



ALJ/RP6/PG1/avs 9/24/2025

FILED

09/24/25

09:39 AM

P2409012

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Establish Policies, Processes, and Rules to Ensure Safe and Reliable Gas Systems in California and perform Long -Term Gas System Planning.

Rulemaking 24-09-012

**ADMINISTRATIVE LAW JUDGES' RULING DIRECTING
GAS UTILITIES TO PROVIDE GAS DISTRIBUTION COST DATA**

This ruling directs Pacific Gas and Electric Company (PG&E), Southern California Gas Company (SoCalGas), San Diego Gas & Electric Company (SDG&E), and Southwest Gas Corporation (Southwest Gas) to provide specified cost and other information relating to their gas distribution systems listed in Appendix 1 by November 5, 2025.

1. Background

Senate Bill (SB) 1221 (Min, Stats. 2024, Ch. 602), requires the Commission to establish a voluntary program to facilitate the cost-effective decarbonization of no more than one percent of each gas corporations' customers in priority neighborhood decarbonization zones. More specifically, Pub. Util. Code Section 663(b)(2) requires the Commission to establish criteria and methods to determine "the cost-effectiveness of a zero-emission alternative as compared to replacement, repair, or continued operation of the affected asset of the gas system."

Additionally, this proceeding is considering non-pipeline alternatives outside of the requirements of SB 1221. Specifically, Phase 1, Issue no. 3 of the Scoping Memo states:

Should the Commission adopt a new process to facilitate non-pipeline alternatives for some or all distribution pipeline or regulator station repair or replacement projects? If so, what should that process entail and what direction should the Commission give to utilities to enact that process, including how should costs be addressed?¹

Information obtained in previous Commission data requests pointed to costs in the range of \$2 million to \$6 million per mile to replace gas distribution main and pipelines for PG&E's territory.²

2. Direction to Utilities

This ruling seeks updated gas system costs to inform the development of SB 1221 zonal decarbonization projects' cost-effectiveness assessment methods and determine potential cost savings of non-pipeline alternatives outside of SB 1221. As such, we direct PG&E, SoCalGas, SDG&E, and Southwest Gas to file and serve information responsive to the directions in Appendix 1 by November 5, 2025.

PG&E, SoCalGas, SDG&E, and Southwest Gas shall make the data required available in MS Excel format, including any formulas associated with their calculations, using the templates provided on the Commission's SB 1221

¹ Assigned Commissioner's Scoping Memo and Ruling (Jan. 31, 2025) at 4.

² See PG&E Response to ALJ Ruling Seeking Data from Gas Utilities (Jan. 13, 2024) at Gas System Census Tract Data, column "DistAvCost"; see also CPUC's R.24-09-012 webpage, <https://www.cpuc.ca.gov/industries-and-topics/natural-gas/long-term-gas-planning-rulemaking>.

webpage.³ By November 5, 2025, PG&E, SDG&E, SoCalGas, and Southwest Gas shall publish the data on their respective SB 1221 webpages and file in the docket of this proceeding a “Notice of Availability” of the secure download link. In addition, by November 5, 2025, PG&E, SDG&E, SoCalGas, and Southwest Gas shall serve their MS Excel data sheets with the required information to the entire service list for this proceeding.

Once submitted, this information will be made available on the Commission’s SB 1221 Implementation webpage www.cpuc.ca.gov/industries-and-topics/natural-gas/sb-1221-implementation, in addition to the docket.

IT IS RULED that:

1. PG&E, SoCalGas, SDG&E, and Southwest Gas shall file and serve information responsive to the directions in Appendix 1 by November 5, 2025, using the formats described in this ruling.
2. By November 5, 2025, PG&E, SoCalGas, SDG&E, and Southwest Gas shall publish their responses to this request on their respective SB 1221 webpages.

Dated September 24, at San Francisco, California.

/s/ PAULA GRUENDLING

Paula Gruendling
Administrative Law Judge

/s/ ROBYN PURCHIA

Robyn Purchia
Administrative Law Judge

³ See <https://www.cpuc.ca.gov/industries-and-topics/natural-gas/sb-1221-implementation>. The links to the Excel templates are available “Gas Distribution Cost Data” heading.

APPENDIX 1

PG&E, SoCalGas, SDG&E, and Southwest Gas shall provide information following these directions:

1. *Distribution Pipeline Replacement Costs*

Provide an Excel spreadsheet file "Distribution Replacement Costs Data - [Utility Name].xlsx" following the directions in the attached template "Distribution Replacement Costs Data - Template.xlsx." This template focuses on gas distribution main and service replacement program and service-only replacement program costs per service. This template includes summary information, costs by operating district, and utility-wide costs by program, as well as project completion times, with key information italicized.

2. *Regulator Station Replacement Costs*

Provide an Excel spreadsheet file "RegStation Replacement Costs Data - [Utility Name].xlsx" following the directions in the attached template "RegStation Replacement Costs Data - Template.xlsx." This template focuses on program costs for medium-pressure regulator stations, which are the type of regulator station upstream from most customers. This template includes summary information, costs by operating district, and pressure district information, which will reflect that different regulator stations serve different numbers of customers. Project completion times are included and key information is italicized.

3. *Maintenance Costs*

Provide an Excel spreadsheet file "Distribution Maintenance Costs Data - [Utility Name].xlsx" following the directions in the attached template "Distribution Maintenance Costs Data - Template.xlsx." This information summarizes non-replacement maintenance costs.

(END OF APPENDIX)