

**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 IS-SCG-04 FROM INDICATED SHIPPERS
DATED FEBRUARY 20, 2026
SOCALGAS RESPONSE DATED: MARCH 19, 2026**

Question 4-1.

Please reference page RF-4 of Chapter 4, the Prepared Direct Testimony of Robert Fiola, Large Electric Generation/Cogen Forecast, Lines 3-5, where Mr. Martinez states:

The forecast of natural gas demand for UEG and EWG customers assumes GHG compliance costs based on recent futures market prices of \$50-100 per metric ton of carbon dioxide equivalent (MTCO_{2e}).

Please also reference Schedule 4 of Chapter 4 Workpapers to the Prepared Direct Testimony of Robert Fiola, Large Electric Generation/Cogen Forecast.

Schedule 4	
GHG Compliance Cost	
Year	Nominal \$/Ton
2025	\$ 50.79
2026	\$ 59.19
2027	\$ 68.99
2028	\$ 80.39
2029	\$ 93.69

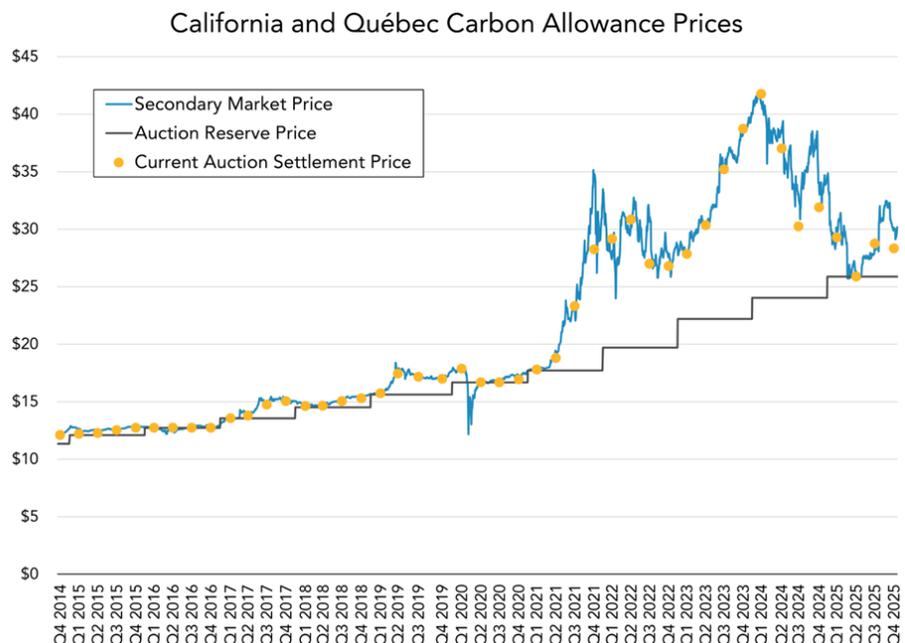
Note: GHG Allowance Price Scenarios 2023 IEPR (mid-price scenario).

- a. Please confirm the time and cost required for the Applicants to re-model Large Electric Generation/Cogen gas demand using different (i.e., lower) Greenhouse Gas compliance instrument prices that are more in-line with the current trajectory of California Carbon Allowance prices. See: [Cap-and-Trade Program Data Dashboard | California Air Resources Board](#)

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Carbon Allowance Prices



Response a.

Applicants object to the extent the request is overbroad and is outside the scope of the witness’s testimony. Subject to and without waiving the foregoing, Applicants provide the following response: The Applicants’ EG Base Case relies on long-term, policy-consistent assumptions. Short-term carbon allowance price movements are volatile, reflect only one of numerous factors affecting the power market, and are therefore not suitable for long-term planning purposes. As to the time and cost required for the Applicants to re-model Large Electric Generation/Cogen gas demand as requested, Applicants estimate it would take approximately four weeks with costs estimated to be not insignificant. If Applicants were to rerun with updated CO2 price assumptions, Applicants would need to request CO2 price forecast from 2026-2030, which would impact other market segments as well.