energy Efficiency 2028-2031 Portfolio Plan and 2032-2035 Business Plan Cost & Cost Recovery)

Witness Simon Cheng’s direct testimony addresses SoCalGas’s proposed costs and cost recovery for its 2028-2031 portfolio. SoCalGas does not propose any changes to the existing energy efficiency balancing accounts or treatment of any unspent, uncommitted funds for 2028-2031. Consistent with D.12-11-015, approved funds that have neither been spent nor committed at

the end of the program cycle are returned to ratepayers by offsetting future revenue requirements or are otherwise treated as directed by the Commission.

K. Prepared Direct Testimony of Roy M. Christian, Chapter 11 (SoCalGas’s Energy Efficiency 2028-2031 Portfolio Plan and 2032-2035 Business Plan New or Modified Energy Efficiency Policy)

Witness Roy Christian’s direct testimony presents recommendations for new policy requirements and recommendations to existing policy requirements. Through this testimony, SoCalGas offers recommendations to support improvements in program effectiveness, customer access, and regulatory efficiency. The proposals in this testimony are intended to help advance Commission priorities related to affordability and bill relief, environmental benefits and decarbonization, and the reduction of administrative

IV. STATUTORY AND PROCEDURAL REQUIREMENTS

A. Rule 2.1 (a) – (c)

This Application is made pursuant to Sections 451, 454, 454.56, 489, 491, 701, 701.1, 728, 729, and 1701 of the Public Utilities Code of the State of California, the Commission’s Rules of Practice and Procedure, and relevant decisions, orders, and resolutions of the Commission. In accordance with Rule 2.1 (a) - (c) of the Commission’s Rules of Practice and Procedure, SoCalGas provides the following information.

1. Rule 2.1(a) – Legal Name

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

2. Rule 2.1(b) – Correspondence

Correspondence and communications regarding this Application should be addressed to:

Pamela Wu
Regulatory Case Manager for:
SOUTHERN CALIFORNIA GAS COMPANY
555 West Fifth Street, Ste. 1400
Los Angeles, CA 90013
Telephone: (213) 231-6987
Facsimile: (213) 244-4957
Email: 219-5347 pwu@socalgas.com

A copy should also be sent to:

Jeffrey B. Fohrer
Attorney for:
SOUTHERN CALIFORNIA GAS COMPANY
555 West Fifth Street, Ste. 1400
Los Angeles, CA 90013
Telephone: (213) 244-3061
Facsimile: (213) 244-4957
Email: jfohrer@socalgas.com

3. Rule 2.1(c)

a) Proposed Category of Proceeding

SoCalGas proposes that this proceeding be categorized as “ratesetting” under Rule 1.3(e) as the most appropriate of the available categories.

b) Need for Hearings

Similar to last cycle where evidentiary hearings were not required, SoCalGas does not believe that approval of this Application will require evidentiary hearings. SoCalGas has provided ample supporting testimony, analysis, and documentation that provide the Commission with a sufficient record upon which to grant the relief requested. SoCalGas believes the Commission can receive stakeholder input through the briefing process and policy issues can be examined and resolved through written comments. However, to the extent evidentiary hearings may be required, SoCalGas requests that any schedule set forth by the Commission include a procedural mechanism by which the parties can specifically identify material issues of fact in dispute that warrant an evidentiary hearing. Similarly, and pursuant to Rule 2.6 (b), any protest that requests evidentiary hearings “must state the facts the protestant would present at an evidentiary hearing to support its request for whole or partial denial of the application.” As such, and although SoCalGas does not believe that evidentiary hearings are necessary, it includes hearing/workshop dates in the proposed procedural schedule below should the Commission determine that hearings are necessary.

c) Issues to be Considered

The principal issues to be considered in this proceeding are: (1) whether SoCalGas’s Portfolio Plan and Business Plan should be adopted as filed, and (2) whether the policy considerations tendered in conjunction with the Portfolio Plan and Business Plan should be adopted in this proceeding. This Application does not identify any safety considerations associated with the requested relief.

d) Proposed Schedule

SoCalGas proposes the following schedule for this Application:

| Date | Event |
|---|---|
| March 16, 2026 | SoCalGas Application Filed |
| 30 days from the Application's Appearance on the Daily Calendar | Responses/Protests to SoCalGas Application |
| 10 days from the Response/Protest Deadline | SoCalGas Reply to Responses/Protests, per Rule 2.6 |
| May-June 2026 | Prehearing Conference (PHC), PHC Statements, and Scoping Memo |
| July 2026 | Workshops, if needed |
| September 21, 2026 | Intervenor Testimony / Deadline to file motion for evidentiary hearings |
| October 21, 2026 | Rebuttal Testimony Due |
| Winter 2026 | Meet and Confer Pursuant to Rule 13.9 |
| November 2-6, 2026 | Evidentiary Hearings (if needed) |
| January 11, 2027 | Opening Briefs (if needed) |
| February 11, 2027 | Reply Briefs (if needed) |
| May 2027 | Proposed Decision |
| June 2027 | Final Decision |

SoCalGas is amendable to working with parties to come up with a mutually agreeable proposed schedule.

B. Rule 2.2 – Articles of Incorporation

A copy of SoCalGas's Restated Articles of Incorporation, as last amended, presently in effect and certified by the California Secretary of State, was previously filed with the Commission on October 1, 1998, in connection with application ("A.") 98-10-012, and is incorporated herein by reference.

C. Rule 3.2(a)-(d)

Rule 3.2 of the Commission’s Rules of Practice and Procedure applies to applications “for authority to increase rates, or to implement changes that would result in increased rates.” In accordance with Rule 3.2(a) –(d) of the Commission’s Rules of Practice and Procedure, SoCalGas provides the following information.

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

Attachment A of this Application presents SoCalGas’s most current balance sheet and an income statement for the period ending September 30, 2025.

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

The rate changes that will result from this Application are described in Attachment B.

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

A general description of SoCalGas’s property and equipment was previously filed with the Commission on May 3, 2004 in connection with SoCalGas’s Application 04-05-008, and is incorporated herein by reference. A statement of Original Cost and Depreciation Reserve as of September 30, 2025, is attached as Attachment C.

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

The summary of earnings for SoCalGas is included herein as Attachment D.

5. Rule 3.2(a)(7) – Depreciation

For financial statement purposes, depreciation of utility plant has been computed on a straight-line remaining life basis at rates based on the estimated useful lives of plant properties. For federal income tax accrual purposes, SoCalGas has generally computed depreciation using the straight-line method for tax property additions prior to 1954, and liberalized depreciation, which includes Class Life and Asset Depreciation Range Systems, on tax property additions after 1954 and prior to 1981. For financial reporting and rate-making purposes, “flow through accounting” has been adopted for such properties. For tax property additions in years 1981 through 1986, SoCalGas has computed its tax depreciation using the Accelerated Cost Recovery System. For years after 1986, SoCalGas has computed its tax depreciation using the Modified Accelerated Cost Recovery Systems and, since 1982, has normalized the effects of the accelerated depreciation differences in accordance with the Economic Recovery Tax Act of 1981, the Tax Reform Act of 1986, the Tax Cuts and Jobs Act of 2017, the Inflation Reduction Act of 2022, and the One Big Beautiful Bill Act of 2025.

6. Rule 3.2(a)(8) – Proxy Statement

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

7. Rule 3.2(a)(1) – Pass Through of Costs

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

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

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

9. Rule 3.2(c) – Newspaper Publication

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

10. Rule 3.2(d) – Bill Insert Notice

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

D. Rule 1.9 Service

This is a new application and no service list has been established. Accordingly, SoCalGas will serve this application on the Chief Administrative Law Judge and the parties to the service list for R.25-04-010 by electronic mail and by U.S. mail to those parties who have not provided an electronic address to the Commission.

V. CONCLUSION

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

- 1) Approve SoCalGas’s Strategic Business Plan for 2028-2035.

- 2) Approve SoCalGas's requested changes to Commission-adopted policies, as described further in Exhibit 1.
- 3) Grant such other relief as is necessary and proper.

Respectfully submitted,

SOUTHERN CALIFORNIA GAS COMPANY

By: 
Andy Carrasco

Vice President
Communications and
Regional Stakeholder Engagement

Respectfully submitted,

By: /s/ Jeffrey B. Fohrer
Jeffrey B. Fohrer

JEFFREY B. FOHRER

Attorney for:

SOUTHERN CALIFORNIA GAS COMPANY

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March 16, 2026

VERIFICATION

I am an officer of Southern California Gas Company and am authorized to make this verification on its behalf. The content of this Application is true, except as to matters that are stated on information and belief, and as to those matters, I believe them to be true.

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

Executed this 16th day of March, 2026, at Los Angeles, California.

By: 
ANDY CARRASCO

Andy Carrasco
Vice President, Communications and Regional Stakeholder
Engagement
SOUTHERN CALIFORNIA GAS COMPANY

ATTESTATION

1. I am Vice President of Communications and Regional Stakeholder Engagement of Southern California Gas Company (SoCalGas). I am providing this attestation based upon the requirements of Ordering Paragraph 5 of California Public Utilities Commission (CPUC or Commission) Decision (D.) 23-09-002.

2. On December 23, 2015, the CPUC's Executive Director issued a letter to SoCalGas directing SoCalGas to provide information to the CPUC concerning costs associated with the uncontrolled release of natural gas from Well SS-25 at the Aliso Canyon Storage Facility from October 23, 2015, through February 11, 2016 (the Incident).

3. Beginning in December 2015, SoCalGas has reported to the Commission the costs associated with the Incident in the monthly Incident-related cost report submitted pursuant to the Executive Director's December 23, 2015, directive (Directive Report).

4. On October 28, 2022, SoCalGas, the CPUC's Safety and Enforcement Division (SED) and the Public Advocates Office at the CPUC (Cal Advocates) filed a Joint Motion for Adoption of Settlement Agreement in Investigation (I.)19-06-016 seeking the approval of the Settlement Agreement entered by SoCalGas, SED, and Cal Advocates (Settlement Agreement).

5. On September 12, 2023, the Commission issued D.23-09-002 which approved the Settlement Agreement between SoCalGas, SED, and Cal Advocates resolving I.19-06-016.

6. Ordering Paragraph 5 of D.23-09-002 states that SoCalGas shall submit an attestation by a Vice President or higher company executive with every application requesting rate recovery attesting that it has not included any expenses or costs identified in the Settlement Agreement. This attestation requirement shall apply for five years from the date of the final issuance of this decision.

7. I have reviewed the testimony supporting this application (including costs requested) used to support SoCalGas's proposal and I have reviewed the most recent Directive Report. Based on my review of these documents and other diligence, I am informed and believe, and upon such information and belief, certify that SoCalGas has not included any expenses or costs identified in the Settlement Agreement adopted in D.23-09-002 in the enclosed Application being filed on March 16, 2026.

Executed on March 16, 2026, at Los Angeles, California.

A handwritten signature in black ink, appearing to read "Andy Carrasco", written over a horizontal line.

Andy Carrasco

Southern California Gas Company
Vice President, Communications and
Regional Stakeholder Engagement

ATTACHMENT A

**SOUTHERN CALIFORNIA GAS COMPANY
BALANCE SHEET
ASSETS AND OTHER DEBITS
SEPTEMBER 30, 2025**

| 1. UTILITY PLANT | | <u>2025</u> |
|-------------------------|---|------------------------------|
| 101 | UTILITY PLANT IN SERVICE | \$28,577,686,090 |
| 102 | UTILITY PLANT PURCHASED OR SOLD | - |
| 105 | PLANT HELD FOR FUTURE USE | - |
| 106 | COMPLETED CONSTRUCTION NOT CLASSIFIED | - |
| 107 | CONSTRUCTION WORK IN PROGRESS | 2,039,287,301 |
| 108 | ACCUMULATED PROVISION FOR DEPRECIATION OF UTILITY PLANT | (8,886,165,206) |
| 111 | ACCUMULATED PROVISION FOR AMORTIZATION OF UTILITY PLANT | (279,161,205) |
| 117 | GAS STORED-UNDERGROUND | 61,422,045 |
| | TOTAL NET UTILITY PLANT | <u>21,513,069,025</u> |

| 2. OTHER PROPERTY AND INVESTMENTS | | |
|--|---|--------------------------|
| 121 | NONUTILITY PROPERTY | 36,717,077 |
| 122 | ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF NONUTILITY PROPERTY | (15,018,867) |
| 123 | INVESTMENTS IN SUBSIDIARY COMPANIES NONCURRENT PORTION OF ALLOWANCES | - |
| 124 | OTHER INVESTMENTS | 1 |
| 125 | SINKING FUNDS | - |
| 128 | OTHER SPECIAL FUNDS | 12,154,736 |
| | TOTAL OTHER PROPERTY AND INVESTMENTS | <u>33,852,947</u> |

**SOUTHERN CALIFORNIA GAS COMPANY
BALANCE SHEET
ASSETS AND OTHER DEBITS
SEPTEMBER 30, 2025**

| 3. CURRENT AND ACCRUED ASSETS | | 2025 |
|--------------------------------------|--|--------------------------|
| 131 | CASH | 292,597 |
| 132 | INTEREST SPECIAL DEPOSITS | - |
| 134 | OTHER SPECIAL DEPOSITS | - |
| 135 | WORKING FUNDS | 120,773 |
| 136 | TEMPORARY CASH INVESTMENTS | - |
| 141 | NOTES RECEIVABLE | - |
| 142 | CUSTOMER ACCOUNTS RECEIVABLE | 820,355,248 |
| 143 | OTHER ACCOUNTS RECEIVABLE | 41,641,581 |
| 144 | ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS | (215,531,903) |
| 145 | NOTES RECEIVABLE FROM ASSOCIATED COMPANIES | 34 |
| 146 | ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES | (16,284,032) |
| 151 | FUEL STOCK | - |
| 152 | FUEL STOCK EXPENSE UNDISTRIBUTED | - |
| 154 | PLANT MATERIALS AND OPERATING SUPPLIES | 141,984,223 |
| 155 | MERCHANDISE | - |
| 156 | OTHER MATERIALS AND SUPPLIES | - |
| 158 | GHG ALLOWANCE | 1,127,729,463 |
| | (LESS) NONCURRENT PORTION OF ALLOWANCES | - |
| 163 | STORES EXPENSE UNDISTRIBUTED | (1,843,512) |
| 164 | GAS STORED | 159,629,134 |
| 165 | PREPAYMENTS | 100,149,442 |
| 171 | INTEREST AND DIVIDENDS RECEIVABLE | 813,453 |
| 173 | ACCRUED UTILITY REVENUES | - |
| 174 | MISCELLANEOUS CURRENT AND ACCRUED ASSETS | 9,350,800 |
| 175 | DERIVATIVE INSTRUMENT ASSETS | 11,645,519 |
| | TOTAL CURRENT AND ACCRUED ASSETS | 2,180,052,820 |
| 4. DEFERRED DEBITS | | |
| 181 | UNAMORTIZED DEBT EXPENSE | 54,508,655 |
| 182 | UNRECOVERED PLANT AND OTHER REGULATORY ASSETS | 5,520,557,868 |
| 183 | PRELIMINARY SURVEY & INVESTIGATION CHARGES | 6,957,408 |
| 184 | CLEARING ACCOUNTS | 3,679,119 |
| 185 | TEMPORARY FACILITIES | - |
| 186 | MISCELLANEOUS DEFERRED DEBITS | 528,871,082 |
| 188 | RESEARCH AND DEVELOPMENT | - |
| 189 | UNAMORTIZED LOSS ON REACQUIRED DEBT | - |
| 190 | ACCUMULATED DEFERRED INCOME TAXES | 1,186,448,649 |
| 191 | UNRECOVERED PURCHASED GAS COSTS | - |
| | TOTAL DEFERRED DEBITS | 7,301,022,781 |
| | TOTAL ASSETS AND OTHER DEBITS | \$ 31,027,997,573 |

**SOUTHERN CALIFORNIA GAS COMPANY
BALANCE SHEET
LIABILITIES AND OTHER CREDITS
SEPTEMBER 30, 2025**

5. PROPRIETARY CAPITAL

| | | 2025 |
|-----|--|------------------------|
| 201 | COMMON STOCK ISSUED | (834,888,907) |
| 204 | PREFERRED STOCK ISSUED | (21,551,075) |
| 207 | PREMIUM ON CAPITAL STOCK | - |
| 208 | OTHER PAID-IN CAPITAL | - |
| 210 | GAIN ON RETIRED CAPITAL STOCK | (9,722) |
| 211 | MISCELLANEOUS PAID-IN CAPITAL | (1,481,306,680) |
| 214 | CAPITAL STOCK EXPENSE | 143,261 |
| 216 | UNAPPROPRIATED RETAINED EARNINGS | (6,421,622,726) |
| 219 | ACCUMULATED OTHER COMPREHENSIVE INCOME | 18,080,829 |
| | TOTAL PROPRIETARY CAPITAL | (8,741,155,020) |

6. LONG-TERM DEBT

| | | |
|-----|--|------------------------|
| 221 | BONDS | (7,400,000,000) |
| 224 | OTHER LONG-TERM DEBT | (709,338,770) |
| 225 | UNAMORTIZED PREMIUM ON LONG-TERM DEBT | 6,670,147 |
| 226 | UNAMORTIZED DISCOUNT ON LONG-TERM DEBT | 19,014,193 |
| | TOTAL LONG-TERM DEBT | (8,083,654,430) |

7. OTHER NONCURRENT LIABILITIES

| | | |
|-------|---|------------------------|
| 227 | OBLIGATIONS UNDER CAPITAL LEASES - NONCURRENT | (98,666,121) |
| 228.2 | ACCUMULATED PROVISION FOR INJURIES AND DAMAGES | (92,472,716) |
| 228.3 | ACCUMULATED PROVISION FOR PENSIONS AND BENEFITS | (33,490,906) |
| 228.4 | ACCUMULATED MISCELLANEOUS OPERATING PROVISIONS | - |
| 245 | NONCURRENT DERIVATIVE INSTRUMENT LIABILITIES | - |
| 230 | ASSET RETIREMENT OBLIGATIONS | (3,068,017,884) |
| | TOTAL OTHER NONCURRENT LIABILITIES | (3,292,647,627) |

**SOUTHERN CALIFORNIA GAS COMPANY
BALANCE SHEET
LIABILITIES AND OTHER CREDITS
SEPTEMBER 30, 2025**

| 8. CURRENT AND ACCRUED LIABILITES | | 2025 |
|--|---|----------------------------|
| 231 | NOTES PAYABLE | (410,808,974) |
| 232 | ACCOUNTS PAYABLE | (597,794,263) |
| 233 | NOTES PAYABLE TO ASSOCIATED COMPANIES | - |
| 234 | ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES | (43,229,558) |
| 235 | CUSTOMER DEPOSITS | (74,180,144) |
| 236 | TAXES ACCRUED | (54,851,212) |
| 237 | INTEREST ACCRUED | (116,122,059) |
| 238 | DIVIDENDS DECLARED | (323,266) |
| 241 | TAX COLLECTIONS PAYABLE | (22,539,546) |
| 242 | MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES | (554,040,836) |
| 243 | OBLIGATIONS UNDER CAPITAL LEASES - CURRENT | (32,644,017) |
| 244 | DERIVATIVE INSTRUMENT LIABILITIES | (77,777,015) |
| 245 | DERIVATIVE INSTRUMENT LIABILITIES - HEDGES | |
| TOTAL CURRENT AND ACCRUED LIABILITIES | | (1,984,310,890) |
| 9. DEFERRED CREDITS | | |
| 252 | CUSTOMER ADVANCES FOR CONSTRUCTION | (113,521,691) |
| 253 | OTHER DEFERRED CREDITS | (1,130,527,827) |
| 254 | OTHER REGULATORY LIABILITIES | (4,296,055,954) |
| 255 | ACCUMULATED DEFERRED INVESTMENT TAX CREDITS | (5,414,489) |
| 257 | UNAMORTIZED GAIN ON REACQUIRED DEBT | - |
| 281 | ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED | - |
| 282 | ACCUMULATED DEFERRED INCOME TAXES - PROPERTY | (2,587,424,116) |
| 283 | ACCUMULATED DEFERRED INCOME TAXES - OTHER | (793,285,529) |
| TOTAL DEFERRED CREDITS | | (8,926,229,606) |
| TOTAL LIABILITIES AND OTHER CREDITS | | \$ (31,027,997,573) |

SOUTHERN CALIFORNIA GAS COMPANY
STATEMENT OF INCOME AND RETAINED EARNINGS
NINE MONTHS ENDED SEPTEMBER 30, 2025

1. UTILITY OPERATING INCOME

| | | | |
|-------|--|---------------|----------------------|
| 400 | OPERATING REVENUES | | 4,463,528,367 |
| 401 | OPERATING EXPENSES | 2,458,047,475 | |
| 402 | MAINTENANCE EXPENSES | 340,722,581 | |
| 403-7 | DEPRECIATION AND AMORTIZATION EXPENSES | 758,498,590 | |
| 408.1 | TAXES OTHER THAN INCOME TAXES | 175,293,738 | |
| 409.1 | INCOME TAXES | 37,663,295 | |
| 410.1 | PROVISION FOR DEFERRED INCOME TAXES | 527,394,626 | |
| 411.1 | PROVISION FOR DEFERRED INCOME TAXES - CREDIT | (594,924,394) | |
| 411.4 | INVESTMENT TAX CREDIT ADJUSTMENTS | (234,268) | |
| 411.6 | GAIN FROM DISPOSITION OF UTILITY PLANT | - | |
| 411.7 | LOSS FROM DISPOSITION OF UTILITY PLANT | - | |
| | TOTAL OPERATING REVENUE DEDUCTIONS | | 3,702,461,643 |
| | NET OPERATING INCOME | | 761,066,724 |

2. OTHER INCOME AND DEDUCTIONS

| | | | |
|-------|---|---------------------|----------------------|
| 415 | REVENUE FROM MERCHANDISING, JOBBING AND CONTRACT WORK | - | |
| 417 | REVENUES FROM NONUTILITY OPERATIONS | - | |
| 417.1 | EXPENSES OF NONUTILITY OPERATIONS | (6,209,548) | |
| 418 | NONOPERATING RENTAL INCOME | 127,569 | |
| 418.1 | EQUITY IN EARNINGS OF SUBSIDIARIES | - | |
| 419 | INTEREST AND DIVIDEND INCOME | 31,168,944 | |
| 419.1 | ALLOWANCE FOR OTHER FUNDS USED DURING CONSTRUCTION | 52,985,964 | |
| 421 | MISCELLANEOUS NONOPERATING INCOME | (1,744,074) | |
| 421.1 | GAIN ON DISPOSITION OF PROPERTY | - | |
| | TOTAL OTHER INCOME | 76,328,855 | |
| 421.2 | LOSS ON DISPOSITION OF PROPERTY | 488,209 | |
| 425 | MISCELLANEOUS AMORTIZATION | - | |
| 426 | MISCELLANEOUS OTHER INCOME DEDUCTIONS | (12,922,556) | |
| | TOTAL OTHER DEDUCTIONS | (12,434,347) | |
| 408.2 | TAXES OTHER THAN INCOME TAXES | (275,215) | |
| 409.2 | INCOME TAXES | 6,204,258 | |
| 410.2 | PROVISION FOR DEFERRED INCOME TAXES | (102,587,224) | |
| 411.2 | PROVISION FOR DEFERRED INCOME TAXES - CREDIT | 116,945,063 | |
| 420 | INVESTMENT TAX CREDITS | - | |
| | TOTAL TAXES ON OTHER INCOME AND DEDUCTIONS | 20,286,882 | |
| | TOTAL OTHER INCOME, DEDUCTIONS AND TAXES | | 84,181,390 |
| | INCOME BEFORE INTEREST CHARGES | | 845,248,114 |
| | NET INTEREST CHARGES* | | 271,798,061 |
| | NET INCOME | | \$573,450,053 |

*NET OF ALLOWANCE FOR BORROWED FUNDS USED DURING CONSTRUCTION. \$ (21,917,948.26)

**STATEMENT OF INCOME AND RETAINED EARNINGS
NINE MONTHS ENDED SEPTEMBER 30, 2025**

3. RETAINED EARNINGS

| | |
|--|-----------------------------|
| RETAINED EARNINGS AT BEGINNING OF PERIOD, AS PREVIOUSLY REPORTED | 5,849,142,471 |
| NET INCOME (FROM PRECEDING PAGE) | \$573,450,053 |
| DIVIDEND TO PARENT COMPANY | - |
| DIVIDENDS DECLARED - PREFERRED STOCK | (969,798) |
| DIVIDENDS DECLARED - COMMON STOCK | - |
| OTHER RETAINED EARNINGS ADJUSTMENT | - |
| RETAINED EARNINGS AT END OF PERIOD | <u><u>6,421,622,726</u></u> |

ATTACHMENT B

| Customer Class | | Current Rates (as of Mar. 2026) | \$ Change (2028- 2031 Average) | % Change (2028-2031 Average) | \$ Change (Peak Year 2031) | % Change (Peak Year 2031) |
|-----------------------|--|-------------------------------------|-----------------------------------|------------------------------------|-------------------------------|------------------------------|
| Core -CARE | | \$/th | \$th | % | \$/th | % |
| Residential | | \$1.645 | \$0.000 | 0.0% | \$0.001 | 0.1% |
| Commerical/Industrial | | \$1.238 | \$0.001 | 0.1% | \$0.003 | 0.3% |
| Gas AC | | \$1.853 | \$0.011 | 0.5% | \$0.028 | 1.5% |
| | | | | | | |
| Core-Non-CARE | | | | | | |
| Residential | | \$2.092 | \$0.000 | 0.0% | \$0.001 | 0.0% |
| Commerical/Industrial | | \$1.579 | \$0.001 | 0.1% | \$0.003 | 0.2% |
| NGV | | \$0.951 | \$0.000 | 0.0% | \$0.000 | 0.0% |
| GAS AC | | \$2.149 | \$0.011 | 0.5% | \$0.028 | 1.3% |
| Gas Engine | | \$0.893 | \$0.002 | 0.2% | \$0.003 | 0.4% |
| | | | | | | |
| NonCore | | | | | | |
| Commerical/Industrial | | \$0.254 | \$0.000 | 0.0% | \$0.000 | 0.1% |

ATTACHMENT C

SoCalGas
Plant Investment and Accumulated Depreciation
As of September 30, 2025

| ACCOUNT NUMBER | DESCRIPTION | ORIGINAL COSTS | ACCUMULATED RESERVE | NET BOOK VALUE |
|-----------------------------------|-----------------------------------|----------------------|------------------------|----------------------|
| INTANGIBLE ASSETS | | | | |
| 301 | Organization | 76,457 | - | 76,457 |
| 302 | Franchise and Consents | 602,060 | - | 602,060 |
| 303 | Cloud Compute | 256,834,092 | (51,031,863) | 205,802,229 |
| | Total Intangible Assets | <u>257,512,609</u> | <u>(51,031,863)</u> | <u>206,480,746</u> |
| PRODUCTION: | | | | |
| 325 | Other Land Rights | - | - | - |
| 330 | Prd Gas Wells Const | - | - | - |
| 331 | Prd Gas Wells Eqp | - | - | - |
| 332 | Field Lines | - | - | - |
| 334 | FldMeas&RegStnEquip | - | - | - |
| 336 | Prf Eqpt | - | - | - |
| | Total Production | <u>-</u> | <u>-</u> | <u>-</u> |
| UNDERGROUND STORAGE: | | | | |
| 350 | Land | 4,435,130 | - | 4,435,130 |
| 350SR | Storage Rights | 19,069,515 | (17,741,191) | 1,328,324 |
| 350RW | Rights-of-Way | 25,354 | (20,468) | 4,886 |
| 351 | Structures and Improvements | 204,329,045 | (42,385,774) | 161,943,272 |
| 352 | Wells | 805,146,879 | 242,908,997 | 1,048,055,876 |
| 353 | Lines | 268,995,089 | (33,685,070) | 235,310,019 |
| 354 | Compressor Station and Equipment | 519,580,039 | (109,626,009) | 409,954,030 |
| 355 | Measuring And Regulator Equipment | 33,707,823 | (6,604,111) | 27,103,712 |
| 356 | Purification Equipment | 184,450,159 | (104,081,409) | 80,368,750 |
| 357 | Other Equipment | 170,285,288 | (41,043,622) | 129,241,666 |
| | Total Underground Storage | <u>2,210,024,322</u> | <u>(112,278,657)</u> | <u>2,097,745,665</u> |
| TRANSMISSION PLANT- OTHER: | | | | |
| 365 | Land | 9,542,816 | - | 9,542,816 |
| 365RW | Rights-of-Way | 129,872,118 | (32,703,119) | 97,168,999 |
| 366 | Structures and Improvements | 343,283,533 | (41,590,524) | 301,693,008 |
| 367 | Mains | 4,042,652,696 | (1,006,571,348) | 3,036,081,348 |
| 368 | Compressor Station and Equipment | 731,417,774 | (141,417,525) | 590,000,249 |
| 369 | Measuring And Regulator Equipment | 508,746,243 | (84,919,203) | 423,827,040 |
| 370 | Communication Equipment | 153,534,172 | (43,298,263) | 110,235,909 |
| 371 | Other Equipment | 53,605,654 | (9,512,843) | 44,092,811 |
| | Total Transmission Plant | <u>5,972,655,004</u> | <u>(1,360,012,824)</u> | <u>4,612,642,180</u> |
| DISTRIBUTION PLANT: | | | | |
| 374 | Land | 29,737,007 | - | 29,737,007 |
| 374LRTS | Land Rights | 3,797,578 | (2,477,293) | 1,320,285 |
| 375 | Structures and Improvements | 491,837,199 | (104,143,478) | 387,693,721 |
| 376 | Mains | 7,460,224,745 | (3,407,832,576) | 4,052,392,169 |
| 378 | Measuring And Regulator Equipment | 263,669,629 | (113,839,770) | 149,829,859 |
| 380 | Services | 4,498,502,009 | (2,524,191,716) | 1,974,310,293 |
| 381 | Meters | 1,090,437,506 | (456,759,334) | 633,678,172 |

SoCalGas
Plant Investment and Accumulated Depreciation
As of September 30, 2025

| ACCOUNT NUMBER | DESCRIPTION | ORIGINAL COSTS | ACCUMULATED RESERVE | NET BOOK VALUE |
|---------------------------|--|------------------------------|--------------------------------|------------------------------|
| 382 | Meter Installation | 747,722,340 | (316,121,636) | 431,600,705 |
| 383 | House Regulators | 213,263,654 | (103,011,689) | 110,251,965 |
| 387 | Other Equipment | 85,764,222 | (39,565,277) | 46,198,945 |
| | Total Distribution Plant | <u>14,884,955,890</u> | <u>(7,067,942,769)</u> | <u>7,817,013,121</u> |
| GENERAL PLANT: | | | | |
| 389 | Land | 1,342,839 | - | 1,342,839 |
| 389LRTS | Land Rights | 74,300 | (50,876) | 23,424 |
| 390 | Structures and Improvements | 273,498,451 | (199,059,653) | 74,438,799 |
| 391 | Office Furniture and Equipment | 2,524,033,766 | (1,848,558,862) | 675,474,903 |
| 392 | Transportation Equipment | 2,368,162 | (579,458) | 1,788,704 |
| 393 | Stores Equipment | 291,979 | (109,059) | 182,920 |
| 394 | Shop and Garage Equipment | 179,344,605 | (45,952,948) | 133,391,657 |
| 395 | Laboratory Equipment | 10,742,234 | (1,830,099) | 8,912,135 |
| 396 | Construction Equipment | - | - | - |
| 397 | Communication Equipments | 343,046,734 | (149,059,077) | 193,987,657 |
| 398 | Miscellaneous Equipment | 1,824,295 | (128,242) | 1,696,053 |
| | Total General Plant | <u>3,336,567,366</u> | <u>(2,245,328,275)</u> | <u>1,091,239,091</u> |
| | Subtotal | <u>26,661,715,191</u> | <u>(10,836,594,388)</u> | <u>15,825,120,802</u> |
| 121 | Non-Utility Plant | 32,431,524 | (14,600,342) | 17,831,182 |
| 117GSUNC | Gas Stored Underground - NonCurrent | 61,422,045 | - | 61,422,045 |
| GCL | GCT - Capital Lease | - | - | - |
| | Total Other - Non-Utility Plant | <u>93,853,569</u> | <u>(14,600,342)</u> | <u>79,253,227</u> |
| | Total-Reconciliation to Asset History Totals | <u>26,755,568,759</u> | <u>(10,851,194,730)</u> | <u>15,904,374,029</u> |
| | Sept 2025 Asset 1020 Report | <u>26,755,568,759</u> | <u>(10,851,194,730)</u> | <u>15,904,374,029</u> |
| | Difference | <u>(0)</u> | <u>(0)</u> | <u>(0)</u> |

ATTACHMENT D

**SOUTHERN CALIFORNIA GAS COMPANY
SUMMARY OF EARNINGS
NINE MONTHS ENDED SEPTEMBER 30, 2025
(DOLLARS IN MILLIONS)**

| <u>Line No.</u> | <u>Item</u> | <u>Amount</u> |
|-----------------|----------------------------|---------------|
| 1 | Operating Revenue | \$4,464 |
| 2 | Operating Expenses | <u>3,702</u> |
| 3 | Net Operating Income | <u>\$762</u> |
| 4 | Weighted Average Rate Base | \$13,698 |
| 5 | Rate of Return* | 7.49% |

*Authorized Cost of Capital