BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

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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, 2028.	Application 26-06-014
And Related Matter.	Application 26-06-015

NOT CONSOLIDATED

Application of San Diego Gas & Electric Company (U902M) for Approval of Smart Meter 2.0 Proposal.	Application 25-12-012

NOT CONSOLIDATED

Application of Southern California Gas Company (U904G) for Authorization to Implement Revenue Requirement for Advanced Meter Infrastructure Replacement Project.	Application 25-12-019

NOT CONSOLIDATED

Application of Southern California Gas Company (U904G) and San Diego Gas & Electric Company (U902M) for Authorization to Implement Revenue Requirement to Enable SAP Migration Program.	Application 26-05-002

PUBLIC ADVOCATES OFFICE
NOTICE OF EX PARTE COMMUNICATION

Pursuant to Rule 8.4 of the Rules of Practice and Procedure of the California Public Utilities Commission (Commission), the Public Advocates Office at the California Public Utilities Commission (Cal Advocates) provides notice of an oral communication in the above-captioned proceedings.

On Tuesday, July 14, 2026, at 4:00 p.m., Cal Advocates' Deputy Director of Energy, Michael Campbell, met with Commissioner Christine Harada's Acting Chief of Staff Adam Buchholz and Advisor Andrew Klutey in person at Commission headquarters in San Francisco, with Advisor David Fermino joining via video conference. The meeting was requested by Cal Advocates and lasted approximately 30 minutes. No written material was used during the communication.

Mr. Campbell discussed the following:

General rate cases (GRCs) should be the primary budgeting process for a utility to safely operate and maintain its system and achieve the appropriate service levels. The ability to meter and bill customers and have IT systems necessary for utility operations are central to the core functions of utility operations. In December 2025, San Diego Gas & Electric Company (SDG&E) and Southern California Gas Company (SoCalGas) (collectively, Sempra) filed individual applications for meter ("AMI") upgrades. SDG&E in its application (A.25-12-012) requests $825 million and SoCalGas in its application (A.25-12-019) requests $3.76 billion.

The December AMI applications and May 2026 "SAP Migration" application (A.26-05-002) should be consolidated with Sempra's Test Year 2028 GRC. To date, there have not been any scoping rulings for the AMI and SAP Migration applications, so consolidation would not cause delays or challenges "unwinding" work already done in the individual proceedings. While SDG&E and SoCalGas made the independent decision to file separate applications, there is no reason the Commission must adjudicate them separately and effectively pull these activities out of the GRC.

Without consolidation of the AMI cases, it is difficult to parse how the overall budgets are set for SDG&E and SoCalGas, and could create inconsistencies in budget-setting, as the process for what is authorized regarding AMI 2.0 may implicate the ongoing operations and maintenance of AMI 1.0 (and vice versa). This would not only be challenging for intervenors like Cal Advocates, but it would create problems for the ALJs for the individual proceedings.

There is nothing in the prior Sempra GRC Decision (D.24-12-074) that requires these three cases to be separate from the GRC. Ordering Paragraph 51 of D.24-12-074 directs SDG&E to file an application for AMI 2.0, but it does not require a standalone application. The Test Year 2028 GRC would qualify as a new application. SDG&E's existing application lacks a cost effectiveness analysis. This is problematic and has created delays in evaluating SDG&E's request because the Commission's primary reason for not approving SDG&E's AMI 2.0 request in the prior GRC was the lack of a cost effectiveness showing. SDG&E also went so far as to request to extend its memo account for AMI 1.0 activities beyond the date it filed its December application, even though D.24-12-074 made clear that this memo account would close upon SDG&E's AMI 2.0 application.[1]

There is no requirement for Sempra to file a separate SAP Migration application or for SoCalGas to file an AMI 2.0 case.

Not having a complete view of Sempra's AMI and SAP Migration cases alongside the rest of the GRC issues hampers the Commission's review and undermines the budget-setting purpose of a GRC.

Respectfully submitted,

/s/ MARION PELEO
Marion Peleo
Attorney

Public Advocates Office
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102
Telephone: (415) 703-2130
Email: Marion.Peleo@cpuc.ca.gov

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[1] SDG&E's motion to extend its memo account is currently pending and unresolved.