

**TURN DATA REQUEST-031**  
**SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8**  
**SDG&E\_SOCALGAS RESPONSE PARTIAL 1**  
**DATE RECEIVED: MARCH 15, 2018**  
**DATE RESPONDED: APRIL 10, 2018**

**SCG-22 (SCG Supply Management, Logistics, and Supplier Diversity) and SCG-23-R (SCG Facilities))**

1. SCG states in response to ORA-SCG-37-6d that it expects the indoor storage space at the warehouse to be 40,000 square feet (or approximately 1 acre). Please provide justification for the proposed size of the facility. To the extent that SCG has quantified the proposed facility based on numbers and sizes of units, please provide that quantification.

**Utility Response 01:**

The current indoor warehouse storage space is estimated to be approx. 68,000 Sq. Ft. We currently store 12” and under materials indoors. We are currently storing regulators and related parts outdoors that would have been more appropriately stored indoors to protect these devices from the elements. This is roughly storage space equivalent to 15,000 sq. ft. that is needed for these devices and that we don’t have. Materials and fittings that are in diameters of 16” – 36” will be now inventory managed centrally in an indoor warehouse. These materials and fittings include valves, weld fittings, flanges, and stopple fittings. Based on a forecast of project requirements and routine work and the size of these materials, we are estimating needing an additional 40,000’ sq. ft. to store these materials indoors. The overall request is for an approximately 110,000 sq. ft. warehouse facility to indoor store the current materials and the new larger diameter materials.

**TURN DATA REQUEST-031**  
**SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8**  
**SDG&E\_SOCALGAS RESPONSE PARTIAL #1**  
**DATE RECEIVED: MARCH 15, 2018**  
**DATE RESPONDED: APRIL 10, 2018**

2. SCG states at p. DW-13:2-15 in Ex. SCG-22, “Material Traceability is a scalable, end-to-end solution for tracking high pressure (HP) pipes, valves, fitting, and equipment to improve compliance with new and upcoming regulations mandating the maintenance of “traceable, verifiable, and complete records [that are] readily available.[citation omitted]... In order to meet the material traceability regulatory requirements of “traceable, verifiable, and complete records,” pipes and materials ideally should be centrally managed in one facility. Barcoding, scanning and location tracking of materials will be required.”

a. Is SCG currently applying Material Traceability solutions to relevant materials? If not, why not and provide a brief description of SCG’s procedure for maintaining records of the relevant material.

b. Regarding the requirement for “[b]arcoding, scanning and location tracking of materials,” please:

i. Provide a reference to the regulations that set the requirements forth (regulation itself, and specific page or section number),

ii. Identify the date(s) that the regulations were set forth and became/will become (as relevant) enforceable.

iii. If the regulation is currently enforceable, identify and explain each method SCG has thus far employed, if any, in order to comply with the requirement in the absence of a centralized warehouse.

c. Please identify and briefly describe each issue SoCalGas has faced to date that it attributed in whole or in substantial part to inadequate Material Traceability for its pipes and materials. If the issue varies depending on the vintage of the pipeline, please so indicate.

**Utility Response 02:**

2.a. Yes, currently SoCalGas is manually applying Material Traceability solutions to relevant materials.

2.b.i-ii. In order to track our inventory in our commonly-used system, SAP, SoCalGas considers the functions of “barcoding, scanning, and location tracking of materials” to be a necessary part of Material Traceability, the requirements of which can be found by following this link to the website for PUC Utilities Code 201-3260:

[https://leginfo.legislature.ca.gov/faces/codes\\_displayText.xhtml?lawCode=PUC&division=1.&title=&part=1.&chapter=4.5.&article=2](https://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=PUC&division=1.&title=&part=1.&chapter=4.5.&article=2)

**TURN DATA REQUEST-031**  
**SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8**  
**SDG&E\_SOCALGAS RESPONSE PARTIAL #1**  
**DATE RECEIVED: MARCH 15, 2018**  
**DATE RESPONDED: APRIL 10, 2018**

**Utility Response 02 continued:**

Public Utilities Code – PUC DIVISION 1. REGULATION OF PUBLIC UTILITIES [201 - 3260]

( Division 1 enacted by Stats. 1951, Ch. 764. )

PART 1. PUBLIC UTILITIES ACT [201 - 2120]

( Part 1 enacted by Stats. 1951, Ch. 764. )

CHAPTER 4.5. Gas Pipeline Safety [950 - 978]

( Chapter 4.5 added by Stats. 2011, Ch. 520, Sec. 1. )

ARTICLE 2. Natural Gas Pipeline Safety Act of 2011 [955 - 972]

( Article 2 added by Stats. 2011, Ch. 520, Sec. 1. )

958. (2) Have traceable, verifiable, and complete records readily available. (Added by Stats. 2011, Ch. 519, Sec. 3. Effective January 1, 2012.)

958 (2) mandates the maintenance of “traceable, verifiable and complete records that are readily available.” To be readily available, all records have to be managed in SAP. All materials in SAP require to be inventory managed to be SOX compliant.

2.b.iii SoCalGas is currently meeting requirements. The decision to centrally manage materials not only helps to meet regulatory requirements, it is also a business efficiency decision. SoCalGas is seeking to optimize processes and efficiencies while improving information flows with this request. A centralized warehouse will allow for optimal traceability, better controls and good records management among other things. Because of the need for more inventory space in the interim, SoCalGas has contracted with a third-party warehouse firm to manage some inventory and store some materials at other locations. The agreement with this third-party is in place as a remediation effort to allow for time to build the warehouse as described in testimony. Once built, the third-party warehousing agreement will end. In addition to further optimizing regulatory requirements for Material Traceability, the new centralized warehouse will save SoCalGas approximately \$2 million per year in operation expenses.

2.c. As stated in testimony, the decision to centrally manage materials in one facility is for more than just to meet directives. It is also an operational efficiency decision. This centralized warehouse will allow for better traceability and records management.

**TURN DATA REQUEST-031**  
**SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8**  
**SDG&E\_SOCALGAS RESPONSE PARTIAL #1**  
**DATE RECEIVED: MARCH 15, 2018**  
**DATE RESPONDED: APRIL 10, 2018**

3. At p. DW-13:5-16, SCG states:

“At SoCalGas, an additional eight acres of warehousing storage space is needed to accommodate large diameter materials, and ten additional employees will be required to manage the increased warehousing demands totaling \$0.783 million. Included in the Fleet and Facilities testimony of Carmen Herrera (Ex. SCG-23) is the capital forecast of \$18.75 million to add/expand this warehouse space. Materials are currently physically located at other company facilities, third-party logistics provider warehouses, and various lay down yards across our service territory with no systematic visibility.”

Additionally, SCG states in response to ORA-SCG-37-6d that the “the new logistics warehouse space is expected to be on 4.5 – 5 acres, with an estimated 40k usable square feet of indoor storage.”

- a. Please define what SCG means by “add/expand” in the context of the first passage.
- b. Please reconcile the discrepancy between the two estimates of land requirements (8 acres in Ex. SCG-22 vs. 4.5-5 acres in ORA-SCG-37-6d).
- c. Please quantify the land area (in acres) upon which the \$18.750 million forecast on p. 21 of SCG-23-WP is based.
- d. What is the combined acreage of land of the current warehousing storage space? What is the acreage of land that SCG would need to acquire for the development of existing facility to increase warehouse space for the non-consolidation option?
- e. What is the combined square footage of the indoor usable space of the current warehouses i.e., those for which the option of warehouse expansion as indicated on p. 21 of SCG-23-WP would apply? What is the square footage of indoor useable space by which SCG would need expand the current indoor warehouse space for the non-consolidation option?

**Utility Response 03:**

3.a. By “add/expand,” SoCalGas plans to either expand an existing space or add land to build a new 8-acre warehousing facility in order to meet its business needs.

3.b. To meet our business requirements we need 8 acres to operate properly as a centralized Logistics storage facility. This new warehouse will be 4.5 acres larger than our current Pico Rivera facility of 3.5 acres.

3.c. The forecast is based on an additional 4.5 – 5 acres.

**TURN DATA REQUEST-031**  
**SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8**  
**SDG&E\_SOCALGAS RESPONSE PARTIAL #1**  
**DATE RECEIVED: MARCH 15, 2018**  
**DATE RESPONDED: APRIL 10, 2018**

3.d. The current Pico Rivera Logistics facility is approximately 3.5 acres, but we need an incremental 4.5 acres at a minimum and expanding Pico Rivera is not feasible due to lack of land and space.

3.e. The current Pico Rivera Logistics facility includes approximately 68,000 square feet of indoor storage, but we need an additional 40,000 square feet (inclusive of office space, common areas, restrooms, etc.) for an approximate total of 110,000 square feet (and, as mentioned above, expanding Pico Rivera is not a feasible option).

**TURN DATA REQUEST-031**  
**SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8**  
**SDG&E\_SOCALGAS RESPONSE PARTIAL 1**  
**DATE RECEIVED: MARCH 15, 2018**  
**DATE RESPONDED: APRIL 10, 2018**

4. SCG states the following on p. 21 of SCG-23-CWP: “Increase Logistics Warehouse storage due to increased inventory and large diameter pipe. This activity includes the development of existing facility to increase warehouse space or consolidation of existing Logistics Warehouse operations into a larger single site.”

- a. Please reconcile this passage with the implication in that SCG makes in ORA-SCG-37-6e and 6f that increased inventory is not a reason for the proposal.
- b. Please provide a cost-benefit analysis that compares the two options (i.e., expanding existing facilities vs. new centralized facility).
- c. Of the two options identified, which is the option that is the basis for the forecasted amounts?
- d. Please provide a detailed forecast of the costs for each option (i.e., (i) increasing warehouse space at existing facility and (ii) consolidating existing operations at a larger single site).
- e. Please identify and briefly describe each reason why SoCalGas would need to increase the acreage of warehouse space for its inventoryconsolidation option.
- f. Please identify and briefly describe each reason why SoCalGas would need to increase the indoor warehouse space at existing sites for its inventory-consolidation option.
- g. Please identify the cost of any land purchase that is included in the warehouse cost forecast and provide documentation of any landacquisition estimate that SCG uses.
- h. Please disaggregate the total of both options between the costs of the (i) land, (ii) outdoor improvements and (iii) improvements for the indoor structure (whether new structure or expanded existing structure).
- i. If SCG has decided which option it would pursue, please identify the option the company chose, and provide the rationale for the choice.

**TURN DATA REQUEST-031**  
**SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8**  
**SDG&E\_SOCALGAS RESPONSE PARTIAL 1**  
**DATE RECEIVED: MARCH 15, 2018**  
**DATE RESPONDED: APRIL 10, 2018**

**Utility Response 04:**

- a. In inventory we current centrally store pipe and materials that are 12” and under in diameter. To implement Material Traceability - which requires that the larger diameter pipe and materials are added to the M&S inventory asset account - will require that the larger diameter pipe and materials be centrally warehoused and centrally managed.
  
- b. SoCalGas did not conduct a quantitative cost benefit analysis for this forecast.
  
- c. SoCalGas used a forecast that consolidates Logistics onto an existing site that would require the purchase of an additional 4.5 – 5 acres of land and build out of additional indoor storage.
  
- d. SoCalGas did not develop a detailed forecast for each option, but, *pursuant to PU Code Section 583, GO 66-D and D.17-09-023, a detailed cost breakdown of SoCalGas’ forecast is included in “TURN DR-31 Q4d CONFIDENTIAL.xlsx”*.
  
- e. Please see response 1.
  
- f. Please see response 1.
  
- g. Please see response to 4.d above.
  
- h. Please see response to 4.d above.
  
- i. A final decision has not yet been made.

**TURN DATA REQUEST-031**  
**SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8**  
**SDG&E\_SOCALGAS RESPONSE PARTIAL 1**  
**DATE RECEIVED: MARCH 15, 2018**  
**DATE RESPONDED: APRIL 10, 2018**

5. Please identify the number of sites at which SCG currently stores pipe that is 12-inch diameter or greater, and disaggregate them between SCG facilities and 3rdparty vendor facilities.

**Utility Response 05:**

Although approximately 12 Company facilities may store some pipe that is greater than 12” in diameter, the quantities are minimal and are primarily stored as backup pipe for emergencies or staging for project construction. There are two 3<sup>rd</sup> party facilities that store larger diameter pipe. One facility has approximately 12-14 acres of storage capacity and the other is roughly 7 acres of storage capacity.



**TURN DATA REQUEST-031**  
**SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8**  
**SDG&E\_SOCALGAS RESPONSE PARTIAL 1**  
**DATE RECEIVED: MARCH 15, 2018**  
**DATE RESPONDED: APRIL 10, 2018**

6. In its response to ORA-SCG-37-6g, SCG states, “The larger diameter pipe—12 inch diameter to 36 diameter—requires incremental storage capacity, room to store, test, document, maneuver forklifts and unload/load onto freight carriers.”

a. What is the difference between the terms “incremental storage capacity” and “room to store” in the context of this sentence?

b. Is SCG capable of storing, testing, documenting, maneuvering forklifts and unloading/loading onto freight carriers at each of its existing facilities? If not, please identify each facility for which SCG lacks that capability, and for each such facility explain whether the company is out of compliance with CFR 192.63 Marking of Materials and/or Public Utilities Code Section 958(c)(2)?

**Utility Response 06:**

a. Incremental storage capacity refers to the larger diameter pipe and materials that are not currently centrally inventory and warehouse managed so bringing them into a central logistics facility would require “incremental” inclusive of “room to store” the larger pipe, inclusive of “room to test”, inclusive of “room to document”, inclusive of “room to maneuver forklifts” and inclusive of “room to unload/load onto freight carriers”. The term “incremental storage capacity” is meant to describe all of the incremental acreage and indoor storage needed to centrally manage the larger diameter pipe.

b. The Pico Rivera Distribution Center is the only Company facility capable of storing, testing, documenting, maneuvering forklifts and unloading/loading onto freight carriers in limited quantities of larger diameter pipe. The rest of the Company facilities are primarily used to store 2-inch and under materials or to stage project materials and do not have the capability to perform all of the functions required to meet centrally managed material traceability standards for larger diameter pipe.

**TURN DATA REQUEST-031**  
**SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8**  
**SDG&E\_SOCALGAS RESPONSE**  
**DATE RECEIVED: MARCH 15, 2018**  
**DATE RESPONDED: APRIL 17, 2018**

**SCG-23-R (SCG Facilities)**  
**O&M**

7. At p. 69 of SCG-23-WP, the Summary of Results table identifies non-labor costs in 2012 and 2014 that are on average \$1.784 million (16%) higher than they were in 2013, 2015, and 2016.

Please identify all projects and/or activities that account for the difference in the costs in 2012 and 2014 and those in 2013, 2015, and 2016. In so doing, please identify the cost of those projects/activities, provide a brief description of each, and explain why if at all SCG expects each to occur in the 2019 forecast period.

**Utility Response 07:**

SoCalGas objects to this request on the grounds that it is unduly burdensome. Subject to and without waiving this objection, SoCalGas responds as follows: The non-labor cost data is not tracked by individual projects and/or activities and would require a line-item analysis in order to separate by individual projects and/or activities. However, the raw data shows that in 2012 and 2014 general maintenance expenses represented a higher percentage of the overall non-labor expense. SoCalGas is able to produce raw data that can be used to create a historical view of non-labor costs.

**TURN DATA REQUEST-031**  
**SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8**  
**SDG&E\_SOCALGAS RESPONSE**  
**DATE RECEIVED: MARCH 15, 2018**  
**DATE RESPONDED: APRIL 17, 2018**

8. At the bottom of p. 71 of SCG-23-WP, the company provides an explanation for “2019 Other” incremental expenses, which states, “Increased utilities related to incremental NGV refueling stations; increased contracted services due to decreased internal resources; O&M upgrades on lighting; electrical panels; doors; equipment replacement; graffiti deterrent; branding; and preventative maintenance.”

a. Please identify the annual forecast for each year, 2017-2019 for each of the following:

- i. Graffiti deterrent
- ii. Branding
- iii. Preventative Maintenance

b. Please identify the annual recorded expenditure for each year, 2012-2017 for each of the following:

- i. Graffiti deterrent
- ii. Branding
- iii. Preventative Maintenance

**Utility Response 08:**

a.i.-iii.

<b>Description (Nominal \$)</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
i. Graffiti deterrent & ii. Branding	\$ 10,000		\$ 30,000
iii. Preventative Maintenance	\$ 7,310,485	7,235,137	\$ 7,377,741

b. SoCalGas does not explicitly track this information, however it is estimated that the following information is based observed trends, and knowledge about types of work performed by specific vendors.

i. - iii.

<b>NOMINAL \$</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>i. Graffiti deterrent &amp; ii. Branding</b>				\$10,233	\$ 13,200	-
<b>iii. Preventative Maintenance</b>	\$ 8,751,099	\$ 7,035,082	\$ 8,580,082	\$ 7,047,243	\$ 7,368,760	\$ 7,426,602

**TURN DATA REQUEST-031**  
**SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8**  
**SDG&E\_SOCALGAS RESPONSE**  
**DATE RECEIVED: MARCH 15, 2018**  
**DATE RESPONDED: APRIL 17, 2018**

9. At the bottom of p. 86 of SCG-23-WP, the company identifies a “2018 Other” and “2019 Other” incremental cost of \$494,000 for Fleet Management & Support (Cost Center 2200-2018.000), stating: “This forecast includes 1 incremental FTE for a trainer to support the SMOG program, 1 backfill FTE for a fleet maintenance advisor, 1 backfill FTE for a fleet new vehicle quality assurance specialists, 1 incremental FTE for technology and Fleet maintenance trainer, and 1 incremental FTE for a Compliance Specialist.”

a. Please disaggregate the \$494,000 into the cost of each of the five FTE employees identified in the passage.

b. Did SCG have a compliance specialist before 2018? If not, please explain why SCG needs a compliance specialist from 2018 going forward. Please identify and describe each compliance issue faced through 2017 that will be mitigated or eliminated from 2018 going forward.

**Utility Response 09:**

a. Please see confidential attachment, TURN\_DR-031-Q9-FTE. This attachment is **confidential pursuant to P.U. Code Section 583 & General Order GO 66-D and D.17-09-023, and is accompanied by supporting declaration.**

b. Yes, SoCalGas has one Fleet Compliance specialist, however as mentioned in CLH-3, lines 13 – 27, and CLH-4, lines 1 – 13, and CLH-28, lines 14 - 20 there are changes to current regulations and requirements that require additional compliance staff to cover the expansive service territory in which we operate.

**TURN DATA REQUEST-031**  
**SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8**  
**SDG&E\_SOCALGAS RESPONSE**  
**DATE RECEIVED: MARCH 15, 2018**  
**DATE RESPONDED: APRIL 17, 2018**

10. At p. CLH-4 of Ex. SCG-15 in the 2016 GRC, SCG states, “Included in the Vehicle Servicing & Repair section of this testimony are costs for retrofitting the SoCalGas Fleet of over-the-road vehicles with backup cameras and backup sensors to try to help prevent the number of backup incidents. The cost is spread from 2014 through 2016... .”

- a. How many backup cameras did SCG install in each year, 2014-2017?
- b. Please identify the cost of backup camera installations of the type described in the passage for each year, 2014-2017.
- c. Did SCG complete the backup camera installation program that SCG identified the 2016 GRC? Why or why not?
- d. How many backup sensors did SCG install in each year, 2014-2017?
- e. Please identify the cost of backup sensor installations of the type described in the passage for each year, 2014-2017.
- f. Did SCG complete the backup sensor installation program that SCG identified the 2016 GRC? Why or why not?

**Utility Response 10:**

- a. None.
- b. None.
- c. SoCal Gas did not complete the backup camera or backup sensor installation program because Safety moved to conduct and pilot other telematics and safety technology as well as other driver safety programs. However, please note all new light-duty vehicles come equipped with back-up cameras today as a new regulation (Regulation 49 CFR Part 571 (2014)).

d. – e

Description	2014	2015	2016	2017
Backup Sensor Installs	449	143	805	199
Avg cost of Each Install	\$192	\$128	\$217	\$209

- f. Please see response c.

**TURN DATA REQUEST-031**  
**SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8**  
**SDG&E\_SOCALGAS RESPONSE**  
**DATE RECEIVED: MARCH 15, 2018**  
**DATE RESPONDED: APRIL 17, 2018**

11. In the Forecast Adjustment Details for Shared Fleet Management on p. 86 of SCG-23-WP, SCG states for the \$289,000 “2017 Other” adjustment, “This forecast includes 1 incremental FTE for a trainer to support the SMOG program, 1 backfill FTE for a fleet maintenance advisor, and 1 backfill FTE for a fleet new vehicle quality assurance specialists.”

(TURN is aware of SCG’s claim in its response to ORA-SCG-33-2b, “retirements and backfill information were not used to derive the GRC forecast.” However, TURN may choose to present a GRC forecast that uses this information.

Therefore, TURN requests that SCG respond to each subpart of this request, whether or not the information was used to derive the utility’s GRC forecast.)

- a. Please identify, the date that the vacancies for the fleet maintenance advisor and fleet new-vehicle quality-assurance specialist each started.
- b. Please identify the number of employees that SCG hired in 2017 to backfill the each of the referenced vacancies (i.e., one FTE fleet maintenance advisor and one FTE new-vehicle quality assurance specialist).
- c. Please identify the average number of FTE (i) fleet maintenance advisors and (ii) new-vehicle quality assurance specialists that SCG recorded in each year, 2012-2017.
- d. Please identify the recorded cost of the Shared Fleet Management in 2017.

**Utility Response 11:**

- a. Maintenance Advisor, 9/2016; Quality Assurance specialist, 12/2015.
- b. Two employees were moved into this cost center in 2017, one Quality Assurance Specialist and one Manager.

c.

Description (Headcount)	2012	2013	2014	2015	2016	2017
i. Fleet Advisor				3	1	1
ii. Quality Assurance Specialist	1	1	1	2	1	1

- d. 2017 recorded financial information was provided to TURN on 3/22/2018.

**TURN DATA REQUEST-031**  
**SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8**  
**SDG&E\_SOCALGAS RESPONSE**  
**DATE RECEIVED: MARCH 15, 2018**  
**DATE RESPONDED: APRIL 17, 2018**

**Utility Response 11:-Continued  
Capital**

12. For each Project ID listed in ORA-SCG-036-LMW-Data Q1.xlsx, which is attached to ORA-SCG-36-1, please identify the recorded cost for each year, 2014-2016, inclusive.

**Utility Response 12:**

SoCalGas and SDG&E object to this request under Rule 10.1 of the Commission's Rules of Practice and Procedure on the grounds that the burden, expense and intrusiveness of this request clearly outweigh the likelihood that the information sought will lead to the discovery of admissible evidence. Subject to and without waiving the foregoing objection, SoCalGas and SDG&E respond as follows: SoCalGas has not completed an analysis of historical recorded costs by project ID. This request is burdensome to produce historical data in the manner requested. SoCalGas is able to produce the raw data that can be used to create this historical view upon request.

**TURN DATA REQUEST-031**  
**SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8**  
**SDG&E\_SOCALGAS RESPONSE**  
**DATE RECEIVED: MARCH 15, 2018**  
**DATE RESPONDED: APRIL 17, 2018**

13. Please identify the historical data for 2012-2017 for each of the items below, and provide the data in an Excel spreadsheet. To the extent that the item has projects of qualifying scope that have been assigned unique budget code, please include the budget code, project name and annual historical data. (Please refer to SDG&E's response to ORA-SDG&E-35-1a for the type of format and content we would like to see regarding additional projects with qualifying scope, if applicable.)

The page numbers of the following are from SDG&E-22-CWP.

- a. Structures & Improvement Blanket 2017 – 2019, Workpaper Group 701A.001 (p. 7)
- b. Facilities Renovations, Workpaper Group 623B (p. 13)
- c. Sustainability Projects, Workpaper Group 653C (p. 29)
- d. RAMP Incremental – Facility Security, Workpaper Group 653D (p. 35) (or the equivalent program, before RAMP)
- e. Safety/Environmental, Workpaper Group 654A (p. 44)
- f. Safety/Environmental – General Plant, Workpaper Group 654B (p. 47)
- g. Fleet Capital Tools Replacement, Workpaper Group 716A (p. 69)
- h. Fleet Training Center, Workpaper Group 716B (p. 74)
- i. Fleet UST Replacement Program Workpaper Group 716C (p. 79)

**Utility Response 13:**

SoCalGas and SDG&E object to this request under Rule 10.1 of the Commission's Rules of Practice and Procedure on the grounds that the burden, expense and intrusiveness of this request clearly outweigh the likelihood that the information sought will lead to the discovery of admissible evidence. Subject to and without waiving the foregoing objection, SoCalGas and SDG&E respond as follows: This request is burdensome to produce historical data in the manner requested. Upon request, SoCalGas is able to produce raw data that can be used to create this historical view. Please also see data response provided to ORA in ORA-158-LMW-Data for 2017.



**TURN DATA REQUEST-031**  
**SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8**  
**SDG&E\_SOCALGAS RESPONSE**  
**DATE RECEIVED: MARCH 15, 2018**  
**DATE RESPONDED: APRIL 17, 2018**

14. The ratio of Construction cost to the \$/SF estimate on p. 5 of SCG-23-WP-S-C appears to indicate that the size of the Pico Rivera Renovation Project is about 125,000 square feet. However, the response to ORA-SCG-37-3h indicates that the square footage of the existing building is 37,584 and does not identify any building expansion.

Please resolve the apparent discrepancy and identify the correct value.

**Utility Response 14:**

The scope of work for this project is described in ORA-SCG-037-LMW, data response 3h and correctly described the square footage and scope of work.

**TURN DATA REQUEST-031**  
**SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8**  
**SDG&E\_SOCALGAS RESPONSE**  
**DATE RECEIVED: MARCH 15, 2018**  
**DATE RESPONDED: APRIL 17, 2018**

15. Please identify the approximate number of employees who will be based at each of the following facilities once the renovation of each has been completed: Chatsworth, Compton, Anaheim, Pico Rivera, the Gas Control Facility, Logistics Warehouse, and Collaborative Training Facility.

**Utility Response 15:**

The specific number of employees for each site have not yet been determined. As a proxy, SoCalGas provides the number of employees currently at each of the proposed project sites below.

<b>Site</b>	<b>Current Capacity</b>
Anaheim Base	353
Chatsworth	266
Compton Base	235
Pico Rivera (Logistics Warehouse Inclusive)	456
Logistics Warehouse	--
Gas Control Facility	27

**TURN DATA REQUEST-031**  
**SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8**  
**SDG&E\_SOCALGAS RESPONSE**  
**DATE RECEIVED: MARCH 15, 2018**  
**DATE RESPONDED: APRIL 17, 2018**

16. Regarding SCG's response to ORA-SCG-37-3d, SCG states:

“SoCalGas did not complete a quantitative analysis of specific negative impacts to ratepayers as a result of these projects, however, failure to complete these projects would result in increased O&M expense to maintain aging infrastructure, inefficiency due to non-optimized use of current space, inefficiency due to lack of ergonomic features that support the health & wellness of our employees, and inefficiency in project scope by having to complete small O&M projects at these facilities as the need arises rather than a holistic approach to upgrading our facilities in a single capital project.”

- a. Please identify the annual, maintenance-related Facilities Operations (i.e., Workpaper 2RF004.000) expense for facility maintenance at each of the facilities identified for Facility Renovations (i.e., Chatsworth, Compton, Anaheim, and Pico Rivera) in each year 2014-2017.
- b. Please identify the annual expense in each year 2014-2017 related to the completion of “small O&M projects at these facilities as the need [arose]” that are the types of projects SCG claims would be obviated in the future under “a holistic approach to upgrading [its] facilities in a single capital project.”
- c. Please cite by volume and page number in test year 2019 GRC testimony and workpapers in which SCG adjusted its forecast(s) to remove or reduce the embedded cost of each of the following:
  - i. O&M expense to maintain aging infrastructure that will have been replaced by 2019 assuming that the Commission authorizes the proposed project.
  - ii. Inefficiency due to non-optimized use of current space.
  - iii. Inefficiency due to lack of ergonomic features that support the health & wellness of SCG's employees.
  - iv. Inefficiency in project scope by having to complete small O&M projects at these facilities as the need arises rather than a holistic approach to upgrading our facilities in a single capital project, which will have been replaced by 2019 assuming the Commission authorizes the proposed project.

**TURN DATA REQUEST-031**  
**SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8**  
**SDG&E\_SOCALGAS RESPONSE**  
**DATE RECEIVED: MARCH 15, 2018**  
**DATE RESPONDED: APRIL 17, 2018**

**Utility Response 16:**

a.

<b>TURN_DR-031-Q16a-OM Expenses (Nominal whole Dollars)</b>				
<b>LOCATION</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>CHATSWORTH</b>	\$ 576,123	\$ 505,867	\$ 425,607	\$ 637,195
<b>COMPTON</b>	\$ 522,615	\$ 534,478	\$ 435,249	\$ 465,273
<b>ANAHEIM</b>	\$ 797,728	\$ 639,725	\$ 611,751	\$ 646,719
<b>PICO RIVERA</b>	\$ 1,982,670	\$ 1,637,457	\$ 1,399,795	\$ 1,550,650

b. SoCalGas expects some of the costs below to be avoided as a result of a holistic approach to upgrading facilities in a single capital project. However, it is not possible to determine what, if any, of these costs will be avoided as the services/materials included in these costs include items for general repair and service and are not solely defined as “small O&M projects.”

<b>TURN_DR-031-Q16b-OM Expenses (Nominal whole Dollars)</b>				
<b>LOCATION</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>CHATSWORTH</b>	\$ 163,565	\$ 105,520	\$ 91,133	\$ 156,067
<b>COMPTON</b>	\$ 125,703	\$ 110,105	\$ 133,377	\$ 115,594
<b>ANAHEIM</b>	\$ 220,300	\$ 146,878	\$ 189,996	\$ 153,484
<b>PICO RIVERA</b>	\$ 617,609	\$ 451,214	\$ 407,292	\$ 399,570

c. SoCalGas did not forecast O&M expenses for Facility Operations in this manner. SoCalGas utilized a 5-year average to forecast O&M expenses as detailed in Exhibit SCG-23-WP, workpaper 2RF004.000, page 69. The facility renovations are anticipated to provide cost avoidance.

**TURN DATA REQUEST-031**  
**SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8**  
**SDG&E\_SOCALGAS RESPONSE**  
**DATE RECEIVED: MARCH 15, 2018**  
**DATE RESPONDED: APRIL 17, 2018**

17. Regarding SCG's response to ORA-SCG-37-9:

a. In part a, SCG states that the Bakersfield Multi-Use Facility was "approved by the Commission." Please cite the decision and page number in which the referenced project was approved by the Commission and provide the proceeding, exhibit and page number in which the company proposed the referenced project.

b. In part b, SCG states several efficiencies that the project would produce, including but not limited to minimizing employee travel, avoiding safety and efficiency issues from lack of an on-property diesel storage tank, addressing inadequate waste storage and material storage facilities, and traffic issues.

i. Please identify the amount of O&M savings that SCG expects to obtain from each of the separate, referenced efficiencies, all else equal. For each, please provide the supporting workpaper with documented and justified assumptions and intact calculations.

ii. Please cite to the location(s) within the instant GRC materials (i.e., testimony and/or workpaper volume and page number), if any, in which SCG reduces its GRC forecast to account for the expected efficiencies.

**Utility Response 17:**

a. Ordering Paragraph 2 on p. 103 of D.08-07-046 states: "The Test Year 2008 Settlement for Southern California Gas Company (SoCalGas), in Appendix 2, is adopted without modification." The project was proposed in A.06-12-010, Exhibit SCG-10, page RK-44.

b.i. Cost avoidance estimates were provided in ORA-SCG-37-LMW, Q9.b where applicable. SoCalGas did not perform a quantitative analysis for the items listed in this data requested, or other line items provided in ORA-SCG-37-LMW, Q9.b other than what was already provided in the response to ORA.

b.ii. Please see response 17.b.i. SoCalGas anticipates cost avoidance, thus, no cost reductions were forecasted.

**TURN DATA REQUEST-030**  
**SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8**  
**SDG&E\_SOCALGAS RESPONSE**  
**DATE RECEIVED: MARCH 15, 2018**  
**DATE RESPONDED: MAY 7, 2018**

18. Regarding the Facility Renovations workpapers on pp. 2-5 of SCG-23-WP-S-C, please provide the source and the justification for the source for the unit costs for each line item. If cost estimates are based on historical costs please provide a workpaper that identifies the annual historical costs and any calculations that the company applied to the historical costs to develop the estimate.

**Utility Response 18:**

The original cost estimates were forecasted as part of the TY 2016 GRC utilizing historical costs for each line item at that time, and the cost estimate assumptions and specific line item detail justification developed in 2014 are not available. As a basis for further evaluation, SoCalGas conducted a forecasting analysis of the costs for each project utilizing a recently completed project at Belvedere base, and adjusted the historical cost for individual project scope of work and project requirements based on building characteristics detailed in the following confidential documents attached, TURN\_DR-031-Q18-Belvedere, TURN\_DR-031-Q18-Anaheim, TURN\_DR-031-Q18-Chatsworth, TURN\_DR-031-Q18-Compton, TURN\_DR-031-Q18-Pico Rivera for each current project cost forecasts. Based on this analysis, the Facility Renovation costs originally forecasted in Exhibit SCG-23R and SCG-23-WP-S-C for TY2019 are more conservative than the actual 2018 costs to conduct the same renovations. **Confidential responses and attachments are marked as Confidential and Protected Materials Pursuant to P.U. Code Section 583, General Order 66-C/D, and D.16-08-024, and are accompanied by supporting declarations.** Access to such Protected Materials is restricted to those Reviewing Representatives who have signed the Non-Disclosure Certificate in ALJ Lirag's December 13, 2017 Protective Order.

**TURN DATA REQUEST-030**  
**SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8**  
**SDG&E\_SOCALGAS RESPONSE**  
**DATE RECEIVED: MARCH 15, 2018**  
**DATE RESPONDED: MAY 7, 2018**

19. At p. CLH-51:25-26, SCG states, “Resource constraints limited [SoCalGas’s] ability to execute on the UST removal and replacements as proposed in the last GRC (TY 2016).”

- a. Please describe in detail the “resource constraints” the company refers to in this context.
  
- b. Please state the annual recorded costs for 2015-2017, inclusive, for UST removal and replacements.

**Utility Response 19:**

a. SoCalGas’ GRC Application includes capital forecasts for assets projected to be in-service by the test year. These forecasts represent SoCalGas’ projection of the expenditures over the GRC forecast period. The duration between the development of the GRC project forecasts and the planned in-service date can be three or more years. For example, a forecast for a project in the TY2016 GRC may have been developed in late 2013 with a projected in-service date in 2016. As emergent and unanticipated work or circumstances arises subsequent to the preparation and submittal of the GRC Application, SoCalGas may reprioritize or re-allocate capital work within and across areas in a manner consistent with providing safe and reliable services. As stated in the direct testimony of Carmen L. Herrera, SCG-23, page CLH-51, lines 27 – 29, SoCalGas refocused its funding for certain projects, like accelerating the greening of the fleet, constructing and renovating their NGV stations” and constructing the Bakersfield facility.

b. SoCalGas did not remove or replace any USTs during the 2015 - 2017 period. However, SoCalGas spent, \$70,550 in 2015 and \$36,043 in 2016 to maintain the UST systems in compliance.