



COM/MBK/mac 07/22/2026

FILED

07/22/26

02:40 PM

A2606001

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of San Diego Gas & Electric Company (U902E) for Approval of: (i) Contract Administration, Least-Cost Dispatch and Power Procurement Activities in 2025, (ii) Costs Related to those Activities Recorded to the Energy Resource Recovery Account, Portfolio Allocation Balancing Account, Transition Cost Balancing Account, Local Generating Balancing Account, and Modified Cost Allocation Mechanism Balancing Account in 2025, and (iii) Costs Recorded in Related Regulatory Accounts in 2025.

Application 26-06-001

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. Procedural Background

On June 1, 2026, San Diego Gas & Electric Company (SD&E) filed this Application to seek Commission approval for compliance of its Energy Resource Recovery Account (ERRA) and other related matters during the 2025 Record Year.

On June 29, 2026, the Public Advocates Office (Cal Advocates) filed a timely protest. On July 3, 2026, San Diego Community Power and Clean Energy Alliance (together, SD CCAs) also filed a timely protest to the Application. SDG&E filed a reply to the protests on July 13, 2026.

A prehearing conference was held on July 17, 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. After considering the Application, protests, reply to protest, 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 are:

1. Whether SDG&E, during the record period, prudently administered and managed its own generation resources, which includes the management of outages and the associated fuel costs, in compliance with all applicable rules, regulations, and Commission decisions, including but not limited to Standard of Conduct (SOC) 4.
2. Whether SDG&E, during the record period, prudently administered and managed its procurement contracts for resources, including Qualifying Facility (QF) and non-QF contracts, power purchase agreements, and contracts for Resource Adequacy (RA) or Renewables Portfolio Standard (RPS) resources, in accordance with the contract provisions and in compliance with all applicable rules, regulations, and Commission decisions, including but not limited to SOC 4.
3. Whether SDG&E, during the record period, administered resource adequacy procurement and sales consistent with its Bundled Procurement Plan (BPP).

4. Whether SDG&E, during the record period, achieved least-cost dispatch of resources, and whether SDG&E administered its demand response programs to minimize costs to its ratepayers, according to SOC 4.
5. Whether, during the record period, SDG&E's Greenhouse Gas Compliance Instrument procurement complied with SDG&E's Commission-approved procurement plan and was consistent with Commission and state policies and laws.
6. Whether, during the record period, the entries in SDG&E's Greenhouse Gas Revenue Balancing Account and Greenhouse Gas-related entries in other ERRA sub-accounts are accurate, and whether SDG&E met its burden of proof regarding its claim for these entries.
7. Whether SDG&E, during the record year, appropriately operated the balancing accounts and memorandum accounts reviewed in this Application, and whether the entries recorded during the record year in the balancing accounts and memorandum accounts reviewed in this Application are appropriate, correctly stated and in compliance with Commission directives. These accounts include but are not limited to:
 - a. the ERRA;
 - b. Portfolio Allocation Balancing Account;
 - c. Transition Cost Balancing Account;
 - d. Local Generating Balancing Account;
 - e. Modified Cost Allocation Mechanism Balancing Account;
 - f. Independent Evaluator Memorandum Account;
 - g. Litigation Cost Memorandum Account;
 - h. Green Tariff Marketing Education & Outreach Memorandum Account;
 - i. Green Tariff Shared Renewables Administrative Cost Memorandum Account;
 - j. Enhanced Community Renewable Marketing, Education & Outreach Memorandum Account;
 - k. Green Tariff Shared Renewable Balancing Account;

- l. Tree Mortality Non-Bypassable Charge Balancing Account;
 - m. Disadvantaged Communities – Single Family Solar Homes Balancing Account; and
 - n. Disadvantaged Community-Green Tariff Balancing Account.
8. Whether SDG&E accurately calculated the revenue requirement that it cannot collect from ratepayers because of the Public Safety Power Shutoff events it initiated during the record period, in accordance with Decision (D.) 21-06-014 and D.23-06-054.
 9. Whether the costs associated with Green Tariff recorded in SDG&E's balancing and memorandum accounts during the record period are appropriate, correctly stated and in compliance with Commission directives, and whether and how costs associated with Green Tariff should be recovered.
 10. Whether all other SDG&E activities that are subject to Commission review in this ERRRA Compliance proceeding complied with applicable Commission decisions and resolutions.

3. Need for Evidentiary Hearing

The issues in this proceeding are contested, material issues of fact that may require evidentiary hearings. Accordingly, we will allow parties to present evidence on these issues. Evidentiary hearings are needed but are not currently scheduled.

In accordance with Rule 13.9(a), parties will meet and confer within ten days after the submission of rebuttal testimony to discuss whether hearings will still be needed at the time. If parties determine that hearings are needed, they will file a motion to request the scheduling of evidentiary hearings according to the proceeding schedule set forth in this Ruling.

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 this Application:

Event	Date
Intervenor Testimony, to be served	December 11, 2026
Rebuttal Testimony, to be served	February 12, 2027
Meet and Confer Report; Motion for Evidentiary Hearing	March 5, 2027
Evidentiary Hearing	To Be Determined
Motion to Enter Exhibits into Evidence (in lieu of Evidentiary Hearings)	March 15, 2027
Opening Briefs, to be filed	April 9, 2027
Reply Briefs, to be filed	April 30, 2027
Proposed decision	Within 90 days after submission

Pursuant to Rule 13.9, the parties shall meet and confer no later than 10 calendar days after the submission of rebuttal testimony. The purpose of the meet and confer is to ascertain whether the parties stipulate to the receipt of prepared testimony into evidence without direct or cross examination or the need to convene an evidentiary hearing.

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.¹

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 determination² 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.

¹ <https://www.cpuc.ca.gov/PUC/adr/>

² Resolution ALJ 176-3582 at 6.

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 file and serve a notice of intent to claim compensation by August 17, 2026, which is the first business day 30 days after the prehearing conference.

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 1.4.³

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>

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. The assigned ALJ has provided specific instructions as to the service of filed or served documents at the prehearing conference.⁴

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.

⁴ At the prehearing conference, the assigned ALJ requested two paper copies of any testimony served and one paper copy of any document filed that is over 20 pages.

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

Commissioner Matthew Baker is the assigned Commissioner and Elaine Lau 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 hearing is needed.
4. The presiding officer is Administrative Law Judge Elaine Lau.
5. The category of the proceeding is ratesetting.

Dated July 22, 2026, at San Francisco, California.

/s/ MATTHEW BAKER

Matthew Baker
Assigned Commissioner