

DRA DATA REQUEST
DRA-SCG-DR-001
SOCALGAS 2012 COST OF CAPITAL – A.12-04-017
SOCALGAS RESPONSE
DATE RECEIVED: MAY 7, 2012
DATE RESPONDED: MAY 21, 2012

1. Please provide copies of all presentations made to rating agencies and/or investment firms by Sempra Energy and/or Southern California Gas Company between January 1, 2011 and the present.

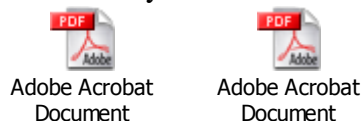
SoCalGas Response:

Recent presentations made to rating agencies and/or investment firms covering SoCalGas took place on March 29, 2012 and May 3, 2012. Investment analysts attended the March 29, 2012 Analyst Conference or were able to access the attached presentation materials through www.sempra.com. Slides from the 1st quarter earnings call presentation on May 3, 2012 were presented via a webcast and are attached. The complete Analyst Conference and 1st quarter earnings call presentations can be found at www.sempra.com.

Quarterly Earning Presentations:



Annual Analyst Presentations:



SoCalGas objects to the request to provide information related to Sempra Energy because the information is not relevant and is not within the scope of this proceeding, as Sempra Energy is not a party to SoCalGas' Cost of Capital proceeding and is not referenced in SoCalGas' direct testimony.

Response sponsor: Michael Foster

DRA DATA REQUEST
DRA-SCG-DR-001
SOCALGAS 2012 COST OF CAPITAL – A.12-04-017
SOCALGAS RESPONSE
DATE RECEIVED: MAY 7, 2012
DATE RESPONDED: MAY 21, 2012

2. Please provide copies of all prospectuses for any security issuances by Sempra Energy and/or Southern California Gas Company between January 1, 2008 and the present.

SoCalGas Response:

Since January 1, 2008, SoCalGas has issued two series of first mortgage bonds.

Series LL – Issued in November 21, 2008 for \$250 million, maturing in 2014;

Series MM – Issued in November 18, 2010 for \$300 million, maturing in 2040.

The attached are the documents associated with the issuances.



SCG Prospectus -
Series LL



SCG Prospectus
Series MM

SoCalGas objects to the request to provide information related to Sempra Energy because the information is not relevant and is not within the scope of this proceeding, as Sempra Energy is not a party to SoCalGas' Cost of Capital proceeding and is not referenced in SoCalGas' direct testimony.

Response sponsor: Michael Foster

DRA DATA REQUEST
DRA-SCG-DR-001
SOCALGAS 2012 COST OF CAPITAL – A.12-04-017
SOCALGAS RESPONSE
DATE RECEIVED: MAY 7, 2012
DATE RESPONDED: MAY 21, 2012

3. Please provide copies of credit reports for Sempra Energy and/or Southern California Gas Company between January 1, 2010 and the present from the major credit rating agencies (Moody's, S&P, and Fitch).

SoCalGas Response:

Credit rating agency reports are copyrighted materials available to paid subscribers and copies of these reports generally cannot be provided to third parties, except in some instances by permission. Notwithstanding, SoCalGas is willing to make copies of the credit reports from the major credit rating agencies published since January 1, 2010 available at its offices in Los Angeles or San Francisco for visual examination by requesting third parties to this proceeding.

SoCalGas objects to the request to provide information related to Sempra Energy because the information is not relevant and is not within the scope of this proceeding, as Sempra Energy is not a party to SoCalGas' Cost of Capital proceeding and is not referenced in SoCalGas' direct testimony.

Response sponsor: Michael Foster

DRA DATA REQUEST
DRA-SCG-DR-001
SOCALGAS 2012 COST OF CAPITAL – A.12-04-017
SOCALGAS RESPONSE
DATE RECEIVED: MAY 7, 2012
DATE RESPONDED: MAY 21, 2012

4. Please provide the corporate credit and bond ratings assigned to Sempra Energy and Southern California Gas Company since the year 2005 by S&P, Moody's, and Fitch). For any change in the credit and/or bond rating, please provide a copy of the associated report.

SoCalGas Response:

Current Rating	S&P	Moody's	Fitch	2011	S&P	Moody's	Fitch
Long Term Issuer	A	A2	A	Long Term Issuer	A	A2	A
Unsecured Debt	A	A2	A+	Unsecured Debt	A	A2	A+
Secured Debt	A+	Aa3	AA-	Secured Debt	A+	Aa3	AA-
Preferred Stock	BBB+	Baa1	A-	Preferred Stock	BBB+	Baa1	A-
Commercial Paper	A-1	P-1	F1	Commercial Paper	A-1	P-1	F1
2010	S&P	Moody's	Fitch	2009	S&P	Moody's	Fitch
Long Term Issuer	A	A2	A	Long Term Issuer	A	A2	A+
Unsecured Debt	A	A2	A+	Unsecured Debt	A	A2	AA-
Secured Debt	A+	Aa3	AA-	Secured Debt	A+	Aa3	AA
Preferred Stock	BBB+	Baa1	A-	Preferred Stock	BBB+	Baa1	A+
Commercial Paper	A-1	P-1	F1	Commercial Paper	A-1	P-1	F1+
2008	S&P	Moody's	Fitch	2007	S&P	Moody's	Fitch
Long Term Issuer	A	A2	A+	Long Term Issuer	A	A2	A+
Unsecured Debt	A	A2	AA-	Unsecured Debt	A-	A2	AA-
Secured Debt	A+	A1	AA	Secured Debt	A+	A1	AA
Preferred Stock	BBB+	Baa1	A+	Preferred Stock	BBB+	Baa1	A+
Commercial Paper	A-1	P-1	F1+	Commercial Paper	A-1	P-1	F1+
2006	S&P	Moody's	Fitch	2005	S&P	Moody's	Fitch
Long Term Issuer	A	A2	A+	Long Term Issuer	A	A2	A+
Unsecured Debt	A-	A2	AA-	Unsecured Debt	A-	A2	AA-
Secured Debt	A+	A1	AA	Secured Debt	A+	A1	AA
Preferred Stock	BBB+	Baa1	A+	Preferred Stock	BBB+	Baa1	A+
Commercial Paper	A-1	P-1	F1+	Commercial Paper	A-1	P-1	F1+

*Highlighted field indicates change of rating.

Credit rating agency reports are copyrighted materials available to paid subscribers and copies of these reports generally cannot be provided to third parties, except in some instances by permission. Notwithstanding, SoCalGas is willing to make copies of the credit reports from the major credit rating agencies published since January 1, 2010 available at its offices in Los Angeles or San Francisco for visual examination by requesting third parties to this proceeding.



Microsoft Excel
97-2003 Worksheet

Response sponsor: Michael Foster

DRA DATA REQUEST
DRA-SCG-DR-001
SOCALGAS 2012 COST OF CAPITAL – A.12-04-017
SOCALGAS RESPONSE
DATE RECEIVED: MAY 7, 2012
DATE RESPONDED: MAY 21, 2012

5. Please provide the breakdown in the expected return on pension plan assets for Southern California Gas Company. Specifically, please provide the expected return on different assets classes (bonds, US stocks, international stocks, etc) used in determining the expected return on plan assets. Please provide all associated source documents and work papers.

SoCalGas Response:

SoCalGas objects to this question as the information requested was not referenced in SoCalGas' direct testimony or relied upon when developing SoCalGas' Cost of Capital proposal, and is therefore not relevant and is out of scope for SoCalGas' Cost of Capital proceeding.

**DRA DATA REQUEST
DRA-SCG-DR-001
SOCALGAS 2012 COST OF CAPITAL – A.12-04-017
SOCALGAS RESPONSE
DATE RECEIVED: MAY 7, 2012
DATE RESPONDED: MAY 21, 2012**

6. Please provide the Company’s authorized and earned return on common equity for the past five years. Please provide copies of all associated work papers and source documents. Please provide copies of the source documents, work papers, and data in both hard copy and electronic (Microsoft Excel) formats, with all data and formulas intact.

SoCalGas Response:

Attached is SoCalGas’ authorized and earned return on common equity for the past five years, along with associated work papers and source documents. Please note the ROEs were calculated in a manner that is consistent with our traditional PBR sharing calculations for CPUC base business. The ROEs in this table do NOT represent total company financial ROEs but rather are imputed CPUC specific calculations based on achieved RORs.

Auth and earned ROE			
SoCalGas			
		CPUC Only	
Year Effective	Decision / Advice Letter	Earned ROE %	Authorized ROE %
2011	AL 3199-A	12.96	10.82
2010	AL 3199-A	15.58	10.82
2009	AL 3199-A	16.09	10.82
2008	AL 3199-A	14.97	10.82
2007	AL 3199-A	14.05	10.82
Sources:			
Earned ROE % - See Attached			
CPUC Auth ROE % - applicable AL or Decision			



DRA DATA REQUEST
DRA-SCG-DR-001
SOCALGAS 2012 COST OF CAPITAL – A.12-04-017
SOCALGAS RESPONSE
DATE RECEIVED: MAY 7, 2012
DATE RESPONDED: MAY 21, 2012

7. Please provide copies of the quarterly and annual financial statements (balance sheet, income statement, and statement of cash flows) for 2010 and 2011 for Sempra Energy and Southern California Gas Company. Please provide copies of the financial statements in both hard copy and electronic (Microsoft Excel) formats, with all data and formulas intact.

SoCalGas Response:

Attached are the quarterly and annual financial statements (balance sheet, income statement, and statement of cash flows) for 2010 and 2011 for Southern California Gas Company (SoCalGas). Note that SoCalGas only prepares an annual cash flow statement.

SoCalGas objects to the request to provide Sempra-related information on both relevance and out of scope bases. Sempra Energy is not a party to SoCalGas' Cost of Capital proceeding and is not referenced in SoCalGas' direct testimony and thus such information is not relevant and outside the scope of this proceeding.


C:\SCG_Mar
2010.xls


C:\SCG_Mar
2011.xls


C:\SCG_Jun
2010.xls


C:\SCG_Jun
2011.xls



C:\SCG_Sep
2010.xls


C:\SCG_Sep
2011.xls


C:\SCG_Dec
2010.xls


2010 SCG Annual
Cash Flow.pdf


C:\SCG_Dec
2011.xls


2011 SCG Annual
Cash Flow.pdf

Response Sponsor: Ping Ng

DRA DATA REQUEST
DRA-SCG-DR-001
SOCALGAS 2012 COST OF CAPITAL – A.12-04-017
SOCALGAS RESPONSE
DATE RECEIVED: MAY 7, 2012
DATE RESPONDED: MAY 21, 2012

8. Please provide the following data with respect to the Company's proposed capital structure: (1) the data, work papers, and source documents, and calculations used in developing the Company's amounts of short-term debt, long-term debt, preferred stock, and common equity used in the Company's proposed capital structure; (2) provide projected monthly amounts of short-term debt, long-term debt, preferred stock, and common equity used in developing the proposed capital structure; (3) indicate why short-term debt should not be included in the Company's proposed capital structure, along with copies of all studies used to justify not using short-term debt in the proposed capital structure; (4) provide copies of all loan documents and lending agreements associated with either inter-company and/or financial institution short-term debt; (5) provide the current as well as projected cost of short-term debt, including the data, work papers, calculations, assumptions, and methodologies used in the calculations; and (6) provide the data and work papers in (1)-(5) in both hard copy and electronic (Microsoft Excel) formats, with all data and formulas intact.

SoCalGas Response:

Response to (1) - (3): The rationale for SoCalGas' ratemaking capital structure proposal is contained within the prepared direct testimony of witness Michael W Foster. Please refer to direct testimony pages 5-14 for the full discussion. SoCalGas did not use projected monthly amounts of short-term debt, long-term debt, preferred stock, and common equity to develop the proposed capital structure.

SoCalGas has no short-term debt in its authorized capital structure, and SoCalGas is not proposing that short-term debt be added to its authorized capital structure. As noted in the testimony of Mr. Foster, SoCalGas has developed its proposed capital structure with the appropriate long-term financing sources of long-term debt, preferred stock and common equity consistent with its current (and historical) authorized capital structure, and is proposing that only the preferred stock and common equity allocations be adjusted by 4% to help mitigate the various financial risks outlined by Mr. Foster. The goal of the 4% adjustment to SoCalGas' authorized capital percentages is to reduce financial risk (refer to pg. 6 of the testimony). The introduction of short-term debt financing into long-term financing horizons needlessly mismatches asset financing time spans with the assets' useful lives, increases financial risk, reduces financial flexibility, complicates cash management, and raises the risk of negative reactions by both credit rating agencies and investors. Consequently, consistent with SoCalGas' past Cost of Capital applications/decisions, SoCalGas purposely and prudently excluded short-term financing from its long-term cost of capital proposal.

Response to (4-5): SoCalGas objects to this request on the basis that it is out of scope of this proceeding – as noted above, SoCalGas' short-term debt is not part of the currently authorized or the proposed capital structure and is not appropriate to use as a long-term financing source, and is therefore not relevant to determine SoCalGas' cost of capital.

**DRA DATA REQUEST
DRA-SCG-DR-001
SOCALGAS 2012 COST OF CAPITAL – A.12-04-017
SOCALGAS RESPONSE
DATE RECEIVED: MAY 7, 2012
DATE RESPONDED: MAY 21, 2012**

Response to Question 8 (Continued)

Furthermore, the lending agreement associated with financial institution short-term debt is confidential and contains negotiated terms and conditions between multiple banks.

Response to (6): SoCalGas submitted to DRA its workpapers supporting the testimony of witness Michael W. Foster via overnight Federal Express on April 20, 2012. SoCalGas also submitted electronic formats via CD on April 20, 2012. The workpapers are responsive to this request. Please refer to page 25 for calculations related to capital structure proposals.

Response sponsor: Michael Foster

**DRA DATA REQUEST
DRA-SCG-DR-001
SOCALGAS 2012 COST OF CAPITAL – A.12-04-017
SOCALGAS RESPONSE**

**DATE RECEIVED: MAY 7, 2012
DATE RESPONDED: MAY 21, 2012**

9. With respect to the Company's capital structure, please provide the quarterly financial amounts of capital (short-term debt, long-term debt, preferred stock, and equity) for Sempra Energy and Southern California Gas Company for the past three years. Please provide the data in both hard copy and electronic (Microsoft Excel) formats, with all data and formulas intact.

SoCalGas Response:

Please be apprised that the attachment to this response is considered *confidential information pursuant to PUC Code Section 583 & General Order 66-C and copied on blue paper.*

Response sponsor: Michael Foster

DRA DATA REQUEST
DRA-SCG-DR-001
SOCALGAS 2012 COST OF CAPITAL – A.12-04-017
SOCALGAS RESPONSE
DATE RECEIVED: MAY 7, 2012
DATE RESPONDED: MAY 21, 2012

10. Please provide the following data with respect to the Company's proposed long-term debt cost rate: (1) all data, work papers, and source documents, and calculations used in computing the long-term cost rate; (2) all details, including calculations, amortization tables, and work sheets, related to the amounts for unamortized debt issuance balance and unamortized premium/discount and issuance expenses; and (3) all source documents, including issue amounts and dates, and copies of all issuance documents, interest rate projections, associated with projected long-term issuances used in computing the long-term debt cost rate, including (a) issuance date, (b) debt amounts, (c) copies of lending agreements and provisions, (d) copies of all documentation that indicate the pricing and interest rate on all debt placements, and (e) all information available on underwriter, underwriting spread, SEC filings, loan placement documents, presentations from investment bankers, and/or other information and source documents associated with debt offerings; and (4) provide the data and work papers in (1) – (3), in both hard copy and electronic (Microsoft Excel) formats, with all data and formulas intact.

SoCalGas Response:

SoCalGas submitted to DRA its workpapers supporting the testimony of witness Michael W Foster via overnight Federal Express on April 20, 2012. SoCalGas also submitted electronic formats via CD on April 20, 2012. The workpapers are responsive to this request.

Please refer to workpaper pages 1-2 for the calculation of the proposed long-term debt cost rate. The pertinent assumptions for projected long term debt issuances are outlined in the workpapers, however, issuance agreements and documentation will not be available until those actual debt issuances take place.

Response sponsor: Michael Foster

DRA DATA REQUEST
DRA-SCG-DR-001
SOCALGAS 2012 COST OF CAPITAL – A.12-04-017
SOCALGAS RESPONSE
DATE RECEIVED: MAY 7, 2012
DATE RESPONDED: MAY 21, 2012

11. Please provide the following data with respect to the Company's proposed preferred stock cost rate: (1) all data, work papers, and source documents, and calculations used in computing the preferred stock cost rate; (2) all source documents, including issue amounts and dates, and copies of all issuance documents, associated with preferred stock issues including (a) issuance date, (b) amounts, (c) copies of all documentation that indicate the pricing and yield on all issues, and (d) all information available on underwriter, underwriting spread, SEC filings, loan placement documents, presentations from investment bankers, and/or other information and source documents associated with debt offerings; and (3) provide the data and work papers in (1) – (2), in both hard copy and electronic (Microsoft Excel) formats, with all data and formulas intact.

SoCalGas Response:

SoCalGas submitted to DRA its workpapers supporting the testimony of witness Michael W Foster via overnight Federal Express on April 20, 2012. SoCalGas also submitted electronic formats via CD on April 20, 2012. The workpapers are responsive to this request.

Please refer to workpaper pages 3 for the calculation of the proposed preferred stock rate. The pertinent assumptions for projected preferred stock issuances are outlined in the workpapers, however, issuance agreements and documentation will not be available until those actual preferred stock issuances take place.

Response sponsor: Michael Foster