DRA DATA REQUEST
DRA-SCG-121-STA
SOCALGAS 2012 GRC – A.10-12-006
SOCALGAS RESPONSE
DATE RECEIVED: JULY 15, 2011
DATE RESPONDED: AUGUST 1, 2011

Exhibit Reference: SCG-19

Subject: Employee Benefit costs

Please provide the following:

This data request was mistakenly delayed in being sent out. DRA would appreciate if responses were sent as they are answered, rather than being collected.

1. A detailed explanation of how the company's various Wellness Programs specifically benefits ratepayers.

SoCalGas Response:

Ratepayers benefit from the company's Wellness Programs in two primary ways. The first ratepayer benefit results from controlling medical cost increases. One of the factors impacting medical costs is utilization of care. To the extent medical utilization is lessened, it will result in a lower cost than if it were utilized. For example, educating employees about the importance of wellness and providing an incentive for employees to exercise will positively impact their health and reduce the amount of medical care needed for them.

Other wellness programs that positively impact medical cost include providing onsite flu shots and medical screening as those costs would be borne by the medical plan if the employees went to their medical care provider instead. Having preventative procedures in place will also reduce any follow-up care needed, which will decrease medical utilization and costs. In addition, the Best Doctors program helps control medical costs by providing a comprehensive review of diagnosis and treatment by a team of physicians recognized by peers as the top specialists in their respective areas. As a result of their review, in 16% of the cases, there were changes to the original treatment plan or diagnosis, which reduces the medical costs for those cases.

The second ratepayer benefit results from increased productivity resulting from having healthier employees. All of the reasons listed above for controlling medical costs also apply to productivity as well since healthier employees are more likely to be working instead of taking sick time. Also, providing onsite flu shots and medical screening increases the likelihood of employees utilizing these services.

2. A detailed explanation of how the Wellness Programs differ from programs offered under the company's Medical Plans.

SoCalGas Response:

The primary differences of how the Wellness Programs differ from those offered under the medical plans relate to the Wellness programs provides for educating employees about the importance of their health, providing incentives for employees to optimize their health, early detection and disease management, and providing optimal and effective treatment of serious health conditions. Additional details on the Wellness programs and its impact to the Medical Plans are provided in the response to question 1.

DRA DATA REQUEST
DRA-SCG-121-STA
SOCALGAS 2012 GRC – A.10-12-006
SOCALGAS RESPONSE
DATE RECEIVED: JULY 15, 2011
DATE RESPONDED: AUGUST 1, 2011

3. Please confirm that any program which provides benefits based on compensation uses only the employee's base pay, not including overtime, bonuses, etc.

SoCalGas Response:

All benefit programs provide benefits based on compensation including the employee's base pay and ICP. Overtime pay and spot cash awards are not included.

The rationale for including ICP is that the ICP is a key component of the company's total cash compensation to its employees. The results of the Total Compensation Study indicate the company's total compensation is market competitive with compensation offered by its peers, so it appears appropriate to base benefits on an employee's total cash compensation excluding overtime pay.

DRA DATA REQUEST
DRA-SCG-121-STA
SOCALGAS 2012 GRC – A.10-12-006
SOCALGAS RESPONSE
DATE RECEIVED: JULY 15, 2011
DATE RESPONDED: AUGUST 1, 2011

4. The percentage and method of calculation for the 401(k) match amount for the past 20 years.

SoCalGas Response:

SoCalGas objects to this request as overbroad, unduly burdensome, and not reasonably tailored to lead to the discovery of admissible evidence. Subject to and without waiving this objection, SoCalGas provides the following average percentages going back to 2003, the last year for which this data is readily available.

Year	Percentage
2003	2.4%
2004	2.4%
2005	2.4%
2006	2.5%
2007	2.5%
2008	2.5%
2009	2.4%
2010	2.4%