

Company: Southern California Gas Company (U904G)
Proceeding: 2016 General Rate Case
Application: A.14-11-004
Exhibit: SCG-218

SOCALGAS

REBUTTAL TESTIMONY OF CHRISTOPHER R. OLMSTED

(INFORMATION TECHNOLOGY)

June 2015

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**



A  Sempra Energy utility

Doc#297684

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1 **SOCALGAS REBUTTAL TESTIMONY OF CHRISTOPHER R. OLMSTED**
2 **(INFORMATION TECHNOLOGY)**

3 **I. SUMMARY OF DIFFERENCES**

4 Only the Office of Ratepayer Advocates (“ORA”) submitted testimony regarding
5 SoCalGas’ Information Technology (“IT”) requested funding in this proceeding.

6 ORA submitted testimony regarding SoCalGas’ IT operations and maintenance (“O&M”)
7 funding in this proceeding. Table CRO-1 depicts the difference between SoCalGas’ total Test
8 Year (“TY”) 2016 O&M forecast and ORA’s recommended amount.

9 **Table CRO-1**
10 **Total O&M (Non-Shared & Shared)**

TOTAL O&M - Constant 2013 (\$000)			
	Base Year 2013	Test Year 2016	Change
SoCalGas	18,936	23,624 ¹	4,688
ORA	18,936	20,438	1,502

11 ORA also submitted testimony regarding SoCalGas’ IT requested capital funding in this
12 proceeding. Table CRO-2 depicts the difference between SoCalGas’ 2014-2016 capital forecast
13 and ORA’s recommended amount.

14 **Table CRO-2**
15 **Total Capital**

TOTAL CAPITAL - Constant 2013 (\$000)			
	2014	2015	2016
SoCalGas	103,739	119,916	104,796
ORA	79,709	99,824	104,796

16 **II. INTRODUCTION**

17 ORA issued its report on SoCalGas IT on April 24, 2015.² The following is a summary
18 of ORA’s positions:
19

¹ See Revised Direct Testimony, Ex. SCG-18-R (C. Olmsted), at CRO-iv (Summary Table). ORA cites to data response SCG-DR-082 Q3- Attachment in support of a slightly smaller number (\$23,619k). The difference between the two numbers is due to rounding.

² Exhibit (“Ex.”) ORA-15, Report on the Results of Operations for San Diego Gas & Electric Company and Southern California Gas Company, Test Year 2016 General Rate Case – Information Technology, ORA Witness P. Morse, April 24, 2015.

- 1 • ORA recommends \$16.8 million for SoCalGas' O&M labor expenses, which is \$3.2
2 million, or 68%, less than SoCalGas' TY 2016 incremental request;³
- 3 • ORA accepts SoCalGas' TY 2016 non-labor expense forecast of \$3.6 million;⁴
- 4 • ORA recommends as part of SoCalGas' next GRC filing to track O&M expenses and
5 capital expenditures for Cybersecurity and Risk Management in the four areas
6 presented in this TY 2016 GRC: Governance and Compliance, Awareness and
7 Outreach, Security Engineering and Security Operations;⁵
- 8 • ORA recommends utilizing actual recorded 2014 capital expenditures of \$79.7
9 million, which is \$24.1 million, or 23%, lower than SoCalGas' forecast of \$103.8
10 million;⁶
- 11 • ORA recommends \$48.6 million for 2015 Information Technology sponsored capital
12 expenditures, which is the highest recorded spending from 2009-2014. ORA's
13 recommendation is \$20.1 million, or 29%, lower than SoCalGas' forecast of \$68.7
14 million. ORA's recommendation results in a total IT capital forecast for 2015 of
15 \$99.8 million compared to SoCalGas' forecast \$119.9 million;⁷ and
- 16 • ORA accepts SoCalGas' 2016 capital expenditure forecast of \$104.8 million.⁸

17 **III. REBUTTAL TO PARTIES' O&M PROPOSALS**

18 **A. Flawed Analysis Used in ORA's O&M Proposals**

19 There are several fundamental flaws in how ORA has analyzed SoCalGas' O&M labor
20 request for TY 2016 IT funding. The following sections identify these flaws in ORA's analysis
21 and describe why SoCalGas believes the California Public Utilities Commission ("Commission")
22 should reject ORA's recommendations and instead adopt SoCalGas' position.

23 **1. ORA used inconsistent forecast methodologies throughout its testimony**

24 As described in my Revised Direct Testimony, in order to reflect the fact that IT is a
25 shared services organization with cost centers that provide services to both utilities, SoCalGas
26 and SDG&E use base year 2013 adjusted recorded cost plus incremental activity adjustments to
27 forecast TY 2016 costs for every IT cost category.⁹ This forecast methodology is consistently

³ Ex. ORA-15 at 3, lines 9-10.

⁴ Ex. ORA-15 at 4, lines 1-2.

⁵ Ex. ORA-15 at 31, line 22 through 32, line 1.

⁶ Ex. ORA-15 at 4, lines 10-12.

⁷ Ex. ORA-15 at 4, lines 13-18.

⁸ Ex. ORA-15 at 4, line 19.

⁹ Ex. SCG-18-R (C. Olmsted) at CRO-2, line 4 through CRO-3, line 8.

1 used across all workgroups and was similarly used by IT in the prior rate case (TY 2012) for
 2 both SoCalGas and SDG&E.¹⁰

3 Unlike SoCalGas, ORA used a variety of forecasting methodologies when developing its
 4 final recommendations across SoCalGas and SDG&E IT cost categories. For example, ORA
 5 used inconsistent approaches for similar incremental labor cost forecasts for the two utilities and
 6 three different approaches for non-labor cost forecasts. Table CRO-3 depicts the varying
 7 forecast methodologies used by ORA in contrast to the base year plus incremental activities
 8 adjustments methodology consistently applied for all cost categories by SoCalGas and SDG&E.

9 **Table CRO-3**
 10 **Comparison of**
 11 **SoCalGas, SDG&E and ORA Forecasting Methodologies – O&M**

	SoCalGas / SDG&E Forecast Basis	ORA Forecast Basis
SoCalGas IT		
Labor	Base year plus adjustments	Highest recorded, 2009-14 ¹¹
Labor - Information Security	Base year plus adjustments	Accepts SoCalGas proposal ¹²
Non-Labor	Base year plus adjustments	Accepts SoCalGas proposal ¹³
SDG&E IT		
Labor	Base year plus adjustments	Six-year average, 2009-14 ¹⁴
Labor - Information Security	Base year plus adjustments	Accepts SDG&E proposal ¹⁵
Non-Labor	Base year plus adjustments	Five-year average ¹⁶
Non-Labor – Contracts	Base year plus adjustments	Five-year trend ¹⁷
Non-Labor - Information Security	Base year plus adjustments	Accepts SDG&E proposal ¹⁸

12
¹⁰ D.13-05-010 at (issued May 14, 2013); see Direct Testimony of Jeffery C. Nichols, A.10-12-006, Ex. SCG-12R, at JCN-23, line 19 through JCN-34, line 21.

¹¹ Ex. ORA-15 at 26, lines 7-10.

¹² Ex. ORA-15 at 31, lines 12-14.

¹³ Ex. ORA-15 at 31, lines 2-4.

¹⁴ Ex. ORA-15 at 10, lines 7-8.

¹⁵ Ex. ORA-15 at 18, lines 10-12.

¹⁶ Ex. ORA-15 at 14, lines 7-10.

¹⁷ Ex. ORA-15 at 14, lines 6-7.

¹⁸ Ex. ORA-15 at 18, lines 10-12.

1 ORA's inconsistent approach ignores the fact that IT is a shared services organization
2 with cost centers that provide services to SoCalGas and SDG&E.¹⁹ As a shared service, IT is
3 performing a consistent set of activities and services for SoCalGas and SDG&E and thereby has
4 similar cost structures for providing such services. A consistent forecast methodology should be
5 used.

6 ORA's use of multiple forecast methodologies is arbitrary and inconsistently applied
7 among the cost categories. In addition, ORA's inconsistent methodology approach across the
8 complex IT organization is questionable. In contrast, SoCalGas uses a single forecasting method
9 that is applied consistently across all IT cost categories.

10 **2. ORA lacks any basis for rejecting SoCalGas' consistent base year plus**
11 **adjustments forecast methodology**

12 Not only did ORA arbitrarily use a variety of different forecast methodologies, but it also
13 failed to provide any basis for rejecting SoCalGas' consistent use of base year plus adjustments.

14 SoCalGas adopted and consistently uses the same forecast methodology for all O&M
15 labor forecasts.²⁰ As I explain in my Revised Direct Testimony, the use of base year 2013
16 adjusted recorded O&M labor expenses plus adjustments for TY 2016 incremental resource
17 requirements is appropriate and justified due to the nature of IT-related costs.²¹ The consistent
18 use of base year 2013 adjusted recorded O&M labor expenses plus adjustments is reasonable for
19 SoCalGas because:²²

- 20 • The pace of change in the technology industry continues to accelerate when compared
21 to prior years.²³
- 22 • A rapidly changing security threat landscape drives our current cybersecurity risk
23 management activities.²⁴
- 24 • Evolving regulatory requirements around customer data privacy are not fully reflected
25 in a historical average.²⁵
- 26 • The level of support provided by the IT Division continues to grow as new IT capital
27 projects and technologies are implemented.²⁶

¹⁹ Ex. SCG-18-R at CRO-4, lines 1-2.

²⁰ Ex. SCG-18-R at CRO-2, line 4 through CRO-3, line 8.

²¹ Ex. SCG-18-R at CRO-2, line 4 through CRO-3, line 8.

²² Ex. SCG -18-R at CRO-2, line 4 through CRO-3, line 8.

²³ Ex. SCG-18-R at CRO-2, lines 6-7.

²⁴ Ex. SCG-18-R at CRO-2, lines 12-13.

²⁵ Ex. SCG-18-R at CRO-2, lines 15-16.

²⁶ Ex. SCG-18-R at CRO-2, lines 17-18.

1 SoCalGas consistently applies this methodology across the entire forecast because these
2 themes do not change when considering the various IT cost categories. The same methodology
3 is also applied to SDG&E IT forecasts since much of IT is a shared service and provides similar
4 services to both utilities.²⁷

5 ORA does not provide any support or rational basis for its request that the Commission
6 reject SoCalGas' consistent application of base year plus adjustments forecasting methodology
7 in favor of inconsistent alternative methodologies.

8 **B. O&M Labor Forecast**

9 ORA recommends \$16.8 million for SoCalGas' O&M labor expenses, which is \$3.2
10 million, or 68%, less than SoCalGas' TY 2016 request.²⁸ Table CRO-4 depicts the difference
11 between SoCalGas' TY 2016 O&M labor forecast and those provided by ORA in this
12 proceeding.

13 **Table CRO-4**
14 **Total O&M Labor (Non-Shared & Shared)**

O&M - Constant 2013 (\$000)			
	Base Year 2013	Test Year 2016	Change
SoCalGas	16,667	19,998	3,331
ORA	16,667	16,807	140

15 As explained in detail below, SoCalGas provides sufficient detail through its testimony,
16 workpapers and responses to data requests for ORA to analyze SoCalGas' labor forecast. The
17 Commission should adopt SoCalGas' TY 2016 incremental forecast of \$3.3 million, for a total of
18 \$20.0 million, as reasonable.

19 **1. SoCalGas provides sufficient detail and analysis in support of SoCalGas'**
20 **request of incremental TY 2016 labor expenses of \$3.3 million.**

21 ORA asserted that "SCG's direct testimony provides little narrative for requested labor
22 increases, and no analytical support."²⁹ ORA does not question any particular incremental labor
23 expenses. Contrary to ORA's assertion, SoCalGas' direct testimony, O&M workpapers and
24 discovery responses provide sufficient narrative and analytical support for its incremental labor

²⁷ See Ex. SDG&E-19-R-A (Direct Revised Testimony – Amended of SDG&E witness S. Mikovits at SJM-2, line 4 through SJM-3, line 8.

²⁸ Ex. ORA-15 at 3, lines 9-10.

²⁹ Ex. ORA-15 at 26, lines 12-13.

1 expenses request.³⁰ SoCalGas' workpapers provide details of SoCalGas' O&M labor expense
2 forecast as summarized in my Direct Revised Testimony. Forecasted costs are categorized by
3 shared and non-shared forecasts, and further into IT functional groupings (i.e., Applications,
4 Infrastructure, Information Security and IT Support). Workpapers include additional details,
5 such as include cost center and activity descriptions, forecast methodology explanations, 2009
6 through 2013 recorded costs (labor and non-labor), year-to-year (2014-2016) line item
7 incremental activities for 37 cost centers (shared and non-shared), and explanations for
8 incremental changes for each of the forecast years.

9 For example, a portion of SoCalGas' overall labor forecast is tied to the increase in
10 application support responsibilities identified for SoCalGas Application Services (cost center
11 2200-2418) as a result of the implementation of capital projects.³¹ This forecast appears in my
12 Direct Revised Testimony as part of Shared Application costs and is also included in my O&M
13 workpapers.³² For the reader's ease, Appendix A (attached) includes the set of workpapers for
14 cost center 2200-2418 as an example of the level of detailed data that SoCalGas has provided in
15 support of its labor forecast.³³

16 SoCalGas also has provided additional analytical support for its requested labor increases
17 to ORA during discovery. In one response, (provided hereto as Appendix B), SoCalGas
18 provided ORA with additional information on its incremental labor forecast.³⁴ This response
19 provides a comprehensive overview of SoCalGas' entire incremental labor request (without
20 having to sift through all 272 pages of O&M workpapers) and documents all of SoCalGas'
21 estimating assumptions and calculations that were utilized for its forecast.

22 In summary, SoCalGas provides sufficient detail and analysis in support of its request of
23 incremental TY 2016 labor expenses of \$3.3 million.

24 **2. SoCalGas' use of "professional judgement" and "management** 25 **experience" is valid and supported**

26 SoCalGas' labor request was forecasted, in part, using the professional judgement of its
27 IT staff on a cost center by cost center basis.³⁵ As with any forecast, judgement and experience

³⁰ See Ex. SCG-18-WP.

³¹ See Ex. SCG-18-WP at page 36 through page 42.

³² Ex. SCG-18-R at CRO-16, lines 1 - 26.

³³ See generally, Appendix A attached hereto.

³⁴ SoCalGas Response to ORA-SCG-DR-048-PM1 question 11, provided hereto as Appendix B.

³⁵ SoCalGas Response to ORA-SCG-DR-048-PM1 question 11, attached hereto as Appendix B.

1 come into play when developing estimates. SoCalGas' IT O&M forecast methodology is no
2 different. Identifying upward cost pressures (or downward relief in the form of cost savings) in
3 an IT organization is not always directly correlated to a simple business metric or key
4 performance indicator ("KPI"), such as meter count or customer growth. Furthermore, not all
5 IT costs can be linked to specific business transactions and/or activity levels or forecasted using
6 a simple arithmetic-based method.

7 Instead, IT forecasting and planning typically consists of experienced IT professionals
8 taking a wide variety of factors into consideration when developing an IT-related cost estimate,
9 such as an understanding of industry technology trends, hardware and software computing
10 capabilities, scope of specific operations, maintenance and support activities, evolving business
11 priorities, changing regulatory landscape, and/or workforce skillset needs. This is typically done
12 based on factors, such as the requirements of the project, staff's experience with implementing
13 similar projects and discussions with impacted operating groups. This analysis is included as
14 part of SoCalGas IT's project approval process and is taken into account when an assessment of
15 a project for approval is performed.

16 ORA asserts that "SCG's reliance on 'professional judgment' and 'management
17 experience' to forecast incremental labor expenses provides the Commission no analytical basis
18 or data to evaluate or determine the reasonableness of SCG's request."³⁶ Nowhere in its
19 testimony does ORA dispute that "professional judgment" and "management experience" are
20 tools when forecasting labor expenses. In fact, SoCalGas' use of professional judgement and
21 management experience is an acceptable forecast methodology in a GRC, according to the
22 guidelines governing these proceedings.³⁷

23 Contrary to ORA's assertion, SoCalGas provides sufficient support describing how it
24 used its IT staff's judgement and experience, to the extent applicable, when developing its
25 forecasted labor request. For example, in the workpapers for cost center 2200-2418, SoCalGas
26 explains how it used its staff's judgement and experience when forecasting the need for
27 incremental full-time equivalents ("FTEs") associated with a capital project implementation:³⁸

³⁶ Ex. ORA-15, at 28, lines 10-12.

³⁷ Rate Case Plan, as updated by D.07-07-004, Appendix A, at A31 (stating that "Where judgment is involved in setting an estimate level" the applicant must "explain why that particular level was adopted").

³⁸ Ex. SCG-WP-18, attached hereto as Appendix A, at page 40 of 272.

1 8.7 incremental FTEs related to capital project implementations in 2015 and in
2 2016. Assumes 96% O&C ratio and \$100k average salary plus 10k per employee
3 in associated NL costs (9 employees).

4 Three assumptions from this statement contribute to the increased forecast – the number
5 of FTEs projected, the amount of time to be spent on operational activities and assumed average
6 salary. The O&C [Operating & Clearing] ratio and average salary figures are numbers that are
7 calculated based on data that was available from SoCalGas’ financial systems. Professional
8 judgement and management experience were used to project the number of required FTEs. In
9 this example, the FTE’s projected were developed by project managers who identified increased
10 IT support needs due to the implementation of their capital projects. The use of professional
11 judgement and management experience, as in this case, to forecast FTEs, is typically done based
12 on factors such as the requirements of the project, experience with implementing similar projects
13 and discussions with impacted operating groups. This analysis is included as part of SoCalGas
14 IT’s project approval process and is taken into account when an assessment of the project for
15 approval is performed. Controls and/or checkpoints of this type are methods implemented to
16 ensure that IT costs are effectively managed across the division.

17 In summary, SoCalGas provides a sufficient analytical basis and data to demonstrate the
18 reasonableness of SoCalGas’ use of “professional judgment” and “management experience” to
19 forecast labor expenses.

20 **C. O&M Non-Labor Forecasts**

21 **1. Undisputed Costs – O&M Non-Labor**

22 ORA agreed with SoCalGas’ forecast for Non-Labor O&M.³⁹ The Commission should
23 adopt SoCalGas’ TY 2016 incremental forecast of \$1.4 million, for a total of \$3.6 million, as
24 reasonable.

25 **IV. REBUTTAL TO PARTIES’ CAPITAL PROPOSALS**

26 **A. ORA did not challenge the merits or implementation timing of any IT capital** 27 **projects proposed by SoCalGas**

28 ORA recommends reduced capital expenditures for SoCalGas in 2014 and 2015,⁴⁰ but it
29 fails to provide any support for its recommendation based on the individual merits or details of

³⁹ Ex. ORA-15 at 4, lines 1-2.

⁴⁰ Ex. ORA-15 at 34, lines 10-12.

1 any particular IT capital project proposed by SoCalGas.⁴¹

2 SoCalGas' 2014-2016 IT capital request is sufficiently supported by project-by-project
3 information.⁴² SoCalGas has provided over 800 pages of detailed capital workpapers,
4 representing 146 capital projects. SoCalGas' capital workpapers specifically identify the types
5 of investments needed for the forecast period.⁴³ SoCalGas also included forecasted in-service
6 dates for each project listed in the SoCalGas IT 2014-2016 capital forecasts.⁴⁴ In my Direct
7 Revised Testimony, I also provide individual narratives in support of the 24 largest SoCalGas
8 IT-sponsored individual capital projects.⁴⁵

9 **B. Disputed Costs - 2015 Capital Expenditures**

10 ORA recommends 2015 capital expenditures of \$99.8 million, which is \$20.1 million less
11 than SoCalGas' 2015 forecast of \$119.9 million.⁴⁶ ORA's recommended reduction is specific to
12 SoCalGas IT-sponsored projects and does not dispute forecasts for business unit-sponsored
13 projects that utilize IT capital funding.⁴⁷ ORA recommends funding of \$48.6 million in IT
14 projects, equal to the highest recorded capital spending on IT projects from 2009-2014, as
15 opposed to \$68.7 million requested by SoCalGas.

16 When making its recommendation, ORA does not question the merit of any individual IT
17 capital project, but rather arbitrarily recommends that the Commission adopt a level of funding
18 based on the highest year of historical capital expenditures. ORA does not offer any rationale for
19 this forecasting methodology other than "approving 2015 capital expenditures for twice the
20 amount of capital spent in 2014 appears unreasonable."⁴⁸ Much like O&M, capital spending
21 within IT does not always follow historical averages or linear trends, and instead is lumpy in
22 nature. Occasionally, there are significant investments required to replace or update large scale
23 systems or services. This is the case for the large increase in SoCalGas' 2015 capital forecast
24 where two significant investments planned within the IT portfolio account for \$33.9 million of
25 the \$68.6 million requested by SoCalGas:

⁴¹ Ex. ORA-15 at 34, line 9 through page 36, line 19.

⁴² See also Ex. SCG-18-R at CRO-19, line 16 through CRO-34, line 13.

⁴³ See generally, Ex. SCG-18-CWP-R.

⁴⁴ SEU Master Data Request, Chapter 11 Q24B, provided hereto as Appendix C.

⁴⁵ Ex. SCG-18-R at CRO-22, line 24 through CRO-34, line 13.

⁴⁶ Ex. ORA-15 at 4, lines 13-18.

⁴⁷ Ex. ORA-15 at 37, lines 1-3 (Table 15-17).

⁴⁸ Ex. ORA-15 at 36, lines 5-6.

1 **SoCalGas Field Area Network (\$17.8 million in 2015, \$1.4 million 2016)**

2 SoCalGas plans to build and place in service by TY 2016 the SoCalGas Field Area
3 Network. This is a suite of private communication infrastructures supporting field voice
4 communication for Customer Service Field, Distribution & Transmission and Storage. It
5 includes a Land-Mobile-Radio (“LMR”) network and voice dispatch console system.
6 The console systems are end-of-life and either already are, or will soon be, without
7 vendor support. The dispatch system is limited to a finite number of console positions
8 that no longer meet the needs of the business. The radio system also requires the use of
9 other legacy network infrastructure that needs to be retired from the environment. These
10 systems are critical to business operations, especially during emergencies, as the primary
11 voice channel during incident management, priority work orders and emergency
12 response. The call recording system used by dispatch is also end-of-life and incompatible
13 with newer dispatch console systems. Communication for fixed assets in the field,
14 including remote terminal units (“RTU”) on pipelines, currently served by AT&T 3002
15 circuits needs to be addressed due to aged infrastructure and lack of investment by
16 AT&T. A digital LMR and Internet Protocol (“IP”)-based console system has been
17 evaluated as the solution.⁴⁹

18 **Converged Computing Infrastructure (\$16.1 million in 2015)**

19 The requests and needs of business units are dynamic and often require computing
20 infrastructure to be delivered quickly. Current ‘just-in-time’ infrastructure purchasing is
21 not nimble enough to meet the needs of clients for small-to-medium sized projects or for
22 organic growth of existing computing environments as data volume increases. Existing
23 computing systems will continue to reach vendor end-of-life and end-of-support dates
24 and will need to be replaced or upgrade to provide reliable and available IT systems.
25 This Converged Computing Infrastructure project will provide on-demand and elastic
26 computing capacity to meet business needs without the delays associated with just-in-
27 time infrastructure purchases. This project will increase the capacity and functionality of
28 the computing self-provisioning portal empowering clients to fulfill their computing
29 requests without involving the IT infrastructure department, resulting in a reduced
30 delivery time. Aging systems will be replaced or upgraded providing higher reliability
31 and performance for business applications as systems reach end-of-life or end-of-support.
32 As aging systems are replaced or upgraded, annual maintenance costs, required data
33 center floor space, and power consumption will all be reduced.⁵⁰

34 A large portion of the projected costs for these two projects are hardware (“HW”)
35 purchases. It is reasonable for IT to achieve higher spending levels when these types of HW
36 projects are proposed. To illustrate, Table CRO-5 shows that the two highest years of capital
37 spending (2009 and 2013) included significant hardware investment as compared to the total
38 capital spending, 11% and 26% respectively:

⁴⁹ Ex. SCG-18-R at CRO-28, lines 1 - 18.

⁵⁰ Ex. SCG-18-R at CRO-29, lines 6 -22.

Table CRO-5
Historical Project Hardware Costs as a % of Total Capital Project Spending
\$2013 (in millions)⁵¹

	2009	2010	2011	2012	2013
Hardware Cost	\$6.3	\$1.1	\$1.3	\$4.2	\$15.6
All Direct Cost (incl. HW)	\$55.7	\$49.6	\$45.1	\$37.7	\$59.9
HW % of All Cost	11%	2%	3%	11%	26%

Furthermore, ORA’s recommendation for SoCalGas’ 2015 Capital should not be adopted because it does not reflect the fact that several of the capital projects SoCalGas had forecasted in 2014 have actually been moved into 2015 (or even 2016). Table CRO-6 lists those capital projects, which had been included in SoCalGas’ forecasted 2014 capital projects but will now require funding in SoCalGas’ 2015 capital plan instead.

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⁵¹ Hardware costs related to IT capital projects were provided to ORA in SoCalGas’ Response to ORA-SCG-DR-029-PM1 question 5, attached hereto as Appendix D.

1
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**Table CRO-6
2014 Capital Project Variance**

WP #	Project Name	2014 (2013\$ 000s)			Revised	Explanation
		GRC Forecast	Actuals ⁵²	Variance	In-Service Date	
772X	Data Center Network Rebuild	4,661	679	(3,982)	12/31/2015	Postponed implementation due to business priorities and weather conditions.
770A E	Server Replacement - AIX Retirement	2,351	1,569	(782)	5/31/2015	Delayed due to dependencies on Data Center Network Rebuild project.
770A G	ROWS Refresh Out of Warranty Servers.	4,520	3,748	(772)	12/31/2015	Delayed due to dependencies on Data Center Network Rebuild project.
770C	End Point Security	2,541	45	(2,496)	9/30/2015	Delay in vendor negotiations pushed equipment acquisition into 2015.
776B	Business Planning Simulation (BPS) Replacement Project	1,860	631	(1,229)	9/30/2015	Delay in vendor selection and contract negotiations.
810B	SCG CPD Enhancement Phase 1	11,479	8,783	(2,696)	3/31/2015	Ramping up vendor consulting services delayed 2014 deliverables.
780A	Identity & Access Management, Phase 2 – 4	2,678	639	(2,039)	12/31/2016	Delay in phase approval.
772 W	Private Network Expansion and Refresh	2,797	0	(2,797)	12/31/2015	Project started in 2015.
776D	Click and SAP Disaster Recovery Tier Upgrade	1,053	0	(1,053)	06/01/2016	Project started in 2015.
770B	Mobile Device Management Infrastructure	1,023	0	(1,023)	09/30/2015	Project started in 2015.
	Totals	34,963	16,094	(18,869)		

3 The IT capital program is managed as a portfolio. There will be shifts in scope, schedules and
4 budgets across the suite of projects being proposed in SoCalGas' capital testimony. These

⁵² SoCalGas provided information about its 2014 capital recorded spending to ORA on March 13, 2015.

1 adjustments are managed by the IT Project Management Office in accordance with guidelines
2 established by Central Business Planning. ORA's recommendation to reduce SoCalGas'
3 forecasts based on a one year view of recorded costs does not take into consideration the
4 adjustments made by SoCalGas' capital committees to address changing priorities and individual
5 project deviations from plan. As shown in Table CRO-6, ORA's recommendation to reduce
6 SoCalGas' 2015 capital expenditure forecast by \$20.1 million would severely hamper SoCalGas'
7 ability to achieve its multi-year capital project plan, and it should be rejected.

8 **C. Undisputed Costs - 2016 Capital Expenditures**

9 ORA agreed with SoCalGas' forecast for 2016 Capital expenditures.⁵³ The Commission
10 should adopt SoCalGas' forecast of \$104.8 million as reasonable.

11 **V. INFORMATION SECURITY**

12 **A. Labor O&M**

13 ORA agreed with SoCalGas' forecast for Information Security labor O&M.⁵⁴ The
14 Commission should adopt SoCalGas' TY 2016 incremental forecast of \$140,000 for a total of
15 \$761,000 as reasonable.

16 **B. Tracking of Cybersecurity and Risk Management expenditures**

17 SoCalGas respectfully recommends that the Commission decline ORA's suggestion⁵⁵ to
18 track and report expenses for Cybersecurity and Risk Management efforts in the next GRC.
19 Cybersecurity and Risk Management efforts in the information technologies area are varied and
20 address many different systems, applications, infrastructure components and network topology.
21 Additionally, many efforts that provide risk management benefits also provide companion
22 benefits, such as increased system reliability and robustness, which make the risk management
23 aspect of those efforts difficult to unwind. Tracking and reporting is both administratively
24 burdensome and imprecise, and may in and of itself be revelatory of the nature and types of
25 measures undertaken which may unintentionally compromise the Cybersecurity and Risk
26 Management measures employed.

27 Furthermore, the Risk Decision, D.14-12-025, adopts a Risk Spending Accountability
28 Report requirement, which will have the effect of tracking risk-related spending, including
29 spending on cybersecurity and risk management, in some fashion. SoCalGas anticipates that the

⁵³ Ex. ORA-15 at 4, line 19.

⁵⁴ Ex. ORA-15 at 31, lines 12-14

⁵⁵ Ex. ORA-15 at 31, lines 22-24 through 32, line 1.

1 Safety Model Assessment Proceeding (“SMAP”) and subsequent Risk Assessment Mitigation
2 Phase (“RAMP”) filings will help shape the content of the Risk Spending Accountability Report.
3 SoCalGas believes any discussions concerning the tracking of cybersecurity and risk
4 management costs are better suited to take place during the SMAP and RAMP proceedings,
5 instead of the GRC.

6 **VI. CONCLUSION**

7 SoCalGas has addressed the proposed recommendations presented by ORA and
8 demonstrated that ORA’s proposals are not warranted. In summary, SoCalGas has demonstrated
9 the following:

- 10 • SoCalGas’ TY 2016 O&M Labor forecast is reasonable;
- 11 • SoCalGas’ TY 2016 O&M Non-Labor forecast is reasonable;
- 12 • SoCalGas’ Capital Expenditure forecasts are reasonable;
- 13 • SoCalGas’ Information Security Labor O&M and Non-Labor forecasts are
14 reasonable; and
- 15 • Tracking of Cybersecurity and Risk Management expenditures should be addressed in
16 the upcoming SMAP filings.

17 Accordingly, SoCalGas’ forecast for TY 2016 IT O&M labor and non-labor expenses
18 and SoCalGas’ IT Capital Expenditure forecasts should be adopted by the Commission.

19 This concludes my prepared rebuttal testimony.

APPENDIX
TO REBUTTAL TESTIMONY
OF CHRISTOPHER R. OLMSTED
ON BEHALF OF SOCALGAS
INFORMATION TECHNOLOGY

Appendix Attachments

- A. SoCalGas Shared Services Workpaper
2200-2418.000 – Director – SCG Applications Services
- B. SoCalGas Response to Data Request ORA-SCG-DR-048-PM1, Question 11
- C. SoCalGas Response to ORA Master Data Request
Chapter 11 – Information Technology, Question 24.B.
- D. SoCalGas Response to Data Request ORA-SCG-DR-029-PM1, Question 5

Appendix A

SoCalGas Shared Services Workpaper

2200-2418.000 – Director – SCG Applications Services

Beginning of Workpaper
2200-2418.000 - DIRECTOR - SCG APPLICATIONS SERVICES

Southern California Gas Company
2016 GRC - APP
Shared Services Workpapers

Area: INFORMATION TECHNOLOGY
 Witness: Christopher R. Olmsted
 Category: A. Applications
 Category-Sub: 1. Applications
 Cost Center: 2200-2418.000 - DIRECTOR - SCG APPLICATIONS SERVICES

Activity Description:

This cost center is for the support of the SCG IT applications organization. This is a director cost center.

Forecast Explanations:

Labor - Base YR Rec

This method is most appropriate because the base year most accurately represents the current state of the IT workpapers. Historical costs have fluctuated between various workgroups as a result of either internal organizational changes, transfers of responsibilities, or shifting of cost drivers from one area of the IT department to another.

Non-Labor - Base YR Rec

This method is most appropriate because the base year most accurately represents the current state of the IT workpapers. Historical costs have fluctuated between various workgroups as a result of either internal organizational changes, transfers of responsibilities, or shifting of cost drivers from one area of the IT department to another.

NSE - Base YR Rec

N/A

Summary of Results:

		In 2013\$ (000) Incurred Costs								
		Adjusted-Recorded					Adjusted-Forecast			
Years		2009	2010	2011	2012	2013	2014	2015	2016	
Labor		0	0	0	131	190	190	624	1,057	
Non-Labor		0	0	0	167	18	18	63	108	
NSE		0	0	0	0	0	0	0	0	
Total		0	0	0	298	208	208	687	1,165	
FTE		0.0	0.0	0.0	0.8	1.2	1.2	5.6	9.9	

Note: Totals may include rounding differences.

Southern California Gas Company
2016 GRC - APP
Shared Services Workpapers

Area: INFORMATION TECHNOLOGY
 Witness: Christopher R. Olmsted
 Category: A. Applications
 Category-Sub: 1. Applications
 Cost Center: 2200-2418.000 - DIRECTOR - SCG APPLICATIONS SERVICES

Cost Center Allocations (Incurred Costs):

	2013 Adjusted-Recorded					2014 Adjusted-Forecast				
	Labor	Non-Labor	NSE	Total	FTE	Labor	Non-Labor	NSE	Total	FTE
Directly Retained	0	8	0	8	0.00	0	8	0	8	0.00
Directly Allocated	0	0	0	0	0.00	0	0	0	0	0.00
Subj. To % Alloc.	190	10	0	200	1.15	190	10	0	200	1.15
Total Incurred	190	18	0	208	1.15	190	18	0	208	1.15
% Allocation										
Retained	85.55%	85.55%				95.90%	95.90%			
SEU	11.73%	11.73%				3.77%	3.77%			
CORP	2.72%	2.72%				0.33%	0.33%			
Unreg	0.00%	0.00%				0.00%	0.00%			

	2015 Adjusted-Forecast					2016 Adjusted-Forecast				
	Labor	Non-Labor	NSE	Total	FTE	Labor	Non-Labor	NSE	Total	FTE
Directly Retained	0	8	0	8	0.00	0	8	0	8	0.00
Directly Allocated	0	0	0	0	0.00	0	0	0	0	0.00
Subj. To % Alloc.	624	55	0	679	5.55	1,057	100	0	1,157	9.85
Total Incurred	624	63	0	687	5.55	1,057	108	0	1,165	9.85
% Allocation										
Retained	95.90%	95.90%				95.90%	95.90%			
SEU	3.77%	3.77%				3.77%	3.77%			
CORP	0.33%	0.33%				0.33%	0.33%			
Unreg	0.00%	0.00%				0.00%	0.00%			

Note: Totals may include rounding differences.

Southern California Gas Company
2016 GRC - APP
Shared Services Workpapers

Area: INFORMATION TECHNOLOGY
Witness: Christopher R. Olmsted
Category: A. Applications
Category-Sub: 1. Applications
Cost Center: 2200-2418.000 - DIRECTOR - SCG APPLICATIONS SERVICES

Cost Center Allocation Percentage Drivers/Methodology:

Cost Center Allocation Percentage for 2013

The weighted average of all Dept. cost centers Shared Service Allocations was taken of all cost centers under the IT SCG Application department. The weighted average of all Dept. cost centers Shared Service Allocations reflects the level of support provided to each affiliate by this cost center.

Cost Center Allocation Percentage for 2014

The weighted average of all Dept. cost centers Shared Service Allocations was taken of all cost centers under the IT SCG Application department. The weighted average of all Dept. cost centers Shared Service Allocations reflects the level of support provided to each affiliate by this cost center.

Cost Center Allocation Percentage for 2015

The weighted average of all Dept. cost centers Shared Service Allocations was taken of all cost centers under the IT SCG Application department. The weighted average of all Dept. cost centers Shared Service Allocations reflects the level of support provided to each affiliate by this cost center.

Cost Center Allocation Percentage for 2016

The weighted average of all Dept. cost centers Shared Service Allocations was taken of all cost centers under the IT SCG Application department. The weighted average of all Dept. cost centers Shared Service Allocations reflects the level of support provided to each affiliate by this cost center.

Note: Totals may include rounding differences.

Southern California Gas Company
2016 GRC - APP
Shared Services Workpapers

Area: INFORMATION TECHNOLOGY
 Witness: Christopher R. Olmsted
 Category: A. Applications
 Category-Sub: 1. Applications
 Cost Center: 2200-2418.000 - DIRECTOR - SCG APPLICATIONS SERVICES

Forecast Summary:

		In 2013 \$(000) Incurred Costs								
Forecast Method		Base Forecast			Forecast Adjustments			Adjusted-Forecast		
Years		2014	2015	2016	2014	2015	2016	2014	2015	2016
Labor	Base YR Rec	190	190	190	0	434	867	190	624	1,057
Non-Labor	Base YR Rec	18	18	18	0	45	90	18	63	108
NSE	Base YR Rec	0	0	0	0	0	0	0	0	0
Total		208	208	208	0	479	957	208	687	1,165
FTE	Base YR Rec	1.2	1.2	1.2	0.0	4.4	8.7	1.2	5.6	9.9

Forecast Adjustment Details:

<u>Year/Expl.</u>	<u>Labor</u>	<u>NLbr</u>	<u>NSE</u>	<u>Total</u>	<u>FTE</u>	<u>Adj Type</u>
2014 Total	0	0	0	0	0.0	
2015	434	45	0	479	4.4	1-Sided Adj
<p>8.7 incremental FTEs related to capital project implementations in 2015 and in 2016. Assumes 96% O&C ratio and \$100k average salary plus \$10k per employee in associated NL costs (9 employees).</p> <p>The implementation of capital projects can include new functions/features/services that increase the support requirements on application support teams. The FTEs represented in this line item are the accumulation of incremental needs that were projected as part of concept document and/or business case development.</p>						
2015 Total	434	45	0	479	4.4	
2016	867	90	0	957	8.7	1-Sided Adj
<p>8.7 incremental FTEs related to capital project implementations in 2015 and in 2016. Assumes 96% O&C ratio and \$100k average salary plus \$10k per employee in associated NL costs (9 employees).</p> <p>The implementation of capital projects can include new functions/features/services that increase the support requirements on application support teams. The FTEs represented in this line item are the accumulation of incremental needs that were projected as part of concept document and/or business case development.</p>						
2016 Total	867	90	0	957	8.7	

Note: Totals may include rounding differences.

Southern California Gas Company
2016 GRC - APP
Shared Services Workpapers

Area: INFORMATION TECHNOLOGY
Witness: Christopher R. Olmsted
Category: A. Applications
Category-Sub: 1. Applications
Cost Center: 2200-2418.000 - DIRECTOR - SCG APPLICATIONS SERVICES

Determination of Adjusted-Recorded (Incurred Costs):

	2009 (\$000)	2010 (\$000)	2011 (\$000)	2012 (\$000)	2013 (\$000)
Recorded (Nominal \$)*					
Labor	0	0	0	110	163
Non-Labor	0	0	0	164	18
NSE	0	0	0	0	0
Total	0	0	0	274	181
FTE	0.0	0.0	0.0	0.7	1.0
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	110	163
Non-Labor	0	0	0	164	18
NSE	0	0	0	0	0
Total	0	0	0	274	181
FTE	0.0	0.0	0.0	0.7	1.0
Vacation & Sick (Nominal \$)					
Labor	0	0	0	18	27
Non-Labor	0	0	0	0	0
NSE	0	0	0	0	0
Total	0	0	0	18	27
FTE	0.0	0.0	0.0	0.1	0.2
Escalation to 2013\$					
Labor	0	0	0	3	0
Non-Labor	0	0	0	4	0
NSE	0	0	0	0	0
Total	0	0	0	6	0
FTE	0.0	0.0	0.0	0.0	0.0
Recorded-Adjusted (Constant 2013\$)					
Labor	0	0	0	131	190
Non-Labor	0	0	0	167	18
NSE	0	0	0	0	0
Total	0	0	0	298	208
FTE	0.0	0.0	0.0	0.8	1.2

* 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
2016 GRC - APP
Shared Services Workpapers

Area: INFORMATION TECHNOLOGY
 Witness: Christopher R. Olmsted
 Category: A. Applications
 Category-Sub: 1. Applications
 Cost Center: 2200-2418.000 - DIRECTOR - SCG APPLICATIONS SERVICES

Summary of Adjustments to Recorded:

In Nominal \$ (000) Incurred Costs					
Years	2009	2010	2011	2012	2013
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

Detail of Adjustments to Recorded:

<u>Year/Expl.</u>	<u>Labor</u>	<u>NLbr</u>	<u>NSE</u>	<u>FTE</u>	<u>Adj Type</u>	<u>From CCtr</u>	<u>RefID</u>
2009 Total	0	0	0	0.0			
2010 Total	0	0	0	0.0			
2011 Total	0	0	0	0.0			
2012 Total	0	0	0	0.0			
2013 Total	0	0	0	0.0			

Note: Totals may include rounding differences.

Appendix B

SoCalGas Response to Data Request ORA-SCG-DR-048-PM1, Question 11

ORA DATA REQUEST
ORA-SCG-DR—048-PM1
SOCALGAS 2016 GRC – A.14-11-004
SOCALGAS RESPONSE
DATE RECEIVED: JANUARY 26, 2015
DATE RESPONDED: FEBRUARY 9, 2015

11. Regarding SCG's response to SCG_Reponse_DEF-001-B, please update the Excel file to include the following information:
 - a. O&M decreases, including explanations for decreases.
 - b. Accounts where forecast has no change from recorded 2013 to TY2016.
 - c. A column with TY2016 total by account.

SoCalGas Response 11:

Please see attachment ORA-SCG-DR-048-PM1 Q11 Attachment.xlsx.

Workgroup/ cost center	Category	Cost Center Name	Description of Adjustment (if any)	2013 Recorded	2014 adj.	2015 adj.	2016 adj.	2016 Total (Item c)	Assumptions	O&M Reductions (Item a)
21T001.000	Applications	IT Applications NSS		2,853	-	-	-	2,853		
21T002.000	Infrastructure	IT Infrastructure NSS	Increased Telecom Maintenance work to support aging infrastructure and improved reliability.	4,047	-	250	250	4,297	Estimate based upon a combination of microwave radio replacement (\$3k per unit) and microwave tower maintenance (approximately \$12k per microwave tower). There are approximately 60 microwave sites and 240 microwave radios within the SCG service territory.	
21T002.000	Infrastructure	IT Infrastructure NSS	2 analysts to support CI Engineering	-	159	159	159	159	1.4 incremental FTEs to support CI Engineering in 2014, continuing through 2016. Assumes 70% O&C ratio and \$100k average salary plus \$10k per employee (2 employees) in associated NL costs.	
21T003.000	IT Support	IT Support NSS	Adjustment for CPD costs to align with 2014 reorganizational changes	41	290	290	290	331	2 incremental FTEs to support CPD in 2014, continuing through 2016. Assumes 20% O&C ratio and \$100k average salary. Additionally, includes CPD consulting/training NL costs (\$250k), based on 2014 estimated support levels, and a consolidation of CPD-related cost centers.	
				6,941	449	699	699	7,640		

Workgroup/ cost center	Category	Cost Center Name	Description of Adjustment (if any)	2013 Recorded	2014 adj.	2015 adj.	2016 adj.	2016 Total (Item c)	Assumptions	O&M Reductions (Item a)
2200-2406	Infrastructure	DIRECTOR - COMPUTING INFRASTRUCTURE	Labor & Non-labor costs associated with incremental employees that are part of the organic IT growth to support expanding programs, applications, & infrastructure.	279	-	366	732	1,011	4 incremental FTEs to support new IT initiatives across the company in 2015 and in 2016. Assumes 81% O&C ratio and \$100k average salary plus \$10k per employee in associated NL costs.	
2200-2406	Infrastructure	DIRECTOR - COMPUTING INFRASTRUCTURE	Network Strategy Development - Develop a five-year network strategy and migration plan to leverage emerging technologies for improved reliability and performance of our network environment.	-	-	250	250	250	Management estimate for average consulting engagement (4-6 months) to analyze networking capabilities across 160 manned and unmanned sites.	
2200-2418	Applications	DIRECTOR - SCG APPLICATIONS SERVICES	Incremental labor related to capital project implementations	208	-	479	957	1,165	8.7 incremental FTEs related to capital project implementations in 2015 and in 2016. Assumes 96% O&C ratio and \$100k average salary plus \$10k per employee in associated NL costs (9 employees).	
2200-2445	Applications	SCG WORK MANAGEMENT SERVICES	3 replacement positions and 2 for Click 8 and 3 software developers and 1 build leader	1,171	-	303	606	1,777	5.5 FTEs at \$100k per employee plus \$10k per employee (6 employees) in associated NL (split between 2015 and 2016). Assumes 91% O&C ratio.	
2200-2445	Applications	SCG WORK MANAGEMENT SERVICES	Organic IT growth to support expanding programs application	-	-	176	332	332	2.2 incremental FTEs to support new IT initiatives across the company in 2015 and in 2016. Assumes 72% O&C ratio and \$100k average salary plus \$10k per employee (2 employees) in associated NL costs.	

Workgroup/ cost center	Category	Cost Center Name	Description of Adjustment (if any)	2013	2014 adj.	2015 adj.	2016	2016 Total	Assumptions	O & M Reductions (item a)
				Recorded	2014 adj.	2015 adj.	adj.	(Item c)		
2200-2495	Infrastructure	IT PORTFOLIO MANAGEMENT	Develop multi-year strategies for major application families	40	-	250	250	290	Management estimate for various consulting engagements (2-6 months) to analyze application roadmap options for potential capital investments in major applications. These engagements range from \$30 to \$250k each.	
2200-2495	Infrastructure	IT PORTFOLIO MANAGEMENT	Organic IT growth to support expanding programs application	-	-	56	112	112	1.1 incremental FTEs to support new IT initiatives across the company in 2015 and in 2016. Assumes 42% O&C ratio and \$100k average salary plus \$10k per employee (1 employee) in associated NL costs.	
2200-2372	Infrastructure	DIRECTOR IT SOCIALGAS APPLICATIONS	Organic IT growth to support expanding programs application	216	-	181	362	578	1.8 incremental FTEs to support new IT initiatives across the company in 2015 and in 2016. Assumes 89% O&C ratio and \$100k average salary plus \$10k per employee (2 employees) in associated NL costs.	
2200-2469	Information Security	IT INFORMATION SECURITY SCG	Organic IT growth to support expanding programs application	628	-	80	160	788	1.2 incremental FTEs to support new IT initiatives across the company in 2015 and in 2016. Assumes 60% O&C ratio and \$100k average salary plus \$10k per employee (1 employee) in associated NL costs.	
2200-2496	IT Support	SCG IT ASSOCIATE PROGRAM	New IT associate program and related non-labor expenses	4	-	72	143	147	2 new associates (61.5k per person) plus \$10k in associated NL, one in 2015, and another in 2016	
2200-2313	IT Support	SVP & CITO	Business Planning Analyst to provide direct support for SCG	23	-	85	85	108	1 Business Planning Analyst @ 75k + 10k in associated NL	
2200-2047	Infrastructure	IT ACCOUNT MANAGEMENT		46	-	-	-	46	No change from 2013 recorded (item b)	
2200-2166	IT Support	VP INFORMATION TECHN		19	-	-	-	19	No change from 2013 recorded (item b)	
2200-2319	IT Support	IT OPEX ENTERPRISE T		13	-	-	-	13	No change from 2013 recorded (item b)	
2200-2405	Applications	SCG APPS CUSTOMER SE		850	-	-	-	850	No change from 2013 recorded (item b)	
2200-2444	Applications	SCG SUPPLY CHAIN SER		344	-	-	-	344	No change from 2013 recorded (item b)	
2200-2446	Applications	SCG GIS & CAD SERVIC		312	-	-	-	312	No change from 2013 recorded (item b)	
2200-2447	Applications	SCG SOFTWARE DEV - D		982	-	-	-	982	No change from 2013 recorded (item b)	
2200-2451	Applications	SCG APPS MAJ MRRK APP		1,337	-	-	-	1,337	No change from 2013 recorded (item b)	
2200-2452	Applications	COLLABORATION SERVICES		481	-	-	-	481	No change from 2013 recorded (item b)	
2200-2453	Infrastructure	CLINT TECH & DEPOT SV		221	-	-	-	221	No change from 2013 recorded (item b)	
2200-2455	Infrastructure	IT BUSINESS INSIGHT		820	-	-	-	820	No change from 2013 recorded (item b)	
2200-2456	Infrastructure	ENTERPRISE CVMMD CTR-		213	-	-	-	213	No change from 2013 recorded (item b)	
2200-2457	Infrastructure	SEMPHILP & IT SRVC MG		149	-	-	-	149	No change from 2013 recorded (item b)	
2200-2458	Infrastructure	BUSINESS COMM SERV-		111	-	-	-	111	No change from 2013 recorded (item b)	
2200-2459	Infrastructure	SCALABLE PLATFORM SE		187	-	-	-	187	No change from 2013 recorded (item b)	
2200-2460	Infrastructure	VOICE ENTERPRISE SUP		227	-	-	-	227	No change from 2013 recorded (item b)	
2200-2463	Infrastructure	CI OPERATIONS SERVIC		804	-	-	-	804	No change from 2013 recorded (item b)	
2200-2464	Infrastructure	CI COMPUTE SUPPORT S		734	-	-	-	734	No change from 2013 recorded (item b)	
2200-2466	Infrastructure	CI COMPUTE PROVISION		762	-	-	-	762	No change from 2013 recorded (item b)	
2200-2467	Infrastructure	CI STANDARDS		134	-	-	-	134	No change from 2013 recorded (item b)	
2200-2468	Applications	CUSTOMER ENGAGEMENT		17	-	-	-	17	No change from 2013 recorded (item b)	
2200-2470	Applications	IT INFORMATION MANAG		661	-	-	-	661	No change from 2013 recorded (item b)	
				11,993	-	2,298	3,989	15,982		
SCG Total				18,934	449	2,997	4,688	23,622		

Appendix C

SoCalGas Response to ORA Master Data Request
Chapter 11 – Information Technology, Question 24.B.

**ORA MASTER DATA REQUEST
SOCALGAS 2016 GRC – A.14-11-XXX
SOCALGAS RESPONSE
DATE RECEIVED: AUGUST 8, 2014
DATE RESPONDED: AUGUST 8, 2014**

24. List each capital project by name, department, direct, indirect, and job/budget and blanket code.
 - a. Show the amount of the requested expenditure in each forecast year and 5 years of historic capital data by job/budget and blanket code.
 - b. Provide a spreadsheet showing the date each project is schedule to become used and useful.

SoCalGas Response:

Please refer to the Attachment folder for Chapter 19.

- a. Please see SoCalGas MDR Ch. 11 Attachment to Q24A.
- b. Please see SoCalGas MDR Ch. 11 Attachment to Q24B.

MDR CHAPTER 11 Q.24.B. ATTACHMENT

Budget Code	Budget Code Description	Summary		2014		2015		2016		Completion Date		
		2014	2015	2016	2014	2015	2016	2014	2015		2016	
00750.0	PT81420 M&I Compliance Reporti	801	0	0	119	682	801	801	0	0	0	7/31/2014
		801	0	0	119	682	801	801	0	0	0	
00751.0	PT81380 SAP SUPER USER PROVISI	17	0	0	17	0	17	17	0	0	0	3/31/2014
		17	0	0	17	0	17	17	0	0	0	
00754.0	PT81421 California Producers E Gas and Electric Harmonization Low OFO and EFO	658	0	0	247	411	658	658	0	0	0	12/31/2014 12/31/2015 12/31/2015
		0	1,253	0	0	0	0	0	391	862	1,253	
		0	956	0	0	0	0	0	309	647	956	
		658	2,209	0	247	411	658	658	700	1,509	2,209	
00756.0	PT81434 2016 GRC Results of Op	162	0	0	46	116	162	162	0	0	0	12/31/2014
		162	0	0	46	116	162	162	0	0	0	
00760.0	PT14853 ITSM Tool Optimization PT15824 SCG Desktop Hardware R PT15868 SE 2015 Mainframe Expa PT16934 eGRC Infrastructure Re PT16935 Forensics Lab Infrast PT81440 Data Center Network Co	689	477	0	179	510	689	689	177	300	477	3/31/2015 4/30/2016 12/31/2016 12/31/2016 3/31/2014
		0	0	7,072	0	0	0	0	0	0	0	
		0	0	1,818	0	0	0	0	0	0	0	
		0	0	1,990	0	0	0	0	0	0	0	
		0	0	1,822	0	0	0	0	0	0	0	
		1,133	0	0	280	853	1,133	1,133	0	0	0	
		1,822	477	12,702	459	1,363	1,822	1,822	177	300	477	
00762.0	PT14872 SCG 2014 Active Direct PT81355 SCG WAN REBUILD PH IV PT81442 SE Network Attached St PT81443 SEu Wireless/Sempra Vi	0	865	0	0	0	0	0	139	726	865	12/31/2015 3/31/2014 3/31/2014 3/31/2014
		778	0	0	261	517	778	778	0	0	0	
		1,148	0	0	128	1,020	1,148	1,148	0	0	0	
		662	0	0	269	393	662	662	0	0	0	
		2,588	865	0	658	1,930	2,588	2,588	139	726	865	
00764.0	PT14843 Customer Data Control PT14875 Collections Optimizati PT14877 Collections Optimizati PT14912 3rd Party Data Request PT14914 Customer Order Communi PT15878 Collections Optimizati PT15925 Voice Recording and QA PT16813 CIS Frontend Architect PT81418 Customer Data Controls	55	527	0	55	0	55	55	527	0	527	8/31/2015 10/31/2014 4/30/2014 9/30/2015 8/31/2015 12/31/2016 7/31/2015 12/31/2016 12/31/2014
		374	0	0	267	107	374	374	0	0	0	
		647	257	0	282	365	647	647	136	121	257	
		0	693	0	0	0	0	0	282	411	693	
		241	913	0	131	110	241	241	570	343	913	
		0	0	3,367	0	0	0	0	0	0	0	
		0	403	0	0	0	0	0	21	382	403	
		0	0	1,544	0	0	0	0	0	0	0	
		1,720	0	0	956	764	1,720	1,720	0	0	0	
		3,037	2,793	4,911	1,691	1,346	3,037	3,037	1,536	1,257	2,793	
00766.0	PT14869 NAESB EDIX Upgrade PT14873 SAP Logistics Mobility	0	286	0	0	0	0	0	262	24	286	6/30/2015 3/31/2015
		1,454	89	0	203	1,251	1,454	1,454	45	44	89	
		1,454	375	0	203	1,251	1,454	1,454	307	68	375	
00768.0	PT14854 SAP ECC and BI Archivi PT14855 Business Objects Upgra PT15804 Microsoft Business Int	802	0	0	294	508	802	802	0	0	0	12/31/2014 12/31/2015 12/31/2016
		0	648	0	0	0	0	0	348	300	648	
		0	0	461	0	0	0	0	0	0	0	
		802	648	461	294	508	802	802	348	300	648	
					294	508	802	802	348	300	648	
					261	200	461	461	261	200	461	

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Budget Code	Budget Code Description	Summary			2014			2015			2016			Completion Date
		2014	2015	2016	Labor	Non-Labor	Total	Labor	Non-Labor	Total	Labor	Non-Labor	Total	
00770.0	PT14834 SEu Web-Audio Conferen	264	1,089	0	70	194	264	139	950	1,089	0	0	0	12/31/2015
	PT15932 Web Application Databa	0	0	3,129	0	0	0	0	0	0	451	2,678	3,129	12/31/2016
	PT81316 WINDOWS 7 PLATFORM REP	1,409	0	0	408	1,001	1,409	0	0	0	0	0	0	12/31/2014
	PT81416 ENTERPRISE MESSAGING I	978	0	0	244	734	978	0	0	0	0	0	0	3/31/2014
	PT81417 EDIX Enhancement - Pha	397	123	0	367	30	397	123	0	123	0	0	0	3/31/2015
	PT81426 SERVER REPLACEMENT-AIX	2,351	547	0	502	1,849	2,351	227	320	547	0	0	0	3/31/2014
	PT81433 Enterprise Voice Syste	214	0	0	119	95	214	0	0	0	0	0	0	3/31/2014
	ROWS Refresh Out of Warranty S	4,520	0	0	648	3,872	4,520	0	0	0	0	0	0	12/31/2014
		0	1,794	0	0	0	0	710	1,084	1,794	0	0	0	12/31/2015
		0	0	695	0	0	0	0	0	0	295	400	695	12/31/2016
	PT201410 SEu Call Recording Re	786	0	0	136	650	786	0	0	0	0	0	0	12/31/2014
	PT201433 Backup Services Enhanc	849	0	0	99	750	849	0	0	0	0	0	0	12/31/2014
	PT14835 Mobile Device Managemen	1,023	87	0	266	757	1,023	87	0	87	0	0	0	1/31/2015
	PT14838 End Point Security Pro	2,541	532	0	191	2,350	2,541	232	300	532	0	0	0	3/31/2015
	PT14839 Logging Infrastructure	829	2,769	0	0	0	0	144	2,625	2,769	0	0	0	12/31/2015
	PT14846 Gas SCADA Perimeter Re	350	350	350	0	350	350	0	350	350	0	350	350	12/31/2016
	PT14865 Information Security -	0	1,395	616	0	0	0	510	885	1,395	116	500	616	12/31/2014
	PT14867 ECC 2.0 Project	341	0	0	73	268	341	0	0	0	0	0	0	8/31/2014
	PT14889 SEu Enterprise Call Re	0	0	753	0	0	0	0	0	0	153	600	753	12/31/2016
	PT15809 SEu CCC Avaya System R	0	0	1,511	0	0	0	0	0	0	146	1,365	1,511	12/31/2016
	PT15844 Web Application Firewa	0	0	659	0	0	0	0	0	0	515	144	659	12/31/2016
	PT15874 Enterprise Risk and Co	0	0	590	0	0	0	0	0	0	162	428	590	6/30/2016
	PT15879 Enterprise Social Comp	0	608	0	0	0	0	348	260	608	0	0	0	12/31/2015
	PT15880 ITCS - App-V and UE-V	0	0	1,296	0	0	0	0	0	0	696	600	1,296	12/31/2016
	PT15881 SCG Video-enabled Coll	0	394	0	0	0	0	108	286	394	0	0	0	6/30/2015
	PT15882 SEu TelePresence Upgra	0	1,097	0	0	0	0	107	990	1,097	0	0	0	6/30/2015
	PT15890 SCG Infrastructure Roo	0	0	117	0	0	0	0	0	0	52	65	117	12/31/2016
	PT15896 SE SAN Storage Expansi	0	0	6,052	0	0	0	0	0	0	52	6,000	6,052	12/31/2016
	PT15899 SE 2015 VMware View Vi	0	1,514	186	0	0	0	278	1,236	1,514	186	0	186	3/31/2016
	PT15900 SCG Infrastructure Roo	0	81	0	0	0	0	46	35	81	0	0	0	12/31/2015
	PT16892A SE Infrastructure Ena	0	0	806	0	0	0	0	0	0	0	806	806	12/31/2016
	PT16892B SE SCOM 2012 Upgrade	0	0	571	0	0	0	0	0	0	371	200	571	12/31/2016
	PT16896B SE SAN Storage Expans	0	0	836	0	0	0	0	0	0	36	800	836	12/31/2016
	PT16899B SE 2016 VMware View V	0	0	2,632	0	0	0	0	0	0	232	2,400	2,632	12/31/2016
	PT15930 IPS Refresh	0	0	2,887	0	0	0	0	0	0	262	2,625	2,887	12/31/2016
	PT15931 Source Code Security	0	0	909	0	0	0	0	0	0	209	700	909	12/31/2016
		16,852	12,380	24,595	3,227	13,625	16,852	3,059	9,321	12,380	3,934	20,661	24,595	
00772.0	PT14837 SCG Field Area Network	0	7,095	0	0	0	0	715	6,380	7,095	0	0	0	12/31/2015
		0	10,779	1,429	0	0	0	1,429	9,350	10,779	1,429	0	1,429	12/31/2016
	PT14849 SCG CI Small Cap	500	500	500	0	500	500	0	500	500	0	500	500	12/31/2015
	PT14850 SE System Management a	0	2,140	1,003	0	0	0	1,740	400	2,140	603	400	1,003	12/31/2016
	PT14851 SE Local Area Network	2,478	3,450	4,164	378	2,100	2,478	1,350	2,100	3,450	2,026	2,138	4,164	12/31/2016
	PT14852 SE Enterprise Applicat	0	675	0	0	0	0	390	285	675	0	0	0	12/31/2015
	PT14871 SCG GAS SCADA convert	0	0	1,499	0	0	0	0	0	0	347	1,152	1,499	12/31/2016
	PT15883 SE Converged Computing	0	8,536	0	0	0	0	36	8,500	8,536	0	0	0	12/31/2016
		0	7,536	0	0	0	0	36	7,500	7,536	0	0	0	12/31/2016
	PT15884 SE Backup Systems	0	0	702	0	0	0	0	0	0	2	700	702	6/30/2016

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Budget Code	Budget Code Description	Summary			2014			2015			2016			Completion Date
		2014	2015	2016	Labor	Non-Labor	Total	Labor	Non-Labor	Total	Labor	Non-Labor	Total	
PT15891	SCG Communications She	0	244	0	0	0	0	104	140	244	0	0	0	9/30/2015
PT15891B	SE EWE Self Service W	0	0	236	0	0	0	0	0	0	186	50	236	12/31/2016
PT15891C	SE Third Data Center	0	0	910	0	0	0	0	0	0	135	775	910	12/31/2016
PT15911	SCG Communications She	0	383	0	0	0	0	8	375	383	0	0	0	9/30/2016
PT16884	SE Backup Systems	0	0	356	0	0	0	0	0	0	36	320	356	12/31/2016
PT16891	2016 SCG Communication	0	0	821	0	0	0	0	0	0	21	800	821	12/31/2016
PT15893A	SE Wide Area Network	0	0	4,464	0	0	0	0	0	0	464	4,000	4,464	12/31/2016
PT16893B	SCG Communication She	145	193	0	56	89	145	53	140	193	0	0	0	9/30/2015
PT16894A	SCG Private Network E	0	0	2,148	0	0	0	0	0	0	348	1,800	2,148	12/31/2016
PT16894B	SCG Communication She	145	232	0	56	89	145	53	179	232	0	0	0	9/30/2015
PT16895A	SE Remote Access Serv	0	0	797	0	0	0	0	0	0	297	500	797	12/31/2016
PT81389	SCG BATTERY REPLACEMENT	149	0	0	86	63	149	0	0	0	0	0	0	3/31/2014
PT81414	CORE NETWORK DESIGN	536	0	0	201	335	536	0	0	0	0	0	0	3/31/2014
PT81432	PRIVATE NETWORK EXPANS	2,797	0	0	447	2,350	2,797	0	0	0	0	0	0	12/31/2014
		0	1,661	0	0	0	0	261	1,400	1,661	0	0	0	12/31/2015
	Data Center Network Rebuild	4,661	0	0	245	4,416	4,661	0	0	0	0	0	0	12/31/2014
		11,411	43,424	19,029	1,469	9,942	11,411	6,175	37,249	43,424	5,894	13,135	19,029	
00773.0	PT81403 TELECOMMUNICATIONS EXP	693	0	0	203	490	693	0	0	0	0	0	0	12/31/2014
		693	0	0	203	490	693	0	0	0	0	0	0	
00774.0	PT14803 - Envoy Next Generatio	41	2,048	1,664	41	0	41	348	1,700	2,048	464	1,200	1,664	12/31/2016
	PT14825 - Email Campaign Manag	0	200	0	0	0	0	0	200	200	0	0	0	6/30/2014
		112	876	0	24	88	112	143	733	876	0	0	0	6/30/2015
	PT14829 - socialgas.com technol	1,636	1,349	0	41	1,595	1,636	35	1,314	1,349	0	0	0	12/31/2015
	PT15823 SEU Customer Contact C	0	0	601	0	0	0	0	0	0	252	349	601	12/31/2016
	PT 15828 In House EDI X12 Serv	0	456	108	0	0	0	147	309	456	63	45	108	5/31/2016
	PT14827 C&I Next Generation Ph	336	2,453	0	73	263	336	201	2,252	2,453	0	0	0	12/31/2016
	PT15802 C&I Next Generation Ph	0	1,742	0	0	0	0	232	1,510	1,742	0	0	0	12/31/2015
		0	0	802	0	0	0	0	0	0	232	570	802	12/31/2016
	PT81439 ENVOY & MCS SYBASE DAT	1,761	0	0	651	1,110	1,761	0	0	0	0	0	0	12/31/2014
		0	937	0	0	0	0	237	700	937	0	0	0	12/31/2015
	PT81438 ENVOY MCS DATA CONTROL	0	617	12	0	0	0	217	400	617	12	0	12	1/31/2016
		525	0	0	377	148	525	0	0	0	0	0	0	12/31/2014
	PT81435 My Account Tech Refres	7,874	0	0	1,746	6,128	7,874	0	0	0	0	0	0	12/31/2014
		0	5,437	0	0	0	0	1,662	3,775	5,437	0	0	0	12/31/2015
		0	746	295	0	0	0	0	746	746	295	0	295	3/31/2016
	PT81423 My Account Mobile 1C	1,273	416	0	216	1,057	1,273	6	410	416	0	0	0	2/28/2014
	PT81424 SCG IVR Ph 4	1,742	0	0	521	1,221	1,742	0	0	0	0	0	0	12/31/2014
		0	151	0	0	0	0	65	86	151	0	0	0	12/31/2015
		15,300	17,428	3,482	3,690	11,610	15,300	3,293	14,135	17,428	1,318	2,164	3,482	
00775.0	SCG Meter Reading Handheld Sys	0	244	6,673	0	0	0	234	10	244	523	6,150	6,673	12/31/2016
		0	244	6,673	0	0	0	234	10	244	523	6,150	6,673	
00776.0	PT - 14807 Click Upgrade	0	713	0	0	0	0	0	713	713	0	0	0	1/31/2015
		250	0	0	0	250	250	0	0	0	0	0	0	6/30/2014
		2,996	5,655	1,566	698	2,298	2,996	1,392	4,263	5,655	1,169	397	1,566	6/30/2016
	PT16860 GIS Gas Enhancements 2	0	0	7,377	0	0	0	0	0	0	800	6,577	7,377	12/31/2016
	Electronic Leak Survey	0	1,548	0	0	0	0	348	1,200	1,548	0	0	0	12/31/2015

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Budget Code	Budget Code Description	Summary			2014			2015			2016			Completion Date
		2014	2015	2016	Labor	Non-Labor	Total	Labor	Non-Labor	Total	Labor	Non-Labor	Total	
PT14817	- Business Planning Si	1,425	0	0	0	1,425	1,425	0	0	0	0	0	0	12/31/2014
		435	859	0	244	191	435	406	453	859	0	0	0	12/31/2015
PT14876	Shop Tracking System	98	0	0	0	98	98	0	0	0	0	0	0	7/31/2014
		606	785	269	352	254	606	509	276	785	254	15	269	7/31/2016
PT14919	Click and SAP Disaster	1,053	0	0	217	836	1,053	0	0	0	0	0	0	12/31/2014
PT14924	Enterprise GIS Uplift	0	1,295	413	0	0	0	143	1,152	1,295	43	370	413	12/31/2016
PT15819	CPD Reporting Enhancem	0	1,116	1,087	0	0	0	116	1,000	1,116	87	1,000	1,087	12/31/2016
PT15820	SCG Maintenance and In	0	1,186	1,186	0	0	0	186	1,000	1,186	186	1,000	1,186	12/31/2016
PT15821	Field Force Reporting	0	0	1,143	0	0	0	0	0	0	93	1,050	1,143	12/31/2016
PT15856	SAP Business Warehouse	0	497	0	0	0	0	288	209	497	0	0	0	12/31/2015
PT14925	Employee Care Services	0	0	1,754	0	0	0	0	0	0	754	1,000	1,754	12/31/2016
PT15801	GIS SAP Integration	0	1,240	1,275	0	0	0	290	950	1,240	230	1,045	1,275	12/31/2016
PT16802	Click v8 Functional En	0	0	3,384	0	0	0	0	0	0	2,784	600	3,384	12/31/2016
PT81431	Click M&I M&R Stabiliz	826	0	0	213	613	826	0	0	0	0	0	0	6/30/2014
PT81412	GAS GIS Enhancements 2	1,154	0	0	122	1,032	1,154	0	0	0	0	0	0	3/31/2014
PT81428	SCG M&I GuiXT Phase 2	934	0	0	197	737	934	0	0	0	0	0	0	12/31/2014
PT81419	PDA Meter Test Lab	577	0	0	256	321	577	0	0	0	0	0	0	12/31/2014
PT81353	ECM REPLACEMENT	567	0	0	104	463	567	0	0	0	0	0	0	2/28/2014
PT81448	DESIGN ENGINEERING SW	819	158	0	9	810	819	3	155	158	0	0	0	1/31/2015
		270	0	0	0	270	270	0	0	0	0	0	0	9/30/2014
PT81436	SCG CI My Biz Account	1,958	0	0	121	1,837	1,958	0	0	0	0	0	0	12/31/2014
		0	2,012	0	0	0	0	157	1,855	2,012	0	0	0	12/31/2015
		0	0	1,615	0	0	0	0	0	0	58	1,557	1,615	12/31/2016
PT15934	SoCalGas Customer Serv	421	193	544	7	414	421	3	190	193	9	535	544	12/31/2016
PT81399	FINANCIAL ASSET MGMT (3,179	0	0	691	2,488	3,179	0	0	0	0	0	0	12/31/2014
PT81461	Gas GIS Project 2014	500	233	0	400	100	500	133	100	233	0	0	0	3/31/2015
PT15859	GIS Gas Enhancements 2	0	3,111	1,103	0	0	0	401	2,710	3,111	133	970	1,103	3/31/2016
		18,068	20,601	22,716	3,631	14,437	18,068	4,375	16,226	20,601	6,600	16,116	22,716	
00777.0	PT14918 Small Cap Requests (Ba	0	132	0	0	0	0	0	132	132	0	0	0	6/30/2015
	PT15920 Small Cap Requests (Cu	0	10	10	0	0	0	0	10	10	0	10	10	6/30/2016
	PT81396 PACER MDT REPLACEMENT	2,675	0	0	297	2,378	2,675	0	0	0	0	0	0	6/30/2014
	PT81454 SCG Field MDT Upgrade	2,869	0	0	0	2,869	2,869	0	0	0	0	0	0	3/31/2014
		5,544	142	10	297	5,247	5,544	0	142	142	0	10	10	
00778.0	PT14832 SharePoint 2013	2,588	1,951	0	332	2,256	2,588	820	1,131	1,951	0	0	0	12/31/2015
	PT14833 Data Loss Prevention	0	2,512	2,512	0	0	0	362	2,150	2,512	362	2,150	2,512	12/31/2016
	PT14897 Travel and Expense Mob	2,184	0	0	284	1,900	2,184	0	0	0	0	0	0	12/31/2014
	PT15926 SAP Enterprise Mobilit	0	2,382	0	0	0	0	232	2,150	2,382	0	0	0	7/31/2015
	PT81407 E-PROCUREMENT IMPLEMEN	0	848	0	0	0	0	348	500	848	0	0	0	7/31/2015
		999	771	0	225	774	999	399	372	771	0	0	0	9/30/2015
		5,771	8,464	2,512	841	4,930	5,771	2,161	6,303	8,464	362	2,150	2,512	
00780.0	PT14861 Identity & Access Mana	2,220	2,220	2,092	577	1,643	2,220	577	1,643	2,220	842	1,250	2,092	12/31/2016
	PT16888 Identity & Access Mana	458	0	0	183	275	458	0	0	0	0	0	0	4/30/2014
	PT81451 Mandiant Expansion	0	0	1,727	0	0	0	0	0	0	167	1,560	1,727	12/31/2016
		453	0	0	7	446	453	0	0	0	0	0	0	2/28/2014
		3,131	2,220	3,819	767	2,364	3,131	577	1,643	2,220	1,009	2,810	3,819	
00782.0	PT15898 SE Application Platfor	0	609	984	0	0	0	334	275	609	334	650	984	12/31/2016

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Budget Code	Budget Code Description	Summary			2014		2015		2016		Completion Date			
		2014	2015	2016	Labor	Non-Labor	Total	Labor	Non-Labor	Total		Labor	Non-Labor	Total
		0	609	984	0	0	0	334	275	609	334	650	984	
00784.0	PT14826 - Integrated Customer PT81415 Credit & Collections O	1,435 291	3,080 0	326 0	241 274	1,194 17	1,435 291	572 0	2,508 0	3,080 0	7 0	319 0	326 0	3/31/2016 9/30/2014
		1,726	3,080	326	515	1,211	1,726	572	2,508	3,080	7	319	326	
00786.0	PT14810 - Gas Distribution Ana PT14862 Greenhouse Gas and Env	2,238 524	18 259	0 0	524 263	1,714 261	2,238 524	17 104	1 155	18 259	0 0	0 0	0 0	1/31/2015 3/31/2015
		2,762	277	0	787	1,975	2,762	121	156	277	0	0	0	
00788.0	PT14805 - Enterprise BI Analyt PT15806 Enterprise BI Analytic PT15811 Enterprise Analytics S PT16816 Enterprise Analytics S PT16927 Enterprise BI Analytic	319 0 0 0 0	451 0 0 0 0	0 769 452 470 769	41 0 0 0 0	278 0 0 0 0	319 0 0 0 0	61 0 0 0 0	390 0 0 0 0	451 0 0 0 0	0 97 52 70 97	0 672 400 400 672	0 769 452 470 769	6/30/2015 12/31/2016 12/31/2016 12/31/2016 12/31/2016
		319	451	2,460	41	278	319	61	390	451	316	2,144	2,460	
00810.0	PTCPD SCG CPD Enh Phase 2 PT13810 SCG CPD Enh Phase 1	0 11,479	4,731 1,085	3,502 0	0 2,566	0 8,913	0 11,479	3,411 35	1,320 1,050	4,731 1,085	1,867 0	1,635 0	3,502 0	12/31/2016 3/31/2015
		11,479	5,816	3,502	2,566	8,913	11,479	3,446	2,370	5,816	1,867	1,635	3,502	
		104,397	122,503	108,182	21,768	82,629	104,397	27,615	94,888	122,503	25,280	82,902	108,182	

Appendix D

SoCalGas Response to Data Request ORA-SCG-DR-029-PM1, Question 5

**ORA DATA REQUEST
ORA-SCG-DR-029-PM1
SOCALGAS 2016 GRC – A.14-11-004
SOCALGAS PARTIAL RESPONSE
DATE RECEIVED: DECEMBER 16, 2014
DATE RESPONDED: DECEMBER 12, 2014**

5. Please provide the yearly capitalized hardware costs 2009-2013 and forecast from 2014-2016 (in nominal 2013 and base year dollars) delineated by the “Categories of Management” listed on Table CRO-13. Include an itemized list of the hardware replaced (2011-2013) and forecast to be replaced (2014-2016) with number of units, cost per unit, installation cost and any other cost associated with the hardware (if other costs are included explain why these costs were incurred).

SoCalGas Response 05:

A list of itemized hardware that is being replaced is not available. Individual hardware replacements are not currently tracked at the individual project level for GRC purposes. Historical cost for capitalized hardware cost from 2009-2013 by the categories of management is available in attachment ORA-SCG-029-PM1 Q5. The requested information for forecast costs (years 2014-2016) are also attached on ORA-SCG-029-PM1 Q5. Please note that the forecasted cost shown is cost related to proposed hardware project. All non-labor related cost is listed and can include non-labor cost associated with the hardware purchase.

SCG-029-PM1 Q5

Capital Hardware Purchases (2013 \$)					
	Fiscal year				
Categories of Management	2009	2010	2011	2012	2013
CS - Field & SCG Mtr Reading	(159,901)	545,342	286,810	1,887,949	6,455,617
CS - Information			27		
CS - Office Operations	30	14,773	20,167	1,966,099	437,097
Engineering & ES					50,018
Gas Operations		680,460	974,253	206,317	3,068,866
Information Technology	6,456,450	(104,318)	6,726	75,730	5,588,265
Supply Management	24,027	651	18,335	36,527	
So Cal Gas Total	6,320,606	1,136,908	1,306,319	4,172,621	15,599,863

Capital Hardware Purchases (Nominal Base Dollars)					
	Fiscal year				
Categories of Management	2009	2010	2011	2012	2013
CS - Field & SCG Mtr Reading	(130,191)	463,104	266,590	1,893,990	6,455,617
CS - Information			25		
CS - Office Operations	24	12,545	18,745	1,972,390	437,097
Engineering & ES					50,018
Gas Operations		577,847	905,568	206,977	3,068,866
Information Technology	5,256,841	(88,587)	6,252	75,972	5,588,265
Supply Management	19,563	553	17,042	36,643	
So Cal Gas Total	5,146,237	965,462	1,214,223	4,185,973	15,599,863

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Categories of Management	Fiscal year		
	2014	2015	2016
CS - Field & SCG Mtr Reading	2,792	200	6,685
CS - Office Operations	432	946	833
CS- Information	40	75	-
Engineering & ES	100	100	-
Environmental	-	-	-
Gas Distribution	3,993	819	130
Information Technology	24,688	28,104	40,999
Supply Management	949	200	-
So Cal Gas Total*	32,994	30,444	48,647

*Cost are hardware related estimates. May include other associated non-labor cost related to hardware