

Company: Southern California Gas Company (U 904 G)
Proceeding: 2024 General Rate Case
Application: A.22-05-015/-016 (cons.)
Exhibit: SCG-228

REBUTTAL TESTIMONY
OF ABIGAIL M. NISHIMOTO
(PEOPLE AND CULTURE DEPARTMENT)

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA



May 2023

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**REBUTTAL TESTIMONY OF
ABIGAIL M. NISHIMOTO
(PEOPLE AND CULTURE DEPARTMENT)**

I. SUMMARY OF DIFFERENCES

Table AMN-1

TOTAL O&M - Constant 2021 (\$000)			
	Base Year 2021	Test Year 2024	Change
SOCALGAS ¹	\$45,168	\$49,214	\$4,046
CAL ADVOCATES	\$44,849²	\$46,959	\$2,332
CEJA	\$43,923	\$48,370	\$927

II. INTRODUCTION

This rebuttal testimony regarding Southern California Gas Company's (SoCalGas or Company) request for the People and Culture Department addresses the following testimony from other parties:

- The Public Advocates Office of the California Public Utilities Commission (Cal Advocates), as submitted by R. Amin (Ex. CA-14 (Amin)), dated March 27, 2023.
- California Environmental Justice Alliance (CEJA), as submitted by Matthew Vespa, Sara Gersen, Sasan Saadat and Rebecca Barker (Ex. CEJA-01 (Baker)), dated March 27, 2023.
- The Public Advocates Office of the California Public Utilities Commission (Cal Advocates), as submitted by C. Emerson (Ex. CA-13 (Emerson)), dated March 27, 2023.

¹ Due to errors discovered when responding to various data requests and in the course of review, SoCalGas corrects its Test Year (TY) 2024 O&M forecasted value from \$49.168 million to \$49.214 million to reflect this correction. The TY 2024 forecast was overstated by \$326 thousand due to an error in SoCalGas's headcount forecast resulting in a reduction to the Long-Term Disability forecast. This correction is reflected for each of the TY 2024 forecasts in Table AMN-1.

² The Non-Shared Services O&M BY 2021 Recorded Expenses of \$44,849M in Cal Advocates Exhibit CA-14, at 26, Table 14-13, does not reflect the correct BY 2021 Recorded Expenses. The correct BY 2021 in the Workpapers (Ex. SCG-28-WP-R, at 1 and 2) of Abigail Nishimoto, for Labor Relations & Wellness is \$3,046; for Organizational Effectiveness, \$2,988, and the BY 2021 Total is \$44,844.

1 As a preliminary matter, the absence of a response to any particular issue in this rebuttal
2 testimony does not imply or constitute agreement by SoCalGas with the proposal or contention
3 made by these or other parties. The forecasts contained in SoCalGas’s direct testimony,
4 performed at the project level, are based on sound estimates of its revenue requirements at the
5 time of testimony preparation.

6 This rebuttal testimony further supports the main themes proposed in the direct testimony
7 of Abigail Nishimoto (Exhibit SCG-28-R (Nishimoto)), which includes incremental increases
8 that advance SoCalGas’s mission to become the cleanest, safest, and most innovative energy
9 company in America. This includes three key areas of responsibility for People and Culture: (1)
10 sourcing, hiring, developing, training, and retaining employees, (2) establishing, implementing,
11 and managing employee-related programs, policies, and guidelines to ensure compliance and
12 alignment to best practices, and (3) administering and managing SoCalGas’s Long-Term
13 Disability program, wellness programs, drug and alcohol testing/compliance program, leave and
14 absence policies, and self-insured workers’ compensation program.

15 The following is a brief overview of the points raised by Cal Advocates and CEJA that
16 will be addressed in this rebuttal testimony:

17 **A. Cal Advocates**

18 Cal Advocates issued its report on San Diego Gas & Electric Company (SDG&E),
19 SoCalGas’s Compensation & Benefits, and Pension & Postretirement Benefits Other than
20 Pension on March 27, 2023. The following is a summary of Cal Advocates’ positions pertaining
21 to SoCalGas’s Headcount:

- 22 • Cal Advocates excluded 2021 in the calculation of historical average
23 medical enrollment “because the 2021 actual headcounts provided by
24 Sempra substantially deviated from the 2017-2020 historical trends.”³
- 25 • Cal Advocates used historical average headcount from 2017-2020 to
26 calculate TY headcounts of 8,570 and 4,883 for SoCalGas and SDG&E,
27 respectively.⁴

³ March 27, 2023, Public Advocates Office Report on the Results of Operations for San Diego Gas & Electric Company, Southern California Gas Company, Test Year 2024, General Rate Case (GRC), Ex. CA-13 (C. Emerson) at 12:16-18.

⁴ *Id.* at 7:5-14.

1 Cal Advocates issued its report on SoCalGas’s People and Culture Department on March
2 27, 2023. The following is a summary of Cal Advocates’ positions:⁵

- 3 • Cal Advocates does not oppose SoCalGas’s forecasts and allocation of
4 shared service expenses;⁶
- 5 • Cal Advocates does not take issue with SoCalGas’s forecasts and
6 allocation of non-shared service expenses for the areas of:
 - 7 • Labor Relations/Wellness
 - 8 • Organizational Effectiveness
 - 9 • Diversity, Equity and Inclusion
 - 10 • Performance Management
 - 11 • Executive Offices, and
 - 12 • Worker’s Compensation;⁷
- 13 • Cal Advocates does not oppose SoCalGas’s business justification for IT
14 capital projects and recommends that the capital expenses be funded at the
15 proposed amounts;⁸
- 16 • Cal Advocates recommends that Human Resources and Employee
17 Services expenses remain at base year 2021 recorded adjusted expenses
18 with no funding increase; and
- 19 • Cal Advocates recommends that costs for the Long-Term Disability Plan
20 be forecasted using a 3-year average forecast methodology rather than
21 SoCalGas’s forecast methodology of base year recorded 2021 labor costs
22 which are then escalated based estimated changes in labor costs, medical
23 premiums, and year-over-year percentage change in headcount.⁹

⁵ March 27, 2023, Public Advocates Office Report on the Results of Operations for San Diego Gas & Electric Company, Southern California Gas Company, Test Year 2024, General Rate Case, Ex. CA-14 (Amin).

⁶ *Id* at 10.

⁷ *Id.* at 26, 27 and 30.

⁸ March 27, 2023, Public Advocates Office Report on the Results of Operations for Southern California Gas Company, San Diego Gas & Electric Company, Test Year 2024, General Rate Case, Ex. CA-11 (Waterworth) at 61, Table 11-29.

⁹ Ex. CA-14 (Amin) at 27-29.

1 **B. CEJA**

2 CEJA issued its report on SoCalGas’s People and Culture Department on March 27,
3 2023. The following is a summary of CEJA’s position:¹⁰

- 4 • CEJA recommends that expenses for trade association dues to the
5 American Gas Association (AGA) be entirely disallowed.¹¹

6 **III. REBUTTAL TO PARTIES’ O&M PROPOSALS**

7 **A. Non-Shared Services O&M**

8 **Table AMN-2**

NON-SHARED O&M - Constant 2021 (\$000)			
	Base Year 2021	Test Year 2024	Change
SOCALGAS ¹²	\$44,844	\$48,890	\$4,046
CAL ADVOCATES	\$44,849¹³	\$46,959	\$2,332
CEJA	\$43,923	\$48,370	\$927

9
10 **1. Disputed Headcount Forecasts – Cal Advocates**

11 Cal Advocates takes issue with SoCalGas’s TY2024 Headcount forecast of 10,080 and
12 believes SoCalGas’s number is inflated. Cal Advocates suggests using the average of
13 SoCalGas’s historical 2017-2021 ICP Headcount as a reasonable method when calculating a
14 forecast of 8,570 for TY2024 for both ICP Expenses and medical costs.

15 Cal Advocates’ projection is flawed for the following reasons: (1) Cal Advocates uses
16 incorrect headcount numbers for prior year actuals; (2) Cal Advocates’ TY 2024 headcount

¹⁰ March 27, 2023, Prepared Testimony of Matthew Vespa, Sara Gersen, Sasan Saadat, and Rebecca Barker, on behalf of California Environmental Justice Alliance (CEJA), General Rate Case, Ex. CEJA-01 (Baker).

¹¹ Ex. CEJA-01 (Baker) at 100-114.

¹² Due to errors discovered when responding to various data requests and in the course of review, SoCalGas corrects its TY 2024 Non-Shared Services O&M forecasted value from \$49.216 million to \$48.890 million to reflect this correction. The TY 2024 Non-Shared Services forecast was overstated by \$326 thousand due to an error in SoCalGas’s headcount forecast resulting in a reduction to the Long-Term Disability forecast. This correction is reflected for each of the TY 2024 Non-Shared Services forecasts in Table AMN-2.

¹³ Cal Advocates' amounts may vary slightly due to rounding.

1 forecast is understated when compared to SoCalGas’s historical headcount; and (3) Cal
2 Advocates’ projection is not representative of SoCalGas’s workforce needs for the future.

3 **a. Cal Advocates Uses Incorrect Headcount Numbers for Prior**
4 **Year Actuals**

5 In its testimony, Cal Advocates based its headcount proposal on a calculation of the four-
6 year average of year-over-year growth rates (2017-2021) using SoCalGas’s ICP headcount
7 numbers. In using ICP headcount numbers, Cal Advocates incorrectly concluded that
8 SoCalGas’s headcount will be 1.6% per year for the period of 2022-2024. However, a headcount
9 forecast based on ICP headcount is flawed in that the number fails to include employees on a
10 leave of absence. As noted in SoCalGas’s Response to Data Request PAO-SCG-016-CE3_SCG-
11 25_2575, Question 1a, the forecasted number of ICP-eligible employees includes *only* active
12 employees; it does not include employees on a leave of absence.¹⁴ In another data response,
13 SoCalGas clarified that, for GRC purposes, SoCalGas interprets “‘headcount’ to mean a count of
14 the number of employees at the company as of December 31 of a given year, excluding SB 901
15 officers.”¹⁵ By using only the forecasted number of ICP-eligible employees to forecast total
16 headcount, Cal Advocates excludes from its forecast the consideration of employees on a leave
17 of absence - a population SoCalGas includes when considering total headcount. When averaging
18 the historical 2018-2021 headcount, with the accurate number of employees (to include
19 employees on a leave of absence), the year-over-year average growth rate is 1.9%, not 1.6% as
20 proposed by Cal Advocates.

21 **b. Cal Advocates’ TY 2024 Headcount Forecast is Understated.**

22 As explained above, Cal Advocates’ headcount calculations and assumptions are based
23 on an incorrect understanding of the term “headcount.” SoCalGas finds that Cal Advocates’
24 recommended historical averaging forecast understates actual headcount figures for BY 2021
25 and year-end 2022, and provides a lower forecast for remaining years 2023 and TY 2024 than
26 headcount already realized:

¹⁴ Appendix B, SoCalGas Response to Data Request PAO-SCG-016-CE3, dated 8/10/2022, Question 01a. See also SoCalGas Response to Data Request PAO-SCG-080-CE3_7645_7644, dated 01/13/2023, Question 1.

¹⁵ Appendix B, SoCalGas’s Response to Data Request PAO-SCG-080-CE3_7645_7644, dates 1/13/2023, question 1.

SoCalGas Headcount	2017	2018	2019	2020	2021	2022	2023	2024
Actual Active	7,546	7,522	7,541	7,851	8,178	8,461		
Actual Leave	381	426	402	358	367	360		
Actual Total	7,927	7,948	7,943	8,209	8,545	8,821		
Cal Advocates Forecast (excluding leaves) ¹⁶						8,302	8,435	8,570
SoCalGas Forecast ¹⁷						9,092	9,741	10,080

1
2 Because the headcount numbers relied upon by Cal Advocates in their forecast are
3 inaccurate, Cal Advocates' forecast is inaccurate and Cal Advocates' proposes a TY2024
4 headcount that has already been realized by SoCalGas. In other words, SoCalGas's 2022 actual
5 headcount is currently higher than Cal Advocates' TY 2024 forecast of 8,570.

6 **c. Cal Advocates' TY 2024 Headcount Projection is Not**
7 **Representative of Future Workforce Needs.**

8 SoCalGas's actual headcount increased by 3.3% in 2020 and 4.1% in 2021, twice as
9 much as the percentage increase recommended by Cal Advocates (1.6%). To meet the personnel
10 needs associated with anticipated projects and programs in this GRC cycle, SoCalGas expects at
11 least a similar percentage increase in future years. SoCalGas's year-over-year growth rate for
12 2020-2021 demonstrates that Cal Advocates' use of a forecast methodology for headcount that
13 relies solely on backward-looking data is not the best predictor of future needs. As described in
14 the Policy rebuttal testimony of Maryam S. Brown (Exhibit SCG-201), SoCalGas continues to
15 implement new programs to meet growing compliance obligations, continues its focus on the
16 clean energy transition and maintaining a workforce that is progressively less reliant on
17 contractors. All of these factors result in headcount growth. As Ms. Brown explains, Cal
18 Advocates' headcount recommendation is inaccurate and would not provide adequate personnel
19 to perform necessary safety and reliability work.

¹⁶ Ex. CA-13-WP (Emerson).

¹⁷ Ex. SCG-25-WP (Robinson) at 21 at "Projected" Years 2022, 2023, 2024, includes both Active and Leave employees.

1 Cal Advocates' headcount forecast for SoCalGas should be rejected as it is incorrect,
2 flawed, and not reflective of the growth in workforce that SoCalGas is expecting given the
3 anticipated projects and programs in this GRC cycle.

4 **2. Human Resources and Employee Services (HR&ES)**

5 **a. Cal Advocates**

6 Cal Advocates takes issue with the TY 2024 O&M forecast for Human Resources and
7 Employee Services (HR&ES). Rather than adopt SoCalGas's forecast methodology of base year
8 recorded, Cal Advocates recommends freezing SoCalGas's entire HR&ES funding at 2021
9 recorded expenses, suggesting that 2021 recorded expenses are a reasonable level for TY 2024
10 activities.¹⁸

11 SoCalGas disagrees with Cal Advocates' position as it ignores natural escalations in labor
12 costs and funding requests for new programs/activities. Furthermore, in recommending that
13 HR&ES maintain 2021 "status quo" for TY 2024, Cal Advocates makes generalized, broad
14 statements that SoCalGas did not provide sufficient "verifiable or traceable documentation" to
15 support the requested increases when, in fact, SoCalGas provided explanations and rationale for
16 the incremental requests in its original testimony, its workpapers as well as in numerous
17 responses to data requests from Cal Advocates, CEJA, and Community Legal Services (CLS).¹⁹
18 Neither CEJA nor CLS submitted intervenor testimony opposing the HR&ES forecasts for
19 People and Culture.

¹⁸ Ex. CA-14 (Amin) at 29:18-20.

¹⁹ SoCalGas responded to over 140 questions from nine Cal Advocates Data Requests:

- SoCalGas-2024 GRC MDR-SECTION B, responded 6/17/2022 (13 questions)
- PubAdv-SCG-AUDIT-SWC-006 dated 6/23/2022, responded 7/7/2022 (1 question)
- PAO-SCG-003-RA6_1916 dated 6/22/2022, responded 7/15/2022 (27 questions)
- PAO-SCG-006-RA-6_SCG-28_2559 dated 7/26/2022, responded 8/15/2022 (4 questions)
- PAO-SCG-038-RA6-SCG-28_3987 dated 8/29/2022, responded 9/13/2022 (8 questions)
- PAO-SCG-048-RA6_SCG-28_4995 dated 9/15/2022, responded 9/29/2022 (23 questions)
- PubAdv-SCG- RA6-049_413_5070 dated 9/16/2022, responded 10/6/2022 (25 questions)
- PAO-SCG-078-RA6_7623_7622 dated 12/20/2022, responded 1/11/2023 (7 questions)
- PAO-SCG-089-RA6_SCG-28_8592 dated 1/9/2023, responded 1/31/2023 (37 questions)

1 As a department that supports the entire SoCalGas organization, HR&ES's past and
2 future labor growth is primarily attributed to: (1) increases in statutory and regulatory
3 requirements, (2) additional support for the Staffing department due to the increase in hiring, (3)
4 an increase in the number of employees and employee transactions, including requests for
5 employee data, and (4) the expansion of the Ethics & Investigations Team.²⁰ Non-labor
6 incremental expenses were requested for the digitization of employee personnel files.

- 7 • Statutory & Regulatory Requirements. Statutory and regulatory
8 requirements affecting HR&ES (Hiring, Compensation, Employee Care
9 Services, Workers Compensation, Long-Term Disability, Ethics, etc.)
10 continue to be refined and increase numerically by legislative action, most
11 with no sunset provision. HR&ES is charged with administering these
12 statutory and regulatory requirements, which results in an increase in the
13 workload for various HR&ES teams. For example, "Employee Care
14 Services [(ECS)] plans to add one (1) Claims Associate at \$56,000 in
15 labor costs in response to California Senate Bill (SB) 1127, which reduces
16 the timeframe for Workers' Compensation determinations from 90 days to
17 60 days, and results in additional reporting and shorter timeframes for
18 investigations and payments."²¹ Similarly, the Compensation team plans
19 to add one (1) Compensation Advisor at \$134,000 in labor costs to
20 support, in part, new legislation and enhanced legal obligations focused on
21 pay equity across positions with similar job duties.
- 22 • Staffing Support. The Staffing team plans to add one (1) Staffing Advisor
23 at \$134,000 in labor costs and one (1) Staffing Specialist at \$86,000 in
24 labor costs to support an increase in hiring volume and to meet the
25 requirements to recruit, test, screen, and ultimately staff a qualified and
26 diverse workforce. Hiring numbers have trended upward since 2017 due to
27 both incremental, additional hires and replacement personnel for retired or
28 separated employees. For example, in 2017, SoCalGas externally hired

²⁰ Ex. SCG-28-WP-R (Nishimoto) at 5.

²¹ Exhibit SCG-28-R (Nishimoto) at AMN-14:16-20, and Ex. SCG-28-WP-R (Nishimoto) at 6-12.

154 employees to either fill a new position or to backfill an existing position that had been vacated. By 2022, that number had risen to 1,033 external hires, representing a 677% increase in just six years. This trend is expected to continue to TY 2024 as the make-up and nature of the job market continues to shift towards employees prioritizing increased mobility:

	2017	2018	2019	2020	2021	2022
SoCalGas External Hiring	154	486	396	638	966	1,033

HR&ES is the support department responsible for hiring and recruitment across SoCalGas and continues to respond to increased hiring support requirements, which includes job applicant reviews, the scheduling and conducting of applicant interviews, creating competitive, equitable, and market-based employment packages, and the onboarding process of successful candidates. During the 2019-2022 timeframe, the number of applicants submitting for job openings increased 151%, from 29,420 applications received in 2019 to 73,774 received in 2022. An upward trend is expected to continue to TY 2024:

	2019	2020	2021	2022
SoCalGas Job Applications Received	29,420	59,483	63,526	73,774

- Increase in Employees, Employee Transactions and Requests for Data. To properly support the various client groups and maintain appropriate ratio levels between HR Business Partners and their clients, an additional HR Advisor at \$134,000 in labor costs is required. The HR Services Operations Team plans to add one (1) additional HR Analyst at \$86,000 in labor costs to support an increase in workload resulting from an increase in employee transactions and requests for employee data. The additional analyst is needed to ensure that such transactions are addressed and resolved in a timely manner. The Human Resources Information System (HRIS) Team plans to add one (1) additional HRIS Advisor due to an increase in ad-hoc and manual data requests for HR data. These requests

1 involve queries into Diversity, Equity & Inclusion (DE&I) metrics,
2 headcount, legal request obligations, and CPUC-related data requests,
3 among other. HRIS responded to close to 700 ad-hoc data requests in
4 2022.

- 5 • Expansion of the Ethics and Workplace Investigations Team. The Ethics
6 and Workplace Investigations (EWI) Team is new to SoCalGas and was
7 created within the HR&ES department in BY 2021, in part, in response to
8 the Department of Justice’s (DOJ) issued guidance titled, *Evaluation of*
9 *Corporate Compliance Programs*.²² Cal Advocates’ recommendation of
10 BY 2021 recorded expenses as “a reasonable level for TY [2024]
11 activities”²³ is incorrect. Although the EWI Team was fully staffed by
12 year-end 2021, there were few recorded costs that were incurred for all of
13 2021. For example, the EWI manager was not hired until mid-April 2021
14 and EWI Workplace Investigators were hired mid-year 2021 and later.²⁴
15 The incremental request for TY 2024 is for an additional EWI to further
16 support the timely investigation of internal workplace complaints raised
17 by employees, vendors and/or customers,²⁵ and to help ensure SoCalGas’s
18 compliance program aligns with DOJ guidance:

19 **Is the Corporation’s Compliance Program Adequately Resourced and**
20 **Empowered to Function Effectively?**

21 Even a well-designed compliance program may be unsuccessful in
22 practice if implementation is lax, under-resourced, or otherwise
23 ineffective. Prosecutors are instructed to probe specifically whether a
24 compliance program is a “paper program” or one implemented, resourced,
25 reviewed, and revised, as appropriate, in an effective manner. In this
26 regard, prosecutors should evaluate a corporation’s method for assessing
27 and addressing applicable risks and designing appropriate controls to
28 manage these risks. In addition, prosecutors should determine whether the

²² U.S. Department of Justice - Criminal Division, *Evaluation of Corporate Compliance Programs* (Updated March 2023), available at <https://www.justice.gov/criminal-fraud/page/file/937501/download>.

²³ Ex. CA-14 (Amin) at 29:19-20.

²⁴ The average Workplace Investigator was employed for only 3.25 months in BY2021.

²⁵ Ex. SCG-28-R (Nishimoto) at AMN-14:21-23.

1 corporation has provided for a staff sufficient to audit, document, analyze,
2 and utilize the results of the corporation's compliance efforts.²⁶

3 The Commission should adopt SoCalGas's forecast for HR&ES as reasonable.

4 **3. Long-Term Disability (LTD)**

5 **a. Cal Advocates**

6 Cal Advocates takes issue with the Test Year 2024 O&M forecast for SoCalGas's Long-
7 Term Disability (LTD) expenses.²⁷ LTD is a form of income replacement benefit that pays an
8 employee a portion of their income if they are unable to work due to illness or injury for an
9 extended period of time. Cal Advocates states that a three-year average of LTD costs (years 2019
10 to 2021) is appropriate to forecast LTD expenses. However, this proposed forecast methodology
11 contravenes Cal Advocates' own recommendation for SDG&E's LTD costs, where Cal
12 Advocates argues a different forecast methodology despite both companies experiencing similar
13 growth patterns in LTD costs and headcount:

14 Cal Advocates' recommendation of utilizing SDG&E's 2021 recorded
15 expenses of \$2.259 million as a basis to establish an expenses level for
16 SDG&E's Long-Term Disability activities in the TY is reasonable and
17 should be adopted.²⁸

18 SoCalGas disagrees with Cal Advocates' suggestion that a three-year average is the most
19 appropriate forecast methodology because a three-year average does not correctly reflect future
20 SoCalGas LTD costs as 2022 actual expenses have already exceeded Cal Advocates'
21 recommendation for TY 2024 (see chart below) and SoCalGas LTD expenses have risen
22 annually and are forecasted to continue to increase:

²⁶ See U.S. Department of Justice - Criminal Division, Evaluation of Corporate Compliance Programs (Updated March 2023) at 9, available at <https://www.justice.gov/criminal-fraud/page/file/937501/download>.

²⁷ Cal Advocates does not oppose SoCalGas's forecast for Workers Compensation O&M expenses. Ex. CA-14 (Amin) at 30:11-14 and n.90.

²⁸ Ex. CA-14 (Amin) at 65:8-11.

SoCalGas TY 2024 LTD Expenses (\$000)

	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023	TY 2024 Forecast
Actual Expenses	\$4,792	\$5,712	\$5,701	\$8,057		
Actual %	-	+19%	-0.81%	+141%		
SCG Forecast				\$6,656	\$7,339	\$7,820 ²⁹

Cal Advocates TY 2024 Forecast (\$000)

	2019 Actual	2020 Actual	2021 Actual	TY 2024 Forecast
LTD Expenses	\$4,792	\$5,712	\$5,701	\$5,402
Annual %	-	+19%	-0.19%	-5%

SoCalGas’s LTD costs are forecast using BY 2021 recorded costs, and then escalated for estimated changes in labor costs, medical premiums, and year-over-year percentage change in headcount. This method is the most appropriate forecast method because future LTD costs are most appropriately calculated based on the *most recent* labor costs, the *most recent* medical premium costs, and the *most recent* headcount, and then escalated based on various factors. These escalation rates, prepared by Willis Towers Watson (WTW), SoCalGas’s actuary and benefits broker, take into account demographic factors specific to SoCalGas, including location, salary information, workforce demographics, medical plan design and change in headcount. Simply put, labor costs and medical costs rise each year but do not fall. Cal Advocates’ recommended forecast methodology does not take into account this reality.

In summary, Cal Advocates’ recommendation for a three-year average of SoCalGas LTD expenses from 2019-2021 does not properly forecast actual current or future LTD expenses. The correct methodology is to use Base Year 2021 recorded expenses and escalate those costs based on changes in labor costs, medical premiums, and projected year-over-year percentage change in headcount. The Commission should adopt SoCalGas's forecast as reasonable.

²⁹ Due to errors discovered when responding to various data requests and in the course of review, SoCalGas corrects its Test Year (TY) 2024 Long-Term Disability forecasted value from \$7.820 million to \$7.494 million to reflect this correction. The TY 2024 Long-Term Disability forecast was overstated by \$326 thousand due to an error in SoCalGas’s headcount forecast resulting in a reduction to the Long-Term Disability forecast.

1 **4. American Gas Association (AGA) Dues**

2 **a. Cal Advocates**

3 Cal Advocates did not take issue with SoCalGas’s forecast for this cost category/cost
4 center. The Commission should adopt SoCalGas’s forecast as reasonable.

5 **b. TURN**

6 TURN did not take issue with SoCalGas’s forecast for this cost category/cost center. The
7 Commission should adopt SoCalGas’s forecast as reasonable.

8 **c. CEJA**

9 CEJA takes issue with the request for ratepayer funds for SoCalGas’s membership in
10 AGA and recommends a funding level of \$0. The primary argument put forth by CEJA in
11 support of its recommendation is that SoCalGas has not offered any “substantive evidence that
12 these costs are necessary or reasonable to support the provision of gas service” to SoCalGas
13 customers.³⁰ CEJA also objects to the amount of AGA dues that SoCalGas deducts as
14 attributable to lobbying activities.³¹

15 SoCalGas disagrees with CEJA’s proposed funding level of \$0 for SoCalGas’s
16 membership in AGA. As set forth in my revised direct testimony, workpapers and responses to
17 data requests, SoCalGas utilizes its AGA membership across several divisions in the company
18 and relies heavily on AGA committees to provide benchmarking information, and best
19 practices.³² Additionally, quarterly meetings and biannual conferences expose SoCalGas leaders
20 to new ideas, innovative solutions, and key insights from other member organizations. AGA is
21 an important RAMP mitigation as it brings SoCalGas employees together with peers and
22 colleagues from other companies in the industry to perform collective activities not regularly
23 performed by the individual companies on a full-time basis, such as benchmarking studies,
24 industry surveys, and sharing of ideas. This collaborative approach benefits SoCalGas ratepayers
25 by reducing the need for expensive customized research and studies, consultants and experts,
26 database development and maintenance, and specialized training. Without these resources,

³⁰ Ex. CEJA-01 (Baker) at 101:17-19.

³¹ *Id.* at 105:23 – 106:1-3.

³² Ex. SCG-28-R (Nishimoto) at AMN-5 and AMN-20 – AMN-21.

1 SoCalGas would need to commission independent studies and benchmarking, conduct outside
2 research, and use additional labor hours or contractors to get the same information and insight.

3 By utilizing the existing AGA technical committees, SoCalGas saves both money and
4 labor resources, both of which benefit ratepayers. A few examples of how the AGA membership
5 is utilized include:

- 6 • Through the AGA’s subcommittee on security, SoCalGas was able to
7 receive subject matter guidance on creating company criteria for changing
8 TSA guidelines on “critical assets.”
- 9 • SoCalGas Distribution, Transmission, and Safety Management
10 subcommittee members have learned from pipeline incidents that have
11 occurred at other member organizations. By gaining insights from these
12 committees, SoCalGas has been able to formalize best practices and create
13 or enhance policies.
- 14 • AGA membership has played a role in SoCalGas’s education around
15 pipeline integrity, and the development of programs in recent years that
16 have helped SoCalGas to support a safe and reliable gas system.

17 AGA creates many forums by which SoCalGas can interact with other peer utilities
18 across the country. Through shared learnings regarding a variety of utility operations activities,
19 ratepayers benefit from utility management bringing best practices to bear in their everyday
20 decision-making. Moreover, these cross-coordination efforts enhance utility planning which has
21 a lasting benefit to ratepayers.

22 Despite the many benefits of AGA membership outlined above, CEJA’s testimony paints
23 AGA solely as a lobbying organization and discredits all the non-lobbying benefits SoCalGas
24 garners from its long-standing membership in this industry organization. The testimony above
25 highlights the various non-lobbying services that AGA provides to its members, which
26 undermines CEJA’s claims that AGA is a lobbying organization and should be excluded from
27 the GRC. In addition, SoCalGas provided copies of AGA invoices in response to CEJA’s data
28 request.³³ As CEJA correctly notes in their testimony, the invoices identify the portion of

³³ Appendix B, Data Request CEJA-SEU-008, Q.14(b)

1 membership dues that AGA attributes to lobbying activities. SoCalGas deducts these amounts
2 from historical periods and the GRC forecast.

3 For the reasons set forth above, the Commission should adopt SoCalGas’s forecast as
4 reasonable.

5 **B. Shared Services O&M**

SHARED O&M - Constant 2021 (\$000)			
	Base Year 2021	Test Year 2024	Change
SOCALGAS	\$324	\$324	0
CAL ADVOCATES	\$324	\$324	0

6
7 Cal Advocates agrees with SoCalGas’s forecast for all Shared Services expenses, which
8 includes ECS System Reporting.³⁴

9 The Commission should adopt SoCalGas’s forecast as reasonable.

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

11 Cal Advocates does not oppose³⁵ the business justification³⁶ and costs for the IT business
12 optimization projects related to:

- 13 • HR and Corporate Center Data and Application Modernization
- 14 • HR Employee Lifecycle
- 15 • Employee Care Services Workers Comp Refresh
- 16 • HR Workforce Planning Tool

17 The Commission should adopt SoCalGas’s forecast as reasonable.

18 **V. CONCLUSION**

19 To summarize, the Commission should adopt SoCalGas’s Non-Shared and Shared
20 forecast as reasonable. The reductions proposed by Cal Advocates’ across the People & Culture
21 Department should be rejected. The People & Culture Department is in place to support
22 SoCalGas employees, which are recruited, hired, and trained to bring clean, safe, and reliable gas
23 to millions of customers. SoCalGas’s success depends on providing our employees with training

³⁴ Ex. SCG-28-R (Nishimoto) at AMN-37 - AMN-38

³⁵ Ex. CA-11 (Waterworth) at 61, Table 11-29: Capital Category “People & Culture.”

³⁶ Ex. SCG-28-R (Nishimoto) at AMN-38 – AMN-40.

1 | programs, growth, development, and the support that the People & Culture Department is
2 | ultimately responsible for executing.

3 | Additionally, the Commission should reject CEJA's proposed reduction of costs
4 | associated with AGA dues.

5 | This concludes my prepared rebuttal testimony.

APPENDIX A
GLOSSARY OF TERMS

ACRONYM	DEFINITION
AGA	American Gas Association
BY	Base Year
CEJA	California Environmental Justice Alliance
CLS	Community Legal Services
Commission	California Public Utilities Commission
DE&I	Diversity, Equity & Inclusion
DOJ	Department of Justice
ECS	Employee Care Services
EWI	Ethics and Workplace Investigation
Ex.	Exhibit
GRC	General Rate Case
HR&ES	Human Resources & Employee Services
HRIS	Human Resources Information Systems
ICP	Incentive Compensation Plan
LTD	Long-Term Disability
O&M	Operations and Maintenance
SB	Senate Bill
SDG&E	San Diego Gas & Electric Company
SoCalGas	Southern California Gas Company
TURN	The Utility Reform Network
TY	Test Year
WTW	Willis Towers Watson

Appendix B – SoCalGas Responses to Data Requests

Appendix B –
SoCalGas Response to
PAO-SCG-Audit-SWC-014_2679_2678
13 questions

Data Request Number: PAO-SCG-016-CE3

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Publish To: Public Advocates Office

Date Received: 7/27/2022

Date Responded: 8/10/2022

QUESTION 01 (a-b):

Referring to workpapers supporting SCG-25, Summary of Results table on page 7, for each recorded year and each forecast year, please provide:

a. Employee headcount

SoCalGas RESPONSE 01a:

The table below is the historical headcount of ICP eligible employees¹ used to develop the average cost per eligible employee for forecasted years 2022-2024; which is reduced by a 3-year average for Senate Bill (SB) 901 Officers.

Headcount	2017	2018	2019	2020	2021	Average
Employees	7,681	7,613	7,635	7,827	8,225	7,797
SB901 Officers	-	-	7	7	6	7
						7,790

Headcount for forecasted years:

2022 – 9,092

2023 – 9,741

2024 – 10,080

¹ For represented employees, the full population is considered.

Data Request Number: PAO-SCG-016-CE3

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Publish To: Public Advocates Office

Date Received: 7/27/2022

Date Responded: 8/10/2022

QUESTION 01b:

b. Employee turnover

SoCalGas RESPONSE 01b:

SoCalGas objects to this question to the extent that the term “employee turnover” is vague and unintelligible in the ICP context. The ICP headcount data shown above includes increases and decreases to headcount over the years; thus, the headcount numbers are a net effect of employee movement.

Data Request Number: PAO-SCG-016-CE3

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Publish To: Public Advocates Office

Date Received: 7/27/2022

Date Responded: 8/10/2022

QUESTION 02a:

Referring to the workpapers supporting SCG-25, Summary of Results table on page 15, for each recorded year and each forecast year, please provide:

a. Employee headcount

SoCalGas RESPONSE 02a:

Recorded headcount for historical years was not used as the basis for the medical cost forecast. The medical forecast was developed using the actual 2022 benefit enrollment elections made during the annual enrollment in 2021.

Medical enrollment forecast:

2021 – 8,178 (as of December 2021)

2022 – 9,092

2023 – 9,741

2024 – 10,080

Appendix B –
SoCalGas Response to
SoCalGas-2024 GRC MDR-SECTION B
13 questions

People and Culture Department

Proceeding Name: A.22-05-015 - SoCalGas - 2024 GRC

Publish To: Public Advocates Office (PAO)

Date Responded: 6/17/22

Chapter 19: People and Culture Department

Provide the following:

1. Provide five years (2017-2021) of historic data for labor, non-labor and other expenses, by cost center (or groups of cost centers). One-time or unusual non-recurring expenses are to be shown separately.

SoCalGas Response 1:

This information is contained in the Workpapers to Prepared Direct Testimony of Abigail Nishimoto (Exhibit SCG-28-WP) (hereinafter “Workpapers of Abigail Nishimoto”).

People and Culture Department

Proceeding Name: A.22-05-015 - SoCalGas - 2024 GRC

Publish To: Public Advocates Office (PAO)

Date Responded: 6/17/22

2. Provide level of vacancies (if possible, by job category) for operations and maintenance for 2021. Describe how vacancies are treated in the forecast period.

SoCalGas Response 2:

The GRC presents base year and incremental personnel in the form of “full time equivalents” (“FTE”). An FTE is calculated by taking the total annual hours worked (straight-time and overtime hours) divided by the total annual hours in that year. Thus, the historic and forecast FTE counts represent the number of FTE that were utilized to complete historic activity levels and that would be necessary to complete the forecast activities described in the GRC application with zero vacancies. Any subsequent shortfall in staffing levels would require either backfilling with temporary or contract labor, reprioritization of work, or by working additional overtime to complete these activities.

Data Request Number: SoCalGas-2024 GRC MDR-SECTION B

People and Culture Department

Proceeding Name: A.22-05-015 - SoCalGas - 2024 GRC

Publish To: Public Advocates Office (PAO)

Date Responded: 6/17/22

3. Indicate whether a portion of expenses in the TY2024 GRC are presented as shared services and if so, provide the reference to the questions related to these expenses in the Master Data Request.

SoCalGas Response 3:

This information is contained in the Workpapers of Abigail Nishimoto (Exhibit SCG-28-WP).

Data Request Number: SoCalGas-2024 GRC MDR-SECTION B

People and Culture Department

Proceeding Name: A.22-05-015 - SoCalGas - 2024 GRC

Publish To: Public Advocates Office (PAO)

Date Responded: 6/17/22

4. If any portion of these expenses are presented as shared services, provide a table showing the totality of the requested non-shared and shared expenses, how these expenses are presented and provide references to the non-shared and shared direct testimony for these expenses.

SoCalGas Response 4:

This information is contained in the Prepared Direct Testimony of Abigail Nishimoto (hereinafter “Testimony of Abigail Nishimoto”) and Workpapers of Abigail Nishimoto (Exhibits SCG-28 and SCG-28-WP).

People and Culture Department

Proceeding Name: A.22-05-015 - SoCalGas - 2024 GRC

Publish To: Public Advocates Office (PAO)

Date Responded: 6/17/22

5. If any capital expenditures are requested, provide a list of each expenditure by budget code showing the amount of the requested expenditure in each forecast year. Also, provide 5 years (2017-2021) of historic capital data (2017-2021) by budget code.

SoCalGas Response 5:

There are no capital expenses contained in the testimony or workpapers for People and Culture. In testimony, I provide the business justification for Information Technology (“IT”) capital projects that support People and Culture but are sponsored by IT, as contained in the workpapers of William J. Exon (Exhibit SCG-21-CWP).

Data Request Number: SoCalGas-2024 GRC MDR-SECTION B

People and Culture Department

Proceeding Name: A.22-05-015 - SoCalGas - 2024 GRC

Publish To: Public Advocates Office (PAO)

Date Responded: 6/17/22

6. Provide a detailed description of the shared services activities associated with each cost center in this functional area.

SoCalGas Response 6:

This information is contained in the Testimony and Workpapers of Abigail Nishimoto (Exhibits SCG-28 and SCG-28-WP).

Data Request Number: SoCalGas-2024 GRC MDR-SECTION B

People and Culture Department

Proceeding Name: A.22-05-015 - SoCalGas - 2024 GRC

Publish To: Public Advocates Office (PAO)

Date Responded: 6/17/22

7. For each functional group, provide the 100% level of each cost center broken down by labor and non-labor for each of the five historical years (2017-2021) and each forecast year (2022-2024).

SoCalGas Response 7:

This information is contained in the Workpapers of Abigail Nishimoto (Exhibit SCG-28-WP).

Data Request Number: SoCalGas-2024 GRC MDR-SECTION B

People and Culture Department

Proceeding Name: A.22-05-015 - SoCalGas - 2024 GRC

Publish To: Public Advocates Office (PAO)

Date Responded: 6/17/22

8. For each forecast year (2022-2024), provide an explanation/justification for changes of the break down, by labor and non-labor.

SoCalGas Response 8:

This information is contained in the Testimony and Workpapers of Abigail Nishimoto (Exhibits SCG-28 and SCG-28-WP).

Data Request Number: SoCalGas-2024 GRC MDR-SECTION B

People and Culture Department

Proceeding Name: A.22-05-015 - SoCalGas - 2024 GRC

Publish To: Public Advocates Office (PAO)

Date Responded: 6/17/22

9. For the five historical years (2017-2021) and each forecast year including the TY2024, provide the Allocations-In amount for this functional area (if any), with a cross reference to the sending cost center.

SoCalGas Response 9:

Forecasts were prepared on 100% directly incurred basis and not at the book expense level, therefore allocations for 2017-2021 were not prepared. Please refer to the testimony and workpapers of joint witnesses Angel Le and Paul Malin (Exhibits SCG-30/SDG&E-34 and SCG-30-WP/SDG&E-34-WP).

Data Request Number: SoCalGas-2024 GRC MDR-SECTION B

People and Culture Department

Proceeding Name: A.22-05-015 - SoCalGas - 2024 GRC

Publish To: Public Advocates Office (PAO)

Date Responded: 6/17/22

10. A general description of the functions performed by this functional area.

SoCalGas Response 10:

This information is contained in the Testimony of Abigail Nishimoto (Exhibit SCG-28).

People and Culture Department

Proceeding Name: A.22-05-015 - SoCalGas - 2024 GRC

Publish To: Public Advocates Office (PAO)

Date Responded: 6/17/22

11. For consulting contracts in excess of \$100,000, provide a list of all outside services employed as well as the purpose of such services.

SoCalGas Response 11:

The People and Culture department contracted with the following consulting companies in either a single contract exceeding \$100,000 or cumulative contracts that collectively exceed \$100,000 during the 2017-2021 historical GRC period.

Vendor Name	Purpose of Services
Donn & Company	Workers' Compensation medical bill review consultant
Gagen MacDonald LLS	Succession planning and strategic leadership consultation
Price Waterhouse Coopers LLP	Advisory Safety Council
CNL Gladstein Neandross & Associates	Natural Gas Vehicle and liquified natural gas market development
SHL US LLC	Job Leveling for Represented Employee Classifications (Position Analysis Questionnaire-PAQ Studies) consultant
Evolving Energy Consortium 2EC AB	Leadership and Culture for Safety consultant
Strategy Muse Inc	Change management and design consultant
Gas Technology Institute	Low-carbon, low-cost energy systems consultant
Nimble Consulting Inc	Return to Workplace Change Network Consulting

People and Culture Department

Proceeding Name: A.22-05-015 - SoCalGas - 2024 GRC

Publish To: Public Advocates Office (PAO)

Date Responded: 6/17/22

12. Describe SoCalGas' accounting for Injuries and Damages expenses. Indicate if SoCalGas accrues injuries and damages expenses based on expected or known claims. Describe how SoCalGas determines injuries and damages accruals and identify the accounts used to record accruals. Provide a schedule showing accruals and claims paid for the last five years (2017-2021). Also explain SoCalGas' procedures for capitalizing injuries and damages related to construction.

SoCalGas Response 12:

This response is limited to Worker's Compensation costs that are contained in the Testimony and Workpapers of Abigail Nishimoto (Exhibits SCG-28 and SCG-28-WP). For other claims costs, refer to the testimony and workpapers of Sara Mijares (Exhibits SCG-29 and SCG-29-WP).

For purposes of responding to this request, SoCalGas interprets "Injuries and Damages expenses" as referring to Workers' Compensation. SoCalGas accrues costs for expected or known Workers' Compensation claims using the appropriate FERC accounts and forecasts Workers' Compensation in the TY2024 GRC based on historical costs. Historical claims for Workers' Compensation (2017-2021) can be found in the Workpapers of Abigail Nishimoto (Exhibit SCG-28-WP). Workers' Compensation overheads that are applied to labor for construction work are capitalized in the appropriate FERC plant accounts. In the GRC, a portion of Workers' Compensation is reassigned to the overhead pool, which is then applied to construction work in the Results of Operations (RO) model.

Data Request Number: SoCalGas-2024 GRC MDR-SECTION B

People and Culture Department

Proceeding Name: A.22-05-015 - SoCalGas - 2024 GRC

Publish To: Public Advocates Office (PAO)

Date Responded: 6/17/22

13. Describe SoCalGas's methodology for deriving the 2024 Worker's Compensation expense request.

SoCalGas Response 13:

This information is contained in the Testimony and Workpapers of Abigail Nishimoto (Exhibits SCG-28 and SCG-28-WP).

Appendix B –
SoCalGas Response to
PAO-SCG-Audit-SWC-014_2679_2678
13 questions

Data Request Number: PAO-SCG-Audit-SWC-014

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Proceeding Number: A2205015_016 2024 GRC

Publish To: Public Advocates Office

Date Received: 7/29/2022

Date Responded:8/10/2022

Question 01:

Please provide the next level of detail or the supporting documents for the green highlighted selections on the attached spreadsheet for SoCalGas' expenses for Exhibits SCG-27, SCG-28, and SCG-29 that will allow Cal Advocates the ability to make selections and tie those to the supporting documentation (i.e. general ledger transaction, cost element, vendor name description of cost, etc.). The source of the spreadsheet is from the response to PubAdv-SCG-AUDIT-SWC-006.

SoCalGas Response 01:

See the following attachments:

“PAO-SCG-Audit-SWC-014 Attachment_Ex SCG-27 SMS.xlsx”

“PAO-SCG-Audit-SWC-014 Attachment_Ex SCG-28 HR.xlsx”

“PAO-SCG-Audit-SWC-014 Attachment_Ex SCG-29 AG.xlsx”

Appendix B –
SoCalGas Response to
PubAdv-SCG-AUDIT-SWC-006
1 question

PubAdv-SCG-Audit-SWC-018 Attachment

Source: TY2024 GRC PAO SCG-Audit-SWC-014 Attachment
 Exh. SCG-27

GRC Witness Area	GRC Witness Area Desc	GRC Wkp Grp Sub	BW Cost Center	BW Cost Center Desc	Cost element	Cost element Desc	Order	Order Desc	FERC Acc	2021 Recorded
GOSM	SAFETY MANAGEMENT SYSTEMS	2SM003.000	2200-2036	SFTY MGMT	6220050	SRV-ADVERTSNG&MKTG	FG9251602200	FERC 925	SECA925	\$925185

Cost Center	Cost Element	Cost element name	2021 Amount	Order	Posting Date	Document Date	Ref. document number
2200-2036	6220050	SRV-ADVERTSNG&MKTG	\$160,000.00	ORD FG9270002200	8/26/2021	8/26/2021	11041867
2200-2036	6220050	SRV-ADVERTSNG&MKTG	\$160,534.27	ORD FG9251602200	9/20/2021	9/20/2021	5812337438
2200-2036	6220050	SRV-ADVERTSNG&MKTG	\$364,650.28	ORD FG9251602200	12/13/2021	12/13/2021	10151626

Data Tab
A

PubAdv-SCG-Audit-SWC-018 Attachment
 Source: TY2024 GRC PAO-SCG-Audit-SWC-014 Attachment
 Enh. SCG-27

GRC Witness Area	GRC Witness Area Desc	GRC Wip Crp Sub	BW Cost Center	BW Cost Center Desc	Cost element	Cost element Desc	Order	Order Desc	FERC Acct	2020 Recorded
GOSM	SAFETY MANAGEMENT SYSTEMS	25M003.000	2200-2157	SFTY & HLTH COMP ACT	6230380	SRV-CONTRACT LABOR	F6230002200	OUTSIDE SERVICES EMPLOYED	SECA923000G	\$17,784

Data Tab
E

Cost Center	Cost Element	Cost element name	Var/CD/Area/Qty	Aux. acct/assignment_1	Vendor	Posting Date	Document Date	Ref. document number
2200-2157	6230380	SRV-CONTRACT LABOR	\$12,815.78	ORD FG623002200	111141	01/30/20	06/30/19	5811567896
2200-2157	6230380	SRV-CONTRACT LABOR	\$12,052.40	ORD FG623002200	111141	01/01/20	01/31/20	11035456
2200-2157	6230380	SRV-CONTRACT LABOR	\$14,201.23	ORD FG623002200	111141	01/01/20	01/31/20	11035456
2200-2157	6230380	SRV-CONTRACT LABOR	\$13,695.02	ORD FG623002200	111141	03/24/20	03/31/20	5811829225
2200-2157	6230380	SRV-CONTRACT LABOR	\$11,988.26	ORD FG623002200	111141	03/31/20	03/31/20	11036019
2200-2157	6230380	SRV-CONTRACT LABOR	\$12,323.55	ORD FG623002200	111141	03/31/20	03/31/20	11036019
2200-2157	6230380	SRV-CONTRACT LABOR	\$28,648.38	ORD FG623002200	111141	03/31/20	03/31/20	11036019
2200-2157	6230380	SRV-CONTRACT LABOR	\$17,506.58	ORD FG623002200	111141	06/17/20	06/17/20	5811728974
2200-2157	6230380	SRV-CONTRACT LABOR	\$13,867.46	ORD FG623002200	111141	07/22/20	07/22/20	0630000 5811767346
2200-2157	6230380	SRV-CONTRACT LABOR	\$13,867.46	ORD FG623002200	111141	11/17/20	09/30/20	5811920373
2200-2157	6230380	SRV-CONTRACT LABOR	\$37,444.16	ORD FG623002200		3/23/2021	11/04/0683	
2200-2157	6230380	SRV-CONTRACT LABOR	\$28,038.40	ORD FG623002200		3/23/2021	11/04/0683	
2200-2157	6230380	SRV-CONTRACT LABOR	\$36,142.24	ORD FG623002200		4/23/2021	11/04/0493	
2200-2157	6230380	SRV-CONTRACT LABOR	\$37,444.16	ORD FG623002200		4/27/2021	11/04/0547	
2200-2157	6230380	SRV-CONTRACT LABOR	\$21,677.68	ORD FG623002200		4/27/2021	11/04/0647	
2200-2157	6230380	SRV-CONTRACT LABOR	\$21,677.68	ORD FG623002200		5/24/2021	11/04/0774	
2200-2157	6230380	SRV-CONTRACT LABOR	\$36,667.24	ORD FG623002200		5/24/2021	11/04/0776	
2200-2157	6230380	SRV-CONTRACT LABOR	\$34,110.32	ORD FG623002200		6/17/2021	11/04/0888	
2200-2157	6230380	SRV-CONTRACT LABOR	\$21,677.68	ORD FG623002200		6/17/2021	11/04/0886	
2200-2157	6230380	SRV-CONTRACT LABOR	\$79,580.60	ORD FG623002200		6/17/2021	11/04/0887	
2200-2157	6230380	SRV-CONTRACT LABOR	\$21,677.68	ORD FG623002200		7/26/2021	11/04/1600	
2200-2157	6230380	SRV-CONTRACT LABOR	\$79,536.60	ORD FG623002200		7/26/2021	11/04/1602	
2200-2157	6230380	SRV-CONTRACT LABOR	\$79,586.60	ORD FG623002200		9/22/2021	11/04/2255	
2200-2157	6230380	SRV-CONTRACT LABOR	\$79,580.60	ORD FG623002200		9/22/2021	11/04/2255	
2200-2157	6230380	SRV-CONTRACT LABOR	\$76,326.80	ORD FG623002200		10/26/2021	11/04/2749	
2200-2157	6230380	SRV-CONTRACT LABOR	\$76,326.80	ORD FG623002200		12/17/2021	11/04/3423	
2200-2157	6230380	SRV-CONTRACT LABOR	\$76,326.80	ORD FG623002200		12/17/2021	11/04/3424	

PubAdv-SCG-Audit-SWC-018 Attachment

Source: TY 2024 GRC PAO-SCG-Audit-SWC-014 Attachment
Exh. SCG-27

GRC Witness Area	GRC Witness Area Desc	GRC Wkp Grp Sub	BW Cost Center	BW Cost Center Desc	Cost element	Cost element Desc	Order	Order Desc	FERC Acct	2020 Recorded
GOSM	SAFETY MANAGEMENT SYSTEMS	2SM003.000	2200-2267	SAFETY PROGRAMS NORI	6230380	SRV-CONTRACT LABOR	FG925 1602200	FERC 925.160	SECA 925160G	\$300,000

Data Tab
F

Cost Center	Cost Element	Cost Center	Cost Element	Cost element name	2020 Amount	Order	Posting Date	Document Date	Ref. document number
2200-2267	6230380	2200-2267	6230380	SRV-CONTRACT LABOR	\$76,800.00	ORD FG925 1602200	12/11/2020	12/18/2020	3811954664
2200-2267	6230380	2200-2267	6230380	SRV-CONTRACT LABOR	\$72,740.02	ORD FG925 1602200	12/11/2020	12/18/2020	3811954672
2200-2267	6230380	2200-2267	6230380	SRV-CONTRACT LABOR	\$45,000.00	ORD FG925 1602200	12/31/2020	12/31/2020	11038840
2200-2267	6230380	2200-2267	6230380	SRV-CONTRACT LABOR	\$17,500.00	ORD FG925 1602200	5/12/2021	4/1/2021	5812161743
2200-2267	6230380	2200-2267	6230380	SRV-CONTRACT LABOR	\$22,500.00	ORD FG925 1602200	8/30/2021	7/1/2021	5812310535
2200-2267	6230380	2200-2267	6230380	SRV-CONTRACT LABOR	\$75,811.10	ORD FG925 1602200	11/30/2021	11/30/2021	11043104
2200-2267	6230380	2200-2267	6230380	SRV-CONTRACT LABOR	\$75,811.10	ORD FG925 1602200	12/1/2021	10/31/2021	3812455597
2200-2267	6230380	2200-2267	6230380	SRV-CONTRACT LABOR	\$22,800.00	ORD FG925 1602200	12/18/2021	12/18/2021	11043442

Appendix B –
SoCalGas Response to
PAO-SCG-003-RA6_1916
27 questions

Data Request Number: PAO-SCG-003-RA6

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Publish To: Public Advocates Office (PAO)

Date Received: 6/22/2022

Date Responded: 7/15/2022

1. Referring to p. AMN-iv of Exhibit (Ex.) SCG-28, SCG forecasts \$49.6 million for its Test Yest (TY) 2024 People and Culture Department expenses. SCG's 2024 forecast of \$49.621 million is an increase of \$4.447 million over its 2021 adjusted-recorded expenses of \$45.174 million. SCG's 2024 forecast of \$49.621 million includes \$49.297 million for non-Shared services and \$324k for Shared services.

SCG's testimony and workpapers do not include a summary of historical (2017-2021) and forecast (2022-2024) expenses in one location for review and comparison of all 7 cost categories for shared and non- shared services within its People and Culture Department. Referring to tables AN-6 and AN-19 listed in pages AMN-9 and AMN-37, SCG listed 7 People and Culture Department cost categories for its shared and non-shared services. Cal Advocates created the following table incorporating these 7 activities in one location.

People and Culture Department	Shared and Non-Shared O&M Activities
Shared Services	1. ECS System Reporting
Non-Shared Services	2. SCG Director HR Services
	3. SCG Director Labor Relations & Wellness
	4. SCG Director Org Effectiveness
	5. SCG Director Diversity, Equity and Inclusion
	6. Performance Management
	7. SCG Executive

In an Excel spreadsheet, please provide recorded adjusted expenses (Labor and Non-Labor) for 2017-2021 and forecasted expenses for 2022-2024 for each of the 7 cost categories listed in the table above. In the spreadsheet, identify the Labor, Non-Labor, and total cost of each of the 7 cost categories and show the breakdown of:

- a. The recorded expenses for 2017-2021
- b. The forecasted expenses for 2022-2024

SoCalGas Response 1a and 1b:

SoCalGas objects to the request to the extent that it imposes upon SoCalGas an obligation to generate or create records that do not exist, or which have not been generated or created in its regular course of business. This purported obligation exceeds the requirements provided by the CPUC's Discovery Custom and Practice Guidelines and California Code of Civil Procedure Section 2031.230. Subject to and without waiving its objection, SoCalGas responds as follows:

Data Request Number: PAO-SCG-003-RA6

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Publish To: Public Advocates Office (PAO)

Date Received: 6/22/2022

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Please refer to the following attachment:

- PAO-SCG-003-RA6_SCG-28_1917_Q01a_b Attachment.xlsx

c. The amount SCG requested in the 2019 GRC

d. The amount authorized in the 2019 GRC

SoCalGas Response 1c and 1d:

SoCalGas objects to this request under Rule 10.1 of the Commission's Rules of Practice and Procedure to the extent it would require SoCalGas to search their files for matters of public record in CPUC regulatory proceedings (filings, testimony, transcripts, decisions, orders, etc.). This information is equally available to Cal Advocates, who was a party to SoCalGas's TY 2019 GRC. Notwithstanding the foregoing objection, SoCalGas responds as follows:

SoCalGas is not able to provide the requested data in the manner of breakdown requested by Question 1 as reporting structures and cost assignments within work groups have changed since the filing and issuance of the final decision in the 2019 GRC. See A.17-10-008 (Ex. SCG-32 Human Resources Department, Safety, Long-Term Disability & Workers' Compensation) for the request in the TY 2019 GRC and D.19-09-051 for a discussion of the amount authorized for this area in the TY 2019 GRC.

Data Request Number: PAO-SCG-003-RA6

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

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Date Responded: 7/15/2022

2. Referring to p. ANM-13 of Exhibit (Ex.) SCG-28, SCG stated, "For HR & Employee Services, the cost drivers behind this forecast are the labor and non-labor costs for one (1) Director, seven (7) Managers, eighty-nine (89) management, and seven (7) associate employees." Referring to p. ANM-14 of Exhibit (Ex.) SCG-28, SCG stated "The incremental labor costs for HR & Employee Services are associated with adding the following nine (9) positions in TY 2024."

Please respond to the following questions:

a. Provide documentation that demonstrates SCG's forecast for additional positions/FTEs for TY 2024 for its HR and Employee Services in People and Culture Department.

SoCalGas Response 2a:

The documentation that supports the addition of FTEs can be found in each cost category section of the direct testimony and workpapers of Abigail Nishimoto (Ex. SCG-28, Ex. SCG-28-WP). The workpaper provides a brief description of the incremental activities requested for all related cost categories and the supporting cost calculations for each associated year of the 2024 GRC. Please note that a more detailed description of all activities can be found in the direct testimony of Abigail Nishimoto (Ex. SCG-28) for each cost category. SoCalGas also clarifies that there are eight (8) incremental FTEs requested. SoCalGas discovered an error in responding to this discovery and the testimony and workpapers will be updated at the next available opportunity.

b. In SCG's response, provide the total number of positions, the detailed breakdown of the calculation, including the basis-source of each estimate, salary, the job title, and job description.

SoCalGas Response 2b:

See SoCalGas Response to Question 2a. The People and Culture Department workpapers (Ex. SCG-28-WP) document the forecasted incremental FTEs and direct labor costs for each of the 7 cost categories. Note that overheads, benefits and taxes are not included. The GRC presents base year and incremental personnel in the form of "full time equivalents." An FTE is calculated by taking the total annual hours worked (straight-time and overtime hours) divided by the total annual hours in that year, therefore there is not a one for one equivalency between a position and an FTE.

It is important to note that the 7 categories referenced in this question reference O&M workpapers. The company uses market-based analysis, which levels jobs based on pay for similar jobs as determined by the competitive labor market.

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SoCalGas clarifies that there are eight (8) incremental positions/FTEs requested. SoCalGas discovered an error in responding to this discovery and the testimony and workpapers will be updated at the next available opportunity. The job responsibilities for the incremental positions/FTEs associated with HR & Employee Services include:

Claims Associate

Description: Claims Associate provides administrative and technical support to the Claims Examiners/Leave Specialist in the administration of workers' compensation, disability, and sickness cases. Serves as primary contact to receive calls related to reporting of injuries.

Compensation Advisor

Description: Provides consulting services for business units regarding compensation policy and pay practices. Develops and administers the company's pay philosophy, programs as well as analyzing compensation data and trends. Project manage annual compensation cycles and/or ad hoc compensation process improvement initiatives.

Human Resources Analyst

Description: Provides system support and analytical research and analysis in the Human Resources Services area. Processes employee transactions for employee hires, moves, and transactions, including departmental reorganizations and historical analytical research as required.

HR Advisor (Human Resources Business Partner)

Description: Serves as primary Human Resources contact for strategic and customized Human Resources solutions, and day-to-day delivery of services. Provides guidance, counsel, and policy interpretation on Human Resources issues to leaders, and employees. Works collaboratively with other areas of Human Resources to assess needs and deliver integrated services, while mitigating risks. Leverages Human Resources data to monitor, and identify trends, or issues requiring actions or awareness.

PT Clerical - Human Resources Research & Analysis Internship

Description: The Part-time Clerical role in Human Resources Research & Analysis researches and conducts job analyses, facilitates focus groups, develops and maintains interviews, analyzes human capital data (e.g. employee engagement survey, Human Resources metrics), supports aligning various Human Resources activities to the company's strategic vision, and other duties and responsibilities as assigned.

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Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

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Staffing Advisor

Description: Serves as primary client contact for management and associate talent acquisition/recruiting needs. Facilitate internal transfers/promotions and external recruitment, including representing the company at internal and external career fairs. Consult with Human Resources Business Partners, and Compensation, as appropriate, to ensure job requirements are appropriate and integrity of compensation structure is maintained.

Staffing Specialist

Description: Assists with managing the recruitment process to fill exempt and non-exempt positions. In absence of Staffing Advisor or Sr. Staffing Advisor, provide guidance to hiring managers/internal clients on staffing processes and procedures. Act as point of contact with external candidates during pre-employment contingency process.

Workplace Investigator

Description: Responsible for investigating complaints involving alleged violations of laws, regulations, company policies (including those prohibiting discrimination, harassment, retaliation, and workplace bullying), and the company's Code of Conduct. Manages a caseload of investigations, working both autonomously and collaboratively with fellow team members, business leaders, Human Resources, Labor Relations, Internal Audit, Corporate Security, and Legal. Regularly interacts with employees at all levels, helping to build understanding, transparency, and trust around the company's Investigation function.

c. In an Excel Spreadsheet, provide the detailed breakdown of calculation, including the basis-source of each estimate, annual salary (show separately the other overhead, taxes, benefits, etc.), job title or classification, and job description for the costs SCG included in TY 2024 for "one (1) Director, seven (7) Managers, eighty-nine (89) management, and seven (7) associate employees."

SoCalGas Response 2c:

See SoCalGas Response to Question 2a and 2b. SoCalGas further responds that benefit-related costs are included in the Compensation and Benefits testimony and workpapers of Debbie Robinson (Ex. SCG-25/SDGE-29 and Ex. SCG-25/SDGE-29-WP).

Data Request Number: PAO-SCG-003-RA6

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The job responsibilities for the costs SoCalGas included in TY 2024 for "one (1) Director, seven (7) Managers, eighty-nine (89) management, and seven (7) associate employees" include:

DIRECTOR

Director, Human Resources Services

Description: Directs a broad range of functions within SoCalGas Human Resources, Diversity & Inclusion including Talent Acquisition, Employee Care Services, Human Resources Business Partners, Human Resources Research & Analytics, Compensation, Employee Care Services Systems and Reporting, and Human Resources Operations.

MANAGERS

Compensation Manager - SCG

Description: Manages the SoCalGas compensation function providing direction and strategy to pay-and-reward policies, practices, programs, processes and job assessment methodologies and administration. Designs, implements, and administers compensation programs and communicates to senior management and employees. Ensures compliance with Federal, State and Local wage and hour regulations including Fair Labor Standards Act (FLSA) and CA Dept. of Industrial Relations – CA Wage Orders.

Employee Care Services Manager

Description: Manages and directs the delivery of integrated benefits associated with worker's compensation, sickness, long term disability, and Family and Medical Leave Act (FMLA)/California Family Rights Act (CFRA) leaves, all in compliance with regulations and plan provisions for the company. Forecast costs, trending for self-insured benefit funding, and strategically assesses Employee Care Services (ECS) department operations. Directs and manages the management of claims, regulatory compliance and processes required to administer the company's self-insurance plans.

Ethics & Investigations Manager

Description: Leads a small team of workplace investigators responsible for investigating complaints involving alleged violations of laws, regulations, company policies (including those prohibiting discrimination, harassment, retaliation, and workplace bullying), and the company's Code of Conduct. Manages a caseload of complex and/or high-profile investigations, working both autonomously and collaboratively with fellow team members, business leaders, Human Resources, Labor Relations, Internal Audit, Corporate Security, and Legal, and regularly interacts with employees at all levels to build understanding, transparency, and trust around the company's Investigation function.

Data Request Number: PAO-SCG-003-RA6

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Human Resources Business Partner Manager & Human Resources Research Manager

Description: Serves as the principal interface to the leaders of the organization, providing employee relations support and Human Resource solutions to meet business objectives. Provides leadership and direction to the Human Resources Business Partner organization ensuring consistent practices in accordance with relevant laws, labor agreements and best practices. Provides human resources strategies to address business solutions. Manages the Human Resources research function providing direction and strategy as it relates to employee selection, including job analysis, test development and validation, selection system design, interview development and training, competency modeling, workforce planning and Human Resources Analytics.

Human Resources Business Partner (HRBP) Manager

Description: This role manages Human Resources Business Partners (HRBP), the Associate HRBP team as indirect reports, and works with the HRBP and HR Research Manager on Company initiatives and major projects which impact the entire Company or both Utilities. Develops new policies, processes, and guidelines, and leads highly complex HR projects.

Human Resources Research & Analysis (HRAA) Team Leader

Description: Leads the Human Resources Research & Analysis (HRAA) team to provide data-driven expertise, research, analyses and recommendations to Human Resource tactical and strategic processes, initiatives, and decision-making. Provides direction, strategic consultation, and expertise including selection system design and validation, test administration, job analysis, employee assessment legal standards, job performance measurement, statistical analysis, training needs assessment, competency modeling, interview development and training, employee motivation and retention strategies across company business units.

Staffing & Operations Manager

Description: Provides leadership, support, advocacy and vision for the organization's represented and non-represented Talent Acquisition/Recruiting teams and Human Resources Operations team on issues related to recruitment and selection, legal compliance (e.g., EEO, ADA, affirmative action, etc.) adherence to the collective bargaining agreement, and records management.

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MANAGEMENT

Absence & Leave Specialist

Description: Administers, track, and determine eligibility for all aspects of job-protected leaves including Family and Medical Leave Act (FMLA), California Family Rights Act (CFRA), Family Sick Leave (FSL) and Pregnancy Disability Leave (PDL). Determine if leave is to be authorized or denied based on statutory requirements and individual circumstances. Administer sickness, and Long-Term Disability (LTD) claims.

Associate Human Resources Business Partner

Description: Provides analytical and process or projects support for the Human Resources Business Partner organization including managing and/or coordinating various Human Resources processes and policies. Processes and policies involve multiple human resources disciplines and include investigating routine employee relations issues, researching payroll issues, data requests, and providing support during annual Human Resources procedures.

Business Systems Analyst - I

Description: Provides application support to ensure that end-user issues are achieved, and identifies, develops, and implements effective technology solutions to support and address Human Resources business needs.

Claims Advisor - Workers' Compensation

Description: Administers complex and high-profile litigated workers' compensation cases in compliance with all rules, regulations, and reporting requirements of the Labor Code, Division of Workers' Compensation, Self-Insurance Regulations, OSHA, and other administrative laws. Integrates delivery of sickness and long-term disability benefits. Provides technical guidance, mentoring, and support to junior staff. Assumes supervisor coverage during supervisor absence.

Claims Examiner - Medical Only

Description: Manages workers' compensation claims from inception to completion. Manages non-litigated claims for work-related injuries that do not involve any lost time from work i.e. Medical-Only Claims.

Claims Examiner I - Workers' Compensation

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Description: Manages a caseload of claims from inception to closing or settlement. Administers and provides benefit delivery of litigated and non-litigated non-complex workers' compensation cases. Administers and provides benefit delivery of future medical claims managing utilization review, permanent disability, and life pension payments. Integrates the delivery of benefits associated sickness and Long-Term Disability (LTD).

Claims Examiner II - Workers' Compensation

Description: Administers complex non-litigated and litigated workers' compensation cases. Integrates sickness and long-term disability (LTD) benefits. Provide technical guidance to junior level staff as needed.

Compensation Advisor - Employment Contract

Description: Provides consulting services for business units for compensation policy and pay practices. Develops and administers the company's pay philosophy, and programs, as well as analyzing compensation data and trends. Projects manage annual compensation cycles and/or ad hoc compensation process improvement initiatives.

Compensation Advisor

Description: Provides consulting services for business units regarding compensation policy and pay practices. Develops and administers the company's pay philosophy, programs as well as analyzing compensation data and trends. Projects manage annual compensation cycles and/or ad hoc compensation process improvement initiatives.

Compliance & Training Administrator

Description: Provides quality assurance, training, and compliance for Workers' Compensation and Disability claims. Audits workers' compensation claims and leave management claims, including long-term disability (LTD) and sickness, to ensure compliance with state regulations, internal best practices and procedures, and company benefit plans. Develops and conducts training for personnel growth and changing regulatory requirements. Reviews and monitors local, state and federal workers' compensation and disability related regulations to ensure company compliance and development of office policy and procedures.

Employee Care Services Administrative Supervisor

Data Request Number: PAO-SCG-003-RA6

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Description: Supervises claims support staff and office workflow. Monitors and reassigns work as required. Supervises technical and administrative support to the Claims Examiners/Leave Specialist in the administration of workers' compensation (WC), disability and sickness cases. Serves as the Employee Care Services sub-coordinator for Record Retention. Provides back-up support for the Employee Care Services Work Compensation Supervisors as needed.

Employee Care Services Supervisor - Leave & Return to Work

Description: Responsible for vocational rehabilitation programs, mandatory leave act administration (such as Family Medical Leave Act (FMLA), California Family Rights Act (CFRA)), sickness administration, Long Term Disability (LTD), and disability pension administration. Provides direction to team on rehabilitation issues, leave act, sickness, long term disability, and disability pension plans. Acts as consultant to Supervisors, Managers, and Directors regarding Americans with Disabilities Act (ADA), California Fair Employment and Housing Act (FEHA) and company leave act obligations.

Employee Care Services Supervisor - Workers' Compensation

Description: Supervises claims staff in the handling of all aspects of Workers' Compensation (WC) claims including reserving, communication, documentation, litigation management, evaluation, negotiation and settlement.

Human Resources Analyst

Description: Provides system support and analytical research and analysis in the Human Resources Business Partner (HRBP) area. Conducts ongoing process review and documentation for continuous improvement. Provides support to Human Resources Advisors in My Info related tasks, special project work, departmental reorganizations and historical analytical research as required.

Human Resources Business Partner

Description: Serves as primary Human Resources contact for strategic and customized Human Resources solutions, and day-to-day delivery of services. Provides guidance, counsel, and policy interpretation on Human Resources issues to leaders and employees.

PT Clerical - Human Resources Research & Analysis Internship

Data Request Number: PAO-SCG-003-RA6

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

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Date Received: 6/22/2022

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Description: Researches and conducts job analyses, facilitates focus groups, develops, and maintains interviews, analyzes human capital data (employee engagement survey, Human Resources metrics), and supports aligning various Human Resources activities to the company's strategic vision.

Human Resources Research & Analysis (HRRA) Advisor

Description: Provides internal consulting services and analytical and technical expertise in the areas of organizational effectiveness, employee motivation and morale, employee retention, personnel selection strategies, job analysis, job design/redesign, job evaluation, performance measurement, statistical analysis, and skills assessments across business units.

Human Resources Research & Analysis (HRRA) Analyst

Description: Provides analytical and technical expertise in the areas of personnel selection strategies, job analysis, job design/redesign, performance measurement, statistical analysis, benchmarking, Human Resources metrics, survey development, and skills assessment across business units.

Human Resources Services Operations Supervisor

Description: Manages all administrative and record keeping functions in the Human Resources Services department including front-end payroll operations, records retention, legal holds notice for human resources and SoCalGas employee records. Maintains, updates and communicates company Human Resources policies and policy changes. Manages record compliance of United States Citizenship and Immigration Services (USCIS) and Department of Homeland Security (DHS) regulations of employee Form I9 process for new hires and recertification of authorization to work. Acts as Human Resources Liaison for Affiliate Compliance and Non-labor affiliate transaction guidelines.

Human Resources Systems Supervisor

Description: Supervises, directs, and leads Employee Care Services (ECS) Systems team. Supervises and directs the enhancements and developments of ECS computer systems. Oversees trending/forecasting key cost and accident data. Oversees development of loss detail and financial reports, and other reports to assist with management of cases.

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Human Resources Information Systems (HRIS) Advisor

Description: Provides technical expertise in the areas of data integrity, specialized data knowledge, report writing, Human Resources analytics, testing system changes and other technical projects.

Senior Human Resources Business Partner

Description: Acts as primary client contact for strategic Human Resources issues, products, and services. Provides guidance, counsel, and policy interpretation on complex human resources issues. Provides guidance and assistance to officers and directors in department reorganizations.

Senior Human Resources Research & Analyst (HRA) Advisor

Description: Functions as senior strategic internal consultant providing services and analytic and technical expertise in the areas of organizational effectiveness, employee motivation and morale, employee retention, personnel selection strategies, job analysis, job design/redesign, job evaluation, performance measurement, statistical analysis, and skills assessment across company business units. May manage up to three employees.

Senior Human Resources Information Systems (HRIS) Advisor

Description: Serves as a subject matter expert and provides support to Human Resources Information Systems (HRIS) for Human Resources Staffing and Human Resources Labor Relations. Acts as a primary liaison to internal and external stakeholders to ensure appropriate coordination and collaboration efforts and/or to serve on HRIS system updates and joint projects. Provides technical expertise in the areas of data integrity, specialized data knowledge, report writing, Human Resources analytics, testing system changes and other technical projects as assigned.

Senior Staffing Specialist - Employment Contract

Description: Provides support in recruitment process for internal and external exempt and nonexempt vacancies throughout the Company and facilitate internal movement through transfers and promotions.

Senior Staffing Specialist

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Description: Provides support in recruitment process for internal and external exempt and nonexempt vacancies throughout the Company and facilitate internal movement through transfers and promotions.

Staffing Advisor - Employment Contract

Description: Serves as primary client contact for management and associate talent acquisition/recruiting needs. Facilitate internal transfers/promotions and external recruitment, including representing the company at internal and external career fairs. Consult with Human Resources Business Partners (HRBPs) and Compensation to ensure job requirements are appropriate and integrity of compensation structure is maintained.

Staffing Advisor

Description: Serves as primary client contact for management and associate talent acquisition/recruiting needs. Facilitate internal transfers/promotions and external recruitment, including representing the company at internal and external career fairs. Consults with Human Resources Business Partners (HRBPs) and Compensation to ensure job requirements are appropriate and integrity of compensation structure is maintained.

Staffing Specialist - Employment Contract

Description: Administers and helps lead the recruitment process for union, exempt and nonexempt vacancies throughout the Company, and facilitates internal movement through transfers and promotions.

Staffing Specialist

Description: Assists with managing the recruitment process to fill exempt and non-exempt positions. In absence of Staffing Advisor or Sr. Staffing Advisor, provide guidance to hiring managers/internal clients on staffing processes and procedures. Act as point of contact with external candidates during pre-employment contingency process.

Team Lead - Professional Staffing

Description: Partners with hiring managers to ensure recruitment life cycle is handled efficiently and in compliance with company policies and employment laws. Serves as subject matter expert for support staff, peers and internal/external client partners. May supervise a support staff or more junior level employees.

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Team Lead - Union Staffing

Description: Partners with department managers and leaders to ensure open vacancies are filled with qualified candidates in full compliance with the Collective Bargaining Agreement. Collaborates with the Staffing manager to set goals for Union Staffing Team, manage workload and provide establish priorities. May supervise a support staff or more junior level employees. Manages complex Union staffing issues and projects.

Workforce Readiness Program Manager

Description: Responsible for the development and execution of the SoCalGas workforce readiness program. Partners with internal and external stakeholders to build SoCalGas's skilled and diverse workforce for current and future energy jobs by identifying workforce needs, funding sources, and developing curriculum and establishing structured programs to meet these workforce requirements.

Workplace Investigator

Description: Responsible for investigating complaints involving alleged violations of laws, regulations, company policies (including those prohibiting discrimination, harassment, retaliation, and workplace bullying), and the company's Code of Conduct. Manages a caseload of numerous investigations, working both autonomously and collaboratively with fellow team members, business leaders, Human Resources, Labor Relations, Internal Audit, Corporate Security, and Legal. Regularly interacts with employees at all levels, helping to build understanding, transparency, and trust around the company's Investigation function.

ASSOCIATE

Claims Associate - Employment Contract

Description: Administers workers' compensation medical-only claims. Provides technical and administrative support to the Claims Examiners/Leave Specialists in the administration of workers' compensation, disability and sickness cases. Primary contact to receive calls related to reporting of injuries.

Claims Associate

Description: Provides administrative and technical support to the Claims Examiners/Leave Specialist in the administration of workers' compensation, disability, and sickness cases. Serves as primary contact to receive calls related to reporting of injuries.

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Employee Care Services Coordinator

Description: Performs the operational processes and procedures for processing long-term disability (LTD) payroll. Ensures accurate offsets for state disability, workers' compensation and other offsets from sickness and disability benefits. Performs processing of personnel record updates for all the employees. Provides support as needed for accurate transfer of data regarding workers' compensation payments to state electronic data interchange (EDI) reporting.

Administrative Associate - 3 LA

Description: Performs general administrative/clerical functions including word processing or typing letters, memoranda and forms, and spreadsheets. Orders supplies, maintains files, answers telephones, schedules appointments/conferences, makes travel arrangements, and sorts mail.

File / Mail Room Associate - LA

Description: Assigns electronic mail to the specific claim in the Employee Care Services (ECS) Claims System from the LA and SD offices. Process a high volume of claims-related work daily to avoid penalties. Completes general clerical work, copying, scanning, and pulling files for the examiners. Monitor electronic work queues to ensure work has been processed.

d. Provide the detailed breakdown of calculation, including the basis-source of each estimate, annual salary (show separately the other overhead, taxes, benefits, etc.), job title or classification, and job description for the costs "associated with adding the following nine (9) positions in TY 2024."

SoCalGas Response 2d:

See SoCalGas response to Question 2a and 2b.

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Date Responded: 7/15/2022

3. Referring to p. AMN-9 of Exhibit (Ex.) SCG-28, SCG forecasts \$36.258 million for its Test Year (TY) 2024 People and Culture Department SCG Director HR Services/WC & LTD expenses. SCG's 2024 forecast of \$36.258 million is an increase of \$3.293 million over its 2021 recorded adjusted-recorded expenses of \$32.965 million. Please explain in detail what leads to \$3.293 million increase in the category SCG Director HR Services/WC & LTD of People and Culture Department. In an Excel spreadsheet, provide all activities and associated amounts for the cost drivers for this category in People and Culture Department that SCG calculated in proposed TY 2024 expense forecast.

SoCalGas Response 3:

SoCalGas objects to the request to the extent that it imposes upon SoCalGas an obligation to generate or create records that do not exist, or which have not been generated or created in its regular course of business. This purported obligation exceeds the requirements provided by the CPUC's Discovery Custom and Practice Guidelines and California Code of Civil Procedure Section 2031.230. Subject to and without waiving its objection, SoCalGas responds as follows:

For cost drivers for SCG Direct HR Services, please refer to SoCalGas's People and Culture Department testimony and workpapers of Abigail Nishimoto (Ex. SCG-28, pages AMN-9 to AMN-16, and Ex. SCG-28-WP, pages 4-17).

For cost drivers for Workers Comp and Long-Term Disability in People and Culture Department, please refer to the Supplemental Workpaper 2HR006.001 within the SoCalGas People and Culture Department workpapers (Ex. SCG-28-WP, pages 18-25).

4. Referring to tables AN-6 and AN-19 listed in p. AMN-9 and AMN-37, SCG listed 7 People and Culture Department cost categories for its shared and non-shared services. In an Excel spreadsheet, provide the employee headcount/FTE as of December 31 for the years 2017-2021 for each of the 7 cost categories within the People and Culture Department. In the response, show the employee headcount/FTE and the associated expenses for each cost category.

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Date Responded: 7/15/2022

SoCalGas Response 4:

Please refer to the following attachment:

- PAO-SCG-003-RA6_SCG-28_1917_Q04 Attachment.xlsx.

Note: SoCalGas is providing the FTE data and not headcount data. The GRC presents base year and incremental personnel in the form of FTE.

5. For each of the 7 cost categories within the People and Culture Department, provide documentation that demonstrates SCG's forecast for additional positions/FTEs for TY 2024 and the detailed breakdown of the calculation, including the basis-source of each estimate. In the response, include the job title, annual salary and job description.

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Date Responded: 7/15/2022

SoCalGas Response 5:

SoCalGas incorporates its responses to Questions 2a and 2b and the People and Culture Department testimony and workpapers of Abigail Nishimoto (Ex. SCG-28, SCG-28-WP). SoCalGas further responds that Job responsibilities for the incremental positions/FTEs associated with HR & Employee Services are contained in SoCalGas's Response 2b. The remaining incremental job responsibilities are provided below:

Diversity, Equity and Inclusion Advisor

Description: Provides consultation, counseling, coaching, and support to the leaders and employees of SoCalGas on development, implementation, and management of policies, programs, and activities designed to ensure the success of the corporate-wide business objectives for managing Diversity, Equity & Inclusion including ensuring compliance with Federal and State affirmative action and fair employment laws.

Employee Development Advisor

Description: Provides training, development, consultation, and facilitation for individuals and groups within the company, with a focus on soft skills, personal effectiveness, supervisory skills, change management, analytical thinking, and career management needs. Works with clients and Human Resources to address training-related issues of concern involving performance and business unit goals and objectives. Key player in the development and deployment of strategies of specific program offerings, including University Partnerships and courses provided in partnership with vendors. Participates in planning for future needs of employees at the utilities.

Project Manager II

Description: Manages and directs large-scale, major projects within the department or business unit. Responsible for the development of work scope, budget, schedule, and resource requirements. Prepares, negotiates, and approve contracts for contractors or consultants. May provide direction to a small group of direct reports.

Senior Business Systems Advisor

Description: Responsible for analyzing, designing and implementing complex policies and projects in support of strategic objectives and recommends solutions. Provides a leadership role in an effort to analyze, develop specifications, implement and support systems; apply structured systems development methodology to ensure optimum benefit,

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conduct audits pertaining to the design, implementation and operation of systems and enhancements; analyze, evaluate and report on audit findings; perform systems acceptance testing and contract administration duties.

Data Request Number: PAO-SCG-003-RA6

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Publish To: Public Advocates Office (PAO)

Date Received: 6/22/2022

Date Responded: 7/15/2022

6. Provide the documentation that demonstrates the following for each of the 7 cost categories within the People and Culture Department:

a. The total number of positions (including job title) SCG requested in its 2019 GRC.

SoCalGas Response 6a:

Please see SoCalGas's response to Question 1c and 1d above, which SoCalGas incorporates herein.

b. The number of positions SCG was authorized funding for in its 2019 GRC.

SoCalGas Response 6b:

Please see SoCalGas's response to Question 1c and 1d above, which SoCalGas incorporates herein.

Please see D.19-09-051. Based upon the revenue requirement request for the People and Culture Department (Ex. SCG-32 – Human Resources Department, Safety, Long-Term Disability & Workers' Compensation), which included justification for FTE's, the TY 2019 GRC decision authorized a revenue requirement for SoCalGas.

7. Provide the documentation that identifies and explains in detail if SCG's expense forecasts for 2022-2024 for the 7 cost categories of its People and Culture Department include any projects and/or programs that SCG included in its 2019 GRC and was authorized funding.

Data Request Number: PAO-SCG-003-RA6

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Publish To: Public Advocates Office (PAO)

Date Received: 6/22/2022

Date Responded: 7/15/2022

SoCalGas Response 7:

Please see SoCalGas's response to Question 1c and 1d above, which SoCalGas incorporates herein. SoCalGas further objects to this request on the grounds that it is vague and ambiguous, with respect to the phrase "and/or programs." Subject to and without waiving the foregoing objection, SoCalGas responds as follows:

SoCalGas does not interpret this request to seek expense forecasts for ongoing activities of the cost categories contained within the People and Culture Department chapter. The SoCalGas TY 2024 GRC People and Culture Department testimony does not include any projects that SoCalGas included in its 2019 GRC.

8. If SCG's expense forecasts for the 7 cost categories of its People and Culture Department include any projects and/or programs that SCG included in its 2019 GRC and was authorized funding, identify those programs and/or projects, the associated amounts, and provide documentation that explains in detail the reason for the inclusion in the 2024 GRC.

Data Request Number: PAO-SCG-003-RA6

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Publish To: Public Advocates Office (PAO)

Date Received: 6/22/2022

Date Responded: 7/15/2022

SoCalGas Response 8:

Please see SoCalGas's response to Question 7 above, which SoCalGas incorporates herein. SoCalGas does not interpret this request to seek expense forecasts for ongoing activities of the cost categories contained within the People and Culture Department chapter. Subject to and without waiving the foregoing objection, SoCalGas responds as follows:

Not applicable.

9. In an Excel spreadsheet, for all expense projects related to the 7 cost categories of SCG's People and Culture Department that SCG requested and received funding for in its 2019 GRC, provide the status of those projects (i.e., in progress to be completed by what date, completed, eliminated, postponed, etc.) as of December 2021 and the associated cost.

Data Request Number: PAO-SCG-003-RA6

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Publish To: Public Advocates Office (PAO)

Date Received: 6/22/2022

Date Responded: 7/15/2022

SoCalGas Response 9:

SoCalGas objects to this request on the grounds that it is vague and ambiguous, particularly with respect to the phrase “expense projects.” SoCalGas does not interpret the term “expense projects” to mean ongoing activities of the cost categories contained within the People and Culture Department chapter. Subject to and without waiving the foregoing objection, SoCalGas responds as follows:

Not applicable.

Data Request Number: PAO-SCG-003-RA6

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Publish To: Public Advocates Office (PAO)

Date Received: 6/22/2022

Date Responded: 7/15/2022

10. Referring to p. AMN-iv of Exhibit (Ex.) SCG-28, SCG forecasts \$49.6 million for its Test Year (TY) 2024 People and Culture Department expenses. SCG's 2024 forecast of \$49.621 million is an increase of \$4.447 million over its 2021 recorded adjusted-recorded expenses of \$45.174 million.

Please provide the following:

a. For each of SCG's People and Culture Department cost categories, provide in an Excel spreadsheet a detailed and itemized listing for all non-labor expenses for 4 2017-2021 (note: do not lump expenses together in the response, separate and identify the expenses by the categories as requested below) incurred for 1) employee meals, 2) employee luncheons, 3) vendor payments for offsite meetings and events (provide copies of contracts for costs and services provided), 4) all entertainment expenses, 5) employee recognition activities, 6) sporting events, 7) all bonuses and Rewards, 8) employee/company memberships and dues (identify the organization), 9) all contributions, 10) charitable events, 11) brand awareness and loyalty surveys/campaigns/events, 12) lobbying activities, 13) events for educating regulators, and 14) other employee reimbursable expenses.

SoCalGas Response 10a:

SoCalGas requested and received a one week extension (to Thursday, July 21) to provide a response to this question.

b. For each of SCG's People and Culture Department cost categories, provide in an Excel spreadsheet, a detailed and itemized listing of all costs incurred for one-time, unusual, or non-recurring costs for the years 2017-2021, including but not limited to studies, pilots, projects/programs, surveys, training, contract expenses, campaigns, employee contests, etc.

SoCalGas Response 10b:

There were no one-time, unusual, or non-recurring activities in the adjusted recorded historical amounts for 2017-2021.

c. Provide documentation that identifies all projects and associated amounts that include contingency costs calculated in proposed TY 2024 expense forecasts for People and

Data Request Number: PAO-SCG-003-RA6

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

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Date Received: 6/22/2022

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Culture Department programs and projects. If SCG did not include any calculated contingency costs in its TY 2024 expense forecast for People and Culture Department, please state so in the response.

SoCalGas Response 10c:

SoCalGas did not include any calculated contingency costs in its TY 2024 expense forecast for the People and Culture Department.

d. For each of SCG's People and Culture Department cost categories, provide the number of employee retirements and the number of employees that were severed/laid off as of December 31, of each year for 2017-2021. In the response include the employee's name or a specific identification number, job classification, actual annual salary (show separately the other overhead, taxes, benefits, etc.), and number of service years.

SoCalGas Response 10d:

SoCalGas objects to this request pursuant to Rule 10.1 of the Commission's Rules of Practice and Procedure on the grounds that it seeks the production of information that is neither relevant to the subject matter involved in the pending proceeding nor is reasonably calculated to lead to the discovery of admissible evidence. SoCalGas further objects to this request on the grounds that it seeks the disclosure of private and confidential employee information that is protected from disclosure under California law, including Article 1, Section 1 of the California constitution. SoCalGas is also unable to provide the requested data as the elements and work groups contained in the 2024 GRC People and Culture Department are different than the elements and work groups in the 2019 GRC – People and Culture Department (Ex. SCG-32 – Human Resources Department, Safety, Long-Term Disability & Workers' Compensation).

e. Provide documentation that explains and demonstrates the calculation of SCG's employee retirement savings for each year (2017-2021) and the incorporation of the cost savings into its TY 2024 FTE forecast.

SoCalGas Response 10e:

The adjusted, recorded actuals and the forecasted labor costs in the People and Culture testimony are direct costs only and do not include employee retirement savings. See the

Data Request Number: PAO-SCG-003-RA6

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Publish To: Public Advocates Office (PAO)

Date Received: 6/22/2022

Date Responded: 7/15/2022

“Corporate Center- Pension and Postretirement Benefits Other than Pension” testimony of Peter Andersen (Ex. SCG-26/SoCalGas-30).

f. Provide documentation that explains if SCGs newly hired/proposed FTEs will be paid a starting salary that is at the same salary level of its employees that have or will be retiring in TY 2024.

SoCalGas Response 10f:

SoCalGas objects to this question on the grounds that it calls for speculation regarding facts that are not within SoCalGas’s knowledge. Subject to and without waiving its objection, SoCalGas responds as follows:

Proposed FTE wages for forecasted cost increases in the GRC are for the expected hiring job classification level.

g. Provide documentation that explains in detail and demonstrates all overtime/double time costs incurred during 2017-2021. In the response, separate overtime/double time cost calculation by SCG's People and Culture Department cost categories.

SoCalGas Response 10g:

SoCalGas objects to this request under Rule 10.1 of the Commission’s Rules of Practice and Procedure to the extent it seeks the production of information that is neither relevant to the subject matter involved in the pending proceeding nor is likely reasonably calculated to lead to the discovery of admissible evidence. Subject to and without waiving its objections, SoCalGas responds as follows:

The overtime/double time costs incurred during the 2017-2021 timeframe for SoCalGas’s People and Culture Department totaled \$60,755 labor dollars:

WORKPAPER	OT_HRS	DT_HRS	COSTS
2HR001.000	74	0	\$4,605
2HR003.000	38	0	\$2,861
2HR004.000	814	5	\$39,179
2HR005.000	20	0	\$938
2HR006.000	229	4	\$11,353

Data Request Number: PAO-SCG-003-RA6

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Publish To: Public Advocates Office (PAO)

Date Received: 6/22/2022

Date Responded: 7/15/2022

2HR007.000	24	0	\$1,819
Grand Total	1,197	9	\$60,755

h. Provide documentation that explains in detail and demonstrates how SCG incorporated labor dollars from employee overtime/double time into its Test Year 2024 forecast for additional funding for new positions.

SoCalGas Response 10h:

Not applicable.

Data Request Number: PAO-SCG-003-RA6

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Publish To: Public Advocates Office (PAO)

Date Received: 6/22/2022

Date Responded: 7/15/2022

11. Referring to p.18 from Workpaper of Exhibit SCG-28, SCG forecasts \$23.801 million for its Test Yest (TY) 2024 category "Workers Comp and Long-Term Disability" in People and Culture Department which is \$1.954 million increase over \$21.847 million 2021 Adjusted-Recorded expenses. The following table is from p.18 from Workpaper of Exhibit SCG-28,

Summary of Results:

		In 2021\$ (000) Incurred Costs							
		Adjusted-Recorded					Adjusted-Forecast		
Years	2017	2018	2019	2020	2021	2022	2023	2024	
Labor	0	0	0	0	0	0	0	0	
Non-Labor	22,160	22,417	20,955	20,537	21,847	21,473	22,720	23,801	
NSE	0	0	0	0	0	0	0	0	
Total	22,160	22,417	20,955	20,537	21,847	21,473	22,720	23,801	
FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	

Please respond to the following questions:

a. Provide documentation that explains in detail what leads to \$1.954 million increase in SCG's Test Yest (TY) 2024 category of People and Culture Department.

SoCalGas Response 11a:

Please refer to the cost drivers contained within SoCalGas's People and Culture Department testimony and workpapers of Abigail Nishimoto (Ex. SCG-28, Ex. SCG-28-WP).

b. Provide documentation that explains SCG's calculation on \$1.954 million increase i [sic].

SoCalGas Response 11b:

For all activities and associated amounts for the cost drivers for this Workers Comp and Long-Term Disability in People and Culture Department, please refer to the Supplemental Workpaper 2HR006.001 within the SoCalGas People and Culture Department workpapers, Ex. SCG-28-WP.

Data Request Number: PAO-SCG-003-RA6

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Date Received: 6/22/2022

Date Responded: 7/15/2022

c. In an Excel spreadsheet, provide all activities and associated amounts for the cost drivers for category "Workers Comp and Long-Term Disability" in People and Culture Department that SCG calculated in proposed TY 2024 expense forecast.

SoCalGas Response 11c:

SoCalGas objects to this request under Rule 10.1 of the Commission's Rules of Practice and Procedure to the extent it seeks the production of information that is neither relevant to the subject matter involved in the pending proceeding nor is likely reasonably calculated to lead to the discovery of admissible evidence. Subject to and without waiving its objections, SoCalGas responds as follows:

For all activities and associated amounts for the cost drivers for category "Workers Comp and Long-Term Disability" in People and Culture Department, please refer to the Supplemental Workpaper 2HR006.001 within the SoCalGas People and Culture Department workpapers, Ex. SCG-28-WP.

Appendix B –
SoCalGas Response to
PAO-SCG-016-CE3_SCG-25_2575,
13 questions

Data Request Number: PAO-SCG-016-CE3

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Publish To: Public Advocates Office

Date Received: 7/27/2022

Date Responded: 8/10/2022

QUESTION 01 (a-b):

Referring to workpapers supporting SCG-25, Summary of Results table on page 7, for each recorded year and each forecast year, please provide:

a. Employee headcount

SoCalGas RESPONSE 01a:

The table below is the historical headcount of ICP eligible employees¹ used to develop the average cost per eligible employee for forecasted years 2022-2024; which is reduced by a 3-year average for Senate Bill (SB) 901 Officers.

Headcount	2017	2018	2019	2020	2021	Average
Employees	7,681	7,613	7,635	7,827	8,225	7,797
SB901 Officers	-	-	7	7	6	7
						7,790

Headcount for forecasted years:

2022 – 9,092

2023 – 9,741

2024 – 10,080

¹ For represented employees, the full population is considered.

Data Request Number: PAO-SCG-016-CE3

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

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Date Received: 7/27/2022

Date Responded: 8/10/2022

QUESTION 01b:

b. Employee turnover

SoCalGas RESPONSE 01b:

SoCalGas objects to this question to the extent that the term “employee turnover” is vague and unintelligible in the ICP context. The ICP headcount data shown above includes increases and decreases to headcount over the years; thus, the headcount numbers are a net effect of employee movement.

Data Request Number: PAO-SCG-016-CE3

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Publish To: Public Advocates Office

Date Received: 7/27/2022

Date Responded: 8/10/2022

QUESTION 02a:

Referring to the workpapers supporting SCG-25, Summary of Results table on page 15, for each recorded year and each forecast year, please provide:

a. Employee headcount

SoCalGas RESPONSE 02a:

Recorded headcount for historical years was not used as the basis for the medical cost forecast. The medical forecast was developed using the actual 2022 benefit enrollment elections made during the annual enrollment in 2021.

Medical enrollment forecast:

2021 – 8,178 (as of December 2021)

2022 – 9,092

2023 – 9,741

2024 – 10,080

Appendix B –
SoCalGas Response to
PAO-SCG-006-RA-6_SCG-28_2559
4 questions

Data Request Number: PAO-SCG-006-RA6

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Proceeding Number: A2205015_016 2024 GRC

Publish To: Public Advocates Office

Date Received: 7/26/2022

Date Responded:8/15/2022

1. Referring to SCG’s spreadsheet titled “PAO-SCG-003-RA6_SCG-28_1917_Q01a_b Attachment.xlsx,” in response to Cal Advocates data request “PAO-SCG-003-RA6”, SCG provided the recorded expenses for 2017-2021 and the forecasted expenses for 2022-2024 for SCG’s People and Culture department. From the spreadsheet, Cal Advocates discovered that the 2021 recorded, and 2024 forecasted amounts do not match with the amounts in SCG’s testimony. The following table is from SCG’s spreadsheet titled “PAOSCG-003-RA6_SCG-28_1917_Q01a_b Attachment.xlsx”:

SoCalGas 2024 GRC Data Request													
PAO-SCG-003-RA6_SCG-28_1917_C													
Question 01a - 01b													
		Forecasted Expenses (in thousands)											
		2021			2022			2023			2024		
GRC Witness Name	GRC Wkp Grp	Labor	NLbr	Result	Labor	NLbr	Result	Labor	NLbr	Result	Labor	NLbr	Result
Abigail M.	SHARED SER 2200-2397.000	311	13	324	311	13	324	311	13	324	311	13	324
	NON-SHARE 2HR004.000/2HR006.001	8,911	45,900	54,811	9,849	24,080	33,929	9,849	25,277	35,126	9,849	36,257	46,106
	NON-SHARE 2HR005.000	2,577	470	3,047	2,577	801	3,378	2,577	770	3,347	2,577	881	3,458
	NON-SHARE 2HR007.000	2,401	586	2,987	2,535	687	3,222	2,535	735	3,270	2,535	607	3,142
	NON-SHARE 2HR008.000	510	128	638	510	198	708	644	222	866	644	242	886
	NON-SHARE 2HR003.000	1,191	16	1,207	1,500	46	1,546	1,500	46	1,546	1,500	46	1,546
	NON-SHARE 2HR001.000	888	3,118	4,006	888	3,117	4,005	888	3,117	4,005	888	3,117	4,005
		16,789	50,231	67,020	18,170	28,942	47,112	18,304	30,180	48,484	18,304	41,163	59,467

Cal Advocates understand that there were errors in recording the NLbr amounts for 2021 recorded and 2024 forecasted expenses. Cal Advocates recalculated these by including the amounts from page 5 and 18 of Exhibit No. SCG-28-WP. The following table includes Cal Advocates calculation:

SoCalGas 2024 GRC Data Request													
PAO-SCG-003-RA6_SCG-28_1917_C													
Question 01a - 01b													
		Forecasted Expenses (in thousands)											
		2021			2022			2023			2024		
GRC Witness Name	GRC Wkp Grp	Labor	NLbr	Result	Labor	NLbr	Result	Labor	NLbr	Result	Labor	NLbr	Result
Abigail M. N	SHARED 2200-2397.000	311	13	324	311	13	324	311	13	324	311	13	324
	NON-SH 2HR004.000/2HR006.001	8,911	24,053	32,964	9,850	24,079	33,929	9,850	25,276	35,126	9,850	26,407	36,257
	NON-SH 2HR005.000	2,577	470	3,047	2,577	801	3,378	2,577	770	3,347	2,577	881	3,458
	NON-SH 2HR007.000	2,401	586	2,987	2,535	687	3,222	2,535	735	3,270	2,535	607	3,142
	NON-SH 2HR008.000	510	128	638	510	198	708	644	222	866	644	242	886
	NON-SH 2HR003.000	1,191	16	1,207	1,500	46	1,546	1,500	46	1,546	1,500	46	1,546
	NON-SH 2HR001.000	888	3,118	4,006	888	3,117	4,005	888	3,117	4,005	888	3,117	4,005
		16,789	28,384	45,173	18,171	28,941	47,112	18,305	30,179	48,484	18,305	31,313	49,618

Please confirm that SCG’s calculation included an error for the 2021 recorded and 2024 forecasted expenses in SCG’s spreadsheet titled “PAO-SCG-003-RA6_SCG-28_1917_Q01a_b Attachment.xlsx.” Provide the corrected recorded expenses for 2017-2021 and the forecasted expenses for 2022-2024 in an Excel format for SCG’s People and Culture department.

Data Request Number: PAO-SCG-006-RA6

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Proceeding Number: A2205015_016 2024 GRC

Publish To: Public Advocates Office

Date Received: 7/26/2022

Date Responded:8/15/2022

SoCalGas Response 1:

Please see PAO-SCG-006-RA-6_SCG-28_2559_Q01 Attachment for corrected recorded expenses for 2017 – 2021 and the forecasted expenses for 2022 – 2024 for SoCalGas’s People and Culture workpapers.

Data Request Number: PAO-SCG-006-RA6

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Proceeding Number: A2205015_016 2024 GRC

Publish To: Public Advocates Office

Date Received: 7/26/2022

Date Responded:8/15/2022

2. Referring to SCG’s response to data request “PAO-SCG-003-RA6,” Q.1c and Q.1d, SCG objected to Cal Advocates request to provide SCE’s 2019 GRC requested and authorized amount and stated, “See A.17-10-008 (Ex. SCG-32 Human Resources Department, Safety, Long-Term Disability & Workers’ Compensation) for the request in the TY 2019 GRC and D.19-09-051 for a discussion of the amount authorized for this area in the TY 2019 GRC.” Referring to SCG’s spreadsheet titled “PAO-SCG-003-RA6_SCG-28_1917_Q01a_b Attachment.xlsx,” in response to data request “PAO-SCG-003-RA6”, Q.1, SCG’s 2019 recorded costs of \$40.417 million are \$10.535 million less than its 2019 GRC authorized amount of \$50.95 million (from D.19-09-051, pg. 565-pg 576). Please answer the following:

a. For each chapter, explain what shared or non-shared cost activities contributed to decrease in spending.

SoCalGas Response 2a:

SoCalGas is not able to provide the requested data in the manner of breakdown requested by Question 2a as reporting structures and cost assignments within work groups have changed since the filing and issuance of the final decision in the 2019 GRC. See A.17-10-008 (Ex. SCG-32 Human Resources Department, Safety, Long-Term Disability & Workers’ Compensation) for the request in the TY 2019 GRC and D.19-09-051 for a discussion of the amount authorized for this area in the TY 2019 GRC.

The reporting structures and cost assignments within work groups for the People and Culture Department that have changed since the filing and issuance of the final decision in the 2019 GRC include Chapter 2HR006.000 SCG Director Safety & Wellness, which was transferred to Ex. SCG-27-WP – Safety and Risk Management Systems and contributed to the decrease in 2019 recorded costs for the People and Culture Department.

b. If any chapter recorded lower 2019 costs than authorized in the 2019 GRC due to deferred, eliminated, or postponed projects, provide supporting documentation that identifies each deferred project and the total cost savings in 2019 of deferring, eliminating, or postponing that project.

Data Request Number: PAO-SCG-006-RA6

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Proceeding Number: A2205015_016 2024 GRC

Publish To: Public Advocates Office

Date Received: 7/26/2022

Date Responded:8/15/2022

SoCalGas Response 2b:

SoCalGas objects to this request pursuant to Rule 10.1 of the Commission's Rules of Practice and Procedure on the grounds that it seeks the production of information that is neither relevant to the subject matter involved in the pending proceeding nor is reasonably calculated to lead to the discovery of admissible evidence. SoCalGas further objects to this request under Rule 10.1 of the Commission's Rules of Practice and Procedure to the extent it would require SoCalGas to search their files for matters of public record in CPUC regulatory proceedings (filings, testimony, transcripts, decisions, orders, etc.). This information is equally available to Cal Advocates, who was a party to SoCalGas's TY 2019 GRC. Notwithstanding the foregoing objection, SoCalGas responds as follows:

Please refer to the following attachment:

- PAO-SCG-006-RA-6_SCG-28_2559_Q02B Attachment

Note: Chapters not listed in the attachment did not have any deferred, eliminated, or postponed projects that would be responsive to this request.

c. If SCG added any new shared or non-shared cost activities in 2024 GRC People and Culture department (Ex. SCG-28) that were not included in 2019 GRC Ex. SCG- 32, please provide the list of these activities and expenses in an Excel format with formulas intact. Explain how SCG determined the need for these new cost activities.

SoCalGas Response 2c:

For new shared or non-shared cost activities in the 2024 GRC People and Culture department (Ex. SCG-28), please refer to SoCalGas's People and Culture Department testimony and workpapers of Abigail Nishimoto (Ex. SCG-28, and Ex. SCG-28-WP):

- 2HR004.000 - SCG DIRECTOR HR SERVICES *see*
Ex. SCG-28-WP, pages 6 to 12 and Ex. SCG-28, pages AMN-9 to AMN-16
- 2HR005.000 - SCG DIRECTOR LABOR RELATIONS & WELLNESS *see*
Ex. SCG-28-WP, pages 28 to 33 and Ex. SCG-28, pages AMN-19 to AMN-21
- 2HR007.000 - SCG DIRECTOR ORG EFFECTIVENESS *see*
Ex. SCG-28-WP, pages 41 to 42 and Ex. SCG-28, pages AMN-24 to AMN-25

Data Request Number: PAO-SCG-006-RA6

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Proceeding Number: A2205015_016 2024 GRC

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Date Responded:8/15/2022

SoCalGas Response 2c:-Continued

- 2HR008.000 - SCG DIVERSITY, EQUITY AND INCLUSION DIRECTOR *see*
Ex. SCG-28-WP, pages 52 to 55 and Ex. SCG-28, pages AMN-27 to AMN-28

- 2HR003.000 - SCG DIRECTOR PERF & ORGNL STRATEGY *see*
Ex. SCG-28-WP, pages 61 to 62 and Ex. SCG-28, page AMN-33 to AMN-34

Appendix B –
SoCalGas Response to
PAO-SCG-038-RA6-SCG-28_3987
8 questions

Data Request Number: PAO-SCG-038-RA6

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Publish To: Public Advocates Office

Date Received: 8/29/2022

Date Responded: 9/13/2022

1. Referring to SCG’s response to data request number PAO-SCG-003-RA6, Q1c and Q1d, Cal Advocates asked SCG to provide the amount SCG requested and was authorized in its 2019 GRC. SCG states in response: “SoCalGas is not able to provide the requested data in the manner of breakdown requested by Question 1 as reporting structures and cost assignments within work groups have changed since the filing and issuance of the final decision in the 2019 GRC.”

Please respond to the following questions:

a. In the following table format, provide the exhibit names, exhibit chapters/sections, page numbers, and witness names that worked in these specific 7 categories for the 2019 GRC:

People and Culture Department	Categories	Ex. Name, Ch./Section	Ex. Page Numbers	Witness Name
Shared Services	1. ECS System Reporting			
Non-Shared Services	2. SCG Director HR Services 3. SCG Director Labor Relations & Wellness 4. SCG Director Org Effectiveness 5. SCG Director Diversity, Equity and Inclusion 6. Performance Management 7. SCG Executive			

SoCalGas Response 1a:

SoCalGas objects to this request under Rule 10.1 of the Commission’s Rules of Practice and Procedure to the extent it seeks the production of information that is neither relevant to the subject matter involved in the pending proceeding nor is likely reasonably calculated to lead to the discovery of admissible evidence. The proposed and authorized costs in the 2019 GRC are not being reviewed in the 2024 GRC. For the base year forecasts, the development of TY 2024 forecasted costs begins with an assessment of base year (2021) recorded costs and adjustments are made to the base year recorded costs that reflect the forward-looking anticipated activity in each cost category. SoCalGas also objects to this request on the grounds that the burden, expense, and intrusiveness of this request clearly outweigh the likelihood that the information sought will lead to the discovery of admissible evidence.

Subject to and without waiving the foregoing objections, SoCalGas responds as follows:

Data Request Number: PAO-SCG-038-RA6

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

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As stated in SoCalGas's response to data request number PAO-SCG-003-RA6, Q2a, reporting structures and cost assignments within the People and Culture Department have changed since the TY 2019 GRC was adopted. For example, SoCalGas made the decision to reorganize its safety efforts from a largely de-centralized structure to a more centralized structure, including a new Safety Management System. This restructuring included moving the Safety Department that was previously housed within the Safety and Wellness Department within People and Culture to the new Safety Management System (SMS). The new SMS structure provides SoCalGas greater integration, transparency, and flexibility to adapt and respond quickly when addressing actual or potential safety-related incidents and/or concerns.

As such, the TY 2019 GRC does not reflect the current reporting structure of the People and Culture Department and it is not possible to provide an "apples to apples" comparison of 2019 GRC testimony to 2024 GRC testimony. *See* Safety portion of the Safety & Wellness function within the Human Resources Department on page 25 of the 2019 GRC Direct Testimony of Mary Gevorkian – Human Resource Department, Safety, Long-Term Disability & Workers' Compensation (Exhibit SCG-32) and the 2024 GRC Direct Testimony of Neena Master – Safety and Risk Management Systems (Exhibit SCG-27-R).

b. Explain how SCG tracks 2017-2021 recorded expenses of its People and Culture Department activities while removing, excluding, or shifting certain People and Culture Department activities to different accounts or witnesses.

SoCalGas Response 1b:

Prior to 2019, People and Culture included a Safety and Wellness Department. Since the TY 2019 GRC was adopted, the decision was made to centralize safety management activities at SoCalGas under one organization known as Safety Management Systems (SMS). By centralizing these safety management activities under the oversight of the SMS organization, SoCalGas was able to track and monitor these costs and provide more transparency. The centralization of safety management activities prompted the need to re-align historical actuals to reflect the new structure.

SoCalGas utilizes Systems Application & Products in Data Processing (SAP) software to manage its accounting business functions. This software allows SoCalGas to track and report expenses by company-established cost centers. To the extent possible, SAP provided SoCalGas the means to review its historical People and Culture and safety/risk management related expenses and re-align these expenses to compensate for any changes (i.e., removal, exclusion or shifting certain safety/risk management activities) to reflect the new centralized cost centers structure under SMS. As a result, historical safety

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management related expenses were identified and transferred to the SMS organization as noted in the Revised Direct Testimony of Neena N Master - Safety and Risk Management Systems (Exhibit SCG-27-R).

c. Provide documentation that explains in detail why SCG's management is not able to provide the 2019 requested and authorized amounts for its People and Culture Department activities while it was able to provide the 2017-2021 recorded expenses data when requested for review and analysis as part of SCG's request for Test Year funding in GRCs.

SoCalGas Response 1c:

SoCalGas objects to this request under Rule 10.1 of the Commission's Rules of Practice and Procedure to the extent it seeks the production of information that is neither relevant to the subject matter involved in the pending proceeding nor is likely reasonably calculated to lead to the discovery of admissible evidence. The proposed and authorized costs in the 2019 GRC are not being reviewed in the 2024 GRC. SoCalGas also objects to this request on the grounds that the burden, expense, and intrusiveness of this request clearly outweigh the likelihood that the information sought will lead to the discovery of admissible evidence.

Subject to and without waiving the foregoing objections, SoCalGas responds as follows:

SoCalGas provided the 2019 requested and authorized amounts for its People and Culture Departments by pointing the PAO to the testimony and decisions related to SoCalGas's 2019 GRC.

Additionally, as stated in the response in Question 1a above, the Company decided to centralize its SMS organization and programs to provide greater flexibility in responding to potential safety-related matters. This decision entailed moving departments and personnel, including the Safety Department previously housed within People and Culture. During this organizational transformation, SoCalGas did not see a need to reconcile the organizational structure presented in the 2019 GRC to the centralized organization. The Company's decision was driven by providing a structure that encourages accountability, transparency, and flexibility and emphasizes safety for customers, employees, contractors, and communities. While SoCalGas prudently and efficiently manages its costs over the GRC cycle and executes projects to the best of its ability, the Commission recognizes that actual spending may differ from GRC authorized amounts: "The Commission has always acknowledged that utilities may need to reprioritize spending between GRCs." (D.20-01-002 at 38.)

Any differences in actual versus authorized spending for safety, reliability, and/or maintenance are addressed in the Risk Spending Accountability Reporting. If PAO is

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interested in evaluating SoCalGas's recorded activities versus the authorized activity in the 2019 GRC structure for safety, reliability, and/or maintenance, please review SoCalGas's Risk Spend Accountability Report for 2021.¹

d. Please identify the accounts, projects, and programs (if any) that are being removed from SCG's TY 2024 GRC request due to a lack of complete, accurate and verifiable documentation.

SoCalGas Response 1d:

SoCalGas objects to this request on the grounds that it misstates facts and/or assumes facts that do not exist, specifically with respect to the assumption that "accounts, projects, and programs . . . are being removed . . . due to lack of complete, accurate, and verifiable documentation."

Subject to and without waiving the foregoing objections, SoCalGas responds as follows:

People and Culture did not remove from its TY 2024 GRC any accounts, projects, or programs due to lack of complete, accurate and verifiable documentation. Adjustments made to historical costs are noted in the workpapers and accounted for activities that were either transferred between cost centers, removed as non-reoccurring or non-recoverable costs, or removed as costs sought to be recovered via an alternate proceeding, such as Covid related expenses.

e. Explain whether the 2017-2021 recorded expenses shown in SCG's spreadsheet titled "PAO-SCG-003-RA6_SCG-28_1917_Q01a_b Attachment_1916," provided in response to data request "PAO-SCG-003-RA6," Q1, also include any costs for activities that have been removed, excluded, or shifted from SCG's People and Culture Department TY 2024 forecast. Provide SCG's calculations that it relied upon to allocate and track its recorded, forecasted, and authorized expenses for people and culture chapters that include activities that were moved from one exhibit to another in its 2019 and 2024 GRCs.

SoCalGas Response 1e:

SoCalGas did not remove, exclude, or shift any costs for activities in SoCalGas's People and Culture TY 2024 forecast. Please refer to the workpapers of Abigail M Nishimoto (Exhibit SCG-28-WP-R).

f. Provide in an Excel spreadsheet (similar format as the spreadsheet titled "PAO-SCG003-RA6_SCG-28_1917_Q01a_b Attachment_1916," in response to data request

¹ <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M377/K391/377391031.PDF>

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“PAOSCG-003-RA6,” Q1, a comparison of the following costs for only the activities that SCG is including in its TY 2024 GRC forecast for its people and culture department:

- i. The recorded expenses for 2017-2021;
- ii. The forecasted expenses for 2022-2024. The cells should include the formulas used to calculate the forecasted expenses;
- iii. The amount SCG requested in the 2019 GRC; and,
- iv. The amount authorized in the 2019 GRC

SoCalGas Response 1f:

SoCalGas objects to this request, and its subparts, to the extent it imposes upon SoCalGas an obligation to generate or create records that do not exist, or which have not been generated or created in its regular course of business. This purported obligation exceeds the requirements provided by the CPUC’s Discovery Custom and Practice Guidelines and California Code of Civil Procedure Section 2031.230 (proper response stating inability to comply with discovery request includes a statement that “the particular item or category [of records] has never existed”). *See also* A.05-04-020, *In the Matter of the Joint Application of Verizon Communications Inc. and MCI, Inc.*, Administrative Law Judge’s Ruling Addressing Motion of Qwest to Compel Responses, Aug. 5, 2005, at 7 (in relation to motion to compel emphasized that “Verizon is not required to create new documents responsive to the data request”) (also available at 2005 WL 1866062); A.05-02-027, *In the Matter of the Joint Application of SBC Communications Inc. and AT&T Corp.*, Administrative Law Judge’s Ruling Regarding ORA’s Second Motion to Compel, June 8, 2005, at 23 (in ruling on motion to compel stressed that SBC Communications “shall not be required to produce new studies specifically in response to this DR”) (also available at 2005 WL 1660395).

SoCalGas Response 1fi and 1fii:

SoCalGas incorporates its objections to Question 1f above. Subject to and without waiving the foregoing objections, SoCalGas responds as follows:

See separately attached “PAO-SCG-038-RA6-SCG-28_3988_Question 1fi and 1fii”

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SoCalGas Response 1fiii and 1fiv:

SoCalGas objects to this request under Rule 10.1 of the Commission's Rules of Practice and Procedure to the extent it seeks the production of information that is neither relevant to the subject matter involved in the pending proceeding nor is likely reasonably calculated to lead to the discovery of admissible evidence. The proposed and authorized costs in the 2019 GRC are not being reviewed in the 2024 GRC. SoCalGas also objects to this request on the grounds that the burden, expense and intrusiveness of this request clearly outweigh the likelihood that the information sought will lead to the discovery of admissible evidence.

Appendix B –
SoCalGas Responses to
PAO-SCG-048-RA6_SCG-28_4995
23 questions

Data Request Number: PAO-SCG- 048-RA6

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

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1. Referring to SCG’s response to Cal Advocates data request “PAO-SCG-003-RA6”, Q2a, SCG states “SoCalGas also clarifies that there are eight (8) incremental FTEs requested. SoCalGas discovered an error in responding to this discovery and the testimony and workpapers will be updated at the next available opportunity.” SCG responded to this data request in July 2022. SCG submitted its revised testimony in August 2022. Cal Advocates discovered that SCG did not update the incremental FTE request in its revised testimony. Referring to p. ANM-14 of Exhibit (Ex.) SCG-28-R, SCG stated "The incremental labor costs for HR & Employee Services are associated with adding the following nine (9) positions in TY 2024." Please respond:

- a. Please provide the updated testimony and workpapers that confirms SCG’s request of eight incremental FTEs, not nine FTEs for its HR & Employee Services.
- b. Provide a list of duties and responsibilities for each of the 8 FTE positions SCG plans to hire for HR & Employee Services. Provide a projected date and year SCG intends to hire these 8 full time employees.

SoCalGas Response 1a and 1b:

Upon further review, SoCalGas clarifies that the requested number of incremental FTEs is correct at nine FTEs for SoCalGas’s HR & Employee Services department.

At the time of drafting a response to this data request, SoCalGas identified an error in the workpapers where the correct “HRIS Advisor” job title was used for year 2022, and “HR Advisor” job title was incorrectly used for years 2023 and 2024 instead of the correct “HRIS Advisor” job title. See Ex. SCG-28-WP-R, page 6 (for year 2022), page 8 (for year 2023) and page 10 (for year 2024). This error will be updated at the next available opportunity.

A description of primary job responsibilities for the incremental FTEs was previously provided to the Public Advocates Office (see Data Request Number: PAO-SCG-003-RA6, SoCalGas Response to Question 2b). For convenience, however, the primary job responsibilities for the nine incremental FTEs are listed below:

1. Claims Associate

Description: Claims Associate provides administrative and technical support to the Claims Examiners/Leave Specialist in the administration of workers' compensation, disability, and sickness cases. Serves as primary contact to receive calls related to reporting of injuries.

2. Compensation Advisor

Description: Provides consulting services for business units regarding compensation policy and pay practices. Develops and administers the company's pay philosophy,

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programs as well as analyzing compensation data and trends. Project manage annual compensation cycles and/or ad hoc compensation process improvement initiatives.

3. Human Resources Analyst

Description: Provides system support and analytical research and analysis in the Human Resources Services area. Processes employee transactions for employee hires, moves, and transactions, including departmental reorganizations and historical analytical research as required.

4. HR Advisor (Human Resources Business Partner)

Description: Serves as primary Human Resources contact for strategic and customized Human Resources solutions, and day-to-day delivery of services. Provides guidance, counsel, and policy interpretation on Human Resources issues to leaders, and employees. Works collaboratively with other areas of Human Resources to assess needs and deliver integrated services, while mitigating risks. Leverages Human Resources data to monitor, and identify trends, or issues requiring actions or awareness.

5. HRIS Advisor

Description: Support human resources information system (HRIS) solutions in support of Human Resources and Company business information needs in both an individual and as member of team capacity. Provide technical expertise in the areas of data integrity, specialized data knowledge, report writing, HR analytics, testing system changes and other technical projects as assigned.

6. Part-time (PT) Clerical - Human Resources Research & Analysis

Description: Clerical role in Human Resources Research & Analysis researches and conducts job analyses, facilitates focus groups, develops and maintains interviews, analyzes human capital data (e.g. employee engagement survey, Human Resources metrics), supports aligning various Human Resources activities to the company's strategic vision, and other duties and responsibilities as assigned.

7. Staffing Advisor

Description: Serves as primary client contact for management and associate talent acquisition/recruiting needs. Facilitate internal transfers/promotions and external recruitment, including representing the company at internal and external career fairs.

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Consult with Human Resources Business Partners, and Compensation, as appropriate, to ensure job requirements are appropriate and integrity of compensation structure is maintained.

8. Staffing Specialist

Description: Assists with managing the recruitment process to fill exempt and non-exempt positions. In absence of Staffing Advisor or Sr. Staffing Advisor, provide guidance to hiring managers/internal clients on staffing processes and procedures. Act as point of contact with external candidates during pre-employment contingency process.

9. Workplace Investigator

Description: Responsible for investigating complaints involving alleged violations of laws, regulations, company policies (including those prohibiting discrimination, harassment, retaliation, and workplace bullying), and the company's Code of Conduct. Manages a caseload of investigations, working both autonomously and collaboratively with fellow team members, business leaders, Human Resources, Labor Relations, Internal Audit, Corporate Security, and Legal. Regularly interacts with employees at all levels, helping to build understanding, transparency, and trust around the company's Investigation function.

The projected hire dates for these nine incremental FTEs vary. SoCalGas anticipates hiring a Claims Associate in 2022 or early 2023. The Compensation Advisor was hired in 2022 but thereafter resigned and SoCalGas is currently seeking a replacement. The Workplace Investigator was hired in January 2022. All other incremental FTEs will be filled when resources can be secured.

c. Please provide the workpapers in an Excel format (with active cells, sources, and links) that clearly shows SCG's calculations to estimate each of its forecasts.

SoCalGas Response 1c:

SoCalGas objects to this request to the extent that it imposes upon SoCalGas an obligation to generate or create records that do not exist, or which have not been generated or created in its regular course of business. This purported obligation exceeds the requirements provided by the CPUC's Discovery Custom and Practice Guidelines and California Code of Civil Procedure Section 2031.230. Subject to and without waiving its objection, SoCalGas responds as follows:

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Most GRC workpapers and tables that appear in testimony are not created from, nor do they originate as, Excel spreadsheets. Rather, most GRC workpapers and testimony tables are produced from a GRC database system that consists of many data tables that are dynamically linked to permit the grouping of cost centers and budget codes, editing of historical values, selection of a forecast methodology, adjustments to forecasts and the production of workpapers. The use of a database for this purpose does not involve Excel spreadsheets; the workpapers are formatted 'reports' that are derived and produced directly as PDF documents, in the case of the main workpapers, or as Word tables in the case of the tables that appear in testimony.

d. Please provide support that clearly demonstrates SCG's inability to meet current demands with present staffing levels. Provide supporting documentation that SCG's management relied upon to determine the benefit of hiring these additional FTEs.

SoCalGas Response 1d:

SoCalGas objects to this request on the grounds that it misstates facts and/or assumes facts that do not exist, specifically regarding the phrase, "SoCalGas's inability to meet current demands with present staffing levels."

Subject to and without waiving the foregoing objection, SoCalGas responds as follows:

SoCalGas clarifies that the purpose for adding incremental FTEs is not simply to "meet current demands." Rather, the primary drivers for the requested incremental FTEs are forward-looking and involve compliance with new laws and regulations that will go into effect during the next GRC cycle, anticipated hiring increases that will require ongoing Human Resources support, and continuous improvement and optimizations in HR.

For a list of explanations specific to each of the incremental FTEs, please refer to the SoCalGas People and Culture Department testimony and workpapers of Abigail Nishimoto (Ex. SCG-28-R, pages AMN-14 to AMN-15, and Ex. SCG-28-WP-R, pages 6-12). For convenience, however, these explanations are also listed below:

- Compensation Advisor: The Compensation team plans to add one (1) Compensation Advisor to support increased workforce, optimization, and continuous improvement opportunities which require new job profiles and job evaluations, and six (6) new initiatives:
 - Analysis and implementation of new Pay Equity tool
 - Analysis and implementation of new MRR structure (multi-year "Compensation Foundations" initiative)
 - Gas Acquisition Incentive Plan Analysis and Revision

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- Implementation of Job Description Xpert (JDX) across multiple divisions (multi-year initiative) including comprehensive compensation analysis
- Engineering Focus: Implementation of Engineer Career Progression
- Engineering Focus: Development of Engineer Pay long-term strategy

- Claims Associate: The Employee Care Services (ECS) team plans to add one (1) Claims Associate due to California Senate Bill SB1127, which reduces the timeframe for Workers' Compensation determinations from 90 to 60 days, and results in an increase in additional reporting and shorter timeframe for investigations and payments.

- HRIS Advisor: The ECS & HRIS Systems team plans to add one (1) HRIS Advisor to meet increased demand for data supporting compensation, pay equity, training, diversity, equity & inclusion information, headcount data, DOT Safety-Sensitive reports, and to respond to labor relations and union data requests.

- Workplace Investigator: The Ethics & Workplace Investigations team plans to add one (1) Workplace Investigator to support the timely investigation of internal workplace complaints raised by employees, vendors and/or customers.

- HR Advisor: The HR Business Partners team plans to add one (1) HR Advisor. This resource is needed to maintain appropriate ratio levels between HRAs and clients, and properly support organizational initiatives and client needs. This incremental support is required to properly support personnel and human resources issues.

- Part-Time Clerical: The HR Business Partners team also plans to add one (1) Part-Time Clerical resource to support ongoing employment test validation work, such as work behavior and aptitude tests, to meet legal and professional standards.

- HR Analyst: The HR Services Operations team plans to add one (1) additional HR Analyst due to added workload resulting from an increase in employee transactions required to maintain computerized employee records. The additional HR Analyst will ensure an adequate ratio of HR staff to support clients/employees so that various employee transactions are addressed and resolved in a timely manner.

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- Staffing Advisor and Staffing Specialist: The Staffing team plans to add one (1) Staffing Advisor and one (1) Staffing Specialist in response to an increased hiring volume, and to meet the requirements to recruit, test, screen, and ultimately staff a qualified and diverse workforce. The additional staff will support the increased recruitment efforts associated with acquiring talent with the new skills required for our changing business, as SoCalGas advances the mission to build the cleanest, safest and most innovative energy company in America.

e. Provide documentation that demonstrates the calculated ratepayer benefit for funding these additional FTEs.

SoCalGas Response 1e:

SoCalGas objects to this request on the grounds that it calls for speculation. Subject to and without waiving the foregoing objection, SoCalGas responds as follows:

While SoCalGas believes there is a benefit to maintaining adequate staffing levels needed to manage current and anticipated future workloads, it has not conducted a study or calculated a specific monetary value of the benefit that would be derived by ratepayers with these additional FTEs. The business rationale and cost drivers supporting the incremental FTEs is discussed above in response to Questions 1b and 1d.

f. If these amounts are not approved, what would ratepayers lose?

SoCalGas Response 1f:

SoCalGas objects to this request on the grounds that it calls for speculation rather than the production of evidence or clarification of factual matters. SoCalGas further objects to this request on the grounds that it is argumentative. Subject to and without waiving the foregoing objection, SoCalGas responds as follows:

See response to Questions 1b and 1d.

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2. Referring to SCG's response to Cal Advocates data request "PAO-SCG-003-RA6", Q2a, Cal Advocates requested to provide "the total number of positions, the detailed breakdown of the calculation, including the basis-source of each estimate, salary, the job title, and job description" for the incremental FTE request. SCG did not provide the salary information Cal Advocates requested. In an Excel format, provide the hiring and annual salary data for the eight incremental FTEs SCG requested.

SoCalGas Response 2:

For hiring dates, please see SoCalGas Response Q1a and b above.

For information on forecasted salaries for the nine incremental FTEs, please refer to SoCalGas People and Culture Department testimony and workpapers of Abigail Nishimoto (Ex. SCG-28-R, pages AMN-14 to AMN-15, and Ex. SCG-28-WP-R, pages 6-12). For convenience, however, the forecasted annual salaries for the incremental FTEs are listed below:

(1) Compensation Advisor at \$134,000

(1) Claims Associate at \$57,000

(1) Workplace Investigator at \$134,000

(1) Part-Time Clerical resource at \$40,000

(1) HR Advisor at \$134,000

(1) HRIS Advisor at \$134,000

(1) HR Analyst at \$86,000

(1) Staffing Advisor at \$134,000

(1) Staffing Specialist at \$86,000

(As noted in Response 1a above, the request is for nine FTEs.)

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3. Referring to Ex. SCG-28-WP, page 8, SCG included non-labor request of a total \$275k (\$125k for 2022, \$75k for 2023, \$75k for TY 2024) for the Physical Abilities testing update. SCG states “The prior Physical Abilities test validation occurred over ten years ago, so it is imperative that the test be reappraised and updated to confirm that employees can safely perform the job. Note: The vendor contract has already been executed (125K).” Please respond:

a. Provide documentation that explains whether the total forecast for this vendor contract over the four-year rate case cycle is \$75k or is \$300k. Also provide the documentation that explains the total forecast over the four-year rate case cycle for this vendor.

SoCalGas Response 3a:

In putting together this response, SoCalGas identified an error in Exhibit SCG-28-WP-R, workpaper 2HR004.000 - SCG Director HR Services, pages 8-12. SoCalGas determined that the forecast of \$275,000 for Physical Abilities testing should be the total cost and should not recur over the forecast period. SoCalGas will correct this error at the next available opportunity.

b. Provide the vendor contract that “has already been executed” for 2022, 2023 and 2024.

SoCalGas Response 3b:

This response contains Confidential and Protected Materials pursuant to PUC Section 583, D.21-09-020 and GO 66-D (Revision (Rev.) 2).

SoCalGas clarifies that the vendor contract that “has already been executed” for 2022, 2023 and 2024 with an effective date of December 6, 2021, and continues in effect through December 21, 2022. The vendor contract may be extended for a period of two years, through December 21, 2024.

Please refer to the following attachment:

- PAO-SCG- 048-RA6_SCG-28_4996_Q03b Attachment_CONFIDENTIAL.pdf.

c. Explain what was SCG’s selection process to contract with the specific vendor for the Physical Abilities testing.

SoCalGas Response 3c:

In selecting a vendor for Physical Abilities testing, SoCalGas engaged in an RFP process and reviewed submissions from different vendors to assess their relative expertise in Physical Abilities testing, generally, and their ability to provide a re-validation strategy

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based on job index similarity in comparison with the prior Physical Abilities testing conducted in 2009.

SoCalGas felt that the vendor selected provided the Company with a substantial savings opportunity over other vendors primarily because they had the ability to provide job index similarity in comparison to the prior Physical Abilities testing and would not need to initiate a new strategy for the positions selected for Physical Abilities testing validation.

d. Provide documentation that demonstrates the calculated ratepayer benefit for funding the vendor for Physical Abilities testing.

SoCalGas Response 3d:

SoCalGas objects to this request on the grounds that it calls for speculation. Subject to and without waiving the foregoing objection, SoCalGas responds as follows:

While SoCalGas believes there is a benefit to maintaining accurate Physical Abilities testing to ensure that physically demanding jobs have the appropriate level of physical requirements that are deemed job-related and necessary to safely perform the job, it has not conducted a study or calculated a specific monetary value of the benefit that would be derived by ratepayers with updated testing. The justification and business rationale for updating the Physical Abilities testing can be found in SoCalGas People and Culture Department testimony and workpapers of Abigail Nishimoto (Ex. SCG-28-R, page AMN-16, and Ex. SCG-28-WP-R, pages 8-12).

e. If these amounts are not approved, what would ratepayers lose.

SoCalGas Response 3e:

SoCalGas objects to this request on the grounds that it calls for speculation rather than the production of evidence or clarification of factual matters. SoCalGas further objects to this request on the grounds that it is argumentative. Subject to and without waiving the foregoing objection, SoCalGas responds as follows:

See SoCalGas People and Culture Department testimony and workpapers of Abigail Nishimoto (Ex. SCG-28-R, page AMN-16, and Ex. SCG-28-WP-R, pages 8-12).

f. Provide documentation that SCG's management relied upon to determine that these Physical Abilities testing was necessary and needs to be "reappraised and updated to confirm that employees can safely perform the job."

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SoCalGas Response 3f:

In determining that a re-validation study for Physical Abilities testing was in the Company's best interests, SoCalGas relied, in part, on the Equal Employment Opportunity Commission's (EEOC) guidance on employment tests and selection procedures to ensure that a test or selection procedure remains predictive of success in a job. Specifically, EEOC guidance states:

"Employers should ensure that employment tests and other selection procedures are properly validated for the positions and purposes for which they are used;" and

"To ensure that a test or selection procedure remains predictive of success in a job, employers should keep abreast of changes in job requirements and should update the test specifications or selection procedures accordingly."

Please refer to the "Employer Best Practices for Testing and Selection" section of the following link: <https://www.eeoc.gov/laws/guidance/employment-tests-and-selection-procedures>.

g. Explain if the Physical Abilities Testing is required and part of SCG's safety or a specific protocol.

SoCalGas Response 3g:

SoCalGas objects to this request on the grounds that it is vague and ambiguous as to the phrase "part of SCG's safety or a specific protocol." Subject to and without waiving the foregoing objection, SoCalGas responds as follows:

Physical Abilities Testing is legally required to help ensure that all physically demanding jobs have the appropriate level of physical requirements that are deemed job-related and necessary to safely perform the job.

h. Explain why the proposed Physical Abilities testing were never required or necessary during 2019-2021 so that employees can safely perform the job.

SoCalGas Response 3h:

SoCalGas objects to this request on the grounds that it misstates facts and/or assumes facts that do not exist, specifically regarding the phrase, ". . . proposed Physical Abilities testing were never required or necessary during 2019-2021 so that employees can safely perform the job."

Subject to and without waiving the foregoing objection, SoCalGas responds as follows:

Pre-Hire Assessment tests, including Physical Abilities testing, were required and performed during 2019-2021. Physical Abilities testing itself is not new. The request for

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incremental non-labor funding related to Physical Abilities testing is to reappraise and update current testing to ensure that the current tests are accurate representations of the physical requirements of various physically demanding jobs. See SoCalGas People and Culture Department testimony and workpapers of Abigail Nishimoto (Ex. SCG-28-R, page AMN-16, and Ex. SCG-28-WP-R, pages 8-12).

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4. Referring to Ex. SCG-28-WP, page 11, SCG included non-labor request of a total \$350k (\$100k for 2022, \$100k for 2023, \$150k for TY 2024) for the digitization of the employee file room. SCG states “As we move forward with plans of operating in a hybrid environment, digitization of the employee file room becomes imperative to ensure timely access to documents and smooth business operations. The funds are being requested to scan all existing 3 paper documents and for any potential system upgrades needed to support a digital file room.” Please respond:

a. Provide documentation that explains whether the total forecast for this digitization of the employee file room is \$150k or is \$600k. Also provide the documentation that explains the total forecast over the four-year rate case cycle to support a digital file room.

SoCalGas Response 4a:

SoCalGas identified an error in Exhibit SCG-28-WP-R, workpaper 2HR004.000 - SCG Director HR Services, pages 7-11. SoCalGas determined that the forecast of \$350,000 for the digitization of the employee file room should be the total cost and should not recur over the forecast period. SoCalGas will correct this error at the next available opportunity.

b. Provide documentation that demonstrates the calculated ratepayer benefit for funding file digitization.

SoCalGas Response 4b:

SoCalGas objects to this request on the grounds that it calls for speculation. Subject to and without waiving the foregoing objection, SoCalGas responds as follows:

While SoCalGas believes there is a legitimate business rationale for digitization of employee personnel files, it has not conducted a study or calculated a specific monetary value of the benefit that would be derived by ratepayers. The justification and business rationale for creating funding file digitization can be found in SoCalGas People and Culture Department testimony and workpapers of Abigail Nishimoto (Ex. SCG-28-R, page AMN-15, and Ex. SCG-28-WP-R, pages 7-11).

c. If these amounts are not approved, what would ratepayers lose?

SoCalGas Response 4c:

SoCalGas objects to this request on the grounds that it calls for speculation rather than the production of evidence or clarification of factual matters. SoCalGas further objects to this request on the grounds that it is argumentative. Subject to and without waiving the foregoing objection, SoCalGas responds as follows:

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See SoCalGas People and Culture Department testimony and workpapers of Abigail Nishimoto (Ex. SCG-28-R, page AMN-15, and Ex. SCG-28-WP-R, pages 7-11).

d. Provide documentation that SCG’s management relied upon to determine that this digitization was necessary and “imperative to ensure timely access to documents and smooth business operations.”

SoCalGas Response 4d:

See response to Question 4g below.

e. Why is there a need to digitize all existing paper documents when many of those documents are for employees no longer employed by SCG, or are superseded by newer documents?

SoCalGas Response 4e:

SoCalGas objects to this request on the grounds that it misstates facts and/or assumes facts that do not exist, specifically regarding the phrase, “. . . need to digitize all existing paper documents when many of those documents are for employees no longer employed by SCG, or are superseded by newer documents?”

Subject to and without waiving the foregoing objection, SoCalGas responds as follows:

SoCalGas clarifies that it will only be digitizing the personnel files and related paperwork that is currently housed in hard copy in the employee file room. The employee file room contains employment-related records and documents for current employees, employees who recently separated from the Company, and those files subject to a legal hold. All other files will not be part of the initial digitization effort and are not located in the employee file room. Rather, they are stored offsite with a records management vendor for the duration of their record retention period.

f. Did SCG investigate what the cost would be to digitize files only for SCG’s current employees, or for only the past three years, rather than all documents in SCG’s possession?

SoCalGas Response 4f:

See response to Question 4e above.

g. If these digitization activities are new, never performed or implemented for timely access to documents, clearly state so, and explain why the proposed activities such as

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scanning existing paper documents or system upgrades were never required or necessary during 2019-2021 so that employees can safely perform the job.

SoCalGas Response 4g:

SoCalGas objects to this request on the grounds that it misstates facts and/or assumes facts that do not exist, specifically regarding the phrase, “. . . scanning existing paper documents or system upgrades were never required or necessary during 2019-2021 so that employees can safely perform the job.”

Subject to and without waiving the foregoing objection, SoCalGas responds as follows:

The digitization of the employee file room files is new, has never been performed, and is increasingly necessary for timely access to documents.

Prior to the Covid-19 Pandemic, which began in March 2020, Human Resources and other staff requiring access to employee personnel files worked on-site and could readily review hard copy files. As such, while digitizing employee personnel files would have been convenient, it wasn't considered necessary.

During the Covid-19 Pandemic, the State of California, County of Los Angeles, and other localities within the SoCalGas service territory, mandated stay-at-home orders which prohibited most Human Resources employees from coming to the office. During this time, individual personnel files requiring review were individually scanned and provided electronically to Human Resource and other staff as necessary. However, this ad-hoc scanning implementation was, and remains, inefficient in today's increasingly digital work environment.

As stay-at-home orders for employee safety subsided, the SoCalGas Human Resources workplace changed from a 100% on-site workforce model to either a completely remote or a hybrid workforce model (one or two days in the office and remotely the remainder of the workweek).

Therefore, to ensure timely access to employee personnel files, increase efficiencies in this hybrid work environment, and ensure compliance with legally mandated timelines associated with employee requests to review their personnel file, digitization of the employee file room became imperative to smooth business operations.

h. If SCG did perform these proposed file digitization activities during 2019-2021, state so and provide the documentation and adjusted recorded expenses associated with digitization activities for smooth business operations.

SoCalGas Response 4h:

SoCalGas did not perform digitization of the employee file room during 2019-2021.

Appendix B –
SoCalGas Response to
PubAdv-SCG-RA6-049_413_5070
25 questions

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D1. Referring to Ex. SCG-28-WP, page 18, SCG included Summary of Results tables for Workers Compensation (WC) and Long-Term Disability (LTD.) SCG's TY 2024 forecast shows \$23.801 million for Workers Compensation and Long-Term Disability, which is an increase of \$1.954 million relative to 2021 adjusted recorded. SCG states "The 3-year historical average of WC costs is based upon the average of recorded costs for 2019-2021 and a non-standard escalation factor driven by medical and indemnity costs described in more detail in the supplemental workpaper. The LTD costs are forecast using base year recorded and escalated for estimated changes in labor costs. This method is most appropriate because the costs are based on estimated labor escalation costs, which cannot be forecast using any of the other methods." The supplemental workpaper does not include the detailed explanation on how SCG calculated the non-standard escalation factor. Please respond to the following questions:

a. Please provide the workpapers in an Excel format (with active cells, sources, and links) that clearly show SCG's calculations to estimate each of its forecasts.

SoCalGas Response 1a:

SoCalGas objects to this request to the extent that it imposes upon SoCalGas an obligation to generate or create records that do not exist, or which have not been generated or created in its regular course of business. This purported obligation exceeds the requirements provided by the CPUC's Discovery Custom and Practice Guidelines and California Code of Civil Procedure Section 2031.230.

Subject to and without waiving its objection, SoCalGas responds as follows:

Most GRC workpapers and tables that appear in testimony are not created from, nor do they originate as, Excel spreadsheets. Rather, most GRC workpapers and testimony tables are produced from a GRC database system that consists of many data tables that are dynamically linked to permit the grouping of cost centers and budget codes, editing of historical values, selection of a forecast methodology, adjustments to forecasts and the production of workpapers. The use of a database for this purpose does not involve Excel spreadsheets; the workpapers are formatted 'reports' that are derived and produced directly as PDF documents, in the case of the main workpapers, or as Word tables in the case of the tables that appear in testimony.

Please see SoCalGas' Response to 1c below.

b. Please provide the supplemental workpapers in an Excel format (with active cells, sources, and links) that clearly show SCG's calculations to estimate each of its forecasts and escalation factors.

SoCalGas Response 1b:

Most GRC workpapers and tables that appear in testimony are not created from, nor do they originate as, Excel spreadsheets. Rather, most GRC workpapers and testimony tables

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are produced from a GRC database system that consists of many data tables that are dynamically linked to permit the grouping of cost centers and budget codes, editing of historical values, selection of a forecast methodology, adjustments to forecasts and the production of workpapers. The use of a database for this purpose does not involve Excel spreadsheets; the workpapers are formatted 'reports' that are derived and produced directly as PDF documents, in the case of the main workpapers, or as Word tables in the case of the tables that appear in testimony.

Please refer to the following attachment:

- Attachment PAO-SCG- 049-RA6_SCG-28_5070_Q1b.xlsx

c. Provide step-by-step explanation on how SCG calculated the “non-standard escalation factor” driven by medical and indemnity costs.

SoCalGas Response 1c:

The escalation projection for Workers’ Compensation used the average actual costs for three years, or from 2019-2021, and then escalated those amounts based on medical premium inflation, resulting in an increase in labor and non-labor costs. Please refer to “Medical Cost Trends” in the Revised Testimony of Debbie S. Robinson (Exhibit SCG-25-R/SDG&E-29-R, pages DSR-27 to DSR-28), Projected Medical Cost in the Supplemental Workpapers of Debbie S. Robinson, Corporate Center-Compensation and Benefits (Exhibit SCG-25-WP, pages 20-24), and the Willis Towers Watson 2024 GRC Compensation Study (Exhibit SCG-25-R/SDG&E-29-R, Appendix B) for medical escalation information.

For labor and non-labor costs related to cost escalations, please refer to Exhibit SCG-36-WP, Scott Wilder - Cost Escalation.

The Long-Term Disability escalation projection was calculated using the 2021 recorded costs of disability claims, plus labor dollars and anticipated increases in headcount. For more information on labor escalation, please refer to Exhibit SCG-36-WP, Scott Wilder - Cost Escalation.

For forecasted headcount increases, please refer to the section on Projected Medical Cost-Assumptions in the Corporate Center-Compensation and Benefits supplemental workpapers of Debbie S. Robinson (Exhibit SCG-25-WP, pages 21-24).

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d. In an Excel spreadsheet, please create two separate tables/ tabs for - 1. Workers Compensation data: 2017-2021 recorded and 2022-2024 forecasted expenses, and 2. Disability Claims data: 2017-2021 recorded and 2022-2024 forecasted expenses.

SoCalGas Response 1d:

SoCalGas objects to this request to the extent it imposes upon SoCalGas an obligation to generate or create records that do not exist, or which have not been generated or created in its regular course of business. This purported obligation exceeds the requirements provided by the CPUC’s Discovery Custom and Practice Guidelines and California Code of Civil Procedure Section 2031.230.

Subject to and without waiving its objection, SoCalGas responds as follows:

For Workers Compensation and Long-Term Disability recorded and forecasted expenses, please see the SoCalGas People and Culture Department workpapers of Abigail Nishimoto in the Test Year (TY) 2024 GRC (Exhibit SCG-28-R, pages 18-25) and the SoCalGas Human Resource Department, Safety, Long-Term Disability & Workers’ Compensation workpapers of Mary Gevorkian in the TY 2019 GRC (Exhibit SCG-32-WP, pages 39-48).

e. Provide detailed explanations on how “This method is most appropriate because the costs are based on estimated labor escalation costs, which cannot be forecast using any of the other methods.” Describe why any of the other methods cannot be utilized in estimating labor escalation costs.

SoCalGas Response 1e:

SoCalGas objects to this request on the grounds that it is vague and ambiguous as to the term “this method.”

Subject to and without waiving the foregoing, SoCalGas responds as follows:

SoCalGas interprets the phrase “this method” to be referring to Long-Term Disability costs. Long-Term Disability costs are based on current claims, plus estimated labor escalation costs, and forecasted change in headcount. Long-Term Disability costs do not account for previous headcount or prior costs in the forecast. Therefore, a historical average or base year methodology would not be appropriate in estimating labor escalation costs.

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2. Referring to Ex. SCG-28-WP, supplemental workpaper for Workpaper 2HR006.001, SCG provided Long-term Disability Projection table, but did not provide any explanation on how SCG estimated its Long-term Disability forecasts and escalation factors. SCG states in Ex. SCG-28- WP, page 18 that “The LTD costs are forecast using base year recorded and escalated for estimated changes in labor costs.” The following excerpt is from Ex. SCG-28-WP, supplemental workpaper for Workpaper 2HR006.001,

SoCalGas
Long-Term Disability Projection
For Years 2022-2024

Type of Cost	Actual	Projected		
	2021	2022	2023	2024
Disability Claims	\$ 5,801,403	\$ 6,655,663	\$ 7,339,090	\$ 7,820,432
Total Cost	\$ 5,801,403	\$ 6,655,663	\$ 7,339,090	\$ 7,820,432
Workers' Comp		\$ 14,816,964	\$ 15,380,927	\$ 15,980,768
Total LTD and Workers' Comp		\$ 21,472,627	\$ 22,720,017	\$ 23,801,200

Escalation Factors				
Labor escalation		3.46%	3.13%	3.08%
Change in Headcount		11.26%	7.14%	3.48%

Please respond to the following questions:

a. Please provide detailed explanation on how SCG estimated each of its forecasts and escalation factors for Disability claims.

SoCalGas Response 2a:

See SoCalGas Response 1c above.

b. Provide the workpaper in an Excel format (with active cells, sources, and links) that clearly shows SCG’s calculations to estimate each of its forecasts and escalation factors. Provide step-by-step explanation how SCG estimated its escalation factors.

SoCalGas Response 2b:

SoCalGas objects to this request to the extent it imposes upon SoCalGas an obligation to generate or create records that do not exist, or which have not been generated or created in its regular course of business. This purported obligation exceeds the requirements provided by the CPUC’s Discovery Custom and Practice Guidelines and California Code of Civil Procedure Section 2031.230. Subject to and without waiving its objection, SoCalGas responds as follows:

Most GRC workpapers and tables that appear in testimony are not created from, nor do they originate as, Excel spreadsheets. Rather, most GRC workpapers and testimony tables are produced from a GRC database system that consists of many data tables that are dynamically linked to permit the grouping of cost centers and budget codes, editing of historical values, selection of a forecast methodology, adjustments to forecasts and the

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production of workpapers. The use of a database for this purpose does not involve Excel spreadsheets; the workpapers are formatted 'reports' that are derived and produced directly as PDF documents, in the case of the main workpapers, or as Word tables in the case of the tables that appear in testimony.

For the supplemental workpaper in an Excel format, please see SoCalGas Response 1b above.

For Long-Term Disability escalation estimates, please see SoCalGas Response 1c above.

c. Provide supporting documentation for the two escalation factors “Labor Escalation”, and “Change in Headcount.”

SoCalGas Response 2c:

For Labor Escalation, please refer to the Cost Escalation workpapers of Scott Wilder (Exhibit SCG-36-WP).

For change in headcount, please see Projected Medical Cost-Assumptions in the Corporate Center-Compensation and Benefits workpapers of Debbie S. Robinson (Exhibit SCG-25-WP, pages 21-24).

d. Explain in detail what “Change in Headcount” escalation factor means and how SCG used it to estimate the forecasts.

SoCalGas Response 2d:

SoCalGas objects to this request on the grounds that it is vague and ambiguous as to the term “the forecasts.”

Subject to and without waiving the foregoing, SoCalGas responds as follows:

SoCalGas clarifies that an escalation factor is not used to determine “Change in Headcount.” Rather, the change in headcount is based on the number of employees as of December 31, 2021, plus estimated increases or decreases each year as provided by planners for their respective work areas. Please refer to Projected Medical Cost-Assumptions in the Corporate Center-Compensation and Benefits supplemental workpapers of Debbie S. Robinson, (Exhibit SCG-25-WP, pages 21-24).

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e. Please explain why SCG used the base-year method for Long-Term Disability Projection, but the three-year average method for Workers Compensation Projection. Provide detailed explanation that can justify the reason.

SoCalGas Response 2e:

The Long-Term Disability and Workers' Compensation cost forecast is based on a zero-based forecast and 3-year average, due to a combination of methodologies.

The three-year historical average used to forecast Workers' Compensation costs is based on the average of the recorded costs for 2019-2021 and a non-standard escalation factor driven by medical and indemnity costs. Please refer to Projected Medical Cost-Assumptions in the Corporation Center-Compensation and Benefits supplemental workpapers of Debbie S. Robinson (Exhibit SCG-25-WP, pages 21-24).

Long-Term Disability costs are forecasted using base year 2021 recorded costs and then adjusted based on anticipated changes to headcount and labor costs. The base year methodology is most appropriate because future costs are based on actual, recorded base year costs and not historical averages. So, any other method (2-year average, 3-year average, 5-year average) would not be appropriate.

f. Provide supporting documentation or a cost-benefit analysis that can support the method SCG used to estimate the forecasts.

SoCalGas Response 2f:

SoCalGas objects to this request on the grounds that it is vague and ambiguous as to the term "the forecasts."

Subject to and without waiving the foregoing, SoCalGas responds as follows:

At this time, SoCalGas has not performed a cost-benefit analysis of mandated and required Long-Term Disability and Workers' Compensation costs.

g. Explain how the base-year method is more appropriate than a five-year, four-year, three-year, or two-year average method.

SoCalGas Response 2g:

See SoCalGas Response 2e above.

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h. In an Excel spreadsheet, please provide the last 10 years of recorded expenses for Subcategory Long-Term Disability.

SoCalGas Response 2h:

SoCalGas objects to this request under Rule 10.1 of the Commission’s Rules of Practice and Procedure to the extent it seeks the production of information that is neither relevant to the subject matter involved in the pending proceeding nor is likely reasonably calculated to lead to the discovery of admissible evidence. Specifically, this request seeks historical information going back 10 years, which is beyond the scope of any issue relevant to the test year 2024 GRC application. The proposed and authorized costs in the 2019 GRC are not being reviewed in the 2024 GRC. For the base year forecasts, the development of TY 2024 forecasted costs begins with an assessment of base year (2021) recorded costs and adjustments are made to the base year recorded costs that reflect the forward-looking anticipated activity in each cost category. SoCalGas also objects to this request on the grounds that the burden, expense, and intrusiveness of this request clearly outweighs the likelihood that the information sought will lead to the discovery of admissible evidence.

Subject to and without waiving the foregoing objections, SoCalGas responds as follows:

- Please see attachment PAO-SCG- 049-RA6_SCG-28_5070_Q2h.xlsx

i. Please identify Long-term Disability costs for each year from 2017 to 2021 that were removed from the recorded data provided in this GRC for the purposes of SCG forecasting its GRC request. Provide an explanation and SCG’s calculations that specifically show how SCG removed these costs for ratemaking purposes. Provide supporting documents if available.

SoCalGas Response 2i:

SoCalGas objects to this request on the grounds that it assumes facts that do not exist by asking SoCalGas to “identify Long-term Disability costs for each year from 2017 to 2021 that were removed from the recorded data provided in this GRC for purposes of SCG forecasting its GRC request.”

Subject to and without waiving the foregoing, SoCalGas responds as follows:

SoCalGas did not remove any Long-Term Disability costs from 2017 to 2021. SoCalGas clarifies that the TY 2024 Long-Term Disability costs are forecasted using base year 2021 recorded costs and escalated for estimated changes in labor costs and change in headcount.

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3. Referring to Ex. SCG-28-WP, supplemental workpaper for Workpaper 2HR006.001, SCG provided Workers’ Compensation Projection table, but did not provide a detailed explanation on how SCG estimated its Workers’ Compensation forecasts and escalation factors. SCG states in Ex. SCG-28-WP, page 18 that “The 3-year historical average of WC costs is based upon the average of recorded costs for 2019-2021 and a non-standard escalation factor driven by medical and indemnity costs described in more detail in the supplemental workpaper.” SCG further states in its supplemental workpaper “Medical costs are escalated using medical inflation from benefits testimony. Indemnity escalated using labor inflation, and remaining costs escalated using non-labor inflation.” The following excerpt is from Ex. SCG-28-WP, supplemental workpaper for Workpaper 2HR006.001,

SoCalGas
Workers' Compensation Projection
For Years 2022-2024

Type of Cost	Account	Actual			3 Year Avg used for Projection	Projected		
		2019	2020	2021		2022	2023	2024
Medical	6120037	5,384,270	4,232,675	4,466,420	\$ 4,694,455	\$ 4,987,859	\$ 5,299,600	\$ 5,630,825
Expense (Litigation, etc.)	6120038	3,560,197	3,011,873	2,566,607	3,046,226	3,175,046	3,169,394	3,187,920
Indemnity (TD & PD)	6120139	9,027,801	7,362,798	7,247,740	7,879,446	8,152,314	8,407,520	8,666,353
Administration	6120140	1,153,229	1,140,841	780,972	1,025,014	1,068,360	1,066,459	1,072,692
Excess Liability Refunds	6120141	(4,129,829)	(2,006,340)	(1,373,580)	(2,503,250)	(2,609,108)	(2,604,464)	(2,619,688)
Return to Work Exams	6120078	81,150	31,110	10,049	40,770	42,494	42,418	42,666
Total Cost		\$ 15,076,819	\$ 13,772,957	\$ 13,698,207	\$ 14,182,661	\$ 14,816,964	\$ 15,380,927	\$ 15,980,768

Assumptions
Projection assumes 3-year average. Medical costs are escalated using medical inflation from benefits testimony.
Indemnity escalated using labor inflation, and remaining costs escalated using non-labor inflation.

Escalation Factors				
Labor Escalation		3.46%	3.13%	3.08%
Non Labor Escalation		4.23%	-0.18%	0.58%
Medical Premium Escalation		6.25%	6.25%	6.25%

Please respond to the following questions:

a. Please provide detailed explanation on how SCG estimated each of its forecasts and escalation factors for Workers’ Compensation.

SoCalGas Response 3a:

See SoCalGas Response 1c above.

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b. Provide the workpaper in an Excel format (with active cells, sources, and links) that clearly shows SCG's calculations to estimate each of its forecasts and escalation factors. Provide step-by-step explanation how SCG estimated its three escalation factors.

SoCalGas Response 3b:

SoCalGas objects to this request to the extent it imposes upon SoCalGas an obligation to generate or create records that do not exist, or which have not been generated or created in its regular course of business. This purported obligation exceeds the requirements provided by the CPUC's Discovery Custom and Practice Guidelines and California Code of Civil Procedure Section 2031.230.

Subject to and without waiving its objection, SoCalGas responds as follows:

Most GRC workpapers and tables that appear in testimony are not created from, nor do they originate as, Excel spreadsheets. Rather, most GRC workpapers and testimony tables are produced from a GRC database system that consists of many data tables that are dynamically linked to permit the grouping of cost centers and budget codes, editing of historical values, selection of a forecast methodology, adjustments to forecasts and the production of workpapers. The use of a database for this purpose does not involve Excel spreadsheets; the workpapers are formatted 'reports' that are derived and produced directly as PDF documents, in the case of the main workpapers, or as Word tables in the case of the tables that appear in testimony.

See SoCalGas Response 1c above for escalation explanations.

Please refer to the following attachment:

- PAO-SCG-049-RA6_SCG-28_5070_Q1b.xlsx

c. Provide support for the three escalation factors "Labor Escalation", "Non-Labor Escalation", and "Medical Premium Escalation."

SoCalGas Response 3c:

For Labor Escalation factors, please refer to the Cost Escalation workpapers of Scott Wilder (Exhibit SCG-36-WP), specifically the "Operations & Maintenance - Labor O&M Index" (page SRW-5).

For Non-Labor Escalation factors, please refer to the Cost Escalation workpapers of Scott Wilder (Exhibit SCG-36-WP), specifically the "Operations & Maintenance - Gas Non-labor O&M Index" (page SRW-5).

For Medical Premium Escalation factors, please refer to the section on "Medical Cost Trends" in the Corporate Center-Compensation and Benefits Revised Testimony of Debbie S. Robinson (Exhibit SCG-25-R/SDG&E-29-R, pages DSR-27 to DSR-28) and

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the Willis Towers Watson 2024 Generate Rate Case Compensation Study (Exhibit SCG-25-R/SDG&E-29-R, Appendix B).

d. Please provide a copy of the “benefits testimony” and highlight the pages or lines on medical inflation and explain in detail how SCG used it to estimate the medical costs forecasts.

SoCalGas Response 3d:

SoCalGas objects to this request to the extent that it imposes upon SoCalGas an obligation to generate or create records that do not exist, or which have not been generated or created in its regular course of business. This purported obligation exceeds the requirements provided by the CPUC’s Discovery Custom and Practice Guidelines and California Code of Civil Procedure Section 2031.230. Subject to and without waiving its objection, SoCalGas responds as follows:

Please refer to the section on “Medical Cost Trends” in the Corporate Center-Compensation and Benefits Revised Testimony of Debbie S. Robinson (Exhibit SCG-25-R/SDG&E-29-R, pages DSR-27 to DSR-28), Projected Medical Cost in the Corporate Center-Compensation and Benefits Supplemental Workpapers of Debbie S. Robinson, (Exhibit SCG-25-WP, pages 20 to 24), and the Willis Towers Watson 2024 Generate Rate Case Compensation Study (Exhibit SCG-25-R/SDG&E-29-R, Appendix B) for medical escalation information.

e. Provide a detailed explanation and SCG’s calculation on Medical Costs escalation and Indemnity escalation.

SoCalGas Response 3e:

Please see SoCalGas Response 1c above.

f. Please explain why SCG used the three-year average method for Workers’ Compensation Projection, but base-year method for Long-Term Disability Projection. Provide detailed explanation that can justify this reasoning.

SoCalGas Response 3f:

Please see SoCalGas Response 2e above.

g. Did SCG perform a cost-benefit analysis that supported the method SCG used to estimate the forecasts? If yes, please provide a copy of the report.

SoCalGas Response 3g:

Data Request Number: PAO-SCG- 049-RA6

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Publish To: Public Advocates Office

Date Received: 9/16/2022

Date Responded: 10/6/2022

SoCalGas objects to this request on the grounds that it is vague and ambiguous as to the term “the forecasts.”

Subject to and without waiving the foregoing, SoCalGas responds as follows:

Please see SoCalGas Response 2f above.

h. Explain how the three-year average method is more appropriate than four-year, three-year, or two-year average or base year method.

SoCalGas Response 3h:

SoCalGas objects to this request on the grounds that it is vague and ambiguous as to what forecasts it is referring to.

Subject to and without waiving the foregoing, SoCalGas responds as follows

SoCalGas clarifies that the 3-year average methodology is being used for Workers’ Compensation costs only. Please refer to SoCalGas Response 2e above.

i. In an Excel spreadsheet, please provide the last 10 years of recorded expenses for Subcategory Workers’ Compensation.

SoCalGas Response 3i:

SoCalGas objects to this request under Rule 10.1 of the Commission’s Rules of Practice and Procedure to the extent it seeks the production of information that is neither relevant to the subject matter involved in the pending proceeding nor is likely reasonably calculated to lead to the discovery of admissible evidence. Specifically, this request seeks historical information going back 10 years, which is beyond the scope of any issue relevant to the test year 2024 GRC application. The proposed and authorized costs in the 2019 GRC are not being reviewed in the 2024 GRC.

SoCalGas further objects to this request to the extent that it imposes upon SoCalGas an obligation to generate or create records that do not exist, or which have not been generated or created in its regular course of business. This purported obligation exceeds the requirements provided by the CPUC’s Discovery Custom and Practice Guidelines and California Code of Civil Procedure Section 2031.230.

Subject to and without waiving its objection, SoCalGas responds as follows:

The escalation projection for Workers’ Compensation used a 3-year average of actual costs from 2019-2021, and then escalated those costs based on medical premium inflation. Please refer to the section on “Medical Cost Trends” in the Corporate Center-Compensation and Benefits Revised Testimony of Debbie S. Robinson (Exhibit SCG-25-R/SDG&E-29-R, pages DSR-27 to DSR-28) and the Willis Towers Watson 2024

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Generate Rate Case Compensation (Exhibit SCG-25-R/SDG&E-29-R, Appendix B) for medical escalation information.

- Please see attachment PAO-SCG- 049-RA6_SCG-28_5070_Q3i.xlsx

j. Please identify Workers' Compensation costs for each year from 2017 to 2021 that were removed from the recorded data provided in this GRC for the purposes of SCG forecasting its GRC request. Provide an explanation and SCG's calculations that specifically show how SCG removed these costs for ratemaking purposes. Provide supporting documents if available.

SoCalGas Response 3j:

SoCalGas objects to this request on the grounds that it assumes facts that do not exist by asking SoCalGas to "identify Workers' Compensation costs for each year from 2017 to 2021 that were removed from the recorded data provided in this GRC for purposes of SCG forecasting its GRC request."

Subject to and without waiving the foregoing, SoCalGas responds as follows:

SoCalGas did not remove any Workers' Compensation costs from 2017 to 2021. SoCalGas clarifies that the TY 2024 Workers' Compensation forecast is based on a 3-year average of costs, from 2019 to 2021.

Data Request Number: PAO-SCG- 049-RA6

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

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Date Responded: 10/6/2022

4. Referring to Ex. SCG-28-WP, page 21, SCG states that “Worker’s Comp Reserves should not be included” in regard to details of adjustments to recorded data from 2017-2020. Referring to Ex. SCG-28-WP, supplemental workpaper for Workpaper 2HR006.001, Cal Advocates assume that SCG included Workers’ Compensation Reserves for the year 2021, as indicated by the green highlighting in the following excerpt from Ex. SCG-28-WP, supplemental workpaper for Workpaper 2HR006.001:

Type of Cost	Account	Actual			3 Year Avg used for Projection	Projected		
		2019	2020	2021		2022	2023	2024
Medical	6120037	5,384,270	4,232,875	4,466,420	\$ 4,694,455	\$ 4,967,859	\$ 5,299,600	\$ 5,630,825
Expense (Litigation, etc.)	6120038	3,560,187	3,011,873	2,596,607	3,046,226	3,175,048	3,185,394	3,187,920
Indemnity (TD & PD)	6120138	9,027,801	7,362,798	7,247,740	7,879,446	8,152,314	8,407,520	8,666,353
Administration	6120140	1,153,229	1,140,841	780,972	1,025,014	1,068,360	1,056,459	1,072,692
Excess Liability Refunds	6120141	(4,129,829)	(2,008,340)	(1,373,580)	(2,523,250)	(2,809,109)	(2,904,464)	(2,819,688)
Returns to Work Exams	6120078	81,150	31,110	10,049	40,770	42,494	42,418	42,666
Total Cost		\$ 15,076,819	\$ 13,772,957	\$ 13,698,207	\$ 14,182,661	\$ 14,816,964	\$ 15,380,927	\$ 15,980,768
Assumptions								
Projection assumes 3-year average. Medical costs are escalated using medical inflation from benefits testimony.								
Indemnity escalated using labor inflation, and remaining costs escalated using non-labor inflation.								
Escalation Factors								
					3.46%	3.13%	3.08%	
					4.23%	-0.16%	0.58%	
					6.25%	6.25%	6.25%	
Reserves	6120102	(5,350,710)	(5,372,174)	2,456,070	(2,755,605)	(2,927,830)	(3,110,819)	(3,305,248)

Please explain why SCG added the Workers’ Compensation Reserves (green highlighted row) for the year 2021 but did not include it for the 2019-2020 actual and 2022-2024 projected expenditures. Explain in detail what these “Workers’ Compensation Reserves” are and provide supporting documentation that can verify the recorded Reserves from 2017 to 2021.

SoCalGas Response 4:

In putting together this response, SoCalGas identified an error in the SoCalGas People and Culture Department supplemental workpapers of Abigail Nishimoto (Exhibit SCG-28-WP-R, supplemental workpaper 2HR006.001). SoCalGas determined that the green highlighted row in the chart above was inadvertently included in the final version of the supplemental workpaper. The green highlighted row was included in prior drafts of the supplement workpaper but should have been excluded from the final version. The green highlighted row, however, has no bearing on the calculation of historical or forecasted costs and SoCalGas is not requesting funding for Workers’ Compensation Reserves in its SoCalGas’s TY 2024 GRC request. SoCalGas will remove the green highlighted row from the supplemental workpapers at the next available opportunity.

Appendix B –
SoCalGas Response to
PAO-SCG-078-RA6_7623_7622
7 questions

Data Request Number: PAO-SCG-078-RA6

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Proceeding Number: A2205015_016 2024 GRC

Publish To: Public Advocates Office

Date Received: 12/20/2022

Date Responded:01/11/2023

The following questions refer to spreadsheet titled "PAO-SCG-003-RA6_SCG-28_1917_Q01a_b Attachment_1916" provided in response to data request PubAdv-SCG-RA6-003, Q1. SCG provided this spreadsheet with 2017-2021 recorded expenses and 2022-2024 forecasted expenses for its 7 People and Culture cost categories.

1. Provide an updated version of "PAO-SCG-003-RA6_SCG-28_1917_Q01a_b Attachment_1916" that includes each of the following: Year-to-date 2022 recorded expenses (through the most recent-available month) broken down by the 7 People and Culture cost categories.

SoCalGas Response 1:

SoCalGas objects to this request under Rule 10.1 of the Commission’s Rules of Practice and Procedure on the grounds that the burden, expense, and intrusiveness of this request clearly outweigh the likelihood that the information sought will lead to the discovery of admissible evidence. Subject to and without waiving the foregoing objection, SoCalGas responds as follows:

As addressed in the Joint Motion of SoCalGas and SDG&E to Amend the Assigned Commissioner’s Scoping Memorandum and Ruling, dated October 27, 2022, the companies’ raw financial data reflecting prior year actual spend is usually not available until the end of February. Upon release of the data, it must then be analyzed and adjusted to be compatible with data used in Applicants’ direct testimony. Moreover, the GRC Rate Case Plan does not allow for continuous updating of all data in a case, and, as the Commission noted in SDG&E and SoCalGas’s TY 2019 GRC final decision, *“it is generally not feasible or prudent to continue to update forecasts to reflect actual data during the pendency of the GRC proceeding.”* (D.19-09-051 at 612).

In accordance with the December 6, 2022 Administrative Judge Ruling Modifying the Procedural Schedule and Partly Denying Sempra Utilities’ Joint Motion to Amend the Assigned Commissioner’s Scoping Memorandum and Ruling, SoCalGas will provide 2022 recorded expenditures by March 13, 2023.

Data Request Number: PAO-SCG-078-RA6

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Proceeding Number: A2205015_016 2024 GRC

Publish To: Public Advocates Office

Date Received: 12/20/2022

Date Responded:01/11/2023

2. If SCG cannot provide year-to-date 2022 recorded expenses, explain specifically how SCG is monitoring the cost of its People and Culture in real time.

SoCalGas Response 2:

SoCalGas objects to this request on the grounds that it is vague and ambiguous, particularly with respect to the term “monitoring.”

Subject to and without waiving the foregoing objection, SoCalGas responds as follows:

SoCalGas’s actual People & Culture Department O&M expenditures are reviewed on a monthly basis and spending is adjusted as necessary. Note that these cost center spending levels do not necessarily coincide with costs provided in the People & Culture Department O&M workpapers, as these cost center expenses may include GRC-exempt funds.

Data Request Number: PAO-SCG-078-RA6

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Proceeding Number: A2205015_016 2024 GRC

Publish To: Public Advocates Office

Date Received: 12/20/2022

Date Responded:01/11/2023

3. If SCG cannot provide year-to-date 2022 recorded expenses, provide supporting calculation demonstrating SCG's current estimates of its 2022 expenses for its 7 People and Culture cost categories that it relies on for internal cost monitoring.

SoCalGas Response 3:

SoCalGas objects to this request on the grounds that it is vague and ambiguous. SoCalGas also objects to this request to the extent it seeks the continual update of data. As recognized by the Commission, *“it is not feasible to constantly update data for the entire application. It is also not practical to update all data in the GRC because of the vast amounts of data included in the application.”* (D.19-09-051 at 59-60) (*“we find that selectively updating only certain data or in this case applying 2017 recorded costs in some instances but not in others may lead to inconsistent results.”*).

Subject to and without waiving the foregoing objection, SoCalGas responds as follows:

SoCalGas’s GRC application and accompanying forecasts are necessarily presented as a snapshot in time. It would not be practicable, nor is it SoCalGas’s practice, to continually update the GRC forecasts as actual costs are recorded. In addition, please see the response to Question 2 above.

Data Request Number: PAO-SCG-078-RA6

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Proceeding Number: A2205015_016 2024 GRC

Publish To: Public Advocates Office

Date Received: 12/20/2022

Date Responded:01/11/2023

4. Provide an estimate of all categories forecast based on five-year, three-year, two-year averages, and base year forecast methodology, with all calculations and links intact. Include all linked files.

SoCalGas Response 4:

SoCalGas objects to this request under Rule 10.1 of the Commission’s Rules of Practice and Procedure on the grounds that the burden, expense, and intrusiveness of this request clearly outweigh the likelihood that the information sought will lead to the discovery of admissible evidence. SoCalGas also objects to the request to the extent it imposes upon SoCalGas an obligation to generate or create records in a form or format that does not exist, or which have not been generated or created in its regular course of business. This purported obligation exceeds the requirements provided by the CPUC’s Discovery Custom and Practice Guidelines and California Code of Civil Procedure Section 2031.230 (proper response stating inability to comply with discovery request includes a statement that “the particular item or category [of records] has never existed”). *See also* A.05-04-020, *In the Matter of the Joint Application of Verizon Communications Inc. and MCI, Inc.*, Administrative Law Judge’s Ruling Addressing Motion of Qwest to Compel Responses, Aug. 5, 2005, at 7 (in relation to motion to compel emphasized that “Verizon is not required to create new documents responsive to the data request”) (also available at 2005 WL 1866062); A.05-02-027, *In the Matter of the Joint Application of SBC Communications Inc. and AT&T Corp.*, Administrative Law Judge’s Ruling Regarding ORA’s Second Motion to Compel, June 8, 2005, at 23 (in ruling on motion to compel stressed that SBC Communications “shall not be required to produce new studies specifically in response to this DR”) (also available at 2005 WL 1660395).

Subject to and without waiving the foregoing objection, SoCalGas responds as follows:

The information provided in the workpapers allows third parties to prepare alternative forecasts based on different methodologies.

Data Request Number: PAO-SCG-078-RA6

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Proceeding Number: A2205015_016 2024 GRC

Publish To: Public Advocates Office

Date Received: 12/20/2022

Date Responded:01/11/2023

5. Provide an estimate of all categories forecast based on five-year, three-year, two-year averages, and base year forecast methodology, with the addition of 2022 recorded expenses (through the most recent-available month).

SoCalGas Response 5:

SoCalGas incorporates its objections and response to Questions 1 and 4.

Data Request Number: PAO-SCG-078-RA6

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Proceeding Number: A2205015_016 2024 GRC

Publish To: Public Advocates Office

Date Received: 12/20/2022

Date Responded:01/11/2023

6. Include a column "Forecast methodology" that clearly shows the name of the methodology (e.g., five-year, three-year, base year etc.) that SCG used to calculate the forecasts.

SoCalGas Response 6:

SoCalGas incorporates its objections and response to Questions 1, 4, and 5. As stated in testimony (Exhibit SCG-28-R) and in workpapers (Exhibit SCG-28-WP-R), SoCalGas used the base year forecast methodology for all workgroups in the People and Culture Department, except for Workers' Compensation and Long-Term Disability (2HR006.001), where zero-based forecast methodology was used. For the Workers' Compensation and Long-Term Disability forecasts, please refer to pages AMN-29 and AMN-30 of Exhibit SCG-28-R and pages 18 to 25 of Exhibit SCG-28-WP-R.

Data Request Number: PAO-SCG-078-RA6

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Proceeding Number: A2205015_016 2024 GRC

Publish To: Public Advocates Office

Date Received: 12/20/2022

Date Responded:01/11/2023

7. Based on the latest available data described in Item 1 above, indicate whether the methodology SCG used to develop its forecasts still provides the most reasonable forecasts. Please explain why or why not.

SoCalGas Response 7:

SoCalGas objects to this request to the extent it seeks the continual update of data. As recognized by the Commission, *“it is not feasible to constantly update data for the entire application. It is also not practical to update all data in the GRC because of the vast amounts of data included in the application.”* (D.19-09-051 at 59-60) (*“we find that selectively updating only certain data or in this case applying 2017 recorded costs in some instances but not in others may lead to inconsistent results.”*).

Subject to and without waiving the foregoing objection, SoCalGas responds as follows:

SoCalGas’s GRC application and accompanying forecasts are necessarily presented as a snapshot in time. It would not be practicable, nor is it SoCalGas’s practice to continually update the GRC forecasts as actual costs are recorded.

SoCalGas considers base year forecast methodology for all workgroups in the People and Culture Department and zero-based forecast methodology for Worker’s Compensation and Long-Term Disability forecast, to still be the most reasonable forecast methodologies. Using the base year of 2021 as a starting point provides a clear picture of the workgroups of the People and Culture Department and enables SoCalGas to identify incremental activities that are scheduled to be implemented across the People and Culture Department workgroups in the forecast years. In addition, please see the response to Question 6 above.

Appendix B –
SoCalGas Response to
PAO-SCG-080-CE3_7645_7644
Question 1

Data Request Number: PAO-SCG-080-CE3
Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC
Publish To: Public Advocates Office
Date Received: 12/20/2022
Date Responded: 1/13/2023

Please provide the following:

The following questions refer to SCG's response to data request PAO-SCG-016-CE3, Q.1, SCG provides the historical headcount of ICP eligible employees used to develop the average cost per eligible employee for forecasted years 2022-2024:

1. Please provide documentation that explains how the headcounts for the forecasted years 2022-2024 were developed and calculated.

SoCalGas Response 1:

For GRC purposes, SoCalGas interprets "headcount" to mean a count of the number of employees of the company as of December 31 of a given year, excluding SB 901 officers. The forecasted number of ICP-eligible employees includes only active employees, which excludes those on leave. Union roles are not ICP-eligible, but union employees on temporary management assignments are eligible for ICP during the temporary management assignments. "Headcount" for purposes of other benefits, such as medical and dental, includes employees on leave. This response serves as documentation and explanation.

To provide context to SoCalGas's response, it is important to understand the difference between Full Time Equivalent (FTE) and headcount. SoCalGas develops its GRC cost forecasts based on FTEs. FTE is a calculation that measures the number of hours charged over a given time period, which includes overtime hours. For example, one FTE may equal to 40 hours per week, or typically 2,080 hours per year. If one employee works 60 hours per week, that individual would be recorded as 1.5 FTEs. Using the same example, the individual of 1.5 FTEs would be counted as one headcount because it is one employee. Accordingly, FTEs differ from headcount in that one employee position is an indication of activity level and not a specific headcount in any given year. Additionally, the activity level driving the forecasted incremental FTE in an operational area may ultimately be performed using internal labor, outside contractors, overtime or a mix of each. Thus, FTEs are not 'hired.' Additional or/and incremental FTEs relate solely to activities or average hours to complete an activity.

In the GRC, "headcount" does not equal "FTE." In some cases, headcount may be more than the FTE count if the positions are filled by part-time employees. Also, the headcount forecast encompasses all employees, including those whose work responsibilities are included in the GRC, as well as those whose duties are related to programs or other functional areas outside of the GRC. Headcount is not used in the operating areas to forecast costs. Rather, SoCalGas prepares a separate forecast of "headcount" which is used for forecasting employee compensation (excluding base salary) and benefits (Exhibit SCG-25/SDG&E-29 Compensation and Benefits and Exhibit SCG-26/SDG&E-30 Pension and Post-Retirement Benefits Other Than Pension).

Data Request Number: PAO-SCG-080-CE3
Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC
Publish To: Public Advocates Office
Date Received: 12/20/2022
Date Responded: 1/13/2023

SoCalGas Response 1:-Continued

SoCalGas's headcount forecasts for the years 2022-2024 were developed by each cost witness area forecasting their headcount needs. To do so, similar to forecasting costs, historical headcount data as of December 31 for the years 2017-2021 is analyzed and reviewed. The witness teams determine the 2022-2024 headcount per year based on a variety of factors, such as the number of employees out on leave, contractual obligations, and forecasted incremental employees. The headcount data from each witness is compiled and reviewed. The Compensation and Benefits and Pension and Post-Retirement Benefits Other Than Pension witness teams then use such forecasted headcount to determine the impact on their respective areas.

Data Request Number: PAO-SCG-080-CE3
Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC
Publish To: Public Advocates Office
Date Received: 12/20/2022
Date Responded: 1/13/2023

2. Please explain why the projected increase in employee headcount in the forecasted years 2022-2024 is necessary and prudent.

SoCalGas Response 2:

As explained in the response to Question 1, for GRC purposes, SoCalGas interprets “headcount” to mean a count of the number of employees of the company as of December 31 of a given year, excluding SB 901 officers. The forecasted number of ICP-eligible employees includes only active employees, which excludes those on leave. Union roles are not ICP-eligible but union employees on temporary management assignments are eligible for ICP during the temporary management assignments. “Headcount” for purposes of other benefits, such as medical and dental, includes employees on leave.

The projected increase in headcount is necessary to perform the work SoCalGas is forecasting for years 2022-2024 to support SoCalGas’s priorities of:

- Maintaining and enhancing reliability and safety;
- Supporting sustainability;
- Promoting innovation and technology to meet operational and customer needs; and
- Developing our workforce.

SoCalGas’s priorities for this Test Year 2024 GRC are addressed in the Policy testimony of Maryam Brown (Ex. SCG-01). Ms. Brown explains:

“Skilled employees are essential to providing safe and reliable service to customers and for helping the Company meet its sustainability goals.” (Ex. SCG-01 at MSB-4.)

“As California leads the energy transition, SoCalGas recognizes the steadfast importance of maintaining and enhancing current and ongoing safety, reliability, and resilience. With its highly skilled workforce, expertise, infrastructure, and innovation, SoCalGas has a vital role to play in California achieving its climate goals.” (Ex. SCG-01 at MSB-1.)

“SoCalGas’s TY 2024 GRC reflects the Company’s understanding of what it must do to maintain and enhance reliability, resilience, safety, and affordability while advancing California’s globe-leading efforts to decarbonize energy.” (Ex. SCG-01 at MSB-1.)

Data Request Number: PAO-SCG-080-CE3
Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC
Publish To: Public Advocates Office
Date Received: 12/20/2022
Date Responded: 1/13/2023

SoCalGas Response 2:-Continued

In recent years, SoCalGas's headcount has increased with annual growth of 3% and 4% in 2020 and 2021, respectively. SoCalGas expects this trend of increases in headcount to continue. SoCalGas's forecasted headcount represents an average year-over-year growth from 2022-2024 of about 6%. This is needed, as explained above, to maintain and enhance safety, reliability, and resiliency, while at the same time support the accelerated transition to a clean energy future.

In addition to headcount growth to support SoCalGas's key priorities and projects, such as the Control Center Modernization, SoCalGas is experiencing upward pressure on resource needs due to evolving and increasing federal and state regulatory requirements. For example, new pipeline requirements have been implemented by the Gas Transmission Safety Rule (*see* Ex. SCG-01 at pp. MSB-7 – MSB-8). Additional requirements related to detailed risk assessment, data collection, and reporting are being developed in the Risk-Based Decision-Making Framework proceeding (*see* Ex. SCG-01 at pp. MSB-6 – MSB-7). Further, as discussed in Question 1, SoCalGas's headcount reflects each cost witness area's forecasted needs to achieve the activities set forth in their respective testimony.

Data Request Number: PAO-SCG-080-CE3
Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC
Publish To: Public Advocates Office
Date Received: 12/20/2022
Date Responded: 1/13/2023

3. Please provide the actual headcount from the beginning of 2022. If this information cannot be provided, please explain why.

SoCalGas Response 3:

As explained in the response to Question 1, for GRC purposes, SoCalGas interprets “headcount” to mean a count of the number of employees of the company as of December 31 of a given year, excluding SB 901 officers. The forecasted number of ICP-eligible employees includes only active employees, which excludes those on leave. Union roles are not ICP-eligible but union employees on temporary management assignments are eligible for ICP during the temporary management assignments. “Headcount” for purposes of other benefits, such as medical and dental, includes employees on leave.

As of January 31, 2022 the headcount for SoCalGas is 8,597 employees.

Data Request Number: PAO-SCG-080-CE3
Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC
Publish To: Public Advocates Office
Date Received: 12/20/2022
Date Responded: 1/13/2023

4. Please provide the current headcount. If this information cannot be provided, please explain why.

SoCalGas Response 4:

As explained in the response to Question 1, for GRC purposes, SoCalGas interprets “headcount” to mean a count of the number of employees of the company as of December 31 of a given year, excluding SB 901 officers. The forecasted number of ICP-eligible employees includes only active employees, which excludes those on leave. Union roles are not ICP-eligible but union employees on temporary management assignments are eligible for ICP during the temporary management assignments. “Headcount” for purposes of other benefits, such as medical and dental, includes employees on leave.

As of December 31, 2022, the headcount for SoCalGas is 8,815 employees.

Appendix B –
SoCalGas Response to
PAO-SCG-089-RA6_SCG-28_8592
37 questions

Data Request Number: PAO-SCG-089-RA6

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Publish To: Public Advocates Office

Date Received: 1/9/2023

Date Responded: 1/31/2023

1. Referring to Ex. SCG-28-WP-R, pages 5 and 19, SCG provided the forecast explanations and Summary of Results table for the category SCG Director HR Services, Subcategory 1. SCG Director HR Services and Subcategory 2. Workers Compensation and Long-Term Disability in People and Culture department. The following excerpts are from the SCG-28- WP-R, page 5 for Subcategory 1. SCG Director HR Services in People and Culture department:

**Forecast Explanations:
Labor - Base YR Rec**

The forecast method chosen for this category is base year recorded costs. This method was selected as the recorded costs for 2021 most appropriately reflect the expected staffing levels and non-labor requirements to operate this area. The drivers for using the base year recorded costs methodology include:

- The function of this area has changed in recent years primarily due to increases in regulatory requirements, increases in Workers Compensation & Long-Term Disability cases, additional hiring, additional reporting requirements, and the expansion of the Ethics & Investigations team. The base year is representative of our expectations for the 2024 test year.
- This area is not heavily influenced by external factors that would require a different forecast method.

Summary of Results:

Years	In 2021\$ (000) Incurred Costs								
	Adjusted-Recorded					Adjusted-Forecast			
	2017	2018	2019	2020	2021	2022	2023	2024	
Labor	7,543	7,655	7,065	8,385	8,911	9,850	9,850	9,850	
Non-Labor	556	1,169	3,091	1,714	2,201	2,601	2,551	2,601	
NSE	0	0	0	0	0	0	0	0	
Total	8,099	8,824	10,155	10,099	11,113	12,451	12,401	12,451	
FTE	79.0	80.7	76.1	87.4	93.4	102.0	102.0	102.0	

SCG states in its forecast explanations in Ex. SCG-28-WP-R, page 5, “The forecast method chosen for this category is base year recorded costs. This method was selected as the recorded costs for 2021 most appropriately reflect the expected staffing levels and non -labor requirements to operate this area.”

Please respond to the following questions:

Data Request Number: PAO-SCG-089-RA6

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Publish To: Public Advocates Office

Date Received: 1/9/2023

Date Responded: 1/31/2023

a. Provide documentation that explains in detail and demonstrates why SCG's base year 2021 recorded costs of \$11.1 million are insufficient. SCG states that the base year forecast methodology "most appropriately reflect the expected staffing levels and non - labor requirements to operate this area."

SoCalGas Response 1a:

SoCalGas objects to this request on the grounds that the phrase "base year 2021 recorded costs of \$11.1 million are insufficient" as such a characterization misstates the information in the People & Culture testimony and workpapers. SoCalGas also objects to the request to the extent that it imposes upon SoCalGas an obligation to generate or create records that do not exist, or which have not been generated or created in its regular course of business. This purported obligation exceeds the requirements provided by the CPUC's Discovery Custom and Practice Guidelines and California Code of Civil Procedure Section 2031.230.

Subject to and without waiving its objection, SoCalGas responds as follows:

Please refer to the Cost Drivers section of the Direct Testimony of Abigail Nishimoto (Ex. SCG-28-R, pages AMN-13 to AMN-16 and the Forecast Adjustment Details, and Explanations, contained within the Workpapers of Abigail Nishimoto (Ex. SCG-28-WP-R, pages 4 to 26).

Data Request Number: PAO-SCG-089-RA6

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Publish To: Public Advocates Office

Date Received: 1/9/2023

Date Responded: 1/31/2023

b. Provide documentation that explains how the base year or last recorded year “most appropriately reflect the expected staffing levels and non-labor requirements to operate this area” rather than utilizing five-year, four-year or three-year average methodology.

SoCalGas Response 1b:

SoCalGas objects to this request to the extent it imposes upon SoCalGas an obligation to generate or create records that do not exist, or which have not been generated or created in its regular course of business. This purported obligation exceeds the requirements provided by the CPUC’s Discovery Custom and Practice Guidelines and California Code of Civil Procedure Section 2031.230.

Subject to and without waiving its objection, SoCalGas responds as follows:

The base-year forecast methodology was chosen as the recorded costs for 2021 most appropriately reflect expected staffing levels and non-labor requirements to operate this area. Please refer to the Direct Testimony and Workpapers of Abigail Nishimoto (Ex. SCG-28-R, Ex. SCG-28-WP-R).

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c. Provide documentation that explains specifically how the base year recorded costs utilized to calculate the TY forecast is most appropriate and how it reflects the expense level associated with current activity levels.

SoCalGas Response 1c:

SoCalGas objects to this request to the extent it imposes upon SoCalGas an obligation to generate or create records that do not exist, or which have not been generated or created in its regular course of business. This purported obligation exceeds the requirements provided by the CPUC's Discovery Custom and Practice Guidelines and California Code of Civil Procedure Section 2031.230.

Subject to and without waiving its objection, SoCalGas responds as follows:

Please refer to the Direct Testimony and Workpapers of Abigail Nishimoto (Ex. SCG-28-R, Ex. SCG-28-WP-R).

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d. Provide documentation such as management decision and planning, that can demonstrate that the “The function of this area has changed in recent years primarily due to increases in regulatory requirements, increases in Workers Compensation & Long-Term Disability cases, additional hiring, additional reporting requirements, and the expansion of the Ethics & Investigations team.”

SoCalGas Response 1d:

SoCalGas objects to this request to the extent it imposes upon SoCalGas an obligation to generate or create records that do not exist, or which have not been generated or created in its regular course of business. This purported obligation exceeds the requirements provided by the CPUC’s Discovery Custom and Practice Guidelines and California Code of Civil Procedure Section 2031.230.

Subject to and without waiving its objection, SoCalGas responds as follows:

Please refer to the Direct Testimony and Workpapers of Abigail Nishimoto (Ex. SCG-28-R, Ex. SCG-28-WP-R).

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e. SCG states “this area has changed in recent years primarily due to increases in regulatory requirements, increases in Workers Compensation & Long-Term Disability cases, additional hiring, additional reporting requirements, and the expansion of the Ethics & Investigations team.” Provide a detailed line-item breakdown of the calculation for the proposed costs for the anticipated increased programs (labor and non-labor) so that Cal Advocates is able to review SCG’s supporting detail and independently calculate SCG’s proposed increase for these activities.

SoCalGas Response 1e:

SoCalGas objects to this request to the extent it imposes upon SoCalGas an obligation to generate or create records that do not exist, or which have not been generated or created in its regular course of business. This purported obligation exceeds the requirements provided by the CPUC’s Discovery Custom and Practice Guidelines and California Code of Civil Procedure Section 2031.230.

Subject to and without waiving its objection, SoCalGas responds as follows:

Please refer to Please refer to the Direct Testimony and Workpapers of Abigail Nishimoto (Ex. SCG-28-R, Ex. SCG-28-WP-R). Because the expenses included in the non-labor forecast adjustments for 2023 and 2024 have not yet been incurred but are anticipated, SoCalGas does not have a “line-item detail” beyond what is in the workpapers.

Note that, in accordance with the December 6, 2022, Administrative Judge Ruling Modifying the Procedural Schedule and Partly Denying Sempra Utilities’ Joint Motion to Amend the Assigned Commissioner’s Scoping Memorandum and Ruling, SoCalGas will provide 2022 recorded expenditures by March 13, 2023.

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f. SCG's expenses increased by \$2.289 million between 2018 and 2021, from \$8.824 million in 2018 to \$11.113 million in 2021. Provide documentation that explains in detail and demonstrates (i.e., identifying the line-item detail of recorded costs) if the \$2.289 million increase between 2018 and 2021 includes recorded costs associated with "increases in regulatory requirements, increases in Workers Compensation & Long-Term Disability cases, additional hiring, additional reporting requirements, and the expansion of the Ethics & Investigations team."

SoCalGas Response 1f:

SoCalGas objects to this request under Rule 10.1 of the Commission's Rules of Practice and Procedure to the extent it seeks the production of information that is neither relevant to the subject matter involved in the pending proceeding nor is likely reasonably calculated to lead to the discovery of admissible evidence. The expenses from 2019 and 2020 are not being reviewed in the 2024 GRC. SoCalGas also objects to this request on the grounds that the burden, expense, and intrusiveness of this request clearly outweigh the likelihood that the information sought will lead to the discovery of admissible evidence.

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g. Provide clarification and documentation that explains if the 102.0 FTE positions are new hires.

SoCalGas Response 1g:

The request is not for 102.0 new hires. The total number of 102.0 FTEs in the adjusted forecast for 2024 is not reflective of 102.0 new positions. Rather, it reflects an increase from 93.4 FTEs in the base year of 2021 to 102.0 FTEs in 2024, for a total increase of 8.6 FTEs. Please refer to page 3 of the Workpapers of Abigail Nishimoto (Ex. SCG-28-WP-R) for the breakdown of the 102.0 FTEs.

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h. If yes, provide the list of the positions and associated costs (\$) SCG is requesting for TY 2024 in an Excel format, including all bonuses, employee incentives, and calculated annual salaries of retired employees that were incorporated in the TY forecast for new positions.

SoCalGas Response 1h:

SoCalGas objects to the request to the extent that it imposes upon SoCalGas an obligation to generate or create records that do not exist, or which have not been generated or created in its regular course of business. This purported obligation exceeds the requirements provided by the CPUC's Discovery Custom and Practice Guidelines and California Code of Civil Procedure Section 2031.230. SoCalGas further objects to the request for employee salaries and compensation data on the basis of employee privacy as salaries can be tied to specific individuals when combined with other public information on employee names and titles. Further, employee salaries are individualized and representative of the contributions and experience of a specific employee and are not necessarily reflective of the full range of compensation that may be tied to a specific position.

Subject to and without waiving its objections, SoCalGas responds as follows:

The documentation that supports the addition of FTEs can be found in each cost category section of the Direct Testimony and Workpapers of Abigail Nishimoto (Ex. SCG-28-R, Ex. SCG-28-WP-R). The workpaper provides a brief description of the incremental activities requested for all related cost categories and the supporting cost calculations for each associated year of the 2024 GRC.

The People and Culture Department workpapers (Ex. SCG-28-WP-R) document the forecasted incremental FTEs and direct labor costs for each of the cost categories. Note that overheads, benefits and taxes are not included. The GRC presents base year and incremental personnel in the form of "full time equivalents." An FTE is calculated by taking the total annual hours worked (straight-time and overtime hours) divided by the total annual hours in that year, therefore there is not a one for one equivalency between a position and an FTE. It is important to note that the categories referenced in this question reference O&M workpapers.

In determining compensation for a specific job title, SCG uses a market-based analysis, which levels jobs based on pay for similar jobs as determined by the competitive labor market and with Market Reference Ranges (MRRs), which are assigned to each job title.

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SoCalGas Response 1h Continued:

POSITION	MRR LOW*	MRR HIGH*
HR Advisor	\$77,300	\$191,000
PT-Clerical		\$67,000
Staffing Advisor	\$77,300	\$191,000
Staffing Specialist	\$68,400	\$116,000
HR Analyst	\$68,400	\$116,000
HRIS Advr	\$77,300	\$191,000
Workplace Investigator	\$77,300	\$191,000
Compensation Advisor	\$77,300	\$191,000
Claims Associate	\$44,408	\$66,602

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i. Provide documentation that explains and demonstrates specifically why SCG's current staffing level is unable to address the anticipated increased program activities in the TY.

SoCalGas Response 1i:

SoCalGas objects to the request to the extent that it imposes upon SoCalGas an obligation to generate or create records that do not exist, or which have not been generated or created in its regular course of business. This purported obligation exceeds the requirements provided by the CPUC's Discovery Custom and Practice Guidelines and California Code of Civil Procedure Section 2031.230.

Subject to and without waiving its objections, SoCalGas responds as follows:

Please refer to the Direct Testimony and Workpapers of Abigail Nishimoto (Ex. SCG-28-R, Ex. SCG-28-WP-R).

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j. SCG's recorded expenses were relatively flat between 2019 and 2021, averaging \$10.46 million. Explain how SCG calculated the \$12.45 million expense for TY 2024 for the SCG Director HR Services sub-category. Provide supporting documentation that can verify these expense forecasts.

SoCalGas Response 1j:

SoCalGas objects to the characterization of its recorded expenses between 2019 and 2021 being "relatively flat" as such a characterization misstates the information provided in the People & Culture testimony and workpapers. SoCalGas also objects to this request to the extent that it imposes upon SoCalGas an obligation to generate or create records that do not exist, or which have not been generated or created in its regular course of business. This purported obligation exceeds the requirements provided by the CPUC's Discovery Custom and Practice Guidelines and California Code of Civil Procedure Section 2031.230.

Subject to and without waiving its objections, SoCalGas responds as follows:

Please refer to the Direct Testimony and Workpapers of Abigail Nishimoto (Ex. SCG-28-R, Ex. SCG-28-WP-R).

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k. Provide documentation that demonstrates the line-item detail that calculates and totals \$37.3 million (\$12.45 million for 2022, \$12.4 million for 2023, and \$12.45 million for TY 2024) for expenses associated with the SCG Director HR Services sub-category in People and Culture department.

SoCalGas Response 1k:

SoCalGas objects to the request to the extent that it imposes upon SoCalGas an obligation to generate or create records that do not exist, or which have not been generated or created in its regular course of business. This purported obligation exceeds the requirements provided by the CPUC's Discovery Custom and Practice Guidelines and California Code of Civil Procedure Section 2031.230.

Subject to and without waiving its objections, SoCalGas responds as follows:

Please refer to the Direct Testimony and Workpapers of Abigail Nishimoto (Ex. SCG-28-R, Ex. SCG-28-WP-R). Because the expenses included in the non-labor forecast adjustments for 2023 and 2024 have not yet been incurred but are anticipated, SoCalGas does not have a "line-item detail" beyond what is in the workpapers.

Note that, in accordance with the December 6, 2022, Administrative Judge Ruling Modifying the Procedural Schedule and Partly Denying Sempra Utilities' Joint Motion to Amend the Assigned Commissioner's Scoping Memorandum and Ruling, SoCalGas will provide 2022 recorded expenditures by March 13, 2023.

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1. Provide the Year-to-Date 2022 recorded expenses (through the most recent-available month) for the SCG Director HR Services sub-category in People and Culture department.

SoCalGas Response 11:

SoCalGas objects to this request under Rule 10.1 of the Commission’s Rules of Practice and Procedure on the grounds that the burden, expense, and intrusiveness of this request clearly outweigh the likelihood that the information sought will lead to the discovery of admissible evidence.

Subject to and without waiving the foregoing objection, SoCalGas responds as follows:

As addressed in the Joint Motion of SoCalGas and SDG&E to Amend the Assigned Commissioner’s Scoping Memorandum and Ruling, dated October 27, 2022, the companies’ raw financial data reflecting prior year actual spend is usually not available until the end of February. Upon release of the data, it must then be analyzed and adjusted to be compatible with data used in Applicants’ direct testimony. Moreover, the GRC Rate Case Plan does not allow for continuous updating of all data in a case, and, as the Commission noted in SDG&E and SoCalGas’s TY 2019 GRC final decision, “it is generally not feasible or prudent to continue to update forecasts to reflect actual data during the pendency of the GRC proceeding.” (D.19-09-051 at 612).

In accordance with the December 6, 2022, Administrative Judge Ruling Modifying the Procedural Schedule and Partly Denying Sempra Utilities’ Joint Motion to Amend the Assigned Commissioner’s Scoping Memorandum and Ruling, SoCalGas will provide 2022 recorded expenditures by March 13, 2023.

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m. If SCG cannot or is unable to provide year-to-date 2022 recorded expenses, explain specifically how SCG is monitoring the cost for the SCG Director HR Services subcategory in People and Culture department.

SoCalGas Response 1m:

SoCalGas objects to this request on the grounds that it is vague and ambiguous, particularly with respect to the term “monitoring.”

Subject to and without waiving the foregoing objection, SoCalGas responds as follows:

SoCalGas’s People and Culture Department O&M expenditures are reviewed on a monthly basis and spending is adjusted as necessary. Note that these cost center spending levels do not necessarily coincide with costs provided in the People and Culture Department O&M workpapers, as these cost center expenses include GRC-exempt funds.

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n. If SCG cannot or is unable to provide year-to-date 2022 recorded expenses, provide supporting calculation demonstrating SCG's current estimates of its 2022 for the SCG Director HR Services sub-category in People and Culture department that it relies on for internal cost monitoring.

SoCalGas Response 1n:

SoCalGas objects to this request on the grounds that it is vague and ambiguous. SoCalGas also objects to this request to the extent it seeks the continual update of data. As recognized by the Commission, "it is not feasible to constantly update data for the entire application. It is also not practical to update all data in the GRC because of the vast amounts of data included in the application." (D.19-09-051 at 59-60) ("we find that selectively updating only certain data or in this case applying 2017 recorded costs in some instances but not in others may lead to inconsistent results.").

Subject to and without waiving the foregoing objection, SoCalGas responds as follows:

SoCalGas's GRC application and accompanying forecasts are necessarily presented as a snapshot in time. It would not be practicable, nor is it SoCalGas's practice, to continually update the GRC forecasts as actual costs are recorded. In addition, please see the response to Question 1e above.

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2. Referring to Ex. SCG-28-WP-R, page 19, SCG provided the forecast explanations and Summary of Results table for the category SCG Director HR Services, Subcategory 1. SCG Director HR Services and Subcategory 2. Workers Compensation and Long-Term Disability in People and Culture department. The following excerpts are from the SCG-28-WP-R, page 19 for Subcategory 2. Workers Compensation and Long-Term Disability in People and Culture department:

Forecast Explanations:

Labor - Zero-Based

N/A

Non-Labor - Zero-Based

The TY 2024 WC cost forecast is based on a zero-based forecast, due to a combination of methodologies. The 3-year historical average of WC costs is based upon the average of recorded costs for 2019-2021 and a non-standard escalation factor driven by medical and indemnity costs described in more detail in the supplemental workpaper. The LTD costs are forecast using base year recorded and escalated for estimated changes in labor costs. This method is most appropriate because the costs are based on estimated labor escalation costs, which cannot be forecast using any of the other methods.

NSE - Zero-Based

N/A

Summary of Results:

Years	In 2021\$ (000) Incurred Costs							
	Adjusted-Recorded					Adjusted-Forecast		
	2017	2018	2019	2020	2021	2022	2023	2024
Labor	0	0	0	0	0	0	0	0
Non-Labor	22,160	22,417	20,955	20,537	21,847	21,473	22,720	23,801
NSE	0	0	0	0	0	0	0	0
Total	22,160	22,417	20,955	20,537	21,847	21,473	22,720	23,801
FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

SoCalGas used two different forecast methods for Workers Compensation and Long-term Disability programs. SoCalGas states in its forecast explanations for Workers Compensation in Ex. SCG-28-WP-R, page 19, “The 3-year historical average of WC costs is based upon the average of recorded costs for 2019-2021 and a non-standard escalation factor driven by medical and indemnity costs described in more detail in the supplemental workpaper.” SoCalGas states in its forecast explanations for Long-Term Disability in Ex. SCG-28-WP-R, page 19, “The LTD costs are forecast using base year recorded and escalated for estimated changes in labor costs. This method is most appropriate because the costs are based on estimated labor escalation costs, which cannot be forecast using any of the other methods.”

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Please respond to the following questions:

a. Provide documentation that explains in detail and demonstrates why SCG's base year 2021 recorded costs are insufficient for Long-Term Disability (LTD) forecasts.

SoCalGas Response 2a:

SoCalGas objects to this request on the grounds that the phrase "base year 2021 recorded costs are insufficient" as such a characterization misstates the information in the People & Culture testimony and workpapers. SoCalGas also objects to the request to the extent that it imposes upon SoCalGas an obligation to generate or create records that do not exist, or which have not been generated or created in its regular course of business. This purported obligation exceeds the requirements provided by the CPUC's Discovery Custom and Practice Guidelines and California Code of Civil Procedure Section 2031.230.

Subject to and without waiving the foregoing objections, SoCalGas responds as follows:

Please refer to the Direct Testimony and Workpapers and Supplemental Workpapers of Abigail Nishimoto (Ex. SCG-28-R, pages AMN-29 and AMN-30, and Ex. SCG-28-WP-R, pages 18 to 25). Please also see SoCalGas Response to PAO-SCG- 049-RA6_SCG-28_5070, dated September 16 2022, Question 1c, specifically Long-Term Disability escalation projection and forecasted headcount increases.

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b. Provide documentation that explains how the base year or last recorded year is “most appropriate” for Long-Term Disability rather than utilizing five -year, four-year or three year average methodology.

SoCalGas Response 2b:

SoCalGas objects to the request to the extent that it imposes upon SoCalGas an obligation to generate or create records that do not exist, or which have not been generated or created in its regular course of business. This purported obligation exceeds the requirements provided by the CPUC’s Discovery Custom and Practice Guidelines and California Code of Civil Procedure Section 2031.230.

Subject to and without waiving the foregoing objection, SoCalGas responds as follows:

The primary driver for using the methodology set forth in the testimony and workpapers is that LTD costs are forecasted using base year recorded and escalated for estimated changes in labor costs, namely labor escalation and change in headcount. Costs associated with labor escalation and change in headcount are described in the testimony of Debbie Robinson (Ex. SCG-25/SDG&E-29) (see also supplemental workpapers in Ex. SCG-28-WP-R 2HR006.001.)

For an explanation of the forecast methodology used for LTD, please refer to SoCalGas’s People and Culture Department testimony and workpapers of Abigail M. Nishimoto (Ex. SCG-28-R, Ex. SCG-28-WP-R). Please see SoCalGas Response to PAO-SCG- 049-RA6_SCG-28_5070, dated September 16 2022, Question 1c for a step-by-step explanation on how SCG calculated the “non-standard escalation factor” driven by medical and indemnity costs.

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c. Provide documentation that explains specifically how the base year recorded costs and escalated for estimated changes in labor costs utilized to calculate the TY forecast is most appropriate and how it reflects the expense level associated with current activity levels.

SoCalGas Response 2c:

See response to Question 2b above.

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d. Provide documentation such as management decision and planning, that can demonstrate that “this method is more appropriate because the costs are based on estimated labor escalation costs, which cannot be forecast using any of the other methods.”

SoCalGas Response 2d:

SoCalGas objects to the request to the extent that it imposes upon SoCalGas an obligation to generate or create records that do not exist, or which have not been generated or created in its regular course of business. This purported obligation exceeds the requirements provided by the CPUC’s Discovery Custom and Practice Guidelines and California Code of Civil Procedure Section 2031.230.

Subject to and without waiving the foregoing objection, SoCalGas responds as follows:

Please refer to the Direct Testimony and Workpapers and Supplement Workpapers of Abigail Nishimoto (Ex. SCG-28-R, Ex. SCG-28-WP-R).

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e. SCG states “The LTD costs are forecast using base year recorded and escalated for estimated changes in labor costs. This method is most appropriate because the costs are based on estimated labor escalation costs, which cannot be forecast using any of the other methods.” Provide a detailed line-item breakdown of the calculation for the proposed costs for the anticipated changes in labor costs so that Cal Advocates is able to review SCC’s supporting detail and independently calculate SCG’s proposed increase for these activities.

SoCalGas Response 2e:

SoCalGas objects to the request to the extent that it imposes upon SoCalGas an obligation to generate or create records that do not exist, or which have not been generated or created in its regular course of business. This purported obligation exceeds the requirements provided by the CPUC’s Discovery Custom and Practice Guidelines and California Code of Civil Procedure Section 2031.230.

Subject to and without waiving the foregoing objection, SoCalGas responds as follows:

Please refer to the Direct Testimony and Workpapers of Abigail Nishimoto (Ex. SCG-28-R, Ex. SCG-28-WP-R). Because the expenses included in the non-labor forecast adjustments for 2023 and 2024 have not yet been incurred but are anticipated, SoCalGas does not have a “line-item detail” beyond what is in the workpapers.

Note that, in accordance with the December 6, 2022, Administrative Judge Ruling Modifying the Procedural Schedule and Partly Denying Sempra Utilities’ Joint Motion to Amend the Assigned Commissioner’s Scoping Memorandum and Ruling, SoCalGas will provide 2022 recorded expenditures by March 13, 2023.

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f. Provide clarification and documentation that explains the two escalation factors (Labor escalation, Change in Headcount) for LTD listed in Ex. SCG-28-WP-R, page 25. Explain whether the Change in Headcount indicates new hires.

SoCalGas Response 2f:

SoCalGas objects to the request to the extent that it imposes upon SoCalGas an obligation to generate or create records that do not exist, or which have not been generated or created in its regular course of business. This purported obligation exceeds the requirements provided by the CPUC's Discovery Custom and Practice Guidelines and California Code of Civil Procedure Section 2031.230.

Subject to and without waiving its objection, SoCalGas responds as follows:

SoCalGas clarifies that an escalation factor is not used to determine "Change in Headcount." Rather, the change in headcount is based on the number of employees as of December 31, 2021, plus estimated increases or decreases each year as provided by planners for their respective work areas. Please refer to Projected Medical Cost-Assumptions in the Corporate Center-Compensation and Benefits supplemental workpapers of Debbie S. Robinson, (Exhibit SCG-25-WP, pages 21-24). For Labor Escalation, please refer to the Cost Escalation workpapers of Scott Wilder (Exhibit SCG-36-WP).

For those areas with a change in headcount, the positions may be filled with a new hire.

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g. If yes, provide the list of the positions and associated costs (\$) SCG is requesting for TY 2024 in an Excel format, including all bonuses, employee incentives, and calculated annual salaries of retired employees that were incorporated in the TY forecast for new positions.

SoCalGas Response 2g:

SoCalGas objects to the request to the extent that it imposes upon SoCalGas an obligation to generate or create records that do not exist, or which have not been generated or created in its regular course of business. This purported obligation exceeds the requirements provided by the CPUC's Discovery Custom and Practice Guidelines and California Code of Civil Procedure Section 2031.230. Further, SoCalGas objects to this request on the grounds that the Change in Headcount percentages listed are company-wide and beyond the scope of this testimony.

Subject to and without waiving its objection, SoCalGas responds as follows:

The documentation that supports the addition of FTEs can be found in each cost category section of the direct testimony and workpapers contained within each SoCalGas workpaper. These workpapers provide a brief description of the incremental activities requested for all related cost categories and the supporting cost calculations for each associated year of the 2024 GRC.

SoCalGas workpapers document forecasted incremental FTEs and direct labor costs for each of the cost categories. Note that overheads, benefits and taxes are not included. The GRC presents base year and incremental personnel in the form of "full time equivalents." An FTE is calculated by taking the total annual hours worked (straight-time and overtime hours) divided by the total annual hours in that year, therefore there is not a one for one equivalency between a position and an FTE.

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h. Provide documentation that explains and demonstrates specifically why SCG's current staffing level is unable to address the anticipated increased program activities in the TY.

SoCalGas Response 2h:

SoCalGas objects to the request to the extent that it imposes upon SoCalGas an obligation to generate or create records that do not exist, or which have not been generated or created in its regular course of business. This purported obligation exceeds the requirements provided by the CPUC's Discovery Custom and Practice Guidelines and California Code of Civil Procedure Section 2031.230. SCG further objects to this request on the grounds that it is vague and ambiguous regarding which section of the People and Culture testimony is being referred to. The preceding subparts to this question all refer to page 19 of the revised workpapers, which discusses LTD. LTD is not requesting any FTEs or adjustments to staffing levels.

Subject to and without waiving its objection, SoCalGas responds as follows:

Please refer to the Direct Testimony and Workpapers of Abigail Nishimoto (Ex. SCG-28-R, Ex. SCG-28-WP-R).

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Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

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Date Responded: 1/31/2023

i. Explain how SCG calculated the \$23.8 million expense for TY 2024 for the Long-Term Disability and Workers Compensation sub-category. Provide supporting documentation that can verify these expense forecasts.

SoCalGas Response 2i:

SoCalGas objects to the request to the extent that it imposes upon SoCalGas an obligation to generate or create records that do not exist, or which have not been generated or created in its regular course of business. This purported obligation exceeds the requirements provided by the CPUC's Discovery Custom and Practice Guidelines and California Code of Civil Procedure Section 2031.230.

Subject to and without waiving its objection, SoCalGas responds as follows:

See SoCalGas Response to PAO-SCG- 049-RA6 _SCG-28_5070, dated September 16, 2022, Question 1c.

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j. Provide documentation that demonstrates the line-item detail that calculates the \$21.4 million for 2022, \$22.7 million for 2023, and \$23.8 million for TY 2024 for expenses associated with the Long-Term Disability and Workers Compensation sub-category in People and Culture department.

SoCalGas Response 2j:

SoCalGas objects to the request to the extent that it imposes upon SoCalGas an obligation to generate or create records that do not exist, or which have not been generated or created in its regular course of business. This purported obligation exceeds the requirements provided by the CPUC's Discovery Custom and Practice Guidelines and California Code of Civil Procedure Section 2031.230.

Please refer to the Direct Testimony and Workpapers of Abigail Nishimoto (Ex. SCG-28-R, Ex. SCG-28-WP-R). Because the expenses included in the non-labor forecast adjustments for 2023 and 2024 have not yet been incurred but are anticipated, SoCalGas does not have a "line-item detail" beyond what is in the workpapers.

Note that, in accordance with the December 6, 2022, Administrative Judge Ruling Modifying the Procedural Schedule and Partly Denying Sempra Utilities' Joint Motion to Amend the Assigned Commissioner's Scoping Memorandum and Ruling, SoCalGas will provide 2022 recorded expenditures by March 13, 2023.

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k. Provide the Year-to-Date 2022 recorded expenses (through the most recent-available month) for the Long-Term Disability and Workers Compensation sub-category in People and Culture department.

SoCalGas Response 2k:

See response to Question 11.

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Date Responded: 1/31/2023

1. If SCG cannot or is unable to provide year-to-date 2022 recorded expenses, explain specifically how SCG is monitoring the cost for the Long-Term Disability and Workers Compensation sub-category in People and Culture department.

SoCalGas Response 2l:

See response to Question 1m.

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Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Publish To: Public Advocates Office

Date Received: 1/9/2023

Date Responded: 1/31/2023

m. If SCG cannot or is unable to provide year-to-date 2022 recorded expenses, provide supporting calculation demonstrating SCG's current estimates of its 2022 for Long-Term Disability and Workers Compensation sub-category in People and Culture department that it relies on for internal cost monitoring.

SoCalGas Response 2m:

See response to Question 1n.

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n. Provide documentation that explains in detail and demonstrates why SCG's 3-year historical average are insufficient for Workers Compensation forecasts.

SoCalGas Response 2n:

SoCalGas objects to this request on the grounds that it is vague and ambiguous with respect to the term "3-year historical average are insufficient." SoCalGas also objects to the request to the extent that it imposes upon SoCalGas an obligation to generate or create records that do not exist, or which have not been generated or created in its regular course of business. This purported obligation exceeds the requirements provided by the CPUC's Discovery Custom and Practice Guidelines and California Code of Civil Procedure Section 2031.230.

Subject to and without waiving its objection, SoCalGas responds as follows:

SoCalGas interprets the phrase "3-year historical average" to mean "3-year historical average costs". Please see SoCalGas Response to PAO-SCG- 049-RA6 _SCG-28_5070, dated September 16 2022, Question 1c.

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o. Provide documentation that explains how the 3-year historical average is “most appropriate” for Workers Compensation forecasts rather than utilizing five -year, four-year or base year forecast methodology.

SoCalGas Response 2o:

SoCalGas objects to the request to the extent that it imposes upon SoCalGas an obligation to generate or create records that do not exist, or which have not been generated or created in its regular course of business. This purported obligation exceeds the requirements provided by the CPUC’s Discovery Custom and Practice Guidelines and California Code of Civil Procedure Section 2031.230.

Subject to and without waiving its objection, SoCalGas responds as follows:

Please see SoCalGas Response to PAO-SCG- 049-RA6 _SCG-28_5070, dated September 16 2022, Question 2e.

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p. SCG states “The 3-year historical average of WC costs is based upon the average of recorded costs for 2019-2021 and a non-standard escalation factor driven by medical and indemnity costs described in more detail in the supplemental workpaper.” Provide a detailed line-item breakdown of the calculation for the proposed costs for the anticipated non-standard escalation factor driven by medical and indemnity costs so that Cal Advocates is able to review SCG’s supporting detail and independently calculate SCG’s proposed increase for these activities.

SoCalGas Response 2p:

SoCalGas objects to the request to the extent that it imposes upon SoCalGas an obligation to generate or create records that do not exist, or which have not been generated or created in its regular course of business. This purported obligation exceeds the requirements provided by the CPUC’s Discovery Custom and Practice Guidelines and California Code of Civil Procedure Section 2031.230.

Subject to and without waiving its objection, SoCalGas responds as follows:

Please refer to Projected Medical Cost-Assumptions in the Corporate Center-Compensation and Benefits supplemental workpapers of Debbie S. Robinson, (Exhibit SCG-25-WP, pages 21-24). For Labor Escalation, please refer to the Cost Escalation workpapers of Scott Wilder (Exhibit SCG-36-WP).

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q. Provide supporting documentation that can verify these non-standard escalation factor driven by medical and indemnity costs.

SoCalGas Response 2q:

For medical and indemnity costs, please refer to the Corporate Center-Compensation and Benefits Testimony and Workpapers of Debbie S. Robinson, (Ex. SCG-25-R/SDG&E-29-R, SCG-25-WP).

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3. Cal Advocates created the following table from SCG’s spreadsheet titled “PAO-SCG-003- RA6_SCG-28_1917_Q01a_b Attachment_1916” provided in response to Cal Advocates data request PubAdv-SCG-RA6-003, Q1a and Q1b:

SCG DIRECTOR HR SERVICES/ WORKERS COMP AND LONG TERM DISABILITY (In Million (\$))								
	Recorded					Forecasted		
	2017	2018	2019	2020	2021	2022	2023	2024
Labor	7,543	7,655	7,065	8,385	8,911	9,849	9,849	9,849
Non-Labor	22,716	23,586	24,046	22,251	24,053	24,079	25,276	26,407
Total	30,259	31,241	31,111	30,636	32,964	33,928	35,125	36,256

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Please respond to the following questions:

a. SCG's recorded costs for category SCG Director HR Services were relatively flat between 2017-2021, averaging \$30.8 million. SCG's recorded expenses increased by \$2.32 million between 2020 and 2021, from \$30.64 million to \$32.96 million. Provide documentation that explains the increase and identifies the line-item detail associated with the increase in expenses related to the \$2.32 million.

SoCalGas Response 3a:

SoCalGas objects to this request on the grounds that the phrase "relatively flat" as such a characterization misstates the information in the People & Culture testimony and workpapers. SoCalGas objects to the request to the extent that it imposes upon SoCalGas an obligation to generate or create records that do not exist, or which have not been generated or created in its regular course of business. This purported obligation exceeds the requirements provided by the CPUC's Discovery Custom and Practice Guidelines and California Code of Civil Procedure Section 2031.230.

SoCalGas also objects to this request under Rule 10.1 of the Commission's Rules of Practice and Procedure to the extent it seeks the production of information that is neither relevant to the subject matter involved in the pending proceeding nor is likely reasonably calculated to lead to the discovery of admissible evidence. The expenses from 2017-2021 are not being reviewed in the 2024 GRC. SoCalGas also objects to this request on the grounds that the burden, expense, and intrusiveness of this request clearly outweigh the likelihood that the information sought will lead to the discovery of admissible evidence.

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b. Explain how SCG calculated the \$36.26 million expense for TY 2024 this category above. Provide supporting documentation that can verify these expense forecasts.

SoCalGas Response 3b:

Please refer to the Direct Testimony and Workpapers of Abigail Nishimoto (Ex. SCG-28-R, pages AMN-9 to AMN-16, and Ex. SCG-28-WP-R, pages 4 to 26).

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c. Provide documentation that demonstrates the line-item detail that calculates the \$33.93 for 2022, \$35.13 million for 2023, and \$36.26 million for TY 2024 for expenses associated with this category in People and Culture department

SoCalGas Response 3c:

SoCalGas objects to the request to the extent that it imposes upon SoCalGas an obligation to generate or create records that do not exist, or which have not been generated or created in its regular course of business. This purported obligation exceeds the requirements provided by the CPUC's Discovery Custom and Practice Guidelines and California Code of Civil Procedure Section 2031.230.

Subject to and without waiving its objection, SoCalGas responds as follows:

Please refer to Please refer to the Direct Testimony and Workpapers of Abigail Nishimoto (Ex. SCG-28-R, Ex. SCG-28-WP-R). Because the expenses included in the non-labor forecast adjustments for 2023 and 2024 have not yet been incurred but are anticipated, SoCalGas does not have a "line-item detail" beyond what is in the workpapers.

Note that, in accordance with the December 6, 2022, Administrative Judge Ruling Modifying the Procedural Schedule and Partly Denying Sempra Utilities' Joint Motion to Amend the Assigned Commissioner's Scoping Memorandum and Ruling, SoCalGas will provide 2022 recorded expenditures by March 13, 2023.

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d. Provide the Year-to-Date 2022 recorded expenses for this category above in People and Culture department.

SoCalGas Response 3d:

See response to Question 11.

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e. If SCG cannot or is unable to provide year-to-date 2022 recorded expenses, explain specifically how SCG is monitoring the cost for this category above in People and Culture department.

SoCalGas Response 3e:

See Response to Question 1m.

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Date Responded: 1/31/2023

f. If SCG cannot or is unable to provide year-to-date 2022 recorded expenses, provide supporting calculation demonstrating SCG's current estimates of its 2022 for this category above in People and Culture department that it relies on for internal cost monitoring.

SoCalGas Response 3f:

See response to Question 1n.