

**ORA DATA REQUEST
 ORA-SCG-060-DAO
 SOCALGAS 2019 GRC – A.17-10-008
 SOCALGAS RESPONSE
 DATE RECEIVED: DECEMBER 27, 2017
 DATE RESPONDED: JANUARY 19, 2017**

Exhibit Reference: SCG-04 Testimony and Workpapers
SCG Witness: Gina Orozco-Mejia
Subject: Gas Distribution Capital, Service Replacements

Please provide the following:

1. Referring to Ex. SCG-04 testimony, page GOM-103, and Ex. SCG-04-CWP workpapers pages 57-58, please provide the following:
 - a. For each year from 2012-2017YTD, please provide the number of service replacements and costs incurred, for each of the two construction methods referenced, (i) insertion, and (ii) direct bury.
 - b. For each year from 2017-2019, please provide the forecasted number of service replacements and costs for each of the two construction methods referenced, (i) insertion, and (ii) direct bury;
 - c. Please provide the definition of “service lines” referenced on page GOM-103, line 27, and page GOM-104, line 1, as used in the statement that at year end 2016, SCG had approximately 58,168 pre-1940 services lines and approximately 853,405 service lines without cathodic protection;
 - d. The total number of service lines in SCG’s territory as of (i) end of year 2016, and (ii) 2017 YTD; and
 - e. The number of service line leaks, by grade/class, identified each year from 2016-2017YTD.

SoCalGas Response 1:

- a. The number of service replacements for SoCalGas within budget categories 256, 257, 258, and 260 are shown below. SoCalGas does not track the cost incurred for service replacements based on construction methods. Service replacement costs are tracked in one general budget category. The table below shows overall number of service replacements and costs for 2012 – 2017 YTD (November 30, 2017).

	2012	2013	2014	2015	2016	2017 YTD
# of Services	4861	4748	5064	4484	5758	6081
Costs (in \$000)	\$14,046	\$16,485	\$21,273	\$21,273	\$26,315	\$31,406

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SoCalGas Response 1: -CONTINUED

b. SoCalGas did not forecast a specific number of service replacements as it utilized a five-year linear trend forecast methodology to determine the incremental funding needed for this activity. The historical five-year linear trend (2012-2016) represents the continued level of funding SoCalGas estimates it will need to cover the forecasted rate of replacements. See the table provided in the answer to Question 1.a above for the number of units and costs associated with the historical number of service replacements.

c. “Service lines” represent the pipe that transports gas from a main pipe commonly found in the public right-of-way to a meter set. According to the definition in Federal Pipeline Safety Regulations, 49 CFR Part 192.3:

Service line means a distribution line that transports gas from a common source of supply to an individual customer, to two adjacent or adjoining residential or small commercial customers, or to multiple residential or small commercial customers served through a meter header or manifold. A service line ends at the outlet of the customer meter or at the connection to a customer's piping, whichever is further downstream, or at the connection to customer piping if there is no meter.

d. According to the attached 2016 DOT Report, there was a total of 4,431,302 services in SoCalGas’ Gas Distribution territory. The 2017 DOT report will not be available until March 2018.

e. Please see the table below for the number of service leaks by grade/class from 2016-2017 as of December 6, 2017.

Leak Code/Classification	2016	2017 YTD
AG Hazardous	114	84
AG Non-Hazardous	91	107
Code 1	5,217	5,564
Code 2	568	607
Code 3 - Plastic	219	254
Code 3 - Steel	674	747
Grand Total	6,883	7,363

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2. Referring to Ex. SCG-04 page GOM-104, lines 10-13, please explain and provide a copy of all calculations and supporting documents used to determine the forecasted increasing requirements of service line replacements.

SoCalGas Response 2:

SoCalGas chose the five-year linear method for its forecast methodology due to the general upward trend in service replacements as reflected in its historical spending. The table below shows the historical service replacements and costs.

	2012	2013	2014	2015	2016
# of Services	4861	4748	5064	4484	5758
Costs (in \$000)	\$14,046	\$16,485	\$21,273	\$21,273	\$26,315

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3. Referring to Ex. SCG-04 page GOM-104, lines 9-11, please state whether or not SCG has performed any studies and/or analyses to determine the mitigation effects on pipeline integrity, system reliability, and public safety from funds authorized by the CPUC for the Distribution Integrity Management Program and/or the Transmission Integrity Management Program, from 2012-2017 YTD? If yes, please provide a copy of all such studies and/or analyses performed by SCG or by an agent, on behalf of SCG.

SoCalGas Response 3:

Ex. SCG-04 page GOM-104, lines 9-11 refer specifically to routine service replacements by Gas Distribution, not replacement of pipe under the DIMP and/or TIMP that is sponsored by the testimony of Maria Martinez, Exhibit SCG-14. See SoCalGas' Interim Accountability Report in Appendix A of the "Test Year 2019 General Rate Case Application of Southern California Gas Company A.17-10-008," filed on October 6, 2017, for the revenue requirement authorized by the CPUC and actual spending for DIMP and TIMP, as well as a description of risk mitigation metrics. As noted in the report, the metrics "are not the optimal way to display this information. Future accountability reporting should consider better performance metrics to demonstrate progress over time as SoCalGas gains long-term experience with such programs that evolve year over year, as well as knowledge through the TY 2019 GRC and S-MAP proceedings." See Exhibit SCG-14, Section 2 for a description of DIMP and TIMP's risk mitigation benefits.