ORA DATA REQUEST ORA-SCG-093-DAO SOCALGAS 2019 GRC – A.17-10-008 SOCALGAS RESPONSE

DATE RECEIVED: JANUARY 22, 2018 DATE RESPONDED: FEBRUARY 5, 2018

Exhibit Reference: SCG-04-R Testimony

SCG Witness: Gina Orozco-Mejia

Subject: Gas Distribution Capital, Regulator Station Replacement Program

Please provide the following:

1. Referring to Ex. SCG-04-R revised testimony, page GOM-111, lines 18-25, wherein SCG states, "At the current replacement rate, 68% of the regulator stations in the system will be above the expected useful life of 35 years..." Please provide the following:

a. Please identify the number of stations referenced as 68%;

- b. With the SCG proposed incremental work of replacing 8 stations in 2018 and 18 stations in 2019, how many stations does SCG expect to be above the expected useful life of 35 years?
- c. What is an acceptable number of regulator stations above the age of 35 years for SCG's system? Please provide the calculations, and any analyses performed by SCG or on SCG's behalf, used to determine the acceptable number of regulator stations.
- d. Provide the timeframe in which SCG has operated with zero regulator stations above the age of 35 years old.

SoCalGas Response 1:

- a. Approximately 1,343 regulator stations were identified as the number of stations referenced as 68% at the time of forecast. The number was based on a 10-year projection of the regulator station inventory age progression. It did not factor in new stations. The data was based on a survey that was in progress at the time of forecast.
- b. SoCalGas is proposing to replace an incremental 10 stations in 2018 and 18 in 2019. The reference in Ex. SCG-04-R, page GOM-111, line 18 will be corrected to reflect 10 stations at the next available opportunity. Age is only one of the factors SoCalGas uses to determine whether a regulator station is replaced. SoCalGas did not forecast the number of regulator stations that will exceed the age of 35 years in the test year 2019. However, if SoCalGas assumes the replacement of an incremental 28 regulator stations older than 35 years through 2019, SoCalGas would have approximately 858 regulator stations above 35 years old by the end of 2019.
- c. SoCalGas objects to this request on the grounds that it is vague and ambiguous with respect to the phrase 'acceptable number' and on that basis, SoCalGas is unable to fully respond. SoCalGas further objects to this request on the grounds that it calls for speculation. Subject to and without waiving the foregoing objections, SoCalGas responds as follows: There is no specific number of acceptable regulator stations above the age of

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SoCalGas Response 1 Continued:

35 years in SoCalGas' system. Age is only one of the factors SoCalGas uses to determine whether a regulator station requires replacement. SoCalGas' operating and maintenance practices allow stations to exceed the average useful life.

d. SoCalGas does not track this information and is not able to make this assessment.