APPLICATION OF SOUTHERN CALIFORNIA GAS COMPANY & SAN DIEGO GAS & ELECTRIC COMPANY FOR AUTHORITY TO REVISE THEIR NATURAL GAS RATES AND IMPLEMENT STORAGE PROPOSALS EFFECTIVE JANUARY 1, 2020 IN THE TRIENNIAL COST ALLOCATION PROCEEDING

(A.18-07-024)

(DATA REQUEST TURN-SEU-11)

DATA RECEIVED: 4-3-19

DATE RESPONDED: 4-11-19

SUPPLEMENTAL DATE RESPONDED: 4-16-19

QUESTION 1:

Following up on TURN-SEU DR 2-6f, the response states:

The 71,556 single-family services and 7,200 multifamily services (new services in the last five years) on Schmid-Pines Customer Workpapers page 22 of 34 compared with the 82,389 single-family meter customers and 60.064 multi-family meter customers on Schmidt-Pines Workpaper page 17 of 34 are different because a service line in multi-family can serve more than one customer meter. Yes, some services, particularly in multifamily, serve more than one customer. SoCalGas reflects this fact in the customer related marginal cost study through its estimate of lower service line length for multifamily customers.

- a. Please explain in detail and provide supporting quantification to demonstrate how "the estimate of lower service line length" was derived and specifically how it reflects the "fact" that "some services, particularly in multi-family, serve more than one customer."
- Please confirm that SoCalGas estimates the cost of a new service in 2016 dollars to be \$1567.00 for each of SoCalGas's single-family customers and \$1566.90 for each of SoCalGas's multi-family customers (Schmid-Pines Customer Workpapers page 22 of 34). In addition, if SoCalGas contends that the 10-cent difference in cost adequately reflects the "fact" that many multi-family customers do not have individual services, please explain the basis for that contention.
- c. Is it reasonable to assume that with 7,200 services and 60,064 meters, new multifamily services installed in the last five years served an average of about 8.3 customers each (60,064 divided by 7,200)? If not, please provide SoCalGas's best estimate of the average number of multi-family customers served by a single service and provide a numerical derivation.

RESPONSE 1:

- a. See attachment, TURN-SEU-11 1 a.xls.
- b. Response previously submitted.
- c. No. The average number of multi-family customers served by a single service is 7.3. See attachment provided in Response 1a. This is derived by the Total Outlet Connections ("units served by the service) (i.e., 52,418, column D) divided by the number of new customers (last 5 years, column C) (i.e., 7,200).