Exhibit Reference: SCG-39
Witness: Payan
Subject: SCG-39 – Gas Customer Forecast

The following questions relate to SCG-39, "Gas Customer Forecast." References to "workpapers" relate to the relevant workpapers for this exhibit, "SCG-39-WP-S R Payan."

1. Please provide Table RMP-1 (page RMP-2) in Excel including working formulas. Please provide all supporting workpapers/data.

**Utility Response 01:**

Please refer to the separately attached Excel file, "TURN SEU 009.xls." The requested data is located in the tab labeled "TURN SEU Q1."

2. Page RMP-4, lines 2-4, state "The factor used to splice out inactive customers for the forecast period is based on a three-year average period of the inactive meters' share in total connected meters for each of four individual and separate quarters in the time series."

    a. Please provide this calculation in Excel with all relevant source data.

    b. Please explain why the testimony text states that a three-year average is used but Table RMP-2 shows a 2016 average of active versus connected meters.

**Utility Response 02:**

    a. The information requested is located in the tab labeled "TURN SEU Q2" of the separately attached Excel file, "TURN SEU 009.xls." The section of interest is highlighted in yellow.

    b. Table RMP-2 intentionally shows the share of active meters as a percent of connected meters. The text on lines 2-3 of page RMP-4 refers to the process of establishing a historical measure of the inactive meters' share of connected meters by customer class. For each separate quarter, a three-year average formed the basis for the inactive share of the total meter count.

3.  Please provide the five-year average of active versus connected meters in the same format as Table RMP-2 (p. RMP-4).

**Utility Response 03:**

Although not indicated in this question, it has been assumed that TURN is requesting historical data covering the five years of 2012-2016.  The data requested is included in the tab labeled "TURN SEU Q3" of of the separately attached Excel file, "TURN SEU 009.xls."

4.  Please provide Table RMP-3 (testimony page RMP-5) in Excel, and include historical 2010-2015 information for all line items (active meters by customer class).


**Utility Response 04:**

Please refer to the separately attached Excel file, "TURN SEU 009.xls" under the tab labeled "TURN SEU Q4."

5.  Please provide the housing starts *forecasted* by SCG in the TY 2012 and TY 2016 GRCs, presented separately by GRC and by month or quarter for each year included in SCG's forecast in that GRC. Please include all workpapers and a definition of all acronyms. Please also identify where the forecast comes from (e.g. IHS Global Insight and/or another third-party).

**Utility Response 05:**

Please refer to the separately attached Excel file, "TURN SEU 009.xls" under the tabs labeled "TY 2012 GRC Q5" and "TY 2016 GRC Q5."  This information can also be found in the prior GRC workpapers.   TURN can access SoCalGas' workapers, which include the definition of acronyms, from the TY 2012 and TY 2016 GRC proceedings on the SoCalGas website:

- TY 2012 GRC: https://www.socalgas.com/regulatory/A1012006.shtml, *see* SCG-30-WP Wilder.
- TY 2016 GRC: https://www.socalgas.com/regulatory/A1411004.shtml, *see* SCG-30 Rose-Marie_Payan_WP.

6.  Please provide the total number of active meter connections *forecasted* by SCG in the TY 2012 and 2016 GRCs for each customer class listed in Table RMP-3 (page RMP-5 of testimony) on an annual basis for all forecast years. Please include all workpapers related to this response.

**Utility Response 06:**

Please refer to the separately attached Excel file, "TURN SEU 009.xls" under the tabs labeled "TY 2012 GRC Q6" and "TY 2016 GRC Q6."  For the workpapers, please see the response to Question 5.

7. Please explain any significant changes in SCG's forecasting methodology from the TY 2016 and 2012 GRCs to this GRC (TY 2019).

**Utility Response 07:**

SoCalGas objects to this request under Rule 10.1 of the Commission's Rules of Practice and Procedure to the extent it seeks the production of information that is neither relevant to the subject matter involved in the pending proceeding nor is likely reasonably calculated to lead to the discovery of admissible evidence. Subject to and without waiving the foregoing objection, SoCalGas responds as follows:

While SoCalGas' forecasting methodologies for the TY 2016 and TY 2012 GRCs are explained in the testimonies and workpapers of the sponsoring witnesses referenced in response to Question 5 above, the TY 2012 GRC methodology was not examined for purposes of establishing the gas customer forecast for the TY 2019 GRC. Starting in the 2016 GRC, SoCalGas incorporated housing starts instead of building permits due to the stronger relationship between a housing start and a housing completion. The major drivers for SoCalGas' forecasting methodology remained the same between the TY 2016 and TY 2019 GRCs.

8. SCG states on p. RMP-3 that it uses econometric and statistical techniques to develop quarterly forecasts of residential, commercial, and industrial customers. Please provide a list of all statistically insignificant variables from the regression results for each customer class.

**Utility Response 08:**

All preliminary models that did not lead to the final forecast preparation are not available.