SOUTHERN CALIFORNIA GAS COMPANY NOTICE OF EVIDENTIARY HEARINGS REGARDING SOUTHERN CALIFORNIA GAS COMPANY'S REQUEST TO INCREASE RATES FOR THE PIPELINE SAFETY & RELIABILITY PROJECT

(PIPELINE SAFETY & RELIABILITY PROJECT) APPLICATION 15-09-013

DATE: July 10 – July 14, 2017 TIME: 10 a.m. LOCATION: California Public Utilities Commission Commission Hearing Room 505 Van Ness Avenue, San Francisco, CA 94102

The California Public Utilities Commission (CPUC) is currently reviewing Southern California Gas Company's (SoCalGas[®]) and San Diego Gas & Electric Company's (SDG&E[®]) Pipeline Safety & Reliability Project Application (A.15-09-013) (Project). The CPUC will hold evidentiary hearings on SoCalGas' and SDG&E's Project application at the time and place noted above. The assigned Administrative Law Judge (Judge) for this proceeding will facilitate these hearings. A Commissioner may be present during the designated times. The hearings are scheduled to continue on a daily basis (Monday– Friday) from July 10 through July 14, 2017, although the Judge may modify the schedule at a later date. The hearings will be held in a hearing room at the CPUC, 505 Van Ness Avenue, San Francisco, CA 94102. At the evidentiary hearing, formal parties of record will participate and present their own testimony and legal arguments addressing SoCalGas' and SDG&E's Project application.

SOCALGAS' REQUEST

On September 30, 2015, SoCalGas and SDG&E filed their Project application with the CPUC seeking approval to increase rates for costs related to the implementation of the Project. On March 21, 2016, at the direction of the CPUC, SoCalGas and SDG&E filed an amendment to its application to include a cost analysis, safety and compliance analysis and information regarding construction or extension of utility facilities. This amendment allowed SoCalGas and SDG&E to be in compliance with Rule 3.1 of the CPUC's Rules of Practice and Procedure. The amended application seeks \$633 million for the Project. The main purposes of this project are:

- Enhance the safety of existing Line 1600,
- modernize the system with state-of-the-art materials,
- improve system reliability by minimizing dependence on a single pipeline and,
- enhance operational flexibility to manage stress conditions.

The application requests a Certificate of Public Convenience and Necessity (CPCN) to install a new 36-inch, 47-mile long pipeline that will transport natural gas from SDG&E's existing Rainbow metering station, near the Riverside County line, to Marine Corps Air Station (MCAS) Miramar. The proposed Project would also lower the pressure of approximately 45 miles of the existing Line 1600 for use as a distribution line, once the new line is constructed.

FOR FURTHER INFORMATION

You may request additional information or obtain a copy of this proposal from SoCalGas and SDG&E by writing to Yvonne Mejia, Regulatory Case Manager, Southern California Gas Company, 555 West Fifth Street, Los Angeles, CA 90013.

You may also view a copy of the application and related documents on SoCalGas' website:

https://www.socalgas.com/regulatory/A15-09-013.shtml.

A copy of the Pipeline Safety & Reliability Project application may also be reviewed at the CPUC's Central Files Office by appointment. For more information, please contact them at <u>aljcentralfilesid@cpuc.ca.gov</u> or (415) 703-2045.

CPUC PROCESS

At these evidentiary hearings, the assigned Judge will receive the testimony of SoCalGas and SDG&E, consumer advocacy groups, and all other parties to this proceeding. These hearings are open to the public but only those who are parties to the proceeding may present evidence, testimony, and be subject to cross-examination. The hearings and documents submitted during this proceeding will become part of the formal record that the Judge relies upon in writing a proposed decision to present to the Commissioners for their consideration.

After considering all proposals and evidence presented during the formal hearing process, the assigned Judge will issue a proposed decision which may adopt SoCalGas' and SDG&E's proposal, modify it or deny it. Any CPUC Commissioner may sponsor an alternate decision. The proposed decision, and any alternate decisions, will be discussed and voted upon at a scheduled CPUC Voting Meeting.

As a party of record, the Office of Ratepayer Advocates (ORA) has reviewed this application. ORA is the independent consumer advocate within the CPUC with a legislative mandate to represent investor-owned utility customers to obtain the lowest possible rate for service consistent with reliable and safe service levels. ORA has a multi-disciplinary staff with expertise in economics, finance, accounting and engineering. For more information about ORA, please call (415) 703-1584, e-mail ora@cpuc.ca.gov or visit ORA's website at http://ora.ca.gov/default.aspx.

STAY INFORMED

If you would like to follow this proceeding, or any other issue before the CPUC, you may use the CPUC's free subscription service. Sign up at: <u>http://subscribecpuc.cpuc.ca.gov/</u>.

If you would like to learn how you can participate in the proceeding, or if you have informal comments or questions about the CPUC processes, you may access the CPUC's Public Advisor's Office webpage at http://consumers.cpuc.ca.gov/pao. You may also contact the Public Advisor's Office as follows:

Write: CPUC Public Advisor's Office 505 Van Ness Avenue San Francisco, CA 94102

Email: public.advisor@cpuc.ca.gov

Phone: 1-866-849-8390 (toll-free) or 1-415-703-2074 1-866-836-7825 (toll-free) or TTY 1-415-703-5282

Please reference the "San Diego Gas & Electric Company and Southern California Gas Company Pipeline Safety & Reliability Project (A.15-09-013)" in any communications you have with the CPUC regarding this matter. All public comments will become part of the public correspondence file for this proceeding and made available for review for the assigned Judge, the Commissioners, and appropriate CPUC staff.