

Application of SOUTHERN CALIFORNIA GAS)
COMPANY for authority to update its gas revenue)
requirement and base rates)
effective January 1, 2019 (U 904-G))

Application No. 17-10-____

Exhibit No.: (SCG-02-WP)

WORKPAPERS TO
PREPARED DIRECT TESTIMONY
OF GREGORY FLORES
ON BEHALF OF SOUTHERN CALIFORNIA GAS COMPANY

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

OCTOBER 2017



2019 General Rate Case - APP
INDEX OF WORKPAPERS

Exhibit SCG-02-WP - RISK MANAGEMENT

DOCUMENT	PAGE
Overall Summary For Exhibit No. SCG-02-WP	1
<i>Summary of Shared Services Workpapers</i>	2
Category: A. Risk Management	3
..2200-2547.000 - OPER RISK MGMT-SCG	4

Overall Summary For Exhibit No. SCG-02-WP

Area:	RISK MANAGEMENT
Witness:	Gregory Flores

Description	In 2016 \$ (000) Incurred Costs			
	Adjusted-Recorded	Adjusted-Forecast		
	2016	2017	2018	2019
<i>Non-Shared Services</i>	0	0	0	0
<i>Shared Services</i>	292	292	292	292
Total	292	292	292	292

Note: Totals may include rounding differences.

Southern California Gas Company
 2019 GRC - APP Shared
 Services Workpapers

Area: RISK MANAGEMENT
 Witness: Gregory Flores

Summary of Shared Services Workpapers:

Description	In 2016 \$ (000) Incurred Costs			
	Adjusted-Recorded	Adjusted-Forecast		
	2016	2017	2018	2019
A. Risk Management	292	292	292	292
Total	292	292	292	292

Note: Totals may include rounding differences.

Southern California Gas Company
2019 GRC - APP Shared
Services Workpapers

Area: RISK MANAGEMENT
Witness: Gregory Flores
Category: A. Risk Management
Cost Center: 2200-2547.000

Summary for Category: A. Risk Management

	In 2016\$ (000) Incurred Costs			
	Adjusted-Recorded	Adjusted-Forecast		
	2016	2017	2018	2019
Labor	276	276	276	276
Non-Labor	16	16	16	16
NSE	0	0	0	0
Total	292	292	292	292
FTE	2.0	2.0	2.0	2.0

Cost Centers belonging to this Category:

2200-2547.000 OPER RISK MGMT-SCG

Labor	276	276	276	276
Non-Labor	16	16	16	16
NSE	0	0	0	0
Total	292	292	292	292
FTE	2.0	2.0	2.0	2.0

Note: Totals may include rounding differences.

Beginning of Workpaper
2200-2547.000 - OPER RISK MGMT-SCG

Southern California Gas Company
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Area: RISK MANAGEMENT
 Witness: Gregory Flores
 Category: A. Risk Management
 Category-Sub: 1. OPER RISK MGMT-SCG
 Cost Center: 2200-2547.000 - OPER RISK MGMT-SCG

Activity Description:

Forecast Explanations:

Labor - Base YR Rec

Non-Labor - Base YR Rec

NSE - Base YR Rec

Summary of Results:

		In 2016\$ (000) Incurred Costs								
		Adjusted-Recorded					Adjusted-Forecast			
Years		2012	2013	2014	2015	2016	2017	2018	2019	
Labor		0	0	0	107	276	276	276	276	
Non-Labor		0	0	0	5	16	16	16	16	
NSE		0	0	0	0	0	0	0	0	
Total		0	0	0	113	292	292	292	292	
FTE		0.0	0.0	0.0	0.9	2.0	2.0	2.0	2.0	

Note: Totals may include rounding differences.

Southern California Gas Company
2019 GRC - APP Shared
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Area: Witness: RISK MANAGEMENT
 Category: Gregory Flores
 Category-Sub: A. Risk Management
 Cost Center: 1. OPER RISK MGMT-SCG
 2200-2547.000 - OPER RISK MGMT-SCG

Cost Center Allocations (Incurred Costs):

	2016 Adjusted-Recorded					2017 Adjusted-Forecast				
	Labor	Non-Labor	NSE	Total	FTE	Labor	Non-Labor	NSE	Total	FTE
Directly Retained	0	1	0	1	0.0	0	1	0	1	0.0
Directly Allocated	0	0	0	0	0.0	0	0	0	0	0.0
Subj. To % Alloc.	276	15	0	291	2.0	276	15	0	291	2.0
Total Incurred	276	16	0	292	2.0	276	16	0	292	2.0
% Allocation										
Retained	50.00%	50.00%				50.00%	50.00%			
SEU	50.00%	50.00%				50.00%	50.00%			
CORP	0.00%	0.00%				0.00%	0.00%			
Unreg	0.00%	0.00%				0.00%	0.00%			

	2018 Adjusted-Forecast					2019 Adjusted-Forecast				
	Labor	Non-Labor	NSE	Total	FTE	Labor	Non-Labor	NSE	Total	FTE
Directly Retained	0	1	0	1	0.0	0	1	0	1	0.0
Directly Allocated	0	0	0	0	0.0	0	0	0	0	0.0
Subj. To % Alloc.	276	15	0	291	2.0	276	15	0	291	2.0
Total Incurred	276	16	0	292	2.0	276	16	0	292	2.0
% Allocation										
Retained	50.00%	50.00%				50.00%	50.00%			
SEU	50.00%	50.00%				50.00%	50.00%			
CORP	0.00%	0.00%				0.00%	0.00%			
Unreg	0.00%	0.00%				0.00%	0.00%			

Cost Center Allocation Percentage Drivers/Methodology:

Cost Center Allocation Percentage for 2016

Services are shared between SDG&E and SCG.

Cost Center Allocation Percentage for 2017

Services are shared between SDG&E and SCG.

Cost Center Allocation Percentage for 2018

Services are shared between SDG&E and SCG.

Cost Center Allocation Percentage for 2019

Services are shared between SDG&E and SCG.

Note: Totals may include rounding differences.

Southern California Gas Company
2019 GRC - APP Shared
Services Workpapers

Area: RISK MANAGEMENT
 Witness: Gregory Flores
 Category: A. Risk Management
 Category-Sub: 1. OPER RISK MGMT-SCG
 Cost Center: 2200-2547.000 - OPER RISK MGMT-SCG

Summary of Adjustments to Forecast:

In 2016 \$(000) Incurred Costs										
Forecast Method		Base Forecast			Forecast Adjustments			Adjusted-Forecast		
Years		2017	2018	2019	2017	2018	2019	2017	2018	2019
Labor	Base YR Rec	276	276	276	0	0	0	276	276	276
Non-Labor	Base YR Rec	16	16	16	0	0	0	16	16	16
NSE	Base YR Rec	0	0	0	0	0	0	0	0	0
Total		292	292	292	0	0	0	292	292	292
FTE	Base YR Rec	2.0	2.0	2.0	0.0	0.0	0.0	2.0	2.0	2.0

<u>Year</u>	<u>Adj Group</u>	<u>Labor</u>	<u>NLbr</u>	<u>NSE</u>	<u>Total</u>	<u>FTE</u>	<u>Adj Type</u>	<u>RefID</u>
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Note: Totals may include rounding differences.

Southern California Gas Company
2019 GRC - APP Shared
Services Workpapers

Area: RISK MANAGEMENT
Witness: Gregory Flores
Category: A. Risk Management
Category-Sub: 1. OPER RISK MGMT-SCG
Cost Center: 2200-2547.000 - OPER RISK MGMT-SCG

Determination of Adjusted-Recorded (Incurred Costs):

	2012 (\$000)	2013 (\$000)	2014 (\$000)	2015 (\$000)	2016 (\$000)
Recorded (Nominal \$)*					
Labor	0	0	0	91	237
Non-Labor	0	0	0	5	16
NSE	0	0	0	0	0
Total	0	0	0	97	253
FTE	0.0	0.0	0.0	0.8	1.7
Adjustments (Nominal \$) **					
Labor	0	0	0	0	0
Non-Labor	0	0	0	0	0
NSE	0	0	0	0	0
Total	0	0	0	0	0
FTE	0.0	0.0	0.0	0.0	0.0
Recorded-Adjusted (Nominal \$)					
Labor	0	0	0	91	237
Non-Labor	0	0	0	5	16
NSE	0	0	0	0	0
Total	0	0	0	97	253
FTE	0.0	0.0	0.0	0.8	1.7
Vacation & Sick (Nominal \$)					
Labor	0	0	0	15	39
Non-Labor	0	0	0	0	0
NSE	0	0	0	0	0
Total	0	0	0	15	39
FTE	0.0	0.0	0.0	0.1	0.3
Escalation to 2016\$					
Labor	0	0	0	1	0
Non-Labor	0	0	0	0	0
NSE	0	0	0	0	0
Total	0	0	0	1	0
FTE	0.0	0.0	0.0	0.0	0.0
Recorded-Adjusted (Constant 2016\$)					
Labor	0	0	0	107	276
Non-Labor	0	0	0	5	16
NSE	0	0	0	0	0
Total	0	0	0	113	292
FTE	0.0	0.0	0.0	0.9	2.0

* After company-wide exclusions of Non-GRC costs

** Refer to "Detail of Adjustments to Recorded" page for line item adjustments

Note: Totals may include rounding differences.

Southern California Gas Company
 2019 GRC - APP Shared
 Services Workpapers

Area: RISK MANAGEMENT
 Witness: Gregory Flores
 Category: A. Risk Management
 Category-Sub: 1. OPER RISK MGMT-SCG
 Cost Center: 2200-2547.000 - OPER RISK MGMT-SCG

Summary of Adjustments to Recorded:

In Nominal \$ (000) Incurred Costs							
	Years		2012	2013	2014	2015	2016
Labor			0	0	0	0	0
Non-Labor			0	0	0	0	0
NSE			0	0	0	0	0
	Total		0	0	0	0	0
FTE			0.0	0.0	0.0	0.0	0.0

<u>Year</u>	<u>Adj_Group</u>	<u>Labor</u>	<u>NLbr</u>	<u>NSE</u>	<u>FTE</u>	<u>Adj_Type</u>	<u>RefID</u>
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Note: Totals may include rounding differences.