

SOUTHERN CALIFORNIA GAS COMPANY
Compression Services Application
(A.11-11-011)
(1ST DATA REQUEST FROM Clean Energy)

QUESTION 1:

Please provide the work papers supporting the Application, Testimony and Appendices.

RESPONSE 1:

All workpapers are available at the following link on the SoCalGas website:

<http://socalgas.com/regulatory/A1111011.shtml>

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QUESTION 2:

Please identify the organizations that participated in the customer survey described in Appendix C.

RESPONSE 2:

Consistent with existing policy, SoCalGas cannot identify the organizations that participated in the customer survey described in Appendix C.

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QUESTION 3:

Assuming that SoCalGas' Compression Services Tariff is approved, and that SoCalGas constructs and places into operation \$1 million in NGV refueling infrastructure on behalf of a customer, and the customer shortly thereafter files for bankruptcy and is unable to pay for the infrastructure installed on its behalf, who bears the risk of any economic loss related to the resulting stranded investment, SoCalGas' shareholders or SoCalGas' ratepayers?

RESPONSE 3:

As with any other tariff service, the infrastructure assets used in providing that service are ratebase assets and any customer specific charges are treated as miscellaneous revenues. If SoCalGas constructs and places into operation a compression facility on behalf of a customer, that customer will be charged the full cost of service including capital, O&M and all applicable overheads. Those assets will be incorporated into ratebase and the associated customer revenues will become part of miscellaneous revenues in the next GRC proceeding. If a Compression Services Tariff customer files for bankruptcy and is unable to pay for the infrastructure installed on its behalf, SoCalGas will first exhaust all commercial and legal remedies to collect the remaining balance due and the required costs to remove and redeploy the asset from the customer premises. If not redeployed the asset will be retired. SCG shareholders bear the economic loss between GRCs until the undepreciated capital invested is rolled-in to ratebase along with miscellaneous revenues forecasts associated with compression services tariff for approval in the subsequent GRC.