TURN DATA REQUEST-03
SDG&E-SOCALGAS 2016 GRC – A.14-11-003-004
SDG&E_SOCALGAS RESPONSE
DATE RECEIVED: MARCH 20, 2015
DATE RESPONDED: APRIL 3, 2015

1. Exhibit SCG-19, page PRW-6 lines 26-28 states "The four factors are compiled each year, using prior years' data as the basis for the following year's actual allocations."
    a. When in the normal course of business are these factors compiled?
    b. Are accounting memoranda or documentation prepared internally by Sempra Energy at the corporate level and/or by either of the Sempra Energy Utilities in the normal course of business showing the multi-factor allocations for each year? If so, please provide all such internal documentation from 2005-2014 (and 2015 if available), including any calculations made as part of those materials.

Utility Response 1:

a) Each year, Sempra analyzes and updates the Multi-Factor and its variations, along with all Causal-Beneficial methods to be used in the following year. The Corporate Planning group completes this process and communicates the final allocation rates to shared-service and affiliate accounting managers during January so that new percentages are in place in time for the first monthly closing of each fiscal year. Because year-end financials are not yet available to be used for the early-January calculation, Sempra's practice is to base the annual Multi-Factor update on November YTD data. For that reason, the internal percentages used may differ slightly from those used in the GRC trend forecast, as determined from final year-end audited financials.
b) The table below shows the internal actual Multi-Factor percentages used in each year 2005-2015. Internal workpapers supporting the calculation of the percentages are attached (Please see "Attachment TURN_SEU_DR-03_Q1.xlsx").

Year Used	SDG&E	SCG	Total SEU	Non-Reg	Total
2005	34.7%	42.1%	76.8%	23.2%	100.0%
2006	34.4%	42.6%	77.0%	23.0%	100.0%
2007	35.0%	41.3%	76.3%	23.7%	100.0%
2008	39.3%	45.7%	85.0%	15.0%	100.0%
2009	38.4%	43.5%	81.9%	18.1%	100.0%
2010	40.2%	41.4%	81.6%	18.4%	100.0%
Q1 2011	39.8%	42.5%	82.3%	17.7%	100.0%
Q2-4 2011	36.3%	38.4%	74.7%	25.3%	100.0%
2012	37.2%	38.3%	75.5%	24.5%	100.0%
2013	38.5%	37.5%	76.0%	24.0%	100.0%
2014	37.5%	38.9%	76.4%	23.6%	100.0%
2015	36.9%	39.5%	76.4%	23.6%	100.0%

Note on 2011: Sempra's policy is to maintain the Multi-Factor percentages for the full calendar year, unless a significant business change occurs. In mid-2011 Sempra completed the full acquisition and consolidation of its South America investments, and revised the Multi-Factor for the remainder of the year.

Note on 2006 and 2007: For these years Sempra utilized the trended 2008 GRC forecast percentages rather than the internal one-year look-back, due to various business dispositions during those years that would have put pressure on the utility share compared to the concurrent GRC request. The 2008 GRC Multi-Factor workpaper is included in the attachment.

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2. Please provide recorded numerical data for SDG&E, SoCal Gas, and other operations (referred to as “unregulated” on SCG-19, Workpaper 419) for each of the four factors (Revenue, Gross Plant Assets & Investments, Operating Expenses and Full-Time Employees or Equivalents) used in the multi-factor allocation for the years 2005-2012 and 2014 (SCG-19, page PRW-6), recognizing that 2013 recorded data are provided on SCG-19, Workpaper 419. Please reference specific pages of Sempra Energy’s 10-K or other public documents where the information is found or provide other source data if these references cannot be made.

Utility Response 2:

All of the data used in the *actual* Multi-Factor for years 2005-2014 was provided in response to Question 1 of this data request. Those calculations were generally based on internal November YTD financials.

For GRC purposes, year-end 10-K and Full-Time Equivalents (FTE) data are used only as historical data points to trend the forecast Multi-Factor. Workpaper page 419 does contain that data for the three years used in this GRC request.

The financial data is supported by Sempra’s multi-year Statistical Report (Supplement to the Annual Report), with the specific data highlighted in the attachment (see “Attachment TURN_SEU_DR-03_Q2_2013 Statistical Report.pdf”).*

FTE’s are taken from Sempra’s internal year-end headcount reports, in which part-time employees are pro-rated. Copies of the reports are attached (see “Attachment TURN_SEU_DR-03_Q2 FTE.xlsx”). This is the same data used for employee counts reported in the 10-K.

**An internal financial report was used for the 2013 data, as audited reports were not yet available at the time the forecast was prepared. There is a slight difference in the amount of 2013 Total Assets from the workpaper page 419; utility amounts were not affected.*

3. Regarding the definition of "assets" used in the four-factor calculation (and further referencing SCG-19, Workpaper 419) and the Consolidated Income Statements and Balance Sheets of Sempra Energy, SDG&E, and SoCal Gas in Sempra Energy's 2013 10-K report filed in February 2014):
   a. Please explain in detail why goodwill is excluded from the definition of unregulated assets. (SCG-19, Workpaper 419)
   b. Is the regulatory asset for recovery of SONGS closure costs included in SDG&E's assets used to develop the four-factor calculation? If so,
      i. Please explain why it should be included.
      ii. Please provide an estimate of the value of the regulatory asset for recovery of SONGS closure costs as of the end of 2014.
   c. Is SDG&E's nuclear decommissioning trust included in the definition of assets used to develop the four-factor calculation? If so, please explain in detail the basis for SDG&E believing it is reasonable to include it.
   d. Is SDG&E's regulatory asset for legacy meters included in the definition of assets used to develop the four-factor calculation? If so, please explain in detail the basis for SDG&E believing it is reasonable to include it.
   e. Given that the Otay Mesa Power Plant is included on Sempra's and SDG&E's books as a Variable Interest Entity, are the assets, revenues, expenses, and employees of the Otay Mesa Power Plant included in the four-factor calculation made to assign costs to SDG&E? If so, please explain why it should be included given that SDG&E does not own it and identify the assets, revenues, expenses and employees of Otay Mesa (as included in the four-factor calculation) in each year for 2009-2014.
   f. Are regulatory assets related to pensions and post-retirement benefits other than pensions (PBOPs) included in SDG&E's and SoCal's four-factor calculation?
   g. If so, explain why the utilities believe it is reasonable to include regulatory assets related to pensions and PBOPs for SoCal and SDG&E when those assets are balanced with liabilities on the balance sheet. Please be sure the explanation addresses whether this calculation serves to overweight the utilities in the four-factor calculation, given that entities owned by Sempra Energy other than U.S. utilities cannot have regulatory assets for pensions and PBOPs.
   h. Are regulatory assets for deferred taxes included when making the four-factor calculation, even if regulatory liabilities for deferred taxes are larger than deferred tax regulatory assets?
      i. If so, please explain why the utilities believe such treatment is reasonable.
      ii. Identify the amounts of assets for deferred taxes for SDG&E, SoCal, and other Sempra subsidiaries included in the four factor calculation for each year from 2009-2013.
   i. Is the regulatory asset for SDG&E's wildfire litigation costs included in the four-factor method? If so, please explain why it is included, given that it is offset by expected future claims. (See Sempra Energy 2013 10-K, page 50).
   j. Please explain why the Sempra Utilities use gross plant rather than net plant in the definition of assets in the four-factor method.

k. Is construction work in progress (CWIP) included in the definition of assets in the four-factor method for (a) SDG&E and SoCal Gas; (b) other Sempra-owned regulated utilities in the U.S.; (c) other Sempra-owned regulated utilities outside the U.S.; (d) Sempra-owned non-regulated companies. If the treatment of CWIP in the asset component of the four-factor method is inconsistent among these four groups of companies, please explain why such treatment is reasonable.

Utility Response 3:

First, it should be noted that the development of the Multi-Factor is rooted in the Affiliate Transaction Conditions agreed to under Decision 98-03-073 (Attachment B, page 17), which states *"The formula will be based on Affiliate's proportionate share of (1) total assets, (2) operating revenues, (3) operating and maintenance expenses (excluding the direct Cost of Sales, purchased gas, cost of electric generation for utility operations, and income taxes), and (4) number of employees."* It has been incumbent on Sempra to define the source of these four factors, to carry out the appropriate allocation of costs for which there is not another direct or causal-beneficial method. Using GAAP-based financial data is the starting approach, with limited adjustments intended only to smooth inherent gaps that don't reflect each affiliate's business activity and mass in proportion to others. Sempra's definition of "Total Assets" for instance excludes Current Assets due to their volatility; this adjustment to GAAP-based Total Assets allows for a stable trend of allocation over time.

a. Goodwill is recorded at the time of a business acquisition and reflects additional value of an acquired business that is not directly attributable to the assets and liabilities of the entity. Inclusion of goodwill in the total assets component of the Multi-Factor creates volatility in years during which Sempra acquires other entities, increasing the total assets for the business entity that made the acquisition (generally non-regulated entities). Additionally, impairment of goodwill could also create volatility in the total assets for the Multi-Factor calculation by decreasing the total assets for the business entity that holds the goodwill. The addition of goodwill on the balance sheet does not necessarily indicate additional costs incurred, nor does goodwill reflect additional effort or resources to be incurred currently or in the future.

b. Regulatory assets, if long-term, are included in the total for the Multi-Factor. They are not excluded for reasons discussed above, such as volatility, so therefore they remain. While every other element of Total Assets was not specifically considered, regulatory assets could be viewed as expenditures that could otherwise have been another component of the Multi-Factor, such as operating expense. In any case, regulatory assets certainly command no less a level of governance, management, audit and financial reporting oversight for allocation purposes, than, say, plant assets. The value of the SONGS closure regulatory account was $308 million as of December 31, 2014.

c. The nuclear decommissioning trust has likewise not been excluded from the long-term assets for the Multi-Factor, for the same logic as discussed above in part (b) of this Question.

Utility Response to Question 3 (Continued)

d. Any regulatory asset, as discussed in part (b) of this Question, is included in the definition of assets. Again, rather than consider each element for inclusion, Sempra uses GAAP-based Total Assets, with only limited exclusions. It is not considered desirable to the interests of any affiliate to overly-deliberate the merits of individual balance sheet items.

e. To the extent the Otay Mesa Energy Center (OMEC) is consolidated as required by GAAP, it is included in Operating Expenses and Assets. Any employees are not Sempra's, so there is no impact to FTE's. The following table shows the impact on SDG&E's Multi-Factor elements in 2009-2014:

($ - millions)	**Revenue**	**Expense**	**Assets**	**FTE's**
2008		$ -	$ 472	
2009		$ 7	$ 553	
2010		$ 20	$ 556	
2011		$ 19	$ 579	
2012		$ 19	$ 577	
2013		$ 24	$ 587	

f. Any regulatory asset, as discussed in part (b) of this Question, is included in the definition of assets.

g. Again, rather than consider each element for inclusion, Sempra uses GAAP-based Total Assets, with only limited exclusions. There is no intention to overweight the utilities in the Multi-Factor calculation; it can only be recognized that the requirements of a large, represented workforce and the administration and reporting of its mandated benefits would necessarily attract a greater level of allocation than most of the affiliates that do not have such a workforce.

h. Any regulatory asset, as discussed in part (b) of this Question, is included in the definition of assets. Regulatory asset amounts for deferred taxes for 2008-13 are:

($ -millions)	**SDG&E**	**SCG**
2008	$ 369	$ -
2009	$ 415	$ -
2010	$ 502	$ -
2011	$ 570	$ -
2012	$ 718	$ 38
2013	$ 788	$ 110

i. Any regulatory asset, as discussed in part (b) of this Question, is included in the definition of assets. All regulatory assets are CPUC-regulated operations subject to revision over time, including the addition or settlement of claims from wildfire litigation.

Utility Response to Question 3 (Continued)

j. The four factors used in the calculation are meant to provide a relative measurement of the size of each Sempra Energy business unit, so the volume of sales and expense, assets in service, and employees are all taken into account to reflect an overall level of activity and consumption of shared service resources. The net asset value of depreciable assets is irrelevant to its value or extent of use in operations. The use of gross plant assets in the Multi-Factor was challenged by DRA in the 2012 GRC, but the judge concurred with Sempra (D.13-05-010, page 807): *We agree with the Applicants that including gross plant in the multi-factor allocation, instead of net plant, results in a better measure of "the total activity of the Affiliated group."* The original capitalized value is a better current representation of assets in service. Since Sempra regularly retires plant and equipment that are no longer useful, they are no longer included in total assets once they are removed from the books.

k. The treatment of CWIP is consistent across all Sempra affiliates, in accordance with GAAP, and is included in the definition of assets for the Multi-Factor.

4. Please confirm that 1) SDG&E and SoCal include franchise fees in the calculation of O&M expenses under the four-factor method; and 2) SDG&E and SoCal would not include those costs if they were a utility users' excise tax calculated by each community on the basis of revenues. Please further explain why SDG&E and SoCalGas believe their proposed treatment of franchise fees is reasonable.

Utility Response 4:

Yes, the workpaper on page 419 makes it clear that franchise fees are included with O&M in the definition of Operating Expenses for the Multi-Factor. Franchise fees are reported together with other taxes such as property, payroll and business license fees as a cost of doing business. An excise tax would be collected from customers and paid to the taxing authority as a pass-through, and would likely be reflected in Revenue, so would ultimately be an element in the Multi-Factor.

5. If not otherwise provided in response to other questions, please provide the source data for number of employees used in the calculations for the utilities and for Sempra for the four-factor allocations used in 2006-2015.

Utility Response 5:

The internal November headcount reports and FTE conversions for all years used in actual Multi-Factor calculations are part of the support documents attached in the response to Question 1 of this data request.

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6. Exhibit SCG-19, page PRW-6, lines 29-30 states: "To arrive at the forecasted rates for 2016, historical factors from 2011-2013 were projected using a statistical trend forecasting method."
   a. Please provide all trend analysis conducted by the Sempra Utilities, including equations, tests of statistical significance of coefficients, r-squared, adjusted r-squared values, F-test values, or any other statistical or algebraic analysis, used to calculate the 2015 and 2016 forecasts,.
   b. Please explain why the Sempra Utilities believe that it is possible to obtain a valid statistical trend using only three years of data. Reference all statistics textbooks, manuals, academic treatises, and other documents used to reach the conclusion that a trend can reasonably be forecast using three data points.
   c. Do the revenue calculations for 2013 for purposes of the four-factor allocation include the deferred revenues to be received due to the retroactive application in 2013 of the 2012 GRC decision for the year 2012 (2013 10-K, p. 19 (electric revenues), p. 21 (SDG&E gas revenues), and p. 22 (SoCal Gas gas revenues)). If so, please calculate how the assignment of those deferred revenues to 2012 instead of 2013 (i.e., the result had the rate case been completed before the end of 2012) would change the "statistical trend forecasting method" used in this case to calculate the 2016 result and provide workpapers supporting the calculations.

Utility Response 6:

a. The forecasting method is not technically statistical. Sempra uses the Excel TREND formula based on historical data points, the same method as has been used in prior GRC preparation. There are no equations, tests or other analyses.

b. As described in our response to Question 1 of this data request, Sempra normally uses the one prior year financial data to forecast the following year's Multi-Factor. For purposes of forecasting out three years for this GRC, Sempra used three years of past financial data. We have used five years in prior cases, but believe that 2009 and 2010 are no longer valid data points due to the consolidation of South American assets in 2011.

c. No adjustment was made for the timing of revenues as a result of the 2012 GRC decision, given that total Operating Revenues exceed $10 billion. If the revenues of $66 million for SDG&E and $25 million for SCG were recorded in 2012 rather than 2013, the trended Multi-Factor for 2016 would be reduced by .10% for SDG&E and increased by .02% for SCG, an immaterial variance. Supporting workpapers are attached in "Attachment TURN_SEU_DR-03_Q6C.xlsx".

7. Regarding the graph on SCG-19, page PRW-7 and Workpaper 419.
    a. Please reproduce the graph and table, adding data points from 2009-2011 to the graph and table.
    b. Please provide a narrative explaining in detail why Global Multifactor costs declined from 2011 to 2012.
    c. Please provide a narrative explaining why Global Multifactor costs were approximately constant from 2012 to 2013.
    d. Please explain why the number of Unregulated FTEs declined by 1000 from 2011 to 2012, as indicated at page 419 of the workpapers. Do the Sempra Utilities contend that it is reasonable to expect such a decline to occur again in the 2014-2015 period? Please explain the response in detail.

Utility Response 7:

a. Please see "Attachment TURN_SEU_DR-03_Q7A.xlsx". The table has been updated in the same format with data points back to 2009. However, as we discuss in our response to Question 6 of this data request, the years prior to 2011 are not representative and do not result in a realistic Multi-Factor forecast when used as historical data points.

b. By "costs" we assume TURN is referring to the overall Multi-Factor percentage for the Unregulated group, not specifically to Operating Expense or other factor. It's important to understand that the percentages are dynamic and reflect an entity's own factor variations or, if static, by the changing factors of other entities relative to them. While the data points are very high-level, a glance at the four factors indicate that the Unregulated segment declined because SDG&E's revenue and asset levels were rising, and because SCG's FTE levels were up due to hiring for major projects, while the unregulated FTE's reported were down.

c. Again, revenues and capital investment at both utilities appear generally increasing at the same pace relative to the Unregulated entities.

d. In the 2011 internal headcount report, the new South American entities included an extra 1,185 headcount that turned out to be contractors' employees in the Peru total. During preparation of the 10-K, the excess headcount was adjusted, but the 2011 internal document was never restated – and thus was inadvertently used in Multi-Factor data points. Subsequent headcount reports were accurately prepared without the contractors' employees.

8. Please provide calculations on how each of the four factors changed between 2011 and 2012 due to the sale of the El Dorado/Desert Star plant from an unregulated Sempra affiliate to SDG&E.

Utility Response 8:

Below are the four factors, related just to El Dorado, that were included in the total data points for the Un-regulated group:

($ - millions)	**Revenue**	**Expense**	**Assets**	**FTE's**
2010	$ 117.8	$ 19.9	$ 456.6	25
2011	$ 99.9	$ 12.7	$ 162.7	0
2012	$ -	$ -	$ -	0

The sale occurred in October 2011. The table shows a full 2010 year of revenue, expense, and FTE's, and a partial year for 2011 with the assets and FTE's transferred before the year-end.

SDG&E would have included these assets and employees by the end of 2011, as well as any revenues and expenses after the sale, although there is no separation in SDG&E's financial reports to determine how much was due to Desert Star. The attached CPUC advice letter 2292-E (see "Attachment TURN-03 Q8 CPUC Advice 2292-E.pdf") provides insight to the revenue/expense amounts and the asset value shown in the table is the gross amount recorded at the time of transfer.

($ - millions)	**Revenue**	**Expense**	**Assets**	**FTE's**
2010	$ -	$ -	$ -	0
2011	$ 26.2	$ 8.4	$ 215.1	21
2012	$ 67.4	$ 33.7	$ 215.1	21

9. Please provide calculations on how each of the four factors changed in 2013 due to the sale of a 625 MW portion of the Mesquite Power plant from an unregulated Sempra affiliate to Salt River Project.

Utility Response 9:

Below are the four factors, related just to Mesquite, that were included in the total data points for the Un-regulated group:

($ - millions)	**Revenue**	**Expense**	**Assets**	**FTE's**
2011	$ 14.7	$ 22.5	$ 838.7	42
2012	$ 27.2	$ 24.4	$ 447.2	45
2013	$ 6.0	$ 20.2	$ 430.5	0

The sale occurred in February 2013. The table for 2011 and 2012 each shows a full year of revenue, expense, and FTE's – but the portion of assets held for sale were reclassified as Current Assets, per GAAP, at the time of the agreement, in 2012. The table for 2013 shows just the final consolidated revenue and expense through February, and the removal of FTE's by end of the year, since unconsolidated equity affiliates are no longer Sempra employees.

10. Please identify all power plants that Sempra Global is planning to sell to SDG&E in 2015-2016. Please also identify all power plants for which Sempra Global and SDG&E are in discussions regarding a purchase by SDG&E in 2015-16.

Utility Response 10:

SDG&E objects to this question as out-of-scope for this proceeding and requesting information regarding Sempra Global that is not in SDG&E's possession. Without waiving this objection, SDG&E responds as follows: the GRC does not forecast the purchase of any power plants from Sempra Generation. All power plant forecasted expenses by SDG&E are found in the testimony of Mr. Carl La Peter.

11. Please provide quantitative information as to how the closure and retirement of SONGS has affected SDG&E's revenue, assets, operating expenses, and employees as experienced in 2012-2014.

Utility Response:

Recorded data for 2012-14 attributable to SONGS is shown in the table below. Please note that only years 2011-13 were used as data points for the Multi-Factor trend. The GRC forecast was developed according to the Rate Case Plan, which does not contemplate the use of 2014 recorded data and the forecasts were not developed using that information. While that recorded data may indicate lower spending than forecasted in some areas, it may also indicate higher spending than forecasted in others. Although SDG&E provided that data in the spirit of cooperation, the utility is not permitted to revise its forecasts, either up or down, once the application is filed.

($ - millions)	**Revenue**	**Expense**	**Assets**	**FTE's**
2012	$ 198.8	$ 141.6	$ 607.9	2.2
2013	$ 140.7	$ 94.7	$ 302.9	2.4
2014	$ 36.1	$ 35.1	$ 308.1	2.8

The "Expense" column does not include Franchise Fees & Other Taxes, if any, as that information is not tracked separately for SONGS.

Assets in 2012 represent gross Property, Plant & Equipment (PPE) only and do not include other assets such as deferred taxes, SONGS Nuclear Decommissioning Trust funds or SONGS Asset Retirement Costs. The Assets column for 2013 and 2014 reflect the SONGS regulatory asset. One should not assume that the closure of SONGS would decrease the level of support required by SDG&E and Corporate Center throughout decommissioning.

12. Please explain in detail how assets that Sempra Energy does not control and, for purposes of its financial statements, reports using the equity method are treated in the four factor method.

Utility Response 12:

As described in our response to Question 13 of this data request, while we do not have control, Sempra is a partner in the asset and thus has significant influence and governance responsibility for the investment. For the Multi-Factor (also known as the four factor method), the amount of equity investments is included in Total Assets only. There are no consolidated revenues, operating expenses, or FTE's.

13. Please explain why an investment 50% owned by Sempra entities designated as "unregulated" on SCG-19, Workpaper 419 and 50% owned by another party is treated using the equity method in Sempra's 10-K filings.

Utility Response 13:

In accordance with GAAP, if Sempra has significant influence over an entity, but not control (generally >50%), the investment is to be accounted for as an equity method investment. If Sempra were to have control, it would consolidate the entity. Generally, less than 20% investment would be accounted for as a cost method investment.

TURN DATA REQUEST-03
SDG&E-SOCALGAS 2016 GRC – A.14-11-003-004
SDG&E_SOCALGAS RESPONSE
DATE RECEIVED: MARCH 20, 2015
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14. Reference is made to the Sempra Energy press release "Cameron LNG Liquefaction Project Breaks Ground in Louisiana" (http://sempra.mediaroom.com/index.php?s=19080&item=136982). The release states that the project will cost $10 billion. Please identify the projected CWIP at the end of 2014 and 2015 for this project.

Utility Response 14:

As Cameron LNG is an equity method investment for Sempra, Sempra will account for its investment in Cameron LNG as an investment on its balance sheets and adjust the value of the investment periodically to reflect Sempra's share in Cameron's income or losses. Cameron LNG's construction, operation and maintenance and other day-to-day activities will be reflected on Cameron LNG's financial statements, which Sempra does not consolidate. As such, there will be no CWIP balance on Sempra's financial statements at the end of 2014 and 2015 related to the Cameron LNG project.

As discussed in the Sempra Energy 10-K, the majority of the incremental investment will be project-financed and the balance provided by the project partners through the joint-venture agreement. Sempra expects that the remaining equity requirements to complete the project will be met by a combination of our share of cash generated from each liquefaction train as it comes on line and additional cash contributions. If construction, financing or other project costs are higher than Sempra currently expects, Sempra may have to contribute additional cash.

15. Please reconcile the 2013 actual FTEs shown on SCG-19, Workpaper 429 with the 2013 actual FTEs shown on SCG-19, Workpaper 419.

Utility Response 15:

The FTE allocation method shown in Workpaper 429 is a Causal-Beneficial method that applies to human resources services provided by Corporate Center. International FTE's are excluded, as their payroll and benefits are administered and processed within their respective countries.

There may be other differences due to the month in which the data was drawn. The Multi-Factor FTE's shown in the Workpaper 419 are from each year's December headcount report, while the Causal-Beneficial methods are prepared a few months earlier for planning purposes.

16. Please provide the data shown on SCG-19 Workpaper 430 (number of executive FTEs and VP and director FTEs) for SDG&E, SoCal Gas, Global, and Corporate at the end of each year from 2009-2012; as of June 30, 2014; and as of December 31, 2014.

Utility Response 16:

Please find the requested data below. Note that the GRC forecast was developed according to the Rate Case Plan, which does not contemplate the use of 2014 recorded data and the forecasts were not developed using that information. While that recorded data may indicate lower spending than forecasted in some areas, it may also indicate higher spending than forecasted in others. Although SDG&E and SCG provided that data in the spirit of cooperation, the utilities are not permitted to revise their forecasts, either up or down, once the application is filed.

Date: 12/31/2009		
Business Unit	Executive FTEs	VP & Director FTEs
SDG&E	4	58
SoCal Gas	3	29
Global	3	66
Corporate	8	122

Date: 12/31/2010		
Business Unit	Executive FTEs	VP & Director FTEs
SDG&E	5	76
SoCal Gas	3	50
Global	3	68
Corporate	7	69

Date: 12/31/2011		
Business Unit	Executive FTEs	VP & Director FTEs
SDG&E	5	83
SoCal Gas	3	61
Global	3	79
Corporate	6	49

Date: 12/31/2012		
Business Unit	Executive FTEs	VP & Director FTEs
SDG&E	5	83
SoCal Gas	4	64
Global	4	73
Corporate	7	61

Date: 6/30/2014		
Business Unit	Executive FTEs	VP & Director FTEs
SDG&E	5	77
SoCal Gas	5	70
Global	4	86
Corporate	8	65

Date: 12/31/2014		
Business Unit	Executive FTEs	VP & Director FTEs
SDG&E	5	78
SoCal Gas	4	67
Global	5	94
Corporate	8	66

17. Please provide the amount of total compensation for executive FTEs and VP and Director FTEs (excluding benefits), divided into base salaries, short-term incentive programs, long-term incentive programs, and one-time severance payments, for SDG&E, SoCal Gas, Global, and Corporate for the years 2009-2014. Provide the amounts stated both in nominal dollars and real 2012 dollars.

Utility Response 17:

Please see below for the data requested. Note that the GRC forecast was developed according to the Rate Case Plan, which does not contemplate the use of 2014 recorded data and the forecasts were not developed using that information. While that recorded data may indicate lower spending than forecasted in some areas, it may also indicate higher spending than forecasted in others. Although SDG&E and SCG provided that data in the spirit of cooperation, the utilities are not permitted to revise their forecasts, either up or down, once the application is filed.

While the question calls for 2012 real dollars, SDG&E and SCG assume the question meant 2013 real dollars, since that is the base year in this application. Provided below are the nominal amounts for 2009-2014. SDG&E and SCG will provide a Supplemental Data Response to this question when these nominal amounts can be converted to 2013 Real dollar amounts.

TURN DATA REQUEST-03
SDG&E-SOCALGAS 2016 GRC – A.14-11-003-004
SDG&E_SOCALGAS RESPONSE
DATE RECEIVED: MARCH 20, 2015
DATE RESPONDED: APRIL 3, 2015

Utility Response to Question 17 (Continued)

Nominal Dollars

Year: 2009				
Business Unit	**Base Salaries**	**Short-Term Incentives**	**Long-Term Incentives**	**One-Time Severance**
SDG&E	$ 11,920	$ 5,960	$ 6,973	$ -
SoCalGas	6,179	3,234	3,233	-
Global	12,741	6,949	6,514	81
Corporate	30,652	17,123	21,659	158

Year: 2010				
Business Unit	**Base Salaries**	**Short-Term Incentives**	**Long-Term Incentives**	**One-Time Severance**
SDG&E	$ 18,564	$ 9,497	$ 11,422	$ 197
SoCalGas	10,687	5,801	3,497	-
Global	15,620	7,750	6,119	240
Corporate	18,455	11,081	20,214	157

Year: 2011				
Business Unit	**Base Salaries**	**Short-Term Incentives**	**Long-Term Incentives**	**One-Time Severance**
SDG&E	$ 21,118	$ 9,095	$ 14,986	$ -
SoCalGas	13,070	5,151	5,410	-
Global	19,028	11,041	8,071	394
Corporate	16,358	14,155	24,586	75

Year: 2012				
Business Unit	**Base Salaries**	**Short-Term Incentives**	**Long-Term Incentives**	**One-Time Severance**
SDG&E	$ 19,009	$ 9,421	$ 9,289	$ -
SoCalGas	13,950	6,658	4,267	1,459
Global	18,562	7,121	4,930	151
Corporate	19,831	10,690	22,766	128

Year: 2013				
Business Unit	**Base Salaries**	**Short-Term Incentives**	**Long-Term Incentives**	**One-Time Severance**
SDG&E	$ 18,487	$ 7,317	$ 9,128	$ -
SoCalGas	15,627	7,245	5,833	-
Global	18,053	10,253	6,693	371
Corporate	19,295	14,026	15,021	-

Year: 2014				
Business Unit	**Base Salaries**	**Short-Term Incentives**	**Long-Term Incentives**	**One-Time Severance**
SDG&E	$ 20,439	$ 8,330	$ 9,504	$ -
SoCalGas	16,185	7,079	6,599	-
Global	19,593	10,997	12,713	63
Corporate	19,165	14,255	19,684	2,657

TURN DATA REQUEST-03
SDG&E-SOCALGAS 2016 GRC – A.14-11-003-004
SDG&E_SOCALGAS RESPONSE
DATE RECEIVED: MARCH 20, 2015
DATE RESPONDED: APRIL 3, 2015

18. Are the Sempra Energy Utilities requesting in rates any stock-based compensation or pensions for members of the Sempra Energy Board of Directors? If so please provide the amounts of each of these types of compensation assigned to SoCal, SDG&E, and remaining Sempra activities.

Utility Response 18:

Yes, a portion of the stock-based compensation and pensions for Board of Directors are being requested in rates. Below is a table showing the total amount requested and the amounts for SoCal, SDG&E, and remaining Sempra entities.

(in $000s)		
Business Unit	**Pension**	**Stock-Based Compensation**
SDG&E	$ 133	17
So Cal Gas	133	7
Sempra/Global	75	22
Total Cost	**$ 341**	**$ 46**