

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

In the Matter of the Application of Southern
California Gas Company (U904G) Regarding
Year 31 (2024-2025) of Its Gas Cost
Incentive Mechanism.

Application 25-06-012

**PUBLIC ADVOCATES OFFICE
MONITORING AND EVALUATION REPORT**

Pursuant to the *Assigned Commissioner's Scoping Memo and Ruling* (Scoping Memo)¹ issued on September 9, 2025, in the above-captioned proceeding, the Public Advocates Office at the California Public Utilities Commission (Cal Advocates) hereby files its Monitoring and Evaluation Report regarding Southern California Gas Company's Gas Cost Incentive Mechanism (GCIM) application for GCIM Year 31. Cal Advocates' Monitoring and Evaluation Report is appended hereto as Attachment A.

Respectfully submitted,

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October 15, 2025

¹ Scoping Memo at 3.

ATTACHMENT A

Monitoring and Evaluation Report

Docket : A.25-06-012
Exhibit Number : CA-01
Commissioner : Baker
Admin Law Judge : Odell
Witness : Tan



**PUBLIC ADVOCATES OFFICE
CALIFORNIA PUBLIC UTILITIES COMMISSION**

MONITORING AND EVALUATION REPORT

**Southern California Gas Company's
Gas Cost Incentive Mechanism**

**GCIM Year 31
April 1, 2024, through March 31, 2025**

Application 25-06-012

San Francisco, California
October 15, 2025

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1 **CHAPTER 1 – EXAMINATION OF YEAR 31 GAS COST INCENTIVE MECHANISM**

2 **INTRODUCTION**

3 This exhibit provides the Public Advocates Office at the California Public Utilities
4 Commission (Cal Advocates) analyses and recommendations regarding Southern
5 California Gas Company’s (SoCalGas) Application (A.) 25-06-012. In A.25-06-012 (the
6 Application), SoCalGas presents its report for Year 31 Gas Cost Incentive Mechanism
7 (GCIM). Year 31 covers the period April 1, 2024, through March 31, 2025.¹

8 Cal Advcoates audited and evaluated the Application and SoCalGas’ GCIM Year
9 31 Annual Report (Year 31 Report) and prepared this Monitoring and Evaluation Report
10 (Cal Advocates Report). Chapter 2 of the Cal Advocates Report presents the details
11 and results of Cal Advocates’ review. Appendix A to this Report includes the
12 workpapers and other materials supporting Cal Advocates’ findings.

13 **SUMMARY OF FINDINGS AND RECOMMENDATIONS**

14 SoCalGas’ recorded gas costs for GCIM Year 31 were \$42,142,370 below the
15 benchmark, which results in a calculated reward of \$8,374,056 to SoCalGas’
16 shareholders and a ratepayer benefit of \$33,768,315.

17 Table 1-1 below summarizes SoCalGas’ and Cal Advocates’ calculated and
18 recommended shareholder reward and GCIM Year 31 performance based on the
19 detailed GCIM monthly reports of core commodity transaction activities.

¹ SoCal Gas filed its Year 31 GCIM Application on June 13, 2025.

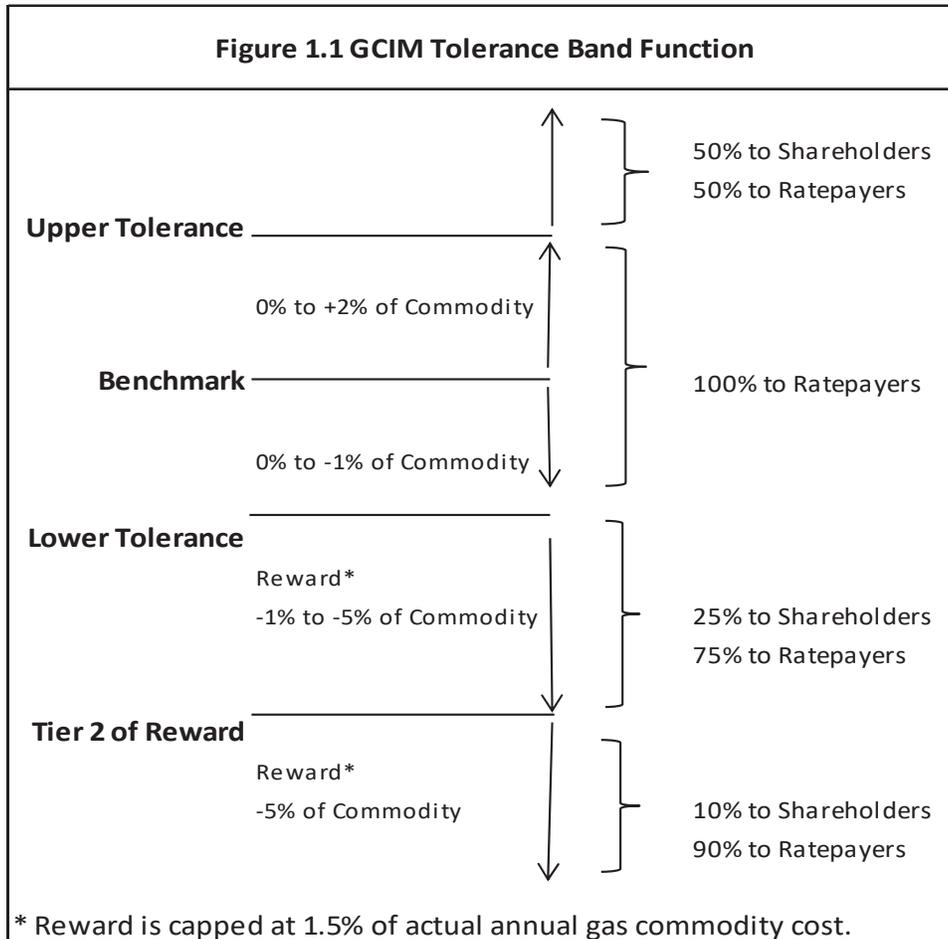
TABLE 1-1 Southern California Gas Company Performance Summary GCIM Year 31 April 1, 2024 Through March 31, 2025		
Benchmark Costs	\$	1,202,082,218
Actual Costs	\$	1,159,939,848
GCIM Total Savings	\$	42,142,370
Calculated Ratepayer Savings	\$	33,768,315
Calculated Shareholder Reward	\$	8,374,056

1 **Background**

2 In creating the GCIM, the Commission intended to provide gas utilities an
3 incentive² for reducing natural gas procurement costs and other related costs, such as:
4 transportation, storage capacity, financial hedging, and retail core gas sales. The GCIM
5 is used as a ratemaking tool to increase efficiency in regulatory administration. For
6 SoCalGas, it provides a framework in the form of a benchmark that indicates when
7 actual purchase costs are within a stated range referred to as a “tolerance band.”³ If
8 SoCalGas' actual costs, as measured by the GCIM benchmark, are between the upper
9 and lower range limitations of the tolerance band, there is no shareholder penalty or
10 reward for the GCIM period. If actual gas costs fall above or below the tolerance band,
11 then both SoCalGas ratepayers and shareholders share in the resulting gains or losses.
12 Chapter 2 of this exhibit presents the results of the tolerance band calculations. The
13 following graph, Figure 1.1, illustrates how the tolerance band functions in determining
14 the shared costs for SoCalGas’ shareholders and ratepayers.

² Decision (D.) 94-03-076, *Opinion: In the Matter of the Application of Southern California Gas Company (U 904 G) for authority to establish an experimental Gas Cost Incentive Mechanism; and Related Matters*, March 16, 1994, Finding of Fact 3; Appendix A, at 3.

³ SoCalGas GCIM Yr. 31 Rept. (June 13, 2025) at 3.



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The GCIM method establishes the upper limit of the tolerance band at two percentage points above the benchmark commodity costs. The lower limit of the tolerance band starts at one percentage point below this benchmark. When SoCalGas' actual costs fall within this tolerance band, the accrued benefits or losses go to the ratepayers.⁴

In cases where actual costs fall outside the tolerance band, the benefits or losses are shared between shareholders and ratepayers. The amounts of these benefits or losses are based on whether the actual costs are outside the upper or lower limits of the tolerance band. For example, if actual costs exceed the upper two percent (2%) tolerance limit, the excess costs are shared 50-50 between ratepayers and

⁴ D.02-06-023, *Opinion: In the Matter of the Application of SoCalGas Company Regarding Year Six (1999-2000) Under Its Experimental GCIM and Related Gas Supply Matters*, June 6, 2002, Ordering Paragraph (OP) No. 1 at 27 (approving the Settlement Agreement).

1 shareholders. If actual costs are below the benchmark commodity costs and between
 2 the lower one percent (1%) tolerance limit and the five percent (5%) range, this will
 3 generate savings that are shared at twenty-five percent (25%) for shareholders and
 4 seventy-five percent (75%) for ratepayers. However, if actual costs are more than five
 5 percentage points below the benchmark commodity costs, the savings are shared as
 6 ninety percent (90%) savings for ratepayers and a ten percent (10%) reward for
 7 shareholders. The SoCalGas reward is capped at 1.5 percent of actual commodity
 8 costs.

9 Commission Decision (D.) 94-03-076 originally approved the GCIM program, with
 10 subsequent changes and extensions that essentially enhanced the program incentives.
 11 D.10-01-023 changed the treatment of winter hedging costs by allowing twenty-five
 12 percent (25%) of net hedging gains and losses related to winter gas purchases to flow
 13 through to the GCIM calculation, and seventy-five percent (75%) of costs to be passed
 14 through directly to core customers.

15 **GCIM Summary**

16 Table 1-2 below summarizes the GCIM results over the past five years. Chapter
 17 2 of this Cal Advocates Report presents supporting calculations for GCIM Year 31.

TABLE 1-2 Southern California Gas Company Summary of Ratepayer Savings and Shareholder Rewards (in \$Millions)				
GCIM Year	Period	Total Cost Savings	Ratepayer Savings	Shareholder Rewards
27	2020-2021	\$ 184.74	\$ 173.60	\$ 11.14
28	2021-2022	\$ 122.21	\$ 99.90	\$ 22.31
29	2022-2023	\$ 417.64	\$ 354.86	\$ 62.78
30	2023-2024	\$ 74.27	\$ 60.40	\$ 13.87
31	2024-2025	\$ 42.14	\$ 30.29	\$ 8.37

18
 19

20 **Natural Gas Storage**

21 To ensure dedicated core storage capacity, the Commission authorized
 22 SoCalGas to revise its Preliminary Statement, Part VIII, and the GCIM to reflect
 23 changes to its mid-season minimum core inventory targets; these changes require

1 SoCalGas to seek agreement from Cal Advocates and The Utility Reform Network
2 (TURN) before making any revisions to its mid-season minimum core inventory targets.⁵
3 In D.18-01-005, the Commission ordered SoCalGas to confer with Cal Advocates if its
4 mid-season core storage inventory will be less than 47 billion cubic feet (Bcf) on July 31
5 of each calendar year. D.18-01-005 also requires SoCalGas to provide notification of its
6 mid-season and annual core storage inventory target to the Commission's Energy
7 Division. For GCIM Year 31, SoCalGas met the July 31, 2024, mid-season storage
8 target. As of October 31, 2024, SoCalGas reported that the annual storage inventory
9 was within the November 1st annual storage target.⁶

10 In D.08-12-020, the Commission adopted the Phase 1 Settlement Agreement,
11 which eliminated the upper tolerance band for core storage.⁷ Combining San Diego
12 Gas & Electric Company's (SDG&E) and SoCalGas' balancing requirements ensures
13 sufficient storage for core customers in Southern California. As of April 1, 2009,
14 SoCalGas has implemented the core balancing requirements. For the current GCIM
15 reporting period, SoCalGas did not report any core imbalance charges and operational
16 flow order (OFO) daily non-compliance charges.⁸

17 **Financial Hedging in GCIM**

18 In accordance with D.10-01-023, effective April 2010, SoCalGas is not required
19 to file a Winter Hedging Plan Report.⁹ Instead, SoCalGas includes twenty-five percent
20 (25%) of all net gains and losses of its winter hedging transactions in the GCIM. The
21 remaining seventy-five percent (75%) is excluded, which results in costs being passed
22 through to core customers. Cal Advocates reviewed SoCalGas' financial derivative

⁵ D.06-10-029, *Opinion Regarding Year 11 of the GCIM*, Oct. 19, 2006, OP No. 3 at 11.

⁶ SoCalGas GCIM Yr. 31 Rept. (June 13, 2025) at A-10.

⁷ D.08-12-020, *Decision Regarding the Phase One Issues and the Motion to Adopt the Settlement Agreement*, Dec. 5, 2008, OP No. 1 at 34.

⁸ SoCalGas July 16, 2025, Response to Cal Advocates Data Request A.25-06-012_GCIM Year 31_MDR Q11 issued July 01, 2025.

⁹ D.10-01-023, *Decision for an Incentive Framework to Motivate Optimal Use of Natural Gas Hedging*, Jan. 25, 2010, OP No. 5 at 70.

1 gains and losses based on the Gas Incentive Mechanism method¹⁰ as described in
 2 Chapter 2, Sections 2.10 and 2.11 of this Report.

3 In addition to core winter hedges, SoCalGas transacted non-winter hedges and
 4 its non-winter hedge results are also included in the GCIM.¹¹ Table 1-3 below shows
 5 the results of SoCalGas' hedging activities for the most recent five-year GCIM periods.
 6

TABLE 1-3 Southern California Gas Company Financial Hedging (in \$Millions)				
GCIM Year	Losses/(Gains) Outside the GCIM	Losses/(Gains) Inside the GCIM	Total Hedging Losses/(Gains)	
27	\$ 1.71	\$ 0.43	\$ 1.28	
28	\$ (0.01)	\$ (2.72)	\$ (2.73)	
29	\$ 28.93	\$ 9.64	\$ 38.57	
30	\$ 9.22	\$ 3.07	\$ 12.29	
31	\$ 1.70	\$ 0.57	\$ 2.28	

7
8 Source: See *infra*, Table 2-11 at 2-16.

9 **Interstate Capacity**

10 In D.04-09-022, the Commission established interstate pipeline contract approval
 11 procedures for SoCalGas, SDG&E, and Pacific Gas and Electric Company (PG&E).¹²
 12 These procedures included authorized capacity planning ranges to provide flexibility in
 13 meeting the utilities' regional market demands and regulatory compliance requirements
 14 regarding their Biennial Cost Allocation Proceedings (BCAPs) or advice letters.¹³

15 Consistent with the capacity guideline procedures established by
 16 D.04-09-022, SoCalGas, Cal Advocates, TURN, and the Commission's Energy Division
 17 conduct ongoing discussions regarding interstate capacity requirements and SoCalGas'

¹⁰ Southern California Gas Company. Part VIII, Gas Cost Incentive Mechanism (GCIM), SoCalGas Tariffs. Available at: <https://tariffsprd.socalgas.com/scg/tariffs/content/?utilId=SCG&bookId=GAS§Id=G-PRELIM>.

¹¹ See *infra*, Section 2.10, "Financial Derivatives."

¹² D.04-09-022, *Opinion on Phase I Issues*, Sept. 2, 2004, OP No. 2 at 95.

¹³ D.04-09-022, *Opinion on Phase I Issues*, Sept. 2, 2004, Conclusion of Law No. 6 at 93.

1 acquisition of interstate capacity. Cal Advocates serves as a resource for addressing
2 compliance issues that impact the acquisition or reduction of interstate capacity.¹⁴

3 Effective Advice Letter 6033 updated minimum capacity for GCIM Year 31: non-
4 winter requires 865 thousand dekatherms per day (MDth/d) and maximum capacity of
5 1,154 MDth/d. For winter, the combined portfolio minimum capacity is 961 MDth/d and
6 maximum capacity is 1,154 MDth/d.¹⁵

7 For GCIM Year 31, SoCalGas' report shows that for actual monthly activities of
8 core firm transportation capacity holdings, the minimum capacity requirements
9 established by D.04-09-022 were met.¹⁶

10 **Secondary Market Services Transactions**

11 Secondary Market Services (SMS) generate revenues from core gas supplies
12 and resources not needed for reliability requirements. SoCalGas meets this regional
13 market demand while simultaneously applying these revenues to directly offset core
14 commodity costs. As a result, this reduces core gas costs, which achieves SoCalGas'
15 primary objectives of ensuring supply and service reliability at a low cost.¹⁷

16 For the GCIM Year 31 period, SoCalGas shows net SMS revenues of
17 \$20,079,592.¹⁸ These revenues offset part of the gas costs and enable SoCalGas to
18 lower its core commodity costs.

19 **CONCLUSION**

20 Cal Advocates' review verified that for GCIM Year 31, SoCalGas' total savings
21 was \$42,142,370. Accordingly, Cal Advocates confirms that SoCalGas' shareholders
22 should receive a reward in the amount of \$8,374,056. Cal Advocates also confirms that

¹⁴ D.04-09-022, *Opinion on Phase I Issues*, Sept. 2, 2004, at 13 (stating "SoCalGas' Gas Acquisition Department will consult with [Cal Advocates], the Energy Division and TURN on a monthly basis.").

¹⁵ SoCalGas Advice Letter No. 6033 (Sept. 21, 2022) at 2.

¹⁶ SoCalGas GCIM Yr. 31 Rept. (June 13, 2025), Appendix C, "Current Core Firm Transportation Capacity Holdings."

¹⁷ SoCalGas GCIM Yr. 31 Rept. (June 13, 2025) at A-11.

¹⁸ SoCalGas GCIM Yr. 31 Rept. (June 13, 2025) at A-8, Table 2. See also *infra*, Section 2.12, "Review of Secondary Market Services Revenues."

1 for the GCIM Year 31 reporting period, ratepayer benefits amounted to \$33,768,315. In
2 collaboration with SoCalGas and other interested parties, Cal Advocates will continue to
3 monitor and evaluate SoCalGas' GCIM to identify any changes needed to improve the
4 effectiveness of its GCIM. Furthermore, SoCalGas and Cal Advocates would submit
5 any subsequent changes to the Commission for approval and adoption.

TABLE 2-1 Southern California Gas Company Reward Calculation GCIM Year 31 April 1, 2024 Through March 31, 2025		
		SCG Annual Report
Benchmark Costs		\$ 1,202,082,218
Actual Costs		\$ 1,159,939,848
GCIM Year 31 Annual Report: Total Savings Below Benchmark		\$ 42,142,370
Amount of Lower Tolerance Band Not Subject to Sharing (0%-1%)		\$ 8,319,637
Ratepayers' share:		\$ 8,319,637
Amount Subject to 75%-25% Sharing (1%-5%)		\$ 33,278,549
Ratepayers' share: 75%	75%	\$ 24,958,912
Shareholders' share: 25%	25%	\$ 8,319,637
Amount Subject to 90%/10% Sharing (> 5%)		\$ 544,184
Ratepayers' share: 90%	90%	\$ 489,766
Shareholders' share: 10%	10%	\$ 54,418
Cap on Shareholder Rewards = 1.5% of commodity costs:		
Total Commodity costs:		\$ 789,821,359
Shareholder Reward Cap:	1.50%	\$ 11,847,320
Total Ratepayers' Share:		\$ 33,768,315
Total Shareholders' Share:		\$ 8,374,056
Total Savings:		\$ 42,142,370

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3 2.2 Summary of Benchmark and Actual Costs

4 Table 2-2 below shows an annual summary of the monthly gas commodity costs
5 shown in Table 2-1. The calculated tolerance bands and the related actual commodity
6 cost of gas are measured annually against a benchmark. The benchmark is based on
7 the prevailing published natural gas price indices for gas delivered from the mainline to
8 the California border.

TABLE 2-2
Southern California Gas Company
Tolerance Band Review
GCIM Year 31
April 1, 2024 Through March 31, 2025

Month	Benchmark Dollars*	Actual Dollars*	(Over)/Under Benchmark	Upper Tolerance 2%	Lower Tolerance 1%	Lower Tolerance 5%
Apr-24	\$ 58,040,968	\$ 49,428,361	\$ 8,612,607	\$ 32,035,073	\$ 31,092,865	\$ 29,836,588
May-24	\$ 59,786,218	\$ 56,983,779	\$ 2,802,439	\$ 33,991,310	\$ 32,991,566	\$ 31,658,573
Jun-24	\$ 49,365,345	\$ 46,189,780	\$ 3,175,565	\$ 24,214,169	\$ 23,501,987	\$ 22,552,412
Jul-24	\$ 68,599,552	\$ 64,926,060	\$ 3,673,492	\$ 40,384,563	\$ 39,196,782	\$ 37,613,073
Aug-24	\$ 63,652,847	\$ 58,838,255	\$ 4,814,591	\$ 36,022,057	\$ 34,962,584	\$ 33,549,955
Sep-24	\$ 46,718,321	\$ 47,879,114	\$ (1,160,793)	\$ 17,106,986	\$ 16,603,839	\$ 15,932,977
Oct-24	\$ 77,278,911	\$ 77,188,740	\$ 90,172	\$ 44,691,144	\$ 43,376,699	\$ 41,624,105
Nov-24	\$ 113,310,354	\$ 111,357,788	\$ 1,952,566	\$ 78,927,537	\$ 76,606,139	\$ 73,510,942
Dec-24	\$ 182,110,979	\$ 181,430,475	\$ 680,504	\$ 150,723,927	\$ 146,290,871	\$ 140,380,128
Jan-25	\$ 190,619,130	\$ 177,607,793	\$ 13,011,336	\$ 161,437,343	\$ 156,689,185	\$ 150,358,309
Feb-25	\$ 151,960,959	\$ 153,200,025	\$ (1,239,066)	\$ 120,842,333	\$ 117,288,146	\$ 112,549,231
Mar-25	\$ 140,638,634	\$ 134,909,676	\$ 5,728,958	\$ 108,226,564	\$ 105,043,429	\$ 100,799,250
	\$ 1,202,082,218	\$ 1,159,939,848	\$ 42,142,370	\$ 848,603,004	\$ 823,644,093	\$ 790,365,543
	*Included transportation costs and reservation costs.					

Source: Appendix A, Exhibit No. 2-19.

2.3 Review of Benchmark Volumes and Costs

Table 2-3 below shows the components of the Mainline and Border Benchmark Costs. Cal Advocates' review of GCIM Year 31 confirms the Total Benchmark Dollar Costs of \$1,202,082,218.

The Total Benchmark Commodity Costs consist of Mainline Benchmark Commodity Costs of \$606,889,013 and Benchmark Border and Citygate Commodity Costs of \$225,074,717 which are calculated based on the Southern California Commodity Costs and SoCalGas Citygate Commodity Costs.

The Total Benchmark Dollar Costs also include flow-through costs of \$4,550,201 in Interstate Volumetric Transport Costs and \$365,568,287 of Benchmark Reservation Charges; and \$831,963,730 in Total Benchmark Commodity Costs for a total of \$1,202,082,218.

TABLE 2-3
Southern California Gas Company
Benchmark Dollar Components
GCIM Year 31
April 1, 2024 Through March 31, 2025

		Benchmark Dollars	Reference*
Benchmark Commodity Costs			
Mainline Benchmark Commodity Costs	\$ 606,889,013		2-4
Border and Citygate Benchmark Commodity Costs	\$ 225,074,717		2-4
	Total Benchmark Commodity Costs:	\$ 831,963,730	
Flow-Through Costs			
Interstate Volumetric Transport Costs		\$ 4,550,201	2-6
Benchmark Reservation Charges		\$ 365,568,287	2-5
	Total Benchmark Dollar Costs:	\$ 1,202,082,218	

Source: Appendix A, Exhibit Nos. 2-4, 2-5, & 2-6.

Table 2-3A below shows 337,742,980 MMBtus in Net Total Benchmark Volumes for the period from April 2024 through March 2025. This net total is comprised of the following: (i) 273,577,186 MMBtus, which is the Benchmark Mainline Volumes total; (ii) 64,165,794 MMBtus, which is the Benchmark Border Volumes total for the same period;

TABLE 2-3A
Southern California Gas Company
Benchmark Market Volumes (In MMBtus)
GCIM Year 31
April 1, 2024 Through March 31, 2025

		Reference*
Benchmark Volumes		
Mainline Volumes	273,577,186	2-11
Border and Citygate Volumes	64,165,794	2-16
Net Total Benchmark Volumes	337,742,980	

*Source: Appendix A, Exhibit Nos. 2-11, & 2-16.

2.4 Actual Gas Costs and Volumes

Table 2-4 below shows the Actual Gas Costs Components consisting of Mainline Commodity Purchases, Border and Citygate Purchases, Gas Sales, Other

1 Revenues/Costs, Interstate Volumetric Transportation Costs, and Reservation Charges.
2 Cal Advocates found that SoCalGas' records supported the volumes and corresponding
3 dollar amounts for each of these components, as reflected in Table 2-4.

4 The Total Mainline and Border Purchases of \$947,973,400 consist of Mainline
5 Commodity Purchases of \$672,890,789 and Border and Citygate Commodity
6 Purchases of \$275,082,611. The Total Gas Sales of \$137,806,658 consists of Mainline
7 Commodity Sales of \$68,258,232; Border and Citygate Commodity Sales of
8 \$69,548,426. The Other Revenue/Costs of \$20,545,382 consist of (i) \$20,279,592 in
9 Net Secondary Market Service Revenues; (ii) \$571,710 in costs from GCIM Derivative
10 Transactions, and (iii) \$837,500 in an Off-System Parking Fee. These are all included
11 as part of the Total Commodity Costs of \$789,621,360 which consist of (i) Total
12 Mainline and Border Purchases of \$947,973,400; (ii) Total Gas Sale of \$137,806,658;
13 and (iii) Total Other Revenues/Costs of \$20,545,382.

14 SoCalGas' records show the calculations of the Interstate Volumetric Transport
15 Costs as \$4,550,201 and the Reservation Charges as \$365,568,287. The sum of these
16 costs and charges resulted in the corresponding Total Costs of \$1,159,739,848, as
17 shown on the last line in Table 2-4.

TABLE 2-4 Southern California Gas Company Actual Gas Costs Components GCIM Year 31 April 1, 2024 Through March 31, 2025			
		Dollars	Reference*
Gas Purchases**			
Mainline Commodity Purchases		\$ 672,890,789	2-3a
Border and Citygate Commodity Purchases		\$ 275,082,611	2-3b
Total Mainline and Border Purchases		\$ 947,973,400	
Gas Sales**			
Mainline Commodity Sales		\$ (68,258,232)	2-3c
Border and Citygate Commodity Sales		\$ (69,548,426)	2-3d
Total Gas Sales		\$ (137,806,658)	
Other Revenues/Costs			
Net Secondary Market Revenue:		\$ (20,279,592)	2-3e
GCIM Derivative Transactions		\$ 571,710	2-3g
Off System Parking Fee		\$ (837,500)	2-3f
Total Other Revenues/Costs		\$ (20,545,382)	
Total Commodity Costs		\$ 789,621,360	
Interstate Reservation and Volumetric Transport Cost			
Interstate Volumetric Transport Costs		\$ 4,550,201	2-6
Reservation Charges		\$ 365,568,287	2-5
Total Related Commodity Costs		\$ 370,118,488	
Rounding		\$ -	
Total Costs		\$ 1,159,739,848	

*Source: Appendix A, Exhibit Nos. 2-3a-g, 2-5 & 2-6.

** Excluded winter hedge costs and revenues.

2.5 Mainline and Border Gas Purchase and Sale Volumes

Table 2-5 below provides a breakdown of SoCalGas' gas purchase and sales volumes.

The Total Mainline and Border Purchases volume of 403,198,768 MMBtus is comprised of two gas purchases and their corresponding volumes: (i) Mainline Purchases 313,241,109 MMBtus; and (ii) Border and Citygate Purchases 89,957,659 MMBtus.

The Total Gas Sale volumes of 65,455,788 MMBtus are comprised of the following gas sales and their corresponding volumes: (i) Mainline Sales 39,663,923 MMBtus; (ii) Border and Citygate Sales 25,791,865 MMBtus. The Total Gas Sales

1 volumes of 65,455,788 MMBtus is subtracted from the Total Mainline and Border
 2 Purchases volumes of 403,198,768 MMBtus to arrive at the Total Net Volume figure of
 3 337,742,980 MMBtus.

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TABLE 2-5 Southern California Gas Company Summary of Mainline and Border Volumes GCIM Year 31 April 1, 2024 Through March 31, 2025			
		Volume (MMBtus)	Reference
Gas Purchases**			
Mainline Commodity Purchases	313,241,109		2-10
Border and City Gate Purchases	89,957,659		2-10
Total Mainline and Border Purchases		403,198,768	
Gas Sales (deducting)**			
Mainline Commodity Sales	(39,663,923)		2-10
Border and Citygate Commodity Sales	(25,791,865)		2-10
Total Gas Sales		(65,455,788)	
Total Net Volumes		337,742,980	

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Source: Appendix A, Exhibit Nos. 2-10.

8 **2.6 Interstate Volumetric Transport Costs**

9 The volumetric transport costs are variable costs, and they are based on the
 10 volume of interstate pipeline gas supplies delivered at the Southern California Border.
 11 The total interstate volumetric transportation costs for SoCalGas GCIM Year 31 are
 12 shown in Table 2-6. The total volumetric transport costs for the period were \$4,550,201,
 13 which is comprised of El Paso transport costs; Transwestern costs; Kern River costs;
 14 Canadian Path costs; Mexican Path costs; and Overthrust costs.

TABLE 2-6 Southern California Gas Company Summary of Actual Pipeline Commodity Transport Costs GCIM Year 31 April 1, 2024 Through March 31, 2025		
Pipelines		
Various Locations		
	Total Transportation Costs	\$ 4,550,201

Source: Appendix A, Exhibit No. 2-6.

2.7 Interstate Reservation Charges

Table 2-7 shows reservation charges by pipeline for the GCIM Year 31 period. The reservation charges were: El Paso \$61,272,359; Transwestern \$29,284,911; Kern River \$26,066,304; Canadian Path \$13,244,168; Overthrust \$170,100; Backbone Transport Service \$236,839,517; and Brokered Capacity Credit \$1,309,071. The Total Reservation Charges for the period were \$365,568,287.

TABLE 2-7 Southern California Gas Company Summary of Reservation Charges By Pipeline GCIM Year 31 April 1, 2024 Through March 31, 2025		
		Reservation Charge
El Paso		\$ 61,272,359
Transwestern		\$ 29,284,911
Kern River		\$ 26,066,304
Canadian Path		\$ 13,244,168
Overthrust		\$ 170,100
Backbone Transportation		\$ 236,839,517
Brokered Capacity Credits		\$ (1,309,071)
	Total Reservation Charges	\$ 365,568,287

Source: Appendix A, Exhibit No. 2-5.

1 **2.8 Interstate Pipeline Utilization**

2 In D.04-09-022, the Commission required SoCalGas to track each pipeline's
 3 capacity utilization.¹⁹ Table 2-8 provides an overview of SoCalGas' nominated capacity
 4 for each pipeline listed. Total Core Capacity for all the pipelines was 430,039,502
 5 MMBtus and total Nominated Capacity was 354,195,724 MMBtus. The difference
 6 between these two total amounts is the unutilized capacity of 75,843,778 MMBtus,
 7 which is adjusted from core capacity.

8 Regarding the interstate pipelines, for GCIM Year 31, SoCalGas utilized
 9 Overthrust at 100%; El Paso Natural Gas Company at 77% capacity; Foothills Pipeline
 10 Ltd at 99%; Gas Transmission Northwest Corp. at 98%; Kern River Gas Transmission
 11 Company at 96%; NOVA Gas Trans Ltd at 91% (Canadian Path); PG&E at 97%; and
 12 Transwestern Pipeline Company at 67%. The results are 347,864,737 MMBtus of
 13 Actual Volume Received based upon the Capacity Cut of 6,330,987 MMBtus being
 14 subtracted from Nominated Capacity of 354,195,724 MMBtus.

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TABLE 2-8 Southern California Gas Company Cumulative Core Capacity Utilization By Pipeline (In MMBtus) GCIM Year 31 April 1, 2024 Through March 31, 2025							
Pipeline	Core Capacity	Less: Nominated Capacity	Unutilized Capacity	Capacity Utilization Percentage	Nominated Capacity	Actual Volumes Received	Capacity Cut
Overthrust	3,210,000	3,204,096	5,904	100%	3,204,096	3,172,219	31,877
El Paso Natural Gas Company	178,123,857	136,774,645	41,349,212	77%	136,774,645	136,170,067	604,578
Foothills Pipelines Ltd	19,644,264	19,389,555	254,709	99%	19,389,555	17,785,237	1,604,318
Gas Trans Northwest Corp	19,165,420	18,848,797	316,623	98%	18,848,797	17,321,410	1,527,387
Kern River Gas Transmission Company	88,229,870	84,402,530	3,827,340	96%	84,402,530	84,235,111	167,419
Nova Gas Trans Ltd	19,804,091	17,955,748	1,848,343	91%	17,955,748	17,955,748	-
Pacific Gas & Electric	18,955,180	18,346,223	608,957	97%	18,346,223	16,725,760	1,620,463
Transwestern Pipeline Company	82,906,820	55,274,130	27,632,690	67%	55,274,130	54,499,185	774,945
Total	430,039,502	354,195,724	75,843,778	82%	354,195,724	347,864,737	6,330,987

16 Source: Appendix A, Exhibit No. 2-18.

¹⁹ D.04-09-022, *Opinion on Phase I Issues*, Sept. 2, 2004, OP No. 2 at 95.

1 **2.9 Examination of the Purchased Gas Account**

2 Table 2-9 below provides a Purchased Gas Account (PGA) reconciliation of the
3 GCIM gas commodity costs.²⁰ One function of the PGA is for utilities to balance the
4 recorded cost of gas and the corresponding revenues from the sale of that gas. For
5 GCIM Year 31, the Total PGA Commodity Costs equaled \$ 890,547,158 and the
6 reported GCIM Commodity Costs for SoCalGas' gas portfolio purchases were
7 \$789,249,650 (excluding hedging costs), which resulted in a variance of \$101,297,509.
8 This variance consists of \$13,852,627 in costs excluded from the GCIM reported
9 commodity costs; \$20,079,592 in net Secondary Market Service; \$26,427 in timing
10 difference in fees and other costs; and \$67,338,863 excluded Winter Hedge Costs and
11 others from GCIM.²¹

²⁰ SoCalGas July 16, 2025, Response to Cal Advocates Data Request A.25-06-012_GCIM Year 31_MDR Q7 issued July 01, 2025.

²¹ SoCalGas July 16, 2025, Response to Cal Advocates Data Request A.25-06-012_GCIM Year 31_MDR Q7 issued July 01, 2025.

TABLE 2-9
Southern California Gas Company
PGA & GCIM Reconciliation of Commodity Cost
GCIM Year 31
April 1, 2024 Through March 31, 2025

Total PGA Commodity Costs		\$ 890,547,158	
Total GCIM Commodity Costs		\$ 789,249,650	
	Variance:	\$ 101,297,509	
<u>Reconciliation:</u>			
Total PGA Commodity Cost			\$ 890,547,157
<u>PGA Costs Excluded from GCIM:</u>			
Excluded PGA Costs not in GCIM Commodity Cost		\$ (13,852,627)	
<u>GCIM Related Transactions Excluded from PGA:</u>			
Net SMS Revenue	\$ (20,079,592)		
Timing differences for transaction fees and other gas costs excluded from GCIM	\$ (26,427)		
Winter Hedge and others excluded from GCIM	\$ (67,338,863)		
		\$ (87,444,882)	
			\$ (101,297,509)
	Total PGA Commodity Cost :	\$ 789,249,649	
		Rounding:	\$ 1
	Less: GCIM Commodity Cost:	\$ 789,249,650	
	Unreconciled Difference:	\$ -	

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In addition, Cal Advocates selected April 2024, September 2024, and February 2025 to review SoCalGas' recorded costs and revenues. Through discovery, SoCalGas provided copies of supporting documents and purchase/sale invoices for verification purposes. Cal Advocates traced the costs of these purchase/sale invoices to the monthly statements and then to SoCalGas' GCIM Year 31 Report. Cal Advocates found that the selected invoices reconciled with the recorded amounts and there were no material differences in the report.

1 **2.10 Financial Derivatives**

2 Cal Advocates performed a review of hedging transactions for financial derivative
3 transactions reported in the PGA to confirm the appropriate GCIM calculation and to
4 identify timing differences that were recognized within the GCIM period of April 1, 2024,
5 through March 31, 2025.

6 Table 2-10 shows the review of SoCalGas PGA Reconciliation of Financial Gains
7 and Losses for financial derivatives reported NYMEX transactions and over-the-counter
8 (OTC) cleared transactions, as well as OTC swaps.²² Associated transaction fees are
9 also included based on the date of the contract and net results that may be a financial
10 gain or loss. Transactions that result in gains or cash receipts are offset against losses.
11 Other adjustments include a reversal of fees from previous GCIM years.

²² SoCalGas July 16, 2025, Response to Cal Advocates Data Request A.25-06-012_GCIM Year 31_MDR Q7 issued July 01, 2025.

TABLE 2-10
Southern California Gas Company
PGA Reconciliation - Financial Derivatives (Gains) & Losses
GCIM Year 31
April 1, 2024 Through March 31, 2025

NYMEX Traded/ OTC Cleared Transaction	GCIM	Recorded PGA	Variance
Exchange Traded Transactions (Gains)/Losses	\$ 240,954	\$ 971,573	\$ 730,619
Exchange Traded Transactions Costs	\$ 1,940	\$ 1,509	\$ (431)
Total:	\$ 242,894	\$ 973,082	\$ 730,188
OTC Swaps			
OTC Swaps (Gains)/Losses	\$ 327,750	\$ 1,311,000	\$ 983,250
OTC Swap Transaction Costs	\$ 1,006	\$ -	\$ (1,006)
Total:	\$ 328,756	\$ 1,311,000	\$ 982,244
Year 31 Financial (Gain)/Losses:	\$ 571,650	\$ 2,284,082	\$ 1,712,432
Reconciliation:			
75% Winter Hedge		\$ 1,711,930	
PGA Timing Difference - Broker Fee		\$ 503	
Total:			\$ 1,712,433
	Rounding		
	Variance		\$ (1)
Per GCIM Year 31 Application Recorded:	\$ 571,710	\$ -	
Per GCIM Year 31 Application Recorded 75% Winter Hedge:	\$ -	\$ 1,712,111	
Adjust: October 2024 Winter Hedge	\$ 61	\$ 182	
	\$ 571,650	\$ 1,711,930	

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Financial Derivative Hedging costs for the Year 31 GCIM period totaled \$571,710. This total is comprised of transactions costs and financial hedging costs. In compliance with D.10-01-023, seventy-five percent (75%) of the winter hedging losses are excluded from the GCIM and twenty-five percent (25%) of winter hedging losses are included in the GCIM calculation. For Year 31, \$1,712,111 represented seventy-five percent (75%) of winter derivatives hedging costs and \$570,704 represented twenty-five

1 percent (25%) of winter financial derivatives hedging costs to be included in the GCIM
2 calculation.²³

3 In general, natural gas prices are determined through the interaction of two types
4 of markets: cash/financial markets and physical quantities of natural gas. These
5 markets involve the purchase and sale of both the physical quantities and financial
6 instrument prices are connected to the price of natural gas in the physical market.

7 Publishers of industry newsletters such as *Platts* and *Natural Gas Intelligence*
8 take surveys of the price of transactions at a hub or Citygate, where natural gas is
9 delivered or sold. The surveyed prices are calculated into an average which then
10 results in an index of those prices. These index prices are used in the GCIM
11 benchmark calculation to base the price of gas at the hub, Citygate, or a specified
12 location.

13 For hedging natural gas commodities, the commonly used financial instruments
14 are OTC and exchange derivatives, often referred to as options and swaps. These
15 financial instruments are traded in the form of standardized contracts. This
16 standardization provides ease of transfer and the identification of prices.²⁴ These
17 hedging transactions will generally incur related transaction fees for the purchase of the
18 hedging contract, such as broker and premium fees.

19 SoCalGas regularly assesses and reviews, on a real-time basis, natural gas
20 market fundamentals. Based on its review and assessment, the utility uses price trends,
21 market fundamentals, and risk avoidance to optimize hedging transactions. To forecast
22 natural gas prices, SoCalGas uses current future prices and basis values provided by
23 Intercontinental Exchange (ICE) and the New York Mercantile Exchange (NYMEX).²⁵

²³ See Appendix A, Exhibit No. 2-3i, “Winter Hedge Costs.”

²⁴ See U.S. Senate Permanent Committee on Investigations: Excessive Speculation in the Natural Gas Market (July 9, 2007), available at <https://www.hsgac.senate.gov/subcommittees/investigations/hearings/excessive-speculation-in-the-natural-gas-market-day-two/>.

²⁵ SoCalGas July 16, 2025, Response to Cal Advocates Data Request A.25-06-012_GCIM Year 31_MDR Q6 issued July 01, 2025.

1 **2.11 Winter Hedges**

2 For GCIM Year 31, SoCalGas reported \$2,282,815 of winter hedging net costs.
 3 Table 2-11 below shows twenty-five percent (25%) of the costs at \$570,704, which is
 4 included in the GCIM. Cal Advocates confirmed that \$1,712,111, which represents
 5 seventy-five percent (75%) of total winter hedging costs, were excluded from the GCIM.
 6 These gains or losses are directly allocated to core customers for the period.

7 For purposes of reconciliation, Cal Advocates determined related hedging costs
 8 based on the contract date. If the contract date is beyond March 31, it is excluded from
 9 the GCIM Year 31 reporting period.

TABLE 2-11 Southern California Gas Company Winter Hedge Purchases (Sales) GCIM Year 31 April 1, 2024 Through March 31, 2025					
Month	Winter Hedge Costs Included in GCIM	Winter Hedge (Gains) Included in GCIM	Winter Hedge Costs Excluded From GCIM	Winter Hedge (Gains) Excluded From GCIM	Winter Hedge Total
Apr-24	\$ -	\$ -	\$ -	\$ -	\$ -
May-24	\$ -	\$ -	\$ -	\$ -	\$ -
Jun-24	\$ -	\$ -	\$ -	\$ -	\$ -
Jul-24	\$ -	\$ -	\$ -	\$ -	\$ -
Aug-24	\$ -	\$ -	\$ -	\$ -	\$ -
Sep-24	\$ -	\$ -	\$ -	\$ -	\$ -
Oct-24	\$ -	\$ 61	\$ -	\$ 182	\$ 242
Nov-24	\$ 201,000	\$ 660	\$ 603,000	\$ 1,979	\$ 806,638
Dec-24	\$ 65,730	\$ 248	\$ 197,189	\$ 744	\$ 263,911
Jan-25	\$ (33,761)	\$ 668	\$ (101,283)	\$ 2,004	\$ (132,372)
Feb-25	\$ 230,335	\$ 364	\$ 691,005	\$ 1,092	\$ 922,796
Mar-25	\$ 105,400	\$ -	\$ 316,200	\$ -	\$ 421,600
Totals:	\$ 568,704	\$ 2,000	\$ 1,706,111	\$ 6,000	\$ 2,282,815
	Hedge Costs	\$ 568,704		\$ 1,706,111	
	(Gains)	\$ 2,000		\$ 6,000	
	25% Winter Hedge Included in GCIM:	\$ 570,704	75% Winter Hedge Excluded From GCIM:	\$ 1,712,111	

10

11

Source: Appendix A, Exhibit No. 2-3i at A-12.

1 **2.12 Review of Secondary Market Services Revenues**

2 SoCalGas manages its retail core procurement using its assets of storage
 3 inventory, injection, withdrawal rights, and core supplies and by applying these assets to
 4 Secondary Market Services. More specifically, SoCalGas generates revenue by using
 5 core assets to execute SMS transactions and fees that are based on market conditions.
 6 When SoCalGas management determines that core assets are not directly needed to
 7 meet core customer demand and reliability, it will utilize SMS transactions to offset core
 8 gas costs. As Table 2-12 below shows, for GCIM Year 31, SMS revenue totaled
 9 \$21,337,240 plus \$1,257,648 in overhead costs, which results in net revenues of
 10 \$20,079,592.

TABLE 2-12 Southern California Gas Company Summary of Secondary Market Service Revenues GCIM Year 31 April 1, 2024 Through March 31, 2025			
SMS Revenue			\$ (21,337,240)
Plus Overhead			\$ 1,257,648
		Net Revenues	\$ (20,079,592)

11 Source: Appendix A, Exhibit No. 2-3e at A-8.

13 **2.13 SoCalGas Core Storage Inventory Targets**

14 In D.06-10-029, the Commission approved a Joint Recommendation by Cal
 15 Advocates, TURN, and SoCalGas to modify the utility’s management and use of mid-
 16 season gas storage capacity for core customers.²⁶ This recommendation results in more
 17 gas entering storage during the summer months for core customer use during the winter
 18 heating season. This decision requires SoCalGas to obtain agreement from Cal
 19 Advocates and TURN for mid-season inventory targets. These targets must be
 20 maintained by SoCalGas, or an agreement from Cal Advocates and TURN is needed if
 21 changes to inventory storage targets are made by SoCalGas. In either case, these
 22 changes are reflected in the GCIM.

²⁶ D.06-10-029, *Opinion Regarding Year 11 of the GCIM*, Oct. 19, 2006, OP No. 3 at 11 (Joint Recommendation adopted and approved).

1 In D.08-12-020, the Commission adopted the Phase 1 Settlement Agreement in
2 SoCalGas' 2009 BCAP, expanding gas storage by 7 Bcf during the period of 2009 to
3 2014.²⁷ Core storage inventory would receive an additional 4 Bcf beginning in 2009.
4 The Settlement Agreement required incremental inventory capacity to increase by 1.0
5 Bcf each year from April 1, 2010, until April 1, 2013.

6 On January 13, 2013, the Commission authorized SoCalGas to change storage
7 target from 79 Bcf to 82 Bcf with variance allowance from +5/-2 Bcf to +0/-2 Bcf.²⁸

8 On May 29, 2013, SoCalGas submitted Advice Letter 4499, which updated the
9 core inventory target from 82 Bcf to 83 Bcf +0/-2 Bcf.²⁹

10 On March 30, 2020, SoCalGas submitted Advice Letter 5609 to update the core
11 inventory target from 83 Bcf to 74.593 Bcf +0/-2 Bcf. The inventory target may be
12 modified by utilities if the availability of the authorized inventory changes at the Aliso
13 Canyon storage facility is submitted in an advice letter.³⁰ For the GCIM Year 31 mid-
14 season storage, Cal Advocates' review of SoCalGas' inventory records shows that the
15 assigned core storage inventory level was 71.2 Bcf as of July 31, 2024. Thus, the mid-
16 season target was achieved.³¹

²⁷ D.08-12-020, *Decision Regarding the Phase One Issues and the Motion to Adopt the Settlement Agreement*, Dec. 4, 2008, OP No. 1 at 34.

²⁸ See Letter from E. F. Randolph, Dir. of Comm. Energy Div., to R. Prince, Dir. of Reg. Affairs, SoCalGas, Jan. 14, 2013, approving SoCalGas Adv. Letter 4436 (Dec. 14, 2012, effective Jan. 13, 2013), *available at* <https://tariffsprd.socalgas.com/scg/filings/content/?utilId=SCG&bookId=GAS&flngStatusCd=Approved>.

²⁹ See Letter from E. F. Randolph, Dir. of Comm. Energy Div., to R. Prince, Dir. of Reg. Affairs, SoCalGas, July 2, 2013, approving SoCalGas Adv. Letter 4499 (May 29, 2013, effective June 28, 2013), *available at* <https://tariffsprd.socalgas.com/scg/filings/content/?utilId=SCG&bookId=GAS&flngStatusCd=Approved>.

³⁰ See Letter from E. F. Randolph, Dir. of Comm. Energy Div., to R. van der Leeden, Dir. of Reg. Affairs, SoCalGas, April 29, 2020, approving SoCalGas Adv. Letter 5609 (March 30, 2020, effective April 24, 2020), *available at* <https://tariffsprd.socalgas.com/scg/filings/content/?utilId=SCG&bookId=GAS&flngStatusCd=Approved>.

³¹ SoCalGas July 16, 2025, Response to Cal Advocates Data Request A.25-06-012_GCIM Year 31_MDR Q7 issued July 01, 2025.

1 The GCIM November 1 storage inventory target was 80.025 Bcf with a variance
 2 allowance of +0/-2 Bcf. As of October 31, 2024, SoCalGas reported the annual storage
 3 inventory was at 78.7 Bcf, which is within the storage inventory target.³²

4 Table 2-13 below shows the core storage inventory calculation for the July 31
 5 target and the October 31 target.³³

TABLE 2-13 Southern California Gas Company Core Storage Inventory for Summer and Winter Targets GCIM Year 31 April 1, 2024 Through March 31, 2025		
	7/31/24	10/31/24
Bcf Target	47	80.025 +0/-2
Core Physical Inventory	74.8	75.2
Less:		
Secondary Market Services	3.7	-
Add:		
CAT	-	3.5
Total Core Storage Inventory	71.2	78.7
Note: CAT inventory only excluded in July		

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8 **2.14 Interstate Capacity Procurement**

9 In D.04-09-022, the Commission authorized SoCalGas filing Advice Letter to
 10 update its Capacity Planning Range, which was based on California Gas Reports.³⁴
 11 SoCalGas submitted Advice Letter 6033 to update SoCalGas and SDG&E’s combined
 12 portfolio capacity for GCIM Years 30 and 31 winter and non-winter seasons.³⁵ Table 2-

³² SoCalGas July 16, 2025, Response to Cal Advocates Data Request A.25-06-012_GCIM Year 31_MDR Q7 issued July 01, 2025.
³³ SoCalGas July 16, 2025, Response to Cal Advocates Data Request A.25-06-012_GCIM Year 31_MDR Q7 issued July 01, 2025.
³⁴ D.04-09-022, Opinion on Phase I Issues, Sept. 2, 2004, OP No. 2 at 95.
³⁵ SoCalGas Advice Letter No. 6033 (Sept. 21, 2022) at 2.

1 14 summarizes the minimum and maximum capacity values by season for the reporting
2 period.

3

TABLE 2-14 Southern California Gas Company Capacity Ranges GCIM Year 31 April 1, 2024 Through March 31, 2025		
	Minimum Capacity	Maximum Capacity
Non-Winter (April to October)	865 MDth/d	1,154 MDth/d
Winter (November to March)	961 MDth/d	1,154 MDth/d

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6 The update enabled SoCalGas to hold firm interstate pipeline capacity at no less
7 than 90% of its forecasted core average daily load during the spring and summer
8 months and no less than 100% during the fall and winter months. This established a
9 minimum firm capacity of 865 MDth/d from April 2024 to October 2025 and 1,154
10 MDth/d from November 2024 to March 2025. In Appendix C of its GCIM Year 31
11 Report, SoCalGas presents the actual capacity performance for the GCIM period.³⁶

12 Proportionally, SoCalGas maintained a gas supply portfolio consisting of
13 approximately 75.0% long-term supply agreements, 23% month-to-month base load
14 agreements, and 2% daily transactions (purchases and sales).³⁷

³⁶ SoCalGas GCIM Yr. 31 Rept. (June 13, 2025), Appendix C, “Current Core Firm Transportation Capacity Holdings.”

³⁷ SoCalGas GCIM Yr. 31 Rept. (June 13, 2025) at A-10.

APPENDIX A
EXHIBITS FOR PUBLIC ADVOCATES OFFICE REPORT

Southern California Gas Company
GCIM Year 31
April 1, 2024 through March 31, 2025

Tolerance Band Review

	Benchmark Commodity Costs	Actual Commodity Costs	(Over)/Under Benchmark	Reservation Costs	Transportation Costs	Benchmark Dollars	Actual Dollars	Upper Tolerance 2%	Lower Tolerance 1%	Lower Tolerance 5%
Apr-24	\$ 31,406,934	\$ 22,794,328	\$ 8,612,607	\$ 26,347,425	\$ 286,609	\$ 58,040,968	\$ 49,428,361	\$ 32,035,073	\$ 31,092,865	\$ 29,836,588
May-24	\$ 33,324,814	\$ 30,522,375	\$ 2,802,439	\$ 26,226,092	\$ 235,312	\$ 59,786,218	\$ 56,983,779	\$ 33,991,310	\$ 32,991,566	\$ 31,658,573
Jun-24	\$ 23,739,381	\$ 20,563,816	\$ 3,175,565	\$ 25,418,163	\$ 207,801	\$ 49,365,345	\$ 46,189,780	\$ 24,214,169	\$ 23,501,987	\$ 22,552,412
Jul-24	\$ 39,592,709	\$ 35,919,217	\$ 3,673,492	\$ 28,757,740	\$ 249,103	\$ 68,599,552	\$ 64,976,060	\$ 40,384,563	\$ 39,196,782	\$ 37,613,073
Aug-24	\$ 35,315,742	\$ 30,501,150	\$ 4,814,591	\$ 28,136,591	\$ 200,514	\$ 63,652,847	\$ 58,838,255	\$ 36,022,057	\$ 34,962,584	\$ 33,549,955
Sep-24	\$ 16,771,555	\$ 17,932,348	\$ (1,160,793)	\$ 29,724,525	\$ 222,240	\$ 46,718,321	\$ 47,879,114	\$ 17,106,986	\$ 16,603,839	\$ 15,932,977
Oct-24	\$ 43,814,847	\$ 43,724,675	\$ 90,172	\$ 33,216,888	\$ 247,177	\$ 77,278,911	\$ 77,188,740	\$ 44,691,144	\$ 43,376,699	\$ 41,624,105
Nov-24	\$ 77,379,938	\$ 75,427,372	\$ 1,952,566	\$ 34,896,335	\$ 1,034,080	\$ 113,310,354	\$ 111,357,788	\$ 78,927,537	\$ 76,606,139	\$ 73,510,942
Dec-24	\$ 147,768,556	\$ 147,088,052	\$ 680,504	\$ 34,063,905	\$ 278,518	\$ 182,110,979	\$ 181,430,475	\$ 150,723,927	\$ 146,290,871	\$ 140,380,128
Jan-25	\$ 158,271,905	\$ 145,260,568	\$ 13,011,336	\$ 31,855,183	\$ 492,042	\$ 190,619,130	\$ 177,607,793	\$ 161,437,343	\$ 156,689,185	\$ 150,358,309
Feb-25	\$ 118,472,875	\$ 119,711,941	\$ (1,239,066)	\$ 32,876,316	\$ 611,769	\$ 151,960,959	\$ 153,200,025	\$ 120,842,333	\$ 117,288,146	\$ 112,549,231
Mar-25	\$ 106,104,474	\$ 100,375,516	\$ 5,728,958	\$ 34,049,123	\$ 485,037	\$ 140,638,634	\$ 134,909,676	\$ 108,226,564	\$ 105,043,429	\$ 100,799,250
Total	\$ 831,963,730	\$ 789,821,359	\$ 42,142,370	\$ 365,568,287	\$ 4,550,201	\$ 1,202,082,218	\$ 1,159,939,848	\$ 848,603,004	\$ 823,644,093	\$ 790,365,543

Reference:	A	B	C=A-B	E	F	G=A+E+F	H=B+E+F	I=A*1.02	J=A*0.99	K=A*0.95
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Savings Subject to Share (Ratepayer 0% - 1%)	\$ 41,598,186	L=A-K	1.5% Cap of Actual Commodity Cost	\$ 11,847,320	B*0.015
Savings Not Subject to Share (Ratepayer 0% - 1%)	\$ 8,319,637	M=A-J			
Savings subject to Share(75%-25%)	\$ 33,278,549				
Ratepayers' share 75%	\$ 24,958,912	1			
Shareholders' Share 25%	\$ 8,319,637	2			
Savings Subject to Share (90% - 10%)	\$ 544,184	N=C-L			
Ratepayers' share 90%	\$ 489,766	3			
Shareholders' Share 10%	\$ 54,418	4			
Total Ratepayer Saving	\$ 33,768,315	1+3			
Total Shareholder Share	\$ 8,374,056	2+4			
	\$ 42,142,370				
Total Ratepayer Saving after Cap	\$ 30,295,050				
Total Shareholder Share after Cap	\$ 11,847,320				
	\$ 42,142,370				

Southern California Gas Company

GCIM Year 31

April 1, 2024 through March 31, 2025

Total Actual Cost Summary

	Actual Commodity Cost	Transportation Cost	Reservation Charge	Total Actual Cost
Apr-24	\$ 22,794,328	\$ 286,609	\$ 26,347,425	\$ 49,428,361
May-24	\$ 30,522,375	\$ 235,312	\$ 26,226,092	\$ 56,983,779
Jun-24	\$ 20,563,816	\$ 207,801	\$ 25,418,163	\$ 46,189,780
Jul-24	\$ 35,919,217	\$ 249,103	\$ 28,757,740	\$ 64,926,060
Aug-24	\$ 30,501,150	\$ 200,514	\$ 28,136,591	\$ 58,838,255
Sep-24	\$ 17,932,348	\$ 222,240	\$ 29,724,525	\$ 47,879,114
Oct-24	\$ 43,724,675	\$ 247,177	\$ 33,216,888	\$ 77,188,740
Nov-24	\$ 75,427,372	\$ 1,034,080	\$ 34,896,335	\$ 111,357,788
Dec-24	\$ 147,088,052	\$ 278,518	\$ 34,063,905	\$ 181,430,475
Jan-25	\$ 145,260,568	\$ 492,042	\$ 31,855,183	\$ 177,607,793
Feb-25	\$ 119,711,941	\$ 611,769	\$ 32,876,316	\$ 153,200,025
Mar-25	\$ 100,375,516	\$ 485,037	\$ 34,049,123	\$ 134,909,676
Total	\$ 789,821,359	\$ 4,550,201	\$ 365,568,287	\$ 1,159,939,848

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Southern California Gas Company

GCIM Year 31

April 1, 2024 through March 31, 2025

Benchmark Cost Summary

	Benchmark Commodity Cost	Transportation Cost	Reservation Charge	Total Benchmark Cost
Apr-24	\$ 31,406,934	\$ 286,609	\$ 26,347,425	\$ 58,040,968
May-24	\$ 33,324,814	\$ 235,312	\$ 26,226,092	\$ 59,786,218
Jun-24	\$ 23,739,381	\$ 207,801	\$ 25,418,163	\$ 49,365,345
Jul-24	\$ 39,592,709	\$ 249,103	\$ 28,757,740	\$ 68,599,552
Aug-24	\$ 35,315,742	\$ 200,514	\$ 28,136,591	\$ 63,652,847
Sep-24	\$ 16,771,555	\$ 222,240	\$ 29,724,525	\$ 46,718,321
Oct-24	\$ 43,814,847	\$ 247,177	\$ 33,216,888	\$ 77,278,911
Nov-24	\$ 77,379,938	\$ 1,034,080	\$ 34,896,335	\$ 113,310,354
Dec-24	\$ 147,768,556	\$ 278,518	\$ 34,063,905	\$ 182,110,979
Jan-25	\$ 158,271,905	\$ 492,042	\$ 31,855,183	\$ 190,619,130
Feb-25	\$ 118,472,875	\$ 611,769	\$ 32,876,316	\$ 151,960,959
Mar-25	\$ 106,104,474	\$ 485,037	\$ 34,049,123	\$ 140,638,634
Total	\$ 831,963,730	\$ 4,550,201	\$ 365,568,287	\$ 1,202,082,218

Southern California Gas Company
GCM Year 31

April 1, 2024 through March 31, 2025
Actual Commodity Purchases Costs

	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Total
Mainline Purchases	\$ 21,666,046	\$ 19,153,982	\$ 25,950,159	\$ 41,092,074	\$ 31,471,578	\$ 21,918,618	\$ 46,593,871	\$ 63,303,219	\$ 99,620,782	\$ 115,549,030	\$ 100,040,151	\$ 86,531,278	\$ 672,890,789
Border and Citygate Purchases	\$ 13,867,452	\$ 15,872,073	\$ 7,914,368	\$ 11,636,825	\$ 15,382,078	\$ 11,546,702	\$ 13,828,972	\$ 19,344,196	\$ 53,535,828	\$ 60,203,749	\$ 28,759,353	\$ 23,191,015	\$ 275,082,611
Total Commodity Purchases	\$ 35,533,498	\$ 35,026,055	\$ 33,864,527	\$ 52,728,899	\$ 46,853,656	\$ 33,465,320	\$ 60,422,843	\$ 82,647,415	\$ 153,156,611	\$ 175,752,779	\$ 128,799,505	\$ 109,722,293	\$ 947,973,399
Mainline Sales	\$ (1,567,913)	\$ (1,097,893)	\$ (2,969,610)	\$ (2,520,249)	\$ (8,193,504)	\$ (6,446,283)	\$ (7,798,634)	\$ (1,944,289)	\$ (5,192,983)	\$ (15,742,506)	\$ (6,613,543)	\$ (8,170,824)	\$ (68,258,232)
Border and Citygate Sales	\$ (1,098,887)	\$ (1,256,883)	\$ (8,309,730)	\$ (13,229,587)	\$ (8,203,908)	\$ (9,109,563)	\$ (8,991,525)	\$ (1,666,740)	\$ (314,657)	\$ (13,264,933)	\$ (2,739,111)	\$ (1,363,703)	\$ (69,548,426)
Total Commodity Sales	\$ (2,666,800)	\$ (2,354,776)	\$ (11,278,839)	\$ (15,749,836)	\$ (16,397,412)	\$ (15,555,847)	\$ (16,790,160)	\$ (3,611,029)	\$ (5,507,640)	\$ (29,007,439)	\$ (9,352,653)	\$ (9,534,527)	\$ (137,806,658)
Subtotal Costs/Revenues	\$ 32,866,698	\$ 32,671,579	\$ 22,585,687	\$ 36,979,063	\$ 30,456,244	\$ 17,909,473	\$ 43,632,683	\$ 79,036,386	\$ 147,648,971	\$ 146,745,339	\$ 119,446,851	\$ 100,187,766	\$ 810,166,742
Secondary Market Service (Revenue)/Cost	\$ (10,072,622)	\$ (2,149,329)	\$ (2,021,997)	\$ (1,028,972)	\$ 75,780	\$ 51,962	\$ 92,592	\$ (3,762,674)	\$ 67,457	\$ (1,448,531)	\$ 34,391	\$ 82,350	\$ (20,079,592)
Financial (Gains)/Losses	\$ 252	\$ 126	\$ 126	\$ 126	\$ 126	\$ 126	\$ 186	\$ 201,660	\$ 65,978	\$ (33,093)	\$ 230,699	\$ 105,400	\$ 571,710
Other Costs	\$ -	\$ -	\$ -	\$ (31,000)	\$ (31,000)	\$ (29,214)	\$ (786)	\$ (48,000)	\$ (694,353)	\$ (3,147)	\$ -	\$ -	\$ (837,500)
Actual Commodity Purchase Cost	\$ 22,794,328	\$ 30,522,375	\$ 20,563,816	\$ 35,919,217	\$ 30,501,150	\$ 17,992,348	\$ 43,724,675	\$ 75,427,372	\$ 147,088,082	\$ 145,260,588	\$ 119,711,941	\$ 100,375,516	\$ 789,811,359

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 Southern California Gas Company
 GCM Year 31
 April 1, 2024 through March 31, 2025
 Mainline Purchase Summary

	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Total
Total Mainline Purchases \$	21,666,046	19,153,982	25,950,159	41,092,074	31,471,578	21,918,618	46,593,871	63,303,219	99,620,782	115,549,030	100,040,151	86,551,278	672,890,789

Southern California Gas Company
 GCIM Year 31
 April 1, 2024 through March 31, 2025
 Border and Citygate Purchases Summary

	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Total
Total Border and Citygate Purchases \$	13,867,452	15,872,073	7,914,368	11,636,825	15,382,078	11,546,702	13,828,972	19,344,196	53,535,828	60,203,749	28,759,353	23,191,015	275,082,611

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Southern California Gas Company
GCIM Year 31
April 1, 2024 through March 31, 2025
Mainline Sale Summary

	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Total
Total Mainline Sales \$	(1,567,913) \$	(1,097,893) \$	(2,969,610) \$	(2,520,249) \$	(8,193,504) \$	(6,446,283) \$	(7,798,634) \$	(1,944,289) \$	(5,192,983) \$	(15,742,506) \$	(6,613,543) \$	(8,170,824) \$	(68,258,232)

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Southern California Gas Company
GCIM Year 31
April 1, 2024 through March 31, 2025
Border and Citygate Sale Summary

	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Total
Total Border and Citygate Sales \$	(1,098,887)	\$ (1,256,583)	\$ (8,309,230)	\$ (13,229,587)	\$ (8,203,908)	\$ (9,109,563)	\$ (8,991,525)	\$ (1,666,740)	\$ (314,657)	\$ (13,264,933)	\$ (2,739,111)	\$ (1,363,703)	\$ (69,548,426)

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Southern California Gas Company
GCIM Year 31

April 1, 2024 through March 31, 2025

Secondary Market Service (Revenue)/Cost

	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Total
Secondary Market Service Revenue	\$ (10,146,070.00)	\$ (2,231,587.50)	\$ (2,434,312.50)	\$ (1,129,800.00)	\$ -	\$ -	\$ -	\$ (3,834,100.00)	\$ (13,020.00)	\$ (1,524,350.00)	\$ (24,000.00)	\$ -	\$ (21,337,240)
Overhead Cost	\$ 73,447.70	\$ 82,258.28	\$ 412,315.73	\$ 100,828.48	\$ 75,780.28	\$ 51,962.06	\$ 92,592.32	\$ 71,426.32	\$ 80,476.83	\$ 75,819.10	\$ 58,390.89	\$ 82,350.11	\$ 1,257,648
Net Secondary Market Service Revenue	\$ (10,072,622)	\$ (2,149,329)	\$ (2,021,997)	\$ (1,028,972)	\$ 75,780	\$ 51,962	\$ 92,592	\$ (3,762,674)	\$ 67,457	\$ (1,448,531)	\$ 34,391	\$ 82,350	\$ (20,079,592)

Southern California Gas Company
GCIM Year 31
April 1, 2024 through March 31, 2025
Off-System Parking Fee

	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Total
Off System Parking Fee \$	-	\$ -	\$ -	\$ (31,000.00)	\$ (31,000.00)	\$ (29,213.55)	\$ (786.45)	\$ (48,000.00)	\$ (694,353.00)	\$ (3,147.00)	\$ -	\$ -	\$ (837,500)
Total \$	-	\$ -	\$ -	\$ (31,000.00)	\$ (31,000.00)	\$ (29,214.00)	\$ (786.00)	\$ (48,000.00)	\$ (694,353.00)	\$ (3,147.00)	\$ -	\$ -	\$ (837,500)

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Southern California Gas Company
GCIM Year 31

April 1, 2024 through March 31, 2025
Total Financial Derivatives Summary

	Costs/(Gain)	Transaction Cost	Total Financial Cost/(Gain)
Apr-24	\$ -	\$ 252	\$ 252
May-24	\$ -	\$ 126	\$ 126
Jun-24	\$ -	\$ 126	\$ 126
Jul-24	\$ -	\$ 126	\$ 126
Aug-24	\$ -	\$ 126	\$ 126
Sep-24	\$ -	\$ 126	\$ 126
Oct-24	\$ 61	\$ 126	\$ 186
Nov-24	\$ 201,660	\$ -	\$ 201,660
Dec-24	\$ 65,978	\$ -	\$ 65,978
Jan-25	\$ (33,093)	\$ -	\$ (33,093)
Feb-25	\$ 230,699	\$ -	\$ 230,699
Mar-25	\$ 105,400	\$ -	\$ 105,400
Total	\$ 570,704	\$ 1,006	\$ 571,710

Recorded: \$ 571,710

Variance \$ -

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Southern California Gas Company
GCIM Year 31

April 1, 2024 through March 31, 2025

Winter Hedge Costs

	25% Winter			75% Winter			Total
	Fee Costs	OTC Cost/(Revenues)	OTC Swap Cost/(Revenues)	Fee Costs	OTC Cost/(Revenues)	OTC Swap Cost/(Revenues)	
Apr-24	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
May-24	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Jun-24	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Jul-24	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Aug-24	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sep-24	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Oct-24	\$ 61	\$ -	\$ -	\$ 182	\$ -	\$ -	\$ 242
Nov-24	\$ 660	\$ 201,000	\$ -	\$ 1,979	\$ 603,000	\$ -	\$ 806,638
Dec-24	\$ 248	\$ 31,000	\$ 34,730	\$ 744	\$ 93,000	\$ 104,189	\$ 263,911
Jan-25	\$ 668	\$ (41,850)	\$ 8,089	\$ 2,004	\$ (125,550)	\$ 24,267	\$ (132,372)
Feb-25	\$ 364	\$ 32,200	\$ 198,135	\$ 1,092	\$ 96,600	\$ 594,405	\$ 922,796
Mar-25	\$ -	\$ 105,400	\$ -	\$ -	\$ 316,200	\$ -	\$ 421,600
Total	\$ 2,000	\$ 327,750	\$ 240,954	\$ 6,000	\$ 983,250	\$ 722,861	\$ 2,282,815

25% Winter	\$ 570,704
75% Winter	\$ 1,712,111
100% Winter	<u>\$ 2,282,815</u>

Southern California Gas Company
 GCIM Year 31
 April 1, 2024 through March 31, 2025

	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Total
Mainline Benchmark Commodity Cost	\$18,714,486.11	\$17,506,183.81	\$22,162,304.05	\$39,988,789.91	\$25,146,940.53	\$14,400,153.56	\$38,028,347.90	\$59,922,042.29	\$92,833,173.03	\$104,768,853.30	\$92,343,855.53	\$81,073,882.51	\$606,889,013
Border and Citygate Commodity Costs	\$ 12,692,448.18	\$ 15,818,630.02	\$ 1,577,076.91	\$ (396,081.22)	\$ 10,168,801.24	\$ 2,371,401.11	\$ 5,786,499.27	\$ 17,457,896.14	\$ 54,935,383.25	\$ 53,503,051.23	\$ 26,119,019.54	\$ 25,030,591.66	\$ 225,074,717
Total Benchmark Commodity Costs	\$ 31,406,934	\$ 33,324,814	\$ 23,739,381	\$ 39,592,709	\$ 35,315,742	\$ 16,771,555	\$ 43,814,847	\$ 77,379,938	\$ 147,768,556	\$ 158,271,905	\$ 118,472,875	\$ 106,104,474	\$ 831,963,730

Southern California Gas Company
 GCIM Year 31
 April 1, 2024 through March 31, 2025
 Reservation Charges

	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Total
El Paso	\$ 4,457,160.89	\$ 4,491,211.18	\$ 4,807,706.26	\$ 4,811,239.42	\$ 4,814,166.28	\$ 4,822,108.83	\$ 4,710,349.27	\$ 5,873,447.08	\$ 5,628,150.00	\$ 5,618,507.97	\$ 5,613,369.98	\$ 5,624,941.89	\$ 61,272,359
Transwestern	\$ 2,632,500.00	\$ 2,720,250.00	\$ 2,098,278.00	\$ 1,865,970.60	\$ 1,865,970.60	\$ 2,156,778.00	\$ 2,720,250.00	\$ 2,608,927.14	\$ 2,695,891.38	\$ 2,695,891.38	\$ 2,434,998.67	\$ 2,789,205.11	\$ 29,284,911
Kern River	\$ 1,638,556.10	\$ 1,693,174.64	\$ 2,097,652.46	\$ 1,738,111.00	\$ 1,738,111.00	\$ 2,147,972.90	\$ 2,613,728.07	\$ 1,840,372.75	\$ 2,777,691.97	\$ 2,780,923.18	\$ 2,511,801.58	\$ 2,488,207.88	\$ 26,056,304
Nova (A)	\$ 254,089.19	\$ 254,199.00	\$ 253,496.05	\$ 253,449.84	\$ 254,599.29	\$ 256,465.24	\$ 252,569.33	\$ 248,624.07	\$ 244,002.97	\$ 286,883.61	\$ 288,624.95	\$ 287,475.06	\$ 3,134,478.60
Foothills (B)	\$ 182,945.60	\$ 182,983.66	\$ 182,477.64	\$ 182,444.38	\$ 183,271.81	\$ 184,615.00	\$ 181,810.55	\$ 178,970.58	\$ 175,644.11	\$ 165,141.08	\$ 166,143.46	\$ 165,481.54	\$ 2,131,929.41
GTN (C)	\$ 461,836.68	\$ 449,495.35	\$ 429,247.41	\$ 477,231.23	\$ 452,448.60	\$ 447,658.84	\$ 474,513.11	\$ (594,776.48)	\$ 371,797.04	\$ 396,733.17	\$ 366,577.56	\$ 404,789.55	\$ 4,640,552.06
PG&E (D)	\$ 273,027.30	\$ 273,027.30	\$ 273,027.30	\$ 273,027.30	\$ 273,027.30	\$ 273,318.12	\$ 273,318.12	\$ 273,318.12	\$ 273,318.12	\$ 292,932.83	\$ 292,932.83	\$ 292,932.83	\$ 3,337,207.47
Canadian Path (A)-(B)-(C)+(D)	\$ 1,171,898.77	\$ 1,159,705.31	\$ 1,138,248.40	\$ 1,186,152.75	\$ 1,163,347.00	\$ 1,162,057.20	\$ 1,182,211.11	\$ 609,136.29	\$ 1,064,762.24	\$ 1,141,690.69	\$ 1,114,778.80	\$ 1,150,678.98	\$ 13,244,167.54
Northwest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Southern Tails	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
North Baja	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Gassoducto De Aquaprieta	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MountainWest Overthrust	\$ 24,300	\$ 24,300	\$ 24,300	\$ 24,300	\$ 24,300	\$ 24,300	\$ 24,300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 170,100
Wyoming Interstate Company	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Colorado Interstate Gas Company	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Backbone Transportation Service Charges	\$ 16,423,009	\$ 16,137,451	\$ 15,505,921	\$ 19,385,909	\$ 18,784,639	\$ 19,665,252	\$ 22,219,992	\$ 23,964,452	\$ 21,910,528	\$ 19,631,289	\$ 21,214,986	\$ 21,996,089	\$ 236,839,517
Brokered Capacity Credits	\$ -	\$ -	\$ (253,943)	\$ (253,943)	\$ (253,943)	\$ (253,943)	\$ (253,943)	\$ -	\$ (13,119)	\$ (13,119)	\$ (13,119)	\$ -	\$ (1,309,071)
Total Backbone Transportation	\$ 16,423,009	\$ 16,137,451	\$ 15,251,978	\$ 19,131,966	\$ 18,530,696	\$ 19,411,309	\$ 21,965,049	\$ 23,964,452	\$ 21,897,410	\$ 19,618,170	\$ 21,201,867	\$ 21,996,089	\$ 236,148,588
Total Reservation Charges	\$ 26,347,425	\$ 26,226,092	\$ 25,418,163	\$ 28,757,740	\$ 28,136,591	\$ 29,274,525	\$ 33,216,888	\$ 34,896,335	\$ 34,063,905	\$ 31,855,183	\$ 32,876,316	\$ 34,049,123	\$ 365,568,287

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Southern California Gas Company

GCIM Year 31

April 1, 2024 through March 31, 2025

Brokered Capacity Credits

	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Total
El Paso	\$ -	\$ -	\$ -	\$ (253,943)	\$ (253,943)	\$ (253,943)	\$ (253,943)	\$ (253,943)	\$ (13,119)	\$ (13,119)	\$ (13,119)	\$ -	\$ (1,309,071)
Transwestern	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Kern River	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Nova (A)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Foothills (B)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GTN (C)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PG&E (D)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Canadian Path (A)+(B)+(C)+(D)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Mojave	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Northwest Pipeline	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Backbone Transportation Service Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Brokered Capacity Credits	\$ -	\$ -	\$ (253,943)	\$ (253,943)	\$ (253,943)	\$ (253,943)	\$ (253,943)	\$ (253,943)	\$ (13,119)	\$ (13,119)	\$ (13,119)	\$ -	\$ (1,309,071)

Southern California Gas Company
 GCIM Year 31
 April 1, 2024 through March 31, 2025

Transportation Charges													
	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Total
Total \$	286,609	\$ 235,312	\$ 207,801	\$ 249,103	\$ 200,514	\$ 222,240	\$ 247,177	\$ 1,034,080	\$ 278,518	\$ 492,042	\$ 611,769	\$ 485,037	\$ 4,550,201

Southern California Gas Company
 GCIM Year 31
 April 1, 2024 through March 31, 2025
 Net Commodity Purchase Costs

	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Total
Mainline Purchases \$	21,666,046	19,153,982	25,950,159	41,092,074	31,471,578	21,918,618	46,593,871	63,303,219	99,620,782	115,549,030	100,040,151	86,531,278	672,890,789
Border and Citygate Purchases \$	13,867,452	15,872,073	7,914,368	11,636,825	15,382,078	11,546,702	13,828,972	19,344,196	53,535,828	60,203,749	28,759,353	23,191,015	275,082,611
Total Commodity Purchases \$	35,533,498	35,026,055	33,864,527	52,728,899	46,853,656	33,465,320	60,422,843	82,647,415	153,156,611	175,752,779	128,799,505	109,722,293	947,973,399
Mainline Sales \$	(1,567,913)	(1,097,893)	(2,969,610)	(2,520,249)	(8,193,504)	(6,446,283)	(7,798,634)	(1,944,289)	(5,192,983)	(15,742,506)	(6,613,543)	(8,170,824)	(68,258,232)
Border and Citygate Sales \$	(1,098,887)	(1,256,583)	(8,309,230)	(13,229,587)	(8,203,908)	(9,109,563)	(8,991,525)	(1,666,740)	(314,657)	(13,264,933)	(2,739,111)	(1,363,703)	(69,548,426)
Total Commodity Sales \$	(2,666,800)	(2,354,476)	(11,278,839)	(15,749,836)	(16,397,412)	(15,555,847)	(16,790,160)	(3,611,029)	(5,507,640)	(29,007,439)	(9,352,653)	(9,534,527)	(137,806,658)
Net Commodity Purchases \$	32,866,698	32,671,579	22,585,687	36,979,063	30,456,244	17,909,473	43,632,683	79,036,386	147,648,971	146,745,339	119,446,851	100,187,766	810,166,742

Southern California Gas Company
 GCIM Year 31
 April 1, 2024 through March 31, 2025
 Net Mainline Purchases by Pipelines

	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Total
Total Mainline Purchases \$	20,098,133	\$ 18,056,088	\$ 22,980,549	\$ 38,571,825	\$ 23,278,074	\$ 15,472,335	\$ 38,795,237	\$ 61,358,930	\$ 94,427,799	\$ 99,806,524	\$ 93,426,609	\$ 78,360,454	\$ 604,632,557

*Net = purchases + Sale

Southern California Gas Company

GCIM Year 31

April 1, 2024 through March 31, 2025

Net Border and Citygate Purchase Summary

	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Total
Total Border and Citygate Purchases \$	13,867,452	13,872,073	7,914,368	11,636,825	15,382,078	11,546,702	13,828,972	19,344,196	53,535,828	60,203,749	28,759,353	23,191,015	275,082,611
Total Border and Citygate Sales \$	(1,096,887)	(1,256,583)	(8,300,230)	(13,229,587)	(8,203,908)	(9,109,563)	(8,991,525)	(1,666,740)	(314,657)	(13,264,933)	(2,739,111)	(1,363,703)	(69,648,426)
Net Border and Citygate Purchases \$	12,768,565	14,615,490	(394,862)	(1,592,762)	7,178,170	2,437,139	4,837,446	17,677,456	53,221,172	46,938,816	26,020,243	21,827,312	205,534,185

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Actual Net Purchase Volume

	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Total
Mainline Purchases	22,589,718	22,760,911	22,327,343	24,112,066	23,566,022	24,569,672	27,188,697	27,695,366	28,704,790	29,338,890	28,626,559	31,761,075	313,241,109
Mainline Sales	(2,520,564)	(2,892,356)	(2,783,865)	(1,902,241)	(5,658,922)	(6,050,956)	(4,798,007)	(1,329,351)	(1,817,666)	(3,145,367)	(2,419,312)	(4,345,316)	(39,663,923)
Net Mainline Purchase Volume	20,069,154	19,868,555	19,543,478	22,209,825	17,907,100	18,518,716	22,390,690	26,366,015	26,887,124	26,193,523	26,207,247	27,415,759	273,577,186
Border and Citygate Purchases	8,008,800	9,300,514	4,849,781	4,533,747	6,321,340	6,047,342	5,629,640	5,991,096	12,300,483	13,153,247	6,841,664	6,980,005	89,957,659
Border and Citygate Sales	(805,950)	(918,200)	(4,049,311)	(5,012,170)	(3,146,484)	(4,771,984)	(3,526,009)	(574,558)	(99,925)	(1,858,984)	(645,374)	(382,916)	(25,791,865)
Net Border and Citygate Purchase Volume	7,202,850	8,382,314	800,470	(478,423)	3,174,856	1,275,358	2,103,631	5,416,538	12,200,558	11,294,263	6,196,290	6,597,089	64,165,794
Net Commodity Purchase Volume	27,272,004	28,250,869	20,343,948	21,731,402	21,081,956	19,794,074	24,494,321	31,782,553	39,087,682	37,487,786	32,403,537	34,012,848	337,742,980

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Net Mainline Purchase Volume

	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Total
Mainline Purchase Total	22,589,718	22,760,911	22,327,343	24,112,066	23,566,022	24,569,672	27,188,697	27,695,366	28,704,790	29,338,890	28,626,559	31,761,075	313,241,109
Mainline Sale Total	(2,520,564)	(2,892,356)	(2,783,865)	(1,902,241)	(5,658,922)	(6,050,956)	(4,798,007)	(1,329,351)	(1,817,666)	(3,145,367)	(2,419,312)	(4,345,316)	(39,663,923)
Net Mainline Purchase Volume	20,069,154	19,868,555	19,543,478	22,209,825	17,907,100	18,518,716	22,390,690	26,366,015	26,887,124	26,193,523	26,207,247	27,415,759	273,577,186

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Total Mainline Purchase Volume													
	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Total
Total Mainline Purchase Volume	22,589,718	22,760,911	22,327,343	24,112,066	23,566,022	24,569,672	27,188,697	27,695,366	28,704,790	29,338,890	28,626,559	31,761,075	313,241,109

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 April 1, 2024 through March 31, 2025
 Total Mainline Sale Volume

	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Total
Total Mainline Sale Volume	(2,520,564)	(2,892,356)	(2,783,865)	(1,902,241)	(5,658,922)	(6,050,956)	(4,798,007)	(1,329,351)	(1,817,666)	(3,145,367)	(2,419,312)	(4,345,316)	(39,663,923)

Southern California Gas Company

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Total Border and Citygate Purchase Volume

	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Total
Total Border and Citygate Purchases	8,008,800	9,300,514	4,849,781	4,533,747	6,321,340	6,047,342	5,629,640	5,991,096	12,300,483	13,153,247	6,841,664	6,980,005	89,957,659

Southern California Gas Company
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Actual Total Border and Citygate Sale Volume

	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Total
Total Border and Citygate Sales	(805,950)	(918,200)	(4,049,311)	(5,012,170)	(3,146,484)	(4,771,984)	(3,526,009)	(574,558)	(99,925)	(1,858,984)	(645,374)	(382,916)	(25,791,865)

Southern California Gas Company
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Net Border and Citygate Purchase Volume

	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Total
Total Border and Citygate Purchases	7,202,850	8,382,314	800,470	(478,423)	3,174,856	1,275,358	2,103,631	5,416,538	12,200,558	11,294,263	6,196,290	6,597,089	64,165,794

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Benchmark Spot Prices**

* Publications for each spot prices are reviewed.

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Core Capacity Utilization

	Core Capacity		Nominated Capacity		Unutilized Capacity		Capacity Utilization		Nominated Capacity		Actual Volume Delivered		Capacity Cut	
	Capacity	Capacity	Capacity	Capacity	Capacity	Capacity	Percentage	Percentage	Capacity	Capacity	Delivered	Delivered	Capacity	Cut
Overthrust	3,210,000		3,204,096		5,904		100%		3,204,096		3,172,219		31,877	
El Paso Natural Gas Company	178,123,857		136,774,645		41,349,212		77%		136,774,645		136,170,067		604,578	
Foothills Pipelines Ltd	19,644,264		19,389,555		254,709		99%		19,389,555		17,785,237		1,604,318	
Gas Trans Northwest Corp	19,165,420		18,848,797		316,623		98%		18,848,797		17,321,410		1,527,387	
Kern River Gas Transmission Company	88,229,870		84,402,530		3,827,340		96%		84,402,530		84,235,111		167,419	
Nova Gas Trans Ltd	19,804,091		17,955,748		1,848,343		91%		17,955,748		17,955,748		-	
Pacific Gas & Electric	18,955,180		18,346,223		608,957		97%		18,346,223		16,725,760		1,620,463	
Transwestern Pipeline Company	82,906,820		55,274,130		27,632,690		67%		55,274,130		54,499,185		774,945	
Total	430,039,502		354,195,724		75,843,778		82%		354,195,724		347,864,737		6,330,987	

APPENDIX B
QUALIFICATIONS OF WITNESS

1 **QUALIFICATIONS AND PREPARED TESTIMONY**
2 **OF**
3 **MICHAEL TAN**

4 Q.1 Please state your name and business address.

5 A.1 My name is Michael Tan. My business address is 505 Van Ness Avenue,
6 San Francisco, California, 94102.

7 Q.2 By whom are you employed and in what capacity?

8 A.2 I am employed as a Financial Examiner in the Public Advocates Office at the
9 California Public Utilities Commission (Cal Advocates), Energy Cost of Service
10 and Natural Gas Branch.

11 Q.3 Briefly describe your educational background and work experience.

12 A.3 I have a Bachelor of Arts Degree in Economics and Bachelor of Arts Degree in
13 Sociology – specializing in Organizational Study, from the University of
14 California, Davis. Prior to joining the Commission, I worked at the California State
15 Board of Equalization, Sale and Used Tax Division, as a Tax Auditor. My primary
16 duty was to conduct business sales and use tax audits in different fields.

17 Since joining the Commission in 2013, my responsibilities have included review
18 of gas cost incentive mechanism applications, various energy advice letters and
19 other gas procurement matters. I have prepared Monitoring and Evaluation
20 Reports on behalf of Cal Advocates numerous times since 2013.

21 Q.4 What portion of the Cal Advocates Monitoring and Evaluation Report are you
22 sponsoring in this proceeding?

23 A.4 I am sponsoring all of Chapter 1 and all of Chapter 2.

24 Q.5 Does that complete your prepared testimony?

25 A.5 Yes, it does.