**QUESTION 6.1:**

**The following questions are addressed to the Direct Testimony of Paul Borkovich:**

With respect to the discussion about the current CPOBA imbalance and cashout provisions on page 6:

* 1. Please state the total CPOBA monthly imbalance amount in Dth for the three years, 2013-2015.
  2. Please state the total CPOBA monthly cash out amount for over-deliveries in Dth (that is the cumulative amount of any positive imbalance quantities outside the specified tolerance band at the end of the payback period for all producers on the CPOBA) for the three years, 2013-2015.
  3. Please state the total CPOBA monthly cash out amount for under-deliveries in Dth (that is the cumulative amount of any negative imbalance quantities outside the specified tolerance band at the end of the payback period for all producers on the CPOBA) for the three years, 2013-2015.
  4. How has SoCalGas accounted for any CPOBA cash out amounts that have occurred during the last three years?

**RESPONSE 6.1:**

6.1.1 SoCalGas and SDG&E object to this question on the grounds that it requests confidential customer information. Without waiving these objections, and subject thereto, SoCalGas and SDG&E respond as follows:

The first two CPOBAs did not become effective until September 1, 2015. The remainder went into effect on January 1, 2016.

6.1.2 See Response 6.1.1

6.1.3 See Response 6.1.1

6.1.4 The application is requesting approval of the accounting treatment for CPOBA cashout revenue.

**QUESTION 6.2:**

Under SoCalGas’ proposed producer imbalance aggregation approach, would SoCalGas expect the monthly imbalance amount to diminish relative to the levels experienced under the current CPOBA arrangements over the last three years?

**RESPONSE 6.2:**

Most of the CPOBAs have just gone into effect on January 1, 2016. There is no monthly imbalance or cashout data available yet to make a comparison.

**QUESTION 6.3:**

Please explain the response to the previous question.

**RESPONSE 6.3:**

See Response 6.2.

**QUESTION 6.4:**

Under SoCalGas’ proposed producer imbalance aggregation approach, would SoCalGas expect the monthly cash out amount to diminish relative to the levels experienced under the current CPOBA arrangements over the last three years?

**RESPONSE 6.4:**

See Response 6.2.

**QUESTION 6.5:**

Please explain the response to the previous question.

**RESPONSE 6.5:**

See Response 6.2.

**QUESTION 6.6:**

Please explain how the Operational Hub would buy or sell gas in support of pipeline OBA resolution.

**RESPONSE 6.6:**

The net physical position from cashout activity would be purchased or sold by the Operational Hub at the SoCalGas Citygate in a manner similar to purchase and sale activity for Compressor Fuel.

**QUESTION 6.7:**

Under G-IMB, the buyback rate is applied to a customer’s cumulative positive transportation imbalance exceeding the 10 percent tolerance band. How are the G-IMB buyback revenues accounted for by SoCalGas?

**RESPONSE 6.7:**

Per the Purchased Gas Account (PGA) Preliminary Statement, noncore standby and buyback services under Schedule No. G-IMB, excluding the allowance for FF&U, are booked as credit entries to the PGA.

**QUESTION 6.8:**

Please state the total monthly buyback amount in Dth (that is the cumulative amount of any positive imbalance quantities outside the 10 percent tolerance band) for the three years, 2013-2015.

**RESPONSE 6.8:**

Please see the Excel file below for the net monthly imbalance reported to the PGA.



**QUESTION 6.9:**

Under G-IMB, the standby rate is applied to a customer’s cumulative negative transportation imbalance exceeding the 10 percent tolerance band. How are the G-IMB standby revenues accounted for by SoCalGas?

**RESPONSE 6.9:**

See Response 6.7.

**QUESTION 6.10:**

Please state the total monthly standby amount in Dth (that is the cumulative amount of any negative imbalance quantities outside the 10 percent tolerance band) for the three years, 2013-2015.

**RESPONSE 6.10:**

See the worksheet provided in Response 6.8.