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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

24-11-013

Communities for a Better
Environment (CBE),

Complainant,

vs.

Southern California Gas Company,

Defendant.

Complaint 24-11-013

ASSIGNED COMMISSIONER'S SCOPING MEMO AND RULING

This scoping memo and ruling sets forth the issues, need for hearing, schedule, category, and other matters necessary to scope this proceeding pursuant to Public Utilities Code Section 1701.1 and Article 7 of the Commission's Rules of Practice and Procedure (Rules).

1. Factual and Procedural Background

1.1. Historical Background

On February 17, 2022, Southern California Gas Company (SoCalGas) filed Application (A.) 22-02-007 (Phase 1 Application) to request authority to establish a memorandum account to record the costs of planning a potential project, the Angeles Link Project (Project). The Project aims to build pipelines, including transmission pipelines, to deliver renewable hydrogen gas into the Los Angeles Basin. SoCalGas stated that this Project would advance the State's clean energy

policy objectives of decarbonization and clean air goals by bringing renewable hydrogen to the Los Angeles Basin as an energy source for “hard-to-electrify” industries and heavy-duty transportation sector and to replace natural gas supplied by Aliso Canyon. SoCalGas outlined the planning, but not the construction, of the Project over three activity phases including a feasibility study in Phase 1, a front-end engineering and design (FEED) study in Phase 2, and a Certificate of Public Convenience and Necessity (CPCN) in Phase 3.

On December 20, 2022, the Commission authorized SoCalGas to establish the Angeles Link Memorandum Account (Memo Account) to record specific Phase 1 Activity costs in Decision (D.) 22-12-055. This Decision provides multiple minimum requirements for compliance review if SoCalGas seeks recovery for Phase 1 Activities and to continue to Phase 2 of the Project. D.22-12-055 does not address jurisdiction insofar that it states, “jurisdiction will need to be addressed if and when SoCalGas files a subsequent application seeking authority either for a CPCN for the Project or for recovery of the costs recorded in the Memo Account.”¹

1.2. The Instant Complaint and Adjudicatory Proceeding

On November 27, 2024, Communities for a Better Environment (CBE or Complainant) filed this Complaint (C.) 24-11-013 (Complaint) against Southern California Gas Company (SoCalGas) regarding SoCalGas’ alleged violation of D.22-12-055. Specifically, CBE alleges that SoCalGas failed to comply with mandates in D.22-12-055 requiring SoCalGas to conduct community engagement and study the environmental justice impacts of SoCalGas’ proposed Angeles

¹ D.22-12-055 at 8.

Link Project. CBE alleges that SoCalGas' failure to comply with D.22-12-055 constitutes conduct prohibited under Public Utilities (Pub. Util.) Code Section 702², which states that "[e]very public utility shall obey and comply with every order, decision, direction, or rule made or prescribed by the commission in the matters specified in this part, or any other matter in any way relating to or affecting its business as a public utility, and shall do everything necessary or proper to secure compliance therewith by all of its officers, agents, and employees."³ CBE asserts that SoCalGas intentionally excluded non-Los Angeles based organizations from the community group engagement process, and that this exclusion led to failures to study and model project impacts, especially environmental justice impacts outside of the Los Angeles area. CBE requests that the Commission find these failures to have occurred and that these failures violate Section 702. CBE also requests that the Commission order SoCalGas to remedy the failures before proceeding with the Angeles Link Project. Furthermore, CBE requests that the Commission appoint a staff member to ensure that future actions by SoCalGas related to the Angeles Link Project do not violate Commission decisions, rulings or orders.

On January 31, 2025, SoCalGas concurrently filed its Motion to Dismiss the Complaint (Motion to Dismiss) and its Answer to Complaint (Answer). In its Motion to Dismiss, SoCalGas argued that 1) the Complaint should be dismissed because it fails to satisfy the requirements of Public Utilities Code Section 1702 and 2) the Complaint should be dismissed with prejudice because it is

² Hereinafter referred to as "Section 702".

³ Pub. Util. Code section 702.

procedurally deficient and cannot be cured. In its Answer, SoCalGas responded to the specific allegations in the Complaint and identified its affirmative defenses to the Complaint.

On February 18, 2025, CBE filed its Response to SoCalGas' Motion to Dismiss (Response). In the Response, CBE argued that 1) the Complaint meets every criteria of the Commission's pleading standard; 2) the injury to CBE is clearly stated and need only be reasonably inferred; 3) the Complaint establishes CBE's standing; 4) SoCalGas' arguments regarding improper forum are baseless; 5) SoCalGas' claim that other parties are excluded is without merit since any affected party may move to intervene; 6) Commission Orders are properly read in the context of findings of fact and conclusions of law; and 7) any potential dismissal should allow CBE to amend its Complaint.

On March 7, 2025, SoCalGas filed a Reply to CBE's Response to Motion to Dismiss (Reply). In its Reply, SoCalGas argued that 1) the Complaint cannot prevail under either of the Commission's standards of review for a motion to dismiss; 2) CBE failed to demonstrate standing, and that its injury claim was insufficient; 3) CBE's preferred forum of a complaint proceeding would limit participation; and 4) the Complaint should be dismissed with prejudice.

On March 18, 2025, the assigned Administrative Law Judge (ALJ) issued a ruling setting a prehearing conference (PHC) for April 3, 2025. The ruling also directed CBE and SoCalGas to meet and confer and file PHC statements addressing specific topics.

On March 28, 2025, both CBE and SoCalGas filed their respective PHC statements as directed.

On April 3, 2025, the assigned ALJ held a telephonic PHC to identify the issues of law and fact, the need for hearing, the proceeding schedule, and to address other matters as necessary.

1.3. Relevant Activity Since the Complaint was Filed

On December 20, 2024, SoCalGas filed A.24-12-011 (Phase 2 Application) to request authorization to implement revenue requirement for costs to enable the commencement of Phase 2 Activities of the Angeles Link Project.

On June 12, 2025, SoCalGas filed Application (A.) 25-06-011 requesting that the Commission authorize SoCalGas to recover costs recorded in its Angeles Link Memorandum Account (Phase 1 Compliance Application). On September 29, 2025, the assigned Commissioner issued the Scoping Memo in A.25-06-011 which identified the issues to be determined or otherwise considered in that proceeding. Notably, Issue Number 2 in the Scoping Memo for A.25-06-011, which asks “[d]id SoCalGas comply with D.22-12-055 for Phase 1 Activities for the Angeles Link Project?”, is an issue that encompasses the subject of the instant Complaint. Thus, it is apparent that the issues raised in the Complaint are set to be addressed in A.25-06-011.

On November 20, 2025, the Commission issued Decision (D.) 25-11-017, an Order Extending Statutory Deadline (OESD) for the proceeding. The Commission deemed an extension of the statutory deadline was necessary because the issues contained in C.24-11-013 overlap with those in A.25-06-011. Given that a scoping memo was recently issued in A.25-06-011, the Commission determined that closer examination of both proceedings and their overlapping issues was needed to determine the proper course of action for C.24-11-013.

On December 11, 2025, CBE filed a Petition for Modification of the OESD requesting that certain language in the OESD describing CBE as a party to A.25-06-011 be stricken. Specifically, CBE requested the following change in the OESD:

“Current language with proposed correction:

An extension of the statutory deadline is necessary because the issues contained in C.24-11-013 overlap with those in a related proceeding, Application (A.) 25-06-011, ~~in which Complainant is also a party.~~

Final modified language:

An extension of the statutory deadline is necessary because the issues contained in C.24-11-013 overlap with those in a related proceeding, Application (A.) 25-06-011.”

On January 12, 2026, SoCalGas filed its Response to CBE’s Petition for Modification of the OESD. In its Response, SoCalGas stated, among other things, that it did not oppose the Commission clarifying D.25-11-017 regarding CBE’s party status in A.25-06-011.

1.4. Rule 4.1(b)

Rule 4.1(b) of the Commission’s Rules of Practice and Procedure (Rules) states that “[n]o complaint shall be entertained by the Commission, except upon its own motion, as to the reasonableness of any rates or charges of any gas, electrical, water, or telephone corporation, unless it be signed by the mayor or the president or chairman of the board of trustees or a majority of the council, commission, or other legislative body of the city or city and county within which the alleged violation occurred, or by not less than 25 actual or prospective consumers or purchasers of such gas, electric, water, or telephone service.”

2. Issues

After considering the Complaint and subsequent filings, the parties' respective PHC statements, the discussion at the PHC, the factual and procedural background of the proceeding, and Rule 4.1 governing complaints, I have identified the issues to be determined or otherwise considered are:

1. Should the Complaint be dismissed under Rule 4.1(b)?
2. Should the Complaint be dismissed if the issues contained therein are being properly addressed in A.25-06-011?
3. Should the language in the Order Extending Statutory Deadline be corrected as follows:
"An extension of the statutory deadline is necessary because the issues contained in C.24-11-013 overlap with those in a related proceeding, Application (A.) 25-06-011."
4. Should the Petition for Modification filed by CBE be dismissed if and/or when the language in Issue No. 3, above, is corrected?

3. Need for Evidentiary Hearing

The issues scoped in this proceeding do not consist of materially disputed facts. Accordingly, no evidentiary hearing is needed.

4. Schedule

This matter is submitted. The proposed decision is expected to be filed no later than 90 days from today for public review and comment pursuant to Public Utilities Code Section 311(d) except that, if it grants the uncontested requested relief, public review and comment shall be waived pursuant to Rule 14.6(c)(2).

5. Alternative Dispute Resolution (ADR) Program and Settlements

The Commission's Alternative Dispute Resolution (ADR) program offers mediation, early neutral evaluation, and facilitation services, and uses ALJs who

have been trained as neutrals. At the parties' request, the assigned ALJ can refer this proceeding to the Commission's ADR Coordinator. Additional ADR information is available on the Commission's website.⁴

Any settlement between parties, whether regarding all or some of the issues, shall comply with Article 12 of the Rules and shall be served in writing. Such settlements shall include a complete explanation of the settlement and a complete explanation of why it is reasonable in light of the whole record, consistent with the law and in the public interest. The proposing parties bear the burden of proof as to whether the settlement should be adopted by the Commission.

6. Category of Proceeding and Ex Parte Restrictions

The Commission has determined that this is an adjudicatory proceeding in accordance with the Instructions to Answer Notice. Accordingly, ex parte communications are prohibited pursuant to Article 8 of the Rules.

7. 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 at <https://www.cpuc.ca.gov/about-cpuc/divisions/news-and-public-information-office/public-advisors-office> or contact the Commission's Public Advisor at 866-849-8390 or 866-836-7825 (TTY), or send an e-mail to public.advisor@cpuc.ca.gov.

⁴ <https://www.cpuc.ca.gov/PUC/adr/>

8. 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 1.4⁵.

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. Rule 1.10 requires service on the ALJ of both an electronic and a paper copy of filed or served documents.

When serving documents on Commissioners or their personal advisors, regardless of whether they are on the official service list, parties must only utilize 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).

The Commission encourages those who seek information-only status on the service list to consider the Commission's subscription service as an

⁵ The form to request additions and changes to the Service list may be found at <https://www.cpsc.ca.gov/-/media/cpsc-website/divisions/administrative-law-judge-division/documents/additiontoservicelisttranscriptordercompliant.pdf>

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.

9. 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 emails from the Commission. Please add “@cpuc.ca.gov” to your email safe sender list and update your email screening practices, settings and filters to ensure receipt of emails from the Commission.

10. Assignment of Proceeding

John Reynolds is the assigned Commissioner and Suman Mathews is the assigned Administrative Law Judge 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 the assigned Administrative Law Judge.
5. The category of this proceeding is adjudicatory.

Dated January 15, 2026, at San Francisco, California.

/s/ JOHN REYNOLDS

John Reynolds
Assigned Commissioner