



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

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Application of Southern California Gas
Company (U 904 G) and San Diego Gas &
Electric Company (U 902 G) for Review of
Costs Incurred in Executing Pipeline Safety
Enhancement Plan

Application A.18-11-010

**AMENDED APPLICATION OF SOUTHERN CALIFORNIA GAS COMPANY (U 904
G) AND SAN DIEGO GAS & ELECTRIC COMPANY (U 902 G) FOR REVIEW OF
COSTS INCURRED IN EXECUTING PIPELINE SAFETY ENHANCEMENT PLAN**

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I. INTRODUCTION

Pursuant to Rule 1.12 of the Rules of Practice and Procedure of the California Public Utilities Commission (“CPUC” or “Commission”), Southern California Gas Company (“SoCalGas”) and San Diego Gas & Electric Company (“SDG&E;” with SoCalGas, “Applicants”) respectfully submit this Amended Application (“Application”) requesting review of costs incurred to implement their Pipeline Safety Enhancement Plan (“PSEP”).

Consistent with the Commission decision approving Applicants’ PSEP – Decision (“D.”) 14-06-007 – this Application requests review of the capital and operations and maintenance (“O&M”) expenditures discussed herein. The expenditures submitted for review total approximately \$854.0 million in capital and \$86.7 million in O&M, and the associated revenue requirement is \$188.3 million and \$22.9 million for SoCalGas and SDG&E, respectively.¹

¹ The updates in this Amended Application change the revenue requirement minimally. Consistent with our practice, and the request in the original Application and herein, Applicants will update the revenue requirements for SoCalGas and SDG&E upon a Commission decision in this proceeding for implementation in rates.

In this Application and the accompanying prepared direct testimony and workpapers,² SoCalGas and SDG&E establish that the pipeline safety work performed is consistent with the Commission's and State's mandate to execute PSEP as soon as practicable; that the program has been overseen and managed consistent with the reasonable manager standard, and the projects have been prudently executed; and that the associated costs are just and reasonable. Based on the foregoing, the costs should be approved as reasonable and the associated revenue requirements should be authorized for full recovery.

II. BACKGROUND AND PROCEDURAL HISTORY

A. Mandate to Perform Safety Enhancement Work As Soon As Practicable.

On September 9, 2010, a 30-inch diameter natural gas transmission pipeline in the city of San Bruno, California ruptured and caught fire. This incident led the Commission to issue Rulemaking ("R.") 11-02-019, "a forward-looking effort to establish a new model of natural gas pipeline safety regulation applicable to all California pipelines."³

In D.11-06-017, the Commission found that "natural gas transmission pipelines in service in California must be brought into compliance with modern standards for safety," and ordered all California natural gas transmission pipeline operators "to prepare and file a comprehensive Implementation Plan to replace or pressure test all natural gas transmission pipeline in California that has not been tested or for which reliable records are not available."⁴ The Commission required the submitted plans to provide for testing or replacing all such pipelines "as soon as practicable,"⁵ and also to "address retrofitting pipeline to allow for in-line inspection tools and,

² Workpapers are available upon request.

³ R.11-02-019 at 1.

⁴ D.11-06-017 at 18.

⁵ D.11-06-017 at 19.

where appropriate, automated or remote controlled shut off valves.”⁶ The Commission further directed the utilities to develop plans that “provide for testing or replacing all [segments of natural gas pipelines which were not pressure tested or lack sufficient details related to performance of any such test] as soon as practicable,”⁷ and address “all natural gas transmission pipeline . . . even low priority segments,”⁸ while also “[o]btaining the greatest amount of safety value, i.e., reducing safety risk, for ratepayer expenditures.”⁹ Many of the requirements of D.11-06-017 were later codified in sections 957 and 958 of the California Public Utilities Code.

B. SoCalGas and SDG&E’s Pipeline Safety Enhancement Plan.

On August 26, 2011, in response to the Commission’s directives, all California pipeline operators, including SoCalGas and SDG&E, filed their proposed implementation plans. SoCalGas and SDG&E’s proposed plan, the PSEP, is expressly guided by four overarching objectives: (1) to enhance public safety; (2) to comply with the Commission’s directives; (3) to minimize customer and community impacts; and (4) to maximize the cost-effectiveness of safety investments for the benefit of customers. As required by the Commission’s orders, the PSEP includes, among other things, a prioritization schedule and a proposed “Decision Tree” to guide whether individual segments should be pressure tested, replaced, de-rated, or abandoned.^{10, 11}

The Commission’s directives in D.11-06-017, and Public Utilities Code sections 957 and 958, require SoCalGas and SDG&E to simultaneously execute numerous unique and discrete

⁶ D.11-06-017 at 21.

⁷ D.11-06-017 at 19.

⁸ D.11-06-017 at 20.

⁹ D.11-06-017 at 22.

¹⁰ On December 2, 2011, SoCalGas and SDG&E amended their PSEP to include supplemental testimony to address issues identified in an Amended Scoping Ruling issued on November 2, 2011.

¹¹ D.12-04-021 at 12. The Commission transferred SoCalGas and SDG&E’s PSEP to SoCalGas and SDG&E’s Triennial Cost Allocation Proceeding, Application (A.)11-11-002, and authorized SoCalGas and SDG&E to create memorandum accounts to record PSEP costs for later Commission ratemaking consideration.

pipeline and valve enhancement projects as soon as practicable. This entails undertaking the substantial task of separately designing, planning, and constructing multiple projects in a coordinated and concerted manner across SoCalGas and SDG&E's 24,000-square-mile service territory.

SoCalGas and SDG&E's PSEP sets forth a risk-based prioritization approach to complete the hundreds of individual pipeline and valve enhancement projects required under D.11-06-017 as soon as practicable. The work is planned to be addressed in two phases, Phase 1 and Phase 2. Both phases are further divided into two sub-phases, A and B. In Phase 1A, SoCalGas and SDG&E planned to pressure test or replace transmission pipelines in Class 3 and 4 locations and Class 1 and 2 locations in high consequence areas ("HCAs") that do not have sufficient documentation of a pressure test to at least 1.25 times the Maximum Allowable Operating Pressure ("MAOP"). In Phase 1B, SoCalGas and SDG&E planned to replace non-piggable pipelines installed prior to 1946. As required by State law and Commission Decision 11-06-017, the PSEP also includes a Valve Enhancement Plan to install new automated valves or augment existing valves to reduce the amount of time required to identify a significant drop in pipeline pressure and stop the flow of gas in the event of a pipeline rupture.

Phase 2 is also further sub-divided into two phases, Phase 2A and Phase 2B. In Phase 2A, SoCalGas and SDG&E plan to pressure test or replace transmission pipelines in non-HCAs within Class 1 and 2 locations that do not have record of a pressure test to at least 1.25 times the MAOP. In Phase 2B, SoCalGas and SDG&E plan to retest or replace pipelines in non-HCAs within Class 1 and 2 locations that have documentation of a pressure test, but the documentation is not sufficient to satisfy the modern pressure test standards established under Title 49 of the

Code of Federal Regulations Part 192 Subpart J. There are no standalone Phase 2 projects submitted for review in this Application.¹²

In June 2014, the Commission issued D.14-06-007, which approved SoCalGas and SDG&E's PSEP, "adopt[ed] the concepts embodied in the Decision Tree,"¹³ "adopt[ed] the intended scope of work as summarized by the Decision Tree,"¹⁴ and "adopt[ed] the Phase 1 analytical approach for Safety Enhancement ... as embodied in the Decision Tree ... and related descriptive testimony."¹⁵ For Phase 1, D.14-06-007 authorized Applicants to begin work as described in their PSEP and to record costs in two-way balancing accounts subject to refund pending a subsequent reasonableness review.¹⁶

On August 19, 2016, the Commission issued D.16-08-003, granting Applicants' unopposed request to establish Phase 2 memorandum accounts, adopting a staff proposal to authorize SoCalGas and SDG&E to recover in rates fifty percent of the PSEP Phase 1 regulatory account balances each year, subject to refund, and setting forth a long-term procedural framework to transition PSEP into SoCalGas' and SDG&E's general rate case applications. As part of that transition, the decision directed SoCalGas and SDG&E to submit two standalone reasonableness review applications for PSEP Phase 1—one in 2016 and the other in 2018—and directed that future reasonableness reviews take place in subsequent general rate cases. This Application is filed in compliance with this directive and, consistent with the Commission's

¹² Certain parties disagree as to whether Phase 2B has been mandated by the Commission, and thus the question has been presented to the Commission for a decision in Applicants' consolidated general rate case, A.17-10-007/008. The parties to Applicants' second PSEP reasonableness review application (A.16-09-005) agreed that any decision on Phase 2B miles considered in that proceeding would not be precedential as to whether Phase 2B has been mandated. SoCalGas and SDG&E agree to the same for purposes of this Application.

¹³ D.14-06-007 at 2.

¹⁴ D.14-06-007 at 22.

¹⁵ D.14-06-007 at 59 (OP 1).

¹⁶ D.14-06-007 at 59.

order to transition PSEP into Applicants' general rate case process, is the last standalone application for after-the-fact review of costs incurred to execute PSEP.

C. Regulatory Accounts.

Prior to the Commission's issuance of a decision approving the PSEP, in D.12-04-021 the Commission directed SoCalGas and SDG&E to establish Pipeline Safety and Reliability Memorandum Accounts ("PSRMAs") to track and record the costs of implementing PSEP on an interim basis.¹⁷ In accordance with the Commission's subsequent decision approving PSEP, D.14-06-007, Applicants created Safety Enhancement Capital Cost Balancing Accounts ("SECCBA") and Safety Enhancement Expense Balancing Accounts ("SEEBA") to record costs associated with Applicants' Phase 1 projects.¹⁸ As noted above, the Commission subsequently authorized Applicants to recover in rates fifty percent of the balances in the PSRMAs, SEEBAs and SECCBAs each year, subject to refund pending reasonableness review.¹⁹

III. STANDARD OF REVIEW

A. Just and Reasonable Standard.

This is a ratesetting proceeding. Applicants bear the burden of establishing affirmatively the reasonableness of their requests herein.²⁰ Pursuant to Public Utilities Code sections 451 and 454, all rates and charges collected by a utility must be "just and reasonable," and a public utility may not change any rate "except upon a showing before the commission and a finding by the commission that the new rate is justified."²¹ Thus, the Commission requires that Applicants

¹⁷ The PSRMAs were established on May 18, 2012, pursuant to SoCalGas and SDG&E Advice Letters 4359 and 2106-G.

¹⁸ D.14-06-007 at 60 (OP 4); Advice Letters 4664 and 2300-G.

¹⁹ D.16-08-003 at 16 (OP 4).

²⁰ D.14-06-007 at 12, 55 (COL 3).

²¹ Pub. Util. Code §§ 451, 454.

demonstrate with admissible evidence that the revenue requirement proposed herein is just and reasonable.²²

The Commission applies the reasonable manager standard to after-the-fact reviews. As explained by the Commission, “reasonable and prudent acts do not require perfect foresight or optimum outcomes, but may fall within a spectrum of possible acts consistent with utility needs, ratepayer interests, and regulatory requirements.”²³ Under this standard, the Commission holds utilities to “a standard of reasonableness based upon the facts that are known or should have been known at the time.”²⁴ In so doing, the Commission looks to the decision-making process and information available to the manager to assess whether the course of action was within the “bounds of reasonableness, even if it turns out not to have led to the best possible outcome.”²⁵ As explained by the Commission, this is to “avoid the application of hindsight in reviewing the reasonableness of a utility decision.”²⁶

In D.14-06-007, the Commission issued guidance as to the information to be provided in forthcoming after-the-fact reasonableness reviews, stating:

At a minimum we would expect that SDG&E and SoCalGas could document and demonstrate an overview of the management of Safety Enhancement which might include: ongoing management approved updates to the Decision Tree and ongoing updates similar to the Reconciliation. The companies should be able to show work plans, organization charts, position descriptions, Mission Statements, etc., used to effectively and efficiently manage Safety Enhancement. There would likely be records of contractor selection controls, project cost control systems and reports, engineering design and review controls, and of course proper retention of constructions records, retention of pressure testing records, and retention of all other construction test and inspection records, and

²² D.14-06-007 at 12; Pub. Util. Code § 451.

²³ D.90-09-088 at 16; D.97-08-055 at 54.

²⁴ D.90-09-088 (cited in D.11-10-002 at 11 n. 2).

²⁵ D.89-02-074 at 169 (COL 3).

²⁶ D.90-09-088 at 15.

records of all other activities mandated to be performed and documented by state or federal regulations.²⁷

This information has been presented in previous reasonableness review proceedings and is again included in this Application and accompanying testimony and workpapers. For ease of reference, the following table identifies where each identified topic is addressed in testimony.

Topic	Testimony
Decision Tree	The approved Decision Tree is addressed in Chapter III (Phillips).
Mileage Reconciliation	The mileage reconciliation is included in Chapter III (Phillips).
Work Plans	Work processes and plans are discussed in Chapter II (Phillips), Chapter III (Phillips), and Chapter IV (Mejia).
Project Specifics	Pipeline and valve project specifics are discussed in Chapter III (Phillips), Chapter IV (Mejia), and the workpapers for each project.
Organization Charts	The PSEP organization is discussed in Chapter II (Phillips) and Chapter V (Mejia). Organization charts are available upon request.
Position Descriptions	The PSEP organization is discussed in Chapter II (Phillips) and Chapter V (Mejia). Descriptions of specific positions are available upon request.
Mission Statement	The PSEP mission statement is addressed primarily in Chapter I (Buczowski) and Chapter II (Phillips)
Contractor Selection Controls	Contractor Selections and Controls are discussed primarily in Chapter II (Phillips).
Project Cost Control Systems and Reports	Cost control systems and reports are discussed in Chapter II (Phillips), Chapter III (Phillips), Chapter IV (Mejia), and Chapter VI (Tran).
Engineering Design and Review Controls	Engineering Design and Review Controls are discussed Chapter II (Phillips), Chapter III (Phillips), Chapter IV (Mejia), and Chapter V (Mejia).
Record Retention of PSEP activities	Record retention is discussed in Chapter II (Phillips) and Chapter V (Mejia).

²⁷ D.14-06-007 at 37.

B. Burden of Proof – Preponderance of the Evidence.

The standard of proof to be applied in determining the reasonableness of Applicants' revenue requirement is preponderance of the evidence.²⁸ Preponderance of the evidence is defined "in terms of probability of truth, e.g., 'such evidence as, when weighed with that opposed to it, has more convincing force and the greater probability of truth.'"²⁹ Thus, Applicants "must present more evidence that supports the requested result than would support an alternative outcome."³⁰

IV. PSEP PROJECTS SUBMITTED FOR REVIEW

Through this proceeding, Applicants seek review of 44 pipeline projects and 39 bundled valve projects; and authorization to recover the full associated revenue requirement in customer rates.³¹ Workpapers for each project have been prepared so each party can review the activities and costs for each project in the context of that project's unique situation and attributes.³² Each workpaper provides: background and summary of the approach to the project (including scope reduction and other relevant information); project analysis utilizing the Decision Tree and project-specific risks, as well as any alternatives considered; maps and images of the project so it can be contextualized; discussion of relevant engineering, design, and planning factors; description of scope changes, if any were required during the detailed design phase; plan for maintaining service to customers during construction, if necessary; method of contractor selection; construction schedule; notable occurrences during construction, if any; description of

²⁸ D.14-06-007 at 13, 55 (Conclusion of Law 4).

²⁹ D.14-06-007 at 13, D.08-12-058; citing Witkin, Calif. Evidence, 4th Edition, Vol. 1, 184.

³⁰ D.14-06-007 at 13.

³¹ Net of the 50% interim recovery in rates each year authorized by D.16-08-003. As noted in Chapter IX (Reyes), the revenue requirement will be updated following the effective date of a Commission decision in this proceeding.

³² In order to facilitate an understanding of the workpapers, an Introduction, Construction Summary, and Glossary have also been prepared.

commissioning and site restoration activities; project costs and cost avoidance measures; preliminary cost estimates, by direct and indirect cost category, as compared to actual costs; and disallowance calculations. The workpapers set forth salient project-specific facts to demonstrate the reasonableness of management’s approach to the project and the costs incurred.

The fully loaded costs incurred by each utility, by category, are presented in Table 1.

Fully loaded costs for each of the 83 projects, as well as certain miscellaneous costs, are presented in Table 2.

**Table 1 – Total Costs by Category
Summary of SoCalGas and SDG&E Costs (in \$000s)**

Project Type	SoCalGas	SDG&E	Total
Replacement Projects	\$ 555,548	\$ 90,479	\$ 646,027
Pressure Test Projects	\$ 55,546	\$ 7,375	\$ 62,921
Combination Test and Replace Projects	\$ 54,551	\$ 23,579	\$ 78,130
Abandonment Projects	\$ 6,140	-	\$ 6,140
Valve Projects	\$ 129,115	\$ 7,936	\$ 137,051
Miscellaneous Costs	\$ 10,223	\$ 248	\$ 10,471
Total	\$ 811,123	\$ 129,617	\$ 940,740

**Table 2 – Total Costs by Project and Category
Summary of SoCalGas and SDG&E Costs (in \$000s)**

Project	Project Type	Utility	Capital	O&M	Total
30-18 Sections 1 and 3	Replace	SCG	\$ 28,281	-	\$ 28,281
33-120 Section 3	Replace	SCG	\$ 7,320	\$ 120	\$ 7,440
36-1002	Replace	SCG	\$ 2,035	\$ 0	\$ 2,035
36-9-09 North Section 1	Replace	SCG	\$ 53,835	\$ 2	\$ 53,837
36-9-09 North Section 3	Replace	SCG	\$ 27,244	\$ 4	\$ 27,248
36-9-09 North Section 4A and 4B	Replace	SCG	\$ 15,145	-	\$ 15,145
36-9-09 North Section 7A and 7B	Replace	SCG	\$ 37,729	\$ 15	\$ 37,744
37-07	Replace	SCG	\$ 31,283	\$ 5	\$ 31,288
37-18 Sections 1,2,3,4, 5	Replace	SCG	\$ 58,054	-	\$ 58,054
38-200	Replace	SCG	\$ 8,539	\$ 23	\$ 8,562
38-501	Replace	SCG	\$ 22,339	\$ 7	\$ 22,346
38-504	Replace	SCG	\$ 5,714	\$ 7	\$ 5,721
38-512 Sections 1, 2, 3	Replace	SCG	\$ 30,889	\$ 1,245	\$ 32,134
38-514	Replace	SCG	\$ 14,751	\$ 23	\$ 14,774

Project	Project Type	Utility	Capital	O&M	Total
38-931	Replace	SCG	\$ 7,467	-	\$ 7,467
41-17	Replace	SCG	\$ 2,744	\$ 0	\$ 2,744
41-116	Replace	SCG	\$ 227	-	\$ 227
41-6000-2	Replace	SCG	\$ 84,857	-	\$ 84,857
43-121 North Section 1	Replace	SCG	\$ 15,991	-	\$ 15,991
43-121 South	Replace	SCG	\$ 35,844	-	\$ 35,844
44-137	Replace	SCG	\$ 27,605	\$ 16	\$ 27,621
44-687	Replace	SCG	\$ 5,892	\$ 10	\$ 5,902
44-720	Replace	SCG	\$ 10,981	\$ 9	\$ 10,990
49-28	Replace	SDG&E	\$ 46,990	-	\$ 46,990
49-15	Replace	SDG&E	\$ 43,489	\$ 0	\$ 43,489
85 South Newhall	Replace	SCG	\$ 9,880	-	\$ 9,880
2000-West Santa Fe Springs Station	Replace	SCG	\$ 9,416	-	\$ 9,416
31-09	Test	SCG	-	\$ 3,651	\$ 3,651
32-21 Section 1	Test	SCG	\$ 1,083	\$ 9,289	\$ 10,372
32-21 Section 2	Test	SCG	\$ 761	\$ 4,740	\$ 5,501
32-21 Section 3	Test	SCG	\$ 683	\$ 3,175	\$ 3,858
37-18-F	Test	SCG	\$ 83	\$ 7,473	\$ 7,556
49-11	Test	SDG&E	\$ 4,762	\$ 2,613	\$ 7,375
406 Section 3	Test	SCG	\$ 390	\$ 2,222	\$ 2,612
2000-C	Test	SCG	\$ 3,086	\$ 10,867	\$ 13,953
2001 West-B	Test	SCG	\$ 686	\$ 4,430	\$ 5,116
2003 Section 2	Test	SCG	\$ 488	\$ 2,439	\$ 2,927
36-9-09 North Section 5A	Test and/ Replace	SCG	\$ 14,197	\$ 2	\$ 14,199
49-13	Test and/ Replace	SDG&E	\$ 19,010	\$ 4,569	\$ 23,579
404 Sections 1, 2, 2A, 3, 3A, 4&5, 8A, and 9	Test and/ Replace	SCG	\$ 13,848	\$ 12,484	\$ 26,332
1004	Test and/ Replace	SCG	\$ 6,899	\$ 7,121	\$ 14,020
36-9-09 South	Abandon	SCG	\$ 2,339	\$ 2	\$ 2,341
36-9-09 JJ	Abandon	SCG	\$ 1,905	\$ 2	\$ 1,907
Kern Wildlife Bundle	Abandon	SCG	\$ 1,888	\$ 4	\$ 1,892
Alhambra Valve	Valve	SCG	\$ 3,588	-	\$ 3,588
Aviation and Boardwalk	Valve	SCG	\$ 7,397	-	\$ 7,397
Banning 5000 Bundle	Valve	SCG	\$ 2,410	-	\$ 2,410
El Segundo	Valve	SCG	\$ 7,488	-	\$ 7,488
Haynes Station	Valve	SCG	\$ 1,750	-	\$ 1,750
Honor Ranch Bundle	Valve	SCG	\$ 1,486	-	\$ 1,486
Indio Bundle	Valve	SCG	\$ 2,853	\$ 5	\$ 2,858
Lampson Bundle	Valve	SCG	\$ 9,632	-	\$ 9,632
Line 1005 Santa Barbara	Valve	SCG	\$ 516	-	\$ 516
Line 1014 Bundle	Valve	SCG	\$ 7,297	-	\$ 7,297
Line 1018 Dana Point	Valve	SCG	\$ 734	-	\$ 734
Line 1020	Valve	SCG	\$ 1,664	-	\$ 1,664
Line 1600 Bundle	Valve	SDG&E	\$ 707	-	\$ 707

Project	Project Type	Utility	Capital	O&M	Total
Line 2000 Beaumont Riverside Bundle	Valve	SCG	\$ 2,786	-	\$ 2,786
Line 2001 Riverside Bundle	Valve	SCG	\$ 2,479	-	\$ 2,479
Line 2001 West Sec 10 and 11	Valve	SCG	\$ 1,545	-	\$ 1,545
Line 2003 East Bundle	Valve	SCG	\$ 4,436	\$ 0	\$ 4,436
Line 2003 West Bundle	Valve	SCG	\$ 3,930	-	\$ 3,930
Line 225 Bundle	Valve	SCG	\$ 2,575	-	\$ 2,575
Line 235-335 East Bundle	Valve	SCG	\$ 3,894	-	\$ 3,894
Line 3010 Bundle	Valve	SDG&E	\$ 276	-	\$ 276
Line 3600 Bundle	Valve	SDG&E	\$ 5,295	-	\$ 5,295
Line 4000 Benson and 7th	Valve	SCG	\$ 1,612	-	\$ 1,612
Line 4000 MP 45.36	Valve	SCG	\$ 1,257	-	\$ 1,257
Line 4000 MP 53.00	Valve	SCG	\$ 1,370	-	\$ 1,370
Line 4000 MP 80.08	Valve	SCG	\$ 1,245	\$ 0	\$ 1,245
Line 4002 Fontana	Valve	SCG	\$ 1,259	-	\$ 1,259
Line 404 Ventura Bundle	Valve	SCG	\$ 4,646	-	\$ 4,646
Line 404-406 Ventura Bundle	Valve	SCG	\$ 974	-	\$ 974
Line 406 Bundle	Valve	SCG	\$ 3,902	-	\$ 3,902
Line 49-28 RCV Upgrade	Valve	SDG&E	\$ 1,658	-	\$ 1,658
Line 6916 Bundle	Valve	SCG	\$ 2,788	-	\$ 2,788
Line 7000 Bundle	Valve	SCG	\$ 1,843	-	\$ 1,843
New Desert Bundle	Valve	SCG	\$ 10,523	\$ 6	\$ 10,529
Newhall Valve Bundle	Valve	SCG	\$ 15,886	-	\$ 15,886
Orange Bundle	Valve	SCG	\$ 5,324	\$ 2	\$ 5,326
Questar Taps	Valve	SCG	\$ 1,763	\$ 5	\$ 1,768
Rainbow Bundle	Valve	SCG	\$ 5,207	-	\$ 5,207
Sepulveda Station Valve	Valve	SCG	\$ 1,038	-	\$ 1,038
Facilities Lease Expense	Misc	SCG/ SDG&E	-	\$ 6,475	\$ 6,475
Descoped Projects	Misc	SCG	-	\$ 746	\$ 746
Post-Completion Adjustments	Misc	SCG/ SDG&E	\$ 33	\$ 1,256	\$ 1,289
PSRMA PSEP Insurance	Misc	SCG	\$ 305	\$ 1,656	\$ 1,961
TOTAL			\$ 854,020	\$ 86,720	\$ 940,740

V. DISALLOWANCES

In approving SoCalGas and SDG&E's PSEP, and in R.11-02-019/A.11-11-002, the Commission determined that certain costs associated with executing PSEP should not be recovered in rates. Compliance with each category of disallowance set forth by the Commission

in prior decisions³³ is described below. Table 3 summarizes the disallowances associated with the projects presented in this Application.

**Table 3 – Total Disallowed Costs³⁴
Summary of SoCalGas and SDG&E Costs in \$000s**

Disallowance Type	SoCalGas	SDG&E	Total
Post-1955 PSEP Costs ³⁵	\$ 1,412	\$ 491	\$ 1,903
Undepreciated Book Balances ³⁶	\$ 225	\$ 1	\$ 226
Executive Incentive Compensation ^{37, 38}	\$ 1	\$ 0	\$ 1
Records Search ³⁹	-	-	-
Total	\$ 1,638	\$ 492	\$ 2,130

The post-1955 costs have been included in the total project costs for review but have not been included for recovery in rates. In other words, the costs presented for review for each project in this proceeding include the amount of the (post-1955)disallowances calculated by Applicants but are excluded from the revenue requirement and rate calculations.

On a combined basis (i.e., in A.14-12-016, A.16-09-005, and this proceeding), SoCalGas and SDG&E have acknowledged disallowances totaling approximately \$26.7 million to date.

³³ D.14-06-007; D.15-12-020.

³⁴ The costs were removed from the utilities' applicable regulatory accounts in the balances presented in Chapter III (Phillips).

³⁵ D.14-06-007 at 56-57 (COL 13 and 14); *see also* D.15-12-020 at 23 (OP 1).

³⁶ D.14-06-007 at 57 (COL 15); *see also* D.15-12-020 at 24 (COL 10).

³⁷ D.14-06-007 at 38.

³⁸ SoCalGas and SDG&E include \$4,422 of executive compensation for review and recovery in this Application. To comply with D.14-06-007, SoCalGas and SDG&E have acknowledged a disallowance of the executive incentive compensation component of that amount of \$614 and \$426, respectively. These amounts round to \$1 and \$0 in Table 3.

³⁹ D.14-06-007 at 39.

A. Post-1955 Hydrotest Projects without Sufficient⁴⁰ Record of a Pressure Test.

To calculate the disallowance for applicable hydrotest projects presented in this Application, SoCalGas and SDG&E identified the pipeline mileage associated with post-1955 pipe without sufficient record of a pressure test. SoCalGas and SDG&E calculate the percentage of pipe mileage in the project without sufficient record of a pressure test and then use that percentage to calculate the portion of costs subject to disallowance.

Where incidental mileage was included solely to facilitate the constructability of post-1955 hydrotest projects without sufficient record of a pressure test, SoCalGas and SDG&E include that entire mileage in calculating the disallowance. Where accelerated mileage was included with a post-1955 hydrotest project without sufficient record of a pressure test, the costs associated with that accelerated mileage are included for review and recovery because that portion would have to be addressed as part of a later phase of PSEP regardless. Accelerated mileage includes Phase 1B mileage (pre-1946, non-piggable pipe) and Phase 2 mileage.⁴¹

B. Post-1955 Replacement Projects without Sufficient Record of a Pressure Test.

To calculate the disallowance for applicable replacement projects presented in this Application, SoCalGas and SDG&E identified the pipeline mileage associated with post-1955 pipe without sufficient record of a pressure test. Based on the mileage of post-1955 pipe without sufficient record of a pressure test, SoCalGas and SDG&E calculated a disallowance using

⁴⁰ For the purpose of determining a disallowance, “sufficient” means the records provide the minimum information to demonstrate consistency with then-applicable industry standards on strength testing and recordkeeping or compliance with then-applicable regulatory strength testing and recordkeeping requirements.

⁴¹ As discussed in Chapter III (Phillips), Phase 2B mileage associated with projects presented in this proceeding was accelerated only for constructability and cost savings reasons.

SoCalGas and SDG&E's average cost of pressure testing.⁴² Specifically, as required under D.14-06-007, SoCalGas and SDG&E calculated a system-average cost to pressure test (as of April 30, 2018, this was \$2.1 million per mile) and multiplied that number by the length of pipe subject to disallowance. The resultant amount is acknowledged as a disallowance. In this way, a disallowance is assessed, but customers bear the revenue requirement of the net replacement costs as they "benefit from having a new safe and reliable pipeline," as required under D.14-06-007.⁴³

For replacement projects, SoCalGas and SDG&E do not include incidental and accelerated mileage in determining the capital disallowance because the accelerated mileage otherwise would need to be addressed as part of a later phase of PSEP, and the incidental mileage has record of a pressure test. In addition, SoCalGas and SDG&E absorb the undepreciated book value for the entirety of the project. In other words, customers have the benefit of a new pipe, and the costs associated with the remaining book value of the incidental and accelerated pipe are borne by shareholders.

C. Undepreciated Book Value for Post-1955 Replacement or Abandonment Projects without Sufficient Record of a Pressure Test.

For replacement and abandonment projects without sufficient record of a pressure test and with remaining book value, SoCalGas and SDG&E acknowledge a reduction to ratebase in an amount equal to the undepreciated book value of the replaced or abandoned pipe.

⁴² D.14-06-007 at 34-35 ("Where replacement of the pipeline is planned rather than test existing pipelines, the system average cost of actual pressure testing should be an offset against the replacement costs of the pipelines for revenue requirement purposes.") D.14-06-007 at 57 (COL 14); D.15-12-020 at 23 (OP 1) ("where such pipeline segment is replaced rather than pressure tested, the utility must absorb an amount equal to the average cost of pressure testing a similar segment").

⁴³ D.14-06-007 at 36.

D. PSEP Executive Incentive Compensation.

As explained in testimony, SoCalGas and SDG&E management maintain oversight of PSEP. As directed by the Commission and explained further in Chapter III (Phillips), SoCalGas and SDG&E do not seek to recover executive incentive compensation costs in this Application.

E. Costs Associated with Searching for Test Records of Pipeline Testing.

As described in prior filings, SoCalGas and SDG&E tracked costs associated with their search for pressure test records. The initial record search costs were deducted as disallowances in previous PSEP reasonableness review proceedings A.14-12-016 and A.16-09-005. SoCalGas and SDG&E did not incur records search costs beyond those included in prior filings; thus, there are no additional records search disallowances acknowledged in this Application.

VI. REVENUE REQUIREMENT

As described in Chapter III (Phillips), Chapter IV (Mejia), and Chapter VIII (Cayabyab), SoCalGas and SDG&E present \$854.0 million in capital expenditures and \$86.7 million in O&M expenditures recorded as of April 2018 for review.⁴⁴ These expenditures form the basis of the revenue requirements requested to be authorized in this Application, reduced by the amounts previously recovered through the fifty-percent interim recovery mechanism authorized in D.16-08-003 and incorporated in rates through April 2018. Because the revenue requirement requested in this Application will change by the time a decision is rendered (based on the authorized interim recovery), Applicants propose to file Tier 1 Advice Letters within thirty days of the effective date of the decision in this proceeding to incorporate the updated revenue requirements into rates.⁴⁵

⁴⁴ Costs were further adjusted by disallowances identified after the April 2018 cut-off date and reflected in the PSEP balancing accounts in subsequent months. *See* Chapter IX (Reyes) for additional discussion.

⁴⁵ *See* Chapter IX (Reyes) for additional discussion.

The PSEP revenue requirements, as recorded in the SEEBAs, SECCBAs and PSRMAs, and requested for recovery in rates, total \$188.3 million for SoCalGas and \$22.9 million for SDG&E.⁴⁶ These costs are fully loaded and include O&M, capital-related costs,⁴⁷ regulatory account interest, and costs associated with supporting the PSEP organization and PSEP project execution, including General Management and Administration (“GMA”) costs as described in the Chapter VI (Tran), incremental company overheads as described in Chapter VII (Moersen), and actual planning and engineering design costs incurred to date as described in Chapter III (Phillips) and Chapter IV (Mejia).

These revenue requirements, adjusted to reflect any additional amounts recovered through the fifty-percent interim cost recovery mechanism, will be allocated to functional areas and amortized over a 12-month period, as discussed below and in Chapter X (Schmidt-Pines). The ongoing capital-related revenue requirements, associated with reasonably incurred capital expenditures reviewed in this proceeding, will continue to be recorded in SoCalGas’ and SDG&E’s SECCBAs. Once the costs incurred to complete the projects submitted for review in this Application are found to be reasonable by the Commission, SoCalGas and SDG&E propose to continue filing Tier 2 Advice Letters each year to incorporate future revenue requirements into rates until such costs are incorporated in base rates in connection with SoCalGas’ and SDG&E’s subsequent general rate case proceedings. In other words, to the extent the costs associated with the PSEP projects presented in this Application are found reasonable, the remaining capital-related revenue requirement will be fully recovered and no longer subject to the fifty-percent interim rate recovery mechanism.

⁴⁶ The revenue requirements are adjusted for certain overhead exclusions, and the SEEBAs, SECCBA, and PSRMA balances exclude disallowed costs discussed in Chapter III (Phillips).

⁴⁷ Capital-related costs include depreciation, taxes and return associated with the cost of the PSEP assets.

Table 4 below illustrates the PSEP revenue requirements presented for recovery in this Application.

**Table 4 – PSEP Revenue Requirements
Excluding FF&U - Costs in \$000s**

	<u>SoCalGas</u>	<u>SDG&E</u>	<u>Total</u>
<u>O&M Costs:</u>			
Completed Projects	67,965	6,576	74,541
Descope Projects	731		731
Post Completion Adjustments	7,359	363	7,721
PSRMA PSEP Insurance	1,656		1,656
Subtotal - O&M Costs	77,711	6,939	84,650
Revenue – 50% Interim Recovery	(33,364)	(4,514)	(37,878)
Regulatory Account Interest ⁴⁸	995	103	1,098
Subtotal - O&M RR	45,342	2,527	47,870
<u>Capital-Related Costs:</u>			
Completed Projects	166,635	23,823	190,458
Post Completion Adjustments	(8)	(14)	(22)
PSRMA PSEP Insurance	167		167
Subtotal - Capital-Related Costs	166,795	23,809	190,604
Revenue – 50% Interim Recovery	(25,602)	(3,656)	(29,258)
Regulatory Account Interest ⁵	1,781	251	2,032
Subtotal - Capital-Related RR	142,974	20,404	163,378
Total Revenue Requirement	188,317	22,931	211,248

* Values may not sum to total due to rounding.

VII. REVENUE REQUIREMENT ALLOCATION

Per D.14-06-007, PSEP costs are allocated consistent with the existing cost allocation and rate design for SoCalGas and SDG&E and include allocation to the backbone function.⁴⁹

Decision 16-12-063 clarified that the PSEP costs functionalized as high pressure distribution

⁴⁸ The SEEBAs, SECCBAs, and PSRMAs are interest-bearing accounts which record interest at the three-month commercial paper rate, pursuant to the utilities' Preliminary Statement approved by SoCalGas Advice No. 4359 and modified in SoCalGas Advice No. 4664, and SDG&E Advice Letter 2106-G and modified in SDG&E Advice Letter 2300-G.

⁴⁹ D.14-06-007 established the allocation of PSEP-related costs. D.14-06-007 at 50 (OP 9) ("Safety Enhancement costs will be allocated consistent with the existing cost allocation and rate design for the companies."). In addition, D.14-06-007 ordered allocation of relevant costs to backbone transmission service. D.14-06-007 at 50.

shall be allocated using the existing marginal demand measures for high pressure distribution costs.⁵⁰ As such, SoCalGas and SDG&E propose to continue to allocate the PSEP revenue requirement on a functional basis consistent with D.16-12-063 as follows:

Table 5
Revenue Requirement Allocated to Functions in \$000s

Function	SoCalGas	SDG&E	Total
Backbone Transmission	\$40,146	\$1,268	\$41,414
Local Transmission	\$29,509	\$4,409	\$33,919
High Pressure Distribution	\$114,252	\$21,664	\$135,915
Total \$000s	\$183,907	\$27,341	\$211,248

The costs will be amortized in transportation rates over a 12-month period, as discussed further in Chapter IX (Reyes), commencing January 1 the year following the Commission’s decision on this Application.⁵¹ As discussed above, Applicants propose to implement rates by filing advice letters.⁵² The illustrative rate impacts are as follows:

⁵⁰ D.16-12-063 at 59 (COL 24).

⁵¹ As stated in the testimony of Mr. Reyes (Chapter IX), in the event the Application is approved in the fourth quarter of a year, the rate change will be amortized over the remainder of the year and the entirety of the following year.

⁵² Once the Commission authorizes SoCalGas and SDG&E to collect in rates the remaining unrecovered revenue requirements associated with the projects presented for review in this Application, SoCalGas and SDG&E will file Tier 1 Advice Letters within 30 days of the effective date of the decision authorizing recovery. The advice letters will serve to update the revenue requirements authorized by the Commission for such items as: (1) regulatory account interest; (2) the ongoing capital-related revenue requirements associated with approved PSEP capital projects that were recorded to the SECCBAs subsequent to April 2018 through the date that rates are adjusted; and (3) a reduction for previously authorized interim cost recovery incorporated in current rates subsequent to April 2018 and any future interim cost recovery approved and incorporated in the following year’s rates pursuant to D.16-08-003. SoCalGas and SDG&E will then incorporate the updated revenue requirements into rates on the first day of the next month following advice letter approval or in connection with other authorized rate changes implemented by SoCalGas and SDG&E. Should Commission approval be obtained during Q4, SoCalGas and SDG&E propose to update revenue requirements through December of the approval year and the subsequent year for the ongoing capital-related revenue requirements associated with these approved PSEP capital projects. These updated revenue requirements would be incorporated in rates effective January 1 of the following year.

Table 6
Illustrative Transportation Rates
\$/therm except as noted

Transportation	11/1/2018 Rates	Proposed Rates	Increase (decrease)	% change
<u>SoCalGas Summary</u>				
Core Rates				
Residential	\$0.758	\$0.794	\$0.036	4.7%
Residential class average bill \$/month	\$40.04	\$41.35	\$1.31	3.3%
Core C&I	\$0.328	\$0.353	\$0.025	7.5%
NGV (uncompressed)	\$0.114	\$0.128	\$0.014	12.5%
NonCore Distribution Level Service Rates				
C&I Rate	\$0.078	\$0.095	\$0.017	21.9%
Electric Generation Tier 1	\$0.128	\$0.146	\$0.018	13.7%
Electric Generation Tier 2	\$0.056	\$0.074	\$0.017	30.6%
NonCore Transmission Level Service Rates				
C&I Rate (w/ csitma & CARB Fee adders)	\$0.025	\$0.027	\$0.003	11.7%
Electric Generation Rate (w/CARB Fee)	\$0.022	\$0.024	\$0.003	13.3%
Backbone Transmission Service \$/dth/day	\$0.264	\$0.306	\$0.043	16.3%
Revenue Requirement \$ millions	\$2,668	\$2,854	\$186	7.0%
CARB Fee Credit \$/therm	(\$0.0010)	(\$0.0010)	\$0.0000	0.0%
<u>SDG&E Summary</u>				
Core Rates				
Residential	\$0.920	\$0.973	\$0.053	5.8%
Residential class average bill \$/month	\$30.84	\$32.13	\$1.29	4.2%
Core C&I	\$0.279	\$0.308	\$0.029	10.6%
NGV (uncompressed)	\$0.115	\$0.129	\$0.014	12.5%
NonCore Distribution Level Service Rates				
C&I Rate	\$0.117	\$0.135	\$0.018	15.2%
Electric Generation Tier 1	\$0.129	\$0.146	\$0.018	13.7%
Electric Generation Tier 2	\$0.057	\$0.074	\$0.017	30.8%
NonCore Transmission Level Service Rates				
C&I Rate (w/ csitma & CARB Fee adders)	\$0.025	\$0.028	\$0.003	11.7%
Electric Generation Rate (w/CARB Fee)	\$0.021	\$0.024	\$0.003	13.5%
Revenue Requirement \$ millions	\$371	\$397	\$27	7.2%
CARB Fee Credit \$/therm	(\$0.001)	(\$0.001)	\$0.000	0.0%

VIII. DESCRIPTION OF TESTIMONY

Support for Applicants’ requests is provided in the accompanying prepared direct testimony and workpapers. The direct testimony describes Applicants’ PSEP efforts and provides detail on program management and implementation and execution of projects, and demonstrates that the revenue requirements correlated to Applicants’ efforts are just and reasonable and should be recovered in rates. The table below lists each direct testimony chapter number, identifies each sponsoring witness, and provides a brief description of the testimony.

**Table 7
Description of Testimony**

Chapter	Witness	Description and Purpose
I	Buczowski	<u>Policy</u> : Reaffirms Applicants’ commitment to enhancing the safety of the SoCalGas and SDG&E natural gas system promptly and expeditiously in accordance with Commission and State mandates; provides an overview of prudent and reasonable implementation of this work.
II	Phillips	<u>Execution</u> : Provides a background of PSEP; describes the structure of the PSEP organization and how it lends to prudent management of projects; discusses how the PSEP team efficiently initiated and executed projects to mitigate the impacts of obstacles encountered, and other ways SoCalGas and SDG&E manage costs for the benefit of customers.
III	Phillips	<u>Pipeline Projects and Other Costs</u> : Demonstrates SoCalGas and SDG&E’s prudent execution of the 44 pipeline projects and the reasonableness of the capital and O&M expenditures and other costs incurred to execute PSEP; explains project cost components, the Decision Tree, disallowed costs, and a reconciliation of the “as filed” mileage as compared to executed mileage.
IV	Mejia	<u>Valve Enhancement Plan</u> : Gives an overview of the SoCalGas and SDG&E Valve Enhancement Plan; demonstrates SoCalGas and SDG&E’s prudent execution of valve projects and the reasonableness of the capital expenditures for the 39 bundled valve projects included for review in this Application.

Chapter	Witness	Description and Purpose
V	Mejia	<u>Project Support</u> : Describes and demonstrates the reasonableness of SoCalGas and SDG&E’s PSEP project support activities and costs; how these efforts avoided costs for customers, maximized the effectiveness of safety investments, improved organizational and project execution efficiency, and provided consistency in the implementation of PSEP projects; explains General Management and Administration (GMA) internal orders (IOs) used to track costs for allocation to PSEP projects.
VI	Tran	<u>General Management and Administration</u> : Explains the reasonableness of the PSEP GMA framework, cost tracking, and allocation methodology; discusses how the GMA framework tracks program-wide support costs in a transparent manner; explains how GMA costs are reasonably incurred to support PSEP execution, and were appropriately tracked, monitored, and allocated to individual PSEP projects.
VII	Moersen	<u>Overheads</u> : Explains the allocation of company overheads to PSEP projects, including summarizing the accounting and allocation processes related to PSEP-specific insurance coverage.
VIII	Cayabyab	<u>Insurance</u> : Explains the prudence of the Owner Controlled Insurance Program (OCIP) procurement and reasonableness of OCIP costs; discusses insurance cost allocations between SoCalGas and SDG&E.
IX	Reyes	<u>Revenue Requirement</u> : Discusses the revenue requirements associated with the PSEP projects and costs presented for review in this Application that are recorded in SoCalGas and SDG&E’s SEEBAs, SECCBAs, and PSRMAs.
X	Schmidt-Pines	<u>Rate Impact</u> : Details rate impacts that would result from the amortization of the balances recorded in the SoCalGas and SDG&E SEEBAs, SECCBAs, and PSRMAs.

IX. STATUTORY AND PROCEDURAL REQUIREMENTS⁵³

A. Rule 2.1(a) – (c)

This Application is made pursuant to Sections 451, 454, 489, 491, 701, 728, 729, 957, and 958 of the Public Utilities Code of the State of California, the Commission’s Rules of

⁵³ Applicable updates are provided herein. Many of these items were addressed in the Assigned Commissioner’s Scoping Memo and Ruling dated February 14, 2019.

Practice and Procedure, and relevant decisions, orders, and resolutions of the Commission. In accordance with Rule 2.1(a) - (c) of the Commission's Rules of Practice and Procedure, SoCalGas and SDG&E provide the following information.

1. Rule 2.1(a) – Legal Name

SoCalGas is a public utility corporation organized and existing under the laws of the State of California. SoCalGas' principal place of business and mailing address is 555 West Fifth Street, Los Angeles, California, 90013.

SDG&E is a public utility corporation organized and existing under the laws of the State of California. SDG&E is engaged in the business of providing electric service in a portion of Orange County and electric and gas service in San Diego County. SDG&E's principal place of business is 8330 Century Park Court, San Diego, California, 92123.

2. Rule 2.1(b) – Correspondence

All correspondence and communications to SoCalGas and SDG&E regarding this Application should be addressed to:

DIANA ALCALA

Regulatory Case Manager for:

SOUTHERN CALIFORNIA GAS COMPANY

SAN DIEGO GAS & ELECTRIC COMPANY

555 West Fifth Street, GT-14D6

Los Angeles, California 90013

Telephone: (213) 244-3754

Facsimile: (213) 244-4957

E-mail: DAlcala@semprautilities.com

A copy should also be sent to:

AVISHA A. PATEL

Attorney (and Party) for:

**SOUTHERN CALIFORNIA GAS COMPANY
SAN DIEGO GAS & ELECTRIC COMPANY**

555 West Fifth Street, GT-14E7

Los Angeles, California 90013

Telephone: (213) 244-2954

Facsimile: (213) 629-9620

E-mail: APatel@semprautilities.com

3. Rule 2.1(c)

a. Proposed Category of Proceeding

SoCalGas and SDG&E propose that this proceeding be categorized as “Ratesetting” under Rule 1.3(e) because the Application will have a potential future effect on SoCalGas and SDG&E’s rates.

b. Need for Hearings

SoCalGas and SDG&E anticipate that evidentiary hearings will be necessary.

c. Issues to be Considered and Relevant Safety Considerations

The principal issue to be considered in this proceeding is whether the costs incurred in executing the PSEP projects presented in this Application are reasonable, and thus the associated revenue requirements should be recovered in rates.

PSEP is safety driven. This Application seeks review of costs associated with completed PSEP work and rate recovery thereof, and thus could impact future safety enhancement work if the Commission issues guidance on future PSEP work and activities.

d. Proposed Schedule

In the Assigned Commissioner’s Scoping Memo and Ruling dated February 14, 2019, the Commissioner set the following schedule for this Application:

EVENT	DATE
Application	11/13/2018
Responses/Protests	12/13/2018
SoCalGas/SDG&E Reply Responses/Protests	12/24/2018
Prehearing Conference	01/16/2019
Intervenor Testimony	06/03/2019
Rebuttal Testimony	10/20/2019
Evidentiary Hearings	November 12-14 2019
Opening Briefs	12/16/2019
Reply Briefs	01/16/2020
Proposed Decision	April 2020
Commission Decision	June 2020

B. Rule 2.2 – Articles of Incorporation

A copy of SoCalGas’ Restated Articles of Incorporation, as last amended, presently in effect and certified by the California Secretary of State, was previously filed with the Commission on October 1, 1998, in connection with A.98-10-012, and is incorporated herein by reference.

A copy of SDG&E’s Restated Articles of Incorporation as last amended, presently in effect and certified by the California Secretary of State, was filed with the Commission on September 10, 2014 in connection with SDG&E’s Application No. 14-09-008, and is incorporated herein by reference.

C. Rule 3.2(a) – (d)

In accordance with Rule 3.2 (a) - (d) of the Commission's Rules of Practice and Procedure, SoCalGas and SDG&E provide the following information.

1. Rule 3.2(a)(1) – Balance Sheet and Income Statement

The most recent updated Balance Sheet and Income Statements for SoCalGas and SDG&E are attached to this Application as Attachment A and Attachment B, respectively.

2. Rule 3.2(a)(2) and (3) – Statement of Present and Proposed Rates

The rate changes that will result from this Application are described in Attachment C and Attachment D for SoCalGas and SDG&E, respectively.

3. Rule 3.2(a)(4) – Description of Applicants' Property and Equipment

A general description of SoCalGas' property and equipment was previously filed with the Commission on May 3, 2004 in connection with SoCalGas' Application 04-05-008, and is incorporated herein by reference. A statement of Original Cost and Depreciation Reserve as of, September 30, 2018 is attached as Attachment E.

A general description of SDG&E's property and equipment was filed with the Commission on October 5, 2001, in connection with Application 01-10-005, and is incorporated herein by reference. A statement of Original Cost and Depreciation Reserve as of September 30, 2018 is attached as Attachment F.

4. Rule 3.2(a)(5) and (6) – Summary of Earnings

The summary of earnings for SoCalGas and SDG&E are included herein as Attachment G and Attachment H.

5. Rule 3.2(a)(7) – Depreciation

For financial statement purposes, depreciation of utility plant has been computed on a straight-line remaining life basis at rates based on the estimated useful lives of plant properties. For federal income tax accrual purposes, SoCalGas and SDG&E generally compute depreciation using the straight-line method for tax property additions prior to 1954, and liberalized depreciation, which includes Class Life and Asset Depreciation Range Systems, on tax property additions after 1954 and prior to 1981. For financial reporting and rate-fixing purposes, “flow through accounting” has been adopted for such properties. For tax property additions in years 1981 through 1986, SoCalGas and SDG&E have computed their tax depreciation using the Accelerated Cost Recovery System. For years after 1986, SoCalGas and SDG&E have computed their tax depreciation using the Modified Accelerated Cost Recovery Systems and, since 1982, have normalized the effects of the depreciation differences in accordance with the Economic Recovery Tax Act of 1981, the Tax Reform Act of 1986, and the Tax Cuts and Jobs Act of 2017.

6. Rule 3.2(a)(8) – Proxy Statement

A copy of SoCalGas’ most recent proxy statement, dated April 26, 2018, was mailed to the Commission on April 27, 2018, and is incorporated herein by reference.

A copy of most recent proxy statement sent to all shareholders of SDG&E’s parent company, Sempra Energy, dated March 23, 2018, was mailed to the Commission on May 9, 2018, and is incorporated herein by reference.

7. Rule 3.2(a)(10) – Statement re Pass Through to Customers

This Application will seek the Commission’s authorization to revise SoCalGas and SDG&E’s current base rate revenue requirement to recover their costs of their operations, as well as owning and operating their natural gas facilities and infrastructure, for the purposes of serving their customers. It is not only a pass through of costs.

8. Rule 3.2(b) – Notice to State, Cities and Counties

Within twenty days of filing the original application, SoCalGas and SDG&E mailed a notice regarding the original application to the State of California and to the cities and counties in its service territory and all parties to A.15-06-013 (SoCalGas and SDG&E’s Phase 2 PSEP proceeding), A.14-12-016 (SoCalGas and SDG&E’s PSRMA proceeding), A.16-09-005 (SoCalGas and SDG&E’s 2016 Reasonableness Review Application), A.17-03-021 (SoCalGas and SDG&E’s 2017 Forecast Application), and A.11-11-002 (SoCalGas and SDG&E’s 2011 TCAP/PSEP proceeding).

9. Rule 3.2(c) – Newspaper Publication

Within twenty days of filing the original application, SoCalGas and SDG&E published notice of the original application in newspapers of general circulation in each county in their service territory.

10. Rule 3.2(d) – Bill Insert Notice

Within forty-five days of filing the original application, SoCalGas and SDG&E provided notice of the original application to their customers along with the regular bills sent to those customers that generally described the proposed rate changes addressed in the application. This Amended Application does not necessitate resending those bill notices.

X. CONCLUSION

Through PSEP, SoCalGas and SDG&E continue to make prudent investments for the benefit of customers to enhance the safety and reliability of their integrated natural gas transmission system. To allow recovery in rates of these prudent investments, and for the reasons described above, and in the testimony and workpapers supporting this Application, SoCalGas and SDG&E respectfully request that the Commission:

- Find SoCalGas and SDG&E have met their burden of demonstrating they acted as reasonable managers and prudently implemented and executed PSEP;
- Find the PSEP project execution and program support activities described in this Application were prudently undertaken to implement PSEP;
- Find the PSEP GMAs a reasonable and prudent means to allocate PSEP project and program support costs to PSEP projects;
- Find the PSEP insurance was reasonably and prudently obtained and provided value to customers and other stakeholders;
- Find that SoCalGas and SDG&E appropriately applied overhead costs to the PSEP projects presented in this Application;
- Find SoCalGas and SDG&E have demonstrated the reasonableness of the costs incurred to execute the 83 PSEP safety-enhancement projects presented in this Application;
- Find SoCalGas and SDG&E correctly calculated PSEP disallowances;
- Authorize SoCalGas and SDG&E to recover in rates the outstanding revenue requirements associated with the projects and program management costs submitted for review in this Application;

- Find SoCalGas and SDG&E correctly allocated PSEP revenue requirements by functional area;
- Authorize SoCalGas and SDG&E to file Tier 1 Advice Letters within 30 days of the effective date of the decision authorizing recovery in rates of the updated revenue requirements associated with PSEP costs determined to be reasonable by the Commission, including any reduction for currently authorized interim cost recovery in 2018 and any other interim cost recovery authorized in subsequent years pursuant to Decision 16-08-003, on the first day of the following month or in connection with other SoCalGas and SDG&E rate changes;
- Authorize SoCalGas and SDG&E to recover ongoing capital-related revenue requirements associated with capital expenditures deemed reasonable in this proceeding through a Tier 2 Advice Letter until such costs are incorporated in base rates in connection with the SoCalGas' and SDG&E's subsequent general rate cases; and

- Provide such other and further ratemaking relief relating to PSEP as the Commission deems necessary or appropriate.

Respectfully submitted,

By: /s/ Rodger R. Schwecke
 RODGER R. SCHWECKE

Senior Vice President – Gas Operations and Construction for:

**SOUTHERN CALIFORNIA GAS COMPANY
SAN DIEGO GAS & ELECTRIC COMPANY**

By: /s/ Avisha A. Patel
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April 10, 2019

OFFICER VERIFICATION

I am an officer of Southern California Gas Company and San Diego Gas & Electric Company and am authorized to make this verification on their behalf. The matters stated in the foregoing Application are true to my own knowledge, except as to matters that are stated therein on information and belief, and as to those matters I believe them to be true.

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

Executed this 10th day of April, 2019, at Los Angeles, California.

By: /s/ Rodger R. Schwecke
Rodger R. Schwecke

Senior Vice President – Gas Operations and Construction for:

**SOUTHERN CALIFORNIA GAS COMPANY
SAN DIEGO GAS & ELECTRIC COMPANY**

Attachment A

**Southern California Gas Company
Balance Sheet and Income Statement**

**SOUTHERN CALIFORNIA GAS COMPANY
BALANCE SHEET
ASSETS AND OTHER DEBITS
SEPTEMBER 30, 2018**

	1. UTILITY PLANT	<u>2018</u>
101	UTILITY PLANT IN SERVICE	\$16,754,079,114
102	UTILITY PLANT PURCHASED OR SOLD	-
105	PLANT HELD FOR FUTURE USE	-
106	COMPLETED CONSTRUCTION NOT CLASSIFIED	-
107	CONSTRUCTION WORK IN PROGRESS	852,333,732
108	ACCUMULATED PROVISION FOR DEPRECIATION OF UTILITY PLANT	(5,636,929,464)
111	ACCUMULATED PROVISION FOR AMORTIZATION OF UTILITY PLANT	(55,183,782)
117	GAS STORED-UNDERGROUND	<u>61,422,045</u>
	TOTAL NET UTILITY PLANT	<u>11,975,721,645</u>
 2. OTHER PROPERTY AND INVESTMENTS		
121	NONUTILITY PROPERTY	32,413,200
122	ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF NONUTILITY PROPERTY	(13,537,820)
123	INVESTMENTS IN SUBSIDIARY COMPANIES NONCURRENT PORTION OF ALLOWANCES	-
124	OTHER INVESTMENTS	15,980
125	SINKING FUNDS	-
128	OTHER SPECIAL FUNDS	3,000,000
175	LONG TERM PORTION OF DERIVATIVE ASSETS	<u>324,955</u>
	TOTAL OTHER PROPERTY AND INVESTMENTS	<u>22,216,315</u>

Data from SPL as of January 24, 2019.

**SOUTHERN CALIFORNIA GAS COMPANY
BALANCE SHEET
ASSETS AND OTHER DEBITS
SEPTEMBER 30, 2018**

3. CURRENT AND ACCRUED ASSETS		2018
131	CASH	3,951,498
132	INTEREST SPECIAL DEPOSITS	-
134	OTHER SPECIAL DEPOSITS	-
135	WORKING FUNDS	126,287
136	TEMPORARY CASH INVESTMENTS	(2,783,474)
141	NOTES RECEIVABLE	-
142	CUSTOMER ACCOUNTS RECEIVABLE	364,305,572
143	OTHER ACCOUNTS RECEIVABLE	73,115,734
144	ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS	(4,041,214)
145	NOTES RECEIVABLE FROM ASSOCIATED COMPANIES	88,219,495
146	ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES	(3,851,651)
151	FUEL STOCK	-
152	FUEL STOCK EXPENSE UNDISTRIBUTED	-
154	PLANT MATERIALS AND OPERATING SUPPLIES	52,280,157
155	MERCHANDISE	-
156	OTHER MATERIALS AND SUPPLIES	-
158	GHG ALLOWANCE	285,708,270
	(LESS) NONCURRENT PORTION OF ALLOWANCES	-
163	STORES EXPENSE UNDISTRIBUTED	175,316
164	GAS STORED	115,993,175
165	PREPAYMENTS	32,642,596
171	INTEREST AND DIVIDENDS RECEIVABLE	807,208
173	ACCRUED UTILITY REVENUES	-
174	MISCELLANEOUS CURRENT AND ACCRUED ASSETS	28,005,992
175	DERIVATIVE INSTRUMENT ASSETS	6,199,439
176	LONG TERM PORTION OF DERIVATIVE ASSETS	(324,955)
	TOTAL CURRENT AND ACCRUED ASSETS	1,040,529,444
4. DEFERRED DEBITS		
181	UNAMORTIZED DEBT EXPENSE	25,573,566
182	UNRECOVERED PLANT AND OTHER REGULATORY ASSETS	2,703,912,834
183	PRELIMINARY SURVEY & INVESTIGATION CHARGES	3,106,069
184	CLEARING ACCOUNTS	(250,594)
185	TEMPORARY FACILITIES	-
186	MISCELLANEOUS DEFERRED DEBITS	805,641,000
188	RESEARCH AND DEVELOPMENT	-
189	UNAMORTIZED LOSS ON REACQUIRED DEBT	5,182,763
190	ACCUMULATED DEFERRED INCOME TAXES	365,754,780
191	UNRECOVERED PURCHASED GAS COSTS	-
	TOTAL DEFERRED DEBITS	3,908,920,419
	TOTAL ASSETS AND OTHER DEBITS	\$ 16,947,387,825

Data from SPL as of January 24, 2019.

**SOUTHERN CALIFORNIA GAS COMPANY
BALANCE SHEET
LIABILITIES AND OTHER CREDITS
SEPTEMBER 30, 2018**

5. PROPRIETARY CAPITAL

	2018
201 COMMON STOCK ISSUED	(834,888,907)
204 PREFERRED STOCK ISSUED	(21,551,075)
207 PREMIUM ON CAPITAL STOCK	-
208 OTHER PAID-IN CAPITAL	-
210 GAIN ON RETIRED CAPITAL STOCK	(9,722)
211 MISCELLANEOUS PAID-IN CAPITAL	(31,306,680)
214 CAPITAL STOCK EXPENSE	143,261
216 UNAPPROPRIATED RETAINED EARNINGS	(3,234,612,617)
219 ACCUMULATED OTHER COMPREHENSIVE INCOME	19,398,560
	(4,102,827,180)

6. LONG-TERM DEBT

221 BONDS	(3,450,000,000)
224 OTHER LONG-TERM DEBT	(9,338,770)
225 UNAMORTIZED PREMIUM ON LONG-TERM DEBT	-
226 UNAMORTIZED DISCOUNT ON LONG-TERM DEBT	7,139,703
	(3,452,199,067)

7. OTHER NONCURRENT LIABILITIES

227 OBLIGATIONS UNDER CAPITAL LEASES - NONCURRENT	(707,633)
228.2 ACCUMULATED PROVISION FOR INJURIES AND DAMAGES	(130,576,868)
228.3 ACCUMULATED PROVISION FOR PENSIONS AND BENEFITS	(708,009,055)
228.4 ACCUMULATED MISCELLANEOUS OPERATING PROVISIONS	-
245 NONCURRENT DERIVATIVE INSTRUMENT LIABILITIES	-
230 ASSET RETIREMENT OBLIGATIONS	(2,006,441,109)
	(2,845,734,666)

Data from SPL as of January 24, 2019.

**SOUTHERN CALIFORNIA GAS COMPANY
BALANCE SHEET
LIABILITIES AND OTHER CREDITS
SEPTEMBER 30, 2018**

8. CURRENT AND ACCRUED LIABILITES		2018
231	NOTES PAYABLE	-
232	ACCOUNTS PAYABLE	(709,203,539)
233	NOTES PAYABLE TO ASSOCIATED COMPANIES	-
234	ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES	(35,852,410)
235	CUSTOMER DEPOSITS	(100,541,695)
236	TAXES ACCRUED	(20,526,156)
237	INTEREST ACCRUED	(28,127,462)
238	DIVIDENDS DECLARED	(50,323,265)
241	TAX COLLECTIONS PAYABLE	(14,223,002)
242	MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES	(368,697,624)
243	OBLIGATIONS UNDER CAPITAL LEASES - CURRENT	(3,126,563)
244	DERIVATIVE INSTRUMENT LIABILITIES	(5,148,809)
245	DERIVATIVE INSTRUMENT LIABILITIES - HEDGES	-
	TOTAL CURRENT AND ACCRUED LIABILITIES	(1,335,770,525)
9. DEFERRED CREDITS		
252	CUSTOMER ADVANCES FOR CONSTRUCTION	(82,118,093)
	OTHER DEFERRED CREDITS	(192,924,770)
254	OTHER REGULATORY LIABILITIES	(3,439,396,832)
255	ACCUMULATED DEFERRED INVESTMENT TAX CREDITS	(9,118,999)
257	UNAMORTIZED GAIN ON REACQUIRED DEBT	-
281	ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED	-
282	ACCUMULATED DEFERRED INCOME TAXES - PROPERTY	(1,193,296,599)
283	ACCUMULATED DEFERRED INCOME TAXES - OTHER	(294,001,095)
	TOTAL DEFERRED CREDITS	(5,210,856,387)
	TOTAL LIABILITIES AND OTHER CREDITS	\$ (16,947,387,825)

Data from SPL as of January 24, 2019.

SOUTHERN CALIFORNIA GAS COMPANY
STATEMENT OF INCOME AND RETAINED EARNINGS
NINE MONTHS ENDED SEPTEMBER 30, 2018

1. UTILITY OPERATING INCOME

400	OPERATING REVENUES		2,700,782,066
401	OPERATING EXPENSES	1,635,081,241	
402	MAINTENANCE EXPENSES	196,603,712	
403-7	DEPRECIATION AND AMORTIZATION EXPENSES	413,745,442	
408.1	TAXES OTHER THAN INCOME TAXES	77,621,802	
409.1	INCOME TAXES	(17,699,916)	
410.1	PROVISION FOR DEFERRED INCOME TAXES	148,629,499	
411.1	PROVISION FOR DEFERRED INCOME TAXES - CREDIT	(79,313,442)	
411.4	INVESTMENT TAX CREDIT ADJUSTMENTS	(809,088)	
411.6	GAIN FROM DISPOSITION OF UTILITY PLANT	(247,776)	
411.7	LOSS FROM DISPOSITION OF UTILITY PLANT	-	
	TOTAL OPERATING REVENUE DEDUCTIONS		<u>2,373,611,473</u>
	NET OPERATING INCOME		327,170,593

2. OTHER INCOME AND DEDUCTIONS

415	REVENUE FROM MERCHANDISING, JOBBING AND CONTRACT WORK	-	
417	REVENUES FROM NONUTILITY OPERATIONS	-	
417.1	EXPENSES OF NONUTILITY OPERATIONS	(255,226)	
418	NONOPERATING RENTAL INCOME	352,953	
418.1	EQUITY IN EARNINGS OF SUBSIDIARIES	-	
419	INTEREST AND DIVIDEND INCOME	215,198	
419.1	ALLOWANCE FOR OTHER FUNDS USED DURING CONSTRUCTION	29,847,191	
421	MISCELLANEOUS NONOPERATING INCOME	(719,970)	
421.1	GAIN ON DISPOSITION OF PROPERTY	0	
	TOTAL OTHER INCOME	<u>29,440,146</u>	
421.2	LOSS ON DISPOSITION OF PROPERTY	(98,241)	
425	MISCELLANEOUS AMORTIZATION	-	
426	MISCELLANEOUS OTHER INCOME DEDUCTIONS	<u>(4,554,922)</u>	
		(4,653,163)	
408.2	TAXES OTHER THAN INCOME TAXES	(156,347)	
409.2	INCOME TAXES	(22,670,663)	
410.2	PROVISION FOR DEFERRED INCOME TAXES	(29,405,212)	
411.2	PROVISION FOR DEFERRED INCOME TAXES - CREDIT	27,627,274	
420	INVESTMENT TAX CREDITS	-	
	TOTAL TAXES ON OTHER INCOME AND DEDUCTIONS	<u>(24,604,948)</u>	
	TOTAL OTHER INCOME AND DEDUCTIONS		<u>182,035</u>
	INCOME BEFORE INTEREST CHARGES		327,352,628
	NET INTEREST CHARGES*		<u>82,419,793</u>
	NET INCOME		<u><u>\$244,932,834</u></u>

*NET OF ALLOWANCE FOR BORROWED FUNDS USED DURING CONSTRUCTION. (\$8,479,706)

Data from SPL as of January 24, 2019.

STATEMENT OF INCOME AND RETAINED EARNINGS
NINE MONTHS ENDED SEPTEMBER 30, 2018

3. RETAINED EARNINGS

RETAINED EARNINGS AT BEGINNING OF PERIOD, AS PREVIOUSLY REPORTED	\$3,040,649,581
NET INCOME (FROM PRECEDING PAGE)	244,932,834
DIVIDEND TO PARENT COMPANY	(50,000,000)
DIVIDENDS DECLARED - PREFERRED STOCK	(969,798)
OTHER RETAINED EARNINGS ADJUSTMENT	<u>-</u>
RETAINED EARNINGS AT END OF PERIOD	<u><u>\$3,234,612,617</u></u>

Attachment B

**San Diego Gas & Electric Company
Balance Sheet and Income Statement**

SAN DIEGO GAS & ELECTRIC COMPANY
BALANCE SHEET
ASSETS AND OTHER DEBITS
September 30,2018

	1. UTILITY PLANT	<u>2018</u>
101	UTILITY PLANT IN SERVICE	\$ 18,076,186,935
102	UTILITY PLANT PURCHASED OR SOLD	279,422
104	UTILITY PLANT LEASED TO OTHERS	85,194,000
105	PLANT HELD FOR FUTURE USE	0
106	COMPLETED CONSTRUCTION NOT CLASSIFIED	-
107	CONSTRUCTION WORK IN PROGRESS	1,330,567,123
108	ACCUMULATED PROVISION FOR DEPRECIATION OF UTILITY PLANT	(5,510,929,374)
111	ACCUMULATED PROVISION FOR AMORTIZATION OF UTILITY PLANT	(863,743,883)
114	ELEC PLANT ACQUISITION ADJ	3,750,722
115	ACCUM PROVISION FOR AMORT OF ELECTRIC PLANT ACQUIS ADJ	(1,687,824)
118	OTHER UTILITY PLANT	1,303,370,018
119	ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF OTHER UTILITY PLANT	(266,380,066)
120	NUCLEAR FUEL - NET	-
	TOTAL NET UTILITY PLANT	<u>\$ 14,156,607,072</u>
	 2. OTHER PROPERTY AND INVESTMENTS	
121	NONUTILITY PROPERTY	\$ 6,028,916
122	ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION	(326,049)
158	NON-CURRENT PORTION OF ALLOWANCES	153,004,279
123	INVESTMENTS IN SUBSIDIARY COMPANIES	-
124	OTHER INVESTMENTS	-
125	SINKING FUNDS	-
128	OTHER SPECIAL FUNDS	1,041,688,168
175	LONG-TERM PORTION OF DERIVATIVE ASSETS	98,473,756
	TOTAL OTHER PROPERTY AND INVESTMENTS	<u>\$ 1,298,869,070</u>

Data from SPL as of November 15, 2018

SAN DIEGO GAS & ELECTRIC COMPANY
BALANCE SHEET
ASSETS AND OTHER DEBITS
September 30,2018

3. CURRENT AND ACCRUED ASSETS

		2018
131	CASH	\$ 8,679,418
132	INTEREST SPECIAL DEPOSITS	-
134	OTHER SPECIAL DEPOSITS	-
135	WORKING FUNDS	500
136	TEMPORARY CASH INVESTMENTS	-
141	NOTES RECEIVABLE	-
142	CUSTOMER ACCOUNTS RECEIVABLE	403,359,872
143	OTHER ACCOUNTS RECEIVABLE	133,123,963
144	ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS	(4,871,013)
145	NOTES RECEIVABLE FROM ASSOCIATED COMPANIES	-
146	ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES	723,143
151	FUEL STOCK	655,097
152	FUEL STOCK EXPENSE UNDISTRIBUTED	-
154	PLANT MATERIALS AND OPERATING SUPPLIES	136,585,635
156	OTHER MATERIALS AND SUPPLIES	-
158	ALLOWANCES	272,239,297
158	LESS: NON-CURRENT PORTION OF ALLOWANCES	(153,004,279)
163	STORES EXPENSE UNDISTRIBUTED	-
164	GAS STORED	365,298
165	PREPAYMENTS	109,370,868
171	INTEREST AND DIVIDENDS RECEIVABLE	2,424,619
173	ACCRUED UTILITY REVENUES	71,348,000
174	MISCELLANEOUS CURRENT AND ACCRUED ASSETS	2,400,000
175	DERIVATIVE INSTRUMENT ASSETS	132,604,309
175	LESS: LONG -TERM PORTION OF DERIVATIVE INSTRUMENT ASSETS	(98,473,756)
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 1,017,530,971

4. DEFERRED DEBITS

181	UNAMORTIZED DEBT EXPENSE	\$ 35,191,699
182	UNRECOVERED PLANT AND OTHER REGULATORY ASSETS	1,668,321,332
183	PRELIMINARY SURVEY & INVESTIGATION CHARGES	682,437
184	CLEARING ACCOUNTS	(414,398)
185	TEMPORARY FACILITIES	323,699
186	MISCELLANEOUS DEFERRED DEBITS	126,035,739
188	RESEARCH AND DEVELOPMENT	-
189	UNAMORTIZED LOSS ON REACQUIRED DEBT	6,948,253
190	ACCUMULATED DEFERRED INCOME TAXES	140,760,086
	TOTAL DEFERRED DEBITS	\$ 1,977,848,847

	\$ 18,450,855,960
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Data from SPL as of November 15, 2018

SAN DIEGO GAS & ELECTRIC COMPANY
BALANCE SHEET
LIABILITIES AND OTHER CREDITS
September 30, 2018

5. PROPRIETARY CAPITAL

		2018
201	COMMON STOCK ISSUED	\$ 291,458,395
204	PREFERRED STOCK ISSUED	-
207	PREMIUM ON CAPITAL STOCK	591,282,978
210	GAIN ON RETIRED CAPITAL STOCK	-
211	MISCELLANEOUS PAID-IN CAPITAL	479,665,368
214	CAPITAL STOCK EXPENSE	(24,605,640)
216	UNAPPROPRIATED RETAINED EARNINGS	4,537,331,009
219	ACCUMULATED OTHER COMPREHENSIVE INCOME	(13,802,425)
	TOTAL PROPRIETARY CAPITAL	\$ 5,861,329,685

6. LONG-TERM DEBT

221	BONDS	\$ 4,776,266,000
223	ADVANCES FROM ASSOCIATED COMPANIES	-
224	OTHER LONG-TERM DEBT	-
225	UNAMORTIZED PREMIUM ON LONG-TERM DEBT	-
226	UNAMORTIZED DISCOUNT ON LONG-TERM DEBT	(12,823,314)
	TOTAL LONG-TERM DEBT	\$ 4,763,442,686

7. OTHER NONCURRENT LIABILITIES

227	OBLIGATIONS UNDER CAPITAL LEASES - NONCURRENT	\$ 991,240,490
228.2	ACCUMULATED PROVISION FOR INJURIES AND DAMAGES	23,683,235
228.3	ACCUMULATED PROVISION FOR PENSIONS AND BENEFITS	175,464,960
228.4	ACCUMULATED MISCELLANEOUS OPERATING PROVISIONS	-
244	LONG TERM PORTION OF DERIVATIVE LIABILITIES	107,472,404
230	ASSET RETIREMENT OBLIGATIONS	863,459,256
	TOTAL OTHER NONCURRENT LIABILITIES	\$ 2,161,320,345

Data from SPL as of November 15, 2018

SAN DIEGO GAS & ELECTRIC COMPANY
BALANCE SHEET
LIABILITIES AND OTHER CREDITS
September 30, 2018

8. CURRENT AND ACCRUED LIABILITES

		2018
231	NOTES PAYABLE	\$ 48,000,000
232	ACCOUNTS PAYABLE	445,137,643
233	NOTES PAYABLE TO ASSOCIATED COMPANIES	-
234	ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES	52,392,077
235	CUSTOMER DEPOSITS	78,802,461
236	TAXES ACCRUED	37,733,370
237	INTEREST ACCRUED	58,315,429
238	DIVIDENDS DECLARED	250,000,000
241	TAX COLLECTIONS PAYABLE	5,414,155
242	MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES	259,305,218
243	OBLIGATIONS UNDER CAPITAL LEASES - CURRENT	57,220,250
244	DERIVATIVE INSTRUMENT LIABILITIES	149,254,500
244	LESS: LONG-TERM PORTION OF DERIVATIVE LIABILITIES	(107,472,404)
245	DERIVATIVE INSTRUMENT LIABILITIES - HEDGES	-
	TOTAL CURRENT AND ACCRUED LIABILITIES	\$ 1,334,102,699

9. DEFERRED CREDITS

252	CUSTOMER ADVANCES FOR CONSTRUCTION	\$ 54,590,239
253	OTHER DEFERRED CREDITS	312,629,900
254	OTHER REGULATORY LIABILITIES	2,207,491,998
255	ACCUMULATED DEFERRED INVESTMENT TAX CREDITS	15,913,107
257	UNAMORTIZED GAIN ON REACQUIRED DEBT	-
281	ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED	-
282	ACCUMULATED DEFERRED INCOME TAXES - PROPERTY	1,612,853,805
283	ACCUMULATED DEFERRED INCOME TAXES - OTHER	127,181,496
	TOTAL DEFERRED CREDITS	\$ 4,330,660,545

	\$ 18,450,855,960
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\$4,330,660,545

Data from SPL as of November 15, 2018

SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT OF INCOME AND RETAINED EARNINGS
September 30, 2018

1. UTILITY OPERATING INCOME

400	OPERATING REVENUES		\$ 3,833,640,636
401	OPERATING EXPENSES	\$ 2,358,985,257	
402	MAINTENANCE EXPENSES	118,287,250	
403-7	DEPRECIATION AND AMORTIZATION EXPENSES	484,763,212	
408.1	TAXES OTHER THAN INCOME TAXES	107,088,155	
409.1	INCOME TAXES	59,034,001	
410.1	PROVISION FOR DEFERRED INCOME TAXES	144,733,508	
411.1	PROVISION FOR DEFERRED INCOME TAXES - CREDIT	(58,728,155)	
411.4	INVESTMENT TAX CREDIT ADJUSTMENTS	(1,726,942)	
411.6	GAIN FROM DISPOSITION OF UTILITY PLANT	-	
	TOTAL OPERATING REVENUE DEDUCTIONS		<u>\$3,212,436,286</u>
	NET OPERATING INCOME		\$ 621,204,350

2. OTHER INCOME AND DEDUCTIONS

415	REVENUE FROM MERCHANDISING, JOBBING AND CONTRACT WOF \$	-	
417	REVENUES OF NONUTILITY OPERATIONS	-	
417.1	EXPENSES OF NONUTILITY OPERATIONS	(314)	
418	NONOPERATING RENTAL INCOME	24,880	
418.1	EQUITY IN EARNINGS OF SUBSIDIARIES	-	
419	INTEREST AND DIVIDEND INCOME	11,928,996	
419.1	ALLOWANCE FOR OTHER FUNDS USED DURING CONSTRUCTION	49,295,400	
421	MISCELLANEOUS NONOPERATING INCOME	662,098	
421.1	GAIN ON DISPOSITION OF PROPERTY	-	
	TOTAL OTHER INCOME	<u>\$ 61,911,060</u>	
421.2	LOSS ON DISPOSITION OF PROPERTY	\$ -	
425	MISCELLANEOUS AMORTIZATION	187,536	
426	MISCELLANEOUS OTHER INCOME DEDUCTIONS	3,278,730	
	TOTAL OTHER INCOME DEDUCTIONS	<u>\$ 3,466,266</u>	
408.2	TAXES OTHER THAN INCOME TAXES	\$ 494,640	
409.2	INCOME TAXES	3,464,600	
410.2	PROVISION FOR DEFERRED INCOME TAXES	28,615,773	
411.2	PROVISION FOR DEFERRED INCOME TAXES - CREDIT	(24,589,289)	
	TOTAL TAXES ON OTHER INCOME AND DEDUCTIONS	<u>\$ 7,985,724</u>	
	TOTAL OTHER INCOME AND DEDUCTIONS		<u>\$ 50,459,070</u>
	INCOME BEFORE INTEREST CHARGES		671,663,420
	EXTRAORDINARY ITEMS AFTER TAXES		-
	NET INTEREST CHARGES*		<u>151,163,791</u>
	NET INCOME		<u><u>\$ 520,499,629</u></u>

*NET OF ALLOWANCE FOR BORROWED FUNDS USED DURING CONSTRUCTION, (\$16,584,174)

Data from SPL as of November 15, 2018

SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT OF INCOME AND RETAINED EARNINGS
September 30,2018

3. RETAINED EARNINGS

RETAINED EARNINGS AT BEGINNING OF PERIOD, AS PREVIOUSLY REPORTED	\$ 4,266,831,380
NET INCOME (FROM PRECEDING PAGE)	520,499,629
DIVIDEND TO PARENT COMPANY	-
DIVIDENDS DECLARED - PREFERRED STOCK	-
DIVIDENDS DECLARED - COMMON STOCK	(250,000,000)
OTHER RETAINED EARNINGS ADJUSTMENTS	-
RETAINED EARNINGS AT END OF PERIOD	<u>\$ 4,537,331,009</u>

Attachment C

**Southern California Gas Company
Statement of Present and Proposed Rates**

TABLE 1
Natural Gas Transportation Rates
Southern California Gas Company
2020 Rates
10/26/18
2018 PSEP Reasonable Review

		Present Rates			Proposed Rates			Changes		
		Nov-1-18		Nov-1-18	2020	Proposed	2020	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	2,435,160	\$0.75803	\$1,845,933	2,435,160	\$0.79366	\$1,932,693	\$86,760	\$0.03563	4.7%
3	Commercial & Industrial	1,023,186	\$0.32835	\$335,959	1,023,186	\$0.35313	\$361,317	\$25,358	\$0.02478	7.5%
4										
5	NGV - Pre SempraWide	157,095	\$0.13029	\$20,468	157,095	\$0.14417	\$22,648	\$2,179	\$0.01387	10.6%
6	SempraWide Adjustment	157,095	(\$0.00176)	(\$276)	157,095	(\$0.00139)	(\$218)	\$59	\$0.00037	-21.2%
7	NGV - Post SempraWide	157,095	\$0.12853	\$20,192	157,095	\$0.14278	\$22,430	\$2,238	\$0.01425	11.1%
8										
9	Gas A/C	772	\$0.15573	\$120	772	\$0.16616	\$128	\$8	\$0.01042	6.7%
10	Gas Engine	20,699	\$0.16141	\$3,341	20,699	\$0.16141	\$3,341	\$0	\$0.00000	0.0%
11	Total Core	3,636,911	\$0.60643	\$2,205,545	3,636,911	\$0.63788	\$2,319,909	\$114,364	\$0.03145	5.2%
12										
13	NONCORE COMMERCIAL & INDUSTRIAL									
14	Distribution Level Service	865,102	\$0.07760	\$67,131	865,102	\$0.09459	\$81,831	\$14,700	\$0.01699	21.9%
15	Transmission Level Service (2)	660,238	\$0.02457	\$16,220	660,238	\$0.02744	\$18,114	\$1,894	\$0.00287	11.7%
16	Total Noncore C&I	1,525,339	\$0.05464	\$83,351	1,525,339	\$0.06552	\$99,945	\$16,594	\$0.01088	19.9%
17										
18	NONCORE ELECTRIC GENERATION									
19	Distribution Level Service									
20	Pre Sempra Wide	285,096	\$0.08274	\$23,589	285,096	\$0.10009	\$28,535	\$4,947	\$0.01735	21.0%
21	Sempra Wide Adjustment	285,096	(\$0.00642)	(\$1,831)	285,096	(\$0.00641)	(\$1,828)	\$3	\$0.00001	-0.2%
22	Distribution Post Sempra Wide	285,096	\$0.07632	\$21,758	285,096	\$0.09368	\$26,707	\$4,950	\$0.01736	22.8%
23	Transmission Level Service (2)	2,392,699	\$0.02080	\$49,761	2,392,699	\$0.02367	\$56,627	\$6,866	\$0.00287	13.8%
24	Total Electric Generation	2,677,795	\$0.02671	\$71,519	2,677,795	\$0.03112	\$83,334	\$11,816	\$0.00441	16.5%
25										
26	TOTAL RETAIL NONCORE	4,203,134	\$0.03685	\$154,869	4,203,134	\$0.04361	\$183,279	\$28,410	\$0.00676	18.3%
27										
28	WHOLESALE									
29	Wholesale Long Beach (2)	73,520	\$0.02051	\$1,508	73,520	\$0.02338	\$1,719	\$211	\$0.00287	14.0%
30	Wholesale SWG (2)	65,367	\$0.02051	\$1,341	65,367	\$0.02338	\$1,528	\$188	\$0.00287	14.0%
31	Wholesale Vernon (2)	95,137	\$0.02051	\$1,952	95,137	\$0.02338	\$2,225	\$273	\$0.00287	14.0%
32	International (2)	91,378	\$0.02051	\$1,874	91,378	\$0.02338	\$2,137	\$262	\$0.00287	14.0%
33	Total Wholesale & International	325,403	\$0.02051	\$6,675	325,403	\$0.02338	\$7,609	\$934	\$0.00287	14.0%
34	SDGE Wholesale	1,251,556	\$0.01495	\$18,715	1,251,556	\$0.01495	\$18,716	\$0	\$0.00000	0.0%
35	Total Wholesale Incl SDGE	1,576,959	\$0.01610	\$25,391	1,576,959	\$0.01669	\$26,325	\$934	\$0.00059	3.7%
36										
37	TOTAL NONCORE	5,780,093	\$0.03119	\$180,260	5,780,093	\$0.03626	\$209,604	\$29,344	\$0.00508	16.3%
38										
39	Unbundled Storage (4)			\$23,290			\$23,290	\$0		
40	System Total (w/o BTS)	9,417,004	\$0.25582	\$2,409,095	9,417,004	\$0.27108	\$2,552,803	\$143,708	\$0.01526	6.0%
41	Backbone Trans. Service BTS (3)	2,690	\$0.26353	\$258,736	2,690	\$0.30645	\$300,869	\$42,133	\$0.04291	16.3%
42	SYSTEM TOTALw/BTS	9,417,004	\$0.28330	\$2,667,831	9,417,004	\$0.30303	\$2,853,672	\$185,841	\$0.01973	7.0%
43										
44	EOR Revenues	231,570	\$0.05368	\$12,430	231,570	\$0.06516	\$15,089	\$2,659	\$0.01148	21.4%
45	Total Throughput w/EOR Mth/yr	9,648,574			9,648,574					

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) These Transmission Level Service "TLS" amounts represent the average transmission rate, see Table 7 or detail list of TLS rates.

3) BTS charge (\$/dth/day) is proposed as a separate rate. Core will pay through procurement rate, noncore as a separate charge. Charge is for both Core and Noncore customers

4) Unbundles Storage costs are not part of the Core Storage or Load Balancing functions (those are included in transport rates).

TABLE 2
Residential Transportation Rates
Southern California Gas Company

10/26/18

2018 PSEP Reasonable Review

	Present Rates			Proposed Rates			Changes		
	Nov-1-18	Average	Nov-1-18	2020	2020	2020	Revenue	Rate	% Rate
	Volumes	Rate	Revenue	Volumes	Rate	Revenue	Change	Change	change
	Mth	\$/th	\$000's	Mth	\$/th	\$000's	\$000's	\$/th	%
	A	B	C	D	E	F	G	H	I
1	RESIDENTIAL SERVICE								
2	Customer Charge								
3									
4	3,750,414	\$5.00	\$225,025	3,750,414	\$5.00	\$225,025	\$0	\$0.00000	0.0%
5	1,743,024	\$5.00	\$104,581	1,743,024	\$5.00	\$104,581	\$0	\$0.00000	0.0%
6	124,314	\$5.00	\$7,459	124,314	\$5.00	\$7,459	\$0	\$0.00000	0.0%
7	148,373	(\$0.27386)	(\$14,831)	148,373	(\$0.27386)	(\$14,831)	\$0	\$0.00000	0.0%
8	Volumetric Transportation Rate Excludes CSITMA and CAT:								
9	1,839,570	\$0.54533	\$1,003,168	1,839,570	\$0.57987	\$1,066,715	\$63,548	\$0.03454	6.3%
10	584,298	\$0.87544	\$511,519	584,298	\$0.91517	\$534,732	\$23,212	\$0.03973	4.5%
11	2,423,869	\$0.75785	\$1,836,921	2,423,869	\$0.79364	\$1,923,681	\$86,760	\$0.03579	4.7%
12	NBL/BL Ratio:								
13		\$1.03298			\$1.06752			\$0.03454	3.3%
14		\$0.31248			\$0.31248			\$0.00000	0.0%
15		1.15			1.15				
16		0.33011			0.33530			\$0.00518	1.6%
17	Large Master Meter Rate (Excludes Rate Adders for CAT):								
18	57	\$411.17	\$280	57	\$411.17	\$280	\$0	\$0.00	0.0%
19	9,428	\$0.25023	\$2,359	9,428	\$0.25125	\$2,369	\$10	\$0.00102	0.4%
20	1,863	\$0.40171	\$748	1,863	\$0.39653	\$739	(\$10)	(\$0.00517)	-1.3%
21	11,291	\$0.30004	\$3,388	11,291	\$0.30004	\$3,388	\$0	\$0.00000	0.0%
22									
23	Residential Rates Includes CSITMA, Excludes CAT:								
24	1,800,739	\$0.00308	\$5,550	1,800,739	\$0.00308	\$5,550	\$0	\$0.00000	0.0%
25	Residential:								
26		\$5.00			\$5.00			\$0.00000	0.0%
27		\$0.54841			\$0.58295			\$0.03454	6.3%
28		\$0.87852			\$0.91825			\$0.03973	4.5%
29		\$0.76093			\$0.79672			\$0.03579	4.7%
30	Large Master Meter:								
31		\$411.17			\$411.17			\$0.00	0.0%
32		\$0.25331			\$0.25433			\$0.00102	0.4%
33		\$0.40479			\$0.39961			(\$0.00517)	-1.3%
34		\$0.30312			\$0.30312			\$0.00000	0.0%
35	Residential Rates Includes CSITMA & CAT:								
36	49,671	\$0.00150	\$74	49,671	\$0.00150	\$74	\$0	\$0.00000	0%
37	Residential:								
38		\$5.00			\$5.00			\$0.00000	0.0%
39		\$0.54991			\$0.58445			\$0.03454	6.3%
40		\$0.88002			\$0.91975			\$0.03973	4.5%
41	Large Master Meter:								
42		\$411.17			\$411.17			\$0.00000	0.0%
43		\$0.25481			\$0.25583			\$0.00102	0.4%
44		\$0.40629			\$0.40111			(\$0.00517)	-1.3%
45	Other Adjustments :								
46		(\$0.00308)			(\$0.00308)			\$0.00000	0.0%
47		\$0.00			\$0.00				
48	TOTAL RESIDENTIAL	\$0.75803	\$1,845,933	\$0.79366	\$1,932,693	\$86,760	\$0.03563	4.7%	

See footnotes Table 1

TABLE 3
Core Nonresidential Transportation Rates
Southern California Gas Company
10/26/18
2018 PSEP Reasonable Review

	Present Rates			Proposed Rates			Changes			
	Nov-1-18	Average	Nov-1-18	2020	Rate	2020	Revenue	Rate	% Rate	
	Volumes	Rate	Revenue	Volumes	\$/th	Revenue	Change	Change	change	
	Mth	\$/th	\$000's	Mth	\$/th	\$000's	\$000's	\$/th	%	
	A	B	C	D	E	F	G	H	I	
1										
2	CORE COMMERCIAL & INDUSTRIAL									
3	Customer Charge 1	146,202	\$15.00	\$26,316	146,202	\$15.00	\$26,316	\$0	\$0.00	0.0%
4	Customer Charge 2	61,115	\$15.00	\$11,001	61,115	\$15.00	\$11,001	\$0	\$0.00	0.0%
5	Volumetric Transportation Rate Excludes CSITMA & CAT:									
6	Tier 1 = 250th/mo	203,321	\$0.55105	\$112,041	203,321	\$0.57584	\$117,080	\$5,039	\$0.02478	4.5%
7	Tier 2 = next 4167 th/mo	453,170	\$0.29911	\$135,549	453,170	\$0.32390	\$146,780	\$11,231	\$0.02478	8.3%
8	Tier 3 = over 4167 th/mo	366,694	\$0.13019	\$47,739	366,694	\$0.15497	\$56,827	\$9,088	\$0.02478	19.0%
9		1,023,186	\$0.32511	\$332,645	1,023,186	\$0.34989	\$358,003	\$25,358	\$0.02478	7.6%
10										
11	Volumetric Transportation Rate Includes CSITMA, Excludes CAT:									
12	CSITMA Adder to Volumetric Rate	1,008,238	\$0.00308	\$3,107	1,008,238	\$0.00308	\$3,107	\$0	\$0.00000	0.0%
13	GHG Adder to Volumetric Rate	1,023,186	\$0.00000	\$0	1,023,186	\$0.00000	\$0			
14	Tier 1 = 250th/mo		\$0.55413			\$0.57892		\$0.02478	4.5%	
15	Tier 2 = next 4167 th/mo		\$0.30219			\$0.32698		\$0.02478	8.2%	
16	Tier 3 = over 4167 th/mo		\$0.13327			\$0.15805		\$0.02478	18.6%	
17			\$0.32819			\$0.35297		\$0.02478		
18	Volumetric Transportation Rate Includes CSITMA & CAT:									
19	CAT Adder to Volumetric Rate	137,753	\$0.00150	\$206	137,753	\$0.00150	\$206	\$0	\$0.00000	0%
20	Tier 1 = 250th/mo		\$0.55563			\$0.58042		\$0.02478	4.5%	
21	Tier 2 = next 4167 th/mo		\$0.30369			\$0.32848		\$0.02478	8.2%	
22	Tier 3 = over 4167 th/mo		\$0.13477			\$0.15955		\$0.02478	18.4%	
23			\$0.32969			\$0.35447		\$0.02478	7.5%	
24	Other Adjustments:									
25	TCA for CSITMA exempt customers		(\$0.00308)			(\$0.00308)		\$0.00000	0.0%	
26	GHG Fee Credit \$/th		\$0.00000			\$0.00000				
27	TOTAL CORE C&I	1,023,186	\$0.32835	\$335,959	1,023,186	\$0.35313	\$361,317	\$25,358	\$0.02478	7.5%
28										
29	NATURAL GAS VEHICLES (a sempra-wide rate)									
30	Customer Charge, P-1	229	\$13.00	\$36	229	\$13.00	\$36	\$0	\$0.00000	0.0%
31	Customer Charge, P-2A	130	\$65.00	\$101	130	\$65.00	\$101	\$0	\$0.00000	0.0%
32	Uncompressed Rate Excludes CSITMA,	157,095	\$0.11080	\$17,407	157,095	\$0.12505	\$19,645	\$2,238	\$0.01425	12.9%
33	Total Uncompressed NGV	157,095	\$0.11168	\$17,544	157,095	\$0.12592	\$19,782	\$2,238	\$0.01425	12.8%
34	Compressed Rate Adder	2,099	\$1.03136	\$2,164	2,099	\$1.03136	\$2,164	\$0	\$0.00000	0.0%
35										
36	Uncompressed Rate Includes CSITMA, Excludes CAT									
37	CSITMA Adder to Volumetric Rate	157,073	\$0.00308	\$484	157,073	\$0.00308	\$484	\$0	\$0.00000	0.0%
38	Uncompressed Rate \$/therm		\$0.11389			\$0.12813		\$0.01425	12.5%	
39	Other Adjustments:									
40	TCA for CSITMA exempt customers		(\$0.00308)			(\$0.00308)		\$0.00000	0.0%	
41	Low Carbon Fuel Standard (LCFS) Credit		\$0.00000			\$0.00000		\$0.00000		
42	TOTAL NGV SERVICE	157,095	\$0.12853	\$20,192	157,095	\$0.14278	\$22,430	\$2,238	\$0.01425	11.1%
43										
44	RESIDENTIAL NATURAL GAS VEHICLES (optional rate)									
45	Customer Charge	5,618	\$10.00	\$674	5,618	\$10.00	\$674	\$0	\$0.00000	0.0%
46	Uncompressed Rate Excludes CSITMA	5,501	\$0.20990	\$1,155	5,501	\$0.22083	\$1,215	\$60	\$0.01093	5.2%
47		5,501	\$0.33245	\$1,829	5,501	\$0.34339	\$1,889	\$60	\$0.01093	3.3%
48	Uncompressed Rate Includes CSITMA, Excludes CAT									
49	CSITMA Adder to Volumetric Rate		\$0.00308			\$0.00308		\$0.00000	0.0%	
50	Uncompressed Rate \$/therm		\$0.21298			\$0.22392		\$0.01093	5.1%	
51										
52	Uncompressed Rate Includes CSITMA & CAT									
53	CAT Adder to Volumetric Rate	0	\$0.00150	\$0	0	\$0.00150	\$0	\$0	\$0.00000	0.0%
54	Uncompressed Rate		\$0.21448			\$0.22542		\$0	\$0.01093	5.1%
55	Other Adjustments:									
56	TCA for CSITMA exempt customers		(\$0.00308)			(\$0.00308)		\$0.00000	0.0%	
57										
58	TOTAL RESIDENTIAL NATURAL GAS	5,501	\$0.33245	\$1,829	5,501	\$0.34339	\$1,889	\$60	\$0.01093	3.3%

TABLE 5
Noncore Commercial & Industrial Rates
Southern California Gas Company
10/26/18
2018 PSEP Reasonable Review

	Present Rates			Proposed Rates			Changes			
	Nov-1-18	Average	Nov-1-18	2020	2020	2020	Revenue	Rate	% Rate	
	Volumes	Rate	Revenue	Volumes	Rate	Revenue	Change	Change	change	
	Mth	\$/th	\$000's	Mth	\$/th	\$000's	\$000's	\$/th	%	
	A	B	C	D	E	F	G	H	I	
1	NonCore Commercial & Industrial Distribution Level									
2	Customer Charge	584	\$350.00	\$2,452	584	\$350.00	\$2,452	\$0	\$0.00000	0.0%
3										
4	Volumetric Rates Includes CARB fee, Excludes GHG, and CSITMA									
5	Tier 1 = 250kth/yr	121,573	\$0.15958	\$19,400	121,573	\$0.17657	\$21,466	\$2,066	\$0.01699	10.6%
6	Tier 2 = 250k to 1000k	205,061	\$0.10037	\$20,582	205,061	\$0.11736	\$24,067	\$3,484	\$0.01699	16.9%
7	Tier 3 = 1 to 2 million th/yr	109,960	\$0.06250	\$6,872	109,960	\$0.07949	\$8,741	\$1,868	\$0.01699	27.2%
8	Tier 4 = over 2 million th/yr	428,508	\$0.03543	\$15,184	428,508	\$0.05243	\$22,465	\$7,281	\$0.01699	48.0%
9	Volumetric totals (excl itcs)	865,102	\$0.07171	\$62,039	865,102	\$0.08870	\$76,739	\$14,700	\$0.01699	23.7%
10										
11	Volumetric Rates Includes CARB, GHG, CSITMA									
12	CSITMA Adder to Volumetric Rate		\$0.00308	\$2,640		\$0.00308	\$2,640	\$0	\$0.00000	0.0%
13	GHG Adder to Volumetric Rate		\$0.00000	\$0		\$0.00000	\$0	\$0	\$0.00000	
14	Tier 1 = 250kth/yr		\$0.16266			\$0.17965			\$0.01699	10.4%
15	Tier 2 = 250k to 1000k		\$0.10345			\$0.12045			\$0.01699	16.4%
16	Tier 3 = 1 to 2 million th/yr		\$0.06558			\$0.08257			\$0.01699	25.9%
17	Tier 4 = over 2 million th/yr		\$0.03852			\$0.05551			\$0.01699	44.1%
18	Other Adjustments :									
19	TCA for CSITMA exempt customers		(\$0.00308)			(\$0.00308)			\$0.00000	0.0%
20	CARB Fee Credit \$/th		(\$0.00100)			(\$0.00100)			\$0.00000	0.0%
21	GHG Fee Credit \$/th		\$0.00000			\$0.00000			\$0.00000	
22	NCCI - DISTRIBUTION LEVEL	865,102	\$0.07760	\$67,131	865,102	\$0.09459	\$81,831	\$14,700	\$0.01699	21.9%
23										
24	NCCI-TRANSMISSION LEVEL Incl CAR	6,438	\$0.02151	\$139	6,438	\$0.02438	\$157	\$18	\$0.00287	13.3%
25	NCCI-TRANSMISSION LEVEL Incl CAR	653,799	\$0.02460	\$16,081	653,799	\$0.02747	\$17,957	\$1,876	\$0.00287	11.7%
26	NCCI-TRANSMISSION LEVEL (2)	660,238	\$0.02457	\$16,220	660,238	\$0.02744	\$18,114	\$1,894	\$0.00287	11.7%
27										
28	TOTAL NONCORE C&I	1,525,339	\$0.05464	\$83,351	1,525,339	\$0.06552	\$99,945	\$16,594	\$0.01088	19.9%

TABLE 6
Noncore Electric Generation Rates and Enhanced Oil Recovery Rates
Southern California Gas Company
10/26/18
2018 PSEP Reasonable Review

	Present Rates			Proposed Rates			Changes			
	Nov-1-18 Volumes Mth A	Average Rate \$/th B	Nov-1-18 Revenue \$000's C	2020 Volumes Mth D	Rate \$/th E	2020 Revenue \$000's F	Revenue Change \$000's G	Rate Change \$/th H	% Rate change % I	
1	ELECTRIC GENERATION									
2										
3										
4										
5	Small EG Distribution Level Service (a Sempra-Wide rate) Excludes CARB & GHG fee & CSITMA:									
6	Customer Charge	201	\$50.00	\$121	201	\$50.00	\$121	\$0	\$0.00000	0.0%
7	Volumetric Rate	77,207	\$0.12724	\$9,824	77,207	\$0.14476	\$11,177	\$1,353	\$0.01752	13.8%
8	Small EG Distribution Level Service	77,207	\$0.12680	\$9,944	77,207	\$0.14633	\$11,297	\$1,353	\$0.01752	13.6%
9										
10	Large EG Distribution Level Service (a Sempra-Wide rate) Excludes CARB & GHG Fee & CSITMA									
11	Customer Charge	28	\$0.00	\$0	28	\$0.00	\$0	\$0	\$0.00000	
12	Volumetric Rate	207,889	\$0.05546	\$11,529	207,889	\$0.07276	\$15,126	\$3,597	\$0.01730	31.2%
13	Large EG Distribution Level Service	207,889	\$0.05546	\$11,529	207,889	\$0.07276	\$15,126	\$3,597	\$0.01730	31.2%
14	EG Distribution excl CARB fee & CSITMA	285,096	\$0.07532	\$21,474	285,096	\$0.09268	\$26,424	\$4,950	\$0.01736	23.1%
15										
16										
17	Volumetric Rates Includes CARB & GHG fee, Excludes CSITMA									
18	EFMA Cost Adder	283,261	\$0.00100	\$284	283,261	\$0.00100	\$284	\$0	\$0.00000	0.0%
19	GHG Cost Adder	90,289	\$0.00000	\$0	90,289	\$0.00000	\$0	\$0	\$0.00000	
20	EG-Distribution Tier 1 w/CARB fee		\$0.12824			\$0.14576			\$0.01752	13.7%
21	EG-Distribution Tier 2 w/CARB Fee		\$0.05646			\$0.07376			\$0.01730	30.6%
22	Total - EG Distribution Level	285,096	\$0.07632	\$21,758	285,096	\$0.09368	\$26,707	\$4,950	\$0.01736	22.8%
23	CARB Fee Credit \$/th		(\$0.00100)			(\$0.00100)			\$0.00000	0.0%
24	GHG Fee Credit \$/th		\$0.00000			\$0.00000			\$0.00000	
25										
26	EG Transmission Level Service Excl CA	1,714,769	\$0.02051	\$35,176	1,714,769	\$0.02338	\$40,096	\$4,920	\$0.00287	14.0%
27	EG Transmission Level Service Incl CAR	677,930	\$0.02151	\$14,586	677,930	\$0.02438	\$16,531	\$1,945	\$0.00287	13.3%
28	EG Transmission Level (2)	2,392,699	\$0.02080	\$49,761	2,392,699	\$0.02367	\$56,627	\$6,866	\$0.00287	13.8%
29										
30	TOTAL ELECTRIC GENERATION	2,677,795	\$0.02671	\$71,519	2,677,795	\$0.03112	\$83,334	\$11,816	\$0.00441	16.5%
31										
32	EOR Rates & revenue Excludes CARB Fee & CSITMA:									
33	Distribution Level EOR:									
34	Customer Charge	17	\$500.00	\$102	17	\$500.00	\$102	\$0	\$0.00000	0.0%
35	Volumetric Rate Excl CARB & GHG F	137,620	\$0.07558	\$10,401	137,620	\$0.09294	\$12,790	\$2,389	\$0.01736	23.0%
36										
37	Volumetric Rates Includes CARB & GHG Fee, Excludes CSITMA									
38	CARB Fee		\$0.00100			\$0.00100				
39	GHG Fee		\$0.00000			\$0.00000				
40	Volumetric Rate Incl CARB fee & Excl CSITMA		\$0.07658			\$0.09394			\$0.01736	22.7%
41	Distribution Level EOR	137,620	\$0.07632	\$10,503	137,620	\$0.09368	\$12,892	\$2,389	\$0.01736	22.8%
42	CARB Fee Credit \$/th		(\$0.00100)			(\$0.00100)			\$0.00000	0.0%
43	GHG Fee Credit \$/th		\$0.00000			\$0.00000			\$0.00000	
44	Transmission Level EOR Excludes CA	93,950	\$0.02051	\$1,927	93,950	\$0.02338	\$2,197	\$270	\$0.00287	14.0%
45	Total EOR	231,570	\$0.05368	\$12,430	231,570	\$0.06516	\$15,089	\$2,659	\$0.01148	21.4%

1) CSITMA - Noncore C&I D Tariff rate includes CSITMA. Customers exempt, including Constitutionally Exempt, receive Transportation Charge Adj. (TCA).

EG Tariff Rate excludes CSITMA, since EG customers are exempt.

2) CARB & GHG Fees - EG-D and NCCI-D rates include CARB & GHG Fees.

3) EOR customers tariff includes CARB & GHG Fees and excludes CSITMA; since EOR customers are exempt from CSITMA and get a credit for CARB & GHG Fees.

See footnotes Table 1

TABLE 7
Transmission Level Service Transportation Rates
Southern California Gas Company
10/26/18

	Present Rates			Proposed Rates			Changes		
	Nov-1-18	Average	Nov-1-18	2020	2020	2020	Revenue	Rate	% Rate
	Volumes	Rate	Revenue	Volumes	Rate	Revenue	Change	Change	change
	Mth	\$/th	\$000's	Mth	\$/th	\$000's	\$000's	\$/th	%
	A	B	C	D	E	F	G	H	I
1	Rate Excluding CSITMA & CARB Fee:								
2	Reservation Service Option (RS):								
3		\$0.00671		\$0.00671			\$0.00000		0.0%
4		\$0.01010		\$0.01297			\$0.00287		28.4%
5	Class Average Volumetric Rate (CA)								
6		\$0.01040		\$0.01040			\$0.00000		0.0%
7		\$0.01010		\$0.01297			\$0.00287		28.4%
8	Class Average Volumetric Rate (CA) \$/th								
9		\$0.02050		\$0.02337			\$0.00287		14.0%
10	115% CA (for NonBypass Volumetric NV) \$/th								
11		\$0.02357		\$0.02687			\$0.00330		14.0%
12	135% CA (for Bypass Volumetric BV) \$/th								
13		\$0.02767		\$0.03155			\$0.00387		14.0%
14	Total Transmission Level Service (NCC)								
15	3,052,937	\$0.02051	\$62,626	3,052,937	\$0.02338	\$71,386	\$8,760	\$0.00287	14.0%
16	C&I Rate Including CSITMA & CARB & GHG Fee:								
17	CSITMA Adder to Usage Charge 653,799 \$0.00308 \$2,015 653,799 \$0.00308 \$2,015 \$0 \$0.00000								
18	CARB Fee Adder 1,338,168 \$0.00100 \$1,340 1,338,168 \$0.00100 \$1,340 \$0.00000								
19	GHG Fee Adder 123,450 \$0.00000 \$0 123,450 \$0.00000 \$0 \$0.00000								
20	Reservation Service Option (RS):								
21		\$0.00671		\$0.00671			\$0	\$0.00000	0.0%
22		\$0.01419		\$0.01706			\$0	\$0.00287	20.2%
23	Class Average Volumetric Rate (CA)								
24		\$0.01040		\$0.01040			\$0	\$0.00000	0.0%
25		\$0.01419		\$0.01706			\$0	\$0.00287	20.2%
26	Class Average Volumetric Rate (CA) \$/th								
27		\$0.02458		\$0.02745			\$0	\$0.00287	11.7%
28	115% CA (for NonBypass Volumetric NV) \$/th								
29		\$0.02766		\$0.03096			\$0	\$0.00330	11.9%
30	135% CA (for Bypass Volumetric BV) \$/th								
31		\$0.03176		\$0.03563			\$0	\$0.00387	12.2%
32	Other Adjustments:								
33	Transportation Charge Adj. (TCA) for CSITMA exempt cu (\$0.00308) (\$0.00308) \$0.00000								
34	California Air Resources Board (CARB) Fee Credit \$/th (\$0.00100) (\$0.00100) \$0.00000								
35	GHG Fee Credit \$0.00000 \$0.00000 \$0.00000								
36	Total Transmission Level Service Incl								
37	3,052,937	\$0.02161	\$65,981	3,052,937	\$0.02448	\$74,741	\$8,760	\$0.00287	13.3%
38	EG & EOR Rate Including EFMA & GHG, excluding CSITMA:								
39		\$0.00100		\$0.00100			\$0.00000		
40		\$0.00000		\$0.00000			\$0.00000		
41	Reservation Service Option (RS):								
42		\$0.00671		\$0.00671			\$0	\$0.00000	0.0%
43		\$0.01111		\$0.01397			\$0	\$0.00287	25.8%
44	Class Average Volumetric Rate (CA)								
45		\$0.01040		\$0.01040			\$0	\$0.00000	0.0%
46		\$0.01111		\$0.01397			\$0	\$0.00287	25.8%
47	Class Average Volumetric Rate (CA) \$/th								
48		\$0.02150		\$0.02437			\$0	\$0.00287	13.3%
49	115% CA (for NonBypass Volumetric NV) \$/th								
50		\$0.02458		\$0.02787			\$0	\$0.00330	13.4%
51	135% CA (for Bypass Volumetric BV) \$/th								
52		\$0.02868		\$0.03255			\$0	\$0.00387	13.5%
53	Other Adjustments:								
54	California Air Resources Board (CARB) Fee Credit \$/th (\$0.00100) (\$0.00100) \$0.00000 0.0%								
55	Greenhouse Gas (GHG) Fee Credit \$/th \$0.00000 \$0.00000 \$0.00000								
56	Rate Excluding CSITMA, CARB, GHG Fee, & Uncollectibles (applicable to Wholesale & International):								
57	Reservation Service Option (RS):								
58		\$0.00669		\$0.00669			\$0.00000		0.0%
59		\$0.01007		\$0.01293			\$0.00286		28.4%
60	Class Average Volumetric Rate (CA)								
61		\$0.01036		\$0.01036			\$0.00000		0.0%
62		\$0.01007		\$0.01293			\$0.00286		28.4%
63	Class Average Volumetric Rate (CA) \$/th								
64		\$0.02044		\$0.02330			\$0.00286		14.0%
65	115% CA (for NonBypass Volumetric NV) \$/th								
66		\$0.02350		\$0.02679			\$0.00329		14.0%
67	135% CA (for Bypass Volumetric BV) \$/th								
68		\$0.02759		\$0.03145			\$0.00386		14.0%
69	Total Transmission Level Service (WS)								
70	325,403	\$0.02051	\$6,675	325,403	\$0.02338	\$7,609	\$934	\$0.00287	14.0%
71	Average Transmission Level Service								
72	3,378,340	\$0.02151	\$72,656	3,378,340	\$0.02438	\$82,350	\$9,694	\$0.00287	13.3%

TABLE 8
Backbone Transmission Service and Storage Rates
Southern California Gas Company
10/26/18

		Present Rates			Proposed Rates			Changes		
		Nov-1-18	Average	Nov-1-18	2020	2020	2020	Revenue	Rate	% Rate
		Volumes	Rate	Revenue	Volumes	Rate	Revenue	Change	Change	change
		Mth	\$/th	\$000's	Mth, Mth	\$/th	\$000's	\$000's	\$/th	%
		A	B	C	D	E	F	G	H	I
1	Backbone Transmission Service BTS									
2	BTS SFV Reservation Charge \$/dth/day	2,690	\$0.26353	\$258,736	2,690	\$0.30645	\$300,869	\$42,133	\$0.04291	16.3%
3	BTS MFV Reservation Charge \$/dth/day		\$0.21083			\$0.24516				
4	BTS MFV Volumetric Charge \$/dth		\$0.05271			\$0.06129				
5	BTS Interruptible Volumetric Charge \$/dth		\$0.26353			\$0.30645			\$0.04291	16.3%
6										
7										
8	Storage Costs: (incl. HRSMA)									
9	Core \$000			\$59,943			\$59,943	\$0		
10	Load Balancing \$000			\$27,353			\$27,353	\$0		
11	Unbundled Storage \$000			\$23,290			\$23,290	\$0		
12				\$110,586			\$110,586	\$0		

See footnotes Table 1

- 1) CSITMA - NCCI and EG TLS Tariff rates include CSITMA. Customers exempt (Constitutional Exempt and EG) receive Transportation Charge Adjustment TCA.
- 2) EFMA - TLS NCCI, EOR and EG Tariff rates include CSITMA. TLS NCCI, EOR and EG customers exempt as they pay CARB fees directly receive credit.
- 3) Wholesale Customers exclude CSITMA and EFMA since these customers are exempt.

Attachment D

**San Diego Gas & Electric Company
Statement of Present and Proposed Rates**

TABLE 1
Natural Gas Transportation Rate Revenues
San Diego Gas & Electric
2020 Rates
10/26/18
2018 PSEP Reasonable Review

	At Present Rates			At Proposed Rates			Changes		
	Nov-1-18 Volumes mtherms	Average Rate \$/therm	Nov-1-18 Revenues \$000's	2020 Volumes mtherms	Average Rate \$/therm	2020 Revenues \$000's	Revenues \$000's	Rates \$/therm	Rate change %
	A	B	C	D	E	F	G	H	I
CORE									
Residential	319,982	\$0.92000	\$294,384	319,982	\$0.97315	\$311,390	\$17,005	\$0.05314	5.8%
Commercial & Industrial	182,660	\$0.27889	\$50,943	182,660	\$0.30833	\$56,319	\$5,377	\$0.02944	10.6%
NGV - Pre SempraWide	18,501	\$0.14119	\$2,612	18,501	\$0.15875	\$2,937	\$325	\$0.01756	12.4%
SempraWide Adjustment	18,501	\$0.01501	\$278	18,501	\$0.01183	\$219	(\$59)	(\$0.00319)	-21.2%
NGV Post SempraWide	18,501	\$0.15620	\$2,890	18,501	\$0.17057	\$3,156	\$266	\$0.01437	9.2%
Total CORE	521,144	\$0.66818	\$348,217	521,144	\$0.71164	\$370,865	\$22,648	\$0.04346	6.5%
NONCORE COMMERCIAL & INDUSTRIAL									
Distribution Level Service	27,807	\$0.11736	\$3,263	27,807	\$0.13522	\$3,760	\$497	\$0.01786	15.2%
Transmission Level Service (2)	17,168	\$0.02459	\$422	17,168	\$0.02746	\$471	\$49	\$0.00287	11.7%
Total Noncore C&I	44,975	\$0.08195	\$3,686	44,975	\$0.09408	\$4,231	\$546	\$0.01214	14.8%
NONCORE ELECTRIC GENERATION									
Distribution Level Service									
Pre Sempra Wide	95,807	\$0.05205	\$4,987	95,807	\$0.06953	\$6,661	\$1,674	\$0.01747	33.6%
Sempra Wide Adjustment	95,807	\$0.01922	\$1,841	95,807	\$0.01918	\$1,838	(\$3)	(\$0.00003)	-0.2%
Distribution Level post SW	95,807	\$0.07127	\$6,828	95,807	\$0.08871	\$8,499	\$1,671	\$0.01744	24.5%
Transmission Level Service (2)	574,075	\$0.02064	\$11,848	574,075	\$0.02351	\$13,495	\$1,647	\$0.00287	13.9%
Total Electric Generation	669,882	\$0.02788	\$18,676	669,882	\$0.03283	\$21,994	\$3,318	\$0.00495	17.8%
TOTAL NONCORE	714,857	\$0.03128	\$22,362	714,857	\$0.03669	\$26,226	\$3,864	\$0.00541	17.3%
SYSTEM TOTAL	1,236,000	\$0.29982	\$370,578	1,236,000	\$0.32127	\$397,090	\$26,512	\$0.02145	7.2%

- 1) These rates are for Natural Gas Transportation Service from "Citygate to Meter". The BTS rate is for service from Receipt Point to Citygate. BTS is a SoCalGas tariff and service is purchased from SoCalGas.
- 2) Average transmission level service rate is shown here, see Rate Table 6 for detail list of TLS rates.
- 3) All rates include Franchise Fees & Uncollectible charges

TABLE 2
Core Gas Transportation Rates
San Diego Gas & Electric
2020 Rates
10/26/18

2018 PSEP Reasonable Review

	At Present Rates			At Proposed Rates			Changes		
	Nov-1-18 Volumes mtherms A	Average Rate \$/therm B	Nov-1-18 Revenues \$000's C	2020 Volumes mtherms D	Average Rate \$/therm E	2020 Revenues \$000's F	Revenues \$000's G	Rates \$/therm H	Rate change % I
RESIDENTIAL RATES Schedule GR,GM									
Rates Excluding CSITMA & CAT									
Minimum Bill	884,624	\$3.00	\$221	884,624	\$3.00	\$221	\$0		
Baseline \$/therm	215,947	\$0.87085	\$188,058	215,947	\$0.92130	\$198,951	\$10,893	\$0.05045	5.8%
Non-Baseline \$/therm	104,035	\$1.04835	\$109,065	104,035	\$1.10636	\$115,101	\$6,035	\$0.05801	5.5%
Average Rate \$/therm	319,982	\$0.92925	\$297,344	319,982	\$0.98216	\$314,273	\$16,929	\$0.05291	5.7%
NBL/BL Ratio									
Composite Rate \$/th		\$ 1.18436			\$1.23480			\$0.05044	
Gas Rate \$/th		\$ 0.31248			\$0.31248			\$0.00000	0.0%
NBL/Composite rate ratio		1.15			1.15				
NBL- BL rate difference \$/th		0.17750			\$0.18507			\$0.00757	
Rates Including CSITMA, Excluding CA									
CSITMA Adder to Volumetric Rate	258,048	\$0.00331	\$855	258,048	\$0.00331	\$855	\$0	\$0.00000	0.0%
Baseline \$/therm		\$0.87416			\$0.92461			\$0.05045	5.8%
Non-Baseline \$/therm		\$1.05166			\$1.10968			\$0.05801	5.5%
Average NonCARE Rate \$/therm		\$0.93257			\$0.98547			\$0.05291	5.7%
Sub Meter Credit Schedule GS,GT									
GS Unit Discount \$/day	5,870	(\$0.38268)	(\$820)	5,870	(\$0.38268)	(\$820)	\$0	\$0.00000	0.0%
GT Unit Discount \$/day	27,189	(\$0.40932)	(\$4,062)	27,189	(\$0.40932)	(\$4,062)	\$0	\$0.00000	0.0%
Schedule GL-1									
LNG Facility Charge, domestic use \$/mo	321	\$14.79	\$57	321	\$14.79	\$57		\$0.00000	0.0%
LNG Facility Charge, non-domestic \$/mtf		\$0.05480			\$0.05480			\$0.00000	0.0%
LNG Volumetric Surcharge \$/th	74	\$0.16571	\$12	74	\$0.16571	\$12		\$0.00000	0.0%
			\$69			\$69			
Volumetric Rates Including CSITMA & C									
CAT Adder to Volumetric Rate	2,764	\$0.00000	\$0	2,764	\$0.00000	\$0	\$0	\$0.00000	
Baseline \$/therm		\$0.87416			\$0.92461			\$0.05045	5.8%
Non-Baseline \$/therm		\$1.05166			\$1.10968			\$0.05801	5.5%
Average Rate \$/therm		\$0.93257			\$0.98547			\$0.05291	5.7%
Other Adjustments :									
Employee Discount			(\$349)			(\$349)	\$0		
SDFFD			\$1,347			\$1,423	\$77		
Credit for CSITMA Exempt Cutomers:		(\$0.00331)			(\$0.00331)			\$0.00000	0.0%
California Climate Credit - April Bill		\$0.00			\$0.00				
Total Residential	319,982	\$0.92000	\$294,384	319,982	\$0.97315	\$311,390	\$17,005	\$0.05314	5.8%

See footnotes Table 1

TABLE 3
Natural Gas Transportation Rate Revenues
San Diego Gas & Electric
2020 Rates
2018 PSEP Reasonable Review

	At Present Rates			At Proposed Rates			Changes		
	Nov-1-18 Volumes mtherms	Average Rate \$/therm	Nov-1-18 Revenues \$000's	2020 Volumes mtherms	Average Rate \$/therm	2020 Revenues \$000's	Revenues \$000's	Rates \$/therm	Rate change %
	A	B	C	D	E	F	G	H	I
CORE COMMERCIAL & INDUSTRIAL RATES Schedule GN-3									
Customer Charge \$/month	30,265	\$10.00	\$3,632	30,265	\$10.00	\$3,632	\$0	\$0.00000	0.0%
Rates Excluding CSITMA & CAT									
Tier 1 = 0 to 1,000 therms/month	82,658	\$0.32965	\$27,248	82,658	\$0.35892	\$29,668	\$2,420	\$0.02927	8.9%
Tier 2 = 1,001 to 21,000 therms/month	84,219	\$0.19764	\$16,645	84,219	\$0.22691	\$19,110	\$2,465	\$0.02927	14.8%
Tier 3 = over 21,000 therms/month	15,783	\$0.16035	\$2,531	15,783	\$0.18962	\$2,993	\$462	\$0.02927	18.3%
Rates Including CSITMA, Excluding CA									
CSITMA Adder to Volumetric Rate	182,649	\$0.00331	\$605	182,649	\$0.00331	\$605	\$0	\$0.00000	0.1%
Tier 1 = 0 to 1,000 therms/month		\$0.33296			\$0.36223			\$0.02927	8.8%
Tier 2 = 1,001 to 21,000 therms/month		\$0.20095			\$0.23023			\$0.02928	14.6%
Tier 3 = over 21,000 therms/month		\$0.16366			\$0.19294			\$0.02928	17.9%
Rates Including CSITMA & CAT									
CAT Adder to Volumetric Rate	35,463	\$0.00000	\$0	35,463	\$0.00000	\$0	\$0	\$0.00000	
Tier 1 = 0 to 1,000 therms/month		\$0.33296			\$0.36223			\$0.02927	8.8%
Tier 2 = 1,001 to 21,000 therms/month		\$0.20095			\$0.23023			\$0.02928	14.6%
Tier 3 = over 21,000 therms/month		\$0.16366			\$0.19294			\$0.02928	17.9%
Other Adjustments :									
Adjustment for SDFFD			\$282			\$311	\$30		
Credit for CSITMA Exempt Cutomers:		(\$0.00331)			(\$0.00331)			\$0.00000	0.0%
Total Core C&I	182,660	\$0.27889	\$50,943	182,660	\$0.30833	\$56,319	\$5,377	\$0.02944	10.6%

1) CSITMA - Tariff rate includes CSITMA, exempt customers (including CARE participants and Constitutionally Exempt) receive Credit for CSITMA.
CARE participants receive 20% CARE discount (Tariff rate less Credit for CSITMA Exempt Customers)*20%

See footnotes Table 1

TABLE 4
Other Core Gas Transportation Rates
San Diego Gas & Electric
10/26/18
2020 Rates
2018 PSEP Reasonable Review

	At Present Rates			At Proposed Rates			Changes		
	Nov-1-18 Volumes mtherms	Average Rate \$/therm	Nov-1-18 Revenues \$000's	2020 Volumes mtherms	Average Rate \$/therm	2020 Revenues \$000's	Revenues \$000's	Rates \$/therm	Rate change %
	A	B	C	D	E	F	G	H	I
NATURAL GAS VEHICLE RATES G-NGV	Sempra-Wide NGV Rates			Sempra-Wide NGV Rates					
Customer Charge									
P1 \$/month	28	\$13.00	\$4	28	\$13.00	\$4	\$0	\$0.00	0.0%
P2A \$/month	10	\$65.00	\$8	10	\$65.00	\$8	\$0	\$0.00	0.0%
Uncompressed Rate Excl CSITMA & CA	18,501	\$0.11141	\$2,061	18,501	\$0.12574	\$2,326	\$265	\$0.01433	12.9%
Compressor Adder \$/therm Excludes CSI	744	\$1.03701	\$772	744	\$1.03701	\$772	\$0	(\$0.00000)	0.0%
Combined transport & compressor add		\$1.14842			\$1.16275			\$0.01433	1.2%
Volumetric Rates Includes CSITMA, Ex									
CSITMA Adder to Volumetric Rate	11,409	\$0.00331	\$38	11,409	\$0.00331	\$38	\$0	\$0.00000	0.1%
Uncompressed Rate \$/therm		\$0.11473			\$0.12905			\$0.01432	12.5%
Combined transport & compressor add		\$1.15174			\$1.16606			\$0.01432	1.2%
Volumetric Rates Includes CSITMA & C.									
CAT Adder to Volumetric Rate		\$0.00000			\$0.00000				
Uncompressed Rate \$/therm		\$0.11473			\$0.12905		#VALUE!	\$0.01432	12.5%
Combined transport & compressor add		\$1.15174			\$1.16606			\$0.01432	1.2%
Other Adjustments :									
Adjustment for SDFFD 0.491%			\$7			\$7	\$1		
Credit for CSITMA Exempt Cutomers \$/therm		(\$0.00331)			(\$0.00331)			\$0.00000	0.0%
Low Carbon Fuel Standard (LCFS) Credit		\$0.00000			\$0.00000				
Total NGV	18,501	\$0.15620	\$2,890	18,501	\$0.17057	\$3,156	\$266	\$0.01437	9.2%
RESIDENTIAL NATURAL GAS VEHICLE									
Customer Charge	885	\$5.00	\$53	885	\$5.00	\$53	\$0	\$0.00	0.0%
Uncompressed Rate w/o CSITMA & CA	969	\$0.25962	\$252	969	\$0.27281	\$264	\$13	\$0.01319	5.1%
	969	\$0.31438	\$305	969	\$0.32757	\$317	\$13	\$0.01319	4.2%
Volumetric Rates Including CSITMA , Ex									
CSITMA Adder to Volumetric Rate		\$0.00331			\$0.00331			\$0.00000	0.1%
Uncompressed Rate \$/therm		\$0.26293			\$0.27612			\$0.01319	5.0%
Volumetric Rates Includes CSITMA & C									
CAT Adder to Volumetric Rate	0	\$0.00000	\$0	0	\$0.00000	\$0	\$0	\$0.00000	
Uncompressed Rate \$/therm		\$0.26293			\$0.27612			\$0.01319	5.0%
Other Adjustments :									
Adjustment for SDFFD			\$0			\$0	\$0		
Credit for CSITMA Exempt Cutomers \$/therm		(\$0.00331)			(\$0.00331)			\$0.00000	0.0%
Total Res NGV	969	\$0.31438	\$305	969	\$0.32757	\$317	\$13	\$0.01319	4.2%

1) CSITMA - Tariff rate includes CSITMA, exempt customers (including CARE participants and Constitutionally Exempt) receive Credit for CSITMA.

TABLE 5
NonCore Gas Transportation Rates
San Diego Gas & Electric
10/26/18
2020 Rates
2018 PSEP Reasonable Review

	At Present Rates			At Proposed Rates			Changes		
	Nov-1-18 Volumes mtherms	Average Rate \$/therm	Nov-1-18 Revenues \$000's	2020 Volumes mtherms	Average Rate \$/therm	2020 Revenues \$000's	Revenues \$000's	Rates \$/therm	Rate change %
	A	B	C	D	E	F	G	H	I
NonCore Commercial & Industrial Distribution Level									
Customer Charges \$/month	42	\$350.00	\$177	42	\$350.00	\$177	\$0	\$0.00	0.0%
Volumetric Charges Incl CARB &, Excl	27,807	\$0.10799	\$3,003	27,807	\$0.12585	\$3,500	\$497	\$0.01786	16.5%
CSITMA Adder to Volumetric Rate	25,154	\$0.00331	\$83	25,154	\$0.00331	\$83	\$0	\$0.00000	0.1%
GHG Adder to Volumetric Rate		\$0.00000	\$0		\$0.00000	\$0	\$0	\$0.00000	
Volumetric Charges Incl CARB, GHG, a									
Volumetric Rates \$/therm		\$0.11130			\$0.12916			\$0.01786	16.0%
Other Adjustments :									
SDFFD 0.727%									
Credit for CSITMA Exempt Cutomers \$/t		(\$0.00331)			(\$0.00331)			\$0.00000	0.0%
Credit for CARB Fee Exempt Customers		(\$0.00076)			(\$0.00076)			\$0.00000	0.0%
Credit for GHG Fee Exempt Customers \$		\$0.00000			\$0.00000			\$0.00000	
NCCI-Distribution Total	27,807	\$0.11736	\$3,263	27,807	\$0.13522	\$3,760	\$497	\$0.01786	15.2%
NCCI-Transmission Total (1)	17,168	\$0.02459	\$422	17,168	\$0.02746	\$471	\$49	\$0.00287	11.7%
NCCI-Transmission Class Average	17,168	\$0.02459	\$422	17,168	\$0.02746	\$471			
Total NonCore C&I	44,975	\$0.08195	\$3,686	44,975	\$0.09408	\$4,231	\$546	\$0.01214	14.8%
ELECTRIC GENERATION									
Small EG Distribution Level Service (a \$									
Customer Charge, \$/month	46	\$50.00	\$28	46	\$50.00	\$28	\$0	\$0.00	0.0%
Volumetric Rate \$/therm	19,210	\$0.12794	\$2,458	19,210	\$0.14556	\$2,796	\$338	\$0.02	13.8%
Large EG Distribution Level Service (a \$									
Customer Charge, \$/month		\$0.00			\$0.00			\$0.00	
Volumetric Rate (Incl ITCS) \$/th	76,596	\$0.05576	\$4,271	76,596	\$0.07316	\$5,604	\$1,333	\$0.02	31.2%
EG Distribution excl CARB & GHG Fee, C	95,807	\$0.07052	\$6,757	95,807	\$0.08797	\$8,428	\$1,671	\$0.02	24.7%
Volumetric Rates Including CARB Fee.									
CARB Fee Cost Adder - Small	17,675	\$0.00076	\$13	17,675	\$0.00076	\$13	\$0	(\$0.00000)	
CARB Fee Cost Adder - Large	76,596	\$0.00076	\$58	76,596	\$0.00076	\$58			
GHG Fee Cost Adder - Small	18,266	\$0.00000	\$0	18,266	\$0.00000	\$0	\$0	\$0.00000	
GHG Fee Cost Adder - Large	8,082	\$0.00000	\$0	8,082	\$0.00000	\$0			
EG-Distribution Tier 1 Incl CARB & GHG		\$0.12870			\$0.14632			\$0.01762	13.7%
EG-Distribution Tier 2 Incl CARB & GHG		\$0.05652			\$0.07392			\$0.01740	30.8%
Total - EG Distribution Level	95,807	\$0.07127	\$6,828	95,807	\$0.08871	\$8,499	\$1,671	\$0.01744	24.5%
Credit for CARB Fee Exempt Customers		(\$0.00076)			(\$0.00076)				
Credit for GHG Fee Exempt Customers \$		\$0.00000			\$0.00000				
EG Transmission Level Service Excl CARB	479,795	\$0.02051	\$9,842	479,795	\$0.02338	\$11,219			
EG Transmission Level Service Incl CARB	94,280	\$0.02127	\$2,006	94,280	\$0.02414	\$2,276	\$271	\$0.00	13.5%
EG Transmission Level Service - Average	574,075	\$0.02064	\$11,848	574,075	\$0.02351	\$13,495			
TOTAL ELECTRIC GENERATION	669,882	\$0.02788	\$18,676	669,882	\$0.03283	\$21,994	\$3,318	\$0.00495	17.8%

1) CSITMA - Tariff rate includes CSITMA, exempt customers (including CARE participants and Constitutionally Exempt) receive Credit for CSITMA.

Schedule EG Tariff Rate excludes CSITMA, since EG customers are exempt.

2) EFMA - GTNC and EG Tariff rates includes EFMA. Those EG and GTNC customers that are exempt will receive EFMA credit.

3) GHG - GTNC and EG Tariff rates includes GHG. Those EG and GTNC customers that are exempt will receive GHG credit.

See footnotes Table 1

TABLE 6
Transmission Level Service Gas Transportation Rates
San Diego Gas & Electric
10/26/18
2020 Rates
2018 PSEP Reasonable Review

	At Present Rates			At Proposed Rates			Changes		
	Nov-1-18 Volumes mtherms	Average Rate \$/therm	Nov-1-18 Revenues \$000's	2020 Volumes mtherms	Average Rate \$/therm	2020 Revenues \$000's	Revenues \$000's	Rates \$/therm	Rate change %
	A	B	C	D	E	F	G	H	I
Transmission Level Service Rate Excluding CSITMA, CARB, and GHG Fees									
Reservation Service Option (RS):									
Daily Reservation rate \$/th/day		\$0.00674			\$0.00674		\$0.00000		0.0%
Usage Charge for RS \$/th		\$0.01016			\$0.01304		\$0.00288		28.4%
Class Average Volumetric Rate (CA)									
Volumetric Rate \$/th		\$0.01045			\$0.01045		\$0.00000		0.0%
Usage Charge for CA \$/th		\$0.01016			\$0.01304		\$0.00288		28.4%
Class Average Volumetric Rate CA \$/th		\$0.02061			\$0.02350		\$0.00288		14.0%
115% CA (for NonBypass Volumetric NV)		\$0.02370			\$0.02702		\$0.00332		14.0%
135% CA (for Bypass Volumetric BV) \$/th		\$0.02783			\$0.03172		\$0.00389		14.0%
Average Transmission Level Service	591,243	\$0.02051	\$12,128	591,243	\$0.02338	\$13,825		\$0.00287	14.0%
C&I Rate Including CSITMA, CARB, and GHG Fees									
CSITMA Adder to Usage Rate \$/th	17,168	\$0.00331	\$57	17,168	\$0.00331	\$57	\$0.00000		0.1%
EFMA Cost Adder	111,448	\$0.00076	\$85	111,448	\$0.00076	\$85	(\$0.00000)		
GHG Cost Adder	2,824	\$0.00000	\$0	2,824	\$0.00000	\$0	\$0.00000		
Reservation Service Option (RS):									
Daily Reservation rate \$/th/day		\$0.00674			\$0.00674		\$0.00000		0.0%
Usage Charge for RS \$/th		\$0.01423			\$0.01712		\$0.00289		20.3%
Class Average Volumetric Rate (CA)									
Volumetric Rate \$/th		\$0.01045			\$0.01045		\$0.00000		0.0%
Usage Charge for CA \$/th		\$0.01423			\$0.01712		\$0.00289		20.3%
Class Average Volumetric Rate CA \$/th		\$0.02468			\$0.02757		\$0.00289		11.7%
115% CA (for NonBypass Volumetric NV)		\$0.02777			\$0.03109		\$0.00332		11.9%
135% CA (for Bypass Volumetric BV) \$/th		\$0.03190			\$0.03579		\$0.00390		12.2%
Other Adjustments:									
Credit for CSITMA Exempt Customers \$/th		(\$0.00331)			(\$0.00331)		\$0.00000		0.0%
CARB Fee Credit for Exempt Customers \$/th		(\$0.00076)			(\$0.00076)		\$0.00000		0.0%
GHG Fee Credit for Exempt Customers \$/th		\$0.00000			\$0.00000		\$0.00000		
EG Rate Including CARB & GHG Fees, e									
CARB Fee Cost Adder		\$0.00076			\$0.00076		\$0.00000		
GHG Fee Cost Adder		\$0.00000			\$0.00000		\$0.00000		
Reservation Service Option (RS):									
Daily Reservation rate \$/th/day		\$0.00674			\$0.00674		\$0.00000		0.0%
Usage Charge for RS \$/th		\$0.01092			\$0.01380		\$0.00288		26.4%
Class Average Volumetric Rate (CA)									
Volumetric Rate \$/th		\$0.01045			\$0.01045		\$0.00000		0.0%
Usage Charge for CA \$/th		\$0.01092			\$0.01380		\$0.00288		26.4%
Class Average Volumetric Rate CA \$/th		\$0.02137			\$0.02425		\$0.00288		13.5%
115% CA (for NonBypass Volumetric NV)		\$0.02446			\$0.02778		\$0.00332		13.6%
135% CA (for Bypass Volumetric BV) \$/th		\$0.02858			\$0.03248		\$0.00389		13.6%
Other Adjustments:									
CARB Fee Credit for Exempt Customers \$/th		(\$0.00076)			(\$0.00076)		\$0.00000		0.0%
GHG Fee Credit for Exempt Customers \$/th		\$0.00000			\$0.00000		\$0.00000		
Average Transmission Level Service	591,243	\$0.02075	\$12,270	591,243	\$0.02362	\$13,966	\$1,697	\$0.00287	13.8%

See footnotes Table 1

Attachment E

**Southern California Gas Company
Original Cost and Depreciation Reserve**

SOUTHERN CALIFORNIA GAS COMPANY

Plant Investment and Accumulated Depreciation

As of September 30, 2018

ACCOUNT NUMBER	DESCRIPTION	ORIGINAL COSTS	ACCUMULATED RESERVE	NET BOOK VALUE
INTANGIBLE ASSETS				
301	Organization	\$ 76,457	\$ -	\$ 76,457
302	Franchise and Consents	\$ 582,060	\$ -	\$ 582,060
	Total Intangible Assets	<u>\$ 658,517</u>	<u>0</u>	<u>\$ 658,517</u>
PRODUCTION:				
325	Other Land Rights	\$ 15,321	\$ -	\$ 15,321
330	Prd Gas Wells Const	\$ 5,557,139	\$ (1,415)	\$ 5,555,724
331	Prd Gas Wells Eqp	\$ 454,718	\$ (55)	\$ 454,663
332	Field Lines	\$ 1,731,111	\$ -	\$ 1,731,111
334	FldMeas&RegStnEquip	\$ 536,249	\$ -	\$ 536,249
336	Prf Eqpt	\$ 485,415	\$ -	\$ 485,415
	Total Production	<u>\$ 8,779,952</u>	<u>(1,470)</u>	<u>\$ 8,778,482</u>
UNDERGROUND STORAGE:				
350	Land	\$ 4,539,484	\$ -	\$ 4,539,484
350SR	Storage Rights	\$ 17,935,798	\$ (17,513,664)	\$ 422,134
350RW	Rights-of-Way	\$ 25,354	\$ (17,333)	\$ 8,021
351	Structures and Improvements	\$ 94,940,123	\$ (24,364,682)	\$ 70,575,441
352	Wells	\$ 471,617,426	\$ (78,925,394)	\$ 392,692,032
353	Lines	\$ 141,354,493	\$ (96,389,617)	\$ 44,964,876
354	Compressor Station and Equipment	\$ 430,929,578	\$ (68,762,469)	\$ 362,167,108
355	Measuring And Regulator Equipment	\$ 8,107,874	\$ (2,774,196)	\$ 5,333,678
356	Purification Equipment	\$ 153,446,114	\$ (80,148,476)	\$ 73,297,638
357	Other Equipment	\$ 65,515,223	\$ (16,998,568)	\$ 48,516,655
	Total Underground Storage	<u>\$ 1,388,411,466</u>	<u>(385,894,398)</u>	<u>\$ 1,002,517,068</u>
TRANSMISSION PLANT- OTHER:				
365	Land	\$ 6,663,549	\$ -	\$ 6,663,549
365LRTS	Land Rights	\$ 22,506,032	\$ (15,445,589)	\$ 7,060,444
366	Structures and Improvements	\$ 59,982,083	\$ (21,438,280)	\$ 38,543,803
367	Mains	\$ 2,142,735,789	\$ (683,522,929)	\$ 1,459,212,860
368	Compressor Station and Equipment	\$ 241,753,332	\$ (105,522,351)	\$ 136,230,981
369	Measuring And Regulator Equipment	\$ 158,239,209	\$ (33,085,948)	\$ 125,153,261
370	Communication Equipment	\$ 34,912,119	\$ (3,248,539)	\$ 31,663,580
371	Other Equipment	\$ 6,786,233	\$ (3,867,949)	\$ 2,918,284
	Total Transmission Plant	<u>\$ 2,673,578,347</u>	<u>(866,131,585)</u>	<u>\$ 1,807,446,762</u>
DISTRIBUTION PLANT:				
374	Land	\$ 29,928,292	\$ -	\$ 29,928,292
374LRTS	Land Rights	\$ 2,824,582	\$ (2,085,133)	\$ 739,449
375	Structures and Improvements	\$ 287,448,081	\$ (85,279,268)	\$ 202,168,813
376	Mains	\$ 4,960,985,640	\$ (2,421,052,487)	\$ 2,539,933,154
378	Measuring And Regulator Equipment	\$ 114,700,932	\$ (76,761,045)	\$ 37,939,887
380	Services	\$ 2,842,738,599	\$ (2,079,243,561)	\$ 763,495,038
381	Meters	\$ 913,911,264	\$ (206,777,222)	\$ 707,134,042
382	Meter Installation	\$ 576,836,469	\$ (169,081,857)	\$ 407,754,612
383	House Regulators	\$ 167,051,064	\$ (71,589,310)	\$ 95,461,754
387	Other Equipment	\$ 56,255,664	\$ (24,735,887)	\$ 31,519,777
	Total Distribution Plant	<u>\$ 9,952,680,588</u>	<u>(5,136,605,770)</u>	<u>\$ 4,816,074,818</u>
GENERAL PLANT:				

SOUTHERN CALIFORNIA GAS COMPANY

Plant Investment and Accumulated Depreciation

As of September 30, 2018

ACCOUNT NUMBER	DESCRIPTION	ORIGINAL COSTS	ACCUMULATED RESERVE	NET BOOK VALUE
389	Land	\$ 1,342,839	\$ -	1,342,839
389LRTS	Land Rights	\$ 74,300	\$ (37,901)	36,399
390	Structures and Improvements	\$ 210,694,692	\$ (188,338,716)	22,355,976
391	Office Furniture and Equipment	\$ 1,263,892,817	\$ (799,207,330)	464,685,487
392	Transportation Equipment	\$ 151,892	\$ (149,267)	2,625
393	Stores Equipment	\$ 99,134	\$ (71,723)	27,411
394	Shop and Garage Equipment	\$ 86,015,584	\$ (26,823,365)	59,192,219
395	Laboratory Equipment	\$ 4,506,620	\$ (1,607,188)	2,899,432
396	Construction Equipment	\$ 11,957	\$ (4,182)	7,775
397	Communication Equipments	\$ 191,277,613	\$ (52,662,710)	138,614,904
398	Miscellaneous Equipment	\$ 3,228,862	\$ (1,613,697)	1,615,164
	Total General Plant	\$ 1,761,296,309	(1,070,516,078)	\$ 690,780,231
	Subtotal	\$ 15,785,405,179	(7,459,149,300)	\$ 8,326,255,878

Attachment F

**San Diego Gas & Electric Company
Original Cost and Depreciation Reserve**

SAN DIEGO GAS & ELECTRIC COMPANY

**COST OF PROPERTY AND
DEPRECIATION RESERVE APPLICABLE THERETO
AS OF SEPTEMBER 30, 2018**

<u>No.</u>	<u>Account</u>	<u>Original Cost</u>	<u>Reserve for Depreciation and Amortization</u>
ELECTRIC DEPARTMENT			
302	Franchises and Consents	222,841.36	202,900.30
303	Misc. Intangible Plant	178,592,058.86	125,268,083.95
	TOTAL INTANGIBLE PLANT	178,814,900.22	125,470,984.25
310.1	Land	14,526,518.29	46,518.29
310.2	Land Rights	0.00	0.00
311	Structures and Improvements	89,230,272.75	41,757,102.84
312	Boiler Plant Equipment	161,752,233.19	77,199,366.30
314	Turbogenerator Units	130,881,904.46	50,825,314.80
315	Accessory Electric Equipment	83,852,556.38	39,928,344.67
316	Miscellaneous Power Plant Equipment	49,998,833.19	14,459,499.15
	Steam Production Contra Accounts	(1,621,911.83)	(470,229.65)
	TOTAL STEAM PRODUCTION	528,620,406.43	223,745,916.40
320.1	Land	0.00	0.00
320.2	Land Rights	0.00	0.00
321	Structures and Improvements	27,285,711.08	2,658,162.87
322	Boiler Plant Equipment	243,225,717.06	21,662,290.99
323	Turbogenerator Units	26,982,364.66	2,370,893.39
324	Accessory Electric Equipment	10,878,214.63	1,458,232.53
325	Miscellaneous Power Plant Equipment	166,754,468.81	48,807,803.51
101	SONGS PLANT CLOSURE GROSS PLANT-	(475,126,476.33)	(76,957,383.29)
	TOTAL NUCLEAR PRODUCTION	(0.09)	0.00
340.1	Land	224,368.91	0.00
340.2	Land Rights	2,427.96	2,427.96
341	Structures and Improvements	23,529,950.99	8,901,979.24
342	Fuel Holders, Producers & Accessories	21,368,233.00	8,087,773.26
343	Prime Movers	94,575,339.90	42,149,571.14
344	Generators	360,077,971.61	156,001,772.94
345	Accessory Electric Equipment	32,510,919.85	15,038,708.85
346	Miscellaneous Power Plant Equipment	29,087,796.47	15,425,425.03
	TOTAL OTHER PRODUCTION	561,377,008.69	245,607,658.42
	TOTAL ELECTRIC PRODUCTION	1,089,997,415.03	469,353,574.82

<u>No.</u>	<u>Account</u>	<u>Original Cost</u>	<u>Reserve for Depreciation and Amortization</u>
350.1	Land	77,827,209.51	0.00
350.2	Land Rights	161,387,770.81	23,778,841.84
352	Structures and Improvements	537,386,626.77	79,070,758.57
353	Station Equipment	1,710,121,925.35	344,888,681.77
354	Towers and Fixtures	900,966,680.38	184,588,939.40
355	Poles and Fixtures	600,064,916.49	119,286,844.53
356	Overhead Conductors and Devices	654,615,080.06	242,305,965.32
357	Underground Conduit	456,586,221.74	67,320,044.31
358	Underground Conductors and Devices	518,568,520.03	65,967,471.90
359	Roads and Trails	320,628,960.42	36,871,750.01
101	SONGS PLANT CLOSURE GROSS PLANT-	0.00	0.00
	TOTAL TRANSMISSION	5,938,153,911.56	1,164,079,297.65
360.1	Land	16,558,313.10	0.00
360.2	Land Rights	88,412,505.50	44,060,804.07
361	Structures and Improvements	9,321,203.30	1,619,793.25
362	Station Equipment	547,176,331.98	202,687,930.96
363	Storage Battery Equipment	124,269,130.82	26,319,167.06
364	Poles, Towers and Fixtures	764,676,388.40	283,055,904.85
365	Overhead Conductors and Devices	743,469,939.47	226,021,736.01
366	Underground Conduit	1,318,884,752.78	507,723,366.85
367	Underground Conductors and Devices	1,606,438,999.77	940,155,526.29
368.1	Line Transformers	640,608,509.15	179,076,948.11
368.2	Protective Devices and Capacitors	34,061,366.83	9,406,533.37
369.1	Services Overhead	172,105,185.03	117,685,980.03
369.2	Services Underground	361,458,414.22	254,527,049.70
370.1	Meters	196,818,316.98	99,554,665.76
370.2	Meter Installations	58,655,280.65	26,114,602.06
371	Installations on Customers' Premises	9,360,128.68	10,498,157.03
373.1	St. Lighting & Signal Sys.-Transformers	0.00	0.00
373.2	Street Lighting & Signal Systems	31,160,189.31	20,217,576.06
	TOTAL DISTRIBUTION PLANT	6,723,434,955.97	2,948,725,741.46
389.1	Land	7,312,142.54	0.00
389.2	Land Rights	0.00	0.00
390	Structures and Improvements	44,850,290.10	25,888,083.96
392.1	Transportation Equipment - Autos	0.00	49,884.21
392.2	Transportation Equipment - Trailers	58,145.67	18,047.26
393	Stores Equipment	46,521.59	531.34
394.1	Portable Tools	33,263,509.74	9,595,007.24
394.2	Shop Equipment	278,147.42	207,215.61
395	Laboratory Equipment	5,333,953.73	893,002.61
396	Power Operated Equipment	60,528.93	117,501.67
397	Communication Equipment	302,470,411.71	119,076,988.06
398	Miscellaneous Equipment	18,168,839.54	1,998,621.19
	TOTAL GENERAL PLANT	411,842,490.97	157,844,883.15
101	TOTAL ELECTRIC PLANT	14,342,243,673.75	4,865,474,481.33

<u>No.</u>	<u>Account</u>	<u>Original Cost</u>	<u>Reserve for Depreciation and Amortization</u>
GAS PLANT			
302	Franchises and Consents	86,104.20	86,104.20
303	Miscellaneous Intangible Plant	0.00	0.00
	TOTAL INTANGIBLE PLANT	86,104.20	86,104.20
360.1	Land	0.00	0.00
361	Structures and Improvements	0.00	0.00
362.1	Gas Holders	0.00	0.00
362.2	Liquefied Natural Gas Holders	0.00	0.00
363	Purification Equipment	0.00	0.00
363.1	Liquefaction Equipment	0.00	0.00
363.2	Vaporizing Equipment	0.00	0.00
363.3	Compressor Equipment	0.00	0.00
363.4	Measuring and Regulating Equipment	0.00	0.00
363.5	Other Equipment	0.00	0.00
363.6	LNG Distribution Storage Equipment	2,242,164.87	1,254,337.90
	TOTAL STORAGE PLANT	2,242,164.87	1,254,337.90
365.1	Land	4,649,143.75	0.00
365.2	Land Rights	3,515,541.91	1,474,582.24
366	Structures and Improvements	19,306,097.54	10,747,287.22
367	Mains	244,206,472.31	84,172,238.01
368	Compressor Station Equipment	92,181,833.42	71,548,133.48
369	Measuring and Regulating Equipment	27,307,998.16	17,363,626.62
371	Other Equipment	1,994,264.34	102,032.16
	TOTAL TRANSMISSION PLANT	393,161,351.43	185,407,899.73
374.1	Land	1,083,616.95	0.00
374.2	Land Rights	8,372,869.81	7,189,249.97
375	Structures and Improvements	43,446.91	61,253.10
376	Mains	1,207,988,580.87	401,841,603.66
378	Measuring & Regulating Station Equipment	19,025,030.10	8,758,431.64
380	Distribution Services	314,129,551.34	297,410,351.30
381	Meters and Regulators	162,001,323.69	65,512,915.77
382	Meter and Regulator Installations	103,635,103.94	44,407,723.29
385	Ind. Measuring & Regulating Station Equipm	1,516,810.70	1,254,330.86
386	Other Property On Customers' Premises	0.00	0.00
387	Other Equipment	11,402,034.82	5,561,192.56
	TOTAL DISTRIBUTION PLANT	1,829,198,369.13	831,997,052.15

<u>No.</u>	<u>Account</u>	<u>Original Cost</u>	<u>Reserve for Depreciation and Amortization</u>
392.1	Transportation Equipment - Autos	0.00	25,503.00
392.2	Transportation Equipment - Trailers	0.00	0.13
394.1	Portable Tools	11,637,669.14	4,352,177.63
394.2	Shop Equipment	53,038.12	31,837.63
395	Laboratory Equipment	0.00	(7,344.15)
396	Power Operated Equipment	16,162.40	13,031.16
397	Communication Equipment	2,066,323.73	730,941.80
398	Miscellaneous Equipment	465,784.09	110,437.55
	TOTAL GENERAL PLANT	<u>14,238,977.48</u>	<u>5,256,584.75</u>
101	TOTAL GAS PLANT	<u>2,238,926,967.11</u>	<u>1,024,001,978.73</u>
COMMON PLANT			
303	Miscellaneous Intangible Plant	521,298,693.05	342,938,277.88
350.1	Land	0.00	0.00
360.1	Land	0.00	0.00
389.1	Land	7,494,792.37	0.00
389.2	Land Rights	856,578.73	27,775.65
390	Structures and Improvements	425,505,879.71	156,827,600.17
391.1	Office Furniture and Equipment - Other	39,628,607.13	14,808,980.42
391.2	Office Furniture and Equipment - Computer E	50,989,156.88	14,305,413.70
392.1	Transportation Equipment - Autos	594,873.39	223,530.73
392.2	Transportation Equipment - Trailers	107,977.72	580.77
392.3	Transportation Equipment - Aviation	11,580,557.15	628,300.30
393	Stores Equipment	333,835.97	16,873.43
394.1	Portable Tools	1,520,822.86	468,329.86
394.2	Shop Equipment	142,759.33	90,378.13
394.3	Garage Equipment	1,854,148.83	303,044.26
395	Laboratory Equipment	1,731,116.64	768,963.28
396	Power Operated Equipment	0.00	(192,979.10)
397	Communication Equipment	230,270,983.03	74,914,894.70
398	Miscellaneous Equipment	5,151,851.74	215,084.31
118.1	TOTAL COMMON PLANT	<u>1,299,062,634.53</u>	<u>606,345,048.49</u>
	TOTAL ELECTRIC PLANT	14,342,243,673.75	4,865,474,481.33
	TOTAL GAS PLANT	2,238,926,967.11	1,024,001,978.73
	TOTAL COMMON PLANT	<u>1,299,062,634.53</u>	<u>606,345,048.49</u>
101 & 118.1	TOTAL	<u>17,880,233,275.39</u>	<u>6,495,821,508.55</u>
101	PLANT IN SERV-SONGS FULLY RECOVER	<u>0.00</u>	<u>0.00</u>
101	PLANT IN SERV-ELECTRIC NON-RECON		
	Electric	0.00	0.00
	Gas	0.00	0.00
	Common	0.00	0.00
		<u>0.00</u>	<u>0.00</u>

<u>No.</u>	<u>Account</u>	<u>Original Cost</u>	<u>Reserve for Depreciation and Amortization</u>
101	PLANT IN SERV-CONTRA-ELECTRIC		
	Electric	0.00	0.00
	Common	0.00	0.00
		<u>0.00</u>	<u>0.00</u>
101	PLANT IN SERV-LEGACY METER RECLASS		
	Electric	0.00	0.00
		<u>0.00</u>	<u>0.00</u>
101	PLANT IN SERV-PP TO SAP OUT OF BAL		
	Electric	0.00	0.00
		<u>0.00</u>	<u>0.00</u>
118	PLANT IN SERV-COMMON NON-RECON		
	Common - Transferred Asset Adjustment	(1,540,513.52)	(1,540,513.52)
		<u>(1,540,513.52)</u>	<u>(1,540,513.52)</u>
101	Accrual for Retirements		
	Electric	(4,759,459.52)	(4,759,459.52)
	Gas	(435,362.71)	(435,362.71)
		<u>(4,759,459.52)</u>	<u>(4,759,459.52)</u>
	TOTAL PLANT IN SERV-ACCRUAL FOR RE	<u>(5,194,822.23)</u>	<u>(5,194,822.23)</u>
102	Electric	279,421.69	0.00
	Gas	0.00	0.00
		<u>279,421.69</u>	<u>0.00</u>
	TOTAL PLANT PURCHASED OR SOLD	<u>279,421.69</u>	<u>0.00</u>
104	Electric	85,194,000.02	19,225,724.58
	Gas	0.00	0.00
		<u>85,194,000.02</u>	<u>19,225,724.58</u>
	TOTAL PLANT LEASED TO OTHERS	<u>85,194,000.02</u>	<u>19,225,724.58</u>
105	Plant Held for Future Use		
	Electric	0.00	0.00
	Gas	0.00	0.00
		<u>0.00</u>	<u>0.00</u>
	TOTAL PLANT HELD FOR FUTURE USE	<u>0.00</u>	<u>0.00</u>
107	Construction Work in Progress		
	Electric	1,072,815,410.20	
	Gas	105,735,960.72	
	Common	152,015,752.40	
		<u>1,330,567,123.32</u>	<u>0.00</u>
	TOTAL CONSTRUCTION WORK IN PROGRESS	<u>1,330,567,123.32</u>	<u>0.00</u>
108	Accum. Depr SONGS Mitigation/Spent Fuel Disallowance		
	Electric	0.00	0.00
		<u>0.00</u>	<u>0.00</u>

<u>No.</u>	<u>Account</u>	<u>Original Cost</u>	<u>Reserve for Depreciation and Amortization</u>
108.5	Accumulated Nuclear Decommissioning Electric	0.00	1,040,779,458.92
	TOTAL ACCUMULATED NUCLEAR DECOMMISSIONING	0.00	1,040,779,458.92
101.1	ELECTRIC CAPITAL LEASES	1,352,823,281.00	306,191,775.00
118.1	COMMON CAPITAL LEASE	14,305,775.75	12,476,541.94
		1,367,129,056.75	318,668,316.94
120	NUCLEAR FUEL FABRICATION	62,963,775.37	40,861,208.00
120	SONGS PLANT CLOSURE-NUCLEAR FUEL	(62,963,775.37)	(40,861,208.00)
143	FAS 143 ASSETS - Legal Obligation	17,125,479.67	(1,038,527,427.03)
	SONGS Plant Closure - FAS 143 contra	0.00	0.00
	FIN 47 ASSETS - Non-Legal Obligation	100,964,116.53	40,162,963.19
143	FAS 143 ASSETS - Legal Obligation	0.00	(1,634,437,856.68)
	TOTAL FAS 143	118,089,596.20	(2,632,802,320.52)
	UTILITY PLANT TOTAL	20,774,757,137.62	5,234,957,352.72

Attachment G

**Southern California Gas Company
Summary of Earnings**

**SOUTHERN CALIFORNIA GAS COMPANY
SUMMARY OF EARNINGS
NINE MONTHS ENDED SEPTEMBER 30, 2018
(DOLLARS IN MILLIONS)**

<u>Line No.</u>	<u>Item</u>	<u>Amount</u>
1	Operating Revenue	\$2,701
2	Operating Expenses	<u>2,374</u>
3	Net Operating Income	<u><u>\$327</u></u>
4	Weighted Average Rate Base	\$6,261
5	Rate of Return*	7.34%

*Authorized Cost of Capital

Attachment H

**San Diego Gas & Electric Company
Summary of Earnings**

SAN DIEGO GAS & ELECTRIC COMPANY
SUMMARY OF EARNINGS
September 30, 2018
(\$ IN MILLIONS)

Line No.	Item	Amount
1	Operating Revenue	\$ 3,834
2	Operating Expenses	<u>3,212</u>
3	Net Operating Income	<u>\$ 621</u>
4	Weighted Average Rate Base	\$ 9,354
5	Rate of Return*	7.55%
	*Authorized Cost of Capital	