



BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

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In The Matter of the Application of
Southern California Gas Company (U 904
G) for Authorization to Implement
Revenue Requirement for Costs to Enable
Commencement of Phase 2 Activities for
Angeles Link.

Application 24-12-011

NOT CONSOLIDATED

In the Matter of the Application of
SOUTHERN CALIFORNIA GAS
COMPANY (U904G) for Authorization to
Recover Costs Recorded in Its Angeles
Link Memorandum Account.

Application 25-06-011

**PUBLIC ADVOCATES OFFICE
RESPONSE TO THE MOTION OF THE UTILITY REFORM NETWORK
FOR CONSOLIDATION OF PROCEEDINGS OR ISSUES**

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July 23, 2025

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I. INTRODUCTION

Pursuant to Rule 11.1(e) of the Rules of Practice and Procedure (Rules) of the California Public Utilities Commission (Commission), the Public Advocates Office at the California Public Utilities Commission (Cal Advocates) submits this Response to the *Motion of The Utility Reform Network (TURN) for Consolidation of Proceedings or Issues* (Motion to Consolidate).¹

II. PROCEDURAL BACKGROUND

TURN's Motion to Consolidate asks the Commission to consolidate two separate proceedings, A.24-12-011 (Application of Southern California Gas Company (U 904 G) for Authorization to Implement Revenue Requirement for Costs to Enable

¹ *Motion of The Utility Reform Network for Consolidation of Proceedings or Issues* (TURN's Motion to Consolidate), filed July 8, 2025.

Commencement of Phase 2 Activities for Angeles Link)² and A.25-06-011 (Application of Southern California Gas Company (U 904 G) for Authorization to Recover Costs Recorded In Its Angeles Link Memorandum Account).³ Both proceedings are related to Southern California Gas Company's (SoCalGas's) proposed and as yet unbuilt Angeles Link project.⁴ TURN identifies certain legal and substantive issues common to both proceedings and urges consolidation of these two proceedings.

A. SoCalGas's Application to Implement Revenue Requirement for Costs to Commence Phase 2 Activities (the Revenue Requirement Proceeding)

The Revenue Requirement Proceeding opened on December 20, 2024.⁵ SoCalGas's Revenue Requirement Application seeks authority to implement a revenue requirement based on a forecasted cost of approximately \$266 million to conduct "Phase 2 activities" for the proposed Angeles Link project.⁶ Cal Advocates and several intervenors filed their respective protests to the Revenue Requirement Application on January 23, 2025.⁷

² See, Application (A.) 24-12-011, *Application of Southern California Gas Company (U 904 G) for Authorization to Implement Revenue Requirement for Costs to Enable Commencement of Phase 2 Activities for Angeles Link* (Revenue Requirement Application), December 20, 2024.

³ See, Application (A.) 25-06-011, *Application of Southern California Gas Company (U 904 G) for Authorization to Recover Costs Recorded In Its Angeles Link Memorandum Account* (Cost of Recovery Application), June 20, 2025.

⁴ As explained in Cal Advocates Protest to the Revenue Requirement Application, in the original proceeding that gave rise to this proceeding, Application (A.) 22-02-007, SoCalGas requested authority to establish a memorandum account (the Angeles Link Memo Account or ALMA) to track the cost for the proposed Angeles Link Project. See, *Application of Southern California Gas Company for Authority to Establish a Memorandum Account for the Angeles Link Project*, Application (A.) 22-02-007, filed on February 17, 2022, at 1.

⁵ Revenue Requirement Application at 1.

⁶ Revenue Requirement Application at 1.

⁷ See, *The Public Advocates' Protest of Application of Southern California Gas Company (U 904 G) for Authorization to Implement Revenue Requirement for Costs to Enable Commencement of Phase 2 Activities for Angeles Link* (Revenue Requirement Protest), January 23, 2025. See also, *Protest of Air Products and Chemicals, Inc.*, January 23, 2025, and *Protest of Sierra Club and the California Environmental Justice Alliance*, January 23, 2025.

Decision (D.) 22-12-005 authorized SoCalGas to establish the ALMA to record the costs of performing Phase 1 studies for the Angeles Link Project but declined to rule on whether it has jurisdiction over the Project.⁸

On March 14, 2025, Administrative Law Judge (ALJ) Joanna Perez-Greene convened a Prehearing Conference (PHC). During the PHC, Cal Advocates repeated its recommendation to bifurcate the proceeding as outlined in its Revenue Requirement Protest to settle “for once and all, the breadth of the scope of [the Commission’s] authority with respect to hydrogen.”² ¹⁰ As of this date, a Scoping Memorandum for the Revenue Requirement Proceeding has not yet been issued.

B. SoCal’s Application Authorization to Recover Costs Recorded in Its Angeles Link Memorandum Account (Cost of Recovery Proceeding)

On June 12, 2025, SoCalGas filed an application for authorization to recover Phase 1 costs recorded in the ALMA.¹¹ Cal Advocates timely filed its protest of the Cost of Recovery Application on July 17, 2025.¹² Cal Advocates’ Cost of Recovery Protest, recommends, among other things, that the Cost of Recovery Proceeding be held in abeyance until “the Commission determines whether it has jurisdiction over hydrogen delivery services in the [Revenue Requirement] Application proceeding.”¹³ Cal Advocates further notes that the Commission has already determined that the Commission’s jurisdiction is a threshold issue regarding the planned but as yet unbuilt

⁸ Revenue Requirement Protest at 1. See also, Decision (D.) 22-12-005, *Decision Approving the Angeles Link Memorandum to Record Phase One Costs*, December 20, 2022, Conclusion of Law Nos. 2 and 3, and Ordering Paragraph No. 1.

² RT, Vol. 1, 26:14-16 (Cal Advocates, Parker).

¹⁰ Several other parties also agreed that the Revenue Requirement Proceeding should be bifurcated and the initial track should include briefings by all parties on the critical legal question of the Commission’s jurisdiction with respect to the Angeles Link Project and hydrogen projects more generally See, e.g., RT, Vol. 1, 20:20-25 (Indicated Shippers, Hafez) and RT, Vol. 1, 16:11-19 (SoCalGas, Patel).

¹¹ Cost of Recovery Application at 1.

¹² See, *The Public Advocates’ Protest of the Application of Southern California Gas Company (U 904 G) for Authorization to Recover Costs Recorded In Its Angeles Link Memorandum Account* (Cal Advocates Cost of Recovery Protest), July 17, 2025.

¹³ Cal Advocates Cost of Recovery Protest at 4.

Angeles Link Project because “without a determination of jurisdiction, SoCalGas may not be able to recover costs recorded in ALMA.”¹⁴ In short, the Commission currently has two active proceedings where SoCalGas seeks relief that hinges on the Commission’s determination of whether it has the required jurisdiction over the Angeles Link Project and hydrogen transportation more generally.

III. DISCUSSION

TURN’s Motion to Consolidate the two proceedings identifies certain overlapping and identical issues presented in the two proceedings. Rather than consolidating the two proceedings as TURN recommends, Cal Advocates proposes a phased approach to resolving the issue of jurisdiction that is key to both proceedings. To avoid unnecessarily expending considerable time and resources in two venues and potential duplicative and/or conflicting determinations, Cal Advocates recommends the Commission resolve the issue of jurisdiction in the Revenue Requirement Proceeding and hold the Cost of Recovery Proceeding in abeyance until it issues its decision on jurisdiction in the Revenue Requirement Proceeding.¹⁵ There are several good reasons for adopting this course of action.

First, the two proceedings are at different procedural stages. TURN asserts, “Since the Commission has not yet adopted a procedural schedule for A.24-12-011, timely consolidation would not unduly delay that proceeding. Indeed, consolidation could effectively expedite consideration of key issues and facilitate the timely processing of both proceedings.”¹⁶ The difference in the procedural postures of these two proceedings, however, weighs in favor of not consolidating them because of the unavoidable delays that would result.

The Revenue Requirement Proceeding’s parties attended a PHC on March 14th, 2025. Under the Commission’s procedural rules the next step will be the

¹⁴ Cal Advocates Cost of Recovery Protest at 5.

¹⁵ Cal Advocates Cost of Recovery Protest at 5.

¹⁶ TURN Motion at 3.

issuance of a Scoping Memorandum confirming whether the threshold issue of jurisdiction will be briefed in the Revenue Requirement Proceeding, other issues that would be in scope, and a proceeding schedule that would be based, in part, on the need to reach a final decision in the Revenue Requirement Proceeding within the required statutory period.

In contrast, the parties to the Cost of Recovery Proceeding have only just filed and served their respective protests and responses to the Cost of Recovery Application. No PHC has yet been conducted in the Cost of Recovery Proceeding. So far, the Cost of Recovery Proceeding's parties have had only limited opportunity to submit their views on the issues to be included in the scope of the proceeding, the proceeding schedule, categorization, etc. Consolidating two proceedings at this point puts the Cost of Recovery Proceeding's parties at a disadvantage because they would potentially have to "play catch up" on the issues already raised in the Revenue Requirement Proceeding's PHC and take positions on issues already raised in the Cost of Recovery Proceeding.

Second, the differences in the identity of the proceedings' parties, issues, and the procedural postures raise due process concerns. While there is some overlap, the parties in the Revenue Requirement Proceeding are not the same parties in the Cost of Recovery Proceeding. Consolidating the two proceedings would mean Cost of Recovery Proceeding parties would not have had an opportunity to request the issues they believe relevant in that proceeding be included in the consolidated proceeding. If the Commission were to determine it was necessary for parties to provide input on all issues in both proceedings, further delays in the consolidated proceedings' timeline would likely result.

Third, the Revenue Requirement Proceeding is in its seventh month while the Cost of Recovery Proceeding has only just started. The difference in proceeding timelines means that the Revenue Requirement Proceeding is far enough along its procedural timeline that if the Commission directs the parties to brief the jurisdictional issue, then any decision on the threshold question of jurisdiction will likely be issued before a scoping memorandum is issued in the Cost of Recovery Proceeding. Once that

decision on jurisdiction, if any, is issued in the Revenue Requirement Proceeding, the assigned commissioner and ALJ in the Cost of Recovery Proceeding can apply it to that proceeding in the appropriate manner.

IV. CONCLUSION

For the reasons set forth above, Cal Advocates respectfully requests that the Commission resolve the issue of jurisdiction in the Revenue Requirement Proceeding and hold the Cost of Recovery Proceeding in abeyance until it issues its decision on jurisdiction in the Revenue Requirement Proceeding.

Respectfully submitted,

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