

Application of SOUTHERN CALIFORNIA GAS)
COMPANY for authority to update its gas)
revenue requirement and base rates)
effective January 1, 2028 (U 904-G))

Application No.: A.26-06-XXX

Exhibit No.: (SCG-17-WP)

WORKPAPERS TO
PREPARED DIRECT TESTIMONY
OF SARA M. STEEN
ON BEHALF OF SOUTHERN CALIFORNIA GAS COMPANY

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

JUNE 2026



2028 General Rate Case - Application

INDEX OF WORKPAPERS

Exhibit SCG-17-WP - PENSION & PBOP

DOCUMENT	PAGE
Overall Summary For Exhibit No. SCG-17-WP	1
<i>Summary of Non-Shared Services Workpapers</i>	2
Category: A. Employee Pension-PBOP	3
..2PN000.000 - EMPLOYEE PENSION	4
..2PN000.001 - EMPLOYEE PBOP	21
<i>Appendix A: List of Non-Shared Cost Centers</i>	34

Overall Summary For Exhibit No. SCG-17-WP

Area:	PENSION & PBOP
Witness:	Sara M. Steen

In 2025 \$ (000) Incurred Costs

Description	Adjusted-Recorded	Adjusted-Forecast					
	2025	2026	2027	2028	2029	2030	2031
Non-Shared Services	170,718	148,392	82,050	72,982	72,982	72,982	72,982
Shared Services	0	0	0	0	0	0	0
Total	170,718	148,392	82,050	72,982	72,982	72,982	72,982

Note: Totals may include rounding differences.

Area: PENSION & PBOP

Witness: Sara M. Steen

Summary of Non-Shared Services Workpapers:

In 2025 \$ (000) Incurred Costs

Description	Adjusted-Recorded	Adjusted-Forecast					
	2025	2026	2027	2028	2029	2030	2031
A. Employee Pension-PBOP	170,718	148,392	82,050	72,982	72,982	72,982	72,982
Total	170,718	148,392	82,050	72,982	72,982	72,982	72,982

Note: Totals may include rounding differences.

Area: PENSION & PBOP
Witness: Sara M. Steen
Category: A. Employee Pension-PBOP
Workpaper: VARIOUS

Summary for Category: A. Employee Pension-PBOP

	In 2025\$ (000) Incurred Costs						
	Adjusted-Recorded	Adjusted-Forecast					
	2025	2026	2027	2028	2029	2030	2031
Labor	0	0	0	0	0	0	0
Non-Labor	170,718	0	0	0	0	0	0
NSE	0	148,392	82,050	72,982	72,982	72,982	72,982
Total	170,718	148,392	82,050	72,982	72,982	72,982	72,982
FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Workpapers belonging to this Category:

2PN000.000 EMPLOYEE PENSION

Labor	0	0	0	0	0	0	0
Non-Labor	170,718	0	0	0	0	0	0
NSE	0	148,392	82,050	72,982	72,982	72,982	72,982
Total	170,718	148,392	82,050	72,982	72,982	72,982	72,982
FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Unit Measure: N/A

Units	0	0	0	0	0	0	0
-------	---	---	---	---	---	---	---

2PN000.001 EMPLOYEE PBOP

Labor	0	0	0	0	0	0	0
Non-Labor	0	0	0	0	0	0	0
NSE	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0
FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Unit Measure: N/A

Units	0	0	0	0	0	0	0
-------	---	---	---	---	---	---	---

Note: Totals may include rounding differences.

Beginning of Workpaper
2PN000.000 - EMPLOYEE PENSION

Area: PENSION & PBOP
Witness: Sara M. Steen
Category: A. Employee Pension-PBOP
Category-Sub: 1. EMPLOYEE PENSION
Workpaper: 2PN000.000 - EMPLOYEE PENSION
Unit Measure: N/A

Activity Description:

This is SCG's qualified retirement benefits plan, also known as the Southern California Gas Company Pension Plan. Represented and non-represented employees participate in the plan.

Forecast Explanations:

Labor - Zero-Based

Please see NSE below

Non-Labor - Zero-Based

Please see NSE below

NSE - Zero-Based

Zero-based method chosen as contributions are determined by the Company's certified actuary WTW and are calculated in accordance with Actuarial Standards of Practice, US Generally Accepted Accounting Principles and ERISA.

n/a

Note: Totals may include rounding differences.

Area: PENSION & PBOP
Witness: Sara M. Steen
Category: A. Employee Pension-PBOP
Category-Sub: 1. EMPLOYEE PENSION
Workpaper: 2PN000.000 - EMPLOYEE PENSION
Unit Measure: N/A

Summary of Results:

Years	In 2025\$ (000) Incurred Costs										
	Adjusted Recorded					Adjusted Forecast					
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Labor	0	0	0	0	0	0	0	0	0	0	0
Non-Labor	181,897	162,366	158,018	175,492	170,718	0	0	0	0	0	0
NSE	0	0	0	0	0	148,392	82,050	72,982	72,982	72,982	72,982
Total	181,897	162,366	158,018	175,492	170,718	148,392	82,050	72,982	72,982	72,982	72,982
FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Units	0	0	0	0	0	0	0	0	0	0	0

Note: Totals may include rounding differences.

Area: PENSION & PBOP
Witness: Sara M. Steen
Category: A. Employee Pension-PBOP
Category-Sub: 1. EMPLOYEE PENSION
Workpaper: 2PN000.000 - EMPLOYEE PENSION
Unit Measure: N/A

Summary of Adjustments to Forecast:

In 2025 \$(000) Incurred Costs																		
Years	Base Forecast						Forecast Adjustments						Adjusted-Forecast					
	2026	2027	2028	2029	2030	2031	2026	2027	2028	2029	2030	2031	2026	2027	2028	2029	2030	2031
Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NLbr	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NSE	0	0	0	0	0	0	148,392	82,050	72,982	72,982	72,982	72,982	148,392	82,050	72,982	72,982	72,982	72,982
Total	0	0	0	0	0	0	148,392	82,050	72,982	72,982	72,982	72,982	148,392	82,050	72,982	72,982	72,982	72,982
FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Units	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Forecast Adjustment Details:

Year	Labor (Zero-Based)	NLbr (Zero-Based)	NSE (Zero-Based)	Total	FTE	Units ()	Adj_Type
2026	0	0	148,392	148,392	0.0	0	1-Sided Adj
Explanation:	Pension Projection 2026						
2026 Total	0	0	148,392	148,392	0.0	0	
2027	0	0	82,050	82,050	0.0	0	1-Sided Adj
Explanation:	Pension Projection 2027						
2027 Total	0	0	82,050	82,050	0.0	0	
2028	0	0	72,982	72,982	0.0	0	1-Sided Adj

Note: Totals may include rounding differences.

Area: PENSION & PBOP
Witness: Sara M. Steen
Category: A. Employee Pension-PBOP
Category-Sub: 1. EMPLOYEE PENSION
Workpaper: 2PN000.000 - EMPLOYEE PENSION
Unit Measure: N/A

Year	Labor (Zero-Based)	NLbr (Zero-Based)	NSE (Zero-Based)	Total	FTE	Units ()	Adj_Type
Explanation: Pension Projection 2028							
2028 Total	0	0	72,982	72,982	0.0	0	
2029	0	0	72,982	72,982	0.0	0	1-Sided Adj
Explanation: Pension Projection 2029							
2029 Total	0	0	72,982	72,982	0.0	0	
2030	0	0	72,982	72,982	0.0	0	1-Sided Adj
Explanation: Pension Projection 2030							
2030 Total	0	0	72,982	72,982	0.0	0	
2031	0	0	72,982	72,982	0.0	0	1-Sided Adj
Explanation: Pension Projection 2031							
2031 Total	0	0	72,982	72,982	0.0	0	

Note: Totals may include rounding differences.

Area: PENSION & PBOP
Witness: Sara M. Steen
Category: A. Employee Pension-PBOP
Category-Sub: 1. EMPLOYEE PENSION
Workpaper: 2PN000.000 - EMPLOYEE PENSION
Unit Measure: N/A

Determination of Adjusted-Recorded (Incurred Costs in thousands):

	2021	2022	2023	2024	2025
Recorded (Nominal \$)*					
Labor	0	0	0	0	0
Non-Labor	96,991	95,525	64,963	78,048	74,675
NSE	0	0	0	0	0
Total	96,991	95,525	64,963	78,048	74,675
FTE	0.0	0.0	0.0	0.0	0.0
Units	0	0	0	0	0
Adjustments (Nominal \$) **					
Labor	0	0	0	0	0
Non-Labor	53,474	54,940	85,502	92,670	96,043
NSE	0	0	0	0	0
Total	53,474	54,940	85,502	92,670	96,043
FTE	0.0	0.0	0.0	0.0	0.0
Units	0	0	0	0	0
Recorded-Adjusted (Nominal \$)					
Labor	0	0	0	0	0
Non-Labor	150,465	150,465	150,465	170,718	170,718
NSE	0	0	0	0	0
Total	150,465	150,465	150,465	170,718	170,718
FTE	0.0	0.0	0.0	0.0	0.0
Units	0	0	0	0	0
Vacation & Sick (Nominal \$)					
Labor	0	0	0	0	0

Area: PENSION & PBOP
Witness: Sara M. Steen
Category: A. Employee Pension-PBOP
Category-Sub: 1. EMPLOYEE PENSION
Workpaper: 2PN000.000 - EMPLOYEE PENSION
Unit Measure: N/A

Determination of Adjusted-Recorded (Incurred Costs in thousands):

	2021	2022	2023	2024	2025
Non-Labor	0	0	0	0	0
NSE	0	0	0	0	0
Total	0	0	0	0	0
FTE	0.0	0.0	0.0	0.0	0.0
Units	0	0	0	0	0
Escalation to 2025\$					
Labor	0	0	0	0	0
Non-Labor	31,432	11,901	7,553	4,773	0
NSE	0	0	0	0	0
Total	31,432	11,901	7,553	4,773	0
FTE	0.0	0.0	0.0	0.0	0.0
Units	0	0	0	0	0
Recorded-Adjusted (Constant 2025\$)					
Labor	0	0	0	0	0
Non-Labor	181,897	162,366	158,018	175,492	170,718
NSE	0	0	0	0	0
Total	181,897	162,366	158,018	175,492	170,718
FTE	0.0	0.0	0.0	0.0	0.0
Units	0	0	0	0	0

* After company-wide exclusions of Non-GRC costs

** Refer to "Detail of Adjustments to Recorded" page for line item adjustments

Note: Totals may include rounding differences.

Area: PENSION & PBOP
Witness: Sara M. Steen
Category: A. Employee Pension-PBOP
Category-Sub: 1. EMPLOYEE PENSION
Workpaper: 2PN000.000 - EMPLOYEE PENSION
Unit Measure: N/A

Summary of Adjustments to Recorded:

		In Nominal \$ (000) Incurred Costs				
Years	2021	2022	2023	2024	2025	
Labor	0	0	0	0	0	
Non-Labor	53,474	54,940	85,502	92,670	96,043	
NSE	0	0	0	0	0	
Total	53,474	54,940	85,502	92,670	96,043	
FTE	0.0	0.0	0.0	0.0	0.0	
Units	0	0	0	0	0	

Detail of Adjustments to Recorded in Nominal \$:

Year	Labor	NLbr	NSE	FTE	Units	Adj Type
2021	0	53,474	0	0.0	0	1-Sided Adj
Explanation: Adjustment to include all employee pension costs related to cost elements 7711011 and 7711012 to the workpaper.						
2021 Total	0	53,474	0	0.0	0	
2022	0	54,940	0	0.0	0	1-Sided Adj
Explanation: Adjustment to include all employee pension costs related to cost elements 7711011 and 7711012 to the workpaper.						
2022 Total	0	54,940	0	0.0	0	

Note: Totals may include rounding differences.

Area: PENSION & PBOP
Witness: Sara M. Steen
Category: A. Employee Pension-PBOP
Category-Sub: 1. EMPLOYEE PENSION
Workpaper: 2PN000.000 - EMPLOYEE PENSION
Unit Measure: N/A

Year	Labor	NLbr	NSE	FTE	Units	Adj Type
2023	0	85,502	0	0.0	0	1-Sided Adj
Explanation: Adjustment to include all employee pension costs related to cost elements 7711011 and 7711012 to the workpaper.						
2023 Total	0	85,502	0	0.0	0	
2024	0	92,670	0	0.0	0	1-Sided Adj
Explanation: Adjustment to include all employee pension costs related to cost elements 7711011 and 7711012 to the workpaper.						
2024 Total	0	92,670	0	0.0	0	
2025	0	96,043	0	0.0	0	1-Sided Adj
Explanation: Adjustment to include all non-SB901 employee pension costs related to cost elements 7711011 and 7711012 to the workpaper.						
2025 Total	0	96,043	0	0.0	0	

Note: Totals may include rounding differences.

Supplemental Workpapers for Workpaper 2PN000.000

Southern California Gas Company
 2028 GRC - APPLICATION
 Non-Shared Service Workpapers

Southern California Gas Company
 Pension Contribution Projection
 For Years 2026-2031

ASSUMPTIONS
1. Pension contribution amounts based on estimates provided by WTW, a global actuarial services firm. 2. Forecasted costs exclude executive officer costs as defined under Resolution E-4963 pursuant to Public Utilities Code Section 706, as enacted by Senate Bill (SB) 901, which prohibits SoCalGas from recovering from ratepayers any annual salary, bonus, benefits, or other consideration of any value (compensation and benefits).

	Projected					
	2026	2027	2028	2029	2030	2031
Pension Contributions	\$ 148,392,000	\$ 82,050,000	\$ 72,982,000	\$ 72,982,000	\$ 72,982,000	\$ 72,982,000

Southern California Gas Company
Pension Contribution Projection
For Years 2026 - 2031



ASSUMPTIONS

1. Pension contribution amounts based on estimates provided by the Utility's certified actuary, WTW.

Pension Contributions	Projected					
	2026	2027	2028	2029	2030	2031
Policy contribution	\$ 148,630,000	\$ 82,205,000	\$ 73,103,000	\$ 73,103,000	\$ 73,103,000	\$ 73,103,000
Adjustment for executives	<u>(238,000)</u>	<u>(155,000)</u>	<u>(121,000)</u>	<u>(121,000)</u>	<u>(121,000)</u>	<u>(121,000) *</u>
Recoverable contribution	<u>\$ 148,392,000</u>	<u>\$ 82,050,000</u>	<u>\$ 72,982,000</u>	<u>\$ 72,982,000</u>	<u>\$ 72,982,000</u>	<u>\$ 72,982,000</u>

* Adjustments for executives is for SB901 officers only based on listing provided by Sempra on February 26, 2026 (listing as of January 31, 2026). Includes 5 executives for SoCalGas.

Southern California Gas Company Pension Plan

General Rate Case Forecast

10-Year Forecast of Projected ASC Accounting Costs and Contributions Reflecting Projected Headcount

(\$ in millions)



Pension	Southern California Gas Company Pension Plan									
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
• ASC 715 Cost	70.95	71.10	69.19	74.94	81.38	85.93	92.28	99.59	107.46	115.87
• Minimum Required Contribution	-	-	-	-	-	-	-	-	-	72.08
• PPA Funded Percentage										
Actuarial Value of Assets (including Receivables)	2,009.32	2,102.84	2,193.44	2,238.00	2,286.44	2,336.13	2,382.94	2,396.55	2,406.87	2,413.46
<u>Funding Target</u>	<u>1,830.75</u>	<u>1,815.27</u>	<u>1,875.94</u>	<u>1,931.39</u>	<u>1,998.64</u>	<u>2,037.81</u>	<u>2,106.63</u>	<u>2,187.12</u>	<u>2,270.04</u>	<u>2,358.14</u>
Funded Percentage	110%	116%	117%	116%	114%	115%	113%	110%	106%	102%
• Funding Policy Contribution	148.63	82.21	73.10	73.10	73.10	73.10	40.78	40.78	40.78	74.32
• PBO Funded Percentage										
Fair Value of Assets	2,073.82	2,144.24	2,193.85	2,238.00	2,286.45	2,336.13	2,382.94	2,396.55	2,406.87	2,413.46
<u>PBO</u>	<u>1,957.90</u>	<u>1,954.54</u>	<u>1,994.48</u>	<u>2,039.75</u>	<u>2,095.34</u>	<u>2,158.81</u>	<u>2,224.08</u>	<u>2,294.91</u>	<u>2,369.87</u>	<u>2,449.10</u>
Funded Percentage	106%	110%	110%	110%	109%	108%	107%	104%	102%	99%
• ASC 715 Discount rate	5.70%	5.70%	5.70%	5.70%	5.70%	5.70%	5.70%	5.70%	5.70%	5.70%

Note: The information projected for 2026 through 2035 is based on contributions authorized in CPUC Decision (D.) 19-19-051 prior to removal of executive officer costs pursuant to California Public Utilities Code Section 706 (as modified by Senate Bill 901).



**General Rate Case Forecast
Forecast of Projected ASC Accounting Costs and Contributions
for Southern California Gas Company Pension Plan**

Key Assumptions

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>	<u>2035</u>
ASC 715 Discount rate	See forecast exhibit									
PPA Effective Discount Rate - SoCalGas qualified plan	5.49%	5.59%	5.51%	5.48%	5.45%	5.57%	5.58%	5.57%	5.57%	5.57%
Expected Return for Determining ASC 715 Benefit Cost for SoCalGas qualified plan ⁽¹⁾	6.00%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%
Assumed Return other than from unrealized and realized gains / (losses) for Market Related Value of Assets (MRVA) purposes	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Salary Scale - Qualified plan, excluding SoCalGas Union	Age Based	Age Based	Age Based	Age Based	Age Based	Age Based	Age Based	Age Based	Age Based	Age Based
Salary Scale - SoCalGas Union	Service Based	Service Based	Service Based	Service Based	Service Based	Service Based	Service Based	Service Based	Service Based	Service Based
Cash Balance Crediting Rate	4.70%	4.70%	4.70%	4.70%	4.70%	4.70%	4.70%	4.70%	4.70%	4.70%
Lump sum conversion interest rate	Segment Rates	Segment Rates	Segment Rates	Segment Rates	Segment Rates	Segment Rates	Segment Rates	Segment Rates	Segment Rates	Segment Rates
Pre-retirement Mortality	Pri-2012 Employee table with MP-2021 generational projection scale									
Post-retirement Mortality	Sempra specific table: Pri-2012 Healthy Retiree and Contingent Survivor tables, no collar or quartile adjustment, projected from 2012 to 2021 using MP-2021, and an adjustment factor of 0.95									
Lump Sum Mortality	2026 IRS 417(e) mortality table, with modified MP-2021 scale to year of commencement, blended 50% males/50% females, with 0.78% cap in the projection scale									
Retirement and Termination Rates	Same as those used for the 2025 year-end disclosures									
Number of projected headcount (provided by Sempra on February 25, 2026) ⁽²⁾	<u>12/31/2025</u>	<u>12/31/2026</u>	<u>12/31/2027</u>	<u>12/31/2028</u>	<u>12/31/2029</u>	<u>12/31/2030</u>	<u>12/31/2031</u>	<u>12/31/2032</u>	<u>12/31/2033</u>	<u>12/31/2034</u>
	7,981	7,496	7,269	7,654	8,041	8,041	8,041	8,041	8,041	8,041

⁽¹⁾ The Expected Return on Assets (EROA) assumption under US GAAP captures anticipated changes in the asset allocation due to de-risking under the Glide Path.

⁽²⁾ The counts provided include employees who may not be eligible for pension benefits. Therefore, future plan eligible counts were estimated based on the headcount pattern in combination with January 1, 2025 active valuation count.

Methodology

- Unless stated otherwise, data, assumptions, methods, models, plan provisions and other information are consistent with those used in the Utility's accounting disclosures under ASC-715 as of December 31, 2025.

Pension Funding Rules and Funding Method

- Based on Pension Protection Act (PPA) updated by the Highway and Transportation Funding Act (HATFA) and Bipartisan Budget Act of 2015, and the American Rescue Plan Act (ARPA), including Infrastructure Investment and Jobs Act (IIJA).
- Based on PPA segment rates, September look-back, asset smoothing.

Assets

- Reflects audited trust information through December 31, 2025.
- Assets are projected at the Expected Return for ASC 715 Benefit Cost calculation less 25 basis points to reflect the compounded nature of returns.

Data and Demographics

- January 1, 2025 participant census adjusted for VREPs and RIFs in 2025 and reflecting expected headcount changes based on information provided by Sempra on February 25, 2026.
- Reflects VREPs and RIFs known in 2025, as well as a potential VREP of 150 SoCalGas represented and non-represented and RIF of 130 SoCalGas represented.

Plan Design

- Includes all plan changes described with December 31, 2025 disclosure.

Contribution Amounts

- Contributions for qualified pension plans equal to sum of contributions to trusts.

Contribution Policy

- Qualified Plan: Service cost plus a seven-year amortization of the PBO deficit (recalculated at each GRC), limited to keep plan assets from exceeding 110% of the PBO as a result of the contribution, and no less than the minimum required or such amount as required to maintain an 85% AFTAP.

**Southern California Gas Company Pension Plan
Additional Projection Details
Projected Funding Policy Contributions**



Projected Funding Policy Contribution (\$thousand)

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
A. Policy Base Amount										
1. Projected Benefit Obligation	1,957,899	1,954,542	1,994,475	2,039,745	2,095,342	2,158,812	2,224,084	2,294,910	2,369,871	2,449,098
2. Fair value of assets	2,073,820	2,144,242	2,193,852	2,238,001	2,286,447	2,336,129	2,382,942	2,396,550	2,406,872	2,413,462
3. Shortfall / (Surplus) (1. - 2.)	(115,921)	(189,700)	(199,377)	(198,256)	(191,105)	(177,317)	(158,858)	(101,640)	(37,001)	35,636
4. Discount rate	5.70%	5.70%	5.70%	5.70%	5.70%	5.70%	5.70%	5.70%	5.70%	5.70%
5. 7-year amortization factor			5.9640				5.9640			
6. Present value of remaining payments			140,130				(161,734)			
7. Shortfall amortization amount ((3. - 6.) / 5.)			(56,926)				481			
8. Shortfall amortization, base 1			49,322				(56,926)			
9. Shortfall amortization, base 2			(56,926)				481			
10. Service Cost at Base Year			76,765				95,025			
11. Shortfall amortization (8. + 9.)			(7,604)				(56,445)			
12. Base Policy Amount (10. + 11.)			69,161				38,580			
13. EOY Base Policy Amount 12. * 1.0570 (2026 - 2027 reflect 2022 GRC base amount)	170,885	170,885	73,103	73,103	73,103	73,103	40,780	40,780	40,780	40,780
B. Minimum Required Contribution										
1. MRC (Exhibit 6, C.6)	-	-	-	-	-	-	-	-	-	74,316
C. 85% Adjusted Funding Target Attainment Percentage (AFTAP) Minimum										
1. Funding Target Liability at 1/1	1,830,754	1,815,269	1,875,936	1,931,391	1,998,639	2,037,812	2,106,627	2,187,120	2,270,036	2,358,143
2. 85% of 1.	1,556,141	1,542,979	1,594,546	1,641,682	1,698,843	1,732,140	1,790,633	1,859,052	1,929,531	2,004,422
3. Actuarial Value of Assets	2,009,321	2,102,837	2,193,435	2,237,999	2,286,444	2,336,125	2,382,938	2,396,545	2,406,867	2,413,457
4. Minimum Required Contribution reflecting payment timing	-	-	-	-	-	-	-	-	-	-
5. 85% AFTAP Minimum at the end of the year	-	-	-	-	-	-	-	-	-	-
D. 110% of PBO Cap										
1. 110% of PBO at t+1	2,144,257	2,193,880	2,243,677	2,304,834	2,374,651	2,446,449	2,524,357	2,606,812	2,693,962	2,781,457
2. Fair value of assets at t+1 (prior to contribution at t)	1,989,262	2,108,307	2,161,932	2,210,381	2,260,065	2,306,879	2,354,136	2,364,460	2,371,051	2,369,341
3. Maximum contribution (end of year) (1. - 2.) (includes interest on contributions made during year)	148,630	82,205	78,527	90,735	110,075	134,076	163,521	232,813	310,201	395,895
E. Funding Policy Contribution										
1. Funding policy amount (greater of A.13, B.1, and C.5, not no more than D.3)	148,630	82,205	73,103	73,103	73,103	73,103	40,780	40,780	40,780	74,316

Note: The information projected for 2026 through 2035 is based on contributions authorized in CPUC Decision (D.) 19-19-051 prior to removal of executive officer costs pursuant to California Public Utilities Code Section 706 (as modified by Senate Bill 901).

**Southern California Gas Company Pension Plan
Additional Projection Details
Projected Minimum Required Contributions**



Projected Minimum Required Contribution (\$thousand)

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
A. Funding Shortfall										
1. Effective Interest Rate (EIR)	5.49%	5.59%	5.51%	5.48%	5.45%	5.57%	5.58%	5.57%	5.57%	5.57%
2. Funding Target Liability	1,830,754	1,815,269	1,875,936	1,931,391	1,998,639	2,037,812	2,106,627	2,187,120	2,270,036	2,358,143
3. Actuarial value of assets	2,009,321	2,102,837	2,193,435	2,237,999	2,286,444	2,336,125	2,382,938	2,396,545	2,406,867	2,413,457
4. Prefunding balance	-	-	-	-	-	-	-	-	-	-
5. Funding shortfall / (surplus) (2. - [3. -4.])	(178,567)	(287,568)	(317,499)	(306,608)	(287,805)	(298,313)	(276,311)	(209,425)	(136,831)	(55,314)
B. Shortfall Amortization Payments										
1. Starting 1/1/2026	-	-	-	-	-	-	-	-	-	-
2. Starting 1/1/2027	-	-	-	-	-	-	-	-	-	-
3. Starting 1/1/2028	-	-	-	-	-	-	-	-	-	-
4. Starting 1/1/2029	-	-	-	-	-	-	-	-	-	-
5. Starting 1/1/2030	-	-	-	-	-	-	-	-	-	-
6. Starting 1/1/2031	-	-	-	-	-	-	-	-	-	-
7. Starting 1/1/2032	-	-	-	-	-	-	-	-	-	-
8. Starting 1/1/2033	-	-	-	-	-	-	-	-	-	-
9. Starting 1/1/2034	-	-	-	-	-	-	-	-	-	-
10. Starting 1/1/2035	-	-	-	-	-	-	-	-	-	-
11. Total (Sum of 1. through 10.)	-	-	-	-	-	-	-	-	-	-
C. Minimum Required Contribution										
1. Target Normal Cost at 1/1	97,200	89,553	92,706	99,678	107,004	109,007	113,143	117,836	122,519	127,389
2. Adjusted Target Normal Cost (1. + A.5. if surplus)	(81,367)	(198,015)	(224,793)	(206,930)	(180,801)	(189,306)	(163,168)	(91,589)	(14,312)	72,075
3. Shortfall amortization (B.11.)	-	-	-	-	-	-	-	-	-	-
4. Prefunding balance (A.4)	-	-	-	-	-	-	-	-	-	-
5. Minimum Required Contribution (2. + 3. - 4., no less than \$0)	-	-	-	-	-	-	-	-	-	72,075
6. Minimum Required Contribution reflecting payment timing	-	-	-	-	-	-	-	-	-	74,316

Note: The information projected for 2026 through 2035 is based on contributions authorized in CPUC Decision (D.) 19-19-051 prior to removal of executive officer costs pursuant to California Public Utilities Code Section 706 (as modified by Senate Bill 901).

**Southern California Gas Company Pension Plan
Additional Projection Details
Projected Assets**



Projected Assets (\$thousand)										
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
A. Fair Value of Assets (FVA)										
1. FVA at beginning of year	2,073,820	2,144,242	2,193,852	2,238,001	2,286,447	2,336,129	2,382,942	2,396,550	2,406,872	2,413,462
2. Employer contributions (adjusted for timing and interest)	148,630	82,205	73,103	73,103	73,103	73,103	40,780	40,780	40,780	74,316
3. Benefit payments	(195,092)	(146,767)	(145,449)	(143,497)	(144,741)	(150,120)	(152,094)	(155,906)	(159,975)	(168,287)
4. Administrative expenses from trust	(3,102)	(3,066)	(3,133)	(3,267)	(3,415)	(3,488)	(3,592)	(3,707)	(3,824)	(3,947)
5. Investment return	119,986	117,238	119,628	122,107	124,734	127,319	128,513	129,155	129,609	129,822
6. FVA at end of year (sum 1 through 5)	2,144,242	2,193,852	2,238,001	2,286,447	2,336,128	2,382,943	2,396,549	2,406,872	2,413,462	2,445,366
7. Assumed investment return	6.00%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%
B. Actuarial Asset Value for Minimum Purposes										
1. Market value of assets (MVA), without receivables	2,073,820	2,144,242	2,193,852	2,238,001	2,286,447	2,336,129	2,382,942	2,396,550	2,406,872	2,413,462
2. Present value of receivables	-	-	-	-	-	-	-	-	-	-
3. MVA including receivables (1. + 2.)	2,073,820	2,144,242	2,193,852	2,238,001	2,286,447	2,336,129	2,382,942	2,396,550	2,406,872	2,413,462
4. Asset gain or (loss) from prior year	121,720	1,247	2	2	3	4	4	5	5	5
5. Asset gain or (loss) from two years prior	(49,942)	121,720	1,247	2	2	3	4	4	5	5
6. Asset deferral	64,499	41,405	417	2	3	4	4	5	5	5
7. Actuarial value of assets (AVA) prior to corridor (3. - 6.)	2,009,321	2,102,837	2,193,435	2,237,999	2,286,444	2,336,125	2,382,938	2,396,545	2,406,867	2,413,457
8. Lower corridor 90% of MVA	1,866,438	1,929,818	1,974,467	2,014,201	2,057,802	2,102,516	2,144,648	2,156,895	2,166,185	2,172,116
9. Upper corridor 110% of MVA	2,281,202	2,358,666	2,413,237	2,461,801	2,515,092	2,569,742	2,621,236	2,636,205	2,647,559	2,654,808
10. Final AVA (limited to 90% to 110% of MVA)	2,009,321	2,102,837	2,193,435	2,237,999	2,286,444	2,336,125	2,382,938	2,396,545	2,406,867	2,413,457
Note: The information projected for 2026 through 2035 is based on contributions authorized in CPUC Decision (D.) 19-19-051 prior to removal of executive officer costs pursuant to California Public Utilities Code Section 706 (as modified by Senate Bill 901).										

Beginning of Workpaper
2PN000.001 - EMPLOYEE PBOP

Area: PENSION & PBOP
Witness: Sara M. Steen
Category: A. Employee Pension-PBOP
Category-Sub: 2. EMPLOYEE PBOP
Workpaper: 2PN000.001 - EMPLOYEE PBOP
Unit Measure: N/A

Activity Description:

SCG provides post-retirement benefits other than pensions (PBOP) such as health and life insurance benefits, also known as the Southern California Gas Company Post-retirement Welfare Plan. Represented and non-represented employees participate in the plan.

Forecast Explanations:

Labor - Zero-Based

Please see NSE below

Non-Labor - Zero-Based

Please see NSE below

NSE - Zero-Based

Zero-based method chosen as contributions are determined by the Company's certified actuary WTW and are calculated in accordance with Actuarial Standards of Practice, US Generally Accepted Accounting Principles and ERISA.

n/a

Note: Totals may include rounding differences.

Area: PENSION & PBOP
Witness: Sara M. Steen
Category: A. Employee Pension-PBOP
Category-Sub: 2. EMPLOYEE PBOP
Workpaper: 2PN000.001 - EMPLOYEE PBOP
Unit Measure: N/A

Summary of Results:

Years	Adjusted Recorded					Adjusted Forecast					
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Labor	0	0	0	0	0	0	0	0	0	0	0
Non-Labor	0	0	0	0	0	0	0	0	0	0	0
NSE	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0
FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Units	0	0	0	0	0	0	0	0	0	0	0

Note: Totals may include rounding differences.

Area: PENSION & PBOP
Witness: Sara M. Steen
Category: A. Employee Pension-PBOP
Category-Sub: 2. EMPLOYEE PBOP
Workpaper: 2PN000.001 - EMPLOYEE PBOP
Unit Measure: N/A

Summary of Adjustments to Forecast:

In 2025 \$(000) Incurred Costs																		
Years	Base Forecast						Forecast Adjustments						Adjusted-Forecast					
	2026	2027	2028	2029	2030	2031	2026	2027	2028	2029	2030	2031	2026	2027	2028	2029	2030	2031
Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NLbr	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NSE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Units	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Year	Labor ()	NLbr ()	NSE ()	Total	FTE	Units ()	Adj_Type

Note: Totals may include rounding differences.

Area: PENSION & PBOP
Witness: Sara M. Steen
Category: A. Employee Pension-PBOP
Category-Sub: 2. EMPLOYEE PBOP
Workpaper: 2PN000.001 - EMPLOYEE PBOP
Unit Measure: N/A

Determination of Adjusted-Recorded (Incurred Costs in thousands):

	2021	2022	2023	2024	2025
Recorded (Nominal \$)*					
Labor	0	0	0	0	0
Non-Labor	16,891	16,702	9,189	10,556	9,831
NSE	0	0	0	0	0
Total	16,891	16,702	9,189	10,556	9,831
FTE	0.0	0.0	0.0	0.0	0.0
Units	0	0	0	0	0
Adjustments (Nominal \$) **					
Labor	0	0	0	0	0
Non-Labor	-16,891	-16,702	-9,189	-10,556	-9,831
NSE	0	0	0	0	0
Total	-16,891	-16,702	-9,189	-10,556	-9,831
FTE	0.0	0.0	0.0	0.0	0.0
Units	0	0	0	0	0
Recorded-Adjusted (Nominal \$)					
Labor	0	0	0	0	0
Non-Labor	0	0	0	0	0
NSE	0	0	0	0	0
Total	0	0	0	0	0
FTE	0.0	0.0	0.0	0.0	0.0
Units	0	0	0	0	0
Vacation & Sick (Nominal \$)					
Labor	0	0	0	0	0

Area: PENSION & PBOP
Witness: Sara M. Steen
Category: A. Employee Pension-PBOP
Category-Sub: 2. EMPLOYEE PBOP
Workpaper: 2PN000.001 - EMPLOYEE PBOP
Unit Measure: N/A

Determination of Adjusted-Recorded (Incurred Costs in thousands):

	2021	2022	2023	2024	2025
Non-Labor	0	0	0	0	0
NSE	0	0	0	0	0
Total	0	0	0	0	0
FTE	0.0	0.0	0.0	0.0	0.0
Units	0	0	0	0	0
Escalation to 2025\$					
Labor	0	0	0	0	0
Non-Labor	0	0	0	0	0
NSE	0	0	0	0	0
Total	0	0	0	0	0
FTE	0.0	0.0	0.0	0.0	0.0
Units	0	0	0	0	0
Recorded-Adjusted (Constant 2025\$)					
Labor	0	0	0	0	0
Non-Labor	0	0	0	0	0
NSE	0	0	0	0	0
Total	0	0	0	0	0
FTE	0.0	0.0	0.0	0.0	0.0
Units	0	0	0	0	0

* After company-wide exclusions of Non-GRC costs

** Refer to "Detail of Adjustments to Recorded" page for line item adjustments

Note: Totals may include rounding differences.

Area: PENSION & PBOP
Witness: Sara M. Steen
Category: A. Employee Pension-PBOP
Category-Sub: 2. EMPLOYEE PBOP
Workpaper: 2PN000.001 - EMPLOYEE PBOP
Unit Measure: N/A

Summary of Adjustments to Recorded:

		In Nominal \$ (000) Incurred Costs				
Years	2021	2022	2023	2024	2025	
Labor	0	0	0	0	0	
Non-Labor	-16,891	-16,702	-9,189	-10,556	-9,831	
NSE	0	0	0	0	0	
Total	-16,891	-16,702	-9,189	-10,556	-9,831	
FTE	0.0	0.0	0.0	0.0	0.0	
Units	0	0	0	0	0	

Detail of Adjustments to Recorded in Nominal \$:

Year	Labor	NLbr	NSE	FTE	Units	Adj Type
2021	0	-16,891	0	0.0	0	1-Sided Adj
Explanation: Adjustment to include all employee PBOP costs related to cost elements 7711015 and 7711016 to the workpaper.						
2021 Total	0	-16,891	0	0.0	0	
2022	0	-16,702	0	0.0	0	1-Sided Adj
Explanation: Adjustment to include all employee PBOP costs related to cost elements 7711015 and 7711016 to the workpaper.						
2022 Total	0	-16,702	0	0.0	0	

Note: Totals may include rounding differences.

Area: PENSION & PBOP
Witness: Sara M. Steen
Category: A. Employee Pension-PBOP
Category-Sub: 2. EMPLOYEE PBOP
Workpaper: 2PN000.001 - EMPLOYEE PBOP
Unit Measure: N/A

Year	Labor	NLbr	NSE	FTE	Units	Adj Type
2023	0	-9,189	0	0.0	0	1-Sided Adj
Explanation: Adjustment to include all employee PBOP costs related to cost elements 7711015 and 7711016 to the workpaper.						
2023 Total	0	-9,189	0	0.0	0	
2024	0	-10,556	0	0.0	0	1-Sided Adj
Explanation: Adjustment to include all employee PBOP costs related to cost elements 7711015 and 7711016 to the workpaper.						
2024 Total	0	-10,556	0	0.0	0	
2025	0	-9,831	0	0.0	0	1-Sided Adj
Explanation: Adjustment to include all employee PBOP costs related to cost elements 7711015 and 7711016 to the workpaper.						
2025 Total	0	-9,831	0	0.0	0	

Note: Totals may include rounding differences.

Supplemental Workpapers for Workpaper 2PN000.001

Southern California Gas Company
 2028 GRC - APPLICATION
 Non-Shared Service Workpapers

Southern California Gas Company
 PBOP Contribution Projection
 For Years 2026-2031

ASSUMPTIONS
1. PBOP contribution amounts based on estimates provided by WTW, a global actuarial services firm. 2. Forecasted costs exclude executive officer costs as defined under Resolution E-4963 pursuant to Public Utilities Code Section 706, as enacted by Senate Bill (SB) 901, which prohibits SoCalGas from recovering from ratepayers any annual salary, bonus, benefits, or other consideration of any value (compensation and benefits).

	Projected					
	2026	2027	2028	2029	2030	2031
PBOP Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Southern California Gas Company
 PBOP Contribution Projection
 For Years 2026 - 2031



ASSUMPTIONS

1. PBOP contribution amounts based on estimates provided by the Utility's certified actuary, WTW.

PBOP Contributions	Projected					
	2026	2027	2028	2029	2030	2031
Policy contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment for executives						*
Recoverable contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

* Adjustments for executives is for SB901 officers only based on listing provided by Sempra on February 26, 2026 (listing as of January 31, 2026). Includes 5 executives for SoCalGas. For PBOPs, costs prorated equally across all active participants and shows zero because there is zero forecast recovery for SoCalGas.

Southern California Gas Company PBOP

General Rate Case Forecast

10-Year Forecast of Projected ASC Accounting Costs and Contributions Reflecting Projected Headcount

(\$ in millions)



	SoCalGas PBOP ¹									
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
• ASC 715 Cost	(19.89) ²	(29.71)	(31.03)	(30.73)	(30.23)	(28.65)	(29.00)	(29.46)	(29.98)	(30.75)
• Contributions										
Contributions to trust	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pay-as-you-go	1.19	1.22	1.20	1.19	1.20	1.21	1.20	1.21	1.21	1.22
Total contributions	1.19	1.22	1.20	1.19	1.20	1.21	1.20	1.21	1.21	1.22
• APBO funded percentage (alternative)										
Fair value of assets	1,080.59	1,100.88	1,121.43	1,143.78	1,167.51	1,192.36	1,218.40	1,246.00	1,275.08	1,305.66
APBO	577.27	592.32	594.63	598.28	602.74	607.51	612.55	618.17	624.25	630.75
Funded Percentage	187%	186%	189%	191%	194%	196%	199%	202%	204%	207%
• FAS Discount Rate	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%

¹ The Utility recovers ASC 715 Cost (not less than zero or more than the maximum tax deductible amount) and first uses this towards pay-as-you-go benefits, and then contributes any excess to the Trust. For SoCalGas, there are no contributions to the trust expected during the forecast period. The Utility may use the prepayment balance from prior contributions in excess of recoverable amount to cover some or all contributions in excess of the pay-as-you-go benefits.

² 2026 ASC 715 Cost / (Income) reflects an anticipated special termination benefits charge of \$9.75 million for VREP.

Note: The information projected for 2026 through 2035 is based on contributions authorized in CPUC Decision (D.) 19-19-051 prior to removal of executive officer costs pursuant to California Public Utilities Code Section 706 (as modified by Senate Bill 901).

**Southern California Gas Company PBOP
10-Year Forecast of Projected ASC Accounting Costs and Contributions Reflecting Projected Headcount
Other Key Assumptions and Methodology: PBOP**



Key Assumptions	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Ultimate
ASC 715 Discount rate	See forecast exhibits										
Expected Return for Determining ASC 715 Benefit Cost for the SoCalGas PBOP ⁽¹⁾	6.10%	6.10%	6.10%	6.10%	6.10%	6.10%	6.10%	6.10%	6.10%	6.10%	6.10%
Assumed Return other than from unrealized and realized gains / (losses) for Market Related Value of Assets (MRVA) purposes	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Healthcare Cost Trend (Pre-age 65)	6.75%	6.50%	6.25%	6.00%	5.75%	5.25%	4.75%	4.75%	4.75%	4.75%	4.75%
Healthcare Cost Trend (Post-age 65)	8.50%	8.00%	7.50%	7.00%	6.50%	5.50%	4.50%	4.50%	4.50%	4.50%	4.50%
Salary Scale - Qualified plans, excluding SoCalGas Union	Age Based	Age Based	Age Based	Age Based	Age Based	Age Based	Age Based	Age Based	Age Based	Age Based	Age Based
Salary Scale - SoCalGas Union	Service Based	Service Based	Service Based	Service Based	Service Based	Service Based	Service Based	Service Based	Service Based	Service Based	Service Based
Cash Balance Crediting Rate/Interest Crediting Rate for HRA	4.70%	4.70%	4.70%	4.70%	4.70%	4.70%	4.70%	4.70%	4.70%	4.70%	4.70%
Pre-retirement Mortality	Pri-2012 Employee table with MP-2021 generational projection scale										
Post-retirement Mortality	Sempra specific table: Pri-2012 Healthy Retiree and Contingent Survivor tables, no collar or quartile adjustment, projected from 2012 to 2021 using MP-2021, and an adjustment factor of 0.95										
Retirement and Termination Rates	Same as those used for the 2025 year-end disclosures										
Number of projected headcount (provided by Sempra on February 25, 2026) ⁽²⁾	12/31/2025 7,755	12/31/2026 7,285	12/31/2027 7,664	12/31/2028 8,044	12/31/2029 8,044	12/31/2030 8,044	12/31/2031 8,044	12/31/2032 8,044	12/31/2033 8,044	12/31/2034 8,044	12/31/2035 8,044

⁽¹⁾ Sempra selected an expected return on plan assets (EROA) of 6.50% for the SoCalGas 401(h) account and 5.75% for the VEBAs, resulting in a weighted average EROA of 6.10%.

⁽²⁾ The counts provided include employees who may not be eligible for PBOP benefits. Therefore, future plan eligible counts were estimated by applying the rate of growth in counts to the January 1, 2025 active valuation count.

Methodology

- Unless stated otherwise, data, assumptions, methods, models, plan provisions and other information are consistent with those used in the Utility's accounting disclosures under ASC-715 as of December 31, 2025.

Assets

- Reflects audited trust information through December 31, 2025.
- Assets are projected at the Expected Return for ASC 715 Benefit Cost calculation less 50 basis points for PBOPs (net of admin expense).

Data and Demographics

- January 1, 2025 participant census adjusted for VREPs and RIFs in 2025 and reflecting expected headcount changes based on information provided by Sempra on February 25, 2026.
- Reflects VREPs and RIFs known in 2025, as well as a potential VREP of 150 SoCalGas represented and non-represented and RIF of 130 SoCalGas represented.

Plan Design

- Includes all plan changes described with December 31, 2025 disclosure.
- Includes extension of temporary additional \$50 per month defined dollar benefit (DDB) subsidy through 2026 for retirees electing a Medicare UHC plan.

Contribution Amounts

- Contributions for PBOPs equal to sum of contributions to trusts plus expected benefit payments from general assets.

Contribution Policy

- SoCalGas and SDG&E PBOP: expected Company Paid benefits plus trust contributions, if any. Trust contributions are equal to the postretirement benefit cost less Company Paid benefits, not to exceed the maximum tax-deductible limits.

Southern California Gas Company
2028 GRC - APPLICATION
Non-Shared Service Workpapers

Area: PENSION & PBOP
Witness: Sara M. Steen

Appendix A: List of Non-Shared Cost Centers

<u>Cost Center</u>	<u>Sub</u>	<u>Description</u>
2200-8001	000	EMPLOYEE PENSION