Exhibit No: ____________________
Docket No.: R.13-11-005
Witness: Deanna R. Haines

PREPARED DIRECT TESTIMONY OF

DEANNA R. HAINES

ON BEHALF OF SOUTHERN CALIFORNIA GAS COMPANY

(OSC Ordered Items of Testimony 3 and 4)

January 10, 2020

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PREPARED DIRECT TESTIMONY OF DEANNA R. HAINES

(OSC Ordered Items of Testimony 3 and 4)

I. PURPOSE

The purpose of my prepared direct testimony on behalf of Southern California Gas Company (SoCalGas) is to address certain requirements in the December 2, 2019 Assigned Commissioner's Amended Scoping Memo and Ruling for Order to Show Cause Against SoCalGas (Scoping Ruling). The Scoping Ruling directs SoCalGas to submit testimony related to its energy efficiency codes and standards advocacy, and prescribes that the testimony specifically:

1) Explain how SoCalGas accounts for codes and standards advocacy (C&S) activities including but not limited to all the items Cal Advocates asked about in its data requests;
2) Provide account entries for all C&S work charged to the Demand Side Management Balancing Account since June 1, 2018, including a description of its search to find any additional entries not previously identified;
3) Explain why the C&S activities cited in Cal Advocates' motion as in SoCalGas's Operation and Maintenance (O&M) and the General Rate Case (GRC) accounts were charged to those accounts, and provides all relevant account entries for those items; and
4) Provide any additional C&S-related charges in the O&M and GRC accounts and explain how SoCalGas found them (as well as any accounting adjustments that may have been made at any point to those charges).[1]

Items 1 and 2 above are addressed in the Prepared Direct Testimony of Darren Hanway. This testimony is limited to addressing items 3 and 4. Pursuant to the Scoping Ruling,[2] an officer verification is attached as Appendix A to this testimony.

II. BACKGROUND

The Scoping Ruling summarizes the allegations from the Public Advocates Office (Cal Advocates) as follows: SoCalGas "continued to charge ratepayers for energy efficiency codes

[1] Scoping Ruling, p. 4.
[2] *Id.* at p. 3.

and standards advocacy for nearly a month after the Commission ordered Respondent to cease such advocacy" and that SoCalGas "submitted misleading and inaccurate information that minimized the full extent of its codes and standards advocacy after the Commission ordered Respondent to cease its ratepayer-funded advocacy."[3] The Scoping Ruling notes that, if these allegations are true, the scope of this Order to Show Cause (OSC) are "If Respondent failed to comply with Decision (D.) 18-05-041, should Respondent be fined, penalized, or have other sanctions imposed for such failure; and 2. Whether Respondent failed to comply with Rule 1.1 of the Commission's Rules of Practice and Procedure, and if so, whether Respondent should be fined, penalized or have other sanctions imposed for such failure."[4]

At issue, then, is SoCalGas' compliance with D.18-05-041, specifically Ordering Paragraph 53, which states that "[SoCalGas] is prohibited from participating in statewide codes and standards advocacy activities, other than to transfer ratepayer funds to the statewide lead for codes and standards, during this business plan period."[5] It is my understanding that, while ambiguous in the decision, SoCalGas has since interpreted the prohibition on "statewide [energy efficiency] codes and standards advocacy activities" to include federal codes and standards advocacy undertaken as part of its Energy Efficiency Codes & Standards Advocacy program activity.[6] At no point has SoCalGas (or Cal Advocates in its motion) interpreted the prohibition to include activity undertaken by SoCalGas related to local codes and standards, including

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[3] *Id.* at p. 2.
[4] *Id.*
[5] D.18-05-041, p. 193.
[6] *See*, *e.g.*, Response of Southern California Gas Company to the Motion of the Public Advocates Office for an Order to Show Cause Why Southern California Gas Company Should not be Sanctioned for Violating a Commission Order and Rule 1.1 of the Commission's Rules of Practice and Procedures, pp. 6-8 (July 30, 2019), *available at* http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M313/K821/313821404.PDF (hereinafter "SoCalGas Response to Cal Advocates' Sanctions Motion").

activity undertaken as part of the local codes and standards subprograms that are part of SoCalGas' EE portfolio.[7]

It is also my understanding that SoCalGas' position is that D.18-05-041's prohibition applies to funding statewide and federal energy efficiency codes and standards advocacy using funds authorized as part of the Energy Efficiency Business Plan, which are generally balanced in SoCalGas' Demand Side Management Balancing Account (DSMBA), and does not apply to activities occurring in other parts of SoCalGas' business, such as that which is funded through its GRC.[8] My understanding is that the scopes of EE funding and GRC funding are separate. I nonetheless address in this testimony the request in the Scoping Ruling for more information outside of the EE proceeding regarding energy efficiency codes and standards-related charges in SoCalGas' Operations and Maintenance (O&M) and GRC accounts. Consistent with D.18-05-041's prohibition and the time period within the scope of this OSC, my testimony addresses codes and standards (C&S) activity since June 1, 2018 that is:

1) energy efficiency C&S related (excluding, e.g., codes and standards dealing with safety);

2) ratepayer funded outside of the DSMBA (excluding, e.g., shareholder funded activity); and

3) *advocacy* at the state or federal level.

For the purposes of this testimony, I address activity through November 30, 2019. While SoCalGas salaried employees generally do not track and record their time in such a way that would be of assistance here, this testimony (particularly in response to Ordered Item of

[7] *See* Prepared Direct Testimony of Darren Hanway, p. 2, for a description of these local codes and standards subprograms.

[8] *See*, *e.g.*, D.19-09-051, p. 380 and FOF 172 (SoCalGas' GRC Decision rejected parties' arguments to disallow ratepayer funding for activities they argued were inappropriate advocacy and/or lobbying, including SoCalGas comment letters to the California Energy Commission (CEC), and finding "[t]he comment-letters sent by SoCalGas to state and local government agencies . . . when read as a whole and in its entirety, do not constitute efforts to block measures to replace natural gas with electric options.")

Testimony 4) was prepared by meeting with the groups within SoCalGas most likely to engage in such activity (if at all), querying those groups on their recollections of activity related to energy efficiency codes and standards advocacy, and providing those responses. SoCalGas reserves the right to supplement its testimony if it identifies other activity that is responsive to the Scoping Ruling's requested information.

III. ORDERED ITEM OF TESTIMONY 3

The Scoping Ruling requires SoCalGas to "explain why the C&S activities cited in Cal Advocates' motion as [sic] in SoCalGas's Operation and Maintenance (O&M) and the General Rate Case (GRC) accounts were charged to those accounts, and provides all relevant account entries for those items."[9] Cal Advocates' motion at footnote 88 states "while most EE charges are in the DSMBA, SoCalGas charged its Operations and Maintenance Account for participation of an employee in the Appliance Standards and Rulemaking Federal Advisory Committee (ASRAC). See footnote 71. SoCalGas also charged the General Rate case for employee participation in a building decarbonization meeting. See footnote 79."[10] This testimony will therefore address these two activities.

A. Appliance Standards and Rulemaking Federal Advisory Committee

As provided to Cal Advocates in response to data requests,[11] a SoCalGas employee held a seat on the Appliance Standards and Rulemaking Federal Advisory Committee (ASRAC) from

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[9] Scoping Ruling, p. 4.

[10] Motion of the Public Advocates Office for an Order to Show Cause why Southern California Gas Company Should Not be Sanctioned for Violating a Commission Order and Rule 1.1. of the Commission Rules of Practice and Procedure, p. 16 (July 15, 2019), available at http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M312/K060/312060052.PDF.

[11] Appendix A to the testimony of Darren Hanway [SoCalGas' Amended Response to CAL-ADVOCATES-HB-SCG-2018-13 (September 11, 2019); SoCalGas' Amended Response to CAL-ADVOCATES-HB-SCG-2019-01 (September 11, 2019); SoCalGas' Response to CAL-ADVOCATES-HB-SCG-2019-10 (August 29, 2019).]

December 1, 2016 to February 6, 2019. The time spent by the SoCalGas employee on ASRAC related activities since June 1, 2018 amounted to approximately 30 minutes of time.[12] None of the employee's time related to ASRAC since June 1, 2018 amounted to federal or statewide energy efficiency codes and standards advocacy.

ASRAC was created by the office of Energy Efficiency and Renewable Energy, an office of the U.S. Department of Energy (DOE) "as a discretionary advisory committee to provide advice and recommendations related to" development of minimum efficiency standards for appliances and equipment; development of product test procedures; certification and enforcement of standards; labeling of various appliances and equipment; and specific issues of concern to the Energy Department.[13] An employee of SoCalGas was appointed to ASRAC on December 1, 2016. The employee was appointed based on her subject matter expertise. The employee is a graduate of the University of California, Berkeley, earned the status of Certified Energy Manager, Certified Energy Auditor, and Certified Demand Side Management Specialist from the Association of Energy Engineers, and has held numerous positions in the fields of energy and energy efficiency. Further, the employee had been an active member of the Association of Energy Engineers (AEE), US Green Building Council (USGBC), and the American Society of Heating Refrigerating and Air Conditioning Engineers (ASHRAE). There is not a dedicated "SoCalGas seat" on ASRAC and the employee's appointment was the first time a SoCalGas employee has held a seat on ASRAC. The employee's appointment to ASRAC was not related to the two Statewide C&S advocacy programs that are part of the EE portfolio.

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[12] Appendix A to the testimony of Darren Hanway [SoCalGas' Amended Response to CAL-ADVOCATES-HB-SCG-2018-13 (September 11, 2019), Response to Q20; SoCalGas' Response to CAL-ADVOCATES-HB-SCG-2019-10 (August 29, 2019), Response to Q5.]

[13] Appliance Standards and Rulemaking Federal Advisory Committee, *available at* https://www.energy.gov/eere/buildings/appliance-standards-and-rulemaking-federal-advisory-committee.

The employee's first term expired December 2018. The employee's seat was rolled into the next term and concluded effective February 6, 2019.

During the employee's time on ASRAC between June 1, 2018 to the end of her term, ASRAC was in effect an inactive committee. The employee was not a member of the ASRAC working groups, did not attend in-person ASRAC meetings or meetings via teleconference or other electronic presence during that time, and did not participate in advocacy to the DOE, including the review or drafting of comments or advice, in relation to a particular energy efficiency code or standard. The employee's activities related to her membership on ASRAC since June 1, 2018 are summarized below:

1. On June 28, 2018, the employee participated in an approximately 30 minute meeting with SoCalGas' consultant regarding current rulemaking proceedings, including DOE docket activity.[14] The meeting was also attended by the SoCalGas employee who, as part of the EE Statewide C&S advocacy programs, spent time on statewide and federal energy efficiency codes and standards advocacy as addressed in the testimony of Darren Hanway.

2. On November 16, 2018, the employee spent approximately two minutes sending an email to approve a variable refrigerant flow multi-split air conditioners and heat pumps (VRF) working group's request for an extension for their lab testing.[15]

No non-labor costs (such as travel expenses) were incurred by the employee as a result of her participation in ASRAC between June 1, 2018 and the end of her term. The consultant costs associated with the 30 minute meeting identified above were originally charged to the DSMBA and have since been moved to shareholder funded accounts, as addressed in the testimony of Darren Hanway.

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[14] Appendix A to the testimony of Darren Hanway [SoCalGas' Amended Response to CAL-ADVOCATES-HB-SCG-2018-13 (September 11, 2019), Response to Q20; SoCalGas' Response to CAL-ADVOCATES-HB-SCG-2019-10 (August 29, 2019), Response to Q5.]

[15] Appendix A to the testimony of Darren Hanway [SoCalGas' Response to CAL-ADVOCATES-HB-SCG-2019-10 (August 29, 2019), Response to Q5.]

The employee is a salaried employee and her labor during June 1, 2018 to the end of her term on ASRAC was charged to accounts which are funded through the GRC. However, as the historical costs for the 2018-2019 period are part of the next GRC that has not yet been filed, accounting can be subject to future adjustments during that cycle. SoCalGas' salaried employees do not track their time each day with the intent of reporting an hourly log of activities. In addition, as a salaried employee, the employee would have been paid the same amount regardless of whether she had been a member of ASRAC or not and her normal workload did not go away as a result of the activities identified above. In response to a data request, SoCalGas previously estimated less than $50 in labor costs associated with the employee's participation in ASRAC.[16] This is an estimate as SoCalGas' salaried employees do not track their time by activity or task, and are not paid by activity or task. In any event, as detailed above, none of the employee's activity amounted to federal or statewide energy efficiency codes and standards advocacy.

B. Building Decarbonization Meeting

On June 26, 2018, three SoCalGas employees participated in a conference call with employees from Pacific Gas and Electric Company (PG&E) related to building decarbonization.[17] None of the time associated with the call, including prep time, time on the call, or follow up time, amounts to federal or statewide energy efficiency codes and standards advocacy.

The purpose of the conference call was to exchange information on recent studies of interest to the utilities. One item on the meeting agenda was listed as "Building Decarbonization

[16] Appendix A to the testimony of Darren Hanway [SoCalGas' Response to CAL-ADVOCATES-HB-SCG-2018-13 (September 11, 2019), Response to Q23.]

[17] *See* Appendix A to the testimony of Darren Hanway [SoCalGas' Response to CAL-ADVOCATES-HB-SCG-2018-13 (September 11, 2019), Response to Q16; SoCalGas' Amended Response to CAL-ADVOCATES-HB-SCG-2019-01 (September 11, 2019), Response to Q2.]

Activities through 2019" and contained sub-bullets: (1) Codes and Standards and (2) Local reach codes and CCA activity. The SoCalGas employees on the call were not funded through the DSMBA. The three SoCalGas employees who participated on the call do not recall the specific discussion related to the codes and standards agenda item and only recall that time spent on the subject was very brief. A PG&E response to a data request from Cal Advocates regarding the same call provides that "SoCalGas participants reviewed the limitations on their participation in codes & standards advocacy."[18] One SoCalGas employee estimated she spent approximately 18 minutes preparing for the conference call; all three SoCalGas employees spent approximately an hour and a half on the call, and one SoCalGas employee estimated she spent approximately 30 minutes on follow-up items after the call. None of this time amounted to federal or statewide energy efficiency codes and standards advocacy.

All three employees are salaried employees and their labor is charged to accounts which are funded through the GRC. However, as the historical costs for the 2018-2019 period are part of the next GRC that has not yet been filed, accounting can be subject to future adjustments during that cycle. SoCalGas' salaried employees do not track their time each day with the intent of reporting out an hourly log of activities. In addition, as salaried employees, these employees would have been paid the same amount regardless of whether they had participated in the call or not and their normal workload did not go away as a result of the activities identified above. SoCalGas therefore does not have a calculation of any labor costs associated with these activities and there are no associated non-labor costs.

[18] *See*, *e.g.*, SoCalGas Response to Cal Advocates' Sanctions Motion, Appendix A [PG&E Response to Cal Advocates' Data Request No. ORA-HB-PGE-2018-014/PG&E No. ORA_27 and Cal Advocates Data Request No. ORA-HB-PGE-2018-014/PG&E No. ORA_27 (Follow-up-01).]

IV. ORDERED ITEM OF TESTIMONY 4

The Scoping Ruling requires SoCalGas to "provide any additional C&S-related charges in the O&M and GRC accounts and explain how SoCalGas found them (as well as any accounting adjustments that may have been made at any point to those charges)."[19] As noted above, this testimony addresses C&S-related charges that are: 1) EE C&S-related; 2) ratepayer funded (excluding funding through the DSMBA); and 3) federal or statewide advocacy. With that scope in mind, SoCalGas has not been able to identify any additional C&S-related charges that are within the scope of item four. Nonetheless, in order to be transparent and in an attempt to answer certain questions that have already been raised by other parties, SoCalGas does highlight herein three areas of activity for informational purposes, and explains why SoCalGas does not believe the activity is within the scope of the testimony ordered under item four. SoCalGas also identifies whether the accounts originally charged for the activities discussed are generally ratepayer or shareholder funded. During the development of the GRC forecasts, it is sometimes necessary to remove incurred costs so that ratepayers are not funding activities that should be borne by shareholders.

A. California Energy Commission (CEC) 2022 California Energy Code Update (Title 24)

On March 5, 2019, the CEC opened a new docket, 19-BSTD-03, for the 2022 Energy Code Pre-Rulemaking.[20] The CEC updates the Energy Code (Building Energy Efficiency Standards) for new construction of, and additions and alterations to, residential and nonresidential buildings on an approximately three-year cycle. The last update occurred for

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[19] Scoping Ruling, p. 4.

[20] California Energy Commission Docket Log, *available at*, https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=19-BSTD-03.

codes effective January 1, 2020. According to the CEC, its enabling statute requires that measures adopted be "cost effective, when taken in their entirety, and when amortized over the economic life of the structure when compared with historic practice."[21] The CEC has also noted that for the 2022 Energy Code update, they are "considering options to modify compliance baselines and metrics to increase the Energy Code's support for the state's carbon-reduction goals."[22]

A lead commissioner workshop was held on October 17, 2019, to present and discuss the update to the code compliance metrics for the 2022 California Energy Code. The workshop included presentations on the update to the California Building Energy Code Compliance (CBECC) weather files, life cycle costing, the update to the 2022 Time Dependent Valuation (TDV) of energy, alternative metrics considered, and the results of research into potential alternative metrics.[23] The workshop presented final proposed metric(s) for the 2022 Energy Code and concluded with a comment/question and answer period. The CEC also solicited written public comment, which was due on November 30, 2019.

One SoCalGas employee and one SoCalGas consultant remotely attended the October 17, 2019 lead commissioner workshop via the CEC's online meeting service.[24] The SoCalGas employee is a salaried employee and her labor is charged to accounts which are funded through the GRC. Likewise, the consultant's contract is charged to accounts which are funded through the GRC. However, as the historical costs for the 2018-2019 period are part of the next GRC that has not yet been filed, accounting can be subject to future adjustments during that cycle.

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[21] Notice of Lead Commissioner Workshop, CEC Docket No. 19-BSTD-03, docketed on September 17, 2019.
[22] *Id.*
[23] *Id.*
[24] As this workshop was available over the internet, it is possible additional SoCalGas employees viewed the workshop for their own informational purposes.

None of these costs are charged to accounts that are funded by the DSMBA and the employee's and consultant's attendance at the workshop was not undertaken as part of the two Statewide C&S advocacy programs that are part of the EE portfolio. One SoCalGas employee distributed notes from the workshop to other SoCalGas employees for general awareness of the discussion that was held at the workshop. SoCalGas considered submitting written comments following the workshop, as solicited by the CEC, which included considering the engagement of a separate outside consultant. SoCalGas did reach out to an outside consultant to potentially seek support on comment preparation; however, further engagement on the matter did not occur. Ultimately, SoCalGas did not submit comments in response to the workshop. Accordingly, SoCalGas does not identify the activity described here as in scope for this OSC, as the meeting was attended by SoCalGas for informational purposes and no advocacy took place.

B. American Public Gas Association (APGA) Direct Use Task Group (DUTG)

SoCalGas is a member of the APGA. SoCalGas is aware that the APGA at times engages in energy efficiency codes and standards advocacy, which is one aspect of the many activities and functions of the organization. As detailed below, SoCalGas' 2018 APGA dues were charged in part to an account funded by the GRC and in part to an account funded by shareholders and its 2019 APGA dues were charged entirely to accounts funded by shareholders. In addition, SoCalGas is but one member of the organization and does not recall participating in the advocacy undertaken by the APGA on energy efficiency codes and standards.

In 2018, SoCalGas paid membership dues of $50,000 to the APGA. Half of the membership dues ($25,000) were charged to an account that is associated with GRC ratepayer funds, and half of the membership dues ($25,000) were charged to an account that is shareholder funded. In 2019, SoCalGas again paid $50,000 to APGA. However, in 2019, all $50,000 was charged to shareholder-funded accounts.[25] As the historical costs for the 2018-2019 period are part of the next GRC that has not yet been filed, accounting can be subject to future adjustments during that cycle.

As a member of the APGA, SoCalGas participates in the organization's Direct Use Task Group (DUTG). The purpose of the DUTG is generally to focus on researching, identifying, communicating, educating, and valuing the direct use of natural gas, renewable natural gas, and new technologies, as well as to support reductions in greenhouse gas emissions in all sectors, affordability of energy, and reliability and resiliency of energy infrastructure. Since June 1, 2018, I have attended three meetings of the DUTG: on December 12, 2018, May 8, 2019, and August 20, 2019.[26] Nonlabor costs (e.g., travel and meal expenses) of $877.43 associated with the December 2018 DUTG meeting and $957.35 associated with the May 2019 DUTG meeting were charged to accounts which are funded by ratepayers in the GRC. Nonlabor costs of $1,121.45 associated with the August 2019 DUTG meeting were charged to an account which is shareholder funded. As the historical costs for the 2018-2019 period are part of the next GRC that has not yet been filed, accounting can be subject to future adjustments during that cycle.

I am a salaried employee and my labor is charged to accounts which are funded through the GRC. Based on recollection, I spent approximately 16 hours at each of the three DUTG meetings. SoCalGas' salaried employees do not track their time each day with the intent of

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[25] SoCalGas' data request response to Cal Advocates issued outside of this docket (data request HB-SCG-2019-11) contained an inadvertent error in describing the 2019 charges as being half ratepayer funded. However, the internal orders these costs were charged to are shareholder funded. SoCalGas served its amended response to this data request to Cal Advocates on January 10, 2019, correcting this error.

[26] Another SoCalGas employee attended a November 13-14, 2019 AGPA DUTG meeting as my proxy. The employee does not remember any discussion of energy efficiency codes and standards advocacy topics at the meeting. The non-labor expenses ($1,846.55) for the employee's attendance at this meeting were charged to accounts that are ratepayer funded through the GRC. The employee is a salaried employee whose labor costs are also charged to accounts that are ratepayer funded through the GRC (and not funded through the DSMBA).

reporting an hourly log of activities. In addition, as a salaried employee, I would have been paid the same amount regardless of whether I had attended the meetings or not, and my normal workload did not go away as a result of the activities identified above. Thus, SoCalGas does not have a calculation of any labor costs associated with these activities. Regarding the internal orders charged for the nonlabor costs, these are the internal orders originally charged for the identified expenses. As the historical costs for the 2018-2019 period are part of the next GRC that has not yet been filed, accounting can be subject to future adjustments during that cycle.

All of this information notwithstanding, SoCalGas does not believe its involvement in the DUTG constitutes EE C&S advocacy activity that is contemplated in this OSC. Only a small portion of the activity undertaken by the DUTG is related to EE C&S advocacy, and SoCalGas attends the DUTG meetings to follow the organization's work and to participate as a dues-paying member. The meetings contain a variety of topics and are not solely focused on one issue. SoCalGas does not drive the agenda for the DUTG, and is but one participant. Further, during the time period in question (June 1, 2018 to November 30, 2019), SoCalGas does not recall participating in any EE C&S advocacy undertaken by the APGA. For example, I do not recall receiving any drafts of comments by the APGA related to EE C&S advocacy nor do I recall being given the opportunity to provide edits or suggestions to such comments. In addition, although items related to EE C&S are sometimes discussed at meetings, SoCalGas has not, for example, voiced an opinion on whether the APGA should lobby or advocate on a given code or standard related to energy efficiency.[27] Although SoCalGas does not believe SoCalGas' membership in the APGA and attendance at meetings of that organization is enough to be

[27] Although SoCalGas does not recall participating in federal or statewide C&S advocacy as part of its DUTG membership since June 1, 2018, SoCalGas does believe it is nevertheless appropriate for SoCalGas to be able to speak and participate on issues affecting the company and natural gas at industry meetings, as the other IOUs also do.

considered statewide or federal EE C&S advocacy, even if it were, this activity is not related to the two Statewide C&S advocacy programs that are part of the EE portfolio and is not funded by the DSMBA.

C. American Gas Association (AGA) Building Energy Codes & Standards (BECS) Committee

SoCalGas is a member of the AGA. For 2018, SoCalGas' membership dues were $845,661, and for 2019, SoCalGas' membership dues were $887,943.[28] When communicating dues amounts to SoCalGas, AGA provides an estimate of the portion of the dues that are allocable to lobbying. For 2018, this estimate was 3.1% of total dues, and for 2019, this estimate was 3.5% of total dues. During the next GRC, SoCalGas will adjust the amounts charged to shareholder and ratepayer funded accounts for its 2018 and 2019 AGA dues accordingly.

As a member of the AGA, SoCalGas attends the organization's Building Energy Codes & Standards (BECS) committee meetings. While BECS committee meeting agendas occasionally include presentations related to energy efficiency codes and standards, the meetings are attended by a SoCalGas employee for operations-based purposes. Specifically, SoCalGas attends for the purpose of hearing and participating in discussions pertaining to any codes or standards that could potentially affect the safety or operations of SoCalGas' natural gas or customer infrastructure. Since June 1, 2018, SoCalGas' employees have attended three BECS committee meetings: on September 10, 2018, May 14, 2019, and September 11, 2019. The non-labor costs for these three meetings (approximately $1,549, $2,123, and $1,549, respectively) were charged to accounts that are funded by ratepayers in the GRC. The employees who attended these meetings are salaried employees who do not track their time each day with the intent of reporting

[28] SoCalGas' AGA membership is joint with San Diego Gas & Electric Company (SDG&E). The consolidated membership dues as listed on SoCalGas' and SDG&E's dues notice was $972,023 for 2018 and $1,020,624 for 2019.

an hourly log of activities. In addition, as salaried employees, the employees would have been paid the same amount regardless of whether they had attended the meetings or not, and their normal workload did not go away as a result of the activities identified above. Thus, SoCalGas does not have a calculation of any labor costs associated with the September 10, 2018 and September 11, 2019 meeting. Regarding the May 14, 2019 meeting, in a prior data request response to Cal Advocates, SoCalGas identified under $4,000 in labor costs associated with its employee's attendance at this meeting. This number is an estimate as SoCalGas' salaried employees do not track their time by activity or task and are not paid by activity or task. As the historical costs for the 2018-2019 period are part of the next GRC that has not yet been filed, accounting can be subject to future adjustments during that cycle.

Although SoCalGas had provided the above information for informational purposes and to be transparent, because SoCalGas' attendance is for operational purposes, SoCalGas does not believe this activity constitutes C&S activity that is EE-related, ratepayer funded, and statewide or federal advocacy, and is therefore not responsive to item 4 of the OSC.

This concludes my prepared direct testimony.

V. QUALIFICATIONS

My name is Deanna R. Haines. My business address is 555 West 5th Street, Los Angeles, California 90013-1011. My current position is Director of Environmental Policy at Southern California Gas Company (SoCalGas). The Environmental Policy organization, among other things, provides policy support to SoCalGas and manages relationships with certain regulatory agencies. I joined SoCalGas in 1988 and have been in my current position since April 2018. I have a Bachelor of Science Degree in Chemical Engineering from University of Southern California and a Master's Degree in Business Administration from University of Redlands. I have previously testified before the Commission.

APPENDIX A

<u>OFFICER VERIFICATION</u>

I am an officer of Southern California Gas Company and am authorized to make this verification on its behalf. The matters stated in the foregoing Application are true to my own knowledge, except as to matters that are stated therein on information and belief, and as to those matters, I believe them to be true.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct to the best of my knowledge.

Executed this 10th day of January 2020, at Los Angeles, California.

By: *<u>/s/ Sharon Tomkins</u>*
Sharon Tomkins

Vice President
Strategy and Engagement
SOUTHERN CALIFORNIA GAS COMPANY