

DRA DATA REQUEST
DRA-SCG-122-KCL
SOCALGAS 2012 GRC – A.10-12-006
SOCALGAS RESPONSE
DATE RECEIVED: JULY 18, 2011
DATE RESPONDED: JULY 22, 2011

Exhibit Reference: SCG-04 and SCG-04-CWP

Subject: Underground Storage Capital Expenditures

Please provide the following:

1. Several capital expenditure categories in Gas Distribution show capital expenditure reduction to reflect the anticipated improved operational efficiency by the introduction of new technology and business processes (see discussion on page GOM-61 of Exhibit SCG-02). Does Underground Storage participate in the same or similar operational efficiency improvement effort? Does Underground Storage anticipate any cost reduction from future operational efficiency improvement in 2011 and 2012?

SoCalGas Response:

There was no functionality provided in the OpEx 20/20 projects that affected Storage capital expenditures in 2011 or 2012. The storage department has had no formal program or specifically funded program intended to result in operational efficiency gains. However, the department has generally increased productivity over the last 10 years since it has operated with about the same staff levels while increasing storage capacity by 28% - from 105 billion cubic feet (Bcf) to 134 Bcf.