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08/11/25

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

09:46 AM
A2505010

Application of Southern California
Gas Company (U904G) to Submit Its
2025 Risk Assessment and Mitigation
Phase Report.

Application 25-05-010

And Related Matter.

Application 25-05-013

ASSIGNED COMMISSIONER'S SCOPING MEMO AND RULING

This scoping memo and ruling sets forth the issues, need for hearing, schedule, category, and other matters necessary to scope this proceeding pursuant to Public Utilities Code Section 1701.1 and Article 7 of the Commission's Rules of Practice and Procedure (Rules).

1. Procedural Background

On May 15, 2025, San Diego Gas & Electric Company (SDG&E) and Southern California Gas Company (SoCalGas), referred to collectively as Sempra for brevity, filed their respective 2025 Risk Assessment Mitigation Phase (RAMP) Applications and the RAMP Reports (Application) pursuant to Decisions (D.) 14-12-025, D.16-08-018, D.18-12-014, D.20-01-002, D.21-11-009, D.22-10-002, D.22-12-027 and D.24-05-064.

The Application requests that (a) the Commission direct Safety Policy Division (SPD) to review SDG&E's and SoCalGas's RAMP Reports and issue a

report for party comment, and (b) the Commission close this proceeding once comments have been provided.

Indicated Shippers (IS) filed a protest to A.25-05-010 on June 16, 2025. Southern California Edison (SCE) filed a response to A.25-05-010 and A.25-05-013 on June 16, 2025, and Small Business Utility Advocates (SBUA) filed a response to A.25-05-010 and A.25-05-013 on June 17, 2025. Mussey Grade Road Alliance (MGRA) filed a protest to A.25-05-013 on June 18, 2025. Public Advocates Office (Cal Advocates) and The Utility Reform Network (TURN) filed protests to A.25-05-010 and A.25-05-013 on June 18, 2025. A.25-05-010 and A.25-05-013 were consolidated on June 19, 2025. Cal Advocates filed an amended protest to the Application on June 25, 2025. SDG&E and SoCalGas filed a reply on June 30, 2025.

A prehearing conference (PHC) was held on July 23, 2025, to address the issues of law and fact, determine the need for hearing, set the schedule for resolving the matter, and address other matters as necessary. After considering the Application, attachments, responses, protests, reply to the responses and protests, joint PHC statement, and discussion at the PHC, I have determined the issues and initial schedule of the proceeding to be set forth in this scoping memo.

2. Issues

The issues to be determined or otherwise considered are:

1. Whether SoCalGas's and SDG&E's RAMP filing is complete and in compliance with RAMP-related and governing decisions, including D.14-12-025, D.18-12-014, D.21-11-009, D.22-12-027, and D.24-05-064.
2. Whether SoCalGas and SDG&E adequately demonstrate how they use their RAMP model and risk analysis in selection and implementation of specific mitigation projects and programs.

3. Whether there are gaps in SoCalGas's and SDG&E's RAMP Report filing in identifying enterprise-level risks and considering mitigation options, including but not limited to:
 - a. Whether key safety risks have been adequately identified, assessed, and analyzed.
 - b. Whether risk analysis is adequately supported.
 - c. Whether effective mitigation programs have been developed and defined with sufficient granularity.
 - d. Whether cost effectiveness of mitigations has been reasonably assessed and analyzed.
 - e. Whether reasonable alternatives have been fully considered and adequately discussed by SoCalGas and SDG&E.
 - f. Whether SoCalGas and SDG&E ensured that all relevant lifecycle costs and benefits are comprehensively identified, accurately integrated into the Cost Benefit Ratio calculations, adequately demonstrated when assessing risk mitigation programs and projects, and implemented in compliance with the directives of D.22-12-027 and D.24-05-064.
 - g. Whether SoCalGas's and SDG&E's proposed Homogeneous Tranche Method (HTM) is appropriately granular and an acceptable alternative to the Commission's best-practice quintile approach to tranching, as set forth in D.24-05-064.
4. Whether SoCalGas's and SDG&E's analysis is transparent and allows for independent validation of its results.
5. Whether RAMP feedback has been adequately incorporated into SoCalGas's and SDG&E's 2028 Test Year General Rate Case filing.
6. Whether SoCalGas and SDG&E have reasonably implemented the Environmental and Social Justice Pilot study and other related direction ordered in D.22-12-027.

7. Whether SoCalGas and SDG&E adequately demonstrate how their “risk-averse” Risk Scaling Function optimizes costs and benefits to ratepayers.
8. Whether the Application aligns with or impacts the achievement of any of the nine goals of the Commission’s Environmental and Social Justice Action Plan.

This is the first RAMP Report where SoCalGas and SDG&E are presenting the Risk-Based Decision-Making Framework’s Cost-Benefit Ratio methodology. The Commission will assess the completeness and accuracy of the data and methodology used in the Cost-Benefit Ratio calculations. It is important to clarify that this proceeding will not review the reasonableness of costs for revenue requirements; that evaluation will take place during the 2028 Test Year General Rate Case proceeding.

3. Need for Evidentiary Hearing

In the Joint PHC Statement, the parties, excluding Cal Advocates, stated that there is not a need for hearings.¹ Based on the majority of comments not requiring an evidentiary hearing, the ruling confirms hearings are not necessary at this time. Any party seeking to request an evidentiary hearing must file a motion that includes the specific material facts in dispute, which justify such a hearing, in accordance with the Commission’s Rules of Practice and Procedures.

4. Schedule

The following schedule is adopted here and may be modified by the Administrative Law Judge (ALJ) or the Assigned Commissioner as required to promote the efficient and fair resolution of the application:

¹ In the Joint Statement and at the PHC, Cal Advocates stated that they reserve their right to have evidentiary hearings in case there is some dispute relating to fact.

Event	Date
Workshop on Sempra 2025 RAMP	No later than September 1, 2025
Ruling issuing SPD Report	October 10, 2025
Opening Comments on Sempra RAMP and SPD Report, filed and served	November 17, 2025
Reply Comments filed and served	December 1, 2025
SoCalGas and SDG&E file Test Year 2028 GRC Application	May 15, 2026

In the protests and responses, PHC joint statement and PHC, parties presented and discussed the need for one additional workshop on Sempra's 2025 RAMP filing before submitting informal comments on the Sempra RAMP Report. The Rate Case Plan in D.20-01-002 does not include a RAMP-related workshop and informal comments.² However, in this proceeding, it would be beneficial to hold an additional workshop to help parties better understand Sempra's 2025 RAMP Report, particularly in light of the modifications adopted in D.24-05-064. Accordingly, SoCalGas and SDG&E are directed to host a joint workshop no later than September 1, 2025. SoCalGas shall coordinate with SDG&E, SPD and interested parties in the development of a workshop agenda and notify the workshop to the proceeding service list.

² D.20-01-002, Appendix A at A-1.

However, parties to the proceeding are not required to submit informal comments prior to filing their Comments on the Sempra RAMP Report and SPD Report.³

The proceeding will stand submitted upon the filing of reply comments on the Sempra RAMP Report and SPD Report, unless the ALJ requires further evidence or argument. Based on this schedule, the proceeding will be resolved within 18 months as required by Public Utilities Code Section 1701.5.

5. Category of Proceeding and Ex Parte Restrictions

This ruling confirms the Commission's preliminary determination⁴ that this is a ratesetting proceeding. Accordingly, ex parte communications are restricted and must be reported pursuant to Article 8 of the Rules.

6. Public Outreach

Pursuant to Public Utilities Code Section 1711(a), where feasible and appropriate, before determining the scope of the proceeding, the Commission sought the participation of those likely to be affected, including those likely to derive benefit from, and those potentially subject to, a decision in this proceeding. This matter was noticed on the Commission's daily calendar. Where feasible and appropriate, this matter was incorporated into engagements conducted by the Commission's External Affairs Division with local governments and other interested parties.

7. Intervenor Compensation

Pursuant to Public Utilities Code Section 1804(a)(1), a customer who intends to seek an award of compensation must file and serve a notice of intent

³ On July 7, 2025, SPD Staff requested informal comments on the 2025 Sempra RAMP Application by Friday, August 15, 2025. Parties are not required to submit informal comments.

⁴ Resolution ALJ-3564.

to claim compensation by August 22, 2025, 30 days after the prehearing conference.

8. Response to Public Comments

Parties may, but are not required to, respond to written comments received from the public. Parties may do so by posting such response using the “Add Public Comment” button on the “Public Comment” tab of the online docket card for the proceeding.

9. Public Advisor

Any person interested in participating in this proceeding who is unfamiliar with the Commission’s procedures or has questions about the electronic filing procedures is encouraged to obtain more information at <https://www.cpuc.ca.gov/about-cpuc/divisions/news-and-public-information-office/public-advisors-office> or contact the Commission’s Public Advisor at 866-849-8390 or 866-836-7825 (TTY), or send an e-mail to public.advisor@cpuc.ca.gov.

10. Filing, Service, and Service List

The official service list has been created and is on the Commission’s website. Parties should confirm that their information on the service list is correct and serve notice of any errors on the Commission’s Process office, the service list, and the ALJ. Persons may become a party pursuant to Rule 1.4.⁵

When serving any document, each party must ensure that it is using the current official service list on the Commission’s website.

This proceeding will follow the electronic service protocol set forth in Rule 1.10. All parties to this proceeding shall serve documents and pleadings using

⁵ The form to request additions and changes to the Service list may be found at <https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/administrative-law-judge-division/documents/additiontoservicelisttranscriptordercompliant.pdf>

electronic mail, whenever possible, transmitted no later than 5:00 p.m., on the date scheduled for service to occur. Rule 1.10 requires service on the ALJ of both an electronic and a paper copy of filed or served documents. However, the parties to this proceeding are excused from this requirement to serve paper copies to the ALJ, unless otherwise instructed to do so by the ALJ.

When serving documents on Commissioners or their personal advisors, whether or not they are on the official service list, parties must only provide electronic service. Parties must not send hard copies of documents to Commissioners or their personal advisors unless specifically instructed to do so.

Persons who are not parties but wish to receive electronic service of documents filed in the proceeding may contact the Process Office at process_office@cpuc.ca.gov to request addition to the “Information Only” category of the official service list pursuant to Rule 1.9(f).

The Commission encourages those who seek information-only status on the service list to consider the Commission’s subscription service as an alternative. The subscription service sends individual notifications to each subscriber of formal e-filings tendered and accepted by the Commission. Notices sent through subscription service are less likely to be flagged by spam or other filters. Notifications can be for a specific proceeding, a range of documents and daily or weekly digests.

11. Receiving Electronic Service from the Commission

Parties and other persons on the service list are advised that it is the responsibility of each person or entity on the service list for Commission proceedings to ensure their ability to receive emails from the Commission. Please add “@cpuc.ca.gov” to your email safe sender list and update your email

screening practices, settings and filters to ensure receipt of emails from the Commission.

12. Assignment of Proceeding

Matthew Baker is the assigned Commissioner and Paula Gruendling is the assigned ALJ.

IT IS RULED that:

1. The scope of this proceeding is described above and is adopted.
2. The schedule of this proceeding is set forth above and is adopted.
3. Evidentiary hearing is not needed.
4. The category of the proceeding is ratesetting.
5. SoCalGas and SDG&E shall plan, organize and provide notice regarding a workshop for interested parties on their 2025 RAMP application, to be held no later than September 1, 2025.

Dated August 11, 2025, at San Francisco, California.

/s/ MATTHEW BAKER

Matthew Baker
Assigned Commissioner