

**DRA DATA REQUEST
DRA-SCG-074-DAO
SOCALGAS 2012 GRC – A.10-12-006
SOCALGAS RESPONSE
DATE RECEIVED: APRIL 14, 2011
DATE RESPONDED: APRIL 29, 2011**

Exhibit Reference: SCG-2 Gas Distribution O&M Expenses

Subject: Leak Survey

Please provide the following:

1. Referring to pages GOM-17 and GOM-18, please identify the number of footage that SCG plans to survey and the annual expense forecast for 2012.

SoCalGas Response 01:

SoCalGas' forecast for leak survey for the year 2012 can be found on testimony page GOM-17 as well as page 25 of 234 of the work papers. SoCalGas did not derive its expense forecast for the Leak Survey work group based on footage growth. Rather trending of historical spending determined the estimate of forecasted expenditures. Therefore there is no forecast for 2012 footage.

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2. Referring to the statement on page GOM-18, in which SCG states, “In total, the incremental expense necessary to fund leak survey for its growing system is \$414,000 over the 2009 adjusted recorded base in TY2012.” Please provide the system growth rate projected for 2012 and also provide a citation to SCG’s testimony and/or workpapers where the projected growth rate is discussed and/or supported.

SoCalGas Response 02:

The forecast for leak survey was not based upon a projected system growth rate but rather on a five year trend of the historical expense in this work group. As shown in Table 9 on page GOM-18, the footage surveyed between the years 2005-2009 has increased each year.

**Table SCG-GOM-09
Gas Distribution O&M Non-Shared Services
Annual Distribution Pipe Leak Surveyed by Year**

	2005	2006	2007	2008	2009
Annual Expense (In 2009 Dollars)	\$3,249,000	\$3,446,000	\$3,573,000	\$3,696,000	\$3,731,000
Footage Surveyed	102,671,230	105,795,610	110,055,294	116,299,385	117,193,314

As a result of increased system footage as described on page GOM-18, and the associated leak survey requirements, a five-year trend of the historical expense was deemed the appropriate forecast methodology. SoCalGas did not project a system growth rate in conjunction with the forecast for leak survey, nor was such a growth rate discussed in testimony Exhibit SCG-02 or the associated work papers.