

**SAN DIEGO GAS AND ELECTRIC COMPANY
SOUTHERN CALIFORNIA GAS COMPANY
2013 TRIENNIAL COST ALLOCATION PROCEEDING (A.11-11-002)
(5th DATA REQUEST FROM SCGC)**

QUESTION 5.1:

5.1. Regarding the workpapers sent in response to SCGC Data 1 for the updated TCAP filing, within the workbook, 2013TCAP SCG RD Model.xls, please refer, to the PDF printouts of the following tabs, Rate Tables, TCAP RATE Summary, and Lenart Testimony Tables, which are each attached here:



- 5.1.1. Please explain why the “2013TCAP No Adjustments” rate in Mr. Lenart’s Tables 15 and 16 and Mr. Lenart’s Appenix apparently match the “Baseline Rates” (Column J) in the tab “TCAP RATE Summary” (e.g., Res=\$0.56776/th) while the January 1 2013 Proposed Rates in the “Rate Tables tab” apparently match the “Update Reg Accts – Final Rates” (Column N) in the tab “TCAP RATE Summary” (e.g., Res=\$0.56006/th).
- 5.1.2. Shouldn’t the 2013TCAP No Adjustments rate in Mr. Lenart’s testimony, Tables 15 and 16 and Appendix, match the January 1 2013 Proposed Rates?
- 5.1.3. If the answer to the previous question is “no,” please provide a detail account that accounts for the differences between the two rates and why it is appropriate that Mr. Lenart’s testimony reflect those differences.

RESPONSE 5.1:

- 5.1.1. The “TCAP RATE Summary” tab was used by SoCalGas and SDG&E to run the different rate scenarios required for the testimonies of Mr. Lenart and Mr. Bonnett. Please see DRA-TMR-04 Response 1, located at <http://socalgas.com/regulatory/documents/a-11-11-002/DRA-TMR-4.pdf>, for a description of how this tab was utilized.

The question correctly identifies the sources of the data utilized to populate the various rate tables presented in testimony. For the tables in Mr. Lenart’s testimony, the forecasted regulatory account balances presented by Mr. Ahmed and Mr. Shimansky were not added to the transportation rates. By maintaining the same regulatory account balances in all of the rates in Mr. Lenart’s testimony tables, one is able to identify the impacts of the cost allocation study (including the proposed transition adjustments) without being skewed by the impacts of various regulatory account amortization changes.

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In Mr. Bonnett's testimony, the regulatory account balance forecasts are added to show the fully estimated 1/1/2013 rates.

5.1.2. No.

5.1.3. There are two reasons why the rates in the columns referenced are different. The first is that which was discussed in Response 5.1.1. (i.e., the treatment of regulatory account balance forecasts). Another is that the rates in "2013TCAP No Adjustments" columns do not include the proposed transition adjustments, while the proposed rates in the rate tables tab do.

To clarify the sequence of rates as presented in the two testimonies:

- SoCalGas and SDG&E began with currently effective 1/1/2012 rates, as shown in all testimony tables.
- The cost allocation studies were updated. This provided the rates under the "Baseline Rates" heading in the "TCAP RATE Summary" tab and match Mr. Lenart's tables under the columns "2013TCAP No Adjustments."
- The proposed transition adjustments were then added to the rates. These rates are shown under the "Add New Adjustments" column heading in the "TCAP RATE Summary" tab, but also match Mr. Lenart's table 16 column "2013TCAP w/ Adjustment," his Appendix column "Proposed 2013TCAP rates w/ Adj," and Mr. Bonnett's Table 1 columns "2013 TCAP Rates w/ Transition Adjustments."
- Finally, the regulatory account balance forecasts were added to the transportation rates. These rates are shown under the "Update Reg Accts – Final Rates" column of the "TCAP RATE Summary" tab, and match those shown in Mr. Bonnett's Rate Table 1 under "2013 TCAP Rates w/ Regulatory Account Forecasts" as well as those in his Appendix Rate Tables.