

TURN DATA REQUEST
TURN-SCG-08
SOCALGAS 2012 GRC – A.10-12-006
SOCALGAS RESPONSE
DATE RECEIVED: MARCH 4, 2011
DATE RESPONDED: MARCH 22, 2011

Environmental (Ex. SDG&E-21 and Ex. SCG-15)

1. At Ex. SCG-15, p. LPG-4, the following statement appears:
The Site Assessment & Mitigation group is responsible for investigation and remediation of contamination at former SoCalGas Manufactured Gas Plant (“MGP”) sites and other former or current operating sites. The group manages complex cleanup projects to obtain “site closure” from governmental agencies that have oversight over the cleanup. The group also pursues cost recovery from government agencies, third parties and insurance companies, when applicable and conducts environmental due diligence for real property transactions (e.g., Phase I and II Environmental Site Assessments).

Identical language for SDG&E appears at Ex. SDG&E-21, p. LPG-5.

- a. Please describe in detail how SDG&E and SoCalGas determine whether such investigation and remediation costs are subject to the Hazardous Substance Mechanism adopted in 1994 (D.94-05-020).
- b. Are any costs associated with the investigation and remediation of former MGP sites included in any of the recorded costs for 2009 as set forth in the tables in Ex. SDG&E-21 and Ex. SCG-15? If the answer is anything other than an unqualified negative, for each table please identify the amount of costs associated with the investigation and remediation of former MGP costs.
- c. Are any costs associated with the investigation and remediation of former MGP sites included in any of the estimated costs for 2012 as set forth in the tables in Ex. SDG&E-21 and Ex. SCG-15? If the answer is anything other than an unqualified negative, for each table please identify the amount of costs associated with the investigation and remediation of former MGP costs.
- d. Please provide a list of the former MGP sites and other former or current operating sites for which the Site Assessment & Mitigation group is responsible for investigation and remediation of contamination.
- e. Please provide a list of the former MGP sites and other former or current operating sites for which costs of investigation and remediation of contamination are subject to the Hazardous Substance Mechanism adopted in 1994 (D.94-07-050). Please also indicate the date on which each site was made subject to the Hazardous Substance Mechanism.
- f. Please provide a copy of each advice letter that proposed to add a former MGP site or other former or current operating site of either SoCalGas or SDG&E to the Hazardous Substance Mechanism.

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SoCalGas Response:

- 1.a.** Please describe in detail how SoCalGas determines whether such investigation and remediation costs are subject to the Hazardous Substance Mechanism (HMS) adopted in 1994 (D.94-05-020).

Answer: SoCalGas followed the process established in the 1994 CPUC Decision 94-05-020 to determine whether investigation and remediation costs are subject to the HSM. For any listed hazardous site in the Document 94-05-020 and future added hazardous sites, costs that are recoverable under the HSM are those that are paid by the utility to third parties or entities to investigate, cleanup, and dispose of hazardous contamination. These HSM costs are not funded in the utility General Rate Case (GRC). Internal costs which include labor and employee expenses of the Site Assessment and Mitigation staff are funded in the GRC. Hazardous substance sites are those originally listed in the 1994 Decision and those added by advice letter (SCG-8-Attachment A).

- 1.b.** Are any costs associated with the investigation and remediation of former MGP sites included in any of the recorded costs for 2009 as set forth in the tables in Ex. SCG-15? If the answer is anything other than an unqualified negative, for each table please identify the amount of costs associated with the investigation and remediation of former MGP costs.

Answer: No, HSM costs, i.e., costs associated with the investigation and remediation of former Manufactured Gas Plants (MGP) are not included in the GRC. The only Site Assessment and Mitigation costs related to former MGP sites that are included in the GRC are internal costs, i.e., Site Assessment and Mitigation group project management and administrative staff labor and their employee expenses.

- 1.c.** Are any costs associated with the investigation and remediation of former MGP sites included in any of the estimated costs for 2012 as set forth in the tables in Ex. SCG-15? If the answer is anything other than an unqualified negative, for each table please identify the amount of costs associated with the investigation and remediation of former MGP costs.

Answer: No, HSM costs, i.e., costs associated with the investigation and remediation of former MGP sites are not included in the GRC. The only Site Assessment and Mitigation costs related to former MGP sites that are included in the GRC are internal costs, i.e., Site Assessment and Mitigation group project management and administrative staff labor and their employee expenses.

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Response to Question 1 (Continued)

- 1.d.** Please provide a list of the former MGP sites and other former or current operating sites for which the Site Assessment & Mitigation group is responsible for investigation and remediation of contamination.

Answer: A list of former MGP sites and other former or current facility sites that Site Assessment and Mitigation has been or is currently responsible for investigation and remediation of contamination is contained in TURN-SCG-8-Attachment A

- 1.e.** Please provide a list of the former MGP sites and other former or current operating sites for which costs of investigation and remediation of contamination are subject to the Hazardous Substance Mechanism adopted in 1994 (D.94-05-050). Please also indicate the date on which each site was made subject to the Hazardous Substance Mechanism.

Answer: A list of former MGP sites and other former or current facility sites for which costs of investigation and remediation of contamination are subject to the HSM adopted in 1994 is contained in TURN-SCG-8-Attachment A (see also Question 1.f.). The Hazardous Substance Mechanism for SoCalGas adopted in 1994 is D.94-05-020.

- 1.f.** Please provide a copy of each advice letter that proposed to add a former MGP site or other former or current operating site of either SoCalGas or SDG&E to the Hazardous Substance Mechanism.

Answer: Copies of the advice letters that proposed to add a former MGP site or other former or current facility site to the HMS is contained in TURN-SCG-8-Attachment A.



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