



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

FILED

11/07/25

04:59 PM

A2509014

Application of SOUTHERN CALIFORNIA
GAS COMPANY (U 904 G) and SAN
DIEGO GAS & ELECTRIC COMPANY (U
902 G) for authority to revise their natural gas
rates and implement storage proposals
effective January 1, 2027 in this Cost
Allocation Proceeding.

A.25-09-014
(Filed September 30, 2025)

RESPONSE OF SHELL ENERGY NORTH AMERICA (US), L.P.

Seth D. Hilton
STOEL RIVES LLP
One Montgomery Street, Suite 3230
San Francisco, CA 94104
Telephone: (415) 500-6527
Facsimile: (415) 617-8907
Email: seth.hilton@stoel.com

Date: November 7, 2025

*Attorneys for Shell Energy North America
(US), L.P.*

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

Application of SOUTHERN CALIFORNIA GAS COMPANY (U 904 G) and SAN DIEGO GAS & ELECTRIC COMPANY (U 902 G) for authority to revise their natural gas rates and implement storage proposals effective January 1, 2027 in this Cost Allocation Proceeding.

A.25-09-014
(Filed September 30, 2025)

RESPONSE OF SHELL ENERGY NORTH AMERICA (US), L.P.

I. INTRODUCTION

In accordance with Rule 2.6 of the Rules of Practice and Procedure of the California Public Utilities Commission (“Commission”), Shell Energy North America US, L.P. (“SENA”) submits the following response to the application filed by Southern California Gas Company (U 904 G) and San Diego Gas & Electric Company (U 902 G) (“Application”) on September 30, 2025, and first noticed in the Commission’s Daily Calendar on October 8, 2025.

II. RESPONSE

Under Rule 2.6(c) “Any person may file a response that does not object to the authority sought in an application, but nevertheless presents information that the person tendering the response believes would be useful to the Commission in acting on the application.”¹ SENA has historically participated and currently participates in Southern California Gas Company’s (“SoCalGas”) Backbone Transportation Service (“BTS”), including contracting for firm BTS

¹ Commission Rules of Practice and Procedure, Rule 2.6(c).

rights. SENA believes its historical experience with BTS would be useful to the Commission in evaluating any modifications to the BTS.

The Application proposes a number of modifications to BTS. These proposed changes include: (1) modifying BTS to limit the maximum number of firm BTS available for sale to 110% of the minimum backbone system design standard based on an average day quantity in a 1-in-10 cold and dry year; and (2) modify SoCalGas Rule 30 Operational Requirements to confirm BTS nominations up to the Total Net System Capacity for the Evening, Intraday 1, Intraday 2, and Intraday 3 cycles regardless of a Gas Day's OFO status.² In supporting testimony, SoCalGas explains that the limitation to the maximum firm BTS capacity available for customers to contract during the open season term is intended to minimize firm service over nominations and resulting nomination cuts.³ SoCalGas's testimony explains that the modifications to Rule 30 are intended to allow SoCalGas firm BTS customers a better opportunity to schedule gas under their higher confirmation order contracts in later scheduling cycles and for SoCalGas BTS to better conform with accepted industry practices.⁴

SENA has previously raised concerns with SoCalGas about how Rule 30 functioned with regard to allowing interruptible customers to potentially schedule gas ahead of firm customers in later scheduling cycles. SENA is still in the process of evaluating and reviewing SoCalGas's proposed changes to the BTS and the potential impacts of those changes, but appreciates SoCalGas's attempts to address concerns that SENA has previously raised concerning Rule 30. SENA intends to work with SoCalGas and other parties to this proceeding to ensure that the proposed modifications to Rule 30 achieve the intent set forth in SoCalGas's prepared testimony.

² Application at 6.

³ *Prepared Direct Testimony of Paul D. Borkovich on behalf of Southern California Gas Company and San Diego Gas & Electric Company*, Ch. 10 at PDB-11.

⁴ *Id.* at PDB-13.

III. PROCEDURAL MATTERS

Rule 2.6(d) provides, “Any person protesting or responding to an application shall state in the protest or response any comments or objections regarding the applicant’s statement on the proposed category, need for hearing, issues to be considered and proposed schedule.” SENA offers its response to those procedural matters below.

A. Proposed Category

SENA agrees that the proceeding should be categorized as “ratesetting.”

B. Need for Hearing

SENA takes no position at this time as to whether hearings will be necessary in this proceeding.

C. Issues to be Considered

At this time, SENA does not have any suggested issues to be considered in addition to those proposed by SoCalGas and San Diego Gas and Electric Company (“SDG&E”).

D. Proposed Schedule

SENA takes no position at this time on the schedule proposed by SoCalGas and SDG&E.

IV. CONCLUSION

SENA appreciates the opportunity to respond to the Application.

/s/ Seth D. Hilton

Seth D. Hilton

STOEL RIVES LLP

One Montgomery Street, Suite 3230

San Francisco, CA 94104

Telephone: (415) 500-6527

Facsimile: (415) 617-8907

Email: seth.hilton@stoel.com

*Attorneys for Shell Energy North America
(US), L.P.*

Date: November 7, 2025