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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of San Diego Gas & Electric Company (U902M) and Southern California Gas Company (U904G) for an Exemption Pursuant to Section 853 of the Public Utilities Code with Respect to the Creation of an Intermediate Holding Company, or Alternatively, for an Order Finding that the Proposed Transaction Does Not Constitute an Activity Subject to Section 854.

Application 25-05-020

ASSIGNED COMMISSIONER'S SCOPING MEMO AND RULING

This scoping memo and ruling (Scoping Memo) 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 California Public Utilities Commission's Rules of Practice and Procedure (Rules).

1. Procedural Background

On May 30, 2025, San Diego Gas & Electric Company (SDG&E) and Southern California Gas Company (SoCalGas) (collectively, Applicants) filed an application seeking an exemption pursuant to Pub. Util. Code section 853 of the Public Utilities Code with respect to the creation of Sempra California, LLC, an intermediate holding company, or alternatively, for an order finding that the proposed transaction does not constitute an activity subject to Pub. Util. Code section 854.

On June 13, 2025, Utility Workers Union of America, AFL-CIO, Local 483 (UWUA or Union) filed a response to the application, to which the Applicants filed a reply on July 14, 2025. On July 15, 2025, Public Advocates Office filed a motion for party status, which has since been withdrawn.

On July 18, 2025, the Administrative Law Judge (ALJ) assigned to this proceeding issued a ruling setting a virtual prehearing conference (PHC) for August 20, 2025.

A PHC was held on August 20, 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.

On September 18, 2025, an *ALJ Ruling Requesting Additional Information* was served and filed. As indicated in the ruling, before issuance of the *Assigned Commissioner's Scoping Memo and Ruling*, the Commission requested additional information and directed the Applicants to brief various legal issues. The Applicants filed a timely response on October 3, 2025.

2. Issues

The issues to be determined or otherwise considered are as follows:

1. Does Pub. Util. Code section 854 apply to the creation of Sempra California, LLC, as an intermediate holding company above Enova and Pacific Enterprises, the direct corporate parents of SDG&E and SoCalGas, and below Sempra, the ultimate corporate parent of SDG&E and SoCalGas?
2. If Pub. Util. Code section 854 does apply to the proposed transaction, whether the Commission should exempt the transaction under Pub. Util. Code section 853(b)?
3. Is the proposed transaction in the public interest, including whether existing regulatory safeguards and holding-company conditions remain sufficient to protect ratepayers and ensure effective Commission oversight?

4. Are there any impacts on environmental and social justice communities, including the extent to which the proposed transaction impacts the achievement of any of the nine goals of the Commission’s Environmental and Social Justice Action Plan?

3. Need for Evidentiary Hearing

There are no issues of material disputed fact. Accordingly, no evidentiary hearing is needed.

4. Schedule

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

Event	Date
Application Filed	May 30, 2025
Prehearing Conference, held	August 20, 2025
Scoping Memo and Ruling, issued	January 2026
Response to second (2 nd) ALJ Ruling Requesting Additional Information ¹	February 2026
Status Conference (if necessary to discuss responses to ALJ Ruling), held	March 2026
Ruling Confirming Submission, issued	TBD
Proposed Decision (PD), issued	No later than 90 days after submission date
Commission Decision, issued	No sooner than 30 days after PD, and no later than statutory deadline

¹ In light of scoped issues three and four, the assigned ALJ will issue a ruling allowing the Applicants to brief these issues and provide any additional information.

Status Conferences. In promoting the efficient resolution of the Application, status conferences may be held periodically. The assigned ALJ may direct the Applicants to file and serve a status conference statement prior to each status conference.

Ruling Confirming Submission. The proceeding will stand submitted upon the filing of the assigned ALJ's ruling indicating no additional information is needed, closing the record, and confirming the matter has been deemed submitted. This ALJ ruling shall also indicate what the closed record consists of; generally, the record is composed of all filed and served documents and pleadings, any prepared testimony, any oral testimony, and any exhibits (supporting documents) admitted into evidence at evidentiary hearings.

18-Month Schedule. Based on this schedule, the proceeding will be resolved within 18 months as required by Pub. Util. Code section 1701.5.

5. Category of Proceeding and Ex Parte Restrictions

This ruling confirms the Commission's preliminary determination² that this is a ratesetting proceeding. Accordingly, ex parte communications are restricted and must be reported pursuant to Article 8 of the Rules.

6. Public Outreach

Pursuant to Pub. Util. 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

² Resolution ALJ 176-3565 at page 1 of the schedule.

conducted by the Commission's External Affairs Division with local governments and other interested parties.

7. Intervenor Compensation

Pursuant to Pub. Util. Code section 1804(a)(1), a customer who intends to seek an award of compensation must file and serve a notice of intent to claim compensation by Friday, September 19, 2025, which is 30 days after the prehearing conference. No notice of intent to claim compensation was filed by this deadline.

8. 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. The ALJ may issue a ruling instructing the parties to respond to specific public comments.

9. 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 by contacting the Commission's Public Advisor. Visit the website:

<https://www.cpuc.ca.gov/about-cpuc/divisions/news-and-public-information-office/public-advisors-office>, call 866849-8390 or 866-836-7825 (T-TY), or send an email to public.advisor@cpuc.ca.gov.

10. 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 1.4.³

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 using electronic mail, whenever possible, transmitted no later than 5:00 p.m., on the date scheduled for service to occur, unless the assigned ALJ directs that service occur by an earlier time. Rule 1.10 requires service on the ALJ of both an electronic and paper copy of filed or served documents; in this proceeding, however, when serving documents on the ALJ, parties must only provide electronic service. Parties must not send hard copies of documents to the ALJ.

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 to request addition to the "Information Only" category of the official service list pursuant to Rule 1.9(f).

³ 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>

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.

11. 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 e-mails 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 e-mails from the Commission.

12. Assignment of Proceeding

Commissioner Karen Douglas is the assigned Commissioner and Alberto T. Rosas is the assigned ALJ and presiding officer for the 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 hearings are not needed.
4. The presiding officer is Administrative Law Judge Alberto T. Rosas.
5. The category of the proceeding is ratesetting.

6. The restrictions on ex parte communications identified above are adopted.

Dated January 6, 2026, at San Francisco, California.

/s/ KAREN DOUGLAS

Karen Douglas
Assigned Commissioner