

**ORA DATA REQUEST  
ORA-SCG-DR-023-STA  
SOCALGAS 2016 GRC – A.14-11-004  
SOCALGAS RESPONSE  
DATE RECEIVED: DECEMBER 10, 2014  
DATE RESPONDED: DECEMBER 23, 2014**

**Exhibit Reference:** SCG-22 and workpapers

**Subject:** Pension and Postretirement Benefits other than Pension (PBOP)

**Please provide the following:**

1. The Actuarial Valuation Reports for both the Pension and PBOP plans for the plan year beginning January 1, 2014.

**SoCalGas Response 01:**

The final Actuarial Valuation Reports for the plan year beginning January 1, 2014 for the pension and PBOP plans will not be available until early 2015.

**ORA DATA REQUEST  
ORA-SCG-DR-023-STA  
SOCALGAS 2016 GRC – A.14-11-004  
SOCALGAS RESPONSE  
DATE RECEIVED: DECEMBER 10, 2014  
DATE RESPONDED: DECEMBER 23, 2014**

2. Updated versions of the tables found on pages 11, 12, 20, and 21 of the workpapers.

**SoCalGas Response 02:**

2014 financial information necessary to update these tables will not be available until after SCG makes its 10-K filing with the SEC in early 2015.

**ORA DATA REQUEST  
ORA-SCG-DR-023-STA  
SOCALGAS 2016 GRC – A.14-11-004  
SOCALGAS RESPONSE  
DATE RECEIVED: DECEMBER 10, 2014  
DATE RESPONDED: DECEMBER 23, 2014**

3. SoCalGas is projecting an increase in headcount of approximately 10% from 2014 to 2016.
  - a. Was this increase included in Actuarial Valuations and/or the projections for Pension and/or PBOP expense?
  - b. If so, please also provide those valuations and/or projections with the headcount held constant at the 2014 level.

**SoCalGas Response 03:**

- a. The projected increase headcount was not included in the Pension and PBOP expense in the Actuarial Valuations but was included in the projections provided in the workpapers.

Headcount increases are not included in the Actuarial Valuation as they are completed as of the measurement date prescribed by Generally Accepted Accounting Principles and only reflect actual headcount as of that date.

- b. At this time, no projections for Pension and PBOP expense with the headcount held constant have been prepared as this is not part of the current filing.

**ORA DATA REQUEST  
ORA-SCG-DR-023-STA  
SOCALGAS 2016 GRC – A.14-11-004  
SOCALGAS RESPONSE  
DATE RECEIVED: DECEMBER 10, 2014  
DATE RESPONDED: DECEMBER 23, 2014**

4. The 2016 Pension contribution for SoCalGas is forecast to be \$82.09 million, after no contribution in 2015 and a \$26.6 million contribution in 2014. If this increase is not explained by headcount increases, then please explain in detail what else is driving this increase.

**SoCalGas Response 04:**

A negligible amount of the increase in the forecasted 2016 pension contribution for SoCal Gas is attributable to headcount increases. The increase is due to the delay in contributions mandated by the Highway and Transportation Funding Act (“HATFA”), which became law on August 8, 2014 as described below.

As described on page DS-3 of the testimony “The [Pension] contribution is the minimum required annual contribution under the Pension Protection Act of 2006 (“PPA”). The minimum required annual contribution is equal to the target normal cost plus amortization of any funding shortfall. The PPA established a plan funding target equal to the present value of benefits accrued or earned as of the valuation date (January 1 for the Pension Plan). A funding shortfall occurs when the actuarial value of plan assets falls below the PPA funding target”.

On described on page DS-7 of the testimony, HATFA has the effect of increasing interest rates used for funding the plan and lowering minimum contributions over the next few years. As stated on the same page of the testimony “The 2016 GRC projections as updated for HAFTA show a delay in higher contributions until 2016 and then continuing thru 2022 as the impact of HATFA diminishes and full PPA funding levels are gradually attained.”