



**Joseph Mock**  
Director  
Regulatory Affairs

555 W. Fifth Street, GT14D6  
Los Angeles, CA 90013-1011  
Tel: 213.244.3718  
Fax: 213.244.4957  
[JMock@socalgas.com](mailto:JMock@socalgas.com)

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Advice No. 6209-G  
(U 904 G)

Public Utilities Commission of the State of California

**Subject: Energy Efficiency Program True-Up Advice Letter Requirement per Decision (D.) 23-06-055**

Southern California Gas Company (SoCalGas) hereby respectfully requests California Public Utilities Commission (Commission) approval of SoCalGas's adjustments to its 2024-2027 Energy Efficiency program portfolio to account for the changes resulting from D.23-06-055 and the Commission's updated energy efficiency potential and goals.

### **Purpose**

SoCalGas submits this advice letter filing in compliance with D.23-06-055,<sup>1</sup> which directs the investor-owned utilities (IOUs) to file a True-Up advice letter (TUAL) within 60 days after the Commission issues a decision updating the energy efficiency potential and goals in Rulemaking 13-11-005. The Commission updated the energy efficiency potential and goals in D.23-08-005, thus this advice letter is timely.

The required TUAL includes modifications to SoCalGas's Total System Benefits (TSB) forecasts, cost-effectiveness forecasts, annual budgets (within the authorized four-year budget cap), and program segmentation.<sup>2</sup>

### **Background**

In D.21-05-031, the Commission required that each year on September 1, in the odd years when the Commission has adopted the energy efficiency potential and goals, each energy efficiency program administrator (PA) file either a portfolio true-up (before the start of a four-year portfolio) or a mid-cycle review (in year two of a four-year portfolio) Tier 2

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<sup>1</sup> D.23-06-055, Ordering Paragraph (OP) 37.

<sup>2</sup> *Id.* at 97.

advice letter adjusting technical inputs, forecasts, and the portfolio to account for the changes in energy efficiency potential and goals.<sup>3</sup>

In D.23-06-055, the Commission adjusted this filing date from September 1 to 60 days after the Commission issues a decision updating the energy efficiency potential and goals in Rulemaking 13-11-005.<sup>4</sup>

On August 16, 2023, the Commission issued D.23-08-005, which revised the energy efficiency potential and goals and adopted new annual TSB and energy savings targets for 2024 through 2035 for California IOUs. The new annual TSB targets are assigned to the IOUs' incentive-based programs. Also, the Commission adopted annual 2024-2035 energy savings targets assigned to the IOU codes and standards programs.<sup>5</sup>

In compliance with D.23-06-055,<sup>6</sup> SoCalGas's TUAL filing includes updates based on the following:

- Guidance in D.21-05-031, such as adjustments to forecasts stemming from updated input, including TSB goals, avoided cost calculator updates, a new database for energy efficiency (DEER) values, etc.<sup>7</sup>
- Updated statewide allocations and resulting budgets (within the authorized cap) and savings forecasts; and,
- Updates or corrections to program segmentation.<sup>8</sup>

## **Discussion**

### **A. Energy Efficiency Program Budget for 2024-2027**

In D.23-06-055, the Commission approved SoCalGas's requested 2024-2027 energy efficiency program budget by adopting a total SoCalGas energy efficiency program budget cap of \$615,873,145.<sup>9</sup> Pursuant to D.23-06-055, SoCalGas presents its energy efficiency program budgets for 2024-2027 by making the following adjustments:

1. Energy efficiency program budgets have been adjusted based on the increase in SoCalGas annual TSB targets<sup>10</sup> and the Commission approved 2024-2027 budget cap.
2. The revised energy efficiency budget reflects the updated statewide funding contributions adopted in D.23-06-055.<sup>11</sup>

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<sup>3</sup> D.21-05-031, OP 10.

<sup>4</sup> D.23-06-055, OP 37.

<sup>5</sup> D.23-08-005 at 19, Table 8: Annual TSB and Energy Efficiency Targets for SoCalGas (2024-2035).

<sup>6</sup> D.23-06-055 at 97.

<sup>7</sup> D.21-05-031, OP 10.

<sup>8</sup> D.23-06-055 at 97.

<sup>9</sup> *Id.* at Table 7: Authorized Budgets by PA

<sup>10</sup> D.23-08-005 at 19, Table 8: Annual TSB and Energy Efficiency Targets for SoCalGas (2024-2035).

<sup>11</sup> D.23-06-055, OP 1.

- Adjustment increases SoCalGas’s contribution to statewide activities for the 2024-2027 program cycle.
3. In response to Commission directives, SoCalGas included additional activities in its approved 2024-2027 budget, as detailed in Attachment A, and described under budget category descriptions, including funding for:
- The new Statewide Home Energy SCORE program.<sup>12</sup>
  - Innovative integrated demand-side management (IDSM) projects, including ongoing load-shifting that is not event-based.<sup>13</sup>
  - Energy Division portfolio oversight consulting and technical support.<sup>14</sup>
  - Conducting a Non-Energy Benefits (NEB) study to update and improve the quantification of NEBs as an indicator for equity segment program performance.<sup>15</sup>

In addition to the budget details noted above, SoCalGas presents its 2024-2027 energy efficiency portfolio budget in Table 1 below, as well as in Attachment A.

**Table 1 - Portfolio Budget by Sector and Segment (Cumulative for PY 2024-2027)**

Budget Category	Program Segment				Total
	Resource Acquisition	Market Support	Equity	Codes & Standards	
Residential Sector	\$ 122,475,222	\$ 26,992,989	\$ 90,474,546	\$ -	\$ 239,942,756
Commercial Sector	\$ 147,750,249	\$ 8,518,518	\$ -	\$ -	\$ 156,268,767
Industrial Sector	\$ 62,726,006	\$ 4,311,458	\$ -	\$ -	\$ 67,037,464
Agricultural Sector	\$ 19,550,545	\$ 3,369,590	\$ -	\$ -	\$ 22,920,135
Public Sector	\$ 36,113,022	\$ 12,801,452	\$ -	\$ -	\$ 48,914,474
Cross Cutting Sector					
Emerging Tech	\$ -	\$ 6,867,203	\$ -	\$ -	\$ 6,867,203
WE&T	\$ 7,497,643	\$ 22,645,072	\$ 4,818,493	\$ -	\$ 34,961,209
Finance	\$ -	\$ 2,133,225	\$ -	\$ -	\$ 2,133,225
Codes & Standards [1]	\$ -	\$ -	\$ -	\$ 7,036,712	\$ 7,036,712
Portfolio Support [2]	\$ 3,059,620	\$ 676,938	\$ 736,054	\$ -	\$ 4,472,611
OBF Loan Pool [3]					\$ -
<b>Portfolio Subtotal [4]</b>	<b>\$ 399,172,307</b>	<b>\$ 88,316,443</b>	<b>\$ 96,029,094</b>	<b>\$ 7,036,712</b>	<b>\$ 590,554,556</b>
<p>[1] Pursuant to D.18-05-041 SoCalGas no longer engages in federal or statewide codes and standards advocacy as part of its EE portfolio, other than to transfer funds to Pacific Gas and Electric Company as the statewide lead.</p> <p>[2] The SoCalGas Portfolio Support line item consists of indirect costs for policy support, regulatory reporting, budget and accounting support, and IT system costs which are general overhead costs to support the energy efficiency portfolio.</p> <p>[3] Decision 23-08-026 did not authorize an increase to the OBF loan pool.</p> <p>[4] Excludes EM&amp;V and ED Portfolio Oversight Costs.</p>					

<sup>12</sup> *Id.* at OP 3.

<sup>13</sup> D.23-06-055, OP 29.

<sup>14</sup> D.23-06-055, OP 9.

<sup>15</sup> D.23-06-055, OP 17.

## B. Total System Benefits Forecast

For 2024-2027, SoCalGas will continue to offer a comprehensive suite of energy efficiency program solutions to meet the dynamic energy needs of its customers. SoCalGas will build on its programmatic successes in previous program cycles to further refine its portfolio administrative and program implementation processes.

To assist SoCalGas in achieving the Commission's aggressive long-term energy efficiency goals, SoCalGas will continue to partner with municipal electric utilities, water agencies, air quality districts, and municipal governments to increase program reach, enhance cost-effectiveness, and offer comprehensive demand-side management offerings for the more than 22 million energy consumers throughout the service territory. The utility partnering approach minimizes lost opportunities, allows for more comprehensive and deeper energy efficiency projects, and increases operational efficiencies, allowing for more streamlined delivery of ratepayer-funded programs. SoCalGas will position each business partner to maximize customer participation and energy efficiency adoption to achieve the Commission's aggressive annual TSB targets.<sup>16</sup> SoCalGas presents its 2024-2027 energy efficiency portfolio TSB forecast in Table 2 below, as well as in Attachment A.

**Table 2 - Annual and Cumulative Total System Benefit Forecast**

Segment	PY 2024	PY 2025	PY 2026	PY 2027	Cumulative
Resource Acquisition	\$ 230,599,281	\$ 248,725,039	\$ 247,641,923	\$ 260,581,646	\$ 987,547,889
Market Support	\$ 3,879,342	\$ 5,513,599	\$ 5,238,067	\$ 5,459,666	\$ 20,090,674
Equity	\$ 20,399,886	\$ 21,399,409	\$ 22,716,699	\$ 23,713,301	\$ 88,229,295
<b>Total TSB Forecast</b>	<b>\$ 254,878,509</b>	<b>\$ 275,638,047</b>	<b>\$ 275,596,689</b>	<b>\$ 289,754,613</b>	<b>\$ 1,095,867,858</b>
SoCalGas TSB Goal [1]	\$ 164,432,152	\$ 188,742,137	\$ 203,872,384	\$ 215,483,664	\$ 772,530,337
<i>TSB Forecast / TSB Goal</i>	<b>155%</b>	<b>146%</b>	<b>135%</b>	<b>134%</b>	<b>142%</b>

[1] SoCalGas TSB Goal adopted in CPUC Decision 23-08-005.

SoCalGas has updated its energy efficiency measures offering, consistent with the Commission's recently adopted DEER updates, as presented in Resolution E-5221, dated October 20, 2023. This Resolution approves updates to the DEER for program year (PY) 2024 and a revised version of DEER for PY2023 and PY2022, in compliance with D.15-10-028, D.21-05-031, and Resolutions E-4818, E-4952, E-5009, E-5082, and E-5152.

## C. Energy Savings Forecast

SoCalGas will partner with its customers through a concerted effort across the Resource Acquisition, Market Support, and Equity program segments by integrating the ideals of

<sup>16</sup> D.23-08-005, Table 8: Annual TSB and Energy Efficiency Targets for SoCalGas (2024-2035, p. 19).

innovation and partnership. SoCalGas will administer and oversee implementation of a vast portfolio that will produce energy savings spanning over all sectors as specified in the Business Plan. The goal of achieving comprehensive deep efficiency savings will be at the forefront of all resource programs to help achieve this goal.

**Table 3 – SoCalGas Energy Efficiency Program Energy Savings Forecast**

	2024	2025	2026	2027	Total
Therms	29,761,841	31,379,310	30,234,116	29,349,254	120,724,522
kWh	9,472,312	9,569,977	9,774,501	9,974,182	38,790,972
kW	3,493	3,504	3,541	3,589	14,128

In addition to the program savings above, SoCalGas presents its 2024-2027 Codes & Standards savings forecast in Table 4 below, as well as in Attachment A.<sup>17</sup>

**Table 4 - Annual and Cumulative Codes and Standards Savings Forecast**

Savings Unit	PY 2024	PY 2025	PY 2026	PY 2027	Cumulative
GWh Forecast	0	0	0	0	0.0
GWh CPUC Goal	0	0	0	0	0.0
<i>GWh Forecast/Goal</i>	-	-	-	-	-
MW Forecast	0	0	0	0	0.0
MW CPUC Goal	0	0	0	0	0.0
<i>MW Forecast/Goal</i>	-	-	-	-	-
MMThm Forecast [1]	24.2	23.6	20.2	17.0	85.0
MMThm CPUC Goal [2]	25.6	25.0	16.1	16.5	83.2
<i>MMThm Forecast/Goal</i>	95%	94%	125%	103%	102%

[1] According to PG&E, the statewide program lead: the gas savings C&S forecast is lower than the C&S goal in 2024-2025 based on the use of updated building construction data from the Opinion Dynamics (2022) PY 2016-2018 Building Codes Advocacy Program Evaluation. The 2023 CPUC Potential and Goals Study used older assumptions with higher construction rates to develop savings goals.

[2] SoCalGas Codes and Standards Therm Goal adopted in CPUC Decision 23-08-005.

#### D. Total Resource Cost Test Forecast

The Commission, in D.23-06-055, found that all PAs have met the Commission's requirements for forecast cost-effectiveness and total system benefits.<sup>18</sup> In the same Decision, the Commission directed PAs to make selective changes to its portfolio and budget, as described in this filing. Additionally, SoCalGas made selective adjustments to achieve the increased annual TSB targets adopted in D.23-08-005.<sup>19</sup> As a result of these

<sup>17</sup> Pursuant to D.18-05-041 SoCalGas no longer engages in federal or statewide codes and standards advocacy as part of its EE portfolio, other than to transfer funds to Pacific Gas and Electric Company as the statewide lead.

<sup>18</sup> D.23-06-055, p. 2.

<sup>19</sup> D.23-08-005 at 19, Table 8: Annual TSB and Energy Efficiency Targets for SoCalGas (2024-2035).

changes, SoCalGas's revised Total Resource Cost test ratio for its 2024-2027 energy efficiency portfolio is shown in Table 5 below, as well as in Attachment A.

**Table 5 - Portfolio Cost-Effectiveness Ratios (PY 2024-2027)**

		TRC ratio	PAC ratio	RIM ratio
Segment	Resource Acquisition	2.06	2.52	2.38
	Market Support	0.23	0.25	0.24
	Equity	0.89	0.93	0.91
	Codes and Standards (C&S)	2.35	141.00	65.20
Portfolio	Including C&S	1.82	3.29	3.10
	Excluding C&S	1.59	1.86	1.76

The SoCalGas *ex ante* cost-effectiveness results reflect the inclusion of the following:

- Use of the 2024 CET avoided cost version.
- Excludes the 5% market effects adjustment from PA forecasts, as required in D.19-08-034.<sup>20</sup>
- Uses approved workpaper values based on Resolution E-5221.
- General Rate Case loaders associated with the energy efficiency program labor, as directed by D.12-11-015, OP 39.

### E. Market Support & Equity

In D.21-05-021, the Commission directed all PAs to segment their portfolios into three categories, with the primary purposes of resource acquisition, market support, and equity.<sup>21</sup> In the same Decision, the Commission limited the expenditures in the individual IOU and community choice aggregators' portfolios on market support and equity programs combined to a total of no more than 30 percent of their total budget, including statewide programs.<sup>22</sup> SoCalGas presents its 2024-2027 energy efficiency portfolio budget in conformance with the Commission's three segments and 30 percent limit, as shown in Table 2.3 of Attachment A.

The combined budgets for the Market Support and Equity segments in this program cycle are below 30% for each program year and the Resource Acquisition segment has a TRC ratio greater than 1.0.

SoCalGas will focus resource acquisition activities on achieving the Commission's annual TSB goal and delivering cost-effective benefits to the natural gas system. Through its Market Support segment, SoCalGas will enable the long-term success of the energy efficiency market by educating customers, training contractors, building partnerships, and evolving energy efficiency technologies towards greater cost-effectiveness. SoCalGas's equity approach will rely on tactical strategies such as coordinated engagement with

<sup>20</sup> D.19-08-034 at 37.

<sup>21</sup> D.21-05-031, OP 2.

<sup>22</sup> D.21-05-031, OP 4.

equity-qualified customers, including those in disadvantaged communities, hard-to-reach, and low-income customers in partnership with Energy Savings Assistance program.

SoCalGas presents its sector level budgets for its 2024-2027 energy efficiency portfolio in Table 6 below, as well as in Attachment A.

**Table 6 - Annual and Cumulative Budget**

Segment	PY 2024	PY 2025	PY 2026	PY 2027	Cumulative
Resource Acquisition	\$ 99,943,076	\$ 99,764,021	\$ 99,732,030	\$ 99,733,180	\$ 399,172,307
Market Support	\$ 22,002,046	\$ 22,157,590	\$ 22,082,412	\$ 22,074,395	\$ 88,316,443
Equity	\$ 23,934,339	\$ 23,957,850	\$ 24,065,019	\$ 24,071,886	\$ 96,029,094
Codes and Standards	\$ 1,759,178	\$ 1,759,178	\$ 1,759,178	\$ 1,759,178	\$ 7,036,712
EM&V [1]	\$ 6,158,731	\$ 6,158,731	\$ 6,158,731	\$ 6,158,731	\$ 24,634,926
<b>Total Budget w/o OBF Loan Pool</b>	<b>\$ 153,797,370</b>	<b>\$ 153,797,370</b>	<b>\$ 153,797,370</b>	<b>\$ 153,797,370</b>	<b>\$ 615,189,481</b>
Market Support and Equity, percent of Total Budget w/o OBF Loan Pool					29.9%
OBF Loan Pool Addition [2]	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Budget excluding Portfolio Oversight</b>	<b>\$ 153,797,370</b>	<b>\$ 153,797,370</b>	<b>\$ 153,797,370</b>	<b>\$ 153,797,370</b>	<b>\$ 615,189,481</b>
ED Portfolio Oversight	\$ 170,916	\$ 170,916	\$ 170,916	\$ 170,916	\$ 683,664
<b>Total Portfolio Budget w/ ED Portfolio Oversight</b>	<b>\$ 153,968,286</b>	<b>\$ 153,968,286</b>	<b>\$ 153,968,286</b>	<b>\$ 153,968,286</b>	<b>\$ 615,873,145</b>
<b>Approved Budget Cap [3]</b>					<b>\$ 615,873,145</b>
[1] EM&V includes the IOU and REN portion.					
[2] Decision 23-08-026 did not authorize an increase to the OBF loan pool.					
[3] Decision 23-06-055, Ordering Paragraph 5.					

## F. Statewide / Third-Party Compliance

SoCalGas has constructed its energy efficiency portfolio in a manner that will meet customer needs and exceeds the Commission's compliance requirements. In D.18-01-004, the Commission established its outsourcing requirements such that more than 60% of SoCalGas's energy efficiency portfolio would consist of programs proposed, designed, and implemented by third-party implementers.<sup>23</sup> SoCalGas has consistently achieved that requirement and will continue to do so in the 2024-2027 program period.

<sup>23</sup> D.18-01-004, OP 1.

Additionally, in D.16-08-019, the Commission set up a structure to implement programs in a statewide manner, where the requirement for SoCalGas was recently adjusted to 10%.<sup>24</sup> SoCalGas will also achieve that requirement in the 2024-2027 program period.

SoCalGas presents the percentage of its 2024-2027 energy efficiency portfolio with statewide and third-party implemented programs in Table 7 below, as well as in Attachment A.

**Table 7 - Portfolio Statewide and Third-Party Contribution Percentage Requirements**

Budget Component	Qualifying Budget	Cumulative Total Budget w/o OBF Loan Pool	Contribution Percentage	Minimum Threshold
Statewide [1]	\$67,127,088	\$615,873,145	11%	10%
Third-Party [2]	\$378,074,099	\$615,873,145	61%	60%
[1] The statewide program definition was determined in D.16-08-019, OP 8. The Commission in D.23-06-055, p. 9 set the SoCalGas minimum threshold at 10%				
[2] The third-party program definition was determined in D.16-08-019, OP 10.				

### G. Request for Program Closures

Since the submittal of SoCalGas's Business Plan on March 4, 2022 and the submittal of this TUAL, SoCalGas has closed several programs. These are shown below:

Program Number	Program Name	Description
SCG3707	RES-Residential New Construction Program	The California Advanced Homes Program (CAHP) has been sunsetted and the remaining committed projects will be installed, verified, and paid by 12/31/2023. As a result, this program will be closed.
SCG3831	RES-EE Kit Delivery Program	SoCalGas submitted AL 6095, which was approved by the Commission on June 13, 2023, requesting to add the EE Kits program budget to the Community Language Efficiency Outreach (CLEO) program. In 2022, SoCalGas intended to solicit the EE Kits program, but with a program budget of \$150K/year, the Procurement Review Group and the Independent Evaluator recommended eliminating the solicitation and instead add the scope of work to the CLEO program. As a result, SoCalGas is closing this program.

<sup>24</sup> D.16-08-019, OP5; D.23-06-055, Table 3: Updated Statewide Program Budget Totals Using New Statewide Allocations Reflected Budgets as Filed and as Updated for 2024-2027.



SCG3888	RES-Multifamily Space and Water Heating Controls Program	SoCalGas submitted AL 6139 to close the program, which was approved by the Commission on June 2, 2023.
SCG3900	IND-Industrial EE Solicitation	This program was a placeholder for the then-future solicitation of the industrial market sector. SoCalGas submitted AL 6113-A, which was approved on May 25, 2023 that confirmed four third-party implementation contracts from the industrial sector solicitation.
SCG3926	RES-SW-New Construction Program	PG&E is the statewide lead for the New Construction energy efficiency programs. PG&E filed AL 4680, which was approved by the Commission on December 14, 2022 that closed the Statewide Residential New Construction (Mixed Fuel) program. As a result, SoCalGas no longer contributes funding or participates in a closed program.
N/A	RES-SW-New Construction Program-PA	PG&E is the statewide lead for the New Construction energy efficiency programs. PG&E filed AL 4680 which was approved by the Commission on December 14, 2022 that closed the Statewide Residential New Construction (Mixed Fuel) program. As a result, SoCalGas no longer contributes funding or participates in a closed program.

## H. Progress on Segment Metrics

The Commission requires the PAs “to develop metrics and criteria for evaluating progress of all programs, with particular focus on market support and equity programs that may not have measurable energy savings.”<sup>25</sup> D.21-05-031 further requires that True-Up or Mid-Cycle Advice Letters include a report on the progress against metrics relevant for each segment of the portfolio.<sup>26</sup> Therefore, SoCalGas provides its progress below.

- Resource Acquisition: Regarding the resource acquisition metrics, SoCalGas recommends visiting CEDARS for reporting information relevant to the resource acquisition segment.<sup>27</sup>

<sup>25</sup> D.21-05-031, p. 75.

<sup>26</sup> Id, p. 43.

<sup>27</sup> CEDARS: <https://cedars.sound-data.com/>

- **Market Support and Equity:** The process to develop market support and equity metrics is ongoing through CAEECC, and is expected to be resolved in the next few years, as the Business Plan Decision requires:

By no later than March 1, 2025, the PAs must submit a joint Tier 3 advice letter that: (a) Defines the process for proposing and adopting long term market support and equity goals; (b) Defines options for two or three goal constructs each for market support and equity segments, where a construct describes how to recognize success by: i. Demonstrating alignment with objectives; ii. Identifying which metric(s) or indicator(s) should be used for goals; iii. Whether goals should be set statewide, by territory, or by portfolio administrator; iv. Anticipated timeline for goal achievement; and v. Necessary baseline information. (c) Defines what study or studies process is necessary to quantify goals and propose a budget for each study from the funding set aside from the EM&V budgets, as directed above.<sup>28</sup>

Market support and equity metrics are expected to be available for the 2028 program cycle.

#### **I. Evaluation Measurement and Verification (EM&V)**

SoCalGas EM&V efforts will continue to provide ongoing support to the portfolio focus areas consistent with the SoCalGas 2024-2031 Energy Efficiency Business Plan and 2024-2027 Portfolio Plan:

1. Portfolio *Ex Ante* Savings
2. Portfolio Optimization and Evolution
3. Support *Ex Post* Program Impacts
4. General Portfolio and Program EM&V Support

Consistent with the Commission direction, SoCalGas's energy efficiency portfolio budget presented in Attachment A includes sufficient funds to contribute its share of the following Commission-required EM&V activities:

- SoCalGas will work with other PAs to select one PA to hire a vendor or vendors to conduct a study to set goals for the market support and equity segment indicators.<sup>29</sup> The total statewide PA budget for this effort is \$1 million.
- In coordination with the IOUs, SoCalGas will select a study lead to, with input from a stakeholder working group including all portfolio administrators and oversight by Energy Division staff, conduct a non-energy benefits study to update and improve quantification of non-energy benefits as an indicator for equity segment program performance. The total statewide IOU budget for this effort is \$500k.<sup>30</sup>
- In coordination with the IOUs, SoCalGas will make available its share of \$1 million annually to Commission staff in reimbursable funding for purposes of portfolio

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<sup>28</sup> D.23-06-055, p. 70.

<sup>29</sup> D.23-06-055, OP 25.

<sup>30</sup> D.23-06-055, OP 17.

oversight consulting and technical support in the same manner that evaluation, measurement, and verification funding is currently budgeted.<sup>31</sup>

## J. Cost Recovery and Revenue Requirements

SoCalGas presents the cost recovery information associated with its 2024-2027 energy efficiency portfolio and the SoCalGas portion of the authorized budget of the Regional Energy Networks. This information is presented in Table 8 below, as well as in Attachment A.

**Table 8 - Total Cost Recovery Request, Including REN/CCA and Other Costs**

Program Administrator	(a) PA Programs	(b) ED Portfolio Oversight	(c) EM&V PA [1]	(d) EM&V ED [1]	(e) Unspent & Uncommitted Funds for 2024-2027 Offset [2]	(f) Total
SoCalGas	\$590,554,556	\$683,664	\$6,027,700	\$15,903,496		\$613,169,416
SoCalREN	\$32,830,405	\$-	\$363,402	\$945,772	\$(408,931)	\$33,730,648
3C-REN	\$14,273,498	\$-	\$157,008	\$413,932	\$(1,984,778)	\$12,859,660
I-REN	\$10,065,790	\$-	\$115,337	\$304,072	\$-	\$10,485,200
R-REN	\$10,105,138	\$-	\$111,157	\$293,049	\$-	\$10,509,344
BayREN	\$900,000	\$-	\$-	\$-	\$-	\$900,000
<b>Total</b>	<b>\$658,729,387</b>	<b>\$683,664</b>	<b>\$6,774,605</b>	<b>\$17,860,321</b>	<b>\$(2,393,709)</b>	<b>\$681,654,267</b>

[1] REN EM&V costs are a subset of the SoCalGas portion of the EM&V budget.  
[2] SoCalGas has identified the unspent/uncommitted funds noted above. SoCalGas continues to work with implementers and REN partners and will provide any additional identified funds at the Mid-Cycle Advice Letter, scheduled to be filed on September 1, 2025. Per D.23-06-055 any additional unspent and uncommitted funds identified from prior portfolio cycles will be applied to the budgets and collections in the 2024-2027 period, which SoCalGas anticipates doing at the next available opportunity.

Table 9 below summarizes the revenue requirement impact by class of service associated with the authorized 2024-2027 SoCalGas energy efficiency portfolio.

<sup>31</sup> D.23-06-055, OP 9.

**Table 9: 2024 Revenue Requirement by Customer Classification**

Customer Class	Current Rates (2023)	2024			2025		2026		2027	
		\$/th	change in dollars\$	% change	change in dollars\$	% change	change in dollars\$	% change	change in dollars\$	% change
<b>Core-CARE</b>										
Residential	1.6483	1.6486	\$0.00	0.00%	\$0.00	0.00%	\$0.00	0.00%	\$0.00	0.00%
Commercial/Industrial	1.2582	1.2591	\$0.00	0.10%	\$0.00	0.20%	\$0.00	0.20%	\$0.00	0.20%
Gas AC	1.1966	1.1996	\$0.00	0.30%	\$0.01	0.60%	\$0.01	0.60%	\$0.01	0.60%
<b>Core-Non CARE</b>										
Residential	2.0899	2.0902	\$0.00	0.00%	\$0.00	0.00%	\$0.00	0.00%	\$0.00	0.00%
Commercial/Industrial	1.5966	1.5975	\$0.00	0.10%	\$0.00	0.10%	\$0.00	0.10%	\$0.00	0.10%
Gas AC	1.4671	1.4702	\$0.00	0.20%	\$0.01	0.50%	\$0.01	0.50%	\$0.01	0.50%
Gas Engine	1.1866	1.1873	\$0.00	0.10%	\$0.00	0.20%	\$0.00	0.20%	\$0.00	0.20%
Natural Gas Vehicle	1.1882	1.1882	\$-	0.00%	\$-	0.00%	\$-	0.00%	\$-	0.00%
<b>Non-core</b>										
Commercial/Industrial	0.1931	0.1932	\$0.00	0.00%	\$0.00	0.10%	\$0.00	0.10%	\$0.00	0.10%

**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 submitted electronically and must be received within 20 days after the date of this Advice Letter, which is November 5, 2023. Protests should be submitted to the attention of the Energy Division Tariff Unit at:

E-mail: [EDTariffUnit@cpuc.ca.gov](mailto:EDTariffUnit@cpuc.ca.gov)

In addition, protests and all other correspondence regarding this Advice Letter should also be sent electronically to the attention of:

Attn: Gary Lenart  
Regulatory Tariff Manager  
E-mail: [GLenart@socalgas.com](mailto:GLenart@socalgas.com)  
E-mail: [Tariffs@socalgas.com](mailto:Tariffs@socalgas.com)

**Effective Date**

SoCalGas asserts this submittal is subject to Energy Division disposition and should be classified as Tier 2 (effective after staff approval) pursuant to General Order (GO) 96-B. It is submitted pursuant to OP 37 of D.23-06-055. SoCalGas respectfully requests that this submittal become effective November 15, 2023, which is 30 calendar days after the date submitted.

**Notice**

A copy of this Advice Letter is being sent to SoCalGas' General Order (GO) 96-B service list and the Commission's service list in R.13-11-005. Address change requests to the GO 96-B service list should be directed via e-mail to [Tariffs@socalgas.com](mailto:Tariffs@socalgas.com) or call 213-244-2424. 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](mailto:Process_office@cpuc.ca.gov).

*/s/ Joseph Mock*  
Joseph Mock  
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 proposed<sup>1</sup>:

Pending advice letters that revise the same tariff sheets:

<sup>1</sup>Discuss 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](mailto:EDTariffUnit@cpuc.ca.gov)

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

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

**ATTACHMENT A**

**Advice No. 6209-G**



Appendix 1 - 2024 - 2027 Program Portfolio Budget and Targets

(a) Program ID	(b) Program Name	(c) Target Exempt	(d) Program Type	(e) Business Sector	(f) Portfolio Segment	(g) Budget	(h) TSB	(i) kWh	(j) kW	(k) Tm	(l) Change Notes
SCG3701	RES-Energy Advisor Program	Yes	Core PA	Residential	Market Support	\$ 2,069,419	\$ -	-	-	-	
SCG3702	RES-Residential Energy Efficiency Program (Resource Acquisition)	No	Core PA	Residential	Resource Acquisition	\$ 60,224,156	\$ 56,813,648	206	58	2,368,068	
SCG3705	RES-Multifamily Whole Building Program (Equity)	No	Local Third Party	Residential	Equity	\$ 13,106,584	\$ 18,333,267	310,006	-	745,200	
SCG3714	IND-Strategic Energy Management	No	Core PA	Industrial	Resource Acquisition	\$ 1,463,343	\$ 4,386,393	-	-	618,994	
SCG3729	WEAT-Integrated Energy Efficiency Training Program	Yes	Core PA	WEAT	Market Support	\$ 15,503,241	\$ -	-	-	-	
SCG3735	FIN-On-Bill Financing	Yes	Core PA	Finance	Market Support	\$ 2,149,702	\$ -	-	-	-	
SCG3760	WEAT-HERS Rater Training Program	Yes	Local Third Party	WEAT	Market Support	\$ 2,000,000	\$ -	-	-	-	
SCG3764	WEAT-Educational Outreach Program	No	Local Third Party	WEAT	Resource Acquisition	\$ 7,555,556	\$ 23,357,534	2,734,328	-	2,215,040	
SCG3771	SOL-IDEA365	Yes	Local Third Party	Cross-Cutting	Market Support	\$ 12,326,290	\$ -	-	-	-	
SCG3813	COM-Savings By Design Program	No	Core PA	Commercial	Resource Acquisition	\$ 521,356	\$ -	-	-	-	
SCG3824	RES-Residential Behavioral Program	No	Local Third Party	Residential	Resource Acquisition	\$ 17,777,778	\$ 66,352,245	-	-	40,230,469	
SCG3829	RES-Marketplace	No	Local Third Party	Residential	Market Support	\$ 15,555,556	\$ 4,578,477	281,911	(2)	180,849	
SCG3830	WEAT-Retail Partner Training Program	No	Local Third Party	WEAT	Market Support	\$ 4,888,889	\$ -	-	-	-	
SCG3832	RES-Pasadena Water & Power Home Upgrade Program	No	Local Third Party	Residential	Resource Acquisition	\$ 2,222,222	\$ 5,354,854	-	-	220,500	
SCG3833	RES-Burbank Water & Power Home Upgrade Program	No	Local Third Party	Residential	Resource Acquisition	\$ 2,000,000	\$ 4,504,878	-	-	185,500	
SCG3834	COM-LADWP Direct Install Program	No	Local Third Party	Commercial	Resource Acquisition	\$ 3,937,778	\$ 4,088,026	-	-	215,702	The SoCalGas partnership with Los Angeles Department of Water and Power's energy efficiency programs continues to expand. The increased budget is reflective of an expected increase in customer participation.
SCG3861	RES-Community Language Efficiency Outreach Program	No	Local Third Party	Residential	Equity	\$ 17,777,778	\$ 17,171,373	237,885	(2)	1,267,019	
SCG3882	COM-Small and Medium Commercial EE Program (Resource Acquisition)	No	Local Third Party	Commercial	Resource Acquisition	\$ 9,660,364	\$ 53,277,637	(104,628)	(16)	2,106,769	
SCG3883	RES-Residential Advanced Clean Energy Program (Resource Acquisition)	No	Local Third Party	Residential	Resource Acquisition	\$ 8,888,889	\$ 9,674,303	2,580,588	2,136	338,012	
SCG3884	RES-Comprehensive Mobile Home Program	No	Local Third Party	Residential	Equity	\$ 8,888,889	\$ 14,844,111	5,735,757	3,805	326,151	
SCG3885	RES-Residential Mobile Home Program	No	Local Third Party	Residential	Equity	\$ 7,777,778	\$ 2,047,474	(8,495)	(1)	77,082	
SCG3886	PUB-Public Direct Install Program	No	Local Third Party	Public	Resource Acquisition	\$ 13,888,889	\$ 17,275,789	195,916	(0)	1,388,461	
SCG3887	COM-Commercial-BEST (Resource Acquisition)	No	Local Third Party	Commercial	Resource Acquisition	\$ 7,485,037	\$ 9,911,242	115,109	(1)	996,519	
SCG3889	RES-Multifamily Energy Alliance Program (Resource Acquisition)	No	Local Third Party	Residential	Resource Acquisition	\$ 8,888,889	\$ 8,170,765	329,912	(1)	557,082	
SCG3890	AG-Agricultural Energy Efficiency Program	No	Local Third Party	Agricultural	Resource Acquisition	\$ 15,333,333	\$ 35,442,694	1,706,374	208	2,139,530	
SCG3891	COM-Service RCx Large Commercial Program	No	Local Third Party	Commercial	Resource Acquisition	\$ 3,903,158	\$ 7,196,498	-	-	1,600,201	
SCG3892	COM-Large Commercial Energy Efficiency Program	No	Local Third Party	Commercial	Resource Acquisition	\$ 18,955,939	\$ 34,433,599	12,306,017	2,597	3,023,464	
SCG3898	COM-Nonresidential Behavioral Program	No	Local Third Party	Commercial	Resource Acquisition	\$ 3,386,759	\$ 7,035,652	-	-	2,272,699	
SCG3899	PUB-Large Public Sector EE Solicitation	No	Local Third Party	Public	Resource Acquisition	\$ 7,777,778	\$ 30,913,816	2,867,771	1,041	2,281,737	
SCG3901	CC-Energy Program Outreach	Yes	Local Third Party	WEAT	Equity	\$ 4,000,000	\$ -	-	-	-	
SCG3909	CC-Nonresidential Energy Advisor	Yes	Local Third Party	Cross-Cutting	Market Support	\$ 3,332,444	\$ -	-	-	-	
SCG3910	CC-Nonresidential Calculated Incentive Program	No	Core PA	Cross-Cutting	Resource Acquisition	\$ 16,663,131	\$ 53,166,184	-	-	2,827,906	
SCG3911	CC-Nonresidential Deemed Incentive Program	No	Core PA	Cross-Cutting	Resource Acquisition	\$ 33,073,709	\$ 133,694,097	4,326,953	582	11,413,527	
SCG3912	PUB-Regional Energy Pathways	Yes	Core PA	Public	Market Support	\$ 7,678,244	\$ -	-	-	-	
SCG3913	PUB-REN Fiscal Management & Coordination	Yes	Core PA	Public	Market Support	\$ 1,500,000	\$ -	-	-	-	
SCG3935	RES-Residential Advanced Clean Energy Program (Equity)	No	Local Third Party	Residential	Equity	\$ 15,555,556	\$ 16,930,030	4,516,029	3,738	591,521	
SCG3936	RES-Multifamily Energy Alliance Program (Equity)	No	Local Third Party	Residential	Equity	\$ 11,111,111	\$ 5,171,642	162,760	(2)	303,326	
SCG3937	COM-Small and Medium Commercial EE Program (Equity)	No	Local Third Party	Commercial	Resource Acquisition	\$ 14,555,687	\$ 62,478,380	(108,587)	(25)	2,477,776	SoCalGas has seen an increase in participation from customers in this program in 2023 and the increased budget reflects a continued expectation of strong customer participation.
SCG3938	RES-Multifamily Whole Building Program (Resource Acquisition)	No	Local Third Party	Residential	Resource Acquisition	\$ 16,995,473	\$ 31,094,673	510,230	-	1,244,686	SoCalGas has seen a strong, growing interest from customers in related energy efficiency programs in 2023 and the increased budget reflects a continued expectation of strong future customer participation.
SCG3939	COM-Strategic Energy Management	No	Local Third Party	Commercial	Resource Acquisition	\$ 9,425,378	\$ 8,095,628	-	-	1,071,713	
SCG3940	COM-Commercial-BEST (Equity)	No	Local Third Party	Commercial	Resource Acquisition	\$ 5,889,663	\$ 6,029,418	96,833	(0)	697,729	
SCG3941	CC-Sustainability Studio	Yes	Core PA	Cross-Cutting	Market Support	\$ 5,895,503	\$ -	-	-	-	
SCG3942	IND-Industrial Savings, Training, Assistance, and Rebates (STAR) Program	No	Local Third Party	Industrial	Resource Acquisition	\$ 3,332,700	\$ 16,764,297	(1,738)	-	810,957	
SCG3943	IND-Industrial Energy Partners (EP) Program	No	Local Third Party	Industrial	Resource Acquisition	\$ 19,312,978	\$ 77,413,924	-	-	4,648,243	
SCG3944	IND-Refinery Gas Energy Efficiency (RGEEP) Program	No	Local Third Party	Industrial	Resource Acquisition	\$ 22,175,889	\$ 34,578,441	-	-	6,116,250	
SCG3945	IND-Innovators to Industrials (I2) SEM	No	Local Third Party	Industrial	Resource Acquisition	\$ 5,550,804	\$ 15,760,297	-	-	2,187,316	
SCG3956	PUB-IDEA365 Solicitation - Round 1	No	Local Third Party	Public	Resource Acquisition	\$ 777,778	\$ 302,552	(358)	(0)	12,224	This program was recently awarded as a result of the IDEA365 solicitation.
SCG3957	COM-IDEA365 Solicitation - Round 1	No	Local Third Party	Commercial	Resource Acquisition	\$ 777,778	\$ 8,305,327	-	-	334,800	This program was recently awarded as a result of the IDEA365 solicitation.
SCG3958	RES-Residential Energy Efficiency Program (Equity)	No	Core PA	Residential	Equity	\$ 16,995,687	\$ 13,731,397	191	14	574,980	
SCG3960	RES-IDEA365 Solicitation - Round 1	No	Local Third Party	Residential	Resource Acquisition	\$ 777,778	\$ 155,976	-	-	5,921	This program was recently awarded as a result of the IDEA365 solicitation.
SCG3961	RES-IDEA365 Solicitation - Round 1	No	Local Third Party	Residential	Resource Acquisition	\$ 777,778	\$ 3,514,677	-	-	505,333	This program was recently awarded as a result of the IDEA365 solicitation.
SCG3962	IDSM	Yes	Core PA	Commercial	Market Support	\$ 1,200,000	\$ -	-	-	-	In D 23-06-055, the Commission authorized PAs to conduct IDSM integration activities.
SCG_SW_CSA_AppI	C&S-SW-Appliance Standards Advocacy Program	Yes	SW Third Party	Codes & Standards	Codes & Standards	\$ 1,347,415	\$ -	-	-	22,363,337	See Footnote [1]
SCG_SW_CSA_AppI_PA	C&S-SW-Appliance Standards Advocacy Program-PA	Yes	Core PA	Codes & Standards	Codes & Standards	\$ -	\$ -	-	-	-	
SCG_SW_CSA_Bldg	C&S-SW-Building Codes Advocacy Program	Yes	SW Third Party	Codes & Standards	Codes & Standards	\$ 3,641,553	\$ -	-	-	56,813,944	See Footnote [1]
SCG_SW_CSA_Bldg_PA	C&S-SW-Building Codes Advocacy Program-PA	Yes	Core PA	Codes & Standards	Codes & Standards	\$ -	\$ -	-	-	-	
SCG_SW_CSA_Natl	C&S-SW-Federal Codes Advocacy Program	Yes	SW Third Party	Codes & Standards	Codes & Standards	\$ 2,047,744	\$ -	-	-	5,857,123	See Footnote [1]
SCG_SW_CSA_Natl_PA	C&S-SW-Federal Codes Advocacy Program-PA	Yes	Core PA	Codes & Standards	Codes & Standards	\$ -	\$ -	-	-	-	
SCG_SW_ETP_Gas	ET-SW-Gas Emerging Technologies Program	Yes	SW Third Party	Emerging Tech	Market Support	\$ 5,305,200	\$ -	-	-	-	
SCG_SW_ETP_Gas_PA	ET-SW-Gas Emerging Technologies Program-PA	Yes	Core PA	Emerging Tech	Market Support	\$ 1,615,046	\$ -	-	-	-	
SCG_SW_FS	COM-SW-Point of Sale Food Service Program	No	SW Third Party	Commercial	Resource Acquisition	\$ 19,094,400	\$ 31,855,516	-	-	2,571,527	
SCG_SW_FS_PA	COM-SW-Point of Sale Food Service Program-PA	No	Core PA	Commercial	Resource Acquisition	\$ 1,743,051	\$ -	-	-	-	
SCG_SW_HVAC_QIOM	RES-SW-HVAC QI/OM Program	No	SW Third Party	Residential	Market Support	\$ 2,675,530	\$ -	-	-	-	
SCG_SW_HVAC_QIOM_PA	RES-SW-HVAC QI/OM Program-PA	No	Core PA	Residential	Market Support	\$ 267,553	\$ -	-	-	-	
SCG_SW_HVAC_Up_Com	COM-SW-HVAC Upstream Commercial	No	SW Third Party	Commercial	Resource Acquisition	\$ 4,161,431	\$ 6,285,124	-	-	229,479	
SCG_SW_HVAC_Up_Com_PA	COM-SW-HVAC Upstream Commercial-PA	No	Core PA	Commercial	Resource Acquisition	\$ 4,161,433	\$ -	-	-	-	
SCG_SW_HVAC_Up_Res	RES-SW-HVAC Upstream Residential	No	SW Third Party	Residential	Resource Acquisition	\$ 998,184	\$ 1,339,825	-	-	333,248	
SCG_SW_HVAC_Up_Res_PA	RES-SW-HVAC Upstream Residential-PA	No	Core PA	Residential	Resource Acquisition	\$ 99,818	\$ -	-	-	-	
SCG_SW_IP_Gov	PUB-SW-Institutional Partnership-Government	No	SW Third Party	Public	Resource Acquisition	\$ 1,331,155	\$ 2,735,308	-	-	402,626	
SCG_SW_IP_Gov_PA	PUB-SW-Institutional Partnership-Government-PA	No	Core PA	Public	Resource Acquisition	\$ 133,116	\$ -	-	-	-	
SCG_SW_IP_Colleges	PUB-SW-Institutional Partnership-Colleges	No	SW Third Party	Public	Resource Acquisition	\$ 1,333,465	\$ 1,974,256	-	-	170,431	
SCG_SW_IP_Colleges_PA	PUB-SW-Institutional Partnership-Colleges-PA	No	Core PA	Public	Resource Acquisition	\$ 133,347	\$ -	-	-	-	
SCG_SW_MCWH	COM-SW-Midstream Commercial Water Heating Program	No	SW Third Party	Commercial	Resource Acquisition	\$ 15,912,000	\$ 109,659,773	-	-	7,303,954	
SCG_SW_MCWH_PA	COM-SW-Midstream Commercial Water Heating Program-PA	No	Core PA	Commercial	Resource Acquisition	\$ 2,163,078	\$ -	-	-	-	
SCG_SW_NC_NonRes_Ag_mixed	AG-SW-NonRes New Construction Program	No	SW Third Party	Agricultural	Market Support	\$ 487,706	\$ 827,377	-	-	49,123	
SCG_SW_NC_NonRes_Ag_mixed_PA	AG-SW-NonRes New Construction Program-PA	No	Core PA	Agricultural	Market Support	\$ 48,771	\$ -	-	-	-	
SCG_SW_NC_NonRes_Co_mixed	COM-SW-NonRes New Construction Program	No	SW Third Party	Commercial	Market Support	\$ 635,424	\$ 1,505,474	-	-	271,611	
SCG_SW_NC_NonRes_Co_mixed_PA	COM-SW-NonRes New Construction Program-PA	No	Core PA	Commercial	Market Support	\$ 63,542	\$ -	-	-	-	

SCG_SW_NC_NonRes_Ind mixed	IND-SW-NonRes New Construction Program	No	SW Third Party	Industrial	Market Support	\$ 1,084,364	\$ 8,336,636	-	-	1,509,874
SCG_SW_NC_NonRes_Ind mixed_PA	IND-SW-NonRes New Construction Program-PA	No	Core PA	Industrial	Market Support	\$ 108,436	\$ -	-	-	-
SCG_SW_NC_NonRes_Pu b_mixed	PUB-SW-NonRes New Construction Program	No	SW Third Party	Public	Market Support	\$ 253,917	\$ 776,540	-	-	84,819
SCG_SW_NC_NonRes_Pu b_mixed_PA	PUB-SW-NonRes New Construction Program-PA	No	Core PA	Public	Market Support	\$ 25,392	\$ -	-	-	-
SCG_SW_NC_NonRes_Re s_mixed	RES-SW-NonRes New Construction Program	No	SW Third Party	Residential	Market Support	\$ 1,109,471	\$ 4,066,171	-	-	637,179
SCG_SW_NC_NonRes_Re s_mixed_PA	RES-SW-NonRes New Construction Program-PA	No	Core PA	Residential	Market Support	\$ 110,947	\$ -	-	-	-
SCG_SW_PLA	RES-SW-Plug Load and Appliance Program	No	SW Third Party	Residential	Resource Acquisition	\$ 3,427,518	\$ 2,589,903	-	-	806,233
SCG_SW_PLA_PA	RES-SW-Plug Load and Appliance Program PA	No	Core PA	Residential	Resource Acquisition	\$ 342,752	\$ -	-	-	-
SCG_SW_WET_Work	WE&T-SW-WE&T Career and Workforce Readiness Program	Yes	SW Third Party	WE&T	Equity	\$ 777,920	\$ -	-	-	-
SCG_SW_WET_Work_PA	WE&T-SW-WE&T Career and Workforce Readiness Program-PA	Yes	Core PA	WE&T	Equity	\$ 77,792	\$ -	-	-	-
SCG_SW_WET_CC	WE&T-SW-WE&T Career Connections Program	Yes	SW Third Party	WE&T	Market Support	\$ 388,960	\$ -	-	-	-
SCG_SW_WET_CC_PA	WE&T-SW-WE&T Career Connections Program-PA	Yes	Core PA	WE&T	Market Support	\$ 38,896	\$ -	-	-	-
SCG_SW_WP	PUB-SW-Water/Wastewater Pumping Program	No	SW Third Party	Public	Resource Acquisition	\$ 1,113,731	\$ 1,584,737	-	-	152,794
SCG_SW_WP_PA	PUB-SW-Water/Wastewater Pumping Program-PA	No	Core PA	Public	Resource Acquisition	\$ 111,373	\$ -	-	-	-
<b>Total</b>						<b>\$ 590,554,556</b>	<b>\$ 1,095,867,857</b>	<b>38,790,972</b>	<b>14,128</b>	<b>200,736,557</b>

[1] The TSB associated with the SW Codes & Standards programs have been removed as the goal for that program is expressed in them.

Appendix 2 - Energy Efficiency Cap and Target Expenditure Projections (Cumulative for PY 2024-2027)

Line	Budget Category	Expenditures			Cap & Target Performance		
		(a) Non-Third Party Qualifying Costs	(b) Third Party Qualifying Costs	(c) Total Portfolio	(d) Percent of Budget <sup>[6]</sup>	(e) Cap Percentage	(f) Target %
1	<b>Administrative Costs</b>						
2	PA <sup>[1]</sup>	\$ 24,424,597		\$ 24,424,597	4.0%	10.0%	
3	Non-PA Third Party & Partnership <sup>[2]</sup>	\$ -	\$ 17,095,665	\$ 17,095,665	2.8%		10.0%
4	PA & Non-PA Target Exempt Programs <sup>[3]</sup>	\$ 6,047,797	\$ 2,252,403	\$ 8,300,201			
5	<b>Marketing and Outreach Costs</b>						
6	Marketing & Outreach	\$ 13,471,474	\$ 18,340,092	\$ 31,811,567	5.2%		6.0%
7	<b>Direct Implementation Costs</b>						
8	Incentives and Rebates	\$ 83,293,636	\$ 185,721,181	\$ 269,014,817			
9	Non Incentives and Non Rebates	\$ 33,570,052	\$ 152,257,965	\$ 185,828,017	30.2%		20.0%
10	Target Exempt (Non Incentives and Non Rebates)	\$ 25,411,571	\$ 28,668,121	\$ 54,079,692			
11	<b>EM&amp;V Costs (PA and ED) <sup>[4]</sup></b>	\$ 24,634,926	\$ -	\$ 24,634,926	4.0%	4.0%	
11a	EM&V - PA	\$ 6,774,605		\$ 6,774,605			
11b	EM&V - ED	\$ 17,860,321		\$ 17,860,321			
12	<b>PA Spending Budget Request</b> (excluding OBF Loan Pool Additions and excluding ED Portfolio Oversight)	\$ 210,854,053	\$ 404,335,428	\$ 615,189,482			
13	<b>Total Third-Party Qualifying Costs <sup>[5]</sup></b>		\$ 404,335,428		61.5%		60.0%
14	<b>OBF Loan Pool Addition</b>	\$ -		\$ -			
15	<b>PA Spending Budget Request</b> (excluding ED Portfolio Oversight)			\$ 615,189,482			
16	<b>ED Portfolio Oversight</b>	\$ 683,664		\$ 683,664			
17	<b>EE-Funded IDSM <sup>[7]</sup></b>	\$ 1,200,000			0.2%	2.5%	
18	<b>PA Spending Budget Request</b>			\$ 615,873,145			

[1] 10% cap requirement based on D. 09-09-047 for IOU only.

[2] Third party program definition per D.16-08-019, OP 10.

[3] Target Exempt Programs are nonresource programs, which include: Emerging Technologies, Workforce Education & Training, Public Sector Partnership Programs, and Codes & Standards programs (excluding Codes & Standards Advocacy programs).

[4] EM&V costs is the IOU's Total EM&V budget (PA + ED), which includes the REN EM&V budget.

[5] IOU's Third-Party Implementer Contracts (as defined per D.16-08-019, OP 10) includes third-party contract and incentive budgets and statewide qualifying contract and incentive budgets. Calculation of (d) Percent of Budget for Third-Party Implementer Contracts uses \$615,189,482 as its denominator.

[6] With the exception of Third Party Implementer Contracts as noted in footnote [5], calculation of (d) Percent of Budget uses \$615,189,482 as the denominator; equal to line 15 (PA Budget Spending Request).

[7] D.23-06-055 OP 29: Portfolio administrators (PAs) may set aside up to 2.5 percent, or \$4 million, whichever is greater, up to a maximum of \$15 million, from within their total budgets during 2024-2027 approved in this decision to fund innovative integrated demand-side management projects, including ongoing load-shifting that is not event-based.

**Table 1.1 - Portfolio Budget by Sector and Segment (Cumulative for PY 2024-2027)**

Line	Budget Category	Program Segment				Total
		Resource Acquisition	Market Support	Equity	Codes & Standards	
1	Residential Sector	\$ 122,475,222	\$ 26,992,989	\$ 90,474,546	\$ -	\$ 239,942,756
2	Commercial Sector	\$ 147,750,249	\$ 8,518,518	\$ -	\$ -	\$ 156,268,767
3	Industrial Sector	\$ 62,726,006	\$ 4,311,458	\$ -	\$ -	\$ 67,037,464
4	Agricultural Sector	\$ 19,550,545	\$ 3,369,590	\$ -	\$ -	\$ 22,920,135
5	Public Sector	\$ 36,113,022	\$ 12,801,452	\$ -	\$ -	\$ 48,914,474
6	Cross Cutting Sector					
7	Emerging Tech	\$ -	\$ 6,867,203	\$ -	\$ -	\$ 6,867,203
8	WE&T	\$ 7,497,643	\$ 22,645,072	\$ 4,818,493	\$ -	\$ 34,961,209
9	Finance	\$ -	\$ 2,133,225	\$ -	\$ -	\$ 2,133,225
10	Codes & Standards [1]	\$ -	\$ -	\$ -	\$ 7,036,712	\$ 7,036,712
11	Portfolio Support [2]	\$ 3,059,620	\$ 676,938	\$ 736,054	\$ -	\$ 4,472,611
12	OBF Loan Pool [3]					\$ -
13	<b>Portfolio Subtotal [4]</b>	<b>\$ 399,172,307</b>	<b>\$ 88,316,443</b>	<b>\$ 96,029,094</b>	<b>\$ 7,036,712</b>	<b>\$ 590,554,556</b>

[1] Pursuant to D.18-05-041 SoCalGas no longer engages in federal or statewide codes and standards advocacy as part of its EE portfolio, other than to transfer funds to Pacific Gas and Electric Company as the statewide lead.

[2] The SoCalGas Portfolio Support line item consists of indirect costs for policy support, regulatory reporting, budget and accounting support, and IT system costs which are general overhead costs to support the energy efficiency portfolio.

[3] Decision 23-08-026 did not authorize an increase to the OBF loan pool.

[4] Excludes EM&V and ED Portfolio Oversight Costs.

**Table 1.2 - Total Cost Recovery Request, Including REN/CCA and Other Costs**

Line	Program Administrator	(a) PA Programs	(b) ED Portfolio Oversight	(c) EM&V PA [1]	(d) EM&V ED [1]	(e) Unspent & Uncommitted Funds for 2024-2027 Offset [2]	(f) Total
1	SoCalGas	\$ 590,554,556	\$ 683,664	\$ 6,027,700	\$ 15,903,496		\$ 613,169,416
2	SoCalREN	\$ 32,830,405	\$ -	\$ 363,402	\$ 945,772	\$ (408,931)	\$ 33,730,648
3	3C-REN	\$ 14,273,498	\$ -	\$ 157,008	\$ 413,932	\$ (1,984,778)	\$ 12,859,660
4	I-REN	\$ 10,065,790	\$ -	\$ 115,337	\$ 304,072	\$ -	\$ 10,485,200
5	R-REN	\$ 10,105,138	\$ -	\$ 111,157	\$ 293,049	\$ -	\$ 10,509,344
6	BayREN	\$ 900,000	\$ -	\$ -	\$ -	\$ -	\$ 900,000
7	<b>Total</b>	<b>\$ 658,729,387</b>	<b>\$ 683,664</b>	<b>\$ 6,774,605</b>	<b>\$ 17,860,321</b>	<b>\$ (2,393,709)</b>	<b>\$ 681,654,267</b>

[1] REN EM&V costs are a subset of the SoCalGas portion of the EM&V budget.

[2] SoCalGas has identified the unspent/uncommitted funds noted above. SoCalGas continues to work with implementers and REN partners and will provide any additional identified funds at the Mid-Cycle Advice Letter, scheduled to be filed on September 1, 2025. Per D.23-06-055 any additional unspent and uncommitted funds identified from prior portfolio cycles will be applied to the budgets and collections in the 2024-2027 period, which SoCalGas anticipates doing at the next available opportunity.

**Table 2.1 - Annual and Cumulative Total System Benefit Forecast**

Line	Segment	PY 2024	PY 2025	PY 2026	PY 2027	Cumulative
1	Resource Acquisition	\$ 230,599,281	\$ 248,725,039	\$ 247,641,923	\$ 260,581,646	\$ 987,547,889
2	Market Support	\$ 3,879,342	\$ 5,513,599	\$ 5,238,067	\$ 5,459,666	\$ 20,090,674
3	Equity	\$ 20,399,886	\$ 21,399,409	\$ 22,716,699	\$ 23,713,301	\$ 88,229,295
4	<b>Total TSB Forecast</b>	<b>\$ 254,878,509</b>	<b>\$ 275,638,047</b>	<b>\$ 275,596,689</b>	<b>\$ 289,754,613</b>	<b>\$ 1,095,867,858</b>
5	SoCalGas TSB Goal [1]	\$ 164,432,152	\$ 188,742,137	\$ 203,872,384	\$ 215,483,664	\$ 772,530,337
6	<i>TSB Forecast / TSB Goal</i>	<b>155%</b>	<b>146%</b>	<b>135%</b>	<b>134%</b>	<b>142%</b>

[1] SoCalGas TSB Goal adopted in CPUC Decision 23-08-005.

**Table 2.2 - Annual and Cumulative Codes and Standards Savings Forecast**

Line	Savings Unit	PY 2024	PY 2025	PY 2026	PY 2027	Cumulative
1	GWh Forecast	0	0	0	0	0.0
2	GWh CPUC Goal	0	0	0	0	0.0
3	<i>GWh Forecast/Goal</i>	-	-	-	-	-
4	MW Forecast	0	0	0	0	0.0
5	MW CPUC Goal	0	0	0	0	0.0
6	<i>MW Forecast/Goal</i>	-	-	-	-	-
7	MMThm Forecast [1]	24.2	23.6	20.2	17.0	85.0
8	MMThm CPUC Goal [2]	25.6	25.0	16.1	16.5	83.2
9	<i>MMThm Forecast/Goal</i>	<b>95%</b>	<b>94%</b>	<b>125%</b>	<b>103%</b>	<b>102%</b>

[1] According to PG&E, the statewide program lead: the gas savings C&S forecast is lower than the C&S goal in 2024-2025 based on the use of updated building construction data from the Opinion Dynamics (2022) PY 2016-2018 Building Codes Advocacy Program Evaluation. The 2023 CPUC Potential and Goals Study used older assumptions with higher construction rates to develop savings goals.

[2] SoCalGas Codes and Standards Therm Goal adopted in CPUC Decision 23-08-005.

**Table 2.3 - Annual and Cumulative Budget**

Line	Segment	PY 2024	PY 2025	PY 2026	PY 2027	Cumulative
1	Resource Acquisition	\$ 99,943,076	\$ 99,764,021	\$ 99,732,030	\$ 99,733,180	\$ 399,172,307
2	Market Support	\$ 22,002,046	\$ 22,157,590	\$ 22,082,412	\$ 22,074,395	\$ 88,316,443
3	Equity	\$ 23,934,339	\$ 23,957,850	\$ 24,065,019	\$ 24,071,886	\$ 96,029,094
4	Codes and Standards	\$ 1,759,178	\$ 1,759,178	\$ 1,759,178	\$ 1,759,178	\$ 7,036,712
5	EM&V [1]	\$ 6,158,731	\$ 6,158,731	\$ 6,158,731	\$ 6,158,731	\$ 24,634,926
6	<b>Total Budget w/o OBF Loan Pool</b>	<b>\$ 153,797,370</b>	<b>\$ 153,797,370</b>	<b>\$ 153,797,370</b>	<b>\$ 153,797,370</b>	<b>\$ 615,189,481</b>
7	Market Support and Equity, percent of Total Budget w/o OBF Loan Pool					29.9%
8	OBF Loan Pool Addition [2]	\$ -	\$ -	\$ -	\$ -	\$ -
9	<b>Budget excluding Portfolio Oversight</b>	<b>\$ 153,797,370</b>	<b>\$ 153,797,370</b>	<b>\$ 153,797,370</b>	<b>\$ 153,797,370</b>	<b>\$ 615,189,481</b>
10	ED Portfolio Oversight	\$ 170,916	\$ 170,916	\$ 170,916	\$ 170,916	\$ 683,664
11	<b>Total Portfolio Budget w/ ED Portfolio Oversight</b>	<b>\$ 153,968,286</b>	<b>\$ 153,968,286</b>	<b>\$ 153,968,286</b>	<b>\$ 153,968,286</b>	<b>\$ 615,873,145</b>
12	<b>Approved Budget Cap [3]</b>					<b>\$ 615,873,145</b>

[1] EM&V includes the IOU and REN portion.

[2] Decision 23-08-026 did not authorize an increase to the OBF loan pool.

[3] Decision 23-06-055, Ordering Paragraph 5.

**Table 3 - Portfolio Cost-Effectiveness Ratios (PY 2024-2027)**

Line		TRC ratio	PAC ratio	RIM ratio	
1	Segment	<b>Resource Acquisition</b>	<b>2.06</b>	2.52	2.38
2		Market Support	0.23	0.25	0.24
3		Equity	0.89	0.93	0.91
4		Codes and Standards (C&S)	2.35	141.00	65.20
5	Portfolio	<i>Including C&amp;S</i>	1.82	3.29	3.10
6		<i>Excluding C&amp;S</i>	1.59	1.86	1.76

**Table 4 - Portfolio Statewide and Third-party Contribution Percentage Requirements**

<b>Line</b>	<b>Budget Component</b>	<b>Qualifying Budget</b>	<b>Cumulative Total Budget w/o OBF Loan Pool</b>	<b>Contribution Percentage</b>	<b>Minimum Threshold</b>
1	Statewide [1]	\$67,127,088	\$615,873,145	11%	10%
2	Third-Party [2]	\$378,074,099	\$615,873,145	61%	60%

[1] The statewide program definition was determined in D.16-08-019, OP 8. The Commission in D.23-06-055, p. 9 set the SoCalGas minimum threshold at 10%

[2] The third-party program definition was determined in D.16-08-019, OP 10.