ORA DATA REQUEST ORA-SCG-DR-092-KCL SOCALGAS 2016 GRC – A.14-11-004 SOCALGAS RESPONSE DATE RECEIVED: MARCH 16, 2015

DATE RESPONDED: MARCH 10, 2015

Data Request No: ORA-SCG-092-KCL

Exhibit Reference: SCG-07, SCG-07-WP, and SCG-07-CWP

Subject: Capital Expenditures on Gas Engineering – Compressor Stations

Please provide the following:

1. Table RKS-22 on page RKS-66 of SCG-07 shows that in 2016, it is estimated that SoCalGas will spend \$28.855 million of capital expenditures for Ventura Station compressor change outs, and \$32.630 million for Blythe Station compressor change outs. It is about mid-March now in 2015. Please provide the current status of the project plans. Please also provide the current status of the procurement details, contracting details, and details of acquiring necessary permits for these two projects.

SoCalGas Response 01:

The forecasts for projects represented in the GRC are developed as a snapshot-in-time as of the November 2014 date of the Application filing, and are representative of the types of projects and programs the utility expects to encounter in the normal course of business. Projects that are either delayed or advanced in one area may be offset by other projects that are advanced or delayed in another as a result of changing conditions such as permit applications, resource supply, changed priorities and emergent work. The Rate Case Plan does not provide for the utility to update its forecasted expenses, either up or down, in its application except for certain, specific and identified items in the update filing following hearings. The capital forecasts for these and other capital projects were developed using various forecast methodologies which are described in capital workpapers, and are not subject to updating for changes in status. With these conditions in mind, SoCalGas responds to this question as follows:

Ventura Station

SoCalGas is refining design specifications and requirements for a Request for Proposal (RFP) for contracted engineering design services.

Blythe Station

SoCalGas is refining design specifications and requirements for a Request for Proposal (RFP) for contracted engineering design services.