APPLICATION OF SOUTHERN CALIFORNIA GAS COMPANY & SAN DIEGO GAS & ELECTRIC COMPANY FOR AUTHORITY TO REVISE THEIR NATURAL GAS RATES AND IMPLEMENT STORAGE PROPOSALS IN THE 2027 COST ALLOCATION PROCEEDING (A.25-09-014)
DATA REQUEST SET 13 FROM CAL ADVOCATES – PUBADV-SCG_SDGE-013-ST
DATED: FEBRUARY 27, 2026
SOCALGAS RESPONSE DATED: MARCH 13, 2026 – PARTIAL RESPONSE

The following questions refer to Chapter 10 Prepared Testimony:

Question 1. Referring to PDB-6:

a. Please provide the System Reliability Memorandum Account (SRMA) final annualized balances each year from 2012 to present. If the SRMA records more than just the costs for gas purchases (resulting from firm and interruptible OSD services, to maintain integrity of the Southern System as discussed in AL 4258-G), then provide only the costs of system reliability transactions resulting from providing OSD services on the Southern System each year, net of the fixed Southern System OSD revenues first credited to the SRMA.
b. In AL 4258-G, it is stated that the "remainder of the OSD service revenues from the Southern System plus OSD service revenues from SoCalGas' other transmission systems will be credited to the FASRMA for recovery of system modification costs." Please provide this yearly remainder each year from 2012 to present.
c. Please provide the Firm Access and Storage Rights Memorandum Account (FASRMA) final annualized balances each year from 2012 to present. If possible, please break down the calculation of the finalized balances by incremental costs required to implement expanded OSD service and OSD revenue each year.
d. Please provide the Backbone Transmission Balancing Account (BTBA) balances each year from 2012 to present. If the BTBA records more than just OSD revenues that exceeded 1) OSD revenues recorded in the SRMA to offset OSD-caused system reliability costs and 2) full recovery of system incremental costs recorded in FASRMA, then just provide those specific components (1 and 2) each year.

Response 1.a. – 1.d.

Response forthcoming.

APPLICATION OF SOUTHERN CALIFORNIA GAS COMPANY & SAN DIEGO GAS & ELECTRIC COMPANY FOR AUTHORITY TO REVISE THEIR NATURAL GAS RATES AND IMPLEMENT STORAGE PROPOSALS IN THE 2027 COST ALLOCATION PROCEEDING (A.25-09-014)
DATA REQUEST SET 13 FROM CAL ADVOCATES – PUBADV-SCG_SDGE-013-ST
DATED: FEBRUARY 27, 2026
SOCALGAS RESPONSE DATED: MARCH 13, 2026 – PARTIAL RESPONSE

Question 2. Referring to PDB-9:

a. Please provide the Noncore Storage Balancing Account (NSBA) overcollections each year since D.24-07-009. In addition, of that amount, please provide the credit that SoCalGas is proposing be recorded to FASRMA prior to allocation into rates.
b. When does SoCalGas propose that this will happen and when would the FASRMA balance be expected to reach zero?
c. Please provide information, either through excel workpapers or supporting calculations, to show how such a proposal would impact ratepayers.

Response 2.
Response forthcoming.

APPLICATION OF SOUTHERN CALIFORNIA GAS COMPANY & SAN DIEGO GAS & ELECTRIC COMPANY FOR AUTHORITY TO REVISE THEIR NATURAL GAS RATES AND IMPLEMENT STORAGE PROPOSALS IN THE 2027 COST ALLOCATION PROCEEDING (A.25-09-014)
DATA REQUEST SET 13 FROM CAL ADVOCATES – PUBADV-SCG_SDGE-013-ST
DATED: FEBRUARY 27, 2026
SOCALGAS RESPONSE DATED: MARCH 13, 2026 – PARTIAL RESPONSE

Question 3. Referring to PDB-10:

a. SoCalGas states that it "does not foresee any changes in gas demand, sources or market conditions that would make on-system supply competitive in off-system markets." Please provide any and all justification in the form of studies, workpapers, market research or historical data outlining why this claim should be deemed accurate.
b. SoCalGas states that "Interruptible OSD has not been offered since December 2017, out of concern that off system deliveries would reduce storage inventory over time and thus increase the risk of an adverse system impact later in the ensuing winter withdrawal season." Please elaborate on who makes such decisions (i.e. who in addition to the System Operator) and provide one or two historical examples of proposed delivery (or deliveries) which would have impacted storage reliability to an unsafe level. If SoCalGas cannot provide a historical example (or examples), provide reasoning. In addition, please thoroughly justify why interruptible OSD has not been offered since December of 2017.

Response 3.

a. This is based on the financial performance of OSD service from 2012-17. In his direct testimony (Page PDB-7, lines 3-7) Witness Borkovich states:

> Revenue from 2012-17 was minimal because City Gate prices were generally higher than upstream border prices when offered. During those rare instances when City Gate prices were lower than Border prices OSD was not offered based on System Operator concerns that OSD service would impact service to on-system customers

b. The System Operator makes these decisions per Rule 41 Section 1 and 2:

> The Utility's operational organization, procedures, and reporting requirements are described herein.
>
> STRUCTURE, PROCEDURES, AND PROTOCOLS
>
> 1. The mission of the Utility System Operator is to maintain system reliability and integrity while minimizing costs at all times.
>
> 2. The term "Utility System Operator" as defined in Rule No.1 denotes all of the applicable departments within Southern California Gas Company and San Diego Gas & Electric Company responsible for the physical and commercial operation of the pipeline

and storage systems specifically excluding the Utility Gas Procurement Department.

System Operator decisions to not offer OSD when service is most competitive are based on the risk that on-system service could be or was curtailed and that large, early winter withdrawals would reduce inventory available to cover potential cold weather events occurring later in the winter season. Recent examples include the November 2014 Polar Vortex, Winter Storm Uri (February 2021), and Winter Storm Fern (January 2026).

The System Operator decision to not offer OSD on a regular basis since 2017 is additionally based on the significant reduction in available storage capacity beginning in 2016. Please refer to the Available Capacity 2010-2025 graph and supporting data in PDB Workpapers that shows depressed levels of storage capacity beginning in 2016.

APPLICATION OF SOUTHERN CALIFORNIA GAS COMPANY & SAN DIEGO GAS & ELECTRIC COMPANY FOR AUTHORITY TO REVISE THEIR NATURAL GAS RATES AND IMPLEMENT STORAGE PROPOSALS IN THE 2027 COST ALLOCATION PROCEEDING (A.25-09-014)
DATA REQUEST SET 13 FROM CAL ADVOCATES – PUBADV-SCG_SDGE-013-ST
DATED: FEBRUARY 27, 2026
SOCALGAS RESPONSE DATED: MARCH 13, 2026 – PARTIAL RESPONSE

Question 4. Referring to PDB-8 through PDB-12 (SoCalGas' Proposal B):

a. Please expand Table PDB-2 to include Years 2014 and 2017 BTS Capacity Offerings.
b. Please expand Table PDB-3 to include Years 2014 and 2017 BTS Capacity Awards.
c. Please expand Table PDB-4 to include minimum standards and 110% of minimum standards for each year 2012-2024.
d. SoCalGas states that "This capacity amount should be adequate to meet core and noncore customers bidding rights quantities based on historical usage for Step 1 and Step 2 of the BTS Open Season so long as Step 3 capacity awards continue to be minimal." Please explain and provide further justification as to why SoCalGas believes Step 3 capacity awards will continue to be minimal.

Response 4.

a. Total 2014, 2017, 2020, and 2023 BTS Open Season Capacity Offerings (MMcfd)

Zone	Year 2014	Year 2017	Year 2020	Year 2023
Southern	1036	1010	750	650
Northern	811	800	990	1425
Wheeler Ridge	808	765	765	765
CP Line 85	171	160	60	60
CP Coastal	162	150	150	150
Total Offer	2,988	2,885	2,715	3,050

b. Total 2014, 2017, 2020 and 2023 BTS Open Season Capacity Awards (Mdth/day)

Open Season Step	Year 2014	Year 2017	Year 2020	Year 2023
Step 1	865	677	1,323	1,408
Step 2	561	665	1,151	1,132
Step 3	228	46	0	220
Total Award	1,654	1,388	2,474	2,759

c.

Year	CGR Annual Cold Dry Year Forecast (MMcfd)	110% CGR Annual Cold Dry Year Forecast (MMcfd)
2012	2763	3039
2013	2799	3079
2014	2901	3191
2015	2891	3180
2016	2787	3066
2017	2828	3111
2018	2715	2987
2019	2770	3047
2020	2540	2794
2021	2597	2857
2022	2490	2739
2023	2469	2716

d. Step 3 capacity is only available if base load capacity is available after Steps 1 and 2 of the BTS open season are completed. Base load capacity is limited to quantities available on a daily basis for the full three-year term. Step 2 customers can bid for monthly capacity in lieu of base load capacity. Monthly bid awards in Step 2 render the unawarded capacity in the remaining months unavailable for Step 3 bids. SoCalGas expects that participation by customers in Steps 1 and 2 will be heavy due to the availability of a fully volumetric firm rate option (G-BTS5) for the first time in the BTS open season. As a result, availability of base load quantities for Step 3 are likely to be minimal at best.

Question 5. Referring to Proposal C on pp. PDB-12 and 13:

a. SoCalGas states that "Delaying the confirmation of BTS nominations up to the Total Net System Capacity in later scheduling cycles allows nominations of a lower confirmation order to be scheduled in earlier scheduling cycles, thereby displacing nominations of a higher confirmation order in later cycles, due to the elapsed pro-rata rules." Please thoroughly explain the pro-rata rules, how they work and how the current setup might displace higher confirmation order customers. If possible, provide an example in an excel sheet or a visual aid.
b. Would approval of this proposal affect how much BTS capacity is currently being nominated? Please elaborate on how such a proposal would affect how much BTS capacity could ultimately be awarded.
c. Would SoCalGas' Proposal C be affected by changes in BTS available capacity in Proposal B? Furthermore, could a lower available BTS capacity in the future offset any new opportunities to schedule gas under higher confirmation orders?

Response 5.

a. Elapsed Prorated Scheduled Quantity (EPSQ) Rule

Background and Explanation:
The EPSQ rule is a North American Energy standards Board (NAESB) mandated rule that restricts how much scheduled gas can be reduced during the Intraday 1, Intraday 2, and Intraday 3 cycles. EPSQ represents the portion of a shipper's scheduled quantity that is considered to have already physically flowed by the time each intraday cycle begins. Because these volumes are treated as "already delivered," EPSQ establishes a mandatory minimum scheduling floor below which scheduled quantities cannot be reduced.

The EPSQ rule applies equally to all shippers regardless of Backbone Transportation Service (BTS) contract confirmation order. This means that Firm Primary, Firm Alternate Inside the Zone, Firm Alternate Outsize the Zone, and Interruptible nominations are all subject to the EPSQ rule.

Because the EPSQ rule applies equally to all shippers, situations can arise in which interruptible scheduled quantities become "EPSQ-locked" as the Gas Day progresses. If interruptible volumes were scheduled earlier in the day, the EPSQ rule will protect a portion of those quantities once the system enters the intraday cycles, treating them as volumes that have already physically

flowed. If shippers with firm BTS contracts later attempt to increase their nomination quantities or enter new nomination quantities, the system cannot reduce the EPSQ-locked interruptible volumes. As a result, interruptible volumes can flow ahead of (i.e., displace) firm volumes.

An explanation of EPSQ as it pertains to SoCalGas's confirmation process can be found in SoCalGas's Rule No. 30, Transportation Of Customer-Owned Gas, Section D.3.

Mathematical Explanation
The EPSQ rule prevents shippers from reducing their scheduled quantities below the volumes that would have already physically flowed.

A Gas Day is from 7:00 AM to 7:00 AM Pacific Time.

Intraday 1 Cycle's effective time of flow is 12:00 PM Pacific Time. At 12:00 PM, 5 hours have passed since 7:00 AM. Additionally, at 7:00 AM, there are 24 hours left in the Gas Day. Therefore, an Intraday 1 Cycle's scheduled quantity cannot be less than:

$$\frac{5}{24}\ x\ (Evening\ Cycle's\ scheduled\ quantity)$$

Intraday 2 Cycle's effective time of flow is 4:00 PM Pacific Time. At 4:00 PM, 4 hours have passed since 12:00 PM. Additionally, at 12:00 PM, there are 19 hours left in the Gas Day. Therefore, an Intraday 2 Cycle's scheduled quantity cannot be less than:

$$(Intraday\ 1\ Cycle's\ EPSQ) + \frac{4}{19}\ x\ ((Intraday\ 1\ Cycle's\ scheduled\ quantity) - (Intrday\ 1\ Cycle's\ EPSQ))$$

Intraday 3 Cycle's effective time of flow is 8:00 PM Pacific Time. At 8:00 PM, 4 hours have passed since 4:00 PM. Additionally, at 4:00 PM, there are 15 hours left in the Gas Day. Therefore, an Intraday 3 Cycle's scheduled quantity cannot be less than:

$$(Intraday\ 2\ Cycle's\ EPSQ) + \frac{4}{15}\ x\ ((Intraday\ 2\ Cycle's\ scheduled\ quantity) - (Intrday\ 2\ Cycle's\ EPSQ))$$

b. No. This proposal only affects the daily scheduling of BTS nominations. It does not affect the availability of Firm BTS during the BTS Open Season term.

c. No. The proposal does not lower the amount of capacity available on the SoCalGas and SDG&E system. Just the amount of firm BTS available under contract during the open season term. More interruptible BTS is expected to be scheduled to the extent available daily capacity exceeds the amount of Firm BTS nominated.

APPLICATION OF SOUTHERN CALIFORNIA GAS COMPANY & SAN DIEGO GAS & ELECTRIC COMPANY FOR AUTHORITY TO REVISE THEIR NATURAL GAS RATES AND IMPLEMENT STORAGE PROPOSALS IN THE 2027 COST ALLOCATION PROCEEDING (A.25-09-014)
DATA REQUEST SET 13 FROM CAL ADVOCATES – PUBADV-SCG_SDGE-013-ST
DATED: FEBRUARY 27, 2026
SOCALGAS RESPONSE DATED: MARCH 13, 2026 – PARTIAL RESPONSE

The remaining questions pertain to SoCalGas' excel workpapers.

Question 6. Referring to "Sup_Ch 10 Borkovich 2020 Open Season Awarded Capacity_2027 CAP.xlsx":

a. Please explain what "Baseload" quantity is in column C. Is this capacity on a per day basis?
b. Please explain why the monthly average of 85,920 Dth/day was added to the Baseload total quantity to arrive at the full BTS awarded capacity of 2,474,496 Dth in Cells C180, C181 and C182. Does the 85,920 Dth/day monthly average represent additional capacity awards not already attributable to the main Baseload quantities in column C?
c. Please explain what is included in the "Other" transmission zone category.

Response 6.

a. Yes. Base load quantity is daily contract capacity awarded for the term of the open season.
b. The 85,920 dth/day monthly average is an average of the non-baseline monthly contract quantities awarded exclusively during Step 2 of the BTS open season. It represents capacity awards in addition to Baseload contract quantity awards.
c. "Other" refers to California Production from Los Angeles and Orange Counties.

APPLICATION OF SOUTHERN CALIFORNIA GAS COMPANY & SAN DIEGO GAS & ELECTRIC COMPANY FOR AUTHORITY TO REVISE THEIR NATURAL GAS RATES AND IMPLEMENT STORAGE PROPOSALS IN THE 2027 COST ALLOCATION PROCEEDING (A.25-09-014)
DATA REQUEST SET 13 FROM CAL ADVOCATES – PUBADV-SCG_SDGE-013-ST
DATED: FEBRUARY 27, 2026
SOCALGAS RESPONSE DATED: MARCH 13, 2026 – PARTIAL RESPONSE

Question 7.

Referring to "Sup_Ch 10 Borkovich 2023 Open Season Awarded Capacity_2027 CAP.xlsx", were there any monthly offerings such as the ones presented in the 2020 Open Season? If so, please provide tables showing the monthly offerings and averages within each step, as shown in "Sup_Ch 10 Borkovich 2020 Open Season Awarded Capacity_2027 CAP.xlsx".

Response 7.

Response forthcoming.