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### PRELIMINARY STATEMENT

- 1. These responses and objections are made without prejudice to, and are not a waiver of, SDG&E and SoCalGas' right to rely on other facts or documents in these proceedings.
- 2. By making the accompanying responses and objections to these requests for data, SDG&E and SoCalGas does not waive, and hereby expressly reserves, its right to assert any and all objections as to the admissibility of such responses into evidence in this action, or in any other proceedings, on any and all grounds including, but not limited to, competency, relevancy, materiality, and privilege. Further, SDG&E and SoCalGas makes the responses and objections herein without in any way implying that it considers the requests, and responses to the requests, to be relevant or material to the subject matter of this action.
- 3. SDG&E and SoCalGas will produce responses only to the extent that such response is based upon personal knowledge or documents in the possession, custody, or control of SDG&E and SoCalGas. SDG&E and SoCalGas possession, custody, or control does not include any constructive possession that may be conferred by SDG&E or SoCalGas' right or power to compel the production of documents or information from third parties or to request their production from other divisions of the Commission.
- 4. A response stating an objection shall not be deemed or construed that there are, in fact, responsive information or documents which may be applicable to the data request, or that SDG&E and SoCalGas acquiesces in the characterization of the premise, conduct or activities contained in the data request, or definitions and/or instructions applicable to the data request.
- 5. SDG&E and SoCalGas objects to the production of documents or information protected by the attorney-client communication privilege or the attorney work product doctrine.
- 6. SDG&E and SoCalGas expressly reserve the right to supplement, clarify, revise, or correct any or all of the responses and objections herein, and to assert additional objections or privileges, in one or more subsequent supplemental response(s).
- 7. SDG&E and SoCalGas will make available for inspection at their offices any responsive documents. Alternatively, SDG&E and SoCalGas will produce copies of the documents. SDG&E and SoCalGas will Bates-number such documents only if SDG&E and SoCalGas deem it necessary to ensure proper identification of the source of such documents.
- 8. Publicly available information and documents including, but not limited to, newspaper clippings, court papers, and materials available on the Internet, will not be produced.

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- 9. SDG&E and SoCalGas object to any assertion that the data requests are continuing in nature and will respond only upon the information and documents available after a reasonably diligent search on the date of its responses. However, SDG&E and SoCalGas will supplement its answers to include information acquired after serving its responses to the Data Requests if it obtains information upon the basis of which it learns that its response was incorrect or incomplete when made.
- 10. In accordance with the CPUC's Discovery: Custom And Practice Guidelines, SDG&E and SoCalGas will endeavor to respond to ORA's data requests by the identified response date or within 10 business days. If it cannot do so, it will so inform ORA.
- 11. SDG&E and SoCalGas object to any ORA contact of SDG&E and SoCalGas officers or employees, who are represented by counsel. ORA may seek to contact such persons only through counsel.
- 12. SDG&E and SoCalGas objects to ORA's instruction to send copies of responses to entities other than ORA.

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#### **QUESTION 1:**

Please identify and provide the Commission decision, if any, adopting SoCalGas/SDG&E's definition of a distribution center. If no such decision exists, please state so.

#### **RESPONSE 1:**

SDG&E and SoCalGas (Applicants) are not aware of a Commission decision adopting a definition of "distribution center" for any public utility. However, there are Commission decisions that acknowledge that transmission pipelines operate at a hoop stress of 20% or more of specified minimum yield strength (SMYS).

For example, Decision (D.)11-06-017 which ordered all California natural gas transmission operators to develop and file for Commission consideration a Natural Gas Transmission Pipeline Comprehensive Pressure Testing Implementation Plan, states:

Natural gas transmission pipelines (operating at a pressure producing a hoop stress of 20% or more of SMYS) placed in service in California after July 1, 1961 were required to be pressure tested per General Order 112; however, pipelines installed before this date were exempted from pressure test requirement. (Findings of Fact, Paragraph 5)

Additionally, D.13-10-024, in Rulemaking (R.)11-02-019, Order Instituting Rulemaking on the Commission's Own Motion to Adopt New Safety and Reliability Regulations for Natural Gas Transmission and Distribution Pipelines and Related Ratemaking Mechanisms which approved Southwest Gas Corporation's Implementation Plan, states:

The Commission's General Order 112, which became effective on July 1, 1961, mandated pressure test requirements for new transmission pipelines (operating at 20% or more of Specified Minimum Yield Strength (SMYS) installed in California after the effective date. Similar federal regulations followed in 1970, but exempted pipeline installed prior to that time from the pressure test requirement. Such pipeline is often referred to as "grandfathered" pipeline, because pursuant to 49 CFR 192.619(c), pressure testing was not mandated. (Page 3, Footnote 2)

Further, Applicants' definition of "distribution center" has been provided to and reviewed by the California Public Utilities Commission's Safety and Enforcement Division (SED) at each Transmission Integrity Management Program (TIMP) Audit beginning in 2007, and subsequently in 2013, 2015 and 2016. For more than 10 years over the course of four audits of the TIMP, no

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compliance issues or shortcomings in Applicants' definition of distribution center have been identified by SED.