

ORA DATA REQUEST
ORA-SCG-045-DAO
SOCALGAS 2019 GRC – A.17-10-008
SOCALGAS RESPONSE
DATE RECEIVED: DECEMBER 12, 2017
DATE RESPONDED: JANUARY 12, 2018

Exhibit Reference: SCG-04 and SCG-14

SCG Witness: Gina Orozco-Mejia and Ms. Martinez

Subject: Gas Distribution O&M Expenses, Leak Survey

Please provide the following:

1. Referring to SCG’s testimony, page GOM-38, lines 27-29, please provide the following information:
 - a. Provide the number of miles of high-pressure transmission pipelines or supply lines currently in SCG’s system;
 - b. Provide the number of miles of supply lines surveyed for leaks and annual expenses incurred for each year from 2012-2017;
 - c. Were the supply lines surveyed under the Transmission Integrity Management Program or the Distribution Integrity Management Program from 2012-2016? If yes, please provide the number of miles surveyed under the TIMP or DIMP for each year from 2012-2016;
 - d. Please provide a reference to the Department of Transportation or DOT leak survey requirement(s) as stated on line 27; and
 - e. Please provide a copy of all annual reports SCG submitted to the CPUC as part of the requirements of G.O. 112-F, sections 123.1 and 123.2, if and when available.

SoCalGas Response 1:

- a. Page GOM-38, lines 27-29 references the high-pressure (over 60 psig) lines managed by Gas Distribution, known as “supply lines.” This includes both DOT defined transmission lines and high-pressure lines that do not meet the DOT definition of transmission lines. SoCalGas continuously evaluates the number of miles in high-pressure pipelines in its system. After further evaluation, SoCalGas determine that the number of high-pressure pipeline miles managed by Gas Distribution is closer to 3,994 miles. There are 714 miles of high-pressure supply lines that are reported on the DOT Transmission Report and 3,280 miles of supply lines in the SoCalGas Gas Distribution system.
- b. SoCalGas does not track leak survey costs to this level of granularity. All leak survey conducted by Gas Distribution is recorded in the Leak Survey cost category, regardless of pipe category or survey cycle.

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c. SoCalGas surveys supply lines as required by GO 112-F, however this activity is not part of the Transmission Integrity Management Program or the Distribution Integrity Management Program.

d. SoCalGas is referencing GO 112-F section 143.1.(b), which states:

“A gas leakage survey of transmission pipelines, using leak detecting equipment must be conducted at least twice each year and at intervals not exceeding 7 ½ months.”

e. The first GO 112-F annual report is due March 15, 2018 for 2017 results; therefore, reports related to the requirements of Section 123 of GO 112-F will be available on this date. The following attached PDFs provide a copy of all annual DOT-D reports SCG submitted to the CPUC; “DR-045_Q1E_2012_SCG_Supplemental_DOT-D_report.pdf” “DR-045_Q1E_2013_SCG_Supplemental_DOT-D_report.pdf” “DR-045_Q1E_2014_SCG_Supplemental_DOT-D_report.pdf” “DR-045_Q1E_2015_SCG_Supplemental_DOT-D_report.pdf” and “DR-045_Q1E_2016_SCG_Supplemental_DOT-D_report.pdf”

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2. Referring to SCG’s testimony page GOM-39, lines 3-4, please provide the following:
- a. Please explain in detail and provide supporting documents to show how SCG determined the impacted mileage in 2017 and 2018 to be 690 miles and state the number of miles to be surveyed each year;
 - b. As of November 30, 2017, how many miles of the impacted mileage has SCG surveyed?
 - c. Of the total number of miles surveyed as of November 30, 2017, provide the number of leaks found classified by leak grade and the expense incurred;
 - d. Does SCG expect to be in compliance with G.O. 112-F by December 31, 2017?
 - e. Please explain in detail and provide supporting documents to show how SCG determined the number of impacted pipe mileage will be approximately 3,700 miles by 2019.
 - f. Did SCG categorize supply lines survey as part of TIMP or DIMP from 2012-2016? If yes:
 - i. Is SCG requesting funding for this work activity as part of its DIMP or TIMP 2019 forecast?
 - ii. Identify the expense requested and provide a reference to SCG’s testimony and/or workpapers.

SoCalGas Response 2:

- a. SoCalGas changed its leak survey requirements to align with the additional requirements prescribed by GO 112-F. The requirements are reflected in Gas Standard 223.0100 attached to this response and became effective in January of 2017. For SoCalGas’ Gas Distribution, this meant that all DOT-defined transmission pipeline segments moved to a six-month survey cycle from an annual survey. This accounted for the incremental increase in six-month survey. SoCalGas calculated that this requirement would increase the leak survey activity for Gas Distribution by 690 miles each year. The accompanying attachment “GS_223.0100_Redacted.pdf” has been redacted to remove non-responsive, non-relevant employee information.
- b. As of November 30, 2017, SoCalGas’ Gas Distribution has surveyed approximately 1,538 miles as part of the six-month survey cycle.

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- c. SoCalGas has found approximately 23 below ground leaks from the six-month survey cycle, referenced in GOM-39, lines 3-4. Please see the table below for leak grades and estimated expenses for resolved leaks. SoCalGas does not track total costs by leak code therefore the costs provided below are based on the estimated unit cost of \$2,500 as referenced on page 58 in workpapers SCG-04-WP_GDIST. Please note that the estimated expenses represent the average labor and non-labor costs for leak repairs. A breakdown of costs for unresolved leaks is not available by Leak Code.

Leak Code	Count of Leak ID	Resolved Leaks		Unresolved leaks
		# of resolved leaks	Expenses	# of unresolved leaks
Code 1	5	5	\$12,500	0
Code 2	13	11	\$27,500	2
Code 3 - Steel	5	2	\$5,000	3
Grand Total	23	18	\$45,000	5

- d. Yes, SoCalGas is in compliance with GO 112-F.
- e. Please refer to the supplemental workpaper SCG-04-GOM-O&M-SUP-005 under column A. The biannual footage for TY 2019 is approximately 19,721,179 feet, which convert to approximately 3,700 miles of pipe. This number accounts for the conversion of all high-pressure pipe from annual to bi-annual leak survey by the TY 2019.
- f. SoCalGas does not categorize supply line surveys as part of TIMP or DIMP.

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3. Referring to SCG's Testimony on page GOM-39, line 8, please explain in detail and provide the calculations used and supporting documents to show how SCG determined the incremental survey work will cost \$1,035,000 in 2019.

SoCalGas Response 3:

Please refer to supplemental workpaper SCG-04-GOM-O&M-SUP-005 on page 32 of 168 in the workpapers of Gina Orozco-Mejia.

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4. Does SCG consider the request for an incremental cost of \$1,035,000, in Question 3 above, for supply line leak survey a Risk Assessment Mitigation Phase (RAMP) O&M related cost? If yes, is this amount included in the incremental RAMP costs shown on page GOM-8? If yes, please show where this cost is identified. If no, please provide the reason for not treating this expense as a RAMP cost.

SoCalGas Response 4:

The leak survey activity supports mitigation measures for the RAMP risks associated with catastrophic damage involving medium- and high-pressure pipeline failure. Costs for high-pressure leak survey are included in the GRC's base costs, base forecast, and the Bi-Annual High-Pressure Leak Survey incremental increase. The costs for high-pressure leak survey impacting the RAMP risks are represented on page GOM-8 in the risk "RAMP Catastrophic Damage Involving Medium-Pressure Pipeline Failure." The reason costs are presented in this risk is that the majority of leak survey cost in Gas Distribution is associated with medium-pressure pipe and the costs for both medium- and high-pressure pipe are recorded in the same work category.

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5. Referring to page GOM-39, lines 13-14, please provide a copy of all studies and/or analyses, including but not limited to any cost/benefit analyses, performed to support the change from a five-year survey cycle to an annual cycle and not any other cycles.

SoCalGas Response 5:

SoCalGas has accelerated this survey to reduce safety risks to the public based on industry information regarding the susceptibility of vintage plastic pipe to brittle-like cracking and of having Low Ductile Inner Wall (LDIW) due to a non-state-of-the-art manufacturing process during the early 1970s. A study is not available on this subject.

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6. Referring to page GOM-39, lines 13-24, please provide the following:

- a. The number of miles of early vintage plastic pipe currently in SCG's distribution system;
- b. The number of miles of early vintage pipe plastic pipe surveyed and expenses incurred for each year from 2012-2017YTD;
- c. For each year from 2012-2017YTD, provide the number of early vintage pipe leaks discovered, by grade, and the costs incurred to (i) repair, and (ii) replace these pipelines;
- d. The total number of Aldyl-A pipelines by vintage currently in SCG's system;
- e. The total number of Aldyl-a pipelines by vintage surveyed and the survey costs incurred each year from 2012-2017YTD;
- f. For each year from 2012-2017YTD, provide the total number of Aldyl-A pipelines by vintage (i) repaired and repair costs, and (ii) replaced and replacement costs incurred;
- g. Provide the calculations and supporting documents showing how SCG determined the requested funding amount of \$1,690,000 as shown on line 24;
- h. How many miles early vintage plastic pipe does SCG plan to survey in 2019?

SoCalGas Response 6:

- a. SoCalGas has approximately 8,200 miles of early vintage plastic pipe within the Gas Distribution system.
- b. SoCalGas has not tracked leak survey costs to this level of granularity. When pipe is surveyed, it is managed and recorded as part of a survey cycle in a general leak survey cost category. Therefore, SoCalGas does not have the number of miles specifically associated with early vintage plastic pipe surveyed and expenses.
- c. Due to the way pipeline is surveyed, SoCalGas does not have the number of leaks discovered specifically for early vintage pipe.

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- d. Please see the table below regarding the total number of Aldyl-A pipelines by vintage currently in SCG System.

Pipelines	Approx. Miles
Early Vintage Aldyl-A	8,200
Non-Early Vintage Aldyl-A	16,000
Grand Total	24,200

- e. Please see answer 6.b from above.
- f. SoCalGas has not tracked the requested information to this level of granularity. Costs for pipe repaired or replaced is tracked as part of cost categories that account for work done on both early vintage and non-early vintage pipe.
- g. Please refer to supplemental work paper SCG-04-GOM-O&M-SUP-004 on page 31 of 168 in the workpapers of Gina Orozco-Mejia.
- h. Please refer to supplemental work paper SCG-04-GOM-O&M-SUP-004 on page 31 of 168 in the workpapers of Gina Orozco-Mejia.

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7. Does SCG consider the request for an incremental cost of \$1,690,000, as shown on line 24, page GOM-39, for supply line leak survey a RAMP O&M-related cost? If yes, is this amount included in the incremental RAMP costs shown on page GOM-8? If yes, please show where this cost is identified. If no, please provide the reason for not treating this expense as a RAMP cost.

SoCalGas Response 7:

The \$1,690,000 cost shown on page GOM-39, line 24, is to cover the increased survey cycle requirements for all pre-1986 plastic pipe (Aldyl-A) from a five-year survey cycle to an annual cycle. This cost is not associated with supply line leak survey. Leak survey of medium-pressure pipe supports the mitigation measures associated with the risk “RAMP Catastrophic Damage Involving Medium-Pressure Pipeline Failure.” The table GOM-02 on page GOM-8 presents costs in support of this risk.