

**SAN DIEGO GAS AND ELECTRIC COMPANY
SOUTHERN CALIFORNIA GAS COMPANY
2013 TRIENNIAL COST ALLOCATION PROCEEDING (A.11-11-002)
(DATA REQUEST SCIP-Watson-6)**

QUESTION 1:

References:

- Morrow, Phase 1 Testimony, at 9. “We suggest that these costs be identified in a monthly “PSEP Surcharge” on our customers’ bills, so that the objectives and costs of these investments will be transparent to our customers.”
- Lenart, Phase 1 Testimony, at 128 refers to the PSEP Surcharge as a separate line item on the bill.
- Reyes, Phase 1 Rebuttal, at 8: “However, due to the magnitude of the PSEP and time period covered, SoCalGas and SDG&E believe that all PSEP costs should continue to be recovered through a surcharge rate, even after the costs are considered in our future GRCs. A permanent PSEP surcharge separately identified on customers’ bills will provide transparency regarding the total cost of implementing PSEP.”

Please provide any other instances of which SoCalGas or SDG&E are aware, within the last 15 years, in which SoCalGas or SDG&E have created a separate line item on bills to cover the costs for a new program such as PSEP. This should not include new line items on bills created to cover the unbundling of existing costs.

RESPONSE 1:

SoCalGas and SDG&E are unaware of any comparable line item surcharge to PSEP but the utilities have experienced a trend toward itemizing charges on customers’ bills as part of unbundling charges and other regulations, such as ITCS and PPPS.

**SAN DIEGO GAS AND ELECTRIC COMPANY
SOUTHERN CALIFORNIA GAS COMPANY
2013 TRIENNIAL COST ALLOCATION PROCEEDING (A.11-11-002)
(DATA REQUEST SCIP-Watson-6)**

QUESTION 2:

References:

- Morrow, Phase 1 Testimony, at 9. “We suggest that these costs be identified in a monthly “PSEP Surcharge” on our customers’ bills, so that the objectives and costs of these investments will be transparent to our customers.”
- Lenart, Phase 1 Testimony, at 128 refers to the PSEP Surcharge as a separate line item on the bill.
- Reyes, Phase 1 Rebuttal, at 8: “However, due to the magnitude of the PSEP and time period covered, SoCalGas and SDG&E believe that all PSEP costs should continue to be recovered through a surcharge rate, even after the costs are considered in our future GRCs. A permanent PSEP surcharge separately identified on customers’ bills will provide transparency regarding the total cost of implementing PSEP.”

Please explain why SoCalGas and SDG&E believe that it is important for customers to have “transparency” with respect to PSEP costs, compared to other types of costs included in the SoCalGas or SDG&E cost of gas service.

RESPONSE 2:

This is addressed in Mr. Lenart’s rebuttal testimony on page 5: “SoCalGas and SDG&E do not believe that the PSEP is similar to other costs of providing service. This potentially large revenue requirement is the direct result of Commission action following the tragic San Bruno pipeline explosion. SoCalGas and SDG&E believe that safety of utility pipelines is of concern to many residents in our service territory. However, many other residents are concerned about any increases in their utility bills. The line-item surcharge provides transparency to both those customer groups.”