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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Joint Application of Pacific Gas and Electric Company (U39G) and Standard Pacific Gas Line Incorporated for Approval of the Sale of Gas Transmission Pipeline Facilities Under Public Utilities Code Section 851, Authorization to Enter Into Inter-Utility Service Agreement and Related Transportation Service Agreement, and Authorization to Acquire Standard Pacific Gas Line Incorporation Stock Under Public Utilities Code Section 852. (U39G)	Application 25-12-014

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

On December 19, 2025, Pacific Gas and Electric Company (PG&E) and Standard Pacific Gas Line Incorporated (Standard Pacific) (collectively, Applicants) filed Application (A.) 25-12-014. Standard Pacific is a natural gas transmission utility. PG&E and Chevron Pipeline Company (Chevron) own 6/7th and 1/7th of Standard Pacific, respectively. The application seeks Commission approval that will result in PG&E acquiring full ownership of Standard Pacific. Specifically, the Applicants seek authorization under Public Utilities Code section 851[1] for Standard Pacific to sell most of its assets to PG&E pursuant to an asset purchase agreement; for approval under sections 451, 454, and 701 for PG&E, Standard Pacific, and Chevron to enter into agreements that will allow Standard Pacific to provide gas transportation service to Chevron and for PG&E to provide inter-utility gas transportation service to Standard Pacific; approval under section 852 for Chevron to sell all of its shares of Standard Pacific stock at the end of a 20-year term pursuant to a Stock Purchase Agreement; approval of all ratemaking associated with the transaction; and a determination that the transactions are exempt from California Environmental Quality Act (CEQA) review.

On January 20, 2026, Chevron Pipeline Company (Chevron) filed a response in support of the application. Chevron currently holds a 1/7th ownership stake in Standard Pacific and is a party to elements of the proposed transaction.

On January 21, 2026, the Public Advocate's Office (Cal Advocates) filed a general protest to the application. On February 2, 2026, the Applicants filed a response to the protest.

On February 23, 2026, the parties filed a Joint Prehearing Conference (PHC) Statement. A PHC was held on February 24, 2026, 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. The parties were ordered to

[1] Subsequent undesignated statutory references are to the Public Utilities Code.

submit briefs addressing proposed scoping issues related to the Commission's affiliate transaction rules. Briefing was completed on March 30, 2026.

After considering the application, response, protest, Joint PHC Statement, post-PHC briefing and discussion at the prehearing conference, I have determined the issues and initial schedule of the proceeding to be set forth in this scoping memo. I have also determined that no environmental and social justice issues have been raised at this time.

2. Issues

The issues to be determined or otherwise considered are:

1. Are all of the terms and conditions of the proposed transaction, including the valuation of the assets and the structure of the payment, just and reasonable and do they satisfy Public Utilities Code section 851?
2. Should the Commission authorize, pursuant to sections 451, 454, and 701, Standard Pacific, Chevron, and PG&E to enter into a Transportation Agreement by which Standard Pacific will provide gas transportation service to Chevron and should the Commission authorize Standard Pacific and PG&E to enter into a Inter-Utility Service Agreement whereby PG&E will provide inter-utility gas transportation service to Standard Pacific?
3. Are the terms and conditions of the Stock Purchase between Chevron and PG&E, including the 20-year term of the agreement, just and reasonable and do they comply with Section 852?
4. Is the proposed transaction exempt from CEQA review?
5. Is the proposed transaction subject to the Commission's Affiliate Transaction Rules and if so, does it comply with them?
6. Should the Commission approve the proposed ratemaking for the transaction?

3. Need for Evidentiary Hearing

There are no issues of material disputed fact at this time. Accordingly, no evidentiary hearing is needed. The parties are directed to file a notice requesting an evidentiary hearing if discovery reveals material factual disputes. The notice should identify the disputed facts, an explanation of why the disputed issues are material, and estimate of the time required for evidentiary hearing on the issue.

4. Schedule

The following schedule is adopted here and may be modified by the Administrative Law Judge (ALJ) as required to promote the efficient and fair resolution of the application:

Event	Date
Deadline to Propound Discovery Requests	June 15, 2026
Deadline to Meet and Confer Regarding Discover Disputes	July 15, 2026
Last Date to File and Serve Motions to Compel and Notice of Request for Evidentiary Hearing	July 22, 2026
Parties Submit Joint Outline for Briefs and Table of Disputed Issues and Positions	August 19, 2026
Opening Briefs on Issues 1 and 2, filed and served	September 15, 2026
Opening Briefs on Issues 3-7, filed and served	October 2, 2026
Reply briefs (All Issues), filed and served	October 30, 2026
Proposed decision, issued	90 days after submission

Commission decision, issued	No sooner than 30 days after Proposed Decision

The parties shall submit a Joint Outline for Briefs and Table of Disputed Issues by August 19, 2026. The Joint Outline will serve as the outline for all briefs submitted, ensuring that the parties address the issues in the same order and structure. The Table of Disputed Issues shall consist of 3 columns. The first will identify the specific disputed issue (in greater detail than the scoped issues if there a sub-issue to resolve.) The second column will summarize the Applicant's position on the issue, and the third column will summarize the Applicant's position. If, after the exchange of testimony and discovery, the parties agree that there is no dispute over a scoped issue, they should note that in the table. If Chevron takes a position that differs from that of the Joint Applicants, it should be noted in italics below that of the Joint Applicants.

The proceeding will stand submitted upon the filing of reply briefs, unless the ALJ requires further evidence or argument. Based on this schedule, the proceeding will be resolved within 18 months as required by Public Utilities Code Section 1701.5.

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.[2]

[2] https://www.cpuc.ca.gov/PUC/adr/

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

This ruling confirms the Commission's preliminary determination[3] that this is a ratesetting proceeding. Accordingly, ex parte communications are restricted and must be reported pursuant to Article 8 of the Rules.

7. Public Outreach

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

8. Intervenor Compensation

Pursuant to Public Utilities Code Section 1804(a)(1), a customer who intends to seek an award of compensation must have filed and served a notice of intent to claim compensation by 30 days after the prehearing conference.

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[3] Resolution ALJ 176-3575.

9. 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.

10. 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 http://cpuc.ca.gov/pao or contact the Commission's Public Advisor at 866-849-8390 or send an e-mail to public.advisor@cpuc.ca.gov.

11. 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.[4]

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

[4] 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

an electronic and a paper copy of filed or served documents. However, the ALJ in this proceeding shall only be served with electronic copies of document

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).

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 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.

12. 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.

13. Assignment of Proceeding

Matthew Baker is the assigned commissioner and Jacob L. Rambo is the assigned Administrative Law Judge 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 hearing is not needed, however should the need for hearings arise during the discovery period, the Administrative Law Judge may order and schedule an evidentiary hearing.
4. In the event that evidentiary hearings are ordered Administrative Law Judge Jacob L. Rambo is designated as the presiding officer.
5. The category of the proceeding is ratesetting.

Dated May 20, 2026, at San Francisco, California.

/s/ MATTHEW BAKER
Matthew Baker
Assigned Commissioner