SDG&E 2019 GRC A.17-10-007
TURN Data Request TURN-SEU-077
SDG&E RESPONSE
DATE RECEIVED: June 29, 2018
DATE RESPONDED: July 11, 2018

TURN Question 1:

1. In the rebuttal testimony in SDG&E-214, p. AFC-59, lines 25-26, SDG&E states it "utilized some initial assumptions from SCE's 2012 pole loading study to create initial baselines for the PRiME program."
    a. Please indicate where in SDG&E's workpapers reference to SCE's study is made.
    b. Please explain why there are no references to SCE's 2012 pole loading study in response to TURN-03, question 43.
    c. Please provide all contemporaneous documentation of SDG&E's determination to utilize some initial assumptions from SCE's 2012 pole loading study to create initial baselines for the PRiME program, including but not limited to any notes from meetings or discussions at which this utilization of assumptions from SCE's 2012 pole loading study was raised or considered, and any memos or reports describing the decision to rely on such initial assumptions from SCE's 2012 pole loading study.
    d. Please provide the calculations performed prior to SDG&E serving its direct testimony that set forth the use of initial assumptions from SCE's 2012 pole loading study to create initial baselines for the PRiME program.
    e. In determining to utilize initial assumptions from SCE's 2012 pole loading study to create initial baselines for the PRiME program, did SDG&E perform any analysis of SCE's then-current distribution pole maintenance practices to assess whether those practices were generally the same as SDG&E's? If the answer is anything other than an unqualified negative, please describe in detail the analysis SDG&E performed, and provide all documentation of that analysis.
    f. In determining to utilize initial assumptions from SCE's 2012 pole loading study to create initial baselines for the PRiME program, did SDG&E perform any analysis of SCE's then-current distribution pole installation practices to assess whether those practices were generally the same as SDG&E's? If the answer is anything other than an unqualified negative, please describe in detail the analysis SDG&E performed, and provide all documentation of that analysis.
    g. In determining to utilize initial assumptions from SCE's 2012 pole loading study to create initial baselines for the PRiME program, did SDG&E perform any analysis of SCE's then-current distribution pole attachment practices to assess whether those practices were generally the same as SDG&E's? If the answer is anything other than an unqualified negative, please describe in detail the analysis SDG&E performed, and provide all documentation of that analysis.
    h. In determining to utilize initial assumptions from SCE's 2012 pole loading study to create initial baselines for the PRiME program, did SDG&E perform any analysis of whether the distribution of SCE's distribution poles throughout the different climate zones in that utility's service territory were generally the same as SDG&E's? If the answer is anything other than an unqualified negative, please describe in detail the analysis SDG&E performed, and provide all documentation of that analysis.

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SDG&E Response Q1: The sentence quoted by TURN in this data request may have led to an incorrect assumption regarding SDG&E's reliance on SCE's data. SDG&E intends to revise the opening statement of section IV.I.2.iii of SDG&E-214 at hearings, to read: "Due to scope similarities between the programs, SDG&E reviewed and compared SCE's publicly available pole loading non-conformance data while creating initial baselines for the PRiME program." SDG&E apologizes for the misunderstanding this may have caused.

a. SDG&E's workpapers do not reference SCE's 2012 study.

b. As part of the TURN-03, Question 43 includes the following questions:

43. Regarding Pole Risk Mitigation and Engineering (PRiME)
c. Please provide all workpapers that justify the costs of this program.
h. Please provide all reports and workpapers related to this program to-date.

SDG&E did not include reference to SCE's study in response to this request because SDG&E did not conduct or fundamentally rely upon the study, and it was not a foundation for establishing forecasts for the PRiME Program.

SDG&E reviewed and was aware of SCE's publicly available data, because, as TURN noted in its testimony, "SCE proposed a similar pole loading assessment program" as part of their TY 2015 GRC. This is the only similar program of which SDG&E is aware; thus it made sense for SDG&E to take note of SCE's non-conformance rates in benchmarking its preliminary assumptions for the PRiME Program's starting point. As explained in testimony, the first year of the PRiME Program will be a pilot phase through which SDG&E is expected to test and learn, through its experience in the program. (*See, e.g.,* SDG&E-14-R at AFC-125.) The PRiME pilot program will provide more complete data to inform SDG&E's assumptions.

c. SDG&E does not have any notes from meetings or discussions as it relates to utilization of SCE's data.

d. See response to c above. A discussion of how SDG&E's assumptions compare with SCE's experience is stated in rebuttal testimony at AFC-59 and AFC-60.

e. No; however, SDG&E believes there are similarities between SDG&E and SCE, given the companies' relative geographical locations and the fact that both companies must conform to the same General Order requirements.

f. See response to Q1 part e.

g. See response to Q1 part e.

SDG&E Response Q1 Continued:

h. See response to Q1 part e.

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TURN Question 2:

2. In the rebuttal testimony in SDG&E-214, p. AFC-60, lines 15-16, SDG&E states its cost estimate of $25,000 per pole is "based on per pole replacement costs associated with the FiRM Program." Prior to its rebuttal testimony, had SDG&E asserted that the $25,000 per pole figure was based on per pole replacement costs associated with the FiRM Program in its testimony, workpapers, or data request responses? If the answer is anything other than an unqualified negative, please cite by volume and page number each place where SDG&E included this assertion it is direct testimony and workpapers, and identify each specific data request response that includes the assertion.

SDG&E Response to Q2:

2. Within rebuttal testimony, SDG&E simply further defined that "similar construction activities" include those found within the FiRM program. SDG&E went on to further clarify this within the footnote of rebuttal testimony which is stated below.

   As stated in rebuttal testimony (AFC-60, Line 15):
   SDG&E assumed a cost estimate of $25,000 per pole,[187] based on per pole replacement costs associated with the FiRM Program. SDG&E expects that the $25,000 per pole estimate will provide a good baseline estimate that will cover the cost of the pole and also include the added equipment costs and changes based on field conditions as they become known through the design and construction phases of the project.

   Footnote 187:
   In response to TURN's data requests, SDG&E states "The unit cost to replace a pole from 2012-2016 vary based on the complexity of the work. Approximately $25,000 per pole was used based on similar construction activities." SDG&E's response to Data Request TURN-SEU-003, Q.43b included in Appendix A.

   As stated above in the footnote of rebuttal testimony, SDG&E responded to TURN's similar data request with the following:

   As stated in SDG&E's response to TURN 03, Question 43, part b:
   "Approximately $25,000 per pole was used based on similar construction activities."

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TURN Question 3:

3. In the rebuttal testimony in SDG&E-214, p. AFC-60, lines 15-16, SDG&E states its cost estimate of $25,000 per pole is "based on per pole replacement costs associated with the FiRM Program."
    a. For each year from 2012-2017, inclusive, please provide the number of pole replacements performed as part of the FiRM Program, and the total costs of those pole replacements.
    b. In SDG&E's 2012 GRC, how many poles did SDG&E forecast replacing as part of the FiRM Program for each year from 2012-2015, inclusive? What was the forecasted costs of the pole replacements as part of the FiRM Program for each of those years?
    c. In SDG&E's 2016 GRC, how many poles did SDG&E forecast replacing as part of the FiRM Program for each year from 2012-2015, inclusive? What was the forecasted costs of the pole replacements as part of the FiRM Program for each of those years?

SDG&E Response to Q3:

a. The FiRM program did not exist in 2012 and wasn't formally discussed in the GRC until 2014 for the 2016 GRC Filing. 2013 was a 'gap year' between the 2012 (4 year term) and 2016 GRC cycles and therefore is not explicitly covered in the previous GRC filing. The approximate total poles replaced and total direct capital costs are shown below for the FiRM Program from program inception in 2013-2017. It's important to note that these total costs include pole replacements, reconductoring, modification of poles to remain, SCADA switch installations, associated underground work and other miscellaneous activities associated with the FiRM Program.

Approximate Poles Replaced and Direct Capital Costs of FiRM

Year	Poles Replaced	Total Direct Capital Costs
2012	-	$ -
2013	43	$ 4,283,666
2014	393	$ 16,894,518
2015	1,883	$ 52,896,364
2016	1,410	$ 54,040,204
2017	1,732	$ 55,487,332
Total	5,461	$ 183,602,085

SDG&E Response Q3 Continued:

b. The FiRM program did not exist in 2012 and wasn't formally discussed in the GRC until the TY 2016 GRC Filing as part of the 2014 to 2016 forecast. Therefore, no poles were forecasted to be replaced under the FiRM Program as part of the TY 2012 GRC.

c. The following list of projects addresses SDG&E's FiRM Program since 2014 when the program was presented in the TY 2016 GRC. 2013 was a 'gap year' for SDG&E's GRC cycles. Therefore, no electric distribution capital costs were forecasted within a GRC for 2013. It should be noted that no reference is made to a number of projected pole change-outs, as the main focus for projects related to the FiRM program is changing out high risk conductor assets which is primarily small copper conductor. Pole and connector change outs are incidental to the FiRM wire replacements as greater loading is realized with the new conductor. New poles that are installed as part of the conductor replacement are designed to current standards including local weather conditions.

GRC Filing	Forecast Yr	Budget	Project Title	Approximate Direct Capital Cost Forecast
2016	2014	13247	FiRM Phase 1 & 2	$ 13,056,000
	2015			$ 12,780,000
	2016			$ 12,496,000
2016	2014	14247	Fire Risk Mitigation (FiRM) - Phase 3	$ 11,045,000
	2015			$ 24,323,000
	2016			$ 44,950,000