

TURN DATA REQUEST-020
SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8
SDG&E_SOCALGAS RESPONSE
DATE RECEIVED: FEBRUARY 23, 2018
DATE RESPONDED: MARCH 9, 2018

Exhibit Reference: SCG-12 (and various others)
SDG&E Witness: Andrew Steinberg (and various others)

Part I – Questions Pertaining to SCG-12

1. Is the list of testimony and witnesses referenced on page AES-6, Table AS-3 and Workpaper Table AS-31 a complete and exhaustive list of all the witness addressing Aliso Canyon related costs?

- a. If not, please provide a list of any other testimony where Aliso Canyon related costs are addressed or explained.
- b. If there are additional witnesses whose forecast are affected in any way by Aliso Canyon work, please provide the Witness, the area, and a citation to testimony and WP where Aliso Canyon-related costs and/or related adjustments are explained.

Utility Response 01:

The scope of SCG-12 is described at page AES-1. As described therein, SCG-12 only addresses costs associated with the Aliso Canyon Storage Facility natural gas leak incident (the “Aliso Incident”). The testimony does not address other Aliso Canyon related costs.

Table AS-3 on page AES-6 and workpaper table AS-31 is the complete list of “witnesses that have [historical Aliso Incident] GRC Costs within the scope of their witness area.”

TURN DATA REQUEST-020
SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8
SDG&E_SOCALGAS RESPONSE
DATE RECEIVED: FEBRUARY 23, 2018
DATE RESPONDED: MARCH 9, 2018

2. Based on page AES-6, Table AS-3 and Workpaper Table AS-31 please answer the following:

- a. Is the number of FTEs calculated independent of the labor amounts detailed for each chapter?
- b. What is the relationship between the number of Aliso Canyon basis FTEs, the Aliso Canyon FTEs removed, and the *indirect* labor amounts associated with Aliso Canyon removed from the base year costs?
- c. Please provide the actual number of individual employees (as opposed to full time employee hourly equivalents) charging any time to the Aliso Canyon incident effort, broken down by Witness area (including testimony volume and chapter) where the Aliso costs were recorded.

Utility Response 02:

- a. The number of FTEs is based on the number of recorded labor hours of employees.
- b. SoCalGas understands this question to pertain to the relationship between number of FTEs and indirect labor amounts. Generally, the indirect labor amounts reflect the application of overhead loading rates to labor costs. Labor costs are a product of labor hours and labor rates. As noted in the response to Question 2a, above, the number of FTEs is based on the recorded labor hours.
- c. SoCalGas objects to this question on the grounds that it is unreasonably burdensome. Without waiving this objections, and subject thereto, SoCalGas responds as follows:

Generally, SoCalGas GRC forecasts are prepared using FTEs. Exhibit SCG-12's labor information is similarly prepared and discussed using FTEs. See Workpaper Table AS-31 for a summary of FTEs removed by GRC witness, and Workpaper Table AS-33 for a summary of all FTEs removed from the GRC expense dataset (by Work Order). As such, Aliso Incident headcount information broken down by GRC witness area has not been prepared and is not readily available.

TURN DATA REQUEST-020
SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8
SDG&E_SOCALGAS RESPONSE
DATE RECEIVED: FEBRUARY 23, 2018
DATE RESPONDED: MARCH 9, 2018

3. Table AS-5 on page AES-10 of SCG-12 indicates that SoCalGas made “Comparative Adjustments” totaling \$57.2 million to derive a “Comparative Total” for purposes of comparing the SEC 10-K Report and the GRC historical costs. Please provide a breakdown of this amount by the components shown in Note 2 to Table AS-5 (Topside Accruals, Indirect Costs, and the Lost Gas and GHG Mitigation Accruals).

Utility Response 03:

The breakdown of \$57.2 million in adjustments for comparative purposes are provided in the Workpapers to Exhibit SCG-12. Please see Exhibit SCG-12-WP, Workpaper Table AS-34. Additionally, the Direct Testimony at pages AES-8 to AES-10 provides a description of each item and how they are factored into the \$57.2 million total.

TURN DATA REQUEST-020
SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8
SDG&E_SOCALGAS RESPONSE
DATE RECEIVED: FEBRUARY 23, 2018
DATE RESPONDED: MARCH 15, 2018

4. On page AES-10 of SCG-12, SoCalGas explains that it “used both existing internal and supplemental external resources in response to the Aliso Incident.” Please provide the following information regarding external resources.

a. Please provide a list of all vendors providing services to SoCalGas and/or SDG&E related to the Aliso Canyon incident.

b. For each vendor listed in response to (a), please provide the total amounts of the vendor contract(s), the amounts paid by SoCalGas in each year from 2015-2017, the amounts paid by SDG&E in each year from 2015-2017, and any remaining balances owing for each utility.

c. Table AS-10 shows \$185,689,400 in Non-Labor Aliso Incident Adjustments. Does this amount include all of the vendor contract payments identified in (b) made by SoCalGas and/or SDG&E in 2015 and 2016, other than those for Non-GRC services? If not, please explain where the additional vendor payments are accounted for in SCG-12 or other GRC testimony.

d. How have the 2017 vendor payments identified in (b), if any, been accounted for in SoCalGas’s “separate itemization of all of the costs related to the gas leak” at Aliso Canyon, required by the Commission in D.16-06-054 and provided by SoCalGas SCG-12? See SCG-12, p. AES-1, fn. 1. If so, please explain where and how these payments are reflected in SoCalGas’s itemization. If not, please explain why not.

Utility Response 04:

The information shaded in yellow to this response as well the information in the file attachment is Confidential and Protected Material Pursuant to Gov’t Code § 6254. (k) (“Records the disclosure of which is exempted or prohibited pursuant to federal or state law”).

See, e.g., D.11-01-36, 2011 WL 660568 (2011) (agreeing that confidential prices and contract terms specifically negotiated with a program vendor is proprietary and commercially sensitive and should remain confidential). PUC Section 583, GO 66-D, and D.17-09-023.

SoCalGas objects to this question on the grounds that it is unreasonably burdensome; that the information sought is neither admissible as evidence in this proceeding, nor reasonably calculated to lead to the discovery of admissible evidence; and to the extent that it seeks information protected by the attorney-client privilege, the attorney work product doctrine, or any other applicable privilege or evidentiary doctrine. No information protected by such privileges or evidentiary doctrines will be knowingly disclosed. Without waiving this objections, and subject thereto, SoCalGas responds as follows:

TURN DATA REQUEST-020
SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8
SDG&E_SOCALGAS RESPONSE
DATE RECEIVED: FEBRUARY 23, 2018
DATE RESPONDED: MARCH 15, 2018

Exhibit SCG-12 addresses the removal of costs of the Aliso Canyon incident so that the Aliso Canyon incident costs are not included in the forecast of costs in the Test Year 2019 GRC application. The testimony demonstrates the removal of the recorded Aliso Incident costs by Work Order and comparison of the audited and publicly released information (i.e., SEC 10-K report for 2016), not on a vendor-by-vendor basis. Furthermore, Exhibit SCG-12 does not offer testimony to seek recovery of Aliso Incident costs.

- a. Please see the attached excel file titled “TURN DR-020 Q4 Attachment.pdf,” **subject to the confidentiality provisions identified above**, which contains a partial list of parties receiving payments related to the Aliso Incident as of December 2017.
- b. Please the attached excel file titled “TURN DR-020 Q4 Attachment.pdf,” **subject to the confidentiality provisions identified above**, which contains a partial list of parties receiving payments related to the Aliso Incident as of December 2017. Note in witnesses’ TY2019 GRC testimony 2017 represents a forecasted year of expenses (not actual), since 2016 is the Base Year.
 - In addition to the vendor information provided in the attachment, amounts invoiced, but not paid as of December 2017, are as follows (by party, not including parties retained by counsel under privilege). **The information shaded in yellow is confidential subject to the provisions identified above:**

Assured = [REDACTED]
BCI = [REDACTED]
BridgeStreet = [REDACTED]
Cameron West Coast Inc. = [REDACTED]
Earth Consultants = [REDACTED]
Express Corp Housing = [REDACTED]
Modspace Modular Space Corporation = [REDACTED]
Regency = [REDACTED]
Schlumberger Technology Corporation = [REDACTED]
TempStay = [REDACTED]
Weatherford International LLC = [REDACTED]

- c. SoCalGas removed the additional costs of the Aliso Canyon incident so that they are not included in the forecast of costs in the Test Year 2019 GRC application. As noted above, this was not performed on a vendor-by-vendor basis. Table AS-10 referenced by this question reflects removal of all the recorded “GRC Costs” (categorized using that terminology in Exhibit SCG-12), including vendors with recorded charges in 2015 and 2016. Table AS-2 and Table AS-8 contain information regarding the removed “non-GRC Costs,” including vendors with recorded charges in 2015 and 2016.

TURN DATA REQUEST-020
SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8
SDG&E_SOCALGAS RESPONSE
DATE RECEIVED: FEBRUARY 23, 2018
DATE RESPONDED: MARCH 15, 2018

- d. At the time of preparing 2019 GRC testimony, the annual 2017 recorded cost information was not yet available.

Please note in witnesses' TY2019 GRC testimony 2017 represents a forecasted year of expenses (not actual), since 2016 is the base year.

Information regarding recorded historical expenses for 2017 has been separately requested by ORA, and is currently being prepared by SoCalGas and SDG&E. Similar to the information provided for other recorded historical years, Aliso Incident expenditures in 2017 are not included.

TURN DATA REQUEST-020
SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8
SDG&E_SOCALGAS RESPONSE
DATE RECEIVED: FEBRUARY 23, 2018
DATE RESPONDED: MARCH 9, 2018

5. In SCG-12, page AES-11, lines 6-11, Witness Steinberg indicates “GRC witnesses that may have performed non-historical based cost projections,” and explains that witnesses were asked to use care so that no Aliso Canyon costs were included in the test year.

- a. What methods of review or oversight were employed across witness testimony, if any, to ensure that Aliso Canyon costs were removed?
- b. What level of standardization in method was applied to non-historically based cost projections to ensure Aliso Canyon costs were not included in the test year forecast?

Utility Response 05:

- a. See Exhibit SCG-12, generally, regarding the process to remove of Aliso Incident costs. See Section III.B.2. for the following description regarding non-historical based cost projections:

“GRC witnesses that may have performed non-historical based cost projections, such as zero-based forecasts, were instructed when developing forecasts to not include costs associated with Aliso Incident activities. Such projection approaches, generally, may involve a cumulative estimate of costs for business functions of an organization. GRC witnesses were also instructed to carefully consider their use of non-historical cost approaches to avoid including Aliso Incident costs in the requested expenses, and justify proposals with appropriate forecasting methodologies and support information. The GRC witnesses sponsor these forecasts in their direct testimony and workpapers.”

Additional interactions with witnesses included, but were not necessary limited to the following:

- Advisement and review performed by GRC Case Management and GRC Data Analysis department.
 - Review of Aliso Incident costs removed by witness area, including follow up with individual witnesses as needed.
 - Review of written testimony, including follow up with individual witnesses as needed.
- b. See response to Question 5.a., above.

TURN DATA REQUEST-020
SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8
SDG&E_SOCALGAS RESPONSE
DATE RECEIVED: FEBRUARY 23, 2018
DATE RESPONDED: MARCH 9, 2018

6. With respect to the figure of \$780 million dollars of Aliso Canyon costs given in Sempra's 2016 10K and annual report, as presented in SCG-12, Section III.B.1:

a. Please provide all prior estimates for Aliso Canyon costs published in SEC documents or other public disclosures, their sources, and the dates of the disclosures.

b. Has the \$780 million of Aliso Canyon costs, disclosed in Sempra's 2016 10K, been updated or adjusted since that time? If so, please provide the document(s) and the page citation(s).

Utility Response 06:

SEC reports for SoCalGas are available at the Sempra Energy Investor Relations web page. Please see the following link: <http://investor.sempra.com/sec.cfm>.

The most recent 10-K report is for 2017, and can be found at the above link.

TURN DATA REQUEST-020
SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8
SDG&E_SOCALGAS RESPONSE
DATE RECEIVED: FEBRUARY 23, 2018
DATE RESPONDED: MARCH 9, 2018

7. Please explain whether a complete listing and accounting of all the costs associated with the Aliso Canyon incident in 2015, 2016 and 2017 is available directly from the companies' SAP accounting system. If so, please explain how this listing and accounting differs from Aliso Canyon Basis provided in SCG-12, or confirm that they are the same.

Utility Response 07:

SoCalGas objects to this question on the grounds that it is unreasonably burdensome and is vague and ambiguous with regard to the phrases "complete listing and accounting" and "Aliso Canyon Basis provided in SCG-12." Without waiving this objections, and subject thereto, SoCalGas responds as follows:

Please see SCG-12, Table AS-6 at page AES-13, which contains information regarding the Aliso Incident total. The \$779.9 million as reported in the SEC 2016 10-K report is consistent with the total Aliso Incident costs recorded to the SAP accounting system as of year-end 2016. Likewise, total Aliso Incident costs recorded to the SAP accounting system as of year-end 2017 are consistent with the SEC 2017 10-K report (recently issued) and available at the web site provided in response to Question 6, above.

TURN DATA REQUEST-020
SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8
SDG&E_SOCALGAS RESPONSE
DATE RECEIVED: FEBRUARY 23, 2018
DATE RESPONDED: MARCH 15, 2018

Part II – Questions Pertaining to Other SCG Exhibits

On page AES-10 of SCG-12, SCG explains that GRC witnesses who employed historical costs in developing forecasts and excluded costs associated with the “Aliso Canyon Incident” were instructed to include an incremental upward adjustment to the remaining historical costs if necessary “to complete the projection of expenses for regular (i.e., non-Aliso) activities for the forecast years and beyond” and to “justify the need” for such “as part of their forecast of activities and services performed.” The following questions pertain to such incremental upward adjustments discussed in other SCG exhibits.

SCG-05

8. On page OR-9 of SCG-05, SCG witness Rivera states, “Some management employees in this workgroup provided customer support during the Aliso Incident, which required a reprioritization of Company resources. In order to adequately resume routine operations, \$252,000 over the forecast base for TY 2019 is needed. Please refer to my workpapers, Ex. SCG-05-WP.” Regarding this statement:

- a. Please identify where in SCG-05-WP this \$252,000 incremental adjustment is explained.
- b. Allocate this \$252,000 adjustment between Labor and Non-Labor and identify the FTE impacts.

Utility Response 08:

SoCalGas clarifies the testimony statement referenced, as there is no discrete “incremental adjustment” for the \$252,000, as posed in the question. That value represents the amount explicitly removed from historical costs for the personnel temporarily assigned to mitigate the Aliso Incident and is implicitly represented in TY 2019 within the various incremental labor and nonlabor upward adjustments throughout the rest of the testimony requested to maintain Gas System Integrity operations.

TURN DATA REQUEST-020
SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8
SDG&E_SOCALGAS RESPONSE
DATE RECEIVED: FEBRUARY 23, 2018
DATE RESPONDED: MARCH 9, 2018

SCG-18

9. On pages GRM-34 and GRM-35 of SCG-18, SCG witness Marelli discusses a base year adjustment of \$400,000 to return CS-F Support to normal operations after temporary deployment to mitigate the Aliso Incident. Please identify where in SCG-18-WP this \$400,000 incremental adjustment is explained.

Utility Response 09:

As indicated in SCG-18, in order to adequately resume routine operations, a BY 2016 adjustment of \$400,000 was included in the 5-year average calculation to return CS-F Support to normal operations after temporary deployment to mitigate the Aliso incident. The table below shows how this amount was incorporated in the 5-year average calculation. Since a five-year average methodology was used to forecast TY 2019 expenses, only one-fifth (or 20%) of the BY 2016 adjustment of \$400,000 (which equates to \$80,000) was included in the TY 2019 forecast.

Year	Labor	Non-labor	Total
2016 Adjusted Recorded	\$ 14,924	\$ 1,511	\$ 16,435
2016 Adjustment necessary to return CS-F Support to normal operations after temporary assignments to support the Aliso incident	\$ 393	\$ 7	\$ 400
BY 2016 Adjusted Cost included in the 5-year average calculation	\$ 15,317	\$ 1,518	\$ 16,835

CSF Support	2012 - 2016 Adjusted Recorded In 2016\$ (000s)		
	Year	Labor	Non-labor
2012 Adjusted Recorded	\$ 13,665	\$ 1,880	\$ 15,545
2013 Adjusted Recorded	\$ 12,210	\$ 1,989	\$ 14,199
2014 Adjusted Recorded	\$ 13,078	\$ 3,031	\$ 16,109
2015 Adjusted Recorded	\$ 15,007	\$ 2,138	\$ 17,145
2016 Adjusted Recorded	\$ 15,317	\$ 1,518	\$ 16,835
5 Year Average	\$ 13,855	\$ 2,111	\$ 15,966

The amount of \$80,000 is included in the line item shown below on page 93 of 174 of SCG-18-WP.

Adj Group	Labor	NLbr	NSE	Total	FTE
2019 Other	10,746	1,929	0	12,675	113.4

Additionally, as shown on Table GRM-30 on page GRM-37 of SCG-18, SoCalGas requested incremental funding above the five year average for two new items and FOF ongoing and implementation costs are also included in the TY 2019 request for the CS-F Support cost category.

TURN DATA REQUEST-020
SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8
SDG&E_SOCALGAS RESPONSE
DATE RECEIVED: FEBRUARY 23, 2018
DATE RESPONDED: MARCH 9, 2018

SCG-19

10. What is the FTE impact of the \$22,000 incremental adjustment for a Project Specialist who has returned to normal operations after temporary deployment to the Aliso Canyon Incident, as discussed on page MHB-40 of SCG-19?

Utility Response 10:

SoCalGas clarifies that the language cited in Question 10 falls on Ex. SCG-19, page MHB-41, lines 3 through 5, rather than MHB-40. Subject to this clarification, SoCalGas responds as follows:

Please refer to Exhibit SCG-19-WP-R, page 75 regarding the related FTE impact.

TURN DATA REQUEST-020
SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8
SDG&E_SOCALGAS RESPONSE
DATE RECEIVED: FEBRUARY 23, 2018
DATE RESPONDED: MARCH 9, 2018

11. On page MHB-25 of SCG-19, SCG describes the following adjustment to CCC Support: “Four Training Specialists that were temporarily assigned to work on the Aliso Incident in 2016 were not immediately filled. BY 2016 expenses only reflect five months of labor for these positions, however, these employees have since returned to their normal responsibilities due to business need.” Regarding this adjustment:

- a. Please provide the Labor and Non-Labor adjustment amounts, as well as the FTE impacts of this adjustment.
- b. Clarify whether the adjustment presented in WP 200000.000 (\$341,000 Labor for 3.6 FTE in CCC Support) and WP 200001.000 (\$47,000 Labor for 0.5 FTE in CCC-Operations) correspond with the adjustment described but not quantified on page MHB-25.

Utility Response 11:

Response for Q.11.a:

Please refer to Exhibit SCG-19-WP-R, page 33 regarding the labor, non-labor and related FTE impacts.

Response for Q.11.b:

The adjustment described on page MHB-25 only addresses the adjustment in WP 200001.000 (\$341,000 Labor for 3.6 FTE in CCC Support). The adjustment in WP 200000.000 on page 10 (\$47,000 Labor and 0.5 FTE in CCC-Operations), is included, although not explicitly mentioned, within the Net Reductions in CCC Operations Staff section that is described on page MHB-19.

TURN DATA REQUEST-020
SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8
SDG&E_SOCALGAS RESPONSE
DATE RECEIVED: FEBRUARY 23, 2018
DATE RESPONDED: MARCH 9, 2018

12. Please provide a table presenting all incremental adjustments included in SCG-19-WP to support resumed normal responsibilities by staff who were temporarily deployed for the Aliso Canyon Incident, which each adjustment showing Labor, Non-Labor, Total, and FTE. Indicate where in SCG-19 each of the adjustments included in this table is discussed.

Utility Response 12:

The table below includes all incremental adjustments included in Ex. SCG-19-WP-R to support resumed normal responsibilities by staff who were temporarily deployed for the Aliso Canyon Incident, showing Labor, Non-Labor, Total, and FTE, in addition to where the adjustment is discussed in testimony.

TURN DATA REQUEST-020
SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8
SDG&E_SOCALGAS RESPONSE
DATE RECEIVED: FEBRUARY 23, 2018
DATE RESPONDED: MARCH 9, 2018

Utility Response 12:-Continued:

WorkPaper	Testimony	Labor	Non-Labor	Total	FTEs
WP 200000.000 - Some management employees in this workgroup provided customer support during the Aliso leak mitigation, which required a reprioritization of company resources. The labor provided for that effort has been excluded from GRC historical recorded costs used in preparation of forecasts. In order to adequately resume routine operations, \$341,000 over the forecast base for TY2019 is needed.	Page MHB-25, under d. Adjustments for Full Year Staffing for CCC Support	340.7	0	340.7	3.6
WP 200001.000 Adjustment for labor necessary return to normal operations after temporary deployment to mitigate Aliso leak. Supervisor to oversee and support Customer Service Representative.	Page MHB-19, under h. Net Reductions in CCC Operations Staff	47.4	0	47.4	0.5
WP 200002.00 Adjustment for labor necessary for return to normal operations for adequate resumption of routine operations total of \$97,000 and 1.3 FTEs for branch office project manager, Advisor oversee of Authorized Payment Locations and branch office cashiers.	Page MHB-30, under c. Adjustments for Full Year Staffing in Branch Offices and APLs	95		95	1.3
WP 200003.00 Adjustment for labor necessary for return to normal operations, after temporary deployment to mitigate Aliso leak. Supervisors to oversee billing analyst.	Page MHB-34, under f. Adjustments for Full Year Staffing in Billing	77		77	0.9
WP 200005.00 Adjustment for labor necessary for return to normal operations, support of analytical activities and electronic billing after temporary deployment to mitigate Aliso leak.	Page MHB-41, under d. Adjustments for Full Year Staffing	22		22	0.5
WP 200006.00 Adjustment for labor necessary for return to normal operations in support of system analyst \$50,000 (0.5 FTE) and CIS data governance analytics \$64,000 (0.7 FTE) after temporary deployment to mitigate Aliso leak.	Page MHB-48, under c. Increased Support for Mobile Customer Applications Page MHB-49, under e. Increased Customer Operations Technology Support	114		114	1.2
WP 2200-0355 Adjustment for labor necessary for return to normal operations in support of Payment Processing after temporary deployment to mitigate Aliso leak.	Page MHB-53 under a. Adjustments for Full Year Staffing for Payment Processing (2200-0355)	25		25	0.4
WP 2200-2247 Adjustment for labor necessary for return to normal operations, Manager of Remittance Processing overseeing projects after temporary deployment to mitigate Aliso leak.	Page MHB-53 under a and MHB-54. Adjustments for Full Year Staffing for Manager of Remittance Processing (2200-2247)	68		68	0.6
Total		789.1	-	789.1	9.0

TURN DATA REQUEST-020
SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8
SDG&E_SOCALGAS RESPONSE
DATE RECEIVED: FEBRUARY 23, 2018
DATE RESPONDED: MARCH 9, 2018

SCG-20

13. On pages ASC-19 and 23 of SCG-20, SCG discusses a \$62,000 incremental adjustment to reinstate costs of FTE resources brought back into the department after temporary deployment for the 2016 Aliso Canyon incident. Please indicate the FTE impact of this adjustment.

Utility Response 13:

Please refer to Exhibit SCG-20-WP, page 8 regarding the related FTE impact.

TURN DATA REQUEST-020
SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8
SDG&E_SOCALGAS RESPONSE
DATE RECEIVED: FEBRUARY 23, 2018
DATE RESPONDED: MARCH 9, 2018

SCG-25

14. On page DJ-11 of SCG-25, SCG explains that it is forecasting an increase of \$1,000,000 above TY 2016 adjusted recorded costs for Environmental Programs to reflect (a) “Full year staffing costs for FTE positions that incurred partial recorded expenses in 2016 and related non-labor costs in the amount of \$594,000”, and (b) “Costs to resume supporting normal operations within the department for resources that were temporarily reassigned to the Aliso Incident in the amount of \$317,000.” Regarding this statement:

- a. Please clarify whether the \$594,000 increase is for partial year recorded expenses due to temporary deployment for Aliso. If not, why did these FTE positions incur only partial year expenses?
- b. Please map the \$594,000 and \$317,000 adjustments to the adjustments shown in SCG-25-WP 2EV000.000.
- c. Please separately break down the \$594,000 and \$317,000 adjustments into Labor, Non-Labor, and FTE impacts.

Utility Response 14:

- a. Please note that the referenced testimony on page DJ-11 of Exhibit SCG-25 was revised on December 30, 2017. Page DJ-11 beginning on line 16 of Exhibit SCG-25-R now reflects a revised increase above TY 2016 of \$894,000 (revised from \$1,000,000) including a revised, full-year staffing and associated non-labor forecast of \$577,000 (revised from \$594,000). The \$577,000 adjustment is not for partial year expenses due to temporary deployment for Aliso.
- b. The Environmental Programs workpaper group forecasts were calculated using a zero-based estimating methodology. The 2019 adjustments on pages 16 through 21 of the Revised Workpapers, SCG-25-WP-R are line item forecasts to complete the projected 2019 activities in the Environmental Programs area. The \$577,000 and \$317,000 costs are embedded within the individual line item adjustments and cannot be mapped to explicit 2019 forecast adjustments. The purpose of identifying these amounts explicitly in testimony is to transparently explain the portions of the zero based estimate that are not present in BY 2016 adjusted recorded costs due partial year staffing (\$577,000) and also resources temporarily assigned of the Aliso incident (\$317,000). These costs are needed to complete projected 2019 activities and thus embedded within the TY2019 zero based forecasts.
- c. The forecasted \$577,000 includes \$416,000 in labor costs (4.6 FTEs) and \$161,000 in non-labor costs.. The forecasted \$317,000 (3.9 FTEs) are solely labor costs.

TURN DATA REQUEST-020
SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8
SDG&E_SOCALGAS RESPONSE
DATE RECEIVED: FEBRUARY 23, 2018
DATE RESPONDED: MARCH 9, 2018

SCG-32

15. On pages MG-18 to MG-19 of SCG-32, SCG explains, “Some management employees in this workgroup provided customer support during the Aliso leak incident mitigation, which required a reprioritization of company resources. The labor provided for that effort has been excluded from GRC historical recorded costs used in preparation of forecasts. In order to adequately resume routine operations, \$0.162 million over BY 2016 is needed in TY 2019. In addition, one PMOS Industrial Engineer was on maternity leave during BY 2016, so I am requesting an additional \$0.035 million to reflect a full-year salary now that she has returned to work.” Please provide the Labor, Non-Labor, and FTE adjustments to BY 2016 associated with the \$162,000 adjustment described by SCG.

Utility Response 15:

The explanation in prepared direct testimony Exhibit SCG-32 on pages MG-18 to MG-19 is addressed on page 24 in Exhibit SCG-32-WP, which includes a total of \$197,000 for labor and non-labor costs in TY 2019. See the table below for the specific adjustments:

Adjustments	Labor	Non-Labor	Total	FTE
Maternity Leave	35	0	35	0.4
Aliso, vacancies, and other	153	9	162	2.4
Total	188	9	197	2.8