



ALJ/SCL/ATR/fzs 4/18/2022

**FILED**

04/18/22

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

PHAM

R1901011

Order Instituting Rulemaking  
Regarding Building Decarbonization.

Rulemaking 19-01-011

**ASSIGNED ADMINISTRATIVE LAW JUDGES' RULING ADMITTING  
DATA INTO THE EVIDENTIARY RECORD AND ADDRESSING  
OUTLINE FOR BRIEFS**

This Ruling receives into the evidentiary record of this proceeding the responses of Pacific Gas and Electric Company, Southern California Gas Company, San Diego Gas and Electric Company, and Southwest Gas Company (collectively the gas utilities) to Energy Division's March 14, 2022 Data Request (ED-DR), appended to this Ruling as Attachments 1 to 5. It also addresses the final common outline parties shall use for briefs, appended to this Ruling as Attachment 6.

**Background**

On November 16, 2021, the Assigned Commissioner issued an Amended Scoping Memo and Ruling setting forth the issues to be considered in Phase III of this proceeding (Phase III Scoping Memo). Appended to the Phase III Scoping Memo were an Energy Division Staff Proposal (Staff Proposal) and a list of questions to be addressed by respondents and parties. Specifically, Phase III considers modifying or eliminating gas line extension allowances, refunds, and discounts (collectively, Gas Line Subsidies) provided under the current gas line

extension rules.<sup>1</sup> Parties filed comments and reply comments on both the Staff Proposal and list of questions in the Phase III Scoping Memo on December 20, 2021, and January 10, 2022, respectively.

Upon review of parties' comments and reply comments, the Commission found that clarifications and more information were needed to resolve the Phase III issues. Therefore, on January 28, 2022, the Assigned Administrative Law Judges (ALJs) issued a Ruling (ALJ Ruling 1) seeking clarification of parties' positions along with further information and evidence regarding the Phase III issues.<sup>2</sup> On February 22, 2022, parties filed comments on ALJ Ruling 1. However, there was still a data gap in parties' comments.

Therefore, on March 14, 2022, Energy Division staff issued the ED-DR to the gas utilities to fill in the remaining data gaps regarding expenditure data on the Gas Line Subsidies. On March 22, 2022 the Assigned ALJs issued another Ruling (ALJ Ruling 2) to (a) inform parties of the ED-DR, (b) direct the gas utilities to verify and serve their responses to the ED-DR on the service list by April 4, 2022, (c) provide an opportunity for parties by April 11, 2022 to comment on the gas utilities' responses to the ED-DR (given that "the Commission may

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<sup>1</sup> Gas Rules 15 and 16 for:

PG&E at [https://www.pge.com/tariffs/assets/pdf/tariffbook/GAS\\_RULES\\_15.pdf](https://www.pge.com/tariffs/assets/pdf/tariffbook/GAS_RULES_15.pdf), SDG&E at [https://tariff.sdge.com/tm2/pdf/GAS\\_GAS-RULES\\_GRULE15.pdf](https://tariff.sdge.com/tm2/pdf/GAS_GAS-RULES_GRULE15.pdf), and Southwest Gas Corporation at <https://www.swgas.com/1409184638489/rule15.pdf>;

Gas Rules 20 and 21 for:

SoCalGas at <https://tariff.socalgas.com/regulatory/tariffs/tm2/pdf/20.pdf>, <https://tariff.socalgas.com/regulatory/tariffs/tm2/pdf/21.pdf>).

Note: Rule 15/20 pertains to gas distribution main extensions and Rule 16/21 pertains to gas service line extensions.

<sup>2</sup> Assigned Administrative Law Judges' Ruling Seeking Clarification and Additional Information, January 28, 2022,

<https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=ALL&DocID=445638734>

consider admitting the data into the record”<sup>3</sup>), (d) update the schedule for the remainder of this proceeding to accommodate the receipt of the additional information and (e) provide for the filing of briefs and submission of the matter for Commission decision. Parties were asked to make all reasonable efforts to agree on a common outline for briefs, which one of the respondents would serve on the service list by April 13, 2022. If parties were unable to agree to a common outline, ALJ Ruling 2 directed that disputes be brought to the ALJs for resolution and the ALJs could modify the outline as needed.

On April 4, 2022, the gas utilities provided their responses to the ED-DR. On April 11, 2022, Clean Energy filed comments to the gas utilities’ responses to the ED-DR. On April 13, 2022, the gas utilities filed a pleading with the proposed common outline for the briefs and a request for the ALJs to resolve a disagreement among the parties on whether the briefs should include legal issues only or also include policy issues.

### **Discussion**

The data provided by the gas utilities in response to the ED-DR is important data that may greatly assist the Commission in resolving the Phase III issues. There were no party comments in opposition to receiving the data. As a result, this Ruling receives into the evidentiary record the gas utilities’ responses to the ED-DR, appended as Attachments 1 to 5.

This Ruling also provides clarification regarding the common outline and whether briefs should be limited to legal issues. The purpose of briefs is for each party to have the opportunity to state its final position on each issue within the scope of this proceeding and make a compelling showing based on the record as

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<sup>3</sup> March 22, 2022 ALJ Ruling at 3.



**ATTACHMENT 1-5**

**END OF ATTACHMENT 1-5**

**ATTACHMENT 6**  
**OUTLINE FOR BRIEFS**

1. Introduction
2. Legal Standard and Regulatory Background
3. Party Position (with Supporting Rationale) on the Elimination or Modification of Gas Line Extension Allowances, Refunds, and/ or Discounts (collectively Gas Line Subsidies) for Residential Customers
4. Party Position (with Supporting Rationale) on the Elimination or Modification of Gas Line Subsidies for Non-Residential Customers including but not limited to the following alternate proposals from parties:
  - a. Exceptions for Projects that Provide “Environmental and Financial Benefits” (Joint Utilities Proposal)
  - b. Exceptions for Small Businesses (SBUA Proposal)
  - c. Maintaining Existing Gas Line Subsidies to Focus on Short Lived Climate Pollutants (Clean Energy Proposal)
  - d. New Methodology for Calculating and Applying Gas Line Subsidies (PG&E Proposal)
5. Party Position (with Supporting Rationale) on Findings the Commission Should Make Pursuant to Public Utilities Code Section 783:
  - a. Public Utilities Code Section 783(b)(1).
  - b. Public Utilities Code Section 783(b)(2).
  - c. Public Utilities Code Section 783(b)(3).
  - d. Public Utilities Code Section 783(b)(4).
  - e. Public Utilities Code Section 783(b)(5).
  - f. Public Utilities Code Section 783(b)(6).
  - g. Public Utilities Code Section 783(b)(7).

6. Other Issues Within the Scope of Phase III the Commission Should Consider
7. Conclusion

**END OF ATTACHMENT 6**