**QUESTION 11.1:**

1. Does SoCalGas agree that “the Sempra Utilities had read the wrong number off the wrong page to set SoCalGas’s income taxes”?
   1. If the answer to Q.11.1 is “yes,” please identify the location (page and line number) of the original figures that were used in calculating the “negative $31.9” for use as income taxes and explain why these numbers were incorrect.
   2. If the answer to Q.11.1 is “yes,” please identify the correct figure(s) that should be used for calculating SoCalGas’ 2013 income taxes and explain why these figures are correct.

**RESPONSE 11.1:**

No.

**QUESTION 11.2:**

1. Did SoCalGas provide an income tax figure of $119.4?

**RESPONSE 11.2:**

Yes. However, the $119.4 million number was subsequently revised to $32.125 million.

**QUESTION 11.3:**

1. If the answer to the previous question is “yes,” please provide a copy of the response to TURN’s data requests or describe the oral communication that confirms that SoCalGas believes that $119.4 is the correct figure for income taxes.

**RESPONSE 11.3:**

See revised data response to TURN DR-03, Q.14, which was stated as being provided for informational purposes only. Please also refer to the attached Excel file, the tab labeled “2013 SoCalGas Return” cell E32.



**QUESTION 11.4:**

1. Does SoCalGas agree that its provision of its response to TURN-03, Q.14 on a “For informational purposes only” basis with a version of the cost of service model that includes “deferred income taxes in the transmission revenue requirement” constitutes an agreement that deferred income taxes should be included in the cost of service analysis?

**RESPONSE 11.4:**

No.

**QUESTION 11.5:**

1. Does SoCalGas believe that it is correct to include deferred taxes in the calculation of transmission revenue requirement?

**RESPONSE 11.5:**

No.

**QUESTION 11.6:**

1. Please explain the answer to the previous question.

**RESPONSE 11.6:**

Embedded costs are based on actual costs incurred in a specific calendar year. Since deferred income taxes will be paid in the future, those costs are not included in the embedded cost calculation.