

Application of SOUTHERN CALIFORNIA GAS)
COMPANY for authority to update its gas revenue)
requirement and base rates)
effective January 1, 2016 (U 904-G))

Application No. 14-11-004

Exhibit No.: (SCG-17-WP-R)

REVISED WORKPAPERS TO
PREPARED DIRECT TESTIMONY
OF JILL TRACY
ON BEHALF OF SOUTHERN CALIFORNIA GAS COMPANY

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

MARCH 2015



**2016 General Rate Case - REVISED
INDEX OF WORKPAPERS**

Exhibit SCG-17-WP-R - ENVIRONMENTAL

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Overall Summary For Exhibit No. SCG-17-WP-R

Area:	ENVIRONMENTAL
Witness:	Jill Tracy

Description	In 2013 \$ (000) Incurred Costs			
	Adjusted-Recorded	Adjusted-Forecast		
	2013	2014	2015	2016
Non-Shared Services	8,305	8,426	8,618	9,527
Shared Services	2,863	3,054	3,520	3,468
Total	11,168	11,480	12,138	12,995

Note: Totals may include rounding differences.

Southern California Gas Company
 2016 GRC - REVISED
 Non-Shared Service Workpapers

Area: ENVIRONMENTAL
 Witness: Jill Tracy

Summary of Non-Shared Services Workpapers:

Description	In 2013 \$ (000) Incurred Costs			
	Adjusted-Recorded	Adjusted-Forecast		
	2013	2014	2015	2016
A. Environmental Compliance	3,288	3,361	3,468	3,624
B. New Environmental Reg Balancing Acct (NERBA)	5,017	5,065	5,150	5,903
Total	8,305	8,426	8,618	9,527

Note: Totals may include rounding differences.

Southern California Gas Company
2016 GRC - REVISED
Non-Shared Service Workpapers

Area: ENVIRONMENTAL
Witness: Jill Tracy
Category: A. Environmental Compliance
Workpaper: 2EV000.000

Summary for Category: A. Environmental Compliance

	In 2013\$ (000) Incurred Costs			
	Adjusted-Recorded	Adjusted-Forecast		
	2013	2014	2015	2016
Labor	1,973	2,046	2,153	2,153
Non-Labor	1,316	1,316	1,316	1,472
NSE	0	0	0	0
Total	3,289	3,362	3,469	3,625
FTE	22.0	23.0	25.0	25.0

Workpapers belonging to this Category:

2EV000.000 ENVIRONMENTAL

Labor	1,973	2,046	2,153	2,153
Non-Labor	1,316	1,316	1,316	1,472
NSE	0	0	0	0
Total	3,289	3,362	3,469	3,625
FTE	22.0	23.0	25.0	25.0

Note: Totals may include rounding differences.

Beginning of Workpaper
2EV000.000 - ENVIRONMENTAL

Southern California Gas Company
2016 GRC - REVISED
Non-Shared Service Workpapers

Area: ENVIRONMENTAL
Witness: Jill Tracy
Category: A. Environmental Compliance
Category-Sub: 1. Environmental Compliance
Workpaper: 2EV000.000 - ENVIRONMENTAL

Activity Description:

Environmental Services responds dynamically to several changing factors in the SCG territory which cannot be expected to follow historical trending patterns. Regulatory instructions and requirements from government agencies expand the scope of Environmental attention annually. These Environmental Services cost centers includes subject matter experts in air and water quality, biological resources, cultural resources, land planning, and managing the internal environmental governance of the company. The group supports ongoing environmental compliance, including obtaining environmental permits and approvals, developing environmental plans and conducting specialized environmental training.

Forecast Explanations:

Labor - Base YR Rec

The forecast method developed for this cost category is base year forecasting. This method is most appropriate because it identifies specific environmental regulatory changes and their related costs impacting the company during the GRC period that may not be represented using an average or trending forecast model.

Non-Labor - Base YR Rec

The forecast method developed for this cost category is base year forecasting. This method is most appropriate because it identifies specific environmental regulatory changes and their related costs impacting the company during the GRC period that may not be represented using an average or trending forecast model.

NSE - Base YR Rec

The forecast method developed for this cost category is base year forecasting. This method is most appropriate because it identifies specific environmental regulatory changes and their related costs impacting the company during the GRC period that may not be represented using an average or trending forecast model.

Summary of Results:

		In 2013\$ (000) Incurred Costs								
		Adjusted-Recorded					Adjusted-Forecast			
Years	2009	2010	2011	2012	2013	2014	2015	2016		
Labor	1,137	1,459	1,318	1,619	1,973	2,046	2,153	2,153		
Non-Labor	521	437	660	1,275	1,316	1,316	1,316	1,472		
NSE	0	0	0	0	0	0	0	0		
Total	1,658	1,896	1,978	2,894	3,288	3,361	3,468	3,624		
FTE	12.7	16.1	14.3	16.9	22.0	23.0	25.0	25.0		

Note: Totals may include rounding differences.

Southern California Gas Company
2016 GRC - REVISED
Non-Shared Service Workpapers

Area: ENVIRONMENTAL
Witness: Jill Tracy
Category: A. Environmental Compliance
Category-Sub: 1. Environmental Compliance
Workpaper: 2EV000.000 - ENVIRONMENTAL

Forecast Summary:

In 2013 \$(000) Incurred Costs										
Forecast Method		Base Forecast			Forecast Adjustments			Adjusted-Forecast		
Years		2014	2015	2016	2014	2015	2016	2014	2015	2016
Labor	Base YR Rec	1,973	1,973	1,973	73	180	180	2,046	2,153	2,153
Non-Labor	Base YR Rec	1,316	1,316	1,316	0	0	156	1,316	1,316	1,472
NSE	Base YR Rec	0	0	0	0	0	0	0	0	0
Total		3,288	3,288	3,288	73	180	336	3,361	3,468	3,624
FTE	Base YR Rec	22.0	22.0	22.0	1.0	3.0	3.0	23.0	25.0	25.0

Forecast Adjustment Details:

<u>Year/Expl.</u>	<u>Labor</u>	<u>NLbr</u>	<u>NSE</u>	<u>Total</u>	<u>FTE</u>	<u>Adi Type</u>
2014	73	0	0	73	1.0	1-Sided Adj

CC2200-0733 Justification - Labor adjustment for full-year funding.

2014 Total	73	0	0	73	1.0	
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2015	107	0	0	107	2.0	1-Sided Adj
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CC 2200-2443 Justification - Environmental Sustainability Operational Support: These two (2) FTE positions will support SCG's Green Operations Initiative by developing a centralized environmental data collection system, identifying key performance indicators, setting goals for reducing the company's environmental footprint, analyzing operational processes for efficiencies and cost reduction opportunities, and establishing an annual cycle of monitoring with operations.

2015	73	0	0	73	1.0	1-Sided Adj
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CC 2200-0733 Justification - Labor adjustment for full-year funding.

2015 Total	180	0	0	180	3.0	
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2016	107	0	0	107	2.0	1-Sided Adj
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CC 2200-2443 Justification - Environmental Sustainability Operational Support: These two (2) FTE positions will support SCG's Green Operations Initiative by developing a centralized environmental data collection system, identifying key performance indicators, setting goals for reducing the company's environmental footprint, analyzing operational processes for efficiencies and cost reduction opportunities, and establishing an annual cycle of monitoring with operations.

Note: Totals may include rounding differences.

Southern California Gas Company
2016 GRC - REVISED
Non-Shared Service Workpapers

Area: ENVIRONMENTAL
 Witness: Jill Tracy
 Category: A. Environmental Compliance
 Category-Sub: 1. Environmental Compliance
 Workpaper: 2EV000.000 - ENVIRONMENTAL

<u>Year/Expl.</u>	<u>Labor</u>	<u>NLbr</u>	<u>NSE</u>	<u>Total</u>	<u>FTE</u>	<u>Adi Type</u>
2016	0	156	0	156	0.0	1-Sided Adj

CC 2200-0733 Justification - Pico Rivera & Olympic Treatment Storage & Disposal Facilities (TSDF) Permit Renewals: The existing Pico Rivera and Olympic TSDF RCRA Part B permits are 10-year permits that expire July 30, 2017 and May 4, 2017 (Department of Toxic Substances Control Permit #:07-GLN-08 & 07-GLN-03). The permit application process requires a consultant to support development of the TSDF permit renewal, associated technical documents, agency meetings and inquiries and public outreach. SoCalGas anticipates \$267k will be the total cost for the permit development process and permit fees. Approximately, \$110k of the \$267k associated with Olympic TSDF would be subject to recovery from a third party and the remaining cost of \$156k is the forecast expense for 2016. Cost estimates are based on a consultant estimate and Department of Toxic Substances Control permit fee schedule. The permit development process begins in 2016. See Supplemental Workpapers.

2016	73	0	0	73	1.0	1-Sided Adj
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CC 2200-0733 - Labor adjustment for full-year funding.

2016 Total	180	156	0	336	3.0	
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Note: Totals may include rounding differences.

Southern California Gas Company
2016 GRC - REVISED
Non-Shared Service Workpapers

Area: ENVIRONMENTAL
Witness: Jill Tracy
Category: A. Environmental Compliance
Category-Sub: 1. Environmental Compliance
Workpaper: 2EV000.000 - ENVIRONMENTAL

Determination of Adjusted-Recorded (Incurred Costs):

	2009 (\$000)	2010 (\$000)	2011 (\$000)	2012 (\$000)	2013 (\$000)
Recorded (Nominal \$)*					
Labor	240	228	906	1,108	1,691
Non-Labor	444	352	634	1,159	1,316
NSE	0	0	0	0	0
Total	684	580	1,540	2,267	3,007
FTE	3.6	3.3	10.7	12.3	18.9
Adjustments (Nominal \$) **					
Labor	644	937	174	255	0
Non-Labor	26	52	0	94	0
NSE	0	0	0	0	0
Total	670	989	174	349	0
FTE	7.2	10.4	1.5	2.2	0.0
Recorded-Adjusted (Nominal \$)					
Labor	884	1,165	1,080	1,362	1,691
Non-Labor	470	405	634	1,253	1,316
NSE	0	0	0	0	0
Total	1,354	1,570	1,714	2,616	3,007
FTE	10.8	13.7	12.2	14.5	18.9
Vacation & Sick (Nominal \$)					
Labor	148	193	179	218	281
Non-Labor	0	0	0	0	0
NSE	0	0	0	0	0
Total	148	193	179	218	281
FTE	1.9	2.4	2.1	2.4	3.2
Escalation to 2013\$					
Labor	105	101	59	38	0
Non-Labor	51	33	25	22	0
NSE	0	0	0	0	0
Total	156	134	85	60	0
FTE	0.0	0.0	0.0	0.0	0.0
Recorded-Adjusted (Constant 2013\$)					
Labor	1,137	1,459	1,318	1,619	1,973
Non-Labor	521	437	660	1,275	1,316
NSE	0	0	0	0	0
Total	1,658	1,896	1,978	2,894	3,288
FTE	12.7	16.1	14.3	16.9	22.1

* After company-wide exclusions of Non-GRC costs

** Refer to "Detail of Adjustments to Recorded" page for line item adjustments

Note: Totals may include rounding differences.

Southern California Gas Company
2016 GRC - REVISED
Non-Shared Service Workpapers

Area: ENVIRONMENTAL
Witness: Jill Tracy
Category: A. Environmental Compliance
Category-Sub: 1. Environmental Compliance
Workpaper: 2EV000.000 - ENVIRONMENTAL

Summary of Adjustments to Recorded:

In Nominal \$ (000) Incurred Costs					
Years	2009	2010	2011	2012	2013
Labor	644	937	174	255	0
Non-Labor	26	52	0.268	94	0
NSE	0	0	0	0	0
Total	670	989	174	349	0
FTE	7.2	10.4	1.5	2.2	0.0

Detail of Adjustments to Recorded:

<u>Year/Expl.</u>	<u>Labor</u>	<u>NLbr</u>	<u>NSE</u>	<u>FTE</u>	<u>Adj Type</u>	<u>From CCtr</u>	<u>RefID</u>
2009	66	0.661	0	1.0	CCTR Transf	From 2100-0206.000	MHARPER20131 113102408737
<p>In early 2011 three employees in cost center 2100-0206 were formally transferred from SDGE to SCG. The FTE calculation is based on hours-time in position at SDGE, the recorded SDGE O&M costs for labor and the associated non-labor used in performance of the SCG activities. The non-labor is calculated based upon the ratio of total hours worked by the transferring group of employees. The non-labor for the three employees is spread one-third to each employee for each year and cost center.</p>							
2009	75	3	0	0.8	CCTR Transf	From 2100-3035.000	MHARPER20131 114120458320
<p>In early 2011 six employees in cost center 2100-3035 Site Assessment supporting SCG were formally transferred from SDGE to SCG. The table displays the recorded SDGE O&M costs for labor and the associated non-labor used in performance of the SCG activities. The non-labor is calculated based upon the ratio of total hours worked by the transferring group of employees.</p>							
2009	318	10	0	3.2	CCTR Transf	From 2100-3035.000	MHARPER20131 118103440120
<p>In early 2011 six employees in cost center 2100-3035 Site Assessment supporting SCG were formally transferred from SDGE to SCG. The table displays the recorded SDGE O&M costs for labor and the associated non-labor used in performance of the SCG activities. The non-labor is calculated based upon the ratio of total hours worked by the transferring group of employees.</p>							
2009	66	11	0	0.8	CCTR Transf	From 2200-0433.000	RHFLAMIN20131 127110014037
<p>Transfer historical costs related to environmental employees to cost center 2200-2475.</p>							
2009	60	1	0	0.7	CCTR Transf	From 2200-0480.000	SVELASQU20131 127111225200
<p>Transfer historical costs related to environmental employees to cost center 2200-2475.</p>							

Note: Totals may include rounding differences.

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Category-Sub: 1. Environmental Compliance
Workpaper: 2EV000.000 - ENVIRONMENTAL

<u>Year/Expl.</u>	<u>Labor</u>	<u>NLbr</u>	<u>NSE</u>	<u>FTE</u>	<u>Adj Type</u>	<u>From Cctr</u>	<u>RefID</u>
2009	59	0.973	0	0.7	CCTR Transf	From 2200-0537.000	SVELASQU20131 127113110573

Transfer historical costs related to environmental employees to cost center 2200-2475.

2009 Total	644	26	0	7.2			
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2010	61	2	0	0.8	CCTR Transf	From 2100-3282.000	MHARPER20131 113072904640
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Employee Transfer Adjustment: In early 2011 one employee in cost center 2100-3282 Environmental Strategy and Sustainability supporting SCG was formally transferred from SDGE to SCG. The FTE calculation is based on time in position at SDGE, the recorded SDGE O&M costs for labor and the associated non-labor used in performance of the SCG activities. The non-labor is calculated based upon the ratio of total hours worked by the transferring employee.

2010	13	0.073	0	0.2	CCTR Transf	From 2100-0206.000	MHARPER20131 113102824720
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In early 2011 three employees in cost center 2100-0206 were formally transferred from SDGE to SCG. The FTE calculation is based on hours-time in position at SDGE, the recorded SDGE O&M costs for labor and the associated non-labor used in performance of the SCG activities. The non-labor is calculated based upon the ratio of total hours worked by the transferring group of employees. The non-labor for the three employees is spread one-third to each employee for each year and cost center.

2010	69	0.637	0	1.0	CCTR Transf	From 2100-0206.000	MHARPER20131 113102927073
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In early 2011 three employees in cost center 2100-0206 were formally transferred from SDGE to SCG. The FTE calculation is based on hours-time in position at SDGE, the recorded SDGE O&M costs for labor and the associated non-labor used in performance of the SCG activities. The non-labor is calculated based upon the ratio of total hours worked by the transferring group of employees. The non-labor for the three employees is spread one-third to each employee for each year and cost center.

2010	163	1	0	2.3	CCTR Transf	From 2100-0206.000	MHARPER20131 113103314673
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In early 2011 three employees in cost center 2100-0206 were formally transferred from SDGE to SCG. The FTE calculation is based on hours-time in position at SDGE, the recorded SDGE O&M costs for labor and the associated non-labor used in performance of the SCG activities. The non-labor is calculated based upon the ratio of total hours worked by the transferring group of employees. The non-labor for the three employees is spread one-third to each employee for each year and cost center.

Note: Totals may include rounding differences.

Southern California Gas Company
2016 GRC - REVISED
Non-Shared Service Workpapers

Area: ENVIRONMENTAL
Witness: Jill Tracy
Category: A. Environmental Compliance
Category-Sub: 1. Environmental Compliance
Workpaper: 2EV000.000 - ENVIRONMENTAL

<u>Year/Expl.</u>	<u>Labor</u>	<u>NLbr</u>	<u>NSE</u>	<u>FTE</u>	<u>Adj Type</u>	<u>From CCtr</u>	<u>RefID</u>
2010	317	7	0	3.1	CCTR Transf	From 2100-3035.000	MHARPER20131 114121001513
<p>In early 2011 six employees in cost center 2100-3035 Site Assessment supporting SCG were formally transferred from SDGE to SCG. The table displays the recorded SDGE O&M costs for labor and the associated non-labor used in performance of the SCG activities. The non-labor is calculated based upon the ratio of total hours worked by the transferring group of employees.</p>							
2010	75	2	0	0.8	CCTR Transf	From 2100-3035.000	MHARPER20131 114121130260
<p>In early 2011 six employees in cost center 2100-3035 Site Assessment supporting SCG were formally transferred from SDGE to SCG. The table displays the recorded SDGE O&M costs for labor and the associated non-labor used in performance of the SCG activities. The non-labor is calculated based upon the ratio of total hours worked by the transferring group of employees.</p>							
2010	74	18	0	0.4	CCTR Transf	From 2200-0433.000	RHFLAMIN20131 127110243590
<p>Transfer historical costs related to environmental employees to cost center 2200-2475.</p>							
2010	63	7	0	0.7	CCTR Transf	From 2200-0480.000	SVELASQU20131 127111538420
<p>Transfer historical costs related to environmental employees to cost center 2200-2475.</p>							
2010	69	0.839	0	0.7	CCTR Transf	From 2200-0537.000	SVELASQU20131 127113342467
<p>Transfer historical costs related to environmental employees to cost center 2200-2475.</p>							
2010	33	12	0	0.4	CCTR Transf	From 2200-2115.000	TPKAJ201311211 32419030
<p>Transfer of Field Environmental Representative labor and non-labor expense from Field Services to Environmental Services in order to align the historical expense with the forecast.</p>							
2010 Total	937	52	0	10.4			

2011	6	0.036	0	0.1	CCTR Transf	From 2100-0206.000	MHARPER20131 113103024703
<p>In early 2011 three employees in cost center 2100-0206 were formally transferred from SDGE to SCG. The FTE calculation is based on hours-time in position at SDGE, the recorded SDGE O&M costs for labor and the associated non-labor used in performance of the SCG activities. The non-labor is calculated based upon the ratio of total hours worked by the transferring group of employees. The non-labor for the three employees is spread one-third to each employee for each year and cost center.</p>							

Note: Totals may include rounding differences.

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2016 GRC - REVISED
Non-Shared Service Workpapers

Area: ENVIRONMENTAL
Witness: Jill Tracy
Category: A. Environmental Compliance
Category-Sub: 1. Environmental Compliance
Workpaper: 2EV000.000 - ENVIRONMENTAL

<u>Year/Expl.</u>	<u>Labor</u>	<u>NLbr</u>	<u>NSE</u>	<u>FTE</u>	<u>Adj Type</u>	<u>From Cctr</u>	<u>RefID</u>
2011	22	0.533	0	0.2	CCTR Transf	From 2100-3035.000	MHARPER20131 114121426423
<p>In early 2011 six employees in cost center 2100-3035 Site Assessment supporting SCG were formally transferred from SDGE to SCG. The table displays the recorded SDGE O&M costs for labor and the associated non-labor used in performance of the SCG activities. The non-labor is calculated based upon the ratio of total hours worked by the transferring group of employees.</p>							
2011	5	0.129	0	0.1	CCTR Transf	From 2100-3035.000	MHARPER20131 114121542960
<p>In early 2011 six employees in cost center 2100-3035 Site Assessment supporting SCG were formally transferred from SDGE to SCG. The table displays the recorded SDGE O&M costs for labor and the associated non-labor used in performance of the SCG activities. The non-labor is calculated based upon the ratio of total hours worked by the transferring group of employees.</p>							
2011	70	18	0	0.3	CCTR Transf	From 2200-0433.000	RHFLAMIN20131 127110413590
<p>Transfer historical costs related to environmental employees to cost center 2200-2475.</p>							
2011	64	14	0	0.6	CCTR Transf	From 2200-0480.000	SVELASQU20131 127111914180
<p>Transfer historical costs related to environmental employees to cost center 2200-2475.</p>							
2011	54	1	0	0.7	CCTR Transf	From 2200-0537.000	SVELASQU20131 127113605530
<p>Transfer historical costs related to environmental employees to cost center 2200-2475.</p>							
2011	-51	-33	0	-0.6	CCTR Transf	From 2200-2115.000	TPKAJ201311202 10813887
<p>Transfer of Field Environmental Representative labor and non-labor expense from Field Services to Environmental Services in order to align the historical expense with the forecast.</p>							
2011	4	0.166	0	0.1	CCTR Transf	From 2100-3282.000	MHARPER20131 113073320987
<p>Employee Transfer Adjustment: In early 2011 one employee in cost center 2100-3282 Environmental Strategy and Sustainability supporting SCG was formally transferred from SDGE to SCG. The FTE calculation is based on time in position at SDGE, the recorded SDGE O&M costs for labor and the associated non-labor used in performance of the SCG activities. The non-labor is calculated based upon the ratio of total hours worked by the transferring employee.</p>							
2011 Total	174	0.268	0	1.5			

2012	68	24	0	0.4	CCTR Transf	From 2200-0433.000	RHFLAMIN20131 127110515020
<p>Transfer historical costs related to environmental employees to cost center 2200-2475.</p>							

Note: Totals may include rounding differences.

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2016 GRC - REVISED
Non-Shared Service Workpapers

Area: ENVIRONMENTAL
 Witness: Jill Tracy
 Category: A. Environmental Compliance
 Category-Sub: 1. Environmental Compliance
 Workpaper: 2EV000.000 - ENVIRONMENTAL

<u>Year/Expl.</u>	<u>Labor</u>	<u>NLbr</u>	<u>NSE</u>	<u>FTE</u>	<u>Adj Type</u>	<u>From Cctr</u>	<u>RefID</u>
2012	81	19	0	0.5	CCTR Transf	From 2200-0480.000	SVELASQU20131 127112246440
Transfer historical costs related to environmental employees to cost center 2200-2475.							
2012	56	2	0	0.7	CCTR Transf	From 2200-0537.000	SVELASQU20131 127113823563
Transfer historical costs related to environmental employees to cost center 2200-2475.							
2012	51	48	0	0.6	CCTR Transf	From 2200-2115.000	TPKAJ201311211 32802417
Transfer of Field Environmental Representative labor and non-labor expense from Field Services to Environmental Services in order to align the historical expense with the forecast.							
2012 Total	255	94	0	2.2			
2013 Total	0	0	0	0.0			

Note: Totals may include rounding differences.

Supplemental Workpapers for Workpaper 2EV000.000

PICO RIVERA & OLYMPIC PERMIT RENEWAL APPLICATION – 2016 FORECAST

	VENDOR/ CONTRACTOR	PROJECT	2016 FORECAST	NOTES
1	Consultant Support			<p>Costs are based on estimates from Haley & Aldrich, who is SCG's Treatment, Storage, and Disposal Facility (TSDF) permitting consultant. Haley & Aldrich has extensive TSDF permitting experience and played a key role in preparing the Pico Rivera and Olympic 2006 permit renewal applications.</p> <p>Project Scope of Work: Haley & Aldrich will provide consultant support and prepare, review and revise all documents that are required elements of the Department of Toxic Substances Control RCRA Part B Permit Renewal Applications for SCG's Pico Rivera and Olympic Hazardous Waste Storage Facilities. Haley & Aldrich will also provide related consultant technical support with Department of Toxic Substances Control (Review & Response) until the Department of Toxic Substances Control permits are issued. Duties include but will not be limited to:</p> <ul style="list-style-type: none"> • Provide regulatory guidance for the content of the permit. • Develop drawings, diagrams and obtaining photos of equipment and storage areas. • Obtaining maps from an outside vendor (Mapping services etc.). • Speaking on SCG's behalf with Department of Toxic Substances Control regarding aspects of the permits and our strategies for both facilities. • Proof reading the permit contents to ensure it meets Department of Toxic Substances Control regulations.
		<i>Prepare Permit Renewal Applications</i>	\$190,000	<p>2016 Timeline: Jan: Start Project Sep: Final Draft Nov: Submit Application to Department of Toxic Substances Control Haley & Aldrich will prepare the Permit Renewal Application as outlined in the Project Scope of Work described above.</p>
		<i>Certificates of Design</i>	\$16,000	<p>2016 1st Quarter: Complete</p> <p>Haley & Aldrich will provide consultant support to prepare <i>Certification of Design</i> for the Permit Renewal Applications if needed.</p>
2	Department of Toxic Substances Control (Standardized, Series B permit)	<i>Permit Renewal Fees</i>	\$61,056	<p>2016</p> <p>The Department of Toxic Substances Control fee estimate for the Pico Rivera and Olympic Treatment, Storage & Disposal Facility Permit Renewal Application (RCRA Part B Permits) is based on the "Permitting Activity Fee" information described in the "Department of Toxic Substances Control Fee Summary" effective January 1, 2013. See also Hazardous Waste Fee Health and Safety Code 25205.7.</p>
	Total		\$267,056	

Note: These costs are not a bid. Costs provided are only estimates based on what is currently known and are subject to change.

Southern California Gas Company
2016 GRC - REVISED
Non-Shared Service Workpapers

Area: ENVIRONMENTAL
Witness: Jill Tracy
Category: B. New Environmental Reg Balancing Acct (NERBA)
Workpaper: 2EV000.001

Summary for Category: B. New Environmental Reg Balancing Acct (NERBA)

	In 2013\$ (000) Incurred Costs			
	Adjusted-Recorded	Adjusted-Forecast		
	2013	2014	2015	2016
Labor	51	69	154	154
Non-Labor	0	30	30	783
NSE	4,966	4,966	4,966	4,966
Total	5,017	5,065	5,150	5,903
FTE	0.6	0.6	1.6	1.6

Workpapers belonging to this Category:

2EV000.001 RNERBA - AB32 Fees Subpart W MS4 and LDAR

Labor	51	69	154	154
Non-Labor	0	30	30	783
NSE	4,966	4,966	4,966	4,966
Total	5,017	5,065	5,150	5,903
FTE	0.6	0.6	1.6	1.6

Note: Totals may include rounding differences.

Beginning of Workpaper
2EV000.001 - RNERBA - AB32 Fees Subpart W MS4 and LDAR

Southern California Gas Company
2016 GRC - REVISED
Non-Shared Service Workpapers

Area: ENVIRONMENTAL
 Witness: Jill Tracy
 Category: B. New Environmental Reg Balancing Acct (NERBA)
 Category-Sub: 1. New Environmental Reg Balancing Acct (NERBA)
 Workpaper: 2EV000.001 - RNERBA - AB32 Fees Subpart W MS4 and LDAR

Activity Description:

This is a refundable cost category related to gas operations that will be recorded in a regulatory two-way balancing account called the New Environmental Regulatory Balancing Account ("NERBA").

Forecast Explanations:

Labor - Base YR Rec

The forecast method developed for this cost category is base year forecasting. This method is most appropriate because it identifies specific environmental regulatory changes and their related costs impacting the company during the GRC period that may not be represented using an average or trending forecast model.

Non-Labor - Base YR Rec

The forecast method developed for this cost category is base year forecasting. This method is most appropriate because it identifies specific environmental regulatory changes and their related costs impacting the company during the GRC period that may not be represented using an average or trending forecast model.

NSE - Base YR Rec

The forecast method developed for this cost category is base year forecasting. This method is most appropriate because it identifies specific environmental regulatory changes and their related costs impacting the company during the GRC period that may not be represented using an average or trending forecast model.

Summary of Results:

		In 2013\$ (000) Incurred Costs								
		Adjusted-Recorded					Adjusted-Forecast			
		2009	2010	2011	2012	2013	2014	2015	2016	
Years										
	Labor	0	0	0	65	51	69	154	154	
	Non-Labor	0	0	0	8	0	30	30	783	
	NSE	0	5,085	7,046	6,079	4,966	4,966	4,966	4,966	
	Total	0	5,085	7,046	6,152	5,017	5,065	5,150	5,903	
	FTE	0.0	0.0	0.0	0.7	0.6	0.6	1.6	1.6	

Note: Totals may include rounding differences.

Southern California Gas Company
2016 GRC - REVISED
Non-Shared Service Workpapers

Area: ENVIRONMENTAL
 Witness: Jill Tracy
 Category: B. New Environmental Reg Balancing Acct (NERBA)
 Category-Sub: 1. New Environmental Reg Balancing Acct (NERBA)
 Workpaper: 2EV000.001 - RNERBA - AB32 Fees Subpart W MS4 and LDAR

Forecast Summary:

In 2013 \$(000) Incurred Costs										
Forecast Method		Base Forecast			Forecast Adjustments			Adjusted-Forecast		
Years		2014	2015	2016	2014	2015	2016	2014	2015	2016
Labor	Base YR Rec	51	51	51	18	103	103	69	154	154
Non-Labor	Base YR Rec	0	0	0	30	30	783	30	30	783
NSE	Base YR Rec	4,966	4,966	4,966	0	0	0	4,966	4,966	4,966
Total		5,017	5,017	5,017	48	133	886	5,065	5,150	5,903
FTE	Base YR Rec	0.6	0.6	0.6	0.0	1.0	1.0	0.6	1.6	1.6

Forecast Adjustment Details:

<u>Year/Expl.</u>	<u>Labor</u>	<u>NLbr</u>	<u>NSE</u>	<u>Total</u>	<u>FTE</u>	<u>Adi Type</u>
2014	18	0	0	18	0.0	1-Sided Adj

NERBA Subpart W: Labor adjustment to annualize existing labor costs as well as capture incremental labor costs required to support environmental compliance efforts.

2014	0	30	0	30	0.0	1-Sided Adj
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NERBA Subpart W: Consultants to support modifications Monitoring Recordkeeping and Reporting (MRR) Monitoring Plans.

2014 Total	18	30	0	48	0.0	
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2015	85	0	0	85	1.0	1-Sided Adj
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NERBA Greenhouse Gas (GHG) Methane Emissions Leak Detection and Repair (LDAR) Impact Program - Senate Bill 1371 and Assembly Bill 32 LDAR impose new mandatory Greenhouse Gas leak detection and reduction requirement. The estimates are based on twenty percent reduction scenario for leak detection and repair. See supplemental workpapers.

2015	18	0	0	18	0.0	1-Sided Adj
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NERBA Subpart W: Labor adjustment to annualize existing labor costs as well as capture incremental labor costs required to support environmental compliance efforts.

2015	0	30	0	30	0.0	1-Sided Adj
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NERBA Subpart W: Consultants to support modifications Monitoring Recordkeeping and Reporting (MRR) Monitoring Plans.

2015 Total	103	30	0	133	1.0	
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Note: Totals may include rounding differences.

Southern California Gas Company
2016 GRC - REVISED
Non-Shared Service Workpapers

Area: ENVIRONMENTAL
 Witness: Jill Tracy
 Category: B. New Environmental Reg Balancing Acct (NERBA)
 Category-Sub: 1. New Environmental Reg Balancing Acct (NERBA)
 Workpaper: 2EV000.001 - RNERBA - AB32 Fees Subpart W MS4 and LDAR

<u>Year/Expl.</u>	<u>Labor</u>	<u>NLbr</u>	<u>NSE</u>	<u>Total</u>	<u>FTE</u>	<u>Adi Type</u>
2016	85	0	0	85	1.0	1-Sided Adj

NERBA LDAR Impact Program (Environmental Services): Senate Bill 1371 and Assembly Bill 32 LDAR impose new mandatory Greenhouse Gas leak detection and reduction requirement. The estimates are based on twenty percent reduction scenario for leak detection and repair. See supplemental workpapers..

2016	18	0	0	18	0.0	1-Sided Adj
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NERBA Subpart W: Labor adjustment to annualize existing labor costs as well as capture incremental labor costs required to support environmental compliance efforts.

2016	0	540	0	540	0.0	1-Sided Adj
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NERBA LDAR Impact Program (Gas Transmission): Senate Bill 1371 and Assembly Bill 32 LDAR impose new mandatory Greenhouse Gas leak detection and reduction requirement. The estimates are based on twenty percent reduction scenario for leak detection and repair. See supplemental workpapers..

2016	0	213	0	213	0.0	1-Sided Adj
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NERBA LDAR Impact Program (Gas Storage): Senate Bill 1371 and Assembly Bill 32 LDAR impose new mandatory Greenhouse Gas leak detection and reduction requirement. The estimates are based on twenty percent reduction scenario for leak detection and repair. See supplemental workpapers.

2016	0	30	0	30	0.0	1-Sided Adj
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NERBA Subpart W: Consultants to support modifications Monitoring Recordkeeping and Reporting (MRR) Monitoring Plans.

2016 Total	103	783	0	886	1.0	
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Note: Totals may include rounding differences.

Southern California Gas Company
2016 GRC - REVISED
Non-Shared Service Workpapers

Area: ENVIRONMENTAL
 Witness: Jill Tracy
 Category: B. New Environmental Reg Balancing Acct (NERBA)
 Category-Sub: 1. New Environmental Reg Balancing Acct (NERBA)
 Workpaper: 2EV000.001 - RNERBA - AB32 Fees Subpart W MS4 and LDAR

Determination of Adjusted-Recorded (Incurred Costs):

	2009 (\$000)	2010 (\$000)	2011 (\$000)	2012 (\$000)	2013 (\$000)
Recorded (Nominal \$)*					
Labor	0	0	0	0	0
Non-Labor	0	0	0	0	0
NSE	0	0	0	0	0
Total	0	0	0	0	0
FTE	0.0	0.0	0.0	0.0	0.0
Adjustments (Nominal \$) **					
Labor	0	0	0	54	44
Non-Labor	0	0	0	8	0
NSE	0	4,742	6,797	5,994	4,966
Total	0	4,742	6,797	6,056	5,010
FTE	0.0	0.0	0.0	0.6	0.5
Recorded-Adjusted (Nominal \$)					
Labor	0	0	0	54	44
Non-Labor	0	0	0	8	0
NSE	0	4,742	6,797	5,994	4,966
Total	0	4,742	6,797	6,056	5,010
FTE	0.0	0.0	0.0	0.6	0.5
Vacation & Sick (Nominal \$)					
Labor	0	0	0	9	7
Non-Labor	0	0	0	0	0
NSE	0	0	0	0	0
Total	0	0	0	9	7
FTE	0.0	0.0	0.0	0.1	0.1
Escalation to 2013\$					
Labor	0	0	0	2	0
Non-Labor	0	0	0	0	0
NSE	0	343	249	85	0
Total	0	343	249	87	0
FTE	0.0	0.0	0.0	0.0	0.0
Recorded-Adjusted (Constant 2013\$)					
Labor	0	0	0	65	51
Non-Labor	0	0	0	8	0
NSE	0	5,085	7,046	6,079	4,966
Total	0	5,085	7,046	6,152	5,017
FTE	0.0	0.0	0.0	0.7	0.6

* After company-wide exclusions of Non-GRC costs

** Refer to "Detail of Adjustments to Recorded" page for line item adjustments

Note: Totals may include rounding differences.

Southern California Gas Company
2016 GRC - REVISED
Non-Shared Service Workpapers

Area: ENVIRONMENTAL
 Witness: Jill Tracy
 Category: B. New Environmental Reg Balancing Acct (NERBA)
 Category-Sub: 1. New Environmental Reg Balancing Acct (NERBA)
 Workpaper: 2EV000.001 - RNERBA - AB32 Fees Subpart W MS4 and LDAR

Summary of Adjustments to Recorded:

In Nominal \$ (000) Incurred Costs					
Years	2009	2010	2011	2012	2013
Labor	0	0	0	54	44
Non-Labor	0	0	0	8	0
NSE	0	4,742	6,797	5,994	4,966
Total	0	4,742	6,797	6,056	5,010
FTE	0.0	0.0	0.0	0.6	0.5

Detail of Adjustments to Recorded:

<u>Year/Expl.</u>	<u>Labor</u>	<u>NLbr</u>	<u>NSE</u>	<u>FTE</u>	<u>Adj Type</u>	<u>From CCtr</u>	<u>RefID</u>
2009 Total	0	0	0	0.0			
2010	0	0	4,742	0.0	1-Sided Adj	N/A	TP1DEW2014051 5223708347
RNERBA - 2010 AB32 Fees							
2010 Total	0	0	4,742	0.0			
2011	0	0	6,797	0.0	1-Sided Adj	N/A	TP1DEW2014022 6220314430
RNERBA - 2011 AB32 Fees							
2011 Total	0	0	6,797	0.0			
2012	0	0	5,994	0.0	1-Sided Adj	N/A	TP1DEW2014022 6220539217
RNERBA - 2012 AB32 Fees							
2012	54	8	0	0.6	1-Sided Adj	N/A	TP1DEW2014051 5200317113
2012 Labor and Transmission NL Costs							
2012 Total	54	8	5,994	0.6			

Note: Totals may include rounding differences.

Southern California Gas Company
2016 GRC - REVISED
Non-Shared Service Workpapers

Area: ENVIRONMENTAL
 Witness: Jill Tracy
 Category: B. New Environmental Reg Balancing Acct (NERBA)
 Category-Sub: 1. New Environmental Reg Balancing Acct (NERBA)
 Workpaper: 2EV000.001 - RNERBA - AB32 Fees Subpart W MS4 and LDAR

<u>Year/Expl.</u>	<u>Labor</u>	<u>NLbr</u>	<u>NSE</u>	<u>FTE</u>	<u>Adj Type</u>	<u>From Cctr</u>	<u>RefID</u>
2013	0	0	4,966	0.0	1-Sided Adj	N/A	TP1DEW2014022 6220836850
RNERBA - 2012 AB 32 Fees							
2013	44	0	0	0.5	1-Sided Adj	N/A	TP1DEW2014022 6221324407
RNERBA - 2013 SubPart W for Env Svcs cost center 2200-2176							
2013 Total	44	0	4,966	0.5			

Note: Totals may include rounding differences.

Supplemental Workpapers for Workpaper 2EV000.001

GRC 2016 NERBA Greenhouse Gas (GHG) Methane Emissions Leak Detection & Repair (LDAR) Impact Program

Issue Title:	NERBA ¹ Greenhouse Gas (GHG) Methane Emissions Leak Detection and Repair (LDAR) Impact Program																									
Affected Plan Category & Cost Centers:	Environmental Services (O&M), Gas Distribution (Capital & O&M), Gas Transmission (O&M), and Gas Storage (O&M).																									
Issue Description and Scope:	Senate Bill SB1371 ² (Leno) is to require California Public Utilities Commission, giving priority to safety, reliability, and affordability of service, to adopt rules and procedures governing the operation, maintenance, repair, and replacement of those commission-regulated gas pipeline facilities that are intrastate transmission and distribution lines to minimize leaks as a hazard to be mitigated pursuant to the Natural Gas Pipeline Safety Act of 2011 and to reduce emissions of natural gas from those facilities to the maximum extent feasible in order to advance the state's goals in reducing emissions of greenhouse gases pursuant to the California Global Warming Solutions Act of 2006.																									
Estimated Cost Impacts	<table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="5" style="text-align: center;"><u>Total Expected Costs per Year (\$000K)</u></th> </tr> <tr> <th style="text-align: center;">Type</th> <th style="text-align: center;">2014</th> <th style="text-align: center;">2015</th> <th colspan="2" style="text-align: center;">2016</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">⊕ O&M</td> <td style="text-align: center;">\$ -</td> <td style="text-align: center;">\$ 85</td> <td colspan="2" style="text-align: center;">\$ 838</td> </tr> <tr> <td style="text-align: center;">⊕ Capital</td> <td style="text-align: center;">\$ -</td> <td style="text-align: center;">\$ -</td> <td colspan="2" style="text-align: center;">\$ -</td> </tr> <tr> <td style="text-align: center;">Grand Total</td> <td style="text-align: center;">\$ -</td> <td style="text-align: center;">\$ 85</td> <td colspan="2" style="text-align: center;">\$ 838</td> </tr> </tbody> </table> <p>Note: In 2015, regulatory development is anticipated for SB1371.</p>	<u>Total Expected Costs per Year (\$000K)</u>					Type	2014	2015	2016		⊕ O&M	\$ -	\$ 85	\$ 838		⊕ Capital	\$ -	\$ -	\$ -		Grand Total	\$ -	\$ 85	\$ 838	
<u>Total Expected Costs per Year (\$000K)</u>																										
Type	2014	2015	2016																							
⊕ O&M	\$ -	\$ 85	\$ 838																							
⊕ Capital	\$ -	\$ -	\$ -																							
Grand Total	\$ -	\$ 85	\$ 838																							
Timing of Change:	Two closely related regulatory requirements are expected to impact operating cost, SB1371 and AB32. The financial impact of SB1371 is expected to begin 2016, and potential changes to AB32 are expected in 2017. The associated Test Year 2016 cost estimates are shown here.																									
Justification/ Reason for Change:	The SB1371 bill states that it is undisputed that natural gas pipelines and infrastructure in California leak natural gas. The incidence of natural gas leaks and their repair is considered by the industry and regulators to be a significant indicator of pipeline integrity and safety.																									
Cost Estimate & Methodology :	SB1371 initially proposed a 20% methane emissions reduction goal by January 1, 2020. The 20% was then used as a reasonable assumption for initial cost estimates. Cost estimates and methodology developed herein permits flexibility to adjust target methane emissions reductions and actual costs necessary to meet the changing regulatory requirements for methane emissions reduction.																									

¹ New Environmental Regulatory Balancing Account (NERBA)

² California Legislative Information, Senate Bill 1371 - Natural gas: leakage abatement (September 21, 2014), http://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=201320140SB1371.

GRC 2016 NERBA Greenhouse Gas (GHG) Methane Emissions Leak Detection & Repair (LDAR) Impact Program

Total Expected Costs per Year (\$000K)				GRC Period Forecast		
Organization	Type	Cost Category	2014	2015	2016	
Environmental Services	Capital	Labor	\$ -	\$ -	\$ -	
Environmental Services	Capital	Non-Labor	\$ -	\$ -	\$ -	
Environmental Services	O&M	Labor	\$ -	\$ 85	\$ 85	
Environmental Services	O&M	Non-Labor	\$ -	\$ -	\$ -	
Gas Storage	Capital	Labor	\$ -	\$ -	\$ -	
Gas Storage	Capital	Non-Labor	\$ -	\$ -	\$ -	
Gas Storage	O&M	Labor	\$ -	\$ -	\$ -	
Gas Storage	O&M	Non-Labor	\$ -	\$ -	\$ 213	
Gas Transmission	Capital	Labor	\$ -	\$ -	\$ -	
Gas Transmission	Capital	Non-Labor	\$ -	\$ -	\$ -	
Gas Transmission	O&M	Labor	\$ -	\$ -	\$ -	
Gas Transmission	O&M	Non-Labor	\$ -	\$ -	\$ 540	
Total			\$ -	\$ 85	\$ 838	

Cost estimates for each operations group used best available data and a 20% emissions reduction scenario.

- Storage and Transmission calculations were based on actual cost proposals to perform complete Equipment Component Inventory accounting, GHG Leak Monitoring applied to applicable facilities. Estimates also include the cost of identifying and repairing an additional 20 percent of leaking pipes and engine equipment above and beyond business as usual in line with anticipated regulatory changes.

Southern California Gas Company
 2016 GRC - REVISED
 Shared Services Workpapers

Area: ENVIRONMENTAL
 Witness: Jill Tracy

Summary of Shared Services Workpapers:

Description	In 2013 \$ (000) Incurred Costs			
	Adjusted-Recorded	Adjusted-Forecast		
	2013	2014	2015	2016
A. Environmental Programs	2,580	2,726	3,192	3,140
B. Policy, Oversight & Compliance Management	283	328	328	328
Total	2,863	3,054	3,520	3,468

Note: Totals may include rounding differences.

Southern California Gas Company
2016 GRC - REVISED
Shared Services Workpapers

Area: ENVIRONMENTAL
Witness: Jill Tracy
Category: A. Environmental Programs
Cost Center: 2200-2176.000

Summary for Category: A. Environmental Programs

	In 2013\$ (000) Incurred Costs			
	Adjusted-Recorded	Adjusted-Forecast		
	2013	2014	2015	2016
Labor	1,498	1,587	1,783	1,783
Non-Labor	1,082	1,139	1,409	1,357
NSE	0	0	0	0
Total	2,580	2,726	3,192	3,140
FTE	16.9	17.8	19.8	19.8

Cost Centers belonging to this Category:

2200-2176.000 SCG ENVIRONMENTAL PROGRAMS

Labor	1,498	1,587	1,783	1,783
Non-Labor	1,082	1,139	1,409	1,357
NSE	0	0	0	0
Total	2,580	2,726	3,192	3,140
FTE	16.9	17.8	19.8	19.8

Note: Totals may include rounding differences.

Beginning of Workpaper
2200-2176.000 - SCG ENVIRONMENTAL PROGRAMS

Southern California Gas Company
2016 GRC - REVISED
Shared Services Workpapers

Area: ENVIRONMENTAL
 Witness: Jill Tracy
 Category: A. Environmental Programs
 Category-Sub: 1. Environmental Programs
 Cost Center: 2200-2176.000 - SCG ENVIRONMENTAL PROGRAMS

Activity Description:

The Environmental Programs group includes subject matter experts in air and water quality, biological resources, cultural resources, land planning and hazardous materials and waste. The group supports ongoing environmental compliance, including obtaining environmental permits and approvals, developing environmental plans and conducting specialized environmental training. The group also screens proposed facility, field and real property projects and transactions that have the potential for environmental impacts. This environmental screening involves a thorough review and analysis of potential environmental impacts, permits and compliance requirements for all environmental disciplines, as appropriate for the project scope. In 2013, the group assumed the development and management for the content of all environmental compliance procedures.

Forecast Explanations:

Labor - Base YR Rec

The forecast method developed for this cost category is base year forecasting. This method is most appropriate because it identifies specific environmental regulatory changes and their related costs impacting the company during the GRC period that may not be represented using an average or trending forecast model.

Non-Labor - Base YR Rec

The forecast method developed for this cost category is base year forecasting. This method is most appropriate because it identifies specific environmental regulatory changes and their related costs impacting the company during the GRC period that may not be represented using an average or trending forecast model.

NSE - Base YR Rec

The forecast method developed for this cost category is base year forecasting. This method is most appropriate because it identifies specific environmental regulatory changes and their related costs impacting the company during the GRC period that may not be represented using an average or trending forecast model.

Summary of Results:

		In 2013\$ (000) Incurred Costs								
		Adjusted-Recorded					Adjusted-Forecast			
Years	2009	2010	2011	2012	2013	2014	2015	2016		
Labor	1,555	1,335	1,346	1,409	1,498	1,587	1,783	1,783		
Non-Labor	386	697	508	851	1,082	1,139	1,409	1,357		
NSE	0	0	0	0	0	0	0	0		
Total	1,942	2,032	1,854	2,260	2,580	2,726	3,192	3,140		
FTE	18.3	15.8	16.2	15.9	16.9	17.8	19.8	19.8		

Note: Totals may include rounding differences.

Southern California Gas Company
2016 GRC - REVISED
Shared Services Workpapers

Area: ENVIRONMENTAL
 Witness: Jill Tracy
 Category: A. Environmental Programs
 Category-Sub: 1. Environmental Programs
 Cost Center: 2200-2176.000 - SCG ENVIRONMENTAL PROGRAMS

Cost Center Allocations (Incurred Costs):

	2013 Adjusted-Recorded					2014 Adjusted-Forecast				
	Labor	Non-Labor	NSE	Total	FTE	Labor	Non-Labor	NSE	Total	FTE
Directly Retained	57	-6	0	51	0.53	57	-6	0	51	0.53
Directly Allocated	0	0	0	0	0.00	0	0	0	0	0.00
Subj. To % Alloc.	1,440	1,088	0	2,528	16.33	1,529	1,145	0	2,674	17.23
Total Incurred	1,497	1,082	0	2,579	16.86	1,586	1,139	0	2,725	17.76
% Allocation										
Retained	98.35%	98.35%				98.35%	98.35%			
SEU	1.65%	1.65%				1.65%	1.65%			
CORP	0.00%	0.00%				0.00%	0.00%			
Unreg	0.00%	0.00%				0.00%	0.00%			

	2015 Adjusted-Forecast					2016 Adjusted-Forecast				
	Labor	Non-Labor	NSE	Total	FTE	Labor	Non-Labor	NSE	Total	FTE
Directly Retained	57	-6	0	51	0.53	57	-6	0	51	0.53
Directly Allocated	0	0	0	0	0.00	0	0	0	0	0.00
Subj. To % Alloc.	1,725	1,415	0	3,140	19.23	1,725	1,363	0	3,088	19.23
Total Incurred	1,782	1,409	0	3,191	19.76	1,782	1,357	0	3,139	19.76
% Allocation										
Retained	98.35%	98.35%				98.35%	98.35%			
SEU	1.65%	1.65%				1.65%	1.65%			
CORP	0.00%	0.00%				0.00%	0.00%			
Unreg	0.00%	0.00%				0.00%	0.00%			

Cost Center Allocation Percentage Drivers/Methodology:

Cost Center Allocation Percentage for 2013

Cost Center Allocation Percentage for 2014

Cost Center Allocation Percentage for 2015

Cost Center Allocation Percentage for 2016

Note: Totals may include rounding differences.

Southern California Gas Company
2016 GRC - REVISED
Shared Services Workpapers

Area: ENVIRONMENTAL
 Witness: Jill Tracy
 Category: A. Environmental Programs
 Category-Sub: 1. Environmental Programs
 Cost Center: 2200-2176.000 - SCG ENVIRONMENTAL PROGRAMS

Forecast Summary:

In 2013 \$(000) Incurred Costs										
Forecast Method		Base Forecast			Forecast Adjustments			Adjusted-Forecast		
Years		2014	2015	2016	2014	2015	2016	2014	2015	2016
Labor	Base YR Rec	1,498	1,498	1,498	89	285	285	1,587	1,783	1,783
Non-Labor	Base YR Rec	1,082	1,082	1,082	57	327	275	1,139	1,409	1,357
NSE	Base YR Rec	0	0	0	0	0	0	0	0	0
Total		2,580	2,580	2,580	146	612	560	2,726	3,192	3,140
FTE	Base YR Rec	16.9	16.9	16.9	0.9	2.9	2.9	17.8	19.8	19.8

Forecast Adjustment Details:

<u>Year/Expl.</u>	<u>Labor</u>	<u>NLbr</u>	<u>NSE</u>	<u>Total</u>	<u>FTE</u>	<u>Adi Type</u>
2014	0	54	0	54	0.0	1-Sided Adj

CC 2200-2176 Justification - State Water Resources Control Board (SWRCB) Discharge Permits for Natural Gas Pipeline Projects: SCG in partnership with other California utilities will share costs to develop SWRCB permits to address water discharges that occur on natural gas facilities during construction, operation and maintenance. Natural gas-related discharge permit(s) would streamline SCG's permitting process, reduce delays and establish uniform compliance requirements. Costs are to fund third party consultants to develop statewide, utility-wide programmatic discharge permit(s) for construction and maintenance work. See Supplemental Workpapers.

2014	0	3	0	3	0.0	1-Sided Adj
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CC 2200-2176 Justification - State Water Resources Control Board (SWRCB) Annual Permit Fees: California State Water Resources Control Board (SWRCB) has a fee schedule for the initial (i.e., application) and annual fees for the permits and water quality certifications that are issued by the SWRCB and the Regional Water Quality Control Boards (RWQCBs). These fees are reviewed on an annual basis. A revised fee schedule is normally adopted each September, effective from the previous July 1 to the following June 30. Fee incremental increases are based on historic fee increases.

2014	89	0	0	89	0.9	1-Sided Adj
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CC 2200-2176 Justification - Labor adjustment to annualize existing labor costs as well as capture incremental labor costs required to support the environmental compliance efforts.

2014 Total	89	57	0	146	0.9	
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2015	196	0	0	196	2.0	1-Sided Adj
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Note: Totals may include rounding differences.

Southern California Gas Company
2016 GRC - REVISED
Shared Services Workpapers

Area: ENVIRONMENTAL
 Witness: Jill Tracy
 Category: A. Environmental Programs
 Category-Sub: 1. Environmental Programs
 Cost Center: 2200-2176.000 - SCG ENVIRONMENTAL PROGRAMS

<u>Year/Expl.</u>	<u>Labor</u>	<u>NLbr</u>	<u>NSE</u>	<u>Total</u>	<u>FTE</u>	<u>Adj Type</u>
<p>CC 2200-2176 Justification - Environmental Services Water Quality Staff: Two (2) FTE positions to support the State and Regional Water Resources Control Board increasing stringent permit requirements.</p>						
2015	0	54	0	54	0.0	1-Sided Adj
<p>CC 2200-2176 Justification - State Water Resources Control Board (SWRCB) Discharge Permits for Natural Gas Pipeline Projects: SCG in partnership with other California utilities will share costs to develop SWRCB permits to address water discharges that occur on natural gas facilities during construction, operation and maintenance. Natural gas-related discharge permit(s) would streamline SCG's permitting process, reduce delays and establish uniform compliance requirements. Costs are to fund third party consultants to develop statewide, utility-wide programmatic discharge permit(s) for construction and maintenance work. See Supplemental Workpapers.</p>						
2015	0	4	0	4	0.0	1-Sided Adj
<p>CC 2200-2176 Justification - State Water Resources Control Board (SWRCB) Annual Permit Fees: California State Water Resources Control Board (SWRCB) has a fee schedule for the initial (i.e., application) and annual fees for the permits and water quality certifications that are issued by the SWRCB and the Regional Water Quality Control Boards (RWQCBs). These fees are reviewed on an annual basis. A revised fee schedule is normally adopted each September, effective from the previous July 1 to the following June 30. Fee incremental increases are based on historic fee increases.</p>						
2015	0	122	0	122	0.0	1-Sided Adj
<p>CC 2200-2176 Justification Greenhouse Gas (GHG) and Environmental Sustainability Management Tool Project: O&M cost associated with the implementation of GHG and Environmental Sustainability Management Tool Project (# 14862 WP 786C).</p>						
2015	0	147	0	147	0.0	1-Sided Adj
<p>CC 2200-2176 Justification - State Water Resources Control Board (SWRCB) Clean Water Act Section 401 Water Quality Certification For Linear Utilities Projects: SCG in partnership with other California utilities will share costs to develop SWRCB Section 401 Water Quality Certification (WQC) to address impacts to waterbodies that occur on linear utility facilities during construction, operation and maintenance. A programmatic Section 401 WQC would streamline SCG's permitting process, reduce delays and establish uniform compliance requirements. Costs are to fund third party consultants to develop statewide, utility-wide programmatic WQC for construction and maintenance work. See Supplemental Workpapers.</p>						
2015	89	0	0	89	0.9	1-Sided Adj
<p>CC 2200-2176 Justification - Labor adjustment to annualize existing labor costs as well as capture incremental labor costs required to support the environmental compliance efforts.</p>						

Note: Totals may include rounding differences.

Southern California Gas Company
2016 GRC - REVISED
Shared Services Workpapers

Area: ENVIRONMENTAL
 Witness: Jill Tracy
 Category: A. Environmental Programs
 Category-Sub: 1. Environmental Programs
 Cost Center: 2200-2176.000 - SCG ENVIRONMENTAL PROGRAMS

<u>Year/Expl.</u>	<u>Labor</u>	<u>NLbr</u>	<u>NSE</u>	<u>Total</u>	<u>FTE</u>	<u>Adi Type</u>
2015 Total	285	327	0	612	2.9	

2016	196	0	0	196	2.0	1-Sided Adj
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CC 2200-2176 Justification - Environmental Services Water Quality Staff: Two (2) FTE positions to support the State and Regional Water Resources Control Board increasing stringent permit requirements.

2016	0	6	0	6	0.0	1-Sided Adj
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CC 2200-2176 Justification - State Water Resources Control Board (SWRCB) Annual Permit Fees: California State Water Resources Control Board (SWRCB) has a fee schedule for the initial (i.e., application) and annual fees for the permits and water quality certifications that are issued by the SWRCB and the Regional Water Quality Control Boards (RWQCBs). These fees are reviewed on an annual basis. A revised fee schedule is normally adopted each September, effective from the previous July 1 to the following June 30. Fee incremental increases are based on historic fee increases.

2016	0	122	0	122	0.0	1-Sided Adj
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CC 2200-2176 Justification Greenhouse Gas (GHG) and Environmental Sustainability Management Tool Project: O&M cost associated with the implementation of GHG and Environmental Sustainability Management Tool Project (# 14862 WP 786C).

2016	0	147	0	147	0.0	1-Sided Adj
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CC 2200-2176 Justification - State Water Resources Control Board (SWRCB) Clean Water Act Section 401 Water Quality Certification For Linear Utilities Projects: SCG in partnership with other California utilities will share costs to develop SWRCB Section 401 Water Quality Certification (WQC) to address impacts to waterbodies that occur on linear utility facilities during construction, operation and maintenance. A programmatic Section 401 WQC would streamline SCG's permitting process, reduce delays and establish uniform compliance requirements. Costs are to fund third party consultants to develop statewide, utility-wide programmatic WQC for construction and maintenance work. See Supplemental Workpapers.

2016	89	0	0	89	0.9	1-Sided Adj
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CC 2200-2176 Justification - Labor adjustment to annualize existing labor costs as well as capture incremental labor costs required to support the environmental compliance efforts.

2016 Total	285	275	0	560	2.9	
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Note: Totals may include rounding differences.

Southern California Gas Company
2016 GRC - REVISED
Shared Services Workpapers

Area: ENVIRONMENTAL
Witness: Jill Tracy
Category: A. Environmental Programs
Category-Sub: 1. Environmental Programs
Cost Center: 2200-2176.000 - SCG ENVIRONMENTAL PROGRAMS

Determination of Adjusted-Recorded (Incurred Costs):

	2009 (\$000)	2010 (\$000)	2011 (\$000)	2012 (\$000)	2013 (\$000)
Recorded (Nominal \$)*					
Labor	1,083	1,059	1,105	1,188	1,285
Non-Labor	350	649	486	832	1,082
NSE	0	0	0	0	0
Total	1,433	1,709	1,592	2,020	2,366
FTE	14.0	13.4	13.8	13.6	14.4
Adjustments (Nominal \$) **					
Labor	118	0	0	0	0
Non-Labor	1	0	0	0	0
NSE	0	0	0	0	0
Total	120	0	0	0	0
FTE	1.4	0.0	0.0	0.0	0.0
Recorded-Adjusted (Nominal \$)					
Labor	1,201	1,059	1,105	1,188	1,285
Non-Labor	352	649	486	832	1,082
NSE	0	0	0	0	0
Total	1,553	1,709	1,592	2,020	2,366
FTE	15.4	13.4	13.8	13.6	14.4
Vacation & Sick (Nominal \$)					
Labor	214	185	184	190	213
Non-Labor	0	0	0	0	0
NSE	0	0	0	0	0
Total	214	185	184	190	213
FTE	2.9	2.4	2.4	2.3	2.4
Escalation to 2013\$					
Labor	140	91	57	31	0
Non-Labor	35	47	22	19	0
NSE	0	0	0	0	0
Total	175	138	79	49	0
FTE	0.0	0.0	0.0	0.0	0.0
Recorded-Adjusted (Constant 2013\$)					
Labor	1,555	1,335	1,346	1,409	1,498
Non-Labor	386	697	508	851	1,082
NSE	0	0	0	0	0
Total	1,942	2,032	1,854	2,260	2,580
FTE	18.3	15.8	16.2	15.9	16.8

* After company-wide exclusions of Non-GRC costs

** Refer to "Detail of Adjustments to Recorded" page for line item adjustments

Note: Totals may include rounding differences.

Southern California Gas Company
2016 GRC - REVISED
Shared Services Workpapers

Area: ENVIRONMENTAL
 Witness: Jill Tracy
 Category: A. Environmental Programs
 Category-Sub: 1. Environmental Programs
 Cost Center: 2200-2176.000 - SCG ENVIRONMENTAL PROGRAMS

Summary of Adjustments to Recorded:

In Nominal \$ (000) Incurred Costs					
Years	2009	2010	2011	2012	2013
Labor	118	0	0	0	0
Non-Labor	1	0	0	0	0
NSE	0	0	0	0	0
Total	120	0	0	0	0
FTE	1.4	0.0	0.0	0.0	0.0

Detail of Adjustments to Recorded:

<u>Year/Expl.</u>	<u>Labor</u>	<u>NLbr</u>	<u>NSE</u>	<u>FTE</u>	<u>Adj Type</u>	<u>From CCtr</u>	<u>RefID</u>
2009	118	1	0	1.4	CCTR Transf	From 2100-0206.000	MHARPER20131 113100546697

In early 2011 three employees in cost center 2100-0206 were formally transferred from SDGE to SCG. The FTE calculation is based on hours-time in position at SDGE, the recorded SDGE O&M costs for labor and the associated non-labor used in performance of the SCG activities. The non-labor is calculated based upon the ratio of total hours worked by the transferring group of employees. The non-labor for the three employees is spread one-third to each employee for each year and cost center.

2009 Total	118	1	0	1.4	
2010 Total	0	0	0	0.0	
2011 Total	0	0	0	0.0	
2012 Total	0	0	0	0.0	
2013 Total	0	0	0	0.0	

Note: Totals may include rounding differences.

Supplemental Workpapers for Workpaper 2200-2176.000



MOE

MIKHAIL OGAWA ENGINEERING

November 20, 2013

Mr. Fredrik Jacobsen
San Diego Gas & Electric Company
8315 Century Park Court (CP-21E)
San Diego, California 92123

SUBJECT: COST ESTIMATE FOR PROGRAMMATIC PERMITTING

Dear Mr. Jacobsen:

In response to your request, Mikhail Ogawa Engineering (MOE) is pleased to submit pro-forma cost estimates for developing two programmatic permits with the State Water Resources Control Board (SWRCB). Based on our understanding, the two permits would serve to permit activities conducted by utility companies in a general permitting manner.

Cost estimates have been developed for the two permit approaches and are identified as follows:

- 1) Statewide Programmatic NPDES Permit (Non-CEQA)
- 2) Statewide Programmatic Permit for Activities Requiring CEQA

The cost estimates are provided as an attachment and include assumptions made for developing staff hours required. Rates for staff hours are variable and pre-calculated into the "Line Item Cost".

If you have any questions, please call me at (619) 994-7074.

Respectfully submitted,

Mikhail Ogawa
Principal

c. File

ATTACHMENT: Pro-Forma Cost Estimates for General Programmatic Permits

Pro-Forma Cost Estimates for General Programmatic Permits

1) Statewide General Permit for Utilities: NPDES PERMIT (Non-CEQA)

This description and budget estimate is for budgeting purposes only – a more detailed analysis and scoping discussion would be necessary to develop a project level cost estimate.

This approach assumes that the permitting effort would provide coverage for activities by any utility company within the State of California.

In general, the programmatic permit would cover a spectrum of activities, with clear limits on allowable activities, for which the permit would provide coverage. It is anticipated that projects would obtain coverage under the permit by: (1) providing a description of the project and the applicable activities; (2) ensuring that the activities are within the allowable activities as described in the permit; (3) implement required mitigating practices as described in the permit; and (4) prepare reporting and tracking as required by the permit.

The general approach to the permit development would include:

- (1) coordination with all stakeholders (utilities)
- (2) identification of acceptable permit formatting
- (3) develop initial findings for SWRCB staff
- (4) general provisions and standards for the permit
- (5) identification of criteria for coverage under the permit
- (6) identification of qualifying activities to be covered under permit
- (7) identification of standard conditions and mitigating practices
- (8) coordination with SWRCB staff
- (9) develop a pre-public draft to circulate and socialize with SWRCB staff and any other identified key stakeholders
- (10) meet with SWRCB staff and address comments
- (11) develop a public draft of the permit for release and public comment
- (12) meet with SWRCB and address comments
- (13) prepare final draft permit for SWRCB adoption
- (14) preparation of Board hearing materials

Costs for the general scope of services identified above are found in the table below. These costs reflect the additional coordination, consideration and complexity of incorporating multiple utility companies and their specific interests, activities, concerns and practices.

<u>Non-CEQA (NPDES)</u>	<u>Staff Hours</u>	<u>Line Item Cost</u>
• CEQA analysis: N/A		
• Confirmation of SWRCB NPDES permit standard formats, language and provisions	24	\$ 2,424.00
• Identification of applicable standards and conditions	48	\$ 5,736.00
• Develop pre-public draft permit	616	\$ 68,984.00
○ Prepare pre-public draft permit		
○ Meetings with SWRCB staff to review pre-public draft permit (Assume up to 4 meetings)		
○ Review of applicant comments on pre-public draft permit		
• Develop public draft permit	392	\$ 44,400.00
○ Prepare public draft permit		
○ Meetings with SWRCB staff to review public draft permit (Assume up to 4 meetings)		
○ Review of applicant comments on public draft permit		
• Final draft for Board action	424	\$ 47,336.00
○ Review of applicant comments on public final draft permit		
○ Prepare final draft permit		
○ Meetings with SWRCB staff to review final draft (Assume up to 4 meetings)		
○ Preparation of response to comments document		
• Preparation of Board hearing materials (support to SWRCB staff)	68	\$ 7,836.00
• Attend a workshop	16	\$ 2,208.00
• Attend adoption hearing	16	\$ 2,208.00
Assumed Travel Costs		\$ 4,800.00
Total Budget	1,604	\$ 185,932.00

2) Statewide General Permit for Utilities: PERMIT FOR ACTIVITIES REQUIRING CEQA PROCESS

This description and budget estimate is for budgeting purposes only – a more detailed analysis and scoping discussion would be necessary to develop a project level cost estimate.

This approach assumes that the permitting effort would provide coverage for activities by any utility company within the State of California.

In general, the programmatic permit would cover a spectrum of activities, with clear limits on allowable activities, for which the permit would provide coverage. These projects would require CEQA process, e.g., activities within waters of the U.S. It is anticipated that projects would obtain coverage under the permit by: (1) providing a description of the project and the applicable activities; (2) ensuring that the activities are within the allowable activities, including coverage by programmatic CEQA document, as described in the permit; (3) implement required mitigating practices as described in the permit; and (4) prepare reporting and tracking as required by the permit.

The general approach to the permit development would include:

- (1) conduct CEQA analysis and process
 - a. compilation, review and analysis of proposed permit activities
 - b. development of CEQA document (assumed Programmatic EIR)
- (2) identification of acceptable permit formatting
- (3) develop initial findings for SWRCB staff
- (4) general provisions and standards for the permit
- (5) identification of criteria for coverage under the permit
- (6) identification of qualifying activities to be covered under permit
- (7) identification of standard conditions and mitigating practices
- (8) coordination with SWRCB staff
- (9) develop a pre-public draft to circulate and socialize with SWRCB staff and any other identified key stakeholders
- (10) meet with SWRCB staff and address comments
- (11) develop a public draft of the permit for release and public comment
- (12) meet with SWRCB and address comments
- (13) prepare final draft permit for SWRCB adoption
- (14) preparation of Board hearing materials

Costs for the general scope of services identified above are attached. These costs reflect the additional coordination, consideration and complexity of incorporating multiple utility companies and their specific interests, activities, concerns and practices.

Shared Services - Not for Rate

<u>CEQA (WDR, 401 Certification)</u>	<u>Staff Hours</u>	<u>Line Item Cost</u>
<ul style="list-style-type: none"> • CEQA analysis: Compilation, review and analysis of proposed permit activities and development of CEQA document 		\$ 1,000,000.00
<ul style="list-style-type: none"> • Confirmation of SWRCB NPDES permit standard formats, language and provisions 	60	\$ 6,060.00
<ul style="list-style-type: none"> • Identification of applicable standards and conditions 	120	\$ 14,340.00
<ul style="list-style-type: none"> • Develop pre-public draft permit <ul style="list-style-type: none"> ○ Prepare pre-public draft permit ○ Meetings with SWRCB staff to review pre-public draft permit ○ Review of applicant comments on pre-public draft permit 	1540	\$ -
<ul style="list-style-type: none"> <ul style="list-style-type: none"> ○ Prepare pre-public draft permit 		\$ 122,920.00
<ul style="list-style-type: none"> <ul style="list-style-type: none"> ○ Meetings with SWRCB staff to review pre-public draft permit 		\$ 16,560.00
<ul style="list-style-type: none"> <ul style="list-style-type: none"> ○ Review of applicant comments on pre-public draft permit 		\$ 32,980.00
<ul style="list-style-type: none"> • Develop public draft permit <ul style="list-style-type: none"> ○ Prepare public draft permit ○ Meetings with SWRCB staff to review public draft permit ○ Review of applicant comments on public draft permit 	1080	\$ -
<ul style="list-style-type: none"> <ul style="list-style-type: none"> ○ Prepare public draft permit 		\$ 61,460.00
<ul style="list-style-type: none"> <ul style="list-style-type: none"> ○ Meetings with SWRCB staff to review public draft permit 		\$ 16,560.00
<ul style="list-style-type: none"> <ul style="list-style-type: none"> ○ Review of applicant comments on public draft permit 		\$ 32,980.00
<ul style="list-style-type: none"> • Final draft for Board action <ul style="list-style-type: none"> ○ Review of applicant comments on public final draft permit ○ Prepare final draft permit ○ Meetings with SWRCB staff to review final draft ○ Preparation of response to comments document 	1060	\$ -
<ul style="list-style-type: none"> <ul style="list-style-type: none"> ○ Review of applicant comments on public final draft permit 		\$ 30,560.00
<ul style="list-style-type: none"> <ul style="list-style-type: none"> ○ Prepare final draft permit 		\$ 40,660.00
<ul style="list-style-type: none"> <ul style="list-style-type: none"> ○ Meetings with SWRCB staff to review final draft 		\$ 16,560.00
<ul style="list-style-type: none"> <ul style="list-style-type: none"> ○ Preparation of response to comments document 		\$ 30,560.00
<ul style="list-style-type: none"> • Preparation of Board hearing materials (support to SWRCB staff) 	170	\$ 19,590.00
<ul style="list-style-type: none"> • Attend a workshop 	40	\$ 5,520.00
<ul style="list-style-type: none"> • Attend adoption hearing 	40	\$ 5,520.00
Assumed Travel Costs		\$ 4,800.00
Total Budget	4,110	\$ 1,468,670.00

Southern California Gas Company
2016 GRC - REVISED
Shared Services Workpapers

Area: ENVIRONMENTAL
 Witness: Jill Tracy
 Category: B. Policy, Oversight & Compliance Management
 Cost Center: 2200-2012.000

Summary for Category: B. Policy, Oversight & Compliance Management

	In 2013\$ (000) Incurred Costs			
	Adjusted-Recorded	Adjusted-Forecast		
	2013	2014	2015	2016
Labor	238	283	283	283
Non-Labor	46	46	46	46
NSE	0	0	0	0
Total	<u>284</u>	<u>329</u>	<u>329</u>	<u>329</u>
FTE	2.1	2.1	2.1	2.1

Cost Centers belonging to this Category:

2200-2012.000 SCG ENVIRONMENTAL SERVICE DIRECTOR

Labor	238	283	283	283
Non-Labor	46	46	46	46
NSE	0	0	0	0
Total	<u>284</u>	<u>329</u>	<u>329</u>	<u>329</u>
FTE	2.1	2.1	2.1	2.1

Note: Totals may include rounding differences.

Beginning of Workpaper
2200-2012.000 - SCG ENVIRONMENTAL SERVICE DIRECTOR

Southern California Gas Company
2016 GRC - REVISED
Shared Services Workpapers

Area: ENVIRONMENTAL
 Witness: Jill Tracy
 Category: B. Policy, Oversight & Compliance Management
 Category-Sub: 1. Policy, Oversight & Compliance Management
 Cost Center: 2200-2012.000 - SCG ENVIRONMENTAL SERVICE DIRECTOR

Activity Description:

The SCG cost center is designed to capture the cost of administrative activities provided by the Environmental Services Director.

Forecast Explanations:

Labor - Base YR Rec

The forecast method developed for this cost category is base year forecasting. This method is most appropriate because it identifies specific environmental regulatory changes and their related costs impacting the company during the GRC period that may not be represented using an average or trending forecast model.

Non-Labor - Base YR Rec

The forecast method developed for this cost category is base year forecasting. This method is most appropriate because it identifies specific environmental regulatory changes and their related costs impacting the company during the GRC period that may not be represented using an average or trending forecast model.

NSE - Base YR Rec

The forecast method developed for this cost category is base year forecasting. This method is most appropriate because it identifies specific environmental regulatory changes and their related costs impacting the company during the GRC period that may not be represented using an average or trending forecast model.

Summary of Results:

		In 2013\$ (000) Incurred Costs								
		Adjusted-Recorded					Adjusted-Forecast			
Years		2009	2010	2011	2012	2013	2014	2015	2016	
Labor		58	58	256	317	238	283	283	283	
Non-Labor		3	2	31	53	46	46	46	46	
NSE		0	0	0	0	0	0	0	0	
Total		61	60	287	370	283	328	328	328	
FTE		0.9	0.9	2.2	3.2	2.1	2.1	2.1	2.1	

Note: Totals may include rounding differences.

Southern California Gas Company
2016 GRC - REVISED
Shared Services Workpapers

Area: ENVIRONMENTAL
 Witness: Jill Tracy
 Category: B. Policy, Oversight & Compliance Management
 Category-Sub: 1. Policy, Oversight & Compliance Management
 Cost Center: 2200-2012.000 - SCG ENVIRONMENTAL SERVICE DIRECTOR

Cost Center Allocations (Incurred Costs):

	2013 Adjusted-Recorded					2014 Adjusted-Forecast				
	Labor	Non-Labor	NSE	Total	FTE	Labor	Non-Labor	NSE	Total	FTE
Directly Retained	0	0	0	0	0.00	0	0	0	0	0.01
Directly Allocated	0	0	0	0	0.00	0	0	0	0	0.00
Subj. To % Alloc.	237	46	0	283	2.13	282	46	0	328	2.13
Total Incurred	237	46	0	283	2.13	282	46	0	328	2.14
% Allocation										
Retained	98.12%	98.12%				98.12%	98.12%			
SEU	1.88%	1.88%				1.88%	1.88%			
CORP	0.00%	0.00%				0.00%	0.00%			
Unreg	0.00%	0.00%				0.00%	0.00%			

	2015 Adjusted-Forecast					2016 Adjusted-Forecast				
	Labor	Non-Labor	NSE	Total	FTE	Labor	Non-Labor	NSE	Total	FTE
Directly Retained	0	0	0	0	0.01	0	0	0	0	0.01
Directly Allocated	0	0	0	0	0.00	0	0	0	0	0.00
Subj. To % Alloc.	282	46	0	328	2.13	282	46	0	328	2.13
Total Incurred	282	46	0	328	2.14	282	46	0	328	2.14
% Allocation										
Retained	98.12%	98.12%				98.12%	98.12%			
SEU	1.88%	1.88%				1.88%	1.88%			
CORP	0.00%	0.00%				0.00%	0.00%			
Unreg	0.00%	0.00%				0.00%	0.00%			

Cost Center Allocation Percentage Drivers/Methodology:

Cost Center Allocation Percentage for 2013

Cost Center Allocation Percentage for 2014

Cost Center Allocation Percentage for 2015

Cost Center Allocation Percentage for 2016

Note: Totals may include rounding differences.

Southern California Gas Company
2016 GRC - REVISED
Shared Services Workpapers

Area: ENVIRONMENTAL
 Witness: Jill Tracy
 Category: B. Policy, Oversight & Compliance Management
 Category-Sub: 1. Policy, Oversight & Compliance Management
 Cost Center: 2200-2012.000 - SCG ENVIRONMENTAL SERVICE DIRECTOR

Forecast Summary:

In 2013 \$(000) Incurred Costs										
Forecast Method		Base Forecast			Forecast Adjustments			Adjusted-Forecast		
Years		2014	2015	2016	2014	2015	2016	2014	2015	2016
Labor	Base YR Rec	238	238	238	45	45	45	283	283	283
Non-Labor	Base YR Rec	46	46	46	0	0	0	46	46	46
NSE	Base YR Rec	0	0	0	0	0	0	0	0	0
Total		283	283	283	45	45	45	328	328	328
FTE	Base YR Rec	2.1	2.1	2.1	0.0	0.0	0.0	2.1	2.1	2.1

Forecast Adjustment Details:

<u>Year/Expl.</u>	<u>Labor</u>	<u>NLbr</u>	<u>NSE</u>	<u>Total</u>	<u>FTE</u>	<u>Adj Type</u>
2014	45	0	0	45	0.0	1-Sided Adj

CC 2200-2112 Justification - Labor adjustment to annualize existing labor costs as well as capture incremental labor costs required to support the Director's activities.

2014 Total	45	0	0	45	0.0	
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2015	45	0	0	45	0.0	1-Sided Adj
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CC 2200-2112 Justification - Labor adjustment to annualize existing labor costs as well as capture incremental labor costs required to support the Director's activities.

2015 Total	45	0	0	45	0.0	
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2016	45	0	0	45	0.0	1-Sided Adj
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CC 2200-2112 Justification - Labor adjustment to annualize existing labor costs as well as capture incremental labor costs required to support the Director's activities.

2016 Total	45	0	0	45	0.0	
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Note: Totals may include rounding differences.

Southern California Gas Company
2016 GRC - REVISED
Shared Services Workpapers

Area: ENVIRONMENTAL
Witness: Jill Tracy
Category: B. Policy, Oversight & Compliance Management
Category-Sub: 1. Policy, Oversight & Compliance Management
Cost Center: 2200-2012.000 - SCG ENVIRONMENTAL SERVICE DIRECTOR

Determination of Adjusted-Recorded (Incurred Costs):

	2009 (\$000)	2010 (\$000)	2011 (\$000)	2012 (\$000)	2013 (\$000)
Recorded (Nominal \$)*					
Labor	0	0	207	267	220
Non-Labor	0	0	29	52	46
NSE	0	0	0	0	0
Total	0	0	236	319	266
FTE	0.0	0.0	1.8	2.7	2.0
Adjustments (Nominal \$) **					
Labor	46	47	3	0	-17
Non-Labor	3	2	0	0	0
NSE	0	0	0	0	0
Total	49	49	3	0	-17
FTE	0.8	0.8	0.1	0.0	-0.2
Recorded-Adjusted (Nominal \$)					
Labor	46	47	210	267	204
Non-Labor	3	2	29	52	46
NSE	0	0	0	0	0
Total	49	49	240	319	250
FTE	0.8	0.8	1.9	2.7	1.8
Vacation & Sick (Nominal \$)					
Labor	7	7	35	43	34
Non-Labor	0	0	0	0	0
NSE	0	0	0	0	0
Total	7	7	35	43	34
FTE	0.1	0.1	0.3	0.5	0.3
Escalation to 2013\$					
Labor	5	4	11	7	0
Non-Labor	0	0	1	1	0
NSE	0	0	0	0	0
Total	6	4	12	8	0
FTE	0.0	0.0	0.0	0.0	0.0
Recorded-Adjusted (Constant 2013\$)					
Labor	58	58	256	317	238
Non-Labor	3	2	31	53	46
NSE	0	0	0	0	0
Total	61	60	287	370	283
FTE	0.9	0.9	2.2	3.2	2.1

* After company-wide exclusions of Non-GRC costs

** Refer to "Detail of Adjustments to Recorded" page for line item adjustments

Note: Totals may include rounding differences.

Southern California Gas Company
2016 GRC - REVISED
Shared Services Workpapers

Area: ENVIRONMENTAL
 Witness: Jill Tracy
 Category: B. Policy, Oversight & Compliance Management
 Category-Sub: 1. Policy, Oversight & Compliance Management
 Cost Center: 2200-2012.000 - SCG ENVIRONMENTAL SERVICE DIRECTOR

Summary of Adjustments to Recorded:

In Nominal \$ (000) Incurred Costs					
Years	2009	2010	2011	2012	2013
Labor	46	47	3	0	-17
Non-Labor	3	2	0.153	0	0
NSE	0	0	0	0	0
Total	49	49	3	0	-17
FTE	0.8	0.8	0.1	0.0	-0.2

Detail of Adjustments to Recorded:

<u>Year/Expl.</u>	<u>Labor</u>	<u>NLbr</u>	<u>NSE</u>	<u>FTE</u>	<u>Adj Type</u>	<u>From CCtr</u>	<u>RefID</u>
2009	46	3	0	0.8	CCTR Transf	From 2100-3035.000	MHARPER20131 114120754237

In early 2011 six employees in cost center 2100-3035 Site Assessment supporting SCG were formally transferred from SDGE to SCG. The table displays the recorded SDGE O&M costs for labor and the associated non-labor used in performance of the SCG activities. The non-labor is calculated based upon the ratio of total hours worked by the transferring group of employees.

2009 Total	46	3	0	0.8			
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2010	47	2	0	0.8	CCTR Transf	From 2100-3035.000	MHARPER20131 114121253900
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In early 2011 six employees in cost center 2100-3035 Site Assessment supporting SCG were formally transferred from SDGE to SCG. The table displays the recorded SDGE O&M costs for labor and the associated non-labor used in performance of the SCG activities. The non-labor is calculated based upon the ratio of total hours worked by the transferring group of employees.

2010 Total	47	2	0	0.8			
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2011	3	0.153	0	0.1	CCTR Transf	From 2100-3035.000	MHARPER20131 114121659840
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In early 2011 six employees in cost center 2100-3035 Site Assessment supporting SCG were formally transferred from SDGE to SCG. The table displays the recorded SDGE O&M costs for labor and the associated non-labor used in performance of the SCG activities. The non-labor is calculated based upon the ratio of total hours worked by the transferring group of employees.

Note: Totals may include rounding differences.

Southern California Gas Company
2016 GRC - REVISED
Shared Services Workpapers

Area: ENVIRONMENTAL
 Witness: Jill Tracy
 Category: B. Policy, Oversight & Compliance Management
 Category-Sub: 1. Policy, Oversight & Compliance Management
 Cost Center: 2200-2012.000 - SCG ENVIRONMENTAL SERVICE DIRECTOR

<u>Year/Expl.</u>	<u>Labor</u>	<u>NLbr</u>	<u>NSE</u>	<u>FTE</u>	<u>Adj Type</u>	<u>From CCtr</u>	<u>RefID</u>
2011 Total	3	0.153	0	0.1			
2012 Total	0	0	0	0.0			
2013	-17	0	0	-0.2	CCTR Transf	From 2200-0331.000	RMCHRIST20140 423122926577
Budget Planner Transfer in 2013. Transfer 2013 Budget Planner dollars from cost center 2200-2012 in work paper group 2EV000 to cost center 2200-0331 in work paper group 200006.							
2013 Total	-17	0	0	-0.2			

Note: Totals may include rounding differences.

Southern California Gas Company
2016 GRC - REVISED
Non-Shared Service Workpapers

Area: ENVIRONMENTAL
Witness: Jill Tracy

Appendix A: List of Non-Shared Cost Centers

Cost Center	Sub	Description
2200-0733	000	SCG HAZMAT OPERATIONS
2200-1181	000	SCG HAZARDOUS WASTE BALANCING ACCOUNT
2200-2013	000	SCG ENVIRONMENTAL FEES
2200-2197	000	VP ENVIRONMENTAL SAFETY & FACILITY
2200-2370	000	SCG SITE ASSESSMENT & MITIGATION
2200-2403	000	SCG ENVIRONMENTAL UST COMPLIANCE
2200-2440	000	SCG ENVIRONMENTAL MAJOR PROJECTS
2200-2443	000	SCG ENVIRONMENTAL STRATEGY & SUSA
2200-2475	000	FIELD ENVIRONMENTAL SERVICES