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Witness	:	<u>M. Tan</u>



PUBLIC ADVOCATES OFFICE
California Public Utilities Commission

MONITORING AND EVALUATION REPORT

Southern California Gas Company's
Gas Cost Incentive Mechanism

GCIM Year 26
April 1, 2019 through March 31, 2020

Application 20-06-005

San Francisco, California
October 15, 2020

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CHAPTER 1

SUMMARY AND RECOMMENDATIONS

1.1 Introduction and Summary

On June 15, 2020, Southern California Gas Company (SoCalGas) filed Application (A.) 20-06-005 regarding the Year 26 Gas Cost Incentive Mechanism (GCIM) for the time period April 1, 2019 through March 31, 2020. The Public Advocates Office at the California Public Utilities Commission (Cal Advocates) audited and evaluated the Application and SoCalGas' GCIM Year 26 Annual Report (Year 26 Report). Chapter 2 of this Public Advocates Office Monitoring and Evaluation Report (Cal Advocates Report) presents the details and results of Cal Advocates' review. The attached Appendix A includes the work papers (e.g., records or information produced by SoCalGas in data request responses) supporting Cal Advocates' findings.

Cal Advocates found that for GCIM Year 26, SoCalGas' recorded gas costs were \$81,972,453 below the benchmark, which results in a reward of \$12,806,448 to SoCalGas' shareholders after applying the cap of 1.5% of commodity costs and a ratepayer benefit of \$69,166,005. Table 1-1 below summarizes SoCalGas' Year 26 performance¹ which is based on the detailed GCIM monthly reports of core commodity transaction activities.

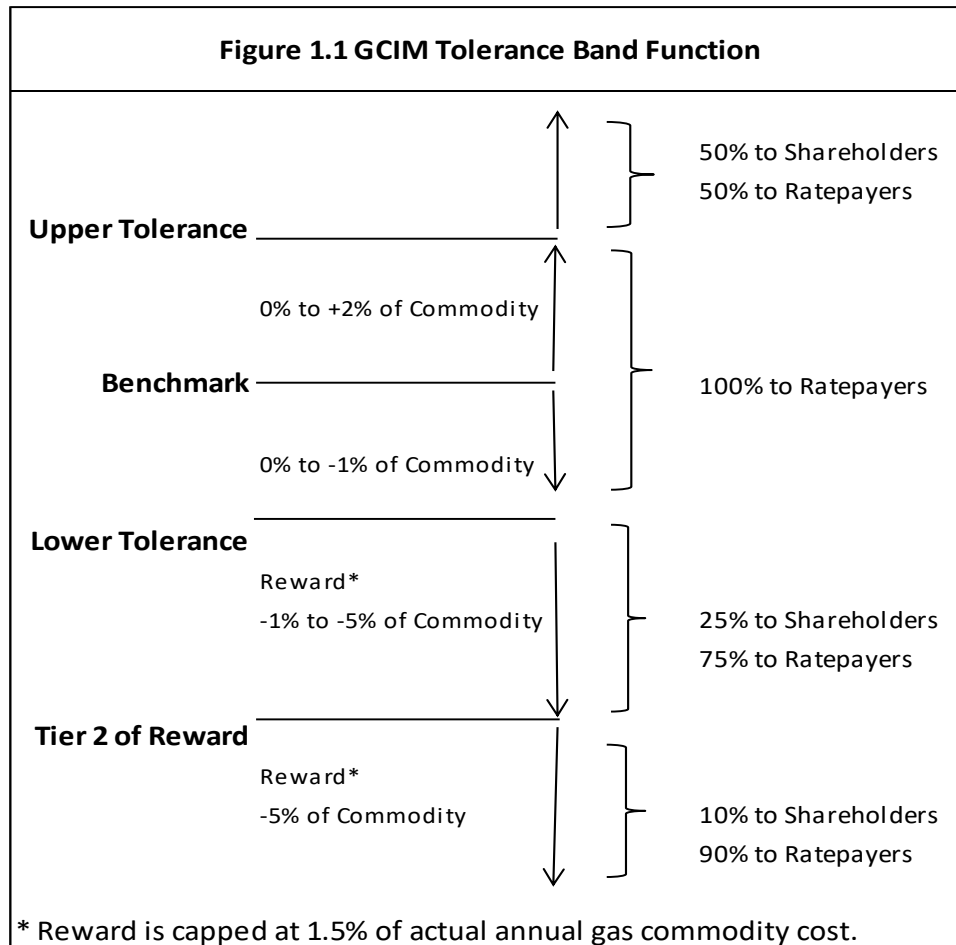
TABLE 1-1			
Southern California Gas Company			
Performance Summary (in \$Millions)			
GCIM Year 26			
April 1, 2019 Through March 31, 2020			
Benchmark Costs		\$	1,192.98
Actual Costs		\$	1,111.01
GCIM Total Savings		\$	81.97
Ratepayer Savings After Cap		\$	69.17
Shareholder Reward After Cap		\$	12.80

1.2 Background

The objective of the GCIM is to provide an incentive for reducing natural gas procurement costs and other related costs such as: transportation, storage capacity, financial hedging, and retail core gas sales. The GCIM is used as a ratemaking tool to increase efficiency in administering regulatory controls. For gas utilities, it provides a framework in the form of a benchmark which indicates when actual purchase costs are

¹ See Cal Advocates Rept., Appx., Table 2-19.

within a stated range referred to as a “tolerance band.” If SoCalGas' actual costs—as measured by the GCIM benchmark—are between the upper and lower range limitations of the tolerance band, there is no shareholder penalty or reward for the GCIM period. If actual gas costs fall above or below the tolerance band, then both SoCalGas ratepayers and shareholders share in the resulting gains or losses. Chapter 2 of this Cal Advocates Report presents the results of the tolerance band calculations. The following graph, Figure 1.1, illustrates how the tolerance band functions in determining the shared costs for SoCalGas' shareholders and ratepayers.



The upper limit of the tolerance band is set at two percentage points above the benchmark commodity costs. The lower limit of the tolerance band is set at one percentage point below this benchmark. When SoCalGas' actual costs fall within this tolerance band, the benefits or losses accrued go to the ratepayers.²

In cases where actual costs fall outside the tolerance band, the benefits or losses are shared between shareholders and ratepayers. The amounts of these benefits or

² See *SoCalGas*, D.02-06-023, 2002 Cal. PUC LEXIS 352, at *10 and *37–38 (respectively, Settlement and Ord. Para. 1) (dated June 6, 2002).

losses are based on whether the actual costs are outside the upper or lower limits of the tolerance band. For example, if actual costs exceed the upper two percent (2%) tolerance limit, the excess costs are shared 50-50 between ratepayers and shareholders. If actual costs are below the benchmark commodity costs and between the lower one percent (1%) tolerance limit and the five percent (5%) range, this will generate savings that are shared at twenty-five percent (25%) for shareholders and seventy-five percent (75%) for ratepayers. If actual costs are more than five percentage points below the benchmark commodity costs, the savings are shared as ninety percent (90%) savings for ratepayers and a ten percent (10%) reward for shareholders. The SoCalGas reward is capped at 1.5 percent of actual commodity costs.

Commission Decision (D.) 94-03-076 originally approved the GCIM program, with subsequent changes and extensions that essentially enhanced the program incentives. D.10-01-023 changed the treatment of winter hedging costs by allowing twenty-five percent (25%) of net hedging gains and losses related to winter gas purchases to flow through to the GCIM calculation, and seventy-five percent (75%) of costs to be passed through directly to core customers.

1.3 GCIM Summary

Table 1-2 below provides a summary of GCIM results over the past five years. Chapter 2 of this Cal Advocates Report presents supporting calculations for GCIM Year 26.

TABLE 1-2 Southern California Gas Company Summary of Ratepayer Savings and Shareholder Rewards (in \$Millions)				
GCIM Year	Period	Total Cost Savings	Ratepayer Savings	Shareholder Rewards
22	2015-2016	28.16	23.12	5.04
23	2016-2017	27.15	22.92	4.23
24	2017-2018	61.72	50.37	11.35
25	2018-2019	105.45	88.66	16.79
26	2019-2020	81.97	69.17	12.80

1.4 Natural Gas Storage

To ensure dedicated core storage capacity, in D.06-10-029 the Commission authorized SoCalGas to revise its Preliminary Statement, Part VIII and the GCIM to reflect changes to its mid-season minimum core inventory targets. These changes require SoCalGas to seek agreement from Cal Advocates and The Utility Reform Network (TURN) prior to making any revisions to its mid-season minimum core

inventory targets.³ In D.18-01-005, the Commission ordered SoCalGas to confer with Cal Advocates if its mid-season core storage inventory will be less than 47 billion cubic feet (Bcf) on July 31 of each calendar year. D.18-01-005 also requires SoCalGas to provide notification of its mid-season and annual core storage inventory target to the Commission's Energy Division. For GCIM Year 26, SoCalGas met the July 31 mid-season storage target. As of October 31, 2019, SoCalGas reported the annual storage inventory was below the November 1st annual storage target and did not meet the storage target.⁴

In D.08-12-020, the Commission adopted the Phase 1 Settlement Agreement, which eliminated the upper tolerance band for core storage.⁵ Combining San Diego Gas & Electric Company's (SDG&E) and SoCalGas' balancing requirements ensures sufficient storage for core customers in Southern California. As of April 1, 2009, SoCalGas has implemented the core balancing requirements. For the current GCIM reporting period, SoCalGas did not report any core imbalance charges.⁶

1.5 Financial Hedging in GCIM

In accordance with D.10-01-023, effective April 2010, SoCalGas is not required to file a Winter Hedging Plan Report.⁷ Instead, SoCalGas includes twenty five percent (25%) of all net gains and losses of its winter hedging transactions in the GCIM. The remaining seventy-five percent (75%) is excluded, which results in costs passed through to core customers. Cal Advocates reviewed SoCalGas' financial derivative gains and losses based on the adopted methodology and according to Commission policies and practices, as described in Chapter 2, Sections 2.10 and 2.11 of this Report.

In addition to core winter hedges, SoCalGas transacted non-winter hedges. For this period, SoCalGas' non-winter hedge results are also included in the GCIM.⁸ Table 1-3 below shows the results of SoCalGas' hedging activities for the most recent five-year GCIM periods.

³ See *SoCalGas*, D.06-10-029, 2006 Cal. PUC LEXIS 398, at *15 (Ord. Para. 3 approving and adopting "Joint Recommendations" [id. at *11] to allow changes in mid-season minimum core inventory targets).

⁴ See *SoCalGas GCIM Yr. 26 Rept.*, p. A-8.

⁵ See *SoCalGas*, D.08-12-020, 2008 Cal. PUC LEXIS 482, at *47 (Ord. Para. 1 adopting) (dated Dec. 4, 2008).

⁶ See *SoCalGas July 24, 2020 Response to Cal Advocates Data Request A.20-06-005_GCIM Year 26_MDR Q 12* issued July 13, 2020.

⁷ See *SoCalGas*, D.10-01-023, 2010 Cal. PUC LEXIS 5, at *100 (Ord. Para. 5) (dated Jan. 25, 2010).

⁸ See *infra* at sec. 2.10 ("Financial Derivatives").

TABLE 1-3 Southern California Gas Company Financial Hedging (in \$Millions)			
GCIM Year	Losses/(Gains) Outside the GCIM	Losses/(Gains) Inside the GCIM	Total Hedging Losses/(Gains)
22	\$ 0.52	\$ 0.26	\$ 0.78
23	\$ 1.99	\$ 0.61	\$ 2.60
24	\$ 0.63	\$ 0.19	\$ 0.82
25	\$ (4.91)	\$ (2.07)	\$ (6.98)
26*	\$ (4.30)	\$ (0.86)	\$ (5.16)

*Source: See Cal Advocates Report, Table 2-11.

1.6 Interstate Capacity

In D.04-09-022, the Commission established interstate pipeline contract approval procedures for SoCalGas, SDG&E, and Pacific Gas and Electric Company (PG&E).⁹ These procedures included authorized capacity planning ranges to provide flexibility in meeting the utilities' regional market demands and regulatory compliance requirements regarding their Biennial Cost Allocation Proceedings (BCAP) or advice letter filings.¹⁰

In accordance with the capacity guideline procedures established by D.04-09-022, SoCalGas, Cal Advocates, TURN, and Energy Division conduct on-going discussions regarding interstate capacity requirements and SoCalGas' acquisition of interstate capacity. Cal Advocates serves as a resource for addressing compliance issues that impact acquisition and/or reduction of interstate capacity.¹¹

Effective November 9, 2018, Advice Letter 5340 governs SoCalGas' capacity planning range for its combined gas portfolio with SDG&E for its winter and non-winter requirements.¹² The updated minimum capacity for non-winter requires 945 thousand dekatherms per day (MDth/d), and maximum capacity of 1,260 MDth/d. For winter, the combined portfolio minimum capacity is 1,050 MDth/d and maximum capacity is 1,260 MDth/d.¹³

⁹ OIR, D.04-09-022, 2004 Cal. PUC LEXIS 522, at *140 (Ord. Para. 2) (dated Sept. 2, 2004).

¹⁰ *Id.* at *137 (Concl. of Law 6).

¹¹ *Id.* at *18 ("SoCalGas' Gas Acquisition Department will consult with [Cal Advocates], the Energy Division and TURN on a monthly basis.").

¹² See Letter from E. F. Randolph, Dir. of Comm. Energy Div., to R. van der Leeden, SoCalGas Dir. of Reg. Affairs, (Nov. 9, 2018, approving SoCalGas Adv. Letr 5340 (Aug. 17, 2018), effective Sept. 16, 2018) *available at* <https://www2.socalgas.com/regulatory/tariffs/tm2/pdf/5340.pdf>.

¹³ See Advice Letter 5340, p. 2.

For GCIM Year 26, SoCalGas' report shows that for actual monthly activities of core firm transportation capacity holdings, the minimum capacity requirements established by D.04-09-022 were met.¹⁴

1.7 Secondary Market Services Transactions

Secondary Market Services (SMS) generate revenues from core gas supplies and resources not needed for reliability requirements. SoCalGas meets this regional market demand while simultaneously applying these revenues to directly offset core commodity costs. As a result, this reduces core gas costs, which achieves SoCalGas' primary objectives of ensuring supply and service reliability at a low cost.¹⁵

For the GCIM Year 26 period, SoCalGas shows net SMS revenues of \$43,690,458.¹⁶ These revenues offset part of the gas costs and enable SoCalGas to lower its core commodity costs.

1.8 Conclusion

Cal Advocates' review verified that for GCIM Year 26, SoCalGas' total savings amount was \$81,972,453. Pursuant to its review, Cal Advocates recommends that SoCalGas' shareholders receive a reward in the amount of \$12,806,448. Cal Advocates confirms that for the GCIM Year 26 reporting period, ratepayer benefits amounted to \$69,166,005. In collaboration with SoCalGas and other parties, Cal Advocates will continue to monitor and evaluate the GCIM to identify any changes needed to improve the GCIM's effectiveness, which SoCalGas and Cal Advocates would submit to the Commission for approval and adoption.

¹⁴ See SoCalGas GCIM Yr. 26 Rept., p. A-32, Appendix C - Current Core Firm Transportation Capacity Holdings.

¹⁵ See SoCalGas GCIM Yr. 26 Rept., p. A-9.

¹⁶ See SoCalGas GCIM Yr. 26 Rept., p. A-5, Table 2; and see *infra* at sec. 2.12 ("Review of Secondary Market Services Revenues").

CHAPTER 2 MONITORING AND EVALUATION AUDIT

2.1 Cal Advocates' GCIM Reward Evaluation

SoCalGas' GCIM Year 26 Application reports core gas procurement results for April 1, 2019 through March 31, 2020. Pursuant to D.94-03-076, Cal Advocates conducted a review and evaluation of SoCalGas' Year 26 GCIM report. The results of Cal Advocates' review and evaluation are presented in this chapter and the supporting work papers are included in Appendix A.

Cal Advocates' evaluation of SoCalGas' GCIM performance for the year ending March 31, 2020, confirmed a total savings of \$81,972,453 in gas costs. These savings are based on the difference between the actual gas commodity costs of \$1,111,009,145 and the GCIM benchmark commodity costs of \$1,192,981,598. As part of its audit of SoCalGas' Year 26 report, Cal Advocates verified that the GCIM sharing mechanism resulted in a ratepayer savings of \$69,166,005, and a shareholder reward of \$12,806,448 after the cap of 1.5% of commodity costs. Table 2-1 below summarizes the SoCalGas GCIM Year 26 savings based on the calculated tolerance band levels.

TABLE 2-1 Southern California Gas Company Reward Calculation GCIM Year 26 April 1, 2019 Through March 31, 2020		
		SCG Annual Report
Benchmark Costs		\$ 1,192,981,598
Actual Costs		\$ 1,111,009,145
GCIM Year 26 Annual Report: Total Savings Below Benchmark		\$ 81,972,453
Amount of Lower Tolerance Band Not Subject to Sharing (0%-1%)		\$ 9,357,356
Ratepayers' share:		\$ 9,357,356
Amount Subject to 75%-25% Sharing (1%-5%)		\$ 37,429,426
Ratepayers' share: 75%	75%	\$ 28,072,069
Shareholders' share: 25%	25%	\$ 9,357,356
Amount Subject to 90%/10% Sharing (> 5%)		\$ 35,185,671
Ratepayers' share: 90%	90%	\$ 31,667,104
Shareholders' share: 10%	10%	\$ 3,518,567
Cap on Shareholder Rewards = 1.5% of commodity costs:		
Total Commodity costs:		\$ 853,763,190
Shareholder Reward Cap:	1.50%	\$ 12,806,448
Total Ratepayers' Share:		\$ 69,096,529
Total Shareholders' Share:		\$ 12,875,924
Total Savings:		\$ 81,972,453
Total Ratepayers' Share after Cap		\$ 69,166,005
Shareholders' Share after 1.5% Cap		\$ 12,806,448
Total Savings:		\$ 81,972,453

2.2 Summary of Benchmark and Actual Costs

Table 2-2 below shows an annual summary of the monthly gas commodity costs that are the basis for the 1.5% cap on the shareholder reward shown in Table 2-1. The calculated tolerance bands and the related actual commodity cost of gas are measured annually against a benchmark. The benchmark is based on the prevailing published natural gas price indices for gas delivered from the mainline to the California border.

<p style="text-align: center;">TABLE 2-2 Southern California Gas Company Tolerance Band Review GCIM Year 26 April 1, 2019 Through March 31, 2020</p>						
Month	Benchmark Dollars*	Actual Dollars*	(Over)/Under Benchmark	Lower Tolerance 1%	Lower Tolerance 5%	Actual Commodity Cost
Apr-19	\$ 83,790,477	\$ 79,272,432	\$ 4,518,045	\$ 65,305,461	\$ 67,284,444	\$ 61,447,067
May-19	\$ 70,286,375	\$ 65,585,354	\$ 4,701,021	\$ 50,478,603	\$ 52,008,258	\$ 46,287,468
Jun-19	\$ 65,914,115	\$ 55,639,698	\$ 10,274,417	\$ 47,074,677	\$ 48,501,182	\$ 37,275,762
Jul-19	\$ 73,785,318	\$ 67,238,217	\$ 6,547,101	\$ 54,305,423	\$ 55,951,042	\$ 48,306,862
Aug-19	\$ 74,749,279	\$ 68,424,285	\$ 6,324,994	\$ 54,469,075	\$ 56,119,653	\$ 48,694,274
Sep-19	\$ 60,731,548	\$ 59,097,594	\$ 1,633,953	\$ 41,096,382	\$ 42,341,727	\$ 39,877,544
Oct-19	\$ 79,965,640	\$ 78,981,667	\$ 983,973	\$ 59,140,512	\$ 60,932,649	\$ 58,753,919
Nov-19	\$ 97,294,647	\$ 94,164,556	\$ 3,130,091	\$ 74,047,860	\$ 76,291,734	\$ 71,665,727
Dec-19	\$ 223,266,334	\$ 201,580,037	\$ 21,686,297	\$ 195,664,609	\$ 201,593,839	\$ 175,954,722
Jan-20	\$ 186,991,311	\$ 170,368,791	\$ 16,622,521	\$ 159,636,758	\$ 164,474,236	\$ 144,626,730
Feb-20	\$ 110,545,715	\$ 107,128,213	\$ 3,417,502	\$ 84,717,646	\$ 87,284,847	\$ 82,155,877
Mar-20	\$ 65,660,840	\$ 63,528,301	\$ 2,132,539	\$ 40,441,280	\$ 41,666,774	\$ 38,717,239
	\$ 1,192,981,598	\$ 1,111,009,145	\$ 81,972,454	\$ 926,378,287	\$ 954,450,356	\$ 853,763,190
	*Included transportation costs and reservation costs.					

Source: Cal Advocates Report, Appendix, Table 2-19.

2.3 Review of Benchmark Volumes and Costs

Table 2-3 shows the components of the Mainline and Border Benchmark Costs. Cal Advocates' review of GCIM Year 26 records confirms the Total Benchmark Dollar Costs of \$1,192,981,598.

The Total Benchmark Commodity Costs consist of Mainline Benchmark Commodity Costs of \$523,634,869 and Benchmark Border Commodity Costs of \$412,100,774 which are calculated based on the Southern California Border Costs of \$115,407,381, and SoCalGas Citygate Commodity Cost of \$296,693,393.

The Total Benchmark Dollar Costs include \$2,606,215 in flow through costs of Interstate Volumetric Transport Costs; \$254,639,741 of Benchmark Reservation Charges; and \$935,735,643 in Total Benchmark Commodity Costs for a total of \$1,192,981,598.

<p style="text-align: center;">TABLE 2-3 Southern California Gas Company Benchmark Dollar Components GCIM Year 26 April 1, 2019 Through March 31, 2020</p>						
					Benchmark	
<u>Annual Report:</u>					Dollars	Reference*
Mainline Benchmark Costs					\$ 523,634,869	2-4
Southern California Border Costs				115,407,381		2-4
SoCalGas Citygate Commodity Costs				296,693,393		2-4
Sub-Total Border Benchmark Commodity Costs:					\$ 412,100,774	
Total Benchmark Commodity Costs					<u>\$ 935,735,643</u>	
Flow-Through Costs						
Interstate Volumetric Transport Costs					\$ 2,606,215	2-6
Benchmark Reservation Charges					\$ 254,639,741	2-5
Rounding					\$ (1)	
Total Benchmark Dollar Costs:					<u>\$ 1,192,981,598</u>	

*Source: Cal Advocates Report, Appendix, Table.

Table 2-3A shows 408,655,903 million British thermal units (MMBtus) in Net Total Benchmark Volume for the period from April 2019 through March 2020. This net total is comprised of the following: (i) 298,686,159 MMBtus, which is the Benchmark Mainline Volumes total; (ii) 42,898,286 MMBtus, which is the Benchmark Border Volumes total for the same period; and (iii) 67,071,458 MMBtus, which is the Benchmark SoCalGas Citygate Volumes total. The Actual Transported Volume of 403,622,421 MMBtus is the total purchased volumes that SoCalGas received during the GCIM Year 26 period.

TABLE 2-3A Southern California Gas Company Benchmark Market Volumes (In MMBtus) GCIM Year 26 April 1, 2019 Through March 31, 2020			
			Reference*
Benchmark Mainline Volumes	298,686,159		2-11
Benchmark Border Volumes	42,898,286		2-16
Benchmark Citygate Volumes	67,071,458		2-16
Net Total Benchmark Volumes		<u>408,655,903</u>	
Actual Transported Volumes		<u>403,622,421</u>	2-10

*Source: Cal Advocates Report, Appendix, Table.

2.4 Actual Gas Costs and Volumes

Table 2-4 shows the Actual Gas Costs Components consisting of Mainline Commodity Purchases, Border and Citygate Purchases, Gas Sales revenues, Other Revenues/Costs, Interstate Volumetric Transportation Costs, and Reservation Charges. Cal Advocates found that SoCalGas' records supported the volumes and corresponding dollar amounts for each of these components, as reflected in Table 2-4.

The Total Mainline and Border Purchases of \$979,751,182 consist of Total Mainline Purchases of \$571,613,071 and Total Border Purchases of \$408,138,111. The Total Gas Sales of \$81,477,042 consists of Mainline Sales of \$43,581,051; Border Sales of \$24,430,884 and SoCalGas Citygate of \$13,465,107. The Other Revenue and Costs of \$44,510,949 consist of (i) \$43,690,458 in Net Secondary Market Service Revenues; (ii) \$856,293 in gains from GCIM Derivative Transactions, and (iii) \$35,802 in an Off-System Parking Fee. These are all included as part of the Actual Commodity Costs. Total Commodity Costs of \$853,763,191 consist of (i) Total Mainline and Border Purchases of \$979,751,182; (ii) Total Gas Sale of \$81,477,042; and (iii) Total Other Revenues/Costs of \$44,510,949.

SoCalGas' records show the calculation of the Interstate Volumetric Transport Costs as \$2,606,215, and the Reservation Charges as \$254,639,741. The sum of these costs and charges was added to the Total Commodity Costs of \$853,763,191 and resulted in the corresponding Total Volume and Costs of \$1,111,009,145, as shown on the last line in Table 2-4.

The Total Mainline and Border Purchase volume of 477,211,093 MMBtus is comprised of the totals for two types of gas purchases and their corresponding volumes: (i) Total Mainline Purchases (352,327,495 MMBtus); and (ii) Total Border Purchases (124,883,598 MMBtus).

The Total Gas Sale volumes of 68,555,190 MMBtus is comprised of the following gas sales and their corresponding volumes: (i) Mainline Sales (53,641,336 MMBtus); (ii) Border Sales (11,112,249 MMBtus); and (iii) SoCalGas Citygate Sales (3,801,605 MMBtus). The Total Gas Sales volumes of 68,555,190 MMBtus was subtracted from the Total Mainline and Border Purchases volumes of 477,211,093 MMBtus to arrive at the Total Volume and Costs figure of 408,655,903 MMBtus.

TABLE 2-4
Southern California Gas Company
Actual Gas Costs Components
GCIM Year 26
April 1, 2019 Through March 31, 2020

Mainline Commodity Purchases	Volumes	Dollars	Reference*
El Paso Permian	79,930,979	\$ 52,230,018	2-3a
El Paso San Juan	121,918,884	222,346,284	2-3a
Transwestern Permian	13,133,684	6,672,616	2-3a
Transwestern San Juan	25,004,174	49,857,598	2-3a
Kern River Pipeline	91,976,977	214,511,084	2-3a
Enterprise-Waha	308,125	389,848	2-3a
NOVA-AECO/NIT	19,819,339	24,948,860	2-3a
GTN: Kingsgate/Malin/Stanfield	235,333	656,762	2-3a
Total Mainline Purchases	352,327,495	\$ 571,613,071	
Border and City Gate Purchases			
Border	54,010,535	\$ 131,667,336	2-3b
SoCalGas Citygate	70,873,063	276,470,775	2-3b
Total Border Purchases	124,883,598	\$ 408,138,111	
Total Mainline and Border Purchases	477,211,093	\$ 979,751,182	
Gas Sales (deducting)			
Mainline Sales	(53,641,336)	\$ (43,581,051)	2-3c
Border Sales	(11,112,249)	(24,430,884)	2-3d
SoCalGas Citygate Sales	(3,801,605)	(13,465,107)	2-3d
Total Gas Sales	(68,555,190)	\$ (81,477,042)	
Other Revenues/Costs			
Net Secondary Market Revenue:		\$ (43,690,458)	2-3e
GCIM Derivative Transactions		(856,293)	2-3g
Off System Parking Fee		35,802	2-3f
Total Other Revenues/Costs		\$ (44,510,949)	
Total Commodity Costs		\$ 853,763,191	
Interstate Reservation and Volumetric Transport Cost			
Interstate Volumetric Transport Costs		\$ 2,606,215	2-6
Reservation Charges		254,639,741	2-5
Total Related Commodity Costs		\$ 257,245,956	
Rounding		\$ (2)	
Total Volume and Costs	408,655,903	\$ 1,111,009,145	

*Source: Cal Advocates Report, Appendix, Table.

2.5 Mainline and Border Gas Sales

Table 2-5 below provides a breakdown of SoCalGas' gas sales by pipeline. In addition, a compilation of gas sales and volumes for the period is included in Appendix A to this Report.

SoCalGas reported gas purchases and sales transactions with affiliates and confirms that purchases and sales were completed through arm's length transactions via brokerage firms.¹⁷

TABLE 2-5			
Southern California Gas Company			
Summary of Mainline and Border Sales			
GCIM Year 26			
April 1, 2019 Through March 31, 2020			
Mainline Pipelines	Sales	Volume (MMBtus)	Reference*
El Paso Permian	\$ (19,632,304)	(38,641,055)	2-3c
El Paso San Juan	(13,383,399)	(8,115,088)	2-3c
Transwestern Permian	(2,685,876)	(1,987,821)	2-3c
Transwestern San Juan	(1,777,991)	(1,120,026)	2-3c
Kern River	(3,941,575)	(2,204,541)	2-3c
Enterprise Waha	(354,266)	(308,125)	2-3c
NOVA-AECO	(809,529)	(765,947)	2-3c
GTN-Kingsgate/Stanfield/Malin	(996,112)	(498,733)	2-3c
Total Mainline	\$ (43,581,051)	(53,641,336)	
<hr/>			
Border Pipelines	Sales	Volume (MMBtus)	
Border	\$ (24,430,884)	(11,112,249)	2-3d
SoCal City-Gate	(13,465,107)	(3,801,605)	2-3d
Total Border	\$ (37,895,991)	(14,913,854)	
<hr/>			
Total Sales to Volume	\$ (81,477,042)	(68,555,190)	

*Source: Cal Advocates Report., Appendix, Table.

2.6 Interstate Volumetric Transport Costs

The volumetric transport costs are variable costs and based on the volume of interstate pipeline gas supplies delivered at the SoCal Border. The total interstate volumetric transportation costs for GCIM Year 26 are shown in Table 2-6. The table shows the Summary of the Actual Pipeline Commodity Transported Costs by pipeline. The total aggregate volumetric transport costs for the period were \$2,606,216, which is

¹⁷ See SoCalGas GCIM Yr. 26 Rept., p. A-19.

comprised of \$1,242,491 in El Paso transport costs; \$612,206 in Transwestern costs; \$544,815 in Kern River costs; and \$206,704 in Canadian Path costs.

TABLE 2-6 Southern California Gas Company Summary of Actual Pipeline Commodity Transport Costs GCIM Year 26 April 1, 2019 Through March 31, 2020		
		Transport Cost
El Paso		\$ 1,242,491
Transwestern		612,206
Kern River		544,815
Canadian Path		206,704
Mexican Path		-
Total Transportation Costs		\$ 2,606,216

Source: Cal Advocates Report, Appendix, Table 2-6.

2.7 Interstate Reservation Charges

Table 2-7 shows reservation charges by pipeline for the GCIM Year 26 period. The reservation charges were: El Paso \$71,916,825; Transwestern \$13,729,050; Kern River \$24,350,275; and Canadian Path \$12,726,892. For the GCIM Year 26 period, Backbone Transport Service contracts totaled \$131,916,698 and the Total Reservation Charges for the period were \$254,639,741.

TABLE 2-7 Southern California Gas Company Summary of Reservation Charges By Pipeline GCIM Year 26 April 1, 2019 Through March 31, 2020		
		Reservation Charge
El Paso		\$ 71,916,825
Transwestern		13,729,050
Kern River		24,350,275
Canadian Path		12,726,892
Backbone Transportation		131,916,698
Total Reservation Charges		\$ 254,639,741

Source: Cal Advocates Report, Appendix, Table 2-5.

2.8 Interstate Pipeline Utilization

In D.04-09-022, the Commission required SoCalGas to track each pipeline's utilization of capacity.¹⁸ Table 2-8 provides an overview of SoCalGas' nominated capacity for each pipeline listed. Total Core Capacity for all the pipelines was 442,927,748 MMBtus and Total Nominated Capacity was 354,175,376 MMBtus. The difference between these two total amounts is the unutilized capacity of 88,752,372 MMBtus, which is adjusted from core capacity.

Regarding the interstate pipelines, for GCIM Year 26, SoCalGas utilized El Paso at 72% capacity; Foothills Pipeline, Ltd at 64%; Gas Transmission Northwest Corp. at 99%; Kern River Gas Transmission at 98%; NOVA at 96% (Canadian Path); Pacific Gas and Electric pipeline at 97%; and Transwestern Pipeline Company at 72%. To arrive at 350,492,628 MMBtus of Actual Volume Received, the Capacity Cut of 3,682,748 MMBtus is subtracted from Nominated Capacity of 354,175,376 MMBtus.

Pipeline	Core Capacity	Less: Nominated Capacity	Unutilized Capacity	Capacity Utilization Percentage	Nominated Capacity	Actual Volumes Received	Capacity Cut
El Paso Natural Gas Co	216,812,000	155,442,794	61,369,206	72%	155,442,794	154,380,841	1,061,953
Foothills Pipelines Ltd	30,073,217	19,361,772	10,711,445	64%	19,361,772	18,766,807	594,965
Gas Trans Northwest Corp	19,238,113	18,953,611	284,502	99%	18,953,611	18,372,406	581,205
Kern River Gas Trans. Co	89,759,777	88,051,406	1,708,371	98%	88,051,406	87,687,853	363,553
Nova Gas Trans Ltd	19,858,349	19,102,587	755,762	96%	19,102,587	19,102,587	-
Pacific Gas & Electric	19,007,112	18,482,238	524,874	97%	18,482,238	17,955,981	526,257
Transwesten Pipeline Co	48,179,180	34,780,968	13,398,212	72%	34,780,968	34,226,153	554,815
Total	442,927,748	354,175,376	88,752,372	80%	354,175,376	350,492,628	3,682,748

Source: Cal Advocates Report, Appendix, Table 2-18.

2.9 Examination of the Purchased Gas Account

Table 2-9 provides a Purchased Gas Account (PGA) reconciliation of the GCIM gas commodity costs.¹⁹ The PGA is for utilities to balance the recorded cost of gas and the corresponding revenues from the sale of that gas. For GCIM Year 26, total PGA commodity costs equaled \$898,005,338 and reported GCIM commodity costs for SoCalGas' gas portfolio purchases were \$854,619,483 (excluding hedging costs), which results in a variance of \$43,385,855. This variance consists of \$322,208 in costs

¹⁸ See *OIR*, D.04-09-022, 2004 Cal. PUC LEXIS 522, at *140 (Ord. Para. 2) (dated Sept. 2, 2004).

¹⁹ See SoCalGas July 24, 2020 Response to Cal Advocates Data Request A.20-06-005_GCIM Year 26_MDR Q 8 issued July 13, 2020.

excluded from the GCIM reported commodity costs and \$43,690,458 in net Secondary Market Services revenue, which is unreported in the PGA gas costs. Other adjustments were for timing differences of \$17,604 recorded in fees and other costs from other years.

TABLE 2-9 Southern California Gas Company PGA & GCIM Reconciliation of Commodity Cost GCIM Year 26 April 1, 2019 Through March 31, 2020			
Total PGA Commodity Costs		\$ 898,005,338	
Total GCIM Commodity Costs		\$ 854,619,483	
	Variance:	\$ 43,385,855	
Reconciliation:			
Total PGA Commodity Cost			\$ 898,005,338
PGA Costs Excluded from GCIM:			
Playa del Rey & Aliso Production	0		
Borrego Springs LNG	141,488		
Realized (Gain)/Loss from OTC Deriv. Trans.	6,840		
Realized (Gain)/Loss from Exchange-Traded Deriv. Trans.	(4,158,645)		
Realized (Gain)/Loss from Foreign Currency Exchange (GST & Demand Char	2,729		
Carrying Costs of Storage Inventory	1,126,355		
Transportation Chg in PGA Market Gas not in GCIM Commodity Cost (1.8.2)	2,559,025		
		322,208	
GCIM Related Transactions Excluded from PGA:			
Net SMS Revenue	\$ (43,690,458)		
Timing differences for transaction fees and other gas costs excluded from GCIM	\$ (17,604)		
		\$ (43,708,063)	
			\$ (43,385,855)
		Total PGA Commodity Cost :	\$ 854,619,483
		Rounding:	\$ -
		Less: GCIM Commodity Cost:	\$ 854,619,483
		Difference:	\$ -

In addition, Cal Advocates selected July 2019, December 2019 and January 2020 to review SoCalGas' recorded costs and revenues. Through discovery, SoCalGas provided copies of supporting documents and purchase invoices for the purpose of the verification. Cal Advocates traced the costs of these purchase invoices to the monthly statements and then to SoCalGas' Year 26 report. Cal Advocates found that the selected purchase invoices reconciled with recorded amounts in the report.

2.10 Financial Derivatives

Cal Advocates performed a review of hedging transactions for financial derivative transactions reported in the PGA to confirm the appropriate GCIM calculation and to identify timing differences that were recognized within the GCIM period of April 1, 2019 through March 31, 2020.

Pursuant to D.10-01-023, twenty-five percent (25%) of winter hedging gains and losses were included in the GCIM actual costs.²⁰ Table 2-10 shows the SoCalGas PGA Reconciliation of Financial Gains and Losses for all financial derivatives reported NYMEX transactions and over-the-counter (OTC) cleared transactions, as well as OTC swaps.²¹ Associated transaction fees are also included based on the date of contract and net results that may be a financial gain or loss. Transactions that result in gains and/or cash receipts are offset against losses. Other adjustments include reversal of fees from previous GCIM years.

TABLE 2-10			
Southern California Gas Company			
PGA Reconciliation-Financial Gains & Losses			
GCIM Year 26			
April 1, 2019 Through March 31, 2020			
NYMEX Traded/ OTC Cleared Transactions	GCIM	Recorded PGA	Variance
Exchange Traded Transactions (Gains)/Losses	\$ (867,397)		
Exchange Traded Transactions Costs	\$ 6,419		
Total:	\$ (860,978)	\$ (4,158,645)	\$ (3,297,667)
OTC Swaps			
OTC Swaps (Gains)/Losses	\$ -		
OTC Swap Transaction Costs	\$ 4,685	\$ 6,840	\$ 2,155
Total:	\$ 4,685	\$ 6,840	\$ 2,155
Year 26 Financial (Gain)/Losses:	\$ (856,293)	\$ (4,151,805)	\$ (3,295,512)
Reconciliation:			
Reconciled Derivative PGA: 75% excluded Winter Hedge from GCIM			\$ (3,295,512)
Public Advocates Office's 75% excluded Winter Hedge From GCIM			\$ (3,226,407)
Other Items Due to Timing Difference			\$ (69,105.00)
Variance			\$ -

²⁰ OIR, D.10-01-023, 2010 Cal. PUC LEXIS 5, at *99 (Ord. Para. 4) (Jan. 25, 2010).

²¹ See SoCalGas July 24, 2020 Response to Cal Advocates Data Request A.20-06-005_GCIM Year 26_MDR Q 8 issued July 13, 2020.

Financial hedging gains for the Year 26 GCIM period totaled \$856,293. This total is comprised of \$860,978 in NYMEX transactions and \$4,685 in OTC Swaps transactions. In compliance with D.10-01-023, seventy-five percent (75%) of the winter hedging losses are excluded from the GCIM and twenty-five percent (25%) of winter hedging losses are included in the GCIM calculation. For Year 26, \$3,226,407 represented seventy-five percent (75%) of winter hedging gains and \$1,075,469 represented twenty-five percent (25%) of winter hedging gains to be included in the GCIM calculation.²²

In general, natural gas prices are determined through the interaction of two types of markets: cash/financial markets and physical quantities of natural gas. The both markets involve the purchase and sale of both when the physical quantities and financial instrument prices are connected to the price of natural gas in the physical market.

Publishers of industry newsletters such as *Platts* and *Natural Gas Intelligence* take surveys of the price of transactions at a hub or Citygate, where natural gas is delivered and/or sold. The surveyed prices are calculated into an average which then results in an index of those prices. These index prices are used to base the price of gas at the hub, Citygate or a specified location.

For hedging natural gas commodities, the most commonly used financial instruments are OTC and exchange derivatives, often referred to as options and swaps. These financial instruments are traded in the form of standardized contracts. This standardization provides ease of transfer and the identification of prices.²³ These hedging transactions will generally incur related transaction fees for the purchase of the hedging contract, such as broker and premium fees.

SoCalGas regularly assess and review on a real time basis natural gas market fundamentals. Based on its review and assessment, the utility uses price trends, market fundamentals, and/or risk avoidance to optimize hedging transactions. To forecast natural gas prices, SoCalGas uses current future prices and basis values provided by Intercontinental Exchange (ICE) and/or NYMEX.²⁴

2.11 Winter Hedges

For GCIM Year 26, SoCalGas reported \$4,301,876 of winter hedging net gains. Table 2-11 shows twenty-five percent (25%) of the net gains at \$1,075,469, which is included in the GCIM. Cal Advocates confirmed that \$3,226,407 or seventy-five percent (75%) of total winter hedging gains were excluded from the GCIM and included in the PGA for GCIM Year 26. These gains or losses are directly allocated to core customers

²² See Cal Advocates Report, Appendix A, Table 2-3i, Winter Hedge Costs.

²³ See U.S. Senate Permanent Committee on Investigations: Excessive Speculation in the Natural Gas Market, July 9, 2007.

²⁴ See SoCalGas July 24, 2020 Response to Cal Advocates Data Request A.20-06-005_GCIM Year 26_MDR Q 7 issued July 13, 2020.

for the period. In addition, SoCalGas reported winter hedging transactions for OTC swap/option gains and losses, contract costs that include premiums, and transaction costs for broker fees.

For purposes of reconciliation, Cal Advocates determined related hedging costs based on the contract date. If the contract date is beyond March 31, it is excluded from the GCIM Year 26 reporting period.

TABLE 2-11 Southern California Gas Company Winter Financial Derivatives (Gains) Losses GCIM Year 26 April 1, 2019 Through March 31, 20120					
Month	Winter Hedge (Gain)/Losses Included in GCIM	Winter Hedge Fee Included in GCIM	Winter Hedge (Gain)/Losses Excluded From GCIM	Winter Hedge Fee Excluded From GCIM	Winter Hedge Total
Apr-19	\$ -	\$ -	\$ -	\$ -	\$ -
May-19	\$ -	\$ -	\$ -	\$ -	\$ -
Jun-19	\$ -	\$ -	\$ -	\$ -	\$ -
Jul-19	\$ -	\$ 488	\$ -	\$ 1,464	\$ 1,952
Aug-19	\$ -	\$ 271	\$ -	\$ 813	\$ 1,084
Sep-19	\$ -	\$ (10)	\$ -	\$ (30)	\$ (39)
Oct-19	\$ 283,390	\$ 2,830	\$ 850,170	\$ 8,491	\$ 1,144,881
Nov-19	\$ 60,800	\$ 547	\$ 182,400	\$ 1,641	\$ 245,388
Dec-19	\$ (605,766)	\$ 2,151	\$ (1,817,297)	\$ 6,453	\$ (2,414,458)
Jan-20	\$ (756,400)	\$ 341	\$ (2,269,200)	\$ 1,023	\$ (3,024,236)
Feb-20	\$ (64,344)	\$ 232	\$ (193,031)	\$ 696	\$ (256,447)
Mar-20	\$ -	\$ -	\$ -	\$ -	\$ -
Totals:	\$ (1,082,319)	\$ 6,850	\$ (3,246,958)	\$ 20,552	\$ (4,301,876)
	Hedge (Gain)/Loss	(1,082,319)		(3,246,958)	
	Fee	6,850		20,552	
	Rounding:	-		-	
	25% Winter Hedge Included in GCIM:	(1,075,469)	75% Winter Hedge Excluded From GCIM:	(3,226,407)	

Source: Cal Advocates Report, Appendix, Table 2-3i.

2.12 Review of Secondary Market Services Revenues

SoCalGas manages its retail core procurement using its assets of storage inventory, injection, withdrawal rights, and core supplies and by applying these assets to Secondary Market Services. In particular, SoCalGas generates revenue by using core

assets to execute SMS transactions and fees that are based on market conditions. When SoCalGas management determines that core assets are not directly needed to meet core customer demand and reliability, it will utilize SMS transactions to offset core gas costs. As Table 2-12 below shows, for GCIM Year 26, SMS revenue totaled \$44,887,057 less \$1,196,599 in overhead costs which results in net revenue of \$43,690,458.

TABLE 2-12 Southern California Gas Company Summary of Secondary Market Service Revenues GCIM Year 26 April 1, 2019 Through March 31, 2020			
SMS Revenue			\$ (44,887,057)
Less Overhead			\$ 1,196,599
		Net Revenues	\$ (43,690,458)

Source: Cal Advocates Report, Appendix, Table 2-3e.

2.13 SoCalGas Core Storage Inventory Targets

In D.06-10-029, the Commission approved a Joint Recommendation by Cal Advocates, TURN and SoCalGas to modify the utility’s management and use of mid-season gas storage capacity for core customers.²⁵ This recommendation requires more gas to enter storage during the summer months for core customer use during the winter heating season. This decision requires SoCalGas to obtain agreement from Cal Advocates and TURN for mid-season inventory targets. These targets must be maintained or an agreement from Cal Advocates and TURN is needed if changes to inventory storage targets are made by SoCalGas. In either case, these changes are reflected in the GCIM.

In D.08-12-020, the Commission adopted Phase 1 Settlement Agreement in SoCalGas’ 2009 BCAP, expanding gas storage by 7 Bcf during the period of 2009 to 2014.²⁶ Core storage inventory would receive an additional 4 Bcf beginning in 2009. The Settlement Agreement required incremental inventory capacity to increase by 1.0 Bcf each year from April 1, 2010 until April 1, 2013.

²⁵ See *SoCalGas*, D.06-10-029, 2006 Cal. PUC LEXIS 398, at *3 (Joint Recommendation adopted and approved) (dated Oct. 19, 2006).

²⁶ See *SoCalGas*, D.08-12-020, 2008 Cal. PUC LEXIS 482, at *47 (Ord. Para. 1 adopting) (dated Dec. 4, 2008).

On December 14, 2012 SoCalGas filed Advice Letter 4436, which was approved by the Commission on January 13, 2013. This update changed the storage target from 79 Bcf to 82 Bcf with variance allowance from +5/-2 Bcf to +0/-2 Bcf.²⁷

On May 29, 2013, SoCalGas filed Advice Letter 4499, which updated the core inventory target from 82 Bcf to 83 Bcf +0/-2 Bcf. The utility would retain the core inventory target until further notice via an advice letter filing.²⁸

For the GCIM Year 26 mid-season storage, Cal Advocates' review of SoCalGas' inventory records show that the assigned core storage inventory level was 50.5 Bcf as of July 31, 2019. Thus, the mid-season target was achieved.²⁹

The GCIM November 1 storage inventory target was 83 Bcf with a variance allowance of +0/-2 Bcf. As of October 31, 2019, SoCalGas reported the annual storage inventory was at 67.4 Bcf, which is below the storage inventory target. The data shows that SoCalGas did not meet the core inventory target requirements due to storage capacities limitation.³⁰

Table 2-13 shows the core storage inventory calculation for July 31 target and October 31 target.³¹

TABLE 2-13 Southern California Gas Company Core Storage Inventory for Summer and Winter Targets GCIM Year 26 April 1, 2019 Through March 31, 2020		
	7/31/19	10/31/19
Bcf Target	-	83 +0/-2
Core Physical Inventory	52.9	63.6
Less:		
Secondary Market Services	2.4	-
Add:		
CAT	-	3.8
Total Core Storage Inventory	50.5	67.4
Note: CAT inventory only excluded in July		

²⁷ See Letter from E. F. Randolph, Dir. of Comm. Energy Div., to R. Prince, Dir. of Reg. Affairs, SoCalGas (Jan. 14, 2013, approving SoCalGas Adv. Letr 4436 (Dec. 14, 2012) effective Jan. 13, 2013), available at <https://www2.socalgas.com/regulatory/tariffs/tm2/pdf/4436.pdf>.

²⁸ See Letter from E. F. Randolph, Dir. of Comm. Energy Div., to R. Prince, Dir. of Reg. Affairs, SoCalGas (July 2, 2013, approving SoCalGas Adv. Letr 4499 (May 29, 2013) effective June 28, 2013), available at <https://www2.socalgas.com/regulatory/tariffs/tm2/pdf/4499.pdf>.

²⁹ See SoCalGas July 24, 2020 Response to Cal Advocates Data Request A.20-06-005_GCIM Year 26_MDR Q 9 issued July 13, 2020.

³⁰ *Id.*

³¹ *Id.*

2.14 Interstate Capacity Procurement

In Advice Letter 5340, effective November 9, 2018, the Commission authorized SoCalGas to update its Capacity Planning Range which was based on the California Gas Report for 2018.³² The filing was to comply with D.04-09-022 and Advice Letter 3969-G to update SoCalGas and SDG&E's combined portfolio capacity for the winter and non-winter seasons. Table 2-14 provides a summary of the minimum and maximum capacity values by season for the reporting period.³³

TABLE 2-14 Southern California Gas Company Capacity Ranges GCIM Year 26 April 1, 2019 Through March 31, 2020		
	Minimum Capacity	Maximum Capacity
Non-Winter (April to October)	945 MDth/d	1,260 MDth/d
Winter (November to March)	1,050 MDth/d	1,260 MDth/d

The update enabled SoCalGas to hold firm interstate pipeline capacity at no less than 90% of its forecasted core average daily load during the spring and summer months and no less than 100% during the fall and winter months. This established a minimum firm capacity of 945 MDth/d for the period of April 2019 to October 2019 and 1,260 MDth/d for November 2019 to March 2020. In Appendix C of its GCIM Year 26 Report, SoCalGas presents the actual capacity performance for the GCIM period.³⁴

Proportionally, SoCalGas maintained a gas supply portfolio consisting of approximately 64% long-term supply agreements; 30% month-to-month base load agreements; and 6% daily transactions (purchases and sales) as result of net sales.³⁵

³² See Letter from E. F. Randolph, Dir. of Comm. Energy Div., to R. van der Leeden, Dir. of Reg. Affairs, SoCalGas (Nov. 9, 2018, approving SoCalGas Adv. Letr 5340 (Aug. 17, 2018) effective Sept. 16, 2018), *available at* <https://www2.socalgas.com/regulatory/tariffs/tm2/pdf/5340.pdf>.

³³ See Advice Letter 5340, p. 2.

³⁴ See SoCalGas GCIM Yr. 26 Rept., pp. A-31 to A-32,

³⁵ See SoCalGas July 24, 2020 Response to Cal Advocates Data Request A.20-06-005_GCIM Year 26_MDR Q 4 issued July 13, 2020.

APPENDIX A
EXHIBITS FOR PUBLIC ADVOCATES OFFICE REPORT

2-1
Southern California Gas Company
Total Actual Cost Summary
GCIM Year 26
April 1, 2019 through March 31, 2020

	Actual Commodity Cost	Transportation Cost	Reservation Charge	Total Actual Cost
Apr-19	\$ 61,447,067	\$ 338,966	\$ 17,486,399	\$ 79,272,432
May-19	\$ 46,287,468	\$ 395,576	\$ 18,902,311	\$ 65,585,354
Jun-19	\$ 37,275,762	\$ 380,901	\$ 17,983,036	\$ 55,639,698
Jul-19	\$ 48,306,862	\$ (512,432)	\$ 19,443,788	\$ 67,238,217
Aug-19	\$ 48,694,274	\$ 253,207	\$ 19,476,804	\$ 68,424,285
Sep-19	\$ 39,877,544	\$ 187,332	\$ 19,032,718	\$ 59,097,594
Oct-19	\$ 58,753,919	\$ 192,634	\$ 20,035,114	\$ 78,981,667
Nov-19	\$ 71,665,727	\$ 260,801	\$ 22,238,028	\$ 94,164,556
Dec-19	\$ 175,954,722	\$ 309,760	\$ 25,315,555	\$ 201,580,037
Jan-20	\$ 144,626,730	\$ 296,708	\$ 25,445,353	\$ 170,368,791
Feb-20	\$ 82,155,877	\$ 256,101	\$ 24,716,235	\$ 107,128,213
Mar-20	\$ 38,717,239	\$ 246,661	\$ 24,564,401	\$ 63,528,301
Total	\$ 853,763,190	\$ 2,606,215	\$ 254,639,741	\$ 1,111,009,145

2-2

Southern California Gas Company
Benchmark Cost Summary
GCIM Year 26

April 1, 2019 through March 31, 2020

	Benchmark Commodity Cost	Transportation Cost	Reservation Charge	Total Benchmark Cost
Apr-19	\$ 65,965,112	\$ 338,966	\$ 17,486,399	\$ 83,790,477
May-19	\$ 50,988,488	\$ 395,576	\$ 18,902,311	\$ 70,286,375
Jun-19	\$ 47,550,178	\$ 380,901	\$ 17,983,036	\$ 65,914,115
Jul-19	\$ 54,853,963	\$ (512,432)	\$ 19,443,788	\$ 73,785,318
Aug-19	\$ 55,019,268	\$ 253,207	\$ 19,476,804	\$ 74,749,279
Sep-19	\$ 41,511,497	\$ 187,332	\$ 19,032,718	\$ 60,731,548
Oct-19	\$ 59,737,891	\$ 192,634	\$ 20,035,114	\$ 79,965,640
Nov-19	\$ 74,795,818	\$ 260,801	\$ 22,238,028	\$ 97,294,647
Dec-19	\$ 197,641,019	\$ 309,760	\$ 25,315,555	\$ 223,266,334
Jan-20	\$ 161,249,251	\$ 296,708	\$ 25,445,353	\$ 186,991,311
Feb-20	\$ 85,573,380	\$ 256,101	\$ 24,716,235	\$ 110,545,715
Mar-20	\$ 40,849,778	\$ 246,661	\$ 24,564,401	\$ 65,660,840
Total	\$ 935,735,643	\$ 2,606,215	\$ 254,639,741	\$ 1,192,981,598

2-3
Southern California Gas Company
Actual Commodity Purchases Costs
GCIM Year 26

April 1, 2019 through March 31, 2020

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Total
Mainline Purchases	\$ 32,602,196	\$ 30,095,652	\$ 30,712,076	\$ 37,089,263	\$ 44,018,061	\$ 40,474,784	\$ 47,690,508	\$ 56,765,017	\$ 89,131,967	\$ 81,710,914	\$ 46,056,685	\$ 35,265,946	\$ 571,613,071
Border Purchases	\$ 33,239,642	\$ 21,546,030	\$ 15,167,966	\$ 17,818,456	\$ 13,707,449	\$ 16,652,925	\$ 32,216,007	\$ 26,913,905	\$ 101,989,994	\$ 78,003,001	\$ 40,462,551	\$ 10,420,187	\$ 408,138,111
Total Commodity Purchases	\$ 65,841,838	\$ 51,641,682	\$ 45,880,041	\$ 54,907,719	\$ 57,725,510	\$ 57,127,709	\$ 79,906,514	\$ 83,678,922	\$ 191,121,961	\$ 159,713,915	\$ 86,519,236	\$ 45,686,133	\$ 979,751,182
Mainline Sales	\$ 299,502	\$ (291,872)	\$ (662,459)	\$ (3,237,735)	\$ (3,671,271)	\$ (10,811,680)	\$ (11,451,857)	\$ (4,086,809)	\$ (4,064,804)	\$ (3,589,310)	\$ (2,632,001)	\$ 619,245	\$ (43,581,051)
Border and Citygate Sales	\$ (2,522,896)	\$ (1,416,478)	\$ (2,333,576)	\$ (1,260,031)	\$ (1,983,595)	\$ (4,596,258)	\$ (7,472,001)	\$ (5,696,207)	\$ (272,054)	\$ (2,763,332)	\$ (181,104)	\$ (7,398,459)	\$ (37,895,991)
Total Commodity Sales	\$ (2,223,394)	\$ (1,708,350)	\$ (2,996,035)	\$ (4,497,767)	\$ (5,654,866)	\$ (15,407,939)	\$ (18,923,858)	\$ (9,783,015)	\$ (4,336,858)	\$ (6,352,642)	\$ (2,813,105)	\$ (6,779,214)	\$ (81,477,042)
Secondary Market Service Revenue	\$ (2,171,378)	\$ (3,676,225)	\$ (5,619,665)	\$ (2,108,949)	\$ (3,381,298)	\$ (1,842,185)	\$ (2,717,216)	\$ (2,291,842)	\$ (10,227,082)	\$ (7,978,589)	\$ (1,486,247)	\$ (189,785)	\$ (43,690,458)
Financial (Gains)/Losses	\$ -	\$ 25,360	\$ 420	\$ 758	\$ (6,774)	\$ (42)	\$ 485,478	\$ 61,662	\$ (603,300)	\$ (755,954)	\$ (64,007)	\$ 105	\$ (856,293)
Other Costs	\$ -	\$ 5,000	\$ 11,000	\$ 5,100	\$ 11,702	\$ -	\$ 3,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,802
Actual Commodity Purchase Cost	\$ 61,447,067	\$ 46,287,468	\$ 37,275,762	\$ 48,306,862	\$ 48,694,274	\$ 39,877,544	\$ 58,753,919	\$ 71,665,727	\$ 175,954,722	\$ 144,626,730	\$ 82,155,877	\$ 38,717,239	\$ 853,763,190

2-3a
Southern California Gas Company
Mainline Purchase Summary
GCIM Year 26
April 1, 2019 through March 31, 2020

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Total
El Paso - Permian	\$ 1,981,681	\$ 537,094	\$ (632,559)	\$ 1,634,705	\$ 5,942,245	\$ 8,344,760	\$ 11,068,005	\$ 5,059,130	\$ 8,980,192	\$ 7,322,692	\$ 2,636,043	\$ (643,969)	\$ 52,230,018
El Paso - San Juan	\$ 14,592,351	\$ 15,069,146	\$ 19,129,300	\$ 22,785,996	\$ 23,064,390	\$ 17,625,765	\$ 16,502,038	\$ 20,930,610	\$ 24,056,180	\$ 23,297,948	\$ 12,878,647	\$ 12,413,913	\$ 222,346,284
Transwestern - Permian	\$ 34,668	\$ 146,218	\$ (367,386)	\$ 222,360	\$ 1,172,412	\$ 1,655,440	\$ 2,493,819	\$ 286,475	\$ 572,208	\$ 447,967	\$ 124,967	\$ (116,532)	\$ 6,672,616
Transwestern - San Juan	\$ 874,059	\$ 2,441,470	\$ 1,192,340	\$ 1,129,402	\$ 1,095,904	\$ 1,611,696	\$ 1,055,475	\$ 6,197,596	\$ 12,334,375	\$ 11,044,341	\$ 4,479,716	\$ 6,401,224	\$ 49,857,598
Kern River	\$ 13,363,805	\$ 10,450,351	\$ 10,253,692	\$ 9,822,713	\$ 11,240,762	\$ 9,705,448	\$ 14,355,212	\$ 21,202,480	\$ 39,469,018	\$ 36,133,719	\$ 23,443,098	\$ 15,070,787	\$ 214,511,084
Enterprise - Waha	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 389,848	\$ -	\$ -	\$ 389,848
NOVA-AECO/NIT	\$ 1,755,233	\$ 1,451,372	\$ 1,136,688	\$ 861,690	\$ 1,502,347	\$ 1,507,708	\$ 2,215,960	\$ 3,088,727	\$ 3,719,995	\$ 3,074,400	\$ 2,494,215	\$ 2,140,524	\$ 24,948,860
GTN-Malin	\$ 399	\$ -	\$ -	\$ 632,396	\$ -	\$ 23,966	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 656,762
Total Mainline Purchases	\$ 32,602,196	\$ 30,095,652	\$ 30,712,076	\$ 37,089,263	\$ 44,018,061	\$ 40,474,784	\$ 47,690,508	\$ 56,765,017	\$ 89,131,967	\$ 81,710,914	\$ 46,056,685	\$ 35,265,946	\$ 571,613,071

2-3b
Southern California Gas Company
Border and Citygate Purchase Summary
GCIM Year 26
April 1, 2019 through March 31, 2020

Purchase	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Total
Border Purchase	\$ 13,888,251	\$ 1,670,859	\$ 922,735	\$ 8,259,104	\$ 2,826,979	\$ 11,195,237	\$ 14,753,478	\$ 13,720,153	\$ 21,313,731	\$ 20,001,966	\$ 14,888,370	\$ 8,226,473	\$ 131,667,336
SoCal Citygate	\$ 19,351,391	\$ 19,875,171	\$ 14,245,231	\$ 9,559,352	\$ 10,880,470	\$ 5,457,688	\$ 17,462,529	\$ 13,193,752	\$ 80,676,263	\$ 58,001,035	\$ 25,574,181	\$ 2,193,713	\$ 276,470,775
Total Border and Citygate Purchases	\$ 33,239,642	\$ 21,546,030	\$ 15,167,966	\$ 17,818,456	\$ 13,707,449	\$ 16,652,925	\$ 32,216,007	\$ 26,913,905	\$ 101,989,994	\$ 78,003,001	\$ 40,462,551	\$ 10,420,187	\$ 408,138,111

2-3c
Southern California Gas Company
Mainline Sale Summary
GCIM Year 26
April 1, 2019 through March 31, 2020

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Total
El Paso - Permian	\$ 717,698	\$ 219,946	\$ (341,592)	\$ (896,463)	\$ (2,607,277)	\$ (4,224,162)	\$ (3,910,255)	\$ (3,186,596)	\$ (3,619,580)	\$ (1,917,685)	\$ (600,630)	\$ 734,291	\$ (19,632,304)
El Paso - San Juan	\$ (339,549)	\$ (486,670)	\$ (248,411)	\$ (105,498)	\$ (979,599)	\$ (5,323,476)	\$ (5,088,048)	\$ (24,000)	\$ (65,690)	\$ (664,740)	\$ (57,718)	\$ -	\$ (13,383,399)
Transwestern - Permian	\$ 4,015	\$ -	\$ -	\$ -	\$ (20,959)	\$ (732,122)	\$ (1,933,611)	\$ -	\$ -	\$ (3,200)	\$ -	\$ -	\$ (2,685,876)
Transwestern - San Juan	\$ -	\$ -	\$ -	\$ -	\$ (31,364)	\$ (160,649)	\$ (280,812)	\$ (257,506)	\$ (365,252)	\$ (635,357)	\$ (43,753)	\$ (3,298)	\$ (1,777,991)
Kern River	\$ -	\$ -	\$ (56,428)	\$ (1,349,460)	\$ -	\$ (152,482)	\$ (31,948)	\$ (443,463)	\$ -	\$ -	\$ (1,907,793)	\$ -	\$ (3,941,575)
Enterprise - Waha	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (354,266)	\$ -	\$ -	\$ (354,266)
NOVA-AECO/NIT	\$ (82,260)	\$ (25,148)	\$ (16,028)	\$ (69,649)	\$ (32,073)	\$ (39,745)	\$ (207,183)	\$ (175,244)	\$ (14,282)	\$ (14,060)	\$ (22,108)	\$ (111,748)	\$ (809,529)
GTN-Malin	\$ (403)	\$ -	\$ -	\$ (816,666)	\$ -	\$ (179,044)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (996,112)
Total Mainline Sales	\$ 299,502	\$ (291,872)	\$ (662,459)	\$ (3,237,735)	\$ (3,671,271)	\$ (10,811,680)	\$ (11,451,857)	\$ (4,086,809)	\$ (4,064,804)	\$ (3,589,310)	\$ (2,632,001)	\$ 619,245	\$ (43,581,051)

2-3d
Southern California Gas Company
Border and Citygate Sale Summary
GCIM Year 26

April 1, 2019 through March 31, 2020

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Total
Border Sales	\$ (2,335,484)	\$ (1,358,605)	\$ (2,173,588)	\$ (1,260,031)	\$ (1,849,830)	\$ (488,371)	\$ (4,493,230)	\$ (4,669,137)	\$ (272,054)	\$ (21,424)	\$ (180,560)	\$ (5,328,569)	\$ (24,430,884)
SoCal Citygate Sales	\$ (187,412)	\$ (57,873)	\$ (159,988)	\$ -	\$ (133,765)	\$ (4,107,888)	\$ (2,978,771)	\$ (1,027,069)	\$ -	\$ (2,741,908)	\$ (544)	\$ (2,069,890)	\$ (13,465,107)
PG&E- Topock Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Border and Citygate Sales	\$ (2,522,896)	\$ (1,416,478)	\$ (2,333,576)	\$ (1,260,031)	\$ (1,983,595)	\$ (4,596,258)	\$ (7,472,001)	\$ (5,696,207)	\$ (272,054)	\$ (2,763,332)	\$ (181,104)	\$ (7,398,459)	\$ (37,895,991)

2-3e
Southern California Gas Company
Secondary Market Service Revenue
GCIM Year 26
April 1, 2019 through March 31, 2020

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Total
Secondary Market Service Revenue	\$ (2,250,738)	\$ (4,059,743)	\$ (5,682,307)	\$ (2,186,051)	\$ (3,481,784)	\$ (1,917,964)	\$ (2,802,220)	\$ (2,389,509)	\$ (10,271,380)	\$ (8,030,446)	\$ (1,546,185)	\$ (268,731)	\$ (44,887,057)
Overhead Cost	\$ 79,360	\$ 383,518	\$ 62,642	\$ 77,103	\$ 100,486	\$ 75,779	\$ 85,004	\$ 97,667	\$ 44,298	\$ 51,857	\$ 59,938	\$ 78,947	\$ 1,196,599
Net Secondary Market Service Revenue	\$ (2,171,378)	\$ (3,676,225)	\$ (5,619,665)	\$ (2,108,949)	\$ (3,381,298)	\$ (1,842,185)	\$ (2,717,216)	\$ (2,291,842)	\$ (10,227,082)	\$ (7,978,589)	\$ (1,486,247)	\$ (189,785)	\$ (43,690,458)

2-3g
Southern California Gas Company
Total Financial Derivatives Summary
GCIM Year 26

April 1, 2019 through March 31, 2020

	NYMEX & OTC Cleared Losses/(Gains)	NYMEX & OTC Clear Transaction Costs	OTC Swap Losses/(Gains)	OTC Swap Transaction Cost	Total Financial Cost/(Gain)
Apr-19	\$ -	\$ -	\$ -	\$ -	\$ -
May-19		\$ 210	\$ 25,050	\$ 100	\$ 25,360
Jun-19		\$ 420			\$ 420
Jul-19		\$ 210		\$ 548	\$ 758
Aug-19		\$ 210	\$ (7,375)	\$ 391	\$ (6,774)
Sep-19		\$ 675	\$ (1,575)	\$ 858	\$ (42)
Oct-19		\$ 1,365	\$ 482,213	\$ 1,900	\$ 485,478
Nov-19		\$ 465	\$ 60,800	\$ 397	\$ 61,662
Dec-19		\$ 815	\$ (605,766)	\$ 1,651	\$ (603,300)
Jan-20		\$ 105	\$ (756,400)	\$ 341	\$ (755,954)
Feb-20		\$ 105	\$ (64,344)	\$ 232	\$ (64,007)
Mar-20		\$ 105			\$ 105
Total	\$ -	\$ 4,685	\$ (867,397)	\$ 6,419	\$ (856,293)

Recorded: \$ (856,293)

variance \$ 0

2-3h
Southern California Gas Company
Hedge Detail
GCIM Year 26
April 1, 2019 through March 31, 2020

Non-Winter Hedge							25% Winter Hedge						
NYMEX Option Premiums (Gain)/Loss	OTC Cleared Swaps (Gain)/Loss	OTC Clear Option Premiums (Gain)/Loss	Future (Gain)/Loss	Exchange Traded Broker Fee	Financial Swap Broker Fee	NYMEX Option Premiums (Gain)/Loss	OTC Cleared Swaps (Gain)/Loss	OTC Clear Option Premiums (Gain)/Loss	Future (Gain)/Loss	Exchanged Traded Broker Fee	Financial Swap Broker Fee	Total	
A	B	C	D	E	F	G	H	I	J	K	L		
Apr-19	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
May-19	\$ -	\$ 25,050	\$ -	\$ -	\$ 100	\$ 210	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,360	
Jun-19	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 420	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 420	
Jul-19	\$ -	\$ -	\$ -	\$ -	\$ 60	\$ 210	\$ -	\$ -	\$ -	\$ 488	\$ -	\$ 758	
Aug-19	\$ -	\$ (7,375)	\$ -	\$ -	\$ 120	\$ 210	\$ -	\$ -	\$ -	\$ 271	\$ -	\$ (6,774)	
Sep-19	\$ -	\$ (1,575)	\$ -	\$ -	\$ 868	\$ 675	\$ -	\$ -	\$ -	\$ (10)	\$ -	\$ (42)	
Oct-19	\$ -	\$ 198,823	\$ -	\$ -	\$ 120	\$ 315	\$ -	\$ -	\$ 283,390	\$ -	\$ 1,780	\$ 485,478	
Nov-19	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 315	\$ -	\$ -	\$ 60,800	\$ -	\$ 397	\$ 61,662	
Dec-19	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 315	\$ (807,841)	\$ 202,075	\$ -	\$ 1,651	\$ 500	\$ (603,300)	
Jan-20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 105	\$ (756,400)	\$ -	\$ -	\$ 341	\$ -	\$ (755,954)	
Feb-20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 105	\$ (64,344)	\$ -	\$ -	\$ 232	\$ -	\$ (64,007)	
Mar-20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 105	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 105	
Total	\$ -	\$ 214,923	\$ -	\$ -	\$ 1,268	\$ 2,985	\$ (1,628,584)	\$ 546,265	\$ -	\$ 5,150	\$ 1,700	\$ (856,293)	

Non-Winter Hedge:	A+B+C+D	\$ 214,923	
Non-Winter Transaction Cost:	E+F	\$ 4,253	
			\$ 219,176
Winter Hedge:	G+H+I+J	\$ (1,082,319)	
Winter Hedge Transaction Cost:	K+L	\$ 6,850	
			\$ (1,075,469)
			\$ (856,293)

Financial Cost Total Included in GCIM: \$ (856,293)

2-3i
Southern California Gas Company
Winter Hedge Costs
GCIM Year 26
April 1, 2019 through March 31, 2020

	25% Winter							75% Winter							Total				
	NYMEX Option Premiums (Gain)/Loss	OTC Cleared Swaps (Gain)/Loss	OTC Clear		Exchanged		NYMEX Option Premiums (Gain)/Loss	OTC Cleared Swaps (Gain)/Loss	OTC Clear		Exchanged								
			Option Premiums (Gain)/Loss	Future (Gain)/Loss	Traded Broker Fee	Financial Swap Broker Fee			Option Premiums (Gain)/Loss	Future (Gain)/Loss	Traded Broker Fee	Financial Swap Broker Fee							
Apr-19	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
May-19	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Jun-19	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Jul-19	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 488	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,464	\$ -	\$ -	\$ -	\$ -	\$ 1,952
Aug-19	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 271	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 813	\$ -	\$ -	\$ -	\$ -	\$ 1,084
Sep-19	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (10)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (30)	\$ -	\$ -	\$ -	\$ -	\$ (39)
Oct-19	\$ -	\$ -	\$ 283,390	\$ -	\$ 1,780	\$ 1,050	\$ -	\$ -	\$ 850,170	\$ -	\$ -	\$ 5,341	\$ 3,150	\$ 1,144,881	\$ -	\$ -	\$ -	\$ -	\$ 1,144,881
Nov-19	\$ -	\$ -	\$ 60,800	\$ -	\$ 397	\$ 150	\$ -	\$ -	\$ 182,400	\$ -	\$ -	\$ 1,191	\$ 450	\$ 245,388	\$ -	\$ -	\$ -	\$ -	\$ 245,388
Dec-19	\$ -	\$ (807,841)	\$ 202,075	\$ -	\$ 1,651	\$ 500	\$ -	\$ (2,423,522)	\$ 606,225	\$ -	\$ -	\$ 4,953	\$ 1,500	\$ (2,414,458)	\$ -	\$ -	\$ -	\$ -	\$ (2,414,458)
Jan-20	\$ -	\$ (756,400)	\$ -	\$ -	\$ 341	\$ -	\$ -	\$ (2,269,200)	\$ -	\$ -	\$ -	\$ 1,023	\$ -	\$ (3,024,236)	\$ -	\$ -	\$ -	\$ -	\$ (3,024,236)
Feb-20	\$ -	\$ (64,344)	\$ -	\$ -	\$ 232	\$ -	\$ -	\$ (193,031)	\$ -	\$ -	\$ -	\$ 696	\$ -	\$ (256,447)	\$ -	\$ -	\$ -	\$ -	\$ (256,447)
Mar-20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ (1,628,584)	\$ 546,265	\$ -	\$ 5,150	\$ 1,700	\$ -	\$ (4,885,753)	\$ 1,638,795	\$ -	\$ -	\$ 15,452	\$ 5,100	\$ (4,301,876)	\$ -	\$ -	\$ -	\$ -	\$ (4,301,876)

25% Winter \$ (1,075,469)
75% Winter \$ (3,226,407)
100% Winter \$ (4,301,876)

2-4b
Southern California Gas Company
Benchmark Commodity Costs
GCIM Year 26

April 1, 2019 through March 31, 2020

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Total
Mainline Benchmark Commodity Cost	\$ 32,191,618	\$ 29,561,414	\$ 30,722,459	\$ 33,635,792	\$ 39,900,206	\$ 29,168,982	\$ 34,479,078	\$ 53,206,100	\$ 86,240,829	\$ 76,220,850	\$ 42,655,288	\$ 35,652,254	\$ 523,634,869
Border Commodity Cost	\$ 10,440,557	\$ 1,001,729	\$ (1,732,371)	\$ 6,385,142	\$ 1,970,304	\$ 10,310,037	\$ 10,828,545	\$ 9,365,383	\$ 24,874,094	\$ 21,869,698	\$ 15,704,982	\$ 4,389,281	\$ 115,407,381
Citygate Commodity Cost	\$ 23,332,936	\$ 20,425,345	\$ 18,560,091	\$ 14,833,029	\$ 13,148,758	\$ 2,032,478	\$ 14,430,268	\$ 12,224,336	\$ 86,526,096	\$ 63,158,703	\$ 27,213,110	\$ 808,244	\$ 296,693,393
PG&E Topock Commodity Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Benchmark Commodity Costs	\$ 65,965,112	\$ 50,988,488	\$ 47,550,178	\$ 54,853,963	\$ 55,019,268	\$ 41,511,497	\$ 59,737,891	\$ 74,795,818	\$ 197,641,019	\$ 161,249,251	\$ 85,573,380	\$ 40,849,778	\$ 935,735,643

2-5
Southern California Gas Company
Reservation Charges
GCIM Year 26

April 1, 2019 through March 31, 2020

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Total
El Paso	\$ 6,283,329	\$ 6,280,750	\$ 6,285,245	\$ 6,110,691	\$ 6,412,400	\$ 6,286,477	\$ 6,286,483	\$ 5,595,650	\$ 5,595,650	\$ 5,595,650	\$ 5,595,650	\$ 5,588,852	\$ 71,916,825
Transwestern	\$ 630,000	\$ 751,800	\$ 630,000	\$ 651,000	\$ 651,000	\$ 821,475	\$ 651,000	\$ 1,767,060	\$ 1,825,962	\$ 1,815,633	\$ 1,708,158	\$ 1,825,962	\$ 13,729,050
Kern River	\$ 1,098,098	\$ 1,134,701	\$ 1,098,098	\$ 1,134,701	\$ 1,134,701	\$ 1,098,098	\$ 1,677,201	\$ 2,536,112	\$ 3,653,647	\$ 3,644,359	\$ 3,410,290	\$ 2,730,268	\$ 24,350,275
Nova (A)	\$ 230,207	\$ 221,984	\$ 224,917	\$ 224,560	\$ 221,596	\$ 222,248	\$ 223,081	\$ 222,238	\$ 223,384	\$ 243,186	\$ 239,608	\$ 227,991	\$ 2,725,002
Foothills (B)	\$ 123,543	\$ 122,781	\$ 124,386	\$ 124,625	\$ 122,980	\$ 123,341	\$ 123,804	\$ 123,336	\$ 123,972	\$ 112,820	\$ 111,129	\$ 105,771	\$ 1,442,488
GTN (C)	\$ 425,986	\$ 434,637	\$ 425,986	\$ 440,185	\$ 440,185	\$ 425,986	\$ 440,185	\$ 425,986	\$ 440,185	\$ 407,462	\$ 381,174	\$ 407,462	\$ 5,095,418
PG&E (D)	\$ 300,972	\$ 300,972	\$ 300,972	\$ 300,972	\$ 300,972	\$ 300,972	\$ 269,787	\$ 269,787	\$ 269,787	\$ 282,931	\$ 282,931	\$ 282,931	\$ 3,463,984
Canadian Path (A)+(B)+(C)+(D)	\$ 1,080,708	\$ 1,080,373	\$ 1,076,261	\$ 1,090,342	\$ 1,085,732	\$ 1,072,547	\$ 1,056,857	\$ 1,041,347	\$ 1,057,328	\$ 1,046,400	\$ 1,014,842	\$ 1,024,155	\$ 12,726,892
Northwest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
North Baja	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Enterprise Texas	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Backbone Transportation Service Charges	\$ 8,394,264	\$ 9,654,686	\$ 8,893,431	\$ 10,457,053	\$ 10,192,970	\$ 9,754,122	\$ 10,363,573	\$ 11,297,859	\$ 13,182,968	\$ 13,343,312	\$ 12,987,295	\$ 13,395,165	\$ 131,916,698
Brokered Capacity Credits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Backbone Transportation	\$ 8,394,264	\$ 9,654,686	\$ 8,893,431	\$ 10,457,053	\$ 10,192,970	\$ 9,754,122	\$ 10,363,573	\$ 11,297,859	\$ 13,182,968	\$ 13,343,312	\$ 12,987,295	\$ 13,395,165	\$ 131,916,698
Total Reservation Charges	\$ 17,486,399	\$ 18,902,311	\$ 17,983,036	\$ 19,443,788	\$ 19,476,804	\$ 19,032,718	\$ 20,035,114	\$ 22,238,028	\$ 25,315,555	\$ 25,445,353	\$ 24,716,235	\$ 24,564,401	\$ 254,639,741

2-6
Southern California Gas Company
Transportation Charges
GCIM Year 26
April 1, 2019 through March 31, 2020

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Total
El Paso	\$ 256,104	\$ 283,560	\$ 288,962	\$ (597,161)	\$ 161,808	\$ 110,907	\$ 111,273	\$ 137,954	\$ 139,813	\$ 136,308	\$ 121,324	\$ 91,640	\$ 1,242,491
Transwestern	\$ 34,710	\$ 61,028	\$ 42,909	\$ 42,213	\$ 41,185	\$ 30,430	\$ 22,349	\$ 52,052	\$ 81,907	\$ 72,179	\$ 52,275	\$ 78,968	\$ 612,206
Kern River	\$ 31,747	\$ 32,870	\$ 31,473	\$ 25,140	\$ 32,879	\$ 31,099	\$ 41,939	\$ 53,929	\$ 69,791	\$ 70,030	\$ 65,491	\$ 58,426	\$ 544,815
Northwest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Canadian Path	\$ 16,406	\$ 18,118	\$ 17,557	\$ 17,375	\$ 17,335	\$ 14,896	\$ 17,074	\$ 16,866	\$ 18,248	\$ 18,190	\$ 17,011	\$ 17,627	\$ 206,704
ETP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Mexican Path	\$ (0.49)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (0)
Total	\$ 338,966	\$ 395,576	\$ 380,901	\$ (512,432)	\$ 253,207	\$ 187,332	\$ 192,634	\$ 260,801	\$ 309,760	\$ 296,708	\$ 256,101	\$ 246,661	\$ 2,606,215

2-7
Southern California Gas Company
Net Commodity Purchase Costs
GCIM Year 26
April 1, 2019 through March 31, 2020

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Total
Mainline Prurchases	\$ 32,602,196	\$ 30,095,652	\$ 30,712,076	\$ 37,089,263	\$ 44,018,061	\$ 40,474,784	\$ 47,690,508	\$ 56,765,017	\$ 89,131,967	\$ 81,710,914	\$ 46,056,685	\$ 35,265,946	\$ 571,613,071
Border Purchases	\$ 33,239,642	\$ 21,546,030	\$ 15,167,966	\$ 17,818,456	\$ 13,707,449	\$ 16,652,925	\$ 32,216,007	\$ 26,913,905	\$ 101,989,994	\$ 78,003,001	\$ 40,462,551	\$ 10,420,187	\$ 408,138,111
Total Commodity Purchases	\$ 65,841,838	\$ 51,641,682	\$ 45,880,041	\$ 54,907,719	\$ 57,725,510	\$ 57,127,709	\$ 79,906,514	\$ 83,678,922	\$ 191,121,961	\$ 159,713,915	\$ 86,519,236	\$ 45,686,133	\$ 979,751,182
Mainline Sales	\$ 299,502	\$ (291,872)	\$ (662,459)	\$ (3,237,735)	\$ (3,671,271)	\$ (10,811,680)	\$ (11,451,857)	\$ (4,086,809)	\$ (4,064,804)	\$ (3,589,310)	\$ (2,632,001)	\$ 619,245	\$ (43,581,051)
Border Sales	\$ (2,522,896)	\$ (1,416,478)	\$ (2,333,576)	\$ (1,260,031)	\$ (1,983,595)	\$ (4,596,258)	\$ (7,472,001)	\$ (5,696,207)	\$ (272,054)	\$ (2,763,332)	\$ (181,104)	\$ (7,398,459)	\$ (37,895,991)
Total Commodity Sales	\$ (2,223,394)	\$ (1,708,350)	\$ (2,996,035)	\$ (4,497,767)	\$ (5,654,866)	\$ (15,407,939)	\$ (18,923,858)	\$ (9,783,015)	\$ (4,336,858)	\$ (6,352,642)	\$ (2,813,105)	\$ (6,779,214)	\$ (81,477,042)
Net Commodity Purchases	\$ 63,618,445	\$ 49,933,332	\$ 42,884,006	\$ 50,409,953	\$ 52,070,644	\$ 41,719,770	\$ 60,982,657	\$ 73,895,907	\$ 186,785,103	\$ 153,361,273	\$ 83,706,131	\$ 38,906,919	\$ 898,274,139

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Southern California Gas Company
Net Mainline Purchases by Pipelines
GCIM Year 26

April 1, 2019 through March 31, 2020

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Total
El Paso - Permian	\$ 3,963,361	\$ 757,041	\$ (974,151)	\$ 738,242	\$ 3,334,968	\$ 4,120,598	\$ 7,157,750	\$ 1,872,534	\$ 5,360,612	\$ 5,405,006	\$ 2,035,413	\$ 90,322	\$ 33,861,696
El Paso - San Juan	\$ 29,184,703	\$ 14,582,476	\$ 18,880,889	\$ 22,680,499	\$ 22,084,792	\$ 12,302,289	\$ 11,413,990	\$ 20,906,610	\$ 23,990,490	\$ 22,633,208	\$ 12,820,929	\$ 12,413,913	\$ 223,894,786
Transwestern - Permian	\$ 69,336	\$ 146,218	\$ (367,386)	\$ 222,360	\$ 1,151,453	\$ 923,319	\$ 560,208	\$ 286,475	\$ 572,208	\$ 444,767	\$ 124,967	\$ (116,532)	\$ 4,017,393
Transwestern - San Juan	\$ 1,748,119	\$ 2,441,470	\$ 1,192,340	\$ 1,129,402	\$ 1,064,541	\$ 1,451,047	\$ 774,663	\$ 5,940,090	\$ 11,969,123	\$ 10,408,983	\$ 4,435,963	\$ 6,397,926	\$ 48,953,667
Kern River	\$ 26,727,609	\$ 10,450,351	\$ 10,197,264	\$ 8,473,253	\$ 11,240,762	\$ 9,552,966	\$ 14,323,264	\$ 20,759,017	\$ 39,469,018	\$ 36,133,719	\$ 21,535,304	\$ 15,070,787	\$ 223,933,314
Enterprise - Waha	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,582	\$ -	\$ -	\$ 35,582
NOVA-AECO/NIT	\$ 3,510,467	\$ 1,426,224	\$ 1,120,660	\$ 792,042	\$ 1,470,275	\$ 1,467,963	\$ 2,008,776	\$ 2,913,483	\$ 3,705,712	\$ 3,060,340	\$ 2,472,107	\$ 2,028,776	\$ 25,976,824
GTN-Malin	\$ 798	\$ -	\$ -	\$ (184,269)	\$ -	\$ (155,077)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (338,549)
Total Mainline Purchases	\$ 65,204,393	\$ 29,803,781	\$ 30,049,617	\$ 33,851,528	\$ 40,346,791	\$ 29,663,104	\$ 36,238,651	\$ 52,678,208	\$ 85,067,163	\$ 78,121,605	\$ 43,424,684	\$ 35,885,191	\$ 560,334,714

*Net = purchases + Sale

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Southern California Gas Company
Net Border and Citygate Purchase Summary
GCIM Year 26

	April 1, 2019 through March 31, 2020												
	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Total
Total Border and Citygate Purchases	\$ 33,239,642	\$ 21,546,030	\$ 15,167,966	\$ 17,818,456	\$ 13,707,449	\$ 16,652,925	\$ 32,216,007	\$ 26,913,905	\$ 101,989,994	\$ 78,003,001	\$ 40,462,551	\$ 10,420,187	\$ 408,138,111
Total Border Sales	\$ (2,522,896)	\$ (1,416,478)	\$ (2,333,576)	\$ (1,260,031)	\$ (1,983,595)	\$ (4,596,258)	\$ (7,472,001)	\$ (5,696,207)	\$ (272,054)	\$ (2,763,332)	\$ (181,104)	\$ (7,398,459)	\$ (37,895,991)
Net Border and Citygate Purchases	\$ 30,716,746	\$ 20,129,551	\$ 12,834,390	\$ 16,558,425	\$ 11,723,854	\$ 12,056,666	\$ 24,744,006	\$ 21,217,698	\$ 101,717,940	\$ 75,239,669	\$ 40,281,447	\$ 3,021,727	\$ 370,242,120

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Southern California Gas Company
Actual Net Purchase Volume
GCIM Year 26
April 1, 2019 through March 31, 2020

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Total
Mainline Purchases	25,722,287	28,633,575	27,173,914	28,275,165	28,466,347	25,841,443	27,816,867	30,132,081	34,029,460	34,204,654	30,969,409	31,062,293	352,327,495
Mainline Sales	(3,863,376)	(3,953,817)	(3,575,743)	(4,710,788)	(4,070,012)	(7,484,626)	(8,375,605)	(3,781,992)	(2,878,718)	(3,936,665)	(4,216,218)	(2,793,776)	(53,641,336)
Net Mainline Purchase Volume	21,858,911	24,679,758	23,598,171	23,564,377	24,396,335	18,356,817	19,441,262	26,350,089	31,150,742	30,267,989	26,753,191	28,268,517	298,686,159
Border and Citygate Purchases	10,815,311	8,943,659	6,289,368	6,718,717	5,141,288	6,256,020	11,125,424	9,556,007	19,476,566	18,665,633	15,141,208	6,754,397	124,883,598
Border and Citygate Sales	(1,241,337)	(679,560)	(1,415,382)	(551,907)	(718,296)	(1,302,587)	(2,646,767)	(2,088,595)	(51,696)	(529,700)	(63,245)	(3,624,782)	(14,913,854)
Net Border and Citygate Purchase Volume	9,573,974	8,264,099	4,873,986	6,166,810	4,422,992	4,953,433	8,478,657	7,467,412	19,424,870	18,135,933	15,077,963	3,129,615	109,969,744
Net Commodity Purchase Volume	31,432,885	32,943,857	28,472,157	29,731,187	28,819,327	23,310,250	27,919,919	33,817,501	50,575,612	48,403,922	41,831,154	31,398,132	408,655,903
Actual Transported Volume	31,147,754	32,402,804	27,910,444	29,162,597	28,252,371	23,347,369	29,104,098	33,230,980	49,740,266	47,575,090	41,087,931	30,660,717	403,622,421

Southern California Gas Company
Net Mainline Purchase Volume

GCIM Year 26

April 1, 2019 through March 31, 2020

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Total
Mainline Purchase Total	25,722,287	28,633,575	27,173,914	28,275,165	28,466,347	25,841,443	27,816,867	30,132,081	34,029,460	34,204,654	30,969,409	31,062,293	352,327,495
Mainline Sale Total	(3,863,376)	(3,953,817)	(3,575,743)	(4,710,788)	(4,070,012)	(7,484,626)	(8,375,605)	(3,781,992)	(2,878,718)	(3,936,665)	(4,216,218)	(2,793,776)	(53,641,336)
Net Mainline Purchase Volume	21,858,911	24,679,758	23,598,171	23,564,377	24,396,335	18,356,817	19,441,262	26,350,089	31,150,742	30,267,989	26,753,191	28,268,517	298,686,159

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Southern California Gas Company
Total Mainline Purchase Volume
GCIM Year 26
April 1, 2019 through March 31, 2020

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Total
El Paso - Permian	6,826,534	7,103,586	6,716,018	6,929,326	6,864,611	6,752,518	6,930,930	6,396,854	6,330,910	6,324,635	6,415,737	6,339,320	79,930,979
El Paso - San Juan	9,950,987	11,023,666	11,279,025	12,252,429	12,267,852	9,946,917	9,537,717	9,820,031	9,526,354	9,632,213	8,038,064	8,643,629	121,918,884
Transwestern - Permian	1,447,229	1,585,920	1,524,187	1,563,682	1,563,216	1,408,396	2,025,973	387,129	417,670	403,574	390,521	416,187	13,133,684
Transwestern - San Juan	576,732	1,763,397	706,319	611,238	585,224	831,223	604,531	2,904,427	4,740,028	4,469,844	2,797,190	4,414,021	25,004,174
 Kern River	5,299,687	5,491,027	5,333,285	5,021,639	5,504,774	5,265,947	7,036,948	8,997,186	11,333,829	11,385,591	11,747,412	9,559,652	91,976,977
Enterprise - Waha	-	-	-	-	-	-	-	-	-	308,125	-	-	308,125
NOVA-AECO/NIT	1,620,768	1,665,979	1,615,080	1,671,854	1,680,670	1,626,456	1,680,768	1,626,454	1,680,669	1,680,672	1,580,485	1,689,484	19,819,339
GTN-Malin	350	-	-	224,997	-	9,986	-	-	-	-	-	-	235,333
Total Mainline Purchase Volume	25,722,287	28,633,575	27,173,914	28,275,165	28,466,347	25,841,443	27,816,867	30,132,081	34,029,460	34,204,654	30,969,409	31,062,293	352,327,495

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Southern California Gas Company
Total Mainline Sale Volume
GCIM Year 26

April 1, 2019 through March 31, 2020

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Total
El Paso - Permian	(3,357,901)	(3,600,105)	(3,355,806)	(3,384,671)	(3,380,544)	(3,459,925)	(3,563,819)	(3,367,814)	(2,710,015)	(2,679,942)	(3,058,266)	(2,722,247)	(38,641,055)
El Paso - San Juan	(178,827)	(351,248)	(158,237)	(54,000)	(587,756)	(3,022,997)	(3,208,972)	(12,000)	(22,000)	(483,123)	(35,928)	-	(8,115,088)
Transwestern - Permian	(218,437)	-	-	-	(14,976)	(510,701)	(1,235,707)	-	-	(8,000)	-	-	(1,987,821)
Transwestern - San Juan	-	-	-	-	(18,300)	(91,839)	(231,422)	(144,787)	(146,703)	(457,475)	(26,500)	(3,000)	(1,120,026)
Kern River	-	-	(61,700)	(782,834)	-	(75,000)	(15,974)	(181,755)	-	-	(1,087,278)	-	(2,204,541)
Enterprise - Waha	-	-	-	-	-	-	-	-	-	(308,125)	-	-	(308,125)
NOVA-AECO/NIT	(107,861)	(2,464)	-	(69,286)	(68,436)	(245,778)	(119,711)	(75,636)	-	-	(8,246)	(68,529)	(765,947)
GTN-Kingsgate	-	-	-	-	-	-	-	-	-	-	-	-	-
GTN-Stanfield	-	-	-	-	-	-	-	-	-	-	-	-	-
GTN-Malin	(350)	-	-	(419,997)	-	(78,386)	-	-	-	-	-	-	(498,733)
Total Mainline Sale Volume	(3,863,376)	(3,953,817)	(3,575,743)	(4,710,788)	(4,070,012)	(7,484,626)	(8,375,605)	(3,781,992)	(2,878,718)	(3,936,665)	(4,216,218)	(2,793,776)	(53,641,336)

Southern California Gas Company
 Total Border and Citygate Purchase Volume
 GCIM Year 26

April 1, 2019 through March 31, 2020

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Total
Border Purchases	5,181,035	1,187,726	520,945	2,908,048	1,402,719	4,459,833	6,003,314	5,599,148	6,742,777	7,402,357	7,113,597	5,489,036	54,010,535
SoCal Citygate Purchases	5,634,276	7,755,933	5,768,423	3,810,669	3,738,569	1,796,187	5,122,110	3,956,859	12,733,789	11,263,276	8,027,611	1,265,361	70,873,063
PG&E Topock	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Border and Citygate Purchases	10,815,311	8,943,659	6,289,368	6,718,717	5,141,288	6,256,020	11,125,424	9,556,007	19,476,566	18,665,633	15,141,208	6,754,397	124,883,598

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 Southern California Gas Company
 Actual Total Border and Citygate Sale Volume
 GCIM Year 26

April 1, 2019 through March 31, 2020

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Total
Border Sales	(1,146,037)	(660,500)	(1,375,382)	(551,907)	(680,996)	(199,487)	(1,793,967)	(1,852,995)	(51,696)	(7,700)	(63,100)	(2,728,482)	(11,112,249)
Socal Citygate Sales	(95,300)	(19,060)	(40,000)	-	(37,300)	(1,103,100)	(852,800)	(235,600)	-	(522,000)	(145)	(896,300)	(3,801,605)
PG&E Topock Sales	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Border and Citygate Sales	(1,241,337)	(679,560)	(1,415,382)	(551,907)	(718,296)	(1,302,587)	(2,646,767)	(2,088,595)	(51,696)	(529,700)	(63,245)	(3,624,782)	(14,913,854)

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Southern California Gas Company
Net Border and Citygate Purchase Volume
GCIM Year 26
April 1, 2019 through March 31, 2020

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Total
Border Purchases	5,181,035	1,187,726	520,945	2,908,048	1,402,719	4,459,833	6,003,314	5,599,148	6,742,777	7,402,357	7,113,597	5,489,036	54,010,535
Border Sale	(1,146,037)	(660,500)	(1,375,382)	(551,907)	(680,996)	(199,487)	(1,793,967)	(1,852,995)	(51,696)	(7,700)	(63,100)	(2,728,482)	(11,112,249)
Net Border Purchases	4,034,998	527,226	(854,437)	2,356,141	721,723	4,260,346	4,209,347	3,746,153	6,691,081	7,394,657	7,050,497	2,760,554	42,898,286
SoCal Citygate Purchases	5,634,276	7,755,933	5,768,423	3,810,669	3,738,569	1,796,187	5,122,110	3,956,859	12,733,789	11,263,276	8,027,611	1,265,361	70,873,063
SoCal Citygate Sales	(95,300)	(19,060)	(40,000)	-	(37,300)	(1,103,100)	(852,800)	(235,600)	-	(522,000)	(145)	(896,300)	(3,801,605)
Net SoCal Citygate Purchases	5,538,976	7,736,873	5,728,423	3,810,669	3,701,269	693,087	4,269,310	3,721,259	12,733,789	10,741,276	8,027,466	369,061	67,071,458
PG&E Topock Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-
PG&E Topock Sales	-	-	-	-	-	-	-	-	-	-	-	-	-
PG&E Topock Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Border and Citygate Purchases	9,573,974	8,264,099	4,873,986	6,166,810	4,422,992	4,953,433	8,478,657	7,467,412	19,424,870	18,135,933	15,077,963	3,129,615	109,969,744

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Southern California Gas Company

Benchmark Spot Prices

GCIM Year 26

April 1, 2019 through March 31, 2020

* Publications for each spot prices are reviewed.

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Southern California Gas Company

Core Capacity Utilization

GCIM Year 26

April 1, 2019 through March 31, 2020

	Core Capacity	Nominated Capacity	Unutilized Capacity	Capacity Utilization Percentage	Nominated Capacity	Actual Volume Delivered	Capacity Cut
El Paso Natural Gas Company	216,812,000	155,442,794	61,369,206	72%	155,442,794	154,380,841	1,061,953
Foothills Pipelines Ltd	30,073,217	19,361,772	10,711,445	64%	19,361,772	18,766,807	594,965
Gas Trans Northwest Corp	19,238,113	18,953,611	284,502	99%	18,953,611	18,372,406	581,205
Kern River Gas Transmission Company	89,759,777	88,051,406	1,708,371	98%	88,051,406	87,687,853	363,553
Nova Gas Trans Ltd	19,858,349	19,102,587	755,762	96%	19,102,587	19,102,587	-
Pacific Gas & Electric	19,007,112	18,482,238	524,874	97%	18,482,238	17,955,981	526,257
Transwesten Pipeline Company	48,179,180	34,780,968	13,398,212	72%	34,780,968	34,226,153	554,815
North Baja Pipeline Company	-	-	-	0%	-	-	-
Northwest Pipeline LLC	-	-	-	0%	-	-	-
Total	442,927,748	354,175,376	88,752,372	80%	354,175,376	350,492,628	3,682,748

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 Southern California Gas Company
 Tolerance Band Review GCIM Year 25
 April 1, 2018 through March 31, 2019

	Benchmark Commodity Costs	Actual Commodity Costs	(Over)/Under Benchmark	Reservation Costs	Transportation Costs	Benchmark Dollars	Actual Dollars	Upper Tolerance 2%	Lower Tolerance 1%	Lower Tolerance 5%
Apr-18	\$ 65,965,112	\$ 61,447,067	\$ 4,518,045	\$ 17,486,399	\$ 338,966	\$ 83,790,477	\$ 79,272,432	\$ 67,284,414	\$ 65,305,461	\$ 62,666,856
May-18	\$ 50,988,488	\$ 46,287,468	\$ 4,701,021	\$ 18,902,311	\$ 395,576	\$ 70,286,375	\$ 65,585,354	\$ 52,008,258	\$ 50,478,603	\$ 48,439,064
Jun-18	\$ 47,550,178	\$ 37,275,762	\$ 10,274,417	\$ 17,983,036	\$ 380,901	\$ 65,914,115	\$ 55,639,698	\$ 48,501,182	\$ 47,074,677	\$ 45,172,669
Jul-18	\$ 54,853,963	\$ 48,306,862	\$ 6,547,101	\$ 19,443,788	\$ (512,432)	\$ 73,785,318	\$ 67,238,217	\$ 55,951,042	\$ 54,305,423	\$ 52,111,265
Aug-18	\$ 55,019,268	\$ 48,694,274	\$ 6,324,994	\$ 19,476,804	\$ 253,207	\$ 74,749,279	\$ 68,424,285	\$ 56,119,653	\$ 54,469,075	\$ 52,268,304
Sep-18	\$ 41,511,497	\$ 39,877,544	\$ 1,633,953	\$ 19,032,718	\$ 187,332	\$ 60,731,548	\$ 59,097,594	\$ 42,341,727	\$ 41,096,382	\$ 39,435,922
Oct-18	\$ 59,737,891	\$ 58,753,919	\$ 983,973	\$ 20,035,114	\$ 192,634	\$ 79,965,640	\$ 78,981,667	\$ 60,932,649	\$ 59,140,512	\$ 56,750,997
Nov-18	\$ 74,795,818	\$ 71,665,727	\$ 3,130,091	\$ 22,238,028	\$ 260,801	\$ 97,294,647	\$ 94,164,556	\$ 76,291,734	\$ 74,047,860	\$ 71,056,027
Dec-18	\$ 197,641,019	\$ 175,954,722	\$ 21,686,297	\$ 25,315,555	\$ 309,760	\$ 223,266,334	\$ 201,580,037	\$ 201,593,839	\$ 195,664,609	\$ 187,758,968
Jan-19	\$ 161,249,251	\$ 144,626,730	\$ 16,622,521	\$ 25,445,353	\$ 296,708	\$ 186,991,311	\$ 170,368,791	\$ 164,474,236	\$ 159,636,758	\$ 153,186,788
Feb-19	\$ 85,573,380	\$ 82,155,877	\$ 3,417,502	\$ 24,716,235	\$ 256,101	\$ 110,545,715	\$ 107,128,213	\$ 87,284,847	\$ 84,717,646	\$ 81,294,711
Mar-19	\$ 40,849,778	\$ 38,717,239	\$ 2,132,539	\$ 24,564,401	\$ 246,661	\$ 65,660,840	\$ 63,528,301	\$ 41,666,774	\$ 40,441,280	\$ 38,807,289
Total	\$935,735,643	\$853,763,190	\$81,972,454	\$254,639,741	\$2,606,215	\$1,192,981,598	\$1,111,009,145	\$954,450,356	\$926,378,287	\$888,948,861

Reference:	A	B	C=A-B	E	F	G=A+E+F	H=B+E+F	I=A*1.02	J=A*0.99	K=A*0.95
		Savings Subject to share	\$ 46,786,782	L=A-K	1.5% Cap of Actual Commodity Cost	\$ 12,806,448	B*0.015			
		Savings Not Subject to Share (Ratepayer 0% - 1%)	\$ 9,357,356	M=A-J						
		Savings subject to Share(75%-25%)	\$ 37,429,426		Total Ratepayer Saving After Cap	\$ 69,166,006				
		Ratepayers' share 75%	\$ 28,072,069	1	Total Shareholder Reward After Cap	\$ 12,806,448				
		Shareholders' Share 25%	\$ 9,357,356	2						
		Savings Subject to Share (90% - 10%)	\$ 35,185,671	N=C-L						
		Ratepayers' share 90%	\$ 31,667,104	3						
		Shareholders' Share 10%	\$ 3,518,567	4						
		Total Ratepayer Saving	\$ 69,096,530	1+3						
		Total Shareholder Share	\$ 12,875,924	2+4						
			\$ 81,972,454							