

Application No: A.13-12-013  
Exhibit No.: \_\_\_\_\_  
Witness: S. Nasim Ahmed

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)  
Application of Southern California Gas Company )  
(U 904 G) and San Diego Gas & Electric Company )  
(U 902 G) For Authority To Recover North-South )  
Project Revenue Requirement In Customer Rates )  
And For Approval Of Related Cost Allocation And )  
Rate Design Proposals )  
\_\_\_\_\_

A.13-12-013  
(Filed December 20, 2013)

**UPDATED DIRECT TESTIMONY OF**

**S. NASIM AHMED**

**SAN DIEGO GAS & ELECTRIC COMPANY**

**AND**

**SOUTHERN CALIFORNIA GAS COMPANY**

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

November 12, 2014

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1 thereof is placed into service and when the revenue requirement on the capital asset is recovered  
2 in rates), the NSIMA will record capital-related costs (i.e., depreciation, taxes, and return) on the  
3 capital expenditures associated with the Project approved in this proceeding for the period from  
4 the date the assets are completed and placed into service and the date of the recovery of the  
5 revenue requirement in rates begins.

6 The third purpose is to record incremental O&M expenses to be incurred subsequent to  
7 completion of the Project. The testimony of Mr. Buczkowski indicates that SoCalGas will incur  
8 ongoing incremental O&M expenses on pipeline operations and compliance activities and  
9 operating and maintaining the compressor station as a result of the Project. As these ongoing  
10 incremental O&M expenses will not be included in revenue requirement, the NSIMA will record  
11 the ongoing incremental O&M expenses for recovery in rates until these costs are included in a  
12 test year of a General Rate Case (GRC).

### 13 **III. RATE RECOVERY OF NSIMA BALANCE**

14 As discussed in the testimony of Mr. Bonnett, SoCalGas proposes to allocate the revenue  
15 requirement for the Project to the Backbone Transportation Service (BTS) rates. Consistent with  
16 that proposal, once SoCalGas has been authorized to recover the NSIMA balance from  
17 customers, SoCalGas proposes to amortize the NSIMA in BTS rates in connection with  
18 SoCalGas' annual regulatory account balance update filings for rates effective January 1<sup>st</sup> of the  
19 following year. This process will continue until the revenue requirement and incremental O&M  
20 costs from this project are included in the test year of a GRC. Any residual balance after  
21 incorporation in the GRC will be transferred to the Backbone Transmission Balancing Account  
22 and the NSIMA will be eliminated.

1 **IV. QUALIFICATIONS**

2 My name is S. Nasim Ahmed. I am employed by SoCalGas. My business address is 555  
3 West Fifth Street, Los Angeles, California 90013-1011. I am the Principal Regulatory Accounts  
4 Advisor in the Regulatory Accounts group within Accounting and Finance Department which  
5 supports regulatory activities of SoCalGas. I have held my current position since October 2002.  
6 My responsibilities for SoCalGas' regulatory balancing, tracking, and memorandum accounts  
7 includes implementation of regulatory accounting procedures for compliance with Commission  
8 decisions, quantifying and recording the monthly entries and adjustments to the regulatory  
9 accounts, and preparing forecasted balances for regulatory accounts for inclusion in SoCalGas'  
10 annual compliance filings.

11 I received my Bachelor of Science degree in Accounting from California State  
12 University, Long Beach in 1987. I began my employment at Pacific Lighting Corporation, then  
13 the parent company of SoCalGas, in 1987 in the Internal Audit Department. I have held various  
14 positions of increasing responsibility in Internal Audit, General Accounting, and Utility  
15 Regulatory Accounting before assuming my current position.

16 This concludes my updated prepared direct testimony.