

**FILED** 12/16/25

# BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA PM A2505004

Application of Southern California Gas Company (U904G) for Incremental Funding for Customer Information System Replacement Program.

Application 25-05-004

# ADMINISTRATIVE LAW JUDGE'S RULING REQUESTING ADDITIONAL DETAILS REGARDING SOUTHERN CALIFORNIA GAS COMPANY'S TESTIMONY

This ruling directs Southern California Gas Company (SoCalGas) to provide additional information to support the testimony filed in Application (A.) 25-05-004, for Incremental Funding for Customer Information System (CIS) Replacement Program.

On May 9, 2025, SoCalGas filed A.25-05-004, seeking \$24.9 million in incremental project costs related to its CIS Replacement Program. This funding request is incremental to what the Commission has already authorized SoCalGas to recover for its CIS Replacement Program in Decision (D.) 24-12-074.

#### 1. Additional Details Needed to Consider A.25-05-004

Upon review of the testimony SoCalGas provided to support A.25-05-004, the Commission seeks additional information to support the utility's request for incremental funding. No later than December 30, 2025, SoCal Gas shall provide the additional information, as requested below:

1. SoCalGas shall provide additional details explaining how costs were estimated for the following (as detailed in SoCalGas' Revised Prepared Direct Testimony of April

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McAllaster, Chapter 2, Workpaper). SoCalGas' response for each of the calculations described in a-c below must provide separate estimations for the hours and associated costs for (1) SoCalGas in-house employees and (2) outside labor contractors.

- a. Organizational and Operational Readiness (SoCalGas Labor and Contractor Labor) Total Cost \$26,036,892
- b. Training Delivery (Number of Hours) Total Cost \$8,027,880.
- c. Surge Staffing (Especially Number of Hours Backfill Resource Training and Delivery and Staff Augmentation) -Total Cost \$23,288,512
- 2. SoCalGas must provide additional information about how the costs detailed in the Direct Testimony of April McAllaster, Chapter 2, Workpaper compare with the annual Direct Labor Costs SoCalGas was authorized to track and seek recovery for in D.24-12-074 related to its proposed Customer Information System (CIS) Replacement Program?

When answering this question, SoCalGas must differentiate the hours and associated costs for (1) SoCalGas in-house employees and (2) outside labor contractors.

- 3. SoCalGas proposes using Equal Percentage Allocated Margin (EPAM) cost allocation method to allocate costs associated with its proposed CIS Replacement Program (as provided in Direct Testimony of Julia Leigh Cortez, Chapter 4).
  - a. What alternative cost allocation methods were considered?
  - b. What was the rationale for picking EPAM over other cost allocation methods?

## A.25-05-004 ALJ/CS8/smt

### IT IS RULED that:

- 1. No later than December 30, 2025, SoCalGas must file and serve the additional information requested in this ruling to the full service list of Application 25-05-004.
- 2. The information SoCalGas provides to respond to the questions and sub questions in 1 and 2 above shall include a clear differentiation between the hours and costs associated with SoCalGas' in-house employees and the hours and costs associated with external labor.

Date December 16, 2025, at San Francisco, California.

/s/ CAROLYN SISTO

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Administrative Law Judge