**QUESTION 1:**

Please confirm that the composite tier differential under SoCalGas’ proposed residential rate design is the 0.91 ratio listed in the “Effective Ratio” line of page 97 of 178 of the work papers for Jason Bonnett on behalf of SoCalGas (revised November 19, 2015). If the composite tier differential is different than the 0.91 ratio, please state the ratio and provide the supporting assumptions and calculations in working Excel format.

**RESPONSE 1:**

Should the Commission adopt SoCalGas’ proposed customer charge but deny the tier differential calculation proposed by SoCalGas, then yes, the figure cited above would be the outcome. However, that figure is based on a complex methodology that SoCalGas and SDG&E propose to revise in favor of a simplified approach. The ratio of 1.36 proposed by SoCalGas is shown on line 13, page 15, of Mr. Bonnett’s SoCalGas workpapers.

**QUESTION 2:**

Please confirm that the composite tier differential under SDG&E’s proposed residential rate design is the 0.80 ratio listed in the “Effective Ratio” line of page 43 of 90 of the workpapers for Jason Bonnett on behalf of SDG&E (revised November 19, 2015). If the composite tier differential is different than the 0.80 ratio, please state the ratio and provide the supporting assumptions and calculations in working Excel format.

**RESPONSE 2:**

Should the Commission adopt SDG&E’s proposed customer charge but deny the tier differential calculation proposed by SDG&E, the figure cited above would be the outcome. However, that figure is based on a complex methodology that SoCalGas and SDG&E propose to revise in favor of a simplified approach. The ratio of 1.35 proposed by SDG&E is shown on line 9, page 4 of Mr. Bonnett’s SDG&E workpapers.

**QUESTION 3:**

Please provide a revised version of Table 2 of the work papers for Jason Bonnett on behalf of SDG&E (revised November 19, 2015), reflecting the following changed assumptions: no residential customer charge, a composite tier differential ratio of 1.15, and no assumed cap on the difference between baseline and non-baseline rates.

**RESPONSE 3:**

Please see the following attached spreadsheet.



**QUESTION 4:**

Please provide a revised version of Table 2 of the work papers for Jason Bonnett on behalf of SoCalGas (revised November 19, 2015), reflecting the following changed assumptions: the status quo for residential customer charges, a composite tier differential ratio of 1.15, and no assumed cap on the difference between baseline and non-baseline rates.

**RESPONSE 4:**

Please see the following attached spreadsheet.

