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September 30, 2026

Advice No. 6703-G
(U 904-G)

Public Utilities Commission of the State of California

**Subject: Correction to Energy Efficiency Mid-Cycle Advice Letter for 2024-2027
Regarding Prior-Year Unspent and Uncommitted Funds**

Southern California Gas Company (SoCalGas) hereby submits for approval with the California Public Utilities Commission (Commission) this Tier 2 advice letter (AL) to correct the amount of prior-year unspent and uncommitted Energy Efficiency (EE) funds reflected in SoCalGas's Energy Efficiency Mid-Cycle Advice Letter (MCAL) for 2024-2027.

Purpose

In accordance with Decision (D.)23-06-055, Ordering Paragraph (OP) 7(a), SoCalGas hereby submits this Tier 2 AL to correct the amount of prior-year EE funds previously identified as unspent and uncommitted and available to offset 2027 cost recovery. Specifically, SoCalGas seeks to revise the amount of prior-year unspent and uncommitted funds from \$74,486,385 to \$69,307,760, a reduction of \$5,178,625.

Background

On November 4, 2025, SoCalGas submitted Advice Letter 6559-G, Energy Efficiency Mid-Cycle Advice Letter for 2024-2027, pursuant to D.21-05-031, D.23-06-055, and D.25-08-034. In that submission, SoCalGas presented its updated EE portfolio information, including cost recovery information and an analysis of prior-year unspent and uncommitted funds. D.23-06-055 directs portfolio administrators to use unspent and uncommitted funds from prior approved portfolio periods, except for funds required to be sent to the California Energy Commission pursuant to Assembly Bill (AB) 841, to offset budget and collection needs during the 2024-2027 portfolio period. Consistent with that direction, SoCalGas included an offset for prior-year unspent and uncommitted funds in its 2025 MCAL.

In the 2025 MCAL, SoCalGas reported \$74,486,385 in prior-year unspent and uncommitted funds to offset 2027 cost recovery. Following additional review, SoCalGas determined that this amount was overstated by \$5,178,625. The overstated amount was included in the MCAL as unspent and uncommitted; however, SoCalGas has since determined that those

funds were unspent but committed and therefore should not have been included in the amount available to offset 2027 cost recovery.

As a result, the corrected amount of prior-year unspent and uncommitted funds available to offset 2027 cost recovery is \$69,307,760.

Correction to AL 6559-G

SoCalGas proposes to correct the amount of prior-year unspent and uncommitted EE funds reflected in AL-G from \$74,486,385 to \$69,307,760. This correction reduces the amount available to offset 2027 cost recovery by \$5,178,625.

Description	Amount
Prior-year unspent and uncommitted funds reported in Advice Letter 6559-G	\$74,486,385
Correction for funds that were committed and should not have been included as unspent and uncommitted	(\$5,178,625)
Corrected prior-year unspent and uncommitted funds available to offset 2027 cost recovery	\$69,307,760

Pursuant to this AL, SoCalGas updates the applicable MCAL cost recovery tables, including Table 1.3, Table 1.4, and any related supporting workpapers or attachments, to reflect the corrected amount of \$69,307,760. SoCalGas also requests the corrected amount be reflected in the applicable 2027 cost recovery and rate update process.

Table 1.3 Portfolio Cost Recovery Request by Fuel (IOU only)

Line	Spending Budget & Cost Recovery Request	2024	2025	2026	2027	2024-2027
1	IOU (excluding fuel substitution budget)	\$ 153,968,286	\$ 153,968,286	\$ 153,968,286	\$ 153,968,286	\$ 615,873,145
2	IOU Budget forecasted to support fuel sub	\$ -	\$ -	\$ -	\$ -	\$ -
3	Total cost recovery request for IOU portfolio (excluding offset)	\$ 153,968,286	\$ 153,968,286	\$ 153,968,286	\$ 153,968,286	\$ 615,873,145
4	IOU Pre-2024 Estimated Unspent & Uncommitted Funds to Offset 2024-2027 Cost Recovery				\$ 69,307,760	\$ 69,307,760
5	Total Cost Recovery Request for IOU Portfolio (including offset)	\$ 153,968,286	\$ 153,968,286	\$ 153,968,286	\$ 84,660,526	\$ 546,565,385
6	Applicable electric split	0%	0%	0%	0%	0%
7	Applicable gas split	100%	100%	100%	100%	100%
8	Electric portion for cost recovery (excluding fuel sub budget)	0%	0%	0%	0%	0%
9	Fuel sub applicable electric split	0%	0%	0%	0%	0%
10	Electric portion for cost recover (fuel sub budget)	0%	0%	0%	0%	0%
11	Total electric portion for cost recovery for IOU portfolio	\$ -	\$ -	\$ -	\$ -	\$ -
12	Total Gas portion for cost recovery for IOU portfolio	\$ 153,968,286	\$ 153,968,286	\$ 153,968,286	\$ 84,660,526	\$ 546,565,385
13	Electric split (with fuel sub)	0%	0%	0%	0%	0%
14	Gas split (with fuel sub)	100%	100%	100%	100%	100%

Table 1.4 Prior Years Unspent Funds as of 2024 (RENS/CCAs and IOUs)

Line		PY 2013-2017	PY 2018	PY 2019	PY 2020	PY 2021	PY 2022	PY 2023	PY 2024	TOTAL
1	Unspent & Uncommitted									
2	EM&V									
3	Total									
4	Unspent & Uncommitted Pre-2024 EM&V, and IOU Program Funds for 2024-2027 Rate Offset¹									
5	EM&V - PA Funds									
6	EM&V - CPUC Funds									
7	PA Funds									
8	Total²	\$18,670,215	\$6,420,728	\$2,366,053	\$1,394,140	\$148,879	\$8,631,630	\$31,676,115		\$69,307,760

^[7] Split of Rate Offset between EM&V and PA unavailable. Rate Offset calculation based upon rates collected.

This correction does not change SoCalGas's authorized EE portfolio budget, program offerings, program goals, or program implementation strategy. Rather, this submission corrects the prior-year funds calculation used to determine the amount available to offset in 2027 that will be incorporated in SoCalGas's annual advice letter to update Public Purpose Program rates, which will be submitted by October 31, 2026.

SoCalGas respectfully requests that the Commission approve this Tier 2 AL so that the applicable 2027 cost recovery reflects the corrected prior-year unspent and uncommitted funds balance.

Protest

Anyone may protest this Advice Letter to the Commission. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. The protest must be submitted electronically and must be received within 20 days after the date of this Advice Letter, which is October 20, 2026. Protests should be submitted to the attention of the Energy Division Tariff Unit at:

E-mail: EDTariffUnit@cpuc.ca.gov

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

Attn: Veronica Arroyo
Regulatory Tariff Manager
E-mail: VGarcia2@socalgas.com
E-mail: Tariffs@socalgas.com

Effective Date

SoCalGas asserts this submittal is subject to Energy Division disposition and should be classified as Tier 2 (effective after staff approval) pursuant to General Order (GO) 96-B. SoCalGas respectfully requests that this submittal become effective October 30, 2026, which is 30 calendar days after the date submitted.

Notice

A copy of this Advice Letter is being sent to SoCalGas' General Order (GO) 96-B service list and the Commission's service lists in R.25-04-010 and A.26-03-009. Address change requests to the GO 96-B service list should be directed via e-mail to Tariffs@socalgas.com or call 213-244-2424.

For changes to all other service lists, please contact the Commission's Process Office at 415-703-2021 or via e-mail at Process_office@cpuc.ca.gov.

/s/ Joseph Mock
Joseph Mock
Director – Regulatory Affairs

Attachments



ADVICE LETTER SUMMARY

ENERGY UTILITY



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

Company name/CPUC Utility No.:

Utility type:

☐ ELC ☐ GAS ☐ WATER
☐ PLC ☐ HEAT

Contact Person:

Phone #:

E-mail:

E-mail Disposition Notice to:

EXPLANATION OF UTILITY TYPE

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

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #:

Tier Designation:

Subject of AL:

Keywords (choose from CPUC listing):

AL Type: ☐ Monthly ☐ Quarterly ☐ Annual ☐ One-Time ☐ Other:

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

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

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

Confidential treatment requested? ☐ Yes ☐ No

If yes, specification of confidential information:

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

Resolution required? ☐ Yes ☐ No

Requested effective date:

No. of tariff sheets:

Estimated system annual revenue effect (%):

Estimated system average rate effect (%):

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

Tariff schedules affected:

Service affected and changes proposed¹:

Pending advice letters that revise the same tariff sheets:

¹Discuss in AL if more space is needed.

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

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

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

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

ATTACHMENT A

Advice No. 6703-G

Corrected MCAL Cost Recovery Tables

Table 1.3 Portfolio Cost Recovery Request by Fuel (IOU only)

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4	IOU Pre-2024 Estimated Unspent & Uncommitted Funds to Offset 2024-2027 Cost Recovery				\$ 69,307,760	\$ 69,307,760
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Line		PY 2013-2017	PY 2018	PY 2019	PY 2020	PY 2021	PY 2022	PY 2023	PY 2024	TOTAL
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2	EM&V									
3	Total									
4	Unspent & Uncommitted Pre-2024 EM&V, and IOU Program Funds for 2024-2027 Rate Offset¹									
5	EM&V - PA Funds									
6	EM&V - CPUC Funds									
7	PA Funds									
8	Total⁷	\$18,670,215	\$6,420,728	\$2,366,053	\$1,394,140	\$148,879	\$8,631,630	\$31,676,115		\$69,307,760

[7] Split of Rate Offset between EM&V and PA unavailable. Rate Offset calculation based upon rates collected.

ATTACHMENT B

Advice No. 6703-G

Corrected Commitments

Program Name	Program ID	Internal Order(s)	PY2010-2012	PY2013-2017	PY2018	PY2019	PY2020	PY2021	PY2022	PY2023	Total Committed	PA Subtotal	Approval Status
RES- Energy Efficient New Homes (EENH) Subprogram	SCG3702	300801783					29,400				29,400		
RES- Energy Efficient New Homes (EENH) Subprogram	SCG3702	300810241						219,700			219,700		
RES- Energy Efficient New Homes (EENH) Subprogram	SCG3702	300818177							9,411,644		9,411,644	13,158,984	Approved
RES- Energy Efficient New Homes (EENH) Subprogram	SCG3702	300825951								3,382,995	3,382,995		
RES-SW-RNC (CAHP)	SCG3707	300810287					13,500			101,745	115,245		
AG-Calculated Incentives	SCG3719	300715642		99,901							99,901		
IND-Calculated Incentives	SCG3715	300810515						449,450			449,450		
PUB-Calculated Incentives	SCG3815	300810452						23,741			23,741		
CC-NONRESIDENTIAL CALCULATED INCENTIVES	SCG3910	300819590							90,539		90,539	4,903,781	Approved
CC-NONRESIDENTIAL CALCULATED INCENTIVES	SCG3910	300819588							188,708		188,708		
CC-NONRESIDENTIAL CALCULATED INCENTIVES	SCG3910	300826367								4,051,443	4,051,443		
ET Gas Emerging Tech	SCG_SW_ETP_Gas	300818287							156,784		156,784		
ET Gas Emerging Tech	SCG_SW_ETP_Gas	300826061								220,482	220,482	377,266	Approved
ENERGY ATLAS (CATALENA)	SCG3837	Various				253,281					253,281	657,742	Approved
SOCALREN Energy Upgrade CA	SOCALREN	300818957							404,461		404,461		
EM&V - CPUC	SCG3772	Various	6,865	2,305,584	2,006,824	634,068	413,086	1,702,336	3,361,172	4,036,957	14,466,892	14,466,892	Approved
2025 August YTD Actuals	SCG3702	300810241							-17,775		-17,775		
2025 August YTD Actuals	SCG3702	300818177							-6,883,165		-6,883,165	-6,883,165	
2025 August YTD Actuals	SCG3702	300825951								-459,350	-459,350	-459,350	
2025 August YTD Actuals	SCG3910	300819588							-137,230		-137,230	-137,230	
			6,865	2,405,485	2,006,824	887,349	455,986	2,377,452	13,613,307	11,793,622	26,067,145		

Program Name	Program ID	Internal Order(s)	PY2010-2012	PY2013-2017	PY2018	PY2019	PY2020	PY2021	PY2022	PY2023	Total Committed	PA Subtotal	Approval Status
RES- Energy Efficient New Homes (EENH) Subprogram	SCG3702	300801783					29,400				29,400	13,158,984	Approved
RES- Energy Efficient New Homes (EENH) Subprogram	SCG3702	300810241						219,700			219,700		
RES- Energy Efficient New Homes (EENH) Subprogram	SCG3702	300818177							9,411,644		9,411,644		
RES- Energy Efficient New Homes (EENH) Subprogram	SCG3702	300825951								3,382,995	3,382,995		
RES-SW-RNC (CAHP)	SCG3707	300810287						115,245			115,245	4,903,781	Approved
YTD Aug Actuals Committed for RES - EENH	SCG3702	300810241						17,775			17,775		
YTD Aug Actuals Committed for RES - EENH	SCG3703	300818177							4,752,100		4,752,100		
YTD Aug Actuals Committed for RES - EENH	SCG3704	300825951								408,750	408,750		
AG-Calculated Incentives	SCG3719	300715642		99,901							99,901	4,903,781	Approved
IND-Calculated Incentives	SCG3715	300810515						449,450			449,450		
PUB-Calculated Incentives	SCG3815	300810452						23,741			23,741		
CC-NONRESIDENTIAL CALCULATED INCENTIVES	SCG3910	300819590							90,539		90,539		
CC-NONRESIDENTIAL CALCULATED INCENTIVES	SCG3910	300819588							188,708		188,708	377,266	Approved
CC-NONRESIDENTIAL CALCULATED INCENTIVES	SCG3910	300826367							4,051,443		4,051,443		
ET Gas Emerging Tech	SCG SW ETP Gas	300818287							156,784		156,784		
ET Gas Emerging Tech	SCG SW ETP Gas	300826061								220,482	220,482		
ENERGY ATLAS (CATALENA)	SCG3837	Various				253,281					253,281	657,742	Approved
SOCALREN Energy Upgrade CA	SOCALREN	300818957							404,461		404,461	14,466,892	Approved
EM&V - CPUC	SCG3772	Various	6,865	2,305,584	2,006,824	634,068	413,086	1,702,336	3,361,172	4,036,957	14,466,892		
2025 August YTD Actuals	SCG3702	300810241						-17,775			-17,775		
2025 August YTD Actuals	SCG3702	300818177							-6,883,165		-6,883,165		
2025 August YTD Actuals	SCG3702	300825951								-459,350	-459,350	-459,350	SEE BELOW
2025 August YTD Actuals	SCG3910	300819588							-137,230		-137,230		SEE BELOW
			6,865	2,405,485	2,006,824	887,349	442,486	2,510,472	11,345,012	11,641,277	31,245,770		
												5,178,625	Difference between original calculation and errata

EENH (3702P) Commitment Payments		2020 - 300801783	2021 - 300810241	2022 - 300818177	2023 - 300825951	Totals	
2025	January						should have been committed for pre-2024
	February		13,800	1,567,575	20,000	1,601,375	should have been committed for pre-2024
	March		3,975	1,108,725	205,600	1,318,300	should have been committed for pre-2024
	April			1,179,225	175,950	1,355,175	should have been committed for pre-2024
	May			896,575	7,200	903,775	should have been committed for pre-2024
	June			144,000		144,000	Included in commitments on rows 6 & 7
	July			1,442,090	50,600	1,492,690	Included in commitments on rows 6 & 7
	August			544,975		544,975	Included in commitments on rows 6 & 7
	September						
	October						
	November						
	December						
2025 Totals			17,775	6,883,165	459,350	7,360,290	