

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-15-WP)

WORKPAPERS TO  
PREPARED DIRECT TESTIMONY  
OF LISA P. GOMEZ  
ON BEHALF OF SOUTHERN CALIFORNIA GAS COMPANY

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA

DECEMBER 2010



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OF THE STATE OF CALIFORNIA

DECEMBER 2010



**2012 General Rate Case - APP  
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**Overall Summary For Exhibit No. SCG-15**

<b>Area:</b>	<b>ENVIRONMENTAL</b>
<b>Witness:</b>	<b>Gomez, Lisa P</b>

Description	In 2009 \$ (000)			
	Adjusted-Recorded	Adjusted-Forecast		
	2009	2010	2011	2012
<i>Non-Shared Services</i>	600	594	594	594
<i>Shared Services</i>	3,235	3,703	3,896	4,262
<b>Total</b>	3,835	4,297	4,490	4,856

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

Area: ENVIRONMENTAL  
 Witness: Gomez, Lisa P

**Summary of Non-Shared Services Workpapers:**

Description	In 2009 \$ (000)			
	Adjusted-Recorded	Adjusted-Forecast		
	2009	2010	2011	2012
A. Environmental	600	594	594	594
Total	600	594	594	594

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

Area: ENVIRONMENTAL  
 Witness: Gomez, Lisa P  
 Category: A. Environmental  
 Workpaper: 2EV000.000

**Summary for Category: A. Environmental**

	In 2009\$ (000)			
	Adjusted-Recorded	Adjusted-Forecast		
	2009	2010	2011	2012
Labor	286	280	280	280
Non-Labor	314	314	314	314
NSE	0	0	0	0
Total	600	594	594	594
FTE	4.3	4.3	4.3	4.3

**Workpapers belonging to this Category:**

**2EV000.000 ENVIRONMENTAL**

Labor	286	280	280	280
Non-Labor	314	314	314	314
NSE	0	0	0	0
Total	600	594	594	594
FTE	4.3	4.3	4.3	4.3

**Beginning of Workpaper**  
**2EV000.000 - ENVIRONMENTAL**

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

Area: ENVIRONMENTAL  
 Witness: Gomez, Lisa P  
 Category: A. Environmental  
 Category-Sub: 1. Environmental  
 Workpaper: 2EV000.000 - ENVIRONMENTAL

**Activity Description:**

The Hazardous Materials and Waste group activities covered by this non-shared services cost group include the operation of two TSDFs and the management of the receipt, storage and shipment of hazardous materials and wastes.

**Forecast Methodology:**

**Labor - Base YR Rec**

The 2010 labor for this work group is zero-based using the existing 2009 year-end labor force and salaries for each individual employee. A labor vacancy credit of 2.5% was removed to account for possible vacancies during employee transitions and retirements.

**Non-Labor - Base YR Rec**

This work group does not anticipate non labor change.

**NSE - Base YR Rec**

This work group does not anticipate non standard escalation.

**Summary of Results:**

	In 2009\$ (000)								
	Adjusted-Recorded					Adjusted-Forecast			
Years	2005	2006	2007	2008	2009	2010	2011	2012	
Labor	121	143	148	128	286	280	280	280	
Non-Labor	335	361	373	475	314	314	314	314	
NSE	0	0	0	0	0	0	0	0	
Total	456	504	521	603	600	594	594	594	
FTE	1.9	2.2	2.2	2.0	4.3	4.3	4.3	4.3	

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

Area: ENVIRONMENTAL  
 Witness: Gomez, Lisa P  
 Category: A. Environmental  
 Category-Sub: 1. Environmental  
 Workpaper: 2EV000.000 - ENVIRONMENTAL

**Forecast Summary:**

		In 2009 \$(000)								
Forecast Method		Base Forecast			Forecast Adjustments			Adjusted-Forecast		
		<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Labor	Base YR Rec	286	286	286	-6	-6	-6	280	280	280
Non-Labor	Base YR Rec	314	314	314	0	0	0	314	314	314
NSE	Base YR Rec	0	0	0	0	0	0	0	0	0
Total		600	600	600	-6	-6	-6	594	594	594
FTE	Base YR Rec	4.3	4.3	4.3	0.0	0.0	0.0	4.3	4.3	4.3

**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	-6	0	0	-6	0.0	1-Sided Adj

CC 2200-0733 Justification - SCG HazMat Union Employee labor adjustment - medical leave and V assignment coverage net impact. Method - 2009 actuals are compared to 2010 full staffing levels by cost center.

<b>2010 Total</b>	<b>-6</b>	<b>0</b>	<b>0</b>	<b>-6</b>	<b>0.0</b>	
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2011	-6	0	0	-6	0.0	1-Sided Adj
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CC 2200-0733 Justification - SCG HazMat Union Employee labor adjustment - medical leave and V assignment coverage net impact. Method - 2009 actuals are compared to 2010 full staffing levels by cost center.

<b>2011 Total</b>	<b>-6</b>	<b>0</b>	<b>0</b>	<b>-6</b>	<b>0.0</b>	
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2012	-6	0	0	-6	0.0	1-Sided Adj
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CC 2200-0733 Justification - SCG HazMat Union Employee labor adjustment - medical leave and V assignment coverage net impact. Method - 2009 actuals are compared to 2010 full staffing levels by cost center.

<b>2012 Total</b>	<b>-6</b>	<b>0</b>	<b>0</b>	<b>-6</b>	<b>0.0</b>	
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Southern California Gas Company  
 Test Year 2012 GRC - APP  
 Non-Shared Service Workpapers

Area: ENVIRONMENTAL  
 Witness: Gomez, Lisa P  
 Category: A. Environmental  
 Category-Sub: 1. Environmental  
 Workpaper: 2EV000.000 - ENVIRONMENTAL

**Determination of Adjusted-Recorded:**

	2005 (\$000)	2006 (\$000)	2007 (\$000)	2008 (\$000)	2009 (\$000)
<b>Recorded (Nominal \$)*</b>					
Labor	92	125	119	105	242
Non-Labor	298	399	644	747	435
NSE	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	391	523	763	852	678
FTE	1.6	2.1	1.9	1.7	3.6
<b>Adjustments (Nominal \$) **</b>					
Labor	0	-13	0	0	0
Non-Labor	0	-66	-288	-271	-121
NSE	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	0	-79	-288	-271	-121
FTE	0.0	-0.2	0.0	0.0	0.0
<b>Recorded-Adjusted (Nominal \$)</b>					
Labor	92	111	119	105	242
Non-Labor	298	333	356	476	314
NSE	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	391	444	475	580	556
FTE	1.6	1.9	1.9	1.7	3.6
<b>Vacation &amp; Sick (Nominal \$)</b>					
Labor	16	20	21	20	44
Non-Labor	0	0	0	0	0
NSE	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	16	20	21	20	44
FTE	0.3	0.3	0.3	0.3	0.7
<b>Escalation to 2009\$</b>					
Labor	13	12	8	3	0
Non-Labor	37	28	17	-1	0
NSE	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	50	39	25	2	0
FTE	0.0	0.0	0.0	0.0	0.0
<b>Recorded-Adjusted (Constant 2009\$)</b>					
Labor	121	143	148	128	286
Non-Labor	335	361	373	475	314
NSE	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	456	503	521	603	600
FTE	1.9	2.2	2.2	2.0	4.3

\* 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: ENVIRONMENTAL  
 Witness: Gomez, Lisa P  
 Category: A. Environmental  
 Category-Sub: 1. Environmental  
 Workpaper: 2EV000.000 - ENVIRONMENTAL

**Summary of Adjustments to Recorded:**

In Nominal \$ (000)					
Year	2005	2006	2007	2008	2009
Labor	0	-13	0	-0.086	-0.029
Non-Labor	-0.042	-66	-288	-271	-121
NSE	0	0	0	0	0
Total	-0.042	-79	-288	-271	-121
FTE	0.0	-0.2	0.0	0.0	0.0

**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	0	-0.042	0	0.0	1-Sided Adj	N/A	MHARPER20091 110133825717
Move to 2200-2176							
<b>2005 Total</b>	<b>0</b>	<b>-0.042</b>	<b>0</b>	<b>0.0</b>			
2006	-13	0	0	0.0	1-Sided Adj	N/A	MHARPER20091 110132803970
Move CC to 2200-2176							
2006	0	-66	0	0.0	1-Sided Adj	N/A	MHARPER20091 110132838300
Move to CC 2200-2176							
2006	0	0	0	-0.2	1-Sided Adj	N/A	MHARPER20091 110133941717
Move to 2200-2176							
<b>2006 Total</b>	<b>-13</b>	<b>-66</b>	<b>0</b>	<b>-0.2</b>			
2007	0	-288	0	0.0	1-Sided Adj	N/A	MHARPER20091 110132938503
Move to CC 2200-2176							
<b>2007 Total</b>	<b>0</b>	<b>-288</b>	<b>0</b>	<b>0.0</b>			
2008	0	-271	0	0.0	1-Sided Adj	N/A	MHARPER20091 110133030740
Move to 2200-2176							

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

Area: ENVIRONMENTAL  
 Witness: Gomez, Lisa P  
 Category: A. Environmental  
 Category-Sub: 1. Environmental  
 Workpaper: 2EV000.000 - ENVIRONMENTAL

<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>
2008	-0.086	0	0	0.0	1-Sided Adj	N/A	MHARPER20091 110133050050
Move to 2200-2176							
<b>2008 Total</b>	<b>-0.086</b>	<b>-271</b>	<b>0</b>	<b>0.0</b>			
2009	-0.029	0	0	0.0	1-Sided Adj	N/A	MHARPER20100 504110840087
CC 2200-2013 - Move labor to CC 2200-2176							
2009	0	-121	0	0.0	1-Sided Adj	N/A	MHARPER20100 504110927133
CC 2200-2013 Move all Non labor to CC 2200-2176							
<b>2009 Total</b>	<b>-0.029</b>	<b>-121</b>	<b>0</b>	<b>0.0</b>			

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

Area: ENVIRONMENTAL  
 Witness: Gomez, Lisa P

**Summary of Shared Services Workpapers:**

<b>Description</b>	<b>In 2009 \$ (000) "Book Expense"</b>			
	<b>Adjusted-Recorded</b>	<b>Adjusted-Forecast</b>		
	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
<i>A. Dir Environmental Services</i>	1,780	2,159	1,991	2,140
<i>B. USS Billed-in from SDG&amp;E</i>	1,455	1,544	1,905	2,122
<i>Total</i>	3,235	3,703	3,896	4,262

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

Area: ENVIRONMENTAL  
 Witness: Gomez, Lisa P  
 Category: A. Dir Environmental Services  
 Cost Center: VARIOUS

**Summary for Category: A. Dir Environmental Services**

	In 2009\$ (000) "Book Expense"			
	Adjusted-Recorded	Adjusted-Forecast		
	2009	2010	2011	2012
Labor	1,312	1,425	1,425	1,618
Non-Labor	468	718	550	522
NSE	0	16	16	0
Total	1,780	2,159	1,991	2,140
FTE	17.2	19.0	19.0	21.9

**Cost Centers belonging to this Category:**

**2200-2012.000 ENVIRONMENTAL SERVICES DIRECTOR**

Labor	0	0	0	0
Non-Labor	0	0	0	0
NSE	0	0	0	0
Total	0	0	0	0
FTE	0.0	0.0	0.0	0.0

**2200-2176.000 ENVIRONMENTAL MANAGEMENT NORTH MANAGER**

Labor	1,275	1,368	1,368	1,561
Non-Labor	464	715	547	519
NSE	0	16	16	0
Total	1,739	2,099	1,931	2,080
FTE	16.6	18.0	18.0	20.9

**2200-2197.000 VP ENVIRONMENTAL SAFETY & FACILITY**

Labor	0	0	0	0
Non-Labor	2	0	0	0
NSE	0	0	0	0
Total	2	0	0	0
FTE	0.0	0.0	0.0	0.0

**2200-2312.000 E&S Training - SCG**

Labor	37	57	57	57
Non-Labor	2	3	3	3
NSE	0	0	0	0
Total	39	60	60	60
FTE	0.6	1.0	1.0	1.0

**Beginning of Workpaper**  
**2200-2012.000 - ENVIRONMENTAL SERVICES DIRECTOR**

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

Area: ENVIRONMENTAL  
Witness: Gomez, Lisa P  
Category: A. Dir Environmental Services  
Category-Sub: 1. Environmental Services Director  
Cost Center: 2200-2012.000 - ENVIRONMENTAL SERVICES DIRECTOR

**Activity Description:**

This SCG cost center is designed to capture the cost of administrative activities provided by the Environmental Services Director. This cost center is used only when internal accounting controls requires a SCG cost center. For example, this will be necessary if a SCG employee is assigned to this cost center.

**Forecast Methodology:**

**Labor - Base YR Rec**

This cost center, at this time, does not have any SCG employees assigned. The 2010 labor this cost center is zero.

**Non-Labor - Base YR Rec**

This cost center, at this time, does not have any SCG non labor expenses planned. This SCG cost center is used only when internal accounting controls require a SCG cost center for data processing. For example, this will be necessary for vendor payments that are scheduled using SCG purchase orders or are addressed specifically to SCG.

**NSE - Base YR Rec**

This work group does not anticipate non standard escalation.

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

Area: ENVIRONMENTAL  
 Witness: Gomez, Lisa P  
 Category: A. Dir Environmental Services  
 Category-Sub: 1. Environmental Services Director  
 Cost Center: 2200-2012.000 - ENVIRONMENTAL SERVICES DIRECTOR

**Summary of Results:**

		In 2009\$ (000)							
		Adjusted-Recorded					Adjusted-Forecast		
Years		2005	2006	2007	2008	2009	2010	2011	2012
		<b>Total Incurred (100% Level)</b>							
Labor		0	0	0	0	0	0	0	0
Non-Labor		0	0	0	0	0	0	0	0
NSE		0	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0	0
FTE		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		<b>Allocations Out</b>							
Labor		0	0	0	0	0	0	0	0
Non-Labor		0	0	0	0	0	0	0	0
NSE		0	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0	0
FTE		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		<b>Retained</b>							
Labor		0	0	0	0	0	0	0	0
Non-Labor		0	0	0	0	0	0	0	0
NSE		0	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0	0
FTE		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		<b>Allocations In</b>							
Labor		0	0	0	0	0	0	0	0
Non-Labor		0	0	0	0	0	0	0	0
NSE		0	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0	0
FTE		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		<b>Book Expense</b>							
Labor		0	0	0	0	0	0	0	0
Non-Labor		0	0	0	0	0	0	0	0
NSE		0	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0	0
FTE		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

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

Area: ENVIRONMENTAL  
 Witness: Gomez, Lisa P  
 Category: A. Dir Environmental Services  
 Category-Sub: 1. Environmental Services Director  
 Cost Center: 2200-2012.000 - ENVIRONMENTAL SERVICES DIRECTOR

**Calculation of Book Expense:**

	2009 Adjusted-Recorded					2010 Adjusted-Forecast				
	Labor	Non-Labor	NSE	Total	FTE	Labor	Non-Labor	NSE	Total	FTE
<b>Directly Retained</b>	0	0	0	0	0.00	0	0	0	0	0.00
<b>Directly Allocated</b>	0	0	0	0	0.00	0	0	0	0	0.00
<b>Subj. To % Alloc.</b>	0	0	0	0	0.00	0	0	0	0	0.00
<b>% Allocation</b>										
Retained	100.00%	100.00%				29.76%	29.76%			
SEU	0.00%	0.00%				70.10%	70.10%			
CORP	0.00%	0.00%				0.14%	0.14%			
Unreg	0.00%	0.00%				0.00%	0.00%			
<b>\$ Allocation</b>										
Retained	0	0	0	0		0	0	0	0	
SEU	0	0	0	0		0	0	0	0	
CORP	0	0	0	0		0	0	0	0	
Unreg	0	0	0	0		0	0	0	0	
<b>Total Incurred</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>Total Retained</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Allocations In</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Book Expense</b>	0	0	0	0		0	0	0	0	

	2011 Adjusted-Forecast					2012 Adjusted-Forecast				
	Labor	Non-Labor	NSE	Total	FTE	Labor	Non-Labor	NSE	Total	FTE
<b>Directly Retained</b>	0	0	0	0	0.00	0	0	0	0	0.00
<b>Directly Allocated</b>	0	0	0	0	0.00	0	0	0	0	0.00
<b>Subj. To % Alloc.</b>	0	0	0	0	0.00	0	0	0	0	0.00
<b>% Allocation</b>										
Retained	29.76%	29.76%				29.76%	29.76%			
SEU	70.10%	70.10%				70.10%	70.10%			
CORP	0.14%	0.14%				0.14%	0.14%			
Unreg	0.00%	0.00%				0.00%	0.00%			
<b>\$ Allocation</b>										
Retained	0	0	0	0		0	0	0	0	
SEU	0	0	0	0		0	0	0	0	
CORP	0	0	0	0		0	0	0	0	
Unreg	0	0	0	0		0	0	0	0	
<b>Total Incurred</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>Total Retained</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Allocations In</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Book Expense</b>	0	0	0	0		0	0	0	0	

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

Area: ENVIRONMENTAL  
Witness: Gomez, Lisa P  
Category: A. Dir Environmental Services  
Category-Sub: 1. Environmental Services Director  
Cost Center: 2200-2012.000 - ENVIRONMENTAL SERVICES DIRECTOR

**Cost Center Allocation Percentage Drivers/Methodology:**

**Cost Center Allocation Percentage for 2009**

Shared services allocation percentages were based on a collective roll-up of forecasted labor and non-labor spend and shared service allocations from the other operational cost centers in Environmental Services.

**Cost Center Allocation Percentage for 2010**

Shared services allocation percentages were based on a collective roll-up of forecasted labor and non-labor spend and shared service allocations from the other operational cost centers in Environmental Services.

**Cost Center Allocation Percentage for 2011**

Shared services allocation percentages were based on a collective roll-up of forecasted labor and non-labor spend and shared service allocations from the other operational cost centers in Environmental Services.

**Cost Center Allocation Percentage for 2012**

Shared services allocation percentages were based on a collective roll-up of forecasted labor and non-labor spend and shared service allocations from the other operational cost centers in Environmental Services.

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

Area: ENVIRONMENTAL  
 Witness: Gomez, Lisa P  
 Category: A. Dir Environmental Services  
 Category-Sub: 1. Environmental Services Director  
 Cost Center: 2200-2012.000 - ENVIRONMENTAL SERVICES DIRECTOR

**Forecast Summary:**

		In 2009 \$(000) "Incurred Costs"								
Forecast Method		Base Forecast			Forecast Adjustments			Adjusted-Forecast		
		<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Labor	Base YR Rec	0	0	0	0	0	0	0	0	0
Non-Labor	Base YR Rec	0	0	0	0	0	0	0	0	0
NSE	Base YR Rec	0	0	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0	0	0
FTE	Base YR Rec	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

**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>
<b>2010 Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	
<b>2011 Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	
<b>2012 Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	

Southern California Gas Company  
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 Shared Services Workpapers

Area: ENVIRONMENTAL  
 Witness: Gomez, Lisa P  
 Category: A. Dir Environmental Services  
 Category-Sub: 1. Environmental Services Director  
 Cost Center: 2200-2012.000 - ENVIRONMENTAL SERVICES DIRECTOR

**Determination of Adjusted-Recorded (Incurred Costs):**

	2005 (\$000)	2006 (\$000)	2007 (\$000)	2008 (\$000)	2009 (\$000)
<b>Recorded (Nominal \$)*</b>					
Labor	128	-1	0	0	0
Non-Labor	15	0	2	0	0
NSE	0	0	0	0	0
Total	143	-1	3	0	0
FTE	0.8	0.0	0.0	0.0	0.0
<b>Adjustments (Nominal \$) **</b>					
Labor	-128	1	0	0	0
Non-Labor	-15	0	-2	0	0
NSE	0	0	0	0	0
Total	-143	1	-3	0	0
FTE	-0.8	0.0	0.0	0.0	0.0
<b>Recorded-Adjusted (Nominal \$)</b>					
Labor	0	0	0	0	0
Non-Labor	0	0	0	0	0
NSE	0	0	0	0	0
Total	0	0	0	0	0
FTE	0.0	0.0	0.0	0.0	0.0
<b>Vacation &amp; Sick (Nominal \$)</b>					
Labor	0	0	0	0	0
Non-Labor	0	0	0	0	0
NSE	0	0	0	0	0
Total	0	0	0	0	0
FTE	0.0	0.0	0.0	0.0	0.0
<b>Escalation to 2009\$</b>					
Labor	0	0	0	0	0
Non-Labor	0	0	0	0	0
NSE	0	0	0	0	0
Total	0	0	0	0	0
FTE	0.0	0.0	0.0	0.0	0.0
<b>Recorded-Adjusted (Constant 2009\$)</b>					
Labor	0	0	0	0	0
Non-Labor	0	0	0	0	0
NSE	0	0	0	0	0
Total	0	0	0	0	0
FTE	0.0	0.0	0.0	0.0	0.0

\* After company-wide exclusions of Non-GRC costs

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

Southern California Gas Company  
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 Shared Services Workpapers

Area: ENVIRONMENTAL  
 Witness: Gomez, Lisa P  
 Category: A. Dir Environmental Services  
 Category-Sub: 1. Environmental Services Director  
 Cost Center: 2200-2012.000 - ENVIRONMENTAL SERVICES DIRECTOR

**Summary of Adjustments to Recorded:**

Year	In Nominal \$ (000) "Incurred Costs"				
	2005	2006	2007	2008	2009
Labor	-128	1	-0.321	0	0
Non-Labor	-15	0	-2	0	0
NSE	0	0	0	0	0
Total	-143	1	-3	0	0
FTE	-0.8	0.0	0.0	0.0	0.0

**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	-128	0	0	0.0	1-Sided Adj	N/A	MHARPER20091 109165029820
Move to 2100-3589							
2005	0	0	0	-0.8	1-Sided Adj	N/A	MHARPER20091 109165107837
Move to 2100-3588							
2005	0	-15	0	0.0	1-Sided Adj	N/A	MHARPER20091 109170427413
Moved to CC 2100-3589							
2005	0	-0.005	0	0.0	1-Sided Adj	N/A	MHARPER20091 113122054400
Move to CC 2100-3589							
<b>2005 Total</b>	<b>-128</b>	<b>-15</b>	<b>0</b>	<b>-0.8</b>			
2006	1	0	0	0.0	1-Sided Adj	N/A	MHARPER20091 109135305550
Changed to SDGE 2100-3589							
<b>2006 Total</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0.0</b>			
2007	-0.321	0	0	0.0	1-Sided Adj	N/A	MHARPER20091 109135351923
Changed to SDGE 2100-3589							
2007	0	-2	0	0.0	1-Sided Adj	N/A	MHARPER20091 109135412157
Changed to SDGE 2100-3589							

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

Area: ENVIRONMENTAL  
 Witness: Gomez, Lisa P  
 Category: A. Dir Environmental Services  
 Category-Sub: 1. Environmental Services Director  
 Cost Center: 2200-2012.000 - ENVIRONMENTAL SERVICES DIRECTOR

<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>
<b>2007 Total</b>	-0.321	-2	0	0.0			
<b>2008 Total</b>	0	0	0	0.0			
<b>2009 Total</b>	0	0	0	0.0			

**Beginning of Workpaper**  
**2200-2176.000 - ENVIRONMENTAL MANAGEMENT NORTH MANAGER**

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

Area: ENVIRONMENTAL  
Witness: Gomez, Lisa P  
Category: A. Dir Environmental Services  
Category-Sub: 1. Environmental Services Director  
Cost Center: 2200-2176.000 - ENVIRONMENTAL MANAGEMENT NORTH MANAGER

**Activity Description:**

The Environmental Management North Manager cost center includes subject matter experts in air and water quality, biological resources, cultural resources and land planning. The group supports ongoing environmental compliance, including obtaining environmental permits and approvals, developing environmental plans and conducting specialized environmental training. The group also screens proposed facility, field and real property projects and transactions that have the potential for environmental impacts.

**Forecast Methodology:**

**Labor - Base YR Rec**

Labor for this cost center is zero-based using the 2009 year-end labor force and salaries for each individual employee and adjusting for any projected annual changes in staffing as further described in these work papers. A labor vacancy credit of 2.5% was removed to account for possible vacancies during employee transitions and retirements. A variety of federal and state initiatives, legislation and regulation are advancing on environmental issues, including but not limited to issues on greenhouse gases, air quality, cultural resources, natural resources, hazardous materials and storm water that impact labor and non-labor. For this reason a base year forecast is the most appropriate forecasting methodology to support specific program expansion.

**Non-Labor - Base YR Rec**

The non-labor forecast is based upon recorded 2009 spend, adding incremental upward pressure items and removing expense items that are not recurring in future years. A variety of federal and state initiatives, legislation and regulation are advancing on environmental issues, including but not limited to issues on greenhouse gases, air quality, cultural resources, natural resources, hazardous materials, and storm water that impact labor and non-labor. For this reason a base-year forecast is the most appropriate forecasting methodology to support specific program expansion.

**NSE - Base YR Rec**

Non standard escalation applies only to limited activities such as specific environmental permits and fees.

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

Area: ENVIRONMENTAL  
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 Category: A. Dir Environmental Services  
 Category-Sub: 1. Environmental Services Director  
 Cost Center: 2200-2176.000 - ENVIRONMENTAL MANAGEMENT NORTH MANAGER

**Summary of Results:**

		In 2009\$ (000)								
		Adjusted-Recorded					Adjusted-Forecast			
Years		2005	2006	2007	2008	2009	2010	2011	2012	
		<b>Total Incurred (100% Level)</b>								
Labor		1,854	1,714	1,283	1,143	1,279	1,420	1,420	1,620	
Non-Labor		357	440	595	425	473	743	569	539	
NSE		0	0	0	0	0	17	17	0	
Total		2,211	2,154	1,878	1,568	1,752	2,180	2,006	2,159	
FTE		22.2	20.7	15.8	15.1	16.6	18.0	18.0	20.9	
		<b>Allocations Out</b>								
Labor		1,118	1,098	1,210	598	4	52	52	59	
Non-Labor		188	227	159	71	9	28	22	20	
NSE		0	0	0	0	0	1	1	0	
Total		1,306	1,325	1,369	669	13	81	75	79	
FTE		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
		<b>Retained</b>								
Labor		736	616	73	545	1,275	1,368	1,368	1,561	
Non-Labor		169	213	436	354	464	715	547	519	
NSE		0	0	0	0	0	16	16	0	
Total		905	829	509	899	1,739	2,099	1,931	2,080	
FTE		22.2	20.7	15.8	15.1	16.6	18.0	18.0	20.9	
		<b>Allocations In</b>								
Labor		0	0	0	0	0	0	0	0	
Non-Labor		0	0	0	0	0	0	0	0	
NSE		0	0	0	0	0	0	0	0	
Total		0	0	0	0	0	0	0	0	
FTE		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
		<b>Book Expense</b>								
Labor		736	616	73	545	1,275	1,368	1,368	1,561	
Non-Labor		169	213	436	354	464	715	547	519	
NSE		0	0	0	0	0	16	16	0	
Total		905	829	509	899	1,739	2,099	1,931	2,080	
FTE		22.2	20.7	15.8	15.1	16.6	18.0	18.0	20.9	

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

Area: ENVIRONMENTAL  
Witness: Gomez, Lisa P  
Category: A. Dir Environmental Services  
Category-Sub: 1. Environmental Services Director  
Cost Center: 2200-2176.000 - ENVIRONMENTAL MANAGEMENT NORTH MANAGER

**Calculation of Book Expense:**

	2009 Adjusted-Recorded					2010 Adjusted-Forecast				
	Labor	Non-Labor	NSE	Total	FTE	Labor	Non-Labor	NSE	Total	FTE
<b>Directly Retained</b>	1	1	0	2	0.00	1	1	0	2	0.00
<b>Directly Allocated</b>	0	0	0	0	0.00	0	0	0	0	0.00
<b>Subj. To % Alloc.</b>	1,278	472	0	1,750	16.60	1,419	742	17	2,178	18.00
<b>% Allocation</b>										
Retained	99.72%	98.08%				96.29%	96.29%			
SEU	0.28%	1.92%				3.71%	3.71%			
CORP	0.00%	0.00%				0.00%	0.00%			
Unreg	0.00%	0.00%				0.00%	0.00%			
<b>\$ Allocation</b>										
Retained	1,274	463	0	1,737		1,367	714	16	2,097	
SEU	4	9	0	13		52	28	1	81	
CORP	0	0	0	0		0	0	0	0	
Unreg	0	0	0	0		0	0	0	0	
<b>Total Incurred</b>	<b>1,279</b>	<b>473</b>	<b>0</b>	<b>1,752</b>	<b>16.60</b>	<b>1,420</b>	<b>743</b>	<b>17</b>	<b>2,180</b>	<b>18.00</b>
<b>Total Alloc. Out</b>	<b>4</b>	<b>9</b>	<b>0</b>	<b>13</b>		<b>52</b>	<b>28</b>	<b>1</b>	<b>81</b>	
<b>Total Retained</b>	<b>1,275</b>	<b>464</b>	<b>0</b>	<b>1,739</b>		<b>1,368</b>	<b>715</b>	<b>16</b>	<b>2,099</b>	
<b>Allocations In</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Book Expense</b>	1,275	464	0	1,739		1,368	715	16	2,099	

	2011 Adjusted-Forecast					2012 Adjusted-Forecast				
	Labor	Non-Labor	NSE	Total	FTE	Labor	Non-Labor	NSE	Total	FTE
<b>Directly Retained</b>	1	1	0	2	0.00	1	1	0	2	0.00
<b>Directly Allocated</b>	0	0	0	0	0.00	0	0	0	0	0.00
<b>Subj. To % Alloc.</b>	1,419	568	17	2,004	18.00	1,619	538	0	2,157	20.90
<b>% Allocation</b>										
Retained	96.29%	96.29%				96.29%	96.29%			
SEU	3.71%	3.71%				3.71%	3.71%			
CORP	0.00%	0.00%				0.00%	0.00%			
Unreg	0.00%	0.00%				0.00%	0.00%			
<b>\$ Allocation</b>										
Retained	1,367	546	16	1,929		1,560	518	0	2,078	
SEU	52	22	1	75		59	20	0	79	
CORP	0	0	0	0		0	0	0	0	
Unreg	0	0	0	0		0	0	0	0	
<b>Total Incurred</b>	<b>1,420</b>	<b>569</b>	<b>17</b>	<b>2,006</b>	<b>18.00</b>	<b>1,620</b>	<b>539</b>	<b>0</b>	<b>2,159</b>	<b>20.90</b>
<b>Total Alloc. Out</b>	<b>52</b>	<b>22</b>	<b>1</b>	<b>75</b>		<b>59</b>	<b>20</b>	<b>0</b>	<b>79</b>	
<b>Total Retained</b>	<b>1,368</b>	<b>547</b>	<b>16</b>	<b>1,931</b>		<b>1,561</b>	<b>519</b>	<b>0</b>	<b>2,080</b>	
<b>Allocations In</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Book Expense</b>	1,368	547	16	1,931		1,561	519	0	2,080	

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

Area: ENVIRONMENTAL  
Witness: Gomez, Lisa P  
Category: A. Dir Environmental Services  
Category-Sub: 1. Environmental Services Director  
Cost Center: 2200-2176.000 - ENVIRONMENTAL MANAGEMENT NORTH MANAGER

**Cost Center Allocation Percentage Drivers/Methodology:**

**Cost Center Allocation Percentage for 2009**

Shared services allocation percentages were determined by the manager's analysis of each employee's utility-specific workload within their cost center.

**Cost Center Allocation Percentage for 2010**

Shared services allocation percentages were determined by the manager's analysis of each employee's utility-specific workload within their cost center.

**Cost Center Allocation Percentage for 2011**

Shared services allocation percentages were determined by the manager's analysis of each employee's utility-specific workload within their cost center.

**Cost Center Allocation Percentage for 2012**

Shared services allocation percentages were determined by the manager's analysis of each employee's utility-specific workload within their cost center.

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

Area: ENVIRONMENTAL  
 Witness: Gomez, Lisa P  
 Category: A. Dir Environmental Services  
 Category-Sub: 1. Environmental Services Director  
 Cost Center: 2200-2176.000 - ENVIRONMENTAL MANAGEMENT NORTH MANAGER

**Forecast Summary:**

		In 2009 \$(000) "Incurred Costs"								
Forecast Method		Base Forecast			Forecast Adjustments			Adjusted-Forecast		
		<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Labor	Base YR Rec	1,279	1,279	1,279	141	141	341	1,420	1,420	1,620
Non-Labor	Base YR Rec	473	473	473	270	96	66	743	569	539
NSE	Base YR Rec	0	0	0	17	17	0	17	17	0
Total		1,752	1,752	1,752	428	254	407	2,180	2,006	2,159
FTE	Base YR Rec	16.6	16.6	16.6	1.4	1.4	4.3	18.0	18.0	20.9

**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	0	-30	0	-30	0.0	1-Sided Adj

CC 2200-2176 Justification - Reduction in historic 2009 spend - Method - Review of historical spend compared to 2010 projection.

2010	141	0	0	141	0.0	1-Sided Adj
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CC 2200-2176 Justification - Full year staffing of 2009 employees [vacancy adjustments and FTE reassigned from CC2100-3035 to CC 2200-2176. Method - 2009 actuals are compared to 2010 full staffing levels by cost center

2010	0	0	0	0	1.4	1-Sided Adj
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CC 2200-2176 Justification - Full year staffing of 2009 employees [vacancy adjustments and FTE reassigned from CC2100-3035 to CC2200-2176].

2010	0	6	0	6	0.0	1-Sided Adj
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CC 2200-2176 Justification - AB32 and federal GHG reporting rule impose new mandatory GHG reporting requirements, including a new requirement for third-party certification of GHG inventories. A GHG data reporting/tracking software tool would achieve accuracies and efficiencies in GHG reporting. Method - Estimate of \$6K for 3rd party certification of CARB reports based on consultant quote.

2010	0	162	0	162	0.0	1-Sided Adj
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CC 2200-2176 Justification - SCG has identified need to develop and automate mapping tools for Cultural Resources within the service territory Method - Cost estimates based on a 3-yr process from qualified vendor to research and digitize archaeological records for environmental project pre-screening. Costs include Phase I & Phase II program elements and select options of DPR-523 forms, report and data maintenance annual fee as required for county jurisdictional needs.

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 Shared Services Workpapers

Area: ENVIRONMENTAL  
 Witness: Gomez, Lisa P  
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 Category-Sub: 1. Environmental Services Director  
 Cost Center: 2200-2176.000 - ENVIRONMENTAL MANAGEMENT NORTH MANAGER

<u>Year/Expl.</u>	<u>Labor</u>	<u>NLbr</u>	<u>NSE</u>	<u>Total</u>	<u>FTE</u>	<u>Adj Type</u>
2010	0	25	0	25	0.0	1-Sided Adj

CC 2200-2176 Justification - Track local Storm Water requirements at municipality level for impacts to company facilities and operations Method - 240 municipalities and counties have jurisdiction over SCG's service territory. Each municipality has its own municipal code. Estimate that a consultant would spend 1 hour per year tracking storm water compliance requirements under one municipal code or county. A consultant hourly rate is estimated to be \$100 per hour, for a total of 240 hours per year, plus 10 hours for reporting and meetings, yielding a cost estimate of \$25K per year.

2010	0	22	0	22	0.0	1-Sided Adj
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CC 2200-2176 Justification - Contract Labor to support new GHG reporting requirements until environmental specialist FTE hire in 2011. Method - Estimate \$80/hr (consultant rate) x 275 hrs = \$22K

2010	0	0	17	17	0.0	1-Sided Adj
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CC 2200-2176 Justification - Assembly Bill 1188 Ruskin has an increase of \$0.006 for 2010 and 2011, effective 1/1/2010. Method - SCG's annual petroleum storage for year 2009 was 2.966M gallons times \$0.006 fee increase per gallon equals \$17K.

2010	0	85	0	85	0.0	1-Sided Adj
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CC 2200-2176 Justification - Consultant cost to develop Mitigated Negative Declaration (MND) in 2010 for SCG permit application in conformance with section 2081(b) of the California Endangered Species Act (CESA) and provide CEQA documentation as requested by the California Department of Fish and Game. This permit application will be implemented to fully mitigate the impacts of any take of state-listed species associated with SCG's routine operation and maintenance (O&M) of its existing pipeline system as well as new SCG construction projects in the San Joaquin Programmatic Permit area. Method - \$85,000 in 2010 based on consultant estimate.

<b>2010 Total</b>	<b>141</b>	<b>270</b>	<b>17</b>	<b>428</b>	<b>1.4</b>	
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2011	141	0	0	141	0.0	1-Sided Adj
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CC 2200-2176 Justification - Full year staffing of 2009 employees [vacancy adjustments and FTE reassigned from CC2100-3035 to CC 2200-2176]. Method - 2009 actuals are compared to 2010 full staffing levels by cost center.

2011	0	0	0	0	1.4	1-Sided Adj
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CC 2200-2176 Justification - Full year staffing of 2009 employees [vacancy adjustments and FTE reassigned from CC 2100-3035 to CC 2200-2176].

Southern California Gas Company  
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 Shared Services Workpapers

Area: ENVIRONMENTAL  
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 Cost Center: 2200-2176.000 - ENVIRONMENTAL MANAGEMENT NORTH MANAGER

<u>Year/Expl.</u>	<u>Labor</u>	<u>NLbr</u>	<u>NSE</u>	<u>Total</u>	<u>FTE</u>	<u>Adj Type</u>
2011	0	6	0	6	0.0	1-Sided Adj

CC 2200-2176 Justification - AB32 and federal GHG reporting rule impose new mandatory GHG reporting requirements, including a new requirement for third-party certification of GHG inventories. A GHG data reporting/tracking software tool would achieve accuracies and efficiencies in GHG reporting. - Method - Estimate of \$6K for 3rd party certification of CARB reports based on consultant quote.

2011	0	50	0	50	0.0	1-Sided Adj
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CC 2200-2176 Justification - SCG has identified need to develop and automate mapping tools for Cultural Resources within the service territory Method - Cost estimates based on a 3-yr process from qualified vendor to research and digitize archaeological records for environmental project pre-screening. Costs include Phase I & Phase II program elements and select options of DPR-523 forms, report and data maintenance annual fee as required for county jurisdictional needs.

2011	0	-30	0	-30	0.0	1-Sided Adj
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CC 2200-2176 Justification - Reduction in historic 2009 spend Method - Review of historical spend

2011	0	25	0	25	0.0	1-Sided Adj
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CC 2200-2176 Justification - Track local Storm Water requirements at municipality level for impacts to company facilities and operations Method - 240 municipalities and counties have jurisdiction over SCG's service territory. Each municipality has its own municipal code. Estimate that a consultant would spend 1 hour per year tracking storm water compliance requirements under one municipal code or county. A consultant hourly rate is estimated to be \$100 per hour, for a total of 240 hours per year, plus 10 hours for reporting and meetings, yielding a cost estimate of \$25K per year.

2011	0	0	17	17	0.0	1-Sided Adj
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CC 2200-2176 Justification - Assembly Bill 1188 Ruskin has an increase of \$0.006 for 2010 and 2011, effective 1/1/2010. Method - SCG's annual petroleum storage for year 2009 was 2.966M gallons times \$0.006 fee increase per gallon equals \$17K.

2011	0	45	0	45	0.0	1-Sided Adj
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CC 2200-2176 Justification - AB32 and federal GHG reporting rule impose new mandatory GHG reporting requirements, including a new requirement for third-party certification of GHG inventories. A GHG data reporting/tracking software tool would achieve accuracies and efficiencies in GHG reporting. Method - GHG data reporting/tracking software tool is estimated at \$45K on verbal estimates from vendor (Ops Environmental).

<b>2011 Total</b>	<b>141</b>	<b>96</b>	<b>17</b>	<b>254</b>	<b>1.4</b>	
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Area: ENVIRONMENTAL  
 Witness: Gomez, Lisa P  
 Category: A. Dir Environmental Services  
 Category-Sub: 1. Environmental Services Director  
 Cost Center: 2200-2176.000 - ENVIRONMENTAL MANAGEMENT NORTH MANAGER

<u>Year/Expl.</u>	<u>Labor</u>	<u>NLbr</u>	<u>NSE</u>	<u>Total</u>	<u>FTE</u>	<u>Adj Type</u>
2012	140	0	0	140	0.0	1-Sided Adj
CC 2200-2176 Justification - Add two environmental specialist FTEs in 2012, required to support new GHG and air quality compliance requirements and new software tool management. Method - Estimated costs of 2 environmental specialist FTEs						
2012	0	0	0	0	2.0	1-Sided Adj
CC 2200-2176 Justification - Add two environmental specialist FTEs in 2012, required to support new GHG and air quality compliance requirements and new software tool management.						
2012	141	0	0	141	0.0	1-Sided Adj
CC 2200-2176 Justification - Full year staffing of 2009 employees [vacancy adjustments and FTE reassigned from CC 2100-3035 to CC 2200-2176]. Method - 2009 actuals are compared to 2010 full staffing levels by cost center.						
2012	0	0	0	0	1.4	1-Sided Adj
CC 2200-2176 Justification - Full year staffing of 2009 employees [vacancy adjustments and FTE reassigned from CC 2100-3035 to CC 2200-2176].						
2012	0	6	0	6	0.0	1-Sided Adj
CC 2200-2176 Justification - AB32 and federal GHG reporting rule impose new mandatory GHG reporting requirements, including a new requirement for third-party certification of GHG inventories. A GHG data reporting/tracking software tool would achieve accuracies and efficiencies in GHG reporting. - Method - Estimate of \$6K for 3rd party certification of CARB reports based on consultant quote.						
2012	0	-30	0	-30	0.0	1-Sided Adj
CC 2200-2176 Justification - Reduction in historic 2009 spend Method - Review of historical spend						
2012	60	0	0	60	0.0	1-Sided Adj
CC 2200-2176 Justification - This position will support new compliance requirements for the SCG's Coastal Region Conservation Programmatic permit which will require development of training program for mitigation and avoidance measures, reporting requirements and oversight of compliance for this new program area beginning in 2012. This position will also support the project environmental screening process for Distribution and Transmission district projects within the programmatic area which requires submittal of annual and follow up reports to CDFG and USFWS. Method - Estimated costs of 1 environmental specialist FTE (15% Capital: 85% O&M)						

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<u>Year/Expl.</u>	<u>Labor</u>	<u>NLbr</u>	<u>NSE</u>	<u>Total</u>	<u>FTE</u>	<u>Adj Type</u>
2012	0	0	0	0	0.9	1-Sided Adj

CC 2200-2176 Justification - This position will support new compliance requirements for the SCG's Coastal Region Conservation Programmatic permit which will require development of training program for mitigation and avoidance measures, reporting requirements and oversight of compliance for this new program area beginning in 2012. This position will also support the project environmental screening process for Distribution and Transmission district projects within the programmatic area which requires submittal of annual and follow up reports to CDFG and USFWS.

2012	0	25	0	25	0.0	1-Sided Adj
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CC 2200-2176 Justification - Track local Storm Water requirements at municipality level for impacts to company facilities and operations Method - 240 municipalities and counties have jurisdiction over SCG's service territory. Each municipality has its own municipal code. Estimate that a consultant would spend 1 hour per year tracking storm water compliance requirements under one municipal code or county. A consultant hourly rate is estimated to be \$100 per hour, for a total of 240 hours per year, plus 10 hours for reporting and meetings, yielding a cost estimate of \$25K per year.

2012	0	50	0	50	0.0	1-Sided Adj
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CC 2200-2176 Justification - SCG has identified need to develop and automate mapping tools for Cultural Resources within the service territory Method - Cost estimates based on a 3-yr process from qualified vendor to research and digitize archaeological records for environmental project pre-screening. Costs include Phase I & Phase II program elements and select options of DPR-523 forms, report and data maintenance annual fee as required for county jurisdictional needs.

2012	0	10	0	10	0.0	1-Sided Adj
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CC 2200-2176 Justification - Add two environmental specialist FTEs in 2012, required to support new GHG and air quality compliance requirements and new software tool management. - Method - Estimated cost of employee NL expenses assumed to be 7% of salary. [\$70k x 7% x 2FTE's = \$9.8k rounded to \$10k]

2012	0	5	0	5	0.0	1-Sided Adj
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CC 2200-2176 Justification - FTE add for Coastal Region Conservation Programmatic Permit. - Method - Estimated cost of employee NL expenses assumed to be 7% of salary. [\$70k x 7% = \$4.9k rounded to \$5k]

<b>2012 Total</b>	<b>341</b>	<b>66</b>	<b>0</b>	<b>407</b>	<b>4.3</b>	
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**Determination of Adjusted-Recorded (Incurred Costs):**

	2005 (\$000)	2006 (\$000)	2007 (\$000)	2008 (\$000)	2009 (\$000)
<b>Recorded (Nominal \$)*</b>					
Labor	1,409	1,322	1,035	944	1,083
Non-Labor	317	338	275	148	352
NSE	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	1,726	1,660	1,310	1,092	1,435
FTE	18.6	17.3	13.5	12.6	14.0
<b>Adjustments (Nominal \$) **</b>					
Labor	0	13	0	0	0
Non-Labor	0	66	288	271	121
NSE	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	0	79	288	271	121
FTE	0.2	0.2	0.0	0.0	0.0
<b>Recorded-Adjusted (Nominal \$)</b>					
Labor	1,409	1,336	1,035	944	1,083
Non-Labor	317	404	563	419	473
NSE	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	1,726	1,739	1,598	1,363	1,556
FTE	18.8	17.5	13.4	12.6	14.0
<b>Vacation &amp; Sick (Nominal \$)</b>					
Labor	240	239	181	182	196
Non-Labor	0	0	0	0	0
NSE	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	240	239	181	182	196
FTE	3.4	3.2	2.4	2.5	2.6
<b>Escalation to 2009\$</b>					
Labor	205	140	68	17	0
Non-Labor	39	36	32	6	0
NSE	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	244	176	100	23	0
FTE	0.0	0.0	0.0	0.0	0.0
<b>Recorded-Adjusted (Constant 2009\$)</b>					
Labor	1,854	1,715	1,284	1,143	1,279
Non-Labor	357	440	595	425	473
NSE	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	2,210	2,154	1,879	1,568	1,752
FTE	22.2	20.7	15.8	15.1	16.6

\* After company-wide exclusions of Non-GRC costs

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

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**Summary of Adjustments to Recorded:**

Year	In Nominal \$ (000) "Incurred Costs"				
	2005	2006	2007	2008	2009
Labor	0	13	0	0.086	0.029
Non-Labor	0.042	66	288	271	121
NSE	0	0	0	0	0
Total	0.042	79	288	271	121
FTE	0.2	0.2	0.0	0.0	0.0

**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	0	0	0	0.2	1-Sided Adj	N/A	MHARPER20091 110134047640
Moved from 2200-2013							
2005	0	0.042	0	0.0	1-Sided Adj	N/A	MHARPER20091 110134110237
Moved from 2200-2013							
<b>2005 Total</b>	<b>0</b>	<b>0.042</b>	<b>0</b>	<b>0.2</b>			
2006	13	0	0	0.0	1-Sided Adj	N/A	MHARPER20091 110133226850
Moved from 2200-2013							
2006	0	66	0	0.0	1-Sided Adj	N/A	MHARPER20091 110133247600
Moved from 2200-2013							
2006	0	0	0	0.2	1-Sided Adj	N/A	MHARPER20091 110133308913
Moved from 2200-2013							
<b>2006 Total</b>	<b>13</b>	<b>66</b>	<b>0</b>	<b>0.2</b>			
2007	0	288	0	0.0	1-Sided Adj	N/A	MHARPER20091 110133622463
Moved from 2200-2013							
<b>2007 Total</b>	<b>0</b>	<b>288</b>	<b>0</b>	<b>0.0</b>			

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<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>
2008	0	271	0	0.0	1-Sided Adj	N/A	MHARPER20091 110133712760
Moved from 2200-2013							
2008	0.086	0	0	0.0	1-Sided Adj	N/A	MHARPER20091 110133731200
Moved from 2200-2013							
<b>2008 Total</b>	<b>0.086</b>	<b>271</b>	<b>0</b>	<b>0.0</b>			
2009	0.029	0	0	0.0	1-Sided Adj	N/A	MHARPER20100 504111042273
CC 2200-2176 Move in labor from retired CC 2200-2013							
2009	0	121	0	0.0	1-Sided Adj	N/A	MHARPER20100 504111118870
CC 2200-2176 Move in non labor from retired CC 2200-2013							
<b>2009 Total</b>	<b>0.029</b>	<b>121</b>	<b>0</b>	<b>0.0</b>			

**Supplemental Workpapers for Workpaper 2200-2176.000**

### Full Staffing Labor Increase Worksheet

Environmental Services  
Full Staffing Review - 2009 vs 2010

Sum of SumOfAmount			Fiscal_Year		Dollars	Dollars wV&S	FTE
CE_Group2	GRC CC		2009	2010	Change	Change	Change
Salary	NSS	2100-0190	393,035	486,514	93,479	107,500	1.0
	USS	2100-0206	554,520	594,421	39,901	45,886	0.5
		2100-0632	551,325	609,941	58,616	67,408	0.6
		2100-3022	1,228,942	1,379,461	150,519	173,097	2.0
		2100-3035	570,846	509,829	(61,017)	(70,169)	(1.0)
		2100-3282	363,728	518,759	155,031	178,285	2.0
		2100-3589	186,621	239,187	52,566	60,451	0.2
		2200-2176	1,082,876	1,205,589	122,713	141,120	1.4
		2200-2312	53,387	82,881	29,494	33,918	0.4
	USS Total			4,592,244	5,140,068	547,824	629,997
Salary Total			4,985,280	5,626,582	641,302	737,498	7.1

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**STATISTICAL RESEARCH, Inc.**

ARCHAEOLOGY • ANTHROPOLOGY • HISTORY • HISTORIC ARCHITECTURE

June 16, 2010

Susan M. Hector, Ph.D., RPA  
Principal Environmental Specialist, Cultural Resources  
SDG&E Environmental Services  
8315 Century Park Court  
CP21E  
San Diego, CA 92123

Re: Revised Proposal for GIS Services to Deliver California Historical Resources Information System (CHRIS) Information Center Data in Digital Format (GEARS)

Dear Dr. Hector,

Thank you for requesting Statistical Research Inc. (SRI) to prepare this revised scope of work and cost estimate to provide digital copies of the historical resources information stored at the California Historical Resources Information System (CHRIS) southern California Information Centers (IC). This revision addresses your comments on our proposal dated April 22, 2010.

**Purpose**

Sempra Energy (Sempra) is interested in obtaining information regarding historical resources located on lands within its service area. In California, the responsibility for collecting and managing the state's inventory of historical resources is delegated to the members of the CHRIS, which is administered by the Office of Historic Preservation (OHP). Historical resources information comprising the CHRIS is organized by county and managed by regional ICs. The ICs house records, reports, maps, and materials relating to historical resources, and provide information regarding such resources on a fee-for-service basis.

Sempra wishes to create and maintain a GIS database of information acquired from the respective ICs in its service area to better manage cultural resources that may be affected by Sempra's activities. To accomplish this goal, Sempra wishes to contract with SRI, to acquire all pertinent information and records from the CHRIS, convert paper records into digital format compatible with the GEARS GIS currently used by Sempra, and provide updated digital information on a quarterly basis.

**SRI Qualifications**

SRI is uniquely qualified to provide this service because of our recognized expertise in both Geographic Information Systems (GIS) and cultural resources management (CRM) consulting. Doug Mende will manage the technical portions of the project. Mr. Mende has over 25 years of GIS experience and is a recognized leader in the field. He is intimately familiar with the CHRIS system and the issues involving creating and maintaining digital record search databases. In the early-to-late 1980s, prior to joining SRI, Mr. Mende was contracted by the state of California to conduct a statewide assessment of the CHRIS ICs. His assessment led to the state awarding him a contract to complete a design concept to convert all the ICs from paper-based to digital format. The design concept was accepted by the state but was never implemented statewide due to agency politics. As part of that contract, however, Mr. Mende, along with William Hayden (SRI Director of Cartography and Geospatial Technologies) implemented a pilot study that included digitizing over 50,000

CALIFORNIA  
Redlands  
21 W. Stuart Ave.  
P.O. Box 390  
Redlands, CA  
92373-0123  
(909) 335-1896  
(909) 335-0808 (fax)

San Diego  
3990 Old Town Ave.  
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P.O. Box 82404  
San Diego, CA  
92138  
(619) 299-9766  
(619) 299-9774 (fax)

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Woodland, CA  
95695  
(530) 661-1400  
(530) 662-5500 (fax)

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Phoenix  
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(480) 774-1920  
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(480) 600-8692 (cell)

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Tucson, AZ  
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(520) 298-7044 (fax)

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Suite 112  
Albuquerque, NM  
87111-2681  
(505) 323-8300  
(505) 323-8314 (fax)  
(505) 331-2491 (cell)

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Suite 125  
El Paso, TX  
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(915) 781-2200  
(877) 781-2205  
(915) 781-2201 (fax)

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records from a sample of ICs. Our thorough understanding of the CHRIS systems is enhanced by nearly 30 years of conducting record searches at ICs throughout the state. Among our staff are former directors of the San Bernardino County Archaeological Information Center and the Southern San Joaquin Information Center, as well as staff who have worked for various information centers throughout the state. SRI president Donn Grenda was appointed by the governor of California to the State Historic Resource Commission. In that capacity he currently serves as chair of both the Archaeological Resource Committee (ARC) and the Information Center Procedural Advisory Committee (ICPAC). The ICPAC oversees the activities and procedures of the CHRIS system and advises the OHP IC coordinator about ways to improve the system including direction concerning the digital conversion of the CHRIS system.

Our unique combination of experience and services qualifies SRI to not only complete the proposed project but carry out maintenance/management activities for future SEMPRAs data needs. SRI not only meets the project requirements but can handle the necessary work for immediate action to prevent any disruption in SEMPRAs services. SRI stands as the only firm qualified to perform these services.

**Overview**

Each IC operates as an independent entity with minimal guidance and oversight from the OHP. Whereas there is a rules of operation manual for all ICs, each IC is relatively free to develop its own procedures for maintaining information regarding historical resources. Although the CHRIS has long advocated for converting the state's paper-based inventory to digital, the progress made by each IC is highly variable: some ICs have converted all paper records to digital format, whereas others have not yet started this process. SRI recently reviewed several of the ICs procedures through visits and phone calls to ascertain the status of the collections. We learned that the conversion of paper-based records to digital data is essentially stalled.

All six ICs in the Sempra service area (Table 1) still manage paper files as their primary data source. However, several ICs have converted the paper-based files to digital data which they can make available to Sempra. The SCIC (San Diego and Imperial Counties) is the furthest along, having already delivered digital data to Sempra. The CCOIC (Santa Barbara and San Luis Obispo Counties) is fully digital, but currently only use the data internally. It is considering the sale of digital data by summer of 2010. The SBAIC (San Bernardino County) provided digital data from 1992 until 2001, but discontinued the service due to a lack of funding and its current database is in need of significant updates. The geographical data at SBAIC was recorded using Computer Aided Drafting (CAD) software and not GIS software. Consequently, the existing digital data will need to be converted to a GEARS-compatible format. The EIC (Riverside, Inyo, and Mono Counties), The SSJVIC (Kern, Kings, Tulare, Madera, and Fresno Counties), and SCCIC (Orange, Los Angeles, and Ventura Counties) have not converted to digital format.

To provide complete digital data to Sempra in some instances will require SRI to convert an entire IC's paper-based records into digital format. In other cases SRI will only have to acquire already converted digital data.

**Table 1: CHRIS ICs in the Sempra Service Area**

<b>Information Center</b>	<b>County</b>
Central Coast (CCOIC)	San Luis Obispo, Santa Barbara
Southern San Joaquin Valley (SSJVIC)	Fresno, Kern, Kings, Madera*, Tulare
Eastern (EIC)	Inyo*, Mono*, Riverside
San Bernardino Archaeological (SBAIC)	San Bernardino
South Central Coastal (SCCIC)	Los Angeles, Orange, Ventura
South Coastal (SCIC)	San Diego**, Imperial**

\*County outside Sempra service area

\*\* Already provided to Sempra

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**GIS Deliverables**

All information acquired will be limited to that maintained at each IC in the Sempra service area (see Table 1). Data related to San Diego and Imperial Counties are excluded from this proposal because the SCIC is already delivering digital data to Sempra under a separate contract. SRI will provide the records as they are kept at each IC and is not responsible for errors in the IC data. SRI can provide the following information on compact discs (CD or DVD):

**Base Data:** SRI will provide GEARS-compatible GIS shapefiles containing points or polygons of all historical resources and all manuscripts (e.g., survey areas) recorded at the respective ICs in the Sempra service area. Each polygon will be attributed with the corresponding Primary Number, Trinomial, or Manuscript Number. Isolated occurrences will include only those that have been assigned a Primary Number. Base data will include shapefiles of archaeological sites, historical resources, properties listed in the National Register of Historic Places, and California State Landmarks. SRI will provide digital images of all historical maps. If available, SRI will also include a digital copy of the National Archaeological Database (NADB) associated with each report polygon.

**DPR-523 Forms:** SRI will include digital copies of all DPR-523 cultural resource recording forms.

**Data Maintenance:** SRI will provide quarterly updates.

**Approach**

Because of the highly variable status of digital conversion throughout the CHRIS it is impossible to accurately estimate the total cost of providing complete digital data to Sempra. Also, Sempra has identified those counties that are the highest priority for obtaining digital record search data and the schedule for delivering data for these areas. In response to these needs, SRI recommends a two-phase approach for implementing the project.

***Phase I***

Phase I will involve a feasibility study to evaluate the status of digital conversion at each IC in the Sempra service area (see Table 1). SRI will undertake a detailed inventory of all records at each IC. This will involve determining the number of shapefiles that need to be digitized, and estimating the number of resource recording forms and manuscripts that need to be scanned. As part of the feasibility study, SRI will interview the director of each IC and analyze and document the business functions (e.g. intake of reports, map maintenance), software applications (e.g., Excel, GIS), and data (national register listings, update lists) in the facility.

SRI will negotiate access to each IC in the most cost effective manner possible. Because paying normal self-service record search fees of \$100.00/hour to access the IC data is not feasible, SRI will attempt to negotiate with each IC for data access at a flat rate. This negotiation could include requesting free access in return for providing digital data back to each respective IC.

At the conclusion of the inventory and interview, SRI will prepare and provide a summary of the inventory and interview findings to each IC to be verified. SRI will also draft a data maintenance agreement with each information center for approval. The agreement is intended to bind the IC into providing updates on a quarterly basis at a disclosed cost. Upon verification, SRI will prepare an evaluation report for Sempra documenting the condition of each IC and will include a scope of work, schedule, and cost estimate for delivering a complete set of digital data.

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**Phase II**

Phase II will involve acquiring digital record search data from each IC. This will include a variety of tasks specific to the status of digital conversion already completed at each facility. These tasks will be identified in the scope of work developed in Phase I. These tasks will likely include developing a method to convert and maintain the records at those ICs that are not already providing digital data, acquiring digital data from those ICs that have already converted to digital, and formatting and delivering updates to GEARS for each IC. Sempra wishes to acquire these data over a three-year period with an optional fourth year for acquiring data from the SSJVIC (Table 2).

**Table 2: Data Acquisition and Delivery Schedule**

Year 1 <i>CCOIC</i>	Year 2 <i>EIC</i>	Year 3 <i>SBAIC</i>	Year 4 (optional) <i>SSJVIC</i>
San Luis Obispo County Santa Barbara County  <i>SCCIC</i> Los Angeles County Orange County Ventura County	Riverside County	San Bernardino County	Fresno County Kern County Kings County Tulare County

**Cost Estimate**

Our cost estimate to complete both phases is shown in Table 3. The cost estimate for the Phase I feasibility study is \$13,200. As described above, specific cost estimates will be developed for each IC as part of the Phase I work. However, Sempra needs some idea of overall estimated costs to deliver digital data for its entire service area to decide if they wish to move forward with this plan. The following costs are based on the estimates prepared in 2000 for the statewide CHRIS conversion and on information provided to SRI by each IC during our recent review. The total estimated cost to deliver digital GIS Base Data and DPR-523 forms is \$248,800 (see Table 3). The Data Maintenance Annual Fee shown in Table 3 is cumulative and the total amount to maintain the GIS for a four-year period is \$55,000.

**Table 3: Sempra Energy GIS Chris IC Data Preparation Cost Estimate**

	Year 1	Year 2	Year 3	Year 4 (optional)	Total
Phase I	\$13,200	-	-	-	\$13,200
Phase II	\$97,000	\$26,470	\$25,000	\$26,700	\$175,170
DPR-523 forms	\$41,800	\$11,030	\$10,000	\$10,800	\$73,630
Data Maintenance Annual Fee*	\$10,000	\$12,500	\$15,000	\$17,500	\$55,000
<b>Total</b>	<b>\$162,000</b>	<b>\$50,000</b>	<b>\$50,000</b>	<b>\$55,000</b>	<b>\$317,000</b>

\* Data maintenance annual fee is cumulative over the four-year period

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Given the expansive Sempra service area and large number of cultural resources under your management, it is clear that a GIS approach will ultimately be the most efficient and effective way to integrate cultural resources management into Sempra's overall environmental program. I look forward to working with you on this exciting project. Please call me at (909) 335-1896 or contact me by Email at kbecker@sicrm.com if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Kenneth M. Becker". The signature is fluid and cursive, with a long horizontal flourish at the end.

Kenneth M. Becker, M.A., RPA  
Principal Investigator



**NORTHERN SERVICE TERRITORY OPERATION AND  
MAINTENANCE 2081 INCIDENTAL TAKE PERMIT  
MITIGATED NEGATIVE DECLARATION SCOPE OF WORK  
SOUTHERN CALIFORNIA GAS COMPANY  
May 3, 2010**

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**Introduction**

On April 28, 2010, Southern California Gas Company (SCG) requested a scope of work and cost estimate for providing California Environmental Quality Act (CEQA) documentation for a California Department of Fish and Game (CDFG) 2081 Incidental Take Permit to conduct routine operation and maintenance activities within SCG's northern service territory. More specifically, SCG has requested preparation of a Mitigated Negative Declaration (MND) pursuant to CEQA, as well as a Mitigation Monitoring Program (MMP), if required. Operation and maintenance activities on SCG's existing pipeline system may require work within habitat for state-listed species in Fresno, Kings, Tulare, Kern, Ventura, Santa Barbara, and San Luis Obispo counties. In response to this request, Insignia Environmental (Insignia) has prepared this scope of work detailing the tasks, schedule, staffing, and costs to conduct this work.

**Description of Work**

Insignia will provide the following task for this project:

**Task #1:** Prepare an MND

- **Description:** Under this task, Insignia will prepare an MND in accordance with the CEQA Guidelines. The MND will primarily be developed based on information provided in the CDFG 2081 Incidental Take Permit application package and the existing Biological Opinion (BO) for SCG's northern service territory. Insignia will also collect additional information from published documents, maps, General Plans, and Internet sites to ensure all resource areas are fully described and analyzed. The MND will include a thorough project description, an overview of the region's environmental setting, and an evaluation of the project's potential impacts. Applicant-proposed measures (APMs) to reduce potential impacts will be proposed, where necessary. As part of this task, Insignia will prepare an MMP to summarize all APMs and mitigation measures. The MMP will identify the potential impact, proposed mitigation, required documentation, and the responsible party.

Insignia will prepare an Initial Draft MND for SCG's review in electronic format, after which it will be revised and submitted to the CDFG for review as the Preliminary Draft MND. Insignia will then revise the Preliminary Draft MND in accordance with the CDFG's comments and prepare an Administrative Draft MND for submittal to the CDFG in order to distribute it to other agencies for review. Once comments have been received,



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Insignia will prepare a Draft MND for public review in electronic format. Up to five hard copies of the document will be produced, along with up to 25 CDs containing the Draft MND in PDF format.

After public review has been completed, Insignia will assist by organizing and developing responses to all comments. The responses to comments will be submitted to SCG for one round of review and revisions. Insignia will then revise the responses to comments and submit them to the CDFG for review. Insignia will then incorporate the CDFG's comments and finalize the comment responses.

**Schedule**

Work on the project will begin as soon as written authorization has been received from SCG. A preliminary schedule for the project, assuming a May 5 start date, is presented in the table below. This schedule will be discussed and revised in coordination with SCG at the time of contract execution to ensure the project's needs are met.

<b>Activity</b>	<b>Approximate Timeframe</b>
Initial Draft MND	June 22
SCG Review	June 22 – June 29
Preliminary Draft MND	July 13
CDFG Review	July 13 – July 27
Administrative Draft MND	August 10
Agency Review	August 10 – August 31
Draft MND	September 14
Public Review	September 15 – October 15
Responses to Comments	October 29

**Staffing**

This project will be managed by Anne Marie McGraw. Nicole Markowitz and Robert Curley will take the lead on the research and analysis for the MND. Armen Keochekian will provide technical review and input. Additional Insignia staff will support the team with research, preparation of the MND, mapping, and production. Short summaries of each key staff member's qualifications are included below. Resumes can be provided upon request.

***Anne Marie McGraw***

Anne Marie McGraw combines an education in community and environmental planning with 14 years of experience in utility and transportation engineering and permitting. She has successfully assisted clients with navigating the CEQA and National Environmental Policy Act (NEPA) approval processes, developing strategies for permitting projects, and serving as an agency liaison. Anne Marie has managed the preparation of hundreds of federal, state, and local permit applications and supporting documentation for projects in the west. She has developed and delivered regulatory and project-specific training programs, and overseen environmental inspection and biological monitoring programs during construction of projects throughout California. Her work has included management of the Line 6914 Loop Imperial Valley Project permitting, as well as technical assistance on the North-South Interconnect Project. Anne Marie holds a Master of City and Regional Planning and a Master of Science in Engineering from California Polytechnic State University (Cal Poly), San Luis Obispo and a



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Bachelor of Science (B.S.) in Environmental Policy Analysis and Planning from the University of California at Davis.

***Armen Keochekian***

Armen Keochekian has over 14 years of experience in environmental planning, permitting, and managing environmental programs for large-scale utility projects. He has recently acted as Project Manager for the preparation of an Initial Study for SCG's Line 41-17 Potrero Creek Exposure Drop Replacement Project and is currently working with the CDFG to complete CEQA review. In addition, he is currently serving as the Project Manager for CEQA and NEPA compliance for SCG's North-South Interconnect Project. In this role, he is responsible for oversight and management of resource specialists, analysts, technical experts, and subconsultants. Armen also has significant experience in erosion and sediment control planning and implementation, soil surveys, water quality and hydrological issues, stream and river construction techniques, sensitive resource mitigation, and restoration. Armen has authored numerous sections of CEQA and NEPA document sections; as well as Stormwater Pollution Prevention Plans; Construction, Operation, and Maintenance Plans; and Spill Prevention Control and Countermeasures Plans. This experience is greatly enhanced by his extensive field experience inspecting over 1,000 miles of natural gas pipeline construction across the United States, as well as hundreds of miles of electrical transmission lines in California and Nevada. Armen holds a B.S. in Soils Science from Cal Poly, San Luis Obispo.

***Nicole Markowitz***

Nicole Markowitz has a strong background working with federal, state, and local government agencies supporting various infrastructure construction projects in southern California. Her work has included supporting the preparation of multiple environmental documents in accordance with the CEQA and NEPA, including Initial Studies, MNDs, and Environmental Impact Reports. Nicole generally specializes in land use, recreation, and hazardous materials analysis, but also has significant experience with impact analysis in the areas of transportation and traffic; geology, soils and mineral resources; and cultural and paleontological resources. Recently, Nicole assisted in preparing a constraints study for more than 150 miles of transmission line in Fresno, Kern, Tulare, and Kings counties. Nicole was also a primary author on the SCG Line 6914 Loop Imperial Valley Project CEQA document. Nicole holds a B.S. in Environmental Management and Protection with a Minor in City and Regional Planning from Cal Poly, San Luis Obispo.

***Robert Curley***

Robert Curley combines an engineering background with 9 years of work experience in the field of environmental analysis. His work has included assisting with the development of environmental documents supporting the CEQA and NEPA processes, as well as utilizing various Environmental Protection Agency-approved air dispersion models to evaluate air quality impacts from accident reconstruction reports. Robert's work has included preparation of the air quality, noise, and traffic and transportation analyses for multiple applicant-prepared documents including Initial Studies, MNDs, and Environmental Assessments, as well as preparing permitting applications for multiple electrical transmission lines. He has also provided geographic information system mapping and analysis support for several natural gas, fiber optic, and electric transmission line projects throughout the state of California. Robert holds a Master of Business Administration from Santa Clara University and a B.S. in Mechanical Engineering from U.C., Santa Barbara.



**Summary of Costs and Assumptions**

The cost implications of this scope of work are detailed in the attached spreadsheet and summarized below. Costs will be billed on a time-and-materials basis. Payment on invoices is due within 30 days. This scope of work and cost estimate is based on the following assumptions:

- The project description as described in the 2081 Incidental Take Permit Application dated April 2009 will not change.
- No more than one request for information will be required to complete the project description and analysis.
- No technical reports will be prepared to support the MND.
- No site visits or fieldwork will be conducted.
- One meeting with SCG and the CDFG in the San Joaquin Valley has been included. Up to a total of 10 hours each has been included to travel to and attend this meeting for two Insignia staff members.
- Comments on all rounds of the MND will be compiled into one hard copy prior to submittal to Insignia for incorporation.
- Up to 60, 52, and 40 hours have been included to address comments from the CDFG, other agencies, and the public, respectively, on the MND.
- Assistance with public noticing has not been included.
- All work will be completed within a period of 6 months with no major periods of delay or work stoppages.

<b>Task #1: Prepare MND</b>	<b>\$85,000</b>
<b>Total Not-to-Exceed Amount</b>	<b>\$85,000</b>



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Estimated Costs  
 Northern Service Territory 2081 Incidental Take Permit Mitigated Negative Declaration

Task 1: Prepare MND	Hourly Rate	Total Hours	Total \$	Monthly Breakdown						TOTAL
				May 2010	Jun 2010	Jul 2010	Aug 2010	Sep 2010	Oct 2010	
Principal	\$ 130.00	62	\$ 8,060.00	12.00	26.00	10.00	6.00	4.00	4.00	4.00
Director	\$ 120.00	58	\$ 6,960.00	12.00	26.00	6.00	6.00	4.00	4.00	4.00
Senior Managing Planner/Biologist	\$ 90.00	140	\$ 12,600.00	24.00	64.00	18.00	14.00	12.00	8.00	8.00
Managing Planner/Biologist	\$ 90.00	280	\$ 25,200.00	88.00	88.00	28.00	28.00	24.00	24.00	24.00
Planner/Biologist	\$ 85.00	80	\$ 6,800.00	40.00	40.00	-	-	-	-	-
GIS Specialist	\$ 90.00	136	\$ 12,240.00	44.00	44.00	22.00	18.00	8.00	-	8.00
Technical Editor	\$ 65.00	168	\$ 10,920.00	4.00	64.00	26.00	26.00	40.00	8.00	8.00
Administrative	\$ 55.00	-	\$ -	-	-	-	-	-	-	-
<b>TOTAL</b>		<b>924</b>	<b>\$ 82,780.00</b>	<b>\$ 20,700.00</b>	<b>\$ 31,700.00</b>	<b>\$ 9,830.00</b>	<b>\$ 8,590.00</b>	<b>\$ 7,560.00</b>	<b>\$ 4,400.00</b>	<b>\$ 82,780.00</b>
<b>TOTAL Fees</b>				<b>\$ 20,700.00</b>	<b>\$ 31,700.00</b>	<b>\$ 9,830.00</b>	<b>\$ 8,590.00</b>	<b>\$ 7,560.00</b>	<b>\$ 4,400.00</b>	<b>\$ 82,780.00</b>
<b>ODCS</b>										
Travel	\$ -		\$ -		600.00					\$ 600.00
Supplies	\$ 500.00		\$ 500.00							\$ 500.00
Per Diem	\$ -		\$ -							\$ -
Printing/Copies	\$ -		\$ -							\$ -
Shipping	\$ -		\$ -							\$ -
<b>TOTAL ODCS</b>				<b>\$ 500.00</b>	<b>\$ 600.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,120.00</b>	<b>\$ 2,220.00</b>
<b>TOTAL Fees and ODCS</b>				<b>\$ 21,200.00</b>	<b>\$ 32,300.00</b>	<b>\$ 9,830.00</b>	<b>\$ 8,590.00</b>	<b>\$ 8,680.00</b>	<b>\$ 4,400.00</b>	<b>\$ 85,000.00</b>

**GHG California Air Resource Board 3<sup>rd</sup> Party Certification Workpaper  
CC 2200-2176 (Southern California Gas Company)  
CC 2100-3022 (San Diego Gas & Electric Company)**

Background: SoCalGas and SDG&E have been voluntarily reporting their GHG emission inventory with 3<sup>rd</sup> party certification. There will be additional certification activities to meet the new AB32 mandatory reporting rule requirements. The incremental upward pressures for the additional tasks associated with AB32 are as follows:

Amount spent in 2008 per utility (\$28,000/2):	\$14,000
Amount spent in 2009 per utility: (Included informal ARB verification)	\$20,000
2010 bid for 3 <sup>rd</sup> Party Certification (\$55,000/2): (includes formal ARB certification)	\$26,000
GRC Upward pressure per utility (\$26K-\$20K = \$6K)	\$ 6,000

Support documentation attached.



April 29, 2010

Mr. Darrell Johnson  
Principal Environmental Specialist, Environmental Services  
Southern California Gas Company  
555 W. 5<sup>th</sup> Street  
Los Angeles, CA 90013-1031  
*Sent via email to [djohnson@semprautilities.com](mailto:djohnson@semprautilities.com)*

**PROPOSAL FOR VERIFICATION  
SAN DIEGO GAS & ELECTRIC AND SOUTHERN CALIFORNIA GAS COMPANY  
GHG EMISSIONS INVENTORY, CY 2009 - CALIFORNIA CLIMATE ACTION REGISTRY  
GHG INVENTORY REPORT, CY 2009 - CALIFORNIA AIR RESOURCES BOARD**

Dear Darrell,

Ryerson, Master and Associates, Inc., (RMA) is pleased to provide this proposal to verify the Greenhouse Gas (GHG) Emissions Inventories for Calendar Year (CY) 2009 for San Diego Gas & Electric (SDG&E) and Southern California Gas Company (SoCalGas), collectively referred to in this proposal as Sempra Utilities (Sempra). The verification is required for Sempra to meet both the reporting requirements as a member of The California Climate Action Registry (California Registry) and the mandatory reporting requirements of the California Air Resources Board (ARB).

This will be the sixth year of verifications by RMA for GHG inventories submitted to the California Registry by Sempra. RMA has previously verified the GHG emissions inventories for CY 2004 through CY 2008 for Sempra. From this previous work we are thoroughly familiar with the nature and sources of GHG emissions that will be reported from Sempra operations and believe that we can verify the Sempra inventory, California Registry, once again in a very cost-effective manner.

RMA is an accredited verification body with the California Air Resources Board. There are six ARB-accredited Lead Verifiers on our staff. We are very familiar with the types of issues that arise during ARB verification; and will pay careful attention to the features of your inventory that distinguish it from others in the investor-owned utility sector.

This proposal discusses:

1. Our qualifications to perform these verifications
2. Scope of work to be performed and assumptions
3. Schedule and deliverables
4. Cost and terms of our services
5. Contracting requirements
6. Appeals process, confidentiality and Insurance

This proposal is valid for 90 days unless extended in writing by RMA. RMA will coordinate this work from our Santa Barbara office.

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## 1. RMA QUALIFICATIONS AND STAFF

### COMPANY PROFILE AND QUALIFICATIONS

Ryerson, Master and Associates, Inc., a member of the Lloyd's Register Group of entities, is located in Santa Barbara, California. Incorporated since 1994, RMA specializes in GHG verification services, climate action, clean energy and air quality services. GHG emissions verification is a primary focus of our company. RMA also performs services to develop GHG inventories and carbon footprints and to prepare climate action strategic plans. RMA has provided services for an extensive number of private and public sector clients throughout California, the United States, Mexico and Canada.

The RMA staff is highly trained in the area of GHG verification and climate action planning, and we specialize in leading edge, forward-thinking analyses and planning in this critical area. RMA has substantial experience with GHG emission reduction project accounting as well as entity accounting; and has developed internal systems to maintain high quality, independent third-party verifications.

- **RMA is an accredited verification body with the California Climate Action Registry, Climate Reserve, and The Climate Registry.**
- **RMA is an accredited verification body with the California Air Resources Board.**
- **Our professional staff includes five ARB Lead Verifiers and two ARB Verifiers, all with sector specializations, who are accredited to conduct GHG verifications by the California ARB.**
- **RMA is an ANSI-accredited Validator/Verifier Body** under ISO 14064-3, "Greenhouse gases – Part 3: Specification with guidance for the validation and verification of greenhouse gas assertions" and ISO 14065 "Greenhouse gases - Requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition."
- **RMA has extensive experience with GHG procedures and protocols.** Since the California Climate Action Registry (CCAR) began operations in 2001, RMA has verified the majority of all its registered/public emissions in that Registry. RMA provided extensive consultation services to The Climate Registry (TCR) for development of its electric power sector protocol. RMA has communicated frequently with ARB during the past year as ARB initiated activities for the mandatory reporting regulation.

### RELEVANT PROJECT EXPERIENCE

RMA has performed a majority of the ARB full verifications submitted for CY 2008 and knows firsthand what is needed to meet the ARB reporting requirement. In addition to completing many informal CY 2008 verifications, RMA has verified full ARB GHG reports for CY 2009 for Dynege Moss Landing LLC, Imperial Irrigation District and the Sacramento Municipal Utility District.

Within our extensive experience, RMA has verified emission inventories for a broad range of industries and organizations, including the GHG emissions inventories for Sempra Utilities for all

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five previous years. RMA has verified GHG emissions inventories for the Salt River Project, NRG, NV Energy (formerly Sierra Pacific Resources and Nevada Power), PG&E, and Southwest Gas. Our references are available on request.

## KEY STAFF

The verification teams will be comprised of a Lead Verifier, Quality Assurance Reviewer and qualified GHG staff. Our Lead Verifiers, Quality Assurance Reviewers, and Verifiers will be selected for your verifications from the list below, in which the education, accreditation, and experience of our professional staff are briefly described. Full resumes, including accreditation certificates, are available upon request.

### **William A. Master**

Mr. William Master is Senior Vice President and a founding member of RMA, and has over thirty years of experience in the areas of greenhouse gas assessments, climate action planning, clean energy programs, alternative fuel vehicle technology, diesel emission reduction projects and air quality technology. Mr. Master is a Lead Verifier qualified by the California Climate Action Registry for reporting and verifying greenhouse gas emissions inventories under the general reporting, power utility and cement protocols; a Lead Verifier qualified by the Climate Action Reserve for reporting and verifying greenhouse gas emissions inventories under the landfill methane, livestock, coal mine methane, and organic waste disposal protocols; and a Lead Verifier accredited by the California Air Resources Board to conduct verification services as a lead verifier and electricity transactions, cement, and refineries specialist. His work experience covers a broad range of industrial and government sectors, electric power generation and distribution, oil and gas production and processing, landfill gas recovery systems, agriculture production and processing, transportation systems, mail and parcel delivery systems. He has extensive experience managing diesel emission reduction projects in the marine, construction, agricultural, material handling and on-road sectors. Mr. Master holds an M.S. in Biology with emphasis in environmental science from the University of Illinois and B.S. in Biology with emphasis in Systems Ecology from San Diego State University. He is a member of the American Institute of Chemical Engineers and the Air and Waste Management Association. [RSL-90]

### **J. Ivor John, Ph.D.**

Dr. Ivor John is Senior Vice President at RMA, with over 25 years experience in the areas of greenhouse gas assessments, atmospheric physics, air toxics review, climate change and chemical risk management. Dr. John is a Lead Verifier qualified by the California Climate Action Registry for reporting and verifying greenhouse gas emissions inventories under the general reporting, power utility and cement protocols; a Lead Verifier qualified by the Climate Action Reserve for reporting and verifying greenhouse gas emissions inventories under the landfill methane and livestock protocols; and a Lead Verifier accredited by the California Air Resources Board to conduct verification services as a lead verifier and electricity transactions, cement plant and refineries specialist. Dr. John's work experience covers a broad range of industrial and government sectors including water and wastewater treatment, electric power generation and transmission, oil and gas production and processing, petroleum refining, and alternative fuel vehicles. Dr. John holds a Ph.D. in atmospheric physics from the University of Wales UK and a B.S. in Physics with Meteorology from the University of Reading UK. He is a Certified

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Consulting Meteorologist with the America Meteorological Society, a Fellow of the Royal Meteorological Society, and a member of the American Institute of Chemical Engineers. [RSL-90]

**Ann Hewitt, Ph.D.**

Dr. Ann Hewitt is a Vice President at RMA and has over 20 years experience in the areas of climate action planning, environmental policy and program development, greenhouse gas assessments, and government continuity. Dr. Hewitt is a Lead Verifier qualified by the California Climate Action Registry for reporting and verifying greenhouse gas emissions inventories under the general reporting, power utility and cement protocols; a Lead Verifier qualified by the Climate Action Reserve for reporting and verifying greenhouse gas emissions inventories under the landfill methane and livestock protocols; and a Lead Verifier accredited by the California Air Resources Board to conduct verification services as a lead verifier and an electricity transactions and refineries specialist. Her work experience covers a broad range of industrial and government sectors, including wastewater treatment, electric power generation and transmission, universities and college facilities, food processing facilities, and local, state and federal agency operations. In addition, she has performed work for the Canadian government, the United Nations, and the Organization for Economic and Cultural Development (OECD). Dr. Hewitt was a member of the founding management team for the California Climate Action Registry. Dr. Hewitt holds a Ph.D. in Sociology from Carleton University Canada; M.Sc. in Environmental Psychology from the University of Surrey, Guildford UK; and B.A. in Sociology and Anthropology from Carleton University Canada. [RSL-80]

**DeAnn Sarver**

DeAnn Sarver is a Vice President and at RMA and has over 18 years experience in the areas of greenhouse gas assessments, environmental management, corporate strategy and marketing, and business development. Ms. Sarver is a Lead Verifier qualified by the Climate Action Reserve for reporting and verifying greenhouse gas emissions inventories under the landfill methane project and livestock methane project protocols; and a Verifier accredited by the California Air Resources Board to conduct verification services as a lead verifier and a refineries specialist. In addition, Ms. Sarver Her work experience covers a broad range of industrial and government sectors, including mail and parcel delivery, landfill gas recovery, and universities and colleges. Ms. Sarver holds a B.A. in Aquatic Biology from the University of California, Santa Barbara. [RSL-71]

**Rachel Pelc**

Ms. Pelc is a Manager of Carbon Emissions Programs at RMA and has more than seven years experience in the areas of greenhouse gas assessments, air quality, diesel emission reduction projects, climate action planning and environmental conservation. Ms. Pelc is a Lead Verifier qualified by the California Climate Action Registry for reporting and verifying greenhouse gas emissions inventories under the general reporting, power utility and cement protocols; a Lead Verifier qualified by the Climate Action Reserve for reporting and verifying greenhouse gas emissions inventories under the landfill methane and livestock protocols; and a Lead Verifier accredited by the California Air Resources Board to conduct verification services as a lead verifier and electricity transactions, cement plant and refineries specialist. Her work experience covers a broad range of industrial and government sectors, including electric power generation and transmission, university and college facilities, green building technology, and natural gas distribution systems. Ms. Pelc holds an M.S. in Environmental Engineering and Science from

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Stanford University and a B.A. in Human Biology from Stanford University with an emphasis in ecology and environmental conservation. [RSL-51]

**Nick Facciola**

Mr. Nick Facciola is a Manager of Carbon Emissions Programs at RMA and has four years experience in the areas of climate action planning, greenhouse gas assessments, diesel emission reduction projects, air quality, and clean energy. Mr. Facciola is a Lead Verifier qualified by the California Climate Action Registry for reporting and verifying greenhouse gas emissions inventories under the general reporting, power utility and cement protocols; a Lead Verifier qualified by the Climate Action Reserve for reporting and verifying greenhouse gas emissions inventories under the landfill methane and livestock protocols; and a Lead Verifier accredited by the California Air Resources Board to conduct verification services as a lead verifier and an electricity transactions and refineries specialist. His work experience covers a broad range of industrial and government sectors including mail and parcel delivery systems, local and federal agencies, and electric power generation and transmission. He has extensive experience managing diesel emission reduction projects in the marine, agricultural, and on-road sectors. Mr. Facciola holds an M.S. in Mechanical Engineering with an emphasis on energy and environment from the University of Colorado at Boulder and a B.S. in Mechanical Engineering from the University of California Santa Barbara. [RSL-51]

**Ryan Schauland**

Ryan Schauland is a Carbon Emissions Specialist at RMA and has several years experience in the areas of green buildings and greenhouse gas assessments. Mr. Schauland is a US Green Building Council LEED® AP Accredited Professional. Mr. Schauland is a Lead Verifier qualified by the Climate Action Reserve for reporting and verifying greenhouse gas emissions inventories under the landfill methane and livestock protocols; and a Lead Verifier accredited by the California Air Resources Board to conduct verification services as a lead verifier, and cement and refineries specialist. His work experience covers numerous industrial and government sectors including electric power generation and distribution, oil and gas processing and distribution, and university facilities. Mr. Schauland holds a B.S. with Honors in Environmental Studies and a B.A. with Honors in Geography, both from the University of California Santa Barbara. [RSL-41]

**2. VERIFICATION SCOPE AND ASSUMPTIONS**

**2.1 ARB CY 2009 VERIFICATION**

**Verification:** Full verification

**Calendar Year:** 2009

**Regulation:** California Regulation for the Mandatory Reporting of Greenhouse Gas Emissions in California Code of Regulations (CCR) Title 17 Subchapter 10, Article 2, Sections 95100 to 95133, and including verification standards of the California Air Resources Board.

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**Deliverable:** Independent, third party verification opinion of the data reports assessed for materiality, completeness, and conformance with the regulation.

**Verification Process:** The ARB full verification is expected to proceed as follows:

- Submittal of Conflict of Interest (NOVS) forms
- Agreement on verification services and execution of verification contract or purchase order.
- Kick-off teleconference or meeting that includes coordination of planned site visits, access to ARB emissions/transactions data report, and access to necessary verification data.
- Development of a verification plan for each report to be verified.
- Review of management systems.
- Development of a sampling plan for each report to be verified, including a ranking of emissions sources and electricity transactions by their relative size and uncertainty.
- Site Visits in accordance with sampling plan.
- Performance of data checks on each emissions data report to determine whether or not the reported emissions and transactions are free of material misstatement and the emissions data report otherwise conforms to the requirements of the regulation.
- Review of the methods and factors used to develop the emissions data report for conformance with the regulation.
- Logging any issues identified in the course of verification of each emissions data report that may affect determinations of materiality and conformance, and associated corrective actions, if any.
- Delivery of initial and final verification findings, and a verification opinion for each facility.

**Facilities:** Five general stationary combustion and two electricity generation facilities are to be verified. In addition, the ARB recognizes both San Diego Gas & Electric and the Southern California Gas Company as California-only retail providers, which requires a site visit to the energy scheduling center. The facilities and their locations are listed below.

- ARB ID# 101349 - SCG Aliso Canyon Storage Facility located in Los Angeles, California 90013 (General Stationary Combustion)
- ARB ID# 100915 - SCG Honor Rancho Storage Facility located in Los Angeles, California 90013 (General Stationary Combustion)
- ARB ID# 101348 - SCG Newberry Springs Compressor Station located in Los Angeles, California 90013 (General Stationary Combustion)
- ARB ID# 101346 - SCG South Needles Compressor Station located in Los Angeles, California 90013 (General Stationary Combustion)
- ARB ID# 101675 - SCG Blythe Facility located in Los Angeles, California 90013 (General Stationary Combustion)
- ARB ID# 101401 - SDG&E Miramar Energy Facility located in Los Angeles, California 90013 (Electricity Generation)
- ARB ID# 100362 - SDG&E Palomar Energy Center located in Los Angeles, California 90013 (Electricity Generation)

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**Site Visits:** Eight site visits will be conducted. Site visits will be grouped by geographic proximity to achieve economy and efficiency.

**Conflict of Interest:** The potential for conflict of interest risk for RMA in this third-party verification assignment is assumed to be low.

It is assumed that the GHG data, files and reports will be shared with ARB registry staff.

In addition to our understanding of the scope of your GHG inventory, RMA assumes that your company will:

- Submit your emissions report into the California ARB database by the ARB deadline and supply the required supporting data to RMA
- Identify a single point of contact for verification activities who will (a) work with RMA through the verification process, including participation in project kick-off and site visits; and (b) be available for discussions about the inventory, including review of the verification and opinion.
- The contact will also provide facility access to RMA staff and third party observers, if any, in accordance with the California ARB Regulation.

## 2.2 CALIFORNIA REGISTRY CY 2009 VERIFICATION

The purpose of this assignment will be to verify the Sempra GHG Emissions Report for CY 2009, following the applicable standards and protocols of the California Registry. The verification process is intended to provide Sempra with an independent opinion on the completeness for the data and information being submitted to the California Registry regarding the CY 2009 emissions.

The following table identifies RMA's understanding of the scope of Sempra GHG inventory:

SCOPE OF SEMPRA UTILITIES GHG EMISSIONS INVENTORY TO THE CALIFORNIA REGISTRY	
<b>GREENHOUSE GASES REPORTED</b>	<input type="checkbox"/> carbon dioxide (CO <sub>2</sub> ) <input type="checkbox"/> methane (CH <sub>4</sub> ) <input type="checkbox"/> nitrous oxide (N <sub>2</sub> O) <input type="checkbox"/> hydrofluorocarbons (HFCs) <input type="checkbox"/> perfluorocarbons (PFCs) <input type="checkbox"/> sulfur hexafluoride (SF <sub>6</sub> ) <input checked="" type="checkbox"/> All six Kyoto GHGs (all of the above)
<b>TYPE OF INVENTORY</b>	<input type="checkbox"/> Baseline Year (optional, may be applied to any of the inventory years below) <input type="checkbox"/> 1 <sup>st</sup> Year Inventory <input type="checkbox"/> 2 <sup>nd</sup> Year Inventory <input type="checkbox"/> 3 <sup>rd</sup> Year Inventory <input type="checkbox"/> 4 <sup>th</sup> Year Inventory

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SCOPE OF SEMPRA UTILITIES GHG EMISSIONS INVENTORY TO THE CALIFORNIA REGISTRY	
	<input type="checkbox"/> 5 <sup>th</sup> Year Inventory <input checked="" type="checkbox"/> 6 <sup>th</sup> Year Inventory <input type="checkbox"/> Historic (indicate CYs)
<b>GEOGRAPHIC BOUNDARIES</b>	<input checked="" type="checkbox"/> California <input type="checkbox"/> United States <input type="checkbox"/> Other _____
<b>REPORTING METHOD</b>	<input checked="" type="checkbox"/> Control Approach – Operational <input type="checkbox"/> Control Approach – Financial <input type="checkbox"/> Equity Share
<b>ORGANIZATIONAL BOUNDARIES</b>	Sempra Utilities, operating the San Diego Gas & Electric Company and the Southern California Gas Company

The verification is expected to proceed as follows:

- Agreement on verification services and execution of verification contract or purchase order or revised contract. The verification purchase order must incorporate this proposal by reference or incorporate substantially similar language.
- Conflict of Interest documentation to the California Registry.
- Kick-off teleconference or meeting. For expedience, this meeting will be combined with the ARB-related verification teleconference.
- Development of a risk-based verification plan.
- No site visits are required for a sixth year verification.
- Review of GHG management and information systems and procedures.
- Verification of reported GHG emissions, including De Minimis methodologies, against the California Registry GRP's principles of relevance, completeness, consistency, transparency and accuracy.
- Submittal of a Verification Opinion and Verification Report to Sempra, documenting the basis upon which a verification conclusion was reached. The Verification Report and Opinion will be delivered in pdf format. . Note that the RMA Verification Report is a confidential document and is not generally available for the California Registry's review
- One re-verification of amended CARROT submittal, if Sempra modifies the CARROT report in response to RMA initial verification report.
- Completion of the verification process in CARROT and response to any follow-up questions by the California Registry with respect to the verification.

RMA will coordinate this work from our Santa Barbara office. The following table outlines specific assumptions for this verification:

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<b>SEMPRA UTILITIES - CALIFORNIA REGISTRY VERIFICATION ASSUMPTIONS</b>	
<b>VERIFICATION CALENDAR YEAR</b>	CY 2009
<b>PROTOCOLS AND STANDARDS</b>	<ul style="list-style-type: none"> <li>• The California Action Registry General Reporting Protocol (GRP) Version 3.1, January 2009</li> <li>• The California Climate Action Registry General Verification Protocol (GVP) Version 3.0, August 2008</li> </ul>
<b>CONFLICT OF INTEREST</b>	The potential for conflict of interest risk for RMA in this third-party verification assignment is assumed to be low; RMA has not previously worked for Sempra, thus reducing the potential for project delays.
<b>PRIMARY EMISSION SOURCES</b>	Stationary combustion emissions from electric power generation, fugitive and process emissions from natural gas transmission and distribution activities, and indirect emissions from losses on electric power transmission and distribution systems.
<b>NUMBER OF FACILITIES</b>	Approximately 280 per utility (approx 560 total)
<b>SITE VISITS</b>	Based on the California Registry GVP, no site visits are required for the sixth year reporting verification.

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### 3. SCHEDULE AND DELIVERABLES

#### 3.1 SCHEDULE FOR ARB CY 2009 VERIFICATION

The following deadlines are required by RMA for completing the verification with the ARB-imposed verification deadlines.

The following deadlines are pertinent to completing the verification with the ARB-imposed verification deadlines.

TYPE OF FACILITY	VERIFICATION DEADLINE	IMPORTANT DEADLINES TO COMPLETE VERIFICATION	
		CONTRACT EXECUTION DEADLINE	TECHNICAL DATA RECEIVED BY RMA DEADLINE
1. General Stationary combustion 2. Electricity generating facilities and cogeneration facilities that are not under operational control of the retail provider --- including cement plant, petroleum refinery, hydrogen plant, and oil & gas facility not under operational control of the retail provider.	<b>October 1, 2010</b> Verification Deadline	The Verification Services Agreement with RMA must be fully executed by <b>May 1, 2010</b> .	All required technical data must be provided to RMA by <b>June 1, 2010</b> in order to achieve a positive verification opinion by the October 1, 2010 ARB-imposed deadline
3. Retail provider 4. Marketer 5. General stationary combustion within the oil & gas sector 6. Cement plant 7. Petroleum refinery 8. Hydrogen plants	<b>December 1, 2010</b> Verification Deadline	The Verification Services Agreement with RMA must be fully executed by <b>July 1, 2010</b> .	All required technical data must be provided to RMA by <b>August 1, 2010</b> in order to achieve a positive verification opinion by the December 1, 2010 ARB-imposed deadline

The schedule assumes that your company is able to address and correct any material misstatements within ten days of receiving a Verification Report that identifies any such misstatements.

The main deliverables include detailed verification reports for each reporting facility/entity. The detailed verification report will include the verification plan, the detailed comparison of the data checks with the submitted emissions data report, the log of issues identified in the course of verification activities and their resolution, and any qualifying comments on findings during verification services.

The RMA deliverables in may be included in your company's annual report or may be issued to other interested parties or entities.

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### 3.2 SCHEDULE FOR CALIFORNIA REGISTRY CY 2009 VERIFICATION

RMA expects that this verification will be conducted concurrently with the ARB verification, and the same deadlines will be met by Sempra.

## 4. COST AND INVOICING

The following table presents the RMA cost details for the CY 2009 ARB and California Registry verifications for San Diego Gas & Electric and Southern California Gas.

	ARB VERIFICATION	CALIF REGISTRY VERIFICATION	ARB & CALIF REGISTRY COMBINED, DISCOUNTED
San Diego Gas & Electric -- and -- Southern California Gas Company	\$49,500	\$19,000	\$55,000

The ARB and California Registry combined discounted fixed price includes all labor and travel costs. This price assumes the ARB and California Registry verifications will be conducted concurrently, and reflects a significant discount associated with the concurrent analysis for these verifications. The price assumes that all data required for the verifications are provided by the deadlines listed in Section 3 of this proposal.

RMA will issue four invoices for these verifications, each equal to 25% of the total costs. The first invoice will be issued upon completion of the kick off meeting, verification plan and initial data review. The second will be issued upon completion of the site visits. The third will be issued upon delivery of the ARB verification opinion. The fourth will be issued upon delivery of the California Registry verification opinion. Payment in full for each invoice is due within 30 days of the invoice date (net 30).

April 29, 2010

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## 5. CONTRACTING REQUIREMENTS

RMA requests that any contract terms required by your company be provided to us for review prior to issuance of any Purchase Order or Contract for our services.

For California ARB verification work, RMA contracting procedures and GHG verification accreditation require that the following bulleted, italicized terms be incorporated into the purchase order or contract by reference to this proposal, or that substantially similar language be included in the purchase order or contract.

### ACCESS TO TECHNICAL DATA, POINT OF CONTACT AND TERMINATION

- *Client will submit its emissions report into the reporting program database, and provide RMA access to this report and supporting data.*
- *Client shall provide to RMA in a timely manner all data required by RMA to perform the verification. RMA's compliance with Reporting Program verification timelines is contingent upon-Client providing to RMA all data required by RMA to issue a positive verification opinion at least 90 days prior to the Reporting Program's verification deadline.*
- *Client will identify a single point of contact for verification activities who will work with RMA through the verification process, including participation in project kick-off and site visits, and who will be available for discussions about the inventory, including review of the Verification Report and Opinion.*
- *This Agreement may be terminated by either party with thirty days advance notice in writing to the other party. Upon termination, RMA will be compensated for those services which have been rendered to Client through the date of termination. If the Client terminates a contract for verification prior to issuance of a verification opinion, RMA will notify the Reporting Program of the termination and provide a brief summary to the Reporting Program of the status of verification results to date.*

### THIRD-PARTY OBSERVERS

The California ARB requires as part of contract provisions that the services contract or purchase order include a statement as listed below that acknowledges third-party observer access.

- *Client will provide facility access to RMA staff and third party observers, if any, in accordance with the requirements of the reporting program.*

In a limited number of verifications, third party observers from the California Air Resources Board, the California Registry, or the American National Standards Institute (ANSI) may choose to witness the RMA verification activities, for the purpose of monitoring the verification process. Third-party observers to the verification process will be subject to your company's confidentiality requirements.

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## LIMITS ON LIABILITY

- *RMA agrees to defend, indemnify and save harmless Client, including all of its boards, departments, officers, employees, agents, and volunteers, against all claims, lawsuits (whether against RMA, Client or others), judgments, debts, demands and liability, including without limitation, those arising from injuries or death of persons and/or for damages to property, caused by the actions or omissions of RMA, and to the extent caused by the actions or omissions of RMA.*
- *Notwithstanding anything to the contrary in the Contract, neither party will be liable to the other for any loss of profit, loss of contract, loss of use, or any indirect, consequential, punitive, or special losses, damages, or expenses sustained by any person and caused by any act or omission or caused by any inaccuracy in any information or advice given in any way by or on behalf of the party. Client waives any claims for damages, whether direct or indirect, arising out of or in connection with the loss of emission-reduction credits, loss of credit value, or regulatory noncompliance.*
- *Notwithstanding anything to the contrary in this Agreement, RMA's liability to Client under this Agreement, whether under tort (including negligence), contract, strict liability, indemnity, or any other legal theory, is limited to the fee charged by RMA for the services.*

## 6. APPEALS PROCESS, CONFIDENTIALITY AND INSURANCE

### APPEALS, COMPLAINTS, AND ASSIGNED STAFF

RMA has a policy in place for handling appeals, complaints and requests to work with alternate RMA personnel. This policy describes the formal process for handling appeals and complaints, and is available upon request. Any disputes not resolved through these processes may be referred to the ARB.

### CONFIDENTIALITY AND IMPARTIALITY

RMA understands the importance of impartiality in its verification activities. We have internal procedures in place to ensure the objectivity of verification activities and to manage conflict of interest according to the standards of the ARB.

RMA has internal confidentiality procedures in place that ensure we keep all client GHG data and information confidential, including not releasing any client GHG data or information to a third-party without prior written approval from our clients. In addition, our clients have the option to sign a Non-Disclosure Agreement with RMA.

April 29, 2010

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## **INSURANCE**

RMA will comply with all insurance requirements included in the signed verification services agreement.

Thank you very much for the opportunity to present this proposal. To initiate the verification work, contact me directly at (805) 730-1342 or by email to [ivorjohn@RMAQ.com](mailto:ivorjohn@RMAQ.com), or contact Rachel Pelc at (805) 979-9050 or email to [rpelc@RMAQ.com](mailto:rpelc@RMAQ.com). We are excited about a continuation of our work with Sempra and look forward to working again with Sempra staff.

Sincerely,



J. Ivor John  
Senior Vice President



Climate Action | Clean Energy | Air Quality

# INVOICE

APPROVAL SIGNATURE <i>ACM</i>	DATE 12-16-09
TYPE OR PRINT NAME Hugo Mejia	PHONE NO. 213 244 5819
INTERNAL ORDER F99210002200	MAIL LOC. 611663
POST OFFICE 2200-2176	ACCT. NO. 6220600
Customer	PURCHASE ORDER NO. 5660016549

INVOICE #: **RMA-09139 R2**  
 DATE: **12/11/2009**  
 PAYMENT DUE: **1/11/2010**  
 Project Code: Sempra Utilities (SDGE & SCG):  
 CCAR/ARB Ver CY 08

Sempra Utilities c/o Southern California Gas Company Mail Stop MLGT 16G3 555 W. 5 <sup>th</sup> Street Los Angeles, CA 90013-1036	<b>Invoice Payable To</b> For payment by mail: Ryerson, Master and Associates, Inc. PO Box 2637 Santa Barbara, CA 93120  For overnight delivery of payment: Ryerson, Master and Associates, Inc. 735 State Street, Suite 407 Santa Barbara, CA 93101-5503  Federal Tax ID # 77-0363194
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RMA CONTACT	P.O. NUMBER	TERMS
Rachel Pelc	Agreement #5660016549 dated 09/11/2009	Net 30

DESCRIPTION	AMOUNT
<b>Southern California Gas Company</b> <b>CCAR and Informal ARB Verification Services For Greenhouse Gas Emissions Reports, Calendar Year 2008</b>	\$20,000
<b>TOTAL DUE</b>	<b>\$20,000</b>

Make check payable to Ryerson, Master and Associates, Inc.  
 If you have any questions concerning this invoice, call (805) 730-1338.

**THANK YOU FOR YOUR BUSINESS**

J. Ivor John  
 Vice President  
 12/11/2009  
 Date

**Ryerson, Master and Associates, Inc.**

*Business Services for Innovative Technology & Air Quality Management*

735 STATE STREET, SUITE 407  
 SANTA BARBARA, CA 93101-5503  
 PHONE (805) 730-1338 FAX (805) 730-1341  
 E-MAIL: info@RMAQ.com

**INVOICE**

INVOICE #: **RMA-08293R1**  
 DATE: **December 3, 2008**  
 PAYMENT DUE: **January 2, 2009**  
 PROJECT CODE: **GHG-IOU**

<b>Customer</b> Sempra Utilities c/o Southern California Gas Company Mail Stop MLGT 16G3 555 W. 5 <sup>th</sup> Street Los Angeles, CA 90013-1036	<b>Invoice Payable To</b> Ryerson, Master and Associates, Inc. 735 State Street, Suite 407 Santa Barbara, CA 93101  Federal Tax ID # 77-0363194
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CONTACT	DESCRIPTION	TERMS
Rachel Pelc	Agreement #5660002949, Amendment #3 Greenhouse Gas Emissions Inventory Certification dated 9/10/08 Contacts: Darryl Johnson, Crystal Yancey-York	Net 30

DESCRIPTION	AMOUNT
<b>SOUTHERN CALIFORNIA GAS COMPANY AND SAN DIEGO GAS &amp; ELECTRIC COMPANY</b> <b>VERIFICATION (CERTIFICATION) SERVICES FOR GREENHOUSE GAS EMISSIONS INVENTORIES, FOR CALENDAR YEAR 2007</b>  This invoice is for verification (certification) services provided by Ryerson, Master and Associates, Inc. through December 2008. The verification activities have been initiated and the data verification is in progress for the Southern California Gas Company and San Diego Gas & Electric greenhouse gas emission inventories for CY 2007.	<b>\$28,000</b>
<b>TOTAL DUE</b>	<b>\$28,000</b>

NOTE OUR ADDRESS CHANGE --- SUITE # 407 --- IN YOUR RECORDS

Make all checks payable to: Ryerson, Master and Associates, Inc.

If you have any questions concerning this invoice, call (805) 730-1338

**THANK YOU FOR YOUR BUSINESS**

*Rachel Pelc*  
 Rachel Pelc  
 Lead Verifier

December 3, 2008

*OK'd to pay*

APPROVAL SIGNATURE <i>[Signature]</i>	Date	DATE 12-11-08
TYPE OR PRINT NAME Hugo Mejia	PHONE NO. 213 244 5819	MAIL LOC. GT1043
INTERNAL ORDER FG9216002200	ACCT. NO. 6220600	
COST CENTER 2200-2176	PURCHASE ORDER NO. 5660002949	

**Beginning of Workpaper**  
**2200-2197.000 - VP ENVIRONMENTAL SAFETY & FACILITY**

Southern California Gas Company  
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Shared Services Workpapers

Area: ENVIRONMENTAL  
Witness: Gomez, Lisa P  
Category: A. Dir Environmental Services  
Category-Sub: 1. Environmental Services Director  
Cost Center: 2200-2197.000 - VP ENVIRONMENTAL SAFETY & FACILITY

**Activity Description:**

This SCG cost center is designed to capture the cost of administrative activities provided by the executive vice president who oversees the following shared services departments: Environmental Services; Real Estate, Land and Facilities; Emergency Preparedness and Safety; and Fleet Services. This cost center is used only when internal accounting controls require a SCG cost center. For example, this will be necessary if the vice president or assigned staff are SCG employees.

**Forecast Methodology:**

**Labor - Base YR Rec**

This cost center, at this time, does not have any SCG employees assigned. The 2010 labor this cost center is zero.

**Non-Labor - Base YR Rec**

This cost center, at this time, does not have any SCG non labor expenses planned. This SCG cost center is used only when internal accounting controls require a SCG cost center for data processing. For example, this will be necessary for vendor payments that are scheduled using SCG purchase orders or are addressed specifically to SCG.

**NSE - Base YR Rec**

This work group does not anticipate non standard escalation.

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 Shared Services Workpapers

Area: ENVIRONMENTAL  
 Witness: Gomez, Lisa P  
 Category: A. Dir Environmental Services  
 Category-Sub: 1. Environmental Services Director  
 Cost Center: 2200-2197.000 - VP ENVIRONMENTAL SAFETY & FACILITY

**Summary of Results:**

		In 2009\$ (000)							
		Adjusted-Recorded					Adjusted-Forecast		
Years		2005	2006	2007	2008	2009	2010	2011	2012
		<b>Total Incurred (100% Level)</b>							
Labor		67	18	24	0	0	0	0	0
Non-Labor		5	15	7	2	3	0	0	0
NSE		0	0	0	0	0	0	0	0
Total		72	33	31	2	3	0	0	0
FTE		0.4	0.0	0.1	-0.1	0.0	0.0	0.0	0.0
		<b>Allocations Out</b>							
Labor		30	0	16	0	0	0	0	0
Non-Labor		1	0	0	0	1	0	0	0
NSE		0	0	0	0	0	0	0	0
Total		31	0	16	0	1	0	0	0
FTE		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		<b>Retained</b>							
Labor		37	18	8	0	0	0	0	0
Non-Labor		4	15	7	2	2	0	0	0
NSE		0	0	0	0	0	0	0	0
Total		41	33	15	2	2	0	0	0
FTE		0.4	0.0	0.0	-0.1	0.0	0.0	0.0	0.0
		<b>Allocations In</b>							
Labor		0	0	0	0	0	0	0	0
Non-Labor		0	0	0	0	0	0	0	0
NSE		0	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0	0
FTE		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		<b>Book Expense</b>							
Labor		37	18	8	0	0	0	0	0
Non-Labor		4	15	7	2	2	0	0	0
NSE		0	0	0	0	0	0	0	0
Total		41	33	15	2	2	0	0	0
FTE		0.4	0.0	0.0	-0.1	0.0	0.0	0.0	0.0

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

Area: ENVIRONMENTAL  
 Witness: Gomez, Lisa P  
 Category: A. Dir Environmental Services  
 Category-Sub: 1. Environmental Services Director  
 Cost Center: 2200-2197.000 - VP ENVIRONMENTAL SAFETY & FACILITY

**Calculation of Book Expense:**

	2009 Adjusted-Recorded					2010 Adjusted-Forecast				
	Labor	Non-Labor	NSE	Total	FTE	Labor	Non-Labor	NSE	Total	FTE
<b>Directly Retained</b>	0	0	0	0	0.00	0	0	0	0	0.00
<b>Directly Allocated</b>	0	0	0	0	0.00	0	0	0	0	0.00
<b>Subj. To % Alloc.</b>	0	3	0	3	0.00	0	0	0	0	0.00
<b>% Allocation</b>										
Retained	100.00%	58.89%				59.23%	59.23%			
SEU	0.00%	30.73%				30.62%	30.62%			
CORP	0.00%	7.21%				7.02%	7.02%			
Unreg	0.00%	3.17%				3.13%	3.13%			
<b>\$ Allocation</b>										
Retained	0	2	0	2		0	0	0	0	
SEU	0	1	0	1		0	0	0	0	
CORP	0	0	0	0		0	0	0	0	
Unreg	0	0	0	0		0	0	0	0	
<b>Total Incurred</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>Total Alloc. Out</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total Retained</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>2</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Allocations In</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Book Expense</b>	0	2	0	2		0	0	0	0	

	2011 Adjusted-Forecast					2012 Adjusted-Forecast				
	Labor	Non-Labor	NSE	Total	FTE	Labor	Non-Labor	NSE	Total	FTE
<b>Directly Retained</b>	0	0	0	0	0.00	0	0	0	0	0.00
<b>Directly Allocated</b>	0	0	0	0	0.00	0	0	0	0	0.00
<b>Subj. To % Alloc.</b>	0	0	0	0	0.00	0	0	0	0	0.00
<b>% Allocation</b>										
Retained	59.23%	59.23%				59.23%	59.23%			
SEU	30.62%	30.62%				30.62%	30.62%			
CORP	7.02%	7.02%				7.02%	7.02%			
Unreg	3.13%	3.13%				3.13%	3.13%			
<b>\$ Allocation</b>										
Retained	0	0	0	0		0	0	0	0	
SEU	0	0	0	0		0	0	0	0	
CORP	0	0	0	0		0	0	0	0	
Unreg	0	0	0	0		0	0	0	0	
<b>Total Incurred</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>Total Retained</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Allocations In</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Book Expense</b>	0	0	0	0		0	0	0	0	

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Shared Services Workpapers

Area: ENVIRONMENTAL  
Witness: Gomez, Lisa P  
Category: A. Dir Environmental Services  
Category-Sub: 1. Environmental Services Director  
Cost Center: 2200-2197.000 - VP ENVIRONMENTAL SAFETY & FACILITY

**Cost Center Allocation Percentage Drivers/Methodology:**

**Cost Center Allocation Percentage for 2009**

Shared services allocation percentages were based on a collective roll-up of forecasted labor and non-labor spend and shared service allocations from all operational cost centers under the organization of the Vice President of Environmental, Safety & Support Services.

**Cost Center Allocation Percentage for 2010**

Shared services allocation percentages were based on a collective roll-up of forecasted labor and non-labor spend and shared service allocations from all operational cost centers under the organization of the Vice President of Environmental, Safety & Support Services.

**Cost Center Allocation Percentage for 2011**

Shared services allocation percentages were based on a collective roll-up of forecasted labor and non-labor spend and shared service allocations from all operational cost centers under the organization of the Vice President of Environmental, Safety & Support Services.

**Cost Center Allocation Percentage for 2012**

Shared services allocation percentages were based on a collective roll-up of forecasted labor and non-labor spend and shared service allocations from all operational cost centers under the organization of the Vice President of Environmental, Safety & Support Services.

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 Shared Services Workpapers

Area: ENVIRONMENTAL  
 Witness: Gomez, Lisa P  
 Category: A. Dir Environmental Services  
 Category-Sub: 1. Environmental Services Director  
 Cost Center: 2200-2197.000 - VP ENVIRONMENTAL SAFETY & FACILITY

**Forecast Summary:**

		In 2009 \$(000) "Incurred Costs"								
Forecast Method		Base Forecast			Forecast Adjustments			Adjusted-Forecast		
		<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Labor	Base YR Rec	0	0	0	0	0	0	0	0	0
Non-Labor	Base YR Rec	3	3	3	-3	-3	-3	0	0	0
NSE	Base YR Rec	0	0	0	0	0	0	0	0	0
Total		3	3	3	-3	-3	-3	0	0	0
FTE	Base YR Rec	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

**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	0	-3	0	-3	0.0	1-Sided Adj

CC 2200-2197 Justification - Method - Review of historical spend

<b>2010 Total</b>	<b>0</b>	<b>-3</b>	<b>0</b>	<b>-3</b>	<b>0.0</b>	
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2011	0	-3	0	-3	0.0	1-Sided Adj
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CC 2200-2197 Justification - Method - Review of historical spend

<b>2011 Total</b>	<b>0</b>	<b>-3</b>	<b>0</b>	<b>-3</b>	<b>0.0</b>	
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2012	0	-3	0	-3	0.0	1-Sided Adj
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CC 2200-2197 Justification - Method - Review of historical spend

<b>2012 Total</b>	<b>0</b>	<b>-3</b>	<b>0</b>	<b>-3</b>	<b>0.0</b>	
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Southern California Gas Company  
 Test Year 2012 GRC - APP  
 Shared Services Workpapers

Area: ENVIRONMENTAL  
 Witness: Gomez, Lisa P  
 Category: A. Dir Environmental Services  
 Category-Sub: 1. Environmental Services Director  
 Cost Center: 2200-2197.000 - VP ENVIRONMENTAL SAFETY & FACILITY

**Determination of Adjusted-Recorded (Incurred Costs):**

	2005 (\$000)	2006 (\$000)	2007 (\$000)	2008 (\$000)	2009 (\$000)
<b>Recorded (Nominal \$)*</b>					
Labor	51	194	207	13	0
Non-Labor	5	19	27	7	3
NSE	0	0	0	0	0
Total	56	214	233	20	3
FTE	0.3	1.0	1.0	0.1	0.0
<b>Adjustments (Nominal \$) **</b>					
Labor	0	-181	-187	-13	0
Non-Labor	0	-6	-20	-4	0
NSE	0	0	0	0	0
Total	0	-186	-207	-17	0
FTE	0.0	-1.0	-0.9	-0.2	0.0
<b>Recorded-Adjusted (Nominal \$)</b>					
Labor	51	14	20	0	0
Non-Labor	5	14	7	2	3
NSE	0	0	0	0	0
Total	56	27	27	2	3
FTE	0.3	0.0	0.1	-0.1	0.0
<b>Vacation &amp; Sick (Nominal \$)</b>					
Labor	9	2	3	0	0
Non-Labor	0	0	0	0	0
NSE	0	0	0	0	0
Total	9	2	3	0	0
FTE	0.1	0.0	0.0	0.0	0.0
<b>Escalation to 2009\$</b>					
Labor	7	1	1	0	0
Non-Labor	1	1	0	0	0
NSE	0	0	0	0	0
Total	8	3	2	0	0
FTE	0.0	0.0	0.0	0.0	0.0
<b>Recorded-Adjusted (Constant 2009\$)</b>					
Labor	67	18	25	0	0
Non-Labor	6	15	7	2	3
NSE	0	0	0	0	0
Total	73	32	32	2	3
FTE	0.4	0.0	0.1	-0.1	0.0

\* 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  
Shared Services Workpapers

Area: ENVIRONMENTAL  
Witness: Gomez, Lisa P  
Category: A. Dir Environmental Services  
Category-Sub: 1. Environmental Services Director  
Cost Center: 2200-2197.000 - VP ENVIRONMENTAL SAFETY & FACILITY

**Summary of Adjustments to Recorded:**

Year	In Nominal \$ (000) "Incurred Costs"				
	2005	2006	2007	2008	2009
Labor	0	-181	-187	-13	0
Non-Labor	0	-6	-20	-4	0
NSE	0	0	0	0	0
Total	0	-186	-207	-17	0
FTE	0.0	-1.0	-0.9	-0.2	0.0

**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>
<b>2005 Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>			
2006	-181	0	0	0.0	1-Sided Adj	N/A	MHARPER20091 109151311630
Move to CC 2100-3588							
2006	0	-6	0	0.0	1-Sided Adj	N/A	MHARPER20091 109151328723
Move to CC 2100-3588							
2006	0	0	0	-1.0	1-Sided Adj	N/A	MHARPER20091 109152213843
Move to CC 2100-3588							
<b>2006 Total</b>	<b>-181</b>	<b>-6</b>	<b>0</b>	<b>-1.0</b>			
2007	-187	0	0	0.0	1-Sided Adj	N/A	MHARPER20091 109151416070
Move to CC 2100-3588							
2007	0	-20	0	0.0	1-Sided Adj	N/A	MHARPER20091 109151437070
Move to CC 2100-3588							
2007	0	0	0	-0.9	1-Sided Adj	N/A	MHARPER20091 109152243360
Move to CC 2100-3588							
<b>2007 Total</b>	<b>-187</b>	<b>-20</b>	<b>0</b>	<b>-0.9</b>			

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

Area: ENVIRONMENTAL  
 Witness: Gomez, Lisa P  
 Category: A. Dir Environmental Services  
 Category-Sub: 1. Environmental Services Director  
 Cost Center: 2200-2197.000 - VP ENVIRONMENTAL SAFETY & FACILITY

<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>
2008	-13	0	0	0.0	1-Sided Adj	N/A	MHARPER20091 109142739297
Moved to 2100-3588							
2008	0	-4	0	0.0	1-Sided Adj	N/A	MHARPER20091 109142757983
Moved to 2100-3588							
2008	0	0	0	-0.1	1-Sided Adj	N/A	MHARPER20091 109142835720
Moved to CC 2100-3588							
2008	0	0	0	-0.1	1-Sided Adj	N/A	MHARPER20091 109152314890
Move to CC 2100-3588							
<b>2008 Total</b>	<b>-13</b>	<b>-4</b>	<b>0</b>	<b>-0.2</b>			
<b>2009 Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>			

**Beginning of Workpaper  
2200-2312.000 - E&S Training - SCG**

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

Area: ENVIRONMENTAL  
Witness: Gomez, Lisa P  
Category: A. Dir Environmental Services  
Category-Sub: 1. Environmental Services Director  
Cost Center: 2200-2312.000 - E&S Training - SCG

**Activity Description:**

The Environmental Strategy group manages the environmental component of SoCalGas' internal environmental governance and self-evaluation program – the Environmental & Safety Compliance Management Plan (“ESCMP”), and provides a number of other strategic functions. For example, the Environmental Strategy group develops, tracks and reports to management SoCalGas' environmental compliance metrics and goals. The group develops, manages and maintains environmental compliance policies, procedures and compliance tools; internal environmental communications; environmental training modules; and an internal environmental website as the repository for this information. In 2009, to achieve efficiencies and added effectiveness, the group assumed responsibility for the development, management and maintenance of safety training modules and the safety website. In 2010, the group assumed responsibility for monitoring, coordinating and tracking environmental regulatory developments and auditing environmental hazardous waste vendors.

**Forecast Methodology:**

**Labor - Base YR Rec**

Labor for this cost center is zero-based using the 2009 year-end labor force and salaries for each individual employee and adjusting for any projected annual changes in staffing as further described in these work papers. A labor vacancy credit of 2.5% was removed to account for possible vacancies during employee transitions and retirements. A base-year forecast is the most appropriate forecasting methodology to support specific program expansion.

**Non-Labor - Base YR Rec**

The non-labor forecast is based upon recorded 2009 spend, adding incremental upward pressure items and removing expense items that are not recurring in future years. A variety of federal and state initiatives, legislation and regulation are advancing on environmental issues, including but not limited to issues on greenhouse gases, air quality, cultural resources, natural resources, hazardous materials, and storm water that impact labor and non-labor. For this reason a base-year forecast is the most appropriate forecasting methodology to support specific program expansion.

**NSE - Base YR Rec**

This work group does not anticipate non standard escalation.

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

Area: ENVIRONMENTAL  
 Witness: Gomez, Lisa P  
 Category: A. Dir Environmental Services  
 Category-Sub: 1. Environmental Services Director  
 Cost Center: 2200-2312.000 - E&S Training - SCG

**Summary of Results:**

		In 2009\$ (000)							
		Adjusted-Recorded					Adjusted-Forecast		
Years		2005	2006	2007	2008	2009	2010	2011	2012
		<b>Total Incurred (100% Level)</b>							
Labor		0	0	0	0	63	97	97	97
Non-Labor		0	0	0	0	4	6	6	6
NSE		0	0	0	0	0	0	0	0
Total		0	0	0	0	67	103	103	103
FTE		0.0	0.0	0.0	0.0	0.6	1.0	1.0	1.0
		<b>Allocations Out</b>							
Labor		0	0	0	0	26	40	40	40
Non-Labor		0	0	0	0	2	3	3	3
NSE		0	0	0	0	0	0	0	0
Total		0	0	0	0	28	43	43	43
FTE		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		<b>Retained</b>							
Labor		0	0	0	0	37	57	57	57
Non-Labor		0	0	0	0	2	3	3	3
NSE		0	0	0	0	0	0	0	0
Total		0	0	0	0	39	60	60	60
FTE		0.0	0.0	0.0	0.0	0.6	1.0	1.0	1.0
		<b>Allocations In</b>							
Labor		0	0	0	0	0	0	0	0
Non-Labor		0	0	0	0	0	0	0	0
NSE		0	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0	0
FTE		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		<b>Book Expense</b>							
Labor		0	0	0	0	37	57	57	57
Non-Labor		0	0	0	0	2	3	3	3
NSE		0	0	0	0	0	0	0	0
Total		0	0	0	0	39	60	60	60
FTE		0.0	0.0	0.0	0.0	0.6	1.0	1.0	1.0

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

Area: ENVIRONMENTAL  
 Witness: Gomez, Lisa P  
 Category: A. Dir Environmental Services  
 Category-Sub: 1. Environmental Services Director  
 Cost Center: 2200-2312.000 - E&S Training - SCG

**Calculation of Book Expense:**

	2009 Adjusted-Recorded					2010 Adjusted-Forecast				
	Labor	Non-Labor	NSE	Total	FTE	Labor	Non-Labor	NSE	Total	FTE
<b>Directly Retained</b>	0	0	0	0	0.00	0	0	0	0	0.00
<b>Directly Allocated</b>	0	0	0	0	0.00	0	0	0	0	0.00
<b>Subj. To % Alloc.</b>	63	4	0	67	0.60	97	6	0	103	1.00
<b>% Allocation</b>										
Retained	59.47%	59.47%				59.00%	59.00%			
SEU	40.53%	40.53%				41.00%	41.00%			
CORP	0.00%	0.00%				0.00%	0.00%			
Unreg	0.00%	0.00%				0.00%	0.00%			
<b>\$ Allocation</b>										
Retained	37	2	0	39		57	3	0	60	
SEU	26	2	0	28		40	3	0	43	
CORP	0	0	0	0		0	0	0	0	
Unreg	0	0	0	0		0	0	0	0	
<b>Total Incurred</b>	<b>63</b>	<b>4</b>	<b>0</b>	<b>67</b>	<b>0.60</b>	<b>97</b>	<b>6</b>	<b>0</b>	<b>103</b>	<b>1.00</b>
<b>Total Alloc. Out</b>	<b>26</b>	<b>2</b>	<b>0</b>	<b>28</b>		<b>40</b>	<b>3</b>	<b>0</b>	<b>43</b>	
<b>Total Retained</b>	<b>37</b>	<b>2</b>	<b>0</b>	<b>39</b>		<b>57</b>	<b>3</b>	<b>0</b>	<b>60</b>	
<b>Allocations In</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Book Expense</b>	37	2	0	39		57	3	0	60	

	2011 Adjusted-Forecast					2012 Adjusted-Forecast				
	Labor	Non-Labor	NSE	Total	FTE	Labor	Non-Labor	NSE	Total	FTE
<b>Directly Retained</b>	0	0	0	0	0.00	0	0	0	0	0.00
<b>Directly Allocated</b>	0	0	0	0	0.00	0	0	0	0	0.00
<b>Subj. To % Alloc.</b>	97	6	0	103	1.00	97	6	0	103	1.00
<b>% Allocation</b>										
Retained	59.00%	59.00%				59.00%	59.00%			
SEU	41.00%	41.00%				41.00%	41.00%			
CORP	0.00%	0.00%				0.00%	0.00%			
Unreg	0.00%	0.00%				0.00%	0.00%			
<b>\$ Allocation</b>										
Retained	57	3	0	60		57	3	0	60	
SEU	40	3	0	43		40	3	0	43	
CORP	0	0	0	0		0	0	0	0	
Unreg	0	0	0	0		0	0	0	0	
<b>Total Incurred</b>	<b>97</b>	<b>6</b>	<b>0</b>	<b>103</b>	<b>1.00</b>	<b>97</b>	<b>6</b>	<b>0</b>	<b>103</b>	<b>1.00</b>
<b>Total Alloc. Out</b>	<b>40</b>	<b>3</b>	<b>0</b>	<b>43</b>		<b>40</b>	<b>3</b>	<b>0</b>	<b>43</b>	
<b>Total Retained</b>	<b>57</b>	<b>3</b>	<b>0</b>	<b>60</b>		<b>57</b>	<b>3</b>	<b>0</b>	<b>60</b>	
<b>Allocations In</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Book Expense</b>	57	3	0	60		57	3	0	60	

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

Area: ENVIRONMENTAL  
Witness: Gomez, Lisa P  
Category: A. Dir Environmental Services  
Category-Sub: 1. Environmental Services Director  
Cost Center: 2200-2312.000 - E&S Training - SCG

**Cost Center Allocation Percentage Drivers/Methodology:**

**Cost Center Allocation Percentage for 2009**

Shared services allocation percentages were determined by the manager's analysis of each employee's utility-specific workload within their cost center.

**Cost Center Allocation Percentage for 2010**

Shared services allocation percentages were determined by the manager's analysis of each employee's utility-specific workload within their cost center.

**Cost Center Allocation Percentage for 2011**

Shared services allocation percentages were determined by the manager's analysis of each employee's utility-specific workload within their cost center.

**Cost Center Allocation Percentage for 2012**

Shared services allocation percentages were determined by the manager's analysis of each employee's utility-specific workload within their cost center.

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

Area: ENVIRONMENTAL  
 Witness: Gomez, Lisa P  
 Category: A. Dir Environmental Services  
 Category-Sub: 1. Environmental Services Director  
 Cost Center: 2200-2312.000 - E&S Training - SCG

**Forecast Summary:**

		In 2009 \$(000) "Incurred Costs"								
Forecast Method		Base Forecast			Forecast Adjustments			Adjusted-Forecast		
		<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Labor	Base YR Rec	63	63	63	34	34	34	97	97	97
Non-Labor	Base YR Rec	4	4	4	2	2	2	6	6	6
NSE	Base YR Rec	0	0	0	0	0	0	0	0	0
Total		67	67	67	36	36	36	103	103	103
FTE	Base YR Rec	0.6	0.6	0.6	0.4	0.4	0.4	1.0	1.0	1.0

**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	0	2	0	2	0.0	1-Sided Adj

CC 2200-2312 Justification - NL estimates based on annualization of partial year NL for SCG Safety Training FTE. Method - 2009 NL spend annualized and adjusted for add'l travel responsibilities.

2010	34	0	0	34	0.0	1-Sided Adj
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CC 2200-2312 Justification - SCG Safety Training Instructional Desgineer moved from Safety Dept to Env Dept. Training Development Team Method - 4 months of FTE @ \$105 annual salary = \$34K

2010	0	0	0	0	0.4	1-Sided Adj
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CC 2200-2312 Justification - SCG Safety Training Instructional Desgineer moved from Safety Dept to Env Dept. Training Development Team.

<b>2010 Total</b>	<b>34</b>	<b>2</b>	<b>0</b>	<b>36</b>	<b>0.4</b>	
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2011	0	2	0	2	0.0	1-Sided Adj
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CC 2200-2312 Justification - NL estimates based on annualization of partial year NL for SCG Safety Training FTE. Method - 2009 NL spend annualized and adjusted for add'l travel responsibilities.

2011	34	0	0	34	0.0	1-Sided Adj
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CC 2200-2312 Justification - SCG Safety Training Instructional Desgineer moved from Safety Dept to Env Dept. Training Development Team. - Method - 4 months of FTE @ \$103 annual salary = \$34K

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

Area: ENVIRONMENTAL  
 Witness: Gomez, Lisa P  
 Category: A. Dir Environmental Services  
 Category-Sub: 1. Environmental Services Director  
 Cost Center: 2200-2312.000 - E&S Training - SCG

<u>Year/Expl.</u>	<u>Labor</u>	<u>NLbr</u>	<u>NSE</u>	<u>Total</u>	<u>FTE</u>	<u>Adj Type</u>
2011	0	0	0	0	0.4	1-Sided Adj

CC 2200-2312 Justification - SCG Safety Training Instructional Desgineer moved from Safety Dept to Env Dept. Training Development Team.

<b>2011 Total</b>	<b>34</b>	<b>2</b>	<b>0</b>	<b>36</b>	<b>0.4</b>	
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2012	0	2	0	2	0.0	1-Sided Adj
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CC 2200-2312 Justification - NL estimates based on annualization of partial year NL for SCG Safety Training FTE. Method - 2009 NL spend annualized and adjusted for add'l travel responsibilities.

2012	0	0	0	0	0.4	1-Sided Adj
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CC 2200-2312 Justification - SCG Safety Training Instructional Desgineer moved from Safety Dept to Env Dept. Training Development Team.

2012	34	0	0	34	0.0	1-Sided Adj
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CC 2200-2312 Justification - SCG Safety Training Instructional Desgineer moved from Safety Dept to Env Dept. Training Development Team. - Method - 4 months of FTE @ \$103 annual salary = \$34K

<b>2012 Total</b>	<b>34</b>	<b>2</b>	<b>0</b>	<b>36</b>	<b>0.4</b>	
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Southern California Gas Company  
 Test Year 2012 GRC - APP  
 Shared Services Workpapers

Area: ENVIRONMENTAL  
 Witness: Gomez, Lisa P  
 Category: A. Dir Environmental Services  
 Category-Sub: 1. Environmental Services Director  
 Cost Center: 2200-2312.000 - E&S Training - SCG

**Determination of Adjusted-Recorded (Incurred Costs):**

	2005 (\$000)	2006 (\$000)	2007 (\$000)	2008 (\$000)	2009 (\$000)
<b>Recorded (Nominal \$)*</b>					
Labor	0	0	0	0	53
Non-Labor	0	0	0	0	4
NSE	0	0	0	0	0
Total	0	0	0	0	57
FTE	0.0	0.0	0.0	0.0	0.5
<b>Adjustments (Nominal \$) **</b>					
Labor	0	0	0	0	0
Non-Labor	0	0	0	0	0
NSE	0	0	0	0	0
Total	0	0	0	0	0
FTE	0.0	0.0	0.0	0.0	0.0
<b>Recorded-Adjusted (Nominal \$)</b>					
Labor	0	0	0	0	53
Non-Labor	0	0	0	0	4
NSE	0	0	0	0	0
Total	0	0	0	0	57
FTE	0.0	0.0	0.0	0.0	0.5
<b>Vacation &amp; Sick (Nominal \$)</b>					
Labor	0	0	0	0	10
Non-Labor	0	0	0	0	0
NSE	0	0	0	0	0
Total	0	0	0	0	10
FTE	0.0	0.0	0.0	0.0	0.1
<b>Escalation to 2009\$</b>					
Labor	0	0	0	0	0
Non-Labor	0	0	0	0	0
NSE	0	0	0	0	0
Total	0	0	0	0	0
FTE	0.0	0.0	0.0	0.0	0.0
<b>Recorded-Adjusted (Constant 2009\$)</b>					
Labor	0	0	0	0	63
Non-Labor	0	0	0	0	4
NSE	0	0	0	0	0
Total	0	0	0	0	67
FTE	0.0	0.0	0.0	0.0	0.6

\* 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  
 Shared Services Workpapers

Area: ENVIRONMENTAL  
 Witness: Gomez, Lisa P  
 Category: A. Dir Environmental Services  
 Category-Sub: 1. Environmental Services Director  
 Cost Center: 2200-2312.000 - E&S Training - SCG

**Summary of Adjustments to Recorded:**

Year	In Nominal \$ (000) "Incurred Costs"				
	2005	2006	2007	2008	2009
Labor	0	0	0	0	0
Non-Labor	0	0	0	0	0
NSE	0	0	0	0	0
Total	0	0	0	0	0
FTE	0.0	0.0	0.0	0.0	0.0

**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 Total	0	0	0	0.0			
2006 Total	0	0	0	0.0			
2007 Total	0	0	0	0.0			
2008 Total	0	0	0	0.0			
2009 Total	0	0	0	0.0			

**Supplemental Workpapers for Workpaper 2200-2312.000**

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

Non-Labor Adjustment for Instructional Designer CC2200-2312

Cost Center	Cost Elem.	Cost element name	Name	Vendor Name	Vendor	Doc Type	Per	Year	Reference Doc No.	Val(COA)Cur	Postg Date	Doc. Date
2200-2312	6130010	EMP TRVL-MEALS&TIP	*Trip from 11/12/09 To 12/11/09	Carolyn Johnson	E32499	AB	012	2009	152193	239.98	12/16/2009	12/16/2009
2200-2312	6130012	EMP TRVL-MILEAGE	*Trip from 09/01/09 To 11/03/09	Carolyn Johnson	E32499	AB	011	2009	150717	232.10	11/25/2009	11/25/2009
2200-2312	6130012	EMP TRVL-MILEAGE	*Trip from 11/12/09 To 12/11/09	Carolyn Johnson	E32499	AB	012	2009	152193	292.60	12/16/2009	12/16/2009
2200-2312	6211470	MATL-PRINTED MATERLS	*Trip from 09/01/09 To 11/03/09	Carolyn Johnson	E32499	AB	011	2009	150717	167.20	11/25/2009	11/25/2009
2200-2312	6213005	MATL-OFFICE SUPPLIES	*Trip from 11/12/09 To 12/11/09	Carolyn Johnson	E32499	AB	012	2009	152193	38.01	12/16/2009	12/16/2009
2200-2312	6213030	MATL-SOFTWARE	C8798			SA	012	2009	10065440	1,537.00	12/01/2009	12/28/2009
2200-2312	6213180	MATL-COMPUTR HARDWAR	USD-C926709			SA	009	2009	10048475	111.75	09/01/2009	09/28/2009
2200-2312	6220640	SRV-TRNG & SEM IN	*Trip from 11/12/09 To 12/11/09	Carolyn Johnson	E32499	AB	012	2009	152193	850.00	12/16/2009	12/16/2009
2200-2312	6320002	TELE-CELLULAR PHONES	909-772-3649*(05/09)**-- JOHNSON,CAROLYN M	NEXTEL COMMUNICATIONS	16924	KC	005	2009	5800367951	76.80	05/28/2009	05/15/2009
2200-2312	6320002	TELE-CELLULAR PHONES	909-772-3649*(06/09)**-- JOHNSON,CAROLYN M	NEXTEL COMMUNICATIONS	16924	KC	006	2009	5800367977	83.03	06/26/2009	06/15/2009
2200-2312	6320002	TELE-CELLULAR PHONES	909-772-3649*(07/09)**-- JOHNSON,CAROLYN M	NEXTEL COMMUNICATIONS	16924	KC	007	2009	5800372597	59.57	07/27/2009	07/15/2009
2200-2312	6320002	TELE-CELLULAR PHONES	909-772-3649*(08/09)**-- JOHNSON,CAROLYN M	NEXTEL COMMUNICATIONS	16924	KC	008	2009	5800380518	43.75	08/31/2009	08/15/2009
2200-2312	6320002	TELE-CELLULAR PHONES	909-772-3649*(09/09)**-- JOHNSON,CAROLYN M	NEXTEL COMMUNICATIONS	16924	KC	009	2009	5800380539	41.39	09/24/2009	09/15/2009
2200-2312	6320002	TELE-CELLULAR PHONES	909-772-3649*(10/09)**-- JOHNSON,CAROLYN M	NEXTEL COMMUNICATIONS	16924	KC	010	2009	5800384787	41.35	10/26/2009	10/15/2009
2200-2312	6320002	TELE-CELLULAR PHONES	909-772-3649*(11/09)**-- JOHNSON,CAROLYN M	NEXTEL COMMUNICATIONS	16924	KC	011	2009	5800389206	41.35	11/23/2009	11/15/2009
2200-2312	6320002	TELE-CELLULAR PHONES	909-772-3649*(12/09)**-- JOHNSON,CAROLYN M	NEXTEL COMMUNICATIONS	16924	KC	012	2009	5800399217	41.29	12/28/2009	12/15/2009

Total 3897.17

4 months	\$ 1,299.06
Annualized	\$ 700.00

5 additional trips to SD

**TOTAL \$ 1,999.06**

C Johnson NL 2200-2312  
2009 NL annualization plus 5 add'l  
trips to SD region

### Full Staffing Labor Increase Worksheet

Environmental Services  
Full Staffing Review - 2009 vs 2010

Sum of SumOfAmount			Fiscal_Year		Dollars	Dollars wV&S	FTE
CE_Group2	GRC CC		2009	2010	Change	Change	Change
Salary	NSS	2100-0190	393,035	486,514	93,479	107,500	1.0
	USS	2100-0206	554,520	594,421	39,901	45,886	0.5
		2100-0632	551,325	609,941	58,616	67,408	0.6
		2100-3022	1,228,942	1,379,461	150,519	173,097	2.0
		2100-3035	570,846	509,829	(61,017)	(70,169)	(1.0)
		2100-3282	363,728	518,759	155,031	178,285	2.0
		2100-3589	186,621	239,187	52,566	60,451	0.2
		2200-2176	1,082,876	1,205,589	122,713	141,120	1.4
		2200-2312	53,387	82,881	29,494	33,918	0.4
	USS Total			4,592,244	5,140,068	547,824	629,997
Salary Total			4,985,280	5,626,582	641,302	737,498	7.1

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

Area: ENVIRONMENTAL  
 Witness: Gomez, Lisa P  
 Category: B. USS Billed-in from SDG&E  
 Cost Center: 2200-8918.000

**Summary for Category: B. USS Billed-in from SDG&E**

	In 2009\$ (000) "Book Expense"			
	Adjusted-Recorded	Adjusted-Forecast		
	2009	2010	2011	2012
Labor	1,318	1,383	1,398	1,467
Non-Labor	137	161	507	655
NSE	0	0	0	0
Total	1,455	1,544	1,905	2,122
FTE	0.0	0.0	0.0	0.0

**Cost Centers belonging to this Category:**

**2200-8918.000 USS Billed\_for ENVIRONMENTAL**

Labor	1,318	1,383	1,398	1,467
Non-Labor	137	161	507	655
NSE	0	0	0	0
Total	1,455	1,544	1,905	2,122
FTE	0.0	0.0	0.0	0.0

**Beginning of Workpaper**  
**2200-8918.000 - USS Billed\_for ENVIRONMENTAL**

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

Area: ENVIRONMENTAL  
Witness: Gomez, Lisa P  
Category: B. USS Billed-in from SDG&E  
Category-Sub 1. USS Billed\_to\_CCTR for Environmental  
Cost Center: 2200-8918.000 - USS Billed\_for ENVIRONMENTAL

**Activity Description:**

**Forecast Methodology:**

**Labor - Base YR Rec**

**Non-Labor - Base YR Rec**

**NSE - Base YR Rec**

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

Area: ENVIRONMENTAL  
 Witness: Gomez, Lisa P  
 Category: B. USS Billed-in from SDG&E  
 Category-Sub: 1. USS Billed\_to\_CCTR for Environmental  
 Cost Center: 2200-8918.000 - USS Billed\_for ENVIRONMENTAL

**Summary of Results:**

		In 2009\$ (000)							
		Adjusted-Recorded					Adjusted-Forecast		
Years		2005	2006	2007	2008	2009	2010	2011	2012
		<b>Total Incurred (100% Level)</b>							
Labor		0	0	0	0	0	0	0	0
Non-Labor		0	0	0	0	0	0	0	0
NSE		0	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0	0
FTE		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		<b>Allocations Out</b>							
Labor		0	0	0	0	0	0	0	0
Non-Labor		0	0	0	0	0	0	0	0
NSE		0	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0	0
FTE		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		<b>Retained</b>							
Labor		0	0	0	0	0	0	0	0
Non-Labor		0	0	0	0	0	0	0	0
NSE		0	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0	0
FTE		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		<b>Allocations In</b>							
Labor		1,093	1,521	1,230	1,311	1,318	1,383	1,398	1,467
Non-Labor		317	681	172	119	137	161	507	655
NSE		0	0	0	0	0	0	0	0
Total		1,410	2,202	1,402	1,430	1,455	1,544	1,905	2,122
FTE		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		<b>Book Expense</b>							
Labor		1,093	1,521	1,230	1,311	1,318	1,383	1,398	1,467
Non-Labor		317	681	172	119	137	161	507	655
NSE		0	0	0	0	0	0	0	0
Total		1,410	2,202	1,402	1,430	1,455	1,544	1,905	2,122
FTE		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

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

Area: ENVIRONMENTAL  
 Witness: Gomez, Lisa P  
 Category: B. USS Billed-in from SDG&E  
 Category-Sub: 1. USS Billed\_to\_CCTR for Environmental  
 Cost Center: 2200-8918.000 - USS Billed\_for ENVIRONMENTAL

**Calculation of Book Expense:**

	2009 Adjusted-Recorded					2010 Adjusted-Forecast				
	Labor	Non-Labor	NSE	Total	FTE	Labor	Non-Labor	NSE	Total	FTE
Directly Retained	0	0	0	0	0.00	0	0	0	0	0.00
Directly Allocated	0	0	0	0	0.00	0	0	0	0	0.00
Subj. To % Alloc.	0	0	0	0	0.00	0	0	0	0	0.00
<b>\$ Allocation</b>										
Retained	0	0	0	0		0	0	0	0	
SEU	0	0	0	0		0	0	0	0	
CORP	0	0	0	0		0	0	0	0	
Unreg	0	0	0	0		0	0	0	0	
<b>Total Incurred</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>Total Retained</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Allocations In</b>	<b>1,318</b>	<b>137</b>	<b>0</b>	<b>1,455</b>		<b>1,383</b>	<b>161</b>	<b>0</b>	<b>1,544</b>	
<b>Book Expense</b>	<b>1,318</b>	<b>137</b>	<b>0</b>	<b>1,455</b>		<b>1,383</b>	<b>161</b>	<b>0</b>	<b>1,544</b>	

	2011 Adjusted-Forecast					2012 Adjusted-Forecast				
	Labor	Non-Labor	NSE	Total	FTE	Labor	Non-Labor	NSE	Total	FTE
Directly Retained	0	0	0	0	0.00	0	0	0	0	0.00
Directly Allocated	0	0	0	0	0.00	0	0	0	0	0.00
Subj. To % Alloc.	0	0	0	0	0.00	0	0	0	0	0.00
<b>\$ Allocation</b>										
Retained	0	0	0	0		0	0	0	0	
SEU	0	0	0	0		0	0	0	0	
CORP	0	0	0	0		0	0	0	0	
Unreg	0	0	0	0		0	0	0	0	
<b>Total Incurred</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>Total Retained</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Allocations In</b>	<b>1,398</b>	<b>507</b>	<b>0</b>	<b>1,905</b>		<b>1,467</b>	<b>655</b>	<b>0</b>	<b>2,122</b>	
<b>Book Expense</b>	<b>1,398</b>	<b>507</b>	<b>0</b>	<b>1,905</b>		<b>1,467</b>	<b>655</b>	<b>0</b>	<b>2,122</b>	

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

Area: ENVIRONMENTAL  
Witness: Gomez, Lisa P  
Category: B. USS Billed-in from SDG&E  
Category-Sub: 1. USS Billed\_to\_CCTR for Environmental  
Cost Center: 2200-8918.000 - USS Billed\_for ENVIRONMENTAL

**Cost Center Allocation Percentage Drivers/Methodology:**

**Cost Center Allocation Percentage for 2009**

**Cost Center Allocation Percentage for 2010**

**Cost Center Allocation Percentage for 2011**

**Cost Center Allocation Percentage for 2012**

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

Area: ENVIRONMENTAL  
 Witness: Gomez, Lisa P  
 Category: B. USS Billed-in from SDG&E  
 Category-Sub: 1. USS Billed\_to\_CCTR for Environmental  
 Cost Center: 2200-8918.000 - USS Billed\_for ENVIRONMENTAL

**Forecast Summary:**

		In 2009 \$(000) "Incurred Costs"								
Forecast Method		Base Forecast			Forecast Adjustments			Adjusted-Forecast		
		<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Labor	Base YR Rec	0	0	0	0	0	0	0	0	0
Non-Labor	Base YR Rec	0	0	0	0	0	0	0	0	0
NSE	Base YR Rec	0	0	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0	0	0
FTE	Base YR Rec	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

**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>
<b>2010 Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	
<b>2011 Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	
<b>2012 Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	

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

Area: ENVIRONMENTAL  
 Witness: Gomez, Lisa P  
 Category: B. USS Billed-in from SDG&E  
 Category-Sub: 1. USS Billed to CCTR for Environmental  
 Cost Center: 2200-8918.000 - USS Billed for ENVIRONMENTAL

**Determination of Adjusted-Recorded (Incurred Costs):**

	2005 (\$000)	2006 (\$000)	2007 (\$000)	2008 (\$000)	2009 (\$000)
<b>Recorded (Nominal \$)*</b>					
Labor	0	0	0	0	0
Non-Labor	0	0	0	0	0
NSE	0	0	0	0	0
Total	0	0	0	0	0
FTE	0.0	0.0	0.0	0.0	0.0
<b>Adjustments (Nominal \$) **</b>					
Labor	0	0	0	0	0
Non-Labor	0	0	0	0	0
NSE	0	0	0	0	0
Total	0	0	0	0	0
FTE	0.0	0.0	0.0	0.0	0.0
<b>Recorded-Adjusted (Nominal \$)</b>					
Labor	0	0	0	0	0
Non-Labor	0	0	0	0	0
NSE	0	0	0	0	0
Total	0	0	0	0	0
FTE	0.0	0.0	0.0	0.0	0.0
<b>Vacation &amp; Sick (Nominal \$)</b>					
Labor	0	0	0	0	0
Non-Labor	0	0	0	0	0
NSE	0	0	0	0	0
Total	0	0	0	0	0
FTE	0.0	0.0	0.0	0.0	0.0
<b>Escalation to 2009\$</b>					
Labor	0	0	0	0	0
Non-Labor	0	0	0	0	0
NSE	0	0	0	0	0
Total	0	0	0	0	0
FTE	0.0	0.0	0.0	0.0	0.0
<b>Recorded-Adjusted (Constant 2009\$)</b>					
Labor	0	0	0	0	0
Non-Labor	0	0	0	0	0
NSE	0	0	0	0	0
Total	0	0	0	0	0
FTE	0.0	0.0	0.0	0.0	0.0

\* 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  
 Shared Services Workpapers

Area: ENVIRONMENTAL  
 Witness: Gomez, Lisa P  
 Category: B. USS Billed-in from SDG&E  
 Category-Sub: 1. USS Billed\_to\_CCTR for Environmental  
 Cost Center: 2200-8918.000 - USS Billed\_for ENVIRONMENTAL

**Summary of Adjustments to Recorded:**

Year	In Nominal \$ (000) "Incurred Costs"				
	2005	2006	2007	2008	2009
Labor	0	0	0	0	0
Non-Labor	0	0	0	0	0
NSE	0	0	0	0	0
Total	0	0	0	0	0
FTE	0.0	0.0	0.0	0.0	0.0

**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 Total	0	0	0	0.0			
2006 Total	0	0	0	0.0			
2007 Total	0	0	0	0.0			
2008 Total	0	0	0	0.0			
2009 Total	0	0	0	0.0			

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

Area: ESEV - ENVIRONMENTAL  
Witness: Gomez, Lisa P

**Appendix A: List of Non-Shared Cost Centers**

<u>Cost Center</u>	<u>Sub</u>	<u>Description</u>
2200-0733	000	ENVIRONMENTAL SPECIALIST
2200-1181	000	SOCAL SITE ASSESSMENT & MITIG CROP (TOWN
2200-2013	000	ENVIRONMENTAL FEES-SOCAL