

Exhibit No: _____
Application: A.25-09-014
Witness: E. Martinez
Chapter: 17

**PREPARED REBUTTAL TESTIMONY OF EDUARDO MARTINEZ
ON BEHALF OF SOUTHERN CALIFORNIA GAS COMPANY
AND SAN DIEGO GAS & ELECTRIC COMPANY
(NONCORE AND CONSOLIDATED DEMAND FORECASTS)**

June 15, 2026

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1 **CHAPTER 17**

2 **PREPARED REBUTTAL TESTIMONY OF EDUARDO MARTINEZ**
3 **(NONCORE AND CONSOLIDATED DEMAND FORECASTS)**

4 **I. PURPOSE**

5 The purpose of my rebuttal testimony on behalf of Southern California Gas Company
6 (SoCalGas) and San Diego Gas & Electric Company (SDG&E) (jointly, Applicants) is to address
7 the direct testimony of Samuel Topper on behalf of the Public Advocates Office at the California
8 Public Utilities Commission (Cal Advocates) concerning the proposals addressing unaccounted-
9 for-gas (UAF or LUAF) calculations made by the Applicants in this proceeding.

10 **II. CAL ADVOCATES' ALTERNATIVE LUAF ALLOCATION BETWEEN CORE**
11 **AND NONCORE CUSTOMERS**

12 Cal Advocates does not oppose Applicants' noncore demand and meter count forecasts
13 and their consolidation methodology and associated tables presented in the Chapter 5 testimony.¹
14 Cal Advocates does not propose an alternative estimate of the amount of total LUAF in the
15 Applicants' CAP application but rather proposes an alternative LUAF allocation between core
16 and noncore customers.²

17 Cal Advocates states concern with Applicants' use of the last available LUAF study for
18 both utilities prepared in 2006.³ Applicants stand by the analysis of the 2006 LUAF study in the
19 absence of newer studies for both utilities. However, Applicants are open to new LUAF
20 proposal for the next CAP due in part to the issue raised by Cal Advocates regarding the
21 complications with preparing a new LUAF study during the current CAP proceeding.⁴
22 Applicants do not support Cal Advocates proposal, though, of basing the LUAF allocation on
23 through "throughput weighted core/noncore volume ratios."⁵ In an analysis of 2022 SoCalGas
24 LUAF contribution by functional grouping, measured LUAF for core customers was more than

1 Direct Testimony of Samuel Topper on behalf of the Public Advocates Office (Ex. CA-04) at 58.

2 Ex. CA-04 (Topper) at 63.

3 *Id.* at 59-62.

4 *Id.* at 63.

5 *Id.*

1 double for non-core customers.⁶ In contrast, SoCalGas forecasts a relatively more equal split in
2 throughput for the 2027-2029 CAP period (44% and 56% respectively).⁷ Cal Advocates' LUAF
3 allocation proposal would allocate LUAF costs disproportionately to noncore customers.

4 This concludes my rebuttal testimony.

⁶ SoCalGas & Parsons, *2022 Measurement LUAF Report – A Study of the 2022 Lost and Unaccounted For Gas at Southern California Gas Company* (Aug. 31, 2024) (Ex. CPUC-02), available at: <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M606/K600/606600381.PDF>.

⁷ Direct Testimony of Eduardo Martinez (SCG-SDGE, Chapter 5) at EM-19.