

**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 CAL ADVOCATES-DR-021)**

**DATA RECEIVED: 11-28-19**

**DATE RESPONDED: 12-20-18**

---

**QUESTION 1:**

Data Request 10, response 1a, stated “The observed trend of the service line cost, relative to meter cost, between the 2016 TCAP and the 2020 TCAP increased as a result of paving costs that have gone up over the years along with additional backfill requirements driven by new regulations, while meter costs decreased as a result of better pricing associated with larger number of meters and regulators purchased for the AMI project and lower labor costs due to the meters coming with an AMI device already installed.” In a technical discussion on October 28, 2019, Cal Advocated requested SoCalGas provide further explanation.

**RESPONSE 1:**

Regarding paving cost increase, franchise agreements are re-negotiated as cities are requesting annual increases to permitting and inspection costs for installing service lines to distribution mains. Further, paving requirements have changed with some cities requesting slurry backfill, which is more expensive and time consuming than native backfill. Cities are also asking for cold planing (i.e, paving milling) of excavations to protect the integrity of streets that are excavated along with stricter safety requirements of recessed plating adding additional costs to projects regarding grinding of streets and larger restoration areas, increasing cost. A photo of paving milling is provided below.

New backfill requirements (pursuant to General Order 112-F), which state that operations such as minimum cover/shading (backfill) are to be operator qualified, requires qualified personnel to complete this work. With this change, many isolated service projects now must be backfilled by company/contractor crews, which adds additional time and labor costs to a project where a customer cannot obtain an operator qualified backfill contractor.

**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 CAL ADVOCATES-DR-021)**

**DATA RECEIVED: 11-28-19**

**DATE RESPONDED: 12-20-18**

---

Slurry backfill – Typically more than one day to complete (to allow slurry to dry/cure) and coordinate paving and additional labor/time



Hand Backfill – Typically one day and paving could be done same day, at lower labor cost



**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 CAL ADVOCATES-DR-021)**

**DATA RECEIVED: 11-28-19**

**DATE RESPONDED: 12-20-18**

---

Cold Planing involves grinding of paving, additional labor and paving involved, in contrast to an isolated cut or repair.

