



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

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01/08/26

04:59 PM

A2205015

Application of Southern California Gas Company (U904G) for Authority, Among Other Things, to Update its Gas Revenue Requirement and Base Rates Effective on January 1, 2024.

Application 22-05-015
(Filed May 16, 2022)

CONSOLIDATED

And Related Matter

Application 22-05-016
(Filed May 16, 2022)

**SOUTHERN CALIFORNIA GAS COMPANY (U 904 G) AND SAN DIEGO GAS &
ELECTRIC COMPANY'S (U 902 E)
NOTICE OF EX PARTE COMMUNICATION**

Shivani Sidhar
Regional Vice President of Regulatory Affairs
Southern California Gas Company and
San Diego Gas & Electric Company
601 Van Ness Avenue, Suite 2090
San Francisco, California, 94102
Phone: 510-410-8655
E-mail: ssidhar1@semprautilities.com

Dated: January 8, 2026

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

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**SOUTHERN CALIFORNIA GAS COMPANY (U 904 G) AND SAN DIEGO GAS
& ELECTRIC COMPANY’S (U 902 E)
NOTICE OF EX PARTE COMMUNICATION**

Pursuant to Rule 8.4 of the California Public Utilities Commission’s Rules of Practice and Procedure, **SOUTHERN CALIFORNIA GAS COMPANY (“SoCalGas”) (U 904 G) AND SAN DIEGO GAS & ELECTRIC COMPANY (“SDG&E”) (U 902 E)** hereby gives notice of the ex parte communication in the above captioned proceeding.

DATE AND TIME OF THE ORAL COMMUNICATION:

Meetings lasted approximately 30 minutes.

- Tuesday, January 7, 2026, at 4:00 p.m. (Commissioner Reynolds’ Office and Commissioner Houck’s’ Office)

LOCATION:

- Virtual – Webex

WHO INITIATED COMMUNICATION:

- SDG&E, SoCalGas

NAMES AND TITLES OF SCHEDULED NON-CPUC ATTENDEES:

- Dan Skopec, SVP and Chief Regulatory Officer, SDG&E/SoCalGas
- Shivani Sidhar, Regional Vice President – Regulatory Affairs, SDG&E/SoCalGas
- Jamie York, Director-GRC and Revenue Requirements, SDG&E/SoCalGas
- Laura Fulton, Senior Counsel – Regulatory, SDG&E

NAMES AND TITLES OF SCHEDULED CPUC ATTENDEES:

From Commissioner Reynolds’ Office

- o Adam Buchholz, Interim Chief of Staff and Advisor
- o Andrew Klutey, Advisor

From Commissioner Houck’s’ Office

- o Victor Smith, Deputy Chief of Staff and Advisor
- o Benjamin Menzies, Advisor
- o Amanda Singh Birmingham, Chief of Staff

BRIEF SUMMARY OF ORAL COMMUNICATION:

SDG&E discussed the Proposed Decision (“PD”) issued on November 14, 2025, related to the General Rate Case (“GRC”) Track 2 portion of the proceeding pertaining to the recovery of costs in SDG&E’s Wildfire Mitigation Plan Memorandum Accounts (“WMPMAs”) incurred from May 2019 through the end of 2022. SDG&E expressed their concern over the standard of review applied in the PD. The application sought recovery of costs to implement SDG&E’s approved Wildfire Mitigation Plans and the CPUC’s Wildfire Safety Division, and its successor—Energy Safety—approved the scope and structure of these programs, and these approvals were ratified by the CPUC. The standard of review applied to these costs is inconsistent with other reasonableness reviews despite SDG&E presenting a robust record that thoroughly supports the costs requested in this case. Given this apparent confusion, SDG&E

provided a walkthrough of key areas to clear up any potential misunderstandings and provide a roadmap of the evidence presented in the case.

SDG&E detailed the erroneous disallowances in the Drone Investigation, Assessment and Repair (“DIAR”) Program. The DIAR Program was effective at detecting and repairing issues and removing risk from the system as the drone inspections identify nearly more potential fire hazards than traditional Corrective Maintenance Program (“CMP”) inspections and can identify issues that traditional inspection efforts do not find via ground inspections. SDG&E’s drone program is not limited to only inspections – it includes the cost of repairs. Accordingly, SDG&E’s DIAR Program should not be compared to PG&E’s program.

Furthermore, SDG&E detailed the supporting evidence that was provided for Stakeholder Cooperation and Community Engagement, highlighting that the PD erroneously concludes that the entirety of the PSPS Communications Practices category of costs is related to the SDG&E’s mobile app when in fact much of the costs in this area were in order to comply with PSPS communication requirements established by the Commission. SDG&E also explained that the PD incorrectly denied costs in Data Governance which were also costs required to comply with regulatory mandates.

WRITTEN DOCUMENTS PROVIDED:

Attachment A.

Respectfully submitted,

By: /s/ Shivani Sidhar

Shivani Sidhar

Regional Vice President of Regulatory Affairs
Southern California Gas Company and
San Diego Gas & Electric Company
601 Van Ness Avenue, Suite 2090
San Francisco, California, 94102
Phone: 510-410-8655
E-mail: ssidhar1@semprautilities.com

Dated: January 8, 2026

cc: Commissioner John Reynolds at commissionerjohnreynoldsexparte@cpuc.ca.gov
Commissioner Darcie Houck at Houck.Exparte@cpuc.ca.gov
John Larsen, ALJ at john.larsen@cpuc.ca.gov
All Parties on Service List A.22-05-015

Attachment A



**A.22-05-015/-016 GRC Track 2
Wildfire Mitigation Costs 2019-2022**



Ex Parte – January 2026

The Standard of Review Applied in this Proposed Decision is Beyond the CPUC's Standard for Cost Recovery

- By statute, all utility charges and costs passed to ratepayers be “just and reasonable.”
- For reasonableness reviews, the CPUC examines whether the utility acted as a reasonable manager would under similar circumstances, considering information available at the time decisions were made.
- However, the standard being applied in this Proposed Decision (PD) is beyond the CPUC's standard for reasonableness reviews and is being unfairly applied in this case.

SDG&E's Record Meets Existing Standards for Reasonableness Reviews

- In A.22-06-003, SCE requested cost recovery for wildfire-related costs incurred in 2021 using a “portfolio approach” to determine incrementality
 - SCE’s portfolio approach examined the total of recorded costs across the wildfire mitigation activities SCE was permitted to record in the applicable memo and balancing accounts compared to the total amount authorized for these activities in D.21-08-036, SCE’s 2021 GRC Decision
 - The Utility Audits Branch also performed an audit on SCE’s costs at issue in the proceeding
- D.24-03-008 approved nearly all of SCE’s request finding:
 - “SCE has met its burden to establish that the costs for which it seeks recovery are incremental” (at 17)
 - “Determining incrementality using a portfolio approach...is consistent with established prospective ratemaking principles.” (COL 5)
- SDG&E’s record evidence is consistent with the showing of the other reasonableness reviews, as shown below and in SCE’s workpaper excerpt

SCE Showing

Capital & O&M Dollars

Labor & Non-Labor

Sub-Category

SDG&E Showing

Capital & O&M Dollars

Units (quantity & type)

Sub-Category

Location (HFTD, Non-HFTD)

Excerpt of SCE Workpapers¹

Wildfire Mitigation Plan Memorandum Account (WMPMA)
Capital - By Labor / Non-Labor
(Nominal \$000)

Recovery	Reference to Testimony	GRC Activity	Labor / Non-Labor	Total Recorded (A)	GRC Authorized (CPUC) (B)	FERC (C)	AB1054 Removal \$ (D)	Amounts Incremental to GRC Authorized (A-B-C-D)	Amounts Transferred Under Portfolio Incrementality Approach	
WMPMA	Enhanced Operational Practices	Enhanced Overhead Inspections and Remediations	Labor	13,904						
			Non-Labor	121,640						
			Total Enhanced Overhead Inspections and Remediations	135,544	46,070	498		88,976	66,037	
			Total Enhanced Operational Practices	135,544	46,070	498		88,976	66,037	
	Enhanced Situational Awareness	Enhanced Situational Awareness	Labor	6						
			Non-Labor	5,594						
			Total Enhanced Situational Awareness	5,600	0	0		5,600	2,480	
			Total Enhanced Situational Awareness	5,600	0	0		5,600	2,480	
	Fire Science and Advanced Modeling	Asset Reliability Risk Analytics	Labor	40						
			Non-Labor	1,120						
			Total Asset Reliability Risk Analytics	1,160	0	0		1,160	649	
			Total Fire Science and Advanced Modeling	2,337	1,129	0		1,208	2,222	
		Total Fire Science and Advanced Modeling	3,497	1,129	0		2,368	2,871		



1. Source: [A.2206003 Ex. SCE-03R](#)

SDG&E's WMP Cost Justification is in the Record

- ALJ Larsen requested information including:
 - Mapping of GRC workpaper to WMP category
 - O&M dollars
 - Capital dollars
 - Units (quantity and type)
 - Work completed within the entire service territory
 - Work completed within the HFTD

- SDG&E responded with the information in Ex. SDG&E-T2-09 and in the format requested (87 pages)

Excerpt of Exhibit SDG&E-T2-09¹

TY 2024 GRC Track 2 - WMPMA 2019-2022 > ALJ Request for Supplemental Information (August 6, 2024)
 Question 2 Exhibit SDG&E-T2-09.2: WMP Capital

WMP Capital Direct Costs (\$ in thousands)					Actual Capital Costs				Actual Capital Units				Authorized Capital Costs				Authorized Capital Units			
Category	Initiative	Unit Type	2019 GRC Capital Workpaper Reference	2019 GRC Capital Workpaper Cost Category	Non-HFTD	WUI (Outside HFTD)	HFTD	Total	Non-HFTD	WUI (Outside HFTD)	HFTD	Total	Non-HFTD	WUI (Outside HFTD)	HFTD	Total	Non-HFTD	WUI (Outside HFTD)	HFTD	Total
Asset Management and Inspections	Detailed Inspections of Transmission Equipment	inspection of structures	1000.001	SDG&E-14-CWP-R_Electric Distribution Capital, K. Transmission/FERC Driven Projects	\$ -	\$ -	\$ 458.27	\$ 458.27	0.00	0.00	1,957.00	1,957.00	\$ -	\$ -	\$ 565.93	\$ 565.93	0.00	0.00	2,416.75	2,416.75
Asset Management and Inspections	Infrared Inspections of Distribution Infrastructure	inspections	N/A	N/A			\$ -				0.00				\$ -					0.00
Asset Management and Inspections	Intrusive Pole Inspections	inspection of structures	872320.001, 872320.002	SDG&E-14-CWP-R_Electric Distribution Capital, D. Mandated	\$ -	\$ -	\$ 2,008.02	\$ 2,008.02	0.00	0.00	8,721.00	8,721.00	\$ -	\$ -	\$ 577.42	\$ 577.42	0.00	0.00	2,507.79	2,507.79
Asset Management and Inspections	HFTD Tier 3 Inspections	inspections	872320.001, 872320.002	SDG&E-14-CWP-R_Electric Distribution Capital, D. Mandated	\$ -	\$ -	\$ 3,247.20	\$ 3,247.20	0.00	0.00	11,535.00	11,535.00	\$ -	\$ -	\$ 1,271.73	\$ 1,271.73	0.00	0.00	4,517.56	4,517.56
Asset Management and Inspections	Drone Assessments of Distribution Infrastructure	inspections	N/A	Emergent Work, not requested in the TY2019 GRC	\$ -	\$ -	\$ 12,902.94	\$ 12,902.94	0.00	0.00	21,420.00	21,420.00			\$ -					0.00

Detailed Accounting Data was Provided

- In discovery, SDG&E provided detailed cost data consisting of **over 54,800 rows** including:
 - Capital Direct Costs
 - Capital Indirect Costs
 - O&M Direct Costs
 - O&M Indirect Costs
- This discovery response is included in the record in SDG&E's Accounting rebuttal testimony as part of Ex. SDG&E-T2-07

Excerpt of Ex. SDG&E-T2-07, Data Request Response

SDG&E is providing the cost detail for capital and O&M costs recorded to its WMPMA, which includes correlation to the WMP work categorization currently reflected in SDG&E's SAP system. SDG&E proposes that Cal Advocates review the cost detail provided and identify areas where SDG&E can provide samples of the line-item detail. SDG&E can produce transactional level data at a reasonable quantity for any areas where Cal Advocates requests additional detail.

Subject to and without waiving the foregoing objection, SDG&E responds as follows:

Please see following attachments:

PAO-SDGE-301_ATTCH_1_Q1 (WMP Capital Direct Costs),

PAO-SDGE-301_ATTCH_2_Q1 (WMP Capital Indirect Costs),

PAO-SDGE-301_ATTCH_3_Q1 (WMP O&M Direct Costs), and

PAO-SDGE-301_ATTCH_4_Q1 (WMP O&M Indirect Costs)

These attachments provide capital and O&M cost detail by WMP work categories. These attachments reflect all recorded costs related to the WMP work categories through December 31, 2022. Please note that providing the line itemization would result in millions of lines of data. SDG&E also notes that during the review of the data included

Excerpt of Data Request Response Attachment WMP Capital Direct Costs – Data Governance

Budget	Project Description	WMP Work Category	Cost Element	CE Description	Category	Costs
20887	SDGE REFUNDABLE COST PROJECT WMP CPD	Data Governance	6110020	SALARIES-MANAGEMENT STRAIGHT-TIME	Common	124,208.25
20887	SDGE REFUNDABLE COST PROJECT WMP CPD	Data Governance	6110330	SALARIES-OTHER CASH AWARDS	Common	2,579.35
20887	SDGE REFUNDABLE COST PROJECT WMP CPD	Data Governance	6220004	SRV-CONTRACTORS-CONTRACT LABOR	Common	123,525.85
20887	SDGE REFUNDABLE COST PROJECT WMP CPD	Data Governance	6220250	SRV-COMPUTER SOFTWARE MAINT & LEASES	Common	21,144.83
20887	SDGE REFUNDABLE COST PROJECT WMP CPD	Data Governance	6220370	SUPPORT SERVICES	Common	98,405.67
20887	SDGE REFUNDABLE COST PROJECT WMP CPD	Data Governance	6230380	SRV-CONTRACT LABOR	Common	132,912.13
20887	SDGE REFUNDABLE COST PROJECT WMP CPD	Data Governance	6340000	Cash Discounts on Purchases	Common	(3,311.13)
20875	WMP Enterprise Asset Management Platform	Data Governance	6110020	SALARIES-MANAGEMENT STRAIGHT-TIME	Common	246,213.03
20875	WMP Enterprise Asset Management Platform	Data Governance	6110030	SALARIES-MANAGEMENT TIME AND ONE HALF	Common	1,778.33
20875	WMP Enterprise Asset Management Platform	Data Governance	6110110	SALARIES-UNION STRAIGHT-TIME	Common	4,332.83
20875	WMP Enterprise Asset Management Platform	Data Governance	6110130	SALARIES-UNION DOUBLE TIME	Common	5,760.32
20875	WMP Enterprise Asset Management Platform	Data Governance	6213030	MATL-SOFTWARE	Common	412,779.62
20875	WMP Enterprise Asset Management Platform	Data Governance	6220002	SRV-CONTRACTORS-CONSULTING	Common	107,109.51
20875	WMP Enterprise Asset Management Platform	Data Governance	6220370	SUPPORT SERVICES	Common	796,163.78



FTE Data is in the Record

- The PD's finding that SDG&E did not provide FTE information is incorrect
- SDG&E provided FTE information in discovery, which is in the record in Ex. CA-04-WP

Excerpt of Exhibit CA-04-WP¹

To provide an estimate of the number of employees within each WMP category each year, SDG&E utilized the total hours of labor charged to each category to estimate the number of full time equivalent (FTE) positions within each category. The labor costs below reflect the portion of time an employee was working on WMP-related activities allocated by category. Results of this analysis are as follows:

Category	2019	2020	2021	2022
Asset Management & Inspections	4.69	11.98	8.64	14.27
Data Governance	-	-	0.06	3.81
Emergency Planning & Preparedness	16.63	30.53	23.82	19.70
Grid Design & System Hardening	1.35	3.35	5.21	14.77
Grid Operations & Protocols	-	-	-	-
Resource Allocation Methodology	0.86	13.33	11.29	6.34
Risk Assessment & Mapping	-	-	-	5.84
Situational Awareness & Forecasting	3.95	7.62	7.75	8.08
Stakeholder Cooperation & Community Engagement	0.55	5.08	10.89	11.92
Vegetation Management & Inspections	2.50	3.90	3.26	3.07
Total	30.53	75.78	70.94	87.79

Drone Investigation Assessment and Repair

- PD (at 91-92) authorizes drone costs for 2019 as a pilot, but denies costs for 2020-2022 allegedly based on insufficient evidence of risk reduction and high unit costs, ***ultimately concluding that the drone program should have been discontinued in 2020***, contrary to SDG&E's approved WMP (PD at COL 11, FOF 8)
- While the PD says that SDG&E should have discontinued the drone program after 2019, this was not possible because SDG&E must perform activities approved by Energy Safety to:
 - Maintain its safety certificate
 - Avoid fines for non-compliance
- The PD must be corrected to approve reasonable drone funding and reflect legislative mandates that electrical corporations comply with and implement their WMP targets, as well as GO 95 requirements regarding equipment repair timelines
- The record reflects SDG&E's consideration of alternative inspection methods and identified the superiority of drones over both ground based and other aerial inspection methods, as well as efforts put in place to increase efficiencies of the program and reduce costs:
 - “For 2019-2022, an estimated **45.9 ignitions** would occur if inspections and repairs were not completed as part of the DIAR inspection program.” ([Ex. SDG&E-T2-01R](#) at JW-73)
 - 2021 cost-efficiency improvements: “To help decrease the costs for flight and assessments, while maintaining quality and effectiveness of the drone program, SDG&E plans on implementing two significant changes in the next phase: (1) reducing the number of images taken by the drone, and (2) deploying a qualified electric worker (QEW) to act as the visual observer with the drone pilot.” ([Ex. SDG&E-T2-01R-B](#) at 142 and 247-250)

Drone Investigation Assessment and Repair - continued

- While not addressed in the PD, Commissioners at oral argument indicated confusion regarding SDG&E’s scope of drone program costs and whether they included repairs
- The record contains comprehensive evidence that the Drone Investigation, Assessment, **and Repair** (DIAR), includes costs for repairs; SDG&E must remediate findings from its inspection programs and such costs should be approved by the CPUC
 - “This includes developing new programs such as the evolving Drone Investigation Assessment and **Repair** (DIAR) Program and supplementing existing programs such as patrol and detailed inspections with non-routine, risk-informed inspections” ([Ex. SDG&E-T2-01R](#) at JW-63)
 - "To mitigate this risk, the use of drones was implemented to provide a “birds-eye” view of distribution electric facilities and capture high-resolution imagery which can be used to identify issues, build a library of images for machine learning, and improve risk-based inspection methodology. **The DIAR Program involves flight planning, drone flight and image capture, image assessment and determination of issues, and repair.**“ ([Ex. SDG&E-T2-01R-C](#) at 261)
 - SDG&E provided extensive, line-item cost details for the DIAR program as reflect in [Ex. CA-WP-06](#)

Excerpt of CA-WP-06 in Cal Advocates’ Workpapers Reflecting DIAR Costs and Repairs

Order	Project Description	WMP Work Category	Cost Element	CE Description	Category	Costs
4202558	DIAR C1233 GROUP 14 ENG	Asset Management & Inspections	6110080	SALARIES-CLERICAL AND TECHNICAL STRAIGH	Electric	7.34
7131466	WMP CROSS-ARM REMEDIATION	Asset Management & Inspections	6110110	SALARIES-UNION STRAIGHT-TIME	Electric	34,887.20
						3,933,320.18

Stakeholder Cooperation & Community Engagement

- PD (at 113-117) denies stakeholder engagement-related costs due to insufficient information and SDG&E’s app stating “SDG&E’s unilateral incursion of costs to develop and deploy its own app for PSPS communications with an inadequate record to support it leaves the Commission with little choice but to deny the total request as unreasonable”
- The PD and Cal Advocates erroneously conclude that the entirety of the PSPS Communications Practices category of costs is related to the SDG&E’s app
 - Contradicting its position, Cal Advocates’ own workpapers (Ex. CA-02-WP) establish that only a limited portion of the \$15 million in capital and zero of the O&M costs are related to SDG&E’s App ([Ex. SDG&E-T2-06](#) at 39)
 - SDG&E provided detailed accounting data to Cal Advocates that is in the record, see [Ex. SDG&E-T2-07](#), Appendix 1 at 1
- The PD fails to recognize the PSPS communications requirements established in the PSPS OIR, including D.19-05-042
- **Therefore, the PD is incorrect that the CPUC has “little choice but to deny the total request”**

Summary of Capital Stakeholder-Related Costs in Cal Advocates’ Workpapers¹

1	Project Description	WMP Work Category	Cost Eleme	CE Description	Category	Costs
1195	ENS Enhancements project	Stakeholder Cooperation & Community Engagement	6220600	SRV-CONSULTING-OTHER	Electric	647,136.42
1940	Communication Practices - PSPS Mobile App and ENS	Stakeholder Cooperation & Community Engagement	6220002	SRV-CONTRACTORS-CONSULTING	Common	99,197.99
1941	Communication Practices - PSPS Mobile App and ENS	Stakeholder Cooperation & Community Engagement	6220600	SRV-CONSULTING-OTHER	Common	9,139,367.11
1942	Communication Practices - PSPS Mobile App and ENS	Stakeholder Cooperation & Community Engagement	6230380	SRV-CONTRACT LABOR	Common	126,983.63
1943	Communication Practices - PSPS Mobile App and ENS	Stakeholder Cooperation & Community Engagement	6340000	Cash Discounts on Purchases	Common	(1,187.26)
1944	Communication Practices - PSPS Mobile App and ENS	Stakeholder Cooperation & Community Engagement	9123100	VACATION & SICK (CL)	Common	1,236.33
2199	Public Safety Partner Portal	Stakeholder Cooperation & Community Engagement	6220380	SRV-TEMPORARY AGENCY LABOR	Common	2,344.95
2200	Public Safety Partner Portal	Stakeholder Cooperation & Community Engagement	6230380	SRV-CONTRACT LABOR	Common	895,772.43
2201	Public Safety Partner Portal	Stakeholder Cooperation & Community Engagement	6340000	Cash Discounts on Purchases	Common	(46.90)
2208	Public Safety Partner Portal Enhmt	Stakeholder Cooperation & Community Engagement	6220000	PURCHASED SERVICES	Common	46,332.81
2209	Public Safety Partner Portal Enhmt	Stakeholder Cooperation & Community Engagement	6220380	SRV-TEMPORARY AGENCY LABOR	Common	594.27
2210	Public Safety Partner Portal Enhmt	Stakeholder Cooperation & Community Engagement	6230380	SRV-CONTRACT LABOR	Common	1,037,496.26
2211	Public Safety Partner Portal Enhmt	Stakeholder Cooperation & Community Engagement	6340000	Cash Discounts on Purchases	Common	(2,038.80)
2213	ENS Enhancement WMP	Stakeholder Cooperation & Community Engagement	6220370	SUPPORT SERVICES	Common	71,248.85
2214	ENS Enhancement WMP	Stakeholder Cooperation & Community Engagement	6230380	SRV-CONTRACT LABOR	Common	1,185,086.20
2215	ENS Enhancement WMP	Stakeholder Cooperation & Community Engagement	6340000	Cash Discounts on Purchases	Common	(1,820.22)
2320	PSPS Mobile App	Stakeholder Cooperation & Community Engagement	6220002	SRV-CONTRACTORS-CONSULTING	Common	1,694,466.24
2321	PSPS Mobile App	Stakeholder Cooperation & Community Engagement	6220270	SRV-INFO TECH (IT)-CONSULTING	Common	5,313.08
2322	PSPS Mobile App	Stakeholder Cooperation & Community Engagement	6230380	SRV-CONTRACT LABOR	Common	191,939.95
2323	PSPS Mobile App	Stakeholder Cooperation & Community Engagement	6340000	Cash Discounts on Purchases	Common	(1,544.70)
2481						
2482					Total	15,137,878.63

Stakeholder Cooperation & Community Engagement - continued

- Cost breakdown for Stakeholder Cooperation & Community Engagement activities are summarized below:

Cost	Initiative	Program Detail	Description	Request (Direct \$ MM)
Capital	PSPS Communication Practices	PSPS Mobile App and Emergency Notification System (ENS)	Alerts by SDG&E app enables customers to receive information including, notifications, Community Resource Center information, and other real-time updates; also includes ENS costs	\$9.7
		Public Safety Partner Portal	Platform to enable public safety partners access to real-time PSPS event resources, per the PSPS Phase III decision (D.21-06-034)	\$3.9
		ENS Enhancements	Enhancements to ENS system to provide notifications related to PSPS events uniformly across platforms	\$2.2
	Total Capital			\$15.8
O&M	Community Engagement	Outreach & Public Awareness	Communications and outreach to continually educate customers and the public about wildfire safety, resiliency and emergency preparedness	\$1.6
	PSPS Communication Practices	PSPS Communication Practices	Communications including a mass-market advertising campaign designed to reach broad audiences, creation of outreach materials, direct-mail campaigns, translations into prevalent languages for public education content and PSPS notifications, customer research; pursuing the development of a non-conductive balloon	\$31.1
	Total O&M			\$32.7

Data Governance

- The PD (at 108-109) denies data governance costs citing (1) an incorrect Cal Advocates exhibit that is not in the record and was subsequently corrected on the record, and (2) inadequate support
- SDG&E provided detailed accounting data to Cal Advocates that is in the record, see [Ex. SDG&E-T2-07](#), Appendix 1 at 1
- The PD (109) states “Cal Advocates recommends denying cost recovery for data governance based on SDG&E having underspent funds authorized for this category in the last GRC” citing Ex. CA-05, which was not admitted in evidence and subsequently corrected

- However, Cal Advocates’ corrected exhibit, [Ex. CA-05-R](#) and associated workpapers, identify only about \$1.3 million in data governance O&M that it finds is not incremental and should not be approved
- Cal Advocates does not contest the incrementality of capital costs for data governance

- As the PD explains (at 107-108), data governance is required to comply with Energy Safety reporting requirements and should be funded

- Thus, the PD incorrectly denies costs to comply with regulatory mandates

Excerpt of Cal Advocates’ Correct Exhibit

Incremental Corrected							
Work Category - Capital	Cal Adv Direct	Cal Adv Indirect	2019 Authorized	2020 Authorized	2021 Authorized	2022 Authorized	Incremental
Asset Management & Inspections	126,165	84,493	10,078	11,331	11,695	12,000	165,554
Data Governance	42,609	-	-	-	-	-	42,609
Emergency Planning & Preparedness	6,775	-	3,175	670	688	703	1,539
Grid Design & System Hardening	1,080,081	-	246,350	94,230	97,185	99,647	542,669
Grid Operations & Operating Protocols	33,220	-	-	-	-	-	33,220
Risk Assessment and Mapping	1,830	-	-	-	-	-	1,830
Situational Awareness & Forecasting	15,745	-	-	-	-	-	15,745
Stakeholder Cooperation & Comm. Ex	(671)	-	5,995	2,262	2,335	2,395	(13,658)
Totals	1,305,755	84,493	265,598	108,493	111,903	114,745	789,509
1,390,248 Total CalAdv Capital							
Work Category - O&M	Cal Adv Direct	Cal Adv Indirect	2019 Authorized	2020 Authorized	2021 Authorized	2022 Authorized	Incremental
Asset Management & Inspections	134,493	3,603	12,197	12,519	12,828	13,083	87,469
Data Governance	801	(72)	485	498	510	520	(1,284)
Emergency Planning & Preparedness	34,162	(38)	1,863	1,912	1,959	1,998	26,393
Grid Design & System Hardening	70,673	622	5,307	5,448	5,414	5,134	49,992
Grid Operations & Operating Protocol	33,962	64	8,477	8,700	9,145	9,854	(2,150)
Resource Allocation Methodology	8,716	(951)	1,261	1,294	1,326	1,353	2,532
Risk Assessment and Mapping	1,114	(97)	-	-	-	-	1,027
Situational Awareness & Forecasting	8,185	(671)	2,373	2,436	2,435	2,343	(2,073)
Stakeholder Cooperation & Comm	(1,780)	(580)	264	271	278	283	(3,455)
Vegetation Management & Inspections	17,929	1,079	3,988	4,093	4,194	4,277	2,456
Totals	308,257	2,970	36,215	37,171	38,089	38,845	160,907
311,227 Total CalAdv O&M							
Cal Advocates Direct Total	1,614,012						950,416 Cal Advocates Total Incremental
Cal Advocates Indirect Total		87,463					(13,658) Capital coverage
Cal Advocates Grand Total		1,701,475					(8,961) O&M coverage

Fuels Management

- PD (at 99) denies fuels management costs because of insufficient evidence on risk reduction and high unit costs compared to pole brushing
- Fuels management was **uncontested by parties**
- The unit costs cited in the PD are incorrect because it includes all three activities in the fuels management program (fuels modification, vegetation abatement, and fuels reduction grants) rather than work that is similar to pole brushing
- SDG&E provided:
 - Risk reduction per dollar (Risk Spend Efficiency) calculations to demonstrate risk reduction, see [Ex. SDG&E-T2-06](#) at Appendix 1
 - Detailed accounting data to Cal Advocates that is in the record, see [Ex. SDG&E-T2-07](#), Appendix 1 at 1
- SDG&E was required to comply with fuels management targets approved in its WMP, it had no authority to unilaterally terminate the program

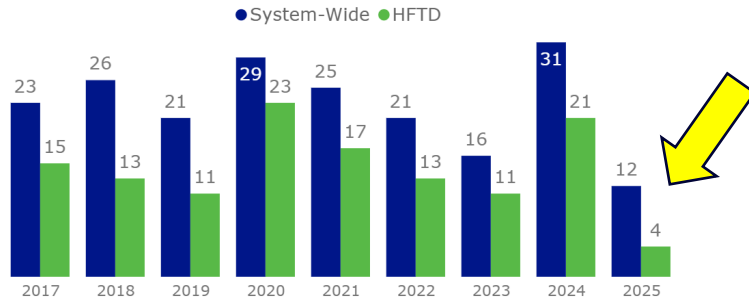
Excerpt of Ex. SDG&E-T2-06 Appendix 1 Fuels Management RSE¹

WMP Category	WMP Initiative	Estimated Risk Spend Efficiency				Actual 2019-2022 Units
		Territory	Non-HFTD	HFTD Tier 2	HFTD Tier 3	
Vegetation Management & Inspections	Fuels Management	NA	NA	9.09	15.04	1798
	Pole Brushing	NA	6.89	57.76	78.18	141150
	LiDAR Inspections of Vegetation around Distribution	NA	NA	NA	NA	737.5
	Vegetation Restoration	NA	NA	NA	NA	NA

2025 Ignition Performance (As of December 15, 2025)

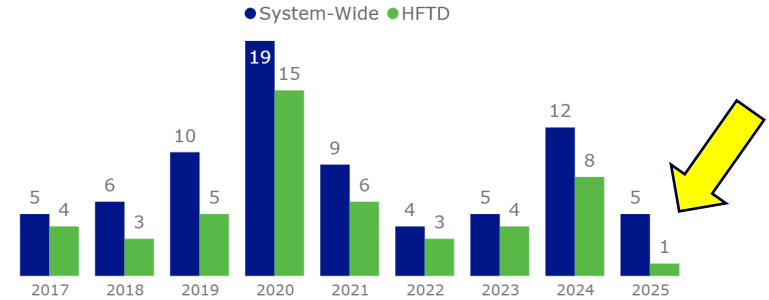
Despite starting 2025 with very high fire danger in January, SDG&E experience a record-low number of CPUC reportable fire ignitions across the High Fire Threat District (HFTD)

Total Reportable Ignitions



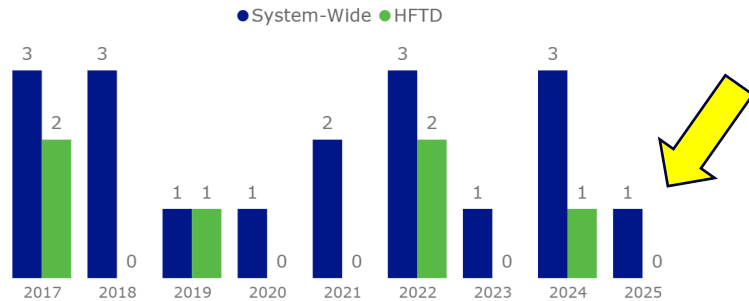
4 ignitions in the HFTD in 25' YTD, ~65% improvement over previous best

Equipment/Facility Failure Caused Ignitions



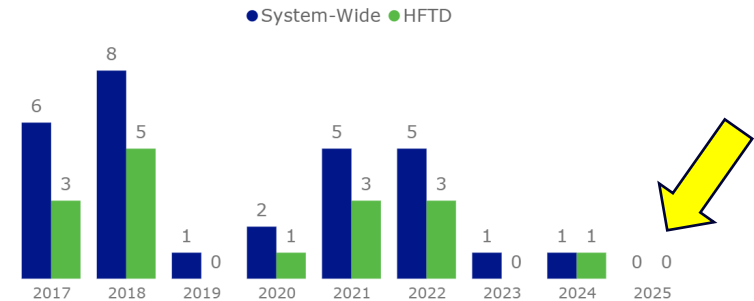
Only 1 equipment-caused ignition in the HFTD in 2025

Vegetation Caused Ignitions



Zero vegetation caused ignitions in the HFTD in 2025

Balloon Caused Ignitions

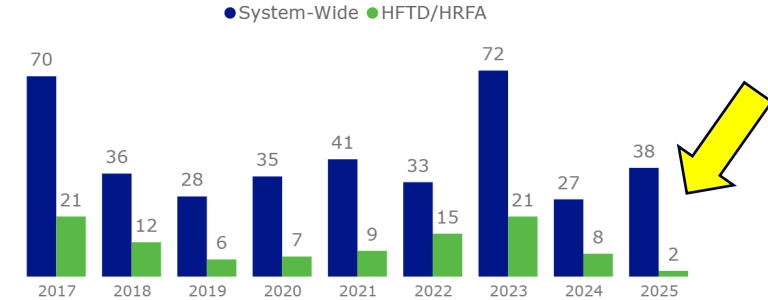


Zero balloon caused ignitions in the HFTD in 2025

2025 Reliability Performance (As of December 15, 2025)

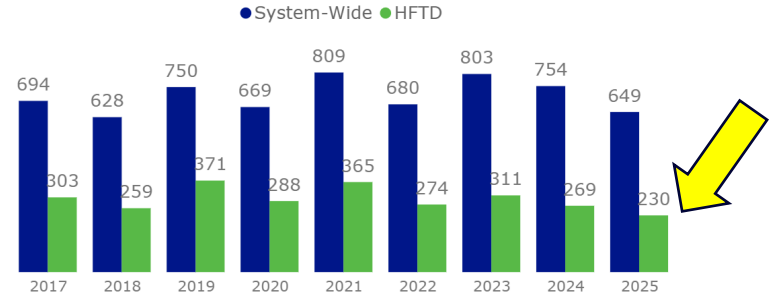
SDG&E has seen a record-low number of outages in 2025 across the High Fire Threat District (HFTD) leading to resilient and reliable service

Vegetation Caused Outages



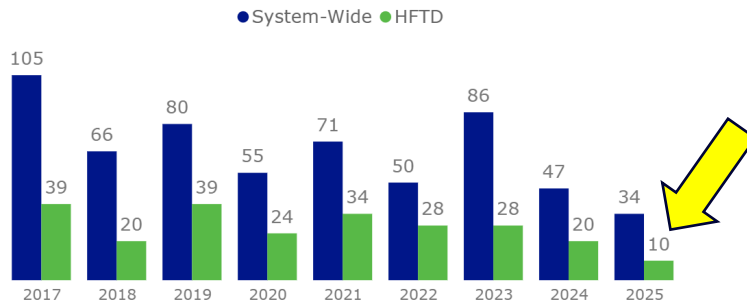
Only two vegetation related outages in the HFTD in 2025 YTD

Overhead Faults on Circuits



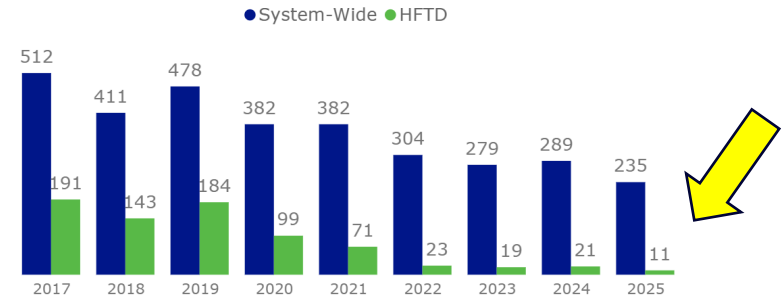
Fewest faults on circuits in the HFTD in 2025 YTD

Wire Down Events - Controllable



50% improvement in HFTD over previous best-year-ever for wire down events

Non-CAL FIRE Rated Fuse Outages



Record-low non-CAL FIRE fuse outages in HFTD, maintaining strong trend