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

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 (Filed June 15, 2026)
Application of San Diego Gas & Electric Company (U902M) for Authority, Among Other Things, to Update its Electric and Gas Revenue Requirement and Base Rates Effective on January 1, 2028.	Application 26-06-015 (Filed June 15, 2026)

PROTEST OF THE UTILITY REFORM NETWORK

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PROTEST OF THE UTILITY REFORM NETWORK

I. Introduction

On June 15, 2026, Southern California Gas Company ("SoCalGas") and San Diego Gas & Electric Company ("SDG&E") filed Applications A.26-06-014 and A.26-06-015, respectively, seeking authority to increase their revenue requirements and base rates effective January 1, 2028, and to further increase their revenue requirements in each of the following three years, 2029, 2030, and 2031. On July 7, 2026, the two applications were consolidated.[1] Pursuant to Rule 2.6 of the Commission's Rules of Practice and Procedure, The Utility Reform Network ("TURN") submits this protest to SoCalGas and SDG&E's (together, "Sempra Utilities") application. Rule 2.6 requires that protests be filed within 30 days of the date the application first appeared on the Commission's Daily Calendar. Notice of the instant consolidated application first appeared on June 18, 2026. TURN's protest is thus timely filed.

II. Grounds of the Protest and Issues to Be Considered

Sempra Utilities' application seeks to substantially increase their revenue requirements starting in 2028 through 2031. For 2028, SoCalGas is requesting a 10.5% increase in revenue requirement over the 2027 level,[2] with additional increases of 6.19% in 2029, 5.77% in 2030, and 5.49% in 2031.[3] For 2028, SDG&E is requesting an 8.1% increase in revenue requirement

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[1] *See* Administrative Law Judges' Ruling Consolidating Applications.

[2] SoCalGas Application, p. 1.

[3] SoCalGas Application, p. 5.

over the 2027 level,[4] with additional increases of 8.7% in 2029, 5.53% in 2030, and 5.57% in 2031.[5]

The Commission must ensure that the rates charged by Sempra Utilities are just and reasonable. TURN protests Sempra Utilities' request for authorization to increase their revenue requirements as presented in this application, as Sempra Utilities' requests are without sufficient support. As the applicant, Sempra Utilities bear the burden of proving that they are entitled to the relief being sought here and must affirmatively establish the reasonableness of each and every proposal within the application.[6] Moreover, the starting point for the Commission's analysis must be that existing rates are reasonable unless a party meets its burden of proving that they are not.[7]

While TURN is still in the preliminary stage of our investigation, we expect to present evidence in our prepared testimony and through evidentiary hearings showing that Sempra Utilities have failed to meet their burden of demonstrating the reasonableness of many aspects of their showing. Based on TURN's initial review, TURN believes that the application presents at least the following additional issues:

- Whether Sempra Utilities' application complies with the ALJ ruling in the RAMP proceeding (A.25-05-010), issued on March 4, 2026, requiring Sempra Utilities to address deficiencies in its GRC filing regarding comparability of risk-scaled analyses,

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[4] SDG&E Application, p. 1.

[5] SDG&E Application, p. 8.

[6] *See*, *i.e.*, D.09-03-025, p. 8 (discussing SCE's burden of proof in its Test Year 2009 General Rate Case, A.07-11-011).

[7] "[The utility] has the burden of proving that its current authorized revenues are unreasonable and should be adjusted." D.00-02-046, Conclusion of Law 3.

RAMP cycle comparability, tranching method reporting, connection between Cost-Benefit Ratio and the mitigation selection, and others.[8]

- Whether Sempra Utilities' application complies with AB 2666, which directed the Commission to establish guidelines and adopt processes regarding the reporting and tracking of actual versus forecasted rates of return, and D.24-12-074, which ordered Sempra Utilities to provide information regarding actual annual rates of return compared to forecasted annual rates of return and identify the cost categories where projected (forecasted) costs differed from actual (recorded) costs.[9]

- Whether Sempra Utilities' application complies with AB 1167, which prohibits electrical and gas corporations from using customer ratepayer funds for political lobbying, promotional advertising, and trade association dues.

Furthermore, TURN has identified a few specific items below that warrant serious consideration and/or immediate action by the Commission.

A. The Commission Should Hold Multiple In-Person Public Participation Hearings in Disadvantaged Communities in Addition to Virtual Ones

TURN believes that it is important for the Commission to hold multiple in-person public participation hearings ("PPHs") in disadvantaged communities in addition to at least two virtual PPHs in order to maximize accessibility and participation. The in-person locations should be selected based on community need and accessibility, not simply geographic convenience, and prioritize communities experiencing the highest levels of affordability crisis, including areas with high disconnection rates, significant arrearages, and other indicators such as the affordability metrics adopted by the Commission.

Equally important, PPH locations should be easily accessible by public transportation, provide ample parking, and avoid federal buildings or other venues that may discourage participation by immigrant communities or others who may feel uncomfortable entering those

[8] A.25-05-010, ALJ Ruling Directing the Service of Additional Information and Other Requirements (March 4, 2026), pp. 1-2, 9-20.

[9] D.24-12-074, p. 806.

facilities. TURN would be happy to recommend specific locations if the Commission is open to suggestions.

With regards to scheduling, Sempra Utilities should be required to provide at least six weeks of advance notice to the public for the PPHs. This is consistent with concerns TURN previously raised following the extremely short notice provided for last year's PG&E hearings, which significantly limited meaningful community outreach and participation. TURN would also recommend not scheduling PPHs too close to the November election since many community organizations will have limited capacity during that period. Ideally, TURN suggests either the first half of December or mid-January timeframe for the PPHs.

Finally, TURN requests that Spanish interpretation be available for both the in-person and virtual hearings, along with translated outreach materials. Given the large Spanish speaking population in California, it is important for the Commission to be able to hear from that community.

B. The Commission Should Direct Sempra Utilities to Provide 2026 Recorded Expenditure Data No Later than March 1, 2027

Prior GRC decisions have consistently acknowledged the appropriateness of relying on recorded data from periods later than the designated base year where doing so achieves a more reasonable Test Year forecast. In particular, the Commission has regularly considered the actual recorded expenditures (both O&M and capital) from the Base Year+1 (here, 2026) in its determination of the appropriate forecast method for a number of individual cost forecasts.[10] Moreover, in the latest Rate Case Plan decision, D.20-01-002, the Commission concluded that

[10] *See, e.g.*, D.12-11-051, p. 13; D.13-05-010, pp. 19-20 D;.14-08-032, p. 75; D.15-11-021, p. 20; D.16-06-054, p. 62.

the provision of Base Year+1 data "should be considered a standard milestone in every energy GRC" because such data can benefit the Commission's decision-making through improved accuracy.[11]

To facilitate the timely consideration of 2026 recorded expenditures in this GRC, the Commission should direct Sempra Utilities to prepare an exhibit containing this data (in PDF and Excel) and serve it on the Commission and parties by March 1, 2027. Sempra Utilities have proposed to provide the 2026 recorded expenditures by March 22, 2027, which is far too late, especially if evidentiary hearings are held seven days later starting March 29, 2027 as recommended by Sempra Utilities.[12] Adopting the schedule proposed by Sempra Utilities would effectively make it impossible for intervenors to review and analyze the 2026 recorded expenditures prior to evidentiary hearings. This would be prejudicial to the intervenors and counter to the Commission's repeated determination that the recorded expenditures for Base Year + 1 (2026 here) should be considered. Furthermore, TURN notes that Sempra Utilities were also directed to provide recorded expenditures no later than March 1st in the previous GRC.[13]

Thus, TURN strongly recommends that the Commission direct Sempra Utilities to provide 2026 recorded expenditures no later than March 1, 2027.

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[11] D.20-01-002, pp. 61-62.

[12] SoCalGas Application, p. 15; SDG&E Application, pp. 18-19.

[13] A.22-05-015, Scoping Memo, p. 18.

C. The Commission Should Confirm that the Scope Includes Affirmative Proposals of Parties Other Than Sempra Utilities Related to the GRC

In recent years, the Commission has consistently clarified that it is reasonable to allow parties to present proposals that are both relevant to this proceeding and not already raised by the utility.[14] TURN requests that the Commission also clarify in this proceeding that it will entertain herein the affirmative proposals of parties other than Sempra Utilities, even where such proposals are not covered by Sempra Utilities' application or testimony, as long as parties' proposals address issues properly within the scope of a general rate case.

III. Effect of the Application on the Protestant

TURN is a non-profit consumer advocacy organization and has a long history of representing the interests of residential and small commercial customers of California's utility companies before this Commission. TURN's articles of incorporation specifically authorize our representation of the interests of residential customers. The instant application affects the interests of Sempra Utilities' residential ratepayers, whose interests TURN represents, by seeking authorization to collect from ratepayers charges that are unjust and unreasonable for the provision of safe and reliable electric and natural gas utility service by SoCalGas and SDG&E during the years 2028, 2029, 2030, and 2031.

IV. Proposed Categorization and Need for Hearing

SoCalGas and SDG&E both request that this application be categorized as ratesetting.[15] TURN concurs that the ratesetting categorization is appropriate.

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[14] A.10-12-005 (Sempra 2012 GRC), A.14-11-003 (Sempra 2016 GRC), A.17-10-007 (Sempra 2019 GRC), A.21-06-021 (PG&E 2023 GRC), A.22-05-015 (Sempra 2024 GRC), A.23-05-010 (SCE 2025 GRC), A.25-05-009 (PG&E 2027 GRC).

[15] SoCalGas Application, p. 13; SDG&E Application, p. 16.

SoCalGas and SDG&E also both anticipate that evidentiary hearings will likely be necessary.[16] TURN concurs that evidentiary hearings will be necessary. TURN addresses the necessary length of the evidentiary hearings below in Section V.

V. Schedule

SoCalGas and SDG&E propose a schedule that would have intervenor testimony be due on January 15, 2027.[17] While the Sempra Utilities claim that the proposed schedule is consistent with D.20-01-002, the reality is that the proposed schedule unfairly reduces time for intervenors to prepare testimony because Sempra Utilities did not adjust the date to account for the holidays – a direct result of Sempra Utilities' decision to delay their application by 30 days. Furthermore, for the same reason that Sempra Utilities requested and received approval for a 30-day extension to incorporate new RAMP related requirements into its GRC application, intervenors would also need more time to review and analyze the information for the new requirements that were not previously anticipated by D.20-01-002. Hence, at a minimum the intervenor testimony due date should be no sooner than February 15, 2026, with the dates for later events adjusted accordingly. TURN also intends to coordinate with other parties prior to the prehearing conference once the protests are filed.

In addition, not only is Sempra Utilities' proposed schedule for evidentiary hearings non-compliant with D.20-01-002, it is also inconsistent with the last three Sempra GRCs. Sempra Utilities proposed two weeks of evidentiary hearings for *both* SoCalGas and SDG&E combined. The rate case plan allowed for three weeks of evidentiary hearings for one GRC application; Sempra Utilities did not explain why their proposed schedule only allows for two weeks.

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[16] SoCalGas Application, p. 13; SDG&E Application, p. 18.

[17] SoCalGas Application, p. 14; SDG&E Application, p. 18.

Furthermore, the rate case plan was designed for one GRC application, not when two GRC applications are consolidated into one proceeding. This is also why each of the last three Sempra GRCs (A.14-11-003, A.17-10-007, A.22-05-015) allowed for four weeks of evidentiary hearings. Thus, the Commission should find that Sempra Utilities' proposed time for evidentiary hearings is inadequate, and that four weeks of evidentiary hearing time should be scheduled, consistent with D.20-01-002 and recent Sempra GRCs.

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Respectfully submitted,

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