

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

Application of SOUTHERN CALIFORNIA GAS
COMPANY (U 904 G) Proposing Woody Biomass
Pilot Project.

A.25-10-008
(Filed October 15, 2025)



FILED

12/01/25
04:59 PM
A2510008

**REPLY OF SOUTHERN CALIFORNIA GAS COMPANY TO PROTESTS AND
RESPONSES TO APPLICATION PROPOSING WOODY BIOMASS PILOT PROJECT**

ISMAEL BAUTISTA, JR.

Attorney for:
SOUTHERN CALIFORNIA GAS COMPANY
555 West Fifth Street, Suite 1400, GT14G1
Los Angeles, California 90013
Telephone: (213) 231-5978
Facsimile: (213) 629-9620
E-Mail: IBautista@SoCalGas.com

December 1, 2025

TABLE OF CONTENTS

I.	INTRODUCTION.....	1
II.	REPLY TO PROTESTS	1
	A. Reply to Sierra Club Protest	1
	1. The Proposed Use of Cap-and-Trade Funds is Proper.....	1
	2. The Application Provides Information Regarding GHG Reductions	3
	3. Specific Measures for the Study and Monitoring of Emissions Are Not Required for the Application	4
	4. The Application Addresses Environmental Justice Concerns	5
III.	SCOPING ISSUES AND SCHEDULE	6
	A. Scoping Issues.....	6
	B. Schedule.....	6
IV.	CONCLUSION	7

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

Application of SOUTHERN CALIFORNIA GAS
COMPANY (U 904 G) Proposing Woody Biomass
Pilot Project.

A.25-10-008
(Filed October 15, 2025)

**REPLY OF SOUTHERN CALIFORNIA GAS COMPANY TO PROTESTS AND
RESPONSES TO APPLICATION PROPOSING WOODY BIOMASS PILOT PROJECT**

I. INTRODUCTION

On October 15, 2025, Southern California Gas Company (SoCalGas) filed with the California Public Utilities Commission (CPUC or Commission) Application 25-10-008 Proposing Woody Biomass Pilot Project (Application). Pursuant to Rule 2.6 of the Commission’s Rules of Practice and Procedure (Rules), Bioenergy Association of California (BAC), Public Advocate Office (Cal Advocates), Sierra Club and Small Business Utility Advocates (SBUA) filed protests and responses to the Application. SoCalGas submits this reply in accordance with Rule 2.6(e).

II. REPLY TO PROTESTS

A. Reply to Sierra Club Protest

Sierra Club raises four unsupported claims regarding the Application’s alleged deficiencies: (1) improper use of Cap-and-Trade funds for the pilot project, (2) failure to demonstrate actual greenhouse gas (GHG) reductions, (3) omission of measures for the study and monitoring of emissions, and (4) lack of attention to environmental justice concerns.

1. The Proposed Use of Cap-and-Trade Funds is Proper

Sierra Club’s comments contain several inaccurate assertions and misinterpret Decision (D.) 22-02-025 regarding the permissible use of Cap-and-Trade funds for the woody biomass pilot project. Specifically, Sierra Club states, “[t]he Application does not comply with D.22-02-025 and D.24-12-032 direction to propose ‘at least one woody biomass gasification project focused on conversion of woody biomass to biomethane’ because it proposes to direct ratepayer funds to utility-owned infrastructure without any certainty that these funds will support

interconnection of a gasification facility that converts woody biomass to biomethane.”¹ Sierra Club further asserts: “On this basis alone, the Application should be rejected.”²

Contrary to these claims, the Commission has previously established precedents for addressing project uncertainty through its approval of SoCalGas Advice Letter 5432, which provided Commission approval of SoCalGas’s Senate Bill (SB) 1383 dairy pilot agreements. At the time of that approval, similar to the circumstances of the West Biofuels (WBF) Project, the SB 1383 dairy pilot projects were not yet fully assured of development or construction. Nevertheless, the Commission approved ratepayer funding for SoCalGas and dairy developers to install the necessary pipeline infrastructure. To mitigate the risk of constructing utility pipeline infrastructure without subsequent RNG flow, each SB 1383 dairy pilot project was required to demonstrate project readiness by submitting documentation verifying compliance with all requirements set forth in Schedule D of the SB 1383 Dairy Pilot Project Funding Agreement, prior to SoCalGas incurring significant costs. As detailed in Section III of the Application’s Chapter 2 testimony,³ SoCalGas will apply this same project readiness framework and use of the SB 1440 Gasification/Pyrolysis Pilot Project Funding Agreement, proven effective for the SB 1383 dairy pilots, to promote risk mitigation for the proposed WBF Project.

Sierra Club also makes a misleading assertion regarding the operational timeline of the project. In the Application, SoCalGas estimates that “[t]he date for the WBF Facility to be operational and trucking biomethane to the interconnection facility is not more than five years after WBF has received notification by SoCalGas that the Commission granted the Application.”⁴ In its protest, Sierra Club claims, “[y]et these terms are not present in the ‘Funding Agreement,’ which does not specify a deadline and indicates that any ‘target date’ is subject to unlimited extensions.”⁵

Nonetheless, the SB 1440 Gasification/Pyrolysis Pilot Project Funding Agreement, included as Attachment B to the Application, explicitly states, “such Target Date shall be [X]

¹ Protest of Sierra Club (Sierra Club Protest) at 2 (citation omitted).

² *Id.* at 3.

³ Corrected Revised Direct Testimony of James Lucas and Matthew Summers (Selection of Pilot Project) on behalf of SoCalGas dated November 21, 2025 (SoCalGas Chapter 2) at JLMS-19.

⁴ SoCalGas Chapter 2 (Lucas/Summers) at JLMS-19-20.

⁵ Sierra Club Protest at 4.

years after the Project Owner has received notification by SoCalGas of a successful Application.”⁶ The placeholder “[X]” will be finalized based on the timing of the Commission’s decision for this Application and could end up being less than five years. Further, as outlined in D.22-02-025, “Any unspent Cap-and-Trade allowance proceeds shall be returned to ratepayers in the Climate Credit by December 31, 2032 pursuant to Cap-and-Trade Regulation Section 95893 (d)(8)”.⁷ This statutory requirement will serve as a driver for timely completion of construction of the project within the specified timeframe.

2. The Application Provides Information Regarding GHG Reductions

With respect to GHG emissions reduction information, Tables 1 to 3 of the Application’s Chapter 2 testimony provide an overview of the estimated reductions.⁸ Notably, the studies cited by Sierra Club to suggest the proposed WBF Project may increase GHG and methane emissions do not reference any projects located in California. Further, these studies are focused on biogas-to-biomethane projects, whereas the proposed SB 1440 Pilot Project involves converting syngas to biomethane using gasification technology. This process differs significantly from biogas-to-biomethane conversion and requires different equipment and operational parameters.

Also, Sierra Club misrepresents the basis of the carbon intensity (CI) calculations by asserting, “First, the Application’s use of the CA-GREET model is unlikely to yield accurate CI numbers because that model is designed to evaluate the carbon intensity of transportation fuels.”⁹ This claim is incorrect. As stated in Section III of the Application’s Chapter 2 testimony, the 2024 R&D GREET model was used to calculate the CI scores.¹⁰ Table 2 of the Application’s Chapter 2 testimony also provides estimated CI scores calculated prior to the Bio-SNG being used in any downstream end-use. As shown, these CI scores are lower than the baseline CI scores (Table 1), further demonstrating the anticipated environmental benefits of the proposed project.

⁶ Application, Attachment B at 7.

⁷ D.22-02-025 at 70 (Ordering Paragraph (OP) 48).

⁸ SoCalGas Chapter 2 (Lucas/Summers) at JLMS-15-17.

⁹ Sierra Club Protest at 7 (emphasis omitted).

¹⁰ SoCalGas Chapter 2 (Lucas/Summers) at JLMS-17.

CI scores were presented in the context of transportation fuel use (Table 3) to enable industry-standard comparisons with other biomethane feedstocks, such as landfill gas, wastewater treatment gas, and dairy-derived biomethane. This approach provides a consistent and transparent benchmark for evaluating relative carbon performance across feedstock types.

Ultimately, project-specific issues are typically addressed during the discovery process, where intervenors may seek additional information regarding aspects of the Application and the proposed SB 1440 Pilot Project. As the Commission has previously ruled, the pleading standard under Rule 2.1 does not require applications to delineate every detail of a proposed project:

Rule 2.1 establishes the standard for what kind of information and how much information an application must contain at a minimum. Rule 2.1 requires that “all applications shall state clearly and concisely the... relief sought.” A “concise” statement is one that “is marked by brevity of expression” and is “free from all elaboration.” Thus, it is not necessary, indeed it is not desirable that every material aspect of a capital project be described and affirmed in an application unless Rule 2.1[.]¹¹

Therefore, project specifics can be derived during discovery rather than through pleadings.¹²

3. Specific Measures for the Study and Monitoring of Emissions Are Not Required for the Application

Sierra Club claims the Application “does not contain measures for the study and reporting of emissions, in contravention of D.22-02-025 and D.24-12-032”¹³ or a reporting template.¹⁴ However, D.22-02-025 does not require including specific measures or a reporting template with the Application. Rather, it mandates that the “pilots shall study and report fugitive methane, pollutant, and particulate matter emissions and emissions reduction or elimination methods[.]”¹⁵ Section IV of the Application’s Chapter 2 testimony (titled “Program Reporting”)

¹¹ A.22-09-006, Administrative Law Judge’s Ruling Denying Motion to Dismiss (October 28, 2025) at 5 (denying intervenors’ motion to dismiss application alleging application lacked sufficient information, holding that Rule 2.1 only requires a concise statement of the features of a project).

¹² Sierra Club attached a data request to its protest as Attachment 1 that was served before Sierra Club filed its protest and became a party. Because discovery under Rule 10.1 is reserved for parties only, SoCalGas will now proceed to answering Sierra Club’s data request.

¹³ Sierra Club Protest at 2.

¹⁴ *Id.* at 11.

¹⁵ D.22-02-025 at 68 (OP 43).

nonetheless provides a roadmap for studying and monitoring emissions.¹⁶ This includes SoCalGas working “with the Commission and/or other state agencies to develop a reporting template for the SB 1440 Pilot Project.”¹⁷ This approach is similar to that undertaken in the SB 1383 Dairy Biomethane Pilot Projects. The Commission and its constituent agencies are leading the data reporting process in such projects.¹⁸ The Application thus contemplates monitoring, studying, and reporting emissions by proposing to utilize the existing processes used by these pilot projects, pending determination by the Commission and its constituent agencies.

4. The Application Addresses Environmental Justice Concerns

Sierra Club asserts that the Application fails to address environmental justice concerns related to locating the proposed SB 1440 Pilot Project in a disadvantaged community and within an air district that experiences poor air quality. This assertion is incorrect. The Application’s Chapter 2 Testimony addresses the community and environmental benefits that the project would bring, including “job creation in Fresno County, partnerships with local organizations, educational outreach, and the responsible use of agricultural waste to reduce pollution.”¹⁹

Sierra Club further mischaracterizes the Application as deficient, stating, “Although the composition of pollutants and the magnitude of the project’s emissions impacts are unknown due to the Application’s failure to disclose this information, the emissions could be substantial and therefore exacerbate the health-harming pollution burden that residents experience.”²⁰ Again, this assertion is incorrect. SoCalGas provides estimated emissions for both the baseline case (business as usual) and the proposed project (use case with and without CCS) in Tables 1 and 2 of Chapter 2 of SoCalGas’s testimony.²¹

Sierra Club acknowledges reviewing these tables by stating, “[w]hat is more, the CCS ‘use case’ appears to show an increase in NO_x, a precursor to PM and ozone, for which the air basin is already in non-attainment,”²² yet makes broad assumptions about the emissions.

¹⁶ SoCalGas Chapter 2 (Lucas/Summers) at JLMS-20.

¹⁷ *Id.*

¹⁸ D.17.12-004, Attachment B at 4.

¹⁹ SoCalGas Chapter 2 (Lucas/Summers) at JLMS-17.

²⁰ Sierra Club Protest at 12.

²¹ SoCalGas Chapter 2 (Lucas/Summers) at JLMS-15-16.

²² Sierra Club Protest at 13 (emphasis omitted).

Specifically, Sierra Club mistakenly assumes that 100% of emissions from the use case occur within the local community, which is not accurate. Emissions associated with “Bio-SNG plant electricity” and “Bio-SNG compression and transportation”²³ are calculated using statewide average grid emissions²⁴, not localized values. According to GridInfo, Fresno County²⁵ and Tulare County²⁶ have significantly higher renewable energy generation power generation facilities than the statewide average, approximately 85% and 95% respectively. Based on these percentages and assuming the WBF Project is receiving power from the local grid at these renewable percentages, the WBF Project would result in even lower local emissions than those reflected in Table 2 of Chapter 2 of SoCalGas’s testimony.

Furthermore, potential impacts related to air quality, toxic air contaminants, greenhouse gas emissions, and other community considerations will be thoroughly evaluated during the applicable permitting processes, promoting compliance with all environmental and public health standards.

III. SCOPING ISSUES AND SCHEDULE

A. Scoping Issues

SoCalGas generally agrees with Cal Advocates’ recommendation to adopt a scope that is consistent with previous scoping rulings in other woody biomass pilot projects.²⁷ SoCalGas will meet-and-confer with the parties in proposing issues for scoping that are informed by such prior rulings.

B. Schedule

SoCalGas generally agrees with the revised proceeding scheduled proposed by Cal Advocates, although SoCalGas would request having four weeks for serving rebuttal testimony after intervenor testimony is served.

²³ As provided in SoCalGas Chapter 2 (Lucas/Summers) at JLMS-16 (Table 2).

²⁴ The analysis uses WECC region emissions for the statewide average electric grid emissions.

²⁵ GridInfo – Electric Generation Insight, *Summary of Electricity Activity in Fresno County, CA*, available at: <https://www.gridinfo.com/california/fresno-county>.

²⁶ GridInfo – Electric Generation Insight, *Summary of Electricity Activity in Tulare County, CA*, <https://www.gridinfo.com/california/tulare-county>.

²⁷ Protest of the Public Advocates Office to SoCalGas’s Application Proposing Woody Biomass Pilot Project (Cal Advocates Protest) at 3.

IV. CONCLUSION

SoCalGas appreciates the opportunity to provide this Reply to the responses and protests submitted by the intervenors. SoCalGas looks forward to collaborating with the Commission and interested parties in evaluating and resolving the Application.

Respectfully submitted,

By: /s/ Ismael Bautista, Jr.
Ismael Bautista, Jr.

Attorney for:
SOUTHERN CALIFORNIA GAS COMPANY
555 West Fifth Street, Suite 1400, GT14G1
Los Angeles, California 90013
Telephone: (213) 231-5978
Facsimile: (213) 629-9620
E-Mail: IBautista@SoCalGas.com

December 1, 2025