

Application of SOUTHERN CALIFORNIA GAS)
COMPANY for authority to update its gas revenue)
requirement and base rates)
effective January 1, 2012 (U 904-G))

Application No. 10-12-____
Exhibit No.: (SCG-06-WP)

WORKPAPERS TO
PREPARED DIRECT TESTIMONY
OF IBTISSAM T. CHANG
ON BEHALF OF SOUTHERN CALIFORNIA GAS COMPANY

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

DECEMBER 2010



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2012 General Rate Case - APP
INDEX OF WORKPAPERS

Exhibit SCG-06 - SOCALGAS PROCUREMENT

DOCUMENT	PAGE
Overall Summary For Exhibit No. SCG-06	1
<i>Summary of Non-Shared Services Workpapers</i>	2
Category: A. SP-Gas Acquisition	3
..2SP000.000 - SP-GAS ACQUISITION	4
<i>Appendix A: List of Non-Shared Cost Centers</i>	10

Overall Summary For Exhibit No. SCG-06

Area: SOCALGAS PROCUREMENT

Witness: Chang, Ibtissam T

Description	In 2009 \$ (000)			
	Adjusted-Recorded	Adjusted-Forecast		
	2009	2010	2011	2012
<i>Non-Shared Services</i>	3,544	3,639	3,639	3,639
<i>Shared Services</i>	0	0	0	0
Total	3,544	3,639	3,639	3,639

Southern California Gas Company
 Test Year 2012 GRC - APP
 Non-Shared Service Workpapers

Area: SOCALGAS PROCUREMENT
 Witness: Chang, Ibtissam T

Summary of Non-Shared Services Workpapers:

Description	In 2009 \$ (000)			
	Adjusted-Recorded	Adjusted-Forecast		
	2009	2010	2011	2012
<i>A. SP-Gas Acquisition</i>	3,544	3,639	3,639	3,639
<i>Total</i>	3,544	3,639	3,639	3,639

Southern California Gas Company
 Test Year 2012 GRC - APP
 Non-Shared Service Workpapers

Area: SOCALGAS PROCUREMENT
 Witness: Chang, Ibtissam T
 Category: A. SP-Gas Acquisition
 Workpaper: 2SP000.000

Summary for Category: A. SP-Gas Acquisition

	In 2009\$ (000)			
	Adjusted-Recorded	Adjusted-Forecast		
	2009	2010	2011	2012
Labor	3,113	3,113	3,113	3,113
Non-Labor	431	526	526	526
NSE	0	0	0	0
Total	3,544	3,639	3,639	3,639
FTE	30.4	30.4	30.4	30.4

**Workpapers belonging to this Category:
 2SP000.000 SP-Gas Acquisition**

Labor	3,113	3,113	3,113	3,113
Non-Labor	431	526	526	526
NSE	0	0	0	0
Total	3,544	3,639	3,639	3,639
FTE	30.4	30.4	30.4	30.4

Beginning of Workpaper
2SP000.000 - SP-Gas Acquisition

Southern California Gas Company
 Test Year 2012 GRC - APP
 Non-Shared Service Workpapers

Area: SOCALGAS PROCUREMENT
 Witness: Chang, Ibtissam T
 Category: A. SP-Gas Acquisition
 Category-Sub: 1. SP-Gas Acquisition
 Workpaper: 2SP000.000 - SP-Gas Acquisition

Activity Description:

This cost center is responsible for the procurement of natural gas for core customers of SoCalGas and SDG&E.

Forecast Methodology:

Labor - Base YR Rec

Adjusted base year methodology is used as it best reflects anticipated future operating requirements.

Non-Labor - 5-YR Average

A five year average is used for nonlabor expense forecasts to smooth out yearly nonlabor fluctuations.

NSE - 5-YR Average

not applicable

Summary of Results:

	In 2009\$ (000)							
	Adjusted-Recorded					Adjusted-Forecast		
	2005	2006	2007	2008	2009	2010	2011	2012
Years								
Labor	2,827	2,903	2,982	3,059	3,113	3,113	3,113	3,113
Non-Labor	568	584	574	477	431	526	526	526
NSE	0	0	0	0	0	0	0	0
Total	3,395	3,487	3,556	3,536	3,544	3,639	3,639	3,639
FTE	28.7	29.2	29.8	30.7	30.4	30.4	30.4	30.4

Southern California Gas Company
 Test Year 2012 GRC - APP
 Non-Shared Service Workpapers

Area: SOCALGAS PROCUREMENT
 Witness: Chang, Ibtissam T
 Category: A. SP-Gas Acquisition
 Category-Sub: 1. SP-Gas Acquisition
 Workpaper: 2SP000.000 - SP-Gas Acquisition

Forecast Summary:

Forecast Method		In 2009 \$(000)								
		Base Forecast			Forecast Adjustments			Adjusted-Forecast		
		2010	2011	2012	2010	2011	2012	2010	2011	2012
Labor	Base YR Rec	3,113	3,113	3,113	0	0	0	3,113	3,113	3,113
Non-Labor	5-YR Average	526	526	526	0	0	0	526	526	526
NSE	5-YR Average	0	0	0	0	0	0	0	0	0
Total		3,639	3,639	3,639	0	0	0	3,639	3,639	3,639
FTE	Base YR Rec	30.4	30.4	30.4	0.0	0.0	0.0	30.4	30.4	30.4

Forecast Adjustment Details:

<u>Year/Expl.</u>	<u>Labor</u>	<u>NLbr</u>	<u>NSE</u>	<u>Total</u>	<u>FTE</u>	<u>Adj_Type</u>
2010 Total	0	0	0	0	0.0	
2011 Total	0	0	0	0	0.0	
2012 Total	0	0	0	0	0.0	

Southern California Gas Company
 Test Year 2012 GRC - APP
 Non-Shared Service Workpapers

Area: SOCALGAS PROCUREMENT
 Witness: Chang, Ibtissam T
 Category: A. SP-Gas Acquisition
 Category-Sub: 1. SP-Gas Acquisition
 Workpaper: 2SP000.000 - SP-Gas Acquisition

Determination of Adjusted-Recorded:

	2005 (\$000)	2006 (\$000)	2007 (\$000)	2008 (\$000)	2009 (\$000)
Recorded (Nominal \$)*					
Labor	2,400	2,263	2,395	2,501	2,577
Non-Labor	551	539	547	479	431
NSE	0	0	0	0	0
Total	2,950	2,802	2,943	2,980	3,007
FTE	27.8	24.7	25.2	25.6	25.3
Adjustments (Nominal \$) **					
Labor	-242	0	0	0	60
Non-Labor	-45	0	0	0	0
NSE	0	0	0	0	0
Total	-287	0	0	0	60
FTE	-3.5	0.0	0.0	0.0	0.3
Recorded-Adjusted (Nominal \$)					
Labor	2,157	2,263	2,395	2,501	2,637
Non-Labor	506	539	547	479	431
NSE	0	0	0	0	0
Total	2,663	2,802	2,943	2,980	3,067
FTE	24.3	24.7	25.2	25.6	25.6
Vacation & Sick (Nominal \$)					
Labor	368	404	418	482	476
Non-Labor	0	0	0	0	0
NSE	0	0	0	0	0
Total	368	404	418	482	476
FTE	4.4	4.5	4.6	5.1	4.8
Escalation to 2009\$					
Labor	302	235	168	76	0
Non-Labor	62	45	26	-1	0
NSE	0	0	0	0	0
Total	364	280	194	74	0
FTE	0.0	0.0	0.0	0.0	0.0
Recorded-Adjusted (Constant 2009\$)					
Labor	2,827	2,903	2,982	3,059	3,113
Non-Labor	568	584	574	477	431
NSE	0	0	0	0	0
Total	3,394	3,487	3,555	3,536	3,544
FTE	28.7	29.2	29.8	30.7	30.4

* After company-wide exclusions of Non-GRC costs

** Refer to "Detail of Adjustments to Recorded" page for line item adjustments

Southern California Gas Company
Test Year 2012 GRC - APP
Non-Shared Service Workpapers

Area: SOCALGAS PROCUREMENT
Witness: Chang, Ibtissam T
Category: A. SP-Gas Acquisition
Category-Sub: 1. SP-Gas Acquisition
Workpaper: 2SP000.000 - SP-Gas Acquisition

Summary of Adjustments to Recorded:

In Nominal \$ (000)						
Year	2005	2006	2007	2008	2009	
Labor	-242	0	0	0	60	
Non-Labor	-45	0	0	0	0	
NSE	0	0	0	0	0	
Total	-287	0	0	0	60	
FTE	-3.5	0.0	0.0	0.0	0.3	

Detail of Adjustments to Recorded:

<u>Year/Expl.</u>	<u>Labor</u>	<u>NLbr</u>	<u>NSE</u>	<u>FTE</u>	<u>Adj Type</u>	<u>From CCtr</u>	<u>RefID</u>
2005	-242	0	0	0.0	1-Sided Adj	N/A	TPZDG20100426 101439323
Exclude Hub Labor. These were refundable costs.							
2005	0	-45	0	0.0	1-Sided Adj	N/A	TPZDG20100426 101611260
Exclude Hub expenses. These were refundable costs.							
2005	0	0	0	-3.5	1-Sided Adj	N/A	TPZDG20100505 115659960
Remove Hub labor							
2005 Total	-242	-45	0	-3.5			
2006 Total	0	0	0	0.0			
2007 Total	0	0	0	0.0			
2008 Total	0	0	0	0.0			
2009	60	0	0	0.0	1-Sided Adj	N/A	TPZDG20100518 111617903
Unfilled vacancies							
2009	0	0	0	0.3	1-Sided Adj	N/A	TPZDG20100518 111703327
Account for unfilled vacancies							

Southern California Gas Company
Test Year 2012 GRC - APP
Non-Shared Service Workpapers

Area: SOCALGAS PROCUREMENT
Witness: Chang, Ibtissam T
Category: A. SP-Gas Acquisition
Category-Sub: 1. SP-Gas Acquisition
Workpaper: 2SP000.000 - SP-Gas Acquisition

<u>Year/Expl.</u>	<u>Labor</u>	<u>NLbr</u>	<u>NSE</u>	<u>FTE</u>	<u>Adj Type</u>	<u>From CCtr</u>	<u>RefID</u>
2009 Total	60	0	0	0.3			

Southern California Gas Company
Test Year 2012 GRC - APP
Non-Shared Service Workpapers

Area: CSSP - SOCALGAS PROCUREMENT
Witness: Chang, Ibtissam T

Appendix A: List of Non-Shared Cost Centers

<u>Cost Center</u>	<u>Sub</u>	<u>Description</u>
2200-0832	000	VP GAS PROCUREMENT
2200-0834	000	CALIFORNIA ENERGY HUB MANAGER
2200-2200	000	GAS ACQUISITION DIRECTOR
2200-2281	000	GAS PROCUREMENT - SPECIAL PROJECT