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July 5, 2011

Keith W. Melville
Attorney
Southern California Gas Company
555 West Fifth Street, GT14E7
Los Angeles, CA 90013-1011

Re: Application 10-12-005

Dear Mr. Melville,

Enclosed is Data Request No. 2 of the Indicated Producers in the above-captioned proceeding. The data responses should be provided by July 19, 2011 or as soon as they are available to:

Evelyn Kahl
Seema Srinivasan
Alcantar & Kahl, LLP
33 New Montgomery Street, Suite 1850
San Francisco, CA 94105
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Email ek@a-klaw.com
Email sls@a-klaw.com

Thank you for your assistance in this matter, and call me if you have questions.

Very truly yours,

A handwritten signature in black ink that reads 'Seema Srinivasan'.

Seema Srinivasan

Enclosure

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

Application of San Diego Gas & Electric Company (U902M) for Authority, Among Other Things, to Increase Rates and Charges for Electric and Gas Service Effective on January 1, 2012.

Application 10-12-005
(Filed December 15, 2010)

Application of Southern California Gas Company (U904G) for authority to update its gas revenue requirement and base rates effective on January 1, 2012.

Application 10-12-006
(Filed December 15, 2010)

**DATA REQUEST NO. 2 OF THE INDICATED PRODUCERS
TO SOUTHERN CALIFORNIA GAS COMPANY AND SAN DIEGO GAS & ELECTRIC**

Date: July 5, 2011

INSTRUCTIONS

The following general instructions apply to all data requests set forth herein.

- A. Consider all the Definitions and General Instructions herein to be applicable to each item of discovery submitted by the above-referenced parties.
- B. These requests for documents and responses are continuing in character so as to require you to file supplemental answers as soon as possible if you obtain further or different information before or after the hearing. Any supplemental answer should refer to the date and use the number of the original request or subpart thereof.
- C. Unless otherwise indicated, the documents for which production is sought shall include all documents dated, prepared, sent, or received during the designated period.
- D. For each separate discovery item, identify (see Definition No. G) the individual(s) responsible (whether primarily or indirectly) for providing the response. Further, please designate the proper witness, if any, to cross-examine at the hearing concerning the response. If witnesses have not yet been selected at the time a data response is provided, please supplement the response once witnesses have been selected to provide the requested

information.

- E. In producing documents and written responses pursuant to these discovery requests, designate and restate the request(s) and subpart(s) thereof in response to which each document or response is produced.
- F. Where a document or narrative response is relevant to more than one request, a duplicate need not be provided. Where a discovery request can be answered in whole or in part by reference to a response to a preceding or subsequent discovery request (or subpart thereof), it is sufficient to indicate by specifying in the response, by number and date, which other discovery response answers it, and by specifying whether it is claimed that the response to the preceding or subsequent discovery request is a full or partial response to the current request being answered. If the latter, the response to the balance of the current discovery request shall be completed.
- G. Whenever these discovery requests specifically request an answer, rather than the identification of documents, an answer is required and the production of documents in lieu thereof will not substitute for an answer.
- H. If information requested is not available in the exact form requested, provide such data or documents as are available and responsive to the particular discovery request.
- I. As to any discovery request consisting of a number of separate subdivisions, or related parts or portions, a complete response is required to each part or portion with the same effect as if it were propounded as a separate discovery request.
- J. Any objection to a discovery request should clearly indicate to which part or portion of the discovery request the objection is directed.
- K. For each computer generated document identified (see Definition No. F) or produced in a response, state separately (a) what types of data files or tapes are included in the input and the source thereof; (b) the computer program; (c) a description of the recordation system employed (including program description, flow charts, etc.); and (d) the identification (see Definition No. G) of the person or persons, during the designated period, who were in charge of the collection of input materials, the processing of input materials, the data bases utilized, and/or the programming to obtain such output.
- L. If any document described in any request for documents is no longer in your possession or control, state whether it: (a) is missing or lost; (b) has been destroyed; (c) has been transferred voluntarily or involuntarily to others; or (d) has been otherwise disposed of.
- M. If any document, in whole or in part, covered by this request is withheld for whatever reason, please furnish a list identifying all withheld documents in

the following manner: (a) a brief description of the document; (b) the date of the document; (c) the name of each author or preparer; (d) the name of each person who received the document; and (e) the reason for withholding it and a statement of facts constituting the justification and basis therefore (see Definition No. H).

- N. If, in answering any of these discovery requests, there is deemed to be any ambiguity in interpreting either the discovery request or a definition or instruction applicable thereto, promptly call counsel to the Indicated Producers to obtain a clarification.
- O. Each document and individual response of more than one page shall be stapled or otherwise bound, and each page thereof consecutively numbered.
- P. Please provide a set of responses via e-mail where appropriate, and via hard copy where appropriate, to:
Seema Srinivasan
Alcantar & Kahl, LLP
33 New Montgomery Street, Suite 1850
San Francisco, CA 94105
- Q. Electronic copies should be provided to:
Evelyn Kahl - ek@a-klaw.com
Seema Srinivasan – sls@a-klaw.com

DEFINITIONS

- A. As used herein, the term “SoCalGas” means Southern California Gas company and any and all of its respective present and former employees, agents, consultants, attorneys, officials, and any and all other persons acting on its behalf. “Utility” refers to SoCalGas.
- B. The terms “and” and “or” shall be construed either disjunctively or conjunctively whenever appropriate in order to bring within the scope of these discovery requests any information or documents which might otherwise be considered to be beyond their scope.
- C. The singular form of a word shall be interpreted as plural, and the plural form of a word shall be interpreted as singular whenever appropriate in order to bring within the scope of these discovery requests any information or documents which might otherwise be considered to be beyond their scope.
- D. The term “communications” includes all verbal and written communications of every kind, including but not limited to telephone calls, conferences, notes, correspondence, and all memoranda concerning the requested communications. Where communications are not in writing, provide copies

of all memoranda and documents made relating to the requested communication and describe in full the substance of the communication to the extent that the substance is not reflected in the memoranda and documents provided.

- E. The term “document” shall include, without limitation, all writings and records of every type in your possession, control, or custody, including but not limited to the following items, whether printed or reproduced by any process, including documents sent and received by electronic mail, or written or produced by hand, and whether or not claimed to be privileged or otherwise excludable from discovery: computer data files, information stored in electronic media, including on computer tapes, disks, or diskettes, tapes, inputs, outputs, and printouts; notes; letters; correspondence; communications; telegrams; memoranda; summaries and records of telephonic and telegraphic communications; summaries and records of personal conversations; diaries; appointment books; reports (including any and all draft, preliminary, intermediate, and final reports); surveys; studies (including, but not limited to, load flow, engineering, general economic, and market studies (see Definition No. N); comparisons; tabulations; budgets; workpapers; charts; plans; maps; drawings; engineering and other diagrams (including “one-line” diagrams); photographs; film; microfilm; microfiche; tape and other mechanical and electrical audio and video recordings; data compilations; log sheets; ledgers; vouchers; accounting statements; books; pamphlets; bulletins; minutes and records of meetings; transcripts; stenographic records; testimony and exhibits, including workpapers; copies, reports, and summaries of interviews and speeches; reports and summaries of investigations; opinions and reports of consultants; reports and summaries of negotiations; press releases; newspaper clippings; drafts and revisions of draft of documents; and any and all other records, written, electrical, mechanical, and otherwise. “Documents” shall also refer to copies of documents (even though the originals thereof are not in your possession, custody, or control), every copy of a document which contains handwritten or other notations or which otherwise does not duplicate the originals or any other copy, and all attachments or appendices to any documents.
- F. “Identification” of a document includes stating: (a) the identity of each person who wrote, dictated, or otherwise participated in the preparation of the document; (b) the location of the document; and (c) the identity of each person having custody of or control over the document. “Identification” of a document includes identifying all documents known or believed to exist, whether or not in your custody or the custody of your attorneys or other representatives.
- G. “Identification” of a person includes stating his or her full name, most recent known business address and telephone number, present position, and prior connection to or association with any party to this proceeding, including position at the time of connection to the information requested.

- H. “Relate to,” “concern,” and similar terms and phrases shall mean consist of, refer to, reflect, comprise, discuss, underlie, comment upon, form the basis for, analyze, mention, or be connected with, in any way, the subject of these discovery requests.
- I. “Study,” “studies,” “analyses” or “report(s)” denotes any document, as defined above, which reflects or was utilized in the collection, evaluation, analysis, summarization, or characterization of information in connection with the subject referred to.

DATA REQUESTS

1. Question 2.1 of the Indicated Producers’ first data request asked for a list of factors that SoCalGas/SDG&E used to distinguish local transmission pipelines from backbone transmission pipelines on page 5 of Gary Lenart’s workpapers. In response, SoCalGas stated that *“[n]o proposals to the categorization of backbone or local transmission costs for cost allocation / rate design purposes are being made in this GRC application. The distinction between local and backbone transmission lines is the same as that approved in the last Biennial Cost Allocation Proceeding (BCAP) Decision (D.09-11-006) and no change to this distinction is being proposed in this GRC application.”* Question 2.5.3 asked SoCalGas to identify by number pipelines classified as backbone transmission. Notwithstanding the fact that SoCalGas is not proposing to change the categorization of pipelines from the last BCAP,
 - 1.1. Identify, by number, each pipeline whose costs will be recovered in the backbone transmission revenue requirement.
 - 1.2. Identify by number each pipeline whose costs will be recovered in the local transmission revenue requirement.
 - 1.3. Identify by number each pipeline whose costs will be recovered in both the backbone and local transmission revenue requirement.
 - 1.4. Clarify whether the categorization of transmission pipelines as local or backbone transmission (or both) in this case varies from how pipelines were categorized in the system integration decision (D.06-04-033).
2. Question 2.9 of the Indicated Producers’ first data request inquires whether the backbone transmission revenue requirement established in this proceeding can affect SoCalGas’ proposal in the 2011 Triennial Cost Allocation Proceeding. In response SoCalGas stated that *“[w]hile the 2011 Triennial Cost Allocation Proceeding (TCAP) may be affected by this GRC application due to the new revenue requirement authorized by a decision, it is not possible to determine the affect [sic] on any proposals in the TCAP because it has not yet been filed.”* Assuming a final decision is issued in this case before SoCalGas has to file its 2011 TCAP application and a revenue requirement is known, will SoCalGas’ proposal in the 2011 TCAP reflect the revenue requirements adopted in this case? If so, please explain how. If not, explain why not. If

SoCalGas is uncertain of the answer, identify the factors or circumstances that will influence the ultimate conclusion.

3. Question 2.10 of the Indicated Producers' first data request asks whether the revenue requirement established in this case will form the basis for a "bottoms up" study that may be required by a final FAR Update decision. SoCalGas' response notes that "[t]his depends on whether or not a decision has been received in this GRC application and the revenue requirement is then known, before an application is filed in the 2011 TCAP."
 - 3.1. Assuming a final decision is issued in this case before SoCalGas has to file its 2011 TCAP application and a revenue requirement is known, will the revenue requirement adopted in this proceeding influence the categorization of pipelines as backbone and local transmission in the "bottoms up" functionalization study that is required by the FAR Update decision (D.11-04-032)? If yes, please explain how the revenue requirement adopted in this proceeding will affect the categorization of pipelines as backbone or local transmission in the upcoming functionalization study.
 - 3.2. Assume that a final decision has not been issued in this case before SoCalGas has to file its 2011 TCAP application. Can the adoption of a final decision alter the SoCalGas' application and recommendations in the TCAP proceeding? If so, please explain how. If not, explain why not.
4. In Question 5 of DRA's data request, DRA-SCG-044-MZX, DRA asks SoCalGas to reconcile the Sustainable SoCalGas Program \$160,000 figure in Mr. Stanford's workpapers with the \$130,000 figure referenced in Ms. Wright's testimony. In response Tuong Tan provided the following response: "*The \$160,000 figure in Mr. Stanford's workpapers should be corrected/ updated to show \$130,000. As SoCalGas was developing the Sustainable SoCal Program, we originally considered \$36/ton of CO₂ as the cap and trade value which provides an estimated \$160,000 in annual GHG credits. The cap and trade value was then revised to \$30/ton of CO₂ and is consistent with the 2009 MPR model. With a cap and trade value of \$30/ton of CO₂, the resulting annual GHG credits are \$130,000. The update was made to Ms Wright's testimony but was mistakenly not made to Mr. Stanford's workpapers.*" In Question 10 of this same data request response, SoCalGas clarified that "*the estimated cost to produce pipeline quality biogas from digester raw biogas (generated from small to mid size wastewater treatment plants) and inject it into SoCalGas' pipeline network is \$14.31/MMBtu.*" In other words, "*[u]sing the conversion factor of 1 MMCF = 1,000 MMBtu, the resulting cost is \$14,310 per million cubic feet of pipeline quality gas.*"
 - 4.1. Has SoCalGas quantified the total costs associated with the Sustainable SoCalGas Program? If so, please provide the workpapers and materials that reflect this calculation.

- 4.2. Assuming the same quantities of biogas procurement that support the \$130,000 annual cost avoidance figure, quantify the total costs that would be associated with the Sustainable SoCalGas Program on an annual basis.
- 4.3. Question 9 of DRA's data request, DRA-SCG-044-MZX, DRA asks SoCalGas about the current source of gas used for company facilities and CNG fleet vehicles. SoCalGas indicated that "*[t]he gas used for company facilities and CNG fleet vehicles is purchased as part of the SoCalGas' core portfolio, which is 100% natural gas.*"
 - 4.3.1 Are the costs associated this supply of gas tracked separately from other gas supplies procured for the core customer class?
 - 4.3.2 Are the costs associated with this supply of gas currently allocated to other customer classes? If so, please identify the customer classes.
 - 4.3.3 How will the Sustainable SoCalGas Program change the manner in which fuel for company facilities and CNG fleet vehicles is allocated to customer classes?
5. Question 4.2.2 of the Indicated Producers' first data request asks for the criteria that will be used to select customers chosen for installation of the biogas conditioning system. In response, SoCalGas provided its selection criteria.
 - 5.1. Under the program, would SoCalGas or the potential wastewater treatment plant own the generated biomethane?
 - 5.2. If the wastewater treatment plant would own the generated biomethane, identify the criteria will be used to establish the price at which SoCalGas would purchase the biomethane?
6. Question 4.2.4 of the Indicated Producers' first data request asks whether any of SoCalGas/SDG&E's affiliates are involved in biomethane production, biomethane distribution, or biomethane marketing. In response SoCalGas indicated that "*[u]nder the current proposal, none of SoCalGas/SDG&E's affiliates would be involved in the Sustainable SoCal Program.*"
 - 6.1. Would the proposed Sustainable SoCal Program allow SoCalGas/SDG&E affiliates currently involved in biomethane production, biomethane distribution, or biomethane marketing to be involved in Program in the future?
 - 6.2. Are any of SoCalGas/SDG&E's affiliates currently involved in biomethane production, biomethane distribution, or biomethane marketing? If so, identify the number of affiliates involved and clarify the nature of their biomethane activities.
7. Question 4.3.1 of the Indicated Producers' first data request asks whether "*cleaning*" of the producer biogas to pipeline quality will be provided using the biogas conditioning system. It also inquires about the equipment required, the associated cost and

revenue requirement. In response, SoCalGas clarified that “*the ‘cleaning’ is provided through the biogas conditioning system*” SoCalGas did not provide the associated cost and revenue requirement. Is the cost associated with the “*cleaning*” of producer biogas to pipeline quality \$14.31/MMbtu? If not, please provide the cost.

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