

SCGC DATA REQUEST
SCGC-SCG-DR-13
SOCALGAS 2012 GRC – A.10-12-006
SOCALGAS RESPONSE
DATE RECEIVED: SEPTEMBER 12, 2011
DATE RESPONDED: SEPTEMBER 16, 2011

- 13.1. Comparing the SCG Gas Costs category on Table HSE-WP-42 with the SCG Gas Costs category on Table HSE-WP-44 for the years 2012-2015:
- 13.1.1. For the years 2013-2015, the line “Capital Related Rev Req” is exactly the same in the two tables. Why is the “Capital Related Rev Req” 42,542 in the first table and 44,257 in the second table for the year 2012?
 - 13.1.2. For the years 2013-2015, the line “PTY Incremental O&M costs” is exactly the same in the two tables. Why is the “PTY Incremental O&M costs” 0 in the first table and 8,868 in the second table for the year 2012?

SoCalGas Response 13.1.1:

The results illustrated on HSE-WP-44 represent the Post Test Year revenue requirement analysis using an annual proprietary economic evaluation tool.

The results illustrated for TY 2012 on pages HSE-WP-42 and HSE-WP-43 are derived using a monthly results of operations (“RO”) model (see witness Deborah Hiromoto’s testimony and workpapers exhibit SCG-38, for additional details). Therefore, the analysis in Herb Emmrich’s workpapers are meant to calculate the revenue requirement needs in the attrition years only and the associated comparison to the TY will tie to the RO model results shown in exhibit SCG-38.

SoCalGas Response 13.1.2:

Please refer to response 13.1.1. Workpaper HSE-WP-42 shows the incremental results of the post test year analysis compared to 2012 results from the RO model. The 8,783 figure in this example represents the net O&M benefits (subtracts O&M costs) derived from the RO model (summarized on HSE-WP-43).



Pages from Exh
SCG-39-WP-R Emmric

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13.2. Why did the Capital Related Rev Req decrease from 52,016 in Table HSE-WP-44 in the December workpapers to 42,542 in Table HSE-WP-42 in the July (revised) workpapers?

SoCalGas Response:

SoCalGas decreased its Application overall revenue requirement by \$16,847,000 in its July Revision due to two types of changes: 1) \$5,255,000 in Errata and 2) \$11,592,000 related to the impact of the Tax Relief Act of 2010. The decrease shown in the workpapers referenced above equates to the impacts of these two changes associated with the capital related revenue requirement.