APPLICATION FOR REVIEW OF COSTS INCURRED IN EXECUTING PIPELINE SAFETY ENHANCEMENT PLAN (PSEP) (A.18-11-010)

(TURN Data Request-01)

Date Requested: February 25, 2019 Date Responded: March 13, 2019

QUESTION 01:

Please provide the tables on pp. WP-IX-A2 through A4 in Excel spreadsheet format.

RESPONSE 01:

Please see attachment "TURN DR-01_Q01 Ch. IX Ed Reyes_Rev Req".

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QUESTION 02:

Please provide the following for each project with costs for recovery in "Distribution" as shown on p. WP-IX-A4:

- a. How is the pipe defined or classified (transmission, distribution or something else) pursuant to applicable federal regulations;
- b. How is the pipe defined, classified or functionalized (backbone transmission, local transmission, high pressure distribution, or something else) for cost recovery or cost allocation purposes? Please provide citations to any relevant Commission decisions authorizing this classification.
- c. If the pipeline is defined or classified differently under federal regulations versus for cost allocation purposes, please explain why the definitions are different. Please provide citations to any relevant Commission decisions.
- d. It appears from the project-specific workpapers that each of these projects is identified as a "transmission" pipeline in the text. If that is the case, please explain why costs are functionalized to high pressure distribution, if not explained in response to prior subsections.

RESPONSE 02:

- a. All of the pipeline projects identified as Distribution in WP-IX-A4 meet the definition of transmission per Title 49 CFR Part 192 Subpart A.
- b. Pipelines meeting the definition of transmission per Title 49 CFR Part 192 Subpart A are classified as either Backbone, Local, or High-Pressure Distribution Supply for cost allocation purposes. The Backbone and Local classifications were first authorized in D.11-04-032 (FAR Update proceeding). Pipelines are classified by SoCalGas/SDG&E as backbone transmission if they receive gas from receipt points and transport it to SoCalGas' storage fields and local transmission system. Local transmission pipelines transport gas from backbone pipelines and storage fields to the distribution system.

High-pressure distribution supply lines are defined by SoCalGas and SDG&E's Workpaper Appendix B - Glossary at WP-G-12 as follows:

Supply Line – A distribution supply line can be either a transmission line or distribution main and is operated at a pressure more than 60 psig, and supplies more than one or more distribution regulator stations, or supplies three or more customers. Distribution supply lines are functionalized by SoCalGas and SDG&E as High-Pressure Distribution for cost allocation purposes.

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RESPONSE 02 (Continued):

- c. High pressure pipelines meeting the definition for transmission specified in Title 49 CFR Part 192 Subpart A are functionalized as either backbone transmission, local transmission or high-pressure distribution on the SoCalGas and SDG&E system in accordance with pipeline classifications adopted in D.09-11-006, D.11-04-032 and D.14-06-007.
- d. Please see response to Question 2c above.

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QUESTION 03:

Re. Chapter 10. Please reproduce Table 13 (including all columns) with the assumption that all costs in Table 12 presently allocated to HPD are instead allocated to local transmission.

RESPONSE 03:

SoCalGas and SDG&E object to this question on the grounds the hypothetical question is based on inaccurate assumptions, namely that such an allocation methodology has been approved by the Commission and may be used, and that SDG&E has a local transmission system. SoCalGas and SDG&E further object to this question on the grounds that changing the cost allocation methodology is not within the scope of this proceeding and thus, pursuant to the CPUC's Rules of Practice and Procedure Rule 10.1, this question is not "reasonably calculated to lead to the discovery of admissible evidence."