**A.10-12-005/A.10-12-006 Sempra Utilities 2012 TY GRCs**

**TURN Data Request to SoCalGas**

**Data Request Number:** TURN-SCG-43(Depreciation)

**Date Sent:** November 8, 2011

**Date Due:** November 22, 2011

Please provide the name of the witness/responder.

For any questions requesting numerical recorded data, please provide all responses in working excel spreadsheet format if so available.

For any question requesting documents, please interpret the term broadly to include any and all hard copy or electronic documents or records in SoCalGas’ possession.

1. At page BW-10 of Ex. SCG-227, SCG states that it still has a great deal of older pipe in its service territory susceptible to corrosion. Please provide the dollar value and corresponding feet of older pipe by vintage addition by account for each type of older pipe referenced. The information should be provided both in hard copy and on electronic medium in Excel readable format. If SCG does not have the information as requested, please provide SCG’s best estimate for each item, and describe how it arrived at that estimate.
2. At page BW-10 of Ex. SCG-227, SCG references other reasons for pipe retirement, such as relocations, outside party damage, and changes in gas volumes that may require pipe replacements. Please provide the dollar level of retirements by year by account for the past 10 years associated with each separate other reason referenced by SCG. If SCG does not have the information as requested, please provide SCG’s best estimate for each item, and describe how it arrived at that estimate.
3. At page BW-10 of Ex. SCG-227, SCG states that TURN envisions “quick fixes” as it relates to possible significant replacements. Please identify with specificity each place in TURN’s testimony that SoCalGas contends represents TURN envisioning “quick fixes.” Please also provide a detailed explanation as to what “quick fixes” means as SCG uses the term here, and the specific basis for SCG interpreting TURN’s testimony as envisioning “quick fixes.”
4. At the top of page BW-11 of Ex. SCG-227, SCG states that recorded history shows that average service life will reflect change in environments as the mix within an account changes. Is it SoCalGas’s position that any such change is fully reflected immediately in the ASL? If not, please state how long SoCalGas believes the impact on average service life due to each changing environment will take to be fully reflected in life analyses for each account. Please also provide the basis for SoCalGas’s expectation of the amount of time it will take to have the change in environments fully reflected in the actuarial or semi-actuarial analyses for each account.
5. At the top of page BW-12 in Ex. SCG-227, SCG states that a great deal of older service pipe in its service territory. Please provide the dollar level and corresponding linear feet of older service pipe by type of service material by vintage year referenced. The response should be provided both in hard copy and on electronic medium in Excel readable format. If SCG does not have the information as requested, please provide SCG’s best estimate for each item, and describe how it arrived at that estimate.
6. On page BW-12 of Ex. SCG-227, as it relates to General plant structures and improvements, SCG states that investments in fixed contract terms associated with leases must be based on the structure’s lease period. Regarding this issue, please provide the following:
7. the dollar level of investment in Account 390 segregated between investment at Company owned locations versus investment at leased locations;
8. the dollar level of investment leased segregated by term of lease;
9. the number of times during the past 20 years the Company has renewed a lease associated with investment in Account 390 after the initial fixed contract term, along with the corresponding dollars of leased investment associated with each such renewal;
10. specific identification of the Company’s largest leased facility that has been associated with a 20-year lease and now is associated with a new 15-year lease term in 2012, as referenced at the bottom of page BW-12.
11. On page BW-14 of Ex. SCG-227, SCG states that there are times when transactions on individual projects and work orders may not be recorded in the same year. Please identify the dollar level of retirement activity by account by year for each of the accounts TURN has taken issue with in this proceeding in which the gross salvage or cost of removal were not recorded in the same year as the retirements. Further, for each such instance by account, identify when such values were ultimately recorded. If SCG does not have the information as requested, please provide SCG’s best estimate for each account of the amount of gross salvage or cost of removal that was not recorded in the same year as the year the plant was retired.
12. On page BW-14 of Ex. SCG-227, SCG states that future focus in net salvage analyses results from discussions with engineering, operating, and planning personnel who are in tune with issues generating the activity. Please identify each separate item of information obtained from discussions with engineering, operating, and planning personnel that had a meaningful or significant impact on the determination of net salvage factors for each of the accounts TURN has addressed in this proceeding. Further, identify where in the Company’s original testimony, workpapers, or exhibits such information was specifically identified and provided, as well as the impact each item of information had on determining the final value proposed by the Company. Finally, provide all underlying support and documentation associated with each item of information obtained from any of the Company individuals in sufficient detail to demonstrate the validity of such information, including but not limited to any notes that Mr. Wieczorek made as a result of these discussions.
13. On page BW-14 of Ex. SCG-227, SCG states that because of technological environmental constraints, gross salvage is becoming a thing of the past. At this time, please identify each separate technological and/or environmental constraint referenced, when each became effective, and how each specifically impacts gross salvage by account corresponding to those accounts TURN has raised as an issue in this proceeding. Finally, specifically identify and explain how each technological and environment constraint results in the elimination of gross salvage by account. If SCG believes this request is unduly burdensome, please identify the ten examples of such technological or environmental constraint that are having the largest impact on gross salvage.
14. Regarding the statement on page BW-14 pf Ex. SCG-227 that the practice of abandonment in certain situations has been subject to increased scrutiny, please identify and describe each of the “certain situations” referenced and the specific facts and circumstances associated with such additional scrutiny that has resulted in additional cost of removal by year in each of the accounts TURN has addressed in this proceeding. Further, provide all underlying support and justification for any claim presented.
15. Regarding the statement at the bottom of page BW-14 of Ex. SCG-227 that the Company is experiencing more situations on past abandonment pipelines that require present day physical removal never envisioned, please provide a detailed identification of each previously abandoned pipeline that the Company now must remove. For each such situation, state when the initial retirement occurred, the year that the Company had to ultimately remove the pipeline, the dollar level of retirement associated with each such instance by account, and the specific reason and support for such reason that required the Company to actually remove previously abandoned pipelines. The response should be in sufficient detail to further explain the reference to “this accelerating situation” as referenced at the bottom of the same page.
16. At the top of page BW-15 of Ex. SCG-227, SCG states that for Account 352, assets as a whole are experiencing a trend toward more negative net salvage. At this time, please specifically identify what constitutes a trend as that term is used here, and fully explain the basis for SCG’s position.
17. Please provide a copy of all workpapers, analyses, studies, etc., associated with each analysis performed by SCG in support of its rebuttal testimony on depreciation. For example, on page BW-15 of Ex. SCG-227, SCG refers to an analysis of removing gross salvage for Account 352, which results in a negative 49% net salvage.
18. Regarding the statement on the top of page BW-16 of Ex. SCG-227 as it applies to Account 352, where SCG references the appearance of a slight downward trend of the data, please specifically identify what constitutes a slight trend as SCG used that term and provide all support and justification for such position.
19. Regarding the statement at the top of page BW-18 of Ex. SCG-227 where SCG claims that the one-time large gross salvage for Account 367 will never be reflected in the future, please identify the type of pipe remaining in the ground by size and material, as well as the basis for the statement that there is no gross salvage market for retired steel pipe or valves.
20. Regarding the statement on page BW-18 of Ex. SCG-227 where SCG states that for both Transmission and Distribution pipe, retirements will consist of physical removal and not abandonment, please provide all support and justification for the position that the Company will no longer abandon pipe in place. Please also identify the amount of pipe investment that was retired in place in each year from 2001-2010.
21. Regarding the statement on page BW-18 of Ex. SCG-227 that SCG specifically considered the fact that the Company will no longer be abandoning plant in service due to the accelerating situation regarding pipeline integrity and safety, please provide the specific reference in the original depreciation study, workpapers, testimony, and exhibits where such specific consideration was identified.
22. Regarding the statement in the middle of page BW-18 of Ex. SCG-227 that “a more relevant analysis shows that 11 of the 15 years reflect a simple -78% average FNS rate,” please provide all criteria relied upon for the claim that the analysis is more relevant, and why a simple average was relied upon.