

**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.

A.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.

A.10-12-006
(Filed December 15, 2010)

**LITIGATION COMPARISON EXHIBIT
OF SOUTHERN CALIFORNIA GAS COMPANY**

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Chapter 1

Reports and References

EXHIBIT REFERENCE SORTED BY HEARING EXHIBIT NUMBER

Hearing Exhibit #	Party	Original Exhibit #	Description	Witness
Exh 1	SDG&E	Exh No:SDG&E-01-R	SDG&E POLICY OVERVIEW	Niggli, Michael R
Exh 2	SCG	Exh No:SCG-01-R	SOCALGAS POLICY OVERVIEW	Smith, Anne S
Exh 17	JP	JP	Joint Parties	L. Canty, J. Corralejo, F. Bautista
Exh 22	SDG&E	Exh No:SDG&E-02-R	GAS DISTRIBUTION	Orozco, Guillermina
Exh 25	SDG&E	Exh No:SDG&E-202	GAS DISTRIBUTION	Orozco, Guillermina
Exh 26	SCG	Exh No:SCG-02-R	GAS DISTRIBUTION	Orozco, Guillermina
Exh 29	SCG	Exh No:SCG-202	GAS DISTRIBUTION	Orozco, Guillermina
Exh 51	SDG&E	Exh No:SDG&E-04	ENGINEERING	Stanford, Raymond K
Exh 54	SDG&E	Exh No:SDG&E-204	ENGINEERING	Stanford, Raymond K
Exh 55	SCG	Exh No:SCG-05-R	ENGINEERING	Stanford, Raymond K
Exh 58	SCG	Exh No:SCG-205	ENGINEERING	Stanford, Raymond K
Exh 61	SDG&E	Exh No:SDG&E-05-R	ELECTRIC DISTRIBUTION	Furgerson, Scott P
Exh 63	SDG&E	Exh No:SDG&E-205	ELECTRIC DISTRIBUTION	Furgerson, Scott P
Exh 69	SDG&E	Exh No:SDG&E-06-R	ELECTRIC DISTRIBUTION - CAPITAL	Marcher, Alan B
Exh 70	SDG&E	Exh No:SDG&E-206	ELECTRIC DISTRIBUTION - CAPITAL	Marcher, Alan B
Exh 81	SDG&E	Exh No:SDG&E-08-R	ELECTRIC GENERATION - SONGS	DeMarco, Michael Lewis
Exh 84	SDG&E	Exh No:SDG&E-208	ELECTRIC GENERATION - SONGS	DeMarco, Michael Lewis
Exh 87	SDG&E	Exh No:SDG&E-03-R	GAS TRANSMISSION	Dagg, John L
Exh 89	SDG&E	Exh No:SDG&E-203	GAS TRANSMISSION	Dagg, John L
Exh 90	SCG	Exh No:SCG-03-R	GAS TRANSMISSION	Dagg, John L
Exh 92	SCG	Exh No:SCG-203	GAS TRANSMISSION	Dagg, John L
Exh 94	SDG&E	Exh No:SDG&E-12-R	CS - ELECTRIC METERING	Pruschki Jr, Paul C
Exh 96	SDG&E	Exh No:SDG&E-212	CS - ELECTRIC METERING	Pruschki Jr, Paul C
Exh 97	SDG&E	Exh No:SDG&E-07	ELECTRIC GENERATION	Baerman, Daniel S
Exh 100	SDG&E	Exh No:SDG&E-207	ELECTRIC GENERATION	Baerman, Daniel S
Exh 103	SDG&E	Exh No:SDG&E-17-R	FLEET SERVICES	Madariaga, Hector A

EXHIBIT REFERENCE SORTED BY HEARING EXHIBIT NUMBER

Hearing Exhibit #	Party	Original Exhibit #	Description	Witness
Exh 105	SDG&E	Exh No:SDG&E-217	FLEET SERVICES	Madariaga, Hector A
Exh 106	SCG	Exh No:SCG-11-R	FLEET SERVICES	Madariaga, Hector A
Exh 108	SCG	Exh No:SCG-211	FLEET SERVICES	Madariaga, Hector A
Exh 109	SDG&E	Exh No:SDG&E-09-R	SDG&E ELECTRIC & GAS PROCUREMENT	Garcia, Sue E
Exh 111	SDG&E	Exh No:SDG&E-209	SDG&E ELECTRIC & GAS PROCUREMENT	Garcia, Sue E
Exh 115	SDG&E	Exh No:SDG&E-10	SMART GRID POLICY	Krevat, Lee
Exh 117	SDG&E	Exh No:SDG&E-210	SMART GRID POLICY	Krevat, Lee
Exh 122	SDG&E	Exh No:SDG&E-11	SMART GRID	Bialek, Thomas O
Exh 125	SDG&E	Exh No:SDG&E-211	SMART GRID	Bialek, Thomas O
Exh 132	SDG&E	Exh No:SDG&E-14	CS - OFFICE OPERATIONS	Rahon, J Steve
Exh 134	SDG&E	Exh No:SDG&E-214	CS - OFFICE OPERATIONS	Rahon, J Steve
Exh 138	SDG&E	Exh No:SDG&E-13-R	CS - FIELD OPERATIONS & CUSTOMER CONTACT	Fong, Edward
Exh 140	SDG&E	Exh No:SDG&E-213	CS - FIELD OPERATIONS & CUSTOMER CONTACT	Fong, Edward
Exh 143	SCG	Exh No:SCG-07-R	CS - FIELD OPERATIONS & CUSTOMER CONTACT	Fong, Edward
Exh 145	SCG	Exh No:SCG-207	CS - FIELD OPERATIONS & CUSTOMER CONTACT	Fong, Edward
Exh 155	SDG&E	Exh No:SDG&E-15-R	CS - INFORMATION	Cordova, Kathleen H
Exh 157	SDG&E	Exh No:SDG&E-215	CS - INFORMATION	Cordova, Kathleen H
Exh 163	SDG&E	Exh No:SDG&E-20-R	REAL ESTATE, LAND & FACILITIES	Seifert, James Carl
Exh 166	SDG&E	Exh No:SDG&E-220	REAL ESTATE, LAND & FACILITIES	Seifert, James Carl
Exh 167	SCG	Exh No:SCG-14	REAL ESTATE, LAND & FACILITIES	Seifert, James Carl
Exh 170	SCG	Exh No:SCG-214	REAL ESTATE, LAND & FACILITIES	Seifert, James Carl
Exh 175	SDG&E	Exh No:SDG&E-18-R	INFORMATION TECHNOLOGY	Nichols, Jeffrey Cecil
Exh 178	SDG&E	Exh No:SDG&E-218	INFORMATION TECHNOLOGY	Nichols, Jeffrey Cecil
Exh 179	SCG	Exh No:SCG-12-R	INFORMATION TECHNOLOGY	Nichols, Jeffrey Cecil
Exh 182	SCG	Exh No:SCG-212	INFORMATION TECHNOLOGY	Nichols, Jeffrey Cecil

EXHIBIT REFERENCE SORTED BY HEARING EXHIBIT NUMBER

Hearing Exhibit #	Party	Original Exhibit #	Description	Witness
Exh 183	SDG&E	Exh No:SDG&E-19	OPEX 20/20	Phillips, Richard D
Exh 186	SCG	Exh No:SCG-13	OPEX 20/20	Phillips, Richard D
Exh 190	SDG&E	Exh No:SDG&E-22	EMERGENCY PREPAREDNESS & SAFETY	Edgar, Sarah E
Exh 193	SDG&E	Exh No:SDG&E-222	EMERGENCY PREPAREDNESS & SAFETY	Edgar, Sarah E
Exh 194	SCG	Exh No:SCG-16	EMERGENCY PREPAREDNESS & SAFETY	Edgar, Sarah E
Exh 197	SCG	Exh No:SCG-216	EMERGENCY PREPAREDNESS & SAFETY	Edgar, Sarah E
Exh 198	SCG	Exh No:SCG-21	HUMAN RESOURCES, DISABILITY & WORKERS COMP	Edgar, Sarah E
Exh 198	SDG&E	Exh No:SDG&E-27	HUMAN RESOURCES, DISABILITY & WORKERS COMP	Edgar, Sarah E
Exh 200	SDG&E	Exh No:SDG&E-227	HUMAN RESOURCES, DISABILITY & WORKERS COMP	Edgar, Sarah E
Exh 203	SCG	Exh No:SCG-221	HUMAN RESOURCES, DISABILITY & WORKERS COMP	Edgar, Sarah E
Exh 207	SDG&E	Exh No:SDG&E-30	SHARED SERVICES BILLING POLICY AND PROCESS	Reyes, Edward
Exh 209	SDG&E	Exh No:SDG&E-230	SHARED SERVICES BILLING POLICY AND PROCESS	Reyes, Edward
Exh 210	SCG	Exh No:SCG-24	SHARED SERVICES BILLING POLICY AND PROCESS	Reyes, Edward
Exh 212	SCG	Exh No:SCG-224	SHARED SERVICES BILLING POLICY AND PROCESS	Reyes, Edward
Exh 213	SDG&E	Exh No:SDG&E-24-R	CORPORATE CENTER - INSURANCE	De Bont, Maury Brendon
Exh 215	SCG	Exh No:SCG-18-R	CORPORATE CENTER - INSURANCE	De Bont, Maury Brendon
Exh 217	SDG&E-SCG	Exh No:SDG&E-224/SCG-218	CORPORATE CENTER - INSURANCE	De Bont, Maury Brendon
Exh 222	SDG&E	Exh No:SDG&E-32-R	RATE BASE	Yee, Garry G
Exh 224	SCG	Exh No:SCG-26-R	RATE BASE	Yee, Garry G
Exh 226	SDG&E-SCG	Exh No:SDG&E-232/SCG-226	RATE BASE	Yee, Garry G
Exh 228	SDG&E	Exh No:SDG&E-29	EXTERNAL AFFAIRS & LEGAL	Shepherd, Cheryl A
Exh 230	SDG&E	Exh No:SDG&E-229	EXTERNAL AFFAIRS & LEGAL	Shepherd, Cheryl A
Exh 231	SCG	Exh No:SCG-23	EXTERNAL AFFAIRS & LEGAL	Shepherd, Cheryl A

EXHIBIT REFERENCE SORTED BY HEARING EXHIBIT NUMBER

Hearing Exhibit #	Party	Original Exhibit #	Description	Witness
Exh 233	SCG	Exh No:SCG-223	EXTERNAL AFFAIRS & LEGAL	Shepherd, Cheryl A
Exh 236	SDG&E	Exh No:SDG&E-33-R	DEPRECIATION	Wieczorek, Robert J
Exh 240	SCG	Exh No:SCG-227	DEPRECIATION	Wieczorek, Robert J
Exh 241	SCG	Exh No:SCG-27-R	DEPRECIATION	Wieczorek, Robert J
Exh 244	SDG&E	Exh No:SDG&E-233	DEPRECIATION	Wieczorek, Robert J
Exh 246	SDG&E	Exh No:SDG&E-37	CUSTOMERS (GAS)	Wilder, Scott R
Exh 248	SDG&E	Exh No:SDG&E-38	ESCALATION	Wilder, Scott R
Exh 250	SDG&E	Exh No:SDG&E-237	CUSTOMERS (GAS)	Wilder, Scott R
Exh 251	SCG	Exh No:SCG-30	CUSTOMERS	Wilder, Scott R
Exh 253	SCG	Exh No:SCG-31	ESCALATION	Wilder, Scott R
Exh 255	SCG	Exh No:SCG-230	CUSTOMERS	Wilder, Scott R
Exh 256	SDG&E-SCG	Exh No:SDG&E-238/SCG-231	ESCALATION	Wilder, Scott R
Exh 262	SDG&E	Exh No:SDG&E-41	REGULATORY ACCOUNTS	Shimansky, Gregory D
Exh 264	SCG	Exh No:SCG-34	REGULATORY ACCOUNTS	Shimansky, Gregory D
Exh 266	SDG&E	Exh No:SDG&E-36	CUSTOMERS ELECTRIC	Schiermeyer, Kenneth E
Exh 268	SDG&E	Exh No:SDG&E-236	CUSTOMERS ELECTRIC	Schiermeyer, Kenneth E
Exh 272	SDG&E	Exh No:SDG&E-23-R	CORPORATE CENTER - GENERAL ADMINISTRATION	Folkmann, Bruce Allen
Exh 274	SCG	Exh No:SCG-17-R	CORPORATE CENTER - GENERAL ADMINISTRATION	Folkmann, Bruce Allen
Exh 276	SDG&E-SCG	Exh No:SDG&E-223/SCG-217	CORPORATE CENTER - GENERAL ADMINISTRATION	Folkmann, Bruce Allen
Exh 284	SDG&E-SCG	Exh No:SDG&E-253/SCG-243	Rebuttal Testimony	Travis
Exh 288	SDG&E	Exh No:SDG&E-16	SUPPLY SERVICES & DIVERSE BUSINESS ENTERPRISES	Sedgwick, Karen L
Exh 290	SDG&E	Exh No:SDG&E-216	SUPPLY SERVICES & DIVERSE BUSINESS ENTERPRISES	Sedgwick, Karen L
Exh 291	SCG	Exh No:SCG-10	SUPPLY SERVICES & DIVERSE BUSINESS ENTERPRISES	Sedgwick, Karen L
Exh 293	SCG	Exh No:SCG-210	SUPPLY SERVICES & DIVERSE BUSINESS ENTERPRISES	Sedgwick, Karen L
Exh 298	SDG&E	Exh No:SDG&E-34-R	TAXES	Rose, Randall G
Exh 300	SCG	Exh No:SCG-28-R	TAXES	Rose, Randall G

EXHIBIT REFERENCE SORTED BY HEARING EXHIBIT NUMBER

Hearing Exhibit #	Party	Original Exhibit #	Description	Witness
Exh 302	SDG&E-SCG	Exh No:SDG&E-234/SCG-228	TAXES	Rose, Randall G
Exh 313	SDG&E	Exh No:SDG&E-40	NON-TARIFFED PRODUCTS & SERVICES	Lane, Robert Carey
Exh 315	SCG	Exh No:SCG-33	NON-TARIFFED PRODUCTS & SERVICES	Lane, Robert Carey
Exh 317	SDG&E-SCG	Exh No:SDG&E-240/SCG-233	NON-TARIFFED PRODUCTS & SERVICES	Lane, Robert Carey
Exh 319	SCGC	SCGC	Southern California Generation Coalition	C. Yap
Exh 325	SDG&E	Exh No:SDG&E-21	ENVIRONMENTAL	Haines, Deanna
Exh 327	SDG&E	Exh No:SDG&E-221	ENVIRONMENTAL	Haines, Deanna
Exh 328	SCG	Exh No:SCG-15	ENVIRONMENTAL	Haines, Deanna
Exh 330	SCG	Exh No:SCG-215	ENVIRONMENTAL	Haines, Deanna
Exh 339	SDG&E	Exh No:SDG&E-28	A&G - CONTROLLER/FINANCE/REGULATORY AFFAIRS	Deremer, Kenneth J
Exh 341	SCG	Exh No:SCG-22	A&G - CONTROLLER/FINANCE/REGULATORY AFFAIRS	Deremer, Kenneth J
Exh 343	SDG&E-SCG	Exh No:SDG&E-228/SCG-222	A&G - CONTROLLER/FINANCE/REGULATORY AFFAIRS	Deremer, Kenneth J
Exh 346	SDG&E	Exh No:SDG&E-252	Rebuttal Testimony	Fong, Edward
Exh 349	SDG&E	Exh No:SDG&E-250	Rebuttal Testimony	Hayes, Gary H.
Exh 350	SDG&E-SCG	Exh No:SDG&E-254/SCG-244	Rebuttal Testimony	Hayes, Gary H.
Exh 358	SDG&E	Exh No:SDG&E-251	Rebuttal Testimony	Foster, Michael
Exh 359	SDG&E	Exh No:SDG&E-31-R	SHARED ASSETS	Moersen, Patrick D
Exh 360	SCG	Exh No:SCG-25-R	SHARED ASSETS	Moersen, Patrick D
Exh 361	SDG&E-SCG	Exh No:SDG&E-256/SCG-246	Rebuttal Testimony	Dais - Moersen
Exh 372	SDG&E	Exh No:SDG&E-25-R	COMPENSATION, HEALTH & WELFARE	Robinson, Debbie Sue
Exh 374	SDG&E	Exh No:SDG&E-225	COMPENSATION, HEALTH & WELFARE	Robinson, Debbie Sue
Exh 375	SCG	Exh No:SCG-19-R	COMPENSATION, HEALTH & WELFARE	Robinson, Debbie Sue
Exh 377	SCG	Exh No:SCG-219	COMPENSATION, HEALTH & WELFARE	Robinson, Debbie Sue
Exh 393	SCG	Exh No:SCG-247	Rebuttal Testimony	Serrano, Mark L

EXHIBIT REFERENCE SORTED BY HEARING EXHIBIT NUMBER

Hearing Exhibit #	Party	Original Exhibit #	Description	Witness
Exh 398	SDG&E	Exh No:SDG&E-46-R	POST-TEST YEAR RATEMAKING FRAMEWORK	Emmrich, Herbert S
Exh 400	SCG	Exh No:SCG-39-R	POST-TEST YEAR RATEMAKING FRAMEWORK	Emmrich, Herbert S
Exh 402	SDG&E-SCG	Exh No:SDG&E-246/SCG-239	POST-TEST YEAR RATEMAKING FRAMEWORK	Emmrich, Herbert S
Exh 404	SDG&E	Exh No:SDG&E-26-R	PENSION & PBOPs	Sarkaria, David I
Exh 406	SCG	Exh No:SCG-20-R	PENSION & PBOPs	Sarkaria, David I
Exh 408	SDG&E-SCG	Exh No:SDG&E-226/SCG-220	PENSION & PBOPs	Sarkaria, David I
Exh 413	SCG	Exh No:SCG-08	CS - OFFICE OPERATIONS	Baldwin, Michael H
Exh 415	SCG	Exh No:SCG-208	CS - OFFICE OPERATIONS	Baldwin, Michael H
Exh 417	SCG	Exh No:SCG-09	CS - INFORMATION	Wright, Gillian Alice
Exh 419	SCG	Exh No:SCG-209	CS - INFORMATION	Wright, Gillian Alice
Exh 427	SDG&E	Exh No:SDG&E-47-R	REVENUES AT PRESENT AND PROPOSED RATES – ELECTRIC/GAS	Fang, Cynthia
Exh 429	SDG&E	Exh No:SDG&E-247	REVENUES AT PRESENT AND PROPOSED RATES – ELECTRIC/GAS	Fang, Cynthia
Exh 430	SCG	Exh No:SCG-40-R	REVENUES AT PRESENT AND PROPOSED RATES	Lenart, Gary G
Exh 433	SDG&E	Exh No:SDG&E-39	MISCELLANEOUS REVENUES	Cahill, Todd J
Exh 435	SDG&E	Exh No:SDG&E-239	MISCELLANEOUS REVENUES	Cahill, Todd J
Exh 436	SCG	Exh No:SCG-32-R	MISCELLANEOUS REVENUES	Cahill, Todd J
Exh 439	SCG	Exh No:SCG-232	MISCELLANEOUS REVENUES	Cahill, Todd J
Exh 441	SCG	Exh No:SCG-35	COST CENTER TO FERC MAPPING	Nguyen, Khai
Exh 441	SDG&E	Exh No:SDG&E-42-R	COST CENTER TO FERC MAPPING	Nguyen, Khai
Exh 443	SCG	Exh No:SCG-06	SOCALGAS PROCUREMENT	Chang, Ibtissam T
Exh 445	SCG	Exh No:SCG-206	SOCALGAS PROCUREMENT	Chang, Ibtissam T
Exh 446	SDG&E	Exh No:SDG&E-44	PRODUCTIVITY	Lowry, Mark
Exh 448	SCG	Exh No:SCG-37	PRODUCTIVITY	Lowry, Mark
Exh 450	SDG&E	Exh No:SDG&E-49	UPDATED RESULTS OF OPERATIONS REPORT	Hiramoto, Deborah Ann
Exh 451	SDG&E	Exh No:SDG&E-45-R	SUMMARY OF EARNINGS	Hiramoto, Deborah Ann

EXHIBIT REFERENCE SORTED BY HEARING EXHIBIT NUMBER

Hearing Exhibit #	Party	Original Exhibit #	Description	Witness
Exh 452	SCG	Exh No:SCG-42	UPDATED RESULTS OF OPERATIONS REPORT	Hiramoto, Deborah Ann
Exh 453	SCG	Exh No:SCG-38-R	SUMMARY OF EARNINGS	Hiramoto, Deborah Ann
Exh 454	SDG&E-SCG	Exh No:SDG&E-245/SCG-238	SUMMARY OF EARNINGS	Hiramoto, Deborah Ann
Exh 456	SDG&E	Exh No:SDG&E-48	COMPLIANCE	Steinberg, Andrew Edward
Exh 457	SCG	Exh No:SCG-41	COMPLIANCE	Steinberg, Andrew Edward
Exh 458	SDG&E	Exh No:SDG&E-43-R	SEGMENTATION AND RE-ASSIGNMENT RATES	Agarwal, Rajan
Exh 460	SCG	Exh No:SCG-36-R	RE-ASSIGNMENT RATES	Agarwal, Rajan
Exh 462	SDG&E	Exh No:SDG&E-35-R	WORKING CASH	Lewis, Jack S
Exh 464	SCG	Exh No:SCG-29-R	WORKING CASH	Lewis, Jack S
Exh 466	SCG	Exh No:SCG-04-R	SOCALGAS UNDERGROUND STORAGE	Mansdorfer, James D
Exh 470	SCG	Exh No:SCG-204	SOCALGAS UNDERGROUND STORAGE	Mansdorfer, James D
Exh 471	DRA	DRA-36	SDG&E & SCG Depreciation	M. Kanter
Exh 476	DRA	DRA-4	SDG&E Electric Generation O&M Expense	L. Laserson
Exh 477	DRA	DRA-5	SDG&E Electric Generation, SONGS O&M Expenses	L. Laserson
Exh 478	DRA	DRA-10	SDG&E Electric Distribution O&M Expenses	L. Laserson
Exh 479	DRA	DRA-13	SDG&E Electric Procurement	L. Laserson
Exh 480	DRA	DRA-37	SDG&E and SCG Taxes	M. Loy
Exh 481	DRA	DRA-37-E	ERRATA SDG&E and SCG Taxes	M. Loy
Exh 485	DRA	DRA-11	SDG&E Electric Distribution Capital Expenditures	L. Krannawitter
Exh 486	DRA	DRA-12	SDG&E Generation Capital	L. Krannawitter
Exh 487	DRA	DRA-14	SDG&E Smart Grid Policy Smart Grid Infrastructure	L. Krannawitter
Exh 490	DRA	DRA-50	Report on the Results of Examination for SDG&E and SCG General Ratecase	F. Fok, G. Novack
Exh 491	DRA	DRA-50-E	ERRATA Report on the Results of Examination for SDG&E and SCG General Ratecase	F. Fok, G. Novack
Exh 493	DRA	DRA-6	SDG&E/SCG Escalation	T. Renaghan
Exh 494	DRA	DRA-39	SDG&E and SCG Total Factor Productivity Study	T. Renaghan
Exh 495	DRA	DRA-42	SoCalGas - Customers	T. Renaghan
Exh 496	DRA	DRA-26	SDG&E & SCG Corporate Center – A&G Expenses	D. F. Bower

EXHIBIT REFERENCE SORTED BY HEARING EXHIBIT NUMBER

Hearing Exhibit #	Party	Original Exhibit #	Description	Witness
Exh 497	DRA	DRA-26-E	ERRATA SDG&E & SCG Corporate Center – A&G Expenses	D. F. Bower
Exh 498	DRA	DRA-27	SDG&E & SCG Corporate Center – Insurance Expenses	D. F. Bower
Exh 499	DRA	DRA-35	SDG&E & SCG Rate Base and Working Cash	D. F. Bower
Exh 500	DRA	DRA-1	SDG&E Executive Summary	J. Wuehler
Exh 501	DRA	DRA-2	SDG&E Summary Of Earnings	P. Chan
Exh 502	DRA	DRA-2-E	ERRATA SDG&E Summary Of Earnings	P. Chan
Exh 503	DRA	DRA-7	SDG&E Gas Distribution O&M Expenses and Capital Expenditures	G. Ezekwo
Exh 504	DRA	DRA-8	SDG&E Gas Transmission O&M Expenses and Capital Expenditures	G. Ezekwo
Exh 505	DRA	DRA-9	SDG&E Gas Engineering O&M Expenses and Capital Expenditures	G. Ezekwo
Exh 506	DRA	DRA-15	SDG&E Customer Services Electric Metering & Smart Meter Policy O&M Expenses and Capital Expenditures	M. Gomberg
Exh 507	DRA	DRA-16	SDG&E Customer Services-Field Operations & Customer Contact O&M Expenses and Capital Expenditures	M. Gomberg
Exh 508	DRA	DRA-16-E	ERRATA SDG&E Customer Services-Field Operations & Customer Contact O&M Expenses and Capital Expenditures	M. Gomberg
Exh 509	DRA	DRA-17	SDG&E Customer Services-Office Operations O&M Expenses and Capital Expenditures	M. Gomberg
Exh 510	DRA	DRA-18	SDG&E Customer Services – Information O&M Expenses and Capital Expenditures	M. Gomberg
Exh 511	DRA	DRA-18-E	ERRATA SDG&E Customer Services – Information O&M Expenses and Capital Expenditures	M. Gomberg
Exh 512	DRA	DRA-19	SDG&E & SCG Supply Service & Diverse Business Enterprises O&M Expenses	M. Sierra
Exh 513	DRA	DRA-20	SDG&E & SCG Fleet Services O&M Expenses	M. Sierra
Exh 514	DRA	DRA-21	SDG&E & SCG Information Technology O&M and Capital Expenditures	J. Lee
Exh 515	DRA	DRA-21-E	ERRATA SDG&E & SCG Information Technology O&M Expenses and Capital Expenditures	J. Lee

EXHIBIT REFERENCE SORTED BY HEARING EXHIBIT NUMBER

Hearing Exhibit #	Party	Original Exhibit #	Description	Witness
Exh 516	DRA	DRA-23	SDG&E & SCG Real Estate, Land & Facilities O&M Expenses and Capital Expenditures	M. Sierra
Exh 517	DRA	DRA-24	SDG&E & SCG Environmental O&M Expenses	M. Sierra
Exh 518	DRA	DRA-24-E	ERRATA SDG&E & SCG Environmental O&M Expenses	M. Sierra
Exh 519	DRA	DRA-25	SDG&E & SCG Safety & Emergency Preparedness	M. Sierra
Exh 520	DRA	DRA-28	SDG&E & SCG Compensation and Incentives	D. Phan
Exh 521	DRA	DRA-29	SDG&E & SCG Health & Welfare Expenses	S. Hunter
Exh 522	DRA	DRA-30	SDG&E & SCG Pensions and PBOPs	S. Hunter
Exh 523	DRA	DRA-31	SDG&E & SCG Human Resources, Disability & Workers Compensation A&G Expenses	M. Campbell
Exh 524	DRA	DRA-31-E	ERRATA SDG&E & SCG Human Resources, Disability & Workers Compensation A&G Expenses	M. Campbell
Exh 525	DRA	DRA-32	SDG&E & SCG Controller, Regulatory Affairs & Finance A&G Expenses	M. Campbell
Exh 526	DRA	DRA-32-E	ERRATA SDG&E & SCG Controller, Regulatory Affairs & Finance A&G Expenses	M. Campbell
Exh 527	DRA	DRA-33	SDG&E & SCG External Affairs & Legal A&G Expenses	M. Campbell
Exh 528	DRA	DRA-34	SDG&E & SCG Shared Services Billing Policy & Process	D. Phan
Exh 529	DRA	DRA-38	Post Test Year Ratemaking Framework	T. Burns
Exh 530	DRA	DRA-40	SCG Executive Summary	T. Burns
Exh 531	DRA	DRA-41	SCG Summary of Earnings	P. Chan
Exh 532	DRA	DRA-41-E	ERRATA SCG Summary of Earnings	P. Chan
Exh 533	DRA	DRA-44	SCG Gas Distribution, Gas Transmission, Underground Storage and Gas Engineering O&M Expenses	D. Phan
Exh 534	DRA	DRA-44-E	ERRATA SCG Gas Distribution, Gas Transmission, Underground Storage and Gas Engineering O&M Expenses	D. Phan
Exh 535	DRA	DRA-45	SCG Distribution, Underground Storage, Gas Engineering and Transmission Capital Expenditures	K. Lee

EXHIBIT REFERENCE SORTED BY HEARING EXHIBIT NUMBER

Hearing Exhibit #	Party	Original Exhibit #	Description	Witness
Exh 536	DRA	DRA-46	SoCalGas - Gas Procurement	D. Phan
Exh 537	DRA	DRA-47	SCG Customer Services – Customer Service Field Operations & Customer Contact O&M Expenses and Capital Expenditures	M. Gomberg
Exh 538	DRA	DRA-48	SCG Customer Services–Office Operations O&M Expenses and Capital Expenditures	M. Gomberg
Exh 539	DRA	DRA-49	SCG Customer Services – Information O&M Expenses and Capital Expenditures	M. Gomberg
Exh 543	TURN-UCAN	TURN-UCAN	Joint Testimony of W. B. Marcus on behalf of TURN and UCAN	W. B. Marcus
Exh 545	TURN	TURN	Direct Testimony of W. B. Marcus on behalf of TURN	W. B. Marcus
Exh 548	TURN	TURN	Direct Testimony of G. Jones on behalf of TURN	G. Jones
Exh 550	TURN	TURN	Direct Testimony of J. A. Nahigian on behalf of TURN	J. A. Nahigian
Exh 551	TURN	TURN	Direct Testimony of Pous on behalf of TURN	J. Pous
Exh 552	TURN-UCAN	TURN-UCAN	Joint Testimony of J. Pous on Behalf of TURN and UCAN	J. Pous
Exh 554	TURN	TURN	Direct Testimony of Finkelstein on behalf of TURN	Finkelstein
Exh 555	UCAN	UCAN	Direct Testimony of M. Shames on behalf of UCAN	M. Shames
Exh 556	UCAN	UCAN	Direct Testimony of S. Hempling on behalf of UCAN	S. Hempling
Exh 557	UCAN	UCAN	Direct Testimony of McClary-Norin on behalf of UCAN	S. McClary-L. Norin
Exh 558	UCAN	UCAN	Direct Testimony of W. B. Marcus on behalf of UCAN	W. B. Marcus
Exh 559	UCAN	UCAN	Direct Testimony of G. Jones on behalf of UCAN	G. Jones
Exh 560	UCAN	UCAN	Direct Testimony of J. Sugar on behalf of UCAN	J. Sugar
Exh 561	UCAN	UCAN	Direct Testimony of J. A. Nahigian on behalf of UCAN	J. A. Nahigian
Exh 562	UCAN	UCAN	Direct Testimony of D. R. Croyle on behalf of UCAN	D. R. Croyle
Exh 563	UCAN	UCAN	Direct Testimony of G.M. Schilberg on behalf of UCAN	G.M. Schilberg
Exh 566	UCAN	UCAN	Direct Testimony of R. Sulpizio on behalf of UCAN	R. Sulpizio
Exh 568	UCAN	UCAN	Direct Testimony of D. Pennington on behalf of UCAN	D. Pennington

EXHIBIT REFERENCE SORTED BY HEARING EXHIBIT NUMBER

Hearing Exhibit #	Party	Original Exhibit #	Description	Witness
Exh 577	FEA	FEA	Federal Executive Agencies	R. C. Smith
Exh 580	UWUA	UWUA-1	Utility Workers Union of America - 1	C. Wood
Exh 581	UWUA	UWUA-2	Utility Workers Union of America - 2	A. Frias
Exh 582	UWUA	UWUA-3	Utility Workers Union of America - 3	J. Devlin
Exh 583	UWUA	UWUA-4	Utility Workers Union of America - 4	N. Logan
Exh 584	UWUA	UWUA-5	Utility Workers Union of America - 5	J. Salas
Exh 585	UWUA	UWUA-6	Utility Workers Union of America - 6	A. Robles
Exh 586	UWUA	UWUA-7	Utility Workers Union of America - 7	M. Barber
Exh 587	UWUA	UWUA-8	Utility Workers Union of America - 8	R. Carrasco
Exh 591	CCUE	CCUE	Coalition of California Utility Employees	D. Marcus
Exh 593	C4AT	C4AT	Center For Accessible Technologies-L. Hopper	L. Hopper
Exh 594	C4AT	C4AT	Center For Accessible Technologies-D. Belser	D. Belser

EXHIBIT REFERENCE SORTED BY PARTY AND ORIGINAL EXHIBIT NUMBER

Party	Original Exhibit #	Hearing Exhibit #	Description	Witness
SDG&E	Exh No:SDG&E-01-R	Exh 1	SDG&E POLICY OVERVIEW	Niggli, Michael R
SDG&E	Exh No:SDG&E-02-R	Exh 22	GAS DISTRIBUTION	Orozco, Guillermina
SDG&E	Exh No:SDG&E-03-R	Exh 87	GAS TRANSMISSION	Dagg, John L
SDG&E	Exh No:SDG&E-04	Exh 51	ENGINEERING	Stanford, Raymond K
SDG&E	Exh No:SDG&E-05-R	Exh 61	ELECTRIC DISTRIBUTION	Furgerson, Scott P
SDG&E	Exh No:SDG&E-06-R	Exh 69	ELECTRIC DISTRIBUTION - CAPITAL	Marcher, Alan B
SDG&E	Exh No:SDG&E-07	Exh 97	ELECTRIC GENERATION	Baerman, Daniel S
SDG&E	Exh No:SDG&E-08-R	Exh 81	ELECTRIC GENERATION - SONGS	DeMarco, Michael Lewis
SDG&E	Exh No:SDG&E-09-R	Exh 109	SDG&E ELECTRIC & GAS PROCUREMENT	Garcia, Sue E
SDG&E	Exh No:SDG&E-10	Exh 115	SMART GRID POLICY	Krevat, Lee
SDG&E	Exh No:SDG&E-11	Exh 122	SMART GRID	Bialek, Thomas O
SDG&E	Exh No:SDG&E-12-R	Exh 94	CS - ELECTRIC METERING	Pruschki Jr, Paul C
SDG&E	Exh No:SDG&E-13-R	Exh 138	CS - FIELD OPERATIONS & CUSTOMER CONTACT	Fong, Edward
SDG&E	Exh No:SDG&E-14	Exh 132	CS - OFFICE OPERATIONS	Rahon, J Steve
SDG&E	Exh No:SDG&E-15-R	Exh 155	CS - INFORMATION	Cordova, Kathleen H
SDG&E	Exh No:SDG&E-16	Exh 288	SUPPLY SERVICES & DIVERSE BUSINESS ENTERPRISES	Sedgwick, Karen L
SDG&E	Exh No:SDG&E-17-R	Exh 103	FLEET SERVICES	Madariaga, Hector A
SDG&E	Exh No:SDG&E-18-R	Exh 175	INFORMATION TECHNOLOGY	Nichols, Jeffrey Cecil
SDG&E	Exh No:SDG&E-19	Exh 183	OPEX 20/20	Phillips, Richard D
SDG&E	Exh No:SDG&E-20-R	Exh 163	REAL ESTATE, LAND & FACILITIES	Seifert, James Carl
SDG&E	Exh No:SDG&E-21	Exh 325	ENVIRONMENTAL	Haines, Deanna
SDG&E	Exh No:SDG&E-22	Exh 190	EMERGENCY PREPAREDNESS & SAFETY	Edgar, Sarah E
SDG&E	Exh No:SDG&E-23-R	Exh 272	CORPORATE CENTER - GENERAL ADMINISTRATION	Folkmann, Bruce Allen
SDG&E	Exh No:SDG&E-24-R	Exh 213	CORPORATE CENTER - INSURANCE	De Bont, Maury Brendon
SDG&E	Exh No:SDG&E-25-R	Exh 372	COMPENSATION, HEALTH & WELFARE	Robinson, Debbie Sue
SDG&E	Exh No:SDG&E-26-R	Exh 404	PENSION & PBOPs	Sarkaria, David I

EXHIBIT REFERENCE SORTED BY PARTY AND ORIGINAL EXHIBIT NUMBER

Party	Original Exhibit #	Hearing Exhibit #	Description	Witness
SDG&E	Exh No:SDG&E-27	Exh 198	HUMAN RESOURCES, DISABILITY & WORKERS COMP	Edgar, Sarah E
SDG&E	Exh No:SDG&E-28	Exh 339	A&G - CONTROLLER/FINANCE/REGUL ATORY AFFAIRS	Deremer, Kenneth J
SDG&E	Exh No:SDG&E-29	Exh 228	EXTERNAL AFFAIRS & LEGAL	Shepherd, Cheryl A
SDG&E	Exh No:SDG&E-30	Exh 207	SHARED SERVICES BILLING POLICY AND PROCESS	Reyes, Edward
SDG&E	Exh No:SDG&E-31-R	Exh 359	SHARED ASSETS	Moersen, Patrick D
SDG&E	Exh No:SDG&E-32-R	Exh 222	RATE BASE	Yee, Garry G
SDG&E	Exh No:SDG&E-33-R	Exh 236	DEPRECIATION	Wieczorek, Robert J
SDG&E	Exh No:SDG&E-34-R	Exh 298	TAXES	Rose, Randall G
SDG&E	Exh No:SDG&E-35-R	Exh 462	WORKING CASH	Lewis, Jack S
SDG&E	Exh No:SDG&E-36	Exh 266	CUSTOMERS ELECTRIC	Schiermeyer, Kenneth E
SDG&E	Exh No:SDG&E-37	Exh 246	CUSTOMERS (GAS)	Wilder, Scott R
SDG&E	Exh No:SDG&E-38	Exh 248	ESCALATION	Wilder, Scott R
SDG&E	Exh No:SDG&E-39	Exh 433	MISCELLANEOUS REVENUES	Cahill, Todd J
SDG&E	Exh No:SDG&E-40	Exh 313	NON-TARIFFED PRODUCTS & SERVICES	Lane, Robert Carey
SDG&E	Exh No:SDG&E-41	Exh 262	REGULATORY ACCOUNTS	Shimansky, Gregory D
SDG&E	Exh No:SDG&E-42-R	Exh 441	COST CENTER TO FERC MAPPING	Nguyen, Khai
SDG&E	Exh No:SDG&E-43-R	Exh 458	SEGMENTATION AND RE-ASSIGNMENT RATES	Agarwal, Rajan
SDG&E	Exh No:SDG&E-44	Exh 446	PRODUCTIVITY	Lowry, Mark
SDG&E	Exh No:SDG&E-45-R	Exh 451	SUMMARY OF EARNINGS	Hiramoto, Deborah Ann
SDG&E	Exh No:SDG&E-46-R	Exh 398	POST-TEST YEAR RATEMAKING FRAMEWORK	Emmrich, Herbert S
SDG&E	Exh No:SDG&E-47-R	Exh 427	REVENUES AT PRESENT AND PROPOSED RATES – ELECTRIC/GAS	Fang, Cynthia
SDG&E	Exh No:SDG&E-48	Exh 456	COMPLIANCE	Steinberg, Andrew Edward
SDG&E	Exh No:SDG&E-49	Exh 450	UPDATED RESULTS OF OPERATIONS REPORT	Hiramoto, Deborah Ann
SDG&E	Exh No:SDG&E-202	Exh 25	GAS DISTRIBUTION	Orozco, Guillermina
SDG&E	Exh No:SDG&E-203	Exh 89	GAS TRANSMISSION	Dagg, John L
SDG&E	Exh No:SDG&E-204	Exh 54	ENGINEERING	Stanford, Raymond K

EXHIBIT REFERENCE SORTED BY PARTY AND ORIGINAL EXHIBIT NUMBER

Party	Original Exhibit #	Hearing Exhibit #	Description	Witness
SDG&E	Exh No:SDG&E-205	Exh 63	ELECTRIC DISTRIBUTION	Furgerson, Scott P
SDG&E	Exh No:SDG&E-206	Exh 70	ELECTRIC DISTRIBUTION - CAPITAL	Marcher, Alan B
SDG&E	Exh No:SDG&E-207	Exh 100	ELECTRIC GENERATION	Baerman, Daniel S
SDG&E	Exh No:SDG&E-208	Exh 84	ELECTRIC GENERATION - SONGS	DeMarco, Michael Lewis
SDG&E	Exh No:SDG&E-209	Exh 111	SDG&E ELECTRIC & GAS PROCUREMENT	Garcia, Sue E
SDG&E	Exh No:SDG&E-210	Exh 117	SMART GRID POLICY	Krevat, Lee
SDG&E	Exh No:SDG&E-211	Exh 125	SMART GRID	Bialek, Thomas O
SDG&E	Exh No:SDG&E-212	Exh 96	CS - ELECTRIC METERING	Pruschki Jr, Paul C
SDG&E	Exh No:SDG&E-213	Exh 140	CS - FIELD OPERATIONS & CUSTOMER CONTACT	Fong, Edward
SDG&E	Exh No:SDG&E-214	Exh 134	CS - OFFICE OPERATIONS	Rahon, J Steve
SDG&E	Exh No:SDG&E-215	Exh 157	CS - INFORMATION	Cordova, Kathleen H
SDG&E	Exh No:SDG&E-216	Exh 290	SUPPLY SERVICES & DIVERSE BUSINESS ENTERPRISES	Sedgwick, Karen L
SDG&E	Exh No:SDG&E-217	Exh 105	FLEET SERVICES	Madariaga, Hector A
SDG&E	Exh No:SDG&E-218	Exh 178	INFORMATION TECHNOLOGY	Nichols, Jeffrey Cecil
SDG&E	Exh No:SDG&E-220	Exh 166	REAL ESTATE, LAND & FACILITIES	Seifert, James Carl
SDG&E	Exh No:SDG&E-221	Exh 327	ENVIRONMENTAL	Haines, Deanna
SDG&E	Exh No:SDG&E-222	Exh 193	EMERGENCY PREPAREDNESS & SAFETY	Edgar, Sarah E
SDG&E	Exh No:SDG&E-225	Exh 374	COMPENSATION, HEALTH & WELFARE	Robinson, Debbie Sue
SDG&E	Exh No:SDG&E-227	Exh 200	HUMAN RESOURCES, DISABILITY & WORKERS COMP	Edgar, Sarah E
SDG&E	Exh No:SDG&E-229	Exh 230	EXTERNAL AFFAIRS & LEGAL	Shepherd, Cheryl A
SDG&E	Exh No:SDG&E-230	Exh 209	SHARED SERVICES BILLING POLICY AND PROCESS	Reyes, Edward
SDG&E	Exh No:SDG&E-233	Exh 244	DEPRECIATION	Wieczorek, Robert J
SDG&E	Exh No:SDG&E-236	Exh 268	CUSTOMERS ELECTRIC	Schiermeyer, Kenneth E
SDG&E	Exh No:SDG&E-237	Exh 250	CUSTOMERS (GAS)	Wilder, Scott R
SDG&E	Exh No:SDG&E-239	Exh 435	MISCELLANEOUS REVENUES	Cahill, Todd J

EXHIBIT REFERENCE SORTED BY PARTY AND ORIGINAL EXHIBIT NUMBER

Party	Original Exhibit #	Hearing Exhibit #	Description	Witness
SDG&E	Exh No:SDG&E-247	Exh 429	REVENUES AT PRESENT AND PROPOSED RATES – ELECTRIC/GAS	Fang, Cynthia
SDG&E	Exh No:SDG&E-250	Exh 349	Rebuttal Testimony	Hayes, Gary H.
SDG&E	Exh No:SDG&E-251	Exh 358	Rebuttal Testimony	Foster, Michael
SDG&E	Exh No:SDG&E-252	Exh 346	Rebuttal Testimony	Fong, Edward
SCG	Exh No:SCG-01-R	Exh 2	SOCALGAS POLICY OVERVIEW	Smith, Anne S
SCG	Exh No:SCG-02-R	Exh 26	GAS DISTRIBUTION	Orozco, Guillermina
SCG	Exh No:SCG-03-R	Exh 90	GAS TRANSMISSION	Dagg, John L
SCG	Exh No:SCG-04-R	Exh 466	SOCALGAS UNDERGROUND STORAGE	Mansdorfer, James D
SCG	Exh No:SCG-05-R	Exh 55	ENGINEERING	Stanford, Raymond K
SCG	Exh No:SCG-06	Exh 443	SOCALGAS PROCUREMENT	Chang, Ibtissam T
SCG	Exh No:SCG-07-R	Exh 143	CS - FIELD OPERATIONS & CUSTOMER CONTACT	Fong, Edward
SCG	Exh No:SCG-08	Exh 413	CS - OFFICE OPERATIONS	Baldwin, Michael H
SCG	Exh No:SCG-09	Exh 417	CS - INFORMATION	Wright, Gillian Alice
SCG	Exh No:SCG-10	Exh 291	SUPPLY SERVICES & DIVERSE BUSINESS ENTERPRISES	Sedgwick, Karen L
SCG	Exh No:SCG-11-R	Exh 106	FLEET SERVICES	Madariaga, Hector A
SCG	Exh No:SCG-12-R	Exh 179	INFORMATION TECHNOLOGY	Nichols, Jeffrey Cecil
SCG	Exh No:SCG-13	Exh 186	OPEX 20/20	Phillips, Richard D
SCG	Exh No:SCG-14	Exh 167	REAL ESTATE, LAND & FACILITIES	Seifert, James Carl
SCG	Exh No:SCG-15	Exh 328	ENVIRONMENTAL	Haines, Deanna
SCG	Exh No:SCG-16	Exh 194	EMERGENCY PREPAREDNESS & SAFETY	Edgar, Sarah E
SCG	Exh No:SCG-17-R	Exh 274	CORPORATE CENTER - GENERAL ADMINISTRATION	Folkmann, Bruce Allen
SCG	Exh No:SCG-18-R	Exh 215	CORPORATE CENTER - INSURANCE	De Bont, Maury Brendon
SCG	Exh No:SCG-19-R	Exh 375	COMPENSATION, HEALTH & WELFARE	Robinson, Debbie Sue
SCG	Exh No:SCG-20-R	Exh 406	PENSION & PBOPs	Sarkaria, David I
SCG	Exh No:SCG-21	Exh 198	HUMAN RESOURCES, DISABILITY & WORKERS COMP	Edgar, Sarah E
SCG	Exh No:SCG-22	Exh 341	A&G - CONTROLLER/FINANCE/REGULATORY AFFAIRS	Deremer, Kenneth J

EXHIBIT REFERENCE SORTED BY PARTY AND ORIGINAL EXHIBIT NUMBER

Party	Original Exhibit #	Hearing Exhibit #	Description	Witness
SCG	Exh No:SCG-23	Exh 231	EXTERNAL AFFAIRS & LEGAL	Shepherd, Cheryl A
SCG	Exh No:SCG-24	Exh 210	SHARED SERVICES BILLING POLICY AND PROCESS	Reyes, Edward
SCG	Exh No:SCG-25-R	Exh 360	SHARED ASSETS	Moersen, Patrick D
SCG	Exh No:SCG-26-R	Exh 224	RATE BASE	Yee, Garry G
SCG	Exh No:SCG-27-R	Exh 241	DEPRECIATION	Wieczorek, Robert J
SCG	Exh No:SCG-28-R	Exh 300	TAXES	Rose, Randall G
SCG	Exh No:SCG-29-R	Exh 464	WORKING CASH	Lewis, Jack S
SCG	Exh No:SCG-30	Exh 251	CUSTOMERS	Wilder, Scott R
SCG	Exh No:SCG-31	Exh 253	ESCALATION	Wilder, Scott R
SCG	Exh No:SCG-32-R	Exh 436	MISCELLANEOUS REVENUES	Cahill, Todd J
SCG	Exh No:SCG-33	Exh 315	NON-TARIFFED PRODUCTS & SERVICES	Lane, Robert Carey
SCG	Exh No:SCG-34	Exh 264	REGULATORY ACCOUNTS	Shimansky, Gregory D
SCG	Exh No:SCG-35	Exh 441	COST CENTER TO FERC MAPPING	Nguyen, Khai
SCG	Exh No:SCG-36-R	Exh 460	RE-ASSIGNMENT RATES	Agarwal, Rajan
SCG	Exh No:SCG-37	Exh 448	PRODUCTIVITY	Lowry, Mark
SCG	Exh No:SCG-38-R	Exh 453	SUMMARY OF EARNINGS	Hiramoto, Deborah Ann
SCG	Exh No:SCG-39-R	Exh 400	POST-TEST YEAR RATEMAKING FRAMEWORK	Emmrich, Herbert S
SCG	Exh No:SCG-40-R	Exh 430	REVENUES AT PRESENT AND PROPOSED RATES	Lenart, Gary G
SCG	Exh No:SCG-41	Exh 457	COMPLIANCE	Steinberg, Andrew Edward
SCG	Exh No:SCG-42	Exh 452	UPDATED RESULTS OF OPERATIONS REPORT	Hiramoto, Deborah Ann
SCG	Exh No:SCG-202	Exh 29	GAS DISTRIBUTION	Orozco, Guillermina
SCG	Exh No:SCG-203	Exh 92	GAS TRANSMISSION	Dagg, John L
SCG	Exh No:SCG-204	Exh 470	SOCALGAS UNDERGROUND STORAGE	Mansdorfer, James D
SCG	Exh No:SCG-205	Exh 58	ENGINEERING	Stanford, Raymond K
SCG	Exh No:SCG-206	Exh 445	SOCALGAS PROCUREMENT	Chang, Ibtissam T
SCG	Exh No:SCG-207	Exh 145	CS - FIELD OPERATIONS & CUSTOMER CONTACT	Fong, Edward
SCG	Exh No:SCG-208	Exh 415	CS - OFFICE OPERATIONS	Baldwin, Michael H

EXHIBIT REFERENCE SORTED BY PARTY AND ORIGINAL EXHIBIT NUMBER

Party	Original Exhibit #	Hearing Exhibit #	Description	Witness
SCG	Exh No:SCG-209	Exh 419	CS - INFORMATION	Wright, Gillian Alice
SCG	Exh No:SCG-210	Exh 293	SUPPLY SERVICES & DIVERSE BUSINESS ENTERPRISES	Sedgwick, Karen L
SCG	Exh No:SCG-211	Exh 108	FLEET SERVICES	Madariaga, Hector A
SCG	Exh No:SCG-212	Exh 182	INFORMATION TECHNOLOGY	Nichols, Jeffrey Cecil
SCG	Exh No:SCG-214	Exh 170	REAL ESTATE, LAND & FACILITIES	Seifert, James Carl
SCG	Exh No:SCG-215	Exh 330	ENVIRONMENTAL	Haines, Deanna
SCG	Exh No:SCG-216	Exh 197	EMERGENCY PREPAREDNESS & SAFETY	Edgar, Sarah E
SCG	Exh No:SCG-219	Exh 377	COMPENSATION, HEALTH & WELFARE	Robinson, Debbie Sue
SCG	Exh No:SCG-221	Exh 203	HUMAN RESOURCES, DISABILITY & WORKERS COMP	Edgar, Sarah E
SCG	Exh No:SCG-223	Exh 233	EXTERNAL AFFAIRS & LEGAL	Shepherd, Cheryl A
SCG	Exh No:SCG-224	Exh 212	SHARED SERVICES BILLING POLICY AND PROCESS	Reyes, Edward
SCG	Exh No:SCG-227	Exh 240	DEPRECIATION	Wieczorek, Robert J
SCG	Exh No:SCG-230	Exh 255	CUSTOMERS	Wilder, Scott R
SCG	Exh No:SCG-232	Exh 439	MISCELLANEOUS REVENUES	Cahill, Todd J
SCG	Exh No:SCG-247	Exh 393	Rebuttal Testimony	Serrano, Mark L
SDG&E-SCG	Exh No:SDG&E-223/SCG-217	Exh 276	CORPORATE CENTER - GENERAL ADMINISTRATION	Folkmann, Bruce Allen
SDG&E-SCG	Exh No:SDG&E-224/SCG-218	Exh 217	CORPORATE CENTER - INSURANCE	De Bont, Maury Brendon
SDG&E-SCG	Exh No:SDG&E-226/SCG-220	Exh 408	PENSION & PBOPs	Sarkaria, David I
SDG&E-SCG	Exh No:SDG&E-228/SCG-222	Exh 343	A&G - CONTROLLER/FINANCE/REGULATORY AFFAIRS	Deremer, Kenneth J
SDG&E-SCG	Exh No:SDG&E-232/SCG-226	Exh 226	RATE BASE	Yee, Garry G
SDG&E-SCG	Exh No:SDG&E-234/SCG-228	Exh 302	TAXES	Rose, Randall G
SDG&E-SCG	Exh No:SDG&E-238/SCG-231	Exh 256	ESCALATION	Wilder, Scott R

EXHIBIT REFERENCE SORTED BY PARTY AND ORIGINAL EXHIBIT NUMBER

Party	Original Exhibit #	Hearing Exhibit #	Description	Witness
SDG&E-SCG	Exh No:SDG&E-240/SCG-233	Exh 317	NON-TARIFFED PRODUCTS & SERVICES	Lane, Robert Carey
SDG&E-SCG	Exh No:SDG&E-245/SCG-238	Exh 454	SUMMARY OF EARNINGS	Hiramoto, Deborah Ann
SDG&E-SCG	Exh No:SDG&E-246/SCG-239	Exh 402	POST-TEST YEAR RATEMAKING FRAMEWORK	Emmrich, Herbert S
SDG&E-SCG	Exh No:SDG&E-253/SCG-243	Exh 284	Rebuttal Testimony	Travis
SDG&E-SCG	Exh No:SDG&E-254/SCG-244	Exh 350	Rebuttal Testimony	Hayes, Gary H.
SDG&E-SCG	Exh No:SDG&E-256/SCG-246	Exh 361	Rebuttal Testimony	Dais - Moersen
DRA	DRA-1	Exh 500	SDG&E Executive Summary	J. Wuehler
DRA	DRA-2	Exh 501	SDG&E Summary Of Earnings	P. Chan
DRA	DRA-2-E	Exh 502	ERRATA SDG&E Summary Of Earnings	P. Chan
DRA	DRA-4	Exh 476	SDG&E Electric Generation O&M Expense	L. Laserson
DRA	DRA-5	Exh 477	SDG&E Electric Generation, SONGS O&M Expenses	L. Laserson
DRA	DRA-6	Exh 493	SDG&E/SCG Escalation	T. Renaghan
DRA	DRA-7	Exh 503	SDG&E Gas Distribution O&M Expenses and Capital Expenditures	G. Ezekwo
DRA	DRA-8	Exh 504	SDG&E Gas Transmission O&M Expenses and Capital Expenditures	G. Ezekwo
DRA	DRA-9	Exh 505	SDG&E Gas Engineering O&M Expenses and Capital Expenditures	G. Ezekwo
DRA	DRA-10	Exh 478	SDG&E Electric Distribution O&M Expenses	L. Laserson
DRA	DRA-11	Exh 485	SDG&E Electric Distribution Capital Expenditures	L. Krannawitter
DRA	DRA-12	Exh 486	SDG&E Generation Capital	L. Krannawitter
DRA	DRA-13	Exh 479	SDG&E Electric Procurement	L. Laserson
DRA	DRA-14	Exh 487	SDG&E Smart Grid Policy Smart Grid Infrastructure	L. Krannawitter

EXHIBIT REFERENCE SORTED BY PARTY AND ORIGINAL EXHIBIT NUMBER

Party	Original Exhibit #	Hearing Exhibit #	Description	Witness
DRA	DRA-15	Exh 506	SDG&E Customer Services Electric Metering & Smart Meter Policy O&M Expenses and Capital Expenditures	M. Gomberg
DRA	DRA-16	Exh 507	SDG&E Customer Services-Field Operations & Customer Contact O&M Expenses and Capital Expenditures	M. Gomberg
DRA	DRA-16-E	Exh 508	ERRATA SDG&E Customer Services-Field Operations & Customer Contact O&M Expenses and Capital Expenditures	M. Gomberg
DRA	DRA-17	Exh 509	SDG&E Customer Services-Office Operations O&M Expenses and Capital Expenditures	M. Gomberg
DRA	DRA-18	Exh 510	SDG&E Customer Services – Information O&M Expenses and Capital Expenditures	M. Gomberg
DRA	DRA-18-E	Exh 511	ERRATA SDG&E Customer Services – Information O&M Expenses and Capital Expenditures	M. Gomberg
DRA	DRA-19	Exh 512	SDG&E & SCG Supply Service & Diverse Business Enterprises O&M Expenses	M. Sierra
DRA	DRA-20	Exh 513	SDG&E & SCG Fleet Services O&M Expenses	M. Sierra
DRA	DRA-21	Exh 514	SDG&E & SCG Information Technology O&M and Capital Expenditures	J. Lee
DRA	DRA-21-E	Exh 515	ERRATA SDG&E & SCG Information Technology O&M Expenses and Capital Expenditures	J. Lee
DRA	DRA-23	Exh 516	SDG&E & SCG Real Estate, Land & Facilities O&M Expenses and Capital Expenditures	M. Sierra
DRA	DRA-24	Exh 517	SDG&E & SCG Environmental O&M Expenses	M. Sierra
DRA	DRA-24-E	Exh 518	ERRATA SDG&E & SCG Environmental O&M Expenses	M. Sierra
DRA	DRA-25	Exh 519	SDG&E & SCG Safety & Emergency Preparedness	M. Sierra
DRA	DRA-26	Exh 496	SDG&E & SCG Corporate Center – A&G Expenses	D. F. Bower
DRA	DRA-26-E	Exh 497	ERRATA SDG&E & SCG Corporate Center – A&G Expenses	D. F. Bower

EXHIBIT REFERENCE SORTED BY PARTY AND ORIGINAL EXHIBIT NUMBER

Party	Original Exhibit #	Hearing Exhibit #	Description	Witness
DRA	DRA-27	Exh 498	SDG&E & SCG Corporate Center – Insurance Expenses	D. F. Bower
DRA	DRA-28	Exh 520	SDG&E & SCG Compensation and Incentives	D. Phan
DRA	DRA-29	Exh 521	SDG&E & SCG Health & Welfare Expenses	S. Hunter
DRA	DRA-30	Exh 522	SDG&E & SCG Pensions and PBOPs	S. Hunter
DRA	DRA-31	Exh 523	SDG&E & SCG Human Resources, Disability & Workers Compensation A&G Expenses	M. Campbell
DRA	DRA-31-E	Exh 524	ERRATA SDG&E & SCG Human Resources, Disability & Workers Compensation A&G Expenses	M. Campbell
DRA	DRA-32	Exh 525	SDG&E & SCG Controller, Regulatory Affairs & Finance A&G Expenses	M. Campbell
DRA	DRA-32-E	Exh 526	ERRATA SDG&E & SCG Controller, Regulatory Affairs & Finance A&G Expenses	M. Campbell
DRA	DRA-33	Exh 527	SDG&E & SCG External Affairs & Legal A&G Expenses	M. Campbell
DRA	DRA-34	Exh 528	SDG&E & SCG Shared Services Billing Policy & Process	D. Phan
DRA	DRA-35	Exh 499	SDG&E & SCG Rate Base and Working Cash	D. F. Bower
DRA	DRA-36	Exh 471	SDG&E & SCG Depreciation	M. Kanter
DRA	DRA-37	Exh 480	SDG&E and SCG Taxes	M. Loy
DRA	DRA-37-E	Exh 481	ERRATA SDG&E and SCG Taxes	M. Loy
DRA	DRA-38	Exh 529	Post Test Year Ratemaking Framework	T. Burns
DRA	DRA-39	Exh 494	SDG&E and SCG Total Factor Productivity Study	T. Renaghan
DRA	DRA-40	Exh 530	SCG Executive Summary	T. Burns
DRA	DRA-41	Exh 531	SCG Summary of Earnings	P. Chan
DRA	DRA-41-E	Exh 532	ERRATA SCG Summary of Earnings	P. Chan
DRA	DRA-42	Exh 495	SoCalGas - Customers	T. Renaghan
DRA	DRA-44	Exh 533	SCG Gas Distribution, Gas Transmission, Underground Storage and Gas Engineering O&M Expenses	D. Phan
DRA	DRA-44-E	Exh 534	ERRATA SCG Gas Distribution, Gas Transmission, Underground Storage and Gas Engineering O&M Expenses	D. Phan

EXHIBIT REFERENCE SORTED BY PARTY AND ORIGINAL EXHIBIT NUMBER

Party	Original Exhibit #	Hearing Exhibit #	Description	Witness
DRA	DRA-45	Exh 535	SCG Distribution, Underground Storage, Gas Engineering and Transmission Capital Expenditures	K. Lee
DRA	DRA-46	Exh 536	SoCalGas - Gas Procurement	D. Phan
DRA	DRA-47	Exh 537	SCG Customer Services – Customer Service Field Operations & Customer Contact O&M Expenses and Capital Expenditures	M. Gomberg
DRA	DRA-48	Exh 538	SCG Customer Services–Office Operations O&M Expenses and Capital Expenditures	M. Gomberg
DRA	DRA-49	Exh 539	SCG Customer Services – Information O&M Expenses and Capital Expenditures	M. Gomberg
DRA	DRA-50	Exh 490	Report on the Results of Examination for SDG&E and SCG General Ratecase	F. Fok, G. Novack
DRA	DRA-50-E	Exh 491	ERRATA Report on the Results of Examination for SDG&E and SCG General Ratecase	F. Fok, G. Novack
UCAN	UCAN	Exh 555	Direct Testimony of M. Shames on behalf of UCAN	M. Shames
UCAN	UCAN	Exh 558	Direct Testimony of W. B. Marcus on behalf of UCAN	W. B. Marcus
UCAN	UCAN	Exh 557	Direct Testimony of McClary-Norin on behalf of UCAN	S. McClary-L. Norin
UCAN	UCAN	Exh 568	Direct Testimony of D. Pennington on behalf of UCAN	D. Pennington
UCAN	UCAN	Exh 556	Direct Testimony of S. Hempling on behalf of UCAN	S. Hempling
UCAN	UCAN	Exh 563	Direct Testimony of G.M. Schilberg on behalf of UCAN	G.M. Schilberg
UCAN	UCAN	Exh 561	Direct Testimony of J. A. Nahigian on behalf of UCAN	J. A. Nahigian
UCAN	UCAN	Exh 559	Direct Testimony of G. Jones on behalf of UCAN	G. Jones
UCAN	UCAN	Exh 560	Direct Testimony of J. Sugar on behalf of UCAN	J. Sugar
UCAN	UCAN	Exh 566	Direct Testimony of R. Sulpizio on behalf of UCAN	R. Sulpizio
UCAN	UCAN	Exh 562	Direct Testimony of D. R. Croyle on behalf of UCAN	D. R. Croyle
TURN	TURN	Exh 554	Direct Testimony of Finkelstein on behalf of TURN	Finkelstein
TURN	TURN	Exh 545	Direct Testimony of W. B. Marcus on behalf of TURN	W. B. Marcus

EXHIBIT REFERENCE SORTED BY PARTY AND ORIGINAL EXHIBIT NUMBER

Party	Original Exhibit #	Hearing Exhibit #	Description	Witness
TURN	TURN	Exh 550	Direct Testimony of J. A. Nahigian on behalf of TURN	J. A. Nahigian
TURN	TURN	Exh 548	Direct Testimony of G. Jones on behalf of TURN	G. Jones
TURN	TURN	Exh 551	Direct Testimony of Pous on behalf of TURN	J. Pous
TURN-UCAN	TURN-UCAN	Exh 543	Joint Testimony of W. B. Marcus on behalf of TURN and UCAN	W. B. Marcus
TURN-UCAN	TURN-UCAN	Exh 552	Joint Testimony of J. Pous on Behalf of TURN and UCAN	J. Pous
C4AT	C4AT	Exh 593	Center For Accessible Technologies-L. Hopper	L. Hopper
C4AT	C4AT	Exh 594	Center For Accessible Technologies-D. Belser	D. Belser
CCUE	CCUE	Exh 591	Coalition of California Utility Employees	D. Marcus
FEA	FEA	Exh 577	Federal Executive Agencies	R. C. Smith
JP	JP	Exh 17	Joint Parties	L. Canty, J. Corralejo, F. Bautista
SCGC	SCGC	Exh 319	Southern California Generation Coalition	C. Yap
UWUA	UWUA-1	Exh 580	Utility Workers Union of America - 1	C. Wood
UWUA	UWUA-2	Exh 581	Utility Workers Union of America - 2	A. Frias
UWUA	UWUA-3	Exh 582	Utility Workers Union of America - 3	J. Devlin
UWUA	UWUA-4	Exh 583	Utility Workers Union of America - 4	N. Logan
UWUA	UWUA-5	Exh 584	Utility Workers Union of America - 5	J. Salas
UWUA	UWUA-6	Exh 585	Utility Workers Union of America - 6	A. Robles
UWUA	UWUA-7	Exh 586	Utility Workers Union of America - 7	M. Barber
UWUA	UWUA-8	Exh 587	Utility Workers Union of America - 8	R. Carrasco

Comparison Exhibit O&M Summary

Workpaper	Title	Year	SCG	DRA	Pg	TURN	Pg	SCGC	Pg	DRA Diff	TURN Diff	SCGC Diff
Exh No:SCG-02-R												
2GD000.000	Pipeline O&M -- Field Support	2012	18,609	14,688	p41	14,960	p240	-	-	-3,921	-3,649	-
2GD000.001	Pipeline O&M-Leak Survey	2012	4,145	-	-	4,048	p241	-	-	-	-97	-
2GD000.002	Pipeline O&M-Locate & Mark	2012	10,557	9,487	p42	-	-	-	-	-1,070	-	-
2GD000.003	Pipeline O&M-Main Maintenance	2012	7,931	6,836	p43	-	-	-	-	-1,095	-	-
2GD000.004	Pipeline O&M-Service Maint	2012	10,876	9,644	p44	9,288	p242	-	-	-1,232	-1,588	-
2GD000.005	Pipeline O&M-Tools, Fittings & Materials	2012	10,145	8,215	p45	-	-	-	-	-1,930	-	-
2GD000.006	Pipeline O&M-Cathodic Protection Field	2012	2,946	2,104	p46	2,102	p243	-	-	-842	-844	-
2GD001.000	Pipeline O&M -- Planning	2012	7,123	6,950	p47	6,712	p244	-	-	-173	-411	-
2GD002.000	Measurement & Regulation	2012	35,725	10,858	p48	10,423	p245	-	-	-24,867	-25,302	-
2GD004.000	Operations Management & Training	2012	12,151	8,928	p49	-	-	-	-	-3,223	-	-
2GD005.000	Regional Public Affairs	2012	3,907	-	-	-	p246	-	-	-	-3,907	-
	TOTAL NON-SHARED	2012	124,115	77,710		47,533		-	-	-38,353	-35,798	-
Exh No:SCG-03-R												
2GT000.000	Pipeline O & M	2012	17,727	17,318	p58	17,182	p266	-	-	-409	-545	-
2GT001.000	Compressor Station O & M	2012	8,099	7,693	p59	-	-	-	-	-406	-	-
2GT002.000	Transmission Field Technical Services	2012	2,379	1,879	p60	-	-	-	-	-500	-	-

Comparison Exhibit O&M Summary

Workpaper	Title	Year	SCG	DRA	Pg	TURN	Pg	SCGC	Pg	DRA Diff	TURN Diff	SCGC Diff
	TOTAL NON-SHARED	2012	28,205	26,890	-	17,182	-	-	-	-1,315	-545	-
Exh No:SCG-04-R												
2US000.000	Underground Storage	2012	28,939	26,747	p62	-	-	-	-	-2,192	-	-
	TOTAL NON-SHARED	2012	28,939	26,747	-	-	-	-	-	-2,192	-	-
Exh No:SCG-05-R												
2EN000.000	Gas Engineering	2012	21,383	10,889	p68	-	-	11,863	p350	-10,494	-	-9,520
2EN001.000	Transmission Pipeline Integrity	2012	24,760	11,142	p69	-	-	-	-	-13,618	-	-
2EN002.000	Distribution Pipeline Integrity	2012	31,097	7,200	p70	-	-	-	-	-23,897	-	-
2EN003.000	Public Awareness	2012	1,159	307	p71	-	-	-	-	-852	-	-
	TOTAL NON-SHARED	2012	78,399	29,538	-	-	-	11,863	-	-48,861	-	-9,520
Exh No:SCG-06												
2SP000.000	SP-Gas Acquisition	2012	3,639	3,544	p84	-	-	-	-	-95	-	-
	TOTAL NON-SHARED	2012	3,639	3,544	-	-	-	-	-	-95	-	-
Exh No:SCG-07-R												
2BO000.000	Branch Office and Authorized Pay Location Operations	2012	11,135	10,137	p86	10,400	p268	-	-	-998	-735	-
2CC000.000	CCC - Operations	2012	36,208	-	-	32,165	p269	-	-	-	-4,043	-
2CC001.000	CCC - Support	2012	10,097	9,296	p87	9,192	p270	-	-	-801	-905	-
2FO000.000	Customer Service Field Operations	2012	107,484	104,486	p88	99,903	p271	-	-	-2,998	-7,581	-

Comparison Exhibit O&M Summary

Workpaper	Title	Year	SCG	DRA	Pg	TURN	Pg	SCGC	Pg	DRA Diff	TURN Diff	SCGC Diff
2FO001.000	Customer Service Dispatch Operations	2012	8,319	-	-	8,193	-	-	p272	-	-126	-
2FO002.000	Customer Service Field Supervision	2012	11,574	11,424	p89	10,651	-	-	p273	-150	-923	-
2FO003.000	Customer Service Field Management and Staff Support	2012	7,181	-	-	7,115	-	-	p274	-	-66	-
2FO006.000	Field Ops-MRdg-Supv/Trng/Prog	2012	3,631	3,191	p90	-	-	-	-	-440	-	-
2FO007.000	Field Ops-MRdg-Staff Support	2012	2,809	2,173	p91	-	-	-	-	-636	-	-
	TOTAL NON-SHARED	2012	198,438	140,707	-	177,619	-	-	-	-6,023	-14,379	-
2CSFC000B.ALL	Customer Service Field	2012	3,573	-	-	3,275	-	-	p276	-	-298	-
	TOTAL SHARED	2012	3,573	-	-	3,275	-	-	-	-	-298	-
Exh No:SCG-08												
200003.000	OFFICE CREDIT & COLLECTIONS	2012	4,282	3,886	p93	-	-	-	-	-396	-	-
200004.000	REMITTANCE PROCESSING	2012	5,491	-	-	4,148	-	-	p278	-	-1,343	-
200004.001	REMITTANCE PROCESSING - BILL POSTAGE	2012	20,629	-	-	18,746	-	-	p279	-	-1,883	-
200005.000	CS TECHNOLOGY SUPPORT	2012	3,133	2,391	p94	2,216	-	-	p280	-742	-917	-
200006.000	CS OPERATIONS OTHER	2012	1,635	1,102	p95	1,247	-	-	p281	-533	-388	-
	TOTAL NON-SHARED	2012	35,170	7,379	-	26,357	-	-	-	-1,671	-4,531	-
2CSO0001B.ALL	Customer Remittance & Bill Delivery	2012	4,167	-	-	3,493	-	-	p283	-	-674	-

Comparison Exhibit O&M Summary

Workpaper	Title	Year	SCG	DRA	Pg	TURN	Pg	SCGC	Pg	DRA Diff	TURN Diff	SCGC Diff
	TOTAL SHARED	2012	4,167	-	-	3,493	-	-	-	-	-674	-
Exh No:SCG-09												
2IN000.000	Communications, Research and e-Services	2012	7,919	6,662	p97	6,662	p285	-	-	-1,257	-1,257	-
2IN003.000	CUSTOMER ASSISTANCE	2012	5,074	4,524	p98	3,227	p286	-	-	-550	-1,847	-
2IN005.000	CAPACITY PRODUCTS AND PLANNING	2012	884	-	-	1,030	p287	-	-	-	146	-
2IN007.000	COMMERCIAL, INDUSTRIAL, AND GOVERNMENT SEGMENTS	2012	7,618	7,138	p99	6,708	p288	-	-	-480	-910	-
2IN008.000	TECHNOLOGY DEVELOPMENT SUPPORT	2012	186	-	p100	-	-	-	-	-186	-	-
2IN008.001	RESEARCH DEVELOPMENT AND DEMONSTRATION (RD&D) - REFUNDABLE PROGRAM	2012	13,000	-	p101	5,588	p289	-	-	-13,000	-7,412	-
	TOTAL NON-SHARED	2012	34,681	18,324	-	23,215	-	-	-	-15,473	-11,280	-
2CSIN000B.ALL	NGV Program	2012	2,256	1,550	p103	-	-	-	-	-706	-	-
2CSIN001B.ALL	Capacity Products & Planning	2012	2,767	2,579	p105	-	-	-	-	-188	-	-
2CSIN002B.ALL	BioFuel Market Development	2012	377	257	p107	-	-	-	-	-120	-	-
2CSIN003B.ALL	Environmental Affairs	2012	476	346	p108	-	-	-	-	-130	-	-
	TOTAL SHARED	2012	5,876	4,732	-	-	-	-	-	-1,144	-	-

Comparison Exhibit O&M Summary

Workpaper	Title	Year	SCG	DRA	Pg	TURN	Pg	SCGC	Pg	DRA Diff	TURN Diff	SCGC Diff
Exh No:SCG-10												
2SS001.000	Logistics Shops North	2012	6,514	6,181	p111	-	-	-	-	-333	-	-
2SS002.000	Office Services	2012	3,283	2,853	p112	-	-	-	-	-430	-	-
2SS003.000	Retired CC	2012	2,762	2,198	p113	-	-	-	-	-564	-	-
	TOTAL NON-SHARED	2012	12,559	11,232	-	-	-	-	-	-1,327	-	-
2SMSS000B.ALL	Portfolio Management	2012	724	553	p115	-	-	-	-	-171	-	-
2SMSS002B.ALL	Logistics/Shops North	2012	2,275	1,947	p116	-	-	-	-	-328	-	-
	TOTAL SHARED	2012	2,999	2,500	-	-	-	-	-	-499	-	-
Exh No:SCG-11-R												
2FS002.000	Maintenance Operations	2012	12,882	11,325	p118	-	-	-	-	-1,557	-	-
2FS002.002	ATCM Diesel Engine Retrofits	2012	3,510	745	p119	-	-	-	-	-2,765	-	-
2FS003.000	Maintenance Management	2012	1,223	1,015	p120	-	-	-	-	-208	-	-
2FS005.001	Amortization	2012	17,732	15,698	p121	-	-	-	-	-2,034	-	-
2FS005.002	Interest	2012	2,389	1,561	p122	-	-	-	-	-828	-	-
	TOTAL NON-SHARED	2012	37,736	30,344	-	-	-	-	-	-7,392	-	-
2SMFS000B.ALL	Dir Fleet Services	2012	1,751	1,483	p124	-	-	-	-	-268	-	-
	TOTAL SHARED	2012	1,751	1,483	-	-	-	-	-	-268	-	-
Exh No:SCG-12-R												
2IT001.000	ETC Smart Meter	2012	377	333	p128	-	-	-	-	-44	-	-
	TOTAL NON-SHARED	2012	377	333	-	-	-	-	-	-44	-	-

Comparison Exhibit O&M Summary

Workpaper	Title	Year	SCG	DRA	Pg	TURN	Pg	SCGC	Pg	DRA Diff	TURN Diff	SCGC Diff
Exh No:SCG-14												
2RE001.000	SCG Facility Operations & Rents	2012	17,167	16,697	p140	-	-	-	-	-470	-	-
2RE003.000	Transportation Program	2012	515	135	p141	-	-	-	-	-380	-	-
	TOTAL NON-SHARED	2012	17,682	16,832	-	-	-	-	-	-850	-	-
2ESRE000B-ALL	Shared Facility Operations	2012	4,715	3,473	p143	-	-	-	-	-1,242	-	-
2ESRE001B-ALL	Shared Rents	2012	17,298	16,927	p145	-	-	-	-	-371	-	-
	TOTAL SHARED	2012	22,013	20,400	-	-	-	-	-	-1,613	-	-
Exh No:SCG-16												
2EEE001.000	SCG Field Safety	2012	1,375	1,045	p152	-	-	-	-	-330	-	-
	TOTAL NON-SHARED	2012	1,375	1,045	-	-	-	-	-	-330	-	-
2ESEE002B-ALL	Safety Programs	2012	1,586	1,250	p154	-	-	-	-	-336	-	-
	TOTAL SHARED	2012	1,586	1,250	-	-	-	-	-	-336	-	-
Exh No:SCG-17-R												
2SE000.001	OUTSIDE SRVC EMPLOYEES - F923.1	2012	52,201	34,265	p156	51,953	p295	-	-	-17,936	-248	-
2SE000.002	SECC DEPRECIATION ROR - F923.4	2012	3,928	3,811	p157	-	-	-	-	-117	-	-
	TOTAL NON-SHARED	2012	56,129	38,076	-	51,953	-	-	-	-18,053	-248	-
Exh No:SCG-18-R												
2SN000.000	SECC PROP INS NON-NUCLEAR - 924.0	2012	3,299	2,982	p159	-	-	-	-	-317	-	-

Comparison Exhibit O&M Summary

Workpaper	Title	Year	SCG	DRA	Pg	TURN	Pg	SCGC	Pg	DRA Diff	TURN Diff	SCGC Diff
2SN000.002	SECC EXCESS LIAB INS PLPD - F925.0	2012	8,355	8,088	p160	-	-	-	-	-267	-	-
2SN000.003	EXCESS WORKERS COMP INS - F925.1	2012	1,144	1,096	p161	-	-	-	-	-48	-	-
2SN000.004	SECC OTHER LIAB INS NON-NUCLEAR - F925.3	2012	3,068	2,019	p162	-	-	-	-	-1,049	-	-
	TOTAL NON-SHARED	2012	15,866	14,185	-	-	-	-	-	-1,681	-	-
Exh No:SCG-19-R												
2CP000.000	Comp-ICP	2012	29,408	7,498	p164	-	p297	-	-	-21,910	-29,408	-
2CP000.002	Comp-Long Term Incentive Plan	2012	5,361	-	p165	-	p298	-	-	-5,361	-5,361	-
2PB000.000	MEDICAL	2012	67,416	43,851	p166	64,345	p299	-	-	-23,565	-3,071	-
2PB000.001	DENTAL	2012	3,675	2,736	p167	-	-	-	-	-939	-	-
2PB000.002	VISION	2012	487	363	p168	-	-	-	-	-124	-	-
2PB000.003	WELLNESS	2012	795	-	p169	386	p301	-	-	-795	-409	-
2PB000.004	EMPLOYEE ASSISTANCE PROGRAM	2012	760	566	p170	-	-	-	-	-194	-	-
2PB000.005	MENTAL HEALTH	2012	1,310	770	p171	-	-	-	-	-540	-	-
2PB000.006	P&B - LIFE INSURANCE	2012	906	674	p172	-	-	-	-	-232	-	-
2PB000.007	P&B - AD&D INSURANCE	2012	37	28	p173	-	-	-	-	-9	-	-
2PB000.008	P&B - BUSINESS TRAVEL INSURANCE	2012	35	26	p174	-	-	-	-	-9	-	-
2PB000.011	Retirement Plans - IRC Sect 4 Plan	2012	146	-	p175	-	-	-	-	-146	-	-
2PB000.012	P&B - SUPPLEMENTAL PENSION	2012	2,070	-	p176	-	-	-	-	-2,070	-	-

Comparison Exhibit O&M Summary

Workpaper	Title	Year	SCG	DRA	Pg	TURN	Pg	SCGC	Pg	DRA Diff	TURN Diff	SCGC Diff
2PB000.014	P&B - RETIREMENT SAVINGS PLAN	2012	13,300	9,784	p177	12,514	p302	-	-	-3,516	-786	-
2PB000.015	P&B - ADMIN FEES & SERVICES	2012	1,189	885	p178	-	-	-	-	-304	-	-
2PB000.016	P&B - EDUCATIONAL ASSISTANCE	2012	841	626	p179	-	-	-	-	-215	-	-
2PB000.017	P&B - EMERGENCY CARE	2012	149	72	p180	-	-	-	-	-77	-	-
2PB000.018	P&B - EMPLOYEE RECOGNITION	2012	579	-	p181	242	p303	-	-	-579	-337	-
2PB000.019	P&B - MASS TRANSIT INCENTIVE	2012	376	280	p182	-	-	-	-	-96	-	-
2PB000.020	P&B - RETIREMENT ACTIVITIES	2012	147	-	p183	-	p304	-	-	-147	-147	-
2PB000.021	P&B - SERVICE RECOGNITION	2012	200	-	p184	-	-	-	-	-200	-	-
2PB000.022	P&B - SPECIAL EVENTS	2012	452	-	p185	-	p305	-	-	-452	-452	-
	TOTAL NON-SHARED	2012	129,639	68,159	-	77,487	-	-	-	-61,480	-39,971	-
Exh No:SCGC-21												
2HR003.000	Relocation	2012	385	50	p187	50	p307	-	-	-335	-335	-
2HR006.000	President & CEO and COO	2012	1,744	1,188	p188	-	-	-	-	-556	-	-
2HR007.000	Long Term Disability	2012	4,739	4,165	p189	-	-	-	-	-574	-	-
2HR007.001	Workers Compensation	2012	16,462	14,442	p190	15,108	p308	-	-	-2,020	-1,354	-
2HR008.000	DIVERSITY & OE	2012	545	423	p191	-	-	-	-	-122	-	-
	TOTAL NON-SHARED	2012	23,875	20,268	-	15,158	-	-	-	-3,607	-1,689	-

Comparison Exhibit O&M Summary

Workpaper	Title	Year	SCG	DRA	Pg	TURN	Pg	SCGC	Pg	DRA Diff	TURN Diff	SCGC Diff
2AGHR007B.ALL	Organizational Effectiveness	2012	1,148	277	p193	-	-	-	-	-871	-	-
	TOTAL SHARED	2012	1,148	277	-	-	-	-	-	-871	-	-
Exh No:SCG-22												
2CN010.000	Claims Prmts & Recovery - SCG	2012	7,062	5,209	p196	-	-	-	-	-1,853	-	-
2RA001.000	Regulatory Tariffs	2012	80	-	-	88	p310	-	-	-	8	-
	TOTAL NON-SHARED	2012	7,142	5,209	-	88	-	-	-	-1,853	8	-
2AGCN004B.ALL	Controller - Planning & Analysis	2012	1,444	1,340	p198	-	-	-	-	-104	-	-
2AGFR001B.ALL	Finance - Financial Analysis	2012	271	257	p200	-	-	-	-	-14	-	-
2AGFR002B.ALL	California Case Management	2012	759	645	p202	637	p312	-	-	-114	-122	-
2AGFR003B.ALL	FERC, CAISO, & Compliance	2012	194	-	-	97	p314	-	-	-	-97	-
2AGFR006B.ALL	Regulatory - GRC, Rates & Analysis	2012	1,808	-	-	1,631	p315	-	-	-	-177	-
	TOTAL SHARED	2012	4,476	2,242	-	2,365	-	-	-	-232	-396	-
Exh No:SCG-23												
2AGGE000B.ALL	Legal	2012	4,856	-	-	3,212	p317	-	-	-	-1,644	-
2AGGE001B.ALL	External Affairs	2012	606	-	-	-	p319	-	-	-	-606	-
	TOTAL SHARED	2012	5,462	-	-	3,212	-	-	-	-	-2,250	-

Comparison Exhibit CAPITAL Summary

Workpaper	Title	Year	SCG	DRA	Pg	TURN	Pg	SCGC	Pg	DRA Diff	TURN Diff	SCGC Diff
Exh No:SCG-02-R												
00152.0.ALL	NB Mn 6" & under-Plas	2010	31,395	31,395	p51	12,350	p248	-	-	-	-19,045	-
		2011	37,945	15,178		11,835		-		-22,767	-26,110	-
		2012	43,854	17,546		16,629		-		-26,308	-27,225	-
00153.0.ALL	NB Mn over 6" & Spec(St/PI)	2010	404	-	-	400	p250	-		-	-4	-
		2011	4,600	-		4,600		-		-	-	-
		2012	-	-		-		-		-	-	-
00163.0.ALL	Meters & Gauges	2010	24,797	24,797	p52	20,519	p251	-		-	-4,278	-
		2011	26,219	22,791		22,815		-		-3,428	-3,404	-
		2012	31,016	27,461		24,697		-		-3,555	-6,319	-
00251.0.ALL	Press Betterments - Mn	2010	10,936	-	-	9,341	p253	-		-	-1,595	-
		2011	13,306	-		11,720		-		-	-1,586	-
		2012	13,200	-		11,636		-		-	-1,564	-
00253.0.ALL	Rtn Mn Rpl 6" & Under-Plas	2010	32,063	-		43,982	p254	-		-	11,919	-
		2011	31,873	-		31,873		-		-	-	-
		2012	31,598	-		31,598		-		-	-	-
00254.0.ALL	Mn Abd 6" & Under	2010	4,022	-		2,515	p255	-		-	-1,507	-
		2011	4,022	-		3,013		-		-	-1,009	-
		2012	4,022	-		3,013		-		-	-1,009	-

Comparison Exhibit CAPITAL Summary

Workpaper	Title	Year	SCG	DRA	Pg	TURN	Pg	SCGC	Pg	DRA Diff	TURN Diff	SCGC Diff
00258.0.ALL	Serv Rpl 3" & Under-Insert-Plas	2010	11,639	-	-	11,458	p256	-	-	-	-181	-
		2011	11,529	-		11,529						
		2012	11,408	-		11,408						
00261.0.ALL	Fway Rep/Reloc NC	2010	2,163	-		1,705	p257	-			-458	-
		2011	2,152	-		2,152						
		2012	2,136	-		2,136						
00263.0.ALL	Electrolysis Protection	2010	4,192	4,192	p53	3,362	p258	-			-830	-
		2011	4,328	3,782		3,788				-546	-540	-
		2012	4,464	3,782		3,788				-682	-676	-
00264.0.ALL	Inst Mtr Guards-Existing MSA	2010	984	-	-	1,227	p259	-			243	-
		2011	1,097	-		1,097						
		2012	1,210	-		1,210						
00265.0.ALL	Reg. Stations	2010	5,806	-		3,831	p260	-			-1,975	-
		2011	6,599	-		6,000					-599	-
		2012	6,814	-		6,250					-564	-
00267.0.ALL	Mn Rpl Over 6" (Stl/Plas)	2010	3,180	-		1,237	p261	-			-1,943	-
		2011	3,164	-		2,612					-552	-
		2012	3,139	-		2,592					-547	-
00271.0.ALL	Fran Rep/Reloc 6" & Under NC	2010	9,260	9,260	p54	10,247	p262	-			987	-
		2011	9,477	8,516		9,477				-961	-	-

Comparison Exhibit CAPITAL Summary

Workpaper	Title	Year	SCG	DRA	Pg	TURN	Pg	SCGC	Pg	DRA Diff	TURN Diff	SCGC Diff
00271.0.ALL	Fran Repl/Reloc 6" & Under NC	2012	9,660	8,516	p54	9,660	p262	-	-	-1,144	-	-
00275.0.ALL	Other Distr Prj-Non-Coll	2010	1,586	-	-	1,436	p263	-	-	-	-150	-
		2011	1,586	-	-	1,197		-	-	-	-389	-
		2012	1,586	-	-	1,197		-	-	-	-389	-
00715.0.ALL	Meas-Other Equip	2010	1,959	2,193	p55	-	-	-	-	234	-	-
		2011	17,848	7,253		-		-	-	-10,595	-	-
		2012	1,393	1,393		-		-	-	-	-	-
01006.0.ALL	Other Capital Pool - Distribution	2010	38,323	38,323	p56	34,712	p264	-	-	-	-3,611	-
		2011	40,207	31,101		30,759		-	-	-9,106	-9,448	-
		2012	39,694	29,469		30,383		-	-	-10,225	-9,311	-
	TOTAL	2010	182,709	110,160	-	158,322	-	-	-	234	-22,428	-
		2011	215,952	88,621		154,467		-	-	-47,403	-43,637	-
		2012	205,194	88,167		156,197		-	-	-41,914	-47,604	-
Exh No:SCG-04-R												
00411.0.ALL	GT Stor Comp Sta Add/Rpls / Externally Driven	2010	4,430	4,430	p64	-	-	-	-	-	-	-
		2011	6,851	5,413		-		-	-	-1,438	-	-
		2012	6,851	5,413		-		-	-	-1,438	-	-
00413.0.ALL	GT Stor Pipelines / Externally Driven	2010	4,222	4,222	p65	-	-	-	-	-	-	-

Comparison Exhibit CAPITAL Summary

Workpaper	Title	Year	SCG	DRA	Pg	TURN	Pg	SCGC	Pg	DRA Diff	TURN Diff	SCGC Diff
00413.0.ALL	GT Stor Pipelines / Externally Driven	2011	3,493	2,275	p65	-	-	-	-	-1,218	-	-
		2012	3,493	2,275		-	-	-	-	-1,218	-	-
00419.0.ALL	GT Stor Aux Equip & Infrastr / Externally Driven	2010	5,923	5,923	p66	-	-	-	-	-	-	-
		2011	9,454	6,645		-	-	-	-	-2,809	-	-
		2012	8,445	6,645		-	-	-	-	-1,800	-	-
	TOTAL	2010	14,575	14,575	-	-	-	-	-	-	-	-
		2011	19,798	14,333		-	-	-	-	-5,465	-	-
		2012	18,789	14,333		-	-	-	-	-4,456	-	-
Exh No:SCG-05-R												
00311.0.ALL	GT PL New Add / Externally Driven	2010	9,519	9,519	p73	-	-	-	-	-	-	-
		2011	11,197	-		-	-	-	-	-11,197	-	-
		2012	19,292	5,928		-	-	-	-	-13,364	-	-
00312.0.ALL	GT PL Rpls / Externally Driven	2010	42,768	42,768	p75	-	-	-	-	-	-	-
		2011	35,227	33,747		-	-	-	-	-1,480	-	-
		2012	25,917	25,547		-	-	-	-	-370	-	-
00315.0.ALL	GT Comp Sta Add/Rpls / Externally Driven	2010	2,302	2,302	p78	-	-	-	-	-	-	-
		2011	5,408	4,460		-	-	-	-	-948	-	-
		2012	19,257	9,781		-	-	-	-	-9,476	-	-
00399.0.ALL	Bio Gas Equipment	2010	-	-	p80	-	-	-	-	-	-	-

Comparison Exhibit CAPITAL Summary

Workpaper	Title	Year	SCG	DRA	Pg	TURN	Pg	SCGC	Pg	DRA Diff	TURN Diff	SCGC Diff
00399.0.ALL	Bio Gas Equipment	2011	-	-	p80	-	-	-	-	-	-	-
		2012	11,272	-		-		-		-11,272		
00617.0.ALL	GT PL Land Rights / Externally Driven	2010	-	-	p81	-	-	-	-	-	-	-
		2011	4,000	-		-		-		-4,000		
		2012	8,300	-		-		-		-8,300		
00730.0.ALL	GT Lab Equip / Quality/Economic Driven	2010	265	265	p82	-	-	-	-	-	-	-
		2011	935	455		-		-		-480		
		2012	295	295		-		-		-		
	TOTAL	2010	54,854	54,854	-	-		-		-		
		2011	56,767	38,662		-		-		-18,105		
		2012	84,333	41,551		-		-		-42,782		
Exh No:SCG-12-R												
00760.0.ALL	Infrastructure - Hardware/Capacity/Expansion	2010	68,594	50,495	p130	-	-	-	-	-18,099		
		2011	110,346	110,418		-		-		72		
		2012	91,713	91,258		-		-		-455		
	TOTAL	2010	68,594	50,495	-	-		-		-18,099		
		2011	110,346	110,418		-		-		72		
		2012	91,713	91,258		-		-		-455		
Exh No:SCG-14												

Comparison Exhibit CAPITAL Summary

Workpaper	Title	Year	SCG	DRA	Pg	TURN	Pg	SCGC	Pg	DRA Diff	TURN Diff	SCGC Diff
00653.0.ALL	Infrastructure Improvements	2010	27,162	21,644	p148	1,922	p291	-	-	-5,518	-25,240	-
		2011	43,991	25,587		21,063		-		-18,404	-22,928	-
		2012	22,876	11,163		6,327		-		-11,713	-16,549	-
	TOTAL	2010	27,162	21,644	-	1,922	-	-	-	-5,518	-25,240	-
		2011	43,991	25,587		21,063		-		-18,404	-22,928	-
		2012	22,876	11,163		6,327		-		-11,713	-16,549	-

Chapter 2

Differences Between SoCalGas and DRA

Chapter 2 - DRA vs. SoCalGas

Part A - O&M and Capital Expenditures

1. SCG-02-R (Exh 26) - GAS DISTRIBUTION

a. O&M - NON-SHARED

Workpaper	DRA vs. SoCalGas (2012)	Reference
1. 2GD000.000	(3,921)	2A1-a1
2. 2GD000.002	(1,070)	2A1-a2
3. 2GD000.003	(1,095)	2A1-a3
4. 2GD000.004	(1,232)	2A1-a4
5. 2GD000.005	(1,930)	2A1-a5
6. 2GD000.006	(842)	2A1-a6
7. 2GD001.000	(173)	2A1-a7
8. 2GD002.000	(24,867)	2A1-a8
9. 2GD004.000	(3,223)	2A1-a9

CHAPTER 2A1-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

NONSHARED O&M

Subject: Pipeline O&M -- Field Support
Workpaper: 2GD000.000

SoCalGas Position: SCG requests \$18.609 million for the activities in this work group. SCG forecasts costs to rebound to the five-year average spending for the period 2005 to 2009. This five-year average also reflects the fluctuation that can be experienced in this workgroup. Added to this base are incremental work elements not reflected in the base forecast that are necessary to adequately fund field support activities in TY2012.

Exhibit SCG-02-R, Pages GOM-32 to 36

DRA Position: DRA disagrees with SCG's use of a 5-year average for the base forecast. Instead, DRA recommends using the 2009 recorded expenses of \$14.4 million as the base forecast. For TY 2012, DRA recommends \$14.688 million in expenses for Field Support. DRA's estimate is based on using the 2009 recorded cost of \$14.4 million plus \$0.277 million for training for new technology.

Exhibit DRA-44, Pages 43-48

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	16,066	13,478	-2,588
NonLabor	2,543	1,210	-1,333
Nonstandard	0	0	0
TOTAL	18,609	14,688	-3,921

CHAPTER 2A1-a2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

NONSHARED O&M

Subject: Pipeline O&M-Locate & Mark
Workpaper: 2GD000.002

SoCalGas Position: SCG requests \$10.557 million for the activities in this work group. SCG is projecting TY2012 expenses for this workgroup to equal the five year average spending for the period 2005 to 2009. This methodology results in a \$0.179 million increase over the 2009 adjusted recorded base in TY2012. Added to this base are incremental work elements not reflected in the base forecast that are necessary to adequately fund L&M activities in TY2012.

Exhibit SCG-02, Pages GOM-14 to 17

DRA Position: DRA recommends using the 2010 recorded expense as the base year. Instead of SCG's \$10.6 million forecast, DRA recommends \$9.5 million. DRA's recommendation is a reduction of \$1.1 million from SCG's forecast. The expenses for this program have been on the decline since 2007.

Exhibit DRA-44, Pages 6-13

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	9,497	8,534	-963
NonLabor	1,060	953	-107
Nonstandard	0	0	0
TOTAL	10,557	9,487	-1,070

CHAPTER 2A1-a3

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

NONSHARED O&M

Subject: Pipeline O&M-Main Maintenance
Workpaper: 2GD000.003

SoCalGas Position: SCG requests \$7.931 million for the activities in this work group. Given the general variation in the drivers & the influence these have on the overall cost basis in this workgroup, a 5-yr avg spending for 2005 to 2009 was used to forecast the base level of funding needed for TY2012. Added to this base are incremental work elements not reflected in the base forecast.

Exhibit SCG-02-R, Pages GOM-25 to 28

DRA Position: DRA does not oppose SCG's use of the five-year average of spending to forecast the expenses for Main Maintenance. However, DRA disagrees with SCG's request for the incremental increases. Instead of SCG's forecast of \$7.9 million for TY 2012, DRA recommends \$6.8 million. This amount is based on the 5-year 2005-2009 average of spending, \$6.7 million, plus \$0.174 million for the Los Osos Sewer project. DRA's recommendation is lower than SCG's forecast by \$1.1 million.

Exhibit DRA-44, Pages 32-36

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	5,332	4,596	-736
NonLabor	2,599	2,240	-359
Nonstandard	0	0	0
TOTAL	7,931	6,836	-1,095

CHAPTER 2A1-a4

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

NONSHARED O&M

Subject: Pipeline O&M-Service Maint
Workpaper: 2GD000.004

SoCalGas Position: SCG requests \$10.876 million for the activities in this work group. Given the general variation in the drivers and the influence these have on the overall cost basis in this workgroup, a five-year average spending for the period 2005 to 2009 was used to forecast the base level of funding needed for TY2012. Added to this base are incremental work elements not reflected in the base forecast that are necessary to adequately fund service maintenance activities in TY2012.

Exhibit SCG-02-R, Pages GOM-29 to 32

DRA Position: DRA does not take issue with the use of a 5-year average. However, DRA disagrees with SCG's forecast for the incremental increases. Instead of adopting the SCG forecast of \$10.9 million for TY 2012, DRA recommends \$9.6 million. This amount is based on the 5-year 2005-2009 average, \$9.6 million, plus \$0.084 million for the service maintenance costs associated with the City of Los Osos Sewer project. DRA's recommendation is \$1.2 million lower than SCG's forecast.

Exhibit DRA-44, Pages 36-43

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	10,630	9,426	-1,204
NonLabor	246	218	-28
Nonstandard	0	0	0
TOTAL	10,876	9,644	-1,232

CHAPTER 2A1-a5

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

NONSHARED O&M

Subject: Pipeline O&M-Tools, Fittings & Materials
Workpaper: 2GD000.005

SoCalGas Position: SCG requests \$10.145 million for the activities in this work group. By TY2012, SCG forecasts costs to rebound to the five-year average. This five-year average also captures the fluctuation that can be experienced in this workgroup. Added to this base are incremental work elements not reflected in the base forecast that are necessary to adequately fund tools, materials, and fittings in TY2012.

Exhibit SCG-02-R, Pages GOM-36 to 38

DRA Position: DRA recommends using the 2010 recorded expense amount of \$8.2 million as the forecast for TY 2012. This recommendation is \$1.9 million lower than SCG's forecast of \$10.1 million. SCG has presented no evidence to show that there will be a significant improvement in the economy, compared to base year level, that would warrant an increase of 17% above the base year level.

Exhibit DR-44, Pages 49-50

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	10,145	8,215	-1,930
Nonstandard	0	0	0
TOTAL	10,145	8,215	-1,930

CHAPTER 2A1-a6

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

NONSHARED O&M

Subject: Pipeline O&M-Cathodic Protection Field
Workpaper: 2GD000.006

SoCalGas Position: SCG requests \$2.946 million for the activities in this work group. SCG is forecasting expenses for this workgroup based on the five-year average spending for the period 2005 through 2009. This results in a decrease of \$0.105 million in TY2012 from the 2009 adjusted recorded base. Added to this base are incremental work elements not reflected in the base forecast that are necessary to adequately fund CP activities in TY2012.

Exhibit SCG-02-R, Pages GOM-23 to 25

DRA Position: DRA does not take issue with the use of the five-year average, which results in a decrease of \$0.105 million in the TY compared to the 2009 recorded spending level. However, DRA takes issue with SCG's request for the incremental increases. DRA recommends \$2.1 million for TY 2012. This amount is based on the 2005-2009 five-year average spending and zero increase for the incremental requests. DRA's recommendation of \$2.1 million is \$0.842 million lower than SCG's request of \$2.9 million.

Exhibit DRA-44, Pages 27-32

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	1,011	722	-289
NonLabor	1,935	1,382	-553
Nonstandard	0	0	0
TOTAL	2,946	2,104	-842

CHAPTER 2A1-a7

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

NONSHARED O&M

Subject: Pipeline O&M -- Planning
Workpaper: 2GD001.000

SoCalGas Position: SCG requests \$7.123 million for the activities in this work group. In order to maintain the level of services offered today and remain consistent with the projected field operations, the 2009 adjusted recorded base was chosen to represent the base level of spending for 2012 with the addition of four Field Environmental Compliance Specialists not reflected in the base forecast.

Exhibit SCG-02-R, Pages GOM-38 to 40

DRA Position: DRA recommends two additional Compliance Specialists (instead of 4 as requested by SCG), which represents an increase of SCG's workforce by 50 percent and is a reasonable forecast. DRA's recommendation is \$0.173 million above the base year level and is a reduction of \$0.173 million to SCG's 2012 forecast.

Exhibit DRA-044, Pages 51-54

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	6,520	6,362	-158
NonLabor	603	588	-15
Nonstandard	0	0	0
TOTAL	7,123	6,950	-173

CHAPTER 2A1-a8

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

NONSHARED O&M

Subject: Measurement & Regulation
Workpaper: 2GD002.000

SoCalGas Position: SCG requests \$35.725 million for the activities in this work group. To factor in periods of high operations and maintenance work as well as years with lower levels of work, SCG chose a five-year average spending for the period 2005 to 2009 to forecast the spending for TY2012. This approach allows SCG to capture historical spending under a variety of conditions that reflect the historical fluctuation in labor and non-labor expenditures. Added to this base are incremental work elements not reflected in the base forecast that are necessary to adequately fund M&R activities in TY2012.

Exhibit SCG-02-R, Pages GOM-18 to 23

DRA Position: DRA recommends \$10.9 million for TY 2012. This amount is an adjustment of \$24.9 million to SCG's request of \$35.7 million. DRA's recommendation is based on the 5-year average of 2005-2009 spending, which is \$10.8 million, plus \$0.027 million for the incremental greenhouse gas reporting work activities. DRA's recommendation is based on the final Rule 40 CFR Part 98, mandatory Reporting of Greenhouse Gases, Petroleum and Natural Gas systems.

Exhibit DRA-44, Pages 16-27

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	10,107	3,072	-7,035
NonLabor	25,618	7,786	-17,832
Nonstandard	0	0	0
TOTAL	35,725	10,858	-24,867

CHAPTER 2A1-a9

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

NONSHARED O&M

Subject: Operations Management & Training
Workpaper: 2GD004.000

SoCalGas Position: SCG requests \$12.151 million for the activities in this work group. A historical average of the recorded non-labor expenditures for the years 2005 through 2009 was determined to be most representative of ongoing non-labor requirements. Added to this base are the following incremental work elements not reflected in the base forecast that are necessary to adequately fund Operations Management and Training needs, challenges, and activities in TY2012.

Exhibit SCG-02-R, Pages GOM-41 to 48

DRA Position: DRA's recommendation of \$8.9 million is \$3.2 million lower than SCG's TY 2012 forecast of \$12.2 million. This number is based on using the 2009 recorded expense amount of \$7.8 million plus several incremental increases totaling \$0.617 million.

Exhibit DRA-44, Pages 54-65

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	8,425	6,191	-2,234
NonLabor	3,726	2,737	-989
Nonstandard	0	0	0
TOTAL	12,151	8,928	-3,223

Chapter 2 - DRA vs. SoCalGas

Part A - O&M and Capital Expenditures

1. SCG-02-R (Exh 26) - GAS DISTRIBUTION

b. CAPITAL

Project	DRA vs. SoCalGas (2010+2011+2012)	Reference
1. 00152.0.ALL	(49,075)	2A1-b1
2. 00163.0.ALL	(6,983)	2A1-b2
3. 00263.0.ALL	(1,228)	2A1-b3
4. 00271.0.ALL	(2,105)	2A1-b4
5. 00715.0.ALL	(10,361)	2A1-b5
6. 01006.0.ALL	(19,331)	2A1-b6

CHAPTER 2A1-b1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

CAPITAL EXPENDITURES

Project: NB Mn 6" & under-Plas
Budget Code: 00152.0.ALL

SoCalGas Position: The annual cost for this work category is forecasted to be \$31.395 million, \$37.945 million, and \$43.854 million in the years 2010, 2011, and 2012, respectively. The base forecast for expenditures was developed using the projected number of new meter sets times the cost per meter set. The cost per meter set is reflective of the mix of work that is anticipated. It will account for the use of contractor services, increased installation of main footage and larger diameter pipe to reach new developments, and the proportionate use of plastic and steel materials. To represent these factors, SCG used the five-year average cost per meter (2005 - 2009) in deriving the forecast for new business installation costs.

Exhibit SCG-02-R, Page GOM-63 to 65

DRA Position: DRA estimates are \$15.178 million for 2011 and \$17.546 million for 2012. Therefore, DRA recommends that the forecasted expenditures be lowered by \$22.767 million in 2011 and \$26.308 million in 2012. DRA developed its estimates for 2011 and 2012 by taking into account "the overall lower new business activity" as pointed out by SCG and the lower recorded expenditures for recent years (2008, 2009 and 2010). DRA applied the ratio of actual recorded expenditures to SCG's estimates for 2010, which is 0.4, to SCG's estimates for 2011 and 2012.

Exhibit DRA-45, Pages 6-7

Note: Budget code 152 (New Business Account) and Budget code 160 (Trench Reimbursements) are included in this category

Proposed Capital Expenditures (in thousands of 2009 dollars)

SCG	Description	2010	2011	2012	Total
00152.00.60	New Business	28,082	33,941	39,226	101,249
00160.00.425	New BUS Trench Reimbursements	3,313	4,004	4,628	11,945
Total		31,395	37,945	43,854	113,194

DRA	Description	2010	2011	2012	Total
00152.00.60	New Business	28,082	12,130	20,016	60,228
00160.00.425	New BUS Trench Reimbursements	3,313	3,048	-2,470	3,891
Total		31,395	15,178	17,546	64,119

Difference	Description	2010	2011	2012	Total
00152.00.60	New Business	0	-21,811	-19,210	-41,021
00160.00.425	New BUS Trench Reimbursements	0	-956	-7,098	-8,054
Total		0	-22,767	-26,308	-49,075

CHAPTER 2A1-b2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

CAPITAL EXPENDITURES

Project: Meters & Gauges
Budget Code: 00163.0.ALL

SoCalGas Position: The capital request for this category is \$24.797 million for 2010, \$26.219 million for 2011 and \$31.016 million for 2012. This work category includes expenditures for the purchase of gas meters, regulators, electronic gas pressure and temperature correction equipment, and electronic pressure monitors (EPMs).

Exhibit SCG-02-R, Pages GOM-80 to 83

DRA Position: DRA estimates are \$22.791 million for 2011 and \$27.461 million for 2012. Based on these estimates, DRA recommends reducing the SCG forecasts by \$3.428 million in 2011 and \$3.555 million in 2012.

Exhibit DRA-45, Pages 9-10

Proposed Capital Expenditures (in thousands of 2009 dollars)

SCG	Description	2010	2011	2012	Total
00163.00.67	Mtrs & Regulators	22,886	24,325	27,245	74,456
00180.00.68	Gas Telemetry Equip	1,911	1,894	3,771	7,576
Total		24,797	26,219	31,016	82,032

DRA	Description	2010	2011	2012	Total
00163.00.67	Mtrs & Regulators	22,886	20,897	23,690	67,473
00180.00.68	Gas Telemetry Equip	1,911	1,894	3,771	7,576
Total		24,797	22,791	27,461	75,049

Difference	Description	2010	2011	2012	Total
00163.00.67	Mtrs & Regulators	0	-3,428	-3,555	-6,983
00180.00.68	Gas Telemetry Equip	0	0	0	0
Total		0	-3,428	-3,555	-6,983

CHAPTER 2A1-b3

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

CAPITAL EXPENDITURES

Project: Electrolysis Protection
Budget Code: 00263.0.ALL

SoCalGas Position: The capital request for this work category is forecasted to be \$4.192 million, \$4.328 million and \$4.464 million in the years 2010, 2011, and 2012, respectively. The forecast of funding for this compliance activity was based on the five-year trend of spending from 2005 to 2009. This methodology was chosen to best capture the expected continued increase in contractor expenses and the replacement requirements of an aging infrastructure.

Exhibit SCG-02-R, Pages GOM-72 to 73

DRA Position: DRA estimated capital expenditures of \$3.782 million for each of 2011 and 2012. DRA recommends lowering the SCG forecasts by \$0.546 million in 2011 and \$0.682 million in 2012. This is based on the average of five years of expenditures (\$3.334 million in 2005, \$3.705 million in 2006, \$4.083 million in 2007, \$3.843 million in 2008 and \$3.947 million in 2009).

Exhibit DRA-45, Pages 7-8

Proposed Capital Expenditures (in thousands of 2009 dollars)

SCG	Description	2010	2011	2012	Total
00263.00.65	Cathodic Protection	4,192	4,328	4,464	12,984
Total		4,192	4,328	4,464	12,984

DRA	Description	2010	2011	2012	Total
00263.00.65	Cathodic Protection	4,192	3,782	3,782	11,756
Total		4,192	3,782	3,782	11,756

Difference	Description	2010	2011	2012	Total
00263.00.65	Cathodic Protection	0	-546	-682	-1,228
Total		0	-546	-682	-1,228

CHAPTER 2A1-b4

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

CAPITAL EXPENDITURES

Project: Fran Repl/Reloc 6" & Under NC
Budget Code: 00271.0.ALL

SoCalGas Position: Pipeline Relocations
The capital request in this category for years 2010, 2011 and 2012 is \$9.260 million, \$9.477 million and \$9.660 million, respectively. SCG anticipates future expenditures in this workgroup to approximate a five year trend of the 2005 to 2009 spending levels. In addition, the introduction of new technology and associated changes in business processes are anticipated to improve operational efficiency. Therefore, this forecast of capital expenditures was reduced to incorporate these new operating efficiencies.

Exhibit SCG-02-R, Pages GOM-74 to 76

DRA Position: DRA estimated capital expenditures of \$8.516 million for each of 2011 and 2012. DRA recommends lowering the forecasts by \$0.961 million in 2011 and \$1.144 million in 2012. DRA reviewed the historical expenditures for the five year period starting from 2005 and determined that the fluctuating historical data show an insignificant upward trend, and the use of a five-year average is more appropriate. Based on the average of five years of expenditures (\$6.534 million in 2005, \$10.140 million in 2006, \$8.922 million in 2007, \$8.097 million in 2008 and \$8.887 million in 2009).

Exhibit DRA-45, Page 8

Proposed Capital Expenditures (in thousands of 2009 dollars)

SCG	Description	2010	2011	2012	Total
00271.00.55	Franchise - Non-Coll	8,612	8,813	8,984	26,409
00272.00.54	Franchise - Coll	648	664	676	1,988
Total		9,260	9,477	9,660	28,397

DRA	Description	2010	2011	2012	Total
00271.00.55	Franchise - Non-Coll	8,612	7,852	7,840	24,304
00272.00.54	Franchise - Coll	648	664	676	1,988
Total		9,260	8,516	8,516	26,292

Difference	Description	2010	2011	2012	Total
00271.00.55	Franchise - Non-Coll	0	-961	-1,144	-2,105
00272.00.54	Franchise - Coll	0	0	0	0
Total		0	-961	-1,144	-2,105

CHAPTER 2A1-b5

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

CAPITAL EXPENDITURES

Project: Meas-Other Equip
Budget Code: 00715.0.ALL

SoCalGas Position: The capital funding requirement for the tools and equipment category for years 2010, 2011 and 2012 is \$1.959 million, \$17.848 million and \$1.393 million, respectively (revised according to Update Exhibit). This work category includes expenditures for budget codes 715 and 725 associated with the purchase of capital tools and equipment used by distribution field personnel for the maintenance and repair of gas pipeline systems.

Exhibit SCG-02-R, Pages GOM-84 to 87

DRA Position: DRA recommends about one unit per district for a total of 50 units at \$5 million, resulting in a reduction of \$10.7 million. With this reduction, DRA estimates capital expenditures of \$7.253 million for 2011 and \$1.393 million for 2012. DRA accepts SCG's request for 2010.

Exhibit DRA-45, Page 10

Note: SCG's request has been revised to reflect the change made in the "Update Exhibit". SCG's original request were \$2.193 million in 2010, \$2.253 million in 2011 and \$1.393 million in 2012 for Project 00725.74 (Tools & Equip)

Proposed Capital Expenditures (in thousands of 2009 dollars)

SCG	Description	2010	2011	2012	Total
00715.00.39	New Environmental Regulatory B	0	15,700	0	15,700
00725.00.74	Tools & Equip	1,959	2,148	1,393	5,500
Total		1,959	17,848	1,393	21,200

DRA	Description	2010	2011	2012	Total
00715.00.39	New Environmental Regulatory B	0	5,000	0	5,000
00725.00.74	Tools & Equip	2,193	2,253	1,393	5,839
Total		2,193	7,253	1,393	10,839

Difference	Description	2010	2011	2012	Total
00715.00.39	New Environmental Regulatory B	0	-10,700	0	-10,700
00725.00.74	Tools & Equip	234	105	0	339
Total		234	-10,595	0	-10,361

CHAPTER 2A1-b6

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

CAPITAL EXPENDITURES

Project: Other Capital Pool - Distribution
Budget Code: 01006.0.ALL

SoCalGas Position: The capital funding required for this work category (also referred to as Budget code 903-Field Capital Support) is forecasted to be \$38.323 million, \$40.207 million, and \$39.694 million in the years 2010, 2011, and 2012, respectively. The forecast expenditures for the budget category of Field Capital Support was based on the level of historical costs as a percentage of construction costs incurred. As a foundational forecast, SCG applied a percentage of 30% representing the average of the two lowest percentage years - 2006 and 2007. Added to this forecast was a cost increase not reflected in the base forecast related to the ARSO.

Exhibit SCG-02-R, Pages GOM-87 to 89

DRA Position: DRA's estimated expenditures are \$31.101 million for 2011 and \$29.469 million for 2012, which resulted in the DRA recommendation of reducing SCG's forecasts by \$9.106 million in 2011 and \$10.225 million in 2012.

Exhibit DRA-45, Page 11

Proposed Capital Expenditures (in thousands of 2009 dollars)

SCG	Description	2010	2011	2012	Total
01006.00.42	903	38,323	40,207	39,694	118,224
Total		38,323	40,207	39,694	118,224

DRA	Description	2010	2011	2012	Total
01006.00.42	903	38,323	31,101	29,469	98,893
Total		38,323	31,101	29,469	98,893

Difference	Description	2010	2011	2012	Total
01006.00.42	903	0	-9,106	-10,225	-19,331
Total		0	-9,106	-10,225	-19,331

Chapter 2 - DRA vs. SoCalGas

Part A - O&M and Capital Expenditures

2. SCG-03-R (Exh 90) - GAS TRANSMISSION

a. O&M - NON-SHARED

Workpaper	DRA vs. SoCalGas (2012)	Reference
1. 2GT000.000	(409)	2A2-a1
2. 2GT001.000	(406)	2A2-a2
3. 2GT002.000	(500)	2A2-a3

CHAPTER 2A2-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-03-R
Area: GAS TRANSMISSION
Witness: John L Dagg

NONSHARED O&M

Subject: Pipeline O & M
Workpaper: 2GT000.000

SoCalGas Position: SCG requests \$17.727 million for the activities in this work group (revised according to Update Exhibit). The Test Year 2012 forecast was determined by applying annual incremental changes to the 2009 base year adjusted recorded expenditures. For analysis, the recorded 2009 expenditures were adjusted as necessary, by subtracting one-time events and by making other applicable accounting adjustments for related activities. The adjusted expense levels of 2009 were determined to be a reasonable indicator of future costs as reflecting recent and representative operational conditions.

Exhibit SCG-03-R, Pages JLD-9 to 11

DRA Position: DRA's overall recommendation is \$17.318 million, which is \$0.500 million lower than SCG's request of \$17.818 million for TY 2012. DRA forecasts an increase of \$0.960 million above the 2009 recorded amount for this work management category.

Exhibit DRA-44, Pages 95-98

Note: SCG's request for TY 2012 has been revised to reflect the change made in the Update Exhibit filed on Feb. 17, 2012. SCG's original request in the Errara Exhibit is \$17.818 million.

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	8,858	8,616	-242
NonLabor	2,798	2,801	3
Nonstandard	6,071	5,901	-170
TOTAL	17,727	17,318	-409

CHAPTER 2A2-a2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-03-R
Area: GAS TRANSMISSION
Witness: John L Dagg

NONSHARED O&M

Subject: Compressor Station O & M
Workpaper: 2GT001.000

SoCalGas Position: SCG requests \$8.099 million for the activities in this work group based 2009 adjusted-recorded. Added to this base are incremental work elements not reflected in the base forecast and are costs necessary to adequately fund activities in TY 2012 for new regulation relating to: CARB-AB32; CARB-AB10x; and RICE/NESHAPS SCAQMD Rule 1110.2; and costs relating to odorant policy change.

Exhibit SCG-03-R, Pages JLD-11 to 14

DRA Position: DRA's TY 2012 forecast is \$7.7 million compared to SCG's request of \$8.1 million. DRA takes issue with SCG's requested increase for the following issues: (1) CARB-AB 32, (2) RICE/NESHAPS MDAQMD Rule 1160, and (3) CARB-AB 10X. This results in a recommended decrease of \$0.406 million to SCG's request.

Exhibit DRA-44, Pages 98-101

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	4,231	4,096	-135
NonLabor	3,688	3,480	-208
Nonstandard	180	117	-63
TOTAL	8,099	7,693	-406

CHAPTER 2A2-a3

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-03-R
Area: GAS TRANSMISSION
Witness: John L Dagg

NONSHARED O&M

Subject: Transmission Field Technical Services
Workpaper: 2GT002.000

SoCalGas Position: SCG requests \$2.379 million for the activities in this work group based 2009 adjusted-recorded. Added to this base are incremental work elements not reflected in the base forecast and are costs necessary to adequately fund activities in TY 2012.

Exhibit SCG-03-R, Pages JLD-14 to 15

DRA Position: DRA recommends adopting the 2009 recorded expenses for the TY2012 which is a decrease of \$0.500 million compared to SCG's TY 2012 request. SCG has not demonstrated that the work activities for Right-of-Way management will increase in TY 2012 and beyond as a result of stricter guidelines and restrictions.

Exhibit DRA-44, Pages 101-103

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	778	614	-164
NonLabor	1,601	1,265	-336
Nonstandard	0	0	0
TOTAL	2,379	1,879	-500

Chapter 2 - DRA vs. SoCalGas

Part A - O&M and Capital Expenditures

3. SCG-04-R (Exh 466) - SOCALGAS UNDERGROUND STORAGE

a. O&M - NON-SHARED

Workpaper	DRA vs. SoCalGas (2012)	Reference
1. 2US000.000	(2,192)	2A3-a1

CHAPTER 2A3-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: SOCALGAS UNDERGROUND STORAGE
Witness: James D Mansdorfer

NONSHARED O&M

Subject: Underground Storage
Workpaper: 2US000.000

SoCalGas Position: The TY 2012 estimate of \$28.939 million for underground storage O&M expense reflects an emphasis on improving organizational performance and minimizing expenses where possible. For labor O&M costs, 2009 was used as a base with identifiable incremental requirements added to get to TY 2012 expected costs. The baseline cost level used to forecast 2012 non-labor O&M costs is the 2005 to 2009 five-year average. Identifiable new incremental costs that are expected to be incurred were added to the five-year average to arrive at the TY 2012 requirement.

Exhibit SCG-04, Pages JDM-8 to 17

DRA Position: Based on DRA's analysis, DRA recommends a total of \$26.7 million for TY2012. This amount is \$2.2 million lower than SCG's forecast of \$28.9 million. DRA recommends basing the 2012 Test Year on the 2009 recorded labor and non-labor expenses, instead of the five-year average proposed by SCG, plus \$0.152 million for two additional FTEs.

Exhibit DRA-44, Pages 103-111

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	12,991	12,124	-867
NonLabor	15,948	14,623	-1,325
Nonstandard	0	0	0
TOTAL	28,939	26,747	-2,192

Chapter 2 - DRA vs. SoCalGas

Part A - O&M and Capital Expenditures

3. SCG-04-R (Exh 466) - SOCALGAS UNDERGROUND STORAGE

b. CAPITAL

Project	DRA vs. SoCalGas (2010+2011+2012)	Reference
1. 00411.0.ALL	(2,876)	2A3-b1
2. 00413.0.ALL	(2,436)	2A3-b2
3. 00419.0.ALL	(4,609)	2A3-b3

CHAPTER 2A3-b1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: SOCALGAS UNDERGROUND STORAGE
Witness: James D Mansdorfer

CAPITAL EXPENDITURES

Project: GT Stor Comp Sta Add/Rpls / Externally Driven
Budget Code: 00411.0.ALL

SoCalGas Position: SCG requests capital expenditures of \$4.430 million for 2010, \$6.851 for 2011 and \$6.851 for 2012 for this budget category. The forecast for 2010 is based on the capital budget amount for fifteen specific projects. The forecasts for years 2011 and 2012 are the average five years of recorded costs in this budget category during years 2005-2009.

Exhibit SCG-04, Pages JDM-19 to 21

DRA Position: DRA's estimates capital expenditures of \$5.413 million each year in 2011 and 2012. This amount is based strictly on the 5-year average of recorded capital expenditures from 2005 to 2009. SCG's addition of \$1.438 million each year for turbine-driven compressor overhauls in this budget area is unnecessary. DRA recommends the removal of the \$1.438 million for both 2011 and 2012.

Exhibit DRA-45, Pages 13-14

Proposed Capital Expenditures (in thousands of 2009 dollars)

SCG	Description	2010	2011	2012	Total
00411.00.246	HR - Overhaul Main Unit #5	1,046	563	0	1,609
00411.00.31	Gas Trans -Stor-Compressor Sta	2,982	4,850	4,515	12,347
00411.00.431	TDC-Capital Maint	402	1,438	2,336	4,176
Total		4,430	6,851	6,851	18,132

DRA	Description	2010	2011	2012	Total
00411.00.246	HR - Overhaul Main Unit #5	1,046	563	0	1,609
00411.00.31	Gas Trans -Stor-Compressor Sta	2,982	4,850	4,515	12,347
00411.00.431	TDC-Capital Maint	402	0	898	1,300
Total		4,430	5,413	5,413	15,256

Difference	Description	2010	2011	2012	Total
00411.00.246	HR - Overhaul Main Unit #5	0	0	0	0
00411.00.31	Gas Trans -Stor-Compressor Sta	0	0	0	0
00411.00.431	TDC-Capital Maint	0	-1,438	-1,438	-2,876
Total		0	-1,438	-1,438	-2,876

CHAPTER 2A3-b2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: SOCALGAS UNDERGROUND STORAGE
Witness: James D Mansdorfer

CAPITAL EXPENDITURES

Project: GT Stor Pipelines / Externally Driven
Budget Code: 00413.0.ALL

SoCalGas Position: SCG requests capital expenditures of \$4.222 million for 2010, \$3.493 million for 2011 and \$3.493 million for 2012 for this budget category. The forecasts for 2011 and 2012 are the result of averaging recorded costs in years 2005-2009 to which is added new costs for Pipeline Integrity work in the storage fields and a project to build a necessary pipeline span support bridge.

Exhibit SCG-04, Pages JDM-23 to 24

DRA Position: DRA's estimates capital expenditures of \$2.275 million each year in 2011 and 2012. This amount is based strictly on the 5-year average of recorded capital expenditures from 2005 to 2009. SCG's addition of \$1.218 million each year for replacement of the pipeline span support for Line FF38 in the Aliso Canyon field in this budget area is inappropriate. DRA recommends the removal of this \$1.218 million for both 2011 and 2012.

Exhibit DRA-45, Page 14

Proposed Capital Expenditures (in thousands of 2009 dollars)

SCG	Description	2010	2011	2012	Total
00413.00.258	AC Valve Repl Prgm	898	898	898	2,694
00413.00.259	HR - High Pressure Production	2,415	0	0	2,415
00413.00.271	AC - FF38 - Span Supp Bridge	0	1,218	1,218	2,436
00413.00.33	Gas Trans - Storage - Pipeline	909	1,377	1,377	3,663
Total		4,222	3,493	3,493	11,208

DRA	Description	2010	2011	2012	Total
00413.00.258	AC Valve Repl Prgm	898	898	898	2,694
00413.00.259	HR - High Pressure Production	2,415	0	0	2,415
00413.00.271	AC - FF38 - Span Supp Bridge	0	0	0	0
00413.00.33	Gas Trans - Storage - Pipeline	909	1,377	1,377	3,663
Total		4,222	2,275	2,275	8,772

Difference	Description	2010	2011	2012	Total
00413.00.258	AC Valve Repl Prgm	0	0	0	0
00413.00.259	HR - High Pressure Production	0	0	0	0
00413.00.271	AC - FF38 - Span Supp Bridge	0	-1,218	-1,218	-2,436
00413.00.33	Gas Trans - Storage - Pipeline	0	0	0	0
Total		0	-1,218	-1,218	-2,436

CHAPTER 2A3-b3

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: SOCALGAS UNDERGROUND STORAGE
Witness: James D Mansdorfer

CAPITAL EXPENDITURES

Project: GT Stor Aux Equip & Infrastr / Externally Driven
Budget Code: 00419.0.ALL

SoCalGas Position: SCG requests capital expenditures of \$5.923 million for 2010, \$9.454 million for 2011 and \$8.445 million for 2012. The forecast for 2010 is based on the capital budget for this budget category, which includes funds for twenty-five projects that range in cost from \$51,000 to \$3.6 million. The forecast for years 2011 and 2012 is based on the five-year average of recorded costs in years 2005-2009 to which is added, in 2011 and 2012, the cost of compliance with new General Order 95 requirements including extensive modification to the power supply grid in the storage fields for fire prevention purposes.

Exhibit SCG-04, Page JDM-25

DRA Position: DRA's estimates capital expenditures of \$6.645 million each year in 2011 and 2012. This amount is based strictly on the 5-year average of recorded capital expenditures from 2005 to 2009. SCG's addition of \$1.8 million for electrical system upgrades each year and \$1.009 million for plant power upgrades in Aliso Canyon in 2011 is unnecessary. DRA recommends the removal of \$2.809 million for 2011 and \$1.8 million for 2012.

Exhibit DRA-45, Pages 14-15

Proposed Capital Expenditures (in thousands of 2009 dollars)

SCG	Description	2010	2011	2012	Total
00419.00.261	AC - Overhead Elec Sys revamp	0	1,800	1,800	3,600
00419.00.270	AC Elec Sys Upgrds	0	1,009	0	1,009
00419.00.35	Gas - Storage - Auxilliary Eq	5,923	6,645	6,645	19,213
Total		5,923	9,454	8,445	23,822

DRA	Description	2010	2011	2012	Total
00419.00.261	AC - Overhead Elec Sys revamp	0	0	0	0
00419.00.270	AC Elec Sys Upgrds	0	1,009	0	1,009
00419.00.35	Gas - Storage - Auxilliary Eq	5,923	5,636	6,645	18,204
Total		5,923	6,645	6,645	19,213

Difference	Description	2010	2011	2012	Total
00419.00.261	AC - Overhead Elec Sys revamp	0	-1,800	-1,800	-3,600
00419.00.270	AC Elec Sys Upgrds	0	0	0	0
00419.00.35	Gas - Storage - Auxilliary Eq	0	-1,009	0	-1,009
Total		0	-2,809	-1,800	-4,609

Chapter 2 - DRA vs. SoCalGas

Part A - O&M and Capital Expenditures

4. SCG-05-R (Exh 55) - ENGINEERING

a. O&M - NON-SHARED

Workpaper	DRA vs. SoCalGas (2012)	Reference
1. 2EN000.000	(10,494)	2A4-a1
2. 2EN001.000	(13,618)	2A4-a2
3. 2EN002.000	(23,897)	2A4-a3
4. 2EN003.000	(852)	2A4-a4

CHAPTER 2A4-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-05-R
Area: ENGINEERING
Witness: Raymond K Stanford

NONSHARED O&M

Subject: Gas Engineering
Workpaper: 2EN000.000

SoCalGas Position: The total non-shared services O&M forecast for the General Engineering category is \$21.383 million. Of the total, only 12% of the increase is associated with the core duties and responsibilities of Gas Engineering. The remaining increase in projected expenses is associated with newly imposed mandates. The development of the O&M non-shared services forecast relied on the experience of the engineering department managers and historical spending for the years 2005 through 2009. Because the work and workgroups are more of a mature nature, a five-year average has been employed to develop the forecast.

Exhibit SCG-05-R, Pages RKS-13 to 24

DRA Position: For TY 2012, DRA forecasts \$10.9 million for Gas Engineering, which is \$10.5 million less than SCG's forecast of \$21.4 million. DRA's recommendation is based on using the 2009 recorded expenses as the base year, plus \$700,000 for Asset and Data Management, zero funding for the Engineering Analysis Center, zero funding for Planning and Analysis, and zero funding for the Sustainable SoCal Program.

Exhibit DRA-44, Pages 66-74

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	8,191	7,577	-614
NonLabor	13,192	3,312	-9,880
Nonstandard	0	0	0
TOTAL	21,383	10,889	-10,494

CHAPTER 2A4-a2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-05-R
Area: ENGINEERING
Witness: Raymond K Stanford

NONSHARED O&M

Subject: Transmission Pipeline Integrity
Workpaper: 2EN001.000

SoCalGas Position: SoCalGas' TY 2012 forecast is a zero-based approach using units of work to best describe its costs. Based on that methodology and evaluating the remaining work to comply with TIMP, SoCalGas is forecasting \$24.760 million for TY 2012. This is an increase of \$13.799 million over its 2009 adjusted recorded expense. It represents the additional work for reassessments and the complexity to assess cased main.

Exhibit SCG-05-R, Pages RKS-25 to 31

DRA Position: DRA's recommendation of \$11.1 million for 2012 is a reduction of \$13.7 million to SCG's request of \$24.8 million. DRA recommends using the 2006-2010 average spending to forecast the TY 2012 expenses. The five-year average of spending is \$11.1 million. This \$181,000 higher than the 2009 recorded spending.

Exhibit DRA-44, Pages 74-78

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	2,367	1,065	-1,302
NonLabor	22,393	10,077	-12,316
Nonstandard	0	0	0
TOTAL	24,760	11,142	-13,618

CHAPTER 2A4-a3

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-05-R
Area: ENGINEERING
Witness: Raymond K Stanford

NONSHARED O&M

Subject: Distribution Pipeline Integrity
Workpaper: 2EN002.000

SoCalGas Position: The compendium of work to identify and mitigate integrity threats is estimated to cost approximately \$31.097 million. The change in this account is driven by the DOT mandates to enhance the safety, reliability, and integrity of SoCalGas' distribution system. The forecast relies on a zero-based methodology because historical trending or averaging is not appropriate. Each of these initiatives is necessary to meet the DIMP mandates. These activities go beyond core regulatory requirements and address threats that may be low in frequency but high in consequence, which go to the heart of PHMSA's objectives for DIMP.

Exhibit SCG-05-R, Pages RKS-32 to 48

DRA Position: DRA's overall recommendation for the work activities under the Pipeline Integrity Distribution is \$7.2 million (per DRA Errata). This amount is \$23.9 million (per DRA Errata) lower than SCG's request of \$31.1 million. The following summarizes DRA's recommendations: 1) DRA does not oppose SCG's request of \$4.3 million for GIS projects & \$0.574 million for DIMP-Driven monitoring activities; 2) For the Anodeless Riser Program, instead of the \$15 million, DRA recommends \$0.515 million; 3) For the Vehicular Damage Associated With Above-Ground Facilities expense, instead of the \$2.3 million, DRA recommends \$0 funding; 4) For the Sewer Lateral Inspection Program - SCG forecasts \$7.5 million & DRA recommends \$0.622 million; 5) For the Damage Prevention and DIMP Activities request, instead of SCG's request of \$1.5 million, DRA recommends \$1.2 million

Exhibit DRA-44, Pages 78-92; DRA-44 Errata

Note: Revised due to DRA Errata for Exhibit DRA-44 submitted on Nov 28, 2011.

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	4,866	1,891	-2,975
NonLabor	26,231	5,309	-20,922
Nonstandard	0	0	0
TOTAL	31,097	7,200	-23,897

CHAPTER 2A4-a4

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-05-R
Area: ENGINEERING
Witness: Raymond K Stanford

NONSHARED O&M

Subject: Public Awareness
Workpaper: 2EN003.000

SoCalGas Position: SoCalGas is forecasting for its TY 2012 \$1.159 million for this activity over its 2009 adjusted-recorded expenses. This is a zero-based methodology using activities.

Exhibit SCG-05-R, Pages RKS-50 to 51

DRA Position: DRA recommends the base year 2009 recorded expense of \$0.307 million for the test year. DRA's recommendation is \$0.852 million lower than SCG's forecast.

Exhibit DRA-44, Pages 92-94

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	69	0	-69
NonLabor	1,090	18	-1,072
Nonstandard	0	289	289
TOTAL	1,159	307	-852

Chapter 2 - DRA vs. SoCalGas

Part A - O&M and Capital Expenditures

4. SCG-05-R (Exh 55) - ENGINEERING

b. CAPITAL

Project	DRA vs. SoCalGas (2010+2011+2012)	Reference
1. 00311.0.ALL	(24,561)	2A4-b1
2. 00312.0.ALL	(1,850)	2A4-b2
3. 00315.0.ALL	(10,424)	2A4-b3
4. 00399.0.ALL	(11,272)	2A4-b4
5. 00617.0.ALL	(12,300)	2A4-b5
6. 00730.0.ALL	(480)	2A4-b6

CHAPTER 2A4-b1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-05-R
Area: ENGINEERING
Witness: Raymond K Stanford

CAPITAL EXPENDITURES

Project: GT PL New Add / Externally Driven
Budget Code: 00311.0.ALL

SoCalGas Position: The capital request for this category is \$9.519 million for 2010, \$11.197 million for 2011 and \$19.292 million for 2012. Because many new construction projects are initiated at the behest of potential customers of SoCalGas, the nature, size, and timing of these projects is based upon information that is available at the time of planning and budgeting. Construction cost estimates are derived from experience with recent projects of similar pipe size, scope, and location.

Exhibit SCG-05-R, Pages RKS-72 to 73

DRA Position: There are so many uncertainties regarding the feasibility and timing of these projects that SCG's ratepayers should not be funding them at this time. Therefore, DRA recommends removing all the expenditures requested for these projects, which amounts to \$11.197 million for 2011 and \$13.364 million for 2012. DRA's estimates for this budget category are zero for 2011 and \$5.928 million for 2012.

Exhibit DRA-45, Pages 17-18

CHAPTER 2A4-b1

Proposed Capital Expenditures (in thousands of 2009 dollars)

SCG	Description	2010	2011	2012	Total
00311.00.276	Anaheim Peaker UEG	2,413	0	0	2,413
00311.00.278	City of Palmdale UEG Plt - no	209	10,808	7,746	18,763
00311.00.279	Mandalay Peaker UEG Plt	1,498	80	0	1,578
00311.00.280	Hydrogen Energy - Standby gas	65	309	5,618	5,992
00311.00.281	North - South Interconnect Lin	5,119	0	0	5,119
00311.00.283	New Construction - Blnkt - Col	215	0	5,928	6,143
Total		9,519	11,197	19,292	40,008

DRA	Description	2010	2011	2012	Total
00311.00.276	Anaheim Peaker UEG	2,413	0	0	2,413
00311.00.278	City of Palmdale UEG Plt - no	209	0	0	209
00311.00.279	Mandalay Peaker UEG Plt	1,498	0	0	1,498
00311.00.280	Hydrogen Energy - Standby gas	65	0	0	65
00311.00.281	North - South Interconnect Lin	5,119	0	0	5,119
00311.00.283	New Construction - Blnkt - Col	215	0	5,928	6,143
Total		9,519	0	5,928	15,447

Difference	Description	2010	2011	2012	Total
00311.00.276	Anaheim Peaker UEG	0	0	0	0
00311.00.278	City of Palmdale UEG Plt - no	0	-10,808	-7,746	-18,554
00311.00.279	Mandalay Peaker UEG Plt	0	-80	0	-80
00311.00.280	Hydrogen Energy - Standby gas	0	-309	-5,618	-5,927
00311.00.281	North - South Interconnect Lin	0	0	0	0
00311.00.283	New Construction - Blnkt - Col	0	0	0	0
Total		0	-11,197	-13,364	-24,561

CHAPTER 2A4-b2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-05-R
Area: ENGINEERING
Witness: Raymond K Stanford

CAPITAL EXPENDITURES

Project: GT PL Rpls / Externally Driven
Budget Code: 00312.0.ALL

SoCalGas Position: The capital request for this category is \$42.768 million for 2010, \$35.227 million for 2011 and \$25.917 million for 2012. Costs have been heavily influenced by the new federal pipeline integrity rules discussed in Section II of my testimony. Expenditures associated with retrofitting and inspecting pipelines in High Consequence Areas (HCAs), as defined by the new Pipeline Integrity rules are also included in this category. Approximately 29 such projects, through 2012, are large enough to be discussed individually in detail in the workpapers.

Exhibit SCG-05-R, Pages RKS-73 to 74

DRA Position: DRA encourages SCG to save money for ratepayers by reusing some of the materials from the earlier tests. With that consideration, DRA recommends full funding for 4 temporary assemblies in 2011 and none in 2012. As a result, DRA lowers the expenditures request by \$1.48 million in 2011 for reusing materials for 4 launcher/receiver assemblies and \$0.370 million in 2012 for reusing materials for 1 assembly. With this reduction, DRA estimates capital expenditures of \$33.747 million for 2011 and \$25.547 million for 2012.

Exhibit DRA-45, Pages 18-19

CHAPTER 2A4-b2

Proposed Capital Expenditures (in thousands of 2009 dollars)

SCG	Description	2010	2011	2012	Total
00312.00.299	Pipeline Repls - Non-PIP relat	3,541	3,743	1,517	8,801
00312.00.300	Pipeline Repls - Line 6000 - A	370	0	0	370
00312.00.302	Pipeline Repls -Lines 407 & 30	3,090	2,136	514	5,740
00312.00.390	Line 156	14	686	0	700
00312.00.391	Line 8107	21	712	0	733
00312.00.392	Line 3002	757	0	0	757
00312.00.393	Line 5026	37	776	0	813
00312.00.394	Line 8106	42	794	0	836
00312.00.395	Line 235	0	45	809	854
00312.00.396	Line 85 - North	73	921	0	994
00312.00.397	Line 1185	1,115	0	0	1,115
00312.00.398	Line 6905	1,111	0	0	1,111
00312.00.399	Line 235E	0	45	1,436	1,481
00312.00.400	Line 2051	1,490	0	0	1,490
00312.00.401	Line 325	1,562	0	0	1,562
00312.00.402	Line 119 North	62	1,504	0	1,566
00312.00.403	Line 119 South	322	1,914	0	2,236
00312.00.404	Line 1017	3,276	0	0	3,276
00312.00.405	Line 5000	4,636	0	0	4,636
00312.00.406	West S-P	1,310	5,867	0	7,177
00312.00.407	Line 3000	11,995	903	0	12,898
00312.00.408	Wrinkle Bend Group	0	7,913	15,850	23,763
00312.00.409	Repl Trans Op in Lieu of ILI	598	1,174	532	2,304
00312.00.410	Line 103 Repl in Lieu of ILI	903	300	0	1,203
00312.00.411	Line 307 Alt & Pressure Reduce	0	525	175	700
00312.00.412	Line 8109 Pressure Reduction	903	300	0	1,203
00312.00.413	Line 1171 Pressure Reduction	2,409	800	0	3,209
00312.00.414	Line 317	758	251	0	1,009
00312.00.415	Misc/Stranded Replace	0	0	1,118	1,118
00312.00.416	PDR Excess Compressor - PIP	853	0	0	853
00312.00.417	Goleta - Remove Storage Piping	0	0	100	100
00312.00.418	Stormwater - Sensitive Area Mi	0	69	69	138
00312.00.419	Additional Pipe Removals durin	0	750	750	1,500
00312.00.7	Gas Trans Pipelines - Repls -	1,520	3,099	3,047	7,666
Total		42,768	35,227	25,917	103,912

DRA	Description	2010	2011	2012	Total
00312.00.299	Pipeline Repls - Non-PIP relat	3,541	3,743	1,517	8,801
00312.00.300	Pipeline Repls - Line 6000 - A	370	0	0	370
00312.00.302	Pipeline Repls -Lines 407 & 30	3,090	2,136	514	5,740
00312.00.390	Line 156	14	686	0	700
00312.00.391	Line 8107	21	712	0	733
00312.00.392	Line 3002	757	0	0	757
00312.00.393	Line 5026	37	776	0	813
00312.00.394	Line 8106	42	794	0	836
00312.00.395	Line 235	0	4	870	874
00312.00.396	Line 85 - North	73	919	0	992
00312.00.397	Line 1185	1,115	0	0	1,115
00312.00.398	Line 6905	1,111	0	0	1,111
00312.00.399	Line 235E	0	45	1,070	1,115
00312.00.400	Line 2051	1,490	0	0	1,490
00312.00.401	Line 325	1,562	0	0	1,562
00312.00.402	Line 119 North	62	1,137	0	1,199
00312.00.403	Line 119 South	322	2,069	0	2,391
00312.00.404	Line 1017	3,276	0	0	3,276

CHAPTER 2A4-b2

00312.00.405	Line 5000	4,636	0	0	4,636
00312.00.406	West S-P	1,310	5,080	0	6,390
00312.00.407	Line 3000	11,995	903	0	12,898
00312.00.408	Wrinkle Bend Group	0	7,913	16,609	24,522
00312.00.409	Repl Trans Op in Lieu of ILI	598	1,174	532	2,304
00312.00.410	Line 103 Repl in Lieu of ILI	903	300	0	1,203
00312.00.411	Line 307 Alt & Pressure Reduce	0	525	175	700
00312.00.412	Line 8109 Pressure Reduction	903	300	0	1,203
00312.00.413	Line 1171 Pressure Reduction	2,409	800	0	3,209
00312.00.414	Line 317	758	251	0	1,009
00312.00.415	Misc/Stranded Replace	0	0	1,038	1,038
00312.00.416	PDR Excess Compressor - PIP	853	0	0	853
00312.00.417	Goleta - Remove Storage Piping	0	0	100	100
00312.00.418	Stormwater - Sensitive Area Mi	0	69	69	138
00312.00.419	Additional Pipe Removals durin	0	750	750	1,500
00312.00.7	Gas Trans Pipelines - Repls -	1,520	2,661	2,303	6,484
Total		42,768	33,747	25,547	102,062

Difference	Description	2010	2011	2012	Total
00312.00.299	Pipeline Repls - Non-PIP relat	0	0	0	0
00312.00.300	Pipeline Repls - Line 6000 - A	0	0	0	0
00312.00.302	Pipeline Repls -Lines 407 & 30	0	0	0	0
00312.00.390	Line 156	0	0	0	0
00312.00.391	Line 8107	0	0	0	0
00312.00.392	Line 3002	0	0	0	0
00312.00.393	Line 5026	0	0	0	0
00312.00.394	Line 8106	0	0	0	0
00312.00.395	Line 235	0	-41	61	20
00312.00.396	Line 85 - North	0	-2	0	-2
00312.00.397	Line 1185	0	0	0	0
00312.00.398	Line 6905	0	0	0	0
00312.00.399	Line 235E	0	0	-366	-366
00312.00.400	Line 2051	0	0	0	0
00312.00.401	Line 325	0	0	0	0
00312.00.402	Line 119 North	0	-367	0	-367
00312.00.403	Line 119 South	0	155	0	155
00312.00.404	Line 1017	0	0	0	0
00312.00.405	Line 5000	0	0	0	0
00312.00.406	West S-P	0	-787	0	-787
00312.00.407	Line 3000	0	0	0	0
00312.00.408	Wrinkle Bend Group	0	0	759	759
00312.00.409	Repl Trans Op in Lieu of ILI	0	0	0	0
00312.00.410	Line 103 Repl in Lieu of ILI	0	0	0	0
00312.00.411	Line 307 Alt & Pressure Reduce	0	0	0	0
00312.00.412	Line 8109 Pressure Reduction	0	0	0	0
00312.00.413	Line 1171 Pressure Reduction	0	0	0	0
00312.00.414	Line 317	0	0	0	0
00312.00.415	Misc/Stranded Replace	0	0	-80	-80
00312.00.416	PDR Excess Compressor - PIP	0	0	0	0
00312.00.417	Goleta - Remove Storage Piping	0	0	0	0
00312.00.418	Stormwater - Sensitive Area Mi	0	0	0	0
00312.00.419	Additional Pipe Removals durin	0	0	0	0
00312.00.7	Gas Trans Pipelines - Repls -	0	-438	-744	-1,182
Total		0	-1,480	-370	-1,850

CHAPTER 2A4-b3

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-05-R
Area: ENGINEERING
Witness: Raymond K Stanford

CAPITAL EXPENDITURES

Project: GT Comp Sta Add/Rpls / Externally Driven
Budget Code: 00315.0.ALL

SoCalGas Position: The capital request for this category is \$2.302 million for 2010, \$5.408 million for 2011 and \$19.257 million for 2012. Forecasts for this series of BCs are based on a combination of recent experience and known, specific projects.

Exhibit SCG-05-R, Page RKS-75 to 76

DRA Position: DRA recommends removal of the requested funding for \$0.947 million in 2011 and \$7.595 million in 2012 for project MDAQMD Rule 1160 due to uncertainty. As the result of the above recommendations, DRA estimates capital expenditures of \$4.460 million for 2011 and \$9.781 million for 2012.

Exhibit DRA-45, Pages 19-20

CHAPTER 2A4-b3

Proposed Capital Expenditures (in thousands of 2009 dollars)

SCG	Description	2010	2011	2012	Total
00315.00.19	Gas Trans Compressor Stations	566	1,291	523	2,380
00315.00.303	Compressor Stations - Newberry	0	0	3,383	3,383
00315.00.304	Mojave Desert AQMD - Rule 1160	0	947	0	947
00315.00.420	Ventura Station Controls	1,736	0	0	1,736
00315.00.421	Cactus City Controls	0	544	544	1,088
00315.00.422	Desert Ctr Station Controls	0	544	544	1,088
00315.00.423	Newberry Springs Lined Evapora	0	536	3,081	3,617
00315.00.424	Newberry Springs - Three Capst	0	1,139	0	1,139
00315.00.450	Mojave Desert AQMD - NESHAP -	0	407	0	407
00315.00.453	Mojave Desert AQMD - Rule 1160	0	0	7,594	7,594
00315.00.454	Mojave Desert AQMD - NESHAP -	0	0	3,588	3,588
Total		2,302	5,408	19,257	26,967

DRA	Description	2010	2011	2012	Total
00315.00.19	Gas Trans Compressor Stations	566	1,291	523	2,380
00315.00.303	Compressor Stations - Newberry	0	0	3,383	3,383
00315.00.304	Mojave Desert AQMD - Rule 1160	0	947	0	947
00315.00.420	Ventura Station Controls	1,736	0	0	1,736
00315.00.421	Cactus City Controls	0	544	544	1,088
00315.00.422	Desert Ctr Station Controls	0	544	544	1,088
00315.00.423	Newberry Springs Lined Evapora	0	536	1,203	1,739
00315.00.424	Newberry Springs - Three Capst	0	191	0	191
00315.00.450	Mojave Desert AQMD - NESHAP -	0	407	0	407
00315.00.453	Mojave Desert AQMD - Rule 1160	0	0	880	880
00315.00.454	Mojave Desert AQMD - NESHAP -	0	0	2,704	2,704
Total		2,302	4,460	9,781	16,543

Difference	Description	2010	2011	2012	Total
00315.00.19	Gas Trans Compressor Stations	0	0	0	0
00315.00.303	Compressor Stations - Newberry	0	0	0	0
00315.00.304	Mojave Desert AQMD - Rule 1160	0	0	0	0
00315.00.420	Ventura Station Controls	0	0	0	0
00315.00.421	Cactus City Controls	0	0	0	0
00315.00.422	Desert Ctr Station Controls	0	0	0	0
00315.00.423	Newberry Springs Lined Evapora	0	0	-1,878	-1,878
00315.00.424	Newberry Springs - Three Capst	0	-948	0	-948
00315.00.450	Mojave Desert AQMD - NESHAP -	0	0	0	0
00315.00.453	Mojave Desert AQMD - Rule 1160	0	0	-6,714	-6,714
00315.00.454	Mojave Desert AQMD - NESHAP -	0	0	-884	-884
Total		0	-948	-9,476	-10,424

CHAPTER 2A4-b4

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-05-R
Area: ENGINEERING
Witness: Raymond K Stanford

CAPITAL EXPENDITURES

Project: Bio Gas Equipment
Budget Code: 00399.0.ALL

SoCalGas Position: The capital request for this category is \$11.272 million for 2012. SoCalGas plans to install the first two BioEnergy units in the third-quarter of 2012, and two additional units will be installed after TY 2012. Each installation of a BioEnergy unit at a producer site will require an estimated capital investment of approximately \$5.6 million to cover the costs related to the equipment purchase, interconnection, site specific feasibility study, required permits, and other installation costs including contractors' fees.

Exhibit SCG-05-R, Pages RKS-82 to 83

DRA Position: DRA recommends the removal of the \$11.272 million SCG requested for 2012 to fund this project. DRA contends that SCG provides no explanation as to why ratepayers should fund this activity, nor did it provide a cost-benefit analysis of how the cost of the project compared to the potential benefits of removing emissions.

Exhibit DRA-45, Pages 22-23

Proposed Capital Expenditures (in thousands of 2009 dollars)

SCG	Description	2010	2011	2012	Total
00399.00.439	Sustainable SoCal Prgm	0	0	11,272	11,272
Total		0	0	11,272	11,272

DRA	Description	2010	2011	2012	Total
00399.00.439	Sustainable SoCal Prgm	0	0	0	0
Total		0	0	0	0

Difference	Description	2010	2011	2012	Total
00399.00.439	Sustainable SoCal Prgm	0	0	-11,272	-11,272
Total		0	0	-11,272	-11,272

CHAPTER 2A4-b5

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-05-R
Area: ENGINEERING
Witness: Raymond K Stanford

CAPITAL EXPENDITURES

Project: GT PL Land Rights / Externally Driven
Budget Code: 00617.0.ALL

SoCalGas Position: The capital request for this category is \$4.0 million for 2011 and \$8.3 million for 2012. This BC includes costs associated with the acquisition of land and land rights necessary to conduct natural gas transmission activities.

Exhibit SCG-05-R, Page RKS-79

DRA Position: DRA estimates zero expenditure for pipeline land rights for both 2011 and 2012. DRA recommends the removal of the request of \$4 million in 2011 and \$2 million in 2012 for the land purchases. DRA also determined that the strategy of purchasing land in exchange for special permits to satisfy requirement under the ESA is very speculative and recommends the \$6.3 million for this purpose be removed.

Exhibit DRA-45, Pages 20-21

Proposed Capital Expenditures (in thousands of 2009 dollars)

SCG	Description	2010	2011	2012	Total
00617.00.40	Gas Trans Land Rights - Buffer	0	4,000	2,000	6,000
00617.00.451	Gas Trans Land Rights - Coasta	0	0	6,300	6,300
Total		0	4,000	8,300	12,300

DRA	Description	2010	2011	2012	Total
00617.00.40	Gas Trans Land Rights - Buffer	0	0	0	0
00617.00.451	Gas Trans Land Rights - Coasta	0	0	0	0
Total		0	0	0	0

Difference	Description	2010	2011	2012	Total
00617.00.40	Gas Trans Land Rights - Buffer	0	-4,000	-2,000	-6,000
00617.00.451	Gas Trans Land Rights - Coasta	0	0	-6,300	-6,300
Total		0	-4,000	-8,300	-12,300

CHAPTER 2A4-b6

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-05-R
Area: ENGINEERING
Witness: Raymond K Stanford

CAPITAL EXPENDITURES

Project: GT Lab Equip / Quality/Economic Driven
Budget Code: 00730.0.ALL

SoCalGas Position: The capital request for this category is \$0.265 million for 2010, \$0.935 million for 2011 and \$0.295 million for 2012. The forecast for 2010 is based on the operating budget for expected purchases in 2010. The forecast for 2011 is a repeat of 2010 plus \$0.670 million for purchases of new equipment specifically related to preparing for compliance with expected new GHG emissions regulations. The forecast for 2012 is the five-year average of recorded costs in this BC in the period 2005-2009.

Exhibit SCG-05-R, Page RKS-80

DRA Position: DRA recommends the reduction of three optical imaging devices and six high-volume samplers for a total of \$0.480 million. With this reduction, DRA estimates capital expenditures of \$0.455 million in 2011 and \$0.295 million in 2012.

Exhibit DRA-45, Pages 21-22

Proposed Capital Expenditures (in thousands of 2009 dollars)

SCG	Description	2010	2011	2012	Total
00730.00.41	Gas Trans - Lab Equip - Qualit	265	935	295	1,495
Total		265	935	295	1,495

DRA	Description	2010	2011	2012	Total
00730.00.41	Gas Trans - Lab Equip - Qualit	265	455	295	1,015
Total		265	455	295	1,015

Difference	Description	2010	2011	2012	Total
00730.00.41	Gas Trans - Lab Equip - Qualit	0	-480	0	-480
Total		0	-480	0	-480

Chapter 2 - DRA vs. SoCalGas

Part A - O&M and Capital Expenditures

5. SCG-06 (Exh 443) - SOCALGAS PROCUREMENT

a. O&M - NON-SHARED

Workpaper	DRA vs. SoCalGas (2012)	Reference
1. 2SP000.000	(95)	2A5-a1

CHAPTER 2A5-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-06
Area: SOCALGAS PROCUREMENT
Witness: Ibtissam T Chang

NONSHARED O&M

Subject: SP-Gas Acquisition
Workpaper: 2SP000.000

SoCalGas Position: SCG requests \$3.639 million for the activities in this work group. Labor costs for TY 2012 were forecasted based on 2009 base year recorded costs, and non-labor costs were forecasted based on the five-year average (2005-2009) of recorded expenses.

Exhibit SCG-06, pages ITC-2 to ITC-3

DRA Position: DRA proposes \$3.544 million for the activities in this work group, which represents a reduction of \$0.095 million. DRA recommends using 2009 recorded expense for this workgroup.

Exhibit DRA-46, pages 2-3

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	3,113	3,113	0
NonLabor	526	431	-95
Nonstandard	0	0	0
TOTAL	3,639	3,544	-95

Chapter 2 - DRA vs. SoCalGas

Part A - O&M and Capital Expenditures

6. SCG-07-R (Exh 143) - CS - FIELD OPERATIONS & CUSTOMER CONTACT

a. O&M - NON-SHARED

Workpaper	DRA vs. SoCalGas (2012)	Reference
1. 2BO000.000	(998)	2A6-a1
2. 2CC001.000	(801)	2A6-a2
3. 2FO000.000	(2,998)	2A6-a3
4. 2FO002.000	(150)	2A6-a4
5. 2FO006.000	(440)	2A6-a5
6. 2FO007.000	(636)	2A6-a6

CHAPTER 2A6-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-07-R
Area: CS - FIELD OPERATIONS & CUSTOMER CONTACT
Witness: Edward Fong

NONSHARED O&M

Subject: Branch Office and Authorized Pay Location Operations
Workpaper: 2BO000.000

SoCalGas Position: SCG requests \$11.135 million for the activities in this work group based on the five-year average (2005-2009) of historical expenditures of \$10.218 million and increases of \$0.475 million for additional security guards, \$0.338 million for Red Flag implementation, and \$0.104 million to adjust for the full year effect of positions filled in 2009.

Exhibit SCG-07-R, page EF-39

DRA Position: DRA proposes \$10.137 million for the activities in this work group, which represents a reduction of \$0.998 million. DRA's recommendation is to maintain SCG's 2009 expense level for TY 2012.

Exhibit DRA-47, page 6

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	8,013	7,295	-718
NonLabor	3,122	2,842	-280
Nonstandard	0	0	0
TOTAL	11,135	10,137	-998

CHAPTER 2A6-a2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-07-R
Area: CS - FIELD OPERATIONS & CUSTOMER CONTACT
Witness: Edward Fong

NONSHARED O&M

Subject: CCC - Support
Workpaper: 2CC001.000

SoCalGas Position: SCG requests \$10.097 million for the activities in this work group based on the five-year average (2005-2009) of recorded expenses, adjusted for incremental increases including \$0.695 million for annual maintenance expenses for CCC software and hardware, and \$0.106 million for an incremental analyst position to support new software applications.

Exhibit SCG-07-R, page EF-38

DRA Position: DRA proposes \$9.296 million for the activities in this work group, which represents a reduction of \$0.801 million. Except for the data analysis analyst and annual maintenance expenses, DRA does not object to SCG's request for this workgroup. DRA recommends disallowance of the cost of the data analysis analyst and annual maintenance expenses.

Exhibit DRA-47, page 6

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	6,455	6,349	-106
NonLabor	3,642	2,947	-695
Nonstandard	0	0	0
TOTAL	10,097	9,296	-801

CHAPTER 2A6-a3

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-07-R
Area: CS - FIELD OPERATIONS & CUSTOMER CONTACT
Witness: Edward Fong

NONSHARED O&M

Subject: Customer Service Field Operations
Workpaper: 2FO000.000

SoCalGas Position: SCG requests \$107.484 million for the activities in this work group based on a zero-based forecast that takes into account many variables including order activity, off-premise time, drive time, etc. The fluctuation of these variables would not be represented in historical averaging or trending of expense, thus a zero based budget using the average of order activity along with the most recent trend of exogenous variables is most suited for this area.

Exhibit SCG-07-R, pages EF-15 to EF-30

DRA Position: DRA proposes \$104.486 million for the activities in this work group, which represents a reduction of \$2.998 million. DRA recommends disallowance of the \$1.245 million requested incremental costs related to increased drive time; as well as the \$1.753 million requested cost of incremental positions to help customers comply with new rules propounded by the South Coast Air Quality Management District (SCAQMD).

Exhibit DRA-47, page 4

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	100,487	97,628	-2,859
NonLabor	6,997	6,858	-139
Nonstandard	0	0	0
TOTAL	107,484	104,486	-2,998

CHAPTER 2A6-a4

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-07-R
Area: CS - FIELD OPERATIONS & CUSTOMER CONTACT
Witness: Edward Fong

NONSHARED O&M

Subject: Customer Service Field Supervision
Workpaper: 2FO002.000

SoCalGas Position: SCG requests \$11.574 million for the activities in this work group. The estimated number of supervisors was based on preserving the field employee to supervisor ratio of approximately one-to-twelve that existed in 2009. The increase in 11 supervisor FTEs is due to the estimated increase of 124 FTEs of CSF personnel from the TY 2012 increased workload forecast.

Exhibit SCG-07-R, pages EF-31

DRA Position: DRA proposes \$11.424 million for the activities in this work group, which represents a reduction of \$0.150 million. DRA recommends disallowing 1.5 FTE from SCG's request due to the disallowance of 19.1 FTEs for air quality service support. Disallowing 1.5 FTE would allow SCG to maintain its one-to-twelve management-to-staff ratio while accounting for a 19.1 FTE reduction in staff.

Exhibit DRA-47, page 5

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	10,326	10,176	-150
NonLabor	1,248	1,248	0
Nonstandard	0	0	0
TOTAL	11,574	11,424	-150

CHAPTER 2A6-a5

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-07-R
Area: CS - FIELD OPERATIONS & CUSTOMER CONTACT
Witness: Edward Fong

NONSHARED O&M

Subject: Field Ops-MRdg-Supv/Trng/Prog
Workpaper: 2FO006.000

SoCalGas Position: SCG requests \$3.631 million for the activities in this work group based on the five-year average (2005-2009) of historical expenditures, adjusted for additional management personnel that were included (assumed) in SCG's AMI authorized operating benefits, and additional training related to a new meter reading handheld system that will be replaced in TY 2012.

Exhibit SCG-07-R, pages EF-48

DRA Position: DRA proposes \$3.191 million for the activities in this work group, which represents a reduction of \$0.440 million. DRA recommends disallowance of the incremental management personnel that were included in SCG's AMI authorized operating benefits.

Exhibit DRA-47, page 8

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	3,210	2,793	-417
NonLabor	421	398	-23
Nonstandard	0	0	0
TOTAL	3,631	3,191	-440

CHAPTER 2A6-a6

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-07-R
Area: CS - FIELD OPERATIONS & CUSTOMER CONTACT
Witness: Edward Fong

NONSHARED O&M

Subject: Field Ops-MRdg-Staff Support
Workpaper: 2FO007.000

SoCalGas Position: SCG requests \$2.809 million for the activities in this work group based on the five-year average (2005-2009) of historical expenditures, adjusted for an increase for meter reading staff in order to reconcile with the operating benefits established in the SCG AMI proceeding and 2008 GRC authorization levels.

Exhibit SCG-07-R, pages EF-48 to EF-49

DRA Position: DRA proposes \$2.173 million for the activities in this work group, which represents a reduction of \$0.636 million. DRA recommends disallowance of SCG's requested increase over the 2009 expense level because SCG already received funding for the incremental positions in its prior GRC.

Exhibit DRA-47, page 8

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	1,906	1,280	-626
NonLabor	903	893	-10
Nonstandard	0	0	0
TOTAL	2,809	2,173	-636

Chapter 2 - DRA vs. SoCalGas

Part A - O&M and Capital Expenditures

7. SCG-08 (Exh 413) - CS - OFFICE OPERATIONS

a. O&M - NON-SHARED

Workpaper	DRA vs. SoCalGas (2012)	Reference
1. 200003.000	(396)	2A7-a1
2. 200005.000	(742)	2A7-a2
3. 200006.000	(533)	2A7-a3

CHAPTER 2A7-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-08
Area: CS - OFFICE OPERATIONS
Witness: Michael H Baldwin

NONSHARED O&M

Subject: OFFICE CREDIT & COLLECTIONS
Workpaper: 200003.000

SoCalGas Position: SCG requests \$4.282 million for the activities in this work group based on the five-year average (2005-2009) of historical expenditures plus an increase of \$0.396 million to support the new Fair & Accurate Credit Transactions Act (FACTA)/Red Flag business process.

Exhibit SCG-08, pages MHB-14 to MHB-15

DRA Position: DRA proposes \$3.886 million for the activities in this work group, which represents a reduction of \$0.396 million. DRA recommends disallowing SCG's requested incremental increase over the five-year historical average because SCG is already in compliance with FACTA.

Exhibit DRA-48, page 4

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	3,250	2,972	-278
NonLabor	1,032	914	-118
Nonstandard	0	0	0
TOTAL	4,282	3,886	-396

CHAPTER 2A7-a2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-08
Area: CS - OFFICE OPERATIONS
Witness: Michael H Baldwin

NONSHARED O&M

Subject: CS TECHNOLOGY SUPPORT
Workpaper: 200005.000

SoCalGas Position: SCG requests \$3.133 million for the activities in this work group based on the five-year average (2005-2009) of historical expenditures plus an increase of \$0.917 million to support IST (Industrial Service Technicians) Automation, the Forecasting and Scheduling Project, newly installed Multi Gas Detector Calibration Stations, the Single View of the Customer ("SVOC") project and enhancements to self service options.

Exhibit SCG-08, pages MHB-18 to MHB-25

DRA Position: DRA proposes \$2.391 million for the activities in this work group, which represents a reduction of \$0.742 million. DRA recommends the Commission disallow all but \$0.175 million of the requested increase over the five-year average expense level, as SCG's expense forecasts for enhancing self-service options, customer data collection, and regulatory compliance are overstated.

Exhibit DRA-48, page 4

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	2,575	1,965	-610
NonLabor	558	426	-132
Nonstandard	0	0	0
TOTAL	3,133	2,391	-742

CHAPTER 2A7-a3

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-08
Area: CS - OFFICE OPERATIONS
Witness: Michael H Baldwin

NONSHARED O&M

Subject: CS OPERATIONS OTHER
Workpaper: 200006.000

SoCalGas Position: SCG requests \$1.635 million for the activities in this work group based on the five-year average (2005-2009) of historical expenditures plus an increase of \$0.578 million to support the addition of an industrial engineer position, two intern positions and a non-shared Customer Operations Vice President position.

Exhibit SCG-08, page MHB-27

DRA Position: DRA proposes \$1.102 million for the activities in this work group, which represents a reduction of \$0.533 million. DRA recommends disallowing the incremental engineer position and providing \$0.045 million for interns that can support the existing senior engineer. DRA recommends disallowing the full request for the Vice-President position.

Exhibit DRA-48, page 5

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	1,449	977	-472
NonLabor	186	125	-61
Nonstandard	0	0	0
TOTAL	1,635	1,102	-533

Chapter 2 - DRA vs. SoCalGas

Part A - O&M and Capital Expenditures

8. SCG-09 (Exh 417) - CS - INFORMATION

a. O&M - NON-SHARED

Workpaper	DRA vs. SoCalGas (2012)	Reference
1. 2IN000.000	(1,257)	2A8-a1
2. 2IN003.000	(550)	2A8-a2
3. 2IN007.000	(480)	2A8-a3
4. 2IN008.000	(186)	2A8-a4
5. 2IN008.001	(13,000)	2A8-a5

CHAPTER 2A8-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-09
Area: CS - INFORMATION
Witness: Gillian Alice Wright

NONSHARED O&M

Subject: Communications, Research and e-Services
Workpaper: 2IN000.000

SoCalGas Position: SCG requests \$7.919 million for the activities in this work group based on the five-year average (2005-2009) of historical expenditures plus incremental expense of \$2.264 million for: enhancement of website usability and accessibility; increasing support activities and services for website and mobile devices; enhancement of social media and e-communication channels; increasing support for online content editing and translation; additional targeted customer research to determine the values and needs for availability and access to online services; and expanded natural gas safety communications.

Exhibit SCG-09, page GAW-6

DRA Position: DRA proposes \$6.662 million for the activities in this work group, which represents a reduction of \$1.257 million. DRA recommends disallowing SCG's requested incremental costs for Website/Mobile E-services \$0.230 million, Social Media/e-Communications \$0.431 million, Research-Online Panels \$0.128 million, and Safety Communications \$0.468 million.

Exhibit DRA-49, pages 5-6

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	2,321	1,953	-368
NonLabor	5,598	4,709	-889
Nonstandard	0	0	0
TOTAL	7,919	6,662	-1,257

CHAPTER 2A8-a2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-09
Area: CS - INFORMATION
Witness: Gillian Alice Wright

NONSHARED O&M

Subject: CUSTOMER ASSISTANCE
Workpaper: 2IN003.000

SoCalGas Position: SCG requests \$5.074 million (revised according to Update Exhibit) for the activities in this work group (revised according to Update Exhibit) based on the five-year average (2005-2009) of historical expenditures plus incremental expense of \$3.475 million for: increased numbers of NGAT required by the LIEE program; outreach and education efforts to raise the awareness of SCG's MBL program; and a contract with Telecommunications Education and Assistance in Multiple Languages Collaboration ("TEAM") to educate customers with limited English proficiency to understand their gas bills, payment options, and available assistance programs.

Exhibit SCG-09, page GAW-7

DRA Position: DRA proposes \$4.524 million for the activities in this work group, which represents a reduction of \$0.675 million. DRA does not object to SCG's NGAT expense request, however DRA recommends eliminating SCG's memorandum account for NGAT. DRA recommends disallowing SCG's requested incremental costs of \$0.550 million for Medical Baseline Customer Outreach. DRA recommends that SCG's request for \$0.125 million for bill education through the TEAM collaborative be funded through the CARE program.

Exhibit DRA-49, pages 8-9

Note: SCG's request for TY 2012 has been revised to reflect the change made in the Update Exhibit filed on Feb. 17, 2012. SCG's original request in the Application Exhibit is \$5.199 million.

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	325	286	-39
NonLabor	4,749	4,238	-511
Nonstandard	0	0	0
TOTAL	5,074	4,524	-550

CHAPTER 2A8-a3

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-09
Area: CS - INFORMATION
Witness: Gillian Alice Wright

NONSHARED O&M

Subject: COMMERCIAL, INDUSTRIAL, AND GOVERNMENT SEGMENTS
Workpaper: 2IN007.000

SoCalGas Position: SCG requests \$7.618 million for the activities in this work group based on the five-year average (2005-2009) of historical expenditures plus incremental expense of \$0.480 million to educate and assist customers to analyze and assess the viability of CHP systems, and provide general customer support related to compliance with air quality regulations.

Exhibit SCG-09, page GAW-7

DRA Position: DRA proposes \$7.138 million for the activities in this work group, which represents a reduction of \$0.480 million. DRA recommends disallowing SCG's requested incremental costs over the five-year average because SCG did not provide any data or analysis showing that this incremental funding would produce demonstrable, cost-effective results.

Exhibit DRA-49, pages 9-10

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	5,693	5,334	-359
NonLabor	1,925	1,804	-121
Nonstandard	0	0	0
TOTAL	7,618	7,138	-480

CHAPTER 2A8-a4

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-09
Area: CS - INFORMATION
Witness: Gillian Alice Wright

NONSHARED O&M

Subject: TECHNOLOGY DEVELOPMENT SUPPORT
Workpaper: 2IN008.000

SoCalGas Position: SCG requests \$0.186 million for the activities in this work group based on the five-year average (2005-2009) of historical expenditures.

Exhibit SCG-09, page GAW-44

DRA Position: DRA proposes zero funding for the activities in this work group, which represents a reduction of \$0.186 million. DRA asserts that the Commission should discontinue funding for SCG's RD&D program, including the expenses in this work group, because a ratepayer-funded RD&D program is neither necessary nor reasonable.

Exhibit DRA-49, pages 11-13

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	132	0	-132
NonLabor	54	0	-54
Nonstandard	0	0	0
TOTAL	186	0	-186

CHAPTER 2A8-a5

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-09
Area: CS - INFORMATION
Witness: Gillian Alice Wright

NONSHARED O&M

Subject: RESEARCH DEVELOPMENT AND DEMONSTRATION (RD&D) -
REFUNDABLE PROGRAM
Workpaper: 2IN008.001

SoCalGas Position: SCG requests \$13.000 million for the activities in this work group based on the current authorized funding of \$10.000 million plus incremental expense of \$3.000 million to conduct research, development, and demonstration projects in the areas of solar thermal and bioenergy renewable resources.

Exhibit SCG-09, page GAW-7

DRA Position: DRA proposes zero funding for the activities in this work group, which represents a reduction of \$13.000 million. DRA asserts that the Commission should discontinue funding for SCG's RD&D program because a ratepayer-funded RD&D program is neither necessary nor reasonable.

In the event the Commission decides to retain an RD&D program for SCG, DRA recommends that the program budget be limited to projects directly related to safety improvements. SCG's \$3.000 million of Gas Operations RD&D requests fit this criterion. If the Commission authorizes \$3.000 million of RD&D funding, that funding should require a one-way balancing account.

Exhibit DRA-49, pages 11-13

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	1,550	0	-1,550
NonLabor	11,450	0	-11,450
Nonstandard	0	0	0
TOTAL	13,000	0	-13,000

Chapter 2 - DRA vs. SoCalGas

Part A - O&M and Capital Expenditures

8. SCG-09 (Exh 417) - CS - INFORMATION

b. O&M - SHARED

Workpaper	DRA vs. SoCalGas (2012)	Reference
1. 2CSIN000B.ALL	(706)	2A8-b1
2. 2CSIN001B.ALL	(188)	2A8-b2
3. 2CSIN002B.ALL	(120)	2A8-b3
4. 2CSIN003B.ALL	(130)	2A8-b4

CHAPTER 2A8-b1

Southern California Gas Company
 2012 Test Year GRC A-10-12-006
 DRA Differences to SoCalGas Requests

Exhibit No.: SCG-09
Area: CS - INFORMATION
Witness: Gillian Alice Wright

SHARED SERVICES O&M

Subject: NGV Program
Workpaper: 2CSIN000B.ALL

SoCalGas Position: SoCalGas requests \$2.256 million incurred costs (\$2.028 million Book expense) for the activities in this work group based on 2009 base-year recorded expenses plus incremental costs to increase account management to respond to accelerating customer growth; education and outreach to raise customer awareness regarding the use of natural gas as a transportation fuel; and provide customer training and education on legislation and regulations related to NGV.

Exhibit SCG-09, page GAW-8

DRA Position: DRA proposes \$1.550 million incurred expense for the activities in this work group, which represents a reduction of \$0.706 million. DRA recommends adopting the 2009 authorized level of \$1.550 million, which was also the NGV program authorized funding level from 1995-2008.

Exhibit DRA-49, pages 14-15

Proposed TY2012 Forecast 100% Incurred (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-0234.000	NGV PRGM	1,125	1,131	0	2,256
Total		1,125	1,131	0	2,256

DRA	Description	Labor	NLbr	NSE	Total
2200-0234.000	NGV PRGM	774	776	0	1,550
Total		774	776	0	1,550

Difference	Description	Labor	NLbr	NSE	Total
2200-0234.000	NGV PRGM	-351	-355	0	-706
Total		-351	-355	0	-706

CHAPTER 2A8-b1

Proposed TY2012 Forecast - Book Expense (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-0234.000	NGV PRGM	1,017	1,011	0	2,028
Total	Book Expense	1,017	1,011	0	2,028

DRA	Description	Labor	NLbr	NSE	Total
2200-0234.000	NGV PRGM	702	699	0	1,401
Total	Book Expense	702	699	0	1,401

Difference	Description	Labor	NLbr	NSE	Total
2200-0234.000	NGV PRGM	-315	-312	0	-627
Total	Book Expense	-315	-312	0	-627

CHAPTER 2A8-b2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-09
Area: CS - INFORMATION
Witness: Gillian Alice Wright

SHARED SERVICES O&M

Subject: Capacity Products & Planning
Workpaper: 2CSIN001B.ALL

SoCalGas Position: SoCalGas requests \$2.767 million incurred costs (\$2.600 million Book expense) for the activities in this work group based on the five-year average (2005-2009) of recorded expenses plus incremental costs to handle increased administrative activities stemming from the implementation of FAR and changes to service offerings required by the Omnibus Settlement Decision ("D. 07-12-019"); and enhance existing storage analysis software to effectively price storage services to off-system customers.

Exhibit SCG-09, page GAW-8

DRA Position: DRA proposes \$2.579 million incurred expense for the activities in this work group, which represents a reduction of \$0.188 million. DRA does not oppose SCG's proposed staffing increases, but objects to the software upgrade. DRA recommends disallowing the software upgrade expense of \$0.188 million.

Exhibit DRA-49, page 15

Proposed TY2012 Forecast 100% Incurred (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-0246.000	CAPACITY PRODUCTS AND PLANNING	249	78	0	327
2200-0248.000	PIPELINE SUPP	671	26	0	697
2200-0328.000	CAPACITY SUPP	938	55	0	993
2200-0330.000	PIPELINE AND STORAGE STRATEGY	512	238	0	750
Total		2,370	397	0	2,767

DRA	Description	Labor	NLbr	NSE	Total
2200-0246.000	CAPACITY PRODUCTS AND PLANNING	249	78	0	327
2200-0248.000	PIPELINE SUPP	671	26	0	697
2200-0328.000	CAPACITY SUPP	938	55	0	993
2200-0330.000	PIPELINE AND STORAGE STRATEGY	512	50	0	562
Total		2,370	209	0	2,579

Difference	Description	Labor	NLbr	NSE	Total
2200-0246.000	CAPACITY PRODUCTS AND PLANNING	0	0	0	0
2200-0248.000	PIPELINE SUPP	0	0	0	0
2200-0328.000	CAPACITY SUPP	0	0	0	0
2200-0330.000	PIPELINE AND STORAGE STRATEGY	0	-188	0	-188
Total		0	-188	0	-188

CHAPTER 2A8-b2

Proposed TY2012 Forecast - Book Expense (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-0246.000	CAPACITY PRODUCTS AND PLANNING	237	74	0	311
2200-0248.000	PIPELINE SUPP	658	25	0	683
2200-0328.000	CAPACITY SUPP	844	50	0	894
2200-0330.000	PIPELINE AND STORAGE STRATEGY	486	226	0	712
Total	Book Expense	2,225	375	0	2,600

DRA	Description	Labor	NLbr	NSE	Total
2200-0246.000	CAPACITY PRODUCTS AND PLANNING	237	74	0	311
2200-0248.000	PIPELINE SUPP	658	25	0	683
2200-0328.000	CAPACITY SUPP	844	50	0	894
2200-0330.000	PIPELINE AND STORAGE STRATEGY	486	48	0	534
Total	Book Expense	2,225	197	0	2,422

Difference	Description	Labor	NLbr	NSE	Total
2200-0246.000	CAPACITY PRODUCTS AND PLANNING	0	0	0	0
2200-0248.000	PIPELINE SUPP	0	0	0	0
2200-0328.000	CAPACITY SUPP	0	0	0	0
2200-0330.000	PIPELINE AND STORAGE STRATEGY	0	-178	0	-178
Total	Book Expense	0	-178	0	-178

CHAPTER 2A8-b3

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-09
Area: CS - INFORMATION
Witness: Gillian Alice Wright

SHARED SERVICES O&M

Subject: BioFuel Market Development
Workpaper: 2CSIN002B.ALL

SoCalGas Position: SoCalGas requests \$0.377 million incurred costs (\$0.364 million Book expense) for the activities in this work group based on 2009 base-year recorded expenses plus incremental costs for market assessments and feasibility studies required to understand the viability of the market.

Exhibit SCG-09, page GAW-8

DRA Position: DRA proposes \$0.257 million incurred expense for the activities in this work group, which represents a reduction of \$0.120 million. DRA recommends disallowing the incremental cost of \$0.120 million for the market assessment to advance the biofuel market.

Exhibit DRA-49, page 15

Proposed TY2012 Forecast 100% Incurred (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-2286.000	BIO-FUEL MARKET DEV	204	173	0	377
Total		204	173	0	377

DRA	Description	Labor	NLbr	NSE	Total
2200-2286.000	BIO-FUEL MARKET DEV	204	53	0	257
Total		204	53	0	257

Difference	Description	Labor	NLbr	NSE	Total
2200-2286.000	BIO-FUEL MARKET DEV	0	-120	0	-120
Total		0	-120	0	-120

Proposed TY2012 Forecast - Book Expense (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-2286.000	BIO-FUEL MARKET DEV	194	170	0	364
Total	Book Expense	194	170	0	364

DRA	Description	Labor	NLbr	NSE	Total
2200-2286.000	BIO-FUEL MARKET DEV	194	52	0	246
Total	Book Expense	194	52	0	246

Difference	Description	Labor	NLbr	NSE	Total
2200-2286.000	BIO-FUEL MARKET DEV	0	-118	0	-118
Total	Book Expense	0	-118	0	-118

CHAPTER 2A8-b4

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-09
Area: CS - INFORMATION
Witness: Gillian Alice Wright

SHARED SERVICES O&M

Subject: Environmental Affairs
Workpaper: 2CSIN003B.ALL

SoCalGas Position: SoCalGas requests \$0.476 million incurred costs (\$0.295 million Book expense) for the activities in this work group based on the five-year average (2005-2009) of recorded expenses plus incremental costs to address new GHG regulation, as well as anticipated new air quality regulations from the SCAQMD.

Exhibit SCG-09, page GAW-8

DRA Position: DRA proposes \$0.346 million incurred expense for the activities in this work group, which represents a reduction of \$0.130 million. DRA recommends disallowing \$0.130 million, half of SCG's proposed increase, because while DRA acknowledges SCG's challenges in complying with air quality regulations, SCG does not provide justification for why large customers should have their compliance activities subsidized by ratepayers.

Exhibit DRA-49, page 16

Proposed TY2012 Forecast 100% Incurred (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-2288.000	ENVAL AFFAIRS	388	88	0	476
Total		388	88	0	476

DRA	Description	Labor	NLbr	NSE	Total
2200-2288.000	ENVAL AFFAIRS	288	58	0	346
Total		288	58	0	346

Difference	Description	Labor	NLbr	NSE	Total
2200-2288.000	ENVAL AFFAIRS	-100	-30	0	-130
Total		-100	-30	0	-130

CHAPTER 2A8-b4

Proposed TY2012 Forecast - Book Expense (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-2288.000	ENVAL AFFAIRS	241	54	0	295
Total	Book Expense	241	54	0	295

DRA	Description	Labor	NLbr	NSE	Total
2200-2288.000	ENVAL AFFAIRS	178	35	0	213
Total	Book Expense	178	35	0	213

Difference	Description	Labor	NLbr	NSE	Total
2200-2288.000	ENVAL AFFAIRS	-63	-19	0	-82
Total	Book Expense	-63	-19	0	-82

Chapter 2 - DRA vs. SoCalGas

Part A - O&M and Capital Expenditures

9. SCG-10 (Exh 291) - SUPPLY SERVICES & DIVERSE BUSINESS ENTERPRISES

a. O&M - NON-SHARED

Workpaper	DRA vs. SoCalGas (2012)	Reference
1. 2SS001.000	(333)	2A9-a1
2. 2SS002.000	(430)	2A9-a2
3. 2SS003.000	(564)	2A9-a3

CHAPTER 2A9-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-10
Area: SUPPLY SERVICES & DIVERSE BUSINESS ENTERPRISES
Witness: Karen L Sedgwick

NONSHARED O&M

Subject: Logistics Shops North
Workpaper: 2SS001.000

SoCalGas Position: SCG requests \$6.514 million for the activities in this work group. Labor costs for TY 2012 were forecasted based on 2009 base year recorded costs (adjusted), and non-labor costs were forecasted based on the five-year average (2005-2009) of recorded expenses.

Exhibit SCG-10, pages KLS-5 to KLS-6

DRA Position: DRA proposes \$6.181 million for the activities in this work group, which represents a reduction of \$0.333 million. DRA's recommendation is based on a three-year average (2008-2010) of recorded costs.

Exhibit DRA-19, pages 5-6

Note: Workpaper 2SS001.000 and workpaper 2SS002.000 are combined and referred to as "Logistics Shops North - Pool Warehousing" in SCG Testimony Exhibit SCG-10, Table KLS-2 on page KLS-5.

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	5,779	5,554	-225
NonLabor	735	627	-108
Nonstandard	0	0	0
TOTAL	6,514	6,181	-333

CHAPTER 2A9-a2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-10
Area: SUPPLY SERVICES & DIVERSE BUSINESS ENTERPRISES
Witness: Karen L Sedgwick

NONSHARED O&M

Subject: Office Services
Workpaper: 2SS002.000

SoCalGas Position: SCG requests \$3.283 million for the activities in this work group. Labor costs for TY 2012 were forecasted based on 2009 base year recorded costs, and non-labor costs were forecasted based on the five-year average (2005-2009) of recorded expenses.

Exhibit SCG-10, pages KLS-6 to KLS-7

DRA Position: DRA proposes \$2.853 million for the activities in this work group, which represents a reduction of \$0.430 million. DRA's recommendation is based on a three-year average (2008-2010) of recorded costs.

Exhibit DRA-19, pages 5-6

Note: Workpaper 2SS001.000 and workpaper 2SS002.000 are combined and referred to as "Logistics Shops North - Pool Warehousing" in SCG Testimony Exhibit SCG-10, Table KLS-2 on page KLS-5.

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	1,312	1,212	-100
NonLabor	1,971	1,641	-330
Nonstandard	0	0	0
TOTAL	3,283	2,853	-430

CHAPTER 2A9-a3

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-10
Area: SUPPLY SERVICES & DIVERSE BUSINESS ENTERPRISES
Witness: Karen L Sedgwick

NONSHARED O&M

Subject: Retired CC
Workpaper: 2SS003.000

SoCalGas Position: SCG requests \$2.762 million for the activities in this work group which is referred to as "Office Services" in SCG testimony Exhibit SCG-10. Costs for TY 2012 were forecasted based on the five-year average (2005-2009) of recorded expenses, adjusted for incremental increases.

Exhibit SCG-10, pages KLS-5 to KLS-7

DRA Position: DRA proposes \$2.198 million for the activities in this work group, which represents a reduction of \$0.564 million. DRA's recommendation is based on a three-year average (2008-2010) of recorded costs.

Exhibit DRA-19, pages 5-6

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	1,520	1,439	-81
Nonstandard	1,242	759	-483
TOTAL	2,762	2,198	-564

Chapter 2 - DRA vs. SoCalGas

Part A - O&M and Capital Expenditures

9. SCG-10 (Exh 291) - SUPPLY SERVICES & DIVERSE BUSINESS ENTERPRISES

b. O&M - SHARED

Workpaper	DRA vs. SoCalGas (2012)	Reference
1. 2SMSS000B.ALL	(171)	2A9-b1
2. 2SMSS002B.ALL	(328)	2A9-b2

CHAPTER 2A9-b1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-10
Area: SUPPLY SERVICES & DIVERSE BUSINESS ENTERPRISES
Witness: Karen L Sedgwick

SHARED SERVICES O&M

Subject: Portfolio Management
Workpaper: 2SMSS000B.ALL

SoCalGas Position: SCG requests \$0.724 million of incurred costs (\$0.657 million book expense) for the activities in this work group. TY 2012 forecasts were based on the five-year average (2005-2009) of recorded expenses.

Exhibit SCG-10, pages KLS-10 to KLS-12

DRA Position: DRA proposes \$0.553 million in incurred costs for the activities in this work group. DRA recommends using 2010 recorded expense for this workgroup.

Exhibit DRA-19, page 8

Proposed TY2012 Forecast 100% Incurred (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-0620.000	GAS PORTFOLIO MGR	560	164	0	724
Total		560	164	0	724

DRA	Description	Labor	NLbr	NSE	Total
2200-0620.000	GAS PORTFOLIO MGR	505	48	0	553
Total		505	48	0	553

Difference	Description	Labor	NLbr	NSE	Total
2200-0620.000	GAS PORTFOLIO MGR	-55	-116	0	-171
Total		-55	-116	0	-171

Proposed TY2012 Forecast - Book Expense (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-0620.000	GAS PORTFOLIO MGR	513	144	0	657
Total	Book Expense	513	144	0	657

DRA	Description	Labor	NLbr	NSE	Total
2200-0620.000	GAS PORTFOLIO MGR	462	40	0	502
Total	Book Expense	462	40	0	502

Difference	Description	Labor	NLbr	NSE	Total
2200-0620.000	GAS PORTFOLIO MGR	-51	-104	0	-155
Total	Book Expense	-51	-104	0	-155

CHAPTER 2A9-b2

Southern California Gas Company
 2012 Test Year GRC A-10-12-006
 DRA Differences to SoCalGas Requests

Exhibit No.: SCG-10
Area: SUPPLY SERVICES & DIVERSE BUSINESS ENTERPRISES
Witness: Karen L Sedgwick

SHARED SERVICES O&M

Subject: Logistics/Shops North
Workpaper: 2SMSS002B.ALL

SoCalGas Position: SCG requests \$2.275 million in incurred costs (\$2.275 million Book Expense) for the activities in this work group. Labor costs for TY 2012 were forecasted based on 2009 base year recorded costs, and non-labor costs were forecasted based on the five-year average (2005-2009) of recorded expenses.

Exhibit SCG-10, page KLS-10

DRA Position: DRA proposes \$1.947 million in incurred costs for the activities in this work group, which represents a reduction of \$0.328 million. DRA recommends using 2010 recorded expense for this workgroup.

Exhibit DRA-19, page 8

Proposed TY2012 Forecast 100% Incurred (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-0798.000	MTR SHOP & RECORDS	1,646	629	0	2,275
Total		1,646	629	0	2,275

DRA	Description	Labor	NLbr	NSE	Total
2200-0798.000	MTR SHOP & RECORDS	1,439	508	0	1,947
Total		1,439	508	0	1,947

Difference	Description	Labor	NLbr	NSE	Total
2200-0798.000	MTR SHOP & RECORDS	-207	-121	0	-328
Total		-207	-121	0	-328

Proposed TY2012 Forecast - Book Expense (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-0798.000	MTR SHOP & RECORDS	1,646	629	0	2,275
Total	Book Expense	1,646	629	0	2,275

DRA	Description	Labor	NLbr	NSE	Total
2200-0798.000	MTR SHOP & RECORDS	1,439	508	0	1,947
Total	Book Expense	1,439	508	0	1,947

Difference	Description	Labor	NLbr	NSE	Total
2200-0798.000	MTR SHOP & RECORDS	-207	-121	0	-328
Total	Book Expense	-207	-121	0	-328

Chapter 2 - DRA vs. SoCalGas

Part A - O&M and Capital Expenditures

10. SCG-11-R (Exh 106) - FLEET SERVICES

a. O&M - NON-SHARED

Workpaper	DRA vs. SoCalGas (2012)	Reference
1. 2FS002.000	(1,557)	2A10-a1
2. 2FS002.002	(2,765)	2A10-a2
3. 2FS003.000	(208)	2A10-a3
4. 2FS005.001	(2,034)	2A10-a4
5. 2FS005.002	(828)	2A10-a5

CHAPTER 2A10-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-11-R
Area: FLEET SERVICES
Witness: Hector A Madariaga

NONSHARED O&M

Subject: Maintenance Operations
Workpaper: 2FS002.000

SoCalGas Position: SCG requests \$12.882 million for the activities in this work group based on 2009 base year recorded costs adjusted for incremental increases.

Exhibit SCG-11-R, page HM-10

DRA Position: DRA proposes \$11.325 million for the activities in this work group, which represents a reduction of \$1.557 million. DRA's recommendation is based on a three-year average (2008-2010) of recorded costs, with no adjustment for incremental increases.

Exhibit DRA-20, page 12

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	7,367	6,403	-964
NonLabor	5,515	4,922	-593
Nonstandard	0	0	0
TOTAL	12,882	11,325	-1,557

CHAPTER 2A10-a2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-11-R
Area: FLEET SERVICES
Witness: Hector A Madariaga

NONSHARED O&M

Subject: ATCM Diesel Engine Retrofits
Workpaper: 2FS002.002

SoCalGas Position: SCG requests \$3.510 million for the activities in this work group. Retrofit costs are determined by the age, number, and type of engine that is required to be retrofitted in each year to meet regulatory compliance requirements.

Exhibit SCG-11-R, page HM-11

DRA Position: DRA proposes \$0.745 million for the activities in this work group, which represents a reduction of \$2.765 million. DRA's recommendation is based on a three-year average (2008-2010) of recorded non-labor costs.

Exhibit DRA-20, pages 10 and 12

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	3,510	745	-2,765
Nonstandard	0	0	0
TOTAL	3,510	745	-2,765

CHAPTER 2A10-a3

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-11-R
Area: FLEET SERVICES
Witness: Hector A Madariaga

NONSHARED O&M

Subject: Maintenance Management
Workpaper: 2FS003.000

SoCalGas Position: SCG requests \$1.223 million for the activities in this work group based on a five-year linear forecasting methodology for projecting TY2012 expenses.

Exhibit SCG-11-R, page HM-12

DRA Position: DRA proposes \$1.015 million for the activities in this work group, which represents a reduction of \$0.208 million. DRA recommends using 2010 recorded costs to forecast total TY 2012 expenses for this work group.

Exhibit DRA-20, page 12

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	1,091	944	-147
NonLabor	132	71	-61
Nonstandard	0	0	0
TOTAL	1,223	1,015	-208

CHAPTER 2A10-a4

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-11-R
Area: FLEET SERVICES
Witness: Hector A Madariaga

NONSHARED O&M

Subject: Amortization
Workpaper: 2FS005.001

SoCalGas Position: SCG requests \$17.732 million for the activities in this work group. The cost associated with lease amortization is based on year-end 2009 actual vehicles under lease financing plus the planned replacement vehicles scheduled each year, and requested incremental vehicle additions each year. Since amortization expenses involve debt retirement, and escalation is included in the price estimates for new vehicle acquisitions, this cost category is not amenable to standard escalation forecasting, and the annual cost estimates were generated using the cash-flow model that essentially calculates each year from a zero-base.

Exhibit SCG-11-R, page HM-8

DRA Position: DRA proposes \$15.698 million for the activities in this work group, which represents a reduction of \$2.034 million. DRA recommends using a three-year average which provides an appropriate method to forecast total TY 2012 expenses for non-shared services.

Exhibit DRA-20, page 11

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	15,698	15,698
Nonstandard	17,732	0	-17,732
TOTAL	17,732	15,698	-2,034

CHAPTER 2A10-a5

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-11-R
Area: FLEET SERVICES
Witness: Hector A Madariaga

NONSHARED O&M

Subject: Interest
Workpaper: 2FS005.002

SoCalGas Position: SCG requests \$2.389 million for the activities in this work group. Interest costs in each forecast year are based on monthly outstanding balances calculated in the cash-flow model multiplied by the LIBOR rate.

Exhibit SCG-11-R, page HM-9

DRA Position: DRA proposes \$1.561 million for the activities in this work group, which represents a reduction of \$0.828 million. DRA recommends using 2010 recorded costs to forecast total TY 2012 expenses for this work group.

Exhibit DRA-20, page 11

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	1,561	1,561
Nonstandard	2,389	0	-2,389
TOTAL	2,389	1,561	-828

Chapter 2 - DRA vs. SoCalGas

Part A - O&M and Capital Expenditures

10. SCG-11-R (Exh 106) - FLEET SERVICES

b. O&M - SHARED

Workpaper	DRA vs. SoCalGas (2012)	Reference
1. 2SMFS000B.ALL	(268)	2A10-b1

CHAPTER 2A10-b1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-11-R
Area: FLEET SERVICES
Witness: Hector A Madariaga

SHARED SERVICES O&M

Subject: Dir Fleet Services
Workpaper: 2SMFS000B.ALL

SoCalGas Position: SCG requests \$1.751 million in incurred costs (\$0.988 million Book Expense) for the activities in this work group. Base year 2009 recorded costs as adjusted for incremental increases were used to forecast TY 2012 expenses.

Exhibit SCG-11-R, pages HM-14 to HM-18

DRA Position: DRA proposes \$1.483 million (incurred costs) for this work group, which represents a reduction of \$0.268 million. DRA does not oppose SCG's TY 2012 O&M shared Asset Management cost centers: 2200-0803.000, 2200-2266.000, 2200-2018.000, 2200-2019.000 and 2200-2020.000 expenses. DRA proposes using a three-year average (2008-2010) as the basis to forecast TY 2012 expenses for Cost Centers 2200-2148.000 and 2200-0802.000.

Exhibit DRA-20, page 13

CHAPTER 2A10-b1

Proposed TY2012 Forecast 100% Incurred (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-0802.000	ASSET Mgmt	260	16	0	276
2200-0803.000	FLEET ASSET LD TEAM	277	52	0	329
2200-2018.000	FLEET ADMIN TEAM LEADER -SCG	156	40	0	196
2200-2019.000	FLEET TRAINING AND QA	68	112	0	180
2200-2020.000	FLEET OPERATIONAL PRGMS & COMP	214	60	0	274
2200-2148.000	FLEET SVCS DIR	609	-256	0	353
2200-2266.000	ASSET PLANNING TEAM LEADER_SCG	93	50	0	143
Total		1,677	74	0	1,751

DRA	Description	Labor	NLbr	NSE	Total
2200-0802.000	ASSET Mgmt	158	15	0	173
2200-0803.000	FLEET ASSET LD TEAM	277	52	0	329
2200-2018.000	FLEET ADMIN TEAM LEADER -SCG	156	40	0	196
2200-2019.000	FLEET TRAINING AND QA	68	112	0	180
2200-2020.000	FLEET OPERATIONAL PRGMS & COMP	214	60	0	274
2200-2148.000	FLEET SVCS DIR	438	-250	0	188
2200-2266.000	ASSET PLANNING TEAM LEADER_SCG	93	50	0	143
Total		1,404	79	0	1,483

Difference	Description	Labor	NLbr	NSE	Total
2200-0802.000	ASSET Mgmt	-102	-1	0	-103
2200-0803.000	FLEET ASSET LD TEAM	0	0	0	0
2200-2018.000	FLEET ADMIN TEAM LEADER -SCG	0	0	0	0
2200-2019.000	FLEET TRAINING AND QA	0	0	0	0
2200-2020.000	FLEET OPERATIONAL PRGMS & COMP	0	0	0	0
2200-2148.000	FLEET SVCS DIR	-171	6	0	-165
2200-2266.000	ASSET PLANNING TEAM LEADER_SCG	0	0	0	0
Total		-273	5	0	-268

CHAPTER 2A10-b1

Proposed TY2012 Forecast - Book Expense (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-0802.000	ASSET Mgmt	136	8	0	144
2200-0803.000	FLEET ASSET LD TEAM	238	45	0	283
2200-2018.000	FLEET ADMIN TEAM LEADER -SCG	82	21	0	103
2200-2019.000	FLEET TRAINING AND QA	56	93	0	149
2200-2020.000	FLEET OPERATIONAL PRGMS & COMP	112	31	0	143
2200-2148.000	FLEET SVCS DIR	343	-279	0	64
2200-2266.000	ASSET PLANNING TEAM LEADER_SCG	66	36	0	102
Total	Book Expense	1,033	-45	0	988

DRA	Description	Labor	NLbr	NSE	Total
2200-0802.000	ASSET Mgmt	83	8	0	91
2200-0803.000	FLEET ASSET LD TEAM	238	45	0	283
2200-2018.000	FLEET ADMIN TEAM LEADER -SCG	82	21	0	103
2200-2019.000	FLEET TRAINING AND QA	56	93	0	149
2200-2020.000	FLEET OPERATIONAL PRGMS & COMP	112	31	0	143
2200-2148.000	FLEET SVCS DIR	246	-140	0	106
2200-2266.000	ASSET PLANNING TEAM LEADER_SCG	66	36	0	102
Total	Book Expense	883	94	0	977

Difference	Description	Labor	NLbr	NSE	Total
2200-0802.000	ASSET Mgmt	-53	0	0	-53
2200-0803.000	FLEET ASSET LD TEAM	0	0	0	0
2200-2018.000	FLEET ADMIN TEAM LEADER -SCG	0	0	0	0
2200-2019.000	FLEET TRAINING AND QA	0	0	0	0
2200-2020.000	FLEET OPERATIONAL PRGMS & COMP	0	0	0	0
2200-2148.000	FLEET SVCS DIR	-97	139	0	42
2200-2266.000	ASSET PLANNING TEAM LEADER_SCG	0	0	0	0
Total	Book Expense	-150	139	0	-11

Chapter 2 - DRA vs. SoCalGas

Part A - O&M and Capital Expenditures

11. SCG-12-R (Exh 179) - INFORMATION TECHNOLOGY

a. O&M - NON-SHARED

Workpaper	DRA vs. SoCalGas (2012)	Reference
1. 2IT001.000	(44)	2A11-a1

CHAPTER 2A11-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-12-R
Area: INFORMATION TECHNOLOGY
Witness: Jeffrey Cecil Nichols

NONSHARED O&M

Subject: ETC Smart Meter
Workpaper: 2IT001.000

SoCalGas Position: SCG requests \$0.377 million for the activities in this work group based on a zero-base forecasting methodology. This is a new cost center and this method more accurately reflects the expected costs for TY2012 as there are no trends to be used for comparisons.

Exhibit SCG-12-R, pages JCN-23 to JCN-24

DRA Position: DRA proposes \$0.333 million for the activities in this work group, which represents a reduction of \$0.044 million. DRA's forecast is based on the actual spending for 2010 which was de-escalated to 2009 and then escalated using Global Insight to 2011 and to 2012.

Exhibit DRA-21, page 7

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	328	290	-38
NonLabor	49	43	-6
Nonstandard	0	0	0
TOTAL	377	333	-44

Chapter 2 - DRA vs. SoCalGas

Part A - O&M and Capital Expenditures

11. SCG-12-R (Exh 179) - INFORMATION TECHNOLOGY

b. CAPITAL

Project	DRA vs. SoCalGas (2010+2011+2012)	Reference
1. 00760.0.ALL	(18,482)	2A11-b1

CHAPTER 2A11-b1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-12-R
Area: INFORMATION TECHNOLOGY
Witness: Jeffrey Cecil Nichols

CAPITAL EXPENDITURES

Project: Infrastructure - Hardware/Capacity/Expansion
Budget Code: 00760.0.ALL

SoCalGas Position: The capital request for this category is \$68.594 million for 2010, \$110.346 million for 2011 and \$91.713 million for 2012. This category includes all the IT capital projects for utility operations and IT infrastructure network & telecommunication. Overall, the projects being proposed for implementation by SCG is to improve IT ability to meet ratepayer and business user needs by supplementing existing capability in one or more of the following ways:

- 1) Security and Recoverability
- 2) Technology and or Business Functionality Obsolescence
- 3) New and enhanced capabilities
- 4) Regulatory Compliance

Exhibit SCG-12-R, Pages JCN-34 to 65

DRA Position: DRA recommends \$252.171 million for three years of capital expenditures for 2010-2012, \$50.495 million for 2010, \$110.418 million for 2011 and \$91.258 million for 2012. See Errata Exhibit DRA-21, Nov 28, 2011, pages vi, vii, viii and ix.

Exhibit DRA-21, Pages 7-14
Errata Exhibit DRA-21, Pages vi - ix.

Note: DRA tables 21-9a and 21-9b on pages vi-ix of Errata Exhibit DRA-21 shows Sempra's request for 2010 in error.

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Proposed Capital Expenditures (in thousands of 2009 dollars)

SCG	Description	2010	2011	2012	Total
00754.00.142	BC754.1 California Producer	234	474	0	708
00754.00.176	Next Generation Envoy	0	787	787	1,574
00754.00.225	BCAP	833	0	0	833
00758.00.223	GRC Model Dev	156	0	0	156
00760.00.106	Endpoint Security HW	250	0	0	250
00760.00.115	Distributed Bkp Growth 2010	1,736	449	0	2,185
00760.00.116	Distributed Storage Growth 201	1,753	0	0	1,753
00760.00.120	Mainframe Hdwr Upgrd	3,209	0	0	3,209
00760.00.121	MPK Server Room 2010	1,155	0	0	1,155
00760.00.122	RB Server Room 2010	1,562	0	0	1,562
00760.00.159	Endpoint Security 2011	0	670	0	670
00760.00.161	Distributed Storage Growth 20	0	1,185	0	1,185
00760.00.163	MPK Server Room 2011	0	1,155	0	1,155
00760.00.164	RB Server Room 2011	0	1,562	0	1,562
00760.00.198	Distributed Storage Growth 201	0	0	1,401	1,401
00760.00.199	MPK Server Room 2012	0	0	1,270	1,270
00760.00.200	RB Server Room 2012	0	0	1,718	1,718
00760.00.205	DS8100 Storage Arrays Refresh	0	0	3,640	3,640
00760.00.206	RB Tape Library Repl	0	702	0	702
00760.00.222	Active Directory Refresh	138	0	0	138
00760.00.224	Source to Pay	3,295	0	0	3,295
00760.00.305	Distributed Backup Growth 2012	0	0	1,736	1,736
00760.00.306	Enterprise Encryption 2010 HW	1,135	0	0	1,135
00760.00.307	Security Oprs Mgmt 2011 HW	0	388	0	388
00760.00.308	Security Oprs Mgmt 2012 HW	0	0	354	354
00760.00.38	Distributed Storage Resource	0	829	0	829
00761.00.105	C&A Security Oprs Mgmt	1,610	0	0	1,610
00761.00.107	Endpoint Security 2010 SW	660	0	0	660
00761.00.309	Enterprise Encryption 2010 SW	4,508	0	0	4,508
00761.00.310	Security Oprs Mgmt 2011 SW	0	1,832	0	1,832
00761.00.311	Security Oprs Mgmt 2012 SW	0	0	1,849	1,849
00762.00.125	WAN Rebuild 2010	5,975	0	0	5,975
00762.00.137	WAN Rebuild 2011	0	4,054	0	4,054
00762.00.153	Microwave Refresh 1	0	2,430	0	2,430
00762.00.154	NMS Refresh 2011	0	1,051	0	1,051
00762.00.175	Messaging Proj	0	2,430	0	2,430
00762.00.180	WAN Rebuild 2012	0	0	2,409	2,409
00762.00.191	Microwave Refresh 2	0	0	2,430	2,430
00762.00.192	Microwave Refresh3	0	0	2,430	2,430
00762.00.193	NMS Refresh 2012	0	0	1,051	1,051
00762.00.221	WAN Rebuild 2009	475	0	0	475
00763.00.134	Voice to Svc	0	1,566	1,611	3,177
00764.00.229	JDK/WLS/WLP Upgrd	1,297	209	0	1,506
00764.00.312	JDK/WLS/WLP Upgrd 2	943	30	0	973
00764.00.313	JDK/WLS/WLP Upgrd 3	292	33	0	325
00764.00.356	JDK/WLS/WLP Upgrd - Envoy Rule	402	402	0	804
00768.00.145	SAP BIA HW	0	198	0	198
00768.00.447	SCG Data Warehouse Infrass Upgr	0	597	180	777
00769.00.146	SAP BIA SW	0	456	0	456
00769.00.446	SCG Data Warehouse Infrass Upgr	0	134	0	134
00770.00.119	LINUX/UNIX Server Refresh Ph 5	2,057	0	0	2,057
00770.00.123	IEO Small Cap	450	450	450	1,350
00770.00.124	Wintel Refresh Ph 5	1,781	0	0	1,781
00770.00.147	Enterprise Encryption 2011	0	1,488	0	1,488
00770.00.149	Govern Risk & Complainance HW	0	200	0	200
00770.00.151	Software Code Security 2011 HW	0	577	0	577

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00770.00.162	LINUX/UNIX Server Refresh Ph 6	0	2,049	2,171	4,220
00770.00.166	Wintel Refresh Ph 6	0	2,163	2,838	5,001
00770.00.169	Enterprise Command Ctr Display	419	0	0	419
00770.00.174	Mainframe Storage Growth 2011	0	171	0	171
00770.00.183	Enterprise Encryption 2012 HW	0	0	1,611	1,611
00770.00.185	Govern Risk & Compliance 2011	0	500	0	500
00770.00.189	Software Code Security 2012B H	0	0	327	327
00770.00.314	2011 DR Mainframe Hdwr Upgrd	0	600	0	600
00770.00.317	EMF Upgrade	0	1,439	0	1,439
00770.00.318	i3 Ph 2	0	1,082	0	1,082
00770.00.319	i3 Ph 3	0	0	1,315	1,315
00770.00.320	Security Small Cap (Blnt)	300	300	300	900
00770.00.321	SMS Upgrade	87	2,313	0	2,400
00770.00.355	Software Code Security 2011A H	0	358	0	358
00770.00.369	Citrix 6	0	2,495	0	2,495
00770.00.432	Print Servers Upgrd - HW	230	461	0	691
00770.00.434	Legacy Printers Repl	0	584	0	584
00770.00.435	Appls Testing & Remediation(P1	152	302	0	454
00770.00.437	Total PC Hdwr Repl - HW	0	3,719	3,719	7,438
00771.00.150	Govern Risk & Compliance SW	0	3,608	0	3,608
00771.00.152	Software Code Security 2011 SW	0	247	0	247
00771.00.157	Sharepoint Ph 3	0	1,082	0	1,082
00771.00.184	Enterprise Encryption 2012 SW	0	0	4,203	4,203
00771.00.188	Software Code Security 2011A S	0	980	0	980
00771.00.190	Software Code Security 2012B S	0	0	916	916
00771.00.196	Sharepoint Refresh	0	0	1,611	1,611
00771.00.323	Enterprise Encryption 2011 SW	0	3,321	0	3,321
00771.00.433	Print Servers Upgrd - SW	33	66	0	99
00771.00.436	Appls Testing & Remediation(P1	380	760	0	1,140
00772.00.112	NCS Network Small Cap	350	350	350	1,050
00772.00.113	NCS Telecom Small Cap	350	350	350	1,050
00772.00.130	Battery Plt Repl 2010	883	0	0	883
00772.00.132	DC Perimeter 2010	11,094	0	0	11,094
00772.00.135	DC Rebuild 2011	0	9,329	0	9,329
00772.00.139	Conferencing Refresh 2011	0	1,008	0	1,008
00772.00.178	DC Rebuild 2012	0	0	5,247	5,247
00772.00.181	Conferencing Refresh 2012	0	0	349	349
00772.00.195	Physical Layer Refresh	0	0	125	125
00772.00.212	Battery Plt Repl 2012	0	0	1,276	1,276
00772.00.214	SCG Streaming Media	0	651	651	1,302
00773.00.207	Network Middleware Refresh	0	0	540	540
00774.00.129	Call Recording Repl SCG (NICE)	788	0	0	788
00774.00.226	Bill Re-Design	228	0	0	228
00774.00.227	CSFOE	266	0	0	266
00774.00.228	Forecasting & Scheduling	1,107	1,666	0	2,773
00774.00.325	CIS SNA Conv	0	0	503	503
00774.00.326	PACER PRDS PCOMM Conv	0	383	0	383
00774.00.329	PACER SNA Conv	0	0	549	549
00774.00.330	Windows 7 Remediation for CCS	0	724	724	1,448
00775.00.217	SCG Mtr Reading Handheld/Sys R	0	243	6,674	6,917
00775.00.332	PACER MDT Refresh	0	0	3,908	3,908
00776.00.334	Enhance Environmental Tracking	0	0	566	566
00776.00.335	M4 Fleet Application Repl	0	1,893	0	1,893
00777.00.126	G Gas Ops MDT	583	911	1,100	2,594
00777.00.127	Cust Svc MDT	486	282	147	915
00777.00.338	Logistics Mobile Refresh & Exp	0	2,535	0	2,535
00777.00.339	Pymt Processing Disaster Recov	133	0	0	133
00777.00.340	SAP (ERP) Upgrd EHP5	1,385	285	0	1,670
00778.00.101	BPS Replacement	0	1,371	0	1,371

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00778.00.141	SAP Supp Pack 2011	0	1,287	0	1,287
00778.00.170	SAP GRC Tools Firefighter	0	577	0	577
00778.00.182	SAP Supp Pack 2012	0	0	1,238	1,238
00778.00.201	Test Automation SAP Processes	0	1,555	0	1,555
00778.00.341	Safety Performance Mgmt Report	333	0	0	333
00778.00.342	SAP BI Upgrd	330	0	0	330
00779.00.343	Oracle Enterprise Env HW	698	0	0	698
00780.00.109	IAM Ph 2 HW	100	35	0	135
00780.00.344	ESM Capacity Planning	0	0	1,751	1,751
00780.00.345	ESM Enhancement	1,566	0	0	1,566
00780.00.346	ESM Event Mgmt	2,341	2,491	0	4,832
00780.00.347	ESM Svc Monitoring	3,083	229	0	3,312
00781.00.110	IAM Ph 2 SW	659	720	0	1,379
00781.00.172	Records Mgmt Proj Ph 1	0	915	0	915
00781.00.202	Records Mgmt Proj Ph 2	0	0	1,734	1,734
00781.00.204	IAM Ph 3	0	0	1,162	1,162
00782.00.114	LAN Refresh 2010	1,049	0	0	1,049
00782.00.167	Wired NAC	0	0	1,625	1,625
00782.00.179	LAN Refresh 2012	0	0	1,972	1,972
00782.00.208	WLAN Refresh	0	0	682	682
00782.00.219	One Voice	1,547	0	0	1,547
00782.00.220	LAN Refresh Ph 3	192	0	0	192
00782.00.442	GridComm Ph 2 HW	0	7,119	0	7,119
00782.00.443	GridComm Ph 2 HW	0	7,119	7,119	14,238
00782.00.444	GridComm Ph 2 HW	0	0	7,119	7,119
00784.00.348	MCS Improv Proj	0	266	266	532
00786.00.349	Click Enhancements	0	1,899	833	2,732
00786.00.350	GEARS Ph 3 SW	0	0	826	826
00786.00.351	Master Data Mgmt SW	0	992	0	992
00786.00.352	Meta Data Repository SW	0	621	0	621
00786.00.438	Telecomms Expense Mgmt	716	967	0	1,683
00787.00.218	IT Depot & NCS Conv to SAP Sup	820	1,163	0	1,983
00787.00.353	Master Data Mgmt HW	0	150	0	150
00787.00.354	Meta Data Repository HW	0	100	0	100
00788.00.209	E-Sourcing, Contract Lifecycle	0	1,526	0	1,526
00788.00.216	SAP BI Software Enterprise Agr	0	3,696	0	3,696
Total		68,594	110,346	91,713	270,653

DRA	Description	2010	2011	2012	Total
00754.00.142	BC754.1 California Producer	0	474	0	474
00754.00.176	Next Generation Envoy	0	787	787	1,574
00754.00.225	BCAP	873	0	0	873
00758.00.223	GRC Model Dev	165	0	0	165
00760.00.106	Endpoint Security HW	0	0	0	0
00760.00.115	Distributed Bkp Growth 2010	1,741	449	0	2,190
00760.00.116	Distributed Storage Growth 201	2,923	0	0	2,923
00760.00.120	Mainframe Hdwr Upgrd	2,234	0	0	2,234
00760.00.121	MPK Server Room 2010	589	0	0	589
00760.00.122	RB Server Room 2010	1,562	0	0	1,562
00760.00.159	Endpoint Security 2011	0	670	0	670
00760.00.161	Distributed Storage Growth 20	0	1,185	0	1,185
00760.00.163	MPK Server Room 2011	0	1,155	0	1,155
00760.00.164	RB Server Room 2011	0	1,562	0	1,562
00760.00.198	Distributed Storage Growth 201	0	0	1,356	1,356
00760.00.199	MPK Server Room 2012	0	0	1,270	1,270
00760.00.200	RB Server Room 2012	0	0	1,710	1,710
00760.00.205	DS8100 Storage Arrays Refresh	0	0	3,640	3,640
00760.00.206	RB Tape Library Repl	456	702	0	1,158

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00760.00.222	Active Directory Refresh	200	0	0	200
00760.00.224	Source to Pay	1,241	0	0	1,241
00760.00.305	Distributed Backup Growth 2012	0	0	1,736	1,736
00760.00.306	Enterprise Encryption 2010 HW	0	0	0	0
00760.00.307	Security Oprs Mgmt 2011 HW	0	388	0	388
00760.00.308	Security Oprs Mgmt 2012 HW	0	0	354	354
00760.00.38	Distributed Storage Resource	1,524	829	0	2,353
00761.00.105	C&A Security Oprs Mgmt	0	0	0	0
00761.00.107	Endpoint Security 2010 SW	0	0	0	0
00761.00.309	Enterprise Encryption 2010 SW	0	0	0	0
00761.00.310	Security Oprs Mgmt 2011 SW	0	1,832	0	1,832
00761.00.311	Security Oprs Mgmt 2012 SW	0	0	1,849	1,849
00762.00.125	WAN Rebuild 2010	5,865	0	0	5,865
00762.00.137	WAN Rebuild 2011	0	4,054	0	4,054
00762.00.153	Microwave Refresh 1	4	2,430	0	2,434
00762.00.154	NMS Refresh 2011	0	1,051	0	1,051
00762.00.175	Messaging Proj	55	2,430	0	2,485
00762.00.180	WAN Rebuild 2012	0	0	2,409	2,409
00762.00.191	Microwave Refresh 2	0	0	2,430	2,430
00762.00.192	Microwave Refresh3	0	0	2,430	2,430
00762.00.193	NMS Refresh 2012	0	0	1,051	1,051
00762.00.221	WAN Rebuild 2009	0	0	0	0
00763.00.134	Voice to Svc	0	1,844	1,333	3,177
00764.00.229	JDK/WLS/WLP Upgrd	1,948	209	0	2,157
00764.00.312	JDK/WLS/WLP Upgrd 2	0	30	0	30
00764.00.313	JDK/WLS/WLP Upgrd 3	0	33	0	33
00764.00.356	JDK/WLS/WLP Upgrd - Envoy Rule	0	402	0	402
00768.00.145	SAP BIA HW	0	198	0	198
00768.00.447	SCG Data Warehouse Infrs Upgr	0	731	180	911
00769.00.146	SAP BIA SW	0	456	0	456
00769.00.446	SCG Data Warehouse Infrs Upgr	0	0	0	0
00770.00.119	LINUX/UNIX Server Refresh Ph 5	0	0	0	0
00770.00.123	IEO Small Cap	368	450	450	1,268
00770.00.124	Wintel Refresh Ph 5	295	0	0	295
00770.00.147	Enterprise Encryption 2011	0	1,488	0	1,488
00770.00.149	Govern Risk & Complainance HW	0	0	0	0
00770.00.151	Software Code Security 2011 HW	0	0	0	0
00770.00.162	LINUX/UNIX Server Refresh Ph 6	193	2,092	2,120	4,405
00770.00.166	Wintel Refresh Ph 6	0	2,157	2,834	4,991
00770.00.169	Enterprise Command Ctr Display	394	0	0	394
00770.00.174	Mainframe Storage Growth 2011	0	171	0	171
00770.00.183	Enterprise Encryption 2012 HW	0	0	1,611	1,611
00770.00.185	Govern Risk & Compliance 2011	0	4,308	0	4,308
00770.00.189	Software Code Security 2012B H	0	0	0	0
00770.00.314	2011 DR Mainframe Hdwr Upgrd	0	600	0	600
00770.00.317	EMF Upgrade	465	1,439	0	1,904
00770.00.318	i3 Ph 2	0	1,082	0	1,082
00770.00.319	i3 Ph 3	0	0	1,315	1,315
00770.00.320	Security Small Cap (Blnt)	245	300	300	845
00770.00.321	SMS Upgrade	0	2,313	0	2,313
00770.00.355	Software Code Security 2011A H	0	0	0	0
00770.00.369	Citrix 6	691	2,495	0	3,186
00770.00.432	Print Servers Upgrd - HW	0	527	0	527
00770.00.434	Legacy Printers Repl	0	584	0	584
00770.00.435	Appls Testing & Remediation(P1	0	1,062	0	1,062
00770.00.437	Total PC Hdwr Repl - HW	0	3,719	3,719	7,438
00771.00.150	Govern Risk & Compliance SW	0	0	0	0
00771.00.152	Software Code Security 2011 SW	0	0	0	0
00771.00.157	Sharepoint Ph 3	0	1,082	0	1,082

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00771.00.184	Enterprise Encryption 2012 SW	0	0	4,196	4,196
00771.00.188	Software Code Security 2011A S	0	2,162	0	2,162
00771.00.190	Software Code Security 2012B S	0	0	1,243	1,243
00771.00.196	Sharepoint Refresh	0	0	1,611	1,611
00771.00.323	Enterprise Encryption 2011 SW	0	3,321	0	3,321
00771.00.433	Print Servers Upgrd - SW	0	0	0	0
00771.00.436	Appls Testing & Remediation(P1	0	0	0	0
00772.00.112	NCS Network Small Cap	331	350	350	1,031
00772.00.113	NCS Telecom Small Cap	0	350	350	700
00772.00.130	Battery Plt Repl 2010	0	0	0	0
00772.00.132	DC Perimeter 2010	6,489	0	0	6,489
00772.00.135	DC Rebuild 2011	-3	9,329	0	9,326
00772.00.139	Conferencing Refresh 2011	0	1,008	0	1,008
00772.00.178	DC Rebuild 2012	0	0	5,247	5,247
00772.00.181	Conferencing Refresh 2012	0	0	349	349
00772.00.195	Physical Layer Refresh	0	0	125	125
00772.00.212	Battery Plt Repl 2012	0	0	1,193	1,193
00772.00.214	SCG Streaming Media	0	651	651	1,302
00773.00.207	Network Middleware Refresh	0	0	540	540
00774.00.129	Call Recording Repl SCG (NICE)	2,122	0	0	2,122
00774.00.226	Bill Re-Design	412	0	0	412
00774.00.227	CSFOE	312	0	0	312
00774.00.228	Forecasting & Scheduling	859	1,565	0	2,424
00774.00.325	CIS SNA Conv	0	0	503	503
00774.00.326	PACER PRDS PCOMM Conv	0	383	0	383
00774.00.329	PACER SNA Conv	0	0	545	545
00774.00.330	Windows 7 Remediation for CCS	2,082	724	724	3,530
00775.00.217	SCG Mtr Reading Handheld/Sys R	0	279	6,521	6,800
00775.00.332	PACER MDT Refresh	0	0	3,908	3,908
00776.00.334	Enhance Environmental Tracking	0	0	566	566
00776.00.335	M4 Fleet Application Repl	0	1,893	0	1,893
00777.00.126	G Gas Ops MDT	570	911	1,100	2,581
00777.00.127	Cust Svc MDT	457	282	147	886
00777.00.338	Logistics Mobile Refresh & Exp	0	2,535	0	2,535
00777.00.339	Pymt Processing Disaster Recov	102	0	0	102
00777.00.340	SAP (ERP) Upgrd EHP5	502	285	0	787
00778.00.101	BPS Replacement	0	1,371	0	1,371
00778.00.141	SAP Supp Pack 2011	0	1,287	0	1,287
00778.00.170	SAP GRC Tools Firefighter	0	577	0	577
00778.00.182	SAP Supp Pack 2012	0	0	1,238	1,238
00778.00.201	Test Automation SAP Processes	0	1,555	0	1,555
00778.00.341	Safety Performance Mgmt Report	442	0	0	442
00778.00.342	SAP BI Upgrd	343	0	0	343
00779.00.343	Oracle Enterprise Env HW	440	0	0	440
00780.00.109	IAM Ph 2 HW	0	35	0	35
00780.00.344	ESM Capacity Planning	0	0	1,751	1,751
00780.00.345	ESM Enhancement	0	0	0	0
00780.00.346	ESM Event Mgmt	0	2,491	0	2,491
00780.00.347	ESM Svc Monitoring	1,899	229	0	2,128
00781.00.110	IAM Ph 2 SW	310	720	0	1,030
00781.00.172	Records Mgmt Proj Ph 1	0	915	0	915
00781.00.202	Records Mgmt Proj Ph 2	0	0	1,734	1,734
00781.00.204	IAM Ph 3	0	0	1,162	1,162
00782.00.114	LAN Refresh 2010	308	0	0	308
00782.00.167	Wired NAC	0	0	1,625	1,625
00782.00.179	LAN Refresh 2012	0	0	1,972	1,972
00782.00.208	WLAN Refresh	0	0	682	682
00782.00.219	One Voice	8,487	0	0	8,487
00782.00.220	LAN Refresh Ph 3	0	0	0	0

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00782.00.442	GridComm Ph 2 HW	0	7,119	0	7,119
00782.00.443	GridComm Ph 2 HW	0	7,119	7,119	14,238
00782.00.444	GridComm Ph 2 HW	0	0	7,119	7,119
00784.00.348	MCS Improv Proj	0	266	266	532
00786.00.349	Click Enhancements	0	1,721	1,011	2,732
00786.00.350	GEARS Ph 3 SW	0	0	826	826
00786.00.351	Master Data Mgmt SW	0	992	0	992
00786.00.352	Meta Data Repository SW	0	721	0	721
00786.00.438	Telecomms Expense Mgmt	0	967	0	967
00787.00.218	IT Depot & NCS Conv to SAP Sup	0	1,163	0	1,163
00787.00.353	Master Data Mgmt HW	0	150	0	150
00787.00.354	Meta Data Repository HW	0	0	0	0
00788.00.209	E-Sourcing, Contract Lifecycle	0	1,526	0	1,526
00788.00.216	SAP BI Software Enterprise Agr	0	3,696	0	3,696
Total		50,495	110,418	91,258	252,171

Difference	Description	2010	2011	2012	Total
00754.00.142	BC754.1 California Producer	-234	0	0	-234
00754.00.176	Next Generation Envoy	0	0	0	0
00754.00.225	BCAP	40	0	0	40
00758.00.223	GRC Model Dev	9	0	0	9
00760.00.106	Endpoint Security HW	-250	0	0	-250
00760.00.115	Distributed Bkp Growth 2010	5	0	0	5
00760.00.116	Distributed Storage Growth 201	1,170	0	0	1,170
00760.00.120	Mainframe Hdwr Upgrd	-975	0	0	-975
00760.00.121	MPK Server Room 2010	-566	0	0	-566
00760.00.122	RB Server Room 2010	0	0	0	0
00760.00.159	Endpoint Security 2011	0	0	0	0
00760.00.161	Distributed Storage Growth 20	0	0	0	0
00760.00.163	MPK Server Room 2011	0	0	0	0
00760.00.164	RB Server Room 2011	0	0	0	0
00760.00.198	Distributed Storage Growth 201	0	0	-45	-45
00760.00.199	MPK Server Room 2012	0	0	0	0
00760.00.200	RB Server Room 2012	0	0	-8	-8
00760.00.205	DS8100 Storage Arrays Refresh	0	0	0	0
00760.00.206	RB Tape Library Repl	456	0	0	456
00760.00.222	Active Directory Refresh	62	0	0	62
00760.00.224	Source to Pay	-2,054	0	0	-2,054
00760.00.305	Distributed Backup Growth 2012	0	0	0	0
00760.00.306	Enterprise Encryption 2010 HW	-1,135	0	0	-1,135
00760.00.307	Security Oprs Mgmt 2011 HW	0	0	0	0
00760.00.308	Security Oprs Mgmt 2012 HW	0	0	0	0
00760.00.38	Distributed Storage Resource	1,524	0	0	1,524
00761.00.105	C&A Security Oprs Mgmt	-1,610	0	0	-1,610
00761.00.107	Endpoint Security 2010 SW	-660	0	0	-660
00761.00.309	Enterprise Encryption 2010 SW	-4,508	0	0	-4,508
00761.00.310	Security Oprs Mgmt 2011 SW	0	0	0	0
00761.00.311	Security Oprs Mgmt 2012 SW	0	0	0	0
00762.00.125	WAN Rebuild 2010	-110	0	0	-110
00762.00.137	WAN Rebuild 2011	0	0	0	0
00762.00.153	Microwave Refresh 1	4	0	0	4
00762.00.154	NMS Refresh 2011	0	0	0	0
00762.00.175	Messaging Proj	55	0	0	55
00762.00.180	WAN Rebuild 2012	0	0	0	0
00762.00.191	Microwave Refresh 2	0	0	0	0
00762.00.192	Microwave Refresh3	0	0	0	0
00762.00.193	NMS Refresh 2012	0	0	0	0
00762.00.221	WAN Rebuild 2009	-475	0	0	-475

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00763.00.134	Voice to Svc	0	278	-278	0
00764.00.229	JDK/WLS/WLP Upgrd	651	0	0	651
00764.00.312	JDK/WLS/WLP Upgrd 2	-943	0	0	-943
00764.00.313	JDK/WLS/WLP Upgrd 3	-292	0	0	-292
00764.00.356	JDK/WLS/WLP Upgrd - Envoy Rule	-402	0	0	-402
00768.00.145	SAP BIA HW	0	0	0	0
00768.00.447	SCG Data Warehouse Infrass Upgr	0	134	0	134
00769.00.146	SAP BIA SW	0	0	0	0
00769.00.446	SCG Data Warehouse Infrass Upgr	0	-134	0	-134
00770.00.119	LINUX/UNIX Server Refresh Ph 5	-2,057	0	0	-2,057
00770.00.123	IEO Small Cap	-82	0	0	-82
00770.00.124	Wintel Refresh Ph 5	-1,486	0	0	-1,486
00770.00.147	Enterprise Encryption 2011	0	0	0	0
00770.00.149	Govern Risk & Complainance HW	0	-200	0	-200
00770.00.151	Software Code Security 2011 HW	0	-577	0	-577
00770.00.162	LINUX/UNIX Server Refresh Ph 6	193	43	-51	185
00770.00.166	Wintel Refresh Ph 6	0	-6	-4	-10
00770.00.169	Enterprise Command Ctr Display	-25	0	0	-25
00770.00.174	Mainframe Storage Growth 2011	0	0	0	0
00770.00.183	Enterprise Encryption 2012 HW	0	0	0	0
00770.00.185	Govern Risk & Compliance 2011	0	3,808	0	3,808
00770.00.189	Software Code Security 2012B H	0	0	-327	-327
00770.00.314	2011 DR Mainframe Hdwr Upgrd	0	0	0	0
00770.00.317	EMF Upgrade	465	0	0	465
00770.00.318	i3 Ph 2	0	0	0	0
00770.00.319	i3 Ph 3	0	0	0	0
00770.00.320	Security Small Cap (Blnt)	-55	0	0	-55
00770.00.321	SMS Upgrade	-87	0	0	-87
00770.00.355	Software Code Security 2011A H	0	-358	0	-358
00770.00.369	Citrix 6	691	0	0	691
00770.00.432	Print Servers Upgrd - HW	-230	66	0	-164
00770.00.434	Legacy Printers Repl	0	0	0	0
00770.00.435	Appls Testing & Remediation(P1	-152	760	0	608
00770.00.437	Total PC Hdwr Repl - HW	0	0	0	0
00771.00.150	Govern Risk & Compliance SW	0	-3,608	0	-3,608
00771.00.152	Software Code Security 2011 SW	0	-247	0	-247
00771.00.157	Sharepoint Ph 3	0	0	0	0
00771.00.184	Enterprise Encryption 2012 SW	0	0	-7	-7
00771.00.188	Software Code Security 2011A S	0	1,182	0	1,182
00771.00.190	Software Code Security 2012B S	0	0	327	327
00771.00.196	Sharepoint Refresh	0	0	0	0
00771.00.323	Enterprise Encryption 2011 SW	0	0	0	0
00771.00.433	Print Servers Upgrd - SW	-33	-66	0	-99
00771.00.436	Appls Testing & Remediation(P1	-380	-760	0	-1,140
00772.00.112	NCS Network Small Cap	-19	0	0	-19
00772.00.113	NCS Telecom Small Cap	-350	0	0	-350
00772.00.130	Battery Plt Repl 2010	-883	0	0	-883
00772.00.132	DC Perimeter 2010	-4,605	0	0	-4,605
00772.00.135	DC Rebuild 2011	-3	0	0	-3
00772.00.139	Conferencing Refresh 2011	0	0	0	0
00772.00.178	DC Rebuild 2012	0	0	0	0
00772.00.181	Conferencing Refresh 2012	0	0	0	0
00772.00.195	Physical Layer Refresh	0	0	0	0
00772.00.212	Battery Plt Repl 2012	0	0	-83	-83
00772.00.214	SCG Streaming Media	0	0	0	0
00773.00.207	Network Middleware Refresh	0	0	0	0
00774.00.129	Call Recording Repl SCG (NICE)	1,334	0	0	1,334
00774.00.226	Bill Re-Design	184	0	0	184
00774.00.227	CSFOE	46	0	0	46

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00774.00.228	Forecasting & Scheduling	-248	-101	0	-349
00774.00.325	CIS SNA Conv	0	0	0	0
00774.00.326	PACER PRDS PCOMM Conv	0	0	0	0
00774.00.329	PACER SNA Conv	0	0	-4	-4
00774.00.330	Windows 7 Remediation for CCS	2,082	0	0	2,082
00775.00.217	SCG Mtr Reading Handheld/Sys R	0	36	-153	-117
00775.00.332	PACER MDT Refresh	0	0	0	0
00776.00.334	Enhance Environmental Tracking	0	0	0	0
00776.00.335	M4 Fleet Application Repl	0	0	0	0
00777.00.126	G Gas Ops MDT	-13	0	0	-13
00777.00.127	Cust Svc MDT	-29	0	0	-29
00777.00.338	Logistics Mobile Refresh & Exp	0	0	0	0
00777.00.339	Pynt Processing Disaster Recov	-31	0	0	-31
00777.00.340	SAP (ERP) Upgrd EHP5	-883	0	0	-883
00778.00.101	BPS Replacement	0	0	0	0
00778.00.141	SAP Supp Pack 2011	0	0	0	0
00778.00.170	SAP GRC Tools Firefighter	0	0	0	0
00778.00.182	SAP Supp Pack 2012	0	0	0	0
00778.00.201	Test Automation SAP Processes	0	0	0	0
00778.00.341	Safety Performance Mgmt Report	109	0	0	109
00778.00.342	SAP BI Upgrd	13	0	0	13
00779.00.343	Oracle Enterprise Env HW	-258	0	0	-258
00780.00.109	IAM Ph 2 HW	-100	0	0	-100
00780.00.344	ESM Capacity Planning	0	0	0	0
00780.00.345	ESM Enhancement	-1,566	0	0	-1,566
00780.00.346	ESM Event Mgmt	-2,341	0	0	-2,341
00780.00.347	ESM Svc Monitoring	-1,184	0	0	-1,184
00781.00.110	IAM Ph 2 SW	-349	0	0	-349
00781.00.172	Records Mgmt Proj Ph 1	0	0	0	0
00781.00.202	Records Mgmt Proj Ph 2	0	0	0	0
00781.00.204	IAM Ph 3	0	0	0	0
00782.00.114	LAN Refresh 2010	-741	0	0	-741
00782.00.167	Wired NAC	0	0	0	0
00782.00.179	LAN Refresh 2012	0	0	0	0
00782.00.208	WLAN Refresh	0	0	0	0
00782.00.219	One Voice	6,940	0	0	6,940
00782.00.220	LAN Refresh Ph 3	-192	0	0	-192
00782.00.442	GridComm Ph 2 HW	0	0	0	0
00782.00.443	GridComm Ph 2 HW	0	0	0	0
00782.00.444	GridComm Ph 2 HW	0	0	0	0
00784.00.348	MCS Improv Proj	0	0	0	0
00786.00.349	Click Enhancements	0	-178	178	0
00786.00.350	GEARS Ph 3 SW	0	0	0	0
00786.00.351	Master Data Mgmt SW	0	0	0	0
00786.00.352	Meta Data Repository SW	0	100	0	100
00786.00.438	Telecomms Expense Mgmt	-716	0	0	-716
00787.00.218	IT Depot & NCS Conv to SAP Sup	-820	0	0	-820
00787.00.353	Master Data Mgmt HW	0	0	0	0
00787.00.354	Meta Data Repository HW	0	-100	0	-100
00788.00.209	E-Sourcing, Contract Lifecycle	0	0	0	0
00788.00.216	SAP BI Software Enterprise Agr	0	0	0	0
Total		-18,099	72	-455	-18,482

Chapter 2 - DRA vs. SoCalGas

Part A - O&M and Capital Expenditures

12. SCG-14 (Exh 167) - REAL ESTATE, LAND & FACILITIES

a. O&M - NON-SHARED

Workpaper	DRA vs. SoCalGas (2012)	Reference
1. 2RE001.000	(470)	2A12-a1
2. 2RE003.000	(380)	2A12-a2

CHAPTER 2A12-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-14
Area: REAL ESTATE, LAND & FACILITIES
Witness: James Carl Seifert

NONSHARED O&M

Subject: SCG Facility Operations & Rents
Workpaper: 2RE001.000

SoCalGas Position: SoCalGas requests \$17.167 million for the activities in this work group, which is combined with 2RE003 Transportation Program in SCG testimony. The forecast for 2012 is based on 2009 recorded costs adjusted for anticipated increases. Contractual increases for branch office rents are the primary driver of cost increases in this work group. Aging infrastructure also has increased facility maintenance costs.

Exhibit SCG-14, page DGT-3

DRA Position: DRA proposes \$16.697 million for the activities in this work group, which is a reduction of \$0.470 million. DRA recommends using the three-year average (2008-2010) of recorded labor and non-labor expenses for forecasting TY 2012.

Exhibit DRA-23, pages 14-15

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	3,364	3,258	-106
NonLabor	11,188	11,112	-76
Nonstandard	2,615	2,327	-288
TOTAL	17,167	16,697	-470

CHAPTER 2A12-a2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-14
Area: REAL ESTATE, LAND & FACILITIES
Witness: James Carl Seifert

NONSHARED O&M

Subject: Transportation Program
Workpaper: 2RE003.000

SoCalGas Position: SoCalGas requests \$0.515 million for the activities in this work group, which is combined with 2RE001 Facility Operations & Rents in SCG testimony. The forecast for 2012 is based on a five-year average (2005-2009) of recorded costs adjusted for anticipated increases related to expansion of parking and transportation subsidy programs.

Exhibit SCG-14, page DGT-3

DRA Position: DRA proposes \$0.135 million for the activities in this work group, which is a reduction of \$0.380 million. DRA recommends using the three-year average (2008-2010) of recorded labor and non-labor expenses for forecasting TY 2012.

Exhibit DRA-23, pages 14-15

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	5	5
NonLabor	515	130	-385
Nonstandard	0	0	0
TOTAL	515	135	-380

Chapter 2 - DRA vs. SoCalGas

Part A - O&M and Capital Expenditures

12. SCG-14 (Exh 167) - REAL ESTATE, LAND & FACILITIES

b. O&M - SHARED

Workpaper	DRA vs. SoCalGas (2012)	Reference
1. 2ESRE000B.ALL	(1,242)	2A12-b1
2. 2ESRE001B.ALL	(371)	2A12-b2

CHAPTER 2A12-b1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-14
Area: REAL ESTATE, LAND & FACILITIES
Witness: James Carl Seifert

SHARED SERVICES O&M

Subject: Shared Facility Operations
Workpaper: 2ESRE000B.ALL

SoCalGas Position: SoCalGas requests \$4.715 million incurred costs (\$4.063 million Book expense) for the activities in this work group. 2012 forecasts were based on 2009 recorded costs and the 5-year average (2005-2009) of recorded costs, plus incremental costs primarily related to the transfer of janitorial costs from Rents to Facility Operations; increases in MPK costs due to data center expansion; and transfer of a Director position from SDG&E to SCG.

Exhibit SCG-14, page DGT-8

DRA Position: DRA proposes \$3.473 million (incurred costs) for the activities in this work group, which is a reduction of \$1.242 million. DRA's recommendation is based on a three-year average (2008-2010) which provides an appropriate method to forecast TY 2012 expenses for cost centers 2200-0696.000, 2200-0735.000, 2200-2093.000 and 2200-2246.000. DRA does not oppose SCG's TY 2012 O&M shared Facility Operations cost center 2200-2015.000 expenses.

Exhibit DRA-23, pages 15-18

Proposed TY2012 Forecast 100% Incurred (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-0696.000	FACILITIES-MONTEREY PARK MGR	301	1,662	0	1,963
2200-0735.000	FACILITIES GCT	742	1,386	0	2,128
2200-2015.000	FACILITY WORK Mgmt - SCG	263	-15	0	248
2200-2093.000	GCT SDGE/CC TRANSPORTATION SUB	0	172	0	172
2200-2246.000	DIR CRE, LAND SVCS, ROW, STRAT PL	180	24	0	204
Total		1,486	3,229	0	4,715

DRA	Description	Labor	NLbr	NSE	Total
2200-0696.000	FACILITIES-MONTEREY PARK MGR	301	1,467	0	1,768
2200-0735.000	FACILITIES GCT	728	502	0	1,230
2200-2015.000	FACILITY WORK Mgmt - SCG	263	-15	0	248
2200-2093.000	GCT SDGE/CC TRANSPORTATION SUB	0	82	0	82
2200-2246.000	DIR CRE, LAND SVCS, ROW, STRAT PL	133	12	0	145
Total		1,425	2,048	0	3,473

Difference	Description	Labor	NLbr	NSE	Total
2200-0696.000	FACILITIES-MONTEREY PARK MGR	0	-195	0	-195
2200-0735.000	FACILITIES GCT	-14	-884	0	-898
2200-2015.000	FACILITY WORK Mgmt - SCG	0	0	0	0
2200-2093.000	GCT SDGE/CC TRANSPORTATION SUB	0	-90	0	-90
2200-2246.000	DIR CRE, LAND SVCS, ROW, STRAT PL	-47	-12	0	-59
Total		-61	-1,181	0	-1,242

CHAPTER 2A12-b1

Proposed TY2012 Forecast - Book Expense (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-0696.000	FACILITIES-MONTEREY PARK MGR	274	1,508	0	1,782
2200-0735.000	FACILITIES GCT	675	1,258	0	1,933
2200-2015.000	FACILITY WORK Mgmt - SCG	263	-15	0	248
2200-2093.000	GCT SDGE/CC TRANSPORTATION SUB	0	0	0	0
2200-2246.000	DIR CRE, LAND SVCS, ROW, STRAT PL	88	12	0	100
Total	Book Expense	1,300	2,763	0	4,063

DRA	Description	Labor	NLbr	NSE	Total
2200-0696.000	FACILITIES-MONTEREY PARK MGR	274	1,331	0	1,605
2200-0735.000	FACILITIES GCT	661	456	0	1,117
2200-2015.000	FACILITY WORK Mgmt - SCG	263	-15	0	248
2200-2093.000	GCT SDGE/CC TRANSPORTATION SUB	0	0	0	0
2200-2246.000	DIR CRE, LAND SVCS, ROW, STRAT PL	65	6	0	71
Total	Book Expense	1,263	1,778	0	3,041

Difference	Description	Labor	NLbr	NSE	Total
2200-0696.000	FACILITIES-MONTEREY PARK MGR	0	-177	0	-177
2200-0735.000	FACILITIES GCT	-14	-802	0	-816
2200-2015.000	FACILITY WORK Mgmt - SCG	0	0	0	0
2200-2093.000	GCT SDGE/CC TRANSPORTATION SUB	0	0	0	0
2200-2246.000	DIR CRE, LAND SVCS, ROW, STRAT PL	-23	-6	0	-29
Total	Book Expense	-37	-985	0	-1,022

CHAPTER 2A12-b2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-14
Area: REAL ESTATE, LAND & FACILITIES
Witness: James Carl Seifert

SHARED SERVICES O&M

Subject: Shared Rents
Workpaper: 2ESRE001B.ALL

SoCalGas Position: SoCalGas requests \$17.298 million incurred costs (\$15.512 million Book expense) for the activities in this work group. The 2012 forecast for GCT Rent (2200-0618) is an estimate based on the new lease that was renegotiated for the facility. Corporate Real Estate (2200-2260) costs for 2012 were forecasted using 2009 recorded costs, plus one incremental position and non-labor funding to support an increase in pre-planning work for base expansions, branch office lease renewals and relocations, and renegotiation of numerous telecom site leases.

Exhibit SCG-14, pages DGT-8 to DGT-10

DRA Position: DRA proposes \$16.927 million (incurred costs) for the activities in this work group, including \$0.379 million for 2200-2260, which is a reduction of \$0.371 million. DRA's recommendation is based on a three-year average (2008-2010) which provides an appropriate method to forecast TY 2012 expenses for cost center 2200-2260. DRA does not oppose SCG's TY 2012 O&M shared Rents cost centers: 2200-0618.000 and 2200-2284.000 expenses.

Exhibit DRA-23, page 5 and pages 15-18

Note: pg

Proposed TY2012 Forecast 100% Incurred (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-0618.000	GCT RENTS	0	0	15,433	15,433
2200-2260.000	SCG - CORP REAL ESTATE	232	518	0	750
2200-2284.000	SCG MICROWAVE RENTS	0	0	1,115	1,115
Total		232	518	16,548	17,298

DRA	Description	Labor	NLbr	NSE	Total
2200-0618.000	GCT RENTS	0	0	15,433	15,433
2200-2260.000	SCG - CORP REAL ESTATE	118	261	0	379
2200-2284.000	SCG MICROWAVE RENTS	0	0	1,115	1,115
Total		118	261	16,548	16,927

Difference	Description	Labor	NLbr	NSE	Total
2200-0618.000	GCT RENTS	0	0	0	0
2200-2260.000	SCG - CORP REAL ESTATE	-114	-257	0	-371
2200-2284.000	SCG MICROWAVE RENTS	0	0	0	0
Total		-114	-257	0	-371

CHAPTER 2A12-b2

Proposed TY2012 Forecast - Book Expense (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-0618.000	GCT RENTS	0	0	14,008	14,008
2200-2260.000	SCG - CORP REAL ESTATE	232	440	0	672
2200-2284.000	SCG MICROWAVE RENTS	0	0	832	832
Total	Book Expense	232	440	14,840	15,512

DRA	Description	Labor	NLbr	NSE	Total
2200-0618.000	GCT RENTS	0	0	14,008	14,008
2200-2260.000	SCG - CORP REAL ESTATE	118	222	0	340
2200-2284.000	SCG MICROWAVE RENTS	0	0	832	832
Total	Book Expense	118	222	14,840	15,180

Difference	Description	Labor	NLbr	NSE	Total
2200-0618.000	GCT RENTS	0	0	0	0
2200-2260.000	SCG - CORP REAL ESTATE	-114	-218	0	-332
2200-2284.000	SCG MICROWAVE RENTS	0	0	0	0
Total	Book Expense	-114	-218	0	-332

Chapter 2 - DRA vs. SoCalGas

Part A - O&M and Capital Expenditures

12. SCG-14 (Exh 167) - REAL ESTATE, LAND & FACILITIES

c. CAPITAL

Project	DRA vs. SoCalGas (2010+2011+2012)	Reference
1. 00653.0.ALL	(35,635)	2A12-c1

CHAPTER 2A12-c1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-14
Area: REAL ESTATE, LAND & FACILITIES
Witness: James Carl Seifert

CAPITAL EXPENDITURES

Project: Infrastructure Improvements
Budget Code: 00653.0.ALL

SoCalGas Position: SCG requests \$27.162 million, \$43.991 and \$22.876 million in 2010, 2011 and 2012, respectively, for capital expenditures in this budget category. Construction calculations are supported by industry professionals, including licensed architects and designers, construction industry professionals, and IT domain experts using standard construction estimation practices.

Exhibit SCG-14, pages DGT-12 through DGT-20

DRA Position: DRA proposes \$21.644 million in 2010, \$25.587 million in 2011 and \$11.163 million in 2012 for capital expenditures in this budget category. This represents a reduction of \$5.518 million in 2010, \$18.404 million in 2011, and \$11.713 million in 2012. DRA recommends zero funding for Compton/Redlands Parking Lots, MPk Data Center Master Plan, MPk Exterior Site Improvements, Spence St. Remodel and various other projects less than \$1million due to inadequate data responses from SCG justifying its capital expenditure request. Also, DRA recommends 50% of SCG's proposed request for Branch Office ADA and Ergonomics due to inadequate justification; a reduction of \$11.346 million in 2011 for GCT Lease renegotiation, taking into account a lease allowance funded by the Landlord; and reductions for NGV Refueling Stations based on use of 2010 recorded expenditures for forecasting.

Exhibit DRA-23, pages 24-29

CHAPTER 2A12-c1

Proposed Capital Expenditures (in thousands of 2009 dollars)

SCG	Description	2010	2011	2012	Total
00653.00.100	Anaheim Bldg A Chillers #1 & #	1,668	0	0	1,668
00653.00.131	MPK Data Ctr Generators	936	3,288	0	4,224
00653.00.140	Energy Efficiency Prgm	0	1,000	1,000	2,000
00653.00.155	MPK Exterior Site Improv	764	2,736	0	3,500
00653.00.213	GCT Lease Renegotiation	7,391	18,596	0	25,987
00653.00.233	Various (carved out) MPK Proj	2,414	0	0	2,414
00653.00.234	Compton/Redlands Parking Lot (	0	0	3,592	3,592
00653.00.273	Spence Street Remodel	1,001	0	0	1,001
00653.00.361	MPK Data Ctr Master Plan - Bld	0	359	6,141	6,500
00653.00.452	Anaheim Bldg A Chiller #3 Repl	0	1,500	0	1,500
00653.00.95	53 Common Plt Blnkt - Infrs &	4,773	6,000	6,000	16,773
00653.00.99	Downey ERC Chiller Repl (LEED	1,846	2,136	2,000	5,982
00654.00.96	Common Plt Blnkt - Env & Safet	963	1,451	1,451	3,865
00664.00.143	Common Plt Blnkt - Misc Equip	0	242	242	484
00698.00.97	Branch Office ADA & Ergo	3,678	4,500	0	8,178
00716.00.133	Common Plt Blnkt - Fleet Tools	100	130	130	360
00734.00.136	Common Plt Blnkt - NGV Refueli	118	118	100	336
00734.00.445	NGV Various SCG Sites Charging	1,510	1,935	2,220	5,665
Total		27,162	43,991	22,876	94,029

DRA	Description	2010	2011	2012	Total
00653.00.100	Anaheim Bldg A Chillers #1 & #	1,668	0	0	1,668
00653.00.131	MPK Data Ctr Generators	936	3,288	0	4,224
00653.00.140	Energy Efficiency Prgm	0	1,000	1,000	2,000
00653.00.155	MPK Exterior Site Improv	0	0	0	0
00653.00.213	GCT Lease Renegotiation	7,391	7,250	0	14,641
00653.00.233	Various (carved out) MPK Proj	1,516	0	0	1,516
00653.00.234	Compton/Redlands Parking Lot (	0	0	0	0
00653.00.273	Spence Street Remodel	0	0	0	0
00653.00.361	MPK Data Ctr Master Plan - Bld	0	0	0	0
00653.00.452	Anaheim Bldg A Chiller #3 Repl	0	1,500	0	1,500
00653.00.95	53 Common Plt Blnkt - Infrs &	4,773	6,000	6,000	16,773
00653.00.99	Downey ERC Chiller Repl (LEED	1,846	2,136	2,000	5,982
00654.00.96	Common Plt Blnkt - Env & Safet	963	1,451	1,451	3,865
00664.00.143	Common Plt Blnkt - Misc Equip	0	0	0	0
00698.00.97	Branch Office ADA & Ergo	1,839	2,250	0	4,089
00716.00.133	Common Plt Blnkt - Fleet Tools	0	0	0	0
00734.00.136	Common Plt Blnkt - NGV Refueli	0	0	0	0
00734.00.445	NGV Various SCG Sites Charging	712	712	712	2,136
Total		21,644	25,587	11,163	58,394

Difference	Description	2010	2011	2012	Total
00653.00.100	Anaheim Bldg A Chillers #1 & #	0	0	0	0
00653.00.131	MPK Data Ctr Generators	0	0	0	0
00653.00.140	Energy Efficiency Prgm	0	0	0	0
00653.00.155	MPK Exterior Site Improv	-764	-2,736	0	-3,500
00653.00.213	GCT Lease Renegotiation	0	-11,346	0	-11,346
00653.00.233	Various (carved out) MPK Proj	-898	0	0	-898
00653.00.234	Compton/Redlands Parking Lot (	0	0	-3,592	-3,592
00653.00.273	Spence Street Remodel	-1,001	0	0	-1,001
00653.00.361	MPK Data Ctr Master Plan - Bld	0	-359	-6,141	-6,500
00653.00.452	Anaheim Bldg A Chiller #3 Repl	0	0	0	0
00653.00.95	53 Common Plt Blnkt - Infrs &	0	0	0	0
00653.00.99	Downey ERC Chiller Repl (LEED	0	0	0	0

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00654.00.96	Common Plt Blnkt - Env & Safet	0	0	0	0
00664.00.143	Common Plt Blnkt - Misc Equip	0	-242	-242	-484
00698.00.97	Branch Office ADA & Ergo	-1,839	-2,250	0	-4,089
00716.00.133	Common Plt Blnkt - Fleet Tools	-100	-130	-130	-360
00734.00.136	Common Plt Blnkt - NGV Refueli	-118	-118	-100	-336
00734.00.445	NGV Various SCG Sites Charging	-798	-1,223	-1,508	-3,529
Total		-5,518	-18,404	-11,713	-35,635

Chapter 2 - DRA vs. SoCalGas

Part A - O&M and Capital Expenditures

13. SCG-16 (Exh 194) - EMERGENCY PREPAREDNESS & SAFETY

a. O&M - NON-SHARED

Workpaper	DRA vs. SoCalGas (2012)	Reference
1. 2EE001.000	(330)	2A13-a1

CHAPTER 2A13-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-16
Area: EMERGENCY PREPAREDNESS & SAFETY
Witness: Sarah E Edgar

NONSHARED O&M

Subject: SCG Field Safety
Workpaper: 2EE001.000

SoCalGas Position: SCG requests \$1.375 million for the activities in this work group. Forecasts for 2012 were based on 2009 base year recorded costs adjusted for the following incremental increases: \$0.110 million for ergonomist resources focused on prevention of repetitive motion and cumulative trauma injuries, \$0.125 million to expand the AED program to locations not currently covered, and \$0.363 million in Occupational Health Nursing Services intended to provide health and wellness expertise and first level of care to employees.

Exhibit SCG-16, page SDD-3

DRA Position: DRA proposes \$1.045 million for the activities in this work group, which represents a reduction of \$0.330 million. DRA's forecasts for 2012 were based on 2010 recorded costs.

Exhibit DRA-25, page 8

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	486	884	398
NonLabor	889	161	-728
Nonstandard	0	0	0
TOTAL	1,375	1,045	-330

Chapter 2 - DRA vs. SoCalGas

Part A - O&M and Capital Expenditures

13. SCG-16 (Exh 194) - EMERGENCY PREPAREDNESS & SAFETY

b. O&M - SHARED

Workpaper	DRA vs. SoCalGas (2012)	Reference
1. 2ESEE002B.ALL	(336)	2A13-b1

CHAPTER 2A13-b1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-16
Area: EMERGENCY PREPAREDNESS & SAFETY
Witness: Sarah E Edgar

SHARED SERVICES O&M

Subject: Safety Programs
Workpaper: 2ESEE002B.ALL

SoCalGas Position: SCG requests \$1.586 million in incurred costs (\$0.928 million Book Expense) for the activities in this work group. Forecasts for 2012 were based on 2009 base year recorded costs.

Exhibit SCG-16, page SDD-4

DRA Position: DRA proposes \$1.250 million in incurred costs (\$0.732 million Book Expense) for the activities in this work group, which is a reduction of \$0.336 million in incurred costs (\$0.196 million Book Expense). DRA recommends using the three-year average (2008-2010) of recorded costs for forecasting TY2012.

Exhibit DRA-25, page 10

Proposed TY2012 Forecast 100% Incurred (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-2270.000	SES DIR - SCG	1,316	270	0	1,586
Total		1,316	270	0	1,586

DRA	Description	Labor	NLbr	NSE	Total
2200-2270.000	SES DIR - SCG	873	377	0	1,250
Total		873	377	0	1,250

Difference	Description	Labor	NLbr	NSE	Total
2200-2270.000	SES DIR - SCG	-443	107	0	-336
Total		-443	107	0	-336

Proposed TY2012 Forecast - Book Expense (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-2270.000	SES DIR - SCG	770	158	0	928
Total	Book Expense	770	158	0	928

DRA	Description	Labor	NLbr	NSE	Total
2200-2270.000	SES DIR - SCG	511	221	0	732
Total	Book Expense	511	221	0	732

Difference	Description	Labor	NLbr	NSE	Total
2200-2270.000	SES DIR - SCG	-259	63	0	-196
Total	Book Expense	-259	63	0	-196

Chapter 2 - DRA vs. SoCalGas

Part A - O&M and Capital Expenditures

14. SCG-17-R (Exh 274) - CORPORATE CENTER - GENERAL ADMINISTRATION

a. O&M - NON-SHARED

Workpaper	DRA vs. SoCalGas (2012)	Reference
1. 2SE000.001	(17,936)	2A14-a1
2. 2SE000.002	(117)	2A14-a2

CHAPTER 2A14-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-17-R
Area: CORPORATE CENTER - GENERAL ADMINISTRATION
Witness: Bruce Allen Folkmann

NONSHARED O&M

Subject: OUTSIDE SRVC EMPLOYEES - F923.1
Workpaper: 2SE000.001

SoCalGas Position: SCG requests \$52.201 million for allocations of Sempra's TY2012 Corporate Center Shared Services (Revised according to the Update Exhibit). This includes allocated and directly-assigned expenses in the areas of Finance, Governance, Legal, Human Resources, External Affairs, Facilities, and related employee benefits, for functions that are not performed at SCG itself. The 2012 Corporate Center total forecast is initially developed in 2009 dollars, then escalated using standard rates for 2012, before being allocated to SDG&E, SCG and Global business units. Except for depreciation of shared assets, all the escalated allocations are summarized as F923.1.

Exhibit SCG-17-R, page BAF-73

DRA Position: DRA recommends \$34.265 million, a reduction of \$21.747 million for the following reasons:
\$6.737 million disallowance of all Outside Legal Fees due to lack of justification
\$6.119 million disallowance of executive retirement and long-term benefits
\$2.325 million disallowance of 70% of all employee incentive compensation (ICP)
\$6.566 million disallowance based on duplication of functions for certain departments, other disallowances or reductions due to lack of justification, reductions by using 2010 actuals as the base before escalation or another historical average, reductions resulting from their alternate escalation rate, reductions resulting from their alternate calculation of the Multi-Factor allocation method.

Exhibit DRA-26 (errata), page 5

Note: SCG's TY2012 request has been revised to reflect the change in the Update Exhibit filed on Feb 17, 2012. SCG's original amount was \$52.553 million for Test Year 2012. DRA's list of disallowances were based on SCG's original request in the Application Exhibit.

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	52,201	34,265	-17,936
TOTAL	52,201	34,265	-17,936

CHAPTER 2A14-a2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-17-R
Area: CORPORATE CENTER - GENERAL ADMINISTRATION
Witness: Bruce Allen Folkmann

NONSHARED O&M

Subject: SECC DEPRECIATION ROR - F923.4
Workpaper: 2SE000.002

SoCalGas Position: SCG requests \$3.928 million for an allocation of TY2012 Sempra's depreciation expense. This includes book depreciation and a supplemental rate of return for Corporate Center capitalized assets that support shared service functions.

Exhibit SCG-17-R, page BAF-73

DRA Position: DRA recommends \$3.811 million, a reduction of \$0.117 million resulting from their alternate calculation of the Multi-Factor allocation method.

Exhibit DRA-26 (Errata), page 5

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	3,928	3,811	-117
TOTAL	3,928	3,811	-117

Chapter 2 - DRA vs. SoCalGas

Part A - O&M and Capital Expenditures

15. SCG-18-R (Exh 215) - CORPORATE CENTER - INSURANCE

a. O&M - NON-SHARED

Workpaper	DRA vs. SoCalGas (2012)	Reference
1. 2SN000.000	(317)	2A15-a1
2. 2SN000.002	(267)	2A15-a2
3. 2SN000.003	(48)	2A15-a3
4. 2SN000.004	(1,049)	2A15-a4

CHAPTER 2A15-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-18-R
Area: CORPORATE CENTER - INSURANCE
Witness: Maury Brendon De Bont

NONSHARED O&M

Subject: SECC PROP INS NON-NUCLEAR - 924.0
Workpaper: 2SN000.000

SoCalGas Position: SCG requests \$3.299 million for allocations of Sempra's TY2012 property insurance premiums. This includes primary and excess coverage, crime policy, and broker fees, and already incorporates non-standard escalation from 2009 base renewals.

Exhibit SCG-18-R, page MBD-29
Exhibit SCG-18-WP, page MBD-WP-75

DRA Position: DRA recommends \$2.982 million, a reduction of \$0.311 million by using the 2010 policy renewal as the base before escalation, and an additional reduction of \$0.006 million resulting from their alternate calculation of the Multi-Factor allocation method.

Exhibit DRA-27, page 18

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	3,299	2,982	-317
TOTAL	3,299	2,982	-317

CHAPTER 2A15-a2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-18-R
Area: CORPORATE CENTER - INSURANCE
Witness: Maury Brendon De Bont

NONSHARED O&M

Subject: SECC EXCESS LIAB INS PLPD - F925.0
Workpaper: 2SN000.002

SoCalGas Position: SCG requests \$8.355 million for an allocation of Sempra's TY2012 general liability and wildfire liability insurance premiums. This already incorporates non-standard escalation from 2009-10 base renewals.

Exhibit SCG-18-R, page MBD-29
Exhibit SCG-18-WP, page MBD-WP-75

DRA Position: DRA recommends \$8.088 million, a reduction of \$0.031 million for wildfire liability by using the 2010 recorded expense as the base before escalation, and a reduction in general liability of \$0.236 million resulting from their alternate calculation of the Multi-Factor allocation method.

Exhibit DRA-27, page 18

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	8,355	8,088	-267
TOTAL	8,355	8,088	-267

CHAPTER 2A15-a3

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-18-R
Area: CORPORATE CENTER - INSURANCE
Witness: Maury Brendon De Bont

NONSHARED O&M

Subject: EXCESS WORKERS COMP INS - F925.1
Workpaper: 2SN000.003

SoCalGas Position: SCG requests \$1.144 million for an allocation of Sempra's TY2012 workers compensation insurance premiums. This includes excess coverage for California-based employees, and already incorporates non-standard escalation from 2009 base renewals.

Exhibit SCG-18-R, page MBD-29,
Exhibit SCG-18-WP, page MBD-WP-75

DRA Position: DRA recommends \$1.096 million, a reduction of \$0.048 million by using the 2010 policy renewal as the base before escalation.

Exhibit DRA-27, page 18

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	1,144	1,096	-48
TOTAL	1,144	1,096	-48

CHAPTER 2A15-a4

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-18-R
Area: CORPORATE CENTER - INSURANCE
Witness: Maury Brendon De Bont

NONSHARED O&M

Subject: SECC OTHER LIAB INS NON-NUCLEAR - F925.3
Workpaper: 2SN000.004

SoCalGas Position: SCG requests \$3.068 million for allocations of Sempra's TY2012 premiums for various other liability policies. This includes coverage for D&O, fiduciary, auto, surety bonds, group executive, and broker fees, and already incorporates non-standard escalation from 2009-10 base renewals.

Exhibit SCG-18-R, page MBD-29,
Exhibit SCG-18, page MBD-WP-75

DRA Position: DRA recommends \$2.019 million, a reduction of \$0.0971 million based on a 50% disallowance of the allocation for D&O coverage, a full \$0.039 million disallowance for the group executive benefit, a reduction of \$0.010 million for surety bonds by using the 2010 policy renewal as the base before escalation, and an additional reduction of \$0.028 million resulting from their alternate calculation of the Multi-Factor allocation method.

Exhibit DRA-27, page 18

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	3,068	2,019	-1,049
TOTAL	3,068	2,019	-1,049

Chapter 2 - DRA vs. SoCalGas

Part A - O&M and Capital Expenditures

16. SCG-19-R (Exh 375) - COMPENSATION, HEALTH & WELFARE

a. O&M - NON-SHARED

Workpaper	DRA vs. SoCalGas (2012)	Reference
1. 2CP000.000	(21,910)	2A16-a1
2. 2CP000.002	(5,361)	2A16-a2
3. 2PB000.000	(23,565)	2A16-a3
4. 2PB000.001	(939)	2A16-a4
5. 2PB000.002	(124)	2A16-a5
6. 2PB000.003	(795)	2A16-a6
7. 2PB000.004	(194)	2A16-a7
8. 2PB000.005	(540)	2A16-a8
9. 2PB000.006	(232)	2A16-a9
10. 2PB000.007	(9)	2A16-a10
11. 2PB000.008	(9)	2A16-a11
12. 2PB000.011	(146)	2A16-a12
13. 2PB000.012	(2,070)	2A16-a13
14. 2PB000.014	(3,516)	2A16-a14
15. 2PB000.015	(304)	2A16-a15
16. 2PB000.016	(215)	2A16-a16
17. 2PB000.017	(77)	2A16-a17
18. 2PB000.018	(579)	2A16-a18
19. 2PB000.019	(96)	2A16-a19
20. 2PB000.020	(147)	2A16-a20
21. 2PB000.021	(200)	2A16-a21
22. 2PB000.022	(452)	2A16-a22

CHAPTER 2A16-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: COMPENSATION, HEALTH & WELFARE
Witness: Debbie Sue Robinson

NONSHARED O&M

Subject: Comp-ICP
Workpaper: 2CP000.000

SoCalGas Position: SCG requests \$29.408 million for TY 2012 for activities in this workgroup. The DRA and SCG jointly selected Towers Watson to conduct the competitive compensation and benefits analysis. SCG's total compensation is within 3.2 percent of market. In D. 95-12-055, the Commission ruled that compensation levels that fall between plus or minus five percent of the relevant market are considered to be "at market" and reasonable. SCG is requesting recovery of ICP based on target performance. If actual ICP performance exceeds target performance, the differential would not be recoverable in rates.

Exhibit SCG-19, Pages DSR-3 to 4

DRA Position: DRA recommends \$7.498 million for TY 2012 in ratepayer funding for Short Term Incentive Plan, which includes all non-represented employees. DRA recommends zero ratepayer funding of ICP for executives and ratepayer funding of 30% for non-executives, with shareholders to fund 70%. For the TY 2012 forecast, DRA evaluated the target and actual ICP amounts for each year from 2005-2010. Based on DRA's review of SCG's testimony, workpapers, responses to DRA's data requests and the results of the Towers Study, DRA recommends using the SCG 2010 target ICP amount of \$26.4 million as an initial starting point to develop the forecast for the TY 2012 ICP expense.

Exhibit DRA-28, Pages 3-14

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	29,408	7,498	-21,910
NonLabor	0	0	0
Nonstandard	0	0	0
TOTAL	29,408	7,498	-21,910

CHAPTER 2A16-a2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: COMPENSATION, HEALTH & WELFARE
Witness: Debbie Sue Robinson

NONSHARED O&M

Subject: Comp-Long Term Incentive Plan
Workpaper: 2CP000.002

SoCalGas Position: SCG forecasted \$5.361 million for TY 2012 expense. Long-term incentives are an integral component of a competitive compensation program for key management and executive employees. Of the 428 companies that participated in Hewitt Associates' 2009 Total Compensation database, 89 percent reported at least one long-term incentive program. The actual compensation realized by participants is dependent on Sempra Energy's four-year financial performance. The company must perform well relative to the utilities in the S&P Utilities index and the overall market for participants to realize value from the awards.

Exhibit SCG-19, Page DSR-9

DRA Position: DRA recommends disallowing 100% of LTIP. DRA recommends rejecting SCG's proposal for ratepayer funding of long-term incentives because it would saddle ratepayers with a new expense while producing no commensurate value. The long-term incentives, which are comprised of stock options, are clearly shareholder-related expenses and are not appropriate ratepayer expenses. SCG has not justified why these incentive costs should now be charged to ratepayers.

Exhibit DRA-28, Pages 15-16

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	5,361	0	-5,361
TOTAL	5,361	0	-5,361

CHAPTER 2A16-a3

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: COMPENSATION, HEALTH & WELFARE
Witness: Debbie Sue Robinson

NONSHARED O&M

Subject: MEDICAL
Workpaper: 2PB000.000

SoCalGas Position: SCG requests \$67.416 million for TY 2012 (reflects 2/17/12 update testimony). Estimates were forecasted by escalating the actual 2010 premiums, 2011 (by 13%), 2012 (by 6.8%). In preparing the medical trend forecast, Towers Watson considered California and national data and prepared a forecast specifically for SCG taking into account workforce demographics, historical utilization data, medical plan design, and the projected impact of the Patient Protection and Affordable Care Act.

SCG's benefits expense forecast is based on the projected number of employees (or headcount) anticipated to receive the benefits. DRA's benefits expense forecast is based on a derived forecast of "employee population" or Full-time Equivalents (FTEs). Headcount and FTEs are fundamentally different and are not interchangeable.

Exhibit SCG-19-R, Pages DSR-13 to DSR-19
Exhibit SCG-219, Pages DSR-17 to DSR-19

DRA Position: DRA recommends \$43.851 million for TY 2012 based on using Global Insight's forecast of medical escalation rates. The total of this adjustment, along with a lower employee population estimate, results in a DRA TY estimate of \$43.851 million for SCG.

DRA recommends the use of the following escalation rates: 2010 = 4.8% 2012 = 4.0%; and 2012 = 4.1%.

DRA's 'employee population for 2012 is 5,757.

Exhibit DRA 29, Pages 6-8

Note: SCG's request for TY 2012 has been revised to reflect the change made in Update Testimony filed Feb. 17, 2012. SCG's original request in its revised testimony was \$70.735 million.

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	67,416	43,851	-23,565
TOTAL	67,416	43,851	-23,565

CHAPTER 2A16-a4

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: COMPENSATION, HEALTH & WELFARE
Witness: Debbie Sue Robinson

NONSHARED O&M

Subject: DENTAL
Workpaper: 2PB000.001

SoCalGas Position: SCG requests \$3.675 million for TY 2012 for activities in this workgroup. In 2009 SCG entered into a three-year contract with Delta Dental. Rates are guaranteed from 2010 through 2012. The rate increase from 2009 to 2010 reflects actual rates. Due to the three-year rate guarantee, the cost per employee is flat from 2010 through 2012. However, total costs reflect an increase in projected headcount.

Exhibit SCG -19, Pages DSR-20 to DSR-21.

SCG's benefits expense forecast is based on the projected number of employees (or headcount) anticipated to receive the benefits. DRA's benefits exp. forecast is based on a derived forecast of "employee population" or Full-time Equivalent (FTEs). Headcount and FTEs are fundamentally different and are not interchangeable.

Exhibit SCG-219, Pages DSR-17 to DSR-19

DRA Position: DRA recommends \$2.736 million for TY 2012. DRA analyzed the historical expenses for both utilities and does not take issue with their TY program costs. But DRA's lower estimate for employee population results in a DRA TY estimate of \$2.736 million for SCG.

Exhibit DRA-29, page 9

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	3,675	2,736	-939
TOTAL	3,675	2,736	-939

CHAPTER 2A16-a5

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: COMPENSATION, HEALTH & WELFARE
Witness: Debbie Sue Robinson

NONSHARED O&M

Subject: VISION
Workpaper: 2PB000.002

SoCalGas Position: SCG request \$0.487 million for TY 2012 for activities in this workgroup. SCG offers employees vision coverage under the Vision Service Plan (VSP). VSP is experience rated and future premiums are based on the prior year's utilization history. Costs for 2009 and 2010 reflect the actual rates and participation. The cost per covered employee was forecasted to remain flat for 2010-2012.

Exhibit SCG-19, Page DSR-22

SCG's benefits expense forecast is based on the projected number of employees (or headcount) anticipated to receive the benefits. DRA's benefits expense forecast is based on a derived forecast of "employee population" or Full-time Equivalents (FTEs). Headcount and FTEs are fundamentally different and are not interchangeable.

Exhibit SCG-219, Pages DSR-17 to DSR-19

DRA Position: DRA recommends \$0.363 million for TY 2012. DRA analyzed the historical expenses for both companies and does not take issue with their TY program costs, but DRA's lower estimate for 'employee population' results in a DRA TY estimate of \$0.363 million for SCG.

Exhibit SCG -19, Page 9

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	487	363	-124
TOTAL	487	363	-124

CHAPTER 2A16-a6

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: COMPENSATION, HEALTH & WELFARE
Witness: Debbie Sue Robinson

NONSHARED O&M

Subject: WELLNESS
Workpaper: 2PB000.003

SoCalGas Position: SCG requests \$0.795 million for TY for 2012 for activities in this workgroup. The objective of the SCG wellness program is to improve employee health and productivity. Wellness programs promote healthy lifestyle changes and illness prevention, facilitate early detection and management of illness and disease, and help ensure that employees diagnosed with health conditions receive optimal and effective treatment. Wellness program costs are projected to increase slightly from 2009 through 2012 due to headcount additions and additional onsite health screenings.

Exhibit SCG-19, Pages DSR-23 to 24

DRA Position: DRA recommends zero ratepayer funding. DRA's position is that ratepayers for both companies already provide funding for Medical Plans and Employee Assistance Plans that essentially cover the same services that each company claims its Wellness program will cover.

Exhibit DRA-29, Pages 9-10

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	795	0	-795
TOTAL	795	0	-795

CHAPTER 2A16-a7

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: COMPENSATION, HEALTH & WELFARE
Witness: Debbie Sue Robinson

NONSHARED O&M

Subject: EMPLOYEE ASSISTANCE PROGRAM
Workpaper: 2PB000.004

SoCalGas Position: SCG requests \$0.760 million for TY 2012 for activities in this workgroup. EAP provides employees and their eligible dependents with cost-effective, confidential counseling and treatment services for various personal problems that may have a negative impact on job performance. The programs have been effective in reducing absenteeism, improving productivity, reducing the number of accidents and improving employee job performance. EAP costs follow the same escalation trend as medical expenses.

Exhibit SCG-19, Page DSR-24 to DSR-26

SCG's benefits expense forecast is based on the projected number of employees (or headcount) anticipated to receive the benefits. DRA's benefits forecast is based on a derived forecast of "employee population" or Full-time Equivalent (FTEs). Headcount and FTEs are fundamentally different and are not interchangeable.

Exhibit SCG-219, Pages DSR-17 to DSR-19

DRA Position: DRA recommends \$0.566 million for TY 2012. DRA analyzed the historical expenses for both companies and does not take issue with TY program costs, but DRA's lower estimate for 'employee population' results in a DRA TY estimate of \$0.566 million for SCG.

Exhibit DRA-29 Page 10

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	760	566	-194
TOTAL	760	566	-194

CHAPTER 2A16-a8

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: COMPENSATION, HEALTH & WELFARE
Witness: Debbie Sue Robinson

NONSHARED O&M

Subject: MENTAL HEALTH
Workpaper: 2PB000.005

SoCalGas Position: SCG forecasted \$1.310 million for Mental Health & Substance Abuse for 2012. Ongoing treatment beyond what is covered under the EAP or treatment for more serious mental health conditions is covered under this benefit. Forecast includes administrative fees provided for in monthly per capita rates. The cost forecast assumes mental health costs follow the same escalation trend as medical expenses.

Exhibit SCG -19, Pages DSR-24 to DSR-26

SCG's benefits expense forecast is based on the projected number of employees (or headcount) anticipated to receive the benefits. DRA's benefits expense forecast is based on a derived forecast of "employee population" or Full-time Equivalents (FTEs). Headcount and FTEs are fundamentally different and are not interchangeable.

Exhibit SCG-219, Pages DSR-17 to DSR-19

DRA Position: DRA recommends \$0.770 million for TY 2012. DRA has concerns about the medical escalation rates used. SCG used the same medical escalation rates for Mental Health expense as for Medical Plans expense. DRA recommends that the base year expense for each company be used to calculate the TY program cost. This TY program cost is multiplied by DRA's estimated employee population to arrive at a TY expense of \$0.770 million for SCG.

Exhibit DRA-29, Pages 10-11

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	1,310	770	-540
TOTAL	1,310	770	-540

CHAPTER 2A16-a9

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: COMPENSATION, HEALTH & WELFARE
Witness: Debbie Sue Robinson

NONSHARED O&M

Subject: P&B - LIFE INSURANCE
Workpaper: 2PB000.006

SoCalGas Position: SCG forecasted \$0.906 million for 2012. SCG provides employees with basic life insurance coverage equal to one times annual pay (base salary plus ICP, if applicable). The premium per \$1,000 of coverage is projected to remain flat. Cost increases are due to wage and headcount escalation.

Exhibit SCG-19, Page DSR-27

SCG's benefits expense forecast is based on the projected number of employees (or headcount) anticipated to receive the benefits. DRA's benefits expense forecast is based on a derived forecast of "employee population" or Full-time Equivalents (FTEs). Headcount and FTEs are fundamentally different and are not interchangeable.

Exhibit SCG-219, Pages DSR-17 to DSR-19

DRA Position: DRA recommends \$0.674 million for TY 2012. DRA analyzed the historical expenses for both companies and does not take issue with their TY program costs, but DRA's lower estimate for "employee population" results in a DRA TY estimate of \$0.674 for SCG.

Exhibit DRA-29, Page 11

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	906	674	-232
TOTAL	906	674	-232

CHAPTER 2A16-a10

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: COMPENSATION, HEALTH & WELFARE
Witness: Debbie Sue Robinson

NONSHARED O&M

Subject: P&B - AD&D INSURANCE
Workpaper: 2PB000.007

SoCalGas Position: SCG forecasted \$0.037 million for TY 2012 AD&D Insurance expense. SDG&E provides employees with basic AD&D insurance coverage equal to one times annual pay (base salary plus ICP, if applicable). Coverage is adjusted each year to reflect increases or decreases in employee pay. Premiums for AD&D coverage are projected to remain flat at \$0.192 per \$1,000 of coverage. Cost increases are due to wage and headcount escalation.

Exhibit SCG-19, Page DSR-26

SCG's benefits expense forecast is based on the projected number of employees (or headcount) anticipated to receive the benefits. DRA's benefits expense forecast is based on a derived forecast of "employee population" or Full-time Equivalents (FTEs). Headcount and FTEs are fundamentally different and are not interchangeable.

Exhibit SCG-219, Pages DSR-17 to DSR-19

DRA Position: DRA recommends \$0.028 million for TY 2012. DRA analyzed the historical expenses for both companies and does not take issue with their TY program costs, but DRA's lower estimate for 'employee population' results in a DRA TY estimate of \$0.028 million for SCG.

Exhibit DRA-29, Page 11

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	37	28	-9
TOTAL	37	28	-9

CHAPTER 2A16-a11

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: COMPENSATION, HEALTH & WELFARE
Witness: Debbie Sue Robinson

NONSHARED O&M

Subject: P&B - BUSINESS TRAVEL INSURANCE
Workpaper: 2PB000.008

SoCalGas Position: SCG forecasted \$0.035 million TY 2012 for Business Travel Insurance. The company provides an additional life insurance benefit that covers employees while traveling for business purposes. The coverage amount is \$400,000. Premiums per expected to increase by approximately 2% per year.

Exhibit SCG-19, Page DSR-26

SCG's benefits expense forecast is based on the projected number of employees (or headcount) anticipated to receive the benefits. DRA's benefits expense forecast is based on a derived forecast of "employee population" or Full-time Equivalents (FTEs). Headcount and FTEs are fundamentally different and are not interchangeable.

Exhibit SCG-219, Pages DSR-17 to DSR-19

DRA Position: DRA recommends \$0.026 million for TY 2012. DRA analyzed the historical expenses for both companies and does not take issue with their TY program costs, but DRA's lower estimate for 'employee population' results in a DRA TY estimate of \$0.026 million for SCG.

Exhibit DRA-29, Page - 12

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	35	26	-9
TOTAL	35	26	-9

CHAPTER 2A16-a12

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: COMPENSATION, HEALTH & WELFARE
Witness: Debbie Sue Robinson

NONSHARED O&M

Subject: Retirement Plans - IRC Sect 4 Plan
Workpaper: 2PB000.011

SoCalGas Position: SCG forecasted \$0.146 million for TY 2012 expense for company matching contributions under the nonqualified retirement plan. The nonqualified retirement savings plan, or deferred compensation plan, allows pre-tax contributions for employees subject to IRS compensation and contribution limits. Company matching contributions under the plan are identical to company matching contributions under the RSP.

Exhibit SCG-19, Pages DSR-28 to DSR-29

DRA Position: DRA recommends that the Commission not allow any costs of the Section 415 Plan to be included in TY expenses used to develop the revenue requirement. DRA is opposed to having ratepayers bear the costs of benefit programs in excess of federal limits and which serve to further enhance benefits to higher compensated employees.

Exhibit DRA-29, Page 12

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	146	0	-146
TOTAL	146	0	-146

CHAPTER 2A16-a13

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: COMPENSATION, HEALTH & WELFARE
Witness: Debbie Sue Robinson

NONSHARED O&M

Subject: P&B - SUPPLEMENTAL PENSION
Workpaper: 2PB000.012

SoCalGas Position: SCG forecasted \$2.070 million for TY 2012 expense for supplemental pension plans. SCG offers two supplemental pension plans, the Supplemental Executive Retirement Plan, which covers a small number of senior executives, and the Cash Balance Restoration Plan.

The Cash Balance Restoration Plan restores benefits for employees whose earnings or benefits exceed the limitations established by the Employee Retirement and Income Security Act. Employees who earn in excess of \$245,000 per year (2010 earnings limit) continue to accrue retirement benefits once they exceed the limits imposed by ERISA and IRS regulations. Benefits are accrued under the same formula and are subject to the same vesting conditions as the broad-based retirement plan. The plan merely restores benefits that would otherwise be lost due to statutory limits under broad-based retirement plans.

Exhibit SCG-19, Page DSR-29

DRA Position: DRA recommends zero ratepayer funding for supplemental pension benefits. DRA opposes the inclusion of any supplemental executive benefits in revenue requirements. The amount contributed to the pension plan by ratepayers serves to provide sufficient retirement program benefits and does not need to be further supplemented to provide even higher retirement benefits for a select group of executives.

Exhibit DRA-29, Pages 13-14

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	2,070	0	-2,070
TOTAL	2,070	0	-2,070

CHAPTER 2A16-a14

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: COMPENSATION, HEALTH & WELFARE
Witness: Debbie Sue Robinson

NONSHARED O&M

Subject: P&B - RETIREMENT SAVINGS PLAN
Workpaper: 2PB000.014

SoCalGas Position: SCG forecasted \$13.300 million for TY 401(k) expense (revised according to Update Exhibit). This program allows employees to set aside pre-tax earnings to help fund their future retirement. SCG has elected to match 50% of employee contributions, up to 6% of eligible pay. Projected cost increases are due to wage and headcount escalation.

Exhibit SDG&E-25, Pages DSR-27 to DSR-28.

SCG's benefits expense forecast is based on the projected number of employees (or headcount) anticipated to receive the benefits. DRA's benefits expense forecast is based on a derived forecast of "employee population" or Full-time Equivalents (FTEs). Headcount and FTEs are fundamentally different and are not interchangeable.

Exhibit SCG-219, Pages DSR-17 to DSR-19

DRA Position: DRA recommends \$9.784 million for TY. SCG's average contribution rate for the past five years has been 2.4%. DRA recommends using each company's actual historic match rates to calculate the TY expense. This adjustment, in addition to DRA's use of a lower estimate for "employee population", results in a DRA TY estimate of \$9.784 million for SCG.

Exhibit DRA-29, Page 14-15

Note: SCG's request for TY 2012 has been revised to reflect the change made in the Update Exhibit filed on Feb. 17, 2012. SCG's original testimony request was \$13.791 million.

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	13,300	9,784	-3,516
TOTAL	13,300	9,784	-3,516

CHAPTER 2A16-a15

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: COMPENSATION, HEALTH & WELFARE
Witness: Debbie Sue Robinson

NONSHARED O&M

Subject: P&B - ADMIN FEES & SERVICES
Workpaper: 2PB000.015

SoCalGas Position: SCG forecasted \$1.189 million for TY 2012 expense. Projected expenses for 2011 and 2012 are slightly lower than 2009 recorded costs due to lower projected costs for consulting. Benefit administration and service fees include fees for legally required audits, third-party administrator and record-keeper fees, actuarial and other professional services and the cost of benefit communication materials.

Exhibit SCG-19, Pages DSR-30 to DSR-31

SCG's benefits expense forecast is based on the projected number of employees (or headcount) anticipated to receive the benefits. DRA's benefits expense forecast is based on a derived forecast of "employee population" or Full-time Equivalents (FTEs). Headcount and FTEs are fundamentally different and are not interchangeable.

Exhibit SCG-219, Pages DSR-17 to DSR-19

DRA Position: DRA recommends \$0.885 million for TY 2012 for benefits administration fees. DRA analyzed the historical expenses for both companies and does not take issue with the TY program costs. DRA's lower estimate for 'employee population' results in a slightly lower DRA TY estimate of \$0.885 million for SCG.

Exhibit DRA-29, Page - 15-16

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	1,189	885	-304
TOTAL	1,189	885	-304

CHAPTER 2A16-a16

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: COMPENSATION, HEALTH & WELFARE
Witness: Debbie Sue Robinson

NONSHARED O&M

Subject: P&B - EDUCATIONAL ASSISTANCE
Workpaper: 2PB000.016

SoCalGas Position: SCG TY 2012 forecast is \$0.841 million. 2009-2012 forecast assumes that the number of participants increases from 231 (09') to 251 (2012). The cost increase also reflects a 2% escalation in program costs per participant. The Prof. Development Assistance Program provides reimbursement of tuition for degree and certificate programs that maintain or enhance skills necessary to perform current/ prospective jobs within SCG.

Exhibit SCG-19, Pages DSR-31 to DSR-32

SCG's benefits expense forecast is based on the projected number of employees (or headcount) anticipated to receive the benefits. DRA's benefits expense forecast is based on a derived forecast of "employee population" or Full-time Equivalents (FTEs). Headcount and FTEs are fundamentally different and are not interchangeable.

Exhibit SCG-219, Pages DSR-17 to DSR-19

DRA Position: DRA recommends \$0.626 million for TY 2012 for Educational Assistance. DRA analyzed the historical expenses for both companies and does not take issue with the TY program costs. DRA's lower estimate for 'employee population' results in a slightly lower DRA TY estimate of \$0.626 million for SCG.

Exhibit DRA-29, Pages 15-16

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	841	626	-215
TOTAL	841	626	-215

CHAPTER 2A16-a17

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: COMPENSATION, HEALTH & WELFARE
Witness: Debbie Sue Robinson

NONSHARED O&M

Subject: P&B - EMERGENCY CARE
Workpaper: 2PB000.017

SoCalGas Position: SCG forecasts \$0.149 million for TY 2012. Program costs are projected to increase by 5% per year in 2011 and 2012. This is the backup childcare program that provides emergency childcare services when an employee's primary childcare resource is unavailable. This program reduces unplanned absences and work time lost due to breakdowns in childcare arrangements. This program is critical to employees who must report to work during emergencies such as wildfires and earthquakes when schools and day care centers are closed.

Exhibit SCG-19, Pages DSR-32 to DSR-33

SCG's benefits expense forecast is based on the projected number of employees (or headcount) anticipated to receive the benefits. DRA's benefits forecast is based on a derived forecast of "employee population" or FTEs. Headcount and FTEs are fundamentally different and are not interchangeable.

Exhibit SCG-219, Pages DSR-17 to DSR-19

DRA Position: DRA recommends \$0.072 million for TY 2012 for Emergency Care. DRA analyzed the historical expenses for both companies and does not take issue with the TY program costs. DRA's lower estimate for 'employee population' results in a slightly lower DRA TY estimate of \$0.072 million for SCG.

Exhibit DRA-29, Pages 15-16

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	149	72	-77
TOTAL	149	72	-77

CHAPTER 2A16-a18

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: COMPENSATION, HEALTH & WELFARE
Witness: Debbie Sue Robinson

NONSHARED O&M

Subject: P&B - EMPLOYEE RECOGNITION
Workpaper: 2PB000.018

SoCalGas Position: SCG forecasted \$0.579 million for TY 2012 expense. Employee recognition awards are forecasted at \$75 per employee. The Employee Recognition program is used to provide nominal non-cash awards, generally valued at \$100 or less. Typical awards include gift cards, movie tickets and tickets to sporting events.

Exhibit SDG&E-25, Page DSR-10 to DSR-11

DRA Position: DRA recommends zero ratepayer funding for employee recognition. DRA considers it supererogatory in nature. These supererogatory employee benefit programs do not provide a clear and identifiable benefit to ratepayer and are not necessary to operate the utility business.

Exhibit DRA-29, Pages 16-17

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	579	0	-579
TOTAL	579	0	-579

CHAPTER 2A16-a19

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: COMPENSATION, HEALTH & WELFARE
Witness: Debbie Sue Robinson

NONSHARED O&M

Subject: P&B - MASS TRANSIT INCENTIVE
Workpaper: 2PB000.019

SoCalGas Position: SCG forecast is \$0.376 million for TY 2012. The transportation program provides transit subsidies for employees who use public transportation, vanpools and carpools. The program supports the company's compliance with South Coast Air Quality Management District Rule 2202. The cost forecast assumes that the participation ratio remains constant while the number of participants increases from 518 employees to 561 employees due to increases in total headcount.

Exhibit SCG-19, Pages DSR-33 to DSR-34

SCG's benefits expense forecast is based on the projected number of employees (or headcount) anticipated to receive the benefits. DRA's benefits expense forecast is based on a derived forecast of "employee population" or Full-time Equivalent (FTEs). Headcount and FTEs are fundamentally different and are not interchangeable.

Exhibit SCG-219, Pages DSR-17 to DSR-19

DRA Position: DRA recommends \$0.280 million for TY 2012 for Mass Transit Incentive. DRA analyzed the historical expenses for both companies and does not take issue with the TY program costs. DRA's lower estimate for 'employee population' results in a slightly lower DRA TY estimate of \$0.280 million for SCG.

Exhibit DRA-29, Page - 15-16

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	376	280	-96
TOTAL	376	280	-96

CHAPTER 2A16-a20

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: COMPENSATION, HEALTH & WELFARE
Witness: Debbie Sue Robinson

NONSHARED O&M

Subject: P&B - RETIREMENT ACTIVITIES
Workpaper: 2PB000.020

SoCalGas Position: SCG forecasted \$0.147 million for TY 2012 expense. Upon retirement, the company gives the employee a retirement gift and hosts a retirement breakfast in recognition of past service and contribution to the company's success. The cost of retirement activities is expected to increase slightly from \$0.137 million in 2009 to \$0.147 million in 2012 due to inflation.

Exhibit SCG-19, Page DSR-34

DRA Position: DRA recommends zero ratepayer funding for employee recognition, which DRA considers it a supererogatory in nature. These supererogatory employee benefit programs do not provide a clear and identifiable benefit to ratepayer and are not necessary to operate the utility business.

Exhibit DRA-29, Pages 15-17

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	147	0	-147
TOTAL	147	0	-147

CHAPTER 2A16-a21

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: COMPENSATION, HEALTH & WELFARE
Witness: Debbie Sue Robinson

NONSHARED O&M

Subject: P&B - SERVICE RECOGNITION
Workpaper: 2PB000.021

SoCalGas Position: SCG forecasted \$0.200 million for TY 2012 expense. Service recognition awards are given to employees on their fifth anniversary and every five years thereafter. Most employers have a service recognition program, with five years being the standard milestone for length of service designs. Recognizing service supports our goals of demonstrating appreciation for and retaining a high quality, tenured and knowledgeable work force. The 2009 through 2012 increase is based on the actual number of service anniversary dates occurring in 2012, which is greater than the actual number of service anniversary dates that occurred in 2009.

Exhibit SCG-19, Pages DSR-34 to DSR-35

DRA Position: DRA recommends zero ratepayer funding for employee recognition, which DRA considers it a supererogatory in nature. These supererogatory employee benefit programs do not provide a clear and identifiable benefit to ratepayer and are not necessary to operate the utility business.

Exhibit DRA-29, Pages 15-17

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	200	0	-200
TOTAL	200	0	-200

CHAPTER 2A16-a22

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: COMPENSATION, HEALTH & WELFARE
Witness: Debbie Sue Robinson

NONSHARED O&M

Subject: P&B - SPECIAL EVENTS
Workpaper: 2PB000.022

SoCalGas Position: SCG forecasted \$0.452 million for TY 2012 expense. Special Events night is a long-standing benefit highly valued by employees at all levels. It is the one time a year when employees from union and management ranks from all around the company gather in one place. The event site varies each year and has included Knott's Berry Farm, Disneyland or Sea World.

Exhibit SCG-19, Page DSR-35

DRA Position: DRA recommends zero ratepayer funding for employee recognition, which DRA considers it a supererogatory in nature. These supererogatory employee benefit programs do not provide a clear and identifiable benefit to ratepayer and are not necessary to operate the utility business.

Exhibit DRA-29, Pages 15-17

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	452	0	-452
TOTAL	452	0	-452

Chapter 2 - DRA vs. SoCalGas

Part A - O&M and Capital Expenditures

17. SCG-21 (Exh 198) - HUMAN RESOURCES, DISABILITY & WORKERS COMP

a. O&M - NON-SHARED

Workpaper	DRA vs. SoCalGas (2012)	Reference
1. 2HR003.000	(335)	2A17-a1
2. 2HR006.000	(556)	2A17-a2
3. 2HR007.000	(574)	2A17-a3
4. 2HR007.001	(2,020)	2A17-a4
5. 2HR008.000	(122)	2A17-a5

CHAPTER 2A17-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-21
Area: HUMAN RESOURCES, DISABILITY & WORKERS COMP
Witness: Sarah E Edgar

NONSHARED O&M

Subject: Relocation
Workpaper: 2HR003.000

SoCalGas Position: SCG requests \$0.385 million for TY 2012 for activities in this workgroup. Due to the economy and a reduction in hiring in 2009, the relocation costs in Base Year 2009 were extraordinarily low. The TY2012 relocation forecast is based on the 5-year historical average of relocation costs at SCG adjusted for anticipated additional relocations in 2012.

Exhibit SCG -21, Page SEE-15

DRA Position: DRA recommends \$0.050 million for TY 2012, which is the 2009 base year actual recorded. DRA states that it is inappropriate for SCG to request ratepayer funds to cover a relocation program that includes expenses such as loan origination fees, points, notary fees, filing fees for a new home purchase, company reimbursement of the buyer or seller closing costs incurred on the purchase of the new home, shipment of automobiles, childcare, professional unpacking services, home marketing assistance services, etc. SCG's employee relocation program covering these type of expenses is not reasonable and does not provide a clear benefit to ratepayers.

Exhibit DRA-31, Page 23

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	385	50	-335
Nonstandard	0	0	0
TOTAL	385	50	-335

CHAPTER 2A17-a2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-21
Area: HUMAN RESOURCES, DISABILITY & WORKERS COMP
Witness: Sarah E Edgar

NONSHARED O&M

Subject: President & CEO and COO
Workpaper: 2HR006.000

SoCalGas Position: SCG requests \$1.744 million for TY 2012 for activities in this workgroup. SCG's TY2012 request for President & CEO and COO costs of \$1.744 million is a \$0.423 million increase over Base Year 2009. The costs to support the leadership structure at SCG are consistent with the goals of the 2010 reorganization. While the reorganization results in an increase in costs in this cost center, there is an overall net decrease in costs for SCG, SDG&E and Corporate Center on a combined basis.

Exhibit SCG -21, Page SEE-22

DRA Position: DRA recommends \$1.188 million for TY 2012. DRA used SCG's historical expenses (2006-2010) to estimate Labor expenses. DRA applied a 5-year average methodology (2006-2010) to develop its TY 2012 Labor expense estimate and a 4-year average methodology (2007-2010) for Non-Labor expenses. DRA did not include expenses from 2006 because the expense level in 2006 is significantly lower than previous and most recent years for Non-Labor expenses.

Exhibit DRA-31, Page 30

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	909	1,022	113
NonLabor	288	166	-122
Nonstandard	547	0	-547
TOTAL	1,744	1,188	-556

CHAPTER 2A17-a3

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-21
Area: HUMAN RESOURCES, DISABILITY & WORKERS COMP
Witness: Sarah E Edgar

NONSHARED O&M

Subject: Long Term Disability
Workpaper: 2HR007.000

SoCalGas Position: SCG requests \$4.739 million for TY 2012 for activities in this workgroup. SCG's LTD plan provides income replacement benefits equal to 60% of the employee's pre-disability earnings. LTD benefits are adjusted if the employee receives, or is entitled to receive, income from other deductible sources such as workers' compensation benefits, Social Security benefits, State Disability Insurance benefits, and retirement payments. The request for LTD costs is a \$0.634 million increase over Base Year 2009. LTD increases are driven primarily by headcount and labor costs.

Exhibit SCG-21, Pages SEE-20 to SEE-21

DRA Position: DRA recommends \$4.165 million for TY 2012. DRA reviewed SCG's historical expenses and TY estimate for Non-Labor expenses. DRA observes that SCG's Non-Labor expense level for this sub-account fluctuated slightly after 2006. SCG's 2010 recorded adjusted LTD cost was \$4.174 million. Since LTD costs have remained stable for the past 4 years, DRA recommends that using a 4-year average (2007-2010) is a reasonable approach to estimating TY LTD NSE expenses. The 4-year average is also comparable to the 2010 recorded figure. DRA opposes the increase in SCG's forecast to \$4.7 million for TY 2012. DRA recommends \$4.165 million for TY 2012 NSE-expense.

Exhibit DRA-31, Pages 24-25

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	4,739	4,165	-574
TOTAL	4,739	4,165	-574

CHAPTER 2A17-a4

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-21
Area: HUMAN RESOURCES, DISABILITY & WORKERS COMP
Witness: Sarah E Edgar

NONSHARED O&M

Subject: Workers Compensation
Workpaper: 2HR007.001

SoCalGas Position: SCG requests \$16.462 million for TY 2012 for activities in this workgroup (revised according to Update Exhibit). Workers' compensation benefits are mandated and governed by the State of California. Employees who are injured on the job receive benefits through SCG's self-insured Workers' Compensation Program. Injured employees receive indemnity payments including benefits related to temporary disability, permanent disability, and vocational rehabilitation. The primary drivers for this increase are growing medical costs, labor escalation, and additional governmental reporting requirements. The TY2012 forecast is based on a three year historical average of workers' compensation costs.

Exhibit SCG-21 Pages SEE 20-21

DRA Position: DRA recommends \$14.4 million for TY 2012. DRA reviewed SCG's historical expenses and TY estimate for NSE non-shared services expenses. DRA observes that historical expenses for SCG's Non-Labor expense for this sub-account fluctuated slightly and remained at a comparable expense level for the past 4 years. SCG's 2010 recorded adjusted WC cost was \$14.7 million for 2010. DRA opposes the increase in SCG's forecast to \$16.8 million for TY 2012. DRA recommends that using a 4-year average (2007-2010) is a reasonable approach to estimating 2012 WC NSE expenses since this sub-account remained at a stable expense level over the past four years. DRA recommends \$14.4 million for TY 2012 NSE- expense.

Exhibit DRA-31, Pages 25-26

Note: SCG's request for TY 2012 has been revised to reflect the change made in the Update testimony filed on Feb. 17, 2012. SCG's original testimony request was \$16.811 million.

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	16,462	14,442	-2,020
TOTAL	16,462	14,442	-2,020

CHAPTER 2A17-a5

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-21
Area: HUMAN RESOURCES, DISABILITY & WORKERS COMP
Witness: Sarah E Edgar

NONSHARED O&M

Subject: DIVERSITY & OE
Workpaper: 2HR008.000

SoCalGas Position: SCG requests \$0.545 million for TY 2012 for activities in this workgroup. As a result of the movement of functions from Corporate Center to the utilities as part of the reorganization, \$0.545 million was transferred to SCG. These costs are 100% offset by reductions in allocations from Corporate Center. Although all the costs transferred are included in the Diversity table above, only a portion of this transfer, \$0.423 million, is related to diversity activities. The balance of \$0.122 million is associated with activities supporting Organizational Effectiveness at SCG.

Exhibit SDG&E -21, Page SEE-9

DRA Position: DRA recommends \$0.423 million for TY 2012. DRA reviewed SCG's TY 2012 estimate for Labor and Non-Labor Diversity Affairs expenses. DRA does not oppose the transferred cost from Corporate Center of \$423,000 for Diversity costs. However, DRA opposes SCG inclusion of \$122,000 cost for Organizational Effectiveness (OE) within the Diversity fund request. SCG is already forecasting \$1.1 million under shared services for Organizational Effectiveness-2200-0840.

Exhibit DRA-31, Page 28

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	283	346	63
NonLabor	262	77	-185
Nonstandard	0	0	0
TOTAL	545	423	-122

Chapter 2 - DRA vs. SoCalGas

Part A - O&M and Capital Expenditures

17. SCG-21 (Exh 198) - HUMAN RESOURCES, DISABILITY & WORKERS COMP

b. O&M - SHARED

Workpaper	DRA vs. SoCalGas (2012)	Reference
1. 2AGHR007B.ALL	(871)	2A17-b1

CHAPTER 2A17-b1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-21
Area: HUMAN RESOURCES, DISABILITY & WORKERS COMP
Witness: Sarah E Edgar

SHARED SERVICES O&M

Subject: Organizational Effectiveness
Workpaper: 2AGHR007B.ALL

SoCalGas Position: SCG requests \$1.148 million in Book Expense (\$1.148 million incurred costs) for TY 2012 for activities in this workgroup. Included in this group is Employee Development-2200-0840. OE provides employee and leadership development programs, instructional design activities, and organizational development programs for SCG. These costs are all shared service costs that are 100% retained at SCG. SCG's TY2012 request for OE costs of \$1.148 million is an \$0.871 million increase over Base Year 2009. This increase is due to two factors: (1) a reduced allocation of costs from this area to SDG&E because this group no longer provides services to SDG&E, and (2) new and additional training offerings.

Exhibit SCG -21, Pages SEE-12 to SEE-13

DRA Position: DRA recommends \$0.277 million in Book Expense for TY 2012. DRA believes that using 2009 base year is a reasonable approach to estimating TY expenses for Employee Development-2200-0840. DRA observes that historical expenses for SCG's Labor and Non-Labor expenses for Employee Development remained significantly lower in the past years, and do not support the increase in SCG's TY 2012 forecast to \$1.1 million. DRA utilized SCG's 2009 based year expenses in estimating TY 2012. Shareholders should be responsible for additional funding above 2009 level since they derive benefits from this cost center.

Exhibit DRA-31, Page 33

Proposed TY2012 Forecast 100% Incurred (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-0840.000	EMPL DEVELOPMENT	651	497	0	1,148
Total		651	497	0	1,148

DRA	Description	Labor	NLbr	NSE	Total
2200-0840.000	EMPL DEVELOPMENT	233	44	0	277
Total		233	44	0	277

Difference	Description	Labor	NLbr	NSE	Total
2200-0840.000	EMPL DEVELOPMENT	-418	-453	0	-871
Total		-418	-453	0	-871

CHAPTER 2A17-b1

Proposed TY2012 Forecast - Book Expense (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-0840.000	EMPL DEVELOPMENT	651	497	0	1,148
Total	Book Expense	651	497	0	1,148

DRA	Description	Labor	NLbr	NSE	Total
2200-0840.000	EMPL DEVELOPMENT	233	44	0	277
Total	Book Expense	233	44	0	277

Difference	Description	Labor	NLbr	NSE	Total
2200-0840.000	EMPL DEVELOPMENT	-418	-453	0	-871
Total	Book Expense	-418	-453	0	-871

Chapter 2 - DRA vs. SoCalGas

Part A - O&M and Capital Expenditures

18. SCG-22 (Exh 341) - A&G - CONTROLLER/FINANCE/REGULATORY AFFAIRS

a. O&M - NON-SHARED

Workpaper	DRA vs. SoCalGas (2012)	Reference
1. 2CN010.000	(1,853)	2A18-a1

CHAPTER 2A18-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-22
Area: A&G - CONTROLLER/FINANCE/REGULATORY AFFAIRS
Witness: Kenneth J Deremer

NONSHARED O&M

Subject: Claims Pmts & Recovery - SCG
Workpaper: 2CN010.000

SoCalGas Position: SoCalGas requests \$7.062 million (revised according to Update Exhibit) for the activities in this work group based on the 3-year average (2007-2009) of historical costs adjusted for the impact of a higher SIR (insurance deductible).

Exhibit SCG-22, page KJD-18

DRA Position: DRA proposes \$5.209 million for the activities in this work group, which represents a reduction of \$2.100 million. DRA believes that a 5 year average (2006-2010) is a reasonable approach to estimating TY Non-Labor expenses for Claims, Payments & Recovery - 2CN010.

Exhibit DRA-32, pages 20-22

Note: SCG's TY2012 request has been revised to reflect the change in the Update Exhibit filed on Feb 17, 2012. SCG's original amount was \$7.309 million for Test Year 2012.

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	7,062	5,209	-1,853
Nonstandard	0	0	0
TOTAL	7,062	5,209	-1,853

Chapter 2 - DRA vs. SoCalGas

Part A - O&M and Capital Expenditures

18. SCG-22 (Exh 341) - A&G - CONTROLLER/FINANCE/REGULATORY AFFAIRS

b. O&M - SHARED

Workpaper	DRA vs. SoCalGas (2012)	Reference
1. 2AGCN004B.ALL	(104)	2A18-b1
2. 2AGFR001B.ALL	(14)	2A18-b2
3. 2AGFR002B.ALL	(114)	2A18-b3

CHAPTER 2A18-b1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-22
Area: A&G - CONTROLLER/FINANCE/REGULATORY AFFAIRS
Witness: Kenneth J Deremer

SHARED SERVICES O&M

Subject: Controller - Planning & Analysis
Workpaper: 2AGCN004B.ALL

SoCalGas Position: SoCalGas requests \$1.163 million Book expense (\$1.444 million incurred) for the activities in this work group based on the division-wide application of a five-year average (2005-2009) for forecasting 2012 costs.

Exhibit SCG-22, page KJD-5

DRA Position: DRA proposes \$1.071 million (Book expense) for the activities in this work group, including \$0.315 million for Financial Planning cost center 2200-0339, which is a reduction of \$0.092 million. DRA believes that a 5 year average (2006-2010) is a reasonable approach to estimating TY Labor and Non-Labor expenses for FINL Planning-2200-0339.

Exhibit DRA-32, pages 25-26

Proposed TY2012 Forecast 100% Incurred (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-0339.000	FINL PLANNING	392	27	0	419
2200-2041.000	BUS PLANNING & BUDGETS	266	7	0	273
2200-2095.000	CLAIMS	633	28	0	661
2200-2272.000	CAPITAL BUDGETS	89	2	0	91
Total		1,380	64	0	1,444

DRA	Description	Labor	NLbr	NSE	Total
2200-0339.000	FINL PLANNING	297	18	0	315
2200-2041.000	BUS PLANNING & BUDGETS	266	7	0	273
2200-2095.000	CLAIMS	633	28	0	661
2200-2272.000	CAPITAL BUDGETS	89	2	0	91
Total		1,285	55	0	1,340

Difference	Description	Labor	NLbr	NSE	Total
2200-0339.000	FINL PLANNING	-95	-9	0	-104
2200-2041.000	BUS PLANNING & BUDGETS	0	0	0	0
2200-2095.000	CLAIMS	0	0	0	0
2200-2272.000	CAPITAL BUDGETS	0	0	0	0
Total		-95	-9	0	-104

CHAPTER 2A18-b1

Proposed TY2012 Forecast - Book Expense (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-0339.000	FINL PLANNING	380	27	0	407
2200-2041.000	BUS PLANNING & BUDGETS	134	4	0	138
2200-2095.000	CLAIMS	526	24	0	550
2200-2272.000	CAPITAL BUDGETS	67	1	0	68
Total	Book Expense	1,107	56	0	1,163

DRA	Description	Labor	NLbr	NSE	Total
2200-0339.000	FINL PLANNING	297	18	0	315
2200-2041.000	BUS PLANNING & BUDGETS	134	4	0	138
2200-2095.000	CLAIMS	526	24	0	550
2200-2272.000	CAPITAL BUDGETS	67	1	0	68
Total	Book Expense	1,024	47	0	1,071

Difference	Description	Labor	NLbr	NSE	Total
2200-0339.000	FINL PLANNING	-83	-9	0	-92
2200-2041.000	BUS PLANNING & BUDGETS	0	0	0	0
2200-2095.000	CLAIMS	0	0	0	0
2200-2272.000	CAPITAL BUDGETS	0	0	0	0
Total	Book Expense	-83	-9	0	-92

CHAPTER 2A18-b2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-22
Area: A&G - CONTROLLER/FINANCE/REGULATORY AFFAIRS
Witness: Kenneth J Deremer

SHARED SERVICES O&M

Subject: Finance - Financial Analysis
Workpaper: 2AGFR001B.ALL

SoCalGas Position: SoCalGas requests \$0.133 million Book expense (\$0.271 million incurred) for the activities in this work group, using 2009 base year recorded costs to forecast TY 2012 costs.

Exhibit SCG-22, page KJD-35

DRA Position: DRA proposes a Book Expense amount of \$0.119 million for this work group, including \$0.061 million for Regulatory Accounts cost center 2200-2091, which is a reduction of \$0.014 million. DRA believes that a 5 year average (2006-2010) is a reasonable approach to estimating TY labor and non-labor expenses for Regulatory Accounts 2200-2091.

Exhibit DRA-32, pages 27-28

Proposed TY2012 Forecast 100% Incurred (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-2091.000	REGULATORY ACCOUNTS	74	1	0	75
2200-2189.000	REVENUE REQUIREMENTS	181	15	0	196
Total		255	16	0	271

DRA	Description	Labor	NLbr	NSE	Total
2200-2091.000	REGULATORY ACCOUNTS	60	1	0	61
2200-2189.000	REVENUE REQUIREMENTS	181	15	0	196
Total		241	16	0	257

Difference	Description	Labor	NLbr	NSE	Total
2200-2091.000	REGULATORY ACCOUNTS	-14	0	0	-14
2200-2189.000	REVENUE REQUIREMENTS	0	0	0	0
Total		-14	0	0	-14

CHAPTER 2A18-b2

Proposed TY2012 Forecast - Book Expense (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-2091.000	REGULATORY ACCOUNTS	74	1	0	75
2200-2189.000	REVENUE REQUIREMENTS	54	4	0	58
Total	Book Expense	128	5	0	133

DRA	Description	Labor	NLbr	NSE	Total
2200-2091.000	REGULATORY ACCOUNTS	60	1	0	61
2200-2189.000	REVENUE REQUIREMENTS	54	4	0	58
Total	Book Expense	114	5	0	119

Difference	Description	Labor	NLbr	NSE	Total
2200-2091.000	REGULATORY ACCOUNTS	-14	0	0	-14
2200-2189.000	REVENUE REQUIREMENTS	0	0	0	0
Total	Book Expense	-14	0	0	-14

CHAPTER 2A18-b3

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-22
Area: A&G - CONTROLLER/FINANCE/REGULATORY AFFAIRS
Witness: Kenneth J Deremer

SHARED SERVICES O&M

Subject: California Case Management
Workpaper: 2AGFR002B.ALL

SoCalGas Position: SoCalGas requests \$0.520 million Book expense (\$0.759 million incurred) for the activities in this cost center based on the division-wide application of a five-year average (2005-2009) for forecasting 2012 costs, adjusted for one incremental position required to meet the increased demands on Regulatory Case Management.

Exhibit SCG-22, Pages KJD-5, KJD-25 to 26

DRA Position: DRA proposes \$0.441 million (Book expense) for the activities in this cost center, which is a reduction of \$0.079 million. DRA believes that a 5 year average (2006-2010) is a reasonable approach to estimating TY Labor and Non-Labor expenses for California Case Management-2200-2075, with no adjustment for an incremental position.

Exhibit DRA-32, Pages 26-27

Proposed TY2012 Forecast 100% Incurred (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-2075.000	CALIFORNIA CASE Mgmt	678	81	0	759
Total		678	81	0	759

DRA	Description	Labor	NLbr	NSE	Total
2200-2075.000	CALIFORNIA CASE Mgmt	580	65	0	645
Total		580	65	0	645

Difference	Description	Labor	NLbr	NSE	Total
2200-2075.000	CALIFORNIA CASE Mgmt	-98	-16	0	-114
Total		-98	-16	0	-114

CHAPTER 2A18-b3

Proposed TY2012 Forecast - Book Expense (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-2075.000	CALIFORNIA CASE Mgmt	464	56	0	520
Total	Book Expense	464	56	0	520

DRA	Description	Labor	NLbr	NSE	Total
2200-2075.000	CALIFORNIA CASE Mgmt	396	45	0	441
Total	Book Expense	396	45	0	441

Difference	Description	Labor	NLbr	NSE	Total
2200-2075.000	CALIFORNIA CASE Mgmt	-68	-11	0	-79
Total	Book Expense	-68	-11	0	-79

Chapter 2 - DRA vs. SoCalGas

Part B - Capital-Related Costs

1. SCG-24 (Exh 210) - SHARED SERVICES BILLING POLICY AND PROCESS

Issue #	Subject	Reference
1. SCG24.001	SCG Shared Services	2B1-a1

CHAPTER 2B1-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-24
Area: SHARED SERVICES BILLING POLICY AND PROCESS
Witness: Edward Reyes
Subject: SCG Shared Services

Issue Description: SCG Shared Services Expenses for Test Year 2012

SoCalGas Position: During the reconciliation between the shared services amounts from the RO model provided by DRA to SCG and the table presented in DRA testimony (See Exhibit DRA-34 at page 2), discrepancies were found in various line items. Based on the RO model provided by DRA, the comparison of the recommended versus proposed shared services amounts for SCG should be reflected as provided in table 34-2, exhibit SCG-224, page EJR 3.) DRA did not raise any issues with SCG billing process and allocation of shared services costs. Rather, DRA's proposed adjustments are based solely on adjustments made to shared services cost centers from various functional areas. Depending on the final determination by this Commission on those adjustments, the direct costs, overhead costs, retained and allocations-in costs, corporate reallocation costs in this case may be subject to change.

DRA Position: Exhibit DRA-34, table 34-2 (page 3) compares DRA's and SCG's TY 2012 forecasts of shared services expenses. DRA recommends lower direct costs compared to SCG's forecasts; DRA recommends lower allocations of overhead costs compared to SCG's forecasts; DRA recommends lower retained and allocations-in costs compared to SCG's forecasts;

Chapter 2 - DRA vs. SoCalGas

Part B - Capital-Related Costs

2. SCG-26-R (Exh 224) - RATE BASE

Issue #	Subject	Reference
1. SCG26.000	Customer Advances for Construction (CAC)	2B2-a1
2. SCG26.001	Allowance for Funds Used During Construction (AFUDC)	2B2-a2

CHAPTER 2B2-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-26-R
Area: RATE BASE
Witness: Garry G Yee
Subject: Customer Advances for Construction (CAC)

Issue Description: Customer Advances for Construction (CAC)

SoCalGas Position: SCG provides forecasts for CAC in its direct testimony. DRA's TPR proposal is being used to improperly adjust rate base by adjusting CAC forecasts. TPRs are unrelated to CAC and should not be used to adjust the CAC forecasts. The rebuttal testimony of Steven Dais and Pat Moersen (see Exhibit SCG-246) fully address DRA's proposal with regards to accounting treatment of TPRs. DRA's TPR proposal is being used to reduce deprec expense as addressed in the rebuttal testimony of Bob Wiczorek (see Exhibit SCG-227) and to adjust CAC in the Results of Operations model as addressed in the rebuttal testimony of Deborah Hiramoto (see Exhibit SCG-238).DRA's approach to effectuate a \$10 million reduction of rate base for TPR (CIAC) was to improperly adjust the 2012 CAC Forecast in the RO model resulting in a \$5 million reduction to rate base. CAC is unrelated to TPR (CIAC)

Exhibit SCG-226, Pgs GGY 3-4

DRA Position: DRA's depreciation testimony contains a proposal to reduce rate base in the amount of \$10 million at SCG for what it contends is a reasonable adjustment for improper accounting treatment on the part of SCG for TPR.

Exhibit DRA-36, Pages 12-15

Note: Proposed Amount in Rate Base (in thousands of dollars)

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Year</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
2012	-118,420	-123,793	-5,373
TOTAL	-118,420	-123,793	-5,373

CHAPTER 2B2-a2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-26-R
Area: RATE BASE
Witness: Garry G Yee
Subject: Allowance for Funds Used During Construction (AFUDC)

Issue Description: Allowance for Funds Used During Construction (AFUDC)

SoCalGas Position: The ROR used by SCG to compute AFUDC was 8.68%, which closely approx actual AFUDC rates. Because AFUDC is a component of rate base, the short-term rates proposed by DRA significantly reduces rate base. DRA's AFUDC rate calc itself is contrary to FERC guidance which is specifically addressed in the rebuttal testimony of Gary H. Hayes (Exhibit SCG-244). Regardless of how the AFUDC rate is calc, DRA's application of its rates to Construction Work-In-Progress (CWIP) balances for 2010 and 2011 forecast years is inappropriate as it should only be applied to 2012 balances moving forward, not retroactively to 2011 and 2010. Furthermore, DRA materially understates the rate base impact by ignoring the cumulative impact of applying its proposed AFUDC rates to 2010 and 2011 CWIP balances which will result in a \$76.5 million reduction to rate base, not \$50.6 million.

Exhibit SCG-226, Pgs GGY 4-7

DRA Position: DRA used the FERC formula to calculate its proposed AFUDC rate. The FERC formula includes a component of short-term debt. DRA included a reasonable amount of short-term debt in the calculation based on what SCG is capable of using. DRA's proposed AFUDC rates were presented annually. DRA's AFUDC proposal would result in a savings to ratepayers of \$11.8 million for the TY 2012.

Exhibit DRA-50, Pages 16-20

Note: The total (\$76,528) shown represents a cumulative three year impact (2010 = -25,013, 2011 = -28,796, 2012 = -22,719). SoCalGas notes that DRA's method of calculating AFUDC is not consistent with the impact of its recommendation as AFUDC was applied to year-end CWIP balances only and not at the project level as expenditures are incurred. The true impact is \$76.5 million reduction to rate base and not \$50.6 million.

Proposed Amount in Rate Base (000s)

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Year</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
2012	80,855	2,994	-77,861
TOTAL	80,855	2,994	-77,861

Chapter 2 - DRA vs. SoCalGas

Part B - Capital-Related Costs

3. SCG-27-R (Exh 241) - DEPRECIATION

Issue #	Subject	Reference
1. SCG27.000	Future Net Salvage (FNS) Rates	2B3-a1
2. SCG27.001	Proposed Average Service Lives (ASL) & Iowa Curves	2B3-a2
3. SCG27.002	CIAC - Accounting for Third-Party Reimbursements (TPR)	2B3-a3
4. SCG27.006	Change accounting system regarding Third Party Reimbursements	2B3-a4
5. SCG27.007	Rate Base issues regarding Third Party Reimbursements	2B3-a5

CHAPTER 2B3-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-27-R
Area: DEPRECIATION
Witness: Robert J Wiczorek
Subject: Future Net Salvage (FNS) Rates

Issue Description: Proposed Future Net Salvage (FNS) Rates

SoCalGas Position: SoCalGas requested changes to net salvage rates for 21 plant accounts subject to its 2012 GRC. The FNS study resulted in no change to the balance of the remaining SCG plant accounts net salvage percentages. The proposals are primarily due to updating the net salvage rate calculations using the most recent 15 years of recorded data.
In order to accurately effectuate DRA's proposal for net salvage the DRA SoCalGas RO Model required a manual adjustment to the tax module of the RO Model which was not made. A revised "BLM" depreciation amt in the tax files was required to update the as-filed amount from \$229,875 to \$176,894. The adjustment was input to filename: taxSCGDeferred.xls, tabname:RMBLMDepr, cell I11. This change results in an increase to the DRA SoCalGas revenue requirement of approx \$33 million, primarily due to tax expense-DRA agrees with this change.
Exhibit SCG 227, Pg 1 & Atch #1

DRA Position: DRA did not challenge the FNS for the plant accounts with unchanging FNS rates. The DRA did recommend an alternate FNS change to 1 of the 21 proposed plant accounts (G376 - Distribution Gas Mains). While DRA's testimony reflects a change of \$53,573,000 in their testimony, the true effect is \$43.943 million. See Attachment 1 for details.

Exhibit DRA-36, Page 3

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Year</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
2012	78,064	34,121	-43,943
TOTAL	78,064	34,121	-43,943

CHAPTER 2B3-a1

Attachment 1

Gas Distribution Plant Account 376

Proposed Net Salvage Rates (FNS %)

<u>Description</u>	<u>SCG</u>	<u>DRA</u>	<u>% Diff</u>	<u>\$\$\$ Diff</u> <u>(000s)</u>
Distribution Gas Mains	-55%	0.00%	+55%	(43,943)

CHAPTER 2B3-a2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-27-R
Area: DEPRECIATION
Witness: Robert J Wiczorek
Subject: Proposed Average Service Lives (ASL) & IOWA Curves

Issue Description: Proposed Average Service Lives (ASL) & IOWA Curves

SoCalGas Position: SoCalGas requested changes to average service lives (ASL) and IOWA curves for a number of plant accounts subject to its 2012 GRC. The proposals are primarily due to applying the simulated plant records (SPR) methodology updated with the most recent four (4) years of recorded data. The proposed ASL and Curves are consistent with recent Decisions/Settlements (2004 COS and 2008 GRC) and the current SPR updates.

Exhibit SCG 227 Pg 1-3 & Attachment #2

DRA Position: DRA did not challenge the average service lives (ASL) or the IOWA curves for any of the retained or revised SCG plant account proposals.

Exhibit DRA-36, Page 4

Note: Proposed TY2012 Forecast (in thousands of 2009 dollars)

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Year</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
2012	180,309	0	-180,309
TOTAL	180,309	0	-180,309

CHAPTER 2B3-a3

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-27-R
Area: DEPRECIATION
Witness: Robert J Wieczorek
Subject: CIAC - Accounting for Third-Party Reimbursements (TPR)

Issue Description: Reduction of Future Net Salvage % and Dollars

SoCalGas Position: SCG's future net salvage depreciation study and methodology are done in accordance with the Commission's Standard Practice U-4. The DRA does not take issue with any of the proposed FNS rates produced from that study or the method in which they were derived. To adjust the FNS% for one plant account is contrary to the Commission's Standard Practice U-4 and favors the current ratepayer at the expense of the future ratepayer (intergenerational equity).

Exhibit SCG 227 Pages BW 3-6

DRA Position: DRA contends that SCG has improperly accounted for contributions in aid of construction (CIAC), which it refers to as third party reimbursements (TPR) and selected a large plant account (gas mains) and zeroed out its FNS% and associated dollars to reflect the CIAC adjustments.

Exhibit DRA-36, Page 12

CHAPTER 2B3-a4

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-27-R
Area: DEPRECIATION
Witness: Robert J Wiczorek
Subject: Change accounting system regarding Third Party Reimbursements

Issue Description: Change accounting system regarding Third Party Reimbursements

SoCalGas Position: CIAC payments should be credited to the accounts charged with the cost of such construction. This is consistent with FERC USoA and NARUC guidance.

Exhibit SCG-246, DM-8

DRA Position: All third party reimbursements less expenses should be recorded to gross salvage. DRA relies on a 1981 NARUC interpretation and uses FERC guidance that deals with retirements as their evidence that all reimbursements should be recorded to gross salvage.

DRA-36 Page 12 lines 17 - 18

Note: This issue was not in SCG's direct testimony. This is a rebuttal issue to DRA relating to 3rd Party Reimbursements and addressed by the company in the testimony of witness Patrick Moersen, Exhibit SCG 246.

CHAPTER 2B3-a5

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-27-R
Area: DEPRECIATION
Witness: Robert J Wieczorek
Subject: Rate Base issues regarding Third Party Reimbursements

Issue Description: Contributions in aid of Construction (CIAC) - Rate Base issues regarding Third Party Reimbursements

SoCalGas Position: DRA infers that the \$10 million has been outstanding over the 11 year period reviewed. By looking at the detail of the data provided to DRA, over half of the outstanding projects involve CIAC payments received in 2010. In addition, none of the CIAC projects are in rate base so DRA's proposal is removing something from rate base that was never there.

Exhibit SCG-246, Pages DM-12 - 13

DRA Position: DRA recommends that \$10 million be deducted form SCG's rate base request corresponding to amounts of TPRs received in the period from 2000 to 2010, which still have not been spent or assigned to accumulated depreciation reserve.

Exhibit DRA-36 Page 14 - 15

Note: This issue was not in SCG's direct testimony. This is a rebuttal issue to DRA relating to Rate Base issues regarding 3rd Party Reimbursements and addressed by the company in the testimony of witness Patrick Moersen, Exhibit SCG 246.

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Year</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
2012	0	-10,000	-10,000
TOTAL	0	-10,000	-10,000

Chapter 2 - DRA vs. SoCalGas

Part B - Capital-Related Costs

4. SCG-28-R (Exh 300) - TAXES

Issue #	Subject	Reference
1. SCG28.002	Deferred Federal Income Tax	2B4-a1
2. SCG28.003	Deferred Taxes in Ratebase	2B4-a2
3. SCG28.004	Income Tax Adjustments	2B4-a3
4. SCG28.006	Payroll tax rates and expense.	2B4-a4

CHAPTER 2B4-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-28-R
Area: TAXES
Witness: Randall G Rose
Subject: Deferred Federal Income Tax

Issue Description: Impact of the Bonus Depreciation Provisions of the 2010 Tax Relief Act on Weighted Average Deferred Federal Income Taxes (ADFIT)

SoCalGas Position: The 2012 Tax Relief Act provided 100% bonus depreciation from September 8, 2010 through December 31, 2011 and 50% bonus depreciation in 2012. SCG modeled the impact of bonus depreciation on capital additions in calculating the weighted-average accumulated deferred federal income taxes that adjust ratebase through the RO model. SCG believes the DRA proxy method overstates deferred taxes and also is a violation of Internal Revenue Code tax normalization rules violation pursuant to Section 168(i)(9).

Exhibit SCG 228, Pages RGR 4

DRA Position: DRA constructed a factor to gross-up its deferred taxes offset to ratebase and thereby reflect the surge in bonus depreciation created by the 2010 Tax Relief Act.

Exhibit DRA-37, Pages 3

Note: All other differences impacting deferred income taxes are attributable to differences between the Sempra Utilities and DRA's forecasts of capital additions and ratebase .

Proposed Increase in Deferred Tax Amount (in thousands of nominal dollars)

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Year</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
2012	-91,089	-177,135	-86,046
TOTAL	-91,089	-177,135	-86,046

CHAPTER 2B4-a2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-28-R
Area: TAXES
Witness: Randall G Rose
Subject: Deferred Taxes in Ratebase

Issue Description: The adjustment to weighted-average deferred federal income taxes (ADFIT) for the net operating loss (NOL) carry forward in TY 2012.

SoCalGas Position: SCG has calculated the deferred taxes that reduce ratebase by including the deferred tax asset created by an NOL carry-forward from prior years that could not be utilized against taxable income in an earlier year. The deferred tax asset represents a future cash tax benefit that the company has not yet realized because tax deductions from bonus depreciation exceed taxable net income. The company has followed the guidance in IRS private letter rulings indicating that a deferred tax asset created by an NOL must be taken into account in the deferred tax balance that adjusts rate base to meet the IRS normalization rules.

Exhibit SDGE&E-234/SCG-228, Page RGR-10

DRA Position: No party has provided any legal foundation or citation to IRS documents or the IRC that requires state utility commissions to carry forward losses pursuant to the IRC §172. Sempra's argument is predicated on its quantitative differences with DRA, which it perceives as violations of the IRC, but not on the Commission's long standing policy which can be applied to Sempra's "normalized" numbers.

Note: All other differences impacting deferred income taxes are attributable to differences between the Sempra Utilities and DRA's forecasts of capital additions and ratebase.

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Year</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
2012	16,305	0	-16,305
TOTAL	16,305	0	-16,305

CHAPTER 2B4-a3

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-28-R
Area: TAXES
Witness: Randall G Rose
Subject: Income Tax Adjustments

Issue Description: Adjustment for the non-deductible 50% of Business Travel Meals and Entertainment.

SoCalGas Position: Meals and entertainment are a normal business expense. Federal and state tax laws limit the deduction for meals and entertainment to 50% of the expense recognized for book purposes. SCG has, therefore, added back 50% of meals and entertainment expenses in computing taxable income.

Exhibit SCG-28-R, Page RGR-18

DRA Position: DRA uses the long established Commission precedent of applying the IRS 50% except when business travel is comingled with entertainment or family, in which case the entire amount is excluded.

Note: All other differences impacting income tax expense are attributable to differences between the Sempra Utilities and DRA's forecasts of capital additions, ratebase, and long-term debt.

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Year</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
2012	517	-1,406	-1,923
TOTAL	517	-1,406	-1,923

CHAPTER 2B4-a4

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-28-R
Area: TAXES
Witness: Randall G Rose
Subject: Payroll tax rates and expense.

Issue Description: Payroll tax rates and expense, including capitalized payroll taxes.

SoCalGas Position: SCG recommends O&M payroll taxes of \$44.775 million total, including capitalized payroll taxes. The SCG payroll tax forecasts are based on a composite rate using the most current available tax rates, including recently enacted tax rates and the Old-Age, Survivors, and Disability Insurance ("OASDI") taxable wage base limitation set by federal and state governmental agencies that will take effect in 2012. SCG applied the revised 2012 composite payroll tax rate and the actual 2012 OASDI wage base limitation to 2009 payroll. SCG does not believe selective use of 2010 data and updates to 2012 forecasted wage base limits received after the Application filing is appropriate. In addition, SCG believes that its methodology does not double count the effect of an increase in OASDI taxable wage base.

DRA Position: DRA analyzed SCG's changes in payroll taxes, payroll and OASDI and found weak empirical support for SCG's method and, in particular, Sempra's OASDI adjustment double-counts the effect the change in the OASDI wage base on payroll. DRA used a five-year average with more recent 2010 and 2011 data and without Sempra's OASDI adjustment. (NOTE: DRA did not use the OASDI wage bases.)

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Year</u>	<u>SCG</u>	<u>DRA</u>	<u>Difference</u>
2012	44,775	44,574	-201
TOTAL	44,775	44,574	-201

Chapter 2 - DRA vs. SoCalGas

Part B - Capital-Related Costs

5. SCG-31 (Exh 253) - ESCALATION

Issue #	Subject	Reference
1. SCG31.000	Cost Escalation Type	2B5-a1
2. SCG31.001	Union Contract Wage Escalations in Labor Escalators	2B5-a2

CHAPTER 2B5-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-31
Area: ESCALATION
Witness: Scott R Wilder
Subject: Cost Escalation Type

Issue Description: Which cost escalation type to use

SoCalGas Position: Use cost escalators based on national/regional utility industry.
Exhibit SCG 231, Pages 2-4

DRA Position: Use CPI as a “simpler” escalator, especially for Post Test Years
DRA Exhibit 38, Pages 6-9

CHAPTER 2B5-a2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-31
Area: ESCALATION
Witness: Scott R Wilder
Subject: Union Contract Wage Escalations in Labor Escalators

Issue Description: Actual Union Contract Wage Escalations in Labor Escalators

SoCalGas Position: For the union component of the O&M labor escalator, use the approved wage increases in SCG and SDG&E union agreements.

SCG 231, Pages 5-6

DRA Position: Use nationally based Global Insight "utility workers wage" index for all years - no use of Company-specific union escalators.

DRA Exhibit 6, Page 7

Chapter 2 - DRA vs. SoCalGas

Part C - Other

1. SCG-30 (Exh 251) - CUSTOMERS

Issue #	Subject	Reference
1. SCG30.000	Customer Growth Forecast	2C1-a1

CHAPTER 2C1-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-30
Area: CUSTOMERS
Witness: Scott R Wilder

Subject: Customer Growth Forecast
SCG30.000

SoCalGas Position: SoCalGas and all interveners should use consistent economic forecasts available as of the time schedule utilities must file.

Exhibit SCG 230, Pages 1-3

DRA Position: Parties should use latest available economic information regardless of when they are required to file.

DRA Exhibit 42, Pages 4-5

Chapter 2 - DRA vs. SoCalGas

Part C - Other

2. SCG-39-R (Exh 400) - POST-TEST YEAR RATEMAKING FRAMEWORK

Issue #	Subject	Reference
1. SCG39.000	Post Test Year Ratemaking - GRC Term	2C2-a1
2. SCG39.001	Post Test Year Ratemaking - Customer Growth Productivity Factor	2C2-a2
3. SCG39.002	Post Test Year Ratemaking - O&M and Capital Escalation	2C2-a3
4. SCG39.003	Post Test Year Ratemaking - Medical Escalation	2C2-a4
5. SCG39.004	Post Test Year Ratemaking - Z-Factor	2C2-a5
6. SCG39.005	Post Test Year Ratemaking - Productivity Sharing	2C2-a6
7. SCG39.006	Post Test Year Ratemaking - Earnings Sharing	2C2-a7

CHAPTER 2C2-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-39-R
Area: POST-TEST YEAR RATEMAKING FRAMEWORK
Witness: Herbert S Emmrich

Subject: Post Test Year Ratemaking - GRC Term
SCG39.000

SoCalGas Position: SCG is proposing a four-year GRC term (3 post test years).

Exhibit SCG-39-R, pages HSE-2 to 3, 12

DRA Position: DRA supports and proposes a four-year GRC term (3 post test years) for SCG and SDG&E in both its primary and alternative PTY recommendations.

Exhibit DRA-38, pages 1-2.

CHAPTER 2C2-a2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-39-R
Area: POST-TEST YEAR RATEMAKING FRAMEWORK
Witness: Herbert S Emmrich

Subject: Post Test Year Ratemaking - Customer Growth Productivity Factor
SCG39.001

SoCalGas Position: Customer growth and productivity will offset each other during the PTY period and omit OpEx 20/20 from the attrition formula.

Exhibit SCG-39-R, Pages HSE-6 to 8

DRA Position: Alternative PTY recommendation: Does not oppose the absorption of customer growth costs as an implied productivity factor but proposes that all OpEx savings above \$5 million in each PTY year be credited to ratepayers and not used as an offset to meet productivity gains.

Exhibit DRA-38, Pages 2, 10-12

Note: DRA is silent on this matter as part of its Primary PTY Recommendation proposal.

CHAPTER 2C2-a3

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-39-R
Area: POST-TEST YEAR RATEMAKING FRAMEWORK
Witness: Herbert S Emmrich

Subject: Post Test Year Ratemaking - O&M and Capital Escalation
SCG39.002

SoCalGas Position: O&M: SCG proposes that the labor and non-labor utility cost escalation factors (utility price indexes) used in the mechanism to calculate PTY gas and electric O&M expenses be based on the Global Insight Fall Economic Forecast for each year of the four-year PTY mechanism starting in 2013.

Exhibit SCG-39-R, Pages HSE-5 to 6

Capital: SCG proposes to update its authorized 2012 capital-related base margin costs based on the Global Insight gas and electric UCIS escalation factors during the PTY period. Based on SoCalGas' customer growth forecast, the capital-related imputed productivity factor would start at 1.1% in 2013, 1.3% in 2014 and 1.4% in 2015.

Exhibit SCG-39-R, Page HSE-8

DRA Position: Primary and Alternative PTY recommendation: DRA recommends that the proposed O&M adjustment be escalated by the Urban Consumer Price Index (CPI-U), a position that is consistent with DRA's position in other PTY proceedings. Global Insight currently forecasts CPI-U increases at 1.9% in 2013, 2.0% in 2014, 2.0% in 2015 and 2.1% in 2016. Consistent with its recommendation regarding the calculation of PTY O&M expenses, DRA recommends using the CPI-U for capital-related cost adjustments, a position consistent with DRA's position in other PTY proceedings.

Exhibit DRA-38, Pages 2, 6 -11

CHAPTER 2C2-a4

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-39-R
Area: POST-TEST YEAR RATEMAKING FRAMEWORK
Witness: Herbert S Emmrich

Subject: Post Test Year Ratemaking - Medical Escalation
SCG39.003

SoCalGas Position: Because SCG's medical costs are expected to continue increasing faster than general utility cost inflation, medical costs are escalated separately based on Towers Watson's actuarial forecasts, as described in the direct testimony of SCG witness Ms. Debbie Robinson [Exhibit SCG -19]. The proposed medical PTY cost escalation is based on the Towers Watson 25 forecast is 8.0% for 2013 and 7.5% for 2014 and 2015.

Exhibit SCG-39-R, Page HSE-9.

DRA Position: Alternative PTY recommendation: DRA recommends the use of the IHS Global Insight Cost Planner Health Care Benefits, Group Health Insurance index as a medical cost escalation factor. IHS Global Insight forecasts group health insurance cost increases of 5.0% for 2013 and 6.3% for 2014 and 6.0% for 2015.

Exhibit DRA-38, Pages 2, 12-14

Note: DRA is silent on this matter as part of its Primary PTY Recommendation proposal.

CHAPTER 2C2-a5

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-39-R
Area: POST-TEST YEAR RATEMAKING FRAMEWORK
Witness: Herbert S Emmrich

Subject: Post Test Year Ratemaking - Z-Factor
SCG39.004

SoCalGas Position: SCG proposes to keep in place the current Z-factor process. It proposes no changes to the current identification of Z-factors. It will continue to use the eight criteria to identify exogenous cost changes that qualify for Z-factor treatment.

Exhibit SCG-39-R, Pages HSE-9 to10

DRA Position: DRA Alternative PTY recommendation: DRA does not oppose continuation of the current Z-factor adjustment process. DRA recommends that Z-factor adjustments should apply when there are cost decreases as well as potential increases.

Exhibit DRA- 38, Pages 2, 13

Note: DRA is silent on this matter as part of its Primary PTY Recommendation proposal .

CHAPTER 2C2-a6

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-39-R
Area: POST-TEST YEAR RATEMAKING FRAMEWORK
Witness: Herbert S Emmrich

Subject: Post Test Year Ratemaking - Productivity Sharing
SCG39.005

SoCalGas Position: SCG proposes to employ a Productivity Sharing Mechanism to apply productivity benefits generated in the post test years to be reflected in the subsequent 2016 test year. The mechanism would credit shareholders 50% of the above authorized ROR earnings in 2015, if any, to subsequent 2016 test year base margin true-up.

Exhibit SCG-39-R, Pages HSE-10, 15-17

DRA Position: DRA Alternative PTY recommendation: DRA opposes the Utilities' proposed 2015/2016 productivity sharing mechanism. It is inappropriate for the Utilities to have both an earnings sharing mechanism that covers the attrition years (2013-2015) and an additional productivity sharing mechanism that overlaps in 2015. In the 2016 Test Year, the Commission can determine the Utilities' reasonable level of revenues going forward.

Exhibit DRA-38, Pages 2, 16-17

Note: DRA is silent on this matter as part of its Primary PTY Recommendation proposal.

CHAPTER 2C2-a7

Southern California Gas Company
2012 Test Year GRC A-10-12-006
DRA Differences to SoCalGas Requests

Exhibit No.: SCG-39-R
Area: POST-TEST YEAR RATEMAKING FRAMEWORK
Witness: Herbert S Emmrich

Subject: Post Test Year Ratemaking - Earnings Sharing
SCG39.006

SoCalGas Position: Apply a symmetrical earnings sharing mechanism that shares earnings above or below authorized Rate of Return (“ROR”) with customers and shareholders during the post test years.

Exhibit SCG-39-R, Pages HSE-14 to 15

DRA Position: Alternative PTY recommendation: Opposes symmetrical Earnings Sharing Mechanism and proposes an asymmetrical Earnings Sharing Mechanisms. DRA recommends that there be no earnings adjustment below the authorized ROR. Furthermore, the sharing bands should be reduced so that there are 4 sharing bands, with greater revenue sharing going to ratepayers. (p. 2, 14-16)

Exhibit DRA-38, Pages 2, 14-16

Note: DRA is silent on this matter as part of its Primary PTY Recommendation proposal.

Chapter 3

Differences Between SoCalGas and UCAN

Chapter 3 - UCAN vs. SoCalGas

Part B - Capital-Related Costs

1. SCG-31 (Exh 253) - ESCALATION

Issue #	Subject	Reference
1. SCG31.001	Union Contract Wage Escalations in Labor Escalators	3B1-a1
2. SCG31.003	Use of Same O&M Labor Cost Escalator for both utilities	3B1-a2

CHAPTER 3B1-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
UCAN Differences to SoCalGas Requests

Exhibit No.: SCG-31
Area: ESCALATION
Witness: Scott R Wilder
Subject: Union Contract Wage Escalations in Labor Escalators

Issue Description: Actual Union Contract Wage Escalations in Labor Escalators

SoCalGas Position: For the union component of the O&M labor escalator, use the approved wage increases in SCG and SDG&E union agreements.

SCG 231, Pages 5-6

UCAN Position: Use nationally based Global Insight "utility workers wage" index for all years - no use of Company specific union escalators.

UCAN Exhibit 3, pages 63-64

CHAPTER 3B1-a2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
UCAN Differences to SoCalGas Requests

Exhibit No.: SCG-31
Area: ESCALATION
Witness: Scott R Wilder
Subject: Use of Same O&M Labor Cost Escalator for both utilities

Issue Description: Use of Same O&M Labor Cost Escalator for both utilities

SoCalGas Position: There is enough overlap and flexibility in SDG&E's and SCG's workforce responsibilities to justify using the same labor escalation for both utilities.

Exhibit SCG 231, Pages 6-7

UCAN Position: The O&M labor escalator should be calculated separately for each utility.

UCAN Exhibit 3, Pages 58-61

Chapter 4

Differences Between SoCalGas and TURN

Chapter 4 - TURN vs. SoCalGas

Part A - O&M and Capital Expenditures

1. SCG-02-R (Exh 26) - GAS DISTRIBUTION

a. O&M - NON-SHARED

Workpaper	TURN vs. SoCalGas (2012)	Reference
1. 2GD000.000	(3,649)	4A1-a1
2. 2GD000.001	(97)	4A1-a2
3. 2GD000.004	(1,588)	4A1-a3
4. 2GD000.006	(844)	4A1-a4
5. 2GD001.000	(411)	4A1-a5
6. 2GD002.000	(25,302)	4A1-a6
7. 2GD005.000	(3,907)	4A1-a7

CHAPTER 4A1-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

NONSHARED O&M

Subject: Pipeline O&M -- Field Support
Workpaper: 2GD000.000

SoCalGas Position: SCG requests \$18.609 million for the activities in this work group. SCG forecasts costs to rebound to the five-year average spending for the period 2005 to 2009. This five-year average also reflects the fluctuation that can be experienced in this workgroup. Added to this base are incremental work elements not reflected in the base forecast that are necessary to adequately fund field support activities in TY2012.

Exhibit SCG-02-R, Pages GOM-32 to 36

TURN Position: TURN proposes \$14.903 million for the activities in this work group, which represents a reduction of \$3.706 million. Because costs were higher (and unrepresentative of the current trend) in 2005-2007 than in 2008-2010, TURN would use a three-year average of 2008-2010 for a 2012 forecast.

Testimony of W.Marcus for TURN with Errata, page 7

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	16,066	12,989	-3,077
NonLabor	2,543	1,971	-572
Nonstandard	0	0	0
TOTAL	18,609	14,960	-3,649

CHAPTER 4A1-a2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

NONSHARED O&M

Subject: Pipeline O&M-Leak Survey
Workpaper: 2GD000.001

SoCalGas Position: SCG requests \$4.145 million for the activities in this work group. SCG has forecasted TY2012 requirements based on a five-year trend for the period 2005 to 2009. In total, the incremental expense necessary to fund leak survey for its growing system is \$0.414 million over the 2009 adjusted recorded base in TY2012.

Exhibit SCG-02-R, Pages GOM-17 to 18

TURN Position: TURN proposes \$4.047 million for the activities in this work group, which represents a reduction of \$0.098 million. The 2010 data which is higher than 2009 confirms the existence of an upward trend but shows that the rate of increase is more modest than SoCal suggests. A trend of 2005-2010 yields \$4.047 million in 2012; a 2006-2010 trend is \$3.980 million. Because of the importance of leak survey work, TURN recommends the higher figure.

Testimony of W.Marcus for TURN, Page 4

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	4,139	4,041	-98
NonLabor	6	7	1
Nonstandard	0	0	0
TOTAL	4,145	4,048	-97

CHAPTER 4A1-a3

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

NONSHARED O&M

Subject: Pipeline O&M-Service Maint
Workpaper: 2GD000.004

SoCalGas Position: SCG requests \$10.876 million for the activities in this work group. Given the general variation in the drivers and the influence these have on the overall cost basis in this workgroup, a five-year average spending for the period 2005 to 2009 was used to forecast the base level of funding needed for TY2012. Added to this base are incremental work elements not reflected in the base forecast that are necessary to adequately fund service maintenance activities in TY2012.

Exhibit SCG-02-R, Pages GOM-29 to 32

TURN Position: TURN proposes \$9.288 million for the activities in this work group, which represents a reduction of \$1.588 million. TURN like SoCal uses a five-year average, but uses a 2006-2010 five-year average to give weight to recent information. TURN then adds DRA's increase for the Los Osos sewer system.

Testimony of W.Marcus for TURN dated 9/22/11, pages 6-7

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	10,630	9,889	-741
NonLabor	246	-601	-847
Nonstandard	0	0	0
TOTAL	10,876	9,288	-1,588

CHAPTER 4A1-a4

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

NONSHARED O&M

Subject: Pipeline O&M-Cathodic Protection Field
Workpaper: 2GD000.006

SoCalGas Position: SCG requests \$2.946 million for the activities in this work group. SCG is forecasting expenses for this workgroup based on the five-year average spending for the period 2005 through 2009. This results in a decrease of \$0.105 million in TY2012 from the 2009 adjusted recorded base. Added to this base are incremental work elements not reflected in the base forecast that are necessary to adequately fund CP activities in TY2012.

Exhibit SCG-02-R, Pages GOM-23 to 25

TURN Position: TURN proposes \$2.102 million for the activities in this work group, which represents a reduction of \$0.844 million. TURN agrees with DRA on the appropriate forecast for cathodic protection expenses, but believes that SoCal's 2010 recorded costs for cathodic protection (not mentioned by DRA) provide further evidence against SoCal's arguments for increasing costs in this account.

Testimony of W.Marcus for TURN dated 9/22/11, page 5

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	1,011	721	-290
NonLabor	1,935	1,381	-554
Nonstandard	0	0	0
TOTAL	2,946	2,102	-844

CHAPTER 4A1-a5

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

NONSHARED O&M

Subject: Pipeline O&M -- Planning
Workpaper: 2GD001.000

SoCalGas Position: SCG requests \$7.123 million for the activities in this work group. In order to maintain the level of services offered today and remain consistent with the projected field operations, the 2009 adjusted recorded base was chosen to represent the base level of spending for 2012 with the addition of four Field Environmental Compliance Specialists not reflected in the base forecast.

Exhibit SCG-02-R, Pages GOM-38 to 40

TURN Position: TURN proposes \$6.712 million for the activities in this work group, which represents a reduction of \$0.411 million. TURN recommends a three year average of 2008-2010 for base spending, including 2009 as the peak and two lower years on either side. This amounts to \$6.539 million as compared to \$6.777 million in 2009. TURN adds DRA's increment for two staffers and forecasts \$6.712 million as total spending.

Testimony of W.Marcus for TURN dated 9/22/11, page 8

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	6,520	6,041	-479
NonLabor	603	671	68
Nonstandard	0	0	0
TOTAL	7,123	6,712	-411

CHAPTER 4A1-a6

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

NONSHARED O&M

Subject: Measurement & Regulation
Workpaper: 2GD002.000

SoCalGas Position: SCG requests \$35.725 million for the activities in this work group. To factor in periods of high operations and maintenance work as well as years with lower levels of work, SCG chose a five-year average spending for the period 2005 to 2009 to forecast the spending for TY2012. This approach allows SCG to capture historical spending under a variety of conditions that reflect the historical fluctuation in labor and non-labor expenditures. Added to this base are incremental work elements not reflected in the base forecast that are necessary to adequately fund M&R activities in TY2012.

Exhibit SCG-02-R, Pages GOM-18 to 23

TURN Position: TURN proposes \$10.423 million for the activities in this work group, which represents a reduction of \$25.302 million. TURN agrees with DRA's position of denying all increases. TURN uses a 2006-2010 five-year average for this account (as opposed to SoCal's 2005-2009 average) and subtracts \$0.226 million for fewer paper charts.

Testimony of W.Marcus for TURN with Errata, pages 4-5

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	10,107	8,545	-1,562
NonLabor	25,618	1,878	-23,740
Nonstandard	0	0	0
TOTAL	35,725	10,423	-25,302

CHAPTER 4A1-a7

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

NONSHARED O&M

Subject: Regional Public Affairs
Workpaper: 2GD005.000

SoCalGas Position: SCG requests \$3.907 million for the activities in this work group. SCG projects zero increase over the 2009 adjusted recorded base for TY2012 funding requirements in Regional Public Affairs activities.

Exhibit SCG-02-R, Pages GOM-50 to 53

TURN Position: TURN proposes zero funding for the activities in this work group, which represents a reduction of \$3.907 million. The Commission should follow the analysis of Regional Public Affairs by the MRW witness testifying for UCAN, Ms. Norin, and zero it out for SoCal Gas as well. As MRW's testimony indicates, in the last rate case decision, the Commission ordered both SDG&E and SoCal Gas to document and justify public affairs costs. Neither SDG&E nor SoCal followed the Commission's directive, according to MRW. TURN therefore recommends that the same recommendation be followed for SoCal Gas.

Testimony of W.Marcus for TURN dated 9/22/11, pages 9-10

Note: TURN recommends that if this account is not set to zero, the Commission should take an ordinary forecasting adjustment. 2009 was a peak spending year, and 2010 was the lowest year of the last five. SoCal spent 5% less than its forecast. A forecasting adjustment, which reduces SoCal's expenses in this account by 3.1%, follows our principle of using three-year averages of 2008-2010 when there is underspending in 2010. If not reduced to zero, TURN would recommend \$3.785 million (\$3.055 million labor and \$0.730 million non-labor), which is \$0.122 million less than SoCal's \$3.907 million.

Testimony of W.Marcus for TURN dated 9/22/11, page 9

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	3,135	0	-3,135
NonLabor	772	0	-772
Nonstandard	0	0	0
TOTAL	3,907	0	-3,907

Chapter 4 - TURN vs. SoCalGas

Part A - O&M and Capital Expenditures

1. SCG-02-R (Exh 26) - GAS DISTRIBUTION

b. CAPITAL

Project	TURN vs. SoCalGas (2010+2011+2012)	Reference
1. 00152.0.ALL	(72,380)	4A1-b1
2. 00153.0.ALL	(4)	4A1-b2
3. 00163.0.ALL	(14,001)	4A1-b3
4. 00251.0.ALL	(4,745)	4A1-b4
5. 00253.0.ALL	11,919	4A1-b5
6. 00254.0.ALL	(3,525)	4A1-b6
7. 00258.0.ALL	(181)	4A1-b7
8. 00261.0.ALL	(458)	4A1-b8
9. 00263.0.ALL	(2,046)	4A1-b9
10. 00264.0.ALL	243	4A1-b10
11. 00265.0.ALL	(3,138)	4A1-b11
12. 00267.0.ALL	(3,042)	4A1-b12
13. 00271.0.ALL	987	4A1-b13
14. 00275.0.ALL	(928)	4A1-b14
15. 01006.0.ALL	(22,370)	4A1-b15

CHAPTER 4A1-b1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

CAPITAL EXPENDITURES

Project: NB Mn 6" & under-Plas
Budget Code: 00152.0.ALL

SoCalGas Position: The annual cost for this work category is forecasted to be \$31.395 million, \$37.945 million, and \$43.854 million in the years 2010, 2011, and 2012, respectively. The base forecast for expenditures was developed using the projected number of new meter sets times the cost per meter set. The cost per meter set is reflective of the mix of work that is anticipated. It will account for the use of contractor services, increased installation of main footage and larger diameter pipe to reach new developments, and the proportionate use of plastic and steel materials. To represent these factors, SCG used the five-year average cost per meter (2005 - 2009) in deriving the forecast for new business installation costs.

Exhibit SCG-02-R, Page GOM-63 to 65

TURN Position: TURN recommends \$12.350 million for 2010, \$11.835 million for 2011 and \$16.629 million for 2012.

Account 152 (New Business):

TURN recommends applying its own meter set forecast and applying actual costs for 2010 and unit costs based on a three-year average of 2008-2010 in 2011 and 2012. As a result, TURN believes that SoCal will only need to spend a total of \$38.6 million for years 2010 to 2012 in Account 152 to hook up new customers.

Account 160 (Trench Reimbursements)

TURN's forecast is considerably lower because of both the lower number of housing units and lower unit cost per housing unit - a total of \$3.274 million for years 2010 to 2012. TURN recommends for 2010 be based on actual spending. For 2011-2012, TURN calculation is based on a three-year average of 2008-2010 in dollars per new meter set.

Testimony of W. B. Marcus for TURN, Pages 16-20

Note: Budget code 152 (New Business Account) and Budget code 160 (Trench Reimbursements) are included in this category

CHAPTER 4A1-b1

Proposed Capital Expenditures (in thousands of 2009 dollars)

SCG	Description	2010	2011	2012	Total
00152.00.60	New Business	28,082	33,941	39,226	101,249
00160.00.425	New BUS Trench Reimbursements	3,313	4,004	4,628	11,945
Total		31,395	37,945	43,854	113,194

TURN	Description	2010	2011	2012	Total
00152.00.60	New Business	11,631	10,779	15,130	37,540
00160.00.425	New BUS Trench Reimbursements	719	1,056	1,499	3,274
Total		12,350	11,835	16,629	40,814

Difference	Description	2010	2011	2012	Total
00152.00.60	New Business	-16,451	-23,162	-24,096	-63,709
00160.00.425	New BUS Trench Reimbursements	-2,594	-2,948	-3,129	-8,671
Total		-19,045	-26,110	-27,225	-72,380

CHAPTER 4A1-b2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

CAPITAL EXPENDITURES

Project: NB Mn over 6" & Spec(Stl/PI)
Budget Code: 00153.0.ALL

SoCalGas Position: The annual cost for this work category (29 Palms) is forecasted to be \$0.404 million for 2010, \$4.600 million for 2011, and zero for 2012 (revised according to Update Exhibit). The budget category includes the costs of a very large project to install main and services to the Marine Corp Air Ground Combat Center in Twenty-nine Palms, California. A total of \$17.800 million is anticipated to be spent on this project of which \$11.500 million of this will be collected from the customer.

Exhibit SCG-02-R, Page GOM-63 to 65

TURN Position: TURN recommends \$0.400 million for 2010, \$4.600 million for 2011 and zero for 2012. The response to TURN DR 12-05 indicates that SoCal's construction at the Twenty-Nine Palms Marine base has been delayed, with large amounts of spending pushed beyond the test year. The result is a \$1.3 million reduction of 2010-12 spending.

Testimony of W.B. Marcus for TURN, Pages 25-26

Note: SCG's request has been revised to reflect the change in the "Update Exhibit".
SCG Errata request is \$1.100 million for 2010, \$5.200 million for 2011 and zero for 2012.

Proposed Capital Expenditures (in thousands of 2009 dollars)

SCG	Description	2010	2011	2012	Total
00153.00.62	29 Palms Marine Base - NB Non-	404	4,600	0	5,004
Total		404	4,600	0	5,004

TURN	Description	2010	2011	2012	Total
00153.00.62	29 Palms Marine Base - NB Non-	400	4,600	0	5,000
Total		400	4,600	0	5,000

Difference	Description	2010	2011	2012	Total
00153.00.62	29 Palms Marine Base - NB Non-	-4	0	0	-4
Total		-4	0	0	-4

CHAPTER 4A1-b3

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

CAPITAL EXPENDITURES

Project: Meters & Gauges
Budget Code: 00163.0.ALL

SoCalGas Position: The capital request for this category is \$24.797 million for 2010, \$26.219 million for 2011 and \$31.016 million for 2012. This work category includes expenditures for the purchase of gas meters, regulators, electronic gas pressure and temperature correction equipment, and electronic pressure monitors (EPMs).

Exhibit SCG-02-R, Pages GOM-80 to 83

TURN Position: Budget#163
TURN recommends \$19.668 million for 2010, \$21.068 million for 2011 and \$21.070 million for 2012. For New Meters and Regulators, TURN's 2010 forecast is 2010 actual spending. TURN's forecast for 2011-12 is SoCal's spending levels proportioned down to TURN's estimate of meter requirements for 2011-2012. We forecast 63,637 fewer new meter sets than SoCal in 2011-2012. TURN additionally removes 100,000 regulators from SoCalGas' 2012 forecast because these regulators, which SoCal claims are needed for a systematic replacement program occurring throughout the year 2013, should not be assumed to close to plant in 2012 before they are needed.
Budget #180
TURN recommends \$0.078 million in 2010, \$0.107 million in 2011, and \$0.152 million in 2012 for electronic pressure correctors in Account 180, (See continuation in the Note section)

Testimony of W. B. Marcus for TURN with errata, Pages 21-24

Note: TURN position cont'd:
a reduction of \$454,000 from SoCal's request for this component of Budget #180 from 2010-2012. TURN takes no position on the remainder of SoCal's budget in this account, but if it is adopted, the total figures for Account 180 are \$0.851 million in 2010, \$1.747 million in 2011 and \$3.627 million in 2012. For electronic pressure correctors, TURN uses 2010 actual spending from TURN DR 12-08 and reduces SoCal's 2011 and 2012 spending in proportion to TURN's lower forecast of meter sets.

CHAPTER 4A1-b3

Proposed Capital Expenditures (in thousands of 2009 dollars)

SCG	Description	2010	2011	2012	Total
00163.00.67	Mtrs & Regulators	22,886	24,325	27,245	74,456
00180.00.68	Gas Telemetry Equip	1,911	1,894	3,771	7,576
Total		24,797	26,219	31,016	82,032

TURN	Description	2010	2011	2012	Total
00163.00.67	Mtrs & Regulators	19,668	21,068	21,070	61,806
00180.00.68	Gas Telemetry Equip	851	1,747	3,627	6,225
Total		20,519	22,815	24,697	68,031

Difference	Description	2010	2011	2012	Total
00163.00.67	Mtrs & Regulators	-3,218	-3,257	-6,175	-12,650
00180.00.68	Gas Telemetry Equip	-1,060	-147	-144	-1,351
Total		-4,278	-3,404	-6,319	-14,001

CHAPTER 4A1-b4

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

CAPITAL EXPENDITURES

Project: Press Betterments - Mn
Budget Code: 00251.0.ALL

SoCalGas Position: The capital request in this category for years 2010, 2011 and 2012 is \$10.936 million, \$13.306 million and \$13.200 million, respectively. For the year 2010, SCG has identified some of the necessary system requirements and has determined there will be no incremental increases to the 2009 adjusted recorded base expenditures. For the years 2011 through 2012, estimated expenditures are based on a historical average of recorded expenditures for the years 2005 through 2009. This average captures the yearly variations in system pressure betterment requirements. Added to this forecast was a \$0.777 million cost increase not in the base forecast related to significant changes to State Water Resources Control Board's General Permit for Storm Water Discharges Associated with Construction Activity.

Exhibit SCG-02-R, Pages GOM-65 to 66

TURN Position: TURN recommends \$9.341 million for 2010, \$11.720 million for 2011 and \$11.636 million for 2012. TURN recommends that pressure betterment be forecast based on actual 2010 and a three-year average of 2007-2009 for the years 2011-2012. This reflects that 2010 was unusually low and provides for modest economic improvement and growth in number of customers, while not averaging in "boom" years that will not recur in the near term. We allow proportionate amounts for permitting and OpEx savings in 2011-12 (about 88% since TURN's underlying cost forecast is 88% of SoCal's).

Testimony of W.B. Marcus for TURN, Pages 26-27

Proposed Capital Expenditures (in thousands of 2009 dollars)

SCG	Description	2010	2011	2012	Total
00251.00.58	Pressure Betterment	10,936	13,306	13,200	37,442
Total		10,936	13,306	13,200	37,442
TURN	Description	2010	2011	2012	Total
00251.00.58	Pressure Betterment	9,341	11,720	11,636	32,697
Total		9,341	11,720	11,636	32,697
Difference	Description	2010	2011	2012	Total
00251.00.58	Pressure Betterment	-1,595	-1,586	-1,564	-4,745
Total		-1,595	-1,586	-1,564	-4,745

CHAPTER 4A1-b5

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

CAPITAL EXPENDITURES

Project: Rtn Mn Rpl 6" & Under-Plas
Budget Code: 00253.0.ALL

SoCalGas Position: The capital request in this category for years 2010, 2011 and 2012 are forecasted to be \$32.063 million, \$31.873 million and \$31.598 million, respectively. SCG assumed that a five-year average (2005 to 2009) would best represent the anticipated spending levels into the TY2012. In addition, the introduction of new technology and associated changes in business processes are anticipated to improve operational efficiency. Therefore, this forecast of capital expenditures was reduced to incorporate these new operating efficiencies.

Exhibit SCG-02-R, Pages GOM-68 to 69

TURN Position: TURN recommends \$43.982 million for 2010 and accepts SCG's request for 2011 and 2012. For consistency, TURN also would recommend using 2010 actual data for other blanket accounts where we are not making an explicit forecasting recommendation. (Table 27) Recorded information for 2010 is clearly more accurate than forecasts of 2010. In several of these accounts, 2010 actual data is higher than forecast.

Testimony of W. B. Marcus for TURN, Pages 32-33

Proposed Capital Expenditures (in thousands of 2009 dollars)

SCG	Description	2010	2011	2012	Total
00253.00.57	Main Replacements	32,063	31,873	31,598	95,534
Total		32,063	31,873	31,598	95,534

TURN	Description	2010	2011	2012	Total
00253.00.57	Main Replacements	43,982	31,873	31,598	107,453
Total		43,982	31,873	31,598	107,453

Difference	Description	2010	2011	2012	Total
00253.00.57	Main Replacements	11,919	0	0	11,919
Total		11,919	0	0	11,919

CHAPTER 4A1-b6

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

CAPITAL EXPENDITURES

Project: Mn Abd 6" & Under
Budget Code: 00254.0.ALL

SoCalGas Position: The annual cost for this work category is forecasted at \$4.022 million for each of the years 2010, 2011 and 2012. The forecasted expenditures were determined by using a historical five-year (2005 - 2009) average of abandonments. This methodology was chosen due to the unscheduled and unpredictable nature of this work.

Exhibit SCG-02-R, Pages GOM-70 to 71

TURN Position: TURN recommends \$2.515 million in 2010, \$3.013 million in 2011 and \$3.013 million in 2012. SoCal forecasts \$4.022 million in main and service abandonment based on a five year average. The 2010 recorded data (well under the average per TURN DR 12-14) does not support the use of the average. TURN recommends a three-year average of 2008-2010.

Testimony of W.B. Marcus for TURN with Errata, Pages 27-28

Proposed Capital Expenditures (in thousands of 2009 dollars)

SCG	Description	2010	2011	2012	Total
00254.00.66	Main & Svc Ab&onment	4,022	4,022	4,022	12,066
Total		4,022	4,022	4,022	12,066

TURN	Description	2010	2011	2012	Total
00254.00.66	Main & Svc Ab&onment	2,515	3,013	3,013	8,541
Total		2,515	3,013	3,013	8,541

Difference	Description	2010	2011	2012	Total
00254.00.66	Main & Svc Ab&onment	-1,507	-1,009	-1,009	-3,525
Total		-1,507	-1,009	-1,009	-3,525

CHAPTER 4A1-b7

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

CAPITAL EXPENDITURES

Project: Serv Rpl 3" & Under-Insert-Plas
Budget Code: 00258.0.ALL

SoCalGas Position: The annual cost for this work category is forecasted to be \$11.639 million, \$11.529 million, and \$11.408 million in 2010, 2011 and 2012, respectively. A review of the five-year historical data (2005 - 2009) shows this category of spending has remained fairly constant over time. Based on this level of stable spending for routine service replacement, SCG is projecting the TY2012 forecast based on a five-year average spending. In addition, the introduction of new technology and associated changes in business processes are anticipated to improve operational efficiency. Therefore, this forecast of capital expenditures was reduced to incorporate these new operating efficiencies.

Exhibit SCG-02-R, Pages GOM-69 to 70

TURN Position: TURN recommends \$11.458 million for 2010 and accepts SCG's request for 2011 and 2012. For consistency, TURN also would recommend using 2010 actual data for other blanket accounts where we are not making an explicit forecasting recommendation. (Table 27) Recorded information for 2010 is clearly more accurate than forecasts of 2010. In several of these accounts, 2010 actual data is higher than forecast.

Testimony of W. B. Marcus for TURN, Pages 32-33

Proposed Capital Expenditures (in thousands of 2009 dollars)

SCG	Description	2010	2011	2012	Total
00258.00.56	Svc Replacements	11,639	11,529	11,408	34,576
Total		11,639	11,529	11,408	34,576

TURN	Description	2010	2011	2012	Total
00258.00.56	Svc Replacements	11,458	11,529	11,408	34,395
Total		11,458	11,529	11,408	34,395

Difference	Description	2010	2011	2012	Total
00258.00.56	Svc Replacements	-181	0	0	-181
Total		-181	0	0	-181

CHAPTER 4A1-b8

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

CAPITAL EXPENDITURES

Project: Fwy Repl/Reloc NC
Budget Code: 00261.0.ALL

SoCalGas Position: The annual capital request in this category for years 2010, 2011 and 2012 is \$2.163 million, \$2.152 million and \$2.136 million, respectively. For the years 2010 through 2012, SCG is forecasting a base funding level equal to the 2009 adjusted recorded base. In addition, the introduction of new technology and associated changes in business processes are anticipated to improve operational efficiency. Therefore, this forecast of capital expenditures was reduced to incorporate these new operating efficiencies.

Exhibit SCG-02-R, Pages GOM-73 to 74

TURN Position: TURN recommends \$1.705 million for 2010 and accepts SCG's request for 2011 and 2012. For consistency, TURN also would recommend using 2010 actual data for other blanket accounts where we are not making an explicit forecasting recommendation. Recorded information for 2010 is clearly more accurate than forecasts of 2010. In several of these accounts, 2010 actual data is higher than forecast.

Testimony of W. B. Marcus for TURN, Pages 32-33

Proposed Capital Expenditures (in thousands of 2009 dollars)

SCG	Description	2010	2011	2012	Total
00261.00.53	Frwy - Non-Coll	2,163	2,152	2,136	6,451
Total		2,163	2,152	2,136	6,451

TURN	Description	2010	2011	2012	Total
00261.00.53	Frwy - Non-Coll	1,705	2,152	2,136	5,993
Total		1,705	2,152	2,136	5,993

Difference	Description	2010	2011	2012	Total
00261.00.53	Frwy - Non-Coll	-458	0	0	-458
Total		-458	0	0	-458

CHAPTER 4A1-b9

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

CAPITAL EXPENDITURES

Project: Electrolysis Protection
Budget Code: 00263.0.ALL

SoCalGas Position: The capital request for this work category is forecasted to be \$4.192 million, \$4.328 million and \$4.464 million in the years 2010, 2011, and 2012, respectively. The forecast of funding for this compliance activity was based on the five-year trend of spending from 2005 to 2009. This methodology was chosen to best capture the expected continued increase in contractor expenses and the replacement requirements of an aging infrastructure.

Exhibit SCG-02-R, Pages GOM-72 to 73

TURN Position: TURN recommends \$3.362 million for 2010, \$3.788 million for 2011 and \$3.788 million for 2012 for this category, also referred to as cathodic protection. Because TURN claims that SoCal's perceived trend does not fit the data when 2010 data are reviewed, and the 2010 data are relatively low, TURN recommends a five year average of 2006-2010 for this account or \$3.788 million for 2011 and 2012 and 2010 recorded for 2010 budget.

Testimony of W.B. Marcus for TURN with Errata, Pages 28-29

Proposed Capital Expenditures (in thousands of 2009 dollars)

SCG	Description	2010	2011	2012	Total
00263.00.65	Cathodic Protection	4,192	4,328	4,464	12,984
Total		4,192	4,328	4,464	12,984

TURN	Description	2010	2011	2012	Total
00263.00.65	Cathodic Protection	3,362	3,788	3,788	10,938
Total		3,362	3,788	3,788	10,938

Difference	Description	2010	2011	2012	Total
00263.00.65	Cathodic Protection	-830	-540	-676	-2,046
Total		-830	-540	-676	-2,046

CHAPTER 4A1-b10

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

CAPITAL EXPENDITURES

Project: Inst Mtr Guards-Existing MSA
Budget Code: 00264.0.ALL

SoCalGas Position: The capital spending for this work category is forecasted to be \$0.984 million, \$1.097 million and \$1.210 million in years 2010, 2011 and 2012, respectively. In a response to a need to protect its assets and promote public safety, SCG's spending in this activity over the last five years has been increasing at an average of 19% per year. Given the anticipated continued density growth within the service territory, SCG anticipates this upward trend in spending will continue at the historical five-year (2005 - 2009) trend.

Exhibit SCG-02-R, Pages GOM-77 to 79

TURN Position: TURN recommends \$1.227 million for 2010 and accepts SCG's request for 2011 and 2012. For consistency, TURN also would recommend using 2010 actual data for other blanket accounts where we are not making an explicit forecasting recommendation. Recorded information for 2010 is clearly more accurate than forecasts of 2010. In several of these accounts, 2010 actual data is higher than forecast.

Testimony of W. B. Marcus for TURN, Pages 32-33

Proposed Capital Expenditures (in thousands of 2009 dollars)

SCG	Description	2010	2011	2012	Total
00264.00.72	Mtr Guards	984	1,097	1,210	3,291
Total		984	1,097	1,210	3,291

TURN	Description	2010	2011	2012	Total
00264.00.72	Mtr Guards	1,227	1,097	1,210	3,534
Total		1,227	1,097	1,210	3,534

Difference	Description	2010	2011	2012	Total
00264.00.72	Mtr Guards	243	0	0	243
Total		243	0	0	243

CHAPTER 4A1-b11

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

CAPITAL EXPENDITURES

Project: Reg. Stations
Budget Code: 00265.0.ALL

SoCalGas Position: The annual cost for this work category has been revised to \$5.806 million for 2010, \$6.599 million for 2011 and \$6.814 for 2012 (revised according to Update Exhibit). Costs for completing this work were estimated based on the five-year (2005 - 2009) average cost per station project. This average project cost was applied to the anticipated number of station replacements to be completed. In addition, the introduction of new technology and associated changes in business processes are anticipated to improve operational efficiency. Therefore, this forecast of capital expenditures was reduced to incorporate these new operating efficiencies.

Exhibit SCG-02-R, Pages GOM-71 to 72

TURN Position: TURN recommends \$3.831 million for 2010, \$6.0 million for 2011 and \$6.250 million for 2012. TURN accepts SoCal's forecast of 24 stations in 2011 and 25 in 2012, but uses a unit cost of \$250,000 per station instead of SoCal's \$303,000. TURN's use of 2010 actual data and lower unit costs in 2011-12 causes the reduction to SoCal's request.

Testimony of W.B. Marcus for TURN with Errata, Pages 29-30

Note: SCG's request has been revised to reflect the change in the Exhibit Update. The Errata forecast were \$6.319 million for 2010, \$7.186 million for 2011, and \$7.424 million for 2012.

Proposed Capital Expenditures (in thousands of 2009 dollars)

SCG	Description	2010	2011	2012	Total
00265.00.51	Regulator Stations	5,806	6,599	6,814	19,219
Total		5,806	6,599	6,814	19,219

TURN	Description	2010	2011	2012	Total
00265.00.51	Regulator Stations	3,831	6,000	6,250	16,081
Total		3,831	6,000	6,250	16,081

Difference	Description	2010	2011	2012	Total
00265.00.51	Regulator Stations	-1,975	-599	-564	-3,138
Total		-1,975	-599	-564	-3,138

CHAPTER 4A1-b12

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

CAPITAL EXPENDITURES

Project: Mn Rpl Over 6" (Stl/Plas)
Budget Code: 00267.0.ALL

SoCalGas Position: Supply Line Replacement
The capital request in this category for years 2010, 2011 and 2012 is \$3.180 million, \$3.164 million and \$3.139 million, respectively. SCG is estimating expenditures for the years 2010 through 2012 based on a historical average of recorded expenditures for the years 2005 through 2009. This five-year average is most representative of future work requirements and expected expenditures, as it captures typical fluctuations in supply line project costs from year to year.

Exhibit SCG-02-R, Pages GOM-66 to 67

TURN Position: TURN recommends \$1.237 million for 2010, \$2.612 million for 2011 and 2.592 million for 2012. TURN uses 2010 actual data. For 2011-2012, TURN accepts a five year average but rolls it forward one more year to 2006-2010 to take into account the 2010 data.

Testimony fo W.B. Marcus for TURN with Errata, Pages 30-31

Proposed Capital Expenditures (in thousands of 2009 dollars)

SCG	Description	2010	2011	2012	Total
00267.00.59	Supply Line Replacements	3,180	3,164	3,139	9,483
Total		3,180	3,164	3,139	9,483

TURN	Description	2010	2011	2012	Total
00267.00.59	Supply Line Replacements	1,237	2,612	2,592	6,441
Total		1,237	2,612	2,592	6,441

Difference	Description	2010	2011	2012	Total
00267.00.59	Supply Line Replacements	-1,943	-552	-547	-3,042
Total		-1,943	-552	-547	-3,042

CHAPTER 4A1-b13

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

CAPITAL EXPENDITURES

Project: Fran Repl/Reloc 6" & Under NC
Budget Code: 00271.0.ALL

SoCalGas Position: Pipeline Relocations
The capital request in this category for years 2010, 2011 and 2012 is \$9.260 million, \$9.477 million and \$9.660 million, respectively. SCG anticipates future expenditures in this workgroup to approximate a five year trend of the 2005 to 2009 spending levels. In addition, the introduction of new technology and associated changes in business processes are anticipated to improve operational efficiency. Therefore, this forecast of capital expenditures was reduced to incorporate these new operating efficiencies.

Exhibit SCG-02-R, Pages GOM-74 to 76

TURN Position: TURN recommends \$10.247 million for 2010 and accepts SCG's request for 2011 and 2012. For consistency, TURN also would recommend using 2010 actual data for other blanket accounts where we are not making an explicit forecasting recommendation. Recorded information for 2010 is clearly more accurate than forecasts of 2010. In several of these accounts, 2010 actual data is higher than forecast.

Testimony of W. B. Marcus for TURN, Pages 32-33

Proposed Capital Expenditures (in thousands of 2009 dollars)

SCG	Description	2010	2011	2012	Total
00271.00.55	Franchise - Non-Coll	8,612	8,813	8,984	26,409
00272.00.54	Franchise - Coll	648	664	676	1,988
Total		9,260	9,477	9,660	28,397

TURN	Description	2010	2011	2012	Total
00271.00.55	Franchise - Non-Coll	9,599	8,813	8,984	27,396
00272.00.54	Franchise - Coll	648	664	676	1,988
Total		10,247	9,477	9,660	29,384

Difference	Description	2010	2011	2012	Total
00271.00.55	Franchise - Non-Coll	987	0	0	987
00272.00.54	Franchise - Coll	0	0	0	0
Total		987	0	0	987

CHAPTER 4A1-b14

Southern California Gas Company
 2012 Test Year GRC A-10-12-006
 TURN Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

CAPITAL EXPENDITURES

Project: Other Distr Prj-Non-Coll
Budget Code: 00275.0.ALL

SoCalGas Position: The annual capital spending for this budget code is forecasted to be \$1.586 million for each of the years 2010, 2011, and 2012. To capture the variability of work elements and to reflect the anticipated improvement in economic conditions (See Section I.C. "Economic Conditions"), SCG anticipates funding requirements for this work category to equal the five-year average spending from 2005 to 2009.

Exhibit SCG-02-R, Pages GOM-77 to 78

TURN Position: TURN recommends \$1.436 million for 2010, \$1.197 million for 2011 and \$1.197 million for 2012. TURN forecasts 2011-12 spending using a three-year average of 2008-2010, removing the economic boom. As a result, our estimate of both gross costs and CIAC is lower than SoCal's estimates.

Testimony of W.B. Marcus for TURN, Pages 31-32

Proposed Capital Expenditures (in thousands of 2009 dollars)

SCG	Description	2010	2011	2012	Total
00275.00.108	Other Dist Projs - NC	1,586	1,586	1,586	4,758
Total		1,586	1,586	1,586	4,758

TURN	Description	2010	2011	2012	Total
00275.00.108	Other Dist Projs - NC	1,436	1,197	1,197	3,830
Total		1,436	1,197	1,197	3,830

Difference	Description	2010	2011	2012	Total
00275.00.108	Other Dist Projs - NC	-150	-389	-389	-928
Total		-150	-389	-389	-928

CHAPTER 4A1-b15

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: GAS DISTRIBUTION
Witness: Gina Orozco-Mejia

CAPITAL EXPENDITURES

Project: Other Capital Pool - Distribution
Budget Code: 01006.0.ALL

SoCalGas Position: The capital funding required for this work category (also referred to as Budget code 903-Field Capital Support) is forecasted to be \$38.323 million, \$40.207 million, and \$39.694 million in the years 2010, 2011, and 2012, respectively. The forecast expenditures for the budget category of Field Capital Support was based on the level of historical costs as a percentage of construction costs incurred. As a foundational forecast, SCG applied a percentage of 30% representing the average of the two lowest percentage years - 2006 and 2007. Added to this forecast was a cost increase not reflected in the base forecast related to the ARSO.

Exhibit SCG-02-R, Pages GOM-87 to 89

TURN Position: TURN recommends \$34.712 million for 2010, \$30.759 million for 2011 and \$30.383 million for 2012 for labor expenses in this account. TURN's testimony contains no recommendation on non-labor expenses. For 2010, TURN recommends using recorded data. In each of 2011 and 2012, TURN's forecast of field support costs is about \$9 million less than SoCal's, because TURN's forecast for relevant capital spending in the field support base activities is about \$30 million less than SoCal's. However, TURN has no methodological difference with SoCal as to how to calculate field support costs. The Commission should develop a final forecast of field services capital spending based on the specific capital spending estimates that it adopts for 2011 and 2012."

Testimony of W. B. Marcus for TURN with Errata, Pages 33-34

Proposed Capital Expenditures (in thousands of 2009 dollars)

SCG	Description	2010	2011	2012	Total
01006.00.42	903	38,323	40,207	39,694	118,224
Total		38,323	40,207	39,694	118,224

TURN	Description	2010	2011	2012	Total
01006.00.42	903	34,712	30,759	30,383	95,854
Total		34,712	30,759	30,383	95,854

Difference	Description	2010	2011	2012	Total
01006.00.42	903	-3,611	-9,448	-9,311	-22,370
Total		-3,611	-9,448	-9,311	-22,370

Chapter 4 - TURN vs. SoCalGas

Part A - O&M and Capital Expenditures

2. SCG-03-R (Exh 90) - GAS TRANSMISSION

a. O&M - NON-SHARED

Workpaper	TURN vs. SoCalGas (2012)	Reference
1. 2GT000.000	(545)	4A2-a1

CHAPTER 4A2-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-03-R
Area: GAS TRANSMISSION
Witness: John L Dagg

NONSHARED O&M

Subject: Pipeline O & M
Workpaper: 2GT000.000

SoCalGas Position: SCG requests \$17.727 million for the activities in this work group (revised according to Update Exhibit). The Test Year 2012 forecast was determined by applying annual incremental changes to the 2009 base year adjusted recorded expenditures. For analysis, the recorded 2009 expenditures were adjusted as necessary, by subtracting one-time events and by making other applicable accounting adjustments for related activities. The adjusted expense levels of 2009 were determined to be a reasonable indicator of future costs as reflecting recent and representative operational conditions.

Exhibit SCG-03-R, Pages JLD-9 to 11

TURN Position: TURN proposes \$17.182 million for the activities in this work group, which represents a reduction of \$0.636 million. TURN takes issue with SoCalGas' use of 2009 adjusted expenditures as a baseline and instead recommends a six-year average, given that 2010 recorded expenditures were less than forecasted and the expenses from 2005 through 2010 had not apparent trend. TURN also includes \$200,000, instead of \$750,000, as an estimate of the incremental amount for Removal of Previously Abandoned Pipelines, given that expenses for physical conflicts are subsumed into the 6-yr avg and for quit-claim requests will be \$200,000, given that SoCalGas has already come to an agreement with owners of more than one-fifth of the pipeline removal feet at issue, see continuation in Note

Errata to Testimony of G.Jones for TURN dated 10/12/11, Page 3

Note: SCG's request for TY 2012 has been revised to reflect the change made in the Update Exhibit filed on Feb. 17, 2012. SCG's original request in the Errata Exhibit is \$17.818 million.

TURN position cont'd:

"and will likely come to agreements with more owners, further reducing the number of feet tabbed for removal, and (ii.) does not include a \$17,000 incremental amount for Electric System Pole Inspections, on the basis that this amount is subsumed into the six-year average."

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	8,858	8,549	-309
NonLabor	2,798	2,779	-19
Nonstandard	6,071	5,854	-217
TOTAL	17,727	17,182	-545

Chapter 4 - TURN vs. SoCalGas

Part A - O&M and Capital Expenditures

3. SCG-07-R (Exh 143) - CS - FIELD OPERATIONS & CUSTOMER CONTACT

a. O&M - NON-SHARED

Workpaper	TURN vs. SoCalGas (2012)	Reference
1. 2BO000.000	(735)	4A3-a1
2. 2CC000.000	(4,043)	4A3-a2
3. 2CC001.000	(905)	4A3-a3
4. 2FO000.000	(7,581)	4A3-a4
5. 2FO001.000	(126)	4A3-a5
6. 2FO002.000	(923)	4A3-a6
7. 2FO003.000	(66)	4A3-a7

CHAPTER 4A3-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-07-R
Area: CS - FIELD OPERATIONS & CUSTOMER CONTACT
Witness: Edward Fong

NONSHARED O&M

Subject: Branch Office and Authorized Pay Location Operations
Workpaper: 2BO000.000

SoCalGas Position: SCG requests \$11.135 million for the activities in this work group based on the five-year average (2005-2009) of historical expenditures of \$10.218 million and increases of \$0.475 million for additional security guards, \$0.338 million for Red Flag implementation, and \$0.104 million to adjust for the full year effect of positions filled in 2009.

Exhibit SCG-07-R, page EF-39

TURN Position: TURN proposes \$10.400 million for the activities in this work group, which represents a reduction of \$0.735 million. TURN recommends that the maximum that could be approved for branch offices is 2010 recorded labor and 2010 recorded non-labor plus \$0.129 million to annualize for partial year costs of the security guards hired during the year, yielding \$7.851 million labor and \$2.549 million non-labor. This amount assumes that all offices remain open. If offices are to be closed or hours curtailed, costs should be reduced further - possibly below 2009 levels.

Testimony of W.Marcus for TURN dated 9/22/11, pages 48-49

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	8,013	7,851	-162
NonLabor	3,122	2,549	-573
Nonstandard	0	0	0
TOTAL	11,135	10,400	-735

CHAPTER 4A3-a2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-07-R
Area: CS - FIELD OPERATIONS & CUSTOMER CONTACT
Witness: Edward Fong

NONSHARED O&M

Subject: CCC - Operations
Workpaper: 2CC000.000

SoCalGas Position: SCG requests \$36.208 million for the activities in this work group based on a zero-base forecasting methodology that takes into account forecasted CSR call volume, historical rates of non-labor expenses, and other factors.

Exhibit SCG-07-R, page EF-32 to EF-38

TURN Position: TURN proposes \$32.165 million for the activities in this work group, which represents a reduction of \$4.043 million. TURN recommends 2012 call center spending of 32.814 million gross in this account based on approximately 7.5 million expected calls (1.35 calls per meter multiplied by TURN's meter forecast) at a unit labor cost of \$4.33 per call (the 2009 unit cost) and non-labor costs equal to 1.04% of labor costs. TURN takes a further reduction of \$0.649 million (2% of labor costs) because SoCal's labor costs are 21% above SDG&E's for full-time CSRs and 33% above SDG&E's for part-timers. TURN's net expenses in this account are \$32.165 million.

Testimony of W.Marcus for TURN with Errata, Pages 40, 46-47

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	35,848	31,826	-4,022
NonLabor	360	339	-21
Nonstandard	0	0	0
TOTAL	36,208	32,165	-4,043

CHAPTER 4A3-a3

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-07-R
Area: CS - FIELD OPERATIONS & CUSTOMER CONTACT
Witness: Edward Fong

NONSHARED O&M

Subject: CCC - Support
Workpaper: 2CC001.000

SoCalGas Position: SCG requests \$10.097 million for the activities in this work group based on the five-year average (2005-2009) of recorded expenses, adjusted for incremental increases including \$0.695 million for annual maintenance expenses for CCC software and hardware, and \$0.106 million for an incremental analyst position to support new software applications.

Exhibit SCG-07-R, page EF-38

TURN Position: TURN proposes \$9.192 million for the activities in this work group, which represents a reduction of \$0.905 million. TURN supports DRA's proposed reductions of \$0.801 million. In addition to the items identified by DRA, TURN has an independent adjustment to reduce Sprint bills by \$0.104 million in 2012.

Testimony of W.Marcus for TURN dated 9/22/11, page 47

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	6,455	5,943	-512
NonLabor	3,642	3,249	-393
Nonstandard	0	0	0
TOTAL	10,097	9,192	-905

CHAPTER 4A3-a4

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-07-R
Area: CS - FIELD OPERATIONS & CUSTOMER CONTACT
Witness: Edward Fong

NONSHARED O&M

Subject: Customer Service Field Operations
Workpaper: 2FO000.000

SoCalGas Position: SCG requests \$107.484 million for the activities in this work group based on a zero-based forecast that takes into account many variables including order activity, off-premise time, drive time, etc. The fluctuation of these variables would not be represented in historical averaging or trending of expense, thus a zero based budget using the average of order activity along with the most recent trend of exogenous variables is most suited for this area.

Exhibit SCG-07-R, pages EF-15 to EF-30

TURN Position: TURN proposes \$99.903 million for the activities in this work group, which represents a reduction of \$7.581 million. Rather than trying to micromanage this account and go through extensive critiques of SoCal's complex forecasting methodology, TURN believes that this entire account (Field Orders, Dispatch, Supervision, Management and Staff Support) is best forecast using 2010 recorded data, which is slightly higher than 2009 recorded, but without further escalation or customer growth.

Testimony of W.Marcus for TURN dated 9/22/11, pages 37-39

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	100,487	94,167	-6,320
NonLabor	6,997	5,736	-1,261
Nonstandard	0	0	0
TOTAL	107,484	99,903	-7,581

CHAPTER 4A3-a5

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-07-R
Area: CS - FIELD OPERATIONS & CUSTOMER CONTACT
Witness: Edward Fong

NONSHARED O&M

Subject: Customer Service Dispatch Operations
Workpaper: 2FO001.000

SoCalGas Position: SCG requests \$8.319 million for the activities in this work group based on a five-year average (2005-2009) of recorded costs, adjusted for efficiency gains related to the implementation of the Forecasting and Scheduling capital project.

Exhibit SCG-07-R, page EF-30

TURN Position: TURN proposes \$8.193 million for the activities in this work group, which represents a reduction of \$0.126 million. Rather than trying to micromanage this account and go through extensive critiques of SoCal's complex forecasting methodology, TURN believes that this entire account (Field Orders, Dispatch, Supervision, Management and Staff Support) is best forecast using 2010 recorded data, which is slightly higher than 2009 recorded, but without further escalation or customer growth.

Testimony of W.Marcus for TURN dated 9/22/11, pages 37-39

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	7,989	8,010	21
NonLabor	330	183	-147
Nonstandard	0	0	0
TOTAL	8,319	8,193	-126

CHAPTER 4A3-a6

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-07-R
Area: CS - FIELD OPERATIONS & CUSTOMER CONTACT
Witness: Edward Fong

NONSHARED O&M

Subject: Customer Service Field Supervision
Workpaper: 2FO002.000

SoCalGas Position: SCG requests \$11.574 million for the activities in this work group. The estimated number of supervisors was based on preserving the field employee to supervisor ratio of approximately one-to-twelve that existed in 2009. The increase in 11 supervisor FTEs is due to the estimated increase of 124 FTEs of CSF personnel from the TY 2012 increased workload forecast.

Exhibit SCG-07-R, pages EF-31

TURN Position: TURN proposes \$10.651 million for the activities in this work group, which represents a reduction of \$0.923 million. Rather than trying to micromanage this account and go through extensive critiques of SoCal's complex forecasting methodology, TURN believes that this entire account (Field Orders, Dispatch, Supervision, Management and Staff Support) is best forecast using 2010 recorded data, which is slightly higher than 2009 recorded, but without further escalation or customer growth.

Testimony of W.Marcus for TURN dated 9/22/11, pages 37-39

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	10,326	9,589	-737
NonLabor	1,248	1,062	-186
Nonstandard	0	0	0
TOTAL	11,574	10,651	-923

CHAPTER 4A3-a7

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-07-R
Area: CS - FIELD OPERATIONS & CUSTOMER CONTACT
Witness: Edward Fong

NONSHARED O&M

Subject: Customer Service Field Management and Staff Support
Workpaper: 2FO003.000

SoCalGas Position: SCG requests \$7.181 million for the activities in this work group based on a five-year average (2005-2009) of recorded costs (revised according to Update Exhibit). The five-year average forecasting methodology is reflective of the variability of support staff.

Exhibit SCG-07-R, page EF-31

TURN Position: TURN proposes \$7.115 million for the activities in this work group, which represents a reduction of \$0.081 million. Rather than trying to micromanage this account and go through extensive critiques of SoCal's complex forecasting methodology, TURN believes that this entire account (Field Orders, Dispatch, Supervision, Management and Staff Support) is best forecast using 2010 recorded data, which is slightly higher than 2009 recorded, but without further escalation or customer growth.

Testimony of W.Marcus for TURN dated 9/22/11, pages 37-39

Note: SCG's request for TY 2012 has been revised to reflect the change made in the Update Exhibit filed on Feb. 17, 2012. SCG's request in the Errata Filing is \$7.196 million. TURN's stated reduction of \$0.081 million is based on SCG's Errata filing.

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	6,735	6,738	3
NonLabor	446	377	-69
Nonstandard	0	0	0
TOTAL	7,181	7,115	-66

Chapter 4 - TURN vs. SoCalGas

Part A - O&M and Capital Expenditures

3. SCG-07-R (Exh 143) - CS - FIELD OPERATIONS & CUSTOMER CONTACT

b. O&M - SHARED

Workpaper	TURN vs. SoCalGas (2012)	Reference
1. 2CSFC000B.ALL	(298)	4A3-b1

CHAPTER 4A3-b1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-07-R
Area: CS - FIELD OPERATIONS & CUSTOMER CONTACT
Witness: Edward Fong

SHARED SERVICES O&M

Subject: Customer Service Field
Workpaper: 2CSFC000B.ALL

SoCalGas Position: SoCalGas requests \$3.573 million incurred costs (\$2.028 million Book expense) for the activities in this work group based on the five-year average of recorded expenses plus an adjustment to align customer service field support labor costs with 2010 staffing levels.

Exhibit SCG-07, page EF-54

TURN Position: TURN proposes \$3.275 million for the activities in this work group, which represents a reduction of \$0.298 million. Because TURN, unlike SoCal does not increase staffing levels in 2010 for customer field services and because 2010 spending did not increase as forecast by SoCal, TURN uses a five year average of 2006-2010 to forecast account 2200-0345 and reduces spending by \$0.198 million (a figure that matches SoCal's upward adjustment only by coincidence). Similarly, TURN uses a five year average of 2006-2010 to forecast account 2200-0942 and reduces spending by \$0.100 million.

Testimony of W.Marcus for TURN dated 9/22/11, pages 49-50

Proposed TY2012 Forecast 100% Incurred (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-0345.000	CUST SVC FIELD TRAINING MGR	1,474	149	0	1,623
2200-0942.000	CS FIELD STAFF MGR	1,830	120	0	1,950
Total		3,304	269	0	3,573

TURN	Description	Labor	NLbr	NSE	Total
2200-0345.000	CUST SVC FIELD TRAINING MGR	1,308	117	0	1,425
2200-0942.000	CS FIELD STAFF MGR	1,740	110	0	1,850
Total		3,048	227	0	3,275

Difference	Description	Labor	NLbr	NSE	Total
2200-0345.000	CUST SVC FIELD TRAINING MGR	-166	-32	0	-198
2200-0942.000	CS FIELD STAFF MGR	-90	-10	0	-100
Total		-256	-42	0	-298

Chapter 4 - TURN vs. SoCalGas

Part A - O&M and Capital Expenditures

4. SCG-08 (Exh 413) - CS - OFFICE OPERATIONS

a. O&M - NON-SHARED

Workpaper	TURN vs. SoCalGas (2012)	Reference
1. 200004.000	(1,343)	4A4-a1
2. 200004.001	(1,883)	4A4-a2
3. 200005.000	(917)	4A4-a3
4. 200006.000	(388)	4A4-a4

CHAPTER 4A4-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-08
Area: CS - OFFICE OPERATIONS
Witness: Michael H Baldwin

NONSHARED O&M

Subject: REMITTANCE PROCESSING
Workpaper: 200004.000

SoCalGas Position: SCG is requesting \$5.491 million for the activities in this work group in TY 2012, a decrease of \$0.364 million from the 2009 adjusted recorded expense level and an increase of \$0.093 million from the five-year average (2005-2009) expense level of \$5.398 million. During the years 2007-2009, the department averaged 5 employees on long term disability. Due to the uncertainty of when these employees would return to active duty, the work performed by these employees was performed by contracted labor and accounted for in the non-labor category. The employees have returned from disability leave and their salaries are once again reflected in the labor cost category. The additional labor dollars are partially offset by a corresponding reduction in the non-labor category, necessitating a net adjustment of \$93,000 above the five-year average result.

Exhibit SCG-8, page MHB-16

TURN Position: TURN proposes \$4.148 million for the activities in this work group, which represents a reduction of \$1.343 million. TURN recommends that since SoCaGas made no adjustment to this account for paperless billing it is appropriate to simply apply SoCalGas' paperless adoption rate forecast to its Bill Delivery costs. SCG's paperless adoption rate in test year 2012 is forecast at 24.46%. Thus, TURN adjusts SoCalGas' 2012 Bill Delivery cost forecast of \$5.491 million downward by this amount.

Errata to Testimony of J. Nahigian for TURN dated 10/12/11, pages 9-10

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	1,725	1,303	-422
NonLabor	3,766	2,845	-921
Nonstandard	0	0	0
TOTAL	5,491	4,148	-1,343

CHAPTER 4A4-a2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-08
Area: CS - OFFICE OPERATIONS
Witness: Michael H Baldwin

NONSHARED O&M

Subject: REMITTANCE PROCESSING - BILL POSTAGE
Workpaper: 200004.001

SoCalGas Position: SCG is requesting \$20.629 million in TY 2012, an increase of \$0.706 million from the 2009 adjusted recorded expense level (revised according to Update Exhibit). The 2009 base year was used to estimate 2010-2012 expenses adjusted by projected meter growth and paperless adoption rates. Since meter growth and paperless adoption rates continue to increase, a 5-year average does not adequately represent future expenses. The \$0.706 million postage increase is the result of an increase of \$1.653 million due to meter growth, and a decrease of (\$0.947 million) for additional electronic bill and paperless adoption.

Exhibit SCG-8, page MHB-17

TURN Position: TURN proposes \$18.746 million for the activities in this work group, which represents a reduction of \$2.384 million, achieved through two adjustments to SoCalGas' forecast. First, TURN recommends a \$1.086 million reduction to SoCalGas' forecast to account for paperless adoption rates and a \$1.298 million reduction to correct for SoCalGas' inclusion of pre-funding costs in its forecast.

Errata to Testimony of J. Nahigian for TURN dated 10/12/11, pages 8-9

Note: SCG's request for TY 2012 has been revised to reflect the change made in the Update Exhibit filed on Feb. 17, 2012. SCG's original request in the Application Exhibit is \$21.130 million.

TURN's reduction of \$2.384 million is based on SCG's Application Exhibit of \$21.130 million.

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	20,629	18,746	-1,883
TOTAL	20,629	18,746	-1,883

CHAPTER 4A4-a3

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-08
Area: CS - OFFICE OPERATIONS
Witness: Michael H Baldwin

NONSHARED O&M

Subject: CS TECHNOLOGY SUPPORT
Workpaper: 200005.000

SoCalGas Position: SCG requests \$3.133 million for the activities in this work group based on the five-year average (2005-2009) of historical expenditures plus an increase of \$0.917 million to support IST (Industrial Service Technicians) Automation, the Forecasting and Scheduling Project, newly installed Multi Gas Detector Calibration Stations, the Single View of the Customer ("SVOC") project and enhancements to self service options.

Exhibit SCG-08, pages MHB-18 to MHB-25

TURN Position: TURN proposes \$2.216 million for the activities in this work group, which represents a reduction of \$0.917 million. TURN agrees with SoCalGas' proposal to use a five-year average for these costs, but they strongly disagree that this five-year average then should be adjusted upward by an additional 41%.

Errata to Testimony of J. Nahigian for TURN dated 10/12/11, page 10

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	2,575	1,821	-754
NonLabor	558	395	-163
Nonstandard	0	0	0
TOTAL	3,133	2,216	-917

CHAPTER 4A4-a4

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-08
Area: CS - OFFICE OPERATIONS
Witness: Michael H Baldwin

NONSHARED O&M

Subject: CS OPERATIONS OTHER
Workpaper: 200006.000

SoCalGas Position: SCG requests \$1.635 million for the activities in this work group based on the five-year average (2005-2009) of historical expenditures plus an increase of \$0.578 million to support the addition of an industrial engineer position, two intern positions and a non-shared Customer Operations Vice President position.

Exhibit SCG-08, page MHB-27

TURN Position: TURN proposes \$1.247 million for the activities in this work group, which represents a reduction of \$0.388 million. The Commission should reject SoCalGas' inflated forecast for this account and instead merely use unadjusted 2010 recorded costs. Use of 2010 recorded costs would also account for SoCalGas' biggest adjustment to this account which is to increase it for the addition of a Senior Vice-President in 2010. Therefore, the Commission should authorize \$1.247 million for this account in 2012

Errata to Testimony of J. Nahigian for TURN dated 10/12/11, page 11

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	1,449	1,105	-344
NonLabor	186	142	-44
Nonstandard	0	0	0
TOTAL	1,635	1,247	-388

Chapter 4 - TURN vs. SoCalGas

Part A - O&M and Capital Expenditures

4. SCG-08 (Exh 413) - CS - OFFICE OPERATIONS

b. O&M - SHARED

Workpaper	TURN vs. SoCalGas (2012)	Reference
1. 2CSOO001B.ALL	(674)	4A4-b1

CHAPTER 4A4-b1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-08
Area: CS - OFFICE OPERATIONS
Witness: Michael H Baldwin

SHARED SERVICES O&M

Subject: Customer Remittance & Bill Delivery
Workpaper: 2CSOO001B.ALL

SoCalGas Position: SoCalGas requests \$4.167 million incurred costs for the activities in this work group based on the five-year average (2005-2009) of recorded expenses, plus incremental adjustments (primarily reductions for efficiency savings). The total request for this work group includes \$4.067 million for cost center 2200-0355, and \$0.100 million for cost center 2200-2026.

Exhibit SCG-08, pages MHB-33 to MHB-34

TURN Position: TURN proposes \$3.493 million for the activities in this work group, which represents a reduction of \$0.674 million. Because of the sharp downward trend in Account 2200-0355, TURN forecasts this account based on 2010 recorded data, and recommends \$3.493 million for TY 2012. For Account 2200-2026, TURN simply removes the cost, because it either will not exist in the test year or is accounted for elsewhere even though other costs are already below forecast.

Errata to Testimony of J. Nahigian for TURN dated 10/12/11, pages 12-13

Proposed TY2012 Forecast 100% Incurred (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-0355.000	REMITTANCE PROCESSING & BILL D	3,019	1,048	0	4,067
2200-2026.000	BILL PRESENTMENT & PYMT CHANNE	96	4	0	100
Total		3,115	1,052	0	4,167

TURN	Description	Labor	NLbr	NSE	Total
2200-0355.000	REMITTANCE PROCESSING & BILL D	2,593	900	0	3,493
2200-2026.000	BILL PRESENTMENT & PYMT CHANNE	0	0	0	0
Total		2,593	900	0	3,493

Difference	Description	Labor	NLbr	NSE	Total
2200-0355.000	REMITTANCE PROCESSING & BILL D	-426	-148	0	-574
2200-2026.000	BILL PRESENTMENT & PYMT CHANNE	-96	-4	0	-100
Total		-522	-152	0	-674

Chapter 4 - TURN vs. SoCalGas

Part A - O&M and Capital Expenditures

5. SCG-09 (Exh 417) - CS - INFORMATION

a. O&M - NON-SHARED

Workpaper	TURN vs. SoCalGas (2012)	Reference
1. 2IN000.000	(1,257)	4A5-a1
2. 2IN003.000	(1,847)	4A5-a2
3. 2IN005.000	146	4A5-a3
4. 2IN007.000	(910)	4A5-a4
5. 2IN008.001	(7,412)	4A5-a5

CHAPTER 4A5-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-09
Area: CS - INFORMATION
Witness: Gillian Alice Wright

NONSHARED O&M

Subject: Communications, Research and e-Services
Workpaper: 2IN000.000

SoCalGas Position: SCG requests \$7.919 million for the activities in this work group based on the five-year average (2005-2009) of historical expenditures plus incremental expense of \$2.264 million for: enhancement of website usability and accessibility; increasing support activities and services for website and mobile devices; enhancement of social media and e-communication channels; increasing support for online content editing and translation; additional targeted customer research to determine the values and needs for availability and access to online services; and expanded natural gas safety communications.

Exhibit SCG-09, page GAW-6

TURN Position: TURN proposes \$6.662 million for the activities in this work group, which represents a reduction of \$1.257 million. TURN supports DRA's recommendation and adopts DRA's forecast for customer communication research activities.

Errata to Testimony of J. Nahigian for TURN dated 10/12/11, page 14

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	2,321	1,953	-368
NonLabor	5,598	4,709	-889
Nonstandard	0	0	0
TOTAL	7,919	6,662	-1,257

CHAPTER 4A5-a2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-09
Area: CS - INFORMATION
Witness: Gillian Alice Wright

NONSHARED O&M

Subject: CUSTOMER ASSISTANCE
Workpaper: 2IN003.000

SoCalGas Position: SCG requests \$5.074 million (revised according to Update Exhibit) for the activities in this work group (revised according to Update Exhibit) based on the five-year average (2005-2009) of historical expenditures plus incremental expense of \$3.475 million for: increased numbers of NGAT required by the LIEE program; outreach and education efforts to raise the awareness of SCG's MBL program; and a contract with Telecommunications Education and Assistance in Multiple Languages Collaboration ("TEAM") to educate customers with limited English proficiency to understand their gas bills, payment options, and available assistance programs.

Exhibit SCG-09, page GAW-7

TURN Position: TURN proposes \$3.227 million for the activities in this work group, which represents a reduction of \$1.972 million. TURN does not disagree that the Commission mandated additional NGATs. However, after reviewing mandates and costs, TURN believes that the 2010 recorded costs for customer assistance are adequate to attain SoCalGas' 2012 NGAT goals, and recommends that the Commission should therefore adopt a 2012 cost of \$3.227 million for customer assistance.

Errata to Testimony of J. Nahigian for TURN dated 10/12/11, page 15

Note: SCG's request for TY 2012 has been revised to reflect the change made in the Update Exhibit filed on Feb. 17, 2012. SCG's original request in the Application Exhibit is \$5.199 million.

TURN's reduction of \$1.972 million is based on SCG's Application Exhibit of \$5.199 million.

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	325	202	-123
NonLabor	4,749	3,025	-1,724
Nonstandard	0	0	0
TOTAL	5,074	3,227	-1,847

CHAPTER 4A5-a3

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-09
Area: CS - INFORMATION
Witness: Gillian Alice Wright

NONSHARED O&M

Subject: CAPACITY PRODUCTS AND PLANNING
Workpaper: 2IN005.000

SoCalGas Position: SCG requests \$0.884 million for the activities in this work group based on the five-year average (2005-2009) of historical expenditures.

Exhibit SCG-09, pages GAW-38 to GAW-39.

TURN Position: TURN proposes \$1.030 million for the activities in this work group, which represents an increase of \$0.146 million. However, consistent with other costs in this area, TURN recommends using 2010 recorded costs with no adjustments to forecast 2012 costs. This adjustment should only be adopted if other TURN downward adjustments based on 2010 costs are adopted for customer services and information.

Errata to Testimony of J. Nahigian for TURN dated 10/12/11, pages 14-15

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	764	890	126
NonLabor	120	140	20
Nonstandard	0	0	0
TOTAL	884	1,030	146

CHAPTER 4A5-a4

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-09
Area: CS - INFORMATION
Witness: Gillian Alice Wright

NONSHARED O&M

Subject: COMMERCIAL, INDUSTRIAL, AND GOVERNMENT SEGMENTS
Workpaper: 2IN007.000

SoCalGas Position: SCG requests \$7.618 million for the activities in this work group based on the five-year average (2005-2009) of historical expenditures plus incremental expense of \$0.480 million to educate and assist customers to analyze and assess the viability of CHP systems, and provide general customer support related to compliance with air quality regulations.

Exhibit SCG-09, page GAW-7

TURN Position: TURN proposes \$6.708 million for the activities in this work group, which represents a reduction of \$0.910 million. TURN recommends using 2010 recorded costs with no adjustments to forecast 2012 costs.

Errata to Testimony of J. Nahigian for TURN dated 10/12/11, pages 14-15

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	5,693	5,013	-680
NonLabor	1,925	1,695	-230
Nonstandard	0	0	0
TOTAL	7,618	6,708	-910

CHAPTER 4A5-a5

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-09
Area: CS - INFORMATION
Witness: Gillian Alice Wright

NONSHARED O&M

Subject: RESEARCH DEVELOPMENT AND DEMONSTRATION (RD&D) -
REFUNDABLE PROGRAM
Workpaper: 2IN008.001

SoCalGas Position: SCG requests \$13.000 million for the activities in this work group based on the current authorized funding of \$10.000 million plus incremental expense of \$3.000 million to conduct research, development, and demonstration projects in the areas of solar thermal and bioenergy renewable resources.

Exhibit SCG-09, page GAW-7

TURN Position: TURN proposes \$5.588 million for the activities in this work group, which represents a reduction of \$7.412 million. TURN recommends a 2012 funding level of \$5.588 million annually for SoCalGas' RD&D activities, comprised of the following: \$3.000 million for the program category of Gas Operations; \$2.000 million for Gas Operations Technologies (especially distribution technologies); and an additional \$0.588 million for planning and project management.

Errata to Testimony of J. Nahigian for TURN dated 10/12/11, page 18

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	5,693	5,013	-680
NonLabor	1,925	1,695	-230
Nonstandard	0	0	0
TOTAL	7,618	6,708	-910

Chapter 4 - TURN vs. SoCalGas

Part A - O&M and Capital Expenditures

6. SCG-14 (Exh 167) - REAL ESTATE, LAND & FACILITIES

a. CAPITAL

Project	TURN vs. SoCalGas (2010+2011+2012)	Reference
1. 00653.0.ALL	(64,717)	4A6-a1

CHAPTER 4A6-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-14
Area: REAL ESTATE, LAND & FACILITIES
Witness: James Carl Seifert

CAPITAL EXPENDITURES

Project: Infrastructure Improvements
Budget Code: 00653.0.ALL

SoCalGas Position: SCG requests \$27.162 million, \$43.991 and \$22.876 million in 2010, 2011 and 2012, respectively, for capital expenditures in this budget category. Construction calculations are supported by industry professionals, including licensed architects and designers, construction industry professionals, and IT domain experts using standard construction estimation practices.

Exhibit SCG-14, pages DGT-12 through DGT-20

TURN Position: TURN recommends \$1.922 million for 2010, \$21.063 million for 2011 and \$6.327 million for 2012.

TURN's adjustments arise from specific recommendations regarding four projects, as well as a general recommendation for the remainder of SoCalGas' forecast. TURN recommends the exclusion of the Redlands Headquarters Parking Lot as uneconomic; the exclusion of the MPK Data Center Master Plan because it will not be complete in the test year; the exclusion of the Facilities EE projects as unsupported and apparently uneconomic; and reductions to the NGV Refueling Stations to comport with 2010 recorded costs. For the remainder of projects forecast by SoCalGas, TURN recommends a 50% across the board reduction, due to the significant difference between 2010 forecast and recorded capital costs for SoCalGas' real estate, land, and facilities activities. (continued under Notes).

Note: TURN Position (continued):
Based on the data provided by SoCalGas, presented in TURN's Table 1, SoCalGas' 2010 recorded capital expenditures for these projects was a mere 7% of that forecast.

Testimony of J.A. Nahigian for TURN, Pages 2-7

CHAPTER 4A6-a1

Proposed Capital Expenditures (in thousands of 2009 dollars)

SCG	Description	2010	2011	2012	Total
00653.00.100	Anaheim Bldg A Chillers #1 & #	1,668	0	0	1,668
00653.00.131	MPK Data Ctr Generators	936	3,288	0	4,224
00653.00.140	Energy Efficiency Prgm	0	1,000	1,000	2,000
00653.00.155	MPK Exterior Site Improv	764	2,736	0	3,500
00653.00.213	GCT Lease Renegotiation	7,391	18,596	0	25,987
00653.00.233	Various (carved out) MPK Proj	2,414	0	0	2,414
00653.00.234	Compton/Redlands Parking Lot (	0	0	3,592	3,592
00653.00.273	Spence Street Remodel	1,001	0	0	1,001
00653.00.361	MPK Data Ctr Master Plan - Bld	0	359	6,141	6,500
00653.00.452	Anaheim Bldg A Chiller #3 Repl	0	1,500	0	1,500
00653.00.95	53 Common Plt Blnkt - Infrs &	4,773	6,000	6,000	16,773
00653.00.99	Downey ERC Chiller Repl (LEED	1,846	2,136	2,000	5,982
00654.00.96	Common Plt Blnkt - Env & Safet	963	1,451	1,451	3,865
00664.00.143	Common Plt Blnkt - Misc Equip	0	242	242	484
00698.00.97	Branch Office ADA & Ergo	3,678	4,500	0	8,178
00716.00.133	Common Plt Blnkt - Fleet Tools	100	130	130	360
00734.00.136	Common Plt Blnkt - NGV Refueli	118	118	100	336
00734.00.445	NGV Various SCG Sites Charging	1,510	1,935	2,220	5,665
Total		27,162	43,991	22,876	94,029

TURN	Description	2010	2011	2012	Total
00653.00.100	Anaheim Bldg A Chillers #1 & #	0	0	0	0
00653.00.131	MPK Data Ctr Generators	0	1,644	0	1,644
00653.00.140	Energy Efficiency Prgm	0	0	0	0
00653.00.155	MPK Exterior Site Improv	0	1,368	0	1,368
00653.00.213	GCT Lease Renegotiation	1,154	9,298	0	10,452
00653.00.233	Various (carved out) MPK Proj	0	0	0	0
00653.00.234	Compton/Redlands Parking Lot (	0	0	651	651
00653.00.273	Spence Street Remodel	0	0	0	0
00653.00.361	MPK Data Ctr Master Plan - Bld	0	0	0	0
00653.00.452	Anaheim Bldg A Chiller #3 Repl	0	750	0	750
00653.00.95	53 Common Plt Blnkt - Infrs &	54	3,000	3,000	6,054
00653.00.99	Downey ERC Chiller Repl (LEED	0	1,068	1,000	2,068
00654.00.96	Common Plt Blnkt - Env & Safet	0	726	726	1,452
00664.00.143	Common Plt Blnkt - Misc Equip	0	121	121	242
00698.00.97	Branch Office ADA & Ergo	0	2,250	0	2,250
00716.00.133	Common Plt Blnkt - Fleet Tools	0	65	65	130
00734.00.136	Common Plt Blnkt - NGV Refueli	0	59	50	109
00734.00.445	NGV Various SCG Sites Charging	714	714	714	2,142
Total		1,922	21,063	6,327	29,312

Difference	Description	2010	2011	2012	Total
00653.00.100	Anaheim Bldg A Chillers #1 & #	-1,668	0	0	-1,668
00653.00.131	MPK Data Ctr Generators	-936	-1,644	0	-2,580
00653.00.140	Energy Efficiency Prgm	0	-1,000	-1,000	-2,000
00653.00.155	MPK Exterior Site Improv	-764	-1,368	0	-2,132
00653.00.213	GCT Lease Renegotiation	-6,237	-9,298	0	-15,535
00653.00.233	Various (carved out) MPK Proj	-2,414	0	0	-2,414
00653.00.234	Compton/Redlands Parking Lot (	0	0	-2,941	-2,941
00653.00.273	Spence Street Remodel	-1,001	0	0	-1,001
00653.00.361	MPK Data Ctr Master Plan - Bld	0	-359	-6,141	-6,500
00653.00.452	Anaheim Bldg A Chiller #3 Repl	0	-750	0	-750
00653.00.95	53 Common Plt Blnkt - Infrs &	-4,719	-3,000	-3,000	-10,719
00653.00.99	Downey ERC Chiller Repl (LEED	-1,846	-1,068	-1,000	-3,914

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00654.00.96	Common Plt Blnkt - Env & Safet	-963	-725	-725	-2,413
00664.00.143	Common Plt Blnkt - Misc Equip	0	-121	-121	-242
00698.00.97	Branch Office ADA & Ergo	-3,678	-2,250	0	-5,928
00716.00.133	Common Plt Blnkt - Fleet Tools	-100	-65	-65	-230
00734.00.136	Common Plt Blnkt - NGV Refueli	-118	-59	-50	-227
00734.00.445	NGV Various SCG Sites Charging	-796	-1,221	-1,506	-3,523
Total		-25,240	-22,928	-16,549	-64,717

Chapter 4 - TURN vs. SoCalGas

Part A - O&M and Capital Expenditures

7. SCG-17-R (Exh 274) - CORPORATE CENTER - GENERAL ADMINISTRATION

a. O&M - NON-SHARED

Workpaper	TURN vs. SoCalGas (2012)	Reference
1. 2SE000.001	(248)	4A7-a1

CHAPTER 4A7-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-17-R
Area: CORPORATE CENTER - GENERAL ADMINISTRATION
Witness: Bruce Allen Folkmann

NONSHARED O&M

Subject: OUTSIDE SRVC EMPLOYEES - F923.1
Workpaper: 2SE000.001

SoCalGas Position: SCG requests \$52.201 million for allocations of Sempra's TY2012 Corporate Center Shared Services (Revised according to the Update Exhibit). This includes allocated and directly-assigned expenses in the areas of Finance, Governance, Legal, Human Resources, External Affairs, Facilities, and related employee benefits, for functions that are not performed at SCG itself. The 2012 Corporate Center total forecast is initially developed in 2009 dollars, then escalated using standard rates for 2012, before being allocated to SDG&E, SCG and Global business units. Except for depreciation of shared assets, all the escalated allocations are summarized as F923.1.

Exhibit SCG-17-R, page BAF-73

TURN Position: UCAN recommends an alternate calculation of the Multi-Factor allocation method for corporate costs. UCAN's percentages are given below.

	Sempra	UCAN
SDG&E	41.54%	35.24%
SCG	41.52%	40.85%
Global	16.94%	23.91%

With Sempra's initial request for corporate center funding, UCAN's alternate calculation would result in corporate center rates for SoCal of \$51.953 million. This figure would change in the RO Model if the Commission were to adopt a different amount of corporate center costs than Sempra's original request. The alternate calculation has an impact on all functions allocated by the Multi-Factor method, and although a small amount may apply to Depreciation Expense (F923.4), the entire estimated reduction is presented here as F923.1.

Testimony of McClary-Norin for UCAN, page 77

Note: SCG's TY2012 request has been revised to reflect the change in the Update Exhibit filed on Feb 17, 2012. SCG's original amount was \$52.553 million for Test Year 2012.

This is actually an issue raised by UCAN. However, since it is the only issue raised by UCAN for SCG, it is included in the TURN section for administrative ease.

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	52,201	51,953	-248
TOTAL	52,201	51,953	-248

Chapter 4 - TURN vs. SoCalGas

Part A - O&M and Capital Expenditures

8. SCG-19-R (Exh 375) - COMPENSATION, HEALTH & WELFARE

a. O&M - NON-SHARED

Workpaper	TURN vs. SoCalGas (2012)	Reference
1. 2CP000.000	(29,408)	4A8-a1
2. 2CP000.002	(5,361)	4A8-a2
3. 2PB000.000	(3,071)	4A8-a3
4. 2PB000.003	(409)	4A8-a4
5. 2PB000.014	(786)	4A8-a5
6. 2PB000.018	(337)	4A8-a6
7. 2PB000.020	(147)	4A8-a7
8. 2PB000.022	(452)	4A8-a8

CHAPTER 4A8-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: COMPENSATION, HEALTH & WELFARE
Witness: Debbie Sue Robinson

NONSHARED O&M

Subject: Comp-ICP
Workpaper: 2CP000.000

SoCalGas Position: SCG requests \$29.408 million for TY 2012 for activities in this workgroup. The DRA and SCG jointly selected Towers Watson to conduct the competitive compensation and benefits analysis. SCG's total compensation is within 3.2 percent of market. In D. 95-12-055, the Commission ruled that compensation levels that fall between plus or minus five percent of the relevant market are considered to be "at market" and reasonable. SCG is requesting recovery of ICP based on target performance. If actual ICP performance exceeds target performance, the differential would not be recoverable in rates.

Exhibit SCG-19, Pages DSR-3 to 4

TURN Position: UCAN-McClary/Norin recommends zero funding of ICP unless SCG redesigns its ICP to conform to UCAN's recommended structure and performance metrics.

Testimony of S. McClary and L. Norin for UCAN, Pages 15-34

TURN-W.B. Marcus argues that SCG under spent funds awarded in the 2008 GRC and relative to its forecast in this rate case with the result that it increased EBIT and associated ICP bonuses.

Joint Testimony of W. B. Marcus for TURN and UCAN, Pages 2-4

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	29,408	0	-29,408
NonLabor	0	0	0
Nonstandard	0	0	0
TOTAL	29,408	0	-29,408

CHAPTER 4A8-a2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: COMPENSATION, HEALTH & WELFARE
Witness: Debbie Sue Robinson

NONSHARED O&M

Subject: Comp-Long Term Incentive Plan
Workpaper: 2CP000.002

SoCalGas Position: SCG forecasted \$5.361 million for TY 2012 expense. Long-term incentives are an integral component of a competitive compensation program for key management and executive employees. Of the 428 companies that participated in Hewitt Associates' 2009 Total Compensation database, 89 percent reported at least one long-term incentive program. The actual compensation realized by participants is dependent on Sempra Energy's four-year financial performance. The company must perform well relative to the utilities in the S&P Utilities index and the overall market for participants to realize value from the awards.

Exhibit SCG-19, Page DSR-9

TURN Position: TURN and UCAN recommend zeroing the funding out, because it focuses on stock prices, is dependent on non-utility enterprises, and fluctuates in value. Furthermore, this outcome is consistent with the Commission's last decision in the 2009 TY Edison General Rate Case, and consistent with PG&E's practice over the last two decades of not even asking the Commission to fund stock-based compensation.

Joint Testimony of W. B. Marcus for TURN and UCAN, Pages 18- 21

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	5,361	0	-5,361
TOTAL	5,361	0	-5,361

CHAPTER 4A8-a3

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: COMPENSATION, HEALTH & WELFARE
Witness: Debbie Sue Robinson

NONSHARED O&M

Subject: MEDICAL
Workpaper: 2PB000.000

SoCalGas Position: SCG requests \$67.416 million for TY 2012 (reflects 2/17/12 update testimony). Estimates were forecasted by escalating the actual 2010 premiums, 2011 (by 13%), 2012 (by 6.8%). In preparing the medical trend forecast, Towers Watson considered California and national data and prepared a forecast specifically for SCG taking into account workforce demographics, historical utilization data, medical plan design, and the projected impact of the Patient Protection and Affordable Care Act.

SCG's benefits expense forecast is based on the projected number of employees (or headcount) anticipated to receive the benefits. DRA's benefits expense forecast is based on a derived forecast of "employee population" or Full-time Equivalents (FTEs). Headcount and FTEs are fundamentally different and are not interchangeable.

Exhibit SCG-19-R, Pages DSR-13 to DSR-19
Exhibit SCG-219, Pages DSR-17 to DSR-19

TURN Position: Noting that SoCalGas's per-employee, year-over-year medical cost escalation has averaged 6.37% between 2005 and 2010, TURN recommends that, to the extent that it does not adopt DRA's recommendation, the Commission adopt a 2012 medical cost forecast that acknowledges that SCG can significantly reduce their medical costs by implementing more proactive costs savings measures, such as ceasing the payment for the incremental between low and high-cost medical plans (as was done by Southern California Edison) and implementing other measures, such as differentiation of cost sharing of medical premium by performance and rewards and penalties for biometric outcomes, such as weight loss, among others, recommended by its own medical benefits consultant, Towers Watson. See continuation in Note below.

Testimony of J. Jones for TURN, Pages 13-21

Note: SCG's request for TY 2012 has been revised to reflect the change made in Update Testimony filed Feb. 17, 2012. SCG's original request in its revised testimony was \$70.735 million.

Continuation of TURN Position:

If SCG were to implement such measures, it could reduce the 2012 forecast on a per-employee (i.e., headcount, not insured employee participant) basis from SCG request of \$9,146 per employee to \$8,320 per employee. Applied to the number of forecasted employees proposed by SCG, the overall Medical program cost forecast would be \$64.345 million. Using DRA's Test Year headcount forecast (5,757) the forecast would be \$47.897 million.

CHAPTER 4A8-a3

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	67,416	64,345	-3,071
TOTAL	67,416	64,345	-3,071

CHAPTER 4A8-a4

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: COMPENSATION, HEALTH & WELFARE
Witness: Debbie Sue Robinson

NONSHARED O&M

Subject: WELLNESS
Workpaper: 2PB000.003

SoCalGas Position: SCG requests \$0.795 million for TY for 2012 for activities in this workgroup. The objective of the SCG wellness program is to improve employee health and productivity. Wellness programs promote healthy lifestyle changes and illness prevention, facilitate early detection and management of illness and disease, and help ensure that employees diagnosed with health conditions receive optimal and effective treatment. Wellness program costs are projected to increase slightly from 2009 through 2012 due to headcount additions and additional onsite health screenings.

Exhibit SCG-19, Pages DSR-23 to 24

TURN Position: TURN recommends that the Commission adopt a six-year average that is composed of the expenses from 2005-2010 because 2009 expenses were somewhat higher than the expenses for 2005-2008 and substantially higher than the recorded expense for 2010. The six-year average of expenses is \$0.386 million, which corresponds to a reduction of \$0.409 million.

Testimony of G. Jones for TURN, Pages 21-22

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	795	386	-409
TOTAL	795	386	-409

CHAPTER 4A8-a5

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: COMPENSATION, HEALTH & WELFARE
Witness: Debbie Sue Robinson

NONSHARED O&M

Subject: P&B - RETIREMENT SAVINGS PLAN
Workpaper: 2PB000.014

SoCalGas Position: SCG forecasted \$13.300 million for TY 401(k) expense (revised according to Update Exhibit). This program allows employees to set aside pre-tax earnings to help fund their future retirement. SCG has elected to match 50% of employee contributions, up to 6% of eligible pay. Projected cost increases are due to wage and headcount escalation.

Exhibit SDG&E-25, Pages DSR-27 to DSR-28.

SCG's benefits expense forecast is based on the projected number of employees (or headcount) anticipated to receive the benefits. DRA's benefits expense forecast is based on a derived forecast of "employee population" or Full-time Equivalents (FTEs). Headcount and FTEs are fundamentally different and are not interchangeable.

Exhibit SCG-219, Pages DSR-17 to DSR-19

TURN Position: TURN recommends an overall forecast of \$12.514 million, which equates to \$1,618 per employee were the Commission to adopt SCG full Test Year headcount forecast. The rationale was to correct an error in the average salary, and use different estimates of contribution and participation rates. SoCal corrected the average salary in its update showing. The adopted cost should be set per employee. If for example, DRA's FTE forecast were adopted, the overall forecast for this account would drop from \$12.514 million to \$9.315 million.

Testimony of G. Jones for TURN, Pages 23-25

Note: SCG's request for TY 2012 has been revised to reflect the change made in the Update Exhibit filed on Feb. 17, 2012. SCG's original testimony request was \$13.791 million.

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	13,300	12,514	-786
TOTAL	13,300	12,514	-786

CHAPTER 4A8-a6

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: COMPENSATION, HEALTH & WELFARE
Witness: Debbie Sue Robinson

NONSHARED O&M

Subject: P&B - EMPLOYEE RECOGNITION
Workpaper: 2PB000.018

SoCalGas Position: SCG forecasted \$0.579 million for TY 2012 expense. Employee recognition awards are forecasted at \$75 per employee. The Employee Recognition program is used to provide nominal non-cash awards, generally valued at \$100 or less. Typical awards include gift cards, movie tickets and tickets to sporting events.

Exhibit SDG&E-25, Page DSR-10 to DSR-11

TURN Position: TURN supports DRA's recommendation to completely disallow this amount. If the Commission does not adopt DRA's proposal, TURN recommends that the Commission disallow for ratemaking purposes all Employee Recognition program expenses above the average per-employee expense for 2008 and 2009, \$34, multiplied by the recorded 2010 employee count of 7,067. The result is a forecast of \$0.242 million, which corresponds to a reduction of \$0.337 million.

Testimony of G. Jones for TURN, Pages 28-29

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	579	242	-337
TOTAL	579	242	-337

CHAPTER 4A8-a7

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: COMPENSATION, HEALTH & WELFARE
Witness: Debbie Sue Robinson

NONSHARED O&M

Subject: P&B - RETIREMENT ACTIVITIES
Workpaper: 2PB000.020

SoCalGas Position: SCG forecasted \$0.147 million for TY 2012 expense. Upon retirement, the company gives the employee a retirement gift and hosts a retirement breakfast in recognition of past service and contribution to the company's success. The cost of retirement activities is expected to increase slightly from \$0.137 million in 2009 to \$0.147 million in 2012 due to inflation.

Exhibit SCG-19, Page DSR-34

TURN Position: TURN agrees with DRA that ratepayers should not be asked to pay for gifts and parties for retirees.

Testimony of G. Jones for TURN, Page 25

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	147	0	-147
TOTAL	147	0	-147

CHAPTER 4A8-a8

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: COMPENSATION, HEALTH & WELFARE
Witness: Debbie Sue Robinson

NONSHARED O&M

Subject: P&B - SPECIAL EVENTS
Workpaper: 2PB000.022

SoCalGas Position: SCG forecasted \$0.452 million for TY 2012 expense. Special Events night is a long-standing benefit highly valued by employees at all levels. It is the one time a year when employees from union and management ranks from all around the company gather in one place. The event site varies each year and has included Knott's Berry Farm, Disneyland or Sea World.

Exhibit SCG-19, Page DSR-35

TURN Position: TURN recommends no ratepayer funding for retirement activities and special events. In the event that the Commission decides to fund the Special Events Night, TURN recommends using a rate of \$25.83 per employee, for a total of \$0.200 million. This rate was calculated using 2007 expense per employee of \$23 and escalating by non-labor inflation.

Testimony of G. Jones for TURN, Pages 25-28

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	452	0	-452
TOTAL	452	0	-452

Chapter 4 - TURN vs. SoCalGas

Part A - O&M and Capital Expenditures

9. SCG-21 (Exh 198) - HUMAN RESOURCES, DISABILITY & WORKERS COMP

a. O&M - NON-SHARED

Workpaper	TURN vs. SoCalGas (2012)	Reference
1. 2HR003.000	(335)	4A9-a1
2. 2HR007.001	(1,354)	4A9-a2

CHAPTER 4A9-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-21
Area: HUMAN RESOURCES, DISABILITY & WORKERS COMP
Witness: Sarah E Edgar

NONSHARED O&M

Subject: Relocation
Workpaper: 2HR003.000

SoCalGas Position: SCG requests \$0.385 million for TY 2012 for activities in this workgroup. Due to the economy and a reduction in hiring in 2009, the relocation costs in Base Year 2009 were extraordinarily low. The TY2012 relocation forecast is based on the 5-year historical average of relocation costs at SCG adjusted for anticipated additional relocations in 2012.

Exhibit SCG -21, Page SEE-15

TURN Position: TURN, noting that SCG's 2010 recorded expenses were substantially less than forecasted and 2006 and 2007 recorded expenses (\$6,000 and \$17,000, respectively) are substantially less than the five year average for 2005-09, recommends that the Commission give weight to the recent past and provide SCG incentive to reduce its Relocation expenses from the high amounts it paid earlier in the last decade. The average relocation expenses for the three most recent, recorded year's results in an estimate of \$52,000, which is essentially the Base Year recorded expense that DRA recommends and TURN supports. Testimony of G. Jones for TURN, Pages 11-12

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	385	50	-335
Nonstandard	0	0	0
TOTAL	385	50	-335

CHAPTER 4A9-a2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-21
Area: HUMAN RESOURCES, DISABILITY & WORKERS COMP
Witness: Sarah E Edgar

NONSHARED O&M

Subject: Workers Compensation
Workpaper: 2HR007.001

SoCalGas Position: SCG requests \$16.462 million for TY 2012 for activities in this workgroup (revised according to Update Exhibit). Workers' compensation benefits are mandated and governed by the State of California. Employees who are injured on the job receive benefits through SCG's self-insured Workers' Compensation Program. Injured employees receive indemnity payments including benefits related to temporary disability, permanent disability, and vocational rehabilitation. The primary drivers for this increase are growing medical costs, labor escalation, and additional governmental reporting requirements. The TY2012 forecast is based on a three year historical average of workers' compensation costs.

Exhibit SCG-21 Pages SEE 20-21

TURN Position: TURN submits an alternative forecast in the event the Commission does not adopt DRA's recommended five-year average of \$14.4 million. TURN's alternative recommendation is \$15.108 million, or a \$1.703 million reduction from SoCalGas' original request. TURN's forecast accepts SoCalGas' forecast for all workers' compensation subcategories other than Medical. TURN uses a three-year average for the Medical subcategory, escalated using Non-Labor escalation rates rather than SoCalGas' Medical escalation rates (13% for 2010-2011 and 12% for 2011- 2012).

Testimony of G. Jones for TURN, Pages 12-13

Note: SCG's request for TY 2012 has been revised to reflect the change made in the Update testimony filed on Feb. 17, 2012. SCG's original testimony request was \$16.811 million.

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	16,462	15,108	-1,354
TOTAL	16,462	15,108	-1,354

Chapter 4 - TURN vs. SoCalGas

Part A - O&M and Capital Expenditures

10. SCG-22 (Exh 341) - A&G - CONTROLLER/FINANCE/REGULATORY AFFAIRS

a. O&M - NON-SHARED

Workpaper	TURN vs. SoCalGas (2012)	Reference
1. 2RA001.000	8	4A10-a1

CHAPTER 4A10-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-22
Area: A&G - CONTROLLER/FINANCE/REGULATORY AFFAIRS
Witness: Kenneth J Deremer

NONSHARED O&M

Subject: Regulatory Tariffs
Workpaper: 2RA001.000

SoCalGas Position: SoCalGas requests \$0.080 million for the activities in this work group based on the division-wide application of a five-year average (2005-2009) for forecasting 2012 costs.

Exhibit SCG-22, page KJD-5

TURN Position: TURN proposes \$0.088 million for the activities in this work group, an increase of \$0.008 million. TURN proposes to set a base year based on a four-year average of 2007-2010. TURN also recommends that shareholders be required to pay for any salary adjustments in this department from 2009 to 2011.

Testimony of W.B.Marcus for TURN/UCAN dated 9/22/11, pages 26-28 and Table 5 on page 29

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	79	88	9
NonLabor	1	0	-1
Nonstandard	0	0	0
TOTAL	80	88	8

Chapter 4 - TURN vs. SoCalGas

Part A - O&M and Capital Expenditures

10. SCG-22 (Exh 341) - A&G - CONTROLLER/FINANCE/REGULATORY AFFAIRS

b. O&M - SHARED

Workpaper	TURN vs. SoCalGas (2012)	Reference
1. 2AGFR002B.ALL	(122)	4A10-b1
2. 2AGFR003B.ALL	(97)	4A10-b2
3. 2AGFR006B.ALL	(177)	4A10-b3

CHAPTER 4A10-b1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-22
Area: A&G - CONTROLLER/FINANCE/REGULATORY AFFAIRS
Witness: Kenneth J Deremer

SHARED SERVICES O&M

Subject: California Case Management
Workpaper: 2AGFR002B.ALL

SoCalGas Position: SoCalGas requests \$0.520 million Book expense (\$0.759 million incurred) for the activities in this cost center based on the division-wide application of a five-year average (2005-2009) for forecasting 2012 costs, adjusted for one incremental position required to meet the increased demands on Regulatory Case Management.

Exhibit SCG-22, Pages KJD-5, KJD-25 to 26

TURN Position: TURN proposes \$0.637 million (incurred costs) for the activities in this cost center, a reduction of \$0.122 million. TURN proposes to set a base year based on a four-year average of 2007-2010, with no adjustment for an incremental position. TURN also recommends that shareholders be required to pay for any salary adjustments in this department from 2009 to 2011.

Testimony of W.B.Marcus for TURN/UCAN dated 9/22/11, pages 26-28 and Table 5 on page 29

Proposed TY2012 Forecast 100% Incurred (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-2075.000	CALIFORNIA CASE Mgmt	678	81	0	759
Total		678	81	0	759

TURN	Description	Labor	NLbr	NSE	Total
2200-2075.000	CALIFORNIA CASE Mgmt	569	68	0	637
Total		569	68	0	637

Difference	Description	Labor	NLbr	NSE	Total
2200-2075.000	CALIFORNIA CASE Mgmt	-109	-13	0	-122
Total		-109	-13	0	-122

CHAPTER 4A10-b1

Proposed TY2012 Forecast - Book Expense (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-2075.000	CALIFORNIA CASE Mgmt	464	56	0	520
Total	Book Expense	464	56	0	520

TURN	Description	Labor	NLbr	NSE	Total
2200-2075.000	CALIFORNIA CASE Mgmt	389	47	0	436
Total	Book Expense	389	47	0	436

Difference	Description	Labor	NLbr	NSE	Total
2200-2075.000	CALIFORNIA CASE Mgmt	-75	-9	0	-84
Total	Book Expense	-75	-9	0	-84

CHAPTER 4A10-b2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-22
Area: A&G - CONTROLLER/FINANCE/REGULATORY AFFAIRS
Witness: Kenneth J Deremer

SHARED SERVICES O&M

Subject: FERC, CAISO, & Compliance
Workpaper: 2AGFR003B.ALL

SoCalGas Position: SoCalGas requests \$0.194 million (incurred costs) for the activities in this cost center based on the division-wide application of a five-year average (2005-2009) for forecasting 2012 costs.

Exhibit SCG-22, page KJD-5

TURN Position: TURN proposes \$0.097 million (incurred costs) for the activities in this cost center, a reduction of \$0.097 million. TURN recommends that 50% of affiliate transaction compliance costs be assigned to shareholders.

Testimony of W.B.Marcus for TURN/UCAN dated 9/22/11, page 27

Proposed TY2012 Forecast 100% Incurred (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-2202.000	AFFILIATE COMPLIANCE	189	5	0	194
Total		189	5	0	194

TURN	Description	Labor	NLbr	NSE	Total
2200-2202.000	AFFILIATE COMPLIANCE	94	3	0	97
Total		94	3	0	97

Difference	Description	Labor	NLbr	NSE	Total
2200-2202.000	AFFILIATE COMPLIANCE	-95	-2	0	-97
Total		-95	-2	0	-97

CHAPTER 4A10-b3

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-22
Area: A&G - CONTROLLER/FINANCE/REGULATORY AFFAIRS
Witness: Kenneth J Deremer

SHARED SERVICES O&M

Subject: Regulatory - GRC, Rates & Analysis
Workpaper: 2AGFR006B.ALL

SoCalGas Position: SoCalGas requests \$1.808 million (incurred costs) for the activities in this work group based on the division-wide application of a five-year average (2005-2009) for forecasting 2012 costs.

Exhibit SCG-22, page KJD-5

TURN Position: TURN proposes \$1.631 million (incurred costs) for the activities in this work group, which would be a reduction of \$0.177 million. TURN proposes to set a base year based on a four-year average of 2007-2010. TURN also recommends that shareholders be required to pay for any salary adjustments in this department from 2009 to 2011.

Testimony of W.B.Marcus for TURN/UCAN dated 9/22/11, pages 26-28 and Table 5 on page 29

Proposed TY2012 Forecast 100% Incurred (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-2040.000	GENERAL RATE CASE	1,321	275	0	1,596
2200-2308.000	GAS DEMAND FORECAST & TARIFFS	184	28	0	212
Total		1,505	303	0	1,808

TURN	Description	Labor	NLbr	NSE	Total
2200-2040.000	GENERAL RATE CASE	953	195	0	1,148
2200-2308.000	GAS DEMAND FORECAST & TARIFFS	428	55	0	483
Total		1,381	250	0	1,631

Difference	Description	Labor	NLbr	NSE	Total
2200-2040.000	GENERAL RATE CASE	-368	-80	0	-448
2200-2308.000	GAS DEMAND FORECAST & TARIFFS	244	27	0	271
Total		-124	-53	0	-177

Chapter 4 - TURN vs. SoCalGas

Part A - O&M and Capital Expenditures

11. SCG-23 (Exh 231) - EXTERNAL AFFAIRS & LEGAL

a. O&M - SHARED

Workpaper	TURN vs. SoCalGas (2012)	Reference
1. 2AGGE000B.ALL	(1,644)	4A11-a1
2. 2AGGE001B.ALL	(606)	4A11-a2

CHAPTER 4A11-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-23
Area: EXTERNAL AFFAIRS & LEGAL
Witness: Cheryl A Shepherd

SHARED SERVICES O&M

Subject: Legal
Workpaper: 2AGGE000B.ALL

SoCalGas Position: SCG requests \$4.706 million in Book Expense (\$4.856 million incurred cost) for the activities in this work group based on a zero-base forecasting methodology for functions/activities transferred from Corporate Center to the utilities, plus 3 incremental positions to support the regulatory and commercial practice areas and to support new senior counsel. The cost increase is reasonable and necessary to allow SCG to meet the increasing demands on the Law Department and to attract experienced attorneys in the job market.

Exhibit SCG-23, pages CAS-13 to CAS-20

TURN Position: TURN proposes \$3.212 million Book Expense for the activities in this work group, which represents a reduction of \$1.494 million. TURN recommends that the Commission use a four-year average (2007-2010) total expense--i.e., the sum of the expenses for the Corporate and SoCalGas-only cost centers, which is \$6.115 million--as the basis for imputing the forecast for 2012. From the \$6.115 million forecasted expense for the two accounts TURN recommends that the Commission subtract the forecasted amount for 1100-0144 (Corporate expenses billed to SoCalGas), \$2.904 million, to arrive at the forecast for SoCalGas only expenses (Cost Center 2200-2334).

Errata Testimony of G.Jones for TURN dated 10/12/11, page 11

Proposed TY2012 Forecast 100% Incurred (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-2334.000	Legal	4,742	114	0	4,856
Total		4,742	114	0	4,856

TURN	Description	Labor	NLbr	NSE	Total
2200-2334.000	Legal	3,137	75	0	3,212
Total		3,137	75	0	3,212

Difference	Description	Labor	NLbr	NSE	Total
2200-2334.000	Legal	-1,605	-39	0	-1,644
Total		-1,605	-39	0	-1,644

CHAPTER 4A11-a1

Proposed TY2012 Forecast - Book Expense (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-2334.000	Legal	4,592	114	0	4,706
Total	Book Expense	4,592	114	0	4,706

TURN	Description	Labor	NLbr	NSE	Total
2200-2334.000	Legal	3,137	75	0	3,212
Total	Book Expense	3,137	75	0	3,212

Difference	Description	Labor	NLbr	NSE	Total
2200-2334.000	Legal	-1,455	-39	0	-1,494
Total	Book Expense	-1,455	-39	0	-1,494

CHAPTER 4A11-a2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-23
Area: EXTERNAL AFFAIRS & LEGAL
Witness: Cheryl A Shepherd

SHARED SERVICES O&M

Subject: External Affairs
Workpaper: 2AGGE001B.ALL

SoCalGas Position: SCG requests \$0.606 million incurred costs for the activities in this work group based on a zero-base forecasting methodology for functions/activities transferred from Corporate Center to the utilities.

Exhibit SCG-23, pages CAS-10 to CAS-13

TURN Position: TURN proposes zero funding for the activities in this work group, which represents a reduction of \$0.606 million. TURN suggests that the work by MRW for UCAN on SDG&E's external affairs costs applies equally to SoCal Gas, and SoCalGas' external affairs costs should be set at zero.

Testimony of W.Marcus for TURN, page 51
Testimony of McClary-Norin for UCAN, Pages 78-82

Proposed TY2012 Forecast 100% Incurred (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-2339.000	Community Relations - LA	450	80	0	530
2200-2340.000	Corporate Events	63	13	0	76
Total		513	93	0	606

TURN	Description	Labor	NLbr	NSE	Total
2200-2339.000	Community Relations - LA	0	0	0	0
2200-2340.000	Corporate Events	0	0	0	0
Total		0	0	0	0

Difference	Description	Labor	NLbr	NSE	Total
2200-2339.000	Community Relations - LA	-450	-80	0	-530
2200-2340.000	Corporate Events	-63	-13	0	-76
Total		-513	-93	0	-606

CHAPTER 4A11-a2

Proposed TY2012 Forecast - Book Expense (in thousands of 2009 dollars)

SCG	Description	Labor	NLbr	NSE	Total
2200-2339.000	Community Relations - LA	445	79	0	524
2200-2340.000	Corporate Events	21	5	0	26
Total	Book Expense	466	84	0	550

TURN	Description	Labor	NLbr	NSE	Total
2200-2339.000	Community Relations - LA	0	0	0	0
2200-2340.000	Corporate Events	0	0	0	0
Total	Book Expense	0	0	0	0

Difference	Description	Labor	NLbr	NSE	Total
2200-2339.000	Community Relations - LA	-445	-79	0	-524
2200-2340.000	Corporate Events	-21	-5	0	-26
Total	Book Expense	-466	-84	0	-550

Chapter 4 - TURN vs. SoCalGas

Part B - Capital-Related Costs

1. SCG-24 (Exh 210) - SHARED SERVICES BILLING POLICY AND PROCESS

Issue #	Subject	Reference
1. SCG24.000	Shared Services Policy	4B1-a1

CHAPTER 4B1-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-24
Area: SHARED SERVICES BILLING POLICY AND PROCESS
Witness: Edward Reyes
Subject: Shared Services Policy

Issue Description: Number of Shared Service Cost Centers

SoCalGas Position: SCG provided supported documentation for all shared service costs presented in the GRC. All costs, shared/non-shared, are summarized and presented at a functional level and supported by witnesses for each area. Similar to the last GRC, shared service cost centers were presented in this level to show transparency of their allocations as well as the audit trail to ensure appropriate entity or entities are being billed for their services. SCG has created cost centers based on departments and/or work activities performed. These rational groupings assist in managing costs and allocating those costs in a logical manner, ensuring no cross-subsidization between ratepayers. Reducing the number of cost centers without a sound rationale would result in a reduction in the accuracy of allocations without a real reduction to the supporting detail.

TURN Position: Sempra uses 305 separate shared service accounts, of which 242 are less than \$1 million. TURN/UCAN recommend that the Commission take an undistributed reduction of an additional \$1.5 million (\$750,000 for SoCal and \$750,000 for SDG&E) to reflect as a matter of judgment the cumulative impact of the large number of shared savings accounts that were too small to review individually, in light of the significant difference between actual 2010 spending and Sempra's forecast of 2010 spending for shared service accounts. TURN and UCAN also recommend that Sempra be instructed in its next GRC to reduce the number of shared savings accounts (excluding corporate center) to no more than 100.

Joint testimony of William B. Marcus on behalf of TURN/UCAN, Page 13.

Chapter 4 - TURN vs. SoCalGas

Part B - Capital-Related Costs

2. SCG-26-R (Exh 224) - RATE BASE

Issue #	Subject	Reference
1. SCG26.002	New Business Forfeitures	4B2-a1
2. SCG26.003	Regulator Purchases (Gas Distribution / Budget 163)	4B2-a2

CHAPTER 4B2-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-26-R
Area: RATE BASE
Witness: Garry G Yee
Subject: New Business Forfeitures

Issue Description: New Business Forfeitures

SoCalGas Position: SCG forecasts new business forfeitures of (\$4.856) million for 2012, using a five-year average (2005-2006). (see Exhibit SCG-02-CWP-R, Page GOM-CWP-4-R). A five-year average is reasonable considering new business forfeitures occur over a three-to-ten year period, three years for gas service and ten years for main extensions, based on Tariff Rules 21 and 20, respectively. Use of a five-year average is reasonable because the timing and amount of forfeitures is associated with throughput over a one-to-ten year period.

Exhibit SCG-226, Pages GGY 7-9

TURN Position: TURN proposes using a three-year average (2008-2010) to forecast 2012 new business forfeitures of (\$5.657) million to give greater weight to the poor economic conditions and the higher level of advances required in 1999 and beyond than in 1998 and before.

ERRATA testimony of W. B. Marcus for TURN, Pages 20-21

Note: (801) Represents a reduction to rate base. This reduction is a direct cost equivalent and does not include escalation.

Proposed Amount in Rate Base (direct costs in thousands of dollars)

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Year</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
2012	-4,856	-5,657	-801
TOTAL	-4,856	-5,657	-801

CHAPTER 4B2-a2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-26-R
Area: RATE BASE
Witness: Garry G Yee
Subject: Regulator Purchases (Gas Distribution / Budget 163)

Issue Description: Regulator Purchases (Gas Distribution / Budget 163)

SoCalGas Position: SCG is instituting a systematic approach to replacing regulators in 2012 to avoid an unplanned surge in replacements as units decline in effectiveness. SCG plans to address over 300,000 meter locations in 2013. The forecasted expenditure for the regulator replacement program (an additional 100,000 units in 2012) is to secure sufficient inventory ahead of these anticipated change-outs (see the rebuttal testimony of Gina Orozco-Mejia, Exhibit SCG-202, pp. GOM-146-147). SCG closed to plant-in-service (i.e., rate based) these routine regulator purchases based on the use of a five-year historical average of 78.87% as opposed to a 100% factor which is typical for these kinds of inventory asset purchases.

Exhibit SCG-226, Page GGY 10

TURN Position: TURN contends that there is an accounting problem, that the extra regulators that will be purchased in the final quarter of 2012 should be deemed to be purchased in 2013 as they will not be installed in 2012.

Testimony of W. B. Marcus for TURN, Pages 22-23

Chapter 4 - TURN vs. SoCalGas

Part B - Capital-Related Costs

3. SCG-27-R (Exh 241) - DEPRECIATION

Issue #	Subject	Reference
1. SCG27.000	Future Net Salvage (FNS) Rates	4B3-a1
2. SCG27.001	Proposed Average Service Lives (ASL) & Iowa Curves	4B3-a2
3. SCG27.002	CIAC - Accounting for Third-Party Reimbursements (TPR)	4B3-a3
4. SCG27.003	Reporting Requirements	4B3-a4
5. SCG27.008	Accounting for Retirement Reimbursements	4B3-a5

CHAPTER 4B3-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-27-R
Area: DEPRECIATION
Witness: Robert J Wiczorek
Subject: Future Net Salvage (FNS) Rates

Issue Description: Proposed Future Net Salvage (FNS) Rates

SoCalGas Position: SoCalGas requested changes to net salvage rates for 21 plant accounts subject to its 2012 GRC. The FNS study resulted in no change to the balance of the remaining SCG plant accounts net salvage percentages. The proposals are primarily due to updating the net salvage rate calculations using the most recent 15 years of recorded data.
In order to accurately effectuate DRA's proposal for net salvage the DRA SoCalGas RO Model required a manual adjustment to the tax module of the RO Model which was not made. A revised "BLM" depreciation amt in the tax files was required to update the as-filed amount from \$229,875 to \$176,894. The adjustment was input to filename: taxSCGDeferred.xls, tablename:RMBLMDepr, cell I11. This change results in an increase to the DRA SoCalGas revenue requirement of approx \$33 million, primarily due to tax expense-DRA agrees with this change.
Exhibit SCG 227, Pg 1 & Atch #1

TURN Position: TURN proposed adjustments to the proposed net salvage rates for five of SoCalGas's mass property accounts. TURN's testimony laid out the factors considered in applying experience and judgment to derive the recommended net salvage rates for those five accounts.

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Year</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
2012	78,064	0	-78,064
TOTAL	78,064	0	-78,064

CHAPTER 4B3-a2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-27-R
Area: DEPRECIATION
Witness: Robert J Wieczorek
Subject: Proposed Average Service Lives (ASL) & Iowa Curves

Issue Description: Proposed Average Service Lives (ASL) & Iowa Curves

SoCalGas Position: SoCalGas requested changes to average service lives (ASL) and Iowa curves for a number of plant accounts subject to its 2012 GRC. The proposals are primarily due to applying the simulated plant records (SPR) methodology updated with the most recent four (4) years of recorded data. The proposed ASL and Curves are consistent with recent Decisions/Settlements (2004 COS and 2008 GRC) and the current SPR updates.

Exhibit SCG 227 Pg 1-3 & Attachment #2

TURN Position: TURN challenged the proposed ASLs and/or the Iowa curve for four (4) SCG plant accounts. See attachment 1 for details. TURN's testimony laid out the factors considered in applying experience and judgment to derive the proposed service lives and dispersion patterns.

Exhibit 551 (Testimony of Jacob Pous on SoCalGas), pp. 12-23.

Note: See Attachment 1

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Year</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
2012	180,309	130,607	-49,702
TOTAL	180,309	130,607	-49,702

CHAPTER 4B3-a2

Attachment 1

Gas Transmission Plant Account 367

Proposed Average Service Life (ASL)

<u>Description</u>	<u>SCG</u>	<u>TURN</u>	<u>Diff</u>	<u>\$\$\$ Diff</u> <u>(000s)</u>
Transmission Mains	57 yrs	65 yrs	8 yrs	(\$4,130)

Gas Distribution Plant Account 376

Proposed Average Service Life (ASL)

<u>Description</u>	<u>SCG</u>	<u>TURN</u>	<u>Diff</u>	<u>\$\$\$ Diff</u> <u>(000s)</u>
Distribution Mains	55 yrs	66 yrs	11 yrs	(\$19,877)

Gas Distribution Plant Account 380

Proposed Average Service Life (ASL)

<u>Description</u>	<u>SCG</u>	<u>TURN</u>	<u>Diff</u>	<u>\$\$\$ Diff</u> <u>(000s)</u>
Distribution Services	51 yrs	56 yrs	5 yrs	(\$14,066)
			Approx >	SB (\$9,000)

Gas General Plant Account 390

Proposed Average Service Life (ASL)

<u>Description</u>	<u>SCG</u>	<u>TURN</u>	<u>Diff</u>	<u>\$\$\$ Diff</u> <u>(000s)</u>
Structures and Improvements	20 yrs	30 yrs	10 yrs	(\$11,629)

CHAPTER 4B3-a3

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-27-R
Area: DEPRECIATION
Witness: Robert J Wiczorek
Subject: CIAC - Accounting for Third-Party Reimbursements (TPR)

Issue Description: Reduction of Future Net Salvage % and Dollars

SoCalGas Position: SCG's future net salvage depreciation study and methodology are done in accordance with the Commission's Standard Practice U-4. The DRA does not take issue with any of the proposed FNS rates produced from that study or the method in which they were derived. To adjust the FNS% for one plant account is contrary to the Commission's Standard Practice U-4 and favors the current ratepayer at the expense of the future ratepayer (intergenerational equity).

Exhibit SCG 227 Pages BW 3-6

TURN Position: TURN, like DRA, contends that SCG has failed to properly account for amounts received from third parties as reimbursed retirements and that this overstates the level of negative net salvage in the utility's historical database. TURN's recommended net salvage rates for the accounts TURN addressed in its testimony reflect adjustments for reimbursed retirements. TURN also recommends that the utility change its accounting practices for reimbursed retirements, and to present account-specific analysis to reflect reimbursed retirements in the historical data presented in its next GRC's depreciation study .

Exhibit 550 (Testimony of Jacob Pous on SoCalGas), pp. 24-27.

CHAPTER 4B3-a4

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-27-R
Area: DEPRECIATION
Witness: Robert J Wieczorek
Subject: Reporting Requirements

Issue Description: Proposed additional Reporting Requirements

SoCalGas Position: In its TY 2008 GRC decision, the Commission directed SCG to provide the following information in its next GRC filing:

(1) The then-current balance of pre-funded removal costs;

(2) A year-by-year projection of: (a) when the then-existing balance of pre-funded removal costs will be consumed, and (b) the implicit inflation rate for future asset removal costs;

(3) A five-year projection of the year-end balance of pre-funded removal costs,

(4) A study for presentation in the next general rate cases that will separate the accrual for cost of removal from accruals for depreciation expense;

(5) Establish a regulatory liability for ratemaking purposes.

SCG has complied with these requirements. There is no need to establish another compliance requirement.

Exhibit SCG 227 Pgs BW 20-22

TURN Position: TURN recommends that the utility be ordered to perform a thorough and detailed analysis of its net salvage (including, for example, causes of recorded retirements and basis for allocating costs between cost of removal and new installations) and the basis for its judgment in developing average service lives for its plant accounts.

Exhibit 551 (Testimony of Jacob Pous on SoCalGas), pp. 11-12 and 36.

CHAPTER 4B3-a5

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-27-R
Area: DEPRECIATION
Witness: Robert J Wiczorek
Subject: Accounting for Retirement Reimbursements

Issue Description: Contributions in aid of Construction (CIAC) - Accounting for Retirement Reimbursements

SoCalGas Position: SCG does not believe that TURN's position is supported by more relevant portions of FERC and NARUC. SCG believes these portions support the utility practice of recording the contribution to the account charged with the cost of the construction.

Exhibit SCG-246, Pages DM-14

TURN Position: TURN recommends that SCG change its practices and account for reimbursed retirements in accordance with NARUC interpretation 67 and revise SCG's historical database on an annual basis. TURN believes that the total contribution paid by a customer for a project with a retirement should be recorded as gross salvage.

Exhibit A1012005_006, Pages 27

Note: This issue was not in SCG's direct testimony. This is a rebuttal issue to TURN regarding accounting for Retirement Reimbursements and addressed by the company in the testimony of witness Patrick Moersen, Exhibit SCG 246.

Chapter 4 - TURN vs. SoCalGas

Part B - Capital-Related Costs

4. SCG-28-R (Exh 300) - TAXES

Issue #	Subject	Reference
1. SCG28.005	Franchise fees forecasts.	4B4-a1
2. SCG28.007	Payroll tax rates and expense.	4B4-a2

CHAPTER 4B4-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-28-R
Area: TAXES
Witness: Randall G Rose
Subject: Franchise fees forecasts.

Issue Description: Franchise fees forecasts.

SoCalGas Position: SCG proposes a franchise fee rate of 1.4593% based on a five-year average of actual data from 2005-2009. SCG does not believe it is appropriate for TURN to selectively employ 2010 data to develop the franchise fees forecast.

TURN Position: TURN recommends forecasting the SCG franchise fees using a five-year average including 2006 - 2010 data resulting in a rate of 1.4551%. This would result in a reduction of approximately \$130,000 to SCG's 2012 forecasted gas franchise fees.

Note: See Attachment 1

CHAPTER 4B4-a1

Attachment 1

Proposed 2012 Gas Franchise Fees (\$000)

<u>Year</u>	<u>SCG</u>	<u>UCAN</u>	<u>Difference</u>
2012			(\$130)

Proposed 2012 Franchise Fee Rates (%)

<u>Year</u>	<u>SCG</u>	<u>UCAN</u>	<u>Difference</u>
2012	1.4593%	1.4551%	-0.0042%

CHAPTER 4B4-a2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-28-R
Area: TAXES
Witness: Randall G Rose
Subject: Payroll tax rates and expense.

Issue Description: Payroll tax rates and expense

SoCalGas Position: In update testimony SoCal Gas has calculated payroll taxes based on a 1.4% Medicare tax on all wages, a 6.25% FICA (Social Security) tax on wages up to \$110,100, an 0.9% Federal Unemployment Tax rate and 4.1% state unemployment tax rate, both on wages up to \$7,000. SoCal calculated the 2012 taxes as a percentage of income by using the 2009 wage distribution without any inflation through 2012 and applying the 2012 wage limits and tax rates. The result is a tax rate of 7.81% of labor in 2012 and 7.61% in 2010 and 2011 (used in capital calculations only).

Update Testimony of SDG&E and SCG, page UP-11; Exhibit SCG-228, page RGR-18.

TURN Position: TURN used the same tax parameters as SoCal in its update errata. Thus, there are no differences on tax parameters. The only difference remaining between TURN and SoCal is an issue of arithmetic in estimating methodology - whether to increase the 2009 wage distribution for inflation to 2010, 2011, and 2012 when calculating tax rate percentages (2010 and 2011 for capital only and 2012 for both capital and O&M). TURN's percentages are 7.576% in 2010, 7.521% in 2011, and 7.686% in 2012.

TURN Update errata, pages 1-3, W.Marcus TURN Testimony with errata, page 52.

Note:	SoCal update expensed payroll taxes 2012	37,243
	TURN update expensed payroll taxes 2012	36,651
	Difference	\$ 592
	SoCal update capitalized payroll taxes 2012	\$8,532
	TURN update capitalized payroll taxes 2012	\$8,396
	Difference	\$ 136

The lower payroll tax rates used by TURN in 2010 and 2011 create an additional reduction to capitalized payroll taxes of \$32,000 in 2010 and \$89,000 in 2011 based on SoCal's original capital forecast.

The percentage adopted by the Commission will ultimately be applied to the labor forecasts adopted by the Commission in the RO model.

Chapter 4 - TURN vs. SoCalGas

Part B - Capital-Related Costs

5. SCG-32-R (Exh 436) - MISCELLANEOUS REVENUES

Issue #	Subject	Reference
1. SCG32.000	Misc Revenues - Residential and Commercial Parts	4B5-a1
2. SCG32.001	Misc. Revenues - Pipeline Services	4B5-a2
3. SCG32.002	Misc Revenues - Rent	4B5-a3
4. SCG32.003	Misc. Revenues - Crude Oil	4B5-a4
5. SCG32.004	Misc. Revenues - Training Activity	4B5-a5
6. SCG32.005	Misc. Revenues - Federal Energy Retrofit Program	4B5-a6

CHAPTER 4B5-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-32-R
Area: MISCELLANEOUS REVENUES
Witness: Todd J Cahill
Subject: Misc Revenues - Residential and Commercial Parts

Issue Description: Residential and Commercial Parts Forecast

SoCalGas Position: SoCalGas recommends a net decrease of \$55,000 for the residential parts program and a net increase of \$79,000 for the commercial parts program. SoCalGas has consistently applied the five-year average as the basis of the forecasts. The 2012 forecast is based on the five-year historical average (2005-2009) adjusted for the annual customer growth factors for the period 2010-2012. Both the Residential and Commercial parts program fit this pattern, and it is appropriate to apply the forecast in a manner consistent with other customer service revenues.

Exhibit SCG-32-R, Pages TJC-3 to 4

TURN Position: TURN recommends changes to revenue from the installation of residential and commercial parts associated with gas service. SoCal used five-year averages of 2005-2009 plus customer growth from 2009-2012. There were increases in pricing in 2008 for both residential and commercial parts and in 2010 for commercial parts, meaning that earlier years had lower prices that are not representative of the Test Year for either item and should therefore not be averaged. TURN proposed a two-year (2009-2010) average in dollars per customer (covering the period of time after the 2008 price increases were fully in effect) multiplied by TURN's 2012 customer (active meter) base, increasing revenues by \$181,000 in total.

Testimony of W. B. Marcus for TURN, Page 55

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Year</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
2012	4,584	4,765	181
TOTAL	4,584	4,765	181

CHAPTER 4B5-a2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-32-R
Area: MISCELLANEOUS REVENUES
Witness: Todd J Cahill
Subject: Misc. Revenues - Pipeline Services

Issue Description: Pipeline Services Forecast

SoCalGas Position: SoCalGas proposes a 2012 test year forecast for Pipeline Service revenues of \$0. SoCalGas provides these services at the request of different customers and expects very little to no activity in 2012. Specifically, projects related to military installations and other campus-style projects have greatly decreased, supporting SoCalGas' assertion that this service will diminish to zero.

Exhibit SCG-32-R, Page TJC-4

TURN Position: SoCal has collected revenue for providing pipeline services to third parties in each of the years from 2005-2010. The average from 2005-2009 was \$761,000 in nominal dollars. A long average is the appropriate way of treating uncertain revenues. The six-year average of 2005-2010 is \$709,000, which TURN recommends as the forecast for this item.

Prepared testimony of W. B. Marcus for TURN, Page 55

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Year</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
2012	0	709	709
TOTAL	0	709	709

CHAPTER 4B5-a3

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-32-R
Area: MISCELLANEOUS REVENUES
Witness: Todd J Cahill
Subject: Misc Revenues - Rent

Issue Description: Rent Forecast

SoCalGas Position: SoCalGas proposes a 2012 test year forecast for Rent from Property Used in Operations revenues of \$0.586 million. Rent from Property Used in Operations is received by SoCalGas from outside parties for use of utility-owned properties. The 2012 forecast is based on the rents received from existing lease agreements adjusted for applicable escalation clauses. The significant reduction forecasted for 2012 is based on the expiration of the Gas Company Tower Agreement on November 8, 2011, which will result in a reduction in revenues related to the expiration of lease-back agreements currently in effect.

Exhibit SCG-32, Page TJC-5
Exhibit SCG-232, Page 2

TURN Position: TURN proposes \$666,000 for Rent from Property Used in Operations, a difference of \$80,000. TURN identifies additional leases that are likely to be renewed. SoCalGas acknowledges that these leases will likely be renewed, and therefore agrees to the adjusted revenues suggested by TURN.

Prepared Testimony of W. B. Marcus for TURN, Page 56.

Note: SoCalGas agreed with the additional rent revenues identified by TURN, but too late to adjust the direct costs shown below. SoCalGas' revised forecast for Misc Revenues - Rent is \$666,000, the same amount that is recommended by TURN.

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Year</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
2012	586	666	80
TOTAL	586	666	80

CHAPTER 4B5-a4

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-32-R
Area: MISCELLANEOUS REVENUES
Witness: Todd J Cahill
Subject: Misc. Revenues - Crude Oil

Issue Description: Crude Oil Forecast

SoCalGas Position: SCG 2012 forecast for Crude Oil revenues of \$5,562,000. Workpapers show a forecast of \$6,654,000. TURN correctly identifies a disconnect between SCG testimony and workpapers. Furthermore, SCG adopts TURN's recommended lifting fee, resulting in a total Crude Oil revenue forecast of \$6,689,000.

The primary delta between SCG and TURN relating to the 2012 forecast of Crude Oil sales is TURN's use of a new oil price forecast (8/31/11). Energy price forecasts are continually revised and vary (up/down) with each update according to conditions at the time, including impacts from weather, the economy and political conditions. SCG picked a point in time providing a reasonable forecast of oil prices. SCG does not have the opportunity to update its entire showing so objects to the replacement of TURN's proposal to use another oil price forecast.

Exhibit SCG-232, Page 3

TURN Position: TURN proposes a forecast for Crude Oil revenue of \$7,215,000. TURN argues that SoCalGas used crude oil futures price from a single day (August 13, 2009), more than a year before the GRC was filed and more than two years before the present time. SoCalGas updated its price estimates in the ordinary course of business several times in 2010 and 2011 (provided to TURN in DR 19-03), including several times before the rate case was filed, but did not update its rate case estimate.

After applying TURN's latest futures prices to SoCal's estimates of oil production and escalating the Aliso Canyon lifting fee to \$4.21, TURN estimates oil revenues of \$7,251,000, which is \$561,000 higher than SoCal's estimate of \$6,654,000. (Table 39).

Prepared testimony of W. B. Marcus for TURN, Pages 56-58.

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Year</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
2012	6,689	7,251	562
TOTAL	6,689	7,251	562

CHAPTER 4B5-a5

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-32-R
Area: MISCELLANEOUS REVENUES
Witness: Todd J Cahill
Subject: Misc. Revenues - Training Activity

Issue Description: Training Activity Forecast

SoCalGas Position: SoCalGas forecasts revenue from training activity as \$73,000 in test year 2012. TURN revises SoCalGas' estimate and provides a forecast of \$108,000, citing a calculation error recognized by SoCalGas in TURN data request 14, question 15. SoCalGas acknowledges this calculation error and agrees with TURN's revised forecast.

Exhibit SCG-232, Page 4

TURN Position: SoCalGas forecasts revenue from training activity as \$73,000 in test year 2012. TURN revises SoCalGas' estimate and provides a forecast of \$108,000, citing a calculation error recognized by SoCalGas in TURN data request 14, question 15. SoCalGas acknowledges this calculation error and agrees with TURN's revised forecast.

Prepared testimony of W. B. Marcus for TURN, Page 58

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Year</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
2012	108	108	0
TOTAL	108	108	0

CHAPTER 4B5-a6

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-32-R
Area: MISCELLANEOUS REVENUES
Witness: Todd J Cahill
Subject: Misc. Revenues - Federal Energy Retrofit Program

Issue Description: Federal Energy Retrofit Program Forecast

SoCalGas Position: SoCalGas forecasts revenue from the Federal Energy Retrofit Program of \$440,000 for test year 2012. SoCalGas used a five-year average from 2005-2009 to establish its forecast. SoCalGas maintains that using the as-filed five-year forecast is appropriate, similar to how SoCalGas forecasts other categories such as customer service revenues.

Exhibit SCG-232, Page 4

TURN Position: TURN provides a forecast of \$526,000 for test year 2012, which is an additional amount of \$86,000. TURN's forecast is based on a five-year average that includes 2010. SoCal contracts with the federal government to install various energy efficiency measures. Net revenues are included as miscellaneous revenues. TURN obtained data for 2010 (\$472,000 per DR 14-17a), and recommends a five year average of 2006-2010 without the 2005 startup data, which is \$526,000, an increase of \$80,000 over SoCal's estimate.

Prepared testimony of W. B. Marcus for TURN, Page 59

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Year</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
2012	444	526	82
TOTAL	444	526	82

Chapter 4 - TURN vs. SoCalGas

Part C - Other

1. SCG-30 (Exh 251) - CUSTOMERS

Issue #	Subject	Reference
1. SCG30.000	Customer Growth Forecast	4C1-a1

CHAPTER 4C1-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-30
Area: CUSTOMERS
Witness: Scott R Wilder

Subject: Customer Growth Forecast
SCG30.000

SoCalGas Position: SoCalGas and all interveners should use consistent economic forecasts available as of the time schedule utilities must file.

Exhibit SCG 230, Pages 1-3

TURN Position: SoCalGas' customer forecast relies on Global Insight's February 2009 forecast of housing starts. In February 2009, no one knew the extent and severity of the housing crisis that California would endure. In light of the unique circumstances of the Great Recession, it is appropriate for the Commission to use the July 2011 Global Insight forecast of building permits, relied on by TURN, in forecasting customer growth in the test year.

Testimony of W. B. Marcus for TURN, Pages 9-10.

Chapter 4 - TURN vs. SoCalGas

Part C - Other

2. SCG-33 (Exh 315) - NON-TARIFFED PRODUCTS & SERVICES

Issue #	Subject	Reference
1. SCG33.000	Non Tariffed Products and Services - Sharing Mechanism	4C2-a1

CHAPTER 4C2-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-33
Area: NON-TARIFFED PRODUCTS & SERVICES
Witness: Robert Carey Lane

Subject: Non Tariffed Products and Services - Sharing Mechanism
SCG33.000

SoCalGas Position: SCG proposes three NTP&S sharing mechanisms to create the proper incentives for SCG to grow NTP&S revenues and offer new services while allowing ratepayers to garner benefits from the expansion of these services. Category 1 to cover growth of existing NTP&S, sharing on a 90/10 (shareholder/ratepayer) gross revenues basis, Category 2, to cover new NTP&S that do not require significant additional shareholder expenditure (sharing 90/10 gross revenues basis), and Category 3, to cover NTP&S that require significant additional shareholder expenditure (shared on a 50/50 net revenue basis). The objective of these cost sharing mechanisms is to fairly allocate the benefits between ratepayers and shareholders based on the relative risk each assumes, while also providing significant incentives for the Utilities to maximize revenues from these services.

Exhibit SCG-33

TURN Position: The Commission should reject the Sempra Utilities' NTP&S sharing mechanisms in part because the utilities do not have any evidence that the current sharing mechanism is preventing them from pursuing any NTP&S. Even if the Commission were convinced by the Sempra Utilities that they need a new revenue sharing mechanism in order to more actively pursue NTP&S in a manner that would benefit ratepayers, it should still reject the proposed sharing mechanisms.

The CPUC should reject the NTPS proposals because there is no evidence the current treatment of NTPS is unduly limiting utility service offerings. Service offerings requiring substantial shareholder investment should be pursued through a utility affiliate.

Testimony of R. Finkelstein for TURN, Pages 10-19

Chapter 5

Differences Between SoCalGas and SCGC

Chapter 5 - SCGC vs. SoCalGas

Part A - O&M and Capital Expenditures

1. SCG-05-R (Exh 55) - ENGINEERING

a. O&M - NON-SHARED

Workpaper	SCGC vs. SoCalGas (2012)	Reference
1. 2EN000.000	(9,520)	5A1-a1

CHAPTER 5A1-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
SCGC Differences to SoCalGas Requests

Exhibit No.: SCG-05-R
Area: ENGINEERING
Witness: Raymond K Stanford

NONSHARED O&M

Subject: Gas Engineering
Workpaper: 2EN000.000

SoCalGas Position: The total non-shared services O&M forecast for the General Engineering category is \$21.383 million. Of the total, only 12% of the increase is associated with the core duties and responsibilities of Gas Engineering. The remaining increase in projected expenses is associated with newly imposed mandates. The development of the O&M non-shared services forecast relied on the experience of the engineering department managers and historical spending for the years 2005 through 2009. Because the work and workgroups are more of a mature nature, a five-year average has been employed to develop the forecast.

Exhibit SCG-05-R, Pages RKS-13 to 24

SCGC Position: SCGC proposes \$11.863 million for the activities in this work group, which represents a reduction of \$9.520 million. SCGC recommends a reduction of \$4.520 million for ARB administrative fees which SCGC believes should be collected through a properly designed NERBA and not be collected through base rates.

SCGC also recommends that the cost of GHG allowances should be recovered through the NERBA and that the Commission should deny SoCalGas' request to include the projected costs of buying GHG allowances in O & M expenses, reducing the level of O&M expenses by \$5.000 million.

SCGC recommends that the cost of monitoring and reporting GHG emissions be excluded from the NERBA. SCGC also recommends that capital costs be excluded from the NERBA.

Testimony of C.Yap for SCGC dated 9/22/11, pages 14-17

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>SCGC</u>	<u>Difference</u>
Labor	8,191	8,191	0
NonLabor	13,192	3,672	-9,520
Nonstandard	0	0	0
TOTAL	21,383	11,863	-9,520

Chapter 5 - SCGC vs. SoCalGas

Part B - Capital-Related Costs

1. SCG-31 (Exh 253) - ESCALATION

Issue #	Subject	Reference
1. SCG31.000	Cost Escalation Type	5B1-a1

CHAPTER 5B1-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
SCGC Differences to SoCalGas Requests

Exhibit No.: SCG-31
Area: ESCALATION
Witness: Scott R Wilder
Subject: Cost Escalation Type

Issue Description: Which cost escalation type to use

SoCalGas Position: Use cost escalators based on national/regional utility industry.

Exhibit SCG 231, Pages 2-4

SCGC Position: Use CPI as an escalator for Post Test Years to provide some relief to SoCalGas while maintaining pressure on SoCalGas management to keep costs down.

Testimony of C. Yap for SCGC, Pages 21-22

Chapter 5 - SCGC vs. SoCalGas

Part C - Other

1. SCG-33 (Exh 315) - NON-TARIFFED PRODUCTS & SERVICES

Issue #	Subject	Reference
1. SCG33.000	Non Tariffed Products and Services - Sharing Mechanism	5C1-a1

CHAPTER 5C1-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
SCGC Differences to SoCalGas Requests

Exhibit No.: SCG-33
Area: NON-TARIFFED PRODUCTS & SERVICES
Witness: Robert Carey Lane

Subject: Non Tariffed Products and Services - Sharing Mechanism
SCG33.000

SoCalGas Position: SCG proposes three NTP&S sharing mechanisms to create the proper incentives for SCG to grow NTP&S revenues and offer new services while allowing ratepayers to garner benefits from the expansion of these services. Category 1 to cover growth of existing NTP&S, sharing on a 90/10 (shareholder/ratepayer) gross revenues basis, Category 2, to cover new NTP&S that do not require significant additional shareholder expenditure (sharing 90/10 gross revenues basis), and Category 3, to cover NTP&S that require significant additional shareholder expenditure (shared on a 50/50 net revenue basis). The objective of these cost sharing mechanisms is to fairly allocate the benefits between ratepayers and shareholders based on the relative risk each assumes, while also providing significant incentives for the Utilities to maximize revenues from these services.

Exhibit SCG-33

SCGC Position: The CPUC should reject SCG's proposed enhanced incentives for NTP &S activities. The Commission should require that all Category 1 incremental earnings flow to ratepayers. If the CPUC believes that it is appropriate to provide an incentive to SCG to maximize revenues from these existing Category 1 NTP&S activities, the CPUC should allow no more than 10 percent of the incremental revenues to flow to shareholders during the PTY period .

Shareholders should retain 10 percent of incremental revenues arising from Category 2 NTP&S activity once the shareholder incremental costs associated with that activity are recovered. The ratepayer's share of the revenues from Category 1 and Category 2 activities should be (continued in Notes)

Note: SCGC Position (continued):

included as an offset to the increase in revenue requirement that results from the action of the PTY indexing mechanism.

Category 3 activities should be conducted through an affiliate.

Testimony of C. Yap for SCGC, pages 2-9

Chapter 5 - SCGC vs. SoCalGas

Part C - Other

2. SCG-39-R (Exh 400) - POST-TEST YEAR RATEMAKING FRAMEWORK

Issue #	Subject	Reference
1. SCG39.000	Post Test Year Ratemaking - GRC Term	5C2-a1
2. SCG39.002	Post Test Year Ratemaking - O&M and Capital Escalation	5C2-a2
3. SCG39.003	Post Test Year Ratemaking - Medical Escalation	5C2-a3
4. SCG39.004	Post Test Year Ratemaking - Z-Factor	5C2-a4
5. SCG39.005	Post Test Year Ratemaking - Productivity Sharing	5C2-a5
6. SCG39.006	Post Test Year Ratemaking - Earnings Sharing	5C2-a6

CHAPTER 5C2-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
SCGC Differences to SoCalGas Requests

Exhibit No.: SCG-39-R
Area: POST-TEST YEAR RATEMAKING FRAMEWORK
Witness: Herbert S Emmrich

Subject: Post Test Year Ratemaking - GRC Term
SCG39.000

SoCalGas Position: SCG is proposing a four-year GRC term (3 post test years).

Exhibit SCG-39-R, pages HSE-2 to 3, 12

SCGC Position: Opposes a three year PTY period and recommends a two -year PTY period to take the proposed Pipeline Safety Plan 2015 expenditures (\$339 million capital plus O&M) into account.

Testimony of C. Yap for SCGC, pages 19-21.

CHAPTER 5C2-a2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
SCGC Differences to SoCalGas Requests

Exhibit No.: SCG-39-R
Area: POST-TEST YEAR RATEMAKING FRAMEWORK
Witness: Herbert S Emmrich

Subject: Post Test Year Ratemaking - O&M and Capital Escalation
SCG39.002

SoCalGas Position: O&M: SCG proposes that the labor and non-labor utility cost escalation factors (utility price indexes) used in the mechanism to calculate PTY gas and electric O&M expenses be based on the Global Insight Fall Economic Forecast for each year of the four-year PTY mechanism starting in 2013.

Exhibit SCG-39-R, Pages HSE-5 to 6

Capital: SCG proposes to update its authorized 2012 capital-related base margin costs based on the Global Insight gas and electric UCIS escalation factors during the PTY period. Based on SoCalGas' customer growth forecast, the capital-related imputed productivity factor would start at 1.1% in 2013, 1.3% in 2014 and 1.4% in 2015.

Exhibit SCG-39-R, Page HSE-8

SCGC Position: The Commission should substitute an index of utility revenue requirement that is based on the CPI All Urban index published monthly by BLS for the first three pieces of SoCalGas' proposed PTY mechanism.

Testimony of C. Yap for SCGC, Pages 21-22

CHAPTER 5C2-a3

Southern California Gas Company
2012 Test Year GRC A-10-12-006
SCGC Differences to SoCalGas Requests

Exhibit No.: SCG-39-R
Area: POST-TEST YEAR RATEMAKING FRAMEWORK
Witness: Herbert S Emmrich

Subject: Post Test Year Ratemaking - Medical Escalation
SCG39.003

SoCalGas Position: Because SCG's medical costs are expected to continue increasing faster than general utility cost inflation, medical costs are escalated separately based on Towers Watson's actuarial forecasts, as described in the direct testimony of SCG witness Ms. Debbie Robinson [Exhibit SCG -19]. The proposed medical PTY cost escalation is based on the Towers Watson 25 forecast is 8.0% for 2013 and 7.5% for 2014 and 2015.

Exhibit SCG-39-R, Page HSE-9.

SCGC Position: The Commission should substitute an index of utility revenue requirement that is based on the CPI All Urban index published monthly by BLS for the first three pieces of SoCalGas' proposed PTY mechanism.

Testimony of C. Yap for SCGC, Pages 21-22

CHAPTER 5C2-a4

Southern California Gas Company
2012 Test Year GRC A-10-12-006
SCGC Differences to SoCalGas Requests

Exhibit No.: SCG-39-R
Area: POST-TEST YEAR RATEMAKING FRAMEWORK
Witness: Herbert S Emmrich

Subject: Post Test Year Ratemaking - Z-Factor
SCG39.004

SoCalGas Position: SCG proposes to keep in place the current Z-factor process. It proposes no changes to the current identification of Z-factors. It will continue to use the eight criteria to identify exogenous cost changes that qualify for Z-factor treatment.

Exhibit SCG-39-R, Pages HSE-9 to10

SCGC Position: SoCalGas' proposal to maintain the current Z-factor framework is acceptable. As SCG notes, the current Z-factor process has been in place for almost two decades. Id. As there have not been any notable problems with it, it should be retained.

Testimony of C. Yap for SCGC, Page 22

CHAPTER 5C2-a5

Southern California Gas Company
2012 Test Year GRC A-10-12-006
SCGC Differences to SoCalGas Requests

Exhibit No.: SCG-39-R
Area: POST-TEST YEAR RATEMAKING FRAMEWORK
Witness: Herbert S Emmrich

Subject: Post Test Year Ratemaking - Productivity Sharing
SCG39.005

SoCalGas Position: SCG proposes to employ a Productivity Sharing Mechanism to apply productivity benefits generated in the post test years to be reflected in the subsequent 2016 test year. The mechanism would credit shareholders 50% of the above authorized ROR earnings in 2015, if any, to subsequent 2016 test year base margin true-up.

Exhibit SCG-39-R, Pages HSE-10, 15-17

SCGC Position: The Commission should deny SoCalGas' proposal for a "productivity investment incentive mechanism." SoCalGas will receive its share of any excess productivity through the PTY earnings sharing mechanism.

Testimony of C. Yap for SCGC, page 24

CHAPTER 5C2-a6

Southern California Gas Company
2012 Test Year GRC A-10-12-006
SCGC Differences to SoCalGas Requests

Exhibit No.: SCG-39-R
Area: POST-TEST YEAR RATEMAKING FRAMEWORK
Witness: Herbert S Emmrich

Subject: Post Test Year Ratemaking - Earnings Sharing
SCG39.006

SoCalGas Position: Apply a symmetrical earnings sharing mechanism that shares earnings above or below authorized Rate of Return (“ROR”) with customers and shareholders during the post test years.

Exhibit SCG-39-R, Pages HSE-14 to 15

SCGC Position: Opposes the proposed symmetrical Earnings Sharing Mechanism as unprecedented and proposes an asymmetrical Earnings Sharing Mechanisms, eliminating down -side sharing and increasing the ratepayer sharing percentages. SCGC recommends that the Commission approve the Earnings Sharing Mechanism adopted in D.05-03-023.

Testimony of C. Yap for SCGC, pages 22-23

Chapter 6

Differences Between SoCalGas and UWUA

Chapter 6 - UWUA vs. SoCalGas

Part C - Other

1. SCG-07-R (Exh 143) - CS - FIELD OPERATIONS & CUSTOMER CONTACT

Issue #	Subject	Reference
1. SCG07.000	Increase the Level of Service ("LOS")	6C1-a1
2. SCG07.002	Order Completion for Non-Emergency Orders	6C1-a2
3. SCG07.003	A1 Leak Response	6C1-a3
4. SCG07.004	Two-Piece Brass or Copper Connectors	6C1-a4
5. SCG07.005	Branch Office Staffing	6C1-a5

CHAPTER 6C1-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
UWUA Differences to SoCalGas Requests

Exhibit No.: SCG-07-R
Area: CS - FIELD OPERATIONS & CUSTOMER CONTACT
Witness: Edward Fong

Subject: Increase the Level of Service ("LOS")
SCG07.000

SoCalGas Position: AHT for CSR calls is an efficiency measure that the California Public Utilities Commission ("CPUC") expects SCG to manage. Increasing AHT means that CSRs are less efficient in handling customer calls. Increasing CCC overall LOS to 90% will not materially improve SCG response to emergency (gas leak) calls. All customer emergency calls reporting gas leaks or gas odor are automatically moved to the front of the CSR queues for the next available qualified CSR. Regardless of the queue length, emergency calls always take precedent. SCG has typically targeted a service level of 90/20 (90% of emergency calls are answered within 20 seconds). Therefore, raising the general call LOS to 90/60 (90% of calls answered within 60 seconds) will not have a material effect on SCG CSR responsiveness to customer emergency calls.

Exhibit SCG 207, Page 73-74

UWUA Position: UWUA recommends (1) that CPUC establish a standard for call response of 90% LOS on an annual basis, with no month demonstrating a monthly average LOS lower than 80%; and (2) that the CPUC improve the opportunity for customers who call in to the call centers to successfully complete their call by increasing the flexibility afforded to CSR's to resolve customer issues, including increasing the time permitted to resolve a customer issue. SCG is assuming an average handle time of 231 seconds per call. A more reasonable average handle time is 270 seconds. UWUA estimates that SCG should add an additional 120 CSRs to support their proposal. UWUA cost estimates include CSRs and Lead CSRs and assume no increase in supervisory personnel; SCG cost estimates include CSRs, Lead CSRs and supervision.

Exhibit UWUA 5, Pgs 2 and 14 / Exh SCG 207, Pg 207

Proposed TY2012 Forecast (in thousands of 2009 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>UWUA</u>	<u>Difference</u>
2012	6,600	11,000	4,400
TOTAL	6,600	11,000	4,400

CHAPTER 6C1-a2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
UWUA Differences to SoCalGas Requests

Exhibit No.: SCG-07-R
Area: CS - FIELD OPERATIONS & CUSTOMER CONTACT
Witness: Edward Fong

Subject: Order Completion for Non-Emergency Orders
SCG07.002

SoCalGas Position: SCG will require significant additions to workforce to meet the UWUA's 2-day order completion proposal. UWUA's est of additional energy technician residential ("ETRs") needed to meet UWUA's recommended CSF svc levels is a best guess and based on the judgment of three Union-represented employees who have many years of CSF experience but no formal background in forecasting, optimum staffing, routing and scheduling methods. SCG conducted a more detailed analysis of min incremental ETR full-time equivalent ("FTE") rqmts needed to meet a two-day order completion schedule ("OCS") for only a subset of the orders proposed by UWUA. The conclusion is that to satisfy the 2-day OCS for this subset of orders, SCG will require approx 539 additional ETRs at an est incremental annual exp of \$40.7 million O&M and \$4.3 million O&M for additional supv.

Exhibit SCG 207 pg 68-69

UWUA Position: SCG should provide a 2-day order completion for svc orders involving gas turn-ons of all kinds; opening and closing accounts including meter reads and safety checks; high bill investigations; appliance malfunctions; carbon monoxide tests; read and verify activities and other transactions where SCG is the sole or primary provider of the service. The prompt completion of these types of orders improves customer safety. UWUA est that SCG should add an additional 120 ETRs to support their proposals of: (1) achieving 100% timely A1 leak response; (2) a two-day order completion for non-emergency orders; and (3) accelerating the identification and removal of two-piece brass connectors or copper connectors. UWUA calculates that an incremental \$14.1 million above SoCalGas' request will be necessary to implement this proposal.

Exhibit UWUA 2, Pg 7 and UWUA 7, Pg 2-3
Exhibit UWUA 4, Pg 8 and UWUA 7, Pg 9

CHAPTER 6C1-a3

Southern California Gas Company
2012 Test Year GRC A-10-12-006
UWUA Differences to SoCalGas Requests

Exhibit No.: SCG-07-R
Area: CS - FIELD OPERATIONS & CUSTOMER CONTACT
Witness: Edward Fong

Subject: A1 Leak Response
SCG07.003

SoCalGas Position: SCG ave response times to A1 leak orders are within the current standards of 30 mins during SCG business hrs and 45 mins during non-business hrs. SCG's ave A1 leak order response time has been well within the 30 mins with 2009 averaging approx 20 mins and 2010 averaging approx 22 mins. The percentage of A1 leak orders that did not meet the 30 mins or 45 mins response window in 2009 and 2010 are 4.8% and 8.3% respectively. SCG has demonstrated timely response to A1 leaks and no safety incidents have been reported because of a variation in response time. To achieve 100% response for all A1 leak orders would be virtually impossible. Logistic, geographic and random circumstances would be such that even with significant incrs of staffing in CSF energy technician residential ("ETR"), arriving at a leak order within the 30 and 45 min time window 100% is not possible

Exhibit SCG 207, Pgs 64 and 66

UWUA Position: The UWUA proposes a service and safety standard of 100% timely response to the most serious customer leak reports from the public - called A1 leak reports. Historical data shows that Southern California Gas Company's (SCG's) response shows a trend of declining response levels. This trend creates a significant hazard to the public. UWUA estimates that SCG should add an additional 120 ETRs to support their proposals of: (1) achieving 100% timely A1 leak response; (2) a two-day order completion for non-emergency orders; and (3) accelerating the identification and removal of two-piece brass or copper connectors. UWUA estimates an incremental \$14.1 million O&M annually and \$4.8 million capital above SCG's request to support three UWUA CSF proposals; SCG has not conducted an analysis to determine the est costs of implementing this proposal.

Exhibit UWUA 6, Pg 2-3 / UWUA 4 Pg 8

CHAPTER 6C1-a4

Southern California Gas Company
2012 Test Year GRC A-10-12-006
UWUA Differences to SoCalGas Requests

Exhibit No.: SCG-07-R
Area: CS - FIELD OPERATIONS & CUSTOMER CONTACT
Witness: Edward Fong

Subject: Two-Piece Brass or Copper Connectors
SCG07.004

SoCalGas Position: SCG believes that a sufficient level of safety is already provided to customers through the current connector inspection policy and procedure. To conduct inspections of all connectors while on a customer's premises may not be necessary and expensive.

If the Commission were to adopt UWUA's proposal to accelerate the identification and removal of two-piece brass connectors or copper connectors, SCG would need to conduct an analysis to determine the actual expense needed to provide the recommended service.

Exhibit SCG 207, Pg 70-71

UWUA Position: The UWUA proposal is to accelerate identification and removal of dangerous connectors. UWUA proposes a modified version of the SCG approach from the 1980's: permitting energy technician residents ("ETRs") or other qualified SCG employees who have entered the premises of a customer to check the connectors proactively on every appliance, and change out any dangerous two-piece brass connectors or copper connectors immediately. Or, if the SCG worker is not qualified as in the case of a contract employee performing seasonal pilot lighting, call in a service order to dispatch an ETR on a priority basis. Replacing all of the connectors at once would permit charging a single labor charge plus the cost of parts, and thus save the customer money. Offering to pay for the connector replacement on the bill might also save the customer time and money.

Exhibit UWUA 8, Pg 7

Note: UWUA estimates that SCG should add an additional 120 ETRs to support their proposals of: (1) achieving 100% timely A1 leak response; (2) a two-day order completion for non-emergency orders; and (3) accelerating the identification and removal of two-piece brass connectors or copper connectors. UWUA estimates the incremental cost of 120 ETRs to be \$14.1 million O&M annually and \$4.8 million capital above SCG's request will be necessary to implement these proposals.

Exhibit UWUA 4, Pg 7 / UWUA 8, Pg 7-8

CHAPTER 6C1-a5

Southern California Gas Company
2012 Test Year GRC A-10-12-006
UWUA Differences to SoCalGas Requests

Exhibit No.: SCG-07-R
Area: CS - FIELD OPERATIONS & CUSTOMER CONTACT
Witness: Edward Fong

Subject: Branch Office Staffing
SCG07.005

SoCalGas Position: UWUA's request to staff every SCG branch office with CCRs is unwarranted. Approximately 97% of all branch office customer transactions are payment transactions that do not require the higher level CCR job classification. In addition, branch office transactions are declining. To staff branch offices with a higher pay job classification when CCR higher job skills are only required for 1-3% of the transactions makes no sense for customers overall. When a CCR is not available at a branch office, a customer can use the "ring-down" telephone to reach a SCG customer service representative ("CSR") at SCG's customer contact center ("CCC").
UWUA's safety concern is completely unwarranted and contrary to common sense. If a customer has an emergency issue (gas leak), common sense will dictate that a customer would contact SCG immediately.

Exhibit SCG 207, Pg 75

UWUA Position: Each branch office should be staffed with at least one CCR who can provide the customer in person with the same type of svc that a CCC CSR can provide over the phone. Currently many branch offices will merely accept a customer's pymt, without being able to make pymt arrangements to avoid shutoff or preserve svc, to sched work orders, or to shape communication about appliance or odor problems that might indicate an emergency order. The customer is often directed to a telephone on the wall and directed to call the CCC, where the customer has to wait in the queue for a call to be answered. This creates the same safety concerns as the extended wait on the phone described in the testimony of UWUA witness Javier Salas. UWUA estimates an additional \$2-2.5 million per year; SCG has not conducted an analysis to determine the est costs of implementing this proposal

Exhibit UWUA 2, Pg 9 / UWUA 4, Pg 9

Chapter 7

Differences Between SoCalGas and FEA

Chapter 7 - FEA vs. SoCalGas

Part B - Capital-Related Costs

1. SCG-31 (Exh 253) - ESCALATION

Issue #	Subject	Reference
1. SCG31.000	Cost Escalation Type	7B1-a1
2. SCG31.001	Union Contract Wage Escalations in Labor Escalators	7B1-a2

CHAPTER 7B1-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
FEA Differences to SoCalGas Requests

Exhibit No.: SCG-31
Area: ESCALATION
Witness: Scott R Wilder
Subject: Cost Escalation Type

Issue Description: Which cost escalation type to use

SoCalGas Position: Use cost escalators based on national/regional utility industry.
Exhibit SCG 231, Pages 2-4

FEA Position: Use CPI as a "simpler" escalator, especially for Post Test Years
FEA direct testimony redacted (9-22-11) - Smith, Pages 11 and 23

CHAPTER 7B1-a2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
FEA Differences to SoCalGas Requests

Exhibit No.: SCG-31
Area: ESCALATION
Witness: Scott R Wilder
Subject: Union Contract Wage Escalations in Labor Escalators

Issue Description: Actual Union Contract Wage Escalations in Labor Escalators

SoCalGas Position: For the union component of the O&M labor escalator, use the approved wage increases in SCG and SDG&E union agreements.

SCG 231, Pages 5-6

FEA Position: Use nationally based Global Insight "utility workers wage" index for all years - no use of Company-specific union escalators.

FEA direct testimony redacted (9-22-11) - Smith Page 12

Chapter 8

Differences Between SoCalGas and Joint Parties (JP)

Chapter 8 - Joint Parties (JP) vs. SoCalGas

Part C - Other

1. SCG-10 (Exh 291) - SUPPLY SERVICES & DIVERSE BUSINESS ENTERPRISES

Issue #	Subject	Reference
1. SCG10A .001	Provision of Tier 2 and 3 Contracts	8C1-a1
2. SCG10B .001	Technical Assistance	8C1-a2
3. SCG10B .002	Contracts Over \$1 million	8C1-a3
4. SCG10B .003	Contract Size Metric	8C1-a4

CHAPTER 8C1-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
JP Differences to SoCalGas Requests

Exhibit No.: SCG-10
Area: SUPPLY SERVICES & DIVERSE BUSINESS ENTERPRISES
Witness: Karen L Sedgwick

Subject: Provision of Tier 2 and 3 Contracts
SCG10A.001

SoCalGas Position: SCG did not address this issue.

JP Position: None of the Sempra companies effectively ensure that large prime contractors provide tier two and tier three contracts to minority-, women- and disabled veteran-owned businesses.

Testimony for Joint Parties, page 15

CHAPTER 8C1-a2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
JP Differences to SoCalGas Requests

Exhibit No.: SCG-10
Area: SUPPLY SERVICES & DIVERSE BUSINESS ENTERPRISES
Witness: Karen L Sedgwick

Subject: Technical Assistance
SCG10B.001

SoCalGas Position: Joint Parties would have SCG designate 0.25% of the amount of procurement for CBO-oriented technical assistance. SCG is currently funding Community-Based Organization (CBO)-oriented technical assistance at a reasonable level. The Sempra companies spend approximately \$2 million annually in diversity efforts. In SCG/SDG&E's recent agreement with Greenlining, the utilities committed to investing \$650k annually over the term of the agreement in technical assistance and business development programs targeting diverse business enterprises. The Joint Parties request for additional funding to go directly to CBOs is self-serving and not in the best interest of ratepayers.

Exhibit SCG-210, Page KLS-8

JP Position: Sempra should set aside 0.25% of the dollar amount of their procurement for CBO-oriented technical assistance.

Testimony of Joint Parties, Page 12

CHAPTER 8C1-a3

Southern California Gas Company
2012 Test Year GRC A-10-12-006
JP Differences to SoCalGas Requests

Exhibit No.: SCG-10
Area: SUPPLY SERVICES & DIVERSE BUSINESS ENTERPRISES
Witness: Karen L Sedgwick

Subject: Contracts Over \$1 million
SCG10B.002

SoCalGas Position: Joint Parties' propose to have SCG justify in writing any contract above \$1 million. The Joint Parties request to change the reporting requirements for GO156 is not relevant in this GRC proceeding. SCG tracks and reports the diversity achievements as directed by the Commission. The decision to not require the utilities to unbundle contracts was made in the GO156 proceedings. Unbundling of all contracts and/or adding onerous requirements to document and report on this issue would not be in the best interest of DBEs nor ratepayers.

Exhibit SCG-210, Page KLS-8

JP Position: In the context of GO156 orders, Sempra should be required to justify in writing any contract above \$1 million in size as to why it cannot be unbundled and to submit such a writing to the CPUC.

Testimony of Joint Parties, Page15

CHAPTER 8C1-a4

Southern California Gas Company
2012 Test Year GRC A-10-12-006
JP Differences to SoCalGas Requests

Exhibit No.: SCG-10
Area: SUPPLY SERVICES & DIVERSE BUSINESS ENTERPRISES
Witness: Karen L Sedgwick

Subject: Contract Size Metric
SCG10B.003

SoCalGas Position: SCG follows all GO156 reporting guidelines and this proceeding is an inappropriate forum for requesting changes to GO156.

Exhibit SCG-210

JP Position: Sempra should use a different metric in their supplier diversity programs. This new metric would stress contracts given to businesses whose annual revenue is \$1 million or less.

Testimony of Joint Party , page 10.

Chapter 8 - Joint Parties (JP) vs. SoCalGas

Part C - Other

2. SCG-19-R (Exh 375) - COMPENSATION, HEALTH & WELFARE

Issue #	Subject	Reference
1. SCG19A .001	Total Compensation	8C2-a1
2. SCG19A .002	Ratepayer Advisory Vote	8C2-a2
3. SCG19A .003	Executive Compensation	8C2-a3
4. SCG19A .004	Total Compensation Study - Use of LADWP	8C2-a4
5. SCG19A .005	Use of Towers-Watson	8C2-a5

CHAPTER 8C2-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
JP Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: COMPENSATION, HEALTH & WELFARE
Witness: Debbie Sue Robinson

Subject: Total Compensation
SCG19A.001

SoCalGas Position: SCG total compensation is market based and is within a range of market that the Commission has historically found reasonable.

SCG-219 Page DSR-2 lines 1-4

JP Position: SCG individual compensation should be limited to 50% greater than a comparable position at LADWP; any salary more than that of the Governor of California should be examined; and any salary over \$1 million per year should be deferred for 5 years.

Testimony of M. Phillips, pages 8-9

CHAPTER 8C2-a2

Southern California Gas Company
2012 Test Year GRC A-10-12-006
JP Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: COMPENSATION, HEALTH & WELFARE
Witness: Debbie Sue Robinson

Subject: Ratepayer Advisory Vote
SCG19A.002

SoCalGas Position: SCG did not have any proposals related to this issue.

JP Position: The Joint Parties believe there should be a ratepayer advisory vote on executive compensation.

Testimony of Joint Parties, Q35. page 21

CHAPTER 8C2-a3

Southern California Gas Company
2012 Test Year GRC A-10-12-006
JP Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: COMPENSATION, HEALTH & WELFARE
Witness: Debbie Sue Robinson

Subject: Executive Compensation
SCG19A.003

SoCalGas Position: Total compensation is market based and is within a range of market that the Commission has historically found reasonable.

Exhibit SCG-19-R, Page DSR-5
Exhibit SCG-219, Page 14

JP Position: Executive compensation at the Sempra companies is excessive.

Testimony of Joint Parties, page 17

CHAPTER 8C2-a4

Southern California Gas Company
2012 Test Year GRC A-10-12-006
JP Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: COMPENSATION, HEALTH & WELFARE
Witness: Debbie Sue Robinson

Subject: Total Compensation Study - Use of LADWP
SCG19A.004

SoCalGas Position: Inclusion of one additional company would have little impact on the total compensation study which used a peer group of 31 companies.

Exhibit SDG&E-255/SCG-245, Page LTR-6

JP Position: LADWP data should have been used as a comparison to executive compensation in the Towers Watson executive compensation study.

Testimony of M. Phillips, Page 4

CHAPTER 8C2-a5

Southern California Gas Company
2012 Test Year GRC A-10-12-006
JP Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: COMPENSATION, HEALTH & WELFARE
Witness: Debbie Sue Robinson

Subject: Use of Towers-Watson
SCG19A.005

SoCalGas Position: Towers-Watson is an independent third-party.

Exhibit SDG&E-255/SCG-245, Page LTR-3

JP Position: The Commission cannot and should not rely on Sempra's so-called independent analysis on executive compensation from Towers Watson.

Testimony of M. Phillips, Page 4.

Chapter 8 - Joint Parties (JP) vs. SoCalGas

Part C - Other

3. SCG-40-R (Exh 430) - REVENUES AT PRESENT AND PROPOSED RATES

Issue #	Subject	Reference
1. SCG40.000	Rate Increase	8C3-a1

CHAPTER 8C3-a1

Southern California Gas Company
2012 Test Year GRC A-10-12-006
JP Differences to SoCalGas Requests

Exhibit No.: SCG-40-R
Area: REVENUES AT PRESENT AND PROPOSED RATES
Witness: Gary G Lenart

Subject: Rate Increase
SCG40.000

SoCalGas Position: SCG believes it has fully justified its proposed rate increase in this proceeding.

JP Position: There should be no rate increase during the "Great Recession."
Testimony of Joint Party Experts pp.16-17

**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.

A.10-12-005

Application of Southern California Gas Company (U 904 G) for authority to update its gas revenue requirement and base rates effective on January 1, 2012.

A.10-12-006

**NOTICE OF AVAILABILITY OF LITIGATION COMPARISON EXHIBITS
OF SAN DIEGO GAS & ELECTRIC COMPANY
AND SOUTHERN CALIFORNIA GAS COMPANY**

Please take notice that on March 2, 2012, San Diego Gas & Electric Company and Southern California Gas Company (collectively, "Applicants") timely filed their Litigation Comparison Exhibits in accordance with Administrative Law Judge Wong's January 6, 2012 bench ruling. Pursuant to Rule 1.9 of the Rules of Practice and Procedure of the California Public Utilities Commission, the filing was made available by 5:00 p.m. on March 2, 2012 on the Applicants' websites at the following locations:

For San Diego Gas & Electric Company: <http://sdge.com/node/989>

For Southern California Gas Company: <http://www.socalgas.com/regulatory/A1012006.shtml>

The complete litigation comparison exhibits are several hundred pages long. Applicants will, upon request, provide a copy of the litigation comparison exhibits or any part thereof. Applicants have all of the forgoing material available on compact disc (CD-ROM), which Applicants would prefer to provide in lieu of hard copies for ease of handling and to conserve resources. Applicants will, however, mail hard copies of documents to parties who request them. Copies of the Litigation Comparison Exhibits may be obtained by contacting:

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Southern California Gas Company
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Respectfully submitted,

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March 2, 2012