

**DRA DATA REQUEST**  
**DRA-SCG-119-DAO**  
**SOCALGAS 2012 GRC – A.10-12-006**  
**SOCALGAS RESPONSE**  
**DATE RECEIVED: JULY 14, 2011**  
**DATE RESPONDED: JULY 26, 2011**

**Subject:** Locate and Mark Follow-Up

**Please provide the following:**

1. In Exhibit SCG-2, pp. GOM-16, GOM-28, and GOM-31, SCG discusses the Los Osos City Sewer System and requests funding above and beyond the 2009 recorded expenses for work associated with this project. Please explain in detail, and include all necessary supporting documents, why SCG forecasts work activities associated with this project, to be above and beyond the day-to-day work activities for Locate and Mark, Main Maintenance, and Service Maintenance.

**SoCalGas Response:**

The Los Osos City Sewer System project is an unusually large construction project. It includes the installation of approximately 45 miles of sewer lines and service laterals and is expected to impact virtually every street in the city, serving approximately 15,000 residents. This project will require SoCalGas to complete locate and mark work, and main and service maintenance activities that are in excess of an average project.

SoCalGas will need to locate, mark and identify the depth of its pipelines prior to the sewer installation. Gas mains and services that are in conflict with the proposed sewer line location will need to be moved to a new location. Additionally continuous observation will be required where our high pressure lines are within 10 feet of the proposed sewer.

The work that is anticipated in the areas of Locate and Mark, Main and Service Maintenance is beyond what SoCalGas typically experiences on a day to day basis. Such project related work efforts are not embedded in the historical spending, and thus have been viewed as incremental requirements to operations.

With respect to this project, these incremental costs can not be charged to the city of Los Osos. Per Section 4(d) of the Franchise Agreement between SoCalGas and the County of San Luis Obispo (Los Osos is not an incorporated city), SoCalGas is required to “remove or relocate, without expense to the County, any facilities installed, used and maintained...” by SoCalGas. Therefore, there will be no offsetting revenues gained by SoCalGas.

Attached is the Franchise Agreement between SoCalGas and the County of San Luis Obispo (see Section 4(d)).



DRA 119 Franchise  
Agreement.pdf