BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA



FILED 11/21/25 04:59 PM A2510008

Application of SOUTHERN CALIFORNIA GAS COMPANY (U904G) Proposing Woody Biomass Pilot Project.

Application 25-10-008

PROTEST OF THE PUBLIC ADVOCATES OFFICE TO SOUTHERN CALIFORNIA GAS COMPANY'S APPLICATION PROPOSING WOODY BIOMASS PILOT PROJECT

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November 21, 2025

I. INTRODUCTION

Pursuant to the California Public Utilities Commission's (Commission) Rules of Practice and Procedure (Rules), Rule 2.6, the Public Advocates Office at the California Public Utilities Commission (Cal Advocates) timely submits this protest to the Application of Southern California Gas Company Proposing Woody Biomass Pilot Project (Application).¹

Southern California Gas Company (SoCalGas) filed the Application in accordance with Decision (D.) 24-12-032, which granted SoCalGas's motion to withdraw its original woody biomass pilot project filed pursuant to D.22-02-025, and allowed SoCalGas to submit an application for another woody biomass pilot project by October 15, 2025. Because the Commission previously determined the scope of issues for Pacific Gas and Electric Company (PG&E)'s and SoCalGas's woody biomass pilot project applications filed in June of 2023, it is reasonable to adopt a scope of issues for this proceeding that is consistent with those previous rulings. Cal Advocates also proposes that additional issues be considered in this proceeding based on the specific requests and deficiencies in the Application. In addition, Cal Advocates proposes a proceeding schedule that allows parties reasonable time to conduct discovery and prepare testimony and briefs. For the reasons stated below, the Commission should adopt the proposed scope and recommendations made herein.

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¹ Pursuant to Rule 2.6, "a protest . . . must be filed within 30 days of the date the notice of the filing of the application first appears in the Daily Calendar." The Application appeared in the Commission's Daily Calendar on October 22, 2025, which makes the protest filing date November 21, 2025. Therefore, this protest is timely.

² Decision (D.) 24-12-032, Decision Granting Southern California Gas Company's Request for Voluntary Dismissal of Application Proposing Approval of Woody Biomass Pilot Project, issued December 12, 2024, Ordering Paragraph (OP) 1-2 at 10-11.

³ Assigned Commissioner's Scoping Memo and Ruling, filed February 22, 2024 in Application (A.)23-06-024, (A.23-06-024 Scoping Ruling) at 3-4. Assigned Commissioner's Scoping Memo and Ruling, filed December 14, 2023 in A.23-06-023, at 2-3.

II. BACKGROUND

In D.22-02-025, the Commission ordered SoCalGas and PG&E⁴ to each file an application by July 1, 2023, that proposed at least one woody biomass gasification project focused on conversion of woody biomass to biomethane (pilot project).⁵ The Commission directed the Joint Utilities⁶ to collectively set aside \$40 million from their 2022 Cap-and-Trade allocated allowance auction proceeds to be used by PG&E and SoCalGas for the pilot projects.⁷ SoCalGas was allocated up to \$19.704 million of the collective \$40 million Cap-and-Trade allowance proceeds toward its pilot project.⁸

On June 30, 2023, SoCalGas filed A.23-06-24, which sought approval of its original woody biomass pilot project. On January 26, 2024, the Commission issued D.24-01-060, which rescinded D.22-02-025's requirement that PG&E and SoCalGas procure bio-Synthetic Natural Gas (bio-SNG) from the pilot projects. On April 22, 2024, SoCalGas filed a motion for voluntary dismissal of A.23-06-024, which the Commission granted on December 24, 2024 in D.24-12-032. D.24-12-032 also provided SoCalGas the option to file a new application by October 15, 2025 or return the cap-and-trade funds to ratepayers. SoCalGas filed its Application on October 15, 2025.

⁴ The Commission issued D.25-05-003, *Decision Denying PG&E's Woody Biomass Pilot Project Application*, on May 15, 2025.

⁵ D.22-02-025, *Decision Implementing Senate Bill 1440 Biomethane Procurement Program*, issued February 25, 2022, OP 43 at 67.

⁶ The "Joint Utilities" are PG&E, SoCalGas, San Diego Gas & Electric Company, and Southwest Gas Corporation.

⁷ D.22-02-025, OP 43 at 67-68.

⁸ D.22-02-025, OP 44 at 69.

⁹ D.24-01-060, Order Correcting Errors, issued January 16, 2024, at 1-3.

¹⁰ D.24-12-032, OP 1 at 10.

¹¹ D.24-12-032, OP 2 at 10-11.

¹² A.25-10-008, Application of Southern California Gas Company (U 904 G) Proposing Woody Biomass Pilot Project (Application), filed October 15, 2025.

III. SOCALGAS'S REQUESTED RELIEF

Pursuant to Rule 2.1, "[a]ll applications shall state clearly and concisely the authorization or relief sought" and must also state "the issues to be considered" in the proceeding. Here, SoCalGas requests that the Commission grant it the following relief:

- 1. Authority for SoCalGas to execute the Senate Bill (SB) 1440¹⁴ Pilot Project.
- 2. Authority to enter the Renewable Gas Interconnection Agreement (RGIA) included as Attachment A of the Application.
- 3. Authority to enter the SB 1440 Gasification/Pyrolysis Pilot Project Funding Agreement, which is included as Attachment B of the Application. 15

Cal Advocates agrees that these three requests are appropriate issues to be considered in this proceeding. However, for the reasons stated below, the Commission should expand the scope of this proceeding to consider additional issues consistent with the Commission's review of SoCalGas's previous woody biomass pilot project in A.23-06-024 and to consider issues that reflect specific requests and deficiencies in the Application.

IV. DISCUSSION AND ADDITIONAL ISSUES TO BE CONSIDERED

The Commission should adopt a scope that is consistent with its previous scoping rulings for the utility-proposed woody biomass pilot projects. The Commission's scoping ruling for SoCalGas's initial pilot project (A.23-06-024), determined that the pilot projects should be consistent with the D.22-02-025 requirements, should be consistent

¹³ Rule 2.1.

¹⁴ Senate Bill 1440 (Hueso, 2018) requires the Commission to consider adopting biomethane procurement targets or goals for each gas investor-owned utility (IOU) that provides service in California.

¹⁵ Application at 10-11.

¹⁶ In its Rule 2.1 declaration, SoCalGas states that the "issues to be considered are described in this Application" (Application at 9). SoCalGas is required to clearly and concisely identify the relief it seeks and state the issues to be considered; it is neither the Commission's duty nor parties' burden to speculate which issues described in the Application should be considered in this proceeding. Therefore, it is reasonable to conclude that SoCalGas's specific requested reliefs and issues SoCalGas proposes for consideration in this proceeding are restricted those SoCalGas identifies in Section V (Conclusion) of its Application.

with the state's climate goals, and should be evaluated for impacts on environmental and social justice communities and consistency with the Commission's Environmental and Social Justice (ESJ) Action Plan. The scoping ruling also included compliance with the California Air Resources Board (CARB) regulations as an issue in SoCalGas's previous application. Inclusion of this issue is particularly important, given that in D.25-05-003, the Commission denied PG&E's woody biomass pilot project specifically because PG&E failed to show that its pilot project satisfied CARB's regulations. Therefore, as the Commission previously determined that these issues were necessary to the evaluation of SoCalGas's first woody biomass pilot project application, it is reasonable to include the following issues in the scope of this proceeding:

- 1. Does the Proposed Project meet the requirements of D.22-02-025?
- 2. Does the Proposed Project support California state goals of decreasing GHG emissions?
- 3. Does the Proposed Project comply with the applicable CARB regulations, including but not limited to 17 CCR §§ 95893(d)(3), (d)(5), and (d)(8)?
- 4. Should SoCalGas's review and reporting of methane leakage and emissions information from the Proposed Project be publicly available? Has SoCalGas established that the Commission should treat any part of such information as confidential?
- 5. What, if any, are the impacts of the Proposed Project on environmental and social justice communities, including the extent to which the Proposed Project impacts the achievement of any of the nine goals of the Commission's Environmental and Social Justice Action Plan?²⁰

In addition to the above issues, the Commission should include issues specific to SoCalGas's current Application. While SoCalGas asks to use the Cap-and-Trade

¹⁷ A.23-06-024 Scoping Ruling at 3-4.

¹⁸ A.23-06-024 Scoping Ruling at 4.

¹⁹ D.25-05-003 at 12. ("We agree with Cal Advocates and Environmental Parties that PG&E has not satisfied the relevant CARB regulation requirements and consequently has not satisfied the requirements of D.22-02-025. As such the Application is denied.")

²⁰ A.23-06-024 Scoping Ruling at 3-4.

allowance funds,²¹ it fails to provide a breakdown of proposed costs, which denies parties the ability to review the reasonableness of planned expenditures. SoCalGas also proposes that the Commission authorize it to use any funds from the \$19.704 million that are not spent for utility-owned interconnection infrastructure to cover the costs of applicant-owned infrastructure, citing Commission policy from the biomethane monetary incentive program and the SB 1383 Pilot Projects.²² However, the Commission did not adopt the biomethane monetary incentive program and SB 1383 Pilot Project criteria for the woody biomass pilot projects. Instead, the Commission adopted specific requirements for the woody biomass pilot projects in D.22-02-025.²³

Finally, in D.24-12-032, the Commission identified criteria that SoCalGas must address if it filed another application to request approval of a woody biomass pilot project. Therefore, the Commission should also include the following issues in the scope of this proceeding:

- 1. Does SoCalGas's proposed pilot project represent an efficient and reasonable use of Cap-and-Trade funds?
- 2. Should SoCalGas's request to use unspent funds on applicant-owned infrastructure be approved?
- 3. Does the Proposed Project meet the requirements of D.24-12-032?

V. CATEGORIZATION

Cal Advocates agrees with SoCalGas's proposal²⁴ that this proceeding should be categorized as ratesetting.

VI. NEED FOR HEARINGS

SoCalGas states that it does not believe that evidentiary hearings will be necessary.²⁵ Cal Advocates is in the initial stages of reviewing the Application and

 $[\]frac{21}{2}$ Application at 7.

 $[\]frac{22}{3}$ Prepared Direct Testimony of James Lucas on Behalf of Southern California Gas Company at JL-8.

²³ D.22-02-025 at 45-49 and OP 43 and 44 at 67-69.

 $[\]frac{24}{4}$ Application at 9.

 $[\]frac{25}{2}$ Application at 9.

supporting testimony and it is not clear at this point whether evidentiary hearings are needed. Cal Advocates recommends that the Commission consider the need for evidentiary hearings at a later date and include in the proceeding schedule the opportunity to file a motion requesting evidentiary hearings.

VII. PROCEDURAL SCHEDULE

Cal Advocates requests that the Commission adopt a schedule that provides parties the opportunity to conduct thorough analyses, meet and confer, serve testimony, and identify material issues of factual dispute that may necessitate evidentiary hearings. Thus, Cal Advocates proposes the following procedural schedule:

CAL ADVOCATES' PROPOSED SCHEDULE

| EVENT | SOCALGAS' PROPOSED SCHEDULE | CAL ADVOCATES' PROPOSED SCHEDULE |
|---------------------------------------|-----------------------------------|---|
| Protest | N/A | November 21, 2025 |
| Response to Protest | N/A | December 1, 2025 |
| Prehearing Conference | January 2026 | January 2026 |
| Scoping Memo | February 2026 | January – February 2026 |
| Intervenor Testimony | April 2026 | Six weeks after the Scoping Memo is issued. |
| Rebuttal Testimony | May 2026 | Three weeks after Intervenor Testimony is served |
| Motion for Evidentiary Hearings | N/A | Four weeks after Rebuttal Testimony is served. |
| Evidentiary Hearings (if necessary) | June 2026 | June 2026 |
| Opening Briefs | July 2026 | Four weeks after Rebuttal Testimony is served or evidentiary hearings are held. |
| Reply Briefs | August 2026 | Three weeks after opening briefs. |
| Proposed Decision | October 2026 | TBD |
| Final Decision | November 2026 | TBD |

VIII. CONCLUSION

Cal Advocates respectfully requests that the Commission incorporate the issues raised in this protest in the scope of the proceeding. The issues identified consider the specific requests and deficiencies of SoCalGas's Application and are consistent with the scope determined by the Commission for SoCalGas's previous woody biomass pilot project application. The Commission should also adopt Cal Advocates' proposed schedule, which includes a deadline to file a motion for evidentiary hearings and allows parties reasonable time for discovery, analysis, and preparation of testimony and briefs.

Respectfully submitted,

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