

DRA DATA REQUEST
DRA-SCG-090-DAO
SOCALGAS 2012 GRC – A.10-12-006
SOCALGAS RESPONSE
DATE RECEIVED: MAY 10, 2011
DATE RESPONDED: MAY 27, 2011

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

Subject: Operations Management and Training-Engineering Rotation Program

Please provide the following:

1. Referring to page GOM-46, please state whether or not SCG currently has an Engineering Rotation Program. If yes, please provide the following:
 - a. A copy of the program scope.
 - b. The number of FTEs managing the program and the program expenses for each year from 2005-2011 YTD.
 - c. The number of new engineers enrolled/hired into the program and the number that completed the Engineering Rotation Program for each year from 2005-2011 YTD.

SoCalGas Response:

SoCalGas currently has an Engineering Rotation Program, known as the Engineering Development Program.

- a. Please see the program scope attached below. This document may be modified from time-to-time to respond to changing business needs.



Engineering
Development Program

- b. Facilitation of the engineer selection process, placement, and rotational assignments are completed by the Engineering Design Manager and the Director of Gas Engineering. These activities are integrated as part of their regular work assignments. Therefore, there are no program management costs, and the only expenses for the program are the labor costs for the rotation engineers.

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SoCalGas Response to Question 1 (continued):

c. Please see the table below.

Year	Engineers “in” the Program²	Number of New Engineers that Started the Program	Number of Engineers that Completed the Program
2005	4	4	0
2006	11	7	0
2007	13	3	6
2008	11	5	5
2009	6	0	1
2010	5	0	5
2011 YTD	1 ¹	1 ¹	0

1. SoCalGas has extended offers to an additional 11 new rotation engineers, who have all accepted the offers, and are scheduled to start by June 20, 2011.

2. Hiring dates and transition to permanent assignments will impact the hours of work and thus the overall FTE count.

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2. A detailed explanation of how SCG determined that it will need to add 6 new positions to the Engineering Rotation Program. Include a copy of all supporting documents and or calculations.

SoCalGas Response:

In anticipation of future replacement needs due to retirements and/or other related position changes; growing local, state and federal regulatory oversight regarding pipeline safety; customer's service requirements such as additional pressure or transportation service; and the need for project managers to handle the many projects SoCalGas must take on every year, SoCalGas is proposing to hire more engineers to support its operations. These individuals will be hired and initially placed within the Engineering Development Program. This "program" is a formalized approach to introduce new engineers into the utility. The approach provides these new hires an overview of the operations, opportunities to be coached and mentored by veteran engineers, and time to build their understanding of operations prior to their regular assignment. (Additional details of the approach are described in the scope document provided in response to Question 1a of this Data Response).

The six additional positions were established based on feedback from managers of interested departments – including Region Operations, Transmission, Storage, Engineering, Environmental, and Capacity Planning and in consideration of the departments work requirements, age and maturity of existing employee base, and time required to gain proficiency within their areas. It was concluded that positions could generally be distributed one within each of the four operating regions, one within Transmission and/or Storage and/or other areas, and one within the Engineering department. Even if SoCalGas did not have this Engineering Development Program, the utility would still need these 6 incremental FTEs to meet workload and replacement requirements.