**QUESTION 1:**

Please provide documentation of the number of services, meters, and regulators replaced in each year from 2008-2011. If there are differences by type of meter of which the company is aware, please provide the number of replacements by type of meter.

**RESPONSE 1:**

Attached is an Excel file with SoCalGas system meter replacements by size for years 2008 through 2011.



The table below provides the number of services and regulators replaced in years 2008-2011.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  |  |  |
|  |  |  |  |  |
| **Year** | **Services** | **House Regulators** |  |  |
| Year 2008 | 12,528 | 40,172 |  |  |
| Year 2009 | 12,725 | 66,562 |  |  |
| Year 2010 | 11,891 | 65,137 |  |  |
| Year 2011 | 12,278 | 42,168 |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |

**QUESTION 2:**

Please provide the number of new meter sets recorded each year from 2007-2011, year to date in 2012, and forecast for each year from 2012-2016. Divide into residential and non-residential to the extent available. For the residential category, where possible, divide into single family and multi-family installations.

**RESPONSE 2:**

SoCalGas tracks and forecasts total new meter sets but does not divide them into categories. SoCalGas total annual meter sets are:

2006 84,613

2007 65,286

2008 45,835

2009 31,828

2010 26,585

2011 18,764

\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*Forecast\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*

2012 35,096 (with recorded data through August 2012)

2013 71,853

2014 80,192

2015 87,716

2016 92,350

**QUESTION 3:**

Re: Lenart Section 1 Workpaper 14 of 24, Please provide workpapers supporting the cost of service lines, meters, and regulators based on the notes shown on the page, including all data used to calculate average footage, pipe type, pipe size and cost per foot or services, costs of meters by pressure type, etc.

**RESPONSE 3:**



**QUESTION 4:**

Re: Lenart Section 1 Workpaper 20 of 24, please provide workpapers supporting the allocation of customer-related distribution costs by customer class.

**RESPONSE 4:**

* Customer Services O&M
  + See Line 95 in the following file on tab “LRMC SUMMARY”:



* Customer Accounts O&M
  + See Line 87 of tab “LRMC Cost Sum – Final” in the following file:



* Meters, Reg and MSAs O&M Costs
  + See “Meter,Reg\_O&M\_Allocation” tab of the following file:



**QUESTION 5:**

Please explain why customer accounts are higher for very small G-10 customers than for small G-10 customers

**RESPONSE 5:**

Customer Accounts costs were assigned to the customer classes and subclass’ based on a variety of factors. Each class and subclass was allocated costs based on their combined cost causality on Customer Account functions. With respect to the G10 subclass’, there is no separate rate class for the different subclass’. Therefore, the subclass information cited in the question is irrelevant. The only relevant information with respect to the G-10 class is the total, or class average, cost information.

**QUESTION 6:**

Please provide support for the total dollars of Service Line O&M costs including pages of FERC Form 2 or other materials referenced.

**RESPONSE 6:**

See “Dist” tab of the attached spreadsheet. FERC account details are on the “Acct Detail” tab.



**QUESTION 7:**

Please provide documentation for the basis for splitting Account 378 (Metering and regulating stations) approximately 12-13% to high pressure distribution mains and 87-88% to medium pressure mains.

**RESPONSE 7:**

Account 378 was split between high pressure and medium pressure distribution rates based on the number of regulator stations on each system. See the attached file for the derivation of the high pressure split factor.



**QUESTION 8:**

Please provide documentation of the 18.2% O&M split factor to high pressure distribution.

**RESPONSE 8:**

The 18.2% O&M split factor, found in cell H10 on the “Out\_O&M\_Etc” tab of the LRMC Distribution Model (attached here), is based on the cumulative 10-year investment history (2001-2010) in the high-pressure distribution system as a percentage of the cumulative 10-year investment history in the total distribution system. The cumulative total 10-year investment histories in the two distribution systems (high and medium pressure) are found on the “Out\_Investment\_History” tab in cells BQ15 and BW15, respectively. The investment history derivations are found on that tab, with inputs from the “In\_Investment\_History” tab.



**QUESTION 9:**

Please provide the total number of feet of plastic and steel distribution mains by diameter. Identify the number of feet of high pressure steel mains by diameter.

**RESPONSE 9:**

Attached file has the total feet of plastic and steel distribution mains by diameter.



A breakdown of total footage by medium and high pressure mains was not needed for the LRMC study and is not readily available to the cost allocation witness. In the LRMC study, new business and replacement footage is the driving factor. These values are provided in Tables 1, 2, and 3 on the tab “In\_Investment\_History” of the LRMC Distribution model, provided in response 8.

**QUESTION 10:**

Please explain how total distribution O&M costs are $37,110,000 for mains, but service line O&M costs are $44,575,000. Provide documentation supporting those figures and tie them to FERC forms or other materials used.

**RESPONSE 10:**

The number characterized in the question as “total distribution O&M costs” actually refers only to total demand-related O&M costs. Therefore, there is no direct correlation to the relative levels of the two types of O&M costs referenced.

These two numbers are based on the following hard coded inputs (plus inflation)

* $41,206 in LRMC Customer Cost model, “cust 8” tab, cell D35
* $34,306 in LRMC Distribution Cost model. “In\_O&M\_Etc” tab, cell I16

Both of these inputs are available in the “Dist” tab of the attached file, which was also provided in response to question 6. FERC account details are on the “Acct Detail” tab.



**QUESTION 11:**

Please provide the number of feet of (a) high pressure mains; (b) medium pressure mains and (c) services under cathodic protection.

**RESPONSE 11:**

As of 12-31-2010 SoCalGas reports a total of 139,312,318 feet of cathodic protected distribution mains and services. Here is the breakout between distribution mains and services:

Feet of Distribution Mains\*\* 94,559,520

Feet of Services 44,752,798

Total Combined Feet of

Distribution Mains & Services

Under Cathodic Protection 139,312,318

\*\*SoCalGas reports the miles of Cathodically protected mains and service on PHMSA form F7100.1-1. A distinction is not made between high pressure and medium pressure.

**QUESTION 12:**

Please provide workpapers showing the allocation of distribution overhead expenses (Accounts 870 and 880) among the various customer-related and demand-related distribution functions.

**RESPONSE 12:**

Customer-related distribution overhead costs are included as part of Meters, Reg & MSAs O&M Costs (discussed in Response 4) and Service Line O&M costs (discussed in Response 6 and Response 10), both on tab “cust 8” in the SCG 2013TCAP LRMC Customer Costs model. Demand-related distribution overhead costs are included in the Total Demand-related Distribution O&M costs on the “In\_O&M\_Etc” tab of the SCG 2013TCAP LRMC Distribution Costs model (discussed in Response 10). As in Responses to Questions 6 and 10, see the “Dist” tab of the below attachment. Overheads are prorated to the customer-related function (Meters & Regulators and Service Lines) and the demand-related function (Distribution Mains) based on their share of directly allocated O&M. FERC account details are on the “Acct Detail” tab.



**QUESTION 13:**

Please provide gas demand by customer class and heating degree-days (use heating degree-days applicable to the customer class if different) for each day from October 1, 2009 through April 1, 2012.

**RESPONSE 13:**

The attached Excel file provides a set of daily gas load data by customer class (Core and Noncore). The file provides daily operational data and daily HDD for SoCalGas’ and SDG&E’s service territories. Please understand that this data is different than monthly recorded data employed for customer billing purposes.

For “noncore” customers, this data are derived from aggregating daily meter reads from noncore customers’ meters. This daily *operational* data typically is subject to revision from its initial posting.

For “core” customers the data used for billing purposes is based on daily meter reading for the 22 billing cycles (typically) throughout a calendar month and are not a daily measurement of all core customers but only those that are in the respective billing cycle. The “core” daily data provided here are inferred from estimates of daily total send-out less the respective day’s noncore total. In addition to gas consumed by core customers, this “core” data will include gas associated with Company Use Fuel, Un-Accounted-For, Storage Withdrawal less Injection and net Line-Pack volumes.

None of this data is to be construed as billing quality data—it is purely for the purpose of providing a rough daily indication of the broad level of gas demand for core and noncore customer classes on the integrated SoCalGas/SDG&E natural gas distribution systems.

