

**ORA DATA REQUEST
ORA-SCG-DR-038-SWC
SOCALGAS 2016 GRC – A.14-11-004
SOCALGAS RESPONSE
DATE RECEIVED: JANUARY 6, 2015
DATE RESPONDED: JANUARY 22, 2015**

Exhibit Reference: SCG-17

Subject: Environmental Services

Please provide the following:

1. In Exhibit SCG-17, page JT-4, lines 17 to 18, SoCalGas states that it will have 25 FTEs in the non-shared service category of Environmental Compliance. Provide the average number of FTEs in non-shared Environmental Compliance for each year of 2009 to 2014.

SoCalGas Response:

Year	2009	2010	2011	2012	2013	2014
FTEs	12.7	16.1	14.3	16.9	22.00	23.0

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2. In Exhibit SCG-17-WP, page 7, SoCalGas forecasts a non-labor cost adjustment of \$267,000 for Pico Rivera & Olympic Treatment Storage & Disposal Facilities (TSDF) Permit Renewals. The existing Pico Rivera and Olympic TSDF RCRA Part B permits expire July 30, 2017 and May 4, 2017. SoCalGas begins the permit development process in 2016.
 - a. SoCalGas used the cost estimates based on a consultant estimate and Department of Toxic Substances Control permit fee schedule. Explain if the \$267,000 is the anticipated total cost for the permit development process and permit fees. If not, please explain.
 - b. When does SoCalGas expect the permit development process to be completed?
 - c. Explain in detail why the permit development process cost and permit fees are a recurring cost and not a one-time cost.

SoCalGas Response:

- 2a. SoCalGas anticipates \$267k will be the total cost for the permit development process and permit fees. Upon researching the response SoCalGas identified that a percentage of the forecasted 2016 cost (representing \$110k) associated with Olympic TSDF would be subject to recovery from a third party, and thus the forecast should have been adjusted accordingly. The revised 2016 expense forecast should be \$156k, which will be reflected at the earliest opportunity for errata/revisions.

	Total Cost	Revised Request to be Corrected in Errata	Difference
<i>Pico Rivera & Olympic Treatment Storage & Disposal Facilities (TSDF) Permit Renewals</i>	\$ 267k	\$ 156k	<\$110k>

- 2b. The permit development process will be complete when the Department of Toxic Substances Control (DTSC) issues the final Pico Rivera and Olympic RCRA Part B permits. We anticipate this will occur in the first quarter of 2017.
- 2c. The permit development process cost and permit fees are a one-time expense for this GRC period, expected to be incurred in 2016 test year. We do not anticipate the permit development process and permit fees to be an annual recurring cost. The DTSC typically renews Resource Conservation and Recovery Act (RCRA) Part B permits for a period of 10 years. We anticipate both permits will receive a 10 year renewal.

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3. In Exhibit SCG-17, page JT-12, line 19 to page JT-13, line 3, SoCalGas states, “The compliance activities in this shared service O&M cost category includes labor cost associated with day-to-day environmental compliance activities in water quality environmental permitting, conducting project screening for potential environmental impacts, and providing compliance guidance and oversight and currently has 16.9 FTEs. The incremental increase of \$605K includes a request for labor full year funding for an Air Quality Specialist (0.9 FTEs), two incremental water quality subject matter experts (2 FTEs), and non-labor costs associated with increasing water quality stringent permit requirements and development of programmatic permits and supporting GHG reporting.”
- a. Provide the average number of FTEs in Environmental Programs for each year of 2009 to 2014.
 - b. When does SoCalGas plan to hire the additional FTEs?

SoCalGas Response:

3a.

Year	2009	2010	2011	2012	2013	2014
FTEs	18.3	15.8	16.2	15.9	16.9	17.8

3b. SoCalGas anticipates hiring adding the FTEs in 2015.