

**SAN DIEGO GAS & ELECTRIC COMPANY
SOUTHERN CALIFORNIA GAS COMPANY
NORTH-SOUTH PROJECT REVENUE REQUIREMENT
(A.13-12-013)**

(11TH DATA REQUEST FROM SOUTHERN CALIFORNIA GAS COALITION)

QUESTION 11.1:

- 11.1 With respect to Table 1 on page 1 of David Buczkowski's testimony:
- 11.1.1 In percentage terms, how much uncertainty is inherent in SoCalGas' cost estimates as they are shown in Table 1?
 - 11.1.2 In SoCalGas' experience, how much additional cost is likely to be identified once the detailed engineering is completed?
 - 11.1.3 How would you characterize the estimate in Table 1 in terms of the Advancement of Cost Engineering (ACE) classes of estimates?

RESPONSE 11.1:

- 11.1.1 SoCalGas currently estimates that the uncertainty inherent in the cost estimates shown in Table 1 is in the range of -10 % to +30 %. As SoCalGas continues to do engineering and CEQA/NEPA related work on the project, cost estimate uncertainty will likely be refined.
- 11.1.2 As the project progresses, additional costs are often identified as well as opportunities for cost reduction. Each project has its own unique set of factors, risks and uncertainties which create variability between early engineering estimates and detailed engineering estimates. Given these circumstances, SoCalGas is not able to quantify possible additional costs on either a percentage or dollar basis.
- 11.1.3 In terms of ACE classes of estimates, the estimates in Table 1 can probably be best characterized as Class 4. Please note that the ACE practices are not directly applicable to pipeline projects but are useful as a guide. As noted above, as SoCalGas continues to do engineering and CEQA/NEPA-related work on the project, these estimates will likely become more precise. As a result, the ACE classification of our estimates will likely Improve as the project continues.

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QUESTION 11.2:

11.2 With respect to Table 8 on page 16 of David Buczkowski's testimony:

- 11.2.1 In percentage terms, how much uncertainty is inherent in SoCalGas' cost estimates as they are shown in Table 8?
- 11.2.2 In SoCalGas' experience, how much additional cost is likely to be identified once the detailed engineering is completed?
- 11.2.3 How would you characterize the estimate in Table 8 in terms of the Advancement of Cost Engineering (ACE) classes of estimates?

RESPONSE 11.2:

- 11.2.1 SoCalGas currently estimates that the uncertainty inherent in the cost estimates shown in Table 8 is in the magnitude of – 20 % to +50 %.
- 11.2.2 No detailed engineering is planned for the project alternatives in Table 8.
- 11.2.3 In terms of ACE classes of estimates, the estimates in Table 8 can be characterized as Class 5. Please note that the ACE practices are not directly applicable to pipeline but are useful as a guide.