

**DRA DATA REQUEST
DRA-SCG-028-DAO
SOCALGAS 2012 GRC – A.10-12-006
SOCALGAS RESPONSE**

**DATE RECEIVED: JANUARY 18, 2011
DATE RESPONDED: FEBRUARY 2, 2011**

Exhibit Reference: SCG-19 Compensation, Health & Welfare

Subject: Employee Compensation

Please provide the following:

1. With regard to page 11 of the workpapers, please define and/or provide the following:
 - a. Define “Union ICP for Non-Rep Duties,” and list the activities/duties eligible for ICP;
 - b. “Headcount”;
 - c. Does “Headcount” equal “Full Time Equivalent”? If the terminologies are not synonymous, please provide a detailed explanation stating the differences and include a step-by-step showing of how SCG calculates the “Headcount”. Please provide a copy of the computational model used, if applicable.
 - d. Provide the headcount information and ICP expenses for years 2005-2008, itemized in the same format as presented on page 11 of the workpapers.

SoCalGas Response:

- a. The term “Union ICP for Non-Rep Duties” includes work performed on a temporary basis by union personnel that is normally performed by non-represented personnel.
- b. The term “Headcount” refers to an employee of the company. This is different than Full Time Equivalent (FTE) as an FTE position is an indication of activity level not necessarily the actual number of employees performing the work.
- c. “Headcount” does not equal “Full Time Equivalent (FTE)”. An FTE position is an indication of activity level and not a specific headcount in any given year. In some cases headcount may be less than the FTE count. For example, the activity level driving the forecasted incremental FTE in an operational area may ultimately be performed using internal labor, outside contractors, overtime or a mix of each. In other cases, headcount may be more than the FTE count if the positions are filled with part-time employees.

In the 2012 GRC all positions are identified as FTE. The Witness and GRC Planner used management judgment to translate the incremental FTE that may result in an increase in headcount. SCG can provide a summary in table format of 2010-2012 estimated incremental headcount by witness area which was used to determine certain pension and benefits forecasts which are headcount driven and are not based on activity levels. This summary is attached below.



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Response to Question 1 (Continued)

d. The table below contains the headcount and payment information for 2005-2008 in the same format as page 11 of the workpapers

<i>Headcount Information</i>	2005	2006	2007	2008
Executive Headcount	7	7	6	7
Non Exec Headcount	1,677	1,790	1,840	1,755
Union Headcount	5,298	5,445	5,376	5,426
Total Headcount	6,982	7,242	7,222	7,188
<i>ICP Payments</i>				
Executive ICP	\$ 1,676,100	\$ 1,574,400	\$ 1,523,200	\$ 2,015,800
Non Executive ICP	10,446,347	35,613,182	36,544,647	39,712,695
Union ICP for Non-Rep Duties	471,553	1,308,418	1,645,153	1,878,505
Total Cost	\$12,594,000	\$38,496,000	\$39,713,000	\$43,607,000

Note: A Vacation and Sick (V&S) overhead loader was inadvertently added to the ICP historical years. SoCalGas will correct via an errata filing at the first opportunity.

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2. Page 12 of the workpapers shows how SCG calculates the ICP projections for years 2010-2012. Please provide the historical details of SCG's ICP program by providing data for years 2005-2009 in the exact format as shown on page 12 of the workpapers.

SoCalGas Response:

Attached is a file that contains the data requested for 2005-2009 in the format shown on page 12 of the workpapers



Q2-DRA-SCG-028.pdf

Note: A Vacation and Sick (V&S) overhead loader was inadvertently added to the ICP historical years. SoCalGas will correct via an errata filing at the first opportunity.

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3. On page 184 of the workpapers SCG uses the term, “# of Employees.” Please define this term and state if this is equivalent to “FTE” or “Headcount”. Please explain in detail and show step-by-step how SCG calculates the “# of Employees”.

SoCalGas Response:

The term “# of Employees” is equivalent to headcount. The number of employees is calculated by taking the actual number of employees/headcount as of 12/31/2009 and adding expected changes for 2010-2012 by employee type included in the response to request 1c. All changes in management personnel are assumed to be non-executive for purposes of the Employee Recognition projection as noted in the assumption on page 184.

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4. Provide the number of employees and cost per employee for the Employee Recognition program for years 2005-2009, in the exact format as presented on page 184 of the workpapers.

SoCalGas Response:

Attached below is a table containing the requested data.

Year	# Non Executive Employees	Amount
2005	6,975	\$ 418,381
2006	7,235	300,315
2007	7,216	320,405
2008	7,181	291,345
2009	7,136	158,428