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**FILED**

10/14/25

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A2506002

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

Application of San Diego Gas & Electric Company (U902-E) for Approval of:  
(i) Contract Administration, Least-Cost Dispatch and Power Procurement Activities in 2024, (ii) Costs Related to those Activities Recorded to the Energy Resource Recovery Account, Portfolio Allocation Balancing Account, Transition Cost Balancing Account, Local Generating Balancing Account, and Modified Cost Allocation Mechanism Balancing Account in 2024, and (iii) Costs Recorded in Related Regulatory Accounts in 2024.

Application 25-06-002

**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 (Pub. Util.) Code Section (§) 1701.1 and Article 7 of the Commission's Rules of Practice and Procedure (Rules).

**1. Procedural Background**

On June 2, 2025, San Diego Gas & Electric (SDG&E) filed this application for approval of its Energy Resource Recovery Account (ERRA) Balancing Account costs and activities, as well as for its other procurement-related accounts and activities in 2024. On July 10, 2025 the Public Advocates Office

(Cal Advocates) and San Diego Community Power jointly with Clean Energy Alliance (San Diego CCAs) filed protests to the application. On July 21, 2025 SDG&E filed a reply to the protests.

A prehearing conference (PHC) was held on August 8, 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, protests and reply, and discussion at the PHC, I have determined the issues and initial schedule of the proceeding to be set forth in this scoping memo. I have also determined that no environmental and social justice issues have been raised at this time.

## **2. Issues**

The issues to be determined or otherwise considered with respect to record year 2024 are set forth below.

1. Whether SDG&E administered and managed its own generation resources prudently and in compliance with Standard of Conduct (SOC) 4 and other applicable rules and requirements. This includes but is not limited to the management of outages and associated fuel costs.
2. Whether SDG&E administered and managed its contracts for resources in accordance with the contract provisions and otherwise applicable rules, including SOC 4. This includes Qualifying Facility (QF) and non-QF generation contracts; power purchase agreement contracts; and other procurement contracts, such as those for Resource Adequacy (RA) or Renewables Portfolio Standard resources.
3. Whether SDG&E complied with its Bundled Procurement Plan (BPP). This includes whether it administered overall RA procurement consistent with its BPP, and whether SDG&E made a reasonable attempt to sell excess RA.

4. Whether SDG&E achieved least-cost dispatch of resources, and whether SDG&E administered its demand response programs to minimize costs to its ratepayers, according to SOC 4.
5. Whether the entries recorded in the following accounts are correctly stated and in compliance with Commission directives:
  - a. the Energy Resource Recovery Accounts;
  - b. Portfolio Allocation Balancing Account;
  - c. Transition Cost Balancing Account;
  - d. Local Generating Balancing Account;
  - e. Modified Cost Allocation Mechanism Balancing Account;
  - f. New Environmental Regulatory Balancing Account;
  - g. Independent Evaluator Memorandum Account;
  - h. Litigation Cost Memorandum Account;
  - i. Green Tariff Marketing Education & Outreach Memorandum Account;
  - j. Green Tariff Shared Renewables Administrative Cost Memorandum Account;
  - k. Enhanced Community Renewable Marketing, Education & Outreach Memorandum Account;
  - l. Green Tariff Shared Renewable Balancing Account;
  - m. Tree Mortality Non-Bypassable Charge Balancing Account;
  - n. Disadvantaged Communities – Single Family Solar Homes Balancing Account;
  - o. Disadvantaged Community-Green Tariff Balancing Account;
  - p. Community Solar Green Tariff Balancing Account;
6. Whether SDG&E's Greenhouse Gas Compliance Instrument procurement was consistent with applicable

- standards and in compliance with SDG&E's Commission-approved procurement plan;
7. Whether the entries in SDG&E's Greenhouse Gas Revenue Balancing Account and Greenhouse Gas-related entries in other ERRA sub-accounts are accurate, and whether SDG&E met its burden of proof regarding its claim for these entries.
  8. Whether SDG&E's calculation of unrealized volumetric sales and unrealized revenues resulting from Public Safety Power Shutoff events in 2024 is correctly stated and in compliance with Commission directives.
  9. Whether there are any safety issues raised by this application.

As reflected above, and with respect to the extensive discussion at the PHC regarding BPP issues that should be in scope, the issue of whether SDG&E *complied with* its BPP is within scope. Parties may identify activities or issues where it is unclear whether an activity is compliant with the BPP and the reasons for that lack of clarity; however, changes to the BPP are not within scope.

### **3. Need for Evidentiary Hearing**

At the PHC, SDG&E stated it did not believe hearings were necessary, but Cal Advocates and the San Diego CCAs had not yet determined whether they believe hearings will be necessary. Parties agreed it was prudent to plan within the proceeding schedule for the eventuality that hearings may be needed. I conclude that, while it is not clear that hearings will be required, it is reasonable to allow for that possibility. Accordingly, I will allow parties to present evidence and at a later time indicate whether they believe evidentiary hearings are needed. Subsequent to filing of testimony and rebuttal, and with the intervening ample time for discovery, parties shall file a joint case management statement detailing issues that remain in dispute and whether any party believes hearings

will be necessary. The schedule below reflects these milestones. The need for evidentiary hearing will be determined by the assigned Administrative Law Judge (ALJ); if hearings are needed further instructions will be provided at the status conference.

#### **4. Schedule**

The following schedule is adopted here and may be modified by the ALJ as required to promote the efficient and fair resolution of the application:

<b>Event</b>	<b>Date</b>
Intervenors' prepared direct testimony served	December 12, 2025
Prepared rebuttal testimony served	February 13, 2026
Joint case management statement, identifying issues in dispute and whether parties request hearings, filed and served	February 23, 2026
Status conference (if hearings needed)	March 6, 2026
Evidentiary hearing (if needed)	Week of March 16, 2026
Opening briefs	April 10, 2026 if no hearings; TBD if hearings
Reply briefs [matter submitted]	May 1, 2026 if no hearings; TBD if hearings
Proposed decision	Approximately 90 days after submission
Commission decision	No sooner than 30 days after PD issued

The purpose of the joint case management statement is to ascertain whether, pursuant to Rule 13.8(c), the parties stipulate to the receipt of prepared

testimony into evidence without direct or cross examination or other need to convene an evidentiary hearing. If hearings are deemed necessary, the status conference will include discussion of the parties' resources, readiness and needs for the effective remote conduct of the evidentiary hearing, including estimates of time requested for cross-examination and identification of anticipated exhibits.

The proceeding will stand submitted upon the filing of reply briefs unless the ALJ requires further evidence or argument. Based on this schedule, the proceeding will be resolved within 18 months as required by Pub. Util. Code §1701.5.

## **5. Alternative Dispute Resolution (ADR) Program and Settlements**

The Commission's Alternative Dispute Resolution (ADR) program offers mediation, early neutral evaluation, and facilitation services, and uses ALJs who have been trained as neutrals. At the parties' request, the assigned ALJ can refer this proceeding to the Commission's ADR Coordinator. Additional ADR information is available on the Commission's website.<sup>1</sup>

Any settlement between parties, whether regarding all or some of the issues, shall comply with Article 12 of the Rules and shall be served in writing. Such settlements shall include a complete explanation of the settlement and a complete explanation of why it is reasonable in light of the whole record, consistent with the law and in the public interest. The proposing parties bear the burden of proof as to whether the settlement should be adopted by the Commission.

Parties are encouraged to reach settlement on disputed issues. In the joint case management statement, the parties will identify agreements reached and

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<sup>1</sup> <https://www.cpuc.ca.gov/PUC/adr/>

unresolved issues requiring hearing. Any settlements between parties, whether regarding all or some of the issues, shall comply with Article 12 of the Rules and shall be served in writing. Such settlements shall include a complete explanation of the settlement and a complete explanation of why it is reasonable in light of the whole record, consistent with the law, and in the public interest. The proposing parties bear the burden of proof as to whether the settlement should be adopted by the Commission.

#### **6. Category of Proceeding and Ex Parte Restrictions**

This ruling confirms the Commission's preliminary determination<sup>2</sup> that this is a ratesetting proceeding. Accordingly, ex parte communications are restricted and must be reported pursuant to Article 8 of the Rules.

#### **7. 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.

#### **8. Intervenor Compensation**

Pursuant to Pub. Util. Code §1804(a)(1), a customer who intends to seek an award of compensation must file and serve a notice of intent to claim

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<sup>2</sup> Resolution ALJ-3565 at page 1.

compensation by 30 days after the PHC. No such notice was filed in this proceeding.

## **9. 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.

## **10. 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](mailto:public.advisor@cpuc.ca.gov).

## **11. 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.<sup>3</sup>

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

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<sup>3</sup> 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>



using 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, at the explicit direction of the assigned ALJ to this proceeding, parties are asked to file electronically only.

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](mailto: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.

## **12. 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 e-mail safe sender list and update your e-mail

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

**13. Assignment of Proceeding**

John Reynolds is the assigned commissioner and Maria Sotero is the assigned ALJ and presiding officer for this proceeding.

**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 currently required, but may later be determined to be needed.
4. The presiding officer is ALJ Maria Sotero.
5. The category of the proceeding is ratesetting.

Dated October 14, 2025, at San Francisco, California.

/s/ JOHN REYNOLDS

John Reynolds  
Assigned Commissioner