

**ORA DATA REQUEST**  
**ORA-SCG-085-DAO**  
**SOCALGAS 2019 GRC – A.17-10-008**  
**SOCALGAS RESPONSE**  
**DATE RECEIVED: JANUARY 12, 2018**  
**DATE RESPONDED: FEBRUARY 1, 2018**

**Exhibit Reference:** SCG-4 Revised Testimony

**SCG Witness:** Gina Orozco-Mejia

**Subject:** Gas Distribution O&M Expenses, Operations Management

**Please provide the following:**

1. Referring to SCG's revised testimony, Ex. SCG-4-R, page GOM-79, lines 12-26, SCG requests an incremental \$298,000 for 3 Project Advisors and \$101,000 for 1 Project Manager. Please answer the following questions regarding this request:

- a. An explanation of "leak inventory";
- b. For the period of 2012-2017, did SCG have a leak inventory?
- c. For the period of 2012-2017, please explain in detail how SCG managed the leak inventory by identifying (i) the steps taken, (ii) the number of leaks in the inventory and the number of leaks repaired each year (iii) the number of FTEs involved, and (iv) the incurred costs.
- d. For the period of 2012-2017, please provide (i) the number of Project Managers allocated to Operations and Management, and (ii) the number of Project Managers allocated to Operations and Management whose responsibilities included the management of leak repairs and/or leak inventory.

**SoCalGas Response 1:**

- a. Please refer to the revised testimony of Gina Orozco-Mejia on pages GOM-53-54 for an explanation of leak inventory.
- b. Yes
- c.
  - i. From 2012-2016, a decentralized project management effort to mitigate leaks by prioritizing and performing main replacements on main segments identified to have both historical leakage as well as multiple leaks was used. This effort also focused on leaks based on detection year and targeted the oldest leaks. Non-hazardous leaks were prioritized based on their potential to become hazardous and repaired within 15 months or re-evaluated until their classification changed. Over the years, SoCalGas has accumulated an inventory of non-hazardous leak indications. SoCalGas made efforts to reduce this inventory however it outgrew the pace of our repair work. As a result of the previous GRC Decision (D.)16-06-054 issued in mid-2016, SoCalGas created a project management team in 2017, which centralized the leak inventory reduction effort to improve interdepartmental communications and hired leakage-focused crews to gain efficiency through leak repair repetition.

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**SoCalGas Response 1-i: -Continued**

The project management team tracks and manages the leak inventory by analyzing leak characteristics to determine the optimal process of addressing the inventory. Additionally, the team tracks the costs of leaks, field crew productivity, and communicates the leak inventory efforts to municipalities for awareness. The team focuses on eliminating these leaks in no more than three years from discovery to continue its reduction of the inventory as the level of work continues.

- ii. Please see the table below. SCG interprets the number of non-hazardous main leaks in the inventory, leaks repaired, number of FTEs involved and cost incurred all related to the pending non-hazardous leak inventory as referenced on GOM-54, lines 3-11.

	2012	2013	2014	2015	2016	2017
<b>Total Pending Leaks (DOT Report)</b>	8,581	9,427	9,530	10,666	11,044	- *
<b>Number of Code 3 Leaks in Inventory</b>	7,267	7,982	7,591	8,748	9,763	9,105
<b>Number of Code 3 Leaks Repaired/Resolved</b>	2,228	2,432	3,718	2,367	2,452	4,155

\* The 2017 DOT report will not be available until March 2018.

- iii. The number of FTEs and cost incurred for 2012-2016 are unavailable as SCG does not track the number of FTEs based on leak code. However, in 2017, SoCalGas hired 40 additional FTEs to support the leak inventory reduction effort.
- iv. See response to Question 1.c.iii above.

d.

	2012	2013	2014	2015	2016	2017
<b>i. Project Managers FTEs (Operations and Management)</b>	3	2	2	2	4	4
<b>ii. Project Manager (FTE) for the Leak Inventory**</b>	0	0	0	0	0	1

\*\*There is one Project Manager, in 2017, that is allocated to Operations and Management for management of the leak inventory effort.

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2. Referring to SCG's revised testimony, Ex. SCG-4-R, page GOM-79, lines 27-31, and page GOM-80, lines 1-6, please provide the following:

- a. Are the work activities of the Workforce Planning & Resource Management newly created for this GRC cycle?
- b. How has SCG managed the work activities of Workforce Planning & Resource Management from 2012-2017?
- c. Provide the number of FTEs, broken down by job titles, and costs incurred for Workforce Planning Management from 2012-2017.

**SoCalGas Response 2:**

- a. The work activities of the Workforce Planning & Resource Management are not newly created for this GRC cycle. As referenced in page GOM-79, lines 27-31, and page GOM-80, lines 1-6, the position was created to better manage an organization accountable for the planning, scheduling, resource management, engineering, design, and special projects of the entire SoCalGas distribution pipeline infrastructure.
- b. Between 2012-2016, these work activities were managed by two separate geographic organizations and distribution projects were managed independently in various departments. These two organizations were also responsible for managing the day-to-day field support and maintenance activities within SoCalGas distribution. In 2017 these functions as referenced in Question 2.a above were consolidated in a centralized organization for the entire SoCalGas distribution pipeline infrastructure. This provides a central view of distribution resource and workforce management including distribution projects while allowing the former organizations to manage the day-to-day field support and maintenance activities.
- c. 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:

The data on FTEs by job title for Workforce Planning Management is not in a format that allows it to be readily available nor be extracted accurately; therefore, SoCalGas is not able to provide FTEs by job titles per year as requested. However, SoCalGas is providing the overall FTEs and associated costs in Workforce Planning Management based on the cost centers that form the Gas Distribution GRC request. Please see table below for 2012-2016.

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**SoCalGas Response 2-c: -Continued**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Number of Workforce Planning FTEs</b>	117	118	97	79	82
<b>Labor Costs incurred</b>	\$ 8,224,096	\$ 8,375,573	\$ 7,155,147	\$ 6,001,558	\$ 6,342,395

The 2017 year-end costs and FTEs are not available because 2017 financial information will not be available until after SoCalGas makes its 10-K filing with the SEC in early 2018. It is currently expected that SoCalGas will provide the adjusted recorded 2017 financial information to ORA in March 2018.

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3. Referring to SCG’s revised testimony, Ex. SCG-4-R, pages GOM-77 to GOM-81, please provide the number of FTEs, broken down by job titles, allocated to the Operations and Management workgroup each year from 2012-2017.

**SoCalGas Response 3:**

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:

The data on FTEs and job titles for Operations and Management is not in a format that allows it to be readily available nor be extracted accurately; therefore, SoCalGas is not able to provide FTEs by job titles per year as requested. Below is a snapshot of SCG-04-WP, page 129 showing the historical FTEs for the Operations and Management workgroup from 2012 – 2016. There were approximately 24.5 FTEs in Operations and Management in 2017.

		<b>Adjusted-Recorded</b>				
<b>Years</b>		<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Labor		1,864	2,365	2,539	2,809	2,126
Non-Labor		2,313	2,229	1,961	2,337	3,520
NSE		0	0	0	0	0
<b>Total</b>		<b>4,177</b>	<b>4,594</b>	<b>4,500</b>	<b>5,147</b>	<b>5,645</b>
FTE		17.0	18.5	20.9	23.7	16.5