

**DRA DATA REQUEST**  
**DRA-SCG-094-DAO**  
**SOCALGAS 2012 GRC – A.10-12-006**  
**SOCALGAS RESPONSE**  
**DATE RECEIVED: MAY 25, 2011**  
**DATE RESPONDED: JUNE10, 2011**

**Exhibit Reference:** SCG-2, Gas Distribution O&M Expenses

**Subject:** Operations Management and Training, Video Embedded System Instruction

**Please provide the following:**

1. Referring to SCG's discussion of Video Embedded System Instruction on pages GOM-49 and GOM-50, please provide a copy of all supporting documents to show how SCG determined that it "expects to complete an average of 125 system instruction videos per year starting in 2012.

**SoCalGas Response:**

Based on discussions with field managers and Gas Operations Services staff, SoCalGas determined that there were at least 140 System Instructions that should be converted into Video Embedded System Instructions (VESI). The list of System Instructions that have been identified as candidates for embedded videos is attached below.



List of System  
Instructions.pdf

Similarly, based on a review of some of the identified System Instructions, it was estimated that 3 – 5 videos would be embedded in each System Instruction.

$$140 \text{ System Instructions} * \text{Average of 4 Videos per System Instruction} \\ = \underline{560 \text{ Videos}}$$

This total was reduced to 500 videos across the 140 System Instructions to provide a more conservative estimate.

The number of 125 videos per year was based on a schedule that would allow the completion over a four year period. This timeframe was determined to balance the availability of the internal resources to coordinate and review the video production, the vendor's capability to deliver the requested quantity, and the desire to get the video application into the field on a timely basis to promote customer and employee safety.

$$500 \text{ Videos} / 4 \text{ Years} = \underline{125 \text{ Videos per Year}}$$

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2. Provide a copy of any and all cost benefit analyses performed by or for SCG regarding the Video Embedded System Instruction project. If SCG has not done a cost benefit analysis for this project, please explain why not.

**SoCalGas Response:**

This field business application was not intended to strictly produce cost saving, but rather the benefits derived in the use are qualitative in nature and related to employee and public safety. Furthermore, this effort leverages the new technology implemented in the field such as MDT (mobile data terminals). As a prudent operator, SoCalGas must use the tools available to enhance employee training and access to instructional materials. These safety-related benefits are discussed in Exhibit SCG-02, page GOM-50:

Video Embedded System Instructions (VESIs) will supplement the field binders and system instructions by refreshing training and reinforcing safe practices. With the new VESIs, field employees will no longer be forced to rely strictly on their memory, field manuals, and supervisor assistance to safely perform various technical tasks. The employee will be able to use his/her MDT to access the system instruction. A video embedded within the system instruction will also be accessible to demonstrate the proper, safe method to perform the task with a visual demonstration and narration. By reinforcing safe practices in the video, VESIs will help maintain SoCalGas' high quality and safety standards.

Many experienced technicians are retiring and/or moving to other positions; hence, SoCalGas' newer workforce and supervisors are less experienced. With the new VESIs, employees will have the confidence to complete their tasks safely without needing to rely solely on paper manuals or other personnel for guidance.

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3. Has SCG performed any pilot study and/or pilot program regarding the proposed Video Embedded System? If so, please provide a copy of all pilot studies and/or pilot programs.

**SoCalGas Response:**

SoCalGas has not conducted a “pilot study”; however, a sample Video Embedded System Instruction was prepared for management consideration. Representatives from Distribution, Customer Services, Safety and Environmental staff functions who have viewed the sample have responded favorably to this project.

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4. Please answer the following questions if SCG has performed any pilot studies and/or any similar pre-deployment study/analyses:
- a. How many pilot studies and or pre-deployment study/analyses has SCG conducted?
  - b. When did SCG conduct the pilot study or pre-deployment analysis?
  - c. Identify the number of employees who participated in each study.
  - d. Identify the number of employees who successfully completed their tasks safely by solely relying on the instruction videos in each study.

**SoCalGas Response:**

SoCalGas has not conducted a “pilot study” for VESI or previously prepared any similar field business application.

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5. Referring to SCG's workpapers, p. 162, regarding the costs for Video Embedded System Instruction, please provide a copy of all supporting documents and calculations for (1) the forecast of 500 videos and for (2) the unit cost of \$4,000 per video.

**SoCalGas Response:**

Please refer to the response to Question 1 of this data request for details on the estimate of 500 videos and the supporting documentation.

***Confidential information pursuant to PUC Code Section 583 & General Order 66-C.  
Response contains vendor specific pricing, terms and conditions for service.***

**RESPONSE REMOVED DUE TO CONFIDENTIALITY**

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6. Referring SCG’s workpapers, p. 162, please provide a detailed explanation along with all supporting documents to show how SCG determined that it will take 4 years to complete the Embedded System Instruction program at \$536,000 per year.

**SoCalGas Response:**

Please refer to the response to Question 1 of this data request for details on the estimate of 4 years to complete the 500 embedded videos.

On page 162 of 234 in Exhibit SCG-02-WP, \$536,000 corresponds to Instructional Design. A screen print of the workpaper page is shown below:

2012	0	536	0	536	0.0	1-Sided Adj
Instructional Design ([300 Training Modules to Maintain per Year * 12 Hours Each] + [30 Operator Qualification Documents to Maintain per Year * 8 Hours Each] + [110 Written Tests to Maintain per Year * 4 Hours Each] + [9 New Training Modules to Develop per Year * 120 Hours Each] = 5360 Hours per Year. 5360 Hours * \$100 / Hour for Contract Employee = \$536,000 per Year.)						
2012	0	500	0	500	0.0	1-Sided Adj
Video Embedded System Instruction (500 Videos * \$4,000/Video / 4 Years to Complete = \$500,000 per Year)						

The total associated with Video Embedded System Instructions is \$500,000 in 2012. It was calculated in the following way:

System Instructions to Convert into VESI = 140 System Instructions  
 Embedded Videos per VESI = 3 to 5 Videos (Average of 4 Videos / VESI)  
 Cost per Video = \$3,500 to \$5,500 / Video (Estimated \$4,000 / Video)  
 Years to Complete 500 Videos = 4 Years

140 System Instructions \* Average of 4 Videos per System Instruction  
 = 560 Videos

This total was reduced to 500 videos across the 140 System Instructions to provide a more conservative estimate.

500 Videos \* \$4,000 Estimated Cost per Video / 4 Years = \$500,000 / Year

Please refer to the response to Question 5 of this data request for details on the estimated cost of \$4,000 per video.

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7. Has SCG selected a vendor for the Embedded System Instruction program? If so, please provide a copy of the contract.

**SoCalGas Response:**

A vendor has not been selected. The quote used to estimate the cost shown in the Application is provided in the response to Question 5 of this data request.

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8. Does the Embedded System Instruction replace any other training? If not, please explain why this training is necessary.

**SoCalGas Response:**

The embedded videos are intended to augment SoCalGas' System Instructions, field binders, and training programs by refreshing training and reinforcing safe practices. They will not replace any other training. This is discussed in Exhibit SCG-02, page GOM-50:

Video Embedded System Instructions (VESIs) will supplement the field binders and system instructions by refreshing training and reinforcing safe practices. With the new VESIs, field employees will no longer be forced to rely strictly on their memory, field manuals, and supervisor assistance to safely perform various technical tasks. The employee will be able to use his/her MDT to access the system instruction. A video embedded within the system instruction will also be accessible to demonstrate the proper, safe method to perform the task with a visual demonstration and narration. By reinforcing safe practices in the video, VESIs will help maintain SoCalGas' high quality and safety standards.

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