**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 8 FROM SCGC DATED March 3, 2026
SOCALGAS RESPONSE DATED: MARCH 17, 2026**

Referring Chapter 8, Direct Testimony of Frank Seres and Marjorie Schmidt-Pines and the associated workpapers, "Ch 8 Seres_Schmidt-Pines_SCG Embedded Cost Model_2027 CAP," "Ch 8 Seres_Schmidt-Pines_SCG Embedded Cost Model_2027 CAP_v2", "Ch 8 Seres_Schmidt-Pines_SDGE Embedded Cost Model_2027 CAP," and "Ch 8 Seres_Schmidt-Pines_SDGE Embedded Cost Model_2027 CAP_v2":

Question 8.1.
Please explain in detail any differences between the workpaper Ch 8 Seres_Schmidt-Pines_SCG Embedded Cost Model_2027 CAP," and the workpaper "Ch 8 Seres_Schmidt-Pines_SCG Embedded Cost Model_2027 CAP_v2", identifying the tab and cell addresses in which each of the changes are made.

Response
 Upon review, the only differences between "Ch 8 Seres_Schmidt-Pines_SCG Embedded Cost Model_2027 CAP" and "Ch 8 Seres_Schmidt-Pines_SCG Embedded Cost Model_2027 CAP_v2" are administrative. The original file contains external workbook links; in the v2 file those links should be broken and all internal links removed. No inputs, formulas, calculations, or outputs were otherwise modified, and values are unchanged.

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 8 FROM SCGC DATED March 3, 2026
SOCALGAS RESPONSE DATED: MARCH 17, 2026

Question 8.2.

Please explain in detail any differences between the workpaper Ch 8 Seres_Schmidt-Pines_SDGE Embedded Cost Model_2027 CAP," and the workpaper "Ch 8 Seres_Schmidt-Pines_SDGE Embedded Cost Model_2027 CAP_v2", identifying the tab and cell addresses in which each of the changes are made.

Response

See Response 8.1.

Question 8.3.

Referring to the tab "Appendix E, Table 1", which appears in both "Ch 8 Seres_Schmidt-Pines_SCG Embedded Cost Model_2027 CAP," and "Ch 8 Seres_Schmidt-Pines_SCG Embedded Cost Model_2027 CAP_v2", for each FERC account shown on rows 4 through 38, please provide an explanation of the percentages shown for each subfunction, injection, withdrawal and inventory.

Response

Rational for the percentages shown are provided in Ch.8 Seres_Schmidt-Pines Cost Allocation and Embedded Costs testimony, see Appendix E, starting with page FS-MSP Appendix E-1 through FS-MSP-Appendix E-5.

**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 8 FROM SCGC DATED March 3, 2026
SOCALGAS RESPONSE DATED: MARCH 17, 2026**

Question 8.4.

Regarding Table FS-MSP-26 shown on page FS-MSP-33, please provide the location (model name, tab name, and cell reference) of the corresponding workpaper supporting this table.

Response

The active table can be found in Revised_Ch_12a_SCG Rate Design Model_12-29-2025, tab: TestimonyTbl-EC TCAP Exhibits, Columns: R to Z.

Question 8.5.

Regarding Tables FS-MSP-26 and FS-MSP-27 shown on pages FS-MSP-33 and FS-MSP-34, please provide the location (model name, tab name, and cell reference) of the workpaper supporting each table.

Response

See Response 8.4 for Table FS-MSP-26. Table FS-MSP-27, is found in Revised_Ch_12a_SCG Rate Design Model_12-29-2025: TestimonyTbl-EC TCAP Exhibits, Columns:AC:AH.

**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 8 FROM SCGC DATED March 3, 2026
SOCALGAS RESPONSE DATED: MARCH 17, 2026**

Question 8.6.

Regarding Tables FS-MSP-28 and FS-MSP-29 shown on pages FS-MSP-35, please provide the location (model name, tab name, and cell reference) of the workpaper supporting each table.

Response

Tables FS-MSP-28 and FS-MSP-29 are found in Revised_Ch_12a_SDGE Rate Design Model_12-29-2025, tab: TestimonyTbl-EC TCAP Exhibits, Columns:R:AH.

Question 8.7.

Why did SoCalGas/SDG&E scale the embedded cost revenues from its SoCalGas allocation study before it added in the uncollectibles and NGV public access costs?

Response

Uncollectibles and NGV public access costs are not subject to the scalar. The uncollectibles are computed based on the target base margin multiplied by the uncollectible percentage. The uncollectibles are then allocated by customer class based on the total costs. Wholesale customers are exempt from uncollectibles. The NGV public access costs are only allocated to NGV and stay the same during the CAP period.

**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 8 FROM SCGC DATED March 3, 2026
SOCALGAS RESPONSE DATED: MARCH 17, 2026**

Question 8.8.

Why did SoCalGas/SDG&E scale the embedded cost revenues from its SDG&E allocation study before it added in the NGV public access costs?

Response

The NGV public access costs are not subject to the scalar. These costs are only allocated to NGV and stay the same during the CAP period.

**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 8 FROM SCGC DATED March 3, 2026
SOCALGAS RESPONSE DATED: MARCH 17, 2026**

Question 8.9.

With respect to the statement on page FS-MSP-36: "For SoCalGas, the difference of $198 million is due to PSEP costs included in Base Margin. For SDG&E, the difference of $15 million is due to PSEP costs included in Base Margin. The PSEP costs are included in the studies and not allocated separately as is in current rates."

8.9.1. Please provide the location (model name, tab name, and cell reference) of the workpaper supporting the inclusion of the PSEP costs in Base Margin.

8.9.2. How has SoCalGas/SDG&E determined which function that the PSEP costs correspond to within its embedded cost study?

8.9.3. Are the same customer class allocators used for the PSEP costs that were applied to Base Margin costs in the embedded cost study?

8.9.4. If the answer to the previous question is "no," please identify the allocators that are used for the PSEP costs.

8.9.5. Has SoCalGas applied its proposed 20% reallocation of PSEP costs from backbone to local transmission?

8.9.6. Please explain the answer to the previous question.

**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 8 FROM SCGC DATED March 3, 2026
SOCALGAS RESPONSE DATED: MARCH 17, 2026**

Response 8.9.

8.9.1. PSEP costs in Base Margin were approved in the 2024 GRC and are embedded in SoCalGas/SDG&E's underlying 2024 recorded Base Margin costs. In the proposed case, there is no separate "PSEP Base Margin" model/tab/cell; these costs are included in the Base Margin recorded-cost inputs that are functionalized and allocated in the study. Put simply, the proposed Base Margin includes these GRC-approved PSEP amounts within Base Margin, while the current approach treats PSEP separately. In the Revised_Ch_12a_SCG Rate Design Model_12-29-2025, tab: Base Margin, cell O84 shows the PSEP of $198 million subtracted from Base Margin. This is for the current rates. PSEP is allocated separately by function. Cell S84 the PSEP is zero since it's included in the SoCalGas embedded cost study. In the Revised_Ch_12a_SDGE Rate Design Model_12-29-2025, tab: Base Margin, cell O96 shows the PSEP of $15 million subtracted from Base Margin. This is for the current rates. PSEP is allocated separately by function. Cell S96 the PSEP is zero since it's included in the SDG&E embedded cost study. In the embedded cost studies GRC related PSEP costs were included in the total costs for each FERC account and were functionalized properly with other costs.

8.9.2. The same customer class allocators were used for the GRC PSEP costs that were applied to Base Margin costs in the embedded cost study. See response 8.9.1. and note that PSEP costs not in Base Margin are excluded from the embedded cost study and handled through different mechanisms, see page FS-MSP-3, footnote 5.

8.9.3. Yes, because Base Margin PSEP is not carved out and reallocated separately.

8.9.4. Not applicable.

8.9.5. Applicants have not applied a separate 20% PSEP-only.

8.9.6. PSEP is already embedded in Base Margin, so it stays in the overall backbone cost base. The 20% reallocation is applied to the total backbone functional revenue requirement, which already includes any embedded PSEP amounts, there is no separate PSEP carve-out.

**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 8 FROM SCGC DATED March 3, 2026
SOCALGAS RESPONSE DATED: MARCH 17, 2026**

Question 8.10.

Please provide a complete and fully working copy of the model in Excel that is referenced in the workpapers to Chapter 12 at tab "EC Model Interface" of Ch 12 Foster_SCG Rate Design Model_2027 CAP. This model is described in cell I21 as:

='https://sempra.sharepoint.com/teams/2027cap/Shared Documents/04. Workpapers/Chapter 8_WP_Embedded Costs/Excel Files/[SCG Embedded Cost Model _ Public_DRAFT.xlsx]Customer Cost Allocators'!D31

Response

See Excel file, Ch 8 Seres_Schmidt-Pines_SCG Embedded Cost Model_2027 CAP_NL.