

TURN DATA REQUEST
TURN-SCG-DR-21
SOCALGAS 2012 GRC – A.10-12-006
SOCALGAS RESPONSE
DATE RECEIVED: JULY 20, 2011
DATE RESPONDED: AUGUST 3, 2011

1. SoCal is proposing to amortize a gain on sale of property of \$17,833,000 from the past over the six-year rate case cycle. (SCG-32, TJC-WP-43).
 - a. Please confirm that the \$17,711,000 of the \$17,833,000 was previously treated as a rate base offset in the 2008 Sempra GRC as shown in SCG-19, GGY WP-290 to 293 of the 2008 GRC?
 - b. Does Sempra propose to remove the unamortized balance of this gain on sale from rate base in the 2012 Sempra GRC? If so, please identify where in Mr. Yee's testimony and workpapers (SCG-26 in this case) the exclusion of the unamortized balance from rate base is shown. If not, why not.

SoCalGas Response:

- a. TURN's understanding is correct that \$17,711,000 was treated as a reduction to rate base through the end of 2007. Effective with TY 2008, the offset to rate base was removed and SoCalGas returned the gain to ratepayers as an annual adjustment of \$2,972,000 to miscellaneous revenue for a six-year period.
- b. There is no unamortized balance from the gain to offset rate base in the TY 2012. By including \$2,972,000 annually in miscellaneous revenue for six years, revenue requirement is lowered and ratepayers receive the full benefit of the gain. Therefore, no further reduction to rate base is necessary.