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

**TURN Data Request to SoCalGas**

**Data Request Number:** TURN-SCG-20 (Depreciation)

**Date Sent:** July 20, 2011

**Date Due:** August 3, 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. **[Underground Storage]** – For the Company’s investment in underground storage-related facilities, please provide the following:
2. a detailed description of the type and location of storage facilities;
3. the year each storage facility was first placed into service;
4. the date and related circumstances for any gas storage facility (not individual components but the entire facility) fully retired;
5. all plans that reflect the retirement of any of the existing Company individual storage facilities;
6. all valuation analysis performed applicable to any gas storage facility during the past 10 years (including tax valuations);
7. a detailed narrative explaining the physical life limitations for each of the Company’s gas storage facilities (*e.g.*, cavern collapsing due to age and use with expected remaining physical life of 10 years, etc.);
8. a detailed narrative along with all support and justification explaining why the actual well associated with each storage facility cannot be expected to have an average life longer than approximately 29 years as proposed; and
9. all inquiries regarding purchase of facilities or rental of facilities or capacity during the past 10 years.
10. **[Account 367]** – For the Company’s investment in Account 367 – Transmission Mains, please provide the following:
11. the linear feet by size and type of pipe along with the corresponding value of each category of pipe to the extent available;
12. the linear feet of pipe retired by year for each of the past 15 years by size and type along with the corresponding dollar values to the extent available;
13. a detailed explanation along with all support and justification as to why a 57 R5 life-curve combination was selected when a 60 R4 and a 65 R3 life-curve combination have superior sum of squared differences, 100% retirement experience indices, and fall within the same category of index of variation, as set forth on Workpaper BW-WP-129;
14. all improvements in manufacturing, coating, or installation associated with newer vintage pipe that are anticipated to yield a longer life expectancy from a physical standpoint that the Company is aware of, along with all supporting documentation for each type of improvement;
15. a detailed narrative along with all support and justification explaining the differences in percentage cost of removal between the 2009 retirement and the 2007 retirement, the first of which resulted in 117% cost of removal, while the latter of which resulted in only a 22% cost of removal;
16. a detailed listing along with all corresponding support and justification for the costs that are allocated to cost of removal in instances where mains are replaced at the same location where a retirement occurs;
17. a detailed narrative identifying the Company’s policy regarding abandonment or removal of pipe retired, and the quantity of pipe abandoned in place versus removed by year for the past 15 years; and
18. a detailed narrative identifying the various inspection programs for the Company’s Transmission mains, as well as when each program was first implemented and the cycle associated with each such program.
19. **[Account 368]** – For the Company’s investment in Account 368 – Transmission Compressor Station Equipment, please provide the following:
20. a listing of each compressor along with its date of installation, manufacturer, size, speed, and model number on electronic medium in Excel readable format;
21. the number of compressors retired by year for the past 15 years, identifying the date of installation, the type of compressor, the manufacturer, the model number, the size, and the corresponding dollar value, if available;
22. the identity of the oldest compressor still in operation; and
23. a detailed narrative of what retired in 2009 that resulted in a cost of removal of $225,000 and a corresponding 182% cost of removal as noted on Workpaper BW-WP-341, and why such level is considered representative of what will occur in the future, along with all support and justification for the response.
24. **[Account 376]** – For the Company’s investment in Account 376, please provide the following:
25. the linear feet of pipe by type and size along with the corresponding dollar value for each category to the extent available;
26. the linear feet of pipe retired by year by type and size along with the corresponding dollar value of such pipe to the extent available;
27. the linear feet of early-generation plastic or PVC pipe that was subject to replacement due to chemical composition, installation problems, or glue-related problems, and the years in which such pipe was installed;
28. a detailed narrative identifying any maintenance practice that the Company employs that it is aware of that is appreciably different from industry standards;
29. a detailed narrative identifying the years in which the Company implemented any early retirement programs for pipe, identifying the reason for each such program;
30. a detailed narrative setting forth the Company’s criteria and ranking of the criteria relied upon, along with all support and justification for the criteria and ranking, to select the 55 R4 life-curve combination as set forth on Workpaper BW-WP-139;
31. a detailed narrative explaining why the Company did not select a 73 R2 life-curve combination for the investment in this account as a superior fit given that it ranked above the Company’s selection, had an identical index of variation, and corresponded to a 92% retirement experience index;
32. a detailed narrative explaining why the Company did not select a 66 R2.5 life-curve combination for the investment in this account given that it ranked close to the Company’s selection, had an identical index of variation, and corresponded to a 99% retirement experience index;
33. a detailed narrative explaining why the Company did not select a 60 R3 life-curve combination for the investment in this account given that it ranked close to the Company’s selection, had an almost identical index of variation, and corresponded to a 100% retirement experience index;
34. a detailed listing along with all corresponding support and justification for the costs that are allocated to cost of removal in instances where mains are replaced at the same location where a retirement occurs;
35. the Company’s policy regarding abandonment versus removal of retired pipe, along with the quantity of pipe abandoned in place by year for the past 15 years, as well as the corresponding dollars retired, to the extent available;
36. all studies that support the allocation or assignment of costs between cost of removal and the cost of replacement investment when new pipe is placed in the same location at the time of a retirement, along with all support and justification underlying the studies;
37. a detailed narrative explaining, supporting, and justifying the downward trend (less negative net salvage) in net salvage as experienced in the period 2006 through 2009 in comparison to the prior seven years as set forth on Workpaper BW-WP-345.
38. **[Account 378]** – For investment in Account 378 – Measuring & Regulating Station Equipment, please provide a detailed narrative identifying what retired in 2007 in the amount of $2.6 million and why the retirements resulted in an 11% cost of removal as set forth on Workpaper BW-WP-346. In addition, provide a complete reconciliation of what caused the 11% cost of removal in 2007 in comparison to the 148% cost of removal recorded in 2009, specifically addressing whether the concept of economies of scale played any role in the different percentages for these years.
39. **[Account 380]** – For investment in Account 380 – Distribution Services, please provide the following:
40. a detailed narrative identifying the criteria employed and the ranking of the criteria for the selection of a 51 L2 life-curve combination as set forth on Workpaper BW-WP-143. Further, provide all support and justification for each criterion as well as for the ranking of each;
41. a detailed narrative explaining why a 56 S0.5, which has a better index of variation and a higher retirement experience index, is not also an acceptable if not superior choice;
42. a detailed narrative explaining why a 52 R2, which has a better index of variation and a higher retirement experience index, is not also an acceptable if not superior choice;
43. a detailed narrative explaining why a 58 R1.5, which has a better index of variation and a higher retirement experience index, is not also an acceptable if not superior choice;
44. the number of services by size and type of service along with the corresponding dollar values, or in the greatest level of detail available;
45. the number, size, and type of services retired by year for the past 15 years, along with the corresponding dollar level of retirements by category, or in the greatest level of detail available;
46. the Company’s policy regarding abandoning services in place once retired;
47. a detailed listing along with all corresponding support and justification for the costs that are allocated to cost of removal in instances where services are replaced at the same location where a retirement occurs;
48. the number and corresponding dollar level of retirements by year, if available, corresponding to those services abandoned versus removed; and
49. a detailed narrative identifying any historic retirement programs associated with removal of any particular type of service found to be problematic, along with the years of placement associated with such services.
50. **[Account 382]** – For investment in Account 382 – Meter Installations and Other Installations, please explain and justify what specific activities result in cost of removal, and how such amounts are determined. Further, specifically explain and justify why the larger retirement amounts that occur between 2005 and 2008 yield less negative levels of net salvage when compared to 2009 with a much lower level of retirement activity. To the extent economies of scale has any impact on the differential of cost of removal on a percentage basis, explain and justify.
51. **[Account 390]** – Please provide a list of the 10 largest general plant structures and improvements investments from a dollar standpoint along with the corresponding dollar amounts that were included in Account 390. Further, provide a detailed description (not legal description) of the property. The description should include, but not be limited to, the type of construction, year of construction, the size, current use, location, current property tax appraisals or other appraisals, and any plans for retirement of such structures in the future.
52. **[Account 390]** – Please provide all specific support and justification for the reliance on a 20 SQ life-curve combination for the investment in General plant Account 390 – Structures and Improvements. To the extent the response relies on prior approved values, then also provide all support and justification for the prior values.
53. **[Account 390]** – Please identify what retired in 2007 in the amount of $6.1 million that resulted in an 8% cost of removal as set forth on Workpaper BW-WP-352. Further, explain and justify what caused the difference between an 8% cost of removal for retirements in 2007 compared to the 409% cost of removal experienced in 2005 for the same account. To the extent economies of scale or significantly different types of investment being retired are the cause for such variance, provide all support and justification for such position.
54. **[Account 391.2]** – For investment in Account 391.2 – General Plant Computer Equipment, please provide a detailed narrative along with all support and justification associated with the negative $256,657 gross salvage recorded for 2008 as set forth on Workpaper BW-WP-354. Further, explain and justify the $70,930 cost of removal incurred during the same year.
55. **[Account 391]** – For investment in computer and software programs set forth in Account 391, please provide the following:
56. the SPR analysis referred to on page BW-19 of Mr. Wieczorek’s testimony;
57. all support and justification for the assumed forecasted lives ranging from 3 to 20 years as reflected in Accounts 391.3 through 391.6. To the extent the response relies on prior approved values, then also provide all support and justification for the prior values;
58. a detailed listing of each software system within each subaccount, the year installed, whether the software system is still in service, the corresponding cost of the software system, as well as the vendor for each software system, on electronic medium in Excel readable format.
59. **[Account 391]** – For investment in Account 391 relating to computer software, please identify each instance during the past 20 years in which the Company retired a software system prior to the assumed forecasted life span for that system. For each such instance, identify the software system, the year installed, the cost, the assumed life span, the year retired, and the reason for the early retirement. Further, provide the same information for each software system that was scheduled to be retired from an accounting standpoint during the past 20 years based on the assumed forecasted life span, yet remained in service after such forecasted date, and if ultimately retired, identify how long after the forecasted life span the actual retirement occurred. The information should be provided on electronic medium in Excel readable format.
60. **[Life]** – For Accounts 391.3 and 397.2, the Company proposes remaining lives of less than two years as of December 31, 2009 as set forth on Workpaper BW-WP-8. Given that the rates in this proceeding are not scheduled to become effective until sometime in 2012, please explain and justify why the requested depreciation amounts for these accounts will not already be fully accrued by the time rates go into effect. Further, specifically provide the actual additions and retirements to each of these accounts by month for the period beginning January 1, 2010 through the most current time period available.