TURN DATA REQUEST
TURN-SCG-DR-26
SOCALGAS 2012 GRC – A.10-12-006
SOCALGAS RESPONSE
DATE RECEIVED: AUGUST 1, 2011
DATE RESPONDED: AUGUST 15, 2011

Pipeline Transmission (SCG-3)

1. Please identify all recorded-adjusted data requested in TURN-SCG-03, Questions 2a, 3, 6, 7b, 8a, 8c, 9, and 10c. If the data is still unavailable as stated in SCG's responses to TURN-SCG-03, please indicate when the data will be finalized and available.

SoCalGas Response: ($ references are stated in 2009 values)

2a) $493,000 was recorded in 2010 due to pipeline removal activity as a result of physical conflict. SoCalGas did not record any cost attributable to perfecting of legal titles during the annual period specified.

3) 2010 Pipeline Operation and Maintenance expenses were recorded at $16,246,000 which is comprised of $8,279,000 Labor expense, $2,377,000 Non-Labor and $5,590,000 in Non-Standard Escalation (NSE) expense. Please reference the response to question 10 of this DR for information addressing data applicable to years 2005-2008 and 2010.

6) 2010 Gas Compression Operation and Maintenance expenses were recorded at $7,678,000 which is comprised of $4,060,000 Labor expense, $3,419,000 Non-Labor and $200,000 NSE expense. Please reference the response to question 10 of this DR for information addressing data applicable to years 2005-2008.

7b) 2010 Right-Of-Way expenses were recorded at $876,902. The absence of a dollar value forecast for 2010 was an oversight as identified in the response provided under TURN_DR-03 and subsequently corrected in errata. The corrected 2010 forecast was stated at $685,000. Corrected forecast for 2011 was stated at $935,000 and the corrected 2012 forecast was stated at $1,185,000.

8a) SoCalGas has recorded zero ($000) expense for the period spanning 2005 – 2010 as being attributable to the requested funding line item titled "Category: C2 – Technical Services Support Staffing" as discussed at page JLD-15.

8c) SoCalGas has recorded zero (0.0) FTE's for the period spanning 2005 – 2010 as being attributable to the requested funding line item titled "Category: C2 – Technical Services Support Staffing" as discussed at page JLD-15. The position titles for the requested positions are Process Manager, and Process Analyst. The position titles and the planned functional role of the positions were provided in the associated workpaper labeled SCG-03-WP/Witness J. Dagg, Pg 84.

Response to Question 1 (Continued)

9) 2010 Technical Services Operation and Maintenance expenses were recorded at $1,869,000 which is comprised of $403,000 Labor expense, $1,465,000 Non-Labor and $000 NSE expense. Please reference the response to question 10 of this DR for information addressing data applicable to years 2005-2008.

10c) 2010 Director Transmission O&M expenses were recorded at $302,000 which is comprised of $286,000 Labor expense, $17,000 Non-Labor and $000 NSE expense. The recorded FTE count was 2.6.

TURN DATA REQUEST
TURN-SCG-DR-26
SOCALGAS 2012 GRC – A.10-12-006
SOCALGAS RESPONSE
DATE RECEIVED: AUGUST 1, 2011
DATE RESPONDED: AUGUST 15, 2011

2. Following up on TURN-SCG-03, Question 1, and referencing SCG-3 p. JLD-10 (lines 2-5), SCG, which states, "The 2011 and 2012 inflation amounts were based on a two-year historical (2009, 2010) annual average inflation percentage and were applied to a two-year annual average pipeline footage factor, as the amount SoCalGas is assessed is based on the miles of transmission pipeline it operates,"
   a. Please identify the following:
      i. The 2009 and 2010 "inflation percentage" that SCG used in its calculation.
      ii. The 2009 and 2010 "pipeline footage factor".
      iii. The miles of transmission pipeline that SCG assumed in making the calculation, as well as the date from which the number of miles was taken.
   b. Please define what SCG means by "pipeline footage factor".

SoCalGas Response:

a.i.) The inflation rate applied by the Department of Transportation (DOT) to the 2009 "rate per mile of pipeline" cost calculation was 18.60% greater than the 2008 rate per mile of pipeline costing calculation. The inflation rate applied by DOT to the 2010 rate per mile was 17.53% greater than the 2009 rate per mile fee assessed. SoCalGas used these rates in our calculations.

a.ii.) 2009 and 2010 pipeline footage factors were 3,961 for 2009 and 3,999 for 2010.

a.iii.) Miles of pipeline used in the calculation of the 2011 DOT Fee was 3,989. The mileage was as recorded and reported to the DOT in March 2010. The mileage is reflective of applicable mileage as was in use at the end of December 2009.
3,994 miles of transmission pipeline was utilized in the calculation of the 2012 DOT Fee. The mileage reflects the average annual recorded miles of transmission pipeline for the 2year period consisting of 2008 and 2009. Attached is copy of the DOT pipeline and Hazardous Materials Safety Administrative (PHMSA) form from which the mileage was recorded.

TURN-SCG-DR-26
_Q2aiii.pdf

b.) The term "pipeline footage factor", in this context is defined as describing a key component of the billing calculation utilized by the DOT in their assessment of the annual safety fee. (i.e., DOT's billing calculations are based on a cost per mile amount, multiplied by the number of miles of transmission pipeline).

TURN DATA REQUEST
TURN-SCG-DR-26
SOCALGAS 2012 GRC – A.10-12-006
SOCALGAS RESPONSE
DATE RECEIVED: AUGUST 1, 2011
DATE RESPONDED: AUGUST 15, 2011

3. Following up on TURN-SCG-03, Question 2a, Edison identifies 2009 recorded expenses of $91,087.95 for the removal of pipe for physical conflict. Table SCG-JLD-4, however, states 2009 adjusted recorded expenses for the removal of previously abandoned pipelines of $0. Please reconcile the apparent discrepancy.

SoCalGas Response:

The above question has been interpreted as applying to "SoCalGas" as opposed to "Edison".

Table SCG-JLD-4 should have reflected an entry of $91,000 adjacent to the line item titled "Removal of Previously Abandoned Pipelines" in the column titled "2009 Adj. Recorded". This correction adjustment would also have resulted in a $91,000 off-set reduction to the $10,980,000 amount listed under the same column heading and identified as "2009 Adjusted Recorded Pipeline O&M Expense" (line item #5 within the table). The error was not identified in sufficient time to be corrected in the errata filing.

The correction adjustment also would not have resulted in any material change in total dollar values as was reflected in Table SCG-JLD-4.

TURN DATA REQUEST
TURN-SCG-DR-26
SOCALGAS 2012 GRC – A.10-12-006
SOCALGAS RESPONSE
DATE RECEIVED: AUGUST 1, 2011
DATE RESPONDED: AUGUST 15, 2011

4. Following up on TURN-SCG-03, Question 2b, SCG states indicates that no pipe was removed as a result of requests for perfecting legal title between 2000 and 2010, inclusive.
   a. Please identify when the each of the requests for abandoned pipeline removal for the expressed reason of perfecting legal title (as opposed to physical conflict) by date and expected cost of performing all activities required for the removal of the pipe identified by the removal request. In addition, please provide a copy of the removal request, as well as, the original contract that initiated the easements in question.
   b. Please explain in detail why SCG has not, as yet—through the end of 2010—removed the abandoned pipelines that the requests for removal for perfecting legal title—as identified in Part A of this request—would have SCG remove.

SoCalGas Response:

a) The issue of the eight quit claim bears further clarification; The specific issue with these 8 locations is that in 2008/2009 SoCalGas became aware of the need to acquire new easements through the land parcels owned by these landowners. During negotiations with the owners, SoCalGas agreed to quitclaim back, the original easements which were acquired on these land parcels dating as far back as 1935. After reaching agreement on the acquisition of the new easements and quitclaims of the old easements, SoCalGas became aware as to the potential presence of coal-tar pipe wrap (a material identified as a carcinogen) being present on the formerly abandoned pipelines. Because of this, SoCalGas anticipated the landowners would serve demand upon SoCalGas for removal of the lines as opposed to allowing for their continued presence and transfer of any future financial responsibilities for their eventual removal. It is the cost that would be associated with these 8 specific removals for which SoCalGas's funding for "removal of former abandoned pipelines" was based.

   As of September 2010, SoCalGas has received 2 requests relating to these 8 land parcels for pipeline removals for which it's been confirmed there are no present physical conflicts. SoCalGas classifies these 2 requests as being the result of the landowners' desire to perfect legal titles. Copies of the 2 letters of request (West Hills College.pdf and Petersen.pdf), and copies of the original 10 easement documents (RW1494 – 4415.pdf) are attached. Cost for removal and disposal of the pipeline within the West Hills and Petersen parcels was estimated at $275,000 and $550,000 respectively.

Response to Question 4 (Continued)

West Hills College L800.pdf   Pedersen L800.pdf

(Note; there are numerous overlaps between the original easement documents because the encumbered parcels were sold and/or subdivided since the date the original easements were acquired.)

RW 1494.pdf   RW 1510.pdf   RW 1513.pdf   RW 1513.pdf   RW 1519.pdf   RW 4409.pdf   RW 4410.pdf

RW 4411.pdf   RW 4412.pdf   RW 4414.pdf   RW 4415.pdf

b) SoCalGas continues to confer with the landowners in good faith attempts at negotiating mutually acceptable alternatives to the immediate removal of these lines. To date, SoCalGas has reached agreement with two of the eight landowners for the easements identified within the associated workpapers (SCG-03-WO/Witness J. Dagg, Pgs 33 and 34). These negotiated quit-claim agreements provide for the continued presence of the lines until such time as the owner may file a subsequent demand upon SoCalGas for their removal, at SoCalGas's sole expense. Attached are copies of the 2 negotiated quit-claim agreements (West Hills College and Pedersen properties).

TURN-SCG-DR-26_Q4b.pdf

TURN DATA REQUEST
TURN-SCG-DR-26
SOCALGAS 2012 GRC – A.10-12-006
SOCALGAS RESPONSE
DATE RECEIVED: AUGUST 1, 2011
DATE RESPONDED: AUGUST 15, 2011

5. Following up on TURN-SCG-03, Question 2b, SCG states, "The recorded length of pipe removal for 2009 was 440 feet." Please describe the reason(s) for the removal(s).

SoCalGas Response:

Reason for the removal was due to a City of Castaic / L.A. County Dept of Public Works site development improvement plan to construct a sports complex in-ground pool and a soccer field facility. The placement and depth of the pipeline within the designated construction site was in direct conflict with the property owner's plan for development of the property.

6. Please divide SCG's 2012 forecast for Removal of Previously Abandoned Pipelines between expense SCG expects to result from physical conflict and perfecting legal title, respectively, and provide full justification for the allocations thereto.

SoCalGas Response:

SoCalGas did not develop its funding request based on a segregation of cost drivers for this activity as described by the question. SoCalGas's forecast of expense is based on the principle that the physical removal of formerly abandoned pipelines is not influenced by the cause for the removal but rather by the cost of the required physical removal and disposal requirements.

TURN DATA REQUEST
TURN-SCG-DR-26
SOCALGAS 2012 GRC – A.10-12-006
SOCALGAS RESPONSE
DATE RECEIVED: AUGUST 1, 2011
DATE RESPONDED: AUGUST 15, 2011

7. Please estimate the number of miles of abandoned pipe that SCG expects to remove in 2012, 2013, and 2014 as a result of physical conflict and perfecting legal title, respectively, and explain the methodology SCG used to make the forecast.

SoCalGas Response:

SoCalGas did not forecast any costing beyond Test Year 2012 and is therefore unable to provide any cost forecast which would be applicable to the years 2013 and 2014. SoCalGas's forecast of expense for years 2010, 2011 and 2012 was based on an estimated annual footage of removal equal to approx 4,500 feet of pipe of varying diameters, lengths and locations.

8. Following up on TURN-SCG-03, Question 2d, SCG states, "SoCalGas is not granted the right under [easement, license agreement, or franchise] to abandon its facilities in-place upon the termination of the land right agreement, and is therefore responsible for addressing and resulting any future physical conflict or legal property title issue the presence of the pipeline may create with the landowner." Please provide documentation supporting the validity of this conclusion.

SoCalGas Response:

Please refer to the original easement documents provided in response to question 4a above. The legal limitations SoCalGas is restricted to when dealing with pipelines that have been removed from utility service, is evidenced by the absence of any language serving to grant SoCalGas a right of continued presence following the removal of the pipeline from utility service.

9. Referencing JLD-10 of SCG-3 (lines 30-31), SCG states, "In 2009, SoCalGas experienced eight intent-of-quit-claim notifications. Final resolution for each of these locations is presently unresolved." SCG provided documentation of the eight intent-of-quit-claim notifications in response to TURN-SCG-03, Question 2j. Please identify which, if any, of these notifications have been resolved and the cost, if any, of the removal any abandoned pipe that was necessitated in order to resolve the notifications. For any costs identified for removal indicate the year during which it was recorded and whether the removal was for physical conflict or perfecting legal title.

SoCalGas Response:

Agreements to leave the formerly abandoned lines in place and undisturbed have been reached with 2 of the 8 landowners. These agreements provide for the future removal of the lines by SoCalGas, at our expense pending any future demand served upon SoCalGas by the landowners. The 2 owners in the settlements are West Hills College, and Petersen. Negotiations are ongoing with the owners of the remaining 6 land parcels. In that SoCalGas has not been required to remove any of the affected pipelines to date, SoCalGas has not recorded any removal cost at this time.

TURN DATA REQUEST
TURN-SCG-DR-26
SOCALGAS 2012 GRC – A.10-12-006
SOCALGAS RESPONSE
DATE RECEIVED: AUGUST 1, 2011
DATE RESPONDED: AUGUST 15, 2011

10. Following up on TURN-SCG-03, Question 3, SCG indicates that the requested recorded annual data for 2005-2009 is included in the workpapers for SCG-3 (pp. 5 and9). However, TURN finds no correlation between the data and forecasts present in Table SCG-JLD-5 on p. JLD-11 and the information included on pp. 5 and 9 of the workpapers. None of the values included in the columns titled, "2009 Adj. Recorded" and "2012 Estimated", from Table SCG-JLD-5 seem to comport with any of the values found on pp. 5 and 9 of the workpapers.
    a. Please clear up the confusion.
    b. Please provide the requested information (i.e., annual recorded expenses for O&M non-shared services from 2005-2010, with the provision of the 2010 recorded value expected as soon as it is available, recognizing that on February 1, 2011, the datum was not available, as indicated in the original data response).

SoCalGas Response:

The workpaper cross reference for the 2009 Adj.-Recorded amount identified in Table SCG-JLD-4 (Pipeline Operations) as shown on page JLD-9 of the testimony, and the applicable figures for years 2005-2008 and 2010 is reflected within the workpapers identified as SCG-03 (pp. 5 and 9).

The workpaper cross reference for the 2009 Adj.-Recorded amount identified in Table SCG-JLD-5 (Gas Compression) as shown page JLD-11 of the testimony, and the applicable figures for years 2005-2008 and 2010 is reflected within the workpapers identified as SCG-03 (pp. 43).

The workpaper cross reference for the 2009 Adj.-Recorded amount identified in Table SCG-JLD-6 (Technical Services) as shown page JLD-14 of the testimony, and the applicable figures for years 2005-2008 and 2010 is reflected within the workpapers identified as SCG-03 (pp. 70).

The narrative descriptions outlining the various costing drivers appearing after each of the tables reflected within the testimony correlate to the specific line items as listed within the tables. As such, the information as requested within TURN-SCG-03, question 3 (… "expenses attributable to the performance of annual scheduled Pipeline Operation and Maintenance activities.") is a reference to the figures shown within Table JLD-4 appearing on page JLD-9 and further identified as line item #5 within the table.

Similarly, the costing driver narrative provided on pg JLD-14 of the testimony and described further as, (.. annual scheduled Gas Compression O&M activities.) correlates to Table JLD-5 appearing on pg JLD-11 and listed at line item #5 within the table.
Attached provides copy of testimony pages and tables, and the referenced workpaper pages.

TURN-SCG-DR-26
_Q10.pdf

TURN DATA REQUEST
TURN-SCG-DR-26
SOCALGAS 2012 GRC – A.10-12-006
SOCALGAS RESPONSE
DATE RECEIVED: AUGUST 1, 2011
DATE RESPONDED: AUGUST 15, 2011

11. Following up on TURN-SCG-03, Question 2k, SCG identified the number of executed and recorded quitclaims from 2005 and 2010. Specifically, SCG identifies 17 quitclaims executed and recorded in 2009. On p. JLD-10 at lines 30-31, SCG states, "In 2009, SoCalGas experienced eight intent-of-quit-claim notifications. Final resolution for each of these locations is presently unresolved." Please reconcile the 17 executed and recorded quitclaims in 2009, as identified in TURN-SCG-03, Question 2k, with the eight intent-of-quit-claim notifications SCG "experienced" in 2009.

SoCalGas Response:

The 17 quitclaims executed and recorded in 2009 are unrelated to the eight intent-to-quitclaims that were received in 2009. The 8 request received in 2009 are all related to a single project for which a re-negotiation of easements was required. The location of the impacted active use pipeline runs parallel and adjacent to where there are two (2) formerly abandoned pipelines. As part of the negotiation of the required new easements, eight of the impacted landowners served notice to SoCalGas of their intent to seek property title clean-up through the use of the quit-claim process that is applicable to the formerly abandoned lines. This specific incidence is what has been referred to by SoCalGas as the "intent to quitclaim notifications".

TURN DATA REQUEST
TURN-SCG-DR-26
SOCALGAS 2012 GRC – A.10-12-006
SOCALGAS RESPONSE
DATE RECEIVED: AUGUST 1, 2011
DATE RESPONDED: AUGUST 15, 2011

12. Please indicate whether an executed quitclaim necessarily involves the removal abandoned pipe.

SoCalGas Response:

No it does not. The continued presence of the pipeline within the subject property is a condition that’s subject to negotiation with the landowner, and also for which SoCalGas retains financial responsibility for removing subject to any future demand served on SoCalGas by the landowner.

13. Please identify, and provide documentation of, the specific projects for which SCG expects to perform abandoned pipe removals in 2011, 2012, 2013, and 2014. E.g., in 2010, SCG identified the development of a "train rail system" as the reason that the Company removed abandoned pipe in 2010; please do the same for the identified forecast years.

SoCalGas Response:

SoCalGas did not and has not forecast any costing beyond Test Year 2012 and is therefore unable to provide any cost forecast which would be applicable to the years 2013 and 2014.

SoCalGas's forecast of costing and assumptions addressing the performance of annual removal activity for the years 2010 - 2012 is provided in the associated workpapers identified as SCG-03-WP/Witness: J. Dagg, Pg 29

TURN DATA REQUEST
TURN-SCG-DR-26
SOCALGAS 2012 GRC – A.10-12-006
SOCALGAS RESPONSE
DATE RECEIVED: AUGUST 1, 2011
DATE RESPONDED: AUGUST 15, 2011

14. Following up on TURN-SCG-03, Question 7a,
    a. Regarding Programmatic Permit Habitat Compensation, SCG claims that the California Department of Fish and Game instructed the Company that "compensation amounts (currently $500 to $5,730 per acre) for project impacts need to more appropriately reflect the current price of land."
        i. Please identify the recorded adjusted annual compensation amount paid by SCG for Programmatic Permit Habitat Compensation for each year 2005-2010.
        ii. Please identify the exact date that the "compensation amounts" change, announced in 2009, was made effective.
        iii. Please explain what date the word, "currently," in the above quotation is intended to represent.
        iv. For each year, 2005-2010, please identify the recorded number of acres charged at each compensation amount for the compensation amounts in place <u>before</u> the change announced in 2009 and for the compensation amounts in place <u>after</u> the change announced in 2009.
        v. Please identify the number of acres that SCG used when forecasting the Programmatic Permit Habitat Compensation compensation amount that it would need to pay in 2012.
    b. Regarding Mitigation for Impacts to Riparian Vegetation,
        i. Please identify the exact expense that SCG recorded for this activity in 2009 and 2010 and forecasts for this activity in 2010, 2011, and 2012.
        ii. Please provide workpapers detailing the assumptions and calculations SCG used to develop the forecast for this activity.
    c. Regarding Biological Monitoring,
        i. Please identify the exact expense that SCG recorded for this activity in 2010 and forecasts for this activity in 2010, 2011, and 2012.
        ii. Please provide workpapers detailing the assumptions and calculations SCG used to develop the forecast for this activity.
        iii. Please provide copies of any and all contracts SCG has entered into in order to undertake the two Biological Monitoring programs (Least Bell's vireo and Santa Ana Sucker) referenced in your response to TURN-SCG-03, Question 7a.
    d. Given that SCG cites Programmatic Permit Habitat Compensation (announced in 2009), Mitigation for Impacts to Riparian Vegetation (resulting from an agreement pursued in 2009), and Biological Monitoring (resulting from events in 2010) as reasons for its forecast of higher Right-of-Way Management costs, please explain in detail why SCG expects 2010 expenses to be the same as those recorded in 2009.

SoCalGas Response:

14.a.i) SoCalGas operates under two programmatic permits that require compensatory mitigation for activities that result in temporary or permanent disturbance to habitat that is suitable to support species listed under the Federal or State Endangered Species Acts. SoCalGas programmatic permits include:

- San Joaquin Valley: Formal Section 7 Consultation/Conference on Operation and Maintenance Activities and New Construction of Southern California Gas Pipelines in Fresno, Kings, Tulare, and Kern Counties, California (Service File No. 1-1-96-F-0136) and
- California Deserts: Biological Opinion for Ongoing Maintenance Activities on Southern California Gas Company's Pipeline System in the Southern California Deserts (6840 CA-063.50 CA-930.6) Service File No. 1-8-95-F-28 and the California Endangered Species Act Memorandum of Understanding and Management Authorization by and between Southern California Gas Company and the California Department of Fish and Game Regarding On-going Maintenance Activities (No. 2081-1996-049-5).

The table below summarizes SoCalGas compensatory mitigation payments for habitat disturbance resulting from 2005 to 2009 completed activities pursuant to programmatic permits. As of August 1, 2011 full payment of 2009 compensatory mitigation obligations are pending. Compensatory mitigation for 2010 has yet to be calculated as SoCalGas is awaiting guidance from California Department of Fish and Game on compensation values to be used for the calculation of compensatory mitigation requirements for operation and maintenance project completed after 2009.

Table 1: 2005 to 2009 Programmatic Permit Habitat Compensation Summary

Year	Annual Programmatic Permit Habitat Compensation Payments
2005	$1,506.41
2006	$3,946.79
2007	$39,046.70
2008	$9,062.38
2009	$2,766.76

Response to Question 14 (Continued)

14.a.ii) On March 12, 2009 California Department of Fish and Game indicated the agency would like to continue working with SoCalGas to determine habitat compensation values for future work in accordance with The California Endangered Species Act Memorandum of Understanding and Management Authorization by and between Southern California Gas Company and the California Department of Fish and Game Regarding On-going Maintenance Activities (No. 2081-1996-049-5). On October 12, 2009 California Department of Fish and Game indicated that compensation amounts for future (SoCalGas) projects need to be analyzed to more appropriately reflect the current price of land (communication between CDFG representative Craig Weightman and SoCalGas representative Melanie Day). Section 5.11 of the Memorandum of Understanding providing SoCalGas compliance with the California Endangered Species Act states:

> The acreage and associated management funds shall be amounts typically secured for similar activities affecting such species and their habitats within the same general area as the proposed (SoCalGas) activity…. The required amounts of compensation and disbursement of compensation will vary with area and between species.

California Department of Fish and Game and SoCalGas have not agreed upon what compensation values will be used to calculate compensatory mitigation requirements for operation and maintenance project completed after 2009 affecting habitat of State-listed species to meet requirements of the California Department of Fish and Game Memorandum of Understanding and Management Authorization No. 2081-1996-049-5.

14.a.iii) The word "currently" as was used in the response (*In, 2009, California Department of Fish and Game instructed SoCalGas that compensation amounts (<u>currently</u> $500 to $5,730 per acre) for project impacts ……)* was in reference to the year 2009.

14.a.iv) SoCalGas did not develop its forecast of future years right-of-way maintenance expense based on a projection or comparison of prior annual period compensation levels versus any future years potential cost. SoCalGas's future years costing forecast was based on the magnitude of back-logged known work to be performed and SoCalGas's inherent knowledge as to the reasonable amount of right-of-way that can be achieved on an annual basis.

14.a.v) SoCalGas did not develop its forecast of future year's right-of-way maintenance expense based on a projection of the number of acres that SCG would need to pay for in any of the future year forecast of expense.

Response to Question 14 (Continued)

14.b.i) The cost of the specified activity is intermingled with many other similar recorded costs and cannot be separately identified.

14.b.ii) The performance of this activity is intermingled with other similar activities and was not forecasted as a separate cost in the development of the associated right-of-way maintenance workpaper (SCG-03-WP/Witness: J. Dagg Pgs 73 – 83). Its influence on expenses associated with the performance of right-of-way maintenance was presented as an example of many different items that result in the increasing cost associated with maintaining right-of-ways to ensure continuous access and safety of use.

14.c.i) SoCalGas did not develop its forecast of future year's right-of-way maintenance expense based on a projection of the specific cost impact of biological monitoring expense that SCG will need to pay for in any of the future years forecast of expense. The cost of this specified activity is intermingled with many other similar recorded costs and cannot be separately identified.

14.c.ii) SoCalGas's workpaper on right-of-way maintenance is provided in the associated workpapers identified as SCG-03-WP/Witness: J. Dagg, Pgs 73 – 83.

14.c.iii) A copy of the Service Agreement (contract) SoCalGas has with Rincon Consultants Inc. is attached.

Rincon - 5660013013 - sigr

14.d While the amount of necessary/non-deferrable right-of-way maintenance work is subject to vary in any given year, SoCalGas's 2010 forecast was based on a 'point-in-time' existence and knowledge as to the restrictive nature of existing budgetary constraints. As reflected by SoCalGas's 2010 Adj-Recorded spend for right-of-way maintenance activity, SoCalGas recorded a $192,000 increase spending for the activity. The increase in funding directed at this activity was enabled by the temporary shift of other O&M activity spending where schedule timing permitted.

TURN DATA REQUEST
TURN-SCG-DR-26
SOCALGAS 2012 GRC – A.10-12-006
SOCALGAS RESPONSE
DATE RECEIVED: AUGUST 1, 2011
DATE RESPONDED: AUGUST 15, 2011

15. Following up on TURN-SCG-03, Question 8e, please indicate whether SCG has hired employees to fill the positions of Process Manager and/or Process Analyst.

SoCalGas Response:

SoCalGas has not hired personnel to fill the positions of Process Manager and/or Process Analyst to date.