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January 30, 2024

Advice No. 6254-G

Public Utilities Commission of the State of California

Subject: Self-Generation Incentive Program (SGIP) Annual Budget Update Advice Letter Pursuant to Decision (D.) 21-12-031

Purpose

Pursuant to D.21-12-031, Ordering Paragraphs (OP) 1(e) and (f), Southern California Gas Company (SoCalGas) hereby submits its annual budget update advice letter to the California Public Utilities Commission (Commission or CPUC).

Background

D.21-12-031, OP 1(d) required the SGIP Program Administrators (SGIP PAs or PAs) to report an after-the-fact allocation of accumulated funds to waitlisted projects and/or to the Equity Resiliency Budget within 30 days of the issuance of that decision. Furthermore, D.21-12-031 OP 1(e) ordered that, starting in 2022, the SGIP PAs will submit an annual Tier 1 budget update advice letter, no later than January 30th of each year, containing the previous year's information for all budget categories.¹ D.21-12-031 OP 1(f) also directed PAs to annually allocate any accrued interest into the Equity Resiliency Budget starting December 31, 2022, and to clearly indicate the funds transferred in the annual Tier 1 advice letter required in Ordering Paragraph 1(e). Subsequently, SoCalGas Advice No. 5927 was submitted, reporting the transfer of accumulated unused funds as of November 30, 2021. Thereafter, SoCalGas filed Advice No. 5931 and Advice No. 6089, summarizing, respectively, the 2021 and 2022 annual budgets and confirming the transfer of any accrued interest into the Equity Resiliency Budget.

¹ As referenced in Appendix A of D.09-12-047.

SGIP Accounting Data as of December 31, 2023

SoCalGas hereby provides its SGIP 2023 annual budget summary as of December 31, 2023 in Table 1 below, which includes the 2020 – 2024 authorized ratepayer collections and unallocated accrued interest from January 1, 2023, through December 31, 2023. Note that Table 1 does not reflect the General Market or Equity Heat Pump Water Heater (HPWH) Budgets as the funds previously held within these budgets have been provided to Southern California Edison (SCE) to be held in the SGIP HPWH PA/PI balancing account (or subaccount) as of June 30, 2022, pursuant to D.22-04-036.² Table 1 also does not reflect any forfeited funds since SoCalGas reallocates forfeited funds back into the current budget category immediately upon notification of such forfeiture. In addition, as of the date of this filing, the total unallocated accrued interest amount of \$4,356,227.00 has been transferred into the Equity Resiliency Budget pursuant to D.21-12-031 OP 1(f).

² SoCalGas's total share provided to SCE was \$4,080,000 (\$360,000 for the Equity HPWH Budget plus \$3,720,000 for the General Market HPWH Budget).

Table 1: Budget Summary as of December 31, 2023

| | 2017-2019 Ratepayer Collections ³ | 2020-2024 Ratepayer Collections ⁴ | Unallocated Forfeited App Fees | Reallocation | Authorized Budget | Total Spent and Reserved | Pending Reservations | Allocated Funds | Available Funds |
|---------------------------------------|--|--|--------------------------------------|-------------------|----------------------|-----------------------------|-------------------------|--------------------|-----------------------------|
| Large-Scale Storage | \$37,411,668.85 | \$7,440,000.00 | - | (\$16,625,137.06) | \$28,226,531.79 | \$26,048,579.00 | \$1,207,997.61 | \$27,256,576.61 | \$969,955.18 |
| Small Residential Storage | \$5,486,059.20 | \$5,208,000.00 | - | (\$70,053.05) | \$10,624,006.15 | \$ 9,010,201.91 | \$86,039.50 | \$9,096,241.41 | \$1,527,764.74 |
| Residential Storage Equity | - | \$2,232,000.00 | - | \$671,923.92 | \$2,903,923.92 | \$1,548,360.00 | \$437,580.00 | \$1,985,940.00 | \$917,983.92 |
| Non- Residential Storage Equity | - | - | - | \$19,428,087.38 | \$19,428,087.38 | \$16,707,142.66 | \$2,105,123.85 | \$18,812,266.51 | \$615,820.87 |
| Equity Resiliency | - | \$46,872,000.00 | - | \$13,936,250.90 | \$60,808,250.90 | \$60,701,968.02 | \$80,800.00 | \$60,782,768.02 | \$25,482.88 |
| Generation | \$11,323,242.69 | \$8,928,000.00 | - | (\$7,421,647.28) | \$12,829,595.41 | \$1,141,200.00 | - | \$1,141,200.00 | \$11,688,395.41 |
| Administration and M&E | \$3,360,000.00 | \$5,600,000.00 | - | \$5,511,329.00 | \$14,471,329.00 | \$6,391,936.80 | - | \$6,391,936.80 | \$8,079,392.20 |
| Total | \$57,580,970.74 | \$76,280,000.00 | - | \$15,430,753.81 | \$149,291,724.55 | \$121,549,388.39 | \$3,917,540.96 | \$125,466,929.35 | \$23,824,795.20 |
| Pre-2017 Reserved | | | | | | \$2,206,715.28 ⁵ | | | |
| Unallocated Interest Accrued | | | | | | | | | \$4,356,227.00 ⁶ |

³ This amount includes the remaining 50% of SGIP funds D.16-06-055 approved to release for processing SGIP applications for the 2016 partial program year.

⁴ SoCalGas records to the SGPMA one twelfth of the annual authorized ratepayer funds monthly for each of the five years authorized.

⁵ Pre-2017 Reserved Funds account for the carryover (into the post-2017 Budget) of reserved yet unpaid funds from project applications received prior to 2017, that are still currently in their Performance-Based Incentive (PBI) Process.

⁶ Interest is applied to the monthly average SGPMA balance based on the 3-Month Commercial Paper Rate.

Protest

Anyone may protest this Advice Letter to the California Public Utilities 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 21 days after the date of this advice letter, which is February 20, 2024. Protests should be submitted to the attention of the Energy Division Tariff Unit at:

E-mail: 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
E-mail: Tariffs@socalgas.com

Effective Date

SoCalGas believes this advice letter is subject to Energy Division disposition and should be classified as Tier 1 (effective pending disposition) pursuant to OP 1(e) of D.21-12-031. Therefore, SoCalGas respectfully requests that it be made effective on January 30, 2024, which is the date submitted.

Notice

A copy of this advice letter is being sent to SoCalGas's General Order (GO) 96-B service list and the Commission's service list in R.20-05-012. Address change requests to the GO 96-B should be directed via e-mail to 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.

/s/ Joseph Mock
Joseph Mock
Director - Regulatory Affairs



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: 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: