**QUESTION 1:**

Were the econometric models used to generate the commercial core price and employment elasticities based on average use models?

**RESPONSE 1:**

No, the econometric models used to estimate the employment and price elasticities were not based on average use. Attached are files that describe the models used. The dependent variable is monthly usage.





**QUESTION 2:**

If the answer to question (1) is yes, please provide for the 14 commercial core sectors the number of customers or meter counts on a monthly basis from January 1986 through December 2014.

**RESPONSE 2:**

N/A.

**QUESTION 3:**

Were the econometric models used to generate the commercial non-core price and

employment elasticities based on average use models?

**RESPONSE 3:**

No, the econometric models used to generate the commercial non-core price and employment elasticities were not based on average use models, where the “average use model” means use average consumption per customer.

The complete data for generating the commercial non-core price elasticity were provided in the response of ORA’s first data request question#6. Total monthly consumption for each business type was used as the dependent variable in this analysis.

Employment elasticity was calculated from the data analysis performed for a prior SoCalGas regulatory filing (the filing was for SoCalGas’ 2005 BCAP which was initially filed, but then withdrawn). This analysis used total monthly consumption for non-core Commercial and Industrial market segments – G30 non-refinery customers. Please see page 4 in the attached pdf file for the detailed model specification.



**QUESTION 4:**

If the answer to question (3) is yes, please provide for the 14 commercial non-core

sectors the number of customers or meter counts on a monthly basis from January 2002 through December 2014.

**RESPONSE 4:**

N/A.