

REVISED

STATE OF CALIFORNIA

GAVIN NEWSOM, *Governor*

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



November 30, 2020

Advice letter 5712-G, G-A

Ronald van der Leeden
Director, Regulatory Affairs
Southern California Gas
555 W. Fifth Street, GT14D6
Los Angeles, CA 90013-1011

SUBJECT: Annual Regulatory Account Balance Update for Rates Effective January 1, 2021.

Dear Mr. van der Leeden:

Advice Letter 5712-G, G-A is effective as of January 1st, 2021

Sincerely,

A handwritten signature in cursive script that reads "Edward Randolph".

Edward Randolph
Deputy Executive Director for Energy and Climate Policy/
Director, Energy Division



Ronald van der Leeden
Director
Regulatory Affairs

555 W. Fifth Street, GT14D6
Los Angeles, CA 90013-1011
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October 21, 2020

Advice No. 5712-A
(U 904 G)

Public Utilities Commission of the State of California

**Subject: Supplement - Annual Regulatory Account Balance Update for Rates
Effective January 1, 2021**

Southern California Gas Company (SoCalGas) hereby submits for approval with the California Public Utilities Commission (Commission or CPUC) revisions to its revenue requirement and rates effective January 1, 2021.

Purpose

This supplemental advice letter replaces Advice No. (AL) 5712 in its entirety to correct an inadvertent error in Attachment H, Table A, the Unaccounted For (UAF) Gas percentage applied to the Greenhouse Gas (GHG) revenue requirement. This correction revises the table on page 8 of this advice letter, the advice letter Summary, Attachment A, and Attachment H, Table A and its description.

This submittal, made each year on or before October 15th, updates SoCalGas' revenue requirement for projected year-end regulatory account balances as authorized in Decision (D.) 20-02-045, Decision Addressing San Diego Gas & Electric Company (SDG&E) and SoCalGas' Triennial Cost Allocation Proceeding (TCAP) Application. This submittal revises SoCalGas' rates to incorporate the projected 2020 year-end regulatory account balances in transportation rates effective January 1, 2021. In compliance with D.11-04-032, this submittal also revises the Backbone Transportation Service (BTS) rate effective January 1, 2021.

Additionally, in compliance with D.16-10-004, this submittal revises SoCalGas' 2021 revenue requirement for Company-Use (CU) Fuel and UAF Gas costs based on the updated Gas Price forecast as shown in Attachment C.

Furthermore, as required by D.15-10-032, Attachments H and I include the requested tables detailing information on, among other things, the forecasted revenue

requirement for GHG costs and the GHG allowance proceeds for inclusion in rates effective January 1, 2021.

SoCalGas also includes in this submittal updates to the revenue requirement for the 2016 Pipeline Safety Enhancement Plan (PSEP) Reasonableness Review authorized in D.19-02-004, 2017 PSEP Forecasted Revenue Requirement authorized in D.19-03-025, and revenue requirement for the 2018 PSEP Reasonableness Review authorized in D.20-08-034. Refer to discussions below for further details.

Background

The revenue requirement related to the regulatory account balances are amortized in rates over 12 months beginning each January 1st. It should be noted that the revenue requirement herein does not include other revenue requirement adjustments¹ expected to be authorized by the Commission for implementation in transportation rates effective January 1, 2021. SoCalGas will submit an advice letter consolidating all Commission-authorized changes in its revenue requirement and the related changes to its rates at least three days prior to the January 1, 2021 effective date of such rates.

Customer Rate Impact – Regulatory Account Balances

Total

SoCalGas' transportation revenue requirement will increase by \$3.1 million. The core and noncore customer revenue requirements will increase by \$29.3 million and decrease by \$26.2 million, respectively, as a result of the regulatory account balance update.

Attachment A in this submittal shows the Natural Gas Transportation Rate Revenue table summarizing the change in the regulatory account balances and authorized CU Fuel and UAF Gas, the demand determinant for the BTS rate, the 2021 GHG revenue requirement, 2016 and 2018 PSEP Reasonableness Review revenue requirement for 2021, 2017 PSEP Forecasted Revenue Requirement for 2021, and corresponding present and proposed rates. Attachment B shows a Summary of Present and Proposed Regulatory Account Balances while Attachments D and E show the calculation of the Pension Balancing Account (PBA) and Post-Retirement Benefits Other than Pensions Balancing Account (PBOPBA) balances to be included in 2021 rates. Attachments F and G show the supporting calculations of the minimum contributions made to the Pension/PBOP Trusts for 2020.

Core Customers

A \$29.3 million increase in the core transportation revenue requirement reflects the amortization of the projected year-end 2020 regulatory account balances. The

¹ For example, see SoCalGas AL 5702 – Low Carbon Fuel Standard (LCFS) Program Annual Credit and Revenue Estimates (2021).

increase is primarily due to a change from a combined overcollected balance to a combined undercollected balance in the NGV Class, non-NGV Core, and Core Commercial and Industrial (CI) subaccounts of the Core Fixed Cost Account (CFCA) and an increase in the combined overcollected balances of the Company Facilities, End Users, and Lost & Unaccounted For (LUAUF) GHG Compliance Cost subaccounts of the Greenhouse Gas Balancing Account (GHGBA) partially offset by the decreases in the undercollected balances in the California Solar Initiative Thermal Program Memorandum Account (CSITPMA), Assembly Bill 32 Admin Fees (AB32) and Leak Detection & Repair (LDAR) subaccounts of the New Environmental Regulation Balancing Account (NERBA), and Pension Balancing Account (PBA) as described below.

CFCA – Pursuant to AL 5530, SoCalGas was authorized to amortize in 2020 rates a CFCA overcollection of \$53.7 million. The projected CFCA balance for amortization in 2021 rates is \$33.0 million undercollected, representing a revenue requirement increase of \$86.7 million.

CSITPMA – Pursuant to AL 5530, SoCalGas was authorized to amortize in 2020 rates a CSITPMA undercollection of \$22.8 million. The projected CSITPMA balance for amortization in 2021 rates is \$6.0 million undercollected, representing a revenue requirement decrease of \$16.8 million. The core revenue requirement allocation is \$11.0 million.

NERBA – Pursuant to AL 5530, SoCalGas was authorized to amortize in 2020 rates a combined undercollection in NERBA's AB32 and LDAR subaccounts of \$15.5 million. The projected combined balance in NERBA's AB32 and LDAR subaccounts for amortization in 2021 rates is \$3.8 million undercollected, representing a revenue requirement decrease of \$11.7 million. The core revenue requirement allocation is \$10.8 million.

GHGBA – Pursuant to AL 5530, SoCalGas was authorized to amortize in 2020 rates a combined overcollection in the GHGBA's Company Facilities, End Users, and LUAUF GHG Compliance Cost subaccounts of \$51.8 million. The projected combined balance for these three subaccounts within the GHGBA for amortization in 2021 rates is \$66.3 million overcollected, representing a revenue requirement decrease of \$14.6 million. The core revenue requirement allocation of this decrease is \$9.2 million.

PBA – Pursuant to AL 5530, SoCalGas was authorized to amortize in 2020 rates a PBA undercollection of \$33.8 million. The projected PBA balance for amortization in 2021 rates is \$8.9 million undercollected, representing a revenue requirement decrease of \$24.9 million. The core revenue requirement allocation is \$23.1 million.

The major components of the core revenue requirement increase are as follows:²

² Amounts shown include franchise fees and uncollectibles.

Description	Core Revenue Requirement Increase / (Decrease) (in millions of \$)
CFCA	86.7
CSITPMA	(11.0)
NERBA	(10.8)
GHGBA	(9.2)
PBA	(23.1)
Other Regulatory Accounts - net	(3.3)
Total Core Revenue Requirement	29.3

Noncore Customers

A \$26.2 million decrease in the noncore transportation revenue requirement reflects the amortization of the projected year-end 2020 regulatory account balances. The decrease is primarily due to a change from an undercollected balance to an overcollected balance in the Compression Station Fuel & Power Balancing Account (CFPBA), decreases in the undercollected balances of the CSITPMA, Noncore Storage Balancing Account (NSBA), and Self-Generation Program Memorandum Account (SGPMA), and an increase in the combined overcollected balances in the Company Facilities, End Users, and LUAF GHG Compliance Cost subaccounts of the GHGBA as described below.

CFPBA – Pursuant to AL 5530, SoCalGas was authorized to amortize in 2020 rates a CSITPMA undercollection of \$4.5 million. The projected CSITPMA balance for amortization in 2021 rates is \$2.2 million overcollected, representing a revenue requirement decrease of \$6.7 million. The noncore revenue requirement allocation is \$3.6 million.

CSITPMA – As discussed above, the transportation revenue requirement will decrease by \$16.8 million. The noncore revenue requirement allocation is \$5.8 million.

GHGBA – As discussed above, the transportation revenue requirement will decrease by \$14.6 million. The noncore revenue requirement allocation of this decrease is \$5.4 million.

NSBA – Pursuant to AL 5530, SoCalGas was authorized to amortize in 2020 rates a NSBA undercollection of \$12.5 million. The projected NSBA balance for amortization in 2021 rates is \$6.6 million undercollected, representing a revenue requirement decrease of \$5.9 million. The noncore revenue requirement allocation is \$3.6 million.

SGPMA – Pursuant to AL 5605, SoCalGas is authorized to recover \$16 million in 2020 rates. AL 5605 was implemented in rates effective April 1, 2020, so SoCalGas grossed-up the amount to \$21.7 million in order to recover the \$16 million over the 9-month period (April-December 2020). Pursuant to D.20-01-021, SoCalGas is authorized to recover \$16.3 million in funding for the Self-Generation Incentive Program in 2021, which represents a decrease in the transportation revenue requirement by \$5.4 million of which the noncore revenue requirement allocation is \$3.1 million.

The major components of the noncore revenue requirement increase are as follows:³

Description	Noncore Revenue Requirement Increase / (Decrease) (in millions of \$)
CFPBA	(3.6)
CSITPMA	(5.8)
GHGBA	(5.4)
NSBA	(3.6)
SGPMA	(3.1)
Other Regulatory Accounts - net	(4.7)
Total Noncore Revenue Requirement	(26.2)

Revision to the BTS Rate

Pursuant to AL 5530, SoCalGas was authorized to amortize in 2020 rates a Backbone Transmission Balancing Account (BTBA) overcollection of \$26.9 million. As of December 31, 2020, the BTBA is projected to have an overcollected balance of \$37.2 million, representing a BTS revenue requirement decrease of \$10.3 million. Additionally, SoCalGas updated the BTS Demand pursuant to D.11-04-032. The calculation of the proposed BTS rate for 2021 is detailed below:

³ Amounts shown include franchise fees and uncollectibles.

	Present	Proposed	increase (decrease)
Unbundled BTS Revenues w/FFU (\$000's)	\$240,883	\$240,883	\$0
PSRMA-BBT SCG w/o FFU \$000	\$372	\$380	\$8
PSRMA-BBT SDG&E w/o FFU \$000	\$0	\$0	\$0
SECCBA-BBT SCG w/o FFU \$000	\$46,858	\$46,956	\$97
SECCBA-BBT SDG&E w/o FFU \$000	\$1,753	\$1,753	\$0
SEEBBA-BBT SCG w/o FFU \$000	\$11,286	\$7,937	(\$3,348)
SEEBBA-BBT SDG&E w/o FFU \$000	(\$12)	(\$12)	\$0
SECCBA-BBT SCG - Phase 1b	\$214	\$563	\$348
SECCBA-BBT SDG&E - Phase 1b	\$0	\$0	\$0
SEEBBA-BBT SCG - Phase 1b	\$0	\$0	\$0
SEEBBA-BBT SDG&E - Phase 1b	\$0	\$0	\$0
SECCBA-BBT SCG - Phase 2	\$1,238	\$1,045	(\$194)
SECCBA-BBT SDG&E - Phase 2	\$0	\$0	\$0
SEEBBA-BBT SCG - Phase 2	\$13,336	\$0	(\$13,336)
SEEBBA-BBT SDG&E - Phase 2	\$0	\$0	\$0
TIMPBA-BBT SCG w/o FFU \$000	(\$15,672)	\$0	\$15,672
TIMPBA-BBT SCG w/o FFU \$000	\$1,652	\$1,652	\$0
BTBA w/o FFU (\$000's)	(\$26,911)	(\$37,244)	(\$10,333)
FFU Rate	1.0171	1.0171	0.0000
Balancing Accounts w/ FFU (\$000's)	\$34,699	\$23,424	(\$11,276)
SoCalGas PSEP GRC	\$53,418	\$53,418	
SoCalGas PSEP GRM	\$22,844	\$22,844	
BTS Revenue w/FFU (\$000's)	<u>\$351,844</u>	<u>\$340,569</u>	<u>(\$11,276)</u>
BTS Demand Dth/Day	2,432,479	2,514,457	81,978
BTS rate w/FFU \$/dth day	<u>\$0.39629</u>	<u>\$0.37108</u>	<u>(\$0.02521)</u>

Revenue Requirement Change in CU Fuel and UAF Gas costs

Pursuant to D.20-02-045, the Commission authorized SoCalGas to update the underlying gas price used in determining the authorized costs for Other CU Fuel and UAF Gas. On an annual basis, SoCalGas updates the underlying gas price in the October submittal using a forecast of Southern California Citygate gas prices for the next year that is based on current futures prices.

As shown in Attachment C, SoCalGas forecasts the average gas price of \$3.53/MMBtu, an increase of \$0.80/MMBtu from the \$2.73/MMBtu authorized for rates effective January 1, 2020. Based on this updated gas price forecast, SoCalGas proposes to revise its authorized costs for Other CU Fuel and UAF Gas to \$33.7 million, an increase of \$7.7 million compared to the present revenue requirement as shown in the calculation below:

Revenue Requirement Change in CU Fuel and UAF Gas costs

	<u>Present</u>	<u>Proposed</u>	<u>Increase</u>
<u>UnAccounted For Gas (UAF):</u>			
System Volumes Mth/yr	9,350,960	9,350,960	
% UAF (as % of end use)	0.937%	0.937%	
UAF Volumes Mth/yr	87,664	87,664	
Gas Price \$/dth	\$2.73	\$3.53	
UAF (M\$)	\$23,912	\$30,977	\$7,065
<u>Company Use Gas: Storage Load Balancing</u>			
Volumes Mth/yr	3,534	3,534	
Gas Price \$/dth	\$2.73	\$3.53	
Company Use Gas: Storage Load Balancing (M\$)	\$964	\$1,249	\$285
<u>Company Use Other: Includes Company Use Other and Well Incidents & Surface Leaks</u>			
Annual Average Volumes (Mth/year) Average forecast	4,037	4,037	
Gas Price \$/th	\$0.27	\$0.35	
Co Use Other (M\$)	\$1,101	\$1,426	\$325
Total CU Fuel, UAF Gas Costs	\$25,977	\$33,652	\$7,676

GHG Revenue Requirement and Reporting Requirements

D.15-10-032 addresses the procedures necessary for natural gas corporations to comply with the California Cap on GHG Emissions and Market-Based Compliance Mechanisms (Cap-and-Trade Program), provides a set of tables and requirements for SoCalGas to use to annually forecast compliance costs and allowance proceeds, and requires SoCalGas to include those tables and reasonable supporting information regarding methodologies and assumptions in this submittal.

As required by D.15-10-032, Attachment H to this submittal includes four of the requested tables, including a brief description of tables A and C. The Forecasted and Recorded data for 2019 and 2020 provided in the tables is for reference. Also, as required by D.15-10-032, Attachment I to this submittal includes Table B (Recorded GHG Costs) and SoCalGas' 2020 Compliance Instrument Procurement Limit. Per General Order (GO) 66-D, Section 583 of the Public Utilities Code, and D.17-09-023, Attachment I is provided confidentially to the Energy Division. The GHG revenue requirements and net allowance proceeds available for return are summarized in the table below.

Description	<i>\$ millions</i>					
	2019		2020		2021	
	Forecast 1/	Recorded 1/	Forecast 2/	Recorded 3/	Forecast	Recorded
GHG Revenue Requirement	307.5	180.0	276.6	110.0	184.1	
GHG Allowance Proceeds:						
Allowance Proceeds	(149.5)	(156.0)	(188.2)	(162.4)	(166.2)	
Less: Outreach and Admin costs	0.1	0.1	-	-	-	
Less: SB1477 Compliance costs			24.6	30.8	24.6	
Net Allowance Proceeds	(149.5)	(155.9)	(163.6)	(131.6)	(141.6)	

Notes

1/ 2019 Forecast GHG Revenue Requirement and Allowance Proceeds from AL 5530. 2019 Recorded data updated with actual for entire year.

2/ 2020 Forecast Revenue Requirement from AL 5530 updated with 2019 revenue requirement amortized in 2020 rates per D.18-03-017 and AL 5426.

3/ 2020 Recorded GHG Revenue Requirement and Allowance Proceeds includes actual data for January through August.

SoCalGas is requesting to include the 2021 GHG revenue requirement in rates effective January 1, 2021. In addition, SoCalGas is requesting to refund the 2021 Allowance Proceeds in April 2021.

2016 PSEP Reasonableness Review

Pursuant to Ordering Paragraph (OP) 49 of D.19-02-004, SoCalGas is required to submit a Tier 2 advice letter to incorporate into rates future year revenue requirements associated with the capital expenditures approved in the decision. As this Annual Regulatory Account Balance Update for Rates is a Tier 2 submittal, SoCalGas incorporates its update of the 2021 revenue requirement associated with the PSEP capital projects approved in D.19-02-004 in this submittal.

Pursuant to AL 5530, SoCalGas was authorized to incorporate in 2020 rates a revenue requirement of \$14.4 million. The revenue requirement associated with PSEP capital expenditures approved in the decision for 2021 is \$11.5 million (without FF&U), which represents a decrease in the revenue requirement of \$2.9 million (without FF&U). SoCalGas will continue to update rates in subsequent years' filings for these ongoing capital-related revenue requirements until the actual capital costs for these PSEP projects are incorporated into base rates in connection with SoCalGas' next GRC proceeding

2017 PSEP Forecasted Revenue Requirement

Pursuant to OP 20 of D.19-03-025, SoCalGas is required to submit a Tier 2 advice letter to incorporate into rates future year revenue requirements associated with the forecasted capital expenditures approved in the decision until actual capital costs are incorporated into base rates in connection with SoCalGas' next GRC proceeding. As

this Annual Regulatory Account Balance Update for Rates is a Tier 2 submittal, SoCalGas incorporates its update of the 2021 revenue requirement associated with forecasted capital expenditures approved in D.19-03-025 in this submittal.

Pursuant to AL 5530, SoCalGas was authorized to incorporate in 2020 rates a revenue requirement of \$27.7 million. The forecasted revenue requirement associated with SoCalGas' twelve pipeline projects for 2021 is \$22 million (without FF&U), which represents a decrease in the revenue requirement of \$5.7 million (without FF&U).

2018 PSEP Revenue Requirement

D.20-08-034, *Decision Adopting Settlement Agreement Resolving the Application of Southern California Gas Company And San Diego Gas & Electric Company For Review of Costs Incurred In Executing Pipeline Safety Enhancement Plan*, adopted the Settlement Agreement approving the reasonableness of \$934.6 million of costs for PSEP projects in Application (A.) 18-11-010. Pursuant to OP 8 of D.20-08-034, SoCalGas submitted AL 5698⁴ incorporating in rates effective October 1, 2020 the revenue requirement based on fully loaded costs adjusted for ongoing capital-related costs through December 2020 associated with the PSEP project costs found reasonable by the decision.

As discussed in D.20-08-034, future, ongoing capital-related costs incurred would be recovered on a concurrent basis from ratepayers over the remaining useful life of these PSEP [assets]. SoCalGas will incorporate in 2021 rates the revenue requirement associated with PSEP capital expenditures for 2021 of \$78 million (without FF&U). SoCalGas will continue to update rates in subsequent years' filings for these ongoing capital-related revenue requirements until the actual capital costs for these PSEP projects are incorporated into base rates in connection with SoCalGas' next GRC proceeding

Protests

Anyone may protest this advice letter to the Commission. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. The protest must be made in writing and must be received within 20 days of the date of this advice letter which is November 10, 2020. The address for mailing or delivering a protest to the Commission is:

CPUC Energy Division
Attn: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102

⁴ AL 5698 was submitted September 28, 2020 and made effective October 1, 2020.

A copy of the protest should also be sent via e-mail to the attention of the Energy Division Tariff Unit (EDTariffUnit@cpuc.ca.gov). Due to the COVID-19 pandemic and the shelter at home orders, SoCalGas is currently unable to receive protests or comments to this advice letter via U.S. mail or fax. Please submit protests or comments to this advice letter via e-mail to the address shown below on the same date it is mailed or e-mailed to the Commission.

Attn: Ray Ortiz
Tariff Manager - GT14D6
555 West Fifth Street
Los Angeles, CA 90013-1011
Facsimile No.: (213) 244-4957
E-mail: ROrtiz@socalgas.com

Effective Date

SoCalGas believes that this submittal is subject to Energy Division disposition, and should be classified as Tier 2 (effective after staff approval) pursuant to GO 96-B. This submittal is consistent with D.20-02-045. Therefore, SoCalGas respectfully requests that this submittal be approved November 20, 2020, which is thirty (30) calendar days after the date submitted, for implementation and inclusion in rates effective January 1, 2021.

Notice

A copy of this advice letter is being sent to SoCalGas' GO 96-B service list and the Commission's service list in A.17-10-008, TY 2019 GRC and A.18-07-024, 2020 TCAP. Address change requests to the GO 96-B service list should be directed via e-mail to tariffs@socalgas.com or call 213-244-2837. For changes to all other service lists, please contact the Commission's Process Office at 415-703-2021 or via e-mail at process_office@cpuc.ca.gov.

/s/ Ronald van der Leeden
Ronald van der Leeden
Director – Regulatory Affairs

Attachments



ADVICE LETTER SUMMARY

ENERGY UTILITY



MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.:

Utility type:

ELC GAS WATER
 PLC HEAT

Contact Person:

Phone #:
E-mail:
E-mail Disposition Notice to:

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas WATER = Water
PLC = Pipeline HEAT = Heat

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #:

Tier Designation:

Subject of AL:

Keywords (choose from CPUC listing):

AL Type: Monthly Quarterly Annual One-Time Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #:

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL:

Summarize differences between the AL and the prior withdrawn or rejected AL:

Confidential treatment requested? Yes No

If yes, specification of confidential information:

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information:

Resolution required? Yes No

Requested effective date:

No. of tariff sheets:

Estimated system annual revenue effect (%):

Estimated system average rate effect (%):

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected:

Service affected and changes proposed¹:

Pending advice letters that revise the same tariff sheets:

¹Discuss in AL if more space is needed.

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102
Email: EDTariffUnit@cpuc.ca.gov

Name:
Title:
Utility Name:
Address:
City: State:
Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

Name:
Title:
Utility Name:
Address:
City: State:
Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

ATTACHMENT A
Advice No. 5712-A

Natural Gas Transportation Rate Revenues
Southern California Gas Company
October Reg Account Update

**ATTACHMENT A
Advice No. 5712-A**

**Natural Gas Transportation Rate Revenues
Southern California Gas Company
October Reg Account Update**

	Present Rates			Proposed Rates			Changes			
	Oct-1-20	Average	Oct-1-20	Jan-1-21	Proposed	Jan-1-21	Revenue	Rate	% Rate	
	Volumes	Rate	Revenues	Volumes	Rate	Revenues	Change	Change	change	
	Mth	\$/therm	\$000's	Mth	\$/therm	\$000's	\$000's	\$/therm	%	
	A	B	C	D	E	F	G	H	I	
1	CORE									
2	Residential	2,346,353	\$1.02899	\$2,414,375	2,346,353	\$1.04101	\$2,442,577	\$28,202	\$0.01202	1.2%
3	Commercial & Industrial	992,706	\$0.53278	\$528,896	992,706	\$0.56681	\$562,676	\$33,780	\$0.03403	6.4%
4										
5	NGV - Pre SempraWide	178,769	\$0.27133	\$48,505	178,769	\$0.28752	\$51,400	\$2,896	\$0.01620	6.0%
6	SempraWide Adjustment	178,769	\$0.00483	\$863	178,769	\$0.00298	\$533	(\$330)	(\$0.00185)	-38.3%
7	NGV - Post SempraWide	178,769	\$0.27615	\$49,368	178,769	\$0.29050	\$51,933	\$2,565	\$0.01435	5.2%
8										
9	Gas A/C	416	\$0.20351	\$85	416	\$0.21976	\$91	\$7	\$0.01625	8.0%
10	Gas Engine	22,302	\$0.19969	\$4,453	22,302	\$0.20534	\$4,579	\$126	\$0.00565	2.8%
11	Total Core	3,540,545	\$0.84653	\$2,997,177	3,540,545	\$0.86480	\$3,061,857	\$64,680	\$0.01827	2.2%
12	NONCORE COMMERCIAL & INDUSTRIAL									
13	Distribution Level Service	919,735	\$0.17176	\$157,971	919,735	\$0.16755	\$154,102	(\$3,869)	(\$0.00421)	-2.4%
14	Transmission Level Service (2)	626,080	\$0.04541	\$28,431	626,080	\$0.03853	\$24,125	(\$4,306)	(\$0.00688)	-15.1%
15	Total Noncore C&I	1,545,814	\$0.12059	\$186,402	1,545,814	\$0.11530	\$178,228	(\$8,175)	(\$0.00529)	-4.4%
16										
17	NONCORE ELECTRIC GENERATION									
18	Distribution Level Service									
19	Pre Sempra Wide	331,442	\$0.15499	\$51,372	331,442	\$0.15997	\$53,021	\$1,649	\$0.00498	3.2%
20	Sempra Wide Adjustment	331,442	(\$0.00114)	(\$379)	331,442	(\$0.00090)	(\$297)	\$81	\$0.00025	-21.5%
21	Distribution Level Post Sempra Wide	331,442	\$0.15385	\$50,993	331,442	\$0.15907	\$52,724	\$1,731	\$0.00522	3.4%
22	Transmission Level Service (2)	2,246,336	\$0.03995	\$89,733	2,246,336	\$0.03731	\$83,814	(\$5,919)	(\$0.00263)	-6.6%
23	Total Electric Generation	2,577,778	\$0.05459	\$140,726	2,577,778	\$0.05297	\$136,538	(\$4,188)	(\$0.00162)	-3.0%
24										
25	TOTAL RETAIL NONCORE	4,123,593	\$0.07933	\$327,128	4,123,593	\$0.07633	\$314,765	(\$12,363)	(\$0.00300)	-3.8%
26										
27	WHOLESALE & INTERNATIONAL (excluding SDG&E)	359,267	\$0.03587	\$12,888	359,267	\$0.03328	\$11,956	(\$932)	(\$0.00260)	-7.2%
28										
29	OTHER SERVICES (SDG&E, UBS, & BTS)	1,118,614		\$385,897	1,118,614		\$372,242	(\$13,655)		
30	SYSTEM TOTAL w/BTS	9,142,019	\$0.40725	\$3,723,091	9,142,019	\$0.41138	\$3,760,820	\$37,730	\$0.00413	1.0%
31										
32	EOR Revenues	208,941	\$0.11522	\$24,073	208,941	\$0.11238	\$23,482	(\$592)	(\$0.00283)	-2.5%
33	Total Throughput w/EOR Mth/yr	9,350,960			9,350,960					
34										

1) These rates are for Natural Gas Transportation Service from "Citygate to Meter." The BTS rate is for service from Receipt Point to Citygate.
2) All rates include Franchise Fees & Uncollectible charges.

ATTACHMENT B
Advice No. 5712-A

**SoCalGas Present and Proposed
Regulatory Account Balances (M\$)**

**ATTACHMENT B
Advice No. 5712-A**

**SOUTHERN CALIFORNIA GAS COMPANY
SOCALGAS PRESENT AND PROPOSED REGULATORY ACCOUNT BALANCES (M\$)**

Account Name (1)	Authorized 10/01/2020 Amortization			Proposed 01/01/2021 Amortization			Proposed Change		
	Core (2)	Noncore (3)	Total System (4)	Core (5)	Noncore (6)	Total System (7)	Core (8)	Noncore (9)	Total System (10)
REGULATORY ACCOUNTS									
1. Advanced Meter Opt-Out Program Balancing Account (AMOPBA)	(\$186)	\$0	(\$186)	\$0	\$0	\$0	\$186	\$0	\$186
2. Aliso Canyon Memorandum Account (ACMA)	\$3,737	\$1,740	\$5,477	\$0	\$0	\$0	(\$3,737)	(\$1,740)	(\$5,477)
3. Affiliate Transfer Fee Account (ATFA)	(\$197)	(\$16)	(\$212)	(\$356)	(\$28)	(\$384)	(\$159)	(\$13)	(\$172)
4. Aliso Canyon True-up Tracking Account (ACTTA)	\$671	\$312	\$983	\$0	\$0	\$0	(\$671)	(\$312)	(\$983)
5. Biogas Conditioning/Upgrading Services Balancing Account (BCSBA)	(\$76)	(\$6)	(\$82)	\$0	\$0	\$0	\$76	\$6	\$82
6. Biomethane Cost Incentive Pgm Balancing Acct (BCIPBA)	\$2,055	\$3,248	\$5,303	\$3,160	\$4,995	\$8,156	\$1,105	\$1,747	\$2,853
7. California Solar Initiative Thermal Memorandum Account (CSITPMA)	\$14,931	\$7,828	\$22,759	\$3,923	\$2,057	\$5,980	(\$11,007)	(\$5,771)	(\$16,778)
8. Company-Use Fuel for Load Balancing Account (CUFLBA)	(\$279)	(\$458)	(\$737)	(\$282)	(\$463)	(\$745)	(\$3)	(\$5)	(\$8)
9. Compression Services Balancing Account (CSBA)	(\$32)	\$0	(\$32)	(\$71)	\$0	(\$71)	(\$39)	\$0	(\$39)
10. Compressor Station Fuel and Power Balancing Account (CFPBA)	\$2,053	\$2,419	\$4,472	(\$1,024)	(\$1,207)	(\$2,231)	(\$3,077)	(\$3,626)	(\$6,703)
11. Core Fixed Cost Account - C&I Shortfall (CFCA)	\$0	\$0	\$0	\$21,066	\$0	\$21,066	\$21,066	\$0	\$21,066
12. Core Fixed Cost Account - NGV (CFCA)	\$3,499	\$0	\$3,499	\$6,773	\$0	\$6,773	\$3,274	\$0	\$3,274
13. Core Fixed Cost Account - Non NGV (CFCA)	(\$57,187)	\$0	(\$57,187)	\$5,196	\$0	\$5,196	\$62,383	\$0	\$62,383
14. Distributed Energy Resources Svcs Bal Account (DERSBA)	\$0	\$0	\$0	(\$126)	(\$10)	(\$136)	(\$126)	(\$10)	(\$136)
15. Distribution Integrity Management Program Memorandum Account (DIMPBA)	(\$5,423)	(\$431)	(\$5,854)	\$0	\$0	\$0	\$5,423	\$431	\$5,854
16. Economic Practicality Shortfall Memorandum Account (EPSMA)	\$0	\$1,034	\$1,034	\$0	\$497	\$497	\$0	(\$537)	(\$537)
17. Energy Data Request Memorandum Account (EDRMA)	\$1,618	\$129	\$1,747	\$0	\$0	\$0	(\$1,618)	(\$129)	(\$1,747)
18. Enhanced Oil Recovery Account (EORA)	(\$4,552)	(\$361)	(\$4,914)	(\$3,057)	(\$243)	(\$3,300)	\$1,495	\$119	\$1,614
19. Fire Hazard Prevention Memorandum Account (FHPMA)	\$2,262	\$180	\$2,441	\$0	\$0	\$0	(\$2,262)	(\$180)	(\$2,441)
20. Gain / Loss on Sale Memorandum Account (GLO SMA)	(\$406)	(\$32)	(\$438)	\$0	\$0	\$0	\$406	\$32	\$438
21. General Rate Case Revenue Requirement Memorandum Account (GRCMA)	\$153,094	\$12,164	\$165,257	\$155,342	\$12,336	\$167,678	\$2,249	\$172	\$2,421
22. GRCMA PSEP Distribution	\$5,347	\$1,229	\$6,576	\$5,347	\$1,229	\$6,576	\$0	\$0	\$0
23. GRCMA PSEP Local Transmission	\$2,571	\$2,029	\$4,600	\$2,571	\$2,029	\$4,600	\$0	\$0	\$0
24. GRCMA Sub allocation for AB32 Admin Fees	\$142	\$101	\$244	\$142	\$101	\$244	\$0	\$0	\$0
25. Green House Gas Balancing Account (GHGBA) - Company Gas Compressor	(\$418)	(\$661)	(\$1,079)	(\$847)	(\$1,339)	(\$2,185)	(\$429)	(\$678)	(\$1,106)
26. Green House Gas Balancing Account (GHGBA) - End User	(\$46,460)	(\$6,419)	(\$52,879)	(\$46,944)	(\$7,798)	(\$54,742)	(\$484)	(\$1,378)	(\$1,863)
27. Green House Gas Balancing Account (GHGBA) - LUAF	\$1,564	\$635	\$2,199	(\$6,682)	(\$2,712)	(\$9,395)	(\$8,247)	(\$3,347)	(\$11,594)
28. Hazardous Substance Cost-Recovery Account (HSCRA)	\$1,025	\$1,621	\$2,647	\$1,085	\$1,716	\$2,801	\$60	\$95	\$154
29. Integrated Transmission Balancing Account (ITBA) Margin	\$2,481	\$2,924	\$5,405	\$3,733	\$4,399	\$8,132	\$1,252	\$1,475	\$2,727
30. Intervenor Award Memorandum Account (IAMA)	\$326	\$515	\$840	\$532	\$841	\$1,372	\$206	\$326	\$532
31. Liability Insurance Premium Balancing Account (LIPBA)	\$0	\$0	\$0	\$5,969	\$474	\$6,442	\$5,969	\$474	\$6,442
32. Master Meter Balancing Account (MMBA)	\$13,867	\$1,101	\$14,968	\$16,588	\$1,317	\$17,905	\$2,721	\$215	\$2,937
33. New Environmental Regulation Balancing Account (NERBA) - Admin Fees Subaccount	\$2,385	\$1,692	\$4,077	\$2,246	\$1,593	\$3,838	(\$140)	(\$99)	(\$239)
34. New Environmental Regulatory Balancing Account (NERBA) - Leak Detection & Repair (LDAR) s	\$10,611	\$843	\$11,454	\$0	\$0	\$0	(\$10,611)	(\$843)	(\$11,454)
35. Noncore Fixed Cost Account (NFCA) Margin	\$0	\$7,997	\$7,997	\$0	\$9,382	\$9,382	\$0	\$1,385	\$1,385
36. Noncore Fixed Cost Account (NFCA) Nonmargin	\$0	\$1,027	\$1,027	\$0	(\$695)	(\$695)	\$0	(\$1,723)	(\$1,723)
37. Noncore Storage Balancing Account (NSBA)	\$4,862	\$7,685	\$12,547	\$2,563	\$4,051	\$6,614	(\$2,299)	(\$3,634)	(\$5,933)
38. Operational Flow Cost Memorandum Account (OFCMA)	(\$89)	(\$7)	(\$96)	\$0	\$0	\$0	\$89	\$7	\$96
39. PBOB Balancing Account (PBOBPA)	(\$3,959)	(\$314)	(\$4,274)	(\$1,943)	(\$154)	(\$2,097)	\$2,017	\$160	\$2,177
40. Pension Balancing Account (PBA)	\$31,293	\$2,485	\$33,778	\$8,205	\$651	\$8,856	(\$23,088)	(\$1,834)	(\$24,922)
41. Pipeline Safety and Reliability Memo Acct (PSRMA) - Distribution	\$117	\$27	\$143	\$123	\$28	\$151	\$6	\$1	\$8
42. Pipeline Safety and Reliability Memo Acct (PSRMA) - Local Transmission	\$108	\$85	\$193	\$112	\$88	\$200	\$4	\$3	\$7
43. Research Development and Demonstration Expense Account (RDDEA)	(\$254)	(\$20)	(\$274)	\$0	\$0	\$0	\$254	\$20	\$274
44. Research Royalty Memorandum Account (RRMA)	(\$107)	(\$8)	(\$115)	(\$92)	(\$7)	(\$100)	\$14	\$1	\$15
45. Rewards & Penalties Balancing Account (RPBA)	\$282	\$22	\$304	(\$291)	(\$23)	(\$315)	(\$573)	(\$46)	(\$619)
46. Safety Enhancement Capital Cost Balancing Account (SECCBA) - Distribution	\$163,646	\$37,560	\$201,206	\$155,767	\$35,751	\$191,518	(\$7,880)	(\$1,809)	(\$9,688)
47. Safety Enhancement Capital Cost Balancing Account (SECCBA) - Local Transmission	\$31,493	\$24,823	\$56,316	\$31,672	\$24,965	\$56,637	\$180	\$142	\$322
48. Safety Enhancement Expense Balancing Account (SEEBBA) - Distribution	\$5,723	\$1,313	\$7,036	\$3,464	\$795	\$4,259	(\$2,259)	(\$518)	(\$2,777)
49. Safety Enhancement Expense Balancing Account (SEEBBA) - Local Transmission	\$1,941	\$1,530	\$3,471	\$597	\$471	\$1,068	(\$1,344)	(\$1,060)	(\$2,404)
50. Self-Generation Program Memorandum Account (SGPMA)	\$9,193	\$12,505	\$21,698	\$6,895	\$9,379	\$16,274	(\$2,298)	(\$3,126)	(\$5,425)
51. System Operator Gas Account (SOGA)	\$0	\$0	\$0	(\$82)	(\$130)	(\$213)	(\$82)	(\$130)	(\$213)
52. System Reliability Memorandum Account (SRMA)	\$2,006	\$3,171	\$5,177	\$105	\$166	\$271	(\$1,901)	(\$3,005)	(\$4,905)
53. Transmission Integrity Management Program Memorandum Account (TIMPBA - Local T)	(\$3,218)	(\$2,537)	(\$5,755)	\$0	\$0	\$0	\$3,218	\$2,537	\$5,755
Total Regulatory Accounts	\$352,058	\$130,703	\$482,761	\$381,377	\$104,501	\$485,878	\$29,318	(\$26,202)	\$3,116

Note 1/ All amounts include FF&U.

Note 2/ Forecasted SoCalGas ITBA December 31, 2020 balance is on a combined and re-allocated basis.

ATTACHMENT C
Advice No. 5712-A

Southern California Gas Company
Gas Price Forecast - 2021

ATTACHMENT C
Advice No. 5712-A

SOUTHERN CALIFORNIA GAS COMPANY
GAS PRICE FORECAST - 2021

Jan	\$3.98
Feb	\$3.79
Mar	\$3.03
Apr	\$2.49
May	\$2.47
June	\$2.63
July	\$3.20
Aug	\$3.33
Sept	\$3.06
Oct	\$2.60
Nov	\$2.90
Dec	\$3.58

Total (average)	\$3.09
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Note 1/ The projected gas price of \$3.09/Dth is increased by the projected backbone transmission rate and brokerage fee to project the Citygate gas price of \$3.53/Dth.

ATTACHMENT D
Advice No. 5712-A

Southern California Gas Company
Pension Balancing Account (PBA)

**ATTACHMENT D
Advice No. 5712-A**

**SOUTHERN CALIFORNIA GAS COMPANY
PENSION BALANCING ACCOUNT (PBA)**

Year 2020

(Over) / Under Collection M\$

Line		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
		actl	actl	actl	actl	actl	actl	actl	actl	fcst	fcst	fcst	fcst	
1	Beginning Balance	24,243	10,719	(3,620)	(17,406)	6,319	(7,550)	(21,404)	2,378	(11,439)	(6,430)	(1,403)	3,643	24,243
1a	Prior Period Adjustment			104										104
1b	Adjusted Beginning Balance	24,243	10,719	(3,516)	(17,406)	6,319	(7,550)	(21,404)	2,378	(11,439)	(6,430)	(1,403)	3,643	24,347
2	Recorded Cost	(1,414)	(2,209)	(1,742)	35,866	(1,734)	(1,716)	35,918	(1,682)	17,145	17,163	17,180	17,197	129,973
3	Authorized Cost	9,367	9,367	9,367	9,367	9,367	9,367	9,367	9,367	9,367	9,367	9,367	9,367	112,403
4	Net position (2-3):	(10,781)	(11,576)	(11,109)	26,499	(11,101)	(11,083)	26,551	(11,049)	7,778	7,796	7,813	7,831	17,570
5	Amortization	2,768	2,768	2,768	2,768	2,768	2,768	2,768	2,768	2,768	2,768	2,768	2,768	33,212
6	Current Month Adjustment (4-5):	(13,549)	(14,343)	(13,876)	23,731	(13,868)	(13,851)	23,784	(13,816)	5,011	5,028	5,046	5,063	50,781
7	Current Month Interest**:	25	5	(14)	(7)	(1)	(3)	(1)	(1)	(2)	(1)	0	2	2
8	Total Current Month Activity (6+7):	(13,524)	(14,339)	(13,890)	23,725	(13,869)	(13,854)	23,782	(13,817)	5,009	5,027	5,046	5,064	(15,639)
9	Ending Balance (1b+8):	10,719	(3,620)	(17,406)	6,319	(7,550)	(21,404)	2,378	(11,439)	(6,430)	(1,403)	3,643	8,708	8,708

** Interest applied to average monthly balance as follows: (((Beg. Bal.+(Beg. Bal.+Current Month Adjustment))/2)*(Int.Rate/12)

Interest Assumption: 1.70% 1.58% 1.56% 1.44% 0.98% 0.28% 0.18% 0.14% 0.23% 0.30% 0.30% 0.30%

Supporting Calculation - 2020 Net Pension Revenue/Costs

	Authorized Cost	Recorded Cost
Gross Revenue/costs	154,473	150,470
Less: Amount capitalized	(43,099)	(22,940)
Less: Billings to SDG&E/Unregulated Affiliates	(1,583)	(1,982)
Plus: Billings from SDG&E	0	1,110
Depreciation/Return 1/	2,612	3,315
Net Costs	<u>\$112,403</u>	<u>\$129,973</u>

1/ Reflects the depreciation and return differential associated with authorized/actual capitalization.

ATTACHMENT E
Advice No. 5712-A

Southern California Gas Company
Post-Retirement Benefits Other
than Pensions Balancing Account (PBOPBA)

**ATTACHMENT E
Advice No. 5712-A**

**SOUTHERN CALIFORNIA GAS COMPANY
POST RETIREMENT BENEFITS OTHER THAN PENSIONS BALANCING ACCOUNT (PBOPBA)**

Year 2020

(Over) / Under Collection M\$

Line	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
	actl	actl	actl	actl	actl	actl	actl	actl	fcst	fcst	fcst	fcst		
1	Beginning Balance	(3,097)	(3,003)	(2,966)	(2,861)	(2,785)	(2,706)	(2,622)	(2,535)	(2,446)	(2,354)	(2,260)	(2,162)	(3,097)
1a	Prior Period Adjustment			28										28
1b	Adjusted Beginning Balance	(3,097)	(3,003)	(2,938)	(2,861)	(2,785)	(2,706)	(2,622)	(2,535)	(2,446)	(2,354)	(2,260)	(2,162)	(3,069)
2	Recorded Cost	(246)	(303)	(263)	(266)	(263)	(260)	(258)	(255)	(252)	(250)	(246)	(244)	(3,106)
3	Authorized Cost	6	6	6	6	6	6	6	6	6	6	6	6	68
4	Net position (2-3):	(252)	(309)	(269)	(271)	(269)	(266)	(263)	(261)	(258)	(252)	(250)	(250)	(3,174)
5	Amortization	(350)	(350)	(350)	(350)	(350)	(350)	(350)	(350)	(350)	(350)	(350)	(350)	(4,202)
6	Current Month Adjustment (4-5):	98	41	81	79	82	84	87	90	92	95	99	100	(7,376)
7	Current Month Interest**:	(4)	(4)	(4)	(3)	(2)	(1)	(0)	(0)	(1)	(1)	(1)	(1)	(21)
8	Total Current Month Activity (6+7):	94	37	77	76	79	84	87	89	92	94	98	100	1,007
9	Ending Balance (1b+8):	(3,003)	(2,966)	(2,861)	(2,785)	(2,706)	(2,622)	(2,535)	(2,446)	(2,354)	(2,260)	(2,162)	(2,062)	(2,062)

** Interest applied to average monthly balance as follows: (((Beg. Bal.+(Beg. Bal.+Current Month Adjustment))/2)*(Int.Rate/12)

Interest Assumption: 1.70% 1.58% 1.56% 1.44% 0.98% 0.28% 0.18% 0.14% 0.23% 0.30% 0.30% 0.30%

Supporting Calculation - 2020 Net PBOP Revenue/Costs

	Authorized Cost	Recorded Cost
Gross Revenue/costs	0	0
Lees: Amount capitalized	0	(3,498)
Less: Billings to SDG&E/Unregulated Affiliates	0	(302)
Plus: Billings from SDG&E	62	139
Depreciation/Return 1/	6	555
Net Costs	<u>\$68</u>	<u>(\$3,106)</u>

1/ Reflects the depreciation and return differential associated with authorized/actual capitalization.

ATTACHMENT F
Advice No. 5712-A

Southern California Gas Company
Pension Plan
Based on 2020 Draft Actuarial Results
Development of 2020 Minimum Required Contribution

ATTACHMENT F
Advice No. 5712-A

Southern California Gas Company
Pension Plan
Based on 2020 Draft Actuarial Results
Development of 2020 Minimum Required Contribution

1. 2020 Funding target liability	\$1,701,067,068	
[Net Effective Interest Rate]		5.48%
2. 2020 Plan Actuarial Value of Assets	\$1,643,962,470	
3. Funding shortfall [MAX [(1) - (2),0]]	\$57,104,598	
4. Excess assets [MAX [(2) - (1),0]]	\$0	
5. 2020 Plan Normal Cost		\$72,742,604
[includes estimated plan expenses of \$9,800,000]		
6. 2014 shortfall amortization charge (amortized through 2021) *		0
7. 2015 shortfall amortization charge (amortized through 2022) *		0
8. 2016 shortfall amortization charge (amortized through 2023) *		2,999,907
9. 2017 shortfall amortization charge (amortized through 2024) *		15,564,302
10. 2018 shortfall amortization charge (amortized through 2025) *		13,486,045
11. 2019 shortfall amortization charge (amortized through 2026) *		7,570,344
12. Funding shortfall base *		
(a) Present value of 2014 shortfall amortization charge	0	
[based on amortization over 1 years at 3.64%]		
(b) Present value of 2015 shortfall amortization charge	0	
[based on amortization over 2 years at 3.64%]		
(c) Present value of 2016 shortfall amortization charge	8,687,341	
[based on amortization over 3 years at 3.64%]		
(d) Present value of 2017 shortfall amortization charge	59,053,452	
[based on amortization over 4 years at 3.64%]		
(e) Present value of 2018 shortfall amortization charge	62,857,107	
[based on amortization over 5 years at 3.64%]		
(f) Present value of 2019 shortfall amortization charge	41,157,235	
[based on amortization over first 5 years at 3.64% and next year at 5.21%]		
(g) 2020 funding shortfall base		
[(3) - (12(a)) - (12(b)) - (12(c)) - (12(d)) - (12(e)) - (12(f))]	(\$114,650,537)	
13. 2020 Amortization factor		
[based on amortization of shortfall over 7 years, assuming		
at 3.64% rate for the first 5 years and 5.21% rate for the final 2 years]	0.16197033	
14. 2020 funding shortfall to be amortized in 2020 - 2026 [12(g) x (13)]		(\$18,569,986)
15. 2020 Minimum required contribution *		\$93,793,216
[(5) + (6) + (7) + (8) + (9) + (10) + (11) + (14) , amount as of 1/1/2020]		

Timing of 2020 Minimum Required Contribution

Funding

First quarterly contribution deposited on April 1, 2020	\$37,617,000
Second quarterly contribution deposited on July 1, 2020	\$37,617,000
Third quarterly contribution estimated to be deposited on October 1, 2020	\$37,617,000
Final 2020 contribution estimated to be deposited on December 13, 2020	\$37,614,000
Sum of payments made for the 2020 Plan Year	\$150,465,000
1/1/2020 Present value of 2020 Plan Year contributions	\$145,642,039

* If the plan does not have a funding shortfall, then prior shortfall amortization bases are deemed fully amortized and there is no new shortfall amortization base for the current year. In addition, the minimum funding requirement is equal to the target normal cost less the excess assets.

ATTACHMENT G
Advice No. 5712-A

Southern California Gas Company
Postretirement Welfare Plans

ATTACHMENT G
Advice No. 5712-A

Southern California Gas Company
Postretirement Welfare Plans

Development of 2020 Contribution
Based on Final Actuarial Results

1. 2020 APBO	\$703,072,687	
2. Discount rate	3.55%	
3. 2020 Fair Value of Assets	\$1,062,784,183	
4. 2020 Plan Service Cost		\$13,564,258
5. Interest cost		24,824,224
6. Expected return on assets [based on expected return of 4.41% on assets]		(42,563,924)
7. Transition obligation amortization		0
8. Prior service cost amortization		(2,519,166)
9. Unrecognized (gain)/loss amortization		(6,502,660)
10. Special Termination Benefits		0
11. Net periodic benefit cost		(\$13,197,268)

Timing of Estimated 2020 Contribution

Funding

Contributions through December 31 made primarily in quarterly installments **\$0**

ATTACHMENT H
Advice No. 5712-A

Table A: Forecast Revenue Requirement

Table A: Write Up

Table C: GHG Allowance Proceeds

Table C: Write Up

Table D: GHG Outreach and Administrative Expenses

Table E: Compliance Obligation Over Time

ATTACHMENT H
Advice No. 5712-A

Table A: Forecast Revenue Requirement

Line	Description	2019		2020		2021	
		Forecast	Recorded	Forecast 1/	Recorded 2/	Forecast	Recorded
1	Gross Throughput (MMcf)	785,595		780,808		752,680	
2	Throughput to Covered Entities (MMcf)	(372,109)		(388,733)		(353,076)	
3	Net Throughput to End Users (MMcf) (Line 1 + Line 2)	413,486		392,076		399,604	
4	Lost and Unaccounted for Gas (MMcf)	6,646		6,606		7,053	
5	Total Supplied Gas (MMcf) (Line 3 + Line 4)	420,132		398,681		406,656	
6	Emissions Conversion Factor (MTCO ₂ e/MMcf)	54.64		54.64		54.64	
7	Compliance Obligation for End Users and LUAF (MTCO ₂ e) (Line 5 * Line 6)	22,957,855		21,785,687		22,221,479	
8	Compliance Obligation for Company Facilities (MTCO ₂ e)	188,000		110,000		90,000	
9	Gross Compliance Obligation (MTCO₂e) (Line 7 + Line 8)	23,145,855		21,895,687		22,311,479	
10	Directly Allocated Allowances	(20,241,540)		(19,822,267)		(19,030,307)	
11	Percentage Consigned to Auction	45%		50%		55%	
12	Consigned Allowances (Line 10 * Line 11)	9,108,693		9,911,133		10,466,669	
13	Net Compliance Obligation (MTCO₂e) (Line 9 + Line 10+ Line 12)	12,013,008		11,984,553		13,747,841	
14	Proxy GHG Allowance Price	\$ 16.41		\$ 18.16		\$ 17.91	
15a	Compliance Instrument Cost	\$ 197,133,460	\$ 174,067,780	\$ 217,615,521	\$ 110,096,816	\$ 246,196,341	
15b	Compliance Instrument Cost (2018 Amortization) 3/	\$ 105,158,106		\$ 105,158,106		\$ -	
16	Interest		\$ 5,884,500		\$ (102,577)		
17	Franchise Fees & Uncollectibles	\$ 5,250,942		\$ 5,606,725		\$ 4,208,480	
18	Revenue Requirement (Line 15 + Line 16 + Line 17)	\$ 307,542,508	\$ 179,952,280	\$ 328,380,352	\$ 109,994,239	\$ 250,404,821	
19	Previous Year's Cost Balancing Subaccount Balance w/ FFU	\$ -		\$ (51,772,715)		\$ (66,326,884)	
20	Revenue Requirement to be Included in Rates (Line 18 + Line 19)	\$ 307,542,508	\$ 179,952,280	\$ 276,607,638	\$ 109,994,239	\$ 184,077,937	
21	Covered Entity Rate Impact (\$/therm)	\$ 0.00098		\$ 0.00104		\$ (0.00032)	
22	Non-Covered Entity Rate Impact (\$/therm)	\$ 0.04657		\$ 0.03999		\$ 0.04497	
Supporting Information:							
	FF&U %	1.737%		1.737%		1.709%	
	LUAF %	0.846%		0.846%		0.937%	
	System Throughput	9,417,004		9,417,004		9,142,019	
	Non-Covered Entity Throughput	4,197,284		4,103,500		4,128,641	
Revenue Requirement to be Included in Rates w/FFU							
	End-User Revenue Requirement w/FFU	\$ 191,355,885		\$ 212,695,346		\$ 241,746,095	
	LUAF Revenue Requirement w/FFU	\$ 6,063,204		\$ 6,668,181		\$ 7,019,455	
	Company Facilities Revenue Requirement w/FFU	\$ 3,138,669		\$ 2,032,075		\$ 1,639,271	
	End-User Revenue Requirement w/FFU (2018 Amortization)	\$ 101,264,004		\$ 101,264,004		\$ -	
	LUAF Revenue Requirement w/FFU (2018 Amortization)	\$ 3,710,380		\$ 3,710,380		\$ -	
	Company Facilities Revenue Requirement w/FFU (2018 Amortization)	\$ 2,010,366		\$ 2,010,366		\$ -	
	Total Revenue Requirement w/FFU	\$ 307,542,508		\$ 328,380,352		\$ 250,404,821	
Cost Balancing Account Balances w/FFU							
	End-User w/ FFU	\$ -		\$ (52,893,690)		\$ (54,741,918)	
	LUAF w/ FFU	\$ -		\$ 2,200,938		\$ (9,398,484)	
	Company Facilities w/ FFU	\$ -		\$ (1,079,962)		\$ (2,186,482)	
	Total Balancing Accounts w/FFU	\$ -		\$ (51,772,715)		\$ (66,326,884)	
	Total GHG Costs in Rates w/ FFU	\$ 307,542,508		\$ 276,607,638		\$ 184,077,937	
Revenue Requirement to be Included in Rates w/out FFU							
	End-User Revenue Requirement w/out FFU	\$ 188,088,698		\$ 209,063,812		\$ 237,683,140	
	LUAF Revenue Requirement w/out FFU	\$ 5,959,682		\$ 6,554,330		\$ 6,901,481	
	Company Facilities Revenue Requirement w/out FFU	\$ 3,085,080		\$ 1,997,380		\$ 1,611,720	
	End-User Revenue Requirement w/o FFU (2018 Amortization)	\$ 99,535,035		\$ 99,535,035		\$ -	
	LUAF Revenue Requirement w/o FFU (2018 Amortization)	\$ 3,647,030		\$ 3,647,030		\$ -	
	Company Facilities Revenue Requirement w/o FFU (2018 Amortization)	\$ 1,976,041		\$ 1,976,041		\$ -	
	Total Revenue Requirement w/out FFU	\$ 302,291,566		\$ 322,773,627		\$ 246,196,341	
Cost Balancing Account Balances w/o FFU							
	End-User w/o FFU	\$ -		\$ (51,990,590)		\$ (53,821,886)	
	LUAF w/o FFU	\$ -		\$ 2,163,359		\$ (9,240,526)	
	Company Facilities w/o FFU	\$ -		\$ (1,061,523)		\$ (2,149,734)	
	Total Balancing Accounts w/o FFU	\$ -		\$ (50,888,754)		\$ (65,212,147)	
	Total GHG Costs in Rates w/out FFU	\$ 302,291,566		\$ 271,884,873		\$ 180,984,194	

Note 1/ 2020 Forecasted Revenue Requirement from AL 5530.

Note 2/ 2020 Recorded Compliance Instrument Costs include actual expenses for January through August.

Note 3/ Pursuant to D.18-03-017 and Advice No. 5426, 2018 revenue requirement was amortized over 18-month period, from April 1, 2019 to September 30, 2019.

Therefore, the amount is excluded from the Forecast 2021 Revenue Requirement.

Attachment H – Table A

SoCalGas Gross Compliance Obligation is calculated as the 2021 throughput forecast in the most recent California Gas Report less throughput associated with covered entities plus an estimate for Lost and Unaccounted-For (LUAF) gas and a forecast of emissions for SoCalGas' applicable covered Facilities. SoCalGas' directly allocated allowances are reduced by 55%, which is the minimum consigned percentage required for 2021 by the Cap-and-Trade Program regulations. The Proxy GHG Allowance price is the 5-day average of forward prices for October 1-2 and October 5-7 on the Intercontinental Exchange (ICE) for a California Carbon Allowance (CCA) with December delivery in 2020.

The resulting 2021 Forecast Revenue Requirement is \$250.4 million (including FF&U). This is composed of \$241.7 million for end users, \$7 million for LUAF gas, and \$1.6 million for company facilities.

In addition, pursuant to Decision 18-03-017 and Advice No. 5426, the 2018 revenue requirement of \$107 million (including FF&U) was amortized over an 18-month period, from April 1, 2019 through September 30, 2020. Therefore, the amount is excluded from the Forecast 2021 Revenue Requirement.

SoCalGas also forecasts to amortize in 2021 rates a \$66.3 million GHGBA overcollected balance. As a result, the total impact is \$184.1 million (\$250.4 million - \$66.3 million).

ATTACHMENT H
Advice No. 5712-A

Table C: GHG Allowance Proceeds

Line	Description	2019		2020		2021	
		Forecast	Recorded	Forecast 1/	Recorded 2/	Forecast	Recorded
1	Proxy GHG Allowance Price (\$/MT)	\$ 16.41		\$ 18.16		\$ 17.91	
2	Directly Allocated Allowances	20,241,540		19,822,267		19,030,307	
3	Percentage Consigned to Auction	45%		50%		55%	
4	Consigned Allowances	9,108,693		9,911,133		10,466,669	
5	Allowance Proceeds	\$ (149,473,652)	\$ (151,323,585)	\$ (179,966,353)	\$ (162,490,653)	\$ (187,437,108)	
6	Previous Year's Revenue Balancing Subaccount Balance	\$ -		\$ (8,282,334)		\$ 21,256,735	
7	Interest		\$ (4,689,964)		\$ 117,540		
8	Subtotal Allowance Proceeds (\$) (Line 5 + Line 6 + Line 7)	\$ (149,473,652)	\$ (156,013,549)	\$ (188,248,687)	\$ (162,373,113)	\$ (166,180,374)	
9	Outreach and Admin Expenses (\$) (from Table D)	\$ 50,000	\$ 74,955	\$ -	\$ -	\$ -	
9b	SB 1477 Compliance Costs 3/			\$ 24,630,000	\$ 30,787,500	\$ 24,630,000	
10	Net GHG Proceeds Available for Customer Returns (\$) (Line 8 + Line 9 + Line 9b)	\$ (149,423,652)	\$ (155,938,594)	\$ (163,618,687)	\$ (131,585,613)	\$ (141,550,374)	
11	Number of Residential Households	6,222,114		6,257,534		6,322,188	
12	Per Household California Climate Credit (\$) (Line 10 / Line 11)	\$ (24.01)		\$ (26.15)		\$ (22.39)	
Effects of Netting							
13	Net Revenue after Netting 2015-2017 Costs and Revenues						
14	Net GHG Proceeds Available for Customer Returns (\$) (Line 10 + Line 13)	\$ (149,423,652)		\$ (163,618,687)		\$ (141,550,374)	
15	Per Household California Climate Credit (\$) (Line 14 / Line 11)	\$ (24.01)		\$ (26.15)		\$ (22.39)	

Note 1/ 2020 Forecasted Allowance Proceeds from AL 5530.

Note 2/ 2020 Recorded Compliance Instrument Costs include actual expenses for January through August.

Note 3/ Per SB 1477, SoCalGas is required to allocate and fund \$24.63 million to pay for the BUILD program and TECH Initiative. Revised Forecast 2020 costs to include SB 1477 funding per AL 5588.

Attachment H – Table C

The same Proxy GHG Allowance Price is used for the forecast of GHG Allowance Proceeds as for the Forecast Revenue Requirement discussed in Table A. Table C estimates the consigned allowances as 55% of SoCalGas' directly allocated allowances for 2021, consistent with Table A. As a result, SoCalGas calculates Allowance Proceeds of \$187.4 million. There are no forecasted 2021 Outreach and Administrative Expenses per Table D. However, SoCalGas forecasts an undercollected balance in the Consignment Revenues subaccount of the GHGBA totaling \$21.3 million. Additionally, SoCalGas deducts their proportional share of the first \$50 million (\$24.630 million) of annual allowance proceeds for the Building Initiative for Low-Emissions Development (BUILD) and Technology and Equipment for Clean Heating (TECH) programs, from their calculations of the 2021 Climate Credit. So, in total, SoCalGas forecasts 2021 GHG Allowance Proceeds of \$141.6 million. When distributed to 6.3 million residential households, SoCalGas' 2021 California Climate Credit will be \$22.39.

ATTACHMENT H
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Table D: GHG Outreach and Administrative Expenses

Line	Description	2019		2020		2021	
		Forecast	Recorded	Forecast	Recorded 1/	Forecast	Recorded
1	Outreach Expenses						
2	Detail of Outreach Activity (\$)	\$ 50,000	\$ 48,027	\$ -		\$ -	
3	Subtotal Outreach (\$)	\$ 50,000	\$ 48,027	\$ -		\$ -	
4	Administrative Expenses						
5	Acquisition (\$)	\$ -	\$ -	\$ -		\$ -	
6	Billing (\$)	\$ -	\$ -	\$ -		\$ -	
7	Program Management (\$)	\$ -	\$ 2,081	\$ -		\$ -	
8	Subtotal Administrative (\$)	\$ -	\$ 2,081	\$ -		\$ -	
9	Subtotal Outreach and Administrative (\$)	\$ 50,000	\$ 50,108	\$ -		\$ -	
10	Interest (\$)		\$ 24,847				
11	Total (\$)	\$ 50,000	\$ 74,955	\$ -		\$ -	

Notes:

Note 1/ Recorded costs for 2020 represent actual expenses from January through August 2020.

ATTACHMENT H
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Table E: Compliance Obligation Over Time

	2015	2016	2017	2018	2019	2020
Natural Gas Fuel Supplier Compliance Obligation (MTCO₂e)	20,441,116	20,563,991	20,697,845	20,661,693	22,217,101	N/A
Company Facility Compliance Obligation (MTCO₂e)	238,948	86,710	114,690	74,824	77,450	N/A

ATTACHMENT I
Advice No. 5712-A

Net Natural Gas Compliance Obligation
Purchase Limits and Recorded GHG Costs

CONFIDENTIAL AND PROTECTED MATERIALS
PURSUANT TO PUC SECTION 583, GO-66D, AND D.17-09-023

ATTACHMENT A

SoCalGas Request for Confidentiality on the following information in Appendix I of Advice Letter 5712-A

Location of Protected Information	Legal Citations	Narrative Justification
Appendix I – Table B: Recorded GHG Costs	<p>17 CCR Section 95914(c)(1)</p> <p>D.15-10-032, including Appendix B (Greenhouse Gas Information Confidentiality Protocols Sections 1.a to 1.c.)</p> <p>CPRA Exemption, Gov’t Code §6254.7(d) (Trade Secrets).</p> <p>CPRA Exemption, Gov’t Code §6254(k) (“Records, the disclosure of which is exempted or prohibited pursuant to federal or state law”)</p> <ul style="list-style-type: none"> • Evidence Code, §1060 • Civil Code, §3426 <i>et. seq.</i> 	<p>17 CCR Section 95914(c)(1) of the Cap-and-Trade regulations prohibit disclosure of any auction-related information, except when the release is made by a privately-owned utility to its regulatory agency pursuant to its rules, orders or decisions (Section 95914(c)(2)). Violation of Section 95914 may subject SoCalGas to penalties by the California Air Resources Board.</p> <p>In addition, Table B contains commercially sensitive information the disclosure of which would place SoCalGas at an unfair business disadvantage and results in higher Cap-and-Trade compliance costs for SoCalGas and its end-use ratepayers.</p> <p>SoCalGas derives economic value from this information being confidential, and it is subject to efforts by SoCalGas to maintain its confidentiality.</p>

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

**DECLARATION OF DONNA NEWTON
REGARDING CONFIDENTIALITY OF CERTAIN DATA/DOCUMENTS
PURSUANT TO D.17-09-023**

I, Donna Newton, do declare as follows:

1. I am the Contract and Risk Administration Manager, designated by Jawaad Malik, VP Gas Acquisition for Southern California Gas Company (“SoCalGas”), to submit this declaration. I have been delegated authority to sign this declaration by Jawaad Malik, VP Gas Acquisition. I have reviewed the attached Appendix I to the Annual Regulatory Account Balance Update for Rates Effective January 1, 2021, submitted concurrently herewith (the “Appendix”). In addition, I am personally familiar with the facts and representations in this Declaration and, if called upon to testify, I could and would testify to the following based upon my personal knowledge and/or belief.

2. I hereby provide this Declaration in accordance with Decision (“D.”) D-17-09-023 and General Order (“GO”) 66-D to demonstrate that the confidential information (“Protected Information”) provided in Appendix I submitted concurrently herewith is within the scope of data protected as confidential under applicable law.

3. In accordance with the legal citations and narrative justification described in Attachment A, the Protected Information should be protected from public disclosure.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct to the best of my knowledge.

Executed this 20th day of October 2020, at Los Angeles, California.

Donna Newton

Donna Newton
Contract and Risk Administration Manager

ATTACHMENT A

SoCalGas Request for Confidentiality on the following information in Appendix I of Advice Letter 5712-A

Location of Protected Information	Legal Citations	Narrative Justification
<p>Appendix I – Net Natural Gas Compliance Obligation Purchase Limits – highlighted items</p>	<p>D.15-10-032, including Appendix B (Greenhouse Gas Information Confidentiality Protocols, Section 1.d)</p> <p>CPRA Exemption, Gov’t Code §6254.7(d) (Trade Secrets).</p> <p>CPRA Exemption, Gov’t Code §6254(k) (“Records, the disclosure of which is exempted or prohibited pursuant to federal or state law”)</p> <ul style="list-style-type: none"> • Evidence Code, §1060 • Civil Code, §3426 <i>et. seq.</i> 	<p>Commercially sensitive Cap-and-Trade information such as internal forecast of compliance obligation falls under the “Confidential” category included in the Confidentiality Protocols of D.15-10-032 (Appendix B). Disclosure of this information may place SoCalGas at a competitive disadvantage and result in higher Cap-and-Trade compliance costs for SoCalGas and its end-use ratepayers.</p> <p>SoCalGas derives economic value from this information being confidential, and it is subject to efforts by SoCalGas to maintain its confidentiality.</p>