

Company: Southern California Gas Company (U 904 G)
Proceeding: 2019 General Rate Case
Application: 17-10-008
Exhibit: JCE-SCG-01

SOUTHERN CALIFORNIA GAS COMPANY

JOINT COMPARISON EXHIBIT

August 2018

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA



**JOINT COMPARISON EXHIBIT
OF SOUTHERN CALIFORNIA GAS COMPANY**

I. INTRODUCTION

This joint comparison exhibit presents the material issues existing as of the date of service between Southern California Gas Company (SoCalGas) and the following intervenors, to the best of SoCalGas' knowledge: the Commission's Office of Ratepayer Advocates (ORA), The Utility Reform Network (TURN), the Utility Consumers' Action Network (UCAN), Indicated Shippers (IS), Federal Executive Agencies (FEA), Coalition of California Utility Employees (CCUE), Office of the Safety Advocate (OSA), Sierra Club and Union of Concerned Scientists (SC-UCS), Consumer Federation of California Foundation (CFC), Southern California Generation Coalition (SCGC), Environmental Defense Fund (EDF), National Diversity Council (NDC), City of Long Beach (CLB) and Small Business Utility Advocates (SBUA).

In drafting this exhibit, SoCalGas endeavored to present each party's position on material issues in an objective fashion. Although SoCalGas sought input from all of the above intervenors in finalizing this joint comparison exhibit, input has been modified as needed for materiality, and to present issue positions plainly and without argument, in a non-biased fashion. However, SoCalGas' inclusion of any issues or language in this exhibit does not signify agreement with the language or presentation of those issues, nor does inclusion waive any argument regarding the materiality of those issues. SoCalGas reserves the right to present argument in briefing regarding any identified issue or language included in this comparison exhibit, as well as any other issue that may not be included, and SoCalGas assumes that other parties will do the same.

This Joint Comparison Exhibit (JCE) only addresses contested items. The JCE also incorporates known errata and concession items identified in Rebuttal Testimonies and Evidentiary Hearings. SoCalGas has incorporated these items in the Update Testimony served on August 24, 2018.

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Chapter 1

Reports and References

EXHIBIT REFERENCE SORTED BY HEARING EXHIBIT NUMBER

Hearing Exhibit #	Party	Original Exhibit #	Description	Witness
Exh 01	SCG	Exh No:SCG-01-2R	SOCALGAS POLICY OVERVIEW	Lane, J. Bret
Exh 02	SDG&E	Exh No:SDG&E-01-R	SDG&E POLICY OVERVIEW	Winn, Caroline A.
Exh 03	SCG-SDG&E	ExhNo:SCG-02-R/SDG&	RISK MANAGEMENT POLICY; ENTERPRISE RISK MANAGEMENT ORGANIZATION; RAMP TO GRC INTEGRATION	Day, Diana and Flores, Gregory and York, Jamie
Exh 04	SCG-SDG&E	Exh No:SCG-202/SDG&I	RISK MANAGEMENT POLICY; ENTERPRISE RISK MANAGEMENT ORGANIZATION; RAMP TO GRC INTEGRATION. REBUTTAL	Day, Diana and Flores, Gregory and York, Jamie
Exh 07	SCG	Exh No:SCG-04-R	GAS DISTRIBUTION	Orozco-Mejia, Gina
Exh 10A	SCG	Exh No:SCG-04-R	GAS DISTRIBUTION ERRATA	Orozco-Mejia, Gina
Exh 10	SCG	Exh No:SCG-204	GAS DISTRIBUTION, REBUTTAL	Orozco-Mejia, Gina
Exh 11	SDG&E	Exh No:SDG&E-04-R	GAS DISTRIBUTION	Orozco-Mejia, Gina
Exh 14	SDG&E	Exh No:SDG&E-204	GAS DISTRIBUTION, REBUTTAL	Orozco-Mejia, Gina
Exh 17	SCG	Exh No:SCG-13	GAS CONTROL AND SYSTEM OPERATIONS/PLANNING	Zornizer, Devin
Exh 19	SCG	Exh No:SCG-213	GAS CONTROL AND SYSTEM OPERATIONS/PLANNING, REBUTTAL	Zornizer, Devin
Exh 24	SCG	Exh No:SCG-06	GAS TRANSMISSION O&M	Musich, Beth
Exh 26	SCG	Exh No:SCG-206	GAS TRANSMISSION O&M, REBUTTAL	Musich, Beth
Exh 27	SDG&E	Exh No:SDG&E-06	GAS TRANSMISSION O&M	Musich, Beth
Exh 29	SDG&E	Exh No:SDG&E-206	GAS TRANSMISSION O&M, REBUTTAL	Musich, Beth
Exh 30	SCG	Exh No:SCG-07	GAS TRANSMISSION CAPITAL	Musich, Beth and Bermel, Michael
Exh 35A	SCG	Exh No:SCG-07	GAS TRANSMISSION CAPITAL	Musich, Beth and Bermel, Michael
Exh 32	SCG	Exh No:SCG-207	GAS TRANSMISSION CAPITAL, REBUTTAL	Musich, Beth and Bermel, Michael
Exh 33	SDG&E	Exh No:SDG&E-07-R	GAS TRANSMISSION CAPITAL	Musich, Beth and Bermel, Michael
Exh 35	SDG&E	Exh No:SDG&E-207	GAS TRANSMISSION CAPITAL, REBUTTAL	Musich, Beth and Bermel, Michael
Exh 50	SCG	Exh No:SCG-08-R	GAS MAJOR PROJECTS	Bermel, Michael
Exh 53	SCG	Exh No:SCG-208	GAS MAJOR PROJECTS, REBUTTAL	Bermel, Michael

EXHIBIT REFERENCE SORTED BY HEARING EXHIBIT NUMBER

Hearing Exhibit #	Party	Original Exhibit #	Description	Witness
Exh 60	SCG	Exh No:SCG-09-R	GAS ENGINEERING	Haines, Deanna
Exh 63B	SCG	Exh No:SCG-09-R	GAS ENGINEERING ERRATA	Haines, Deanna
Exh 63	SCG	Exh No:SCG-209	GAS ENGINEERING, REBUTTAL	Haines, Deanna
Exh 63A	SCG	Exh No:SCG-209	GAS ENGINEERING REVISIONS TO REBUTTAL	Haines, Deanna
Exh 63B	SCG	Exh No:SCG-209	GAS ENGINEERING ERRATA	Haines, Deanna
Exh 64	SDG&E	Exh No:SDG&E-09-R	GAS ENGINEERING	Haines, Deanna
Exh 66	SDG&E	Exh No:SDG&E-209	GAS ENGINEERING, REBUTTAL	Haines, Deanna
Exh 68	SDG&E	Exh No:SDG&E-15-2R	ELECTRIC DISTRIBUTION O&M	Speer, William
Exh 71	SDG&E	Exh No:SDG&E-215	ELECTRIC DISTRIBUTION O&M, REBUTTAL	Speer, William
Exh 74	SDG&E	Exh No:SDG&E-14-R	ELECTRIC DISTRIBUTION CAPITAL	Colton, Alan
Exh 76	SDG&E	Exh No:SDG&E-214	ELECTRIC DISTRIBUTION CAPITAL, REBUTTAL	Colton, Alan
Exh 84	SCG	Exh No:SCG-05-R	GAS SYSTEM INTEGRITY	Rivera, Omar
Exh 86	SCG	Exh No:SCG-205	GAS SYSTEM INTEGRITY, REBUTTAL	Rivera, Omar
Exh 87	SDG&E	Exh No:SDG&E-05	GAS SYSTEM INTEGRITY	Rivera, Omar
Exh 89	SDG&E	Exh No:SDG&E-205	GAS SYSTEM INTEGRITY, REBUTTAL	Rivera, Omar
Exh 90	SCG-SDG&E	Exh No:SCG-250/SDG&E	Safety Policy, Rebuttal	Buczowski, David L. and Geier, David L.
Exh 92	SDG&E	Exh No:SDG&E-13	DISTRIBUTED ENERGY RESOURCES POLICY	Reguly, Ted
Exh 93	SDG&E	Exh No:SDG&E-253	DER PROJECTS, REBUTTAL	Reguly, Ted
Exh 97	SDG&E	Exh No:SDG&E-16	ELECTRIC GENERATION	Baerman, Daniel S.
Exh 100	SDG&E	Exh No:SDG&E-216	ELECTRIC GENERATION, REBUTTAL	Baerman, Daniel S.
Exh 111	SCG	Exh No:SCG-14	PIPELINE INTEGRITY FOR TRANSMISSION AND DISTRIBUTION	Martinez, Maria T.
Exh 118A	SCG	Exh No:SCG-14	PIPELINE INTEGRITY FOR TRANSMISSION AND DISTRIBUTION ERRATA	Martinez, Maria T.
Exh 114	SCG	Exh No:SCG-214	PIPELINE INTEGRITY FOR TRANSMISSION AND DISTRIBUTION, REBUTTAL	Martinez, Maria T.
Exh 115	SDG&E	Exh No:SDG&E-11	PIPELINE INTEGRITY FOR TRANSMISSION AND DISTRIBUTION	Martinez, Maria T.

EXHIBIT REFERENCE SORTED BY HEARING EXHIBIT NUMBER

Hearing Exhibit #	Party	Original Exhibit #	Description	Witness
Exh 118	SDG&E	Exh No:SDG&E-211	PIPELINE INTEGRITY FOR TRANSMISSION AND DISTRIBUTION, REBUTTAL	Martinez, Maria T.
Exh 119	SCG	Exh No:SCG-18-R	CS - FIELD & METER READING	Marelli, Gwen
Exh 121	SCG	Exh No:SCG-218	CS - FIELD & METER READING, REBUTTAL	Marelli, Gwen
Exh 122	SDG&E	Exh No:SDG&E-17-R	CS - FIELD	Marelli, Gwen
Exh 124	SDG&E	Exh No:SDG&E-217	CS - FIELD, REBUTTAL	Marelli, Gwen
Exh 130	SCG	Exh No:SCG-19-R	CS - OFFICE OPERATIONS	Baldwin, Michael
Exh 131	SCG	Exh No:SCG-19-S	CS - OFFICE OPERATIONS (SUPPLEMENTAL TESTIMONY)	Baldwin, Michael
Exh 133	SCG	Exh No:SCG-219	CS - OFFICE OPERATIONS , REBUTTAL	Baldwin, Michael
Exh 133A	SCG	Exh No:SCG-219	CS - OFFICE OPERATIONS REBUTTAL CORRECTIONS	Baldwin, Michael
Exh 137	SCG	Exh No:SCG-21	CS - TECHNOLOGIES, POLICIES & SOLUTIONS	Tomkins, Sharon
Exh 139	SCG	Exh No:SCG-221	CS - TECHNOLOGIES, POLICIES & SOLUTIONS, REBUTTAL	Tomkins, Sharon
Exh 146	SDG&E	Exh No:SDG&E-18	CS - OFFICE OPERATIONS	Stewart, Jerry D.
Exh 147	SDG&E	Exh No:SDG&E-18-S	CS - OFFICE OPERATIONS (SUPPLEMENTAL TESTIMONY)	Stewart, Jerry D.
Exh 149	SDG&E	Exh No:SDG&E-218	CS - OFFICE OPERATIONS, REBUTTAL	Stewart, Jerry D.
Exh 151	SDG&E	Exh No:SDG&E-19	CS - INFORMATION & TECHNOLOGIES	Davidson, Lisa C.
Exh 153	SDG&E	Exh No:SDG&E-219	CS - INFORMATION & TECHNOLOGIES, REBUTTAL	Davidson, Lisa C.
Exh 156	SCG	Exh No:SCG-20-R	CS - INFORMATION	Magana, Rosalinda
Exh 158	SCG	Exh No:SCG-220	CS - INFORMATION, REBUTTAL	Magana, Rosalinda
Exh 166	SCG	Exh No:SCG-24	REAL ESTATE	Tattersall, R. Dale
Exh 168	SCG	Exh No:SCG-224	REAL ESTATE, REBUTTAL	Tattersall, R. Dale
Exh 169	SDG&E	Exh No:SDG&E-22	REAL ESTATE, LAND SERVICES AND FACILITIES	Tattersall, R. Dale
Exh 172	SDG&E	Exh No:SDG&E-222	REAL ESTATE, LAND SERVICES AND FACILITIES, REBUTTAL	Tattersall, R. Dale
Exh 173	SCG	Exh No:SCG-38-2R	WORKING CASH	Chan, Karen
Exh 175	SCG	Exh No:SCG-238	WORKING CASH, REBUTTAL	Chan, Karen
Exh 176	SDG&E	Exh No:SDG&E-36-2R	WORKING CASH	Dais, Steven
Exh 178	SDG&E	Exh No:SDG&E-236	WORKING CASH, REBUTTAL	Dais, Steven

EXHIBIT REFERENCE SORTED BY HEARING EXHIBIT NUMBER

Hearing Exhibit #	Party	Original Exhibit #	Description	Witness
Exh 181	SCG	Exh No:SCG-42	REGULATORY ACCOUNTS	Yu, Rae Marie Q.
Exh 182	SCG	Exh No:SCG-42-S	REGULATORY ACCOUNTS (SUPPLEMENTAL TESTIMONY)	Yu, Rae Marie Q.
Exh 183	SCG	Exh No:SCG-242	REGULATORY ACCOUNTS, REBUTTAL	Yu, Rae Marie Q.
Exh 184	SDG&E	Exh No:SDG&E-41	REGULATORY ACCOUNTS	Jasso, Norma G.
Exh 185	SDG&E	Exh No:SDG&E-41-S	REGULATORY ACCOUNTS (SUPPLEMENTAL TESTIMONY)	Jasso, Norma G.
Exh 186	SDG&E	Exh No:SDG&E-241	REGULATORY ACCOUNTS, REBUTTAL	Jasso, Norma G.
Exh 188	SCG	Exh No:SCG-23-R	FLEET SERVICES & FACILITY OPERATIONS	Herrera, Carmen L.
Exh 196A	SCG	Exh No:SCG-23-R	FLEET SERVICES & FACILITY OPERATIONS ERRATA	Herrera, Carmen L.
Exh 192	SCG	Exh No:SCG-223	FLEET SERVICES & FACILITY OPERATIONS, REBUTTAL	Herrera, Carmen L.
Exh 193	SDG&E	Exh No:SDG&E-21-R	FLEET SERVICES	Herrera, Carmen L.
Exh 196A	SDG&E	Exh No:SDG&E-21-R	FLEET SERVICES ERRATA	Herrera, Carmen L.
Exh 196	SDG&E	Exh No:SDG&E-221	FLEET SERVICES, REBUTTAL	Herrera, Carmen L.
Exh 208	SCG-SDG&E	Exh No:SCG-30/SDG&E	CORPORATE CENTER - COMPENSATION & BENEFITS	Robinson, Debbie S.
Exh 211	SCG-SDG&E	Exh No:SCG-230/SDG&E	COMPENSATION AND BENEFITS, REBUTTAL	Robinson, Debbie S.
Exh 216	SCG-SDG&E	Exh No:SCG-31/SDG&E	CORPORATE CENTER - PENSION & PBOPs	Robinson, Debbie S. and Gagne, Yannick
Exh 219	SCG-SDG&E	Exh No:SCG-231/SDG&E	PENSION AND POSTRETIREMENT BENEFITS OTHER THAN PENSION, REBUTTAL	Robinson, Debbie S. and Gagne, Yannick
Exh 220	SDCAN	SDCAN1	Prepared Testimony of M. Shames on behalf of SDCAN	M. Shames
Exh 221	SDCAN	SDCAN2	Prepared Testimony of L. Conery on behalf of SDCAN	L. Conery
Exh 222	SCG-SDG&E	ExhNo:SCG-03-R/SDG&E	FUELING OUR FUTURE (FOF) POLICY	Baron, David and Widjaja, Don
Exh 223	SCG-SDG&E	Exh No:SCG-203/SDG&E	FUELING OUR FUTURE (FOF) POLICY, REBUTTAL	Widjaja, Don and Baron, David
Exh 231	SCG	Exh No:SCG-15-R	PIPELINE SAFETY ENHANCEMENT PLAN (PSEP)	Phillips, Rick
Exh 235A	SCG	Exh No:SCG-15-R	PIPELINE SAFETY ENHANCEMENT PLAN (PSEP) ERRATA	Phillips, Rick

EXHIBIT REFERENCE SORTED BY HEARING EXHIBIT NUMBER

Hearing Exhibit #	Party	Original Exhibit #	Description	Witness
Exh 235	SCG	Exh No:SCG-215	PIPELINE SAFETY ENHANCEMENT PLAN (PSEP), REBUTTAL	Phillips, Rick and Chaudhury, Sharim
Exh 238	SCG-SDG&E	Exh No:SCG-29/SDG&E	CORPORATE CENTER - INSURANCE	Cayabyab, Neil K.
Exh 240	SCG-SDG&E	Exh No:SCG-229/SDG&E	CORPORATE CENTER - INSURANCE, REBUTTAL	Cayabyab, Neil K.
Exh 242	SCG	Exh No:SCG-44-2R	POST-TEST YEAR RATEMAKING	Hrna, Sandra K.
Exh 244	SCG	Exh No:SCG-244	POST-TEST YEAR RATEMAKING, REBUTTAL	Hrna, Sandra K.
Exh 245	SDG&E	Exh No:SDG&E-43-2R	POST-TEST YEAR RATEMAKING	Deremer, Kenneth J
Exh 247	SDG&E	Exh No:SDG&E-243	POST-TEST YEAR RATEMAKING, REBUTTAL	Deremer, Kenneth J
Exh 253	SCG-SDG&E	Exh No:SCG-49/SDG&E	CASE MANAGEMENT EXHIBIT	Manzuk, Charles
Exh 254	SCG-SDG&E	Exh No:SCG-249/SDG&E	CASE MANAGEMENT EXHIBIT, REBUTTAL	Manzuk, Charles
Exh 255	SCG	Exh No:SCG-32	HUMAN RESOURCES DEPARTMENT, SAFETY, WORKERS' COMPENSATION & LONG-TERM DISABILITY	Gevorkian, Mary
Exh 257A	SCG	Exh No:SCG-32	HUMAN RESOURCES DEPARTMENT, SAFETY, WORKERS' COMPENSATION & LONG-TERM DISABILITY: CORRECTIONS	Gevorkian, Mary
Exh 257	SCG	Exh No:SCG-232	HUMAN RESOURCES DEPARTMENT, SAFETY, WORKERS' COMPENSATION & LONG-TERM DISABILITY; REBUTTAL	Gevorkian, Mary
Exh 261	SCG	Exh No:SCG-37-2R	TAXES	Reeves, Ragan G.
Exh 264	SCG	Exh No:SCG-237	TAXES, REBUTTAL	Reeves, Ragan G.
Exh 265	SDG&E	Exh No:SDG&E-35-2R	TAXES	Reeves, Ragan G.
Exh 267	SDG&E	Exh No:SDG&E-235	TAXES, REBUTTAL	Reeves, Ragan G.
Exh 273	SCG	Exh No:SCG-10-R	UNDERGROUND STORAGE	Navin, Neil
Exh 276	SCG	Exh No:SCG-210	UNDERGROUND STORAGE, REBUTTAL	Navin, Neil
Exh 277	SCG	Exh No:SCG-11	ALISO CANYON TURBINE REPLACEMENT PROJECT	Buczowski, David L.

EXHIBIT REFERENCE SORTED BY HEARING EXHIBIT NUMBER

Hearing Exhibit #	Party	Original Exhibit #	Description	Witness
Exh 279	SCG	Exh No:SCG-211	ALISO CANYON TURBINE REPLACEMENT PROJECT, REBUTTAL	Buczowski, David L.
Exh 280	SCG	Exh No:SCG-12	ALISO INCIDENT EXPENDITURE REQUIREMENTS	Steinberg, Andrew
Exh 282	SCG	Exh No:SCG-16	GAS PROCUREMENT	Lazarus, Martin F.
Exh 284	SCG	Exh No:SCG-216	GAS PROCUREMENT, REBUTTAL	Lazarus, Martin F.
Exh 285	SDG&E	Exh No:SDG&E-12	ELECTRIC & FUEL PROCUREMENT	Helm, Kendall K.
Exh 287	SCG	Exh No:SCG-17-R	ADVANCED METERING INFRASTRUCTURE (AMI)	Garcia, Rene
Exh 290	SCG	Exh No:SCG-217	ADVANCED METERING INFRASTRUCTURE (AMI), REBUTTAL	Garcia, Rene
Exh 291	SCG-SDG&E	Exh No:SCG-22/SDG&E	SUPPLY MANAGEMENT & LOGISTICS AND SUPPLIER DIVERSITY	Willoughby, Denita
Exh 294	SCG-SDG&E	Exh No:SCG-222/SDG&E	SUPPLY MANAGEMENT & LOGISTICS AND SUPPLIER DIVERSITY, REBUTTAL	Furbush, Sydney and Chow, Joseph
Exh 295	SCG	Exh No:SCG-25-R	ENVIRONMENTAL SERVICES	Johnson, Darrell
Exh 297	SCG	Exh No:SCG-225	ENVIRONMENTAL SERVICES, REBUTTAL	Johnson, Darrell
Exh 298	SDG&E	Exh No:SDG&E-23	ENVIRONMENTAL SERVICES	Clancy, Nancy
Exh 300	SCG	Exh No:SCG-26	INFORMATION TECHNOLOGY	Olmsted, Christopher R.
Exh 303	SCG	Exh No:SCG-226	INFORMATION TECHNOLOGY, REBUTTAL	Olmsted, Christopher R.
Exh 304	SDG&E	Exh No:SDG&E-24-R	INFORMATION TECHNOLOGY	Olmsted, Christopher R.
Exh 307	SDG&E	Exh No:SDG&E-224	INFORMATION TECHNOLOGY, REBUTTAL	Olmsted, Christopher R.
Exh 308	SCG	Exh No:SCG-27-R	CYBERSECURITY	Worden, Gavin
Exh 311	SDG&E	Exh No:SDG&E-25	CYBERSECURITY	Worden, Gavin
Exh 314	SCG-SDG&E	Exh No:SCG-227/SDG&E	CYBERSECURITY, REBUTTAL	Worden, Gavin
Exh 315	SCG-SDG&E	ExhNo:SCG-28-R/SDG&E	CORPORATE CENTER - GENERAL ADMINISTRATION	DeMontigny, Mia
Exh 317	SCG-SDG&E	Exh No:SCG-228/SDG&E	CORPORATE CENTER - GENERAL ADMINISTRATION, REBUTTAL	DeMontigny, Mia
Exh 318	SCG	Exh No:SCG-33	ACCOUNTING AND FINANCE/LEGAL/REGULATORY AFFAIRS/ EXTERNAL AFFAIRS	Gonzales, Ramon

EXHIBIT REFERENCE SORTED BY HEARING EXHIBIT NUMBER

Hearing Exhibit #	Party	Original Exhibit #	Description	Witness
Exh 320	SCG	Exh No:SCG-233	ACCOUNTING AND FINANCE/LEGAL/REGULATORY AFFAIRS/ EXTERNAL AFFAIRS, REBUTTAL	Gonzales, Ramon
Exh 321	SDG&E	Exh No:SDG&E-31-R	ACCOUNTING AND FINANCE/LEGAL/REGULATORY AFFAIRS/ EXTERNAL AFFAIRS	Hrna, Sandra K.
Exh 323	SDG&E	Exh No:SDG&E-231	ACCOUNTING AND FINANCE/LEGAL/REGULATORY AFFAIRS/ EXTERNAL AFFAIRS, REBUTTAL	Hrna, Sandra K.
Exh 324	SCG-SDG&E	Exh No:SCG-34-2R/SDG	SHARED SERVICES & SHARED ASSETS BILLING, SEGMENTATION, & CAPITAL REASSIGNMENTS	Vanderhye, James
Exh 326	SCG	Exh No:SCG-39	GAS CUSTOMER FORECAST	Payan, Rose-Marie
Exh 328	SDG&E	Exh No:SDG&E-37	GAS CUSTOMER FORECAST	Payan, Rose-Marie
Exh 330	SDG&E	Exh No:SDG&E-237	GAS CUSTOMER FORECAST, REBUTTAL	Payan, Rose-Marie
Exh 331	SDG&E	Exh No:SDG&E-38	ELECTRIC CUSTOMER FORECAST	Schiermeyer, Kenneth E.
Exh 333	SDG&E	Exh No:SDG&E-238	ELECTRIC CUSTOMER FORECAST, REBUTTAL	Schiermeyer, Kenneth E.
Exh 334	SCG	Exh No:SCG-40	COST ESCALATION	Wilder, Scott R.
Exh 336	SDG&E	Exh No:SDG&E-39	COST ESCALATION	Wilder, Scott R.
Exh 338	SCG	Exh No:SCG-41-2R	MISCELLANEOUS REVENUES	Steffen, Annette
Exh 340	SCG	Exh No:SCG-241	MISCELLANEOUS REVENUES, REBUTTAL	Steffen, Annette
Exh 341	SDG&E	Exh No:SDG&E-40-2R	MISCELLANEOUS REVENUES	Dalton, Eric
Exh 343	SDG&E	Exh No:SDG&E-240	MISCELLANEOUS REVENUES, REBUTTAL	Dalton, Eric
Exh 344	SCG	Exh No:SCG-43-2R	SUMMARY OF EARNINGS	Hom, Ryan
Exh 345	SCG	Exh No:SCG-243	SUMMARY OF EARNINGS, REBUTTAL	Hom, Ryan
Exh 346	SDG&E	Exh No:SDG&E-42-2R	SUMMARY OF EARNINGS	Hom, Ryan
Exh 347	SDG&E	Exh No:SDG&E-242	SUMMARY OF EARNINGS, REBUTTAL	Hom, Ryan
Exh 348	SCG-SDG&E	Exh No:SCG-45/SDG&E	COMPLIANCE	York, Jamie K.
Exh 349	SCG	Exh No:SCG-46-2R	PRESENT AND PROPOSED GAS TRANSPORTATION REVENUE & RATES	Chaudhury, Sharim

EXHIBIT REFERENCE SORTED BY HEARING EXHIBIT NUMBER

Hearing Exhibit #	Party	Original Exhibit #	Description	Witness
Exh 350	SDG&E	Exh No:SDG&E-45-2R	PRESENT AND PROPOSED GAS TRANSPORTATION REVENUE & RATES	Chaudhury, Sharim
Exh 351	SCG-SDG&E	Exh No:SCG-246/SDG&E	PRESENT AND PROPOSED GAS TRANSPORTATION REVENUE & RATES, REBUTTAL	Chaudhury, Sharim
Exh 352	SDG&E	Exh No:SDG&E-46-2R	PRESENT AND PROPOSED ELECTRIC REVENUES & RATES	Fang, Cynthia
Exh 353	SDG&E	Exh No:SDG&E-246	PRESENT AND PROPOSED ELECTRIC REVENUES & RATES, REBUTTAL	Fang, Cynthia
Exh 354	SCG	Exh No:SCG-47-R	MOBILEHOME PARK UTILITY UPGRADE PROGRAM	Velasquez, Joseph
Exh 355	SCG	Exh No:SCG-247	MOBILEHOME PARK UTILITY UPGRADE PROGRAM, REBUTTAL	Velasquez, Joseph
Exh 356	SDG&E	Exh No:SDG&E-47-R	MOBILEHOME PARK UTILITY UPGRADE PROGRAM	Velasquez, Joseph
Exh 357	SDG&E	Exh No:SDG&E-247	MOBILEHOME PARK UTILITY UPGRADE PROGRAM, REBUTTAL	Velasquez, Joseph
Exh 358	SCG	Exh No:SCG-48	UPDATED RESULTS OF OPERATIONS REPORT	Hom, Ryan
Exh 359	SDG&E	Exh No:SDG&E-48	UPDATED RESULTS OF OPERATIONS REPORT	Hom, Ryan
Exh 360	SDG&E	Exh No:SDG&E-50	SUPPLEMENTAL YEAR-ROUND WILDFIRE RISK MITIGATION	Geier, David L.
Exh 361	SDG&E	Exh No:SDG&E-251	ASSET MANAGEMENT, REBUTTAL	Deremer, Kenneth J
Exh 362	SDG&E	Exh No:SDG&E-30	HUMAN RESOURCES DEPARTMENT, SAFETY, WORKERS' COMPENSATION & LONG-TERM DISABILITY	Taylor, Tashonda
Exh 364	SDG&E	Exh No:SDG&E-230	HUMAN RESOURCES DEPARTMENT, SAFETY, WORKERS' COMPENSATION & LONG-TERM DISABILITY; REBUTTAL	Taylor, Tashonda
Exh 365	CforAT/SCG-SI	Joint-01	Accessibility Issues	Manzuk, Charles and Kasnitz, Melissa
Exh 366	FEA	FEA	Direct Testimony of R. Smith on behalf of FEA	R. Smith
Exh 367	EDF	EDF-01	Expert Testimony of G. Lander on behalf of EDF	G. Lander
Exh 368	EDF	EDF-02	Rebuttal Testimony of G. Lander on behalf of EDF	G. Lander

EXHIBIT REFERENCE SORTED BY HEARING EXHIBIT NUMBER

Hearing Exhibit #	Party	Original Exhibit #	Description	Witness
Exh 369	EDF	EDF-03	Rebuttal Testimony of T. O'Connor on behalf of EDF	T. O'Connor
Exh 370	CCUE	CCUE4	Opening Testimony of D. Marcus on behalf of CCUE	D. Marcus
Exh 371	CCUE	CCUE6	Rebuttal Testimony of D. Marcus on behalf of CCUE	D. Marcus
Exh 372	CCUE	CCUE3	Opening Testimony of S. Mitchell on behalf of CCUE	S. Mitchell
Exh 373	CCUE	CCUE5	Opening Testimony of B. Moreno on behalf of CCUE	B. Moreno
Exh 374	CCUE	CCUE2	Opening Testimony of J. Salas on behalf of CCUE	J. Salas
Exh 375	CCUE	CCUE1	Opening Testimony of D. Kick on behalf of CCUE	D. Kick
Exh 376	SCG	Exh No:SCG-35-2R	RATE BASE	Moersen, Patrick
Exh 378	SCG	Exh No:SCG-235	RATE BASE, REBUTTAL	Moersen, Patrick
Exh 379	SDG&E	Exh No:SDG&E-33-2R	RATE BASE	Gentes, R. Craig
Exh 381	SDG&E	Exh No:SDG&E-233	RATE BASE, REBUTTAL	Gentes, R. Craig
Exh 382	SCG	Exh No:SCG-36-R	DEPRECIATION	Ngai, Flora
Exh 384	SCG	Exh No:SCG-236	DEPRECIATION, REBUTTAL	Ngai, Flora
Exh 388	SDG&E	Exh No:SDG&E-34-R	DEPRECIATION	Watson, Dane
Exh 391	SDG&E	Exh No:SDG&E-234	DEPRECIATION, REBUTTAL	Watson, Dane
Exh 396	ORA	ORA-1	Executive Summary	C. Tang
Exh 397	ORA	ORA-2	Summary of Earnings and Taxes	J. Oh
Exh 398	ORA	ORA-3	Risk Management Policy; Enterprise Risk Management Organization; RAMP/GRC Integration; Pipeline Integrity; SoCalGas PSEP	N. Stannik, P. Li
Exh 398A	ORA	ORA-3-E	Errata to Risk Management Policy; Enterprise Risk Management Organization; RAMP/GRC Integration; Pipeline Integrity; SoCalGas PSEP	N. Stannik, P. Li
Exh 399	ORA	ORA-4	Fueling Our Future (FOF) Policy	T. Burns
Exh 400	ORA	ORA-5	SDG&E - Electric Distribution Expenses	T. Godfrey
Exh 401	ORA	ORA-6	SDG&E - Electric Distribution Capital Expenditures Part 1 of 2	T. Roberts
Exh 431	ORA	ORA-6-R	SDG&E - Electric Distribution Capital Expenditures Part 1 of 2 - REVISED	T. Roberts
Exh 402	ORA	ORA-7	SDG&E - Electric Distribution Capital Expenditures Part 2 of 2	G. Wilson
Exh 403	ORA	ORA-8	SDG&E - Electric Generation	S. Logan

EXHIBIT REFERENCE SORTED BY HEARING EXHIBIT NUMBER

Hearing Exhibit #	Party	Original Exhibit #	Description	Witness
Exh 404	ORA	ORA-9	SDG&E – Gas Distribution, System Integrity, and Transmission Operation	M.C.Campbell
Exh 405	ORA	ORA-10	SDG&E – Gas Transmission Capital; SoCalGas – Advanced Metering Infrastructure	M. Weaver
Exh 406	ORA	ORA-11	SoCalGas – Gas Distribution and Gas Control & System Operations/Planning	D. Phan
Exh 406A	ORA	ORA-11-E	Errata to SoCalGas – Gas Distribution and Gas Control & System Operations/Planning	D. Phan
Exh 407	ORA	ORA-12	SoCalGas – Gas System Integrity, Gas Transmission Operation, and Gas Transmission	O. Enyinwa
Exh 407A	ORA	ORA-12-E	Errata to SoCalGas – Gas System Integrity, Gas Transmission Operation, and Gas Transmission	O. Enyinwa
Exh 408	ORA	ORA-13	SoCalGas – Gas Major Projects & Gas Engineering; SDG&E – Gas Engineering	Y. Lasko
Exh 409	ORA	ORA-14	SoCalGas – Underground Storage, and Aliso Canyon Turbine Replacement	K. Lee
Exh 410	ORA	ORA-15	SDG&E Electric and Fuel Procurement; SCG Gas Procurement	F. Hadiprodjo
Exh 411	ORA	ORA-16	SDG&E Customer Services – Field; Office Operations; and Information & Technologies	C. Yeh
Exh 412	ORA	ORA-17	SoCalGas Customer Services – Field & Meter Reading; Office Operations; Information; and Technologies, Policies & Solutions	C. Yeh
Exh 413	ORA	ORA-18	SDG&E – Supply Management & Logistics and Supplier Diversity; Fleet Services; Real Estate, Land Services and Facilities; and Environmental Services	M. Waterworth
Exh 414	ORA	ORA-19	SoCalGas – Supply Management & Logistics and Supplier Diversity; Fleet Services; Real Estate, Land Services and Facilities; and Environmental Services	M. Waterworth
Exh 415	ORA	ORA-20	Information Technology & Cybersecurity	M. Loy

EXHIBIT REFERENCE SORTED BY HEARING EXHIBIT NUMBER

Hearing Exhibit #	Party	Original Exhibit #	Description	Witness
Exh 415A	ORA	ORA-20-E	Errata to Information Technology & Cybersecurity	M. Loy
Exh 416	ORA	ORA-21	Corporate Center	L. Laserson
Exh 417	ORA	ORA-22	Compensation & Benefits; Pension & Postretirement Benefits Other Than Pension	S. Hunter
Exh 417A	ORA	ORA-22-E	Errata to Compensation & Benefits; Pension & Postretirement Benefits Other Than Pension	S. Hunter
Exh 418	ORA	ORA-23	Human Resources Department, Safety, Workers' Compensation & Long-Term Disability	S. Hunter
Exh 419	ORA	ORA-24	Accounting & Finance / Legal / Regulatory Affairs / External Affairs	F. Hadiprodjo
Exh 420	ORA	ORA-25	Shared Services & Shared Assets; Segmentation & Capital Reassignments	J. Oh
Exh 421	ORA	ORA-26	Rate Base and Working Cash (Public Version)	C. Lambert
Exh 422	ORA	ORA-27	Depreciation	C. Lambert
Exh 423	ORA	ORA-28	Cost Escalation	T. Renaghan
Exh 424	ORA	ORA-29	Customers & Miscellaneous Revenues	M. Kanter
Exh 425	ORA	ORA-30	Regulatory Accounts	S. Chia
Exh 426	ORA	ORA-31	Post Test Year Ratemaking	C. Tang
Exh 427	ORA	ORA-32	Mobilehome Park Utility Upgrade Program	C. Lambert
Exh 428	ORA	ORA-33	Financial Examination & Compliance	S. Chia, J. Lee, N. Stannik
Exh 429	ORA	ORA-34	Executive Summary and Post-Test Year Ratemaking, with Tax Update	C. Tang
Exh 430	ORA	ORA-35	Summary of Earnings with Tax Update	J. Oh
Exh 436	IS	IS	Direct Testimony of M. Gorman on behalf of IS	M. Gorman
Exh 437	NDC	NDC	Prepared Testimony of F. Bautista on behalf of NDC	F. Bautista
Exh 438	SBUA	SBUA1	Direct Testimony of M. Brown on behalf of SBUA	M. Brown
Exh 440	SBUA	SBUA3	Rebuttal Testimony of M. Brown on behalf of SBUA	M. Brown
Exh 439	SBUA	SBUA2	Opening Testimony of L. Rafii on behalf of SBUA	L. Rafii
Exh 441	SBUA	SBUA4	Rebuttal Testimony of L. Rafii on behalf of SBUA	L. Rafii

EXHIBIT REFERENCE SORTED BY HEARING EXHIBIT NUMBER

Hearing Exhibit #	Party	Original Exhibit #	Description	Witness
Exh 442	OSA	OSA-1	Prepared Testimony of C. Contreras and J. Au on behalf of OSA	C. Contreras and J. Au
Exh 472	POC	POC	Direct Testimony of B. Powers on behalf of POC	B. Powers
Exh 473	POC	POC	Supplemental Testimony of B. Powers on behalf of POC	B. Powers
Exh 474	POC	POC	Rebuttal Testimony of B. Powers on behalf of POC	B. Powers
Exh 475	SIERRA-UCS	SIERRA-UCS	Prepared Testimony of R. Golden on behalf of SIERRA and J. O'Dea on behalf of UCS	R. Golden, J. O'Dea
Exh 478	CLB	CLB	Testimony of M. Fulmer on behalf of City of LB	M. Fulmer
Exh 483	CFC	CFC-2	Prepared Testimony of T. Roberts on behalf of CFC: Information Technology	T. Roberts
Exh 484	CFC	CFC-3-R	Prepared Testimony of T. Roberts on behalf of CFC: Gas Distribution/DIMP	T. Roberts
Exh 485	CFC	CFC-4-R	Prepared Testimony of T. Roberts on behalf of CFC: Misc Revenues	T. Roberts
Exh 486	CFC	CFC-5-R	Prepared Testimony of T. Roberts on behalf of CFC: A&G: Office Services	T. Roberts
Exh 487	CFC	CFC-6	Prepared Testimony of T. Roberts on behalf of CFC: Property Insurance	T. Roberts
Exh 488	CFC	CFC-1-R	Prepared Testimony of T. Roberts on behalf of CFC: Affordability	T. Roberts
Exh 489	SCGC	SCGC	Direct Testimony of C. Yap on behalf of SCGC	C. Yap
Exh 490	TURN	TURN1	Prepared Testimony of E. Borden on behalf of TURN	E. Borden
Exh 492	TURN	TURN2	Prepared Testimony of K. Woodruff on behalf of TURN	K. Woodruff
Exh 494	TURN	TURN3	Prepared Testimony of W. P. Marcus on behalf of TURN	W. P. Marcus
Exh 497	TURN	TURN4	Prepared Testimony of H. Goodson on behalf of TURN	H. Goodson
Exh 498	TURN	TURN5	Prepared Testimony of G. Jones and W. P. Marcus on behalf of TURN	G. Jones, W.P. Marcus
Exh 501	TURN	TURN6-R	Prepared Testimony of J. McGovern on behalf of TURN	J. McGovern

EXHIBIT REFERENCE SORTED BY HEARING EXHIBIT NUMBER

Hearing Exhibit #	Party	Original Exhibit #	Description	Witness
Exh 503	TURN	TURN7	Prepared Testimony of R. Finkelstein on behalf of TURN	R. Finkelstein
Exh 504	TURN	TURN8	Prepared Testimony of J. Dowdell on behalf of TURN	J. Dowdell
Exh 505	TURN	TURN9	Prepared Testimony of M. Hawiger on behalf of TURN	M. Hawiger
Exh 506	TURN-SCGC	TURN-SCGC1	Prepared Testimony of C. Yap on behalf of TURN and SCGC	C. Yap
tbd	UCAN	UCAN1	Prepared Testimony of J. Zeller on behalf of UCAN	J. Zeller
tbd	UCAN	UCAN2	Testimony of R. Sulpizio on behalf of UCAN	R. Sulpizio
tbd	UCAN	UCAN3	Testimony of B. Charles on behalf of UCAN	B. Charles

EXHIBIT REFERENCE SORTED BY PARTY AND ORIGINAL EXHIBIT NUMBER

Party	Original Exhibit #	Hearing Exhibit #	Description	Witness
SDG&E	Exh No:SDG&E-01-R	Exh 02	SDG&E POLICY OVERVIEW	Winn, Caroline A.
SDG&E	Exh No:SDG&E-04-R	Exh 11	GAS DISTRIBUTION	Orozco-Mejia, Gina
SDG&E	Exh No:SDG&E-05	Exh 87	GAS SYSTEM INTEGRITY	Rivera, Omar
SDG&E	Exh No:SDG&E-06	Exh 27	GAS TRANSMISSION O&M	Musich, Beth
SDG&E	Exh No:SDG&E-07-R	Exh 33	GAS TRANSMISSION CAPITAL	Musich, Beth and Bermel, Michael
SDG&E	Exh No:SDG&E-09-R	Exh 64	GAS ENGINEERING	Haines, Deanna
SDG&E	Exh No:SDG&E-11	Exh 115	PIPELINE INTEGRITY FOR TRANSMISSION AND DISTRIBUTION	Martinez, Maria T.
SDG&E	Exh No:SDG&E-12	Exh 285	ELECTRIC & FUEL PROCUREMENT	Helm, Kendall K.
SDG&E	Exh No:SDG&E-13	Exh 92	DISTRIBUTED ENERGY RESOURCES POLICY	Reguly, Ted
SDG&E	Exh No:SDG&E-14-R	Exh 74	ELECTRIC DISTRIBUTION CAPITAL	Colton, Alan
SDG&E	Exh No:SDG&E-15-2R	Exh 68	ELECTRIC DISTRIBUTION O&M	Speer, William
SDG&E	Exh No:SDG&E-16	Exh 97	ELECTRIC GENERATION	Baerman, Daniel S.
SDG&E	Exh No:SDG&E-17-R	Exh 122	CS - FIELD	Marelli, Gwen
SDG&E	Exh No:SDG&E-18	Exh 146	CS - OFFICE OPERATIONS	Stewart, Jerry D.
SDG&E	Exh No:SDG&E-18-S	Exh 147	CS - OFFICE OPERATIONS (SUPPLEMENTAL TESTIMONY)	Stewart, Jerry D.
SDG&E	Exh No:SDG&E-19	Exh 151	CS - INFORMATION & TECHNOLOGIES	Davidson, Lisa C.
SDG&E	Exh No:SDG&E-21-R	Exh 193	FLEET SERVICES	Herrera, Carmen L.
SDG&E	Exh No:SDG&E-21-R	Exh 196A	FLEET SERVICES ERRATA	Herrera, Carmen L.
SDG&E	Exh No:SDG&E-22	Exh 169	REAL ESTATE, LAND SERVICES AND FACILITIES	Tattersall, R. Dale
SDG&E	Exh No:SDG&E-23	Exh 298	ENVIRONMENTAL SERVICES	Clancy, Nancy
SDG&E	Exh No:SDG&E-24-R	Exh 304	INFORMATION TECHNOLOGY	Olmsted, Christopher R.
SDG&E	Exh No:SDG&E-25	Exh 311	CYBERSECURITY	Worden, Gavin
SDG&E	Exh No:SDG&E-30	Exh 362	HUMAN RESOURCES DEPARTMENT, SAFETY, WORKERS' COMPENSATION & LONG-TERM DISABILITY	Taylor, Tashonda
SDG&E	Exh No:SDG&E-31-R	Exh 321	ACCOUNTING AND FINANCE/LEGAL/REGULATORY AFFAIRS/ EXTERNAL AFFAIRS	Hrna, Sandra K.
SDG&E	Exh No:SDG&E-33-2R	Exh 379	RATE BASE	Gentes, R. Craig
SDG&E	Exh No:SDG&E-34-R	Exh 388	DEPRECIATION	Watson, Dane

EXHIBIT REFERENCE SORTED BY PARTY AND ORIGINAL EXHIBIT NUMBER

Party	Original Exhibit #	Hearing Exhibit #	Description	Witness
SDG&E	Exh No:SDG&E-35-2R	Exh 265	TAXES	Reeves, Ragan G.
SDG&E	Exh No:SDG&E-36-2R	Exh 176	WORKING CASH	Dais, Steven
SDG&E	Exh No:SDG&E-37	Exh 328	GAS CUSTOMER FORECAST	Payan, Rose-Marie
SDG&E	Exh No:SDG&E-38	Exh 331	ELECTRIC CUSTOMER FORECAST	Schiermeyer, Kenneth E.
SDG&E	Exh No:SDG&E-39	Exh 336	COST ESCALATION	Wilder, Scott R.
SDG&E	Exh No:SDG&E-40-2R	Exh 341	MISCELLANEOUS REVENUES	Dalton, Eric
SDG&E	Exh No:SDG&E-41	Exh 184	REGULATORY ACCOUNTS	Jasso, Norma G.
SDG&E	Exh No:SDG&E-41-S	Exh 185	REGULATORY ACCOUNTS (SUPPLEMENTAL TESTIMONY)	Jasso, Norma G.
SDG&E	Exh No:SDG&E-42-2R	Exh 346	SUMMARY OF EARNINGS	Hom, Ryan
SDG&E	Exh No:SDG&E-43-2R	Exh 245	POST-TEST YEAR RATEMAKING	Deremer, Kenneth J
SDG&E	Exh No:SDG&E-45-2R	Exh 350	PRESENT AND PROPOSED GAS TRANSPORTATION REVENUE & RATES	Chaudhury, Sharim
SDG&E	Exh No:SDG&E-46-2R	Exh 352	PRESENT AND PROPOSED ELECTRIC REVENUES & RATES	Fang, Cynthia
SDG&E	Exh No:SDG&E-47-R	Exh 356	MOBILEHOME PARK UTILITY UPGRADE PROGRAM	Velasquez, Joseph
SDG&E	Exh No:SDG&E-48	Exh 359	UPDATED RESULTS OF OPERATIONS REPORT	Hom, Ryan
SDG&E	Exh No:SDG&E-50	Exh 360	SUPPLEMENTAL YEAR-ROUND WILDFIRE RISK MITIGATION	Geier, David L.
SDG&E	Exh No:SDG&E-204	Exh 14	GAS DISTRIBUTION, REBUTTAL	Orozco-Mejia, Gina
SDG&E	Exh No:SDG&E-205	Exh 89	GAS SYSTEM INTEGRITY, REBUTTAL	Rivera, Omar
SDG&E	Exh No:SDG&E-206	Exh 29	GAS TRANSMISSION O&M, REBUTTAL	Musich, Beth
SDG&E	Exh No:SDG&E-207	Exh 35	GAS TRANSMISSION CAPITAL, REBUTTAL	Musich, Beth and Bermel, Michael
SDG&E	Exh No:SDG&E-209	Exh 66	GAS ENGINEERING, REBUTTAL	Haines, Deanna
SDG&E	Exh No:SDG&E-211	Exh 118	PIPELINE INTEGRITY FOR TRANSMISSION AND DISTRIBUTION, REBUTTAL	Martinez, Maria T.
SDG&E	Exh No:SDG&E-214	Exh 76	ELECTRIC DISTRIBUTION CAPITAL, REBUTTAL	Colton, Alan
SDG&E	Exh No:SDG&E-215	Exh 71	ELECTRIC DISTRIBUTION O&M, REBUTTAL	Speer, William
SDG&E	Exh No:SDG&E-216	Exh 100	ELECTRIC GENERATION, REBUTTAL	Baerman, Daniel S.

EXHIBIT REFERENCE SORTED BY PARTY AND ORIGINAL EXHIBIT NUMBER

Party	Original Exhibit #	Hearing Exhibit #	Description	Witness
SDG&E	Exh No:SDG&E-217	Exh 124	CS - FIELD, REBUTTAL	Marelli, Gwen
SDG&E	Exh No:SDG&E-218	Exh 149	CS - OFFICE OPERATIONS, REBUTTAL	Stewart, Jerry D.
SDG&E	Exh No:SDG&E-219	Exh 153	CS - INFORMATION & TECHNOLOGIES, REBUTTAL	Davidson, Lisa C.
SDG&E	Exh No:SDG&E-221	Exh 196	FLEET SERVICES, REBUTTAL	Herrera, Carmen L.
SDG&E	Exh No:SDG&E-222	Exh 172	REAL ESTATE, LAND SERVICES AND FACILITIES, REBUTTAL	Tattersall, R. Dale
SDG&E	Exh No:SDG&E-224	Exh 307	INFORMATION TECHNOLOGY, REBUTTAL	Olmsted, Christopher R.
SDG&E	Exh No:SDG&E-230	Exh 364	HUMAN RESOURCES DEPARTMENT, SAFETY, WORKERS' COMPENSATION & LONG-TERM DISABILITY; REBUTTAL	Taylor, Tashonda
SDG&E	Exh No:SDG&E-231	Exh 323	ACCOUNTING AND FINANCE/LEGAL/REGULATORY AFFAIRS/ EXTERNAL AFFAIRS, REBUTTAL	Hrna, Sandra K.
SDG&E	Exh No:SDG&E-233	Exh 381	RATE BASE, REBUTTAL	Gentes, R. Craig
SDG&E	Exh No:SDG&E-234	Exh 391	DEPRECIATION, REBUTTAL	Watson, Dane
SDG&E	Exh No:SDG&E-235	Exh 267	TAXES, REBUTTAL	Reeves, Ragan G.
SDG&E	Exh No:SDG&E-236	Exh 178	WORKING CASH, REBUTTAL	Dais, Steven
SDG&E	Exh No:SDG&E-237	Exh 330	GAS CUSTOMER FORECAST, REBUTTAL	Payan, Rose-Marie
SDG&E	Exh No:SDG&E-238	Exh 333	ELECTRIC CUSTOMER FORECAST, REBUTTAL	Schiermeyer, Kenneth E.
SDG&E	Exh No:SDG&E-240	Exh 343	MISCELLANEOUS REVENUES, REBUTTAL	Dalton, Eric
SDG&E	Exh No:SDG&E-241	Exh 186	REGULATORY ACCOUNTS, REBUTTAL	Jasso, Norma G.
SDG&E	Exh No:SDG&E-242	Exh 347	SUMMARY OF EARNINGS, REBUTTAL	Hom, Ryan
SDG&E	Exh No:SDG&E-243	Exh 247	POST-TEST YEAR RATEMAKING, REBUTTAL	Deremer, Kenneth J
SDG&E	Exh No:SDG&E-246	Exh 353	PRESENT AND PROPOSED ELECTRIC REVENUES & RATES, REBUTTAL	Fang, Cynthia
SDG&E	Exh No:SDG&E-247	Exh 357	MOBILEHOME PARK UTILITY UPGRADE PROGRAM, REBUTTAL	Velasquez, Joseph
SDG&E	Exh No:SDG&E-251	Exh 361	ASSET MANAGEMENT, REBUTTAL	Deremer, Kenneth J
SDG&E	Exh No:SDG&E-253	Exh 93	DER PROJECTS, REBUTTAL	Reguly, Ted

EXHIBIT REFERENCE SORTED BY PARTY AND ORIGINAL EXHIBIT NUMBER

Party	Original Exhibit #	Hearing Exhibit #	Description	Witness
SCG	Exh No:SCG-01-2R	Exh 01	SOCALGAS POLICY OVERVIEW	Lane, J. Bret
SCG	Exh No:SCG-04-R	Exh 07	GAS DISTRIBUTION	Orozco-Mejia, Gina
SCG	Exh No:SCG-04-R	Exh 10A	GAS DISTRIBUTION ERRATA	Orozco-Mejia, Gina
SCG	Exh No:SCG-05-R	Exh 84	GAS SYSTEM INTEGRITY	Rivera, Omar
SCG	Exh No:SCG-06	Exh 24	GAS TRANSMISSION O&M	Musich, Beth
SCG	Exh No:SCG-07	Exh 30	GAS TRANSMISSION CAPITAL	Musich, Beth and Bermel, Michael
SCG	Exh No:SCG-07	Exh 35A	GAS TRANSMISSION CAPITAL	Musich, Beth and Bermel, Michael
SCG	Exh No:SCG-08-R	Exh 50	GAS MAJOR PROJECTS	Bermel, Michael
SCG	Exh No:SCG-09-R	Exh 60	GAS ENGINEERING	Haines, Deanna
SCG	Exh No:SCG-09-R	Exh 63B	GAS ENGINEERING ERRATA	Haines, Deanna
SCG	Exh No:SCG-10-R	Exh 273	UNDERGROUND STORAGE	Navin, Neil
SCG	Exh No:SCG-11	Exh 277	ALISO CANYON TURBINE REPLACEMENT PROJECT	Buczowski, David L.
SCG	Exh No:SCG-12	Exh 280	ALISO INCIDENT EXPENDITURE REQUIREMENTS	Steinberg, Andrew
SCG	Exh No:SCG-13	Exh 17	GAS CONTROL AND SYSTEM OPERATIONS/PLANNING	Zornizer, Devin
SCG	Exh No:SCG-14	Exh 111	PIPELINE INTEGRITY FOR TRANSMISSION AND DISTRIBUTION	Martinez, Maria T.
SCG	Exh No:SCG-14	Exh 118A	PIPELINE INTEGRITY FOR TRANSMISSION AND DISTRIBUTION ERRATA	Martinez, Maria T.
SCG	Exh No:SCG-15-R	Exh 231	PIPELINE SAFETY ENHANCEMENT PLAN (PSEP)	Phillips, Rick
SCG	Exh No:SCG-15-R	Exh 235A	PIPELINE SAFETY ENHANCEMENT PLAN (PSEP) ERRATA	Phillips, Rick
SCG	Exh No:SCG-16	Exh 282	GAS PROCUREMENT	Lazarus, Martin F.
SCG	Exh No:SCG-17-R	Exh 287	ADVANCED METERING INFRASTRUCTURE (AMI)	Garcia, Rene
SCG	Exh No:SCG-18-R	Exh 119	CS - FIELD & METER READING	Marelli, Gwen
SCG	Exh No:SCG-19-R	Exh 130	CS - OFFICE OPERATIONS	Baldwin, Michael
SCG	Exh No:SCG-19-S	Exh 131	CS - OFFICE OPERATIONS (SUPPLEMENTAL TESTIMONY)	Baldwin, Michael
SCG	Exh No:SCG-20-R	Exh 156	CS - INFORMATION	Magana, Rosalinda
SCG	Exh No:SCG-21	Exh 137	CS - TECHNOLOGIES, POLICIES & SOLUTIONS	Tomkins, Sharon

EXHIBIT REFERENCE SORTED BY PARTY AND ORIGINAL EXHIBIT NUMBER

Party	Original Exhibit #	Hearing Exhibit #	Description	Witness
SCG	Exh No:SCG-23-R	Exh 188	FLEET SERVICES & FACILITY OPERATIONS	Herrera, Carmen L.
SCG	Exh No:SCG-23-R	Exh 196A	FLEET SERVICES & FACILITY OPERATIONS ERRATA	Herrera, Carmen L.
SCG	Exh No:SCG-24	Exh 166	REAL ESTATE	Tattersall, R. Dale
SCG	Exh No:SCG-25-R	Exh 295	ENVIRONMENTAL SERVICES	Johnson, Darrell
SCG	Exh No:SCG-26	Exh 300	INFORMATION TECHNOLOGY	Olmsted, Christopher R.
SCG	Exh No:SCG-27-R	Exh 308	CYBERSECURITY	Worden, Gavin
SCG	Exh No:SCG-32	Exh 255	HUMAN RESOURCES DEPARTMENT, SAFETY, WORKERS' COMPENSATION & LONG-TERM DISABILITY	Gevorkian, Mary
SCG	Exh No:SCG-32	Exh 257A	HUMAN RESOURCES DEPARTMENT, SAFETY, WORKERS' COMPENSATION & LONG-TERM DISABILITY: CORRECTIONS	Gevorkian, Mary
SCG	Exh No:SCG-33	Exh 318	ACCOUNTING AND FINANCE/LEGAL/REGULATORY AFFAIRS/ EXTERNAL AFFAIRS	Gonzales, Ramon
SCG	Exh No:SCG-35-2R	Exh 376	RATE BASE	Moersen, Patrick
SCG	Exh No:SCG-36-R	Exh 382	DEPRECIATION	Ngai, Flora
SCG	Exh No:SCG-37-2R	Exh 261	TAXES	Reeves, Ragan G.
SCG	Exh No:SCG-38-2R	Exh 173	WORKING CASH	Chan, Karen
SCG	Exh No:SCG-39	Exh 326	GAS CUSTOMER FORECAST	Payan, Rose-Marie
SCG	Exh No:SCG-40	Exh 334	COST ESCALATION	Wilder, Scott R.
SCG	Exh No:SCG-41-2R	Exh 338	MISCELLANEOUS REVENUES	Steffen, Annette
SCG	Exh No:SCG-42	Exh 181	REGULATORY ACCOUNTS	Yu, Rae Marie Q.
SCG	Exh No:SCG-42-S	Exh 182	REGULATORY ACCOUNTS (SUPPLEMENTAL TESTIMONY)	Yu, Rae Marie Q.
SCG	Exh No:SCG-43-2R	Exh 344	SUMMARY OF EARNINGS	Hom, Ryan
SCG	Exh No:SCG-44-2R	Exh 242	POST-TEST YEAR RATEMAKING	Hrna, Sandra K.
SCG	Exh No:SCG-46-2R	Exh 349	PRESENT AND PROPOSED GAS TRANSPORTATION REVENUE & RATES	Chaudhury, Sharim
SCG	Exh No:SCG-47-R	Exh 354	MOBILEHOME PARK UTILITY UPGRADE PROGRAM	Velasquez, Joseph
SCG	Exh No:SCG-48	Exh 358	UPDATED RESULTS OF OPERATIONS REPORT	Hom, Ryan
SCG	Exh No:SCG-204	Exh 10	GAS DISTRIBUTION, REBUTTAL	Orozco-Mejia, Gina

EXHIBIT REFERENCE SORTED BY PARTY AND ORIGINAL EXHIBIT NUMBER

Party	Original Exhibit #	Hearing Exhibit #	Description	Witness
SCG	Exh No:SCG-205	Exh 86	GAS SYSTEM INTEGRITY, REBUTTAL	Rivera, Omar
SCG	Exh No:SCG-206	Exh 26	GAS TRANSMISSION O&M, REBUTTAL	Musich, Beth
SCG	Exh No:SCG-207	Exh 32	GAS TRANSMISSION CAPITAL, REBUTTAL	Musich, Beth and Bermel, Michael
SCG	Exh No:SCG-208	Exh 53	GAS MAJOR PROJECTS, REBUTTAL	Bermel, Michael
SCG	Exh No:SCG-209	Exh 63	GAS ENGINEERING, REBUTTAL	Haines, Deanna
SCG	Exh No:SCG-209	Exh 63A	GAS ENGINEERING REVISIONS TO REBUTTAL	Haines, Deanna
SCG	Exh No:SCG-209	Exh 63B	GAS ENGINEERING ERRATA	Haines, Deanna
SCG	Exh No:SCG-210	Exh 276	UNDERGROUND STORAGE, REBUTTAL	Navin, Neil
SCG	Exh No:SCG-211	Exh 279	ALISO CANYON TURBINE REPLACEMENT PROJECT, REBUTTAL	Buczowski, David L.
SCG	Exh No:SCG-213	Exh 19	GAS CONTROL AND SYSTEM OPERATIONS/PLANNING, REBUTTAL	Zornizer, Devin
SCG	Exh No:SCG-214	Exh 114	PIPELINE INTEGRITY FOR TRANSMISSION AND DISTRIBUTION, REBUTTAL	Martinez, Maria T.
SCG	Exh No:SCG-215	Exh 235	PIPELINE SAFETY ENHANCEMENT PLAN (PSEP), REBUTTAL	Phillips, Rick and Chaudhury, Sharim
SCG	Exh No:SCG-216	Exh 284	GAS PROCUREMENT, REBUTTAL	Lazarus, Martin F.
SCG	Exh No:SCG-217	Exh 290	ADVANCED METERING INFRASTRUCTURE (AMI), REBUTTAL	Garcia, Rene
SCG	Exh No:SCG-218	Exh 121	CS - FIELD & METER READING, REBUTTAL	Marelli, Gwen
SCG	Exh No:SCG-219	Exh 133	CS - OFFICE OPERATIONS , REBUTTAL	Baldwin, Michael
SCG	Exh No:SCG-219	Exh 133A	CS - OFFICE OPERATIONS REBUTTAL CORRECTIONS	Baldwin, Michael
SCG	Exh No:SCG-220	Exh 158	CS - INFORMATION, REBUTTAL	Magana, Rosalinda
SCG	Exh No:SCG-221	Exh 139	CS - TECHNOLOGIES, POLICIES & SOLUTIONS, REBUTTAL	Tomkins, Sharon
SCG	Exh No:SCG-223	Exh 192	FLEET SERVICES & FACILITY OPERATIONS, REBUTTAL	Herrera, Carmen L.
SCG	Exh No:SCG-224	Exh 168	REAL ESTATE, REBUTTAL	Tattersall, R. Dale

EXHIBIT REFERENCE SORTED BY PARTY AND ORIGINAL EXHIBIT NUMBER

Party	Original Exhibit #	Hearing Exhibit #	Description	Witness
SCG	Exh No:SCG-225	Exh 297	ENVIRONMENTAL SERVICES, REBUTTAL	Johnson, Darrell
SCG	Exh No:SCG-226	Exh 303	INFORMATION TECHNOLOGY, REBUTTAL	Olmsted, Christopher R.
SCG	Exh No:SCG-232	Exh 257	HUMAN RESOURCES DEPARTMENT, SAFETY, WORKERS' COMPENSATION & LONG-TERM DISABILITY; REBUTTAL	Gevorkian, Mary
SCG	Exh No:SCG-233	Exh 320	ACCOUNTING AND FINANCE/LEGAL/REGULATORY AFFAIRS/ EXTERNAL AFFAIRS, REBUTTAL	Gonzales, Ramon
SCG	Exh No:SCG-235	Exh 378	RATE BASE, REBUTTAL	Moersen, Patrick
SCG	Exh No:SCG-236	Exh 384	DEPRECIATION, REBUTTAL	Ngai, Flora
SCG	Exh No:SCG-237	Exh 264	TAXES, REBUTTAL	Reeves, Ragan G.
SCG	Exh No:SCG-238	Exh 175	WORKING CASH, REBUTTAL	Chan, Karen
SCG	Exh No:SCG-241	Exh 340	MISCELLANEOUS REVENUES, REBUTTAL	Steffen, Annette
SCG	Exh No:SCG-242	Exh 183	REGULATORY ACCOUNTS, REBUTTAL	Yu, Rae Marie Q.
SCG	Exh No:SCG-243	Exh 345	SUMMARY OF EARNINGS, REBUTTAL	Hom, Ryan
SCG	Exh No:SCG-244	Exh 244	POST-TEST YEAR RATEMAKING, REBUTTAL	Hrna, Sandra K.
SCG	Exh No:SCG-247	Exh 355	MOBILEHOME PARK UTILITY UPGRADE PROGRAM, REBUTTAL	Velasquez, Joseph
SCG-SDG&E	ExhNo:SCG-02-R/SDG&	Exh 03	RISK MANAGEMENT POLICY; ENTERPRISE RISK MANAGEMENT ORGANIZATION; RAMP TO GRC INTEGRATION	Day, Diana and Flores, Gregory and York, Jamie
SCG-SDG&E	ExhNo:SCG-03-R/SDG&	Exh 222	FUELING OUR FUTURE (FOF) POLICY	Baron, David and Widjaja, Don
SCG-SDG&E	Exh No:SCG-22/SDG&E	Exh 291	SUPPLY MANAGEMENT & LOGISTICS AND SUPPLIER DIVERSITY	Willoughby, Denita
SCG-SDG&E	ExhNo:SCG-28-R/SDG&	Exh 315	CORPORATE CENTER - GENERAL ADMINISTRATION	DeMontigny, Mia
SCG-SDG&E	Exh No:SCG-29/SDG&E	Exh 238	CORPORATE CENTER - INSURANCE	Cayabyab, Neil K.
SCG-SDG&E	Exh No:SCG-30/SDG&E	Exh 208	CORPORATE CENTER - COMPENSATION & BENEFITS	Robinson, Debbie S.

EXHIBIT REFERENCE SORTED BY PARTY AND ORIGINAL EXHIBIT NUMBER

Party	Original Exhibit #	Hearing Exhibit #	Description	Witness
SCG-SDG&E	Exh No:SCG-31/SDG&E	Exh 216	CORPORATE CENTER - PENSION & PBOPs	Robinson, Debbie S. and Gagne, Yannick
SCG-SDG&E	Exh No:SCG-34-2R/SDG	Exh 324	SHARED SERVICES & SHARED ASSETS BILLING, SEGMENTATION, & CAPITAL REASSIGNMENTS	Vanderhye, James
SCG-SDG&E	Exh No:SCG-45/SDG&E	Exh 348	COMPLIANCE	York, Jamie K.
SCG-SDG&E	Exh No:SCG-49/SDG&E	Exh 253	CASE MANAGEMENT EXHIBIT	Manzuk, Charles
SCG-SDG&E	Exh No:SCG-202/SDG&I	Exh 04	RISK MANAGEMENT POLICY; ENTERPRISE RISK MANAGEMENT ORGANIZATION; RAMP TO GRC INTEGRATION. REBUTTAL	Day, Diana and Flores, Gregory and York, Jamie
SCG-SDG&E	Exh No:SCG-203/SDG&I	Exh 223	FUELING OUR FUTURE (FOF) POLICY, REBUTTAL	Widjaja, Don and Baron, David
SCG-SDG&E	Exh No:SCG-222/SDG&I	Exh 294	SUPPLY MANAGEMENT & LOGISTICS AND SUPPLIER DIVERSITY, REBUTTAL	Furbush, Sydney and Chow, Joseph
SCG-SDG&E	Exh No:SCG-227/SDG&I	Exh 314	CYBERSECURITY, REBUTTAL	Worden, Gavin
SCG-SDG&E	Exh No:SCG-228/SDG&I	Exh 317	CORPORATE CENTER - GENERAL ADMINISTRATION, REBUTTAL	DeMontigny, Mia
SCG-SDG&E	Exh No:SCG-229/SDG&I	Exh 240	CORPORATE CENTER - INSURANCE, REBUTTAL	Cayabyab, Neil K.
SCG-SDG&E	Exh No:SCG-230/SDG&I	Exh 211	COMPENSATION AND BENEFITS, REBUTTAL	Robinson, Debbie S.
SCG-SDG&E	Exh No:SCG-231/SDG&I	Exh 219	PENSION AND POSTRETIREMENT BENEFITS OTHER THAN PENSION, REBUTTAL	Robinson, Debbie S. and Gagne, Yannick
SCG-SDG&E	Exh No:SCG-246/SDG&I	Exh 351	PRESENT AND PROPOSED GAS TRANSPORTATION REVENUE & RATES, REBUTTAL	Chaudhury, Sharim
SCG-SDG&E	Exh No:SCG-249/SDG&I	Exh 254	CASE MANAGEMENT EXHIBIT, REBUTTAL	Manzuk, Charles
SCG-SDG&E	Exh No:SCG-250/SDG&I	Exh 90	Safety Policy, Rebuttal	Buczowski, David L. and Geier, David L.
CforAT/SCG-SI	Joint-01	Exh 365	Accessibility Issues	Manzuk, Charles and Kasnitz, Melissa
ORA	ORA-1	Exh 396	Executive Summary	C. Tang
ORA	ORA-2	Exh 397	Summary of Earnings and Taxes	J. Oh

EXHIBIT REFERENCE SORTED BY PARTY AND ORIGINAL EXHIBIT NUMBER

Party	Original Exhibit #	Hearing Exhibit #	Description	Witness
ORA	ORA-3	Exh 398	Risk Management Policy; Enterprise Risk Management Organization; RAMP/GRC Integration; Pipeline Integrity; SoCalGas PSEP	N. Stannik, P. Li
ORA	ORA-3-E	Exh 398A	Errata to Risk Management Policy; Enterprise Risk Management Organization; RAMP/GRC Integration; Pipeline Integrity; SoCalGas PSEP	N. Stannik, P. Li
ORA	ORA-4	Exh 399	Fueling Our Future (FOF) Policy	T. Burns
ORA	ORA-5	Exh 400	SDG&E - Electric Distribution Expenses	T. Godfrey
ORA	ORA-6	Exh 401	SDG&E - Electric Distribution Capital Expenditures Part 1 of 2	T. Roberts
ORA	ORA-6-R	Exh 431	SDG&E - Electric Distribution Capital Expenditures Part 1 of 2 - REVISED	T. Roberts
ORA	ORA-7	Exh 402	SDG&E - Electric Distribution Capital Expenditures Part 2 of 2	G. Wilson
ORA	ORA-8	Exh 403	SDG&E - Electric Generation	S. Logan
ORA	ORA-9	Exh 404	SDG&E – Gas Distribution, System Integrity, and Transmission Operation	M.C.Campbell
ORA	ORA-10	Exh 405	SDG&E – Gas Transmission Capital; SoCalGas – Advanced Metering Infrastructure	M. Weaver
ORA	ORA-11	Exh 406	SoCalGas – Gas Distribution and Gas Control & System Operations/Planning	D. Phan
ORA	ORA-11-E	Exh 406A	Errata to SoCalGas – Gas Distribution and Gas Control & System Operations/Planning	D. Phan
ORA	ORA-12	Exh 407	SoCalGas – Gas System Integrity, Gas Transmission Operation, and Gas Transmission	O. Enyinwa
ORA	ORA-12-E	Exh 407A	Errata to SoCalGas – Gas System Integrity, Gas Transmission Operation, and Gas Transmission	O. Enyinwa
ORA	ORA-13	Exh 408	SoCalGas – Gas Major Projects & Gas Engineering; SDG&E – Gas Engineering	Y. Lasko
ORA	ORA-14	Exh 409	SoCalGas – Underground Storage, and Aliso Canyon Turbine Replacement	K. Lee

EXHIBIT REFERENCE SORTED BY PARTY AND ORIGINAL EXHIBIT NUMBER

Party	Original Exhibit #	Hearing Exhibit #	Description	Witness
ORA	ORA-15	Exh 410	SDG&E Electric and Fuel Procurement; SCG Gas Procurement	F. Hadiprodjo
ORA	ORA-16	Exh 411	SDG&E Customer Services – Field; Office Operations; and Information & Technologies	C. Yeh
ORA	ORA-17	Exh 412	SoCalGas Customer Services – Field & Meter Reading; Office Operations; Information; and Technologies, Policies & Solutions	C. Yeh
ORA	ORA-18	Exh 413	SDG&E – Supply Management & Logistics and Supplier Diversity; Fleet Services; Real Estate, Land Services and Facilities; and Environmental Services	M. Waterworth
ORA	ORA-19	Exh 414	SoCalGas – Supply Management & Logistics and Supplier Diversity; Fleet Services; Real Estate, Land Services and Facilities; and Environmental Services	M. Waterworth
ORA	ORA-20	Exh 415	Information Technology & Cybersecurity	M. Loy
ORA	ORA-20-E	Exh 415A	Errata to Information Technology & Cybersecurity	M. Loy
ORA	ORA-21	Exh 416	Corporate Center	L. Laserson
ORA	ORA-22	Exh 417	Compensation & Benefits; Pension & Postretirement Benefits Other Than Pension	S. Hunter
ORA	ORA-22-E	Exh 417A	Errata to Compensation & Benefits; Pension & Postretirement Benefits Other Than Pension	S. Hunter
ORA	ORA-23	Exh 418	Human Resources Department, Safety, Workers' Compensation & Long-Term Disability	S. Hunter
ORA	ORA-24	Exh 419	Accounting & Finance / Legal / Regulatory Affairs / External Affairs	F. Hadiprodjo
ORA	ORA-25	Exh 420	Shared Services & Shared Assets; Segmentation & Capital Reassignments	J. Oh
ORA	ORA-26	Exh 421	Rate Base and Working Cash (Public Version)	C. Lambert
ORA	ORA-27	Exh 422	Depreciation	C. Lambert
ORA	ORA-28	Exh 423	Cost Escalation	T. Renaghan
ORA	ORA-29	Exh 424	Customers & Miscellaneous Revenues	M. Kanter
ORA	ORA-30	Exh 425	Regulatory Accounts	S. Chia

EXHIBIT REFERENCE SORTED BY PARTY AND ORIGINAL EXHIBIT NUMBER

Party	Original Exhibit #	Hearing Exhibit #	Description	Witness
ORA	ORA-31	Exh 426	Post Test Year Ratemaking	C. Tang
ORA	ORA-32	Exh 427	Mobilehome Park Utility Upgrade Program	C. Lambert
ORA	ORA-33	Exh 428	Financial Examination & Compliance	S. Chia, J. Lee, N. Stannik
ORA	ORA-34	Exh 429	Executive Summary and Post-Test Year Ratemaking, with Tax Update	C. Tang
ORA	ORA-35	Exh 430	Summary of Earnings with Tax Update	J. Oh
UCAN	UCAN1	tbd	Prepared Testimony of J. Zeller on behalf of UCAN	J. Zeller
UCAN	UCAN2	tbd	Testimony of R. Sulpizio on behalf of UCAN	R. Sulpizio
UCAN	UCAN3	tbd	Testimony of B. Charles on behalf of UCAN	B. Charles
TURN	TURN1	Exh 490	Prepared Testimony of E. Borden on behalf of TURN	E. Borden
TURN	TURN2	Exh 492	Prepared Testimony of K. Woodruff on behalf of TURN	K. Woodruff
TURN	TURN3	Exh 494	Prepared Testimony of W. P. Marcus on behalf of TURN	W. P. Marcus
TURN	TURN4	Exh 497	Prepared Testimony of H. Goodson on behalf of TURN	H. Goodson
TURN	TURN5	Exh 498	Prepared Testimony of G. Jones and W. P. Marcus on behalf of TURN	G. Jones, W.P. Marcus
TURN	TURN6-R	Exh 501	Prepared Testimony of J. McGovern on behalf of TURN	J. McGovern
TURN	TURN7	Exh 503	Prepared Testimony of R. Finkelstein on behalf of TURN	R. Finkelstein
TURN	TURN8	Exh 504	Prepared Testimony of J. Dowdell on behalf of TURN	J. Dowdell
TURN	TURN9	Exh 505	Prepared Testimony of M. Hawiger on behalf of TURN	M. Hawiger
SDCAN	SDCAN1	Exh 220	Prepared Testimony of M. Shames on behalf of SDCAN	M. Shames
SDCAN	SDCAN2	Exh 221	Prepared Testimony of L. Conery on behalf of SDCAN	L. Conery
SBUA	SBUA1	Exh 438	Direct Testimony of M. Brown on behalf of SBUA	M. Brown
SBUA	SBUA3	Exh 440	Rebuttal Testimony of M. Brown on behalf of SBUA	M. Brown
SBUA	SBUA2	Exh 439	Opening Testimony of L. Rafii on behalf of SBUA	L. Rafii

EXHIBIT REFERENCE SORTED BY PARTY AND ORIGINAL EXHIBIT NUMBER

Party	Original Exhibit #	Hearing Exhibit #	Description	Witness
SBUA	SBUA4	Exh 441	Rebuttal Testimony of L. Rafii on behalf of SBUA	L. Rafii
CCUE	CCUE1	Exh 375	Opening Testimony of D. Kick on behalf of CCUE	D. Kick
CCUE	CCUE2	Exh 374	Opening Testimony of J. Salas on behalf of CCUE	J. Salas
CCUE	CCUE3	Exh 372	Opening Testimony of S. Mitchell on behalf of CCUE	S. Mitchell
CCUE	CCUE4	Exh 370	Opening Testimony of D. Marcus on behalf of CCUE	D. Marcus
CCUE	CCUE5	Exh 373	Opening Testimony of B. Moreno on behalf of CCUE	B. Moreno
CCUE	CCUE6	Exh 371	Rebuttal Testimony of D. Marcus on behalf of CCUE	D. Marcus
FEA	FEA	Exh 366	Direct Testimony of R. Smith on behalf of FEA	R. Smith
NDC	NDC	Exh 437	Prepared Testimony of F. Bautista on behalf of NDC	F. Bautista
SCGC	SCGC	Exh 489	Direct Testimony of C. Yap on behalf of SCGC	C. Yap
EDF	EDF-01	Exh 367	Expert Testimony of G. Lander on behalf of EDF	G. Lander
EDF	EDF-02	Exh 368	Rebuttal Testimony of G. Lander on behalf of EDF	G. Lander
EDF	EDF-03	Exh 369	Rebuttal Testimony of T. O'Connor on behalf of EDF	T. O'Connor
IS	IS	Exh 436	Direct Testimony of M. Gorman on behalf of IS	M. Gorman
SIERRA-UCS	SIERRA-UCS	Exh 475	Prepared Testimony of R. Golden on behalf of SIERRA and J. O'Dea on behalf of UCS	R. Golden, J. O'Dea
POC	POC	Exh 472	Direct Testimony of B. Powers on behalf of POC	B. Powers
POC	POC	Exh 473	Supplemental Testimony of B. Powers on behalf of POC	B. Powers
POC	POC	Exh 474	Rebuttal Testimony of B. Powers on behalf of POC	B. Powers
CLB	CLB	Exh 478	Testimony of M. Fulmer on behalf of City of LB	M. Fulmer
OSA	OSA-1	Exh 442	Prepared Testimony of C. Contreras and J. Au on behalf of OSA	C. Contreras and J. Au
CFC	CFC-1-R	Exh 488	Prepared Testimony of T. Roberts on behalf of CFC: Affordability	T. Roberts

EXHIBIT REFERENCE SORTED BY PARTY AND ORIGINAL EXHIBIT NUMBER

Party	Original Exhibit #	Hearing Exhibit #	Description	Witness
CFC	CFC-2	Exh 483	Prepared Testimony of T. Roberts on behalf of CFC: Information Technology	T. Roberts
CFC	CFC-3-R	Exh 484	Prepared Testimony of T. Roberts on behalf of CFC: Gas Distribution/DIMP	T. Roberts
CFC	CFC-4-R	Exh 485	Prepared Testimony of T. Roberts on behalf of CFC: Misc Revenues	T. Roberts
CFC	CFC-5-R	Exh 486	Prepared Testimony of T. Roberts on behalf of CFC: A&G: Office Services	T. Roberts
CFC	CFC-6	Exh 487	Prepared Testimony of T. Roberts on behalf of CFC: Property Insurance	T. Roberts
TURN-SCGC	TURN-SCGC1	Exh 506	Prepared Testimony of C. Yap on behalf of TURN and SCGC	C. Yap

Chapter 2

Differences Between SoCalGas and ORA

Chapter 2 - ORA vs. SoCalGas

Part A - O&M and Capital Expenditures

1. SCG-04-R - GAS DISTRIBUTION

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	ORA	ORA vs. SoCalGas	
1. 2GD000.000	21,070	19,821	(1,249)	2A1-a1
2. 2GD000.001	10,711	8,874	(1,837)	2A1-a2
3. 2GD000.002	16,050	14,284	(1,766)	2A1-a3
4. 2GD000.003	20,772	10,139	(10,633)	2A1-a4
5. 2GD000.004	16,997	11,390	(5,607)	2A1-a5
6. 2GD000.005	10,307	9,275	(1,032)	2A1-a6
7. 2GD002.000	14,888	13,150	(1,738)	2A1-a7
8. 2GD003.000	18,321	14,300	(4,021)	2A1-a8
9. 2GD004.000	7,378	5,419	(1,959)	2A1-a9
TOTAL	136,494	106,652	(29,842)	

CHAPTER 2A1-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

NONSHARED O&M

Subject: Field Support
Workpaper: 2GD000.000

SoCalGas Position: SoCalGas forecasts \$21.069 million of expenses in 2019 for Field Support. The work is primarily consisted of (a) field supervision; (b) clerical support; (c) dispatch operations; (d) off-production time; (e) materials support; and (f) removal of abandoned mains.

SoCalGas determined that a five-year (2012-2016) historical average forecast best reflects future base requirements for this workgroup. Added to this base are incremental work elements not reflected in the base forecast to adequately fund field support activities in TY 2019 as well as cost savings efficiencies identified as part of the FOF effort.

The costs associated with Field Support mitigation actions in support of RAMP risks are embedded in the base forecast.

Exhibit SCG-04_R, p. GOM-63 to GOM-68

ORA Position: ORA recommends \$19.821 million in expense for Field Support, which is \$1.248 million lower than SoCalGas' request.

ORA's base amount forecast is based on the 2016-2017 two-year average. ORA does not dispute SoCalGas' incremental request and FOF savings.

Exhibit ORA-11, p. 35-36

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	18,329	16,727	-1,602
NonLabor	2,741	3,094	353
Nonstandard	0	0	0
TOTAL	21,070	19,821	-1,249

CHAPTER 2A1-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

NONSHARED O&M

Subject: Leak Survey
Workpaper: 2GD000.001

SoCalGas Position: SoCalGas forecasts \$10.711 million of expenses in 2019 for Leak Survey.

The leak survey activity is a mitigation measure supporting three top safety risks identified in the RAMP Report: (1) Employee, Contractor, Customer, and Public Safety, (2) Catastrophic Damage Involving High-Pressure Pipeline Failure, and (3) Catastrophic Damage Involving Medium-Pressure Pipeline Failure.

SoCalGas chose the five-year (2012 through 2016) historical linear trend to forecast the base spending for the leak survey work. Added to base spending are incremental funding for (a) Bi-Annual high-pressure leak survey; (b) Enhanced leak survey - early vintage plastic pipe; (c) FOF savings.

Exhibit SCG-04-R, p. GOM-36 to GOM-40

ORA Position: ORA's recommendation is \$1.837million lower than SCG's request of \$10.711 million for 2019. ORA's forecast is based on using a different method to determine the base amount, recommending zero funding for additional surveys of high-pressure pipes, and \$1.690 million for pre-1986 Aldyl-A pipes.

Exhibit ORA-11, p. 13

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	10,705	8,435	-2,270
NonLabor	6	439	433
Nonstandard	0	0	0
TOTAL	10,711	8,874	-1,837

CHAPTER 2A1-a3

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

NONSHARED O&M

Subject: Locate & Mark
Workpaper: 2GD000.002

SoCalGas Position: SoCalGas forecasts \$16.050 million of expenses in 2019 for programs associated with Locate and Mark. The work is primarily consisted of (a) locating and marking SoCalGas' underground pipelines, (b) conducting job observations, (c) performing pothole operations and (d) performing depth checks.

The Locate and Mark forecast is based on the linear trend observed during the last five years (2012 through 2016). Added to this base forecast are USA ticket price increase and vacuum technology for potholing. The Locate and Mark survey activity is a mitigation measure identified in the RAMP Report: (1) Catastrophic Damage Involving Third-Party Dig-Ins.

Exhibit SCG-04-R, p. GOM-31 to GOM-36

ORA Position: ORA recommends a forecast of \$14.284 million which is \$1.766 million lower than SDG&E's request. ORA's forecast is based on applying a different method to determine the base amount. ORA does not take issue with SCG's request of \$111,000 for USA ticket price increase and \$500,000 to increase its capacity to locate and mark accurately using keyhole technology.

Exhibit ORA-11, p. 10

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	14,590	12,339	-2,251
NonLabor	1,460	1,945	485
Nonstandard	0	0	0
TOTAL	16,050	14,284	-1,766

CHAPTER 2A1-a4

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

NONSHARED O&M

Subject: Main Maintenance
Workpaper: 2GD000.003

SoCalGas Position: SoCalGas forecasts \$20.772 million of expenses in 2019 for Main Maintenance. The work is primarily comprised of (a) leak evaluation; (b) leak repairs; (c) franchise alterations; (d) compliance maintenance; and (e) miscellaneous maintenance.

SoCalGas uses a five-year (2012 through 2016) historical linear trend to forecast base expenses excluding damage credits. For the damage credits component of this workgroup, SoCalGas uses a five-year (2012 through 2016) average to forecast future expense. Adding to the base amount is incremental funding requested for leak repairs offset by FOF savings.

RAMP costs are included in SoCalGas' 2019 forecast.

Exhibit SCG-04-R, p. GOM-49 to GOM-56.

ORA Position: ORA recommends \$10.139 million for 2019 based on differing forecast methodology, and zero funding for incremental expenses. ORA accepts SCG's FOF credit amount of \$1.244 million.

Exhibit ORA-11. p. 22

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	12,718	4,037	-8,681
NonLabor	8,054	6,102	-1,952
Nonstandard	0	0	0
TOTAL	20,772	10,139	-10,633

CHAPTER 2A1-a5

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

NONSHARED O&M

Subject: Service Maintenance
Workpaper: 2GD000.004

SoCalGas Position: SoCalGas forecasts \$16.997 million of expenses in 2019 for Service Maintenance. The work is primarily comprised of (1) evaluation and repair of service leaks; (2) service alteration; (3) MSA alterations and meter guard replacements; and (4) miscellaneous service and MSA maintenance.

SoCalGas used a five-year (2012 through 2016) linear trend to forecast the base level of funding needed for TY 2019. Added to this base are incremental work elements not reflected in the base forecast to adequately fund service maintenance activities in TY 2019. These work elements include MSA maintenance; meter guards; chronically inaccessible MSAs - disconnect service; offset by FOF savings.

RAMP costs are included in 2019 forecast.

Exhibit SCG-04-R, p. GOM-56 to GOM-61.

ORA Position: ORA recommends \$11.390 million for 2019. ORA's recommendation is derived from a lower base amount, no funding for the requested 3 incremental increases, and the \$75,000 FOF credit.

ORA recommends that base amount be an average of the 2016 and 2017 recorded spending.

Exhibit ORA-11, p. 28-29

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	14,410	8,119	-6,291
NonLabor	2,587	3,271	684
Nonstandard	0	0	0
TOTAL	16,997	11,390	-5,607

CHAPTER 2A1-a6

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

NONSHARED O&M

Subject: Tools Fittings & Materials
Workpaper: 2GD000.005

SoCalGas Position: SoCalGas forecasts \$10.307 million of expenses in 2019 for Tools, Fittings, and Materials. Recorded to this workgroup is the purchase of small tools, small pipe fittings, miscellaneous pipeline materials, and miscellaneous installation materials used during construction and maintenance activities and those held in inventory as vehicle truck stock.

SoCalGas used a five-year (2012 through 2016) historical linear trend to forecast future needs for tools, fittings and materials. Added to this base are incremental cost elements not reflected in the base forecast for TY 2019. These cost elements include (1) calibrated tools; (2) OMD cages; (3) MSA maintenance activities; (4) meter guard activities; and (5) OMD maintenance.

Exhibit SCG-04-R, p. GOM-69 to GOM-72

ORA Position: ORA disputes SCG's methodology and recommends \$9.275 million as the 2019 forecast instead. ORA's recommendation is based on using the 5-year (2013-2017) average of recorded expenses, which is \$8.519 million, as the base year, plus an incremental increase of \$756,000, for a total of \$9.275 million for 2019.

Exhibit ORA-11, p. 37

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	10,307	9,275	-1,032
Nonstandard	0	0	0
TOTAL	10,307	9,275	-1,032

CHAPTER 2A1-a7

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

NONSHARED O&M

Subject: Measurement & Regulation
Workpaper: 2GD002.000

SoCalGas Position: SoCalGas forecasts \$14.888 million of expenses in 2019 for M&R. Recorded to this workgroup are labor and non-labor expenses for maintaining and operating regulator stations, medium and large MSAs, also known as customer meters, and associated components.

SoCalGas chose a five-year (2012 through 2016) linear trend to forecast the base funding requirement for TY 2019. Added to this base are incremental work elements not reflected in the base forecast for TY 2019. These work elements include (1) AMI remediation; (2) meter transmission unit (MTU) battery replacements; offset by (3) FOF savings.

RAMP costs are included in SoCalGas' 2019 forecast.

Exhibit SCG-04-R, p. GOM-40 to GOM-45

ORA Position: ORA recommends \$13.150 million as its 2019 expense forecast, which is \$1.738 million lower than SCG's request. ORA's recommendation is based on applying a different method to determine the base amount, accepting SCG's incremental requests for AMI remediation and MTU battery replacements, plus SCG's proposed credits for FOF and for AMI.

Exhibit ORA-11, p. 17-18

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	12,147	10,075	-2,072
NonLabor	2,741	3,075	334
Nonstandard	0	0	0
TOTAL	14,888	13,150	-1,738

CHAPTER 2A1-a8

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

NONSHARED O&M

Subject: Cathodic Protection
Workpaper: 2GD003.000

SoCalGas Position: SoCalGas forecasts \$18.322 million of expenses in 2019 for Cathodic Protection. Cathodic protection is one method for mitigating external corrosion on steel pipelines.

A five-year (2012 through 2016) historical linear trend was used to forecast the base expense for this workgroup. Added to this base are work elements related to incremental cathodic protection system enhancement in TY 2019, offset by FOF savings.

RAMP costs are included in SoCalGas' 2019 forecast.

Exhibit SCG-04-R, p. GOM-45 to GOM-48

ORA Position: ORA recommends \$14.300 million for 2019. ORA's recommendation is based on applying a different method to determine the base amount, accepting SCG's incremental request for CP system enhancement, and the FOF benefit amount.

Exhibit ORA-11, p.20

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	10,542	7,053	-3,489
NonLabor	7,779	7,247	-532
Nonstandard	0	0	0
TOTAL	18,321	14,300	-4,021

CHAPTER 2A1-a9

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

NONSHARED O&M

Subject: Operations and Management
Workpaper: 2GD004.000

SoCalGas Position: SoCalGas forecasts \$7.377 million of expenses in 2019 for Operations and Management. The activities completed within this workgroup are categorized as Operations Leadership and Field Management.

SoCalGas used the five-year (2012 through 2016) linear trend expense as the forecast for the level of leadership, management, support, and associated non-labor to maintain current operations. Added to this base are incremental work elements not reflected in the base forecast for TY 2019. These work elements are (1) Project Advisors - Leak Repairs; (2) Project Manager - Leak Repairs; (3) Director of Workforce Planning & Resource Management; (4) Continuous Improvement Operations Manager; and (5) Resumption of Routine Operations.

Exhibit SCG-04-R, p. GOM-77 to GOM-80

Note: figure differs from table below due to rounding.

ORA Position: ORA recommends \$5.419 million for 2019, which is \$1.958 million lower than SCG's forecast of \$7.377 million.

ORA's recommendation is determined by using a different method to determine the base year. SCG's request for additional incremental funding should be rejected because the utility hired the total number of employees forecasted for 2019 by the end of 2017.

Exhibit ORA-11, p. 40

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	3,597	2,149	-1,448
NonLabor	3,781	3,270	-511
Nonstandard	0	0	0
TOTAL	7,378	5,419	-1,959

Chapter 2 - ORA vs. SoCalGas

Part A - O&M and Capital Expenditures

1. SCG-04-R - GAS DISTRIBUTION

b. CAPITAL

Project	2017+2018+2019 (in 2016 \$, 000s)			Reference
	SoCalGas	ORA	ORA vs. SoCalGas	
1. 00151.0.ALL	128,776	124,896	(3,880)	2A1-b1
2. 00163.0.ALL	68,333	84,954	16,621	2A1-b2
3. 00164.0.ALL	13,823	0	(13,823)	2A1-b3
4. 00173.0.ALL	24,265	22,645	(1,620)	2A1-b4
5. 00181.0.ALL	2,315	0	(2,315)	2A1-b5
6. 00182.0.ALL	2,759	1,278	(1,481)	2A1-b6
7. 00251.0.ALL	69,264	70,417	1,153	2A1-b7
8. 00252.0.ALL	101,133	103,160	2,027	2A1-b8
9. 00254.0.ALL	31,565	27,288	(4,277)	2A1-b9
10. 00256.0.ALL	94,411	98,546	4,135	2A1-b10
11. 00261.0.ALL	23,511	8,892	(14,619)	2A1-b11
12. 00262.0.ALL	53,682	46,982	(6,700)	2A1-b12
13. 00264.0.ALL	16,957	0	(16,957)	2A1-b13
14. 00265.0.ALL	42,708	21,489	(21,219)	2A1-b14
15. 00267.0.ALL	12,627	10,251	(2,376)	2A1-b15
16. 00270.0.ALL	9,891	12,298	2,407	2A1-b16
17. 00280.0.ALL	4,379	0	(4,379)	2A1-b17
18. 00725.0.ALL	40,928	29,786	(11,142)	2A1-b18
19. 00903.0.ALL	206,227	185,118	(21,109)	2A1-b19
TOTAL	947,554	848,000	(99,554)	

CHAPTER 2A1-b1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

CAPITAL EXPENDITURES

Project: New Business
Budget Code: 00151.0.ALL

SoCalGas Position: SoCalGas requests \$36.632 million for 2017, \$45.313 million for 2018, and \$50.393 million for 2019 for New Business.

The new business forecast is based on the following components: (a) New Business Construction, (b) Advanced Metering Infrastructure (AMI), (c) New Business Trench Reimbursements, and (d) New Business Forfeitures.

WPG	2017	2018	2019
001510.001	\$42,244	\$50,925	\$54,534
001510.001	\$697	\$697	\$697
001510.002	-\$6,309	-\$6,309	-\$6,309
001510.003	\$0	\$0	\$1,471
Total	\$36,632	\$45,313	\$50,393

Exhibit SCG-04-R, p. GOM-93 to GOM-96

ORA Position: ORA recommends \$43.342 million for 2017, which is a 2017 adjusted-recorded amount. ORA recommends \$37.212 million for 2018, and \$47.904 million for 2019.

ORA disagrees with SoCalGas' forecasts for New Business Construction and New Business Forfeitures. ORA does not take issues with SoCalGas' forecasts for Advanced Metering Infrastructure and New Business Trench Reimbursements.

Exhibit ORA-11, p. 47-50

Note: Table below shows only the projects (new business construction and new business forfeitures) with forecast differences between SCG and ORA.

In SCG's rebuttal (SCG-204, p. GOM-93), SCG does not oppose application of 2017 recorded new business trench reimbursements and new business forfeitures, resulting in a lower 2017 recorded costs for new business construction. For 2018, ORA acknowledges SoCalGas' base forecast for new business construction, but incorrectly uses \$45.313 million, instead of \$50.925 million.

CHAPTER 2A1-b1

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
001510.001	42,244	50,925	54,534	147,703
001510.002	-6,309	-6,309	-6,309	-18,927
Total	35,935	44,616	48,225	128,776

ORA	2017	2018	2019	Total
001510.001	51,443	45,313	54,534	151,290
001510.002	-8,798	-8,798	-8,798	-26,394
Total	42,645	36,515	45,736	124,896

Difference	2017	2018	2019	Total
001510.001	9,199	-5,612	0	3,587
001510.002	-2,489	-2,489	-2,489	-7,467
Total	6,710	-8,101	-2,489	-3,880

CHAPTER 2A1-b2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

CAPITAL EXPENDITURES

Project: Measurement and Regulation Devices
Budget Code: 00163.0.ALL

SoCalGas Position: SoCalGas requests \$22.266 million for 2017, \$29.547 million for 2018, and \$37.037 million for 2019 for Measurement and Regulation (M&R) Devices.

The M&R Devices work category includes expenditures for the purchase of gas meters, regulators, electronic gas pressure and temperature correction equipment, and electronic pressure monitors.

WPG	2017	2018	2019
001630.001	\$16,289	\$22,206	\$29,838
001640.001	\$3,733	\$4,962	\$5,128
001810.001	\$577	\$577	\$577
001810.002	\$252	\$332	\$0
002800.001	\$1,415	\$1,470	\$1,494
Total	\$22,266	\$29,547	\$37,037

Exhibit SCG-04-R. p. GOM-126

ORA Position: For this workpaper group that includes four budget codes (163; 164; 181; 280), ORA recommends using the 2017 recorded expenditures of \$18.370 million. ORA does not take issue with SCG's request for \$29.547 million for 2018 and 37.037 million for 2019. In ORA's testimony and RO model, it appears that ORA combined the forecasts for all four budget codes into just one (163):

WPG	2017	2018	2019
001630.001	\$18,370	\$29,547	\$37,037
001640.001	\$0	\$0	\$0
001810.001	\$0	\$0	\$0
001810.002	\$0	\$0	\$0
002800.001	\$0	\$0	\$0
Total	\$18,370	\$29,547	\$37,037

Exhibit ORA-11, p. 76

Note: Figures in the table below are from parties' RO models. SCG's figures are for budget code 163 only (purchase of gas meters). Since ORA combined all forecasts into one budget code, ORA's figures are for all four budget codes (purchases of all M&R devices).

CHAPTER 2A1-b2

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
001630.001	16,289	22,206	29,838	68,333
Total	16,289	22,206	29,838	68,333

ORA	2017	2018	2019	Total
001630.001	18,370	29,547	37,037	84,954
Total	18,370	29,547	37,037	84,954

Difference	2017	2018	2019	Total
001630.001	2,081	7,341	7,199	16,621
Total	2,081	7,341	7,199	16,621

CHAPTER 2A1-b3

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

CAPITAL EXPENDITURES

Project: Measurement and Regulation Devices
Budget Code: 00164.0.ALL

SoCalGas Position: SoCalGas requests \$22.266 million for 2017, \$29.547 million for 2018, and \$37.037 million for 2019 for Measurement and Regulation (M&R) Devices.

The M&R Devices work category includes expenditures for the purchase of gas meters, regulators, electronic gas pressure and temperature correction equipment, and electronic pressure monitors.

WPG	2017	2018	2019
001630.001	\$16,289	\$22,206	\$29,838
001640.001	\$3,733	\$4,962	\$5,128
001810.001	\$577	\$577	\$577
001810.002	\$252	\$332	\$0
002800.001	\$1,415	\$1,470	\$1,494
Total	\$22,266	\$29,547	\$37,037

Exhibit SCG-04-R. p. GOM-126

ORA Position: For this workpaper group that includes four budget codes (163; 164; 181; 280), ORA recommends using the 2017 recorded expenditures of \$18.370 million. ORA does not take issue with SCG's request for \$29.547 million for 2018 and 37.037 million for 2019. In ORA's testimony and RO model, it appears that ORA combined the forecasts for all four budget codes into just one (163):

WPG	2017	2018	2019
001630.001	\$18,370	\$29,547	\$37,037
001640.001	\$0	\$0	\$0
001810.001	\$0	\$0	\$0
001810.002	\$0	\$0	\$0
002800.001	\$0	\$0	\$0
Total	\$18,370	\$29,547	\$37,037

Exhibit ORA-11, p. 74

Note: Figures in the table below are from parties' RO models. SCG's figures are for budget code 164 only (purchase of gas regulators). Since ORA combined all forecasts into one budget code (163), ORA's forecasts for the purchases of regulators are included in Budget Code 001630.001.

CHAPTER 2A1-b3

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
001640.001	3,733	4,962	5,128	13,823
Total	3,733	4,962	5,128	13,823

ORA	2017	2018	2019	Total
001640.001	0	0	0	0
Total	0	0	0	0

Difference	2017	2018	2019	Total
001640.001	-3,733	-4,962	-5,128	-13,823
Total	-3,733	-4,962	-5,128	-13,823

CHAPTER 2A1-b4

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

CAPITAL EXPENDITURES

Project: Cathodic Protection Capital
Budget Code: 00173.0.ALL

SoCalGas Position: SoCalGas requests \$6.320 million for 2017, \$8.434 million for 2018, and \$9.511 million for 2019.

SoCalGas selected a five-year (2012 through 2016) linear trend for its base forecasts, plus incremental costs for Remote Monitoring Units (RMU).

The Cathodic Protection activity is a mitigation measure identified in the RAMP report: (1) Catastrophic Damage Involving Medium-Pressure Pipeline Failure, (2) Employee, Contractor, and Public Safety.

RAMP costs are included in SoCalGas' forecasts.

Exhibit SCG-04-R, p. GOM-112 to GOM-115

ORA Position: ORA recommends using the 2017 recorded expenditures of \$8.264 million as the 2017 forecast. ORA recommends \$6.059 million 2018 and \$8.322 million for 2019.

ORA recommends using the 3-year (2015-2017) average expenditures of Cathodic Protection as the base amount. ORA does not take issue with SCG's request of incremental expenditures for RMU replacements.

Exhibit ORA-11, p. 66-67

Note: ORA's figures shown in table below are from its RO model. It appears that ORA's forecasts for all three projects are summarized and shown under project 001730.001.

In SCG's rebuttal (SCG-204, p. GOM-117), SCG does not oppose to adopting 2017 recorded amount.

CHAPTER 2A1-b4

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
001730.001	1,913	1,339	1,459	4,711
001730.002	499	1,999	2,462	4,960
001730.003	3,908	5,096	5,590	14,594
Total	6,320	8,434	9,511	24,265

ORA	2017	2018	2019	Total
001730.001	8,264	6,059	8,322	22,645
001730.002	0	0	0	0
001730.003	0	0	0	0
Total	8,264	6,059	8,322	22,645

Difference	2017	2018	2019	Total
001730.001	6,351	4,720	6,863	17,934
001730.002	-499	-1,999	-2,462	-4,960
001730.003	-3,908	-5,096	-5,590	-14,594
Total	1,944	-2,375	-1,189	-1,620

CHAPTER 2A1-b5

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

CAPITAL EXPENDITURES

Project: Measurement and Regulation Devices
Budget Code: 00181.0.ALL

SoCalGas Position: SoCalGas requests \$22.266 million for 2017, \$29.547 million for 2018, and \$37.037 million for 2019 for Measurement and Regulation (M&R) Devices.

The M&R Devices work category includes expenditures for the purchase of gas meters, regulators, electronic gas pressure and temperature correction equipment, and electronic pressure monitors.

WPG	2017	2018	2019
001630.001	\$16,289	\$22,206	\$29,838
001640.001	\$3,733	\$4,962	\$5,128
001810.001	\$577	\$577	\$577
001810.002	\$252	\$332	\$0
002800.001	\$1,415	\$1,470	\$1,494
Total	\$22,266	\$29,547	\$37,037

Exhibit SCG-04-R. p. GOM-126

ORA Position: For this workpaper group that includes four budget codes (163; 164; 181; 280), ORA recommends using the 2017 recorded expenditures of \$18.370 million. ORA does not take issue with SCG's request for \$29.547 million for 2018 and 37.037 million for 2019. In ORA's testimony and RO model, it appears that ORA combined the forecasts for all four budget codes into just one (163):

WPG	2017	2018	2019
001630.001	\$18,370	\$29,547	\$37,037
001640.001	\$0	\$0	\$0
001810.001	\$0	\$0	\$0
001810.002	\$0	\$0	\$0
002800.001	\$0	\$0	\$0
Total	\$18,370	\$29,547	\$37,037

Exhibit ORA-11, p. 74

Note: Figures in the table below are from parties' RO models. SCG's figures are for budget code 181 only (purchase of EPMs). Since ORA combined all forecasts into one budget code (163), ORA's forecasts for the purchases EPMs are included in Budget Code 001630.001.

CHAPTER 2A1-b5

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
001810.001	577	577	577	1,731
001810.002	252	332	0	584
Total	829	909	577	2,315

ORA	2017	2018	2019	Total
001810.001	0	0	0	0
001810.002	0	0	0	0
Total	0	0	0	0

Difference	2017	2018	2019	Total
001810.001	-577	-577	-577	-1,731
001810.002	-252	-332	0	-584
Total	-829	-909	-577	-2,315

CHAPTER 2A1-b6

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

CAPITAL EXPENDITURES

Project: Remote Mtr Reading
Budget Code: 00182.0.ALL

SoCalGas Position: SoCalGas requests \$0.727 million for 2017, \$2.032 million for 2018, and \$0 million for 2019 for Remote Meter Reading.

Exhibit SCG-04-R, p. GOM-142

ORA Position: ORA recommends adopting the 2017 recorded expenditure of \$1.278 million for Remote Meter Reading. ORA recommends no funding for 2018.

Exhibit ORA-11, p. 82

Note: 1. In SCG's rebuttal (Exhibit SCG-204, p. GOM-142, footnote 497), SCG noted a discrepancy that decreases SCG's 2017-2018 total request by \$0.340 million, from \$2.759 million to \$2.419 million.

2. SCG will not contest ORA's recommendation (Exhibit SCG-204, p. GOM-143).

Proposed Capital Expenditures (in thousands of 2016 dollars)

	2017	2018	2019	Total
SCG				
001820.001	727	2,032	0	2,759
Total	727	2,032	0	2,759
ORA				
001820.001	1,278	0	0	1,278
Total	1,278	0	0	1,278
Difference				
001820.001	551	-2,032	0	-1,481
Total	551	-2,032	0	-1,481

CHAPTER 2A1-b7

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

CAPITAL EXPENDITURES

Project: Pressure Betterments
Budget Code: 00251.0.ALL

SoCalGas Position: SoCalGas requests \$23.088 million each year for 2017 - 2019 for Pressure Betterment.

Exhibit SCG-04-R, p. GOM-97

ORA Position: ORA does not take issue with SCG's request for Pressure Betterment expenditures for 2018-2019. ORA recommends adopting the 2017 recorded expenditures of \$24.241 million as the 2017 forecast.

Exhibit ORA-11, p. 52

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
002510.001	23,088	23,088	23,088	69,264
Total	23,088	23,088	23,088	69,264
ORA	2017	2018	2019	Total
002510.001	24,241	23,088	23,088	70,417
Total	24,241	23,088	23,088	70,417
Difference	2017	2018	2019	Total
002510.001	1,153	0	0	1,153
Total	1,153	0	0	1,153

CHAPTER 2A1-b8

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

CAPITAL EXPENDITURES

Project: Main Replacements
Budget Code: 00252.0.ALL

SoCalGas Position: SoCalGas requests \$33.711 million each year for 2017-2019 for Main Replacements.

RAMP costs are included in SoCalGas' forecasts.

Exhibit SCG-04-R, p. GOM-101 to GOM-102

ORA Position: ORA does not take issue with SCG's request of \$33.711 million each year for 2018 and 2019. ORA recommends adopting the SCG 2017 recorded expenditures of \$35.738 million for 2017.

Exhibit ORA-11, p. 54

Proposed Capital Expenditures (in thousands of 2016 dollars)

	2017	2018	2019	Total
SCG				
002520.001	31,565	31,565	31,565	94,695
002520.002	2,146	2,146	2,146	6,438
Total	33,711	33,711	33,711	101,133
ORA				
002520.001	35,738	33,711	33,711	103,160
002520.002	0	0	0	0
Total	35,738	33,711	33,711	103,160
Difference				
002520.001	4,173	2,146	2,146	8,465
002520.002	-2,146	-2,146	-2,146	-6,438
Total	2,027	0	0	2,027

CHAPTER 2A1-b9

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

CAPITAL EXPENDITURES

Project: Main & Service Abandonments
Budget Code: 00254.0.ALL

SoCalGas Position: SoCalGas requests \$9.256 million for 2017, \$10.522 million for 2018, and \$11.787 million for 2019 for Main and Service Abandonments.

Exhibit SCG-04-R, p. GOM-106

ORA Position: ORA recommends \$9.312 million for 2017. For 2018 and 2019, ORA recommends \$8.988 million annually.

Exhibit ORA-11, p. 57

Note: In SCG's rebuttal (SCG-204, p. GOM-104), SCG does not oppose to adopting 2017 recorded amount.

Proposed Capital Expenditures (in thousands of 2016 dollars)

	2017	2018	2019	Total
SCG				
002540.001	9,256	10,522	11,787	31,565
Total	9,256	10,522	11,787	31,565
ORA				
002540.001	9,312	8,988	8,988	27,288
Total	9,312	8,988	8,988	27,288
Difference				
002540.001	56	-1,534	-2,799	-4,277
Total	56	-1,534	-2,799	-4,277

CHAPTER 2A1-b10

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

CAPITAL EXPENDITURES

Project: Service Replacements
Budget Code: 00256.0.ALL

SoCalGas Position: SoCalGas requests \$28.538 million for 2017, \$31.470 million for 2018, and \$34.403 million for 2019 for Service Replacement.

RAMP costs are included in SoCalGas' forecasts.

Exhibit SCG-04-R, p. GOM-104

ORA Position: For 2017, ORA recommends adopting the 2017 recorded spending of \$35.205 million. ORA does not dispute SCG's forecast for 2018. As for 2019, ORA recommends \$31.871 million.

Exhibit ORA-11, p. 57

Note: ORA's recommendation for 2017 incorrectly shows as \$35.2015 million in ORA-11 (Page 57, Line 7). The correct figure should be \$35.205.

In SCG's rebuttal (SCG-204, p. GOM-100), SCG does not oppose to adopting 2017 recorded amount.

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
002560.001	26,388	29,212	31,877	87,477
002560.002	2,150	2,258	2,526	6,934
Total	28,538	31,470	34,403	94,411

ORA	2017	2018	2019	Total
002560.001	35,205	31,470	31,871	98,546
002560.002	0	0	0	0
Total	35,205	31,470	31,871	98,546

Difference	2017	2018	2019	Total
002560.001	8,817	2,258	-6	11,069
002560.002	-2,150	-2,258	-2,526	-6,934
Total	6,667	0	-2,532	4,135

CHAPTER 2A1-b11

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

CAPITAL EXPENDITURES

Project: Pipeline Relocations - Freeway
Budget Code: 00261.0.ALL

SoCalGas Position: SoCalGas requests \$7.837 million each year for 2017-2019 for Pipeline Relocations - Freeway.

Exhibit SCG-04-R, p. GOM-116

ORA Position: ORA recommends adopting the 2017 recorded expenditures of \$1.402 million as the 2017 forecast for Pipeline Relocations-Freeway. ORA recommends \$3.745 million each year for 2018 and 2019.

Exhibit ORA-11, p. 68

Note: In SCG's rebuttal (SCG-204, p. GOM-121), SCG does not oppose to adopting 2017 recorded amount.

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
002610.001	744	744	744	2,232
002610.002	7,093	7,093	7,093	21,279
Total	7,837	7,837	7,837	23,511

ORA	2017	2018	2019	Total
002610.001	0	0	0	0
002610.002	1,402	3,745	3,745	8,892
Total	1,402	3,745	3,745	8,892

Difference	2017	2018	2019	Total
002610.001	-744	-744	-744	-2,232
002610.002	-5,691	-3,348	-3,348	-12,387
Total	-6,435	-4,092	-4,092	-14,619

CHAPTER 2A1-b12

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

CAPITAL EXPENDITURES

Project: Pipeline Relocations - Franchise
Budget Code: 00262.0.ALL

SoCalGas Position: SoCalGas requests \$17.894 million each year for 2017-2019 for Pipeline Relocations - Franchise.

Exhibit SCG-04-R, p. GOM-118

ORA Position: ORA recommends the 2017 recorded expenditures of \$13.200 million as the 2017 forecast, and \$16.891 million each year for 2018 and 2019.

Exhibit ORA-11, p. 69-70

Note: In SCG's rebuttal (SCG-204, p. GOM-124), SCG does not oppose to adopting 2017 recorded amount.

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
002620.001	1,575	1,575	1,575	4,725
002620.002	16,319	16,319	16,319	48,957
Total	17,894	17,894	17,894	53,682

ORA	2017	2018	2019	Total
002620.001	0	0	0	0
002620.002	13,200	16,891	16,891	46,982
Total	13,200	16,891	16,891	46,982

Difference	2017	2018	2019	Total
002620.001	-1,575	-1,575	-1,575	-4,725
002620.002	-3,119	572	572	-1,975
Total	-4,694	-1,003	-1,003	-6,700

CHAPTER 2A1-b13

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

CAPITAL EXPENDITURES

Project: Other Distribution Capital Projects and Meter Guards
Budget Code: 00264.0.ALL

SoCalGas Position: SoCalGas requests \$0.359 million for 2017, \$8.299 million each year for 2018 - 2019. SoCalGas forecasts this work category using a zero-based approach.

Exhibit SCG-04-R, p. GOM-123 to GOM-124

ORA Position: ORA recommends no incremental funding for 2018 and 2019 compared to SCG's request of \$8.299 million each year.

Exhibit ORA-11, p. 70

- Note:**
1. In SCG's rebuttal (SCG-204, p. GOM-128), SCG does not oppose to adopting 2017 recorded amount.
 2. ORA's 2017 figure of \$0 in the table below is from its RO model. Its testimony (Exhibit ORA-11, p. 70) shows \$542, which is the correct recorded figure.

Proposed Capital Expenditures (in thousands of 2016 dollars)

	2017	2018	2019	Total
SCG				
002640.001	359	8,299	8,299	16,957
Total	359	8,299	8,299	16,957
ORA				
002640.001	0	0	0	0
Total	0	0	0	0
Difference				
002640.001	-359	-8,299	-8,299	-16,957
Total	-359	-8,299	-8,299	-16,957

CHAPTER 2A1-b14

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

CAPITAL EXPENDITURES

Project: Regulator Stations
Budget Code: 00265.0.ALL

SoCalGas Position: SoCalGas requests \$8.636 million for 2017, \$14.636 million for 2018, and \$19.436 million for 2019 for Regulator Stations.

SoCalGas' forecasts include RAMP-related costs, and incremental costs for the acceleration of regulator station replacements.

The Regulator Station activity is a mitigation measure identified in the RAMP report: (1) Catastrophic Damage Involving Medium-Pressure Pipeline Failure, (2) Catastrophic Damage Involving Medium-Pressure Pipeline Failure

Exhibit SCG-04-R, p. GOM-109 to GOM-111

ORA Position: ORA recommends recorded amount of \$6.427 million for Regulator Stations for 2017. For 2018 and 2019, ORA recommends \$7.531 million annually for Regulator Stations, and no funding for the incremental request to accelerate the replacement of regulator stations.

Exhibit ORA-11, pp. 59-65

Note: In SCG's rebuttal (SCG-204, p. GOM-107), SCG does not oppose to adopting 2017 recorded amount.

Proposed Capital Expenditures (in thousands of 2016 dollars)

	2017	2018	2019	Total
SCG				
002650.001	8,409	14,409	19,209	42,027
002650.002	185	185	185	555
002650.003	42	42	42	126
Total	8,636	14,636	19,436	42,708
ORA				
002650.001	6,427	7,531	7,531	21,489
002650.002	0	0	0	0
002650.003	0	0	0	0
Total	6,427	7,531	7,531	21,489
Difference				
002650.001	-1,982	-6,878	-11,678	-20,538
002650.002	-185	-185	-185	-555
002650.003	-42	-42	-42	-126
Total	-2,209	-7,105	-11,905	-21,219

CHAPTER 2A1-b15

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

CAPITAL EXPENDITURES

Project: Supply Line Replacements
Budget Code: 00267.0.ALL

SoCalGas Position: SoCalGas requests \$4.209 million each year for 2017-2019 for Supply Line Replacements.

The costs associated with this RAMP activity are included in the Supply Line Replacements base forecast for the years 2017 through 2019.

Exhibit SCG-04-R, p. GOM-99 to GOM-100

ORA Position: For the 2017 forecast, ORA recommends adopting the 2017 recorded amount of \$1.833 million. ORA does not take issue with SCG's forecasts for 2018 and 2019.

Exhibit ORA-11, pp. 52-53

Note: In SCG's rebuttal (SCG-204, p. GOM-97), SCG does not oppose to adopting 2017 recorded amount.

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
002670.001	4,209	4,209	4,209	12,627
Total	4,209	4,209	4,209	12,627
ORA	2017	2018	2019	Total
002670.001	1,833	4,209	4,209	10,251
Total	1,833	4,209	4,209	10,251
Difference	2017	2018	2019	Total
002670.001	-2,376	0	0	-2,376
Total	-2,376	0	0	-2,376

CHAPTER 2A1-b16

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

CAPITAL EXPENDITURES

Project: Other Distr Prj-Coll
Budget Code: 00270.0.ALL

SoCalGas Position: SoCalGas requests \$3.297 million each year for 2017-2019 for Other Distribution Capital Projects.

SoCalGas used the historical five-year (2012 through 2016) average to forecast expenditures.

RAMP costs are included in SoCalGas' forecasts.

Exhibit ORA-04-R, p. GOM-121

ORA Position: ORA recommends using the 2017 recorded expenditures, \$5.704 million as the 2017 forecast. ORA does not dispute SCG's method to determine the base amount of \$3.297 million for 2018 and 2019.

Exhibit ORA-11, p. 71

Note: In SCG's rebuttal (SCG-204, p. GOM-127), SCG does not oppose to adopting 2017 recorded amount.

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
002700.001	2,094	2,094	2,094	6,282
002700.002	1,168	1,176	1,176	3,520
002700.003	13	5	5	23
002700.004	22	22	22	66
Total	3,297	3,297	3,297	9,891
ORA	2017	2018	2019	Total
002700.001	0	0	0	0
002700.002	5,704	3,297	3,297	12,298
002700.003	0	0	0	0
002700.004	0	0	0	0
Total	5,704	3,297	3,297	12,298
Difference	2017	2018	2019	Total
002700.001	-2,094	-2,094	-2,094	-6,282
002700.002	4,536	2,121	2,121	8,778
002700.003	-13	-5	-5	-23
002700.004	-22	-22	-22	-66
Total	2,407	0	0	2,407

CHAPTER 2A1-b17

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

CAPITAL EXPENDITURES

Project: Measurement and Regulation Devices
Budget Code: 00280.0.ALL

SoCalGas Position: SoCalGas requests \$22.266 million for 2017, \$29.547 million for 2018, and \$37.037 million for 2019 for Measurement and Regulation (M&R) Devices.

The M&R Devices work category includes expenditures for the purchase of gas meters, regulators, electronic gas pressure and temperature correction equipment, and electronic pressure monitors.

WPG	2017	2018	2019
001630.001	\$16,289	\$22,206	\$29,838
001640.001	\$3,733	\$4,962	\$5,128
001810.001	\$577	\$577	\$577
001810.002	\$252	\$332	\$0
002800.001	\$1,415	\$1,470	\$1,494
Total	\$22,266	\$29,547	\$37,037

Exhibit SCG-04-R. p. GOM-126

ORA Position: For this workpaper group that includes four budget codes (163; 164; 181; 280), ORA recommends using the 2017 recorded expenditures of \$18.370 million. ORA does not take issue with SCG's request for \$29.547 million for 2018 and \$37.037 million for 2019. In ORA's testimony and RO model, it appears that ORA combined the forecasts for all four budget codes into just one (163):

WPG	2017	2018	2019
001630.001	\$18,370	\$29,547	\$37,037
001640.001	\$0	\$0	\$0
001810.001	\$0	\$0	\$0
001810.002	\$0	\$0	\$0
002800.001	\$0	\$0	\$0
Total	\$18,370	\$29,547	\$37,037

Exhibit ORA-11, p. 74

Note: Figures in the table below are from parties' RO models. SCG's figures are for budget code 280 only (purchase of GEMS). Since ORA combined all forecasts into one budget code (163), ORA's forecasts for the purchases of GEMS are included in Budget Code 001630.001.

CHAPTER 2A1-b17

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
002800.001	1,415	1,470	1,494	4,379
Total	1,415	1,470	1,494	4,379

ORA	2017	2018	2019	Total
002800.001	0	0	0	0
Total	0	0	0	0

Difference	2017	2018	2019	Total
002800.001	-1,415	-1,470	-1,494	-4,379
Total	-1,415	-1,470	-1,494	-4,379

CHAPTER 2A1-b18

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

CAPITAL EXPENDITURES

Project: Capital Tools
Budget Code: 00725.0.ALL

SoCalGas Position: SoCalGas requests \$14.386 million for 2017, \$14.220 million for 2018, and \$12.322 million for 2019 for Capital Tools.

Added to this work category are three incremental elements not reflected in the routine base forecast to adequately fund equipment and tools in 2017 and 2018: locate and mark tools, air space monitoring, and upgrading Nomex Coveralls.

RAMP costs are included in SoCalGas' forecasts.

Exhibit SCG-04-R, p. GOM-135 to GOM-136

ORA Position: ORA recommends using the 2017 recorded expenditures of \$9.510 million as the 2017 forecast. ORA recommends \$10.688 million, which consists of \$9.588 million for the base amount, plus \$1.100 million for the replacement of confined space and H2S monitoring equipment, for 2018, and \$9.588 million for 2019.

Exhibit ORA-11, p. 78

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
007250.001	8,919	10,620	12,322	31,861
007250.002	3,800	2,500	0	6,300
007250.004	1,667	0	0	1,667
007250.005	0	1,100	0	1,100
Total	14,386	14,220	12,322	40,928

ORA	2017	2018	2019	Total
007250.001	9,510	10,688	9,588	29,786
007250.002	0	0	0	0
007250.004	0	0	0	0
007250.005	0	0	0	0
Total	9,510	10,688	9,588	29,786

Difference	2017	2018	2019	Total
007250.001	591	68	-2,734	-2,075
007250.002	-3,800	-2,500	0	-6,300
007250.004	-1,667	0	0	-1,667
007250.005	0	-1,100	0	-1,100
Total	-4,876	-3,532	-2,734	-11,142

CHAPTER 2A1-b19

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

CAPITAL EXPENDITURES

Project: Field Capital Support
Budget Code: 00903.0.ALL

SoCalGas Position: SoCalGas requests \$61.317 million for 2017, \$70.292 million for 2018, and \$74.618 million for 2019 for Field Capital Support.

RAMP costs are included in SoCalGas' forecasts.

Exhibit SCG-04-R, p. GOM-138

ORA Position: ORA recommends the 2017 recorded expenditure amount of \$65.384 million as the 2017 forecast. ORA recommends \$57.749 million for 2018 and \$61.985 million for 2019.

Exhibit ORA-11, p. 80

Note: In SCG's rebuttal (SCG-204, p. GOM-137), SCG does not oppose to adopting 2017 recorded amount.

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
009030.001	61,176	70,148	74,452	205,776
009030.002	58	58	58	174
009030.003	83	86	108	277
Total	61,317	70,292	74,618	206,227
ORA	2017	2018	2019	Total
009030.001	65,384	57,749	61,985	185,118
009030.002	0	0	0	0
009030.003	0	0	0	0
Total	65,384	57,749	61,985	185,118
Difference	2017	2018	2019	Total
009030.001	4,208	-12,399	-12,467	-20,658
009030.002	-58	-58	-58	-174
009030.003	-83	-86	-108	-277
Total	4,067	-12,543	-12,633	-21,109

Chapter 2 - ORA vs. SoCalGas

Part A - O&M and Capital Expenditures

2. SCG-05-R - GAS SYSTEM INTEGRITY

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	ORA	ORA vs. SoCalGas	
1. 2SI001.000	4,735	2,387	(2,348)	2A2-a1
2. 2SI002.000	2,890	1,408	(1,482)	2A2-a2
3. 2SI003.000	1,641	642	(999)	2A2-a3
4. 2SI004.000	2,504	2,502	(2)	2A2-a4
5. 2SI005.000	3,830	521	(3,309)	2A2-a5
TOTAL	15,600	7,460	(8,140)	

CHAPTER 2A2-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-05-R
Area: GAS SYSTEM INTEGRITY
Witness: Rivera, Omar

NONSHARED O&M

Subject: GAS OPERATIONS TRAINING & DEVELOPMENT
Workpaper: 2SI001.000

SoCalGas Position: SoCalGas requests \$4.734* million for TY 2019 for Gas Operations Training & Development using the five-year linear trend forecast methodology plus incremental increases.

Gas Operations Training and Development address the core duties in the Operation Training, Training and Support, Training Design and Support, Welding Training and Pipeline Maintenance Policy departments.

RAMP-related costs include mitigation activities for SCG-2 Employee, Contractor, Customer, and Public Safety, SCG-4, Catastrophic Damage Involving High-Pressure Pipeline Failure, SCG-7 Workforce Planning, Catastrophic Damage Involving Medium-Pressure Pipeline Failure.

*Amount differ from table below due to rounding.

Exhibit SCG-05-R, p. OR-24 to OR-33
Exhibit SCG-205, p. OR-9

ORA Position: The ORA 2019 recommendation for Non-Shared operations is \$7.460 million, \$2.683 million incremental increases plus \$4.775 million of 2016 adjusted recorded amount. ORA recommends that for both Non-Shared and Shared operations, SCG's requested incremental increases from 2016 to 2019 be allowed.

The \$7.460 million is comprised of the following workpapers:

2SI0001	\$2.387
2SI0002	\$1.408
2SI0003	\$0.642
2SI0004	\$2.502
2SI0005	\$0.521
Total	\$7.460

Exhibit ORA-12 , p. 6-10

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	2,141	1,097	-1,044
NonLabor	2,594	1,290	-1,304
Nonstandard	0	0	0
TOTAL	4,735	2,387	-2,348

CHAPTER 2A2-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-05-R
Area: GAS SYSTEM INTEGRITY
Witness: Rivera, Omar

NONSHARED O&M

Subject: PIPELINE SAFETY & COMPLIANCE
Workpaper: 2SI002.000

SoCalGas Position: SoCalGas requests \$2.890 million TY 2019 for Pipeline Safety & Compliance using the base year forecast methodology plus incremental increases.

The Pipeline Safety and Compliance group is the lead for SED audits, communications and inquires and serves as a centralized gas compliance information center for the Company in collecting, trending, assessing, analyzing, investigating, communicating, and providing process improvement oversight for pipeline safety and compliance related issues.

RAMP-related costs include mitigation activity for SCG-8 Record Management.

Exhibit SCG-05-R, p. OR-34 to OR-37

ORA Position: The ORA 2019 recommendation for Non-Shared operations is \$7.460 million, \$2.683 million incremental increases plus \$4.775 million of 2016 adjusted recorded amount. ORA recommends that for both Non-Shared and Shared operations, SCG's requested incremental increases from 2016 to 2019 be allowed.

The \$7.460 million is comprised of the following workpapers:

2SI0001	\$2.387
2SI0002	\$1.408
2SI0003	\$0.642
2SI0004	\$2.502
2SI0005	\$0.521
Total	\$7.460

Exhibit ORA-12 , p, 6-10

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	2,719	1,259	-1,460
NonLabor	171	149	-22
Nonstandard	0	0	0
TOTAL	2,890	1,408	-1,482

CHAPTER 2A2-a3

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-05-R
Area: GAS SYSTEM INTEGRITY
Witness: Rivera, Omar

NONSHARED O&M

Subject: PUBLIC AWARENESS
Workpaper: 2SI003.000

SoCalGas Position: SoCalGas requests \$1.641 million for TY 2019 for Public Awareness (Damage Prevention) using the five-year average forecast methodology plus incremental increases.

SoCalGas has developed and implemented a federally-mandated Public Awareness Program, as prescribed in 49 C.F.R. §192.616.

RAMP-related costs include mitigation activity for SCG-1 Catastrophic Damage Involving Third-Party Dig-Ins.

Exhibit SCG-05-R, p. OR-37 to OR-41

ORA Position: The ORA 2019 recommendation for Non-Shared operations is \$7.460 million, \$2.683 million incremental increases plus \$4.775 million of 2016 adjusted recorded amount. ORA recommends that for both Non-Shared and Shared operations, SCG's requested incremental increases from 2016 to 2019 be allowed.

The \$7.460 million is comprised of the following workpapers:

2SI0001	\$2.387
2SI0002	\$1.408
2SI0003	\$0.642
2SI0004	\$2.502
2SI0005	\$0.521
Total	\$7.460

Exhibit ORA-12 , p. 6-10

Note: Corrections identified in the SoCalGas Customer Services Information area revise the GSI Public Awareness forecast. SoCalGas corrects its forecast from \$1.641 million to \$1.681 million, which will be reflected in the August 2018 Update Filing.

Hearing Transcript for July 19, 2018, Volume 18, p. 1626

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	1,641	642	-999
Nonstandard	0	0	0
TOTAL	1,641	642	-999

CHAPTER 2A2-a4

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-05-R
Area: GAS SYSTEM INTEGRITY
Witness: Rivera, Omar

NONSHARED O&M

Subject: ASSET MANAGEMENT
Workpaper: 2SI004.000

SoCalGas Position: SoCalGas forecasts \$2.503* million for Asset Management using the five-year average forecast methodology plus incremental increases.

Asset and data management requires computer-based work management systems, document management systems with integration to GIS, and technical computing management and support. Part of the activity performed in this workgroup is to maintain and upgrade software applications.

RAMP-related costs include mitigation activity for SCG-1 Catastrophic Damage Involving Third-Party Dig-Ins and SCG-8 Record Management.

* Amount differ from table below due to rounding.

Exhibit SCG-05-R, p. OR-41 to OR-43

ORA Position: The ORA 2019 recommendation for Non-Shared operations is \$7.460 million, \$2.683 million incremental increases plus \$4.775 million of 2016 adjusted recorded amount. ORA recommends that for both Non-Shared and Shared operations, SCG's requested incremental increases from 2016 to 2019 be allowed.

ORA does not oppose SDG&E's forecast for Asset Management. Difference between ORA and SCG figures is due to rounding.

The \$7.460 million is comprised of the following workpapers:

2SI0001	\$2.387
2SI0002	\$1.408
2SI0003	\$0.642
2SI0004	\$2.502
2SI0005	\$0.521
Total	\$7.460

Exhibit ORA-12 , Page 6-10

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	2,135	2,134	-1
NonLabor	369	368	-1
Nonstandard	0	0	0
TOTAL	2,504	2,502	-2

CHAPTER 2A2-a5

Southern California Gas Company
 2019 Test Year GRC A.17-10-008
 ORA Differences to SoCalGas Requests

Exhibit No.: SCG-05-R
Area: GAS SYSTEM INTEGRITY
Witness: Rivera, Omar

NONSHARED O&M

Subject: GAS CONTRACTOR CONTROLS
Workpaper: 2SI005.000

SoCalGas Position: SoCalGas forecasts \$3.830 million for Gas Contractor Controls using the zero-based forecast methodology plus incremental increases.

The Gas Contractor Controls group, now known as the Pipeline Safety Management System (PSMS) group, address the core PSMS and API RP 1173 duties. The group is responsible for planning the development and implementation of a company-wide PSMS API RP 1173, consistent with PHMSA's recommendation. The recommended practice is a proactive, system-wide approach to safety management and reducing risks, and provides operators with a comprehensive framework to address risk across the entire life cycle of a pipeline. The standard promotes pipeline safety, while implementing guidelines for continuous improvement.

RAMP-related costs include mitigation activity for SCG-2 Employee, Contractor, Customer, and Public Safety.

Exhibit SCG-05-R, p. OR-43 to OR-46

ORA Position: The ORA 2019 recommendation for Non-Shared operations is \$7.460 million, \$2.683 million incremental increases plus \$4.775 million of 2016 adjusted recorded amount. ORA recommends that for both Non-Shared and Shared operations, SCG's requested incremental increases from 2016 to 2019 be allowed.

The \$7.460 million is comprised of the following workpapers:

2SI0001	\$2.387
2SI0002	\$1.408
2SI0003	\$0.642
2SI0004	\$2.502
2SI0005	\$0.521
Total	\$7.460

Exhibit ORA-12 , Page 6-10

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	2,330	501	-1,829
NonLabor	1,500	20	-1,480
Nonstandard	0	0	0
TOTAL	3,830	521	-3,309

Chapter 2 - ORA vs. SoCalGas

Part A - O&M and Capital Expenditures

2. SCG-05-R - GAS SYSTEM INTEGRITY

b. O&M - SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	ORA	ORA vs. SoCalGas	
1. 2SI00A-USS.ALL	1,365	1,095	(270)	2A2-b1
2. 2SI00B-USS.ALL	4,594	3,480	(1,114)	2A2-b2
3. 2SI00C-USS.ALL	2,383	1,962	(421)	2A2-b3
4. 2SI00D-USS.ALL	6,418	4,006	(2,412)	2A2-b4
5. 2SI00E-USS.ALL	2,550	850	(1,700)	2A2-b5
TOTAL	17,310	11,393	(5,917)	

CHAPTER 2A2-b1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-05-R
Area: GAS SYSTEM INTEGRITY
Witness: Rivera, Omar

SHARED SERVICES O&M

Subject: GAS OPERATIONS STAFF & TRAINING
Workpaper: 2SI00A-USS.ALL

SoCalGas Position: SoCalGas forecasts \$1.364 million for Gas Operations Staff & Training.

The following workpapers / cost centers are grouped under Gas Operations Staff & Training.

2200-0225	\$0.629
2200-2023	\$0.415*
2200-2144	\$0.320
Total	\$1.364

Exhibit SCG-05-R, p. OR-47 to OR-48

ORA Position: The ORA 2019 recommendation for Shared operations is \$11.393 million, \$3.198 million incremental increases plus \$8.195 million of 2016 adjusted recorded amount. ORA recommends that for both Non-Shared and Shared operations, SCG's requested incremental increases from 2016 to 2019 be allowed, but adjusted their forecast to reflect the use of the 2016 recorded adjusted amount.

The \$11.393 million is comprised of the following workpapers / cost centers.

2200-0225	\$0.362
2200-0302	\$0.193
2200-0303	\$0.477
2200-0305	\$0.665
2200-0506	\$1.088
2200-0308	\$0.466
2200-2023	\$0.414
2200-2144	\$0.319
2200-2344	\$1.158
2200-2345	\$1.845
2200-2360	\$1.214
2200-2376	\$1.118
2200-2417	\$0.117
2200-2473	\$0.536
2200-2551	\$0.572
2200-7242	\$0.850
Total	\$11.393

Exhibit ORA-12 , p. 6-10

Note: * Amount differ from table below due to rounding.

CHAPTER 2A2-b1

Proposed TY2019 Forecast (in thousands of 2016 dollars)

SCG	Labor	NLbr	NSE	Total
2200-0225.000	519	110	0	629
2200-2023.000	379	37	0	416
2200-2144.000	283	37	0	320
Total	1,181	184	0	1,365

ORA	Labor	NLbr	NSE	Total
2200-0225.000	345	17	0	362
2200-2023.000	378	36	0	414
2200-2144.000	282	37	0	319
Total	1,005	90	0	1,095

Difference	Labor	NLbr	NSE	Total
2200-0225.000	-174	-93	0	-267
2200-2023.000	-1	-1	0	-2
2200-2144.000	-1	0	0	-1
Total	-176	-94	0	-270

CHAPTER 2A2-b2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-05-R
Area: GAS SYSTEM INTEGRITY
Witness: Rivera, Omar

SHARED SERVICES O&M

Subject: PIPELINE SAFETY & COMPLIANCE
Workpaper: 2SI00B-USS.ALL

SoCalGas Position: SoCalGas forecasts \$4.593 million for Pipeline Safety & Compliance.

The following workpapers / cost centers are grouped under Pipeline Safety & Compliance.

2200-2344	\$1.952
2200-2360	\$1.215
2200-2473	\$0.853*
2200-2551	\$0.573
Total	\$4.593

RAMP-related costs include mitigation activity for Catastrophic Damage Involving a Medium-Pressure Pipeline Failure.

The amounts in the tables below reflect only those projects where a disallowance has been recommended by ORA.

Exhibit SCG-05-R, p. OR-47, OR-52 to OR-54

CHAPTER 2A2-b2

ORA Position: The ORA 2019 recommendation for Shared operations is \$11.393 million, \$3.198 million incremental increases plus \$8.195 million of 2016 adjusted recorded amount. ORA recommends that for both Non-Shared and Shared operations, SCG's requested incremental increases from 2016 to 2019 be allowed, but adjusted their forecast to reflect the use of the 2016 recorded adjusted amount.

The \$11.393 million is comprised of the following workpapers / cost centers.

2200-0225	\$0.362
2200-0302	\$0.193
2200-0303	\$0.477
2200-0305	\$0.665
2200-0506	\$1.088
2200-0308	\$0.466
2200-2023	\$0.414
2200-2144	\$0.319
2200-2344	\$1.158
2200-2345	\$1.845
2200-2360	\$1.214
2200-2376	\$1.118
2200-2417	\$0.117
2200-2473	\$0.536
2200-2551	\$0.572
2200-7242	\$0.850
Total	\$11.393

Exhibit ORA-12 , p. 6-10

Note: *Amount differ from table below due to rounding.

Proposed TY2019 Forecast (in thousands of 2016 dollars)

SCG	Labor	NLbr	NSE	Total
2200-2344.000	1,772	180	0	1,952
2200-2473.000	763	91	0	854
Total	2,535	271	0	2,806

ORA	Labor	NLbr	NSE	Total
2200-2344.000	1,020	138	0	1,158
2200-2473.000	463	73	0	536
Total	1,483	211	0	1,694

Difference	Labor	NLbr	NSE	Total
2200-2344.000	-752	-42	0	-794
2200-2473.000	-300	-18	0	-318
Total	-1,052	-60	0	-1,112

CHAPTER 2A2-b3

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-05-R
Area: GAS SYSTEM INTEGRITY
Witness: Rivera, Omar

SHARED SERVICES O&M

Subject: DAMAGE PREVENTION
Workpaper: 2SI00C-USS.ALL

SoCalGas Position: SoCalGas forecasts \$2.383 million for Damage Prevention.

The following workpapers / cost centers are grouped under Damage Prevention.

2200-2345	\$1.846
2200-2417	\$0.537
Total	\$2.383

RAMP-related costs include mitigation activity for Third Party Dig-Ins.

The amounts in the tables below reflect only those projects where a disallowance has been recommended by ORA.

Exhibit SCG-05-R, p. OR-47, OR-55 to OR-56

ORA Position: The ORA 2019 recommendation for Shared operations is \$11.393 million, \$3.198 million incremental increases plus \$8.195 million of 2016 adjusted recorded amount. ORA recommends that for both Non-Shared and Shared operations, SCG's requested incremental increases from 2016 to 2019 be allowed, but adjusted their forecast to reflect the use of the 2016 recorded adjusted amount.

The \$11.393 million is comprised of the following workpapers / cost centers.

2200-0225	\$0.362
2200-0302	\$0.193
2200-0303	\$0.477
2200-0305	\$0.665
2200-0506	\$1.088
2200-0308	\$0.466
2200-2023	\$0.414
2200-2144	\$0.319
2200-2344	\$1.158
2200-2345	\$1.845
2200-2360	\$1.214
2200-2376	\$1.118
2200-2417	\$0.117
2200-2473	\$0.536
2200-2551	\$0.572
2200-7242	\$0.850
Total	\$11.393

Exhibit ORA-12 , p. 6-10

CHAPTER 2A2-b3

Proposed TY2019 Forecast (in thousands of 2016 dollars)

SCG	Labor	NLbr	NSE	Total
2200-2417.000	234	303	0	537
Total	234	303	0	537

ORA	Labor	NLbr	NSE	Total
2200-2417.000	114	3	0	117
Total	114	3	0	117

Difference	Labor	NLbr	NSE	Total
2200-2417.000	-120	-300	0	-420
Total	-120	-300	0	-420

CHAPTER 2A2-b4

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-05-R
Area: GAS SYSTEM INTEGRITY
Witness: Rivera, Omar

SHARED SERVICES O&M

Subject: ASSET MANAGEMENT
Workpaper: 2SI00D-USS.ALL

SoCalGas Position: SoCalGas forecasts \$6.416 million for Asset Management.

The following workpapers / cost centers are grouped under Asset Management.

2200-0302	\$0.302
2200-0303	\$0.478
2200-0305	\$0.666*
2200-0306	\$1.858
2200-0308	\$0.559
2200-2376	\$2.553
Total	\$6.416

RAMP-related costs include mitigation activity for Records Management.

The amounts in the tables below reflect only those projects where a disallowance has been recommended by ORA.

Exhibit SCG-05-R, p. OR-47, OR-59 to OR-60

CHAPTER 2A2-b4

ORA Position: The ORA 2019 recommendation for Shared operations is \$11.393 million, \$3.198 million incremental increases plus \$8.195 million of 2016 adjusted recorded amount. ORA recommends that for both Non-Shared and Shared operations, SCG's requested incremental increases from 2016 to 2019 be allowed, but adjusted their forecast to reflect the use of the 2016 recorded adjusted amount.

The \$11.393 million is comprised of the following workpapers / cost centers.

2200-0225	\$0.362
2200-0302	\$0.193*
2200-0303	\$0.477
2200-0305	\$0.665
2200-0506	\$1.088
2200-0308	\$0.466
2200-2023	\$0.414
2200-2144	\$0.319
2200-2344	\$1.158
2200-2345	\$1.845
2200-2360	\$1.214
2200-2376	\$1.118
2200-2417	\$0.117
2200-2473	\$0.536
2200-2551	\$0.572
2200-7242	\$0.850
Total	\$11.393

Exhibit ORA-12 , p. 6-10

Note: *Amounts differ from table below due to rounding.

Proposed TY2019 Forecast (in thousands of 2016 dollars)

SCG	Labor	NLbr	NSE	Total
2200-0302.000	271	31	0	302
2200-0305.000	534	133	0	667
2200-0306.000	1,358	500	0	1,858
2200-0308.000	93	466	0	559
2200-2376.000	1,922	631	0	2,553
Total	4,178	1,761	0	5,939

ORA	Labor	NLbr	NSE	Total
2200-0302.000	171	21	0	192
2200-0305.000	533	132	0	665
2200-0306.000	606	482	0	1,088
2200-0308.000	0	466	0	466
2200-2376.000	1,079	39	0	1,118
Total	2,389	1,140	0	3,529

Difference	Labor	NLbr	NSE	Total
2200-0302.000	-100	-10	0	-110
2200-0305.000	-1	-1	0	-2
2200-0306.000	-752	-18	0	-770
2200-0308.000	-93	0	0	-93
2200-2376.000	-843	-592	0	-1,435
Total	-1,789	-621	0	-2,410

CHAPTER 2A2-b5

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-05-R
Area: GAS SYSTEM INTEGRITY
Witness: Rivera, Omar

SHARED SERVICES O&M

Subject: RECORDS MANAGEMENT
Workpaper: 2SI00E-USS.ALL

SoCalGas Position: SoCalGas forecasts \$2.550 million for Records Management using the zero-based forecast methodology plus incremental increases.

RAMP-related costs include mitigation activity for Records Management.

Exhibit SCG-05-R, p. OR-47, OR-67 to OR-68

ORA Position: The ORA 2019 recommendation for Shared operations is \$11.393 million, \$3.198 million incremental increases plus \$8.195 million of 2016 adjusted recorded amount. ORA recommends that for both Non-Shared and Shared operations, SCG's requested incremental increases from 2016 to 2019 be allowed, but adjusted their forecast to reflect the use of the 2016 recorded adjusted amount.

The \$11.393 million is comprised of the following workpapers / cost centers.

2200-0225	\$0.362
2200-0302	\$0.193
2200-0303	\$0.477
2200-0305	\$0.665
2200-0506	\$1.088
2200-0308	\$0.466
2200-2023	\$0.414
2200-2144	\$0.319
2200-2344	\$1.158
2200-2345	\$1.845
2200-2360	\$1.214
2200-2376	\$1.118
2200-2417	\$0.117
2200-2473	\$0.536
2200-2551	\$0.572
2200-7242	\$0.850
Total	\$11.393

Exhibit ORA-12 , p. 6-10

CHAPTER 2A2-b5

Proposed TY2019 Forecast (in thousands of 2016 dollars)

SCG	Labor	NLbr	NSE	Total
2200-7242.000	1,900	650	0	2,550
Total	1,900	650	0	2,550

ORA	Labor	NLbr	NSE	Total
2200-7242.000	600	250	0	850
Total	600	250	0	850

Difference	Labor	NLbr	NSE	Total
2200-7242.000	-1,300	-400	0	-1,700
Total	-1,300	-400	0	-1,700

Chapter 2 - ORA vs. SoCalGas

Part A - O&M and Capital Expenditures

3. SCG-06 - GAS TRANSMISSION O&M

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	ORA	ORA vs. SoCalGas	
1. 2GT002.000	26,467	2,229	(24,238)	2A3-a1
TOTAL	26,467	2,229	(24,238)	

CHAPTER 2A3-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-06
Area: GAS TRANSMISSION O&M
Witness: Musich, Elizabeth A.

NONSHARED O&M

Subject: Technical Services
Workpaper: 2GT002.000

SoCalGas Position: SoCalGas forecasts \$26.467 million for Technical Services using the five-year average forecast methodology.

RAMP-related costs include mitigation activity for Catastrophic Failure of High-Pressure Pipeline.

Exhibit SCG-06, p. EAM-9, EAM-16 to EAM-18

ORA Position: ORA recommends an expense forecast of \$2.229 million, compared to SCG's request of \$26.467 million for Technical Services, for a difference of \$24.238 million.

ORA opposes the entire \$7.162 million requested regarding SCG's cost recovery proposal for the North-South Project included therein.

Exhibit ORA-12, p. 4

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	582	492	-90
NonLabor	18,723	1,737	-16,986
Nonstandard	7,162	0	-7,162
TOTAL	26,467	2,229	-24,238

Chapter 2 - ORA vs. SoCalGas

Part A - O&M and Capital Expenditures

4. SCG-07 - GAS TRANSMISSION CAPITAL

a. CAPITAL

Project	2017+2018+2019 (in 2016 \$, 000s)			Reference
	SoCalGas	ORA	ORA vs. SoCalGas	
1. 00301.0.ALL	23,309	32,079	8,770	2A4-a1
2. 00304.0.ALL	24,882	18,464	(6,418)	2A4-a2
3. 00305.0.ALL	579	60	(519)	2A4-a3
4. 00308.0.ALL	56,814	60,397	3,583	2A4-a4
5. 00309.0.ALL	32,556	17,066	(15,490)	2A4-a5
6. 00313.0.ALL	112	157	45	2A4-a6
7. 00315.0.ALL	37,123	13,069	(24,054)	2A4-a7
8. 00316.0.ALL	17,893	8,981	(8,912)	2A4-a8
9. 00325.0.ALL	3,849	-14	(3,863)	2A4-a9
10. 00335.0.ALL	225,138	205,464	(19,674)	2A4-a10
11. M0312.0.ALL	43,050	45,880	2,830	2A4-a11
TOTAL	465,305	401,603	(63,702)	

CHAPTER 2A4-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-07
Area: GAS TRANSMISSION CAPITAL
Witness: Musich, Elizabeth A.

CAPITAL EXPENDITURES

Project: GT PIPELINES - NEW ADD/PRE 2004
Budget Code: 00301.0.ALL

SoCalGas Position: SoCalGas forecasts a total of \$8.543 million for 2017, \$7.383 million for 2018, and \$7.383 million for 2019 for New Construction Pipeline.

The new pipeline construction projects were forecast using the five-year average capital cost forecast methodology and adjusted for actual costs associated with the El Segundo Loop project in forecast year 2017.

Exhibit SCG-07, p. MAB-9 to MAB-10

ORA Position: ORA recommends a total of \$17.313 million for 2017, \$7.383 million for 2018, and \$7.383 million for 2019 for New Construction Pipeline.

ORA uses the 2017 adjusted-recorded capital expenditure as its forecast for 2017.

Exhibit ORA-12, p. 19

Proposed Capital Expenditures (in thousands of 2016 dollars)

	2017	2018	2019	Total
SCG				
003010.001	8,537	0	0	8,537
003010.002	6	7,383	7,383	14,772
Total	8,543	7,383	7,383	23,309
ORA				
003010.001	17,313	0	0	17,313
003010.002	0	7,383	7,383	14,766
Total	17,313	7,383	7,383	32,079
Difference				
003010.001	8,776	0	0	8,776
003010.002	-6	0	0	-6
Total	8,770	0	0	8,770

CHAPTER 2A4-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-07
Area: GAS TRANSMISSION CAPITAL
Witness: Musich, Elizabeth A.

CAPITAL EXPENDITURES

Project: GT PL Reloc-Fran/Priv ROW/Pre 2004
Budget Code: 00304.0.ALL

SoCalGas Position: SoCalGas forecasts a total of \$11.596 million for 2017, \$10.476 million for 2018, and \$5.922 million for 2019 for Pipeline Relocations.

Pipeline Relocations is comprised of workpaper group 003130 and 003040.

WPG	2017	2018	2019
003130	\$ 0.012	\$ 0.012	\$0.088
003040	\$11.584	\$10.464	\$5.834
Total	\$11.596	\$10.476	\$5.922

The amounts in the tables below reflect only those projects where a disallowance has been recommended by ORA.

Exhibit SCG-07, p. MAB-9, MAB-13 to MAB-16

ORA Position: ORA recommends a total of \$5.223 million for 2017, \$10.476 million for 2018, and \$5.922 million for 2019 for Pipeline Relocations.

ORA uses the 2017 adjusted-recorded capital expenditure as its forecast for 2017.

WPG	2017	2018	2019
003130	\$0.057	\$ 0.012	\$0.088
003040	\$5.166	\$10.464	\$5.834
Total	\$5.223	\$10.476	\$5.922

Exhibit ORA-12, p. 19

CHAPTER 2A4-a2

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
003040.001	3,250	0	0	3,250
003040.002	2,000	2,500	0	4,500
003040.003	1,500	0	0	1,500
003040.004	750	750	0	1,500
003040.005	750	0	0	750
003040.006	500	500	500	1,500
003040.007	500	1,000	500	2,000
003040.009	350	678	0	1,028
003040.010	24	1,015	0	1,039
003040.012	250	250	250	750
003040.013	1,000	500	0	1,500
003040.014	710	271	4,584	5,565
Total	11,584	7,464	5,834	24,882

ORA	2017	2018	2019	Total
003040.001	14	0	0	14
003040.002	3	2,500	0	2,503
003040.003	2,698	0	0	2,698
003040.004	6	750	0	756
003040.005	653	0	0	653
003040.006	1,133	500	500	2,133
003040.007	0	1,000	500	1,500
003040.009	4	678	0	682
003040.010	234	1,015	0	1,249
003040.012	16	250	250	516
003040.013	9	500	0	509
003040.014	396	271	4,584	5,251
Total	5,166	7,464	5,834	18,464

Difference	2017	2018	2019	Total
003040.001	-3,236	0	0	-3,236
003040.002	-1,997	0	0	-1,997
003040.003	1,198	0	0	1,198
003040.004	-744	0	0	-744
003040.005	-97	0	0	-97
003040.006	633	0	0	633
003040.007	-500	0	0	-500
003040.009	-346	0	0	-346
003040.010	210	0	0	210
003040.012	-234	0	0	-234
003040.013	-991	0	0	-991
003040.014	-314	0	0	-314
Total	-6,418	0	0	-6,418

CHAPTER 2A4-a3

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-07
Area: GAS TRANSMISSION CAPITAL
Witness: Musich, Elizabeth A.

CAPITAL EXPENDITURES

Project: GT Comp Sta Add/Rpls/Pre 2004
Budget Code: 00305.0.ALL

SoCalGas Position: SoCalGas forecasts a total of \$50.432 million for 2017, \$103.351 million for 2018, and \$116.626 million for 2019 for Compressor Stations.

Compressor Stations are comprised of workpaper group 003050, 003150, 003250, and 003350.

WPG	2017	2018	2019
003050	\$ 0.193	\$ 0.193	\$ 0.193
003150	\$11.818	\$17.875	\$11.150
003250	\$ 1.283	\$ 1.283	\$ 1.283
003350	\$37.138	\$84.000	\$104.000
Total	\$50.432	\$103.351	\$116.626

Exhibit SCG-07, p. MAB-9, MAB-16 to MAB-24

ORA Position: ORA recommends a total of \$24.977* million for 2017, \$91.520 million for 2018, and \$105.800 million for 2019 for Compressor Stations.

ORA uses the 2017 adjusted-recorded capital expenditure as its forecast for 2017.

WPG	2017	2018	2019
003050	\$ 0.060	\$ 0.000	\$ 0.000
003150	\$ 7.469	\$ 7.520	\$ 1.800
003250	-\$ 0.014	\$ 0.000	\$ 0.000
003350	\$17.464	\$84.000	\$104.000
Total	\$24.979*	\$91.520	\$105.800

* Difference of \$0.002 million between ORA testimony and ORA's RO model.

Exhibit ORA-12, p. 19

CHAPTER 2A4-a3

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
M03050.001	193	193	193	579
Total	193	193	193	579

ORA	2017	2018	2019	Total
M03050.001	60	0	0	60
Total	60	0	0	60

Difference	2017	2018	2019	Total
M03050.001	-133	-193	-193	-519
Total	-133	-193	-193	-519

CHAPTER 2A4-a4

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-07
Area: GAS TRANSMISSION CAPITAL
Witness: Musich, Elizabeth A.

CAPITAL EXPENDITURES

Project: GT M&R Sta Add/Rpls/Pre 2004
Budget Code: 00308.0.ALL

SoCalGas Position: SoCalGas forecasts a total of \$18.938 million for 2017, \$18.938 million for 2018, and \$18.938 million for 2019 for Measurement & Regulation.

The forecast methodology for Meter and Regulator projects was base-year.

Exhibit SCG-07, p. MAB-9, MAB-26 to MAB-28

ORA Position: ORA recommends a total of \$22.521 million for 2017, \$18.938 million for 2018, and \$18.938 million for 2019 for Measurement & Regulation..

ORA uses the 2017 adjusted-recorded capital expenditure as its forecast for 2017 and does not oppose SoCalGas' forecast for 2018 and 2019.

Exhibit ORA-12, p. 19

CHAPTER 2A4-a4

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
003080.001	2,700	0	0	2,700
003080.002	1,800	0	0	1,800
003080.003	1,500	0	0	1,500
003080.004	1,500	0	0	1,500
003080.005	1,000	0	0	1,000
003080.006	1,000	0	0	1,000
003080.007	2,000	4,000	2,000	8,000
003080.008	7,438	14,938	16,938	39,314
Total	18,938	18,938	18,938	56,814

ORA	2017	2018	2019	Total
003080.001	46	0	0	46
003080.002	664	0	0	664
003080.003	2,203	0	0	2,203
003080.004	41	0	0	41
003080.005	1,096	0	0	1,096
003080.006	0	0	0	0
003080.007	494	4,000	2,000	6,494
003080.008	17,977	14,938	16,938	49,853
Total	22,521	18,938	18,938	60,397

Difference	2017	2018	2019	Total
003080.001	-2,654	0	0	-2,654
003080.002	-1,136	0	0	-1,136
003080.003	703	0	0	703
003080.004	-1,459	0	0	-1,459
003080.005	96	0	0	96
003080.006	-1,000	0	0	-1,000
003080.007	-1,506	0	0	-1,506
003080.008	10,539	0	0	10,539
Total	3,583	0	0	3,583

CHAPTER 2A4-a5

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-07
Area: GAS TRANSMISSION CAPITAL
Witness: Musich, Elizabeth A.

CAPITAL EXPENDITURES

Project: GT Aux Equip & Infrastr/Pre 2004
Budget Code: 00309.0.ALL

SoCalGas Position: SoCalGas forecasts a total of \$10.710 million for 2017, \$9.096 million for 2018, and \$12.750 million for 2019 for Auxiliary Equipment.

The forecast methodology for Auxiliary Equipment projects is zero-based.

RAMP-related costs include mitigation activity for SCG-6 Physical Security of Critical Gas Infrastructure and SCG-9 Climate Change Adaptation.

Exhibit SCG-07, p. MAB-9, MAB-28 to MAB-29

ORA Position: ORA recommends a total of \$5.744 million for 2017, \$5.661 million for 2018, and \$5.661 million for 2019 for Auxiliary Equipment.

ORA uses the 2017 adjusted-recorded capital expenditure as its forecast for 2017.

Exhibit ORA-12, p. 19

CHAPTER 2A4-a5

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
003090.001	4,437	0	0	4,437
003090.002	2,500	3,000	3,000	8,500
003090.003	900	0	0	900
003090.004	2,477	4,800	8,000	15,277
003090.005	0	900	1,350	2,250
00309A.001	396	396	400	1,192
Total	10,710	9,096	12,750	32,556

ORA	2017	2018	2019	Total
003090.001	3,069	0	0	3,069
003090.002	575	1,872	1,334	3,781
003090.003	1,017	0	0	1,017
003090.004	838	2,984	3,549	7,371
003090.005	176	562	602	1,340
00309A.001	69	243	176	488
Total	5,744	5,661	5,661	17,066

Difference	2017	2018	2019	Total
003090.001	-1,368	0	0	-1,368
003090.002	-1,925	-1,128	-1,666	-4,719
003090.003	117	0	0	117
003090.004	-1,639	-1,816	-4,451	-7,906
003090.005	176	-338	-748	-910
00309A.001	-327	-153	-224	-704
Total	-4,966	-3,435	-7,089	-15,490

CHAPTER 2A4-a6

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-07
Area: GAS TRANSMISSION CAPITAL
Witness: Musich, Elizabeth A.

CAPITAL EXPENDITURES

Project: GT PL Reloc-Fway / Externally Driven
Budget Code: 00313.0.ALL

SoCalGas Position: SoCalGas forecasts a total of \$11.596 million for 2017, \$10.476 million for 2018, and \$5.922 million for 2019 for Pipeline Relocations.

Pipeline Relocations is comprised of workpaper group 003130 and 003040.

WPG	2017	2018	2019
003130	\$ 0.012	\$ 0.012	\$0.088
003040	\$11.584	\$10.464	\$5.834
Total	\$11.596	\$10.476	\$5.922

Exhibit SCG-07, p. MAB-9, MAB-13 to MAB-16

ORA Position: ORA recommends a total of \$5.223 million for 2017, \$10.476 million for 2018, and \$5.922 million for 2019 for Pipeline Relocations.

ORA uses the 2017 adjusted-recorded capital expenditure as its forecast for 2017.

WPG	2017	2018	2019
003130	\$0.057	\$ 0.012	\$0.088
003040	\$5.166	\$10.464	\$5.834
Total	\$5.223	\$10.476	\$5.922

Exhibit ORA-12, p. 19

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
003130.001	12	12	88	112
Total	12	12	88	112

ORA	2017	2018	2019	Total
003130.001	57	12	88	157
Total	57	12	88	157

Difference	2017	2018	2019	Total
003130.001	45	0	0	45
Total	45	0	0	45

CHAPTER 2A4-a7

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-07
Area: GAS TRANSMISSION CAPITAL
Witness: Musich, Elizabeth A.

CAPITAL EXPENDITURES

Project: GT Comp Sta Add/Rpls / Externally Driven
Budget Code: 00315.0.ALL

SoCalGas Position: SoCalGas forecasts a total of \$50.432 million for 2017, \$103.351 million for 2018, and \$116.626 million for 2019 for Compressor Stations.

Compressor Stations are comprised of workpaper group 003050, 003150, 003250, and 003350.

WPG	2017	2018	2019
003050	\$ 0.193	\$ 0.193	\$ 0.193
003150	\$11.818	\$17.875	\$11.150
003250	\$ 1.283	\$ 1.283	\$ 1.283
003350	\$37.138	\$84.000	\$104.000
Total	\$50.432	\$103.351	\$116.626

The amounts in the tables below reflect only those projects where a disallowance has been recommended by ORA.

Exhibit SCG-07, p. MAB-9, MAB-16 to MAB-24

ORA Position: ORA recommends a total of \$24.977* million for 2017, \$91.520 million for 2018, and \$105.800 million for 2019 for Compressor Stations.

ORA uses the 2017 adjusted-recorded capital expenditure as its forecast for 2017.

WPG	2017	2018	2019
003050	\$ 0.060	\$ 0.000	\$ 0.000
003150	\$ 7.469	\$ 7.520	\$ 1.800
003250	-\$ 0.014	\$ 0.000	\$ 0.000
003350	\$17.464	\$84.000	\$104.000
Total	\$24.979*	\$91.520	\$105.800

* Difference of \$0.002 million between ORA testimony and ORA's RO model.

Exhibit ORA-12, p. 19

CHAPTER 2A4-a7

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
M03150.001	3,500	3,500	0	7,000
M03150.002	3,000	0	0	3,000
M03150.003	1,500	0	0	1,500
M03150.004	1,100	0	0	1,100
M03150.005	1,100	0	0	1,100
M03150.007	300	300	300	900
M03150.008	0	5,000	8,000	13,000
M03150.009	0	650	650	1,300
M03150.010	0	1,500	0	1,500
M03150.012	1,318	4,705	700	6,723
Total	11,818	15,655	9,650	37,123

ORA	2017	2018	2019	Total
M03150.001	3,148	3,500	0	6,648
M03150.002	0	0	0	0
M03150.003	0	0	0	0
M03150.004	0	0	0	0
M03150.005	3,013	0	0	3,013
M03150.007	186	300	300	786
M03150.008	0	0	0	0
M03150.009	437	0	0	437
M03150.010	241	1,500	0	1,741
M03150.012	444	0	0	444
Total	7,469	5,300	300	13,069

Difference	2017	2018	2019	Total
M03150.001	-352	0	0	-352
M03150.002	-3,000	0	0	-3,000
M03150.003	-1,500	0	0	-1,500
M03150.004	-1,100	0	0	-1,100
M03150.005	1,913	0	0	1,913
M03150.007	-114	0	0	-114
M03150.008	0	-5,000	-8,000	-13,000
M03150.009	437	-650	-650	-863
M03150.010	241	0	0	241
M03150.012	-874	-4,705	-700	-6,279
Total	-4,349	-10,355	-9,350	-24,054

CHAPTER 2A4-a8

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-07
Area: GAS TRANSMISSION CAPITAL
Witness: Musich, Elizabeth A.

CAPITAL EXPENDITURES

Project: GT Cathodic Protection / Externally Driven
Budget Code: 00316.0.ALL

SoCalGas Position: SoCalGas forecasts a total of \$5.000 million for 2017, \$6.235 million for 2018, and \$6.658 million for 2019 for Cathodic Protection.

The base-year forecast methodology with incremental adjustments was elected for cathodic protection activities.

RAMP-related costs include mitigation activity for SCG-4 Catastrophic Damage Involving High-Pressure Pipeline Failure.

Exhibit SCG-07, p. MAB-25 to MAB-26

ORA Position: ORA recommends a total of \$5.628 million for 2017, \$6.235 million for 2018, and \$6.658 million for 2019 for Cathodic Protection.

ORA uses the 2017 adjusted-recorded capital expenditure as its forecast for 2017.

ORA testimony does not oppose to SCG's forecasts for Cathodic Protection for 2018 & 2019, but are reduced in ORA's RO model. Table below reflects the amounts from ORA's model.

Exhibit ORA-12, p. 19

Proposed Capital Expenditures (in thousands of 2016 dollars)

	2017	2018	2019	Total
SCG				
003160.001	1,927	1,729	1,219	4,875
003160.002	3,073	4,506	5,439	13,018
Total	5,000	6,235	6,658	17,893
ORA				
003160.001	4,509	472	314	5,295
003160.002	1,120	1,204	1,362	3,686
Total	5,629	1,676	1,676	8,981
Difference				
003160.001	2,582	-1,257	-905	420
003160.002	-1,953	-3,302	-4,077	-9,332
Total	629	-4,559	-4,982	-8,912

CHAPTER 2A4-a9

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-07
Area: GAS TRANSMISSION CAPITAL
Witness: Musich, Elizabeth A.

CAPITAL EXPENDITURES

Project: GT Comp Sta Add/Rpls / Volume Driven
Budget Code: 00325.0.ALL

SoCalGas Position: SoCalGas forecasts a total of \$50.432 million for 2017, \$103.351 million for 2018, and \$116.626 million for 2019 for Compressor Stations.

Compressor Stations are comprised of workpaper group 003050, 003150, 003250, and 003350.

WPG	2017	2018	2019
003050	\$ 0.193	\$ 0.193	\$ 0.193
003150	\$11.818	\$17.875	\$11.150
003250	\$ 1.283	\$ 1.283	\$ 1.283
003350	\$37.138	\$84.000	\$104.000
Total	\$50.432	\$103.351	\$116.626

The amounts in the tables below reflect only those projects where a disallowance has been recommended by ORA.

Exhibit SCG-07, p. MAB-9, MAB-16 to MAB-24

ORA Position: ORA recommends a total of \$24.977* million for 2017, \$91.520 million for 2018, and \$105.800 million for 2019 for Compressor Stations.

ORA uses the 2017 adjusted-recorded capital expenditure as its forecast for 2017.

WPG	2017	2018	2019
003050	\$ 0.060	\$ 0.000	\$ 0.000
003150	\$ 7.469	\$ 7.520	\$ 1.800
003250	-\$ 0.014	\$ 0.000	\$ 0.000
003350	\$17.464	\$84.000	\$104.000
Total	\$24.979*	\$91.520	\$105.800

* Difference of \$0.002 million between ORA testimony and ORA's RO model.
Exhibit ORA-12, p. 19

CHAPTER 2A4-a9

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
M03250.001	1,283	1,283	1,283	3,849
Total	1,283	1,283	1,283	3,849

ORA	2017	2018	2019	Total
M03250.001	-14	0	0	-14
Total	-14	0	0	-14

Difference	2017	2018	2019	Total
M03250.001	-1,297	-1,283	-1,283	-3,863
Total	-1,297	-1,283	-1,283	-3,863

CHAPTER 2A4-a10

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-07
Area: GAS TRANSMISSION CAPITAL
Witness: Musich, Elizabeth A.

CAPITAL EXPENDITURES

Project: GT Comp Sta Add/Rpls / Quality/Economic Driven
Budget Code: 00335.0.ALL

SoCalGas Position: SoCalGas forecasts a total of \$50.432 million for 2017,\$103.351 million for 2018, and \$116.626 million for 2019 for Compressor Stations.

Compressor Stations are comprised of workpaper group 003050, 003150, 003250, and 003350.

WPG	2017	2018	2019
003050	\$ 0.193	\$ 0.193	\$ 0.193
003150	\$11.818	\$17.875	\$11.150
003250	\$ 1.283	\$ 1.283	\$ 1.283
003350	\$37.138	\$84.000	\$104.000
Total	\$50.432	\$103.351	\$116.626

Exhibit SCG-07, p. MAB-9, MAB-16 to MAB-24

ORA Position: ORA recommends a total of \$24.977* million for 2017, \$91.520 million for 2018, and \$105.800 million for 2019 for Compressor Stations.

ORA uses the 2017 adjusted-recorded capital expenditure as its forecast for 2017.

WPG	2017	2018	2019
003050	\$ 0.060	\$ 0.000	\$ 0.000
003150	\$ 7.469	\$ 7.520	\$ 1.800
003250	-\$ 0.014	\$ 0.000	\$ 0.000
003350	\$17.464	\$84.000	\$104.000
Total	\$24.979*	\$91.520	\$105.800

* Difference of \$0.002 million between ORA testimony and ORA's RO model.

Exhibit ORA-12, p. 19

CHAPTER 2A4-a10

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
M03350.001	1,569	0	0	1,569
M03350.002	1,569	0	0	1,569
M03350.004	24,000	20,000	4,000	48,000
M03350.005	10,000	64,000	100,000	174,000
Total	37,138	84,000	104,000	225,138

ORA	2017	2018	2019	Total
M03350.001	79	0	0	79
M03350.002	118	0	0	118
M03350.004	17,267	20,000	4,000	41,267
M03350.005	0	64,000	100,000	164,000
Total	17,464	84,000	104,000	205,464

Difference	2017	2018	2019	Total
M03350.001	-1,490	0	0	-1,490
M03350.002	-1,451	0	0	-1,451
M03350.004	-6,733	0	0	-6,733
M03350.005	-10,000	0	0	-10,000
Total	-19,674	0	0	-19,674

CHAPTER 2A4-a11

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-07
Area: GAS TRANSMISSION CAPITAL
Witness: Musich, Elizabeth A.

CAPITAL EXPENDITURES

Project: MP PL Rpls / Externally Driven
Budget Code: M0312.0.ALL

SoCalGas Position: SoCalGas forecasts a total of \$30.194 million for 2017, \$26.358 million for 2018, and \$10.499 million for 2019 for Pipeline Replacement.

The forecast methodology for Pipeline Replacement projects is zero-based.

RAMP-related costs include mitigation activity for SCG-4 Catastrophic Damage Involving High-Pressure Pipeline Failure.

The amounts in the tables below reflect only those projects where a disallowance has been recommended by ORA.

Exhibit SCG-07, p. MAB-9 to MAB-13.

ORA Position: ORA recommends a total of \$33.024 million for 2017, \$26.358 million for 2018, and \$10.499 million for 2019 for Pipeline Replacement.

ORA uses the 2017 adjusted-recorded capital expenditure as its forecast for 2017 and does not oppose SoCalGas' forecast for 2018 and 2019.

Exhibit ORA-12, p. 19

CHAPTER 2A4-a11

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
M03120.001	5,039	0	0	5,039
M03120.002	5,500	0	0	5,500
M03120.003	3,000	0	0	3,000
M03120.004	1,900	0	0	1,900
M03120.005	1,491	0	0	1,491
M03120.006	2,100	0	0	2,100
M03120.007	1,250	0	0	1,250
M03120.009	1,000	0	0	1,000
M03120.010	0	1,000	0	1,000
M03120.011	971	0	0	971
M03120.012	945	0	0	945
M03120.013	0	940	0	940
M03120.014	863	0	0	863
M03120.016	900	0	0	900
M03120.019	3,935	9,026	1,890	14,851
M03120.020	1,300	0	0	1,300
Total	30,194	10,966	1,890	43,050

ORA	2017	2018	2019	Total
M03120.001	524	0	0	524
M03120.002	821	0	0	821
M03120.003	0	0	0	0
M03120.004	917	0	0	917
M03120.005	35	0	0	35
M03120.006	3,331	0	0	3,331
M03120.007	0	0	0	0
M03120.009	0	0	0	0
M03120.010	32	1,000	0	1,032
M03120.011	105	0	0	105
M03120.012	25	0	0	25
M03120.013	58	940	0	998
M03120.014	86	0	0	86
M03120.016	796	0	0	796
M03120.019	26,294	9,026	1,890	37,210
M03120.020	0	0	0	0
Total	33,024	10,966	1,890	45,880

Difference	2017	2018	2019	Total
M03120.001	-4,515	0	0	-4,515
M03120.002	-4,679	0	0	-4,679
M03120.003	-3,000	0	0	-3,000
M03120.004	-983	0	0	-983
M03120.005	-1,456	0	0	-1,456
M03120.006	1,231	0	0	1,231
M03120.007	-1,250	0	0	-1,250
M03120.009	-1,000	0	0	-1,000
M03120.010	32	0	0	32
M03120.011	-866	0	0	-866
M03120.012	-920	0	0	-920
M03120.013	58	0	0	58
M03120.014	-777	0	0	-777
M03120.016	-104	0	0	-104
M03120.019	22,359	0	0	22,359
M03120.020	-1,300	0	0	-1,300

CHAPTER 2A4-a11

Total	2,830	0	0	2,830
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Chapter 2 - ORA vs. SoCalGas

Part A - O&M and Capital Expenditures

5. SCG-08-R - GAS MAJOR PROJECTS

a. CAPITAL

Project	2017+2018+2019 (in 2016 \$, 000s)			Reference
	SoCalGas	ORA	ORA vs. SoCalGas	
1. 00343.0.ALL	47,883	46,826	(1,057)	2A5-a1
TOTAL	47,883	46,826	(1,057)	

CHAPTER 2A5-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-08-R
Area: GAS MAJOR PROJECTS
Witness: Bernel, Michael A.

CAPITAL EXPENDITURES

Project: GAS DISTRIBUTION CONTROL CENTER (DOCC)
Budget Code: 00343.0.ALL

SoCalGas Position: SoCalGas requests a total of \$1.200 million for 2017, \$8.969 million for 2018, and \$37.714 million for 2019 for Gas Major Projects.

SoCalGas' request is comprised of the following projects.

WPG	2017	2018	2019
003430.001	\$0.400	\$3.156	\$25.901
003430.002	\$0.300	\$4.813	\$ 4.813
003430.003	\$0.500	\$1.000	\$ 7.000
Total	\$1.200	\$8.969	\$37.714

RAMP-related costs include mitigation activity for Catastrophic Damage Involving a Medium-Pressure Pipeline Failure.

Exhibit SCG-08-R, p. MAB-19 to MAB-32

ORA Position: ORA recommends a total of \$0.143 million for 2017, \$8.969 million for 2018, and \$37.714 million for 2019 for Gas Major Projects.

ORA recommends using SoCalGas' 2017 adjusted-recorded capital expenditures as its forecast for 2017. ORA does not oppose SoCalGas' proposed 2018 and 2019 capital expenditures.

WPG	2017	2018	2019
003430.001	\$0.038	\$3.156	\$25.901
003430.002	\$0.007	\$4.813	\$ 4.813
003430.003	\$0.098	\$1.000	\$ 7.000
Total	\$0.143	\$8.969	\$37.714

Exhibit ORA-13, p. 9-12

CHAPTER 2A5-a1

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
003430.001	400	3,156	25,901	29,457
003430.002	300	4,813	4,813	9,926
003430.003	500	1,000	7,000	8,500
Total	1,200	8,969	37,714	47,883

ORA	2017	2018	2019	Total
003430.001	38	3,156	25,901	29,095
003430.002	7	4,813	4,813	9,633
003430.003	98	1,000	7,000	8,098
Total	143	8,969	37,714	46,826

Difference	2017	2018	2019	Total
003430.001	-362	0	0	-362
003430.002	-293	0	0	-293
003430.003	-402	0	0	-402
Total	-1,057	0	0	-1,057

Chapter 2 - ORA vs. SoCalGas

Part A - O&M and Capital Expenditures

6. SCG-09-R - GAS ENGINEERING

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	ORA	ORA vs. SoCalGas	
1. 2EN001.000	3,625	2,772	(853)	2A6-a1
TOTAL	3,625	2,772	(853)	

CHAPTER 2A6-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-09-R
Area: GAS ENGINEERING
Witness: Haines, Deanna R.

NONSHARED O&M

Subject: LAND SERVICES & RIGHT OF WAY
Workpaper: 2EN001.000

SoCalGas Position: The Land and Right-of-Way group for SoCalGas within Gas Engineering manages the necessary property rights that allow for the access, operation, and maintenance of our pipelines infrastructure on public and private properties. The forecast method developed for this cost category both for labor and non-labor is the five-year linear method.

Exhibit SCG-09-R, p. DRH-15 to DRH-16

ORA Position: ORA recommends a year-on-year growth of 9.6% between 2017-2019 for land services and right-of-way, which is \$854,000 less than SoCalGas' request.

Exhibit ORA-13, p. 13

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	837	640	-197
NonLabor	2,788	2,132	-656
Nonstandard	0	0	0
TOTAL	3,625	2,772	-853

Chapter 2 - ORA vs. SoCalGas

Part A - O&M and Capital Expenditures

6. SCG-09-R - GAS ENGINEERING

b. O&M - SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	ORA	ORA vs. SoCalGas	
1. 2EN00C-USS.ALL	4,376	4,228	(148)	2A6-b1
2. 2EN00E-USS.ALL	2,134	2,059	(75)	2A6-b2
TOTAL	6,510	6,287	(223)	

CHAPTER 2A6-b1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-09-R
Area: GAS ENGINEERING
Witness: Haines, Deanna R.

SHARED SERVICES O&M

Subject: ENGINEERING DESIGN
Workpaper: 2EN00C-USS.ALL

SoCalGas Position: SoCalGas requests \$1.290 million for TY 2019 High Pressure & Distribution Engineering. Activities are performed by the Distribution System Engineering Support group and are primarily focused on providing the Distribution region engineering groups with technical, data, and policy support, as well as developing and implementing new technologies to enhance safety, effectiveness, and productivity in those groups.

The 5-year linear forecast method was chosen for the labor in this group. Incremental staffing and resources have been added due to anticipated requirements for a) roll-out of SB1383 and related capacity studies, and b) enhancing data analytics and performance optimization.

Exhibit SCG-09-R, p. DRH-33 to DRH-34

ORA Position: ORA recommends using actual adjusted-recorded 2017 expenses of \$502,000 as the base forecast for 2019. ORA does not oppose SCG's projected adjustment of \$640,000 in 2019. Therefore, ORA recommends a forecast of \$1.142 million in 2019, which is \$148,000 less than SCG's forecast of \$1.290 million.

Exhibit ORA-13, p. 23

Proposed TY2019 Forecast (in thousands of 2016 dollars)

	Labor	NLbr	NSE	Total
SCG				
2200-2377.000	1,226	64	0	1,290
Total	1,226	64	0	1,290
ORA				
2200-2377.000	1,078	64	0	1,142
Total	1,078	64	0	1,142
Difference				
2200-2377.000	-148	0	0	-148
Total	-148	0	0	-148

CHAPTER 2A6-b2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-09-R
Area: GAS ENGINEERING
Witness: Haines, Deanna R.

SHARED SERVICES O&M

Subject: ENGINEERING ANALYSIS CENTER
Workpaper: 2EN00E-USS.ALL

SoCalGas Position: Engineering Analysis Center Chemical provides environmental, gas operation, and British Thermal Unit (BTU) measurement-related testing for both Utilities. These activities help verify that safe pipeline quality natural gas is delivered and detect and mitigate undesirable constituents from being transported to the customer's burner tip.

As the foundation for future labor expense requirements, the five-year average was chosen. Incremental and staffing have been added due to new and enhanced regulations emerging.

Exhibit SCG-09-R, p. DRH-35

ORA Position: In response to ORA's request, SoCalGas replied that the company "is not requesting a new management position." Therefore, ORA recommends a \$75,000 reduction to SoCalGas' 2019 forecast.

Exhibit ORA-13, p. 25

Note: SoCalGas agrees with ORA's recommended adjustment of \$75,000 as it is consistent with its response to data request ORA-SCG-154-YNL.

Exhibit SCG-209R, p. DRH-13

Proposed TY2019 Forecast (in thousands of 2016 dollars)

	Labor	NLbr	NSE	Total
SCG				
2200-1178.000	1,590	544	0	2,134
Total	1,590	544	0	2,134
ORA				
2200-1178.000	1,515	544	0	2,059
Total	1,515	544	0	2,059
Difference				
2200-1178.000	-75	0	0	-75
Total	-75	0	0	-75

Chapter 2 - ORA vs. SoCalGas

Part A - O&M and Capital Expenditures

6. SCG-09-R - GAS ENGINEERING

c. CAPITAL

Project	2017+2018+2019 (in 2016 \$, 000s)			Reference
	SoCalGas	ORA	ORA vs. SoCalGas	
1. 00617.0.ALL	16,404	13,252	(3,152)	2A6-c1
2. 00730.0.ALL	6,735	7,005	270	2A6-c2
3. 00908.0.ALL	16,945	14,683	(2,262)	2A6-c3
TOTAL	40,084	34,940	(5,144)	

CHAPTER 2A6-c1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-09-R
Area: GAS ENGINEERING
Witness: Haines, Deanna R.

CAPITAL EXPENDITURES

Project: GT PL Land Rights / Externally Driven
Budget Code: 00617.0.ALL

SoCalGas Position: This category includes Budget Codes 617 (Land and Land Rights) and 633 (Gas Transmission Buildings and Improvements) which both use the base year average of recorded costs as the forecast method.

Exhibit SCG-09-R, p. DRH-38

ORA Position: ORA uses SCG' 2017 adjusted-recorded capital expenditures of \$3.892 million for land and right-of-way. ORA reviewed SCG's testimony and workpapers, including 2017 recorded costs and recommends an average of the last two years as its forecast for 2018 and 2019. An average of 2016 and 2017 capital expenditures is \$4.680 million.

Exhibit ORA-13, p. 26

Note: SoCalGas accepts ORA's recommendation for 2017 and forecast method to use average of the last two years (2016 and 2017) to forecast years 2018 and 2019. Historical expenditures for 2017 (\$3.892 Million) do not include Morongo-related expenses; however, since the 2016 (\$5.468 Million) historical expenditures include \$178,811 of Morongo-related costs, SoCalGas stipulates that its forecast for 2018 and 2019 should be adjusted to exclude these costs if the Morongo Memorandum Account and the Morongo Balancing Account are authorized. Excluding \$178,811 of Morongo-related charges from year 2016 would result in a two-year average of \$4.591 million.

These changes will be reflected in the August 2018 Update Filing.

Exhibit SCG-209, p. DRH-14

CHAPTER 2A6-c1

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
006170.001	377	377	377	1,131
006170.002	5,091	5,091	5,091	15,273
Total	5,468	5,468	5,468	16,404

ORA	2017	2018	2019	Total
006170.001	268	323	323	914
006170.002	3,624	4,357	4,357	12,338
Total	3,892	4,680	4,680	13,252

Difference	2017	2018	2019	Total
006170.001	-109	-54	-54	-217
006170.002	-1,467	-734	-734	-2,935
Total	-1,576	-788	-788	-3,152

CHAPTER 2A6-c2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-09-R
Area: GAS ENGINEERING
Witness: Haines, Deanna R.

CAPITAL EXPENDITURES

Project: GT Lab Equip / Quality/Economic Driven
Budget Code: 00730.0.ALL

SoCalGas Position: Budget Code 730 provides for laboratory equipment with which SoCalGas equips the Engineering Analysis Center.

One cost driver within Budget Code 730 is linked to RAMP Chapter SCG-4 and addresses investments in odorization equipment and techniques for pipeline systems.

The forecast method used is the five-year average of recorded costs.

Exhibit SCG-09-R, p. DRH-39 to DRH-40

ORA Position: ORA uses SCG's 2017 adjusted-recorded capital expenditures of \$2.515 million for capital tools and lab equipment. ORA does not take issue with SCG's proposed 2018 and 2019 capital expenditure forecast for capital tools and lab equipment.

Exhibit ORA-13, p. 26 to 27

Note: SoCalGas agrees with ORA's recommendation for Capital Tools and Lab Equipment. This change will be reflected in the August 2018 Update Filing.

Exhibit SCG-209, p. DRH-14

Proposed Capital Expenditures (in thousands of 2016 dollars)

	2017	2018	2019	Total
SCG				
007300.001	2,245	2,245	2,245	6,735
Total	2,245	2,245	2,245	6,735
ORA				
007300.001	2,515	2,245	2,245	7,005
Total	2,515	2,245	2,245	7,005
Difference				
007300.001	270	0	0	270
Total	270	0	0	270

CHAPTER 2A6-c3

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-09-R
Area: GAS ENGINEERING
Witness: Haines, Deanna R.

CAPITAL EXPENDITURES

Project: Transmission & Storage S&E Pool
Budget Code: 00908.0.ALL

SoCalGas Position: This budget code provides a pool for Supervision and Engineering charges to be made on a direct basis to this capital category that will then be reassigned to the various budget categories on an indirect basis. Charges reside in this budget category temporarily and are reassigned monthly.

The forecast method used for Supervision and Engineering overheads is the five-year linear.

Exhibit SCG-09-R, p. DRH-40

ORA Position: ORA uses SCG's 2017 adjusted-recorded capital expenditures of \$4.504 million for supervision and engineering overheads. ORA recommends a year-on-year growth of 8.43% between 2017-2019 for supervision and engineering overheads, which is an average of the two-year growth in 2016 and 2017. Accordingly, ORA recommends a forecast of \$4.884 million in 2018 and \$5.295 million in 2019.

Exhibit ORA-13, p. 27

Proposed Capital Expenditures (in thousands of 2016 dollars)

	2017	2018	2019	Total
SCG				
009080.001	4,909	5,648	6,388	16,945
Total	4,909	5,648	6,388	16,945
ORA				
009080.001	4,504	4,884	5,295	14,683
Total	4,504	4,884	5,295	14,683
Difference				
009080.001	-405	-764	-1,093	-2,262
Total	-405	-764	-1,093	-2,262

Chapter 2 - ORA vs. SoCalGas

Part A - O&M and Capital Expenditures

7. SCG-10-R - UNDERGROUND STORAGE

a. CAPITAL

Project	2017+2018+2019 (in 2016 \$, 000s)			Reference
	SoCalGas	ORA	ORA vs. SoCalGas	
1. 00411.0.ALL	51,196	47,879	(3,317)	2A7-a1
2. 00412.0.ALL	166,929	158,789	(8,140)	2A7-a2
3. 00413.0.ALL	40,907	41,577	670	2A7-a3
4. 00414.0.ALL	18,405	15,810	(2,595)	2A7-a4
5. 00419.0.ALL	56,621	55,034	(1,587)	2A7-a5
6. 00441.0.ALL	193,537	180,219	(13,318)	2A7-a6
TOTAL	527,595	499,308	(28,287)	

CHAPTER 2A7-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-10-R
Area: UNDERGROUND STORAGE
Witness: Navin, Neil P.

CAPITAL EXPENDITURES

Project: GT Stor Comp Sta Add/Rpls / Externally Driven
Budget Code: 00411.0.ALL

SoCalGas Position: SCG requests a total of \$9.000 million for 2017, \$16.496 million for 2018, and \$25.700 million for 2019 for Storage Compressors.

Exhibit SCG-10-R, p. NPN-31 to NPN-35

ORA Position: ORA recommends \$5.683 million for 2017, \$16.496 million for 2018, and \$25.700 million for 2019 for Storage Compressors.

ORA recommends adopting the 2017 adjusted-recorded capital expenditures for Underground Storage. ORA does not oppose SoCalGas' 2018 and 2019 capital expenditures.

Exhibit ORA-14, p. 12-15

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
00411A.001	2,000	326	0	2,326
00411B.001	1,000	3,000	10,000	14,000
00411C.001	1,000	1,000	0	2,000
00411E.001	5,000	12,170	15,700	32,870
Total	9,000	16,496	25,700	51,196

ORA	2017	2018	2019	Total
00411A.001	501	326	0	827
00411B.001	167	3,000	10,000	13,167
00411C.001	460	1,000	0	1,460
00411E.001	4,555	12,170	15,700	32,425
Total	5,683	16,496	25,700	47,879

Difference	2017	2018	2019	Total
00411A.001	-1,499	0	0	-1,499
00411B.001	-833	0	0	-833
00411C.001	-540	0	0	-540
00411E.001	-445	0	0	-445
Total	-3,317	0	0	-3,317

CHAPTER 2A7-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-10-R
Area: UNDERGROUND STORAGE
Witness: Navin, Neil P.

CAPITAL EXPENDITURES

Project: GT Stor Wells / Externally Driven
Budget Code: 00412.0.ALL

SoCalGas Position: SCG requests a total of \$59.585 million for 2017, \$49.125 million for 2018, and \$60.559 million for 2019 for Storage Wells.

RAMP-related costs include mitigation activity for Catastrophic Event related to Storage Well Integrity.

The amounts in the tables below reflect only those projects where a disallowance has been recommended by ORA.

Exhibit SCG-10-R, p. NPN-35 to NPN-42

ORA Position: ORA recommends \$51.446 million for 2017, \$49.125 million for 2018, and \$60.559 million for 2019 for Storage Wells.

ORA recommends adopting the 2017 adjusted-recorded capital expenditures for Underground Storage. ORA does not oppose SoCalGas' 2018 and 2019 capital expenditures.

ORA also recommends a one-way balancing account for SCG to record the expenditures for Storage Wells.

Exhibit ORA-14, p. 15-18

CHAPTER 2A7-a2

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
00412A.001	4,000	18,000	49,000	71,000
00412B.001	22,900	23,150	7,250	53,300
00412B.002	16,000	0	0	16,000
00412C.001	2,680	1,050	0	3,730
00412D.001	11,969	5,369	969	18,307
00412E.001	1,036	556	0	1,592
00412G.001	1,000	1,000	1,000	3,000
Total	59,585	49,125	58,219	166,929

ORA	2017	2018	2019	Total
00412A.001	-34	18,000	49,000	66,966
00412B.001	31,441	23,150	7,250	61,841
00412B.002	0	0	0	0
00412C.001	966	1,050	0	2,016
00412D.001	17,742	5,369	969	24,080
00412E.001	691	556	0	1,247
00412G.001	639	1,000	1,000	2,639
Total	51,445	49,125	58,219	158,789

Difference	2017	2018	2019	Total
00412A.001	-4,034	0	0	-4,034
00412B.001	8,541	0	0	8,541
00412B.002	-16,000	0	0	-16,000
00412C.001	-1,714	0	0	-1,714
00412D.001	5,773	0	0	5,773
00412E.001	-345	0	0	-345
00412G.001	-361	0	0	-361
Total	-8,140	0	0	-8,140

CHAPTER 2A7-a3

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-10-R
Area: UNDERGROUND STORAGE
Witness: Navin, Neil P.

CAPITAL EXPENDITURES

Project: GT Stor Pipelines / Externally Driven
Budget Code: 00413.0.ALL

SoCalGas Position: SCG requests a total of \$20.347 million for 2017, \$12.880 million for 2018, and \$7.680 million for 2019 for Storage Pipelines.

RAMP-related costs include mitigation activity for Climate Change Adaptation.

Exhibit SCG-10-R, p. NPN-42 to NPN-44

ORA Position: ORA recommends \$21.017 million for 2017, \$12.880 million for 2018, and \$7.680 million for 2019 for Storage Compressors.

ORA recommends adopting the 2017 adjusted-recorded capital expenditures for Underground Storage. ORA does not oppose SoCalGas' 2018 and 2019 capital expenditures.

Exhibit ORA-14, p. 18-19

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
00413A.001	880	880	880	2,640
00413B.001	8,000	8,000	0	16,000
00413C.001	11,467	4,000	6,800	22,267
Total	20,347	12,880	7,680	40,907

ORA	2017	2018	2019	Total
00413A.001	316	880	880	2,076
00413B.001	0	8,000	0	8,000
00413C.001	20,701	4,000	6,800	31,501
Total	21,017	12,880	7,680	41,577

Difference	2017	2018	2019	Total
00413A.001	-564	0	0	-564
00413B.001	-8,000	0	0	-8,000
00413C.001	9,234	0	0	9,234
Total	670	0	0	670

CHAPTER 2A7-a4

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-10-R
Area: UNDERGROUND STORAGE
Witness: Navin, Neil P.

CAPITAL EXPENDITURES

Project: GT Stor Purifi Equip / Externally Driven
Budget Code: 00414.0.ALL

SoCalGas Position: SCG requests a total of \$5.510 million for 2017, \$9.785 million for 2018, and \$5.610 million for 2019 for Storage Purification Systems.

The amounts in the tables below reflect only those projects where a disallowance has been recommended by ORA.

Exhibit SCG-10-R, p. NPN-44 to NPN-46

ORA Position: ORA recommends \$2.915 million for 2017, \$9.785 million for 2018, and \$5.610 million for 2019 for Storage Purification Systems.

ORA recommends adopting the 2017 adjusted-recorded capital expenditures for Underground Storage. ORA does not oppose SoCalGas' 2018 and 2019 capital expenditures.

Exhibit ORA-14, p. 20-21

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
00414A.001	750	0	0	750
00414B.001	0	3,050	0	3,050
00414D.001	4,760	5,485	4,360	14,605
Total	5,510	8,535	4,360	18,405

ORA	2017	2018	2019	Total
00414A.001	846	0	0	846
00414B.001	85	3,050	0	3,135
00414D.001	1,984	5,485	4,360	11,829
Total	2,915	8,535	4,360	15,810

Difference	2017	2018	2019	Total
00414A.001	96	0	0	96
00414B.001	85	0	0	85
00414D.001	-2,776	0	0	-2,776
Total	-2,595	0	0	-2,595

CHAPTER 2A7-a5

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-10-R
Area: UNDERGROUND STORAGE
Witness: Navin, Neil P.

CAPITAL EXPENDITURES

Project: GT Stor Aux Equip & Infrastr / Externally Driven
Budget Code: 00419.0.ALL

SoCalGas Position: SCG requests a total of \$19.206 million for 2017, \$19.740 million for 2018, and \$19.675 million for 2019 for Storage Auxiliary Systems.

RAMP-related costs include mitigation activity for Climate Change Adaptation.

The amounts in the tables below reflect only those projects where a disallowance has been recommended by ORA.

Exhibit SCG-10-R, p. NPN-46 to NPN-51

ORA Position: ORA recommends \$17.618 million for 2017, \$19.740 million for 2018, and \$19.675 million for 2019 for Storage Auxiliary Systems.

ORA recommends adopting the 2017 adjusted-recorded capital expenditures for Underground Storage. ORA does not oppose SoCalGas' 2018 and 2019 capital expenditures.

Exhibit ORA-14, p. 21-22

CHAPTER 2A7-a5

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
00419A.001	0	1,000	1,250	2,250
00419B.001	2,000	0	0	2,000
00419B.002	1,450	2,520	2,500	6,470
00419C.001	1,000	0	0	1,000
00419D.001	750	750	500	2,000
00419E.001	200	1,000	1,800	3,000
00419F.001	400	2,500	1,000	3,900
00419G.001	13,406	10,970	11,625	36,001
Total	19,206	18,740	18,675	56,621

ORA	2017	2018	2019	Total
00419A.001	1,248	1,000	1,250	3,498
00419B.001	2,494	0	0	2,494
00419B.002	0	2,520	2,500	5,020
00419C.001	2,601	0	0	2,601
00419D.001	413	750	500	1,663
00419E.001	90	1,000	1,800	2,890
00419F.001	109	2,500	1,000	3,609
00419G.001	10,664	10,970	11,625	33,259
Total	17,619	18,740	18,675	55,034

Difference	2017	2018	2019	Total
00419A.001	1,248	0	0	1,248
00419B.001	494	0	0	494
00419B.002	-1,450	0	0	-1,450
00419C.001	1,601	0	0	1,601
00419D.001	-337	0	0	-337
00419E.001	-110	0	0	-110
00419F.001	-291	0	0	-291
00419G.001	-2,742	0	0	-2,742
Total	-1,587	0	0	-1,587

CHAPTER 2A7-a6

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-10-R
Area: UNDERGROUND STORAGE
Witness: Navin, Neil P.

CAPITAL EXPENDITURES

Project: SIMP Work
Budget Code: 00441.0.ALL

SoCalGas Position: SCG requests a total of \$75.258 million for 2017, \$71.370 million for 2018, and \$53.382 million for 2019 for Storage Integrity Management Program.

RAMP-related costs include mitigation activity for Catastrophic Event related to Storage Well Integrity.

The amounts in the tables below reflect only those projects where a disallowance has been recommended by ORA.

Exhibit SCG-10-R, p. NPN-51 to NPN-57

ORA Position: ORA recommends \$61.968* million for 2017, \$71.370 million for 2018, and \$53.382 million for 2019 for Storage Compressors.

ORA recommends adopting the 2017 adjusted-recorded capital expenditures for Underground Storage. ORA does not oppose SoCalGas' 2018 and 2019 capital expenditures.

ORA also recommends that the Commission modify SIMPBA from a two-way balancing to a one-way balancing to better protect the ratepayers.

*Amount differ from table below due to rounding.

Exhibit ORA-14, p. 12-15

CHAPTER 2A7-a6

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
00441B.001	3,800	1,900	0	5,700
00441C.001	68,905	68,120	46,232	183,257
00441D.001	2,580	1,350	650	4,580
Total	75,285	71,370	46,882	193,537

ORA	2017	2018	2019	Total
00441B.001	5,237	1,900	0	7,137
00441C.001	55,989	68,120	46,232	170,341
00441D.001	741	1,350	650	2,741
Total	61,967	71,370	46,882	180,219

Difference	2017	2018	2019	Total
00441B.001	1,437	0	0	1,437
00441C.001	-12,916	0	0	-12,916
00441D.001	-1,839	0	0	-1,839
Total	-13,318	0	0	-13,318

Chapter 2 - ORA vs. SoCalGas

Part A - O&M and Capital Expenditures

8. SCG-13 - GAS CONTROL AND SYSTEM OPERATIONS/PLANNING

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	ORA	ORA vs. SoCalGas	
1. 2GS001.000	2,815	1,145	(1,670)	2A8-a1
TOTAL	2,815	1,145	(1,670)	

CHAPTER 2A8-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-13
Area: GAS CONTROL AND SYSTEM OPERATIONS/PLANNING
Witness: Zornizer, Devin K.

NONSHARED O&M

Subject: Emergency Services
Workpaper: 2GS001.000

SoCalGas Position: SCG requests \$2.816* million in expenses for Emergency Services for 2019.

RAMP-related costs include mitigation activity for Employee, Contractor, Customer, and Public Safety.

*Amount differ from table below due to rounding.

Exhibit SCG-13, p. DKZ-15 to DKZ-16

ORA Position: ORA recommends \$1.145 million for 2019, which is the SCG 2017 recorded amount for Emergency Services.

Exhibit ORA-11, p. 86-89

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	1,718	699	-1,019
NonLabor	1,097	446	-651
Nonstandard	0	0	0
TOTAL	2,815	1,145	-1,670

Chapter 2 - ORA vs. SoCalGas

Part A - O&M and Capital Expenditures

9. SCG-14 - PIPELINE INTEGRITY FOR TRANSMISSION AND DISTRIBUTION

a. CAPITAL

Project	2017+2018+2019 (in 2016 \$, 000s)			Reference
	SoCalGas	ORA	ORA vs. SoCalGas	
1. 00276.0.ALL	15,240	12,284	(2,956)	2A9-a1
2. 00277.0.ALL	202,620	222,833	20,213	2A9-a2
3. P0312.0.ALL	128,562	188,273	59,711	2A9-a3
TOTAL	346,422	423,390	76,968	

CHAPTER 2A9-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-14
Area: PIPELINE INTEGRITY FOR TRANSMISSION AND DISTRIBUTION
Witness: Martinez, Maria T.

CAPITAL EXPENDITURES

Project: Projs to Sup Trans. - PIP
Budget Code: 00276.0.ALL

SoCalGas Position: SoCalGas requests a total of \$50.801 million for 2017, \$50.801 million for 2018, and \$55.00 million for 2019 for the Transmission Integrity Management Program (TIMP).

TIMP is comprised of the following workpaper groups.

WPG	2017	2018	2019
002760	\$ 5.080	\$ 5.080	\$ 5.080
003120	\$45.721	\$45.721	\$49.920
Total	\$50.801	\$50.801	\$55.000

RAMP-related costs include mitigation activity for Catastrophic Damage Involving High Pressure Pipeline Failure.

Exhibit SCG-14, p. MTM-29 to MTM-31

ORA Position: ORA recommends adopting SoCalGas' actual 2017 capital expenditures of \$103.029* million and does not oppose SoCalGas' forecast of \$50.801 million for 2018 and \$55.000 million for 2019.

WPG	2017	2018	2019
002760	\$ 2.124**	\$ 5.080	\$ 5.080
003120	\$105.432***	\$45.721	\$49.920
Total	\$107.556*	\$50.801	\$55.000

Exhibit ORA-03, p. 17-19

Note: *Discrepancy between ORA's testimony and RO model. Testimony shows \$103.029 million while their RO model shows \$107.556 million.

**There is a discrepancy in WPG 002760 between ORA's testimony and ORA's RO model for 2017. The 2017 amount reflected in ORA's testimony is zero while ORA's RO model showed an amount of \$2.124 million, a difference of \$2.124 million.

***There is a discrepancy in WPG 003120 between ORA's testimony and ORA's RO model for 2017. The 2017 amount reflected in ORA's testimony is \$103.029 million while ORA's RO model showed an amount of \$105.432 million, a difference of \$2.403 million.

CHAPTER 2A9-a1

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
002760.001	5,080	5,080	5,080	15,240
Total	5,080	5,080	5,080	15,240

ORA	2017	2018	2019	Total
002760.001	2,124	5,080	5,080	12,284
Total	2,124	5,080	5,080	12,284

Difference	2017	2018	2019	Total
002760.001	-2,956	0	0	-2,956
Total	-2,956	0	0	-2,956

CHAPTER 2A9-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-14
Area: PIPELINE INTEGRITY FOR TRANSMISSION AND DISTRIBUTION
Witness: Martinez, Maria T.

CAPITAL EXPENDITURES

Project: Distribution Integrity Management
Budget Code: 00277.0.ALL

SoCalGas Position: SoCalGas requests a total of \$74.383 million for 2017, \$74.383 million for 2018, and \$160.000 million for 2019 for the Distribution Integrity Management Program (DIMP).

RAMP-related costs include mitigation activity for Catastrophic Damage Involving Medium Pressure Pipeline Failure.

The amounts in the tables below reflect only those projects where a disallowance has been recommended.

Exhibit SCG-14, p. MTM-31 to MTM-32

ORA Position: ORA recommends adopting SoCalGas' actual 2017 capital expenditures of \$90.396 million and does not oppose SoCalGas' forecast of \$74.383 million for 2018 and \$160.000 million for 2019.

There is a discrepancy between ORA's testimony and ORA's RO model for 2017. The 2017 amount reflects in ORA's testimony is \$90.396 million while ORA's RO model shows an amount of \$94.596 million, a difference of \$4.200 million.

Exhibit ORA-03, p. 19-20

Proposed Capital Expenditures (in thousands of 2016 dollars)

	2017	2018	2019	Total
SCG				
002770.001	70,183	71,583	60,854	202,620
Total	70,183	71,583	60,854	202,620
ORA				
002770.001	90,396	71,583	60,854	222,833
Total	90,396	71,583	60,854	222,833
Difference				
002770.001	20,213	0	0	20,213
Total	20,213	0	0	20,213

CHAPTER 2A9-a3

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-14
Area: PIPELINE INTEGRITY FOR TRANSMISSION AND DISTRIBUTION
Witness: Martinez, Maria T.

CAPITAL EXPENDITURES

Project: GT PL Rpls / Externally Driven
Budget Code: P0312.0.ALL

SoCalGas Position: SoCalGas requests a total of \$50.801 million for 2017, \$50.801 million for 2018, and \$55.00 million for 2019 for the Transmission Integrity Management Program (TIMP).

TIMP is comprised of the following workpaper groups.

WPG	2017	2018	2019
002760	\$ 5.080	\$ 5.080	\$ 5.080
003120	\$45.721	\$45.721	\$49.920
Total	\$50.801	\$50.801	\$55.000

RAMP-related costs include mitigation activity for Catastrophic Damage Involving High Pressure Pipeline Failure and Record Management.

The amounts in the tables below reflect only those projects where a disallowance has been recommended by ORA.

Exhibit SCG-14, p. MTM-29 to MTM-31

ORA Position: ORA recommends adopting SoCalGas' actual 2017 capital expenditures of \$103.029* million and does not oppose SoCalGas' forecast of \$50.801 million for 2018 and \$55.000 million for 2019.

WPG	2017	2018	2019
002760	\$ 2.124*	\$ 5.080	\$ 5.080
003120	\$105.432**	\$45.721	\$49.920
Total	\$107.556*	\$50.801	\$55.000

Exhibit ORA-03, p. 17-19

Note: *Discrepancy between ORA's testimony and RO model. Testimony shows \$103.029 million while their RO model shows \$107.556 million.

*There is a discrepancy in WPG 002760 between ORA's testimony and ORA's RO model for 2017. The 2017 amount reflected in ORA's testimony is zero while ORA's RO model showed an amount of \$2.124 million, a difference of \$2.124 million.

**There is a discrepancy in WPG 003120 between ORA's testimony and ORA's RO model for 2017. The 2017 amount reflected in ORA's testimony is \$103.029 million while ORA's RO model showed an amount of \$105.432 million, a difference of \$2.403 million.

CHAPTER 2A9-a3

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
P03120.001	40,321	42,021	46,220	128,562
Total	40,321	42,021	46,220	128,562

ORA	2017	2018	2019	Total
P03120.001	100,032	42,021	46,220	188,273
Total	100,032	42,021	46,220	188,273

Difference	2017	2018	2019	Total
P03120.001	59,711	0	0	59,711
Total	59,711	0	0	59,711

Chapter 2 - ORA vs. SoCalGas

Part A - O&M and Capital Expenditures

10. SCG-15-R - PIPELINE SAFETY ENHANCEMENT PLAN (PSEP)

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	ORA	ORA vs. SoCalGas	
1. 2PS000.000	79,212	67,616	(11,596)	2A10-a1
2. 2PS000.001	3,944	3,367	(577)	2A10-a2
TOTAL	83,156	70,983	(12,173)	

CHAPTER 2A10-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-15-R
Area: PIPELINE SAFETY ENHANCEMENT PLAN (PSEP)
Witness: Phillips, Richard D.

NONSHARED O&M

Subject: PIPELINE SAFETY ENHANCEMENT PROGRAM
Workpaper: 2PS000.000

SoCalGas Position: SoCalGas forecasts \$249.468 million in O&M, and \$649.326 million in capital expenditures through 2021. SoCalGas' forecasts are comprised of the following components:

1. Pressure Test Projects
2. Miscellaneous PSEP Costs
3. Replacement Projects
4. Valve Enhancement Plan

Exhibit SCG-15-R, p. RDP-iv

ORA Position: ORA applied its cost model to 14 of the 22 PSEP pipeline projects through 2021 in SCG/SDG&E's application. ORA recommends that SCG/SDG&E's forecast be adjusted, leading to a total forecast (including non-assessed projects) of \$800.55 million, a reduction of \$100.73 million compared to the SoCalGas forecast.

ORA takes no position in SCG/SDG&E's forecasts in Miscellaneous PSEP Costs, Valve Enhancement Plan, and non-assessed projects listed in ORA's Table 3-8.

Exhibit ORA-03-E, p. 21, 26-28

Note: ORA's total forecast of \$800.55 million appears to include \$2.484 million recorded in SCG's PSEP-P2MA, for which SCG is not seeking recovery in the 2019 GRC.

Table below only shows the differences for 2019. Therefore, they represent a portion of the \$100.73 million proposed decrease, which is the difference through 2021.

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	4,260	3,636	-624
NonLabor	74,952	63,980	-10,972
Nonstandard	0	0	0
TOTAL	79,212	67,616	-11,596

CHAPTER 2A10-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-15-R
Area: PIPELINE SAFETY ENHANCEMENT PLAN (PSEP)
Witness: Phillips, Richard D.

NONSHARED O&M

Subject: PIPELINE SAFETY ENHANCEMENT PROGRAM-PMO Costs
Workpaper: 2PS000.001

SoCalGas Position: Please refer to Chapter 2A10-a1, which summarizes SCG and ORA's positions on PSEP.

ORA Position: Please refer to Chapter 2A10-a1, which summarizes SCG and ORA's positions on PSEP.

Note: Table below only shows the differences for 2019. Therefore, they represent a portion of the \$100.73 million proposed decrease, which is the difference through 2021.

ORA takes no position in SCG's PMO costs (Workpaper 2PS000.001). However, ORA's RO model shows a reduction of \$0.577 million.

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	1,647	1,406	-241
NonLabor	2,297	1,961	-336
Nonstandard	0	0	0
TOTAL	3,944	3,367	-577

Chapter 2 - ORA vs. SoCalGas

Part A - O&M and Capital Expenditures

10. SCG-15-R - PIPELINE SAFETY ENHANCEMENT PLAN (PSEP)

b. CAPITAL

Project	2017+2018+2019 (in 2016 \$, 000s)			Reference
	SoCalGas	ORA	ORA vs. SoCalGas	
1. 00569.0.ALL	18,324	15,671	(2,653)	2A10-b1
TOTAL	18,324	15,671	(2,653)	

CHAPTER 2A10-b1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-15-R
Area: PIPELINE SAFETY ENHANCEMENT PLAN (PSEP)
Witness: Phillips, Richard D.

CAPITAL EXPENDITURES

Project: PSEP AUX EQUIP & INFRASTR - NON PHASE
Budget Code: 00569.0.ALL

SoCalGas Position: SoCalGas forecasts \$249.468 million in O&M, and \$649.326 million in capital expenditures through 2021. SoCalGas' forecasts are comprised of the following components:

1. Pressure Test Projects
2. Miscellaneous PSEP Costs
3. Replacement Projects
4. Valve Enhancement Plan

Exhibit SCG-15-R, p. RDP-iv

ORA Position: ORA applied its cost model to 14 of the 22 PSEP pipeline projects through 2021 in SCG/SDG&E's application. ORA recommends that SCG/SDG&E's forecast be adjusted, leading to a total forecast (including non-assessed projects) of \$800.55 million, a reduction of \$100.73 million compared to the SoCalGas forecast.

ORA takes no position in SCG/SDG&E's forecasts in Miscellaneous PSEP Costs, Valve Enhancement Plan, and non-assessed projects listed in ORA's Table 3-8.

Exhibit ORA-03-E, p. 21, 26-28

Note: Table below only shows the differences for 2017-2019. Therefore, they represent a portion of the \$100.73 million proposed decrease, which is the difference through 2021.

ORA takes no position in SCG's PMO costs (Budget code 00569C.002). However, ORA's RO model shows a reduction of \$1.347 million.

CHAPTER 2A10-b1

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
00569A.003	0	0	9,122	9,122
00569C.002	0	0	9,202	9,202
Total	0	0	18,324	18,324

ORA	2017	2018	2019	Total
00569A.003	0	0	7,816	7,816
00569C.002	0	0	7,855	7,855
Total	0	0	15,671	15,671

Difference	2017	2018	2019	Total
00569A.003	0	0	-1,306	-1,306
00569C.002	0	0	-1,347	-1,347
Total	0	0	-2,653	-2,653

Chapter 2 - ORA vs. SoCalGas

Part A - O&M and Capital Expenditures

11. SCG-16 - GAS PROCUREMENT

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	ORA	ORA vs. SoCalGas	
1. 2SP000.000	4,230	3,980	(250)	2A11-a1
TOTAL	4,230	3,980	(250)	

CHAPTER 2A11-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-16
Area: GAS PROCUREMENT
Witness: Lazarus, Martin F.

NONSHARED O&M

Subject: Gas Acquisition
Workpaper: 2SP000.000

SoCalGas Position: SoCalGas forecasts \$4.230 million in O&M costs to procure natural gas for both SoCalGas and SDG&E core customers, and to procure greenhouse gas Cap-and-Trade emissions compliance instruments for SoCalGas' covered end-use customers and transmission and storage facilities. Included in the forecast is \$276,000 in labor requested to fund Gas Acquisition vacant positions.

Exhibit SCG-16, p. MFL-4 to MFL-12

ORA Position: ORA disputes SCG's labor forecast opposing ratepayer funding for two vacant positions, a Director and Supply Forecast Analyst. ORA states that SoCalGas had requested and was approved funding for these two positions in the previous TY 2016 GRC, SoCalGas did not fill the positions, and SoCalGas has been able to conduct its procurement activities without staffing the two positions since 2014. ORA recommends a \$250,000 adjustment decreasing SoCalGas' TY 2019 labor forecast.

Please note that ORA's table 15-1 incorrectly reflects the reduction as \$250,000. The correct number should be \$240,000.

Exhibit ORA-18, p. 5-8

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	3,867	3,617	-250
NonLabor	363	363	0
Nonstandard	0	0	0
TOTAL	4,230	3,980	-250

Chapter 2 - ORA vs. SoCalGas

Part A - O&M and Capital Expenditures

12. SCG-19-R - CS - OFFICE OPERATIONS

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	ORA	ORA vs. SoCalGas	
1. 200001.000	9,024	8,857	(167)	2A12-a1
TOTAL	9,024	8,857	(167)	

CHAPTER 2A12-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: CS - OFFICE OPERATIONS
Witness: Baldwin, Michael H.

NONSHARED O&M

Subject: CCC - Support
Workpaper: 200001.000

SoCalGas Position: CCC Support provides the necessary services to keep CCC operation efficient and productive. It includes functions such as forecasting call volumes, and planning and scheduling CSRs to support the forecast levels of customer contact.

A base year forecasting methodology was applied to project CCC Support O&M costs. Incremental changes include: (a) increase quality assurance support; (b) expand training and development team; (c) expansion of the special investigation team; (d) adjustments for full year staffing for CCC Support; (e) process efficiency reductions due to FOF; (f) increase in CCC system maintenance fees; (g) decrease in telecommunication costs and (h) IVR confirmation email fee.

Exhibit SCG-19-R, p. MHB-20 to MHB-27

ORA Position: ORA reviewed SCG's request and does not take issue with the majority of SoCalGas' proposed adjustments for this function. ORA disagrees with the adjustment of \$165,000 in labor and \$2,000 in non-labor for 2.0 full-time employees (FTEs) for the Expansion of the Special Investigation Team.

Exhibit ORA-17, p. 13 to 14

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	5,742	5,577	-165
NonLabor	3,282	3,280	-2
Nonstandard	0	0	0
TOTAL	9,024	8,857	-167

Chapter 2 - ORA vs. SoCalGas

Part A - O&M and Capital Expenditures

13. SCG-20-R - CS - INFORMATION

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	ORA	ORA vs. SoCalGas	
1. 2IN001.000	7,102	5,944	(1,158)	2A13-a1
TOTAL	7,102	5,944	(1,158)	

CHAPTER 2A13-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-20-R
Area: CS - INFORMATION
Witness: Magana, Rosalinda

NONSHARED O&M

Subject: CI-Customer Strategy and Engagement -
Workpaper: 2IN001.000

SoCalGas Position: The CSE organization has the responsibility for managing SoCalGas' customer communications across all segments and mediums.

The forecast method used for the CSE cost category is the five-year historical average with adjustments for incremental costs and FOF savings. The baseline forecast was further adjusted to account for specific program growth, FOF savings, and other incremental costs not reflected in historical cost data.

Exhibit SCG-20-R, p. ASC-13 to ASC-23

ORA Position: ORA's forecast for Customer Strategy & Engagement is \$5.944 million for TY 2019, which is an increase of 15% from BY 2016. ORA's forecast was calculated by taking SCG's forecast for 2019 and subtracting the incremental funding requests that ORA concludes are unnecessary.

Exhibit ORA-17, p. 28

Note: SoCalGas corrects its TY 2019 forecast from \$7.102 million to \$7.098 million (\$2.478 million for Labor and \$4.620 million for NonLabor), which will be reflected in the August 2018 Update Filing.

Hearing Transcript for July 19, 2018, Volume 18, p. 1626

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	2,442	1,802	-640
NonLabor	4,660	4,142	-518
Nonstandard	0	0	0
TOTAL	7,102	5,944	-1,158

Chapter 2 - ORA vs. SoCalGas

Part A - O&M and Capital Expenditures

14. SCG-21 - CS - TECHNOLOGIES, POLICIES & SOLUTIONS

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	ORA	ORA vs. SoCalGas	
1. 2RD001.000	14,329	9,886	(4,443)	2A14-a1
TOTAL	14,329	9,886	(4,443)	

CHAPTER 2A14-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-21
Area: CS - TECHNOLOGIES, POLICIES & SOLUTIONS
Witness: Tomkins, Sharon L.

NONSHARED O&M

Subject: Research Development and Demonstration (RD&D) Technology Dev
Workpaper: 2RD001.000

SoCalGas Position: The RD&D program identifies and supports new technologies and research activities that benefit customers through improved reliability and safety, environmental benefits and operational efficiencies.

As in prior GRC cycles, the RD&D program costs will be tracked in a one-way balancing account and all RD&D program funding is refundable.

The forecast method developed for this cost category is the zero-based method. Technology needs or gaps were assessed in each program area based on the current state of technology compared to the performance required to meet safety and reliability enhancements, energy efficiency goals, criteria pollutant, GHG emissions and other cost and performance goals.

Exhibit SCG-21, p. LLA-9

ORA Position: ORA's forecast for TY 2019 is \$9.886 million. ORA calculated this by using a five-year average of historic spending levels for the total of the five programs in the RD&D area.

Exhibit ORA-17, p. 42

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	2,136	1,704	-432
NonLabor	12,193	8,182	-4,011
Nonstandard	0	0	0
TOTAL	14,329	9,886	-4,443

Chapter 2 - ORA vs. SoCalGas

Part A - O&M and Capital Expenditures

15. SCG-22 - SUPPLY MANAGEMENT & LOGISTICS AND SUPPLIER DIVERSITY

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	ORA	ORA vs. SoCalGas	
1. 2SS001.000	7,666	6,882	(784)	2A15-a1
2. 2SS006.000	2,910	2,486	(424)	2A15-a2
3. 2SS007.000	1,151	1,151	0	2A15-a3
TOTAL	11,727	10,519	(1,208)	

CHAPTER 2A15-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-22
Area: SUPPLY MANAGEMENT & LOGISTICS AND SUPPLIER DIVERSITY
Witness: Chow, Joseph

NONSHARED O&M

Subject: LOGISTICS & SHOPS - POOL WAREHOUSING
Workpaper: 2SS001.000

SoCalGas Position: SoCalGas requests \$13.342* million for TY 2019 for Inventory Management.

Inventory Management is comprised of the following workpapers:

WP	2019
2SS001	\$7.666
2SS002	\$2.417
2SS003	\$3.260
Total	\$13.343

* Figure differ from above table due to rounding.

Exhibit SCG-22, p. DW-12 to DW-13

ORA Position: ORA recommends an adjustment of \$783,000 related to additional personnel. In 2019, SCG is requesting 8 represented Full Time Equivalents (FTEs) to manage additional material requirements in inventory, material requirement advisor, and supervisor to manage the represented employee's and additional warehouse. ORA recommends no ratepayer funding for the additional employees as ORA does not recommend funding for the Logistics Warehouse.

Exhibit ORA-19, p. 7-8

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	7,235	6,451	-784
NonLabor	431	431	0
Nonstandard	0	0	0
TOTAL	7,666	6,882	-784

CHAPTER 2A15-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-22
Area: SUPPLY MANAGEMENT & LOGISTICS AND SUPPLIER DIVERSITY
Witness: Chow, Joseph

NONSHARED O&M

Subject: OFFICE SERVICES
Workpaper: 2SS006.000

SoCalGas Position: SoCalGas requests \$2.910 million for TY 2019 for Office Services using the five-year average forecast methodology.

Exhibit SCG-22, p. DW-14 to DW-15

ORA Position: ORA recommends a forecast of \$2.486 million for TY2019 using the base year forecast methodology.

Exhibit ORA-19, p. 8

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	2,910	2,486	-424
Nonstandard	0	0	0
TOTAL	2,910	2,486	-424

CHAPTER 2A15-a3

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-22
Area: SUPPLY MANAGEMENT & LOGISTICS AND SUPPLIER DIVERSITY
Witness: Chow, Joseph

NONSHARED O&M

Subject: SUPPLIER DIVERSITY
Workpaper: 2SS007.000

SoCalGas Position: SoCalGas requests \$1.151 million for TY 2019 for Supplier Diversity using the five-year average forecast methodology.

Exhibit SCG-22, p. DW-14

ORA Position: ORA does not oppose SoCalGas' request for \$1.151 million for Supplier Diversity.

Exhibit ORA-19, p. 7

Note: SoCalGas identified an error during the discovery process resulting in a reduction of \$0.100 million to the TY 2019 forecast of \$1.151 million. This will be corrected in the August 2018 Update filing.
(Exhibit SCG-222/SDG&E-220 p. JC/SF-7)

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	479	479	0
NonLabor	672	672	0
Nonstandard	0	0	0
TOTAL	1,151	1,151	0

Chapter 2 - ORA vs. SoCalGas

Part A - O&M and Capital Expenditures

16. SCG-23-R - FLEET SERVICES & FACILITY OPERATIONS

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	ORA	ORA vs. SoCalGas	
1. 2RF002.000	13,342	11,599	(1,743)	2A16-a1
2. 2RF002.001	12,503	11,030	(1,473)	2A16-a2
3. 2RF003.000	1,100	755	(345)	2A16-a3
4. 2RF003.001	35,175	20,331	(14,844)	2A16-a4
5. 2RF003.002	5,956	2,211	(3,745)	2A16-a5
6. 2RF003.003	-1,754	-1,440	314	2A16-a6
7. 2RF003.004	6,184	2,217	(3,967)	2A16-a7
8. 2RF004.000	18,131	16,187	(1,944)	2A16-a8
TOTAL	90,637	62,890	(27,747)	

CHAPTER 2A16-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-23-R
Area: FLEET SERVICES & FACILITY OPERATIONS
Witness: Herrera, Carmen L.

NONSHARED O&M

Subject: Maintenance Operations
Workpaper: 2RF002.000

SoCalGas Position: SoCalGas requests \$13.342 million for TY 2019 for Maintenance Operations using the five-year average forecast methodology plus incremental adjustments.

Inspection and maintenance are carried out in garage locations distributed throughout the SoCalGas territory. The Maintenance Operations organization performs vehicle safety inspections and other routine maintenance, replaces worn and defective parts, and repairs damaged vehicles. In addition, this group facilitates compliance with applicable federal, state, and local environmental, safety, and emissions regulations. Technician labor and training costs are included in this forecast.

Exhibit SCG-23-R, p. CLH-26 to CLH-28

ORA Position: ORA recommends \$11.599 million for TY 2019 for Maintenance Operations.

To determine its forecast, ORA uses a 3 year average (2014-2016), resulting in a forecast of \$11.599 million. ORA agrees with SCG's adjustments of \$0.244 million for training and -\$0.245 million for Fuel Our Future. ORA opposes SCG's adjustment of \$0.863 million for the backfilling of personnel and \$0.284 million for non-labor maintenance costs associated with 319 incremental vehicles.

Exhibit ORA-19, p. 12-14

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	8,107	6,962	-1,145
NonLabor	5,235	4,637	-598
Nonstandard	0	0	0
TOTAL	13,342	11,599	-1,743

CHAPTER 2A16-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-23-R
Area: FLEET SERVICES & FACILITY OPERATIONS
Witness: Herrera, Carmen L.

NONSHARED O&M

Subject: Automotive Fuel
Workpaper: 2RF002.001

SoCalGas Position: SoCalGas requests \$12.503 million for TY 2019 for Automotive Fuel using the five-year average forecast methodology plus incremental adjustments.

Exhibit SCG-23-R, p. CLH-26 to CLH-29

ORA Position: ORA recommends \$11.030 million for TY 2019 for Automotive Fuel.

ORA uses a 3 year average (2014-2016) forecast methodology as opposed to SCG's five-year average, resulting in \$10.546 million. ORA accepts SCG's incremental increase of \$0.484 million to include the effects of the "new" fuel taxes to arrive at a total forecast of \$11.030 million.

ORA opposes SCG's incremental adjustment of \$0.709 million for incremental fuel costs associated with accumulation of 319 incremental vehicles.

Exhibit ORA-19, p. 14-15

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	12,503	11,030	-1,473
Nonstandard	0	0	0
TOTAL	12,503	11,030	-1,473

CHAPTER 2A16-a3

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-23-R
Area: FLEET SERVICES & FACILITY OPERATIONS
Witness: Herrera, Carmen L.

NONSHARED O&M

Subject: Maintenance Management
Workpaper: 2RF003.000

SoCalGas Position: SoCalGas requests \$1.100 million for TY 2019 for Maintenance Management using the five-year average forecast methodology plus incremental adjustments.

This activity consists of all the Fleet Services management staff which includes the allocated portion of the Fleet Services Director as well as garage management. The following are some of the activities that are performed by Maintenance Management:

*Garage management and oversight

*Parts and inventory control

*The collection of employee commutation fees for take home fleet vehicles

Exhibit SCG-23-R, p. CLH-29 to CLH-30

ORA Position: ORA recommends \$0.755 million for TY 2019 which is \$0.411* million or 37.4% less than SCG's forecast for Fleet Management.

ORA agrees with SCG's use of a 5 year average forecast as the recorded costs during 2012-2016 fluctuated; however, ORA does not agree to additional funding of personnel for \$0.411 million.

* Number is overstated by \$0.066 million, it should be \$0.345 million lower than SCG's forecast. The difference is due to ORA omitted to account for the incremental adjust for FOF for \$0.066 million.

Exhibit ORA-19, p. 15-16

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	1,375	1,030	-345
NonLabor	-275	-275	0
Nonstandard	0	0	0
TOTAL	1,100	755	-345

CHAPTER 2A16-a4

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-23-R
Area: FLEET SERVICES & FACILITY OPERATIONS
Witness: Herrera, Carmen L.

NONSHARED O&M

Subject: Amortization
Workpaper: 2RF003.001

SoCalGas Position: SoCalGas requests \$35.175 million for TY 2019 for Amortization using the zero-based forecast methodology.

SoCalGas' amortization request consists of the annual repayment of principal for the fleet Services leases composed of active lease obligations and new lease obligations for replacements or additional vehicles as needed by the operating groups.

RAMP-related costs include mitigation activity for SCG-2 Employee, Contractor, Customer and Public Safety.

Exhibit SCG-23-R, p. CLH-7 to CLH-26

ORA Position: ORA recommends \$20.331 million for TY 2019 for Amortization, using 2017 actual recorded costs as the forecast for 2019.

Exhibit ORA-19, p. 9-12

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	35,175	20,331	-14,844
TOTAL	35,175	20,331	-14,844

CHAPTER 2A16-a5

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-23-R
Area: FLEET SERVICES & FACILITY OPERATIONS
Witness: Herrera, Carmen L.

NONSHARED O&M

Subject: Interest
Workpaper: 2RF003.002

SoCalGas Position: SoCalGas requests \$5.956 million for TY 2019 for Interest using the zero-based forecast methodology.

All replacement and incremental vehicle additions are forecasted to be financed under lease arrangements with floating interest rates.

RAMP-related costs include mitigation activity for SCG-2 Employee, Contractor, Customer and Public Safety.

Exhibit SCG-23-R, p. CLH-7 to CLH-26

ORA Position: ORA recommends \$2.211 million for TY 2019 for Interest, using 2017 actual recorded costs as the forecast for 2019.

Exhibit ORA-19, p. 9-12

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	5,956	2,211	-3,745
TOTAL	5,956	2,211	-3,745

CHAPTER 2A16-a6

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-23-R
Area: FLEET SERVICES & FACILITY OPERATIONS
Witness: Herrera, Carmen L.

NONSHARED O&M

Subject: Salvage
Workpaper: 2RF003.003

SoCalGas Position: SoCalGas requests -\$1.754 million for TY 2019 for Salvage using the zero-based forecast methodology.

Vehicles are sold for salvage at the end of their useful life. Any net proceeds are credited back to Fleet Services offsetting the incremental acquisition costs of replacement vehicles.

Exhibit SCG-23-R, p. CLH-7 to CLH-26

ORA Position: ORA recommends -\$1.440 million for TY 2019 for Salvage, using 2017 actual recorded costs as the forecast for 2019.

Exhibit ORA-19, p. 9-12

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	-1,754	-1,440	314
Nonstandard	0	0	0
TOTAL	-1,754	-1,440	314

CHAPTER 2A16-a7

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-23-R
Area: FLEET SERVICES & FACILITY OPERATIONS
Witness: Herrera, Carmen L.

NONSHARED O&M

Subject: License Fees & Sales Tax
Workpaper: 2RF003.004

SoCalGas Position: SoCalGas requests \$6.184 million for TY 2019 for License Fees & Sales Tax using the zero-based forecast methodology.

License fees payable to the State of California each year are a function of the age and composition of the fleet during that year, and consist of several components based on vehicle weight, capacities, age, purchase price, and location.

To prevent paying excess sales tax at the time of transferring title, the Company has revised the way it pays sales tax on vehicle leases by incorporating sales tax into its monthly lease payments. Previously, SoCalGas paid sales tax for vehicles up front. The change was necessary to avoid double payment of sales taxes in the event that vehicles are later purchased by SoCalGas.

Exhibit SCG-23-R, p. CLH-7 to CLH-26

ORA Position: ORA recommends \$2.217 million for TY 2019 for License Fees & Sales Tax, using 2017 actual recorded costs as the forecast for 2019.

Exhibit ORA-19, p. 9-12

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	6,184	2,217	-3,967
TOTAL	6,184	2,217	-3,967

CHAPTER 2A16-a8

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-23-R
Area: FLEET SERVICES & FACILITY OPERATIONS
Witness: Herrera, Carmen L.

NONSHARED O&M

Subject: Facility Operations
Workpaper: 2RF004.000

SoCalGas Position: SoCalGas requests \$18.245* million for TY 2019 for Facility Operations using the five-year average forecast methodology plus incremental adjustments.

Facility Operations provides operations and maintenance of SoCalGas facilities in order to provide a safe work environment for our employees at 80 owned and staffed utility facilities, which averages 47 years of age.

RAMP-related costs include mitigation activity for SCG-2 Risk to Employee, Contractor, Customer, and Public Safety, SCG-5 Workplace Violence and SCG-6 Workplace Violence

In the testimony, the following workpapers are grouped together as Facility Operations.

2RF001.000	\$ 0.115
2RF004.000	\$18.131
Total	\$18.246*

*Difference due to rounding.

Exhibit SCG-23-R, p. CLH-30 to CLH-34

ORA Position: ORA recommends \$16.187* million for TY 2019.

2RF001.000	\$ 0.115
2RF004.000	\$16.187
Total	\$16.302*

ORA agrees with the use of the five-year average forecast methodology as proposed by SCG. ORA agrees with the incremental increase in RAMP security costs of \$1.047 million, and agrees with the reduction for FOF of \$1.739 million. ORA does not agree with \$1 million for a real estate planning study as the study is non-recurring. ORA also disagrees with \$1.574 million incremental increase related to expenses associated with the forecasted increase in capital expenditures for new NGV stations. ORA recommends incremental addition of \$0.630 million compared to SCG's proposed \$1.574 million incremental addition.

* Discrepancy between ORA's testimony and ORA's RO model, testimony omitted to pick up 2RF001.000 for \$0.115 million.

Exhibit ORA-19, p. 17-18

CHAPTER 2A16-a8

Note: SoCalGas agrees to reduce the Real Estate planning study and review of space configuration costs by \$0.667 million resulting in a forecast of \$17.578 million for TY 2019. This correction will be reflected in the August Update Filing.
(Exhibit SCG-223, p. CLH-A-312)

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	4,448	4,086	-362
NonLabor	13,683	12,101	-1,582
Nonstandard	0	0	0
TOTAL	18,131	16,187	-1,944

Chapter 2 - ORA vs. SoCalGas

Part A - O&M and Capital Expenditures

16. SCG-23-R - FLEET SERVICES & FACILITY OPERATIONS

b. CAPITAL

Project	2017+2018+2019 (in 2016 \$, 000s)			Reference
	SoCalGas	ORA	ORA vs. SoCalGas	
1. 00653.0.ALL	128,829	84,486	(44,343)	2A16-b1
2. 00654.0.ALL	6,525	7,533	1,008	2A16-b2
3. 00671.0.ALL	14,000	14,000	0	2A16-b3
4. 00712.0.ALL	1,500	500	(1,000)	2A16-b4
5. 00716.0.ALL	1,944	1,760	(184)	2A16-b5
6. 00734.0.ALL	41,911	22,626	(19,285)	2A16-b6
TOTAL	194,709	130,905	(63,804)	

CHAPTER 2A16-b1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-23-R
Area: FLEET SERVICES & FACILITY OPERATIONS
Witness: Herrera, Carmen L.

CAPITAL EXPENDITURES

Project: Fleet & Facility Operations' Capital Projects
Budget Code: 00653.0.ALL

SoCalGas Position: SCG requests \$24.243 million for 2017, \$45.863 million for 2018, and \$59.923 million for 2019 for Infrastructure & Improvements.

These costs are separated into four cost subcategories: (1) Infrastructure & Improvements; (2) Facility Renovations; (3) Sustainability Projects; and (4) Physical Security Infrastructure Enhancements (i.e., RAMP).

RAMP-related costs include mitigation activity for SCG-5 Workplace Violence.

Tables below reflect only those projects where a disallowance has been recommended by ORA.

Exhibit SCG-23-R, p. CLH-40 to CLH-47

ORA Position: ORA recommends a total of \$26.111 million for 2017, \$28.788 million for 2018, and \$30.787 million for 2019 for Infrastructure & Improvements.

Sub Categories:

Infrastructure & Improvement / Sustainability Projects: ORA uses 2017 recorded capital expenditures as its 2017 forecast and accepts SCG's 2018 and 2019 forecast .

Facility Renovations: For Compton, Chatsworth, Anaheim, and Pico Rivera, ORA recommends funding half of SCG's 2018 and 2019 forecast, and recommending \$0 for 2017 as indicated by SCG's 2017 actual capital expenditures for these projects. Further, ORA recommends the in service dates for 2018 and 2019 be moved to 09/30/2018 and 09/30/2019. ORA also eliminates the funding for the Gas Control Facility, Logistics Warehouse, and Collaborative Training.

RAMP Enhancements: ORA accepts SCG's forecast.

Exhibit ORA-19, p. 20-30

CHAPTER 2A16-b1

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
00653A.001	10,869	10,869	10,869	32,607
00653A.002	7,246	8,996	7,246	23,488
00653A.003	799	784	820	2,403
00653B.001	1,900	3,998	0	5,898
00653B.002	1,980	1,002	0	2,982
00653B.003	0	1,500	4,500	6,000
00653B.004	0	2,496	7,506	10,002
00653B.005	0	8,518	7,382	15,900
00653B.006	0	2,000	16,750	18,750
00653B.007	0	2,000	1,000	3,000
00653C.001	670	2,060	1,950	4,680
00653C.002	779	1,040	1,300	3,119
Total	24,243	45,263	59,323	128,829

ORA	2017	2018	2019	Total
00653A.001	12,175	10,869	10,869	33,913
00653A.002	8,117	8,996	7,246	24,359
00653A.003	3,053	784	820	4,657
00653B.001	0	950	1,999	2,949
00653B.002	0	1,491	0	1,491
00653B.003	0	750	2,250	3,000
00653B.004	0	1,248	3,753	5,001
00653B.005	0	0	0	0
00653B.006	0	0	0	0
00653B.007	0	0	0	0
00653C.001	1,279	2,060	1,950	5,289
00653C.002	1,487	1,040	1,300	3,827
Total	26,111	28,188	30,187	84,486

Difference	2017	2018	2019	Total
00653A.001	1,306	0	0	1,306
00653A.002	871	0	0	871
00653A.003	2,254	0	0	2,254
00653B.001	-1,900	-3,048	1,999	-2,949
00653B.002	-1,980	489	0	-1,491
00653B.003	0	-750	-2,250	-3,000
00653B.004	0	-1,248	-3,753	-5,001
00653B.005	0	-8,518	-7,382	-15,900
00653B.006	0	-2,000	-16,750	-18,750
00653B.007	0	-2,000	-1,000	-3,000
00653C.001	609	0	0	609
00653C.002	708	0	0	708
Total	1,868	-17,075	-29,136	-44,343

CHAPTER 2A16-b2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-23-R
Area: FLEET SERVICES & FACILITY OPERATIONS
Witness: Herrera, Carmen L.

CAPITAL EXPENDITURES

Project: Safety/Environmental
Budget Code: 00654.0.ALL

SoCalGas Position: SoCalGas is requesting \$2.450 million in 2017, \$2.075 million in 2018, and \$2 million 2019 for projects to improve safety and to comply with environmental regulations.

Exhibit SCG-23-R, p. CLH-47 to CLH-48

ORA Position: ORA recommends a total of \$3.458 million for 2017, \$2.075 million for 2018, and \$2.000 million for 2019 for Safety & Environmental projects.

ORA accepts SCG's forecast for 2018 and 2019, and uses SCG's actual 2017 capital expenditures for Safety and Environmental.

Exhibit ORA-19, p. 31

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
00654A.001	1,470	1,245	1,200	3,915
00654B.001	980	830	800	2,610
Total	2,450	2,075	2,000	6,525
ORA	2017	2018	2019	Total
00654A.001	2,075	1,245	1,200	4,520
00654B.001	1,383	830	800	3,013
Total	3,458	2,075	2,000	7,533
Difference	2017	2018	2019	Total
00654A.001	605	0	0	605
00654B.001	403	0	0	403
Total	1,008	0	0	1,008

CHAPTER 2A16-b3

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-23-R
Area: FLEET SERVICES & FACILITY OPERATIONS
Witness: Herrera, Carmen L.

CAPITAL EXPENDITURES

Project: Bakersfield Expansion
Budget Code: 00671.0.ALL

SoCalGas Position: SoCalGas is requesting \$7 million in 2017 and \$7 million in 2018 for the planning, permitting, construction, and commissioning of a new multi-use facility.

Exhibit SCG-23-R, p. CLH-48 to CLH-49

ORA Position: ORA accepts SCG's cost forecast of \$14.000 million, but does not agree with SoCalGas' expected in service date and allocates \$0.595* million for 2017, \$6.404 million for 2018, and \$7.000 million for 2019.

* Amount differ from table below due to rounding.

Exhibit ORA-19, p. 31-33

Proposed Capital Expenditures (in thousands of 2016 dollars)

	2017	2018	2019	Total
SCG				
00671A.001	7,000	7,000	0	14,000
Total	7,000	7,000	0	14,000
ORA				
00671A.001	596	6,404	7,000	14,000
Total	596	6,404	7,000	14,000
Difference				
00671A.001	-6,404	-596	7,000	0
Total	-6,404	-596	7,000	0

CHAPTER 2A16-b4

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-23-R
Area: FLEET SERVICES & FACILITY OPERATIONS
Witness: Herrera, Carmen L.

CAPITAL EXPENDITURES

Project: Facilities Equipment
Budget Code: 00712.0.ALL

SoCalGas Position: For TY 2019, the facility energy management system upgrade capital request is \$1 million in 2017 and \$0.5 million in 2018, to upgrade existing or install new systems to improve energy management of lighting and HVAC systems.

Exhibit SCG-23-R, CLH-49 to CLH-51

ORA Position: ORA proposes \$0 for 2017 compared to SCG's forecast of \$1.000 million for 2017. ORA accepts the SCG forecasts for 2018 and 2019.

Exhibit ORA-19, p. 33-34

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
00712A.001	1,000	500	0	1,500
Total	1,000	500	0	1,500
ORA	2017	2018	2019	Total
00712A.001	0	500	0	500
Total	0	500	0	500
Difference	2017	2018	2019	Total
00712A.001	-1,000	0	0	-1,000
Total	-1,000	0	0	-1,000

CHAPTER 2A16-b5

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-23-R
Area: FLEET SERVICES & FACILITY OPERATIONS
Witness: Herrera, Carmen L.

CAPITAL EXPENDITURES

Project: Fleet Equipment
Budget Code: 00716.0.ALL

SoCalGas Position: For TY 2019, the Fleet Projects capital request is \$0.548 million in 2017, \$2.194 million in 2018, and \$1.65 million in 2019, to fund new/replacement Fleet Services' capital tools and equipment, a new Fleet Services training facility, and replace Underground Storage Tanks (USTs) in a systematic way.

The amounts in the tables below reflect only those projects where a disallowance has been recommended by ORA.

Exhibit SCG-23-R, p. CLH-51 to CLH-53

ORA Position: ORA recommends \$0.363* million for 2017, \$2.194 million for 2018, and \$1.650 million for 2019 by accepting SCG's forecast for 2018 and 2019 and uses 2017 actual expenditures as 2017 forecast.

* Amount differ from table below due to rounding.

Exhibit ORA-19, p. 34-35

Proposed Capital Expenditures (in thousands of 2016 dollars)

	2017	2018	2019	Total
SCG				
00716A.001	248	248	248	744
00716B.001	300	900	0	1,200
Total	548	1,148	248	1,944
ORA				
00716A.001	364	248	248	860
00716B.001	0	900	0	900
Total	364	1,148	248	1,760
Difference				
00716A.001	116	0	0	116
00716B.001	-300	0	0	-300
Total	-184	0	0	-184

CHAPTER 2A16-b6

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-23-R
Area: FLEET SERVICES & FACILITY OPERATIONS
Witness: Herrera, Carmen L.

CAPITAL EXPENDITURES

Project: NGV Refueling Stations
Budget Code: 00734.0.ALL

SoCalGas Position: For TY 2019, the NGV Refueling Stations request is \$7.175 million in 2017, \$15.937 million in 2018, and \$18.799 million in 2019, to upgrade existing NGV stations and plan, design, and build eight new NGV refueling stations.

Exhibit SCG-23-R, p. CLH-53 to CLH-54

ORA Position: ORA uses actual capital expenditures of \$7.542 million for 2017 and forecasts capital expenditures of \$7.542 1 million for 2018 and 2019. ORA's recommends maintaining the same funding level for 2017, 2018, and 2019.

Exhibit ORA-19, p. 35-37

CHAPTER 2A16-b6

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
00734A.001	505	0	0	505
00734A.002	157	0	0	157
00734A.003	1,100	0	0	1,100
00734A.004	385	0	0	385
00734A.005	385	0	0	385
00734A.006	565	0	0	565
00734A.007	900	0	0	900
00734A.008	1,783	0	0	1,783
00734A.009	93	0	0	93
00734A.010	220	660	0	880
00734B.001	1,082	0	0	1,082
00734C.001	0	15,277	0	15,277
00734D.001	0	0	18,799	18,799
Total	7,175	15,937	18,799	41,911

ORA	2017	2018	2019	Total
00734A.001	150	0	0	150
00734A.002	829	0	0	829
00734A.003	1,738	0	0	1,738
00734A.004	237	0	0	237
00734A.005	564	0	0	564
00734A.006	588	0	0	588
00734A.007	1,054	0	0	1,054
00734A.008	534	0	0	534
00734A.009	67	0	0	67
00734A.010	77	660	0	737
00734B.001	1,704	0	0	1,704
00734C.001	0	6,882	0	6,882
00734D.001	0	0	7,542	7,542
Total	7,542	7,542	7,542	22,626

Difference	2017	2018	2019	Total
00734A.001	-355	0	0	-355
00734A.002	672	0	0	672
00734A.003	638	0	0	638
00734A.004	-148	0	0	-148
00734A.005	179	0	0	179
00734A.006	23	0	0	23
00734A.007	154	0	0	154
00734A.008	-1,249	0	0	-1,249
00734A.009	-26	0	0	-26
00734A.010	-143	0	0	-143
00734B.001	622	0	0	622
00734C.001	0	-8,395	0	-8,395
00734D.001	0	0	-11,257	-11,257
Total	367	-8,395	-11,257	-19,285

Chapter 2 - ORA vs. SoCalGas

Part A - O&M and Capital Expenditures

17. SCG-24 - REAL ESTATE

a. O&M - SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	ORA	ORA vs. SoCalGas	
1. 2RE00A-USS.ALL	19,539	16,156	(3,383)	2A17-a1
TOTAL	19,539	16,156	(3,383)	

CHAPTER 2A17-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-24
Area: REAL ESTATE
Witness: Tattersall, Richard D.

SHARED SERVICES O&M

Subject: GCT RENTS
Workpaper: 2RE00A-USS.ALL

SoCalGas Position: SoCalGas requests \$19.539 million for GCT Rent using the zero-based forecast methodology.

SoCalGas revised its forecast to \$17.599 million in Rebuttal testimony to incorporate landlord rent credits and parking credits that was omitted in the original forecast. (Exhibit SCG-224, p. RDT-4 to RDT-6)

Exhibit SCG-24, p. RDT-5

ORA Position: ORA recommends using SCG's forecasted increase of 2.93 percent (2018 to 2019) rather than SCG's forecasted 2017 to 2018, 14.1 percent increase. Using the 2.93 percent increase, and applying that to 2017 actual expenses, results in a 2018 forecast of \$14.180 million, and a 2019 forecast of \$14.595 million. Additionally, ORA recommends increasing SCG's 2019 forecast by \$1.561 million for SCG's proposed addition of the 22nd floor resulting in a TY 2019 forecast of \$16.156 million, or \$3.383 million lower than SCG's forecast.

Exhibit ORA-19, 38-39

Note: SoCalGas agrees to reduce GCT Rents by \$1.940 million to correct the inadvertent omission of rent credits from forecast, resulting in a TY 2019 forecast of \$17.599 million. This correction will be reflected in the August 2018 Update filing. (Exhibit SCG-224, p. RDT-6)

Proposed TY2019 Forecast (in thousands of 2016 dollars)

SCG	Labor	NLbr	NSE	Total
2200-0618.000	0	0	19,539	19,539
Total	0	0	19,539	19,539
ORA	Labor	NLbr	NSE	Total
2200-0618.000	0	0	16,156	16,156
Total	0	0	16,156	16,156
Difference	Labor	NLbr	NSE	Total
2200-0618.000	0	0	-3,383	-3,383
Total	0	0	-3,383	-3,383

Chapter 2 - ORA vs. SoCalGas

Part A - O&M and Capital Expenditures

18. SCG-25-R - ENVIRONMENTAL SERVICES

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	ORA	ORA vs. SoCalGas	
1. 2EV001.003	4,258	2,129	(2,129)	2A18-a1
TOTAL	4,258	2,129	(2,129)	

CHAPTER 2A18-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-25-R
Area: ENVIRONMENTAL SERVICES
Witness: Johnson, Darrell R.

NONSHARED O&M

Subject: RNERBA-LDAR
Workpaper: 2EV001.003

SoCalGas Position: SoCalGas requests \$9.634 million for the New Environmental Reg Balancing Acct (NERBA) for 2019.

NERBA is comprised of the following items.

\$0.223 mil Subpart W (2EV001-001)
\$5.023 mil AB32 Administrative Fees (2EV001-002)
\$4.258 mil LDAR Impact Program (2EV001-003)
\$0.130 mil MS4 Local Ordinance Comp. (2EV001- 004)
\$9.634 mil Total

Exhibit SCG-25-R, p. DJ-14 to DJ-18

ORA Position: ORA opposes SCG's TY 2019 New Environmental Regulatory Balancing Account (NERBA) forecast.

ORA's recommends \$2.129 million for LDAR, a 50% reduction of SoCalGas' request.

Exhibit ORA-19, p. 40-41

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	128	64	-64
NonLabor	4,130	2,065	-2,065
Nonstandard	0	0	0
TOTAL	4,258	2,129	-2,129

Chapter 2 - ORA vs. SoCalGas

Part A - O&M and Capital Expenditures

19. SCG-26 - INFORMATION TECHNOLOGY

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	ORA	ORA vs. SoCalGas	
1. 2IT001.000	8,040	5,529	(2,511)	2A19-a1
2. 2IT002.000	14,677	10,091	(4,586)	2A19-a2
3. 2IT003.000	-1,640	-1,127	513	2A19-a3
TOTAL	21,077	14,493	(6,584)	

CHAPTER 2A19-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-26
Area: INFORMATION TECHNOLOGY
Witness: Olmsted, Christopher R.

NONSHARED O&M

Subject: IT Applications NSS
Workpaper: 2IT001.000

SoCalGas Position: Applications support the development, implementation, and maintenance of computer software utilized by customers, employees, and/or vender partners. The forecast methodology developed for IT costs is the base year (2016) recorded, plus adjustments.

Exhibit SCG-26, p. CRO-5 to CRO-6

ORA Position: ORA focused on the total O&M expense level and reduced SCG's 2018 and 2019 forecast dollars by 68.75%, the 2017 adjusted, recorded expense divided by SCG's 2017 forecast.

Exhibit ORA-20, p. 16

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	3,299	2,269	-1,030
NonLabor	3,406	2,342	-1,064
Nonstandard	1,335	918	-417
TOTAL	8,040	5,529	-2,511

CHAPTER 2A19-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-26
Area: INFORMATION TECHNOLOGY
Witness: Olmsted, Christopher R.

NONSHARED O&M

Subject: IT Infrastructure NSS
Workpaper: 2IT002.000

SoCalGas Position: IT Infrastructure supports the design, implementation, and operation of the Company's computing infrastructure, includes both hardware (ranging from desktop computing systems and servers to storage systems) and software (including middleware, production control, operating systems, and other low-level software systems).

The forecast methodology developed for IT costs is the base year (2016) recorded, plus adjustments.

Exhibit SCG-26, p. CRO-5 to CRO-6

ORA Position: ORA focused on the total O&M expense level and reduced SCG's 2018 and 2019 forecast dollars by 68.75%, the 2017 adjusted, recorded expense divided by SCG's 2017 forecast.

Exhibit ORA-20, p. 16

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	3,876	2,665	-1,211
NonLabor	9,129	6,276	-2,853
Nonstandard	1,672	1,150	-522
TOTAL	14,677	10,091	-4,586

CHAPTER 2A19-a3

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-26
Area: INFORMATION TECHNOLOGY
Witness: Olmsted, Christopher R.

NONSHARED O&M

Subject: IT Support NSS
Workpaper: 2IT003.000

SoCalGas Position: This category of costs includes labor and non-labor for cost centers that are not specifically aligned with the other IT areas. Examples would include officer costs, budget and planning activities, and intern/associate program.
The forecast methodology developed for IT costs is the base year (2016) recorded, plus adjustments.

Exhibit SCG-26, p. CRO-6

ORA Position: ORA focused on the total O&M expense level and reduced SCG's 2018 and 2019 forecast dollars by 68.75%, the 2017 adjusted, recorded expense divided by SCG's 2017 forecast.

Exhibit ORA-20, p. 16

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	247	170	-77
NonLabor	-3,277	-2,253	1,024
Nonstandard	1,390	956	-434
TOTAL	-1,640	-1,127	513

Chapter 2 - ORA vs. SoCalGas

Part A - O&M and Capital Expenditures

19. SCG-26 - INFORMATION TECHNOLOGY

b. O&M - SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	ORA	ORA vs. SoCalGas	
1. 2IT00A-USS.ALL	6,159	5,873	(286)	2A19-b1
2. 2IT00B-USS.ALL	5,332	5,087	(245)	2A19-b2
3. 2IT00C-USS.ALL	358	341	(17)	2A19-b3
TOTAL	11,849	11,301	(548)	

CHAPTER 2A19-b1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-26
Area: INFORMATION TECHNOLOGY
Witness: Olmsted, Christopher R.

SHARED SERVICES O&M

Subject: Applications
Workpaper: 2IT00A-USS.ALL

SoCalGas Position: IT Infrastructure supports the design, implementation, and operation of the Company's computing infrastructure, includes both hardware (ranging from desktop computing systems and servers to storage systems) and software (including middleware, production control, operating systems, and other low-level software systems).

The forecast methodology developed for IT costs is the base year (2016) recorded, plus adjustments.

Exhibit SCG-26, p. CRO-5 to CRO-6

ORA Position: ORA focused on the total O&M expense level and derived its forecast by multiplying SCG's 2018 and 2019 forecast dollars by 95.36%, its 2017 adjusted, recorded expense divided by its 2017 forecast.

Exhibit ORA-20, p. 18

CHAPTER 2A19-b1

Proposed TY2019 Forecast (in thousands of 2016 dollars)

SCG	Labor	NLbr	NSE	Total
2200-2418.000	1,063	195	0	1,258
2200-2444.000	170	61	0	231
2200-2445.000	1,138	75	0	1,213
2200-2446.000	159	12	0	171
2200-2447.000	553	18	0	571
2200-2451.000	889	560	0	1,449
2200-2470.000	554	143	0	697
2200-2503.000	314	214	0	528
2200-2596.000	40	1	0	41
Total	4,880	1,279	0	6,159

ORA	Labor	NLbr	NSE	Total
2200-2418.000	1,014	186	0	1,200
2200-2444.000	162	58	0	220
2200-2445.000	1,085	72	0	1,157
2200-2446.000	152	12	0	164
2200-2447.000	527	17	0	544
2200-2451.000	848	534	0	1,382
2200-2470.000	528	136	0	664
2200-2503.000	299	204	0	503
2200-2596.000	38	1	0	39
Total	4,653	1,220	0	5,873

Difference	Labor	NLbr	NSE	Total
2200-2418.000	-49	-9	0	-58
2200-2444.000	-8	-3	0	-11
2200-2445.000	-53	-3	0	-56
2200-2446.000	-7	0	0	-7
2200-2447.000	-26	-1	0	-27
2200-2451.000	-41	-26	0	-67
2200-2470.000	-26	-7	0	-33
2200-2503.000	-15	-10	0	-25
2200-2596.000	-2	0	0	-2
Total	-227	-59	0	-286

CHAPTER 2A19-b2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-26
Area: INFORMATION TECHNOLOGY
Witness: Olmsted, Christopher R.

SHARED SERVICES O&M

Subject: Infrastructure
Workpaper: 2IT00B-USS.ALL

SoCalGas Position: IT Infrastructure supports the design, implementation, and operation of the Company's computing infrastructure, includes both hardware (ranging from desktop computing systems and servers to storage systems) and software (including middleware, production control, operating systems, and other low-level software systems).

The forecast methodology developed for IT costs is the base year (2016) recorded, plus adjustments.

Exhibit SCG-26, p. CRO-5 to CRO-6

ORA Position: ORA focused on the total O&M expense level and derived its forecast by multiplying SCG's 2018 and 2019 forecast dollars by 95.36%, its 2017 adjusted, recorded expense divided by its 2017 forecast.

Exhibit ORA-20, p. 18

CHAPTER 2A19-b2

Proposed TY2019 Forecast (in thousands of 2016 dollars)

SCG	Labor	NLbr	NSE	Total
2200-2047.000	118	1	0	119
2200-2372.000	247	4	0	251
2200-2406.000	231	152	0	383
2200-2453.000	322	6	0	328
2200-2455.000	346	3	0	349
2200-2458.000	254	224	0	478
2200-2464.000	1,022	17	0	1,039
2200-2466.000	497	141	0	638
2200-2467.000	497	14	0	511
2200-2490.000	260	4	0	264
2200-2493.000	298	305	0	603
2200-2494.000	74	201	0	275
2200-2565.000	89	5	0	94
Total	4,255	1,077	0	5,332

ORA	Labor	NLbr	NSE	Total
2200-2047.000	113	1	0	114
2200-2372.000	236	4	0	240
2200-2406.000	220	145	0	365
2200-2453.000	307	6	0	313
2200-2455.000	330	3	0	333
2200-2458.000	242	214	0	456
2200-2464.000	974	16	0	990
2200-2466.000	474	134	0	608
2200-2467.000	474	14	0	488
2200-2490.000	248	4	0	252
2200-2493.000	284	291	0	575
2200-2494.000	71	192	0	263
2200-2565.000	85	5	0	90
Total	4,058	1,029	0	5,087

Difference	Labor	NLbr	NSE	Total
2200-2047.000	-5	0	0	-5
2200-2372.000	-11	0	0	-11
2200-2406.000	-11	-7	0	-18
2200-2453.000	-15	0	0	-15
2200-2455.000	-16	0	0	-16
2200-2458.000	-12	-10	0	-22
2200-2464.000	-48	-1	0	-49
2200-2466.000	-23	-7	0	-30
2200-2467.000	-23	0	0	-23
2200-2490.000	-12	0	0	-12
2200-2493.000	-14	-14	0	-28
2200-2494.000	-3	-9	0	-12
2200-2565.000	-4	0	0	-4
Total	-197	-48	0	-245

CHAPTER 2A19-b3

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-26
Area: INFORMATION TECHNOLOGY
Witness: Olmsted, Christopher R.

SHARED SERVICES O&M

Subject: IT Support
Workpaper: 2IT00C-USS.ALL

SoCalGas Position: This category of costs includes labor and non-labor for cost centers that are not specifically aligned with the other IT areas. Examples would include officer costs, budget and planning activities, and intern/associate program.

The forecast methodology developed for IT costs is the base year (2016) recorded, plus adjustments.

Exhibit SCG-26, p. CRO-6

ORA Position: ORA focused on the total O&M expense level and derived its forecast by multiplying SCG's 2018 and 2019 forecast dollars by 95.36%, its 2017 adjusted, recorded expense divided by its 2017 forecast.

Exhibit ORA-20, p. 18

Proposed TY2019 Forecast (in thousands of 2016 dollars)

SCG	Labor	NLbr	NSE	Total
2200-2496.000	344	14	0	358
Total	344	14	0	358

ORA	Labor	NLbr	NSE	Total
2200-2496.000	328	13	0	341
Total	328	13	0	341

Difference	Labor	NLbr	NSE	Total
2200-2496.000	-16	-1	0	-17
Total	-16	-1	0	-17

Chapter 2 - ORA vs. SoCalGas

Part A - O&M and Capital Expenditures

19. SCG-26 - INFORMATION TECHNOLOGY

c. CAPITAL

Project	2017+2018+2019 (in 2016 \$, 000s)			Reference
	SoCalGas	ORA	ORA vs. SoCalGas	
1. 00752.0.ALL	2,513	1,499	(1,014)	2A19-c1
2. 00754.0.ALL	4,119	6,912	2,793	2A19-c2
3. 00756.0.ALL	64,797	51,009	(13,788)	2A19-c3
4. 00766.0.ALL	2,481	497	(1,984)	2A19-c4
5. 00770.0.ALL	3,183	2,135	(1,048)	2A19-c5
6. 00772.0.ALL	27,013	21,172	(5,841)	2A19-c6
7. 00774.0.ALL	69,210	62,052	(7,158)	2A19-c7
8. 00776.0.ALL	108,690	96,489	(12,201)	2A19-c8
9. 00777.0.ALL	130,384	127,849	(2,535)	2A19-c9
10. 00784.0.ALL	14,594	7,688	(6,906)	2A19-c10
11. 00785.0.ALL	9,279	7,129	(2,150)	2A19-c11
12. 00786.0.ALL	11,057	10,523	(534)	2A19-c12
TOTAL	447,320	394,954	(52,366)	

CHAPTER 2A19-c1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-26
Area: INFORMATION TECHNOLOGY
Witness: Olmsted, Christopher R.

CAPITAL EXPENDITURES

Project: Network/Telecom - Hardware/Mandated
Budget Code: 00752.0.ALL

SoCalGas Position: See supplemental page for a listing of projects within this budget code and the accompanying 2017-2019 forecast and exhibit reference.

ORA Position: For 2017 ORA used the adjusted recorded. For 2018 and 2019, ORA's resulting forecast method is an ordinary least squares, time-trend regression with total, adjusted recorded annual capital expenditures as the dependent variable.

Exhibit ORA-20 p. 18-20

Note: Table below shows only the projects with forecast differences. The ORA figures shown below are from the RO Model.

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
00752A.001	2,513	0	0	2,513
Total	2,513	0	0	2,513
ORA	2017	2018	2019	Total
00752A.001	1,499	0	0	1,499
Total	1,499	0	0	1,499
Difference	2017	2018	2019	Total
00752A.001	-1,014	0	0	-1,014
Total	-1,014	0	0	-1,014

CHAPTER 2A19-c1

Proposed Capital Expenditures (in thousands of 2016 dollars)

GRC Wkp Grp	GRC Wkp Grp Sub Title	2017	2018	2019	Exhibit
00752A	19043 Seu Call Recording Refresh	2,513	-	-	SCG-19

CHAPTER 2A19-c2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-26
Area: INFORMATION TECHNOLOGY
Witness: Olmsted, Christopher R.

CAPITAL EXPENDITURES

Project: Applications - Customer Care/Mandated
Budget Code: 00754.0.ALL

SoCalGas Position: See supplemental page for a listing of projects within this budget code and the accompanying 2017-2019 forecast and exhibit reference.

ORA Position: For 2017 ORA used the adjusted recorded. For 2018 and 2019, ORA's resulting forecast method is an ordinary least squares, time-trend regression with total, adjusted recorded annual capital expenditures as the dependent variable.

Exhibit ORA-20 p. 18-20

Note: Tables below show only the projects where a disallowance has been recommended. The ORA figures shown below are from the RO Model.

CHAPTER 2A19-c2

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
00754A.001	579	0	0	579
00754A.002	32	0	0	32
00754B.001	1,344	0	0	1,344
00754C.001	440	0	0	440
00754D.001	369	0	0	369
00754E.001	328	0	0	328
00754F.001	476	0	0	476
00754F.002	0	551	0	551
Total	3,568	551	0	4,119

ORA	2017	2018	2019	Total
00754A.001	1,038	0	0	1,038
00754A.002	1,335	0	0	1,335
00754B.001	926	0	0	926
00754C.001	857	0	0	857
00754D.001	832	0	0	832
00754E.001	912	0	0	912
00754F.001	521	0	0	521
00754F.002	0	491	0	491
Total	6,421	491	0	6,912

Difference	2017	2018	2019	Total
00754A.001	459	0	0	459
00754A.002	1,303	0	0	1,303
00754B.001	-418	0	0	-418
00754C.001	417	0	0	417
00754D.001	463	0	0	463
00754E.001	584	0	0	584
00754F.001	45	0	0	45
00754F.002	0	-60	0	-60
Total	2,853	-60	0	2,793

CHAPTER 2A19-c2

Proposed Capital Expenditures (in thousands of 2016 dollars)

GRC Wkp Grp	GRC Wkp Grp Sub Title	2017	2018	2019	Exhibit
00754A	84303 AB802 Building Benchmarking	611	-	-	SCG-20
00754B	84280 MY ACCOUNT FOR SCBS BILLED CUSTOMERS (MA	1,344	-	-	SCG-19
00754C	84291 PACER OCS ORDER REPRIOR PH1	440	-	-	SCG-18
00754D	84207 SEU CCC GENESYS REFRESH	369	-	-	SCG-19
00754E	81499 MSA INSPECTION PROJECT	328	-	-	SCG-18
00754F	19130 GT-NC Rate Changes	476	551	-	SCG-20

CHAPTER 2A19-c3

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-26
Area: INFORMATION TECHNOLOGY
Witness: Olmsted, Christopher R.

CAPITAL EXPENDITURES

Project: Applications - Utility Operations/Mandated
Budget Code: 00756.0.ALL

SoCalGas Position: See supplemental page for a listing of projects within this budget code and the accompanying 2017-2019 forecast and exhibit reference.

ORA Position: For 2017, ORA recommends using the recorded adjusted capital expenditure costs. For 2018 and 2019, ORA's resulting forecast method is an ordinary least squares, time-trend regression with total, adjusted recorded annual capital expenditures as the dependent variable.

Exhibit ORA-20, p. 18 to 20

Note: Tables below show only the projects where a disallowance has been recommended. The ORA figures shown below are from the RO Model.

CHAPTER 2A19-c3

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
00756A.001	0	1,525	0	1,525
00756A.002	0	189	0	189
00756A.003	0	0	1,525	1,525
00756A.004	0	0	189	189
00756B.001	2,201	0	0	2,201
00756B.002	0	270	0	270
00756C.002	0	4,456	0	4,456
00756C.003	0	0	4,459	4,459
00756C.005	0	178	0	178
00756C.006	0	0	178	178
00756F.001	0	690	0	690
00756F.002	0	248	0	248
00756F.003	0	0	482	482
00756F.004	0	0	173	173
00756G.001	666	0	0	666
00756G.002	625	0	0	625
00756G.003	0	412	0	412
00756H.001	1,043	0	0	1,043
00756H.002	98	0	0	98
00756H.003	0	1,673	0	1,673
00756I.001	0	779	0	779
00756I.002	0	75	0	75
00756I.003	0	0	3,682	3,682
00756J.001	5,137	0	0	5,137
00756J.002	0	3,898	0	3,898
00756J.003	0	0	2,000	2,000
00756K.001	901	0	0	901
00756K.002	0	844	0	844
00756K.003	0	0	314	314
00756L.001	981	0	0	981
00756L.002	0	758	0	758
00756M.001	0	533	0	533
00756M.002	0	0	92	92
00756N.001	543	0	0	543
00756O.001	303	0	0	303
00756P.001	1,145	0	0	1,145
00756P.002	0	623	0	623
00756Q.001	4,721	0	0	4,721
00756R.001	4,360	0	0	4,360
00756S.001	468	0	0	468
00756S.002	0	342	0	342
00756U.001	275	0	0	275
00756V.001	1,464	0	0	1,464
00756V.002	0	841	0	841
00756V.003	700	0	0	700
00756V.004	40	0	0	40
00756W.001	1,240	0	0	1,240
00756X.001	0	4,187	0	4,187
00756X.002	0	0	2,271	2,271
Total	26,911	22,521	15,365	64,797

ORA	2017	2018	2019	Total
00756A.001	0	1,382	0	1,382
00756A.002	0	168	0	168
00756A.003	0	0	1,235	1,235

CHAPTER 2A19-c3

00756A.004	0	0	153	153
00756B.001	1,513	0	0	1,513
00756B.002	0	240	0	240
00756C.002	0	3,967	0	3,967
00756C.003	0	0	3,610	3,610
00756C.005	0	158	0	158
00756C.006	0	0	144	144
00756F.001	0	614	0	614
00756F.002	0	221	0	221
00756F.003	0	0	390	390
00756F.004	0	0	140	140
00756G.001	458	0	0	458
00756G.002	430	0	0	430
00756G.003	0	367	0	367
00756H.001	717	0	0	717
00756H.002	67	0	0	67
00756H.003	0	1,489	0	1,489
00756I.001	0	694	0	694
00756I.002	0	67	0	67
00756I.003	0	0	2,981	2,981
00756J.001	3,531	0	0	3,531
00756J.002	0	3,470	0	3,470
00756J.003	0	0	1,619	1,619
00756K.001	619	0	0	619
00756K.002	0	751	0	751
00756K.003	0	0	254	254
00756L.001	674	0	0	674
00756L.002	0	675	0	675
00756M.001	0	475	0	475
00756M.002	0	0	74	74
00756N.001	373	0	0	373
00756O.001	208	0	0	208
00756P.001	787	0	0	787
00756P.002	0	555	0	555
00756Q.001	3,245	0	0	3,245
00756R.001	2,997	0	0	2,997
00756S.001	322	0	0	322
00756S.002	0	304	0	304
00756U.001	189	0	0	189
00756V.001	1,006	0	0	1,006
00756V.002	0	749	0	749
00756V.003	481	0	0	481
00756V.004	27	0	0	27
00756W.001	852	0	0	852
00756X.001	0	3,728	0	3,728
00756X.002	0	0	1,839	1,839
Total	18,496	20,074	12,439	51,009

Difference	2017	2018	2019	Total
00756A.001	0	-143	0	-143
00756A.002	0	-21	0	-21
00756A.003	0	0	-290	-290
00756A.004	0	0	-36	-36
00756B.001	-688	0	0	-688
00756B.002	0	-30	0	-30
00756C.002	0	-489	0	-489
00756C.003	0	0	-849	-849
00756C.005	0	-20	0	-20

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00756C.006	0	0	-34	-34
00756F.001	0	-76	0	-76
00756F.002	0	-27	0	-27
00756F.003	0	0	-92	-92
00756F.004	0	0	-33	-33
00756G.001	-208	0	0	-208
00756G.002	-195	0	0	-195
00756G.003	0	-45	0	-45
00756H.001	-326	0	0	-326
00756H.002	-31	0	0	-31
00756H.003	0	-184	0	-184
00756I.001	0	-85	0	-85
00756I.002	0	-8	0	-8
00756I.003	0	0	-701	-701
00756J.001	-1,606	0	0	-1,606
00756J.002	0	-428	0	-428
00756J.003	0	0	-381	-381
00756K.001	-282	0	0	-282
00756K.002	0	-93	0	-93
00756K.003	0	0	-60	-60
00756L.001	-307	0	0	-307
00756L.002	0	-83	0	-83
00756M.001	0	-58	0	-58
00756M.002	0	0	-18	-18
00756N.001	-170	0	0	-170
00756O.001	-95	0	0	-95
00756P.001	-358	0	0	-358
00756P.002	0	-68	0	-68
00756Q.001	-1,476	0	0	-1,476
00756R.001	-1,363	0	0	-1,363
00756S.001	-146	0	0	-146
00756S.002	0	-38	0	-38
00756U.001	-86	0	0	-86
00756V.001	-458	0	0	-458
00756V.002	0	-92	0	-92
00756V.003	-219	0	0	-219
00756V.004	-13	0	0	-13
00756W.001	-388	0	0	-388
00756X.001	0	-459	0	-459
00756X.002	0	0	-432	-432
Total	-8,415	-2,447	-2,926	-13,788

CHAPTER 2A19-c3

Proposed Capital Expenditures (in thousands of 2016 dollars)

GRC Wkp Grp	GRC Wkp Grp Sub Title	2017	2018	2019	Exhibit
00756A	RAMP - INCREMENTAL 19060 3DPM-Work Order Sketching 2018 & 20	-	1,714	1,714	SCG-05
00756B	84311 PINNACLE UPGRADE	2,201	270	-	SCG-16
00756C	RAMP - INCREMENTAL 19061 Gas GIS 2018-2019	-	4,634	4,637	SCG-05
00756F	RAMP - INCREMENTAL 19063 M&R (CLICK) Image Document Manageme	-	938	655	SCG-05
00756G	RAMP - INCREMENTAL 19064 Operator Qualification & Training P	1,291	412	-	SCG-05
00756H	RAMP - INCREMENTAL 19065 SCG CPD Enhancements Phase 4	1,141	1,673	-	SCG-05
00756I	RAMP - INCREMENTAL 19072 GT Leak Survey	-	854	3,682	SCG-05
00756J	RAMP - INCREMENTAL 19094 Click Enhancements Project	5,137	3,898	2,000	SCG-05
00756K	19095 GEARS Upgrade - Ent. GIS 10.x	901	844	314	SCG-26
00756L	19096 Sempra Lease Accounting and Reporting System	981	758	-	SCG-26
00756M	RAMP - INCREMENTAL 19097 WebEOC Applications Replacement Pro	-	533	92	SCG-13
00756N	84290 HIGH OFO EFO TCAP ENVOY	543	-	-	SCG-13
00756O	81480 LOW OFO AND EFO	303	-	-	SCG-13
00756P	RAMP - INCREMENTAL 84255 3DPM WORK ORDER SKETCHING 2016 & 20	1,145	623	-	SCG-05
00756Q	RAMP - INCREMENTAL 84206 GAS GIS 2015 & 2016	4,721	-	-	SCG-05
00756R	RAMP - INCREMENTAL 84220 MATERIAL TRACEABILITY - SAP BATCH M	4,360	-	-	SCG-05
00756S	RAMP - INCREMENTAL 84281 OSI PI GAS OPS DATA HISTORIAN & REP	468	342	-	SCG-05
00756J	RAMP - INCREMENTAL 84298 RECORD & INFO MGMT SYSTEMS	275	-	-	SCG-05
00756V	RAMP - INCREMENTAL 84312 RECORDS & INFO MGMT CONSOLIDATED SO	2,204	841	-	SCG-05
00756W	84299 Supply Mgmt Analytics & Reporting	1,240	-	-	SCG-22
00756X	RAMP - INCREMENTAL 19131 HP GAS CONSTRUCT RECORDS & INFO MGM	-	4,187	2,271	SCG-05

CHAPTER 2A19-c4

Southern California Gas Company
 2019 Test Year GRC A.17-10-008
 ORA Differences to SoCalGas Requests

Exhibit No.: SCG-26
Area: INFORMATION TECHNOLOGY
Witness: Olmsted, Christopher R.

CAPITAL EXPENDITURES

Project: Applications - Utility Operations/Capacity/Expansi
Budget Code: 00766.0.ALL

SoCalGas Position: See supplemental page for a listing of projects within this budget code and the accompanying 2017-2019 forecast and exhibit reference.

ORA Position: For 2017, ORA recommends using the recorded adjusted capital expenditure costs. For 2018 and 2019, ORA's resulting forecast method is an ordinary least squares, time-trend regression with total, adjusted recorded annual capital expenditures as the dependent variable.

Exhibit ORA-20, p. 18 to 20

Note: Tables below show only the projects where a disallowance has been recommended. The ORA figures shown below are from the RO Model.

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
00766A.001	1,528	0	0	1,528
00766B.001	953	0	0	953
Total	2,481	0	0	2,481

ORA	2017	2018	2019	Total
00766A.001	306	0	0	306
00766B.001	191	0	0	191
Total	497	0	0	497

Difference	2017	2018	2019	Total
00766A.001	-1,222	0	0	-1,222
00766B.001	-762	0	0	-762
Total	-1,984	0	0	-1,984

CHAPTER 2A19-c4

Proposed Capital Expenditures (in thousands of 2016 dollars)

GRC Wkp Grp	GRC Wkp Grp Sub Title	2017	2018	2019	Exhibit
00766A	84273 SCG VIRTUAL DESKTOP EXPANSION (VDI)	1,528	-	-	SCG-26
00766B	RAMP - INCREMENTAL 84232 VIRTUAL LEARNING INTEGRATION TO SAP	953	-	-	SCG-05

CHAPTER 2A19-c5

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-26
Area: INFORMATION TECHNOLOGY
Witness: Olmsted, Christopher R.

CAPITAL EXPENDITURES

Project: Infrastructure - Hardware/Reliability/Improvements
Budget Code: 00770.0.ALL

SoCalGas Position: The forecast for the SCG Self Support Small Cap 2017 - 2019 (Routine) project for 2017, 2018, and 2019 is \$944K, \$944K, and \$944K, respectively. Small Cap 2017 will cover individual capital purchases benefitting the overall network, security, collaboration, and operational efficiency.

Exhibit SCG-26, p. CRO-24

ORA Position: For 2017, ORA recommends using the recorded adjusted capital expenditure costs. For 2018 and 2019, ORA's resulting forecast method is an ordinary least squares, time-trend regression with total, adjusted recorded annual capital expenditures as the dependent variable.

Exhibit ORA-20, p. 18 to 20

Note: Tables below show only the projects where a disallowance has been recommended. The ORA figures shown below are from the RO Model.

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
00770A.001	351	0	0	351
00770B.001	944	944	944	2,832
Total	1,295	944	944	3,183
ORA	2017	2018	2019	Total
00770A.001	144	0	0	144
00770B.001	387	840	764	1,991
Total	531	840	764	2,135
Difference	2017	2018	2019	Total
00770A.001	-207	0	0	-207
00770B.001	-557	-104	-180	-841
Total	-764	-104	-180	-1,048

CHAPTER 2A19-c5

Proposed Capital Expenditures (in thousands of 2016 dollars)

GRC Wkp Grp	GRC Wkp Grp Sub Title	2017	2018	2019	Exhibit
00770A	81479 SCG OUT OF BAND MGMT	351	-	-	SCG-26
00770B	19081 SCG Self Support Small Cap 2018-2019 (Routine)	944	944	944	SCG-26

CHAPTER 2A19-c6

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-26
Area: INFORMATION TECHNOLOGY
Witness: Olmsted, Christopher R.

CAPITAL EXPENDITURES

Project: Network/Telecom - Hardware/Reliability/Improvement
Budget Code: 00772.0.ALL

SoCalGas Position: The forecast for the Sempra Energy Utilities (SEU) Session Border Controllers (SBC) Refresh project for 2017, 2018, and 2019 is \$71K, \$0, and \$0, respectively. This project will refresh the current shared SBC hardware and enhance visibility and management of the SBCs by acquiring the Enterprise Operations Manager and Enterprise Communications Broker software.

Exhibit SCG-26, p, CRO-27

ORA Position: For 2017, ORA recommends using the recorded adjusted capital expenditure costs. For 2018 and 2019, ORA's resulting forecast method is an ordinary least squares, time-trend regression with total, adjusted recorded annual capital expenditures as the dependent variable.

Exhibit ORA-20, p. 18 to 20

Note: Tables below show only the projects where a disallowance has been recommended. The ORA figures shown below are from the RO Model.

CHAPTER 2A19-c6

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
00772A.001	9,525	0	0	9,525
00772A.002	0	6,542	0	6,542
00772A.003	0	0	4,519	4,519
00772B.001	553	0	0	553
00772C.001	457	0	0	457
00772D.001	0	1,549	0	1,549
00772E.001	456	0	0	456
00772E.002	0	697	0	697
00772E.003	0	0	436	436
00772F.001	0	74	0	74
00772F.002	0	0	662	662
00772G.001	0	74	0	74
00772G.002	0	0	662	662
00772H.001	0	74	0	74
00772H.002	0	0	662	662
00772I.001	71	0	0	71
Total	11,062	9,010	6,941	27,013

ORA	2017	2018	2019	Total
00772A.001	6,485	0	0	6,485
00772A.002	0	5,824	0	5,824
00772A.003	0	0	3,659	3,659
00772B.001	376	0	0	376
00772C.001	311	0	0	311
00772D.001	0	1,379	0	1,379
00772E.001	310	0	0	310
00772E.002	0	621	0	621
00772E.003	0	0	353	353
00772F.001	0	66	0	66
00772F.002	0	0	536	536
00772G.001	0	66	0	66
00772G.002	0	0	536	536
00772H.001	0	66	0	66
00772H.002	0	0	536	536
00772I.001	48	0	0	48
Total	7,530	8,022	5,620	21,172

Difference	2017	2018	2019	Total
00772A.001	-3,040	0	0	-3,040
00772A.002	0	-718	0	-718
00772A.003	0	0	-860	-860
00772B.001	-177	0	0	-177
00772C.001	-146	0	0	-146
00772D.001	0	-170	0	-170
00772E.001	-146	0	0	-146
00772E.002	0	-76	0	-76
00772E.003	0	0	-83	-83
00772F.001	0	-8	0	-8
00772F.002	0	0	-126	-126
00772G.001	0	-8	0	-8
00772G.002	0	0	-126	-126
00772H.001	0	-8	0	-8
00772H.002	0	0	-126	-126
00772I.001	-23	0	0	-23

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Total	-3,532	-988	-1,321	-5,841
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CHAPTER 2A19-c6

Proposed Capital Expenditures (in thousands of 2016 dollars)

GRC Wkp Grp	GRC Wkp Grp Sub Title	2017	2018	2019	Exhibit
00772A	84272 SCG FAN - VOICE RADIO & DISPATCH	9,525	6,542	4,519	SCG-26
00772B	84288 SCG COMM TIP TOP SHELTER REPLACEMENT	553	-	-	SCG-26
00772C	84289 SCG COMM MOUNT DAVID SHELTER REPLACEMENT	457	-	-	SCG-26
00772D	RAMP - INCREMENTAL 19078 Emergency Field Communication Servi	-	1,549	-	SCG-13
00772E	19089 Communications Reliability Shelter Replacement (Blythe	456	697	436	SCG-26
00772F	19090 Communications Reliability Shelter Replacement (Cactus	-	74	662	SCG-26
00772G	19091 Communications Reliability Shelter Replacement (Mt Sol	-	74	662	SCG-26
00772H	19092 Communications Reliability Shelter Replacement (White	-	74	662	SCG-26
00772I	84306 SEU SESSION BORDER CONTROLLERS REFRESH	71	-	-	SCG-26

CHAPTER 2A19-c7

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-26
Area: INFORMATION TECHNOLOGY
Witness: Olmsted, Christopher R.

CAPITAL EXPENDITURES

Project: Applications - Customer Care/Reliability/Improvement
Budget Code: 00774.0.ALL

SoCalGas Position: See supplemental page for a listing of projects within this budget code and the accompanying 2017-2019 forecast and exhibit reference.

ORA Position: For 2017, ORA recommends using the recorded adjusted capital expenditure costs. For 2018 and 2019, ORA's resulting forecast method is an ordinary least squares, time-trend regression with total, adjusted recorded annual capital expenditures as the dependent variable.

Exhibit ORA-20, p. 18 to 20

Note: Tables below show only the projects where a disallowance has been recommended. The ORA figures shown below are from the RO Model.

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Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
00774B.001	566	0	0	566
00774B.002	0	900	0	900
00774B.003	0	0	1,811	1,811
00774B.004	0	127	0	127
00774C.001	0	307	0	307
00774C.002	0	0	102	102
00774D.001	0	935	0	935
00774E.001	376	0	0	376
00774E.002	0	255	0	255
00774F.001	0	292	0	292
00774F.002	0	0	292	292
00774F.003	0	138	0	138
00774F.004	0	0	138	138
00774G.001	792	0	0	792
00774H.001	0	1,874	0	1,874
00774H.003	0	0	1,818	1,818
00774H.004	0	344	0	344
00774H.006	0	0	384	384
00774I.001	0	1,724	0	1,724
00774I.002	0	0	4,679	4,679
00774J.001	0	377	0	377
00774K.001	0	3,418	0	3,418
00774K.002	0	0	8,646	8,646
00774K.003	0	905	0	905
00774L.001	0	934	0	934
00774L.002	0	0	6,343	6,343
00774M.001	0	1,381	0	1,381
00774M.002	0	0	2,072	2,072
00774N.001	0	486	0	486
00774O.001	0	940	0	940
00774O.002	0	0	1,866	1,866
00774Q.001	0	269	0	269
00774Q.002	0	0	331	331
00774S.001	965	0	0	965
00774T.001	3,287	0	0	3,287
00774U.001	1,556	0	0	1,556
00774V.001	2,685	0	0	2,685
00774W.001	90	0	0	90
00774Y.001	0	2,462	0	2,462
00774Y.002	0	0	9,286	9,286
00774Z.001	0	0	3,057	3,057
Total	10,317	18,068	40,825	69,210

ORA	2017	2018	2019	Total
00774B.001	708	0	0	708
00774B.002	0	801	0	801
00774B.003	0	0	1,466	1,466
00774B.004	0	113	0	113
00774C.001	0	273	0	273
00774C.002	0	0	83	83
00774D.001	0	832	0	832
00774E.001	471	0	0	471
00774E.002	0	227	0	227
00774F.001	0	260	0	260
00774F.002	0	0	236	236

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00774F.003	0	123	0	123
00774F.004	0	0	112	112
00774G.001	991	0	0	991
00774H.001	0	1,668	0	1,668
00774H.003	0	0	1,472	1,472
00774H.004	0	306	0	306
00774H.006	0	0	311	311
00774I.001	0	1,535	0	1,535
00774I.002	0	0	3,788	3,788
00774J.001	0	336	0	336
00774K.001	0	3,043	0	3,043
00774K.002	0	0	7,000	7,000
00774K.003	0	806	0	806
00774L.001	0	832	0	832
00774L.002	0	0	5,135	5,135
00774M.001	0	1,229	0	1,229
00774M.002	0	0	1,678	1,678
00774N.001	0	433	0	433
00774O.001	0	837	0	837
00774O.002	0	0	1,511	1,511
00774Q.001	0	239	0	239
00774Q.002	0	0	268	268
00774S.001	1,208	0	0	1,208
00774T.001	4,114	0	0	4,114
00774U.001	1,948	0	0	1,948
00774V.001	3,361	0	0	3,361
00774W.001	113	0	0	113
00774Y.001	0	2,192	0	2,192
00774Y.002	0	0	7,518	7,518
00774Z.001	0	0	2,475	2,475
Total	12,914	16,085	33,053	62,052

Difference	2017	2018	2019	Total
00774B.001	142	0	0	142
00774B.002	0	-99	0	-99
00774B.003	0	0	-345	-345
00774B.004	0	-14	0	-14
00774C.001	0	-34	0	-34
00774C.002	0	0	-19	-19
00774D.001	0	-103	0	-103
00774E.001	95	0	0	95
00774E.002	0	-28	0	-28
00774F.001	0	-32	0	-32
00774F.002	0	0	-56	-56
00774F.003	0	-15	0	-15
00774F.004	0	0	-26	-26
00774G.001	199	0	0	199
00774H.001	0	-206	0	-206
00774H.003	0	0	-346	-346
00774H.004	0	-38	0	-38
00774H.006	0	0	-73	-73
00774I.001	0	-189	0	-189
00774I.002	0	0	-891	-891
00774J.001	0	-41	0	-41
00774K.001	0	-375	0	-375
00774K.002	0	0	-1,646	-1,646
00774K.003	0	-99	0	-99
00774L.001	0	-102	0	-102

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00774L.002	0	0	-1,208	-1,208
00774M.001	0	-152	0	-152
00774M.002	0	0	-394	-394
00774N.001	0	-53	0	-53
00774O.001	0	-103	0	-103
00774O.002	0	0	-355	-355
00774Q.001	0	-30	0	-30
00774Q.002	0	0	-63	-63
00774S.001	243	0	0	243
00774T.001	827	0	0	827
00774U.001	392	0	0	392
00774V.001	676	0	0	676
00774W.001	23	0	0	23
00774Y.001	0	-270	0	-270
00774Y.002	0	0	-1,768	-1,768
00774Z.001	0	0	-582	-582
Total	2,597	-1,983	-7,772	-7,158

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Proposed Capital Expenditures (in thousands of 2016 dollars)

GRC Wkp Grp	GRC Wkp Grp Sub Title	2017	2018	2019	Exhibit
00774B	19044 Credit and Coll Optimization Phase 4	566	1,027	1,811	SCG-19
00774C	19045 ACT/CCM Refresh Project	-	307	102	SCG-19
00774D	19046 Billing Projection Engine (Internal BTA Alert)	-	935	-	SCG-19
00774E	84322 CIS Segregation of Duties (SoD) Project	376	255	-	SCG-19
00774F	19047 Collections Optimization Phase 5 (Misc. Collections In	-	430	430	SCG-19
00774G	84324 Residential 2 PSI Service	792	-	-	SCG-19
00774H	19048 Data Driven Customer Communications	-	2,218	2,202	SCG-20
00774I	19049 ENVOY Generation MA (Microservice Architecture)	-	1,724	4,679	SCG-13
00774J	19050 IVR Usability Enhancements	-	377	-	SCG-19
00774K	19051 Major Markets Systems Enhancements	-	4,323	8,646	SCG-19
00774L	19053 My Account Additional Self-Service Features and Transa	-	934	6,343	SCG-20
00774M	19054 My Account Customer Engagement Improvements	-	1,381	2,072	SCG-20
00774N	19055 Optimizing Self-Service Payment Extensions	-	486	-	SCG-20
00774O	19057 Socalgas.com/My Account Alignment	-	940	1,866	SCG-20
00774Q	19059 CTAs Customer Data Exchange - EDI Option	-	269	331	SCG-19
00774S	84254 SEU CCC WORKFORCE MGMT OPT SOLUTION	965	-	-	SCG-19
00774T	84285 CUSTOMER EXPERIENCE	3,287	-	-	SCG-19
00774U	84227 SCG CUSTOMER SERVICE ROUTING	1,556	-	-	SCG-18
00774V	RAMP - INCREMENTAL 84309 CPD PHASE 3	2,685	-	-	SCG-05
00774W	84310 SOCALGAS.COM TRANSACTIONAL AND REGULATOR	90	-	-	SCG-20
00774Y	19128 CIS Front-end Replacement	-	2,462	9,286	SCG-19
00774Z	19127 MCS Next Generation	-	-	3,057	SCG-19

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Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-26
Area: INFORMATION TECHNOLOGY
Witness: Olmsted, Christopher R.

CAPITAL EXPENDITURES

Project: Applications - Utility Operations/Reliability/Impr
Budget Code: 00776.0.ALL

SoCalGas Position: See supplemental page for a listing of projects within this budget code and the accompanying 2017-2019 forecast and exhibit reference.

ORA Position: For 2017, ORA recommends using the recorded adjusted capital expenditure costs. For 2018 and 2019, ORA's resulting forecast method is an ordinary least squares, time-trend regression with total, adjusted recorded annual capital expenditures as the dependent variable.

Exhibit ORA-20, p. 18-20

Note: Tables below show only the projects where a disallowance has been recommended. The ORA figures shown below are from the RO Model.

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Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
00776AA.001	0	1,051	0	1,051
00776AA.002	0	0	4,265	4,265
00776AB.001	0	248	0	248
00776AB.002	0	0	316	316
00776AC.001	502	0	0	502
00776AD.001	926	0	0	926
00776AE.001	228	0	0	228
00776AF.001	4,516	0	0	4,516
00776AG.001	853	0	0	853
00776AH.001	575	0	0	575
00776AI.001	2,404	0	0	2,404
00776AI.002	0	427	0	427
00776AJ.001	0	1,147	0	1,147
00776AJ.002	0	1,400	0	1,400
00776B.001	302	0	0	302
00776C.001	6,454	0	0	6,454
00776C.002	1,705	0	0	1,705
00776C.003	0	3,645	0	3,645
00776D.001	880	0	0	880
00776D.002	94	0	0	94
00776E.001	317	0	0	317
00776F.001	0	843	0	843
00776F.002	0	35	0	35
00776G.001	0	1,463	0	1,463
00776G.002	0	440	0	440
00776G.003	0	0	1,903	1,903
00776H.001	817	0	0	817
00776H.002	0	0	904	904
00776H.003	0	1,886	0	1,886
00776H.004	309	0	0	309
00776I.001	0	2,471	0	2,471
00776I.002	0	946	0	946
00776I.003	0	0	1,256	1,256
00776J.001	0	3,575	0	3,575
00776J.002	0	0	14,107	14,107
00776K.001	595	0	0	595
00776K.002	25	0	0	25
00776K.003	0	334	0	334
00776L.001	787	0	0	787
00776L.002	550	0	0	550
00776M.001	181	0	0	181
00776M.002	0	2,669	0	2,669
00776M.003	0	0	263	263
00776M.004	0	437	0	437
00776N.001	0	5,593	0	5,593
00776N.002	0	0	3,286	3,286
00776O.001	0	773	0	773
00776O.002	0	132	0	132
00776P.001	0	0	10,905	10,905
00776Q.001	0	623	0	623
00776Q.002	0	234	0	234
00776R.001	0	1,185	0	1,185
00776R.002	0	604	0	604
00776S.001	0	700	0	700
00776T.001	0	613	0	613
00776U.001	0	0	3,540	3,540

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00776U.002	0	0	1,942	1,942
00776V.001	0	362	0	362
00776V.002	0	300	0	300
00776V.003	0	0	146	146
00776W.001	0	429	0	429
00776X.001	1,417	0	0	1,417
00776Y.001	0	2,327	0	2,327
00776Y.002	0	749	0	749
00776Y.003	0	0	2,327	2,327
00776Y.004	0	0	749	749
00776Z.001	0	469	0	469
00776Z.002	0	0	234	234
Total	24,437	38,110	46,143	108,690

ORA	2017	2018	2019	Total
00776AA.001	0	936	0	936
00776AA.002	0	0	3,453	3,453
00776AB.001	0	221	0	221
00776AB.002	0	0	256	256
00776AC.001	518	0	0	518
00776AD.001	955	0	0	955
00776AE.001	235	0	0	235
00776AF.001	4,657	0	0	4,657
00776AG.001	880	0	0	880
00776AH.001	593	0	0	593
00776AI.001	2,479	0	0	2,479
00776AI.002	0	380	0	380
00776AJ.001	0	1,021	0	1,021
00776AJ.002	0	1,246	0	1,246
00776B.001	311	0	0	311
00776C.001	6,656	0	0	6,656
00776C.002	1,758	0	0	1,758
00776C.003	0	3,245	0	3,245
00776D.001	908	0	0	908
00776D.002	97	0	0	97
00776E.001	327	0	0	327
00776F.001	0	751	0	751
00776F.002	0	31	0	31
00776G.001	0	1,302	0	1,302
00776G.002	0	392	0	392
00776G.003	0	0	1,541	1,541
00776H.001	843	0	0	843
00776H.002	0	0	732	732
00776H.003	0	1,679	0	1,679
00776H.004	319	0	0	319
00776I.001	0	2,200	0	2,200
00776I.002	0	842	0	842
00776I.003	0	0	1,017	1,017
00776J.001	0	3,183	0	3,183
00776J.002	0	0	11,421	11,421
00776K.001	614	0	0	614
00776K.002	26	0	0	26
00776K.003	0	297	0	297
00776L.001	812	0	0	812
00776L.002	567	0	0	567
00776M.001	187	0	0	187
00776M.002	0	2,376	0	2,376
00776M.003	0	0	213	213

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00776M.004	0	389	0	389
00776N.001	0	4,979	0	4,979
00776N.002	0	0	2,660	2,660
00776O.001	0	688	0	688
00776O.002	0	118	0	118
00776P.001	0	0	8,829	8,829
00776Q.001	0	555	0	555
00776Q.002	0	208	0	208
00776R.001	0	1,055	0	1,055
00776R.002	0	538	0	538
00776S.001	0	623	0	623
00776T.001	0	546	0	546
00776U.001	0	0	2,866	2,866
00776U.002	0	0	1,572	1,572
00776V.001	0	322	0	322
00776V.002	0	267	0	267
00776V.003	0	0	118	118
00776W.001	0	382	0	382
00776X.001	1,461	0	0	1,461
00776Y.001	0	2,072	0	2,072
00776Y.002	0	667	0	667
00776Y.003	0	0	1,884	1,884
00776Y.004	0	0	606	606
00776Z.001	0	418	0	418
00776Z.002	0	0	189	189
Total	25,203	33,929	37,357	96,489

Difference	2017	2018	2019	Total
00776AA.001	0	-115	0	-115
00776AA.002	0	0	-812	-812
00776AB.001	0	-27	0	-27
00776AB.002	0	0	-60	-60
00776AC.001	16	0	0	16
00776AD.001	29	0	0	29
00776AE.001	7	0	0	7
00776AF.001	141	0	0	141
00776AG.001	27	0	0	27
00776AH.001	18	0	0	18
00776AI.001	75	0	0	75
00776AI.002	0	-47	0	-47
00776AJ.001	0	-126	0	-126
00776AJ.002	0	-154	0	-154
00776B.001	9	0	0	9
00776C.001	202	0	0	202
00776C.002	53	0	0	53
00776C.003	0	-400	0	-400
00776D.001	28	0	0	28
00776D.002	3	0	0	3
00776E.001	10	0	0	10
00776F.001	0	-92	0	-92
00776F.002	0	-4	0	-4
00776G.001	0	-161	0	-161
00776G.002	0	-48	0	-48
00776G.003	0	0	-362	-362
00776H.001	26	0	0	26
00776H.002	0	0	-172	-172
00776H.003	0	-207	0	-207
00776H.004	10	0	0	10

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00776I.001	0	-271	0	-271
00776I.002	0	-104	0	-104
00776I.003	0	0	-239	-239
00776J.001	0	-392	0	-392
00776J.002	0	0	-2,686	-2,686
00776K.001	19	0	0	19
00776K.002	1	0	0	1
00776K.003	0	-37	0	-37
00776L.001	25	0	0	25
00776L.002	17	0	0	17
00776M.001	6	0	0	6
00776M.002	0	-293	0	-293
00776M.003	0	0	-50	-50
00776M.004	0	-48	0	-48
00776N.001	0	-614	0	-614
00776N.002	0	0	-626	-626
00776O.001	0	-85	0	-85
00776O.002	0	-14	0	-14
00776P.001	0	0	-2,076	-2,076
00776Q.001	0	-68	0	-68
00776Q.002	0	-26	0	-26
00776R.001	0	-130	0	-130
00776R.002	0	-66	0	-66
00776S.001	0	-77	0	-77
00776T.001	0	-67	0	-67
00776U.001	0	0	-674	-674
00776U.002	0	0	-370	-370
00776V.001	0	-40	0	-40
00776V.002	0	-33	0	-33
00776V.003	0	0	-28	-28
00776W.001	0	-47	0	-47
00776X.001	44	0	0	44
00776Y.001	0	-255	0	-255
00776Y.002	0	-82	0	-82
00776Y.003	0	0	-443	-443
00776Y.004	0	0	-143	-143
00776Z.001	0	-51	0	-51
00776Z.002	0	0	-45	-45
Total	766	-4,181	-8,786	-12,201

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Proposed Capital Expenditures (in thousands of 2016 dollars)

GRC Wkp Grp	GRC Wkp Grp Sub Title	2017	2018	2019	Exhibit
00776AA	19120 DCU LTE Upgrade Program	-	1,051	4,265	SCG-17
00776AB	19121 DCU Software IS Upgrade	-	248	316	SCG-17
00776AC	81444 FLEET M5 SYSTEM UPGRADE PH1	502	-	-	SCG-23
00776AD	RAMP - INCREMENTAL 81452 CLICK UPGRADE (CU)	926	-	-	SCG-05
00776AE	81495 FINANCIAL PLNG & BUDGETING	228	-	-	SCG-33
00776AF	84325 SOFTWARE DEFINED DATA CENTER	4,516	-	-	SCG-26
00776AG	84295 OFFICE 365 ENABLEMENT & ADOPTION	853	-	-	SCG-26
00776AH	RAMP - INCREMENTAL 19125 GAS OPERATIONS DEPARTMENTAL WEBSITE	575	-	-	SCG-05
00776AI	19126 IAM NextGen	2,404	427	-	SCG-28
00776AJ	19129 FoF - Integrated Supplier Portal	-	2,547	-	SCG-22
00776B	84284 TARIFF MANAGER 2 REPLACEMENT	302	-	-	SCG-33
00776C	84293 SAP ECC ON HANA	8,159	3,645	-	SCG-26
00776D	84229 GIS MOBILE REPLACEMENT	974	-	-	SCG-26
00776E	84248 2019 RO MODEL & GRID ENHANCEMENT	317	-	-	SCG-33
00776F	RAMP - INCREMENTAL 19066 Enhanced M&R KPI and Analytic Repor	-	878	-	SCG-05
00776G	RAMP - INCREMENTAL 19067 Field Data Collection with eForm	-	1,903	1,903	SCG-05
00776H	RAMP - INCREMENTAL 19068 Gas Distribution and M&R Improvemen	1,126	1,886	904	SCG-05
00776I	RAMP - INCREMENTAL 19069 Gas Operations: Maintenance & Inspe	-	3,417	1,256	SCG-05
00776J	RAMP - INCREMENTAL 19070 High Pressure Construction (Move fr	-	3,575	14,107	SCG-05
00776K	RAMP - INCREMENTAL 19071 Measurement & Reliability Complianc	620	334	-	SCG-05
00776L	RAMP - INCREMENTAL 19073 Enhanced Operations & Compliance De	1,337	-	-	SCG-05
00776M	RAMP - INCREMENTAL 19075 Gas Materials Traceability Wave 3 &	181	3,106	263	SCG-05
00776N	19084 Sensitive Data Protection	-	5,593	3,286	SCG-26
00776O	19085 Web Portal and Application Modernization	-	905	-	SCG-26
00776P	19086 Software Defined Data Center Refresh 2019	-	-	10,905	SCG-26
00776Q	19098 Big Data Advanced Analytics Enablement on SAS	-	857	-	SCG-26
00776R	19099 Enterprise BPM Workflow	-	1,789	-	SCG-26
00776S	19100 Environmental Tracking System Enhancements	-	700	-	SCG-26
00776T	19101 SAP BI & Analytics Platform Upgrade	-	613	-	SCG-26
00776U	19103 SCG Fleet Fuel Management Phase II	-	-	5,482	SCG-23
00776V	19105 SoCalGas Facility Optimization and System Upgrade	-	662	146	SCG-23
00776W	19106 Source Code Management Modernization	-	429	-	SCG-26
00776X	84271 FoF - SUPPLY MANAGEMENT TRANSACTION ENABLEMENT	1,417	-	-	SCG-22
00776Y	19118 Enterprise Data Layer Ph1	-	3,076	3,076	SCG-26
00776Z	19119 DCU Compliance Inspection Work Mgmt	-	469	234	SCG-17

CHAPTER 2A19-c9

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-26
Area: INFORMATION TECHNOLOGY
Witness: Olmsted, Christopher R.

CAPITAL EXPENDITURES

Project: Hardware - Utility Operations/Reliability/Improvement
Budget Code: 00777.0.ALL

SoCalGas Position: See supplemental page for a listing of projects within this budget code and the accompanying 2017-2019 forecast and exhibit reference.

ORA Position: For 2017, ORA recommends using the recorded adjusted capital expenditure costs. For 2018 and 2019, ORA's resulting forecast method is an ordinary least squares, time-trend regression with total, adjusted recorded annual capital expenditures as the dependent variable.

Exhibit ORA-20, p. 18 to 20

Note: Tables below show only the projects where a disallowance has been recommended. The ORA figures shown below are from the RO Model.

CHAPTER 2A19-c9

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
00777A.001	876	0	0	876
00777B.001	6,359	0	0	6,359
00777B.002	0	3,097	0	3,097
00777C.001	6,828	0	0	6,828
00777C.002	0	23,795	0	23,795
00777C.003	0	0	33,609	33,609
00777D.001	0	3,270	0	3,270
00777D.002	0	0	9,361	9,361
00777E.001	0	2,455	0	2,455
00777F.001	0	0	2,455	2,455
00777G.001	0	4,055	0	4,055
00777H.001	0	0	4,925	4,925
00777I.001	0	3,774	0	3,774
00777J.001	0	2,877	0	2,877
00777K.001	0	1,725	0	1,725
00777K.002	0	0	1,973	1,973
00777L.001	4,743	0	0	4,743
00777M.001	0	0	2,512	2,512
00777N.001	0	2,574	0	2,574
00777N.002	0	0	2,574	2,574
00777O.001	223	0	0	223
00777P.001	6,324	0	0	6,324
Total	25,353	47,622	57,409	130,384

ORA	2017	2018	2019	Total
00777A.001	1,347	0	0	1,347
00777B.001	9,775	0	0	9,775
00777B.002	0	2,757	0	2,757
00777C.001	10,496	0	0	10,496
00777C.002	0	21,184	0	21,184
00777C.003	0	0	27,210	27,210
00777D.001	0	2,911	0	2,911
00777D.002	0	0	7,579	7,579
00777E.001	0	2,186	0	2,186
00777F.001	0	0	1,988	1,988
00777G.001	0	3,610	0	3,610
00777H.001	0	0	3,987	3,987
00777I.001	0	3,360	0	3,360
00777J.001	0	2,561	0	2,561
00777K.001	0	1,536	0	1,536
00777K.002	0	0	1,597	1,597
00777L.001	7,291	0	0	7,291
00777M.001	0	0	2,034	2,034
00777N.001	0	2,292	0	2,292
00777N.002	0	0	2,084	2,084
00777O.001	343	0	0	343
00777P.001	9,721	0	0	9,721
Total	38,973	42,397	46,479	127,849

Difference	2017	2018	2019	Total
00777A.001	471	0	0	471
00777B.001	3,416	0	0	3,416
00777B.002	0	-340	0	-340
00777C.001	3,668	0	0	3,668

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00777C.002	0	-2,611	0	-2,611
00777C.003	0	0	-6,399	-6,399
00777D.001	0	-359	0	-359
00777D.002	0	0	-1,782	-1,782
00777E.001	0	-269	0	-269
00777F.001	0	0	-467	-467
00777G.001	0	-445	0	-445
00777H.001	0	0	-938	-938
00777I.001	0	-414	0	-414
00777J.001	0	-316	0	-316
00777K.001	0	-189	0	-189
00777K.002	0	0	-376	-376
00777L.001	2,548	0	0	2,548
00777M.001	0	0	-478	-478
00777N.001	0	-282	0	-282
00777N.002	0	0	-490	-490
00777O.001	120	0	0	120
00777P.001	3,397	0	0	3,397
Total	13,620	-5,225	-10,930	-2,535

CHAPTER 2A19-c9

Proposed Capital Expenditures (in thousands of 2016 dollars)

GRC Wkp Grp	GRC Wkp Grp Sub Title	2017	2018	2019	Exhibit
00777A	84308 Network Core Refresh (Qfabric Refresh)	876	-	-	SCG-26
00777B	84256 SCG ENTERPRISE DESKTOP REFRESH	6,359	3,097	-	SCG-26
00777C	19076 Business Continuity Enhancement	6,828	23,795	33,609	SCG-26
00777D	19077 Converged Computing Infrastructure - 2018-2019	-	3,270	9,361	SCG-26
00777E	19079 Local Area Network Refresh (2018)	-	2,455	-	SCG-26
00777F	19080 Local Area Network Refresh (2019)	-	-	2,455	SCG-26
00777G	19082 Private Network Refresh (2018)	-	4,055	-	SCG-26
00777H	19083 Private Network Refresh (2019)	-	-	4,925	SCG-26
00777I	19087 Wide Area Network Refresh (2018)	-	3,774	-	SCG-26
00777J	19102 SCG Conf Room AV Upgrade	-	2,877	-	SCG-26
00777K	19104 SCG Fleet M5 Upgrade Phase III (BOBJ Compatible)	-	1,725	1,973	SCG-23
00777L	RAMP - INCREMENTAL 84225 GIS UPGRADE	4,743	-	-	SCG-05
00777M	19088 Wide Area Network Refresh (2019)	-	-	2,512	SCG-26
00777N	RAMP - INCREMENTAL 19122 MDT Refresh 2018-2020	-	2,574	2,574	SCG-05
00777O	84305 CONVERGED COMPUTING INFRASTRUCTURE	223	-	-	SCG-26
00777P	19132 Pure Storage Upgrade	6,324	-	-	SCG-26

CHAPTER 2A19-c10
Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-26
Area: INFORMATION TECHNOLOGY
Witness: Olmsted, Christopher R.

CAPITAL EXPENDITURES

Project: Applications - Customer Care/Strategic
Budget Code: 00784.0.ALL

SoCalGas Position: See supplemental page for a listing of projects within this budget code and the accompanying 2017-2019 forecast and exhibit reference.

ORA Position: For 2017 ORA used the adjusted recorded. For 2018 and 2019, ORA's resulting forecast method is an ordinary least squares, time-trend regression with total, adjusted recorded annual capital expenditures as the dependent variable.

Exhibit ORA-20 p. 18-20

Note: Table below shows only the projects with forecast differences. The ORA figures shown below are from the RO Model.

CHAPTER 2A19-c10

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
00784A.001	658	0	0	658
00784A.002	0	467	0	467
00784B.001	788	0	0	788
00784B.002	0	234	0	234
00784C.001	1,545	0	0	1,545
00784C.002	0	534	0	534
00784D.001	300	0	0	300
00784D.002	0	172	0	172
00784D.003	0	0	1,075	1,075
00784D.004	0	372	0	372
00784D.005	0	0	806	806
00784E.001	2,032	0	0	2,032
00784E.002	0	488	0	488
00784E.003	468	0	0	468
00784E.004	0	399	0	399
00784F.001	1,042	0	0	1,042
00784F.002	0	139	0	139
00784G.001	2,555	0	0	2,555
00784H.001	507	0	0	507
00784H.002	13	0	0	13
Total	9,908	2,805	1,881	14,594

ORA	2017	2018	2019	Total
00784A.001	244	0	0	244
00784A.002	0	416	0	416
00784B.001	292	0	0	292
00784B.002	0	208	0	208
00784C.001	572	0	0	572
00784C.002	0	475	0	475
00784D.001	111	0	0	111
00784D.002	0	153	0	153
00784D.003	0	0	870	870
00784D.004	0	331	0	331
00784D.005	0	0	653	653
00784E.001	752	0	0	752
00784E.002	0	434	0	434
00784E.003	173	0	0	173
00784E.004	0	355	0	355
00784F.001	386	0	0	386
00784F.002	0	124	0	124
00784G.001	946	0	0	946
00784H.001	188	0	0	188
00784H.002	5	0	0	5
Total	3,669	2,496	1,523	7,688

Difference	2017	2018	2019	Total
00784A.001	-414	0	0	-414
00784A.002	0	-51	0	-51
00784B.001	-496	0	0	-496
00784B.002	0	-26	0	-26
00784C.001	-973	0	0	-973
00784C.002	0	-59	0	-59
00784D.001	-189	0	0	-189
00784D.002	0	-19	0	-19

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00784D.003	0	0	-205	-205
00784D.004	0	-41	0	-41
00784D.005	0	0	-153	-153
00784E.001	-1,280	0	0	-1,280
00784E.002	0	-54	0	-54
00784E.003	-295	0	0	-295
00784E.004	0	-44	0	-44
00784F.001	-656	0	0	-656
00784F.002	0	-15	0	-15
00784G.001	-1,609	0	0	-1,609
00784H.001	-319	0	0	-319
00784H.002	-8	0	0	-8
Total	-6,239	-309	-358	-6,906

CHAPTER 2A19-c10

Proposed Capital Expenditures (in thousands of 2016 dollars)

GRC Wkp Grp	GRC Wkp Grp Sub Title	2017	2018	2019	Exhibit
00784A	19107 FoF - CIS Pre-Bill AMI Enhancement	658	467	-	SCG-19
00784B	19109 FoF - Energy Diversion	788	234	-	SCG-18
00784C	19110 FoF - ICDA Phase 3	1,545	534	-	SCG-19
00784D	19111 FoF - PACER OCS - Order Re-Prioritization Project Phas	300	544	1,881	SCG-18
00784E	19112 FoF - Paperless Initiatives	2,500	887	-	SCG-19
00784F	19113 FoF - Performance Management for office staff (Nice)	1,042	139	-	SCG-19
00784G	81469 ENVOY NEXT GENERATION	2,555	-	-	SCG-13
00784H	81470 INTEGRATED CUSTOMER DATA & ANALYTICS	520	-	-	SCG-19

CHAPTER 2A19-c11
Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-26
Area: INFORMATION TECHNOLOGY
Witness: Olmsted, Christopher R.

CAPITAL EXPENDITURES

Project: Hardware - Customer Care/Strategic
Budget Code: 00785.0.ALL

SoCalGas Position: See supplemental page for a listing of projects within this budget code and the accompanying 2017-2019 forecast and exhibit reference.

ORA Position: For 2017, ORA recommends using the recorded adjusted capital expenditure costs. For 2018 and 2019, ORA's resulting forecast method is an ordinary least squares, time-trend regression with total, adjusted recorded annual capital expenditures as the dependent variable.

Exhibit ORA-20, p. 18 to 20

Note: Tables below show only the projects where a disallowance has been recommended. The ORA figures shown below are from the RO Model.

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
00785A.001	3,426	0	0	3,426
00785A.002	0	4,262	0	4,262
00785A.003	0	0	1,591	1,591
Total	3,426	4,262	1,591	9,279

ORA	2017	2018	2019	Total
00785A.001	2,047	0	0	2,047
00785A.002	0	3,794	0	3,794
00785A.003	0	0	1,288	1,288
Total	2,047	3,794	1,288	7,129

Difference	2017	2018	2019	Total
00785A.001	-1,379	0	0	-1,379
00785A.002	0	-468	0	-468
00785A.003	0	0	-303	-303
Total	-1,379	-468	-303	-2,150

CHAPTER 2A19-c11

Proposed Capital Expenditures (in thousands of 2016 dollars)

GRC Wkp Grp	GRC Wkp Grp Sub Title	2017	2018	2019	Exhibit
00785A	19108 FoF - CSF PACER Mobile Platform	3,426	4,262	1,591	SCG-18

CHAPTER 2A19-c12
Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-26
Area: INFORMATION TECHNOLOGY
Witness: Olmsted, Christopher R.

CAPITAL EXPENDITURES

Project: Applications - Utility Operations/Strategic
Budget Code: 00786.0.ALL

SoCalGas Position: See supplemental page for a listing of projects within this budget code and the accompanying 2017-2019 forecast and exhibit reference.

ORA Position: For 2017, ORA recommends using the recorded adjusted capital expenditure costs. For 2018 and 2019, ORA's resulting forecast method is an ordinary least squares, time-trend regression with total, adjusted recorded annual capital expenditures as the dependent variable.

Exhibit ORA-20, p. 18 to 20

Note: Tables below show only the projects where a disallowance has been recommended. The ORA figures shown below are from the RO Model.

CHAPTER 2A19-c12

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
00786A.001	1,029	0	0	1,029
00786A.002	0	211	0	211
00786A.003	53	0	0	53
00786A.004	0	0	257	257
00786B.001	0	2,711	0	2,711
00786B.002	0	0	2,899	2,899
00786C.001	0	1,192	0	1,192
00786C.002	0	0	1,123	1,123
00786D.001	300	0	0	300
00786D.002	0	441	0	441
00786D.003	0	50	0	50
00786D.004	0	0	791	791
Total	1,382	4,605	5,070	11,057

ORA	2017	2018	2019	Total
00786A.001	1,726	0	0	1,726
00786A.002	0	188	0	188
00786A.003	89	0	0	89
00786A.004	0	0	208	208
00786B.001	0	2,414	0	2,414
00786B.002	0	0	2,347	2,347
00786C.001	0	1,061	0	1,061
00786C.002	0	0	909	909
00786D.001	503	0	0	503
00786D.002	0	393	0	393
00786D.003	0	45	0	45
00786D.004	0	0	640	640
Total	2,318	4,101	4,104	10,523

Difference	2017	2018	2019	Total
00786A.001	697	0	0	697
00786A.002	0	-23	0	-23
00786A.003	36	0	0	36
00786A.004	0	0	-49	-49
00786B.001	0	-297	0	-297
00786B.002	0	0	-552	-552
00786C.001	0	-131	0	-131
00786C.002	0	0	-214	-214
00786D.001	203	0	0	203
00786D.002	0	-48	0	-48
00786D.003	0	-5	0	-5
00786D.004	0	0	-151	-151
Total	936	-504	-966	-534

CHAPTER 2A19-c12

Proposed Capital Expenditures (in thousands of 2016 dollars)

GRC Wkp Grp	GRC Wkp Grp Sub Title	2017	2018	2019	Exhibit
00786A	RAMP - INCREMENTAL 19114 FoF - GOPA Phase 4	1,082	211	257	SCG-05
00786B	19115 FoF - Operational Awareness	-	2,711	2,899	SCG-26
00786C	19116 FoF - Claims Analytics	-	1,192	1,123	SCG-33
00786D	19117 FoF - Employee Care Services iVOS Claims System Ventiv	300	491	791	SCG-32

Chapter 2 - ORA vs. SoCalGas

Part A - O&M and Capital Expenditures

20. SCG-27-R - CYBERSECURITY

a. O&M - SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	ORA	ORA vs. SoCalGas	
1. 2CS00A-USS.ALL	709	588	(121)	2A20-a1
TOTAL	709	588	(121)	

CHAPTER 2A20-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-27-R
Area: CYBERSECURITY
Witness: Worden, Gavin H.

SHARED SERVICES O&M

Subject: ACCESS MANAGEMENT
Workpaper: 2CS00A-USS.ALL

SoCalGas Position: The Security Engineering group was established within the Cybersecurity Program to provide security architecture, establish security controls, support the security operation capability, and consult with the business units on initiatives implementing new technology and business systems to evaluate any risks these new technologies or business systems may pose.

The forecast methodology developed for this cost category is the base year (2016) recorded, plus additional staff.

Exhibit SCG-27-R, p. GW-22 to GW-25

ORA Position: ORA reduced SCG's 2018 and 2019 forecast value to equal the 2017 adjusted, recorded expense.

Exhibit ORA-20, p. 24

Note: Figures may differ slightly from testimony due to rounding.

RAMP-related costs include mitigation for SDG&E-7 Cyber Security (Ex. SCG-3 Cyber Security for SoCalGas CE).

Proposed TY2019 Forecast (in thousands of 2016 dollars)

	Labor	NLbr	NSE	Total
SCG				
2200-2469.000	332	377	0	709
Total	332	377	0	709
ORA				
2200-2469.000	322	266	0	588
Total	322	266	0	588
Difference				
2200-2469.000	-10	-111	0	-121
Total	-10	-111	0	-121

Chapter 2 - ORA vs. SoCalGas

Part A - O&M and Capital Expenditures

20. SCG-27-R - CYBERSECURITY

b. CAPITAL

Project	2017+2018+2019 (in 2016 \$, 000s)			Reference
	SoCalGas	ORA	ORA vs. SoCalGas	
1. 00758.0.ALL	60,051	21,975	(38,076)	2A20-b1
TOTAL	60,051	21,975	(38,076)	

CHAPTER 2A20-b1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-27-R
Area: CYBERSECURITY
Witness: Worden, Gavin H.

CAPITAL EXPENDITURES

Project: Cyber-Risk Mgmt
Budget Code: 00758.0.ALL

SoCalGas Position: See supplemental page for a summary of capital forecasts for 2017, 2018, and 2019 by Mitigation Type. The SoCalGas forecast developed for this cost category is zero-based.

Exhibit SCG-27-R, p. GW-29

ORA Position: For 2017, ORA recommends using the 2017 adjusted-recorded amount of \$6.882 million. ORA used an ordinary least squares time trend to forecast 2018, at \$7,201,000, and TY 2019, at \$7,896,000.

Exhibit ORA-20, p. 24 to 25

Note: Figures may differ from table below due to roundng.

RAMP-related costs include mitigation for SDG&E-7 Cyber Security (Ex. SCG-3 Cyber Security for SoCalGas CE).

CHAPTER 2A20-b1

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
00758A.001	58	0	0	58
00758AA.001	0	0	831	831
00758AA.002	0	0	3,400	3,400
00758AB.001	0	0	831	831
00758AB.002	0	0	3,399	3,399
00758B.001	308	0	0	308
00758C.001	202	0	0	202
00758D.001	368	0	0	368
00758D.002	1,376	0	0	1,376
00758E.001	369	0	0	369
00758E.002	1,105	0	0	1,105
00758F.001	395	0	0	395
00758F.002	1,448	0	0	1,448
00758G.001	2,516	1,270	0	3,786
00758H.001	440	23	0	463
00758H.002	1,827	0	0	1,827
00758I.001	296	0	0	296
00758J.001	252	0	0	252
00758J.002	834	0	0	834
00758K.001	901	0	0	901
00758L.001	325	146	0	471
00758L.002	1,445	0	0	1,445
00758M.001	345	185	0	530
00758M.002	1,360	0	0	1,360
00758N.001	399	0	0	399
00758N.002	1,275	0	0	1,275
00758O.001	0	591	0	591
00758O.002	0	1,700	0	1,700
00758P.001	0	0	832	832
00758P.002	0	0	3,400	3,400
00758Q.001	0	513	0	513
00758Q.002	0	2,380	0	2,380
00758R.001	0	2,228	0	2,228
00758S.001	0	1,331	0	1,331
00758T.001	0	426	0	426
00758T.002	0	1,488	0	1,488
00758U.001	0	245	36	281
00758U.002	0	935	0	935
00758V.001	0	3,375	60	3,435
00758W.001	0	515	0	515
00758W.002	0	2,125	0	2,125
00758X.001	0	0	479	479
00758Y.001	0	0	906	906
00758Y.002	0	0	3,825	3,825
00758Z.001	0	0	907	907
00758Z.002	0	0	3,825	3,825
Total	17,844	19,476	22,731	60,051

ORA	2017	2018	2019	Total
00758A.001	14	0	0	14
00758AA.001	0	0	289	289
00758AA.002	0	0	1,181	1,181
00758AB.001	0	0	289	289
00758AB.002	0	0	1,181	1,181
00758B.001	350	0	0	350

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00758C.001	333	0	0	333
00758D.001	1,433	0	0	1,433
00758D.002	0	0	0	0
00758E.001	0	0	0	0
00758E.002	0	0	0	0
00758F.001	0	0	0	0
00758F.002	0	0	0	0
00758G.001	0	470	0	470
00758H.001	0	9	0	9
00758H.002	0	0	0	0
00758I.001	0	0	0	0
00758J.001	3,577	0	0	3,577
00758J.002	0	0	0	0
00758K.001	0	0	0	0
00758L.001	0	54	0	54
00758L.002	27	0	0	27
00758M.001	0	68	0	68
00758M.002	726	0	0	726
00758N.001	0	0	0	0
00758N.002	416	0	0	416
00758O.001	0	218	0	218
00758O.002	0	628	0	628
00758P.001	0	0	289	289
00758P.002	0	0	1,181	1,181
00758Q.001	0	190	0	190
00758Q.002	0	880	0	880
00758R.001	0	824	0	824
00758S.001	0	492	0	492
00758T.001	0	157	0	157
00758T.002	0	550	0	550
00758U.001	0	91	13	104
00758U.002	0	346	0	346
00758V.001	0	1,248	21	1,269
00758W.001	0	190	0	190
00758W.002	0	786	0	786
00758X.001	0	0	166	166
00758Y.001	0	0	315	315
00758Y.002	0	0	1,329	1,329
00758Z.001	0	0	315	315
00758Z.002	0	0	1,329	1,329
Total	6,876	7,201	7,898	21,975

Difference	2017	2018	2019	Total
00758A.001	-44	0	0	-44
00758AA.001	0	0	-542	-542
00758AA.002	0	0	-2,219	-2,219
00758AB.001	0	0	-542	-542
00758AB.002	0	0	-2,218	-2,218
00758B.001	42	0	0	42
00758C.001	131	0	0	131
00758D.001	1,065	0	0	1,065
00758D.002	-1,376	0	0	-1,376
00758E.001	-369	0	0	-369
00758E.002	-1,105	0	0	-1,105
00758F.001	-395	0	0	-395
00758F.002	-1,448	0	0	-1,448
00758G.001	-2,516	-800	0	-3,316
00758H.001	-440	-14	0	-454

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00758H.002	-1,827	0	0	-1,827
00758I.001	-296	0	0	-296
00758J.001	3,325	0	0	3,325
00758J.002	-834	0	0	-834
00758K.001	-901	0	0	-901
00758L.001	-325	-92	0	-417
00758L.002	-1,418	0	0	-1,418
00758M.001	-345	-117	0	-462
00758M.002	-634	0	0	-634
00758N.001	-399	0	0	-399
00758N.002	-859	0	0	-859
00758O.001	0	-373	0	-373
00758O.002	0	-1,072	0	-1,072
00758P.001	0	0	-543	-543
00758P.002	0	0	-2,219	-2,219
00758Q.001	0	-323	0	-323
00758Q.002	0	-1,500	0	-1,500
00758R.001	0	-1,404	0	-1,404
00758S.001	0	-839	0	-839
00758T.001	0	-269	0	-269
00758T.002	0	-938	0	-938
00758U.001	0	-154	-23	-177
00758U.002	0	-589	0	-589
00758V.001	0	-2,127	-39	-2,166
00758W.001	0	-325	0	-325
00758W.002	0	-1,339	0	-1,339
00758X.001	0	0	-313	-313
00758Y.001	0	0	-591	-591
00758Y.002	0	0	-2,496	-2,496
00758Z.001	0	0	-592	-592
00758Z.002	0	0	-2,496	-2,496
Total	-10,968	-12,275	-14,833	-38,076

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TABLE GW-13
 Capital Expenditures Summary of Costs
 (Thousands of Dollars)

Mitigation Type	Project Name	2017	2018	2019
Identify	Enterprise Threat Intelligence	1,474	-	-
Identify	Threat Identification systems	-	-	4,731
Identify Total		1,474	-	4,731
Protect	PKI Rebuild	58	-	-
Protect	Firewall Security	308	-	-
Protect	Converged Perimeter Security (FOF Idea # 760)	2,516	1,270	-
Protect	Host Based Protection (FOF Idea # 790)	2,267	23	-
Protect	Email Spam Protection	1,086	-	-
Protect	IS Zone Rebuild	901	-	-
Protect	Critical Gas Infrastructure Protection	1,674	2,291	4,232
Protect	CASB (cloud data use)	-	2,893	-
Protect	Web Applications and Database Firewalls	-	2,228	-
Protect	Enterprise Source Code Security	-	1,180	36
Protect	Wired Network Preventative Controls	-	3,375	60
Protect	Multi Factor Authentication Refresh	-	2,640	-
Protect	My Account Multi Factor Authentication	-	-	170
Protect Total		8,810	15,900	4,498
Detect	SCG Network Anomaly Detection Phase 1	1,744	-	-
Detect	Insider Threat Detection / Prevention	1,843	-	-
Detect	SSL Decryption	296	-	-
Detect	Network Security Monitoring	1,770	146	-
Detect	Perimeter Tab infrastructure Redesign	-	1,331	-
Detect	Threat Detection systems	-	-	5,041
Detect Total		5,653	1,477	5,041
Respond	Threat Response systems	-	-	4,231
Respond	Forensics System Rebuild	202	-	-
Respond	Security Orchestration	1,705	185	-
Respond	Incident Response Secure Collaboration	-	1,914	-
Respond Total		1,907	2,099	4,231
Recover	Threat Recovery systems	-	-	4,230
Recover Total		-	-	4,230
Grand Total		17,844	19,476	22,731

Chapter 2 - ORA vs. SoCalGas

Part A - O&M and Capital Expenditures

21. SCG-28-R - CORPORATE CENTER - GENERAL ADMINISTRATION

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	ORA	ORA vs. SoCalGas	
1. 2SE000.001	69,817	55,345	(14,472)	2A21-a1
2. 2SE000.002	4,629	4,709	80	2A21-a2
TOTAL	74,446	60,054	(14,392)	

CHAPTER 2A21-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-28-R
Area: CORPORATE CENTER - GENERAL ADMINISTRATION
Witness: DeMontigny, Mia L.

NONSHARED O&M

Subject: SECC OUTSIDE SERVICES EMPLOYES - F923.1
Workpaper: 2SE000.001

SoCalGas Position: Requested total utility allocation is \$128.984 million (in 2016 dollars), with \$58.082 allocated to SDG&E and \$70.902 allocated to SoCalGas.

Exhibit SCG-28-R/SDG&E-26-R, p. MLD-1

ORA Position: ORA proposes an adjustment for Utility Allocations to reconize and incorporate the acquisition of Oncor. ORA forecasts total Utility Costs of \$84.4 million (in 2016 Dollars) for Test Year 2019, with \$38.0 million allocated to SDG&E and \$46.4 million allocated to SoCalGas. Absent this adjustment, the allocation would be \$109.3 million, with \$49.2 million to SDG&E and \$60.1 million to SoCalGas.

Exhibit ORA-12, p. 1 to 2

Note: Totally utility allocation is divided between two workpapers, 2SE000-001 and 2SE000-002.

See related issue regarding Results of Operations Model input under "Differences Between SoCalGas and ORA" for SoCalGas-43-2R.

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	69,817	55,345	-14,472
TOTAL	69,817	55,345	-14,472

CHAPTER 2A21-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-28-R
Area: CORPORATE CENTER - GENERAL ADMINISTRATION
Witness: DeMontigny, Mia L.

NONSHARED O&M

Subject: SECC DERPRECIATION ROR - F923.4
Workpaper: 2SE000.002

SoCalGas Position: Requested total utility allocation is \$128.984 million (in 2016 dollars), with \$58.082 allocated to SDG&E and \$70.902 allocated to SoCalGas.

Exhibit SCG-28-R/SDG&E-26-R, p. MLD-1

ORA Position: ORA proposes an adjustment for Utility Allocations to reconize and incorporate the acquisition of Oncor. ORA forecasts total Utility Costs of \$84.4 million (in 2016 Dollars) for Test Year 2019, with \$38.0 million allocated to SDG&E and \$46.4 million allocated to SoCalGas. Absent this adjustment, the allocation would be \$109.3 million, with \$49.2 million to SDG&E and \$60.1 million to SoCalGas.

Exhibit ORA-12, p. 1 to 2

Note: Totally utility allocation is divided between two workpapers, 2SE000-001 and 2SE000-002.

See related issue regarding Results of Operations Model input under "Differences Between SoCalGas and ORA" for SoCalGas-43-2R.

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	4,629	4,709	80
TOTAL	4,629	4,709	80

Chapter 2 - ORA vs. SoCalGas

Part A - O&M and Capital Expenditures

22. SCG-30 - COMPENSATION & BENEFITS

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	ORA	ORA vs. SoCalGas	
1. 2CP000.000	79,090	33,102	(45,988)	2A22-a1
2. 2CP000.001	10,029	0	(10,029)	2A22-a2
3. 2CP000.002	978	431	(547)	2A22-a3
4. 2CP000.003	646	99	(547)	2A22-a4
5. 2PB000.000	96,023	90,310	(5,713)	2A22-a5
6. 2PB000.003	707	0	(707)	2A22-a6
7. 2PB000.005	1,851	1,683	(168)	2A22-a7
8. 2PB000.010	300	0	(300)	2A22-a8
9. 2PB000.011	1,920	0	(1,920)	2A22-a9
10. 2PB000.014	217	0	(217)	2A22-a10
11. 2PB000.016	180	0	(180)	2A22-a11
12. 2PB000.017	254	127	(127)	2A22-a12
13. 2PB000.018	532	0	(532)	2A22-a13
TOTAL	192,727	125,752	(66,975)	

CHAPTER 2A22-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-30
Area: COMPENSATION & BENEFITS
Witness: Robinson, Debbie S.

NONSHARED O&M

Subject: COMPENSATION - VARIABLE PAY (GRC USE ONLY)
Workpaper: 2CP000.000

SoCalGas Position: Variable pay, or short-term incentive compensation, places a portion of employee compensation at-risk, subject to achievement of the plan's performance measures.

Exhibit SCG-30/SDG&E-28, p. DSR-9

ORA Position: ORA recommends that ratepayers should not be responsible for funding non-executive and executive requests related to financial goals, and customer and supplier diversity goals. ORA recommends ratepayers fund 50% of the remaining executive ICP expense.

Exhibit ORA-22, p. 8 to 12

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	79,090	33,102	-45,988
NonLabor	0	0	0
Nonstandard	0	0	0
TOTAL	79,090	33,102	-45,988

CHAPTER 2A22-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-30
Area: COMPENSATION & BENEFITS
Witness: Robinson, Debbie S.

NONSHARED O&M

Subject: COMPENSATION - LTIP (GRC USE ONLY)
Workpaper: 2CP000.001

SoCalGas Position: Long-term incentives make up 11 percent to 51 percent of total target compensation (which includes base, short-term incentive and long-term incentive pay) for key management employees and officers.

SDG&E's forecasted TY 2019 long-term incentive cost is \$8.570 million and SoCalGas' is \$10.029 million.

Exhibit SCG-30/SDG&E-28, p. DSR-20 to DSR-21

ORA Position: ORA recommends zero ratepayer funding for the LTIP.

Exhibit ORA-22, p. 12

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	10,029	0	-10,029
TOTAL	10,029	0	-10,029

CHAPTER 2A22-a3

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-30
Area: COMPENSATION & BENEFITS
Witness: Robinson, Debbie S.

NONSHARED O&M

Subject: COMPENSATION - SPOT CASH (GRC USE ONLY)
Workpaper: 2CP000.002

SoCalGas Position: SoCalGas and SDG&E use special recognition awards to reward individual employees and teams for outstanding achievements, exceptional customer service, and process improvements and innovations. The Spot Cash Awards program is used to provide cash awards.

SDG&E's forecasted TY 2019 spot cash program expense is \$0.97 million and SoCalGas' is \$0.978 million.

Exhibit SCG-30/SDG&E-28, p. DSR-22 to DSR-23

ORA Position: ORA recommends that both companies maintain the base year level of spending and recommends a TY 2019 expense of \$0.431 million for SoCalGas and \$0.412 million for SDG&E.

Exhibit ORA-22, p. 14

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	978	431	-547
NonLabor	0	0	0
Nonstandard	0	0	0
TOTAL	978	431	-547

CHAPTER 2A22-a4

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-30
Area: COMPENSATION & BENEFITS
Witness: Robinson, Debbie S.

NONSHARED O&M

Subject: COMPENSATION - SPECIAL RECOGNITION AWARDS
Workpaper: 2CP000.003

SoCalGas Position: SoCalGas and SDG&E use special recognition awards to reward individual employees and teams for outstanding achievements, exceptional customer service, and process improvements and innovations. The Employee Recognition is used to provide nominal non-cash awards, generally valued at \$100 or less. Typical awards include gift cards, movie tickets and tickets to sporting events.

SDG&E's forecasted TY 2019 employee recognition program expense is \$0.339 million and SoCalGas' is \$0.646 million.

Exhibit SCG-30/SDG&E-28, p. DSR-22 to DSR-23

ORA Position: ORA recommends that both companies maintain the base year level of spending and recommends a TY 2019 expense of \$0.098 million for SoCalGas and \$0.086 million for SDG&E.

Exhibit ORA-22, p. 15

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	646	99	-547
TOTAL	646	99	-547

CHAPTER 2A22-a5

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-30
Area: COMPENSATION & BENEFITS
Witness: Robinson, Debbie S.

NONSHARED O&M

Subject: HEALTH BENEFITS - MEDICAL
Workpaper: 2PB000.000

SoCalGas Position: SoCalGas and SDG&E offer several medical plan designs to meet the varying needs of employees and their dependents and consistent with its collective bargaining agreements.

SDG&E's forecasted TY 2019 medical expense is \$56.204 million and SoCalGas' is \$96.023 million. The increase between 2016 and 2019 costs reflects forecasted medical rate escalation, as well as anticipated changes in headcount.

Exhibit SCG-30/SDG&E-28, p. DSR-25 to DSR-26

ORA Position: ORA recommends using a medical escalation rate of 4.25%.

Exhibit ORA-22, p. 17

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	96,023	90,310	-5,713
TOTAL	96,023	90,310	-5,713

CHAPTER 2A22-a6

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-30
Area: COMPENSATION & BENEFITS
Witness: Robinson, Debbie S.

NONSHARED O&M

Subject: HEALTH BENEFITS - WELLNESS
Workpaper: 2PB000.003

SoCalGas Position: Wellness programs promote healthy lifestyle changes and illness prevention, facilitate early detection and management of illness and disease and help ensure that employees diagnosed with health conditions receive optimal and effective treatment.

SDG&E and SoCalGas' forecasted TY 2019 wellness costs are \$1.117 million and \$707 thousand, respectively. Wellness program costs are projected to increase from 2016 through 2019 due to headcount additions, additional onsite health screenings, and additional programs promoting health and wellness.

Exhibit SCG-30/SDG&E-28, p. DSR-35 to DSR-37

ORA Position: ORA recommends zero ratepayer funding for the Wellness programs.

Exhibit ORA-22, p. 20

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	707	0	-707
TOTAL	707	0	-707

CHAPTER 2A22-a7

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-30
Area: COMPENSATION & BENEFITS
Witness: Robinson, Debbie S.

NONSHARED O&M

Subject: HEALTH BENEFITS - MENTAL HEALTH
Workpaper: 2PB000.005

SoCalGas Position: Mental health and substance abuse services include individual counseling sessions for issues such as psychological and emotional conditions, life management, all additions, job-related problems, and relationship issues.

SDG&E's and SoCalGas' forecasted TY 2019 mental health/substance abuse costs are \$1.903 million and \$1.851 million, respectively. The costs forecasts are based on actual 2016 claims paid indexed for projected headcount changes and assuming that their escalation trend will be the same as the escalation trend for medical costs.

Exhibit SCG-30/SDG&E-28, p. DSR-38 to DSR-39

ORA Position: ORA recommends the use of 4.25% as an appropriate medical escalation rate. This results in an ORA forecast of \$1.683 million for TY 2019 Mental Health and Substance Abuse expense for SoCalGas, and \$1.732 million for SDG&E.

Exhibit ORA-22, p. 21

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	1,851	1,683	-168
TOTAL	1,851	1,683	-168

CHAPTER 2A22-a8

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-30
Area: COMPENSATION & BENEFITS
Witness: Robinson, Debbie S.

NONSHARED O&M

Subject: RETIREMENT BENEFITS - NQ SAVINGS
Workpaper: 2PB000.010

SoCalGas Position: The nonqualified retirement savings plan, or deferred compensation plan, allows pre-tax contributions for employees, subject to IRS compensation and contribution limits. Company matching contributions mirror the company matching contributions provided under the RSP, but do not include the “stretch match.”

SDG&E’s and SoCalGas’ forecasted TY 2019 costs for company matching contributions under the nonqualified retirement savings plan are \$245 thousand and \$300 thousand, respectively. Projected costs are based on actual 2016 costs adjusted for labor inflation.

Exhibit SCG-30/SDG&E-28, p. DSR-42 to DSR-43

ORA Position: ORA recommends that the Commission deny ratepayer funding for the Nonqualified Savings Plan contributions in the 2019 TY.

Exhibit ORA-22, p. 26

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	300	0	-300
TOTAL	300	0	-300

CHAPTER 2A22-a9

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-30
Area: COMPENSATION & BENEFITS
Witness: Robinson, Debbie S.

NONSHARED O&M

Subject: RETIREMENT BENEFITS - SUPPLEMENTAL PENSION
Workpaper: 2PB000.011

SoCalGas Position: SoCalGas and SDG&E offer two supplemental pension plans, the Supplemental Executive Retirement Plan, which covers a small number of senior executives, and the Cash Balance Restoration Plan. The Cash Balance Restoration Plan restores benefits for employees whose earnings or benefits exceed the limitations established by the Employee Retirement and Income Security Act.

SDG&E's and SoCalGas' forecasted TY 2019 expense for supplemental pension plans is \$2.370 million and \$1.920 million, respectively. Cost forecasts represent the projected benefit payments.

Exhibit SCG-30/SDG&E-28, p. DSR-43 to DSR-44

ORA Position: ORA recommends that the Commission deny ratepayer funding for the Supplemental Pension Plan contributions in the 2019 TY.

Exhibit ORA-22, p. 27

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	1,920	0	-1,920
TOTAL	1,920	0	-1,920

CHAPTER 2A22-a10

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-30
Area: COMPENSATION & BENEFITS
Witness: Robinson, Debbie S.

NONSHARED O&M

Subject: OTHER BENEFITS - EMERGENCY CARE
Workpaper: 2PB000.014

SoCalGas Position: The backup childcare program provides emergency childcare services when an employee's primary childcare resource is unavailable.

SDG&E's and SoCalGas' forecasted TY 2019 expense for the backup childcare program is \$159 thousand and \$217 thousand, respectively. Program costs are projected to increase by five percent per year in 2018 and 2019.

Exhibit SCG-30/SDG&E-28, p. DSR-47 to DSR-48

ORA Position: ORA recommends zero funding for the Emergency Childcare Program.

Exhibit ORA-22, p. 30

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	217	0	-217
TOTAL	217	0	-217

CHAPTER 2A22-a11

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-30
Area: COMPENSATION & BENEFITS
Witness: Robinson, Debbie S.

NONSHARED O&M

Subject: OTHER BENEFITS - RETIREMENT ACTIVITIES
Workpaper: 2PB000.016

SoCalGas Position: Upon retirement, the company gives the employee a retirement gift and hosts a retirement breakfast in recognition of past service and contribution to the company's success.

SDG&E's and SoCalGas' forecasted TY 2019 expense for retirement activities is \$67 thousand for SDG&E and \$180 thousand for SoCalGas. The cost of retirement activities is forecasted to decrease due to fewer expected retirements.

Exhibit SCG-30/SDG&E-28, p. DSR-48 to DSR-49

ORA Position: ORA recommends zero ratepayer funding for Retirement Activities.

Exhibit ORA-22, p. 32

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	180	0	-180
TOTAL	180	0	-180

CHAPTER 2A22-a12

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-30
Area: COMPENSATION & BENEFITS
Witness: Robinson, Debbie S.

NONSHARED O&M

Subject: OTHER BENEFITS - SERVICE RECOGNITION
Workpaper: 2PB000.017

SoCalGas Position: Service recognition awards are given to employees on their fifth anniversary and every five years thereafter. Employees select a specific item from a group of awards that vary depending on years of service.

SDG&E's and SoCalGas' forecasted TY 2019 costs for service recognition are \$108 thousand and \$254 thousand, respectively. Costs are projected based on the estimated number of employees with service anniversaries in each year.

Exhibit SCG-30/SDG&E-28, p. DSR-49

ORA Position: ORA recommends that ratepayers fund 50% of the requested forecasts for Service Recognition. This results in ORA's recommended forecast of \$0.127 million for SoCalGas and \$0.054 million for SDG&E.

Exhibit ORA-22, p. 32

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	254	127	-127
TOTAL	254	127	-127

CHAPTER 2A22-a13

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-30
Area: COMPENSATION & BENEFITS
Witness: Robinson, Debbie S.

NONSHARED O&M

Subject: OTHER BENEFITS - SPECIAL EVENTS
Workpaper: 2PB000.018

SoCalGas Position: Special Events night is the one time a year when employees from union and management ranks from all around the company gather in one place.

SoCalGas' forecasted TY 2019 cost for special events is \$532 thousand.

Exhibit SCG-30/SDG&E-28, p. DSR-50

ORA Position: ORA recommends zero ratepayer funding for SoCalGas' Special Events program.

Exhibit ORA-22, p. 33

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	532	0	-532
TOTAL	532	0	-532

Chapter 2 - ORA vs. SoCalGas

Part A - O&M and Capital Expenditures

23. SCG-32 - HUMAN RESOURCES DEPARTMENT, SAFETY, WORKERS' COMPENSATION & LONG-TERM

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	ORA	ORA vs. SoCalGas	
1. 2HR004.000	5,186	5,039	(147)	2A23-a1
2. 2HR006.000	10,509	9,970	(539)	2A23-a2
3. 2HR006.001	18,063	16,692	(1,371)	2A23-a3
4. 2HR007.000	3,823	3,716	(107)	2A23-a4
TOTAL	37,581	35,417	(2,164)	

CHAPTER 2A23-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-32
Area: HUMAN RESOURCES DEPARTMENT, SAFETY, WORKERS' COMPENSATION & LONG-TERM DISABILITY
Witness: Gevorkian, Mary

NONSHARED O&M

Subject: SCG Director HR Services
Workpaper: 2HR004.000

SoCalGas Position: SoCalGas requests \$5.186 million for TY 2019 for HR Services using the base year forecast methodology.

The HR Services department is comprised of five work units, including: Staffing, HR Research & Workforce Planning, HR Operations, Compensation, and Employee Care Services.

RAMP-related costs include mitigation activity for SCG-7 Workforce Planning.

Exhibit SCG-32, p. MG-19 to MG-23

ORA Position: ORA recommends \$5.039 million for TY 2019 for HR Services.

ORA only takes issue with the estimates for RAMP projects. ORA recommends that RAMP projects be funded at the alternate funding level of \$0.693 million instead of SoCalGas' forecast of \$0.840 million, a reduction of \$0.147 million.

Exhibit ORA-23, p. 23-24

Note: SoCalGas identified a correction where the Fueling Our Future (FoF) savings were reflected in a non-shared cost center (2HR004.000) when they should have been in the shared service cost center (2200-2397). This correction would increase 2HR004.000 by \$0.032 million resulting in a revised TY 2019 forecast of \$5.218 million instead of \$5.186 million shown in table below. This correction will be reflected in the August 2018 Update Filing.

Hearing Transcript for July 31, 2018, Volumn 17, p. 2376 and Exhibit 257-A.

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	4,599	4,490	-109
NonLabor	587	549	-38
Nonstandard	0	0	0
TOTAL	5,186	5,039	-147

CHAPTER 2A23-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-32
Area: HUMAN RESOURCES DEPARTMENT, SAFETY, WORKERS' COMPENSATION & LONG-TERM DISABILITY
Witness: Gevorkian, Mary

NONSHARED O&M

Subject: SCG Director Safety & Wellness
Workpaper: 2HR006.000

SoCalGas Position: SoCalGas requests \$10.509 million for TY 2019 for Safety & Wellness using the base year forecast methodology.

The Safety & Wellness department is responsible for positioning SoCalGas employees to lead healthy, safe, and productive lives. The services provided by the department include, but are not limited to: physical & mental wellness education; safety and industrial hygiene education and compliance; and incident prevention, analysis and reporting.

RAMP-related costs include mitigation activity for SCG-2 Employee, Contractor, Customer and Public Safety.

Exhibit SCG-32, p. MG-25 to MG-30

ORA Position: ORA recommends \$9.970 million for TY 2019 for Safety & Wellness.

ORA only takes issue with the estimates for RAMP projects. ORA recommends that RAMP projects be funded at the alternate funding level of \$4.847 million instead of SoCalGas' forecast of \$5.386 million, a reduction of \$0.539 million.

Exhibit ORA-23, p. 25-27

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	6,115	5,795	-320
NonLabor	4,394	4,175	-219
Nonstandard	0	0	0
TOTAL	10,509	9,970	-539

CHAPTER 2A23-a3

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-32
Area: HUMAN RESOURCES DEPARTMENT, SAFETY, WORKERS' COMPENSATION & LONG-TERM DISABILITY
Witness: Gevorkian, Mary

NONSHARED O&M

Subject: Workers Comp and Long Term Disability
Workpaper: 2HR006.001

SoCalGas Position: SoCalGas requests \$18.063 million for TY 2019 for Workers' Compensation & Long-Term Disability.

Exhibit SCG-32, p. MG-33 to MG-34

ORA Position: ORA recommends \$16.692 million for TY 2019 for Workers' Compensation and Long-Term Disability.

ORA only takes issue with SoCalGas' proposed medical escalation rate. ORA's use of a 4.25% medical escalation rate results in an adjustment of \$1.371 million.

Exhibit ORA-23, p. 29-30

Note: While compiling information for TURN-SEU-DR-011, Question 5, the utilities discovered an error in the workers' compensation (WC) and long-term disability (LTD) TY 2019 costs, whereby the medical reserves were inadvertently included in the calculation. Medical reserves (a credit) should not have offset WC and LTD costs. This resulted in SoCalGas understating the WC and LTD amount by \$4.381 million. The corrected forecast of \$22.444 million for TY 2019 will be updated in August 2018 for the Update Filing.

Exhibit SCG-232, p. MG-1

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	18,063	16,692	-1,371
TOTAL	18,063	16,692	-1,371

CHAPTER 2A23-a4

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-32
Area: HUMAN RESOURCES DEPARTMENT, SAFETY, WORKERS' COMPENSATION & LONG-TERM DISABILITY
Witness: Gevorkian, Mary

NONSHARED O&M

Subject: SCG Director Org Effectiveness
Workpaper: 2HR007.000

SoCalGas Position: SoCalGas requests \$3.823 million for TY 2019 for Organizational Effectiveness using the base year forecast methodology.

The Organizational Effectiveness (OE) department provides leadership, organizational, and employee development programs, instructional design services, and knowledge transfer and management programs for SoCalGas.

RAMP-related costs include mitigation activity for SCG-7 Workforce Planning.

Exhibit SCG-32, p. MG-30 to MG-33

ORA Position: ORA recommends \$3.716 million for TY 2019 for Organizational Effectiveness.

ORA only takes issue with the estimates for RAMP projects. ORA recommends that RAMP projects be funded at the alternate funding level of \$0.959 million instead of SoCalGas' forecast of \$1.066 million, a reduction of \$0.107 million.

Exhibit ORA-23, p. 28-29

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	2,833	2,748	-85
NonLabor	990	968	-22
Nonstandard	0	0	0
TOTAL	3,823	3,716	-107

Chapter 2 - ORA vs. SoCalGas

Part A - O&M and Capital Expenditures

24. SCG-33 - ACCOUNTING AND FINANCE/LEGAL/REGULATORY AFFAIRS/ EXTERNAL AFFAIRS

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	ORA	ORA vs. SoCalGas	
1. 2AG001.000	1,101	0	(1,101)	2A24-a1
2. 2AG003.000	1,154	1,054	(100)	2A24-a2
3. 2AG008.000	-59	-2,801	(2,742)	2A24-a3
TOTAL	2,196	-1,747	(3,943)	

CHAPTER 2A24-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-33
Area: ACCOUNTING AND FINANCE/LEGAL/REGULATORY AFFAIRS/ EXTERNAL AFFAIRS
Witness: Gonzales, Ramon

NONSHARED O&M

Subject: INCIDENT SUPPORT & ANALYSIS
Workpaper: 2AG001.000

SoCalGas Position: SCG requests \$1.101 million for TY 2019 for ten staff members plus non-labor expenses for the new Incident Support and Analysis (ISA) department. ISA will work collaboratively with the Risk Management, Emergency Services, and the Safety & Wellness departments to coordinate with individual business units on identifying historical major incidents to develop proactive response plans of support and incident mitigation measures.

Forecasted TY 2019 expenses for both labor and non-labor are based on a zero-based forecast methodology.

Exhibit SCG-33, p. SL-14.

ORA Position: ORA opposes SoCalGas' proposal to fund the new department. ORA states that SoCalGas did not provide any studies to support its \$1.101 million forecast. Even though SoCalGas provided a list of positions and the corresponding salary for each position, ORA claims that SoCalGas did not justify how it derived the salary amounts nor did it conduct a workload analysis to support the proposed number of ten full-time employees.

Exhibit ORA-24, p. 22

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	991	0	-991
NonLabor	110	0	-110
Nonstandard	0	0	0
TOTAL	1,101	0	-1,101

CHAPTER 2A24-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-33
Area: ACCOUNTING AND FINANCE/LEGAL/REGULATORY AFFAIRS/ EXTERNAL AFFAIRS
Witness: Gonzales, Ramon

NONSHARED O&M

Subject: ACCOUNTING SYSTEMS & COMPLIANCE
Workpaper: 2AG003.000

SoCalGas Position: For TY 2019, SCG requests \$1.154 million for non-shared Accounting Systems and Compliance costs, including \$0.200 million for incremental consultant costs to support additional RAMP risk-related assessments.

Accounting Systems and Compliance is responsible for Financial Systems, Business Controls, Affiliate Billing and Costing (ABC), and Affiliate Compliance.

RAMP-related costs for Accounting Systems and Compliance include costs associated with Records Management.

Forecasted TY 2019 expenses for both labor and non-labor are based on a five-year average plus adjustments that include the RAMP-related incremental consultant costs.

Exhibit SCG-33, p. SL-5 to SL-7, and SL-12 to SL-13.
Exhibit SCG-233, p. RG-6 to RG-7.

ORA Position: ORA's forecast for Accounting Systems and Compliance Department non-shared costs is \$1.054 million, which is \$100,000 lower than SoCalGas' request. ORA recommends \$100,000 for RAMP-related incremental consultant costs, which is \$100,000 lower than SoCalGas' request of \$200,000. ORA's lower recommendation is based on the claim that SoCalGas did not provide sufficient support for their forecast, and that ORA's recommendation is close to the historical cost that SoCalGas spent on the assessment of the records management.

Exhibit ORA-24, p. 20 to 21

Note: ORA does not take issue with SoCalGas' TY 2019 expense forecast of \$0.391 million associated with shared costs in the Accounting Systems and Compliance Department.

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	939	939	0
NonLabor	215	115	-100
Nonstandard	0	0	0
TOTAL	1,154	1,054	-100

CHAPTER 2A24-a3

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-33
Area: ACCOUNTING AND FINANCE/LEGAL/REGULATORY AFFAIRS/ EXTERNAL AFFAIRS
Witness: Gonzales, Ramon

NONSHARED O&M

Subject: REGULATORY TARIFFS & INFO
Workpaper: 2AG008.000

SoCalGas Position: SoCalGas uses the cost element titled Meals and Entertainment to record expenses incurred by employees in the course of doing business. Even though the meal expenditures are necessary and reasonable business expenses recoverable in rates, SoCalGas is excluding \$736,000 (shown as Nonstandard costs in the table below) from its request to eliminate the meal expenses for the Company.

Exhibit SCG-33, p. SL-36 to SL-37

ORA Position: ORA does not take issue with SoCalGas' TY 2019 forecast which does not request ratepayer funding for Meals and Entertainment costs.

Exhibit ORA-24, p. 29

Note: ORA does not take issue with SoCalGas' Labor and Non-Labor forecasts for this workpaper.

ORA's recommended Nonstandard costs are comprised of the following:

Meals and Entertainment -736
Adj from Revised filing -1,387*
Customer Deposit adj -1,355**
Total -3,478

*ORA omitted to remove the top-side adjustment to restore SoCalGas' revenue requirement to the Applicatoin level from the Revised Filing filed in December 2017. This adjustment was removed in SoCalGas' RO model in their Second Revised Filing filed in April 2018.

**See Exhibit ORA-26-C, p. 39-40

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
Labor	305	305	0
NonLabor	372	372	0
Nonstandard	-736	-3,478	-2,742
TOTAL	-59	-2,801	-2,742

Chapter 2 - ORA vs. SoCalGas

Part B - Capital-Related Costs

1. SCG-37-2R - TAXES

Issue #	Subject	Reference
1. SCG37.000	Old-Age, Survivors, and Disability Insurance (OASDI)	2B1-a1
2. SCG37.001	Tax Memorandum Account (TMA)	2B1-a2
TOTAL	TOTAL	

CHAPTER 2B1-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-37-2R
Area: TAXES
Witness: Reeves, Ragan G.
Subject: Old-Age, Survivors, and Disability Insurance (OASDI)

Issue Description: OASDI wage amount

SoCalGas Position: SoCalGas has updated its composite payroll tax rate for 2019 to be 7.41% in its Update Testimony submitted on August 24, 2018. This reflects the actual 2018 OASDI wage base limit of \$128,400, which was confirmed in the Social Security Administration's 2018 Annual Report.

ORA Position: ORA recommends adopting FICA maximum taxable earnings for 2018 of \$128,400 that the Social Security Administration established in November 2017.

For 2019, ORA recommends that a maximum FICA wage base of \$132,300 be used. ORA determined the \$132,300 by using a five year trend to derive the 2017 average wage index, which in turn was used in the formula for determining the OASDI contribution and benefit base set by law.

ORA's proposal would change SCG's 2019 composite payroll tax rate from 7.44% to 7.40%.

Exhibit ORA-02, p. 7-8

CHAPTER 2B1-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-37-2R
Area: TAXES
Witness: Reeves, Ragan G.
Subject: Tax Memorandum Account (TMA)

Issue Description: TMA extension

SoCalGas Position: SoCalGas' primary proposal in its direct testimony was to eliminate the TMA. Its alternative proposal was to continue the TMA for the 2019 GRC cycle, but proposes that the Commission reaffirm that the TMA is not intended to be a true-up mechanism for taxes. That is, it is not intended to track the differences between forecasted and incurred tax expenses that are caused by events unrelated to tax changes.

Exhibit SCG-37-2R, p. RGR-30 to RGR-31

ORA Position: ORA supports the extension of the TMA. ORA recommends that the TMA should also incorporate changes to deferred income taxes and other functional accounts that are impacted by the tax law. If tax changes result in significant balances, SDG&E and SoCalGas should file an annual advice letter to make appropriate adjustments to revenue requirement.

Exhibit ORA-02, p. 17-18

- Note:**
1. Due to the uncertainties regarding the Tax Cuts and Jobs Act, SoCalGas requests in its rebuttal testimony that the Commission adopt SoCalGas' alternative proposal. It is premature to decide upon the disposition of future TMA balances before the issues regarding the scope of the TMA are resolved (Exhibit SCG-237, p. RGR-8 and RGR-12).
 2. In SoCalGas' rebuttal, SoCalGas agrees to file annual advice letters to provide the updated balances in the TMA, should the Commission desire (Exhibit SCG-235, p. RGR-11).

Chapter 2 - ORA vs. SoCalGas

Part B - Capital-Related Costs

2. SCG-38-2R - WORKING CASH

Issue #	Subject	Reference
1. SCG38.000	Working Cash	2B2-a1
TOTAL	TOTAL	

CHAPTER 2B2-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-38-2R
Area: WORKING CASH
Witness: Chan, Karen C.
Subject: Working Cash

Issue Description: ORA suggests changes to lead/lag and balance sheet items

SoCalGas Position: SoCalGas requests \$169.123 million for Test Year ("TY") 2019 for the activities in this work group. SoCalGas/SDG&E's request for working cash is in compliance with California Public Utilities Commission ("CPUC") Standard Practice ("SP") U-16, utilizing 2016 as-recorded costs to support its TY 2019 forecast. Working cash is a means to compensate investors for providing funds that are committed to the business for paying operating expenses in advance of receipt of the offsetting revenues from customers.

Exhibit SCG-38-2R, p. KCC-1

ORA Position: ORA recommends a total working cash request of \$94.334 million, a \$74.789 million reduction to SoCalGas' request. ORA's recommendation is based primarily on the followings:

1. Exclude cash balances from working cash.
2. Exclude greenhouse gas (GHG) asset and liability balances.
3. Adjust revenue and expense lags (i.e., goods & services; taxes; pension...).

In addition to the above, ORA recommends treating customer deposits as a source of long-term debt, and reduce SCG's revenue requirement based on the difference in SCG's authorized cost of debt and the 3-month commercial paper rate. The resulted reduction in revenue requirement is \$1.355 million.

Exhibit ORA-26-C, p. 34-47

Note: ORA's figures are based on SCG's December 2017 revised filing, which do not reflect the impacts of the 2017 Tax Cuts and Jobs Act.

In SCG's rebuttal (Exhibit SCG-238, p. KCC-15 and KCC-19), SCG listed several adjustments that totaled to approximately \$18 million decrease in working cash requirement, which lowers SCG's working cash requirement from \$169 million to approximately \$152 million.

Proposed TY2019 Forecast

<u>Year</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
2019	169,123	94,334	-74,789
TOTAL	169,123	94,334	-74,789

Chapter 2 - ORA vs. SoCalGas

Part B - Capital-Related Costs

3. SCG-41-2R - MISCELLANEOUS REVENUES

Issue #	Subject	Reference
1. SCG41.000	Miscellaneous Revenues	2B3-a1
TOTAL	TOTAL	

CHAPTER 2B3-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-41-2R
Area: MISCELLANEOUS REVENUES
Witness: Steffen, Annette M.
Subject: Miscellaneous Revenues

Issue Description: ORA points to Dec 2017 testimony instead of Apr 2018 testimony

SoCalGas Position: SoCalGas forecasts \$83.110 million in miscellaneous revenues for TY 2019.

Exhibit SCG-41-2R, p. AMS-ii

ORA Position: ORA does not oppose SoCalGas' forecast. (1)

Exhibit ORA-29, p. 4

(1) ORA points to the total miscellaneous revenues proposed in SCG's Dec 20, 2017 Revised Direct Testimony (Exhibit SCG-41-R at AMS-1) of \$84.923 million rather than SCG's Second Revised Direct Testimony (Exhibit SCG-41-2R at AMS-1), dated April 6, 2018, of \$83.110 million. The Second Revised testimony incorporated tax changes.

Note: While reviewing forecasts for the second revised testimony, SCG found an additional error in the forecast for Returned Check Charges. The forecast utilized estimates for Oct., Nov., and Dec. 2016 rather than actuals which caused the 3-year average to be lower by \$4,000. Correcting for that error brings total miscellaneous revenues proposed to \$83,114. (Exhibit SCG-241, p. AMS-02).

SCG will update the amount to \$83,114 in the Update Filing.

Proposed TY2019 Forecast

<u>Year</u>	<u>SCG</u>	<u>ORA</u>	<u>Difference</u>
2019	83,110	84,923	1,813
TOTAL	83,110	84,923	1,813

Chapter 2 - ORA vs. SoCalGas

Part B - Capital-Related Costs

4. SCG-43-2R - SUMMARY OF EARNINGS

Issue #	Subject	Reference
1. SCG43.000	Results of Operations Model Input - Corporate Center Allocation	2B4-a1
TOTAL	TOTAL	

CHAPTER 2B4-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-43-2R
Area: SUMMARY OF EARNINGS
Witness: Hom, Ryan
Subject: Results of Operations Model Input - Corporate Center Allocation

Issue Description:

SoCalGas Position: In order for ORA's overall revenue requirement to be correctly reflected, SoCalGas recommends that ORA update their General Administration Corporate Center forecast to incorporate the Oncor acquisition proposal and also the escalation of this forecast to 2019 dollars. SoCalGas' rebuttal testimony regarding the correct representation of ORA's proposal does not constitute agreement by SoCalGas with the proposal.

(1) The ORA RO model currently reflects the SCG Allocation without Oncor (\$60,054).

(2) ORA's recommended forecast is in 2016 dollars. To be consistent with how Corporate Center costs are forecasted and handled in the RO model, the proposed costs must be escalated to 2019 dollars before being input into the RO model.

Exhibit SCG-243, p. RH-2

ORA Position: For Utility Allocation factoring in Oncor, ORA forecasts total Utility Costs of \$84.4 million (in 2016 dollars) for Test Year 2019, with \$38.0 million allocated to SDG&E and \$46.4 million allocated to SoCalGas.

Exhibit ORA-21, p. 42

Chapter 2 - ORA vs. SoCalGas

Part C - Other

1. SCG-02-R - RISK MANAGEMENT

Issue #	Subject	Reference
1. SCG02.000	Balancing Enterprise Risk Management Incremental Funding	2C1-a1
TOTAL	TOTAL	

CHAPTER 2C1-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: RISK MANAGEMENT
Witness: Day, Diana L.
Subject: Balancing Enterprise Risk Management Incremental Funding

Issue Description:

SoCalGas Position: Balancing Enterprise Risk Management incremental funding is unwarranted because (1) it is not reasonable to set the precise scope of the risk management efforts of SoCalGas and SDG&E years in advance since risks and risk mitigations are dynamic; (2) the Test Year 2019 GRC funding request represents a marginal amount of the total costs requested in the Test Year 2019 GRC, and segregating one relatively small category of costs would create an administrative burden without adding value to the regulatory accounting record; and (3) any uncertainty related to the Commission requirements in the Safety Model Assessment Proceeding (S-MAP) is likely to be a short-term issue and does not warrant one-way balancing.

Exhibit SCG-202/SDG&E-202, p. DD/GF/JY-18

ORA Position: ORA does not oppose SoCalGas/SDG&E's request for incremental Enterprise Risk Management-related funding, but recommends that this funding be provided via a 1-way balancing account since Commission requirements may change and exact funding purposes have not been defined.

Exhibit ORA-03, p. 8

Chapter 2 - ORA vs. SoCalGas

Part C - Other

2. SCG-09-R - GAS ENGINEERING

Issue #	Subject	Reference
1. SCG09.000	Morongo Rights-of-Way	2C2-a1
TOTAL	TOTAL	

CHAPTER 2C2-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-09-R
Area: GAS ENGINEERING
Witness: Haines, Deanna R.
Subject: Morongo Rights-of-Way

Issue Description:

SoCalGas Position: SoCalGas is seeking authority to create a Morongo Right-of-Way Memorandum Account (MROWMA) for purposes of recording pre-construction costs as described in A. 16-12-011. If the Commission grants SoCalGas' relief in that proceeding, SoCalGas will withdraw its GRC proposal seeking a MROWMA.

SoCalGas is proposing a regulatory account, the Morongo Right-of-Way Balancing Account (MROWBA), to record and recover costs associated with renewal of the three expiring rights-of-way for Lines 2000, 2001, and 5000, and any pre-construction costs associated with potential relocations within and/or outside of the Morongo reservation that would be incurred as of the beginning of TY 2019. SoCalGas is proposing that the MROWBA be established as a two-way balancing account, with no associated cost estimate.

Exhibit SCG-09-R, p. DRH-16 to DRH-21

ORA Position: ORA recommends that the Commission establish a Morongo Right-of-Way Memorandum Account to track the cost for the renewal of the rights-of-way (renewal payment), subject to reasonableness review.

Exhibit ORA-13, p. 16 to 18

Chapter 2 - ORA vs. SoCalGas

Part C - Other

3. SCG-10-R - UNDERGROUND STORAGE

Issue #	Subject	Reference
1. SCG10.001	Underground Storage and Aboveground Storage	2C3-a1
2. SCG10.002	Storage Integrity Management Program – O&M	2C3-a2
TOTAL	TOTAL	

CHAPTER 2C3-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-10-R
Area: UNDERGROUND STORAGE
Witness: Navin, Neil P.
Subject: Underground Storage and Aboveground Storage

Issue Description: Underground Storage and Aboveground Storage

SoCalGas Position: SoCalGas requests \$38.698 million for TY 2019 for Above Ground Storage (AGS) and Under Ground Storage (UGS) Routine O&M expenses for supervision, engineering, and operational activities to address regulations that are in effect, are measurable, are not widely variable, and can be forecast.

Exhibit SCG-10-R, p. NPN-18 to NPN-24.

ORA Position: ORA does not oppose SoCalGas' forecast, but recommends a one-way balancing account for AGS and UGS Routine O&M expenses resulting from any emerging regulatory requirements adopted and implemented by the utility over the GRC period.

Exhibit ORA-14, p. 5 to 8.

CHAPTER 2C3-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-10-R
Area: UNDERGROUND STORAGE
Witness: Navin, Neil P.
Subject: Storage Integrity Management Program – O&M

Issue Description: Storage Integrity Management Program – O&M

SoCalGas Position: SoCalGas requests \$18.910 million for TY 2019 for Storage Integrity Management Program (SIMP) O&M activities.

SoCalGas requests that the two-way regulatory balancing account treatment for SIMP that the Commission approved in the TY 2016 General Rate Case continue.

Exhibit SCG-10-R, p. NPN-25 to NPN-29.

ORA Position: ORA does not oppose SoCalGas' forecast, but recommends that the Commission modify SIMPBA from a two-way balancing to a one-way balancing to better protect ratepayers.

Exhibit ORA-14, p. 9 to 11.

Chapter 2 - ORA vs. SoCalGas

Part C - Other

4. SCG-11 - ALISO CANYON TURBINE REPLACEMENT PROJECT

Issue #	Subject	Reference
1. SCG11.000	Aliso Canyon Turbine Replacement Project (ACTR)	2C4-a1
TOTAL	TOTAL	

CHAPTER 2C4-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-11
Area: ALISO CANYON TURBINE REPLACEMENT PROJECT
Witness: Buczkowski, David L.
Subject: Aliso Canyon Turbine Replacement Project (ACTR)

Issue Description:

SoCalGas Position: SoCalGas to establish the reasonableness of \$275.5 million in capital expenditures to complete the Aliso Canyon Turbine Replacement Project (the Project), demonstrate the present and future public convenience and necessity require construction of the Project at the increased cost, and request authorization from the Commission to recover in rates \$74.6 million in costs that exceed the previously-authorized cost of \$200.9 million for the Project.

Exhibit SCG-11, p. 1

ORA Position: ORA does not take issue with SCG's presentation to justify the reasonable of ACTR expenditures.

ORA recommends that after the ACTR project is completed and put in service, a full audit of the SCG expenditures be performed by the Commission or an assigned entity to determine the reasonableness of all the charges, or even perform a reasonableness review in the next GRC.

Exhibit ORA-14, p. 29

Chapter 2 - ORA vs. SoCalGas

Part C - Other

5. SCG-15-R - PIPELINE SAFETY ENHANCEMENT PLAN (PSEP)

Issue #	Subject	Reference
1. SCG15.000	Two-way Balancing Account	2C5-a1
2. SCG15.001	Allowance for Pipeline Failures	2C5-a2
3. SCG15.002	Project Substitution	2C5-a3
4. SCG15.003	Modern Standard	2C5-a4
TOTAL	TOTAL	

CHAPTER 2C5-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-15-R
Area: PIPELINE SAFETY ENHANCEMENT PLAN (PSEP)
Witness: Phillips, Richard D.
Subject: Two-way Balancing Account

Issue Description: ORA opposes two-way balancing account

SoCalGas Position: SCG proposes to continue to record and balance PSEP costs in a two-way balancing account, the Pipeline Safety Enhancement Plan Balancing Account (PSEPBA).

Exhibit SCG-15-R, p. RDP-iii

ORA Position: SCG/SDG&E's request for balancing account treatment should be denied.

Exhibit ORA-03, p. 2

CHAPTER 2C5-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-15-R
Area: PIPELINE SAFETY ENHANCEMENT PLAN (PSEP)
Witness: Phillips, Richard D.
Subject: Allowance for Pipeline Failures

Issue Description: Granted with condition

SoCalGas Position: The forecasted costs are based on SoCalGas' PSEP experience of one test failure for approximately every 90 miles tested. Given this statistic, an allowance for three test failures for the three-year GRC period is included.

Exhibit SCG-15-R, p. RDP-A-34

ORA Position: SCG/SDG&E's request for contingency funding should be granted, provided that balancing account treatment is denied.

Exhibit ORA-03, p. 30

CHAPTER 2C5-a3

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-15-R
Area: PIPELINE SAFETY ENHANCEMENT PLAN (PSEP)
Witness: Phillips, Richard D.
Subject: Project Substitution

Issue Description: Project Substitution should be augmented

SoCalGas Position: SoCalGas requests authority to substitute one or more PSEP project(s) with other PSEP projects in the event there is a delay in commencing construction of one of the projects presented for approval in this Application due to circumstances not within SoCalGas' control.

Exhibit SCG-15-R, p. RDP-A-56

ORA Position: SoCalGas' request for authority to substitute PSEP projects should be modified to allow for more in-depth analysis of any proposed project substitutions.

ORA recommends that project substitutions be handled through an expedited "pre-approval" process similar to what the Commission uses in evaluating some interstate gas capacity contracts.

Alternatively, project substitution could be allowed in a narrow, well-defined set of circumstances or if the projects are of similar cost and of similar scope.

Exhibit ORA-03, p. 30-31

CHAPTER 2C5-a4

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-15-R
Area: PIPELINE SAFETY ENHANCEMENT PLAN (PSEP)
Witness: Phillips, Richard D.
Subject: Modern Standard

Issue Description: Interpretation of Subpart J

SoCalGas Position: SoCalGas understands the language in D.11-06-017 to require gas utilities to propose a plan to validate that all in-service natural gas transmission pipelines in California have “been pressure tested in accord with 49 CFR 192.619, excluding subsection 49 CFR 192.619 (c),” i.e., to the “modern standard” set by 49 CFR 192 Subpart J (Subpart J).

SoCalGas requests the Commission clarify State policy regarding pipelines that have documentation of a pressure test that pre-dates the adoption of federal pressure testing requirements (categorized as Phase 2B in SoCalGas and SDG&E’s PSEP).

Exhibit SCG-15-R, p. RDP-A-57

ORA Position: ORA supports SoCalGas’ and SDG&E’s efforts to increase pipeline integrity; however, ORA’s position is that SoCalGas and SDG&E incorrectly interpret the Code of Federal Regulation Subpart J. The utilities attempt to universally retest pipelines passing pressure tests that are already compliant with pre-1970 standards is an attempt to shift costs already assigned to shareholders onto ratepayers.

For the purposes of identifying PSEP-eligible pipes, Commission decisions such as D.11-06-017, D.15-12-020, D.16-05-024, etc., already identify the State’s policy that pre-1970 pressure testing meet the standards of the time, and Federal Regulations (49 CFR 192.619(a)(2)(ii)) acknowledged the validity of pre-1970 pressure testing.

Exhibit ORA-03, pp. 32-37.

Chapter 2 - ORA vs. SoCalGas

Part C - Other

6. SCG-28-R - CORPORATE CENTER - GENERAL ADMINISTRATION

Issue #	Subject	Reference
1. SCG28.001	General Administration Costs	2C6-a1
TOTAL	TOTAL	

CHAPTER 2C6-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-28-R
Area: CORPORATE CENTER - GENERAL ADMINISTRATION
Witness: DeMontigny, Mia L.
Subject: General Administration Costs

Issue Description:

SoCalGas Position: The Summary of Total Corporate Center Costs is as follows:

(Thousands of 2016 dollars)

2019 Forecast	Services Provided
59,556	Finance
62,344	Legal, Comp and Governance
24,698	HR & Administration
14,420	Corp Strategy & Ext Affairs
29,926	Facilities and Assets
94,048	Pensions & Benefits
284,992	Total

Exhibit SCG-28-R/SDG&E-26-R, p. MLD-1

ORA Position: ORA proposes the following for Corporate Center expenses:

(Thousands of 2016 dollars)

2019 Forecast	Services Provided
59,114	Finance
62,344	Legal, Comp and Governance
24,611	HR & Administration
14,420	Corp Strategy & Ext Affairs
30,155	Facilities and Assets
26,202	Pensions & Benefits
216,839	Total

Exhibit ORA-21, p. 3

Chapter 2 - ORA vs. SoCalGas

Part C - Other

7. SCG-29 - CORPORATE CENTER - INSURANCE

Issue #	Subject	Reference
1. SCG29.000	LIPBA	2C7-a1
TOTAL	TOTAL	

CHAPTER 2C7-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-29
Area: CORPORATE CENTER - INSURANCE
Witness: Cayabyab, Neil K.
Subject: LIPBA

Issue Description:

SoCalGas Position: SDG&E and SoCalGas request the establishment of a new two-way Liability Insurance Premium Balancing Account. These new balancing accounts are necessary to protect against the possible increase in the need for additional amounts of liability insurance and because of market fluctuations in the cost of liability insurance.

Exhibit SCG-29/SDG&E-27, p. NKC-ii

ORA Position: ORA does not oppose Sempra's proposal to establish the Liability Insurance Premium Premium Balancing Account (LIPBA), but recommends that it only be applicable to the amount of coverage requested in this GRC, and not for any additional amounts of coverage Sempra may decide to purchase.

Exhibit ORA-21, p. 2

Chapter 2 - ORA vs. SoCalGas

Part C - Other

8. SCG-44-2R - POST-TEST YEAR RATEMAKING

Issue #	Subject	Reference
1. SCG44.000	Attrition Year Increases	2C8-a1
2. SCG44.002	Z-Factor Mechanism	2C8-a2
TOTAL	TOTAL	

CHAPTER 2C8-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-44-2R
Area: POST-TEST YEAR RATEMAKING
Witness: Hrna, Sandra K.
Subject: Attrition Year Increases

Issue Description:

SoCalGas Position: SoCalGas proposes:

- Using IHS/Markit Global Insight's utility cost escalation factors to determine PTY O&M escalation (excluding medical expenses)
- Adopting Willis Towers Watson's actuarial forecasts and escalations to determine PTY medical expenses
- Calculating capital-related revenue requirements using: (a) an escalated 5-year average level of capital additions and (b) a forecast for Pipeline Safety Enhancement Plan (PSEP) capital additions beyond TY 2019

Rev Req Increase:

2020	8.08%	\$236.9 million
2021	6.09%	\$192.9 million
2022	6.03%	\$202.6 million

Exhibit SCG-44-2R, p. JAM-1 to JAM-2

ORA Position: ORA recommends a PTYR mechanism whereby attrition base revenue increases for SDG&E and SoCalGas are set at 4.00% for 2020, 2021 and 2022, plus additional revenues for SoCalGas' post-test year PSEP capital additions.

ORA PTY increase estimate with TCJA:

2020	\$121 million
2021	\$145 million
2022	\$157 million

Exhibit ORA-31, p. 4
Exhibit ORA-34, p. 11

Note: (1) ORA Alternate PTYR Mechanism:

- O&M margin escalation rate updates: limits should be placed on how much the rates can be adjusted
- Post-test year medical escalation rates should be set at 4.25%
- Capital-related attrition: escalated 7-year (2013-2019) average of capital additions (2017 recorded and Commission-adopted 2018 and 2019)

Exhibit ORA-31, p. 5

(2) SoCalGas recommends that ORA correct certain Results of Operations (RO) model inputs, which will change the PTY estimate. See Exhibit SCG-243 and "ORA Differences to SoCalGas Requests" for Exhibit SCG-43-2R.

CHAPTER 2C8-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-44-2R
Area: POST-TEST YEAR RATEMAKING
Witness: Hrna, Sandra K.
Subject: Z-Factor Mechanism

Issue Description:

SoCalGas Position: The Z-factor mechanism uses a series of eight criteria outlined in D.94-06-011 to identify exogenous cost changes that qualify for rate adjustments prior to the next GRC test year.

SoCalGas proposes to continue the existing Z-factor mechanism, unchanged for this 2019-2022 GRC term.

Exhibit SCG-44-2R, JAM-10 to JAM-11

ORA Position: ORA does not oppose continuation of the Z-factor mechanism, but recommends that the mechanism be effective only during the post-test years, and not for the test year.

Exhibit ORA-31, p. 4

Chapter 2 - ORA vs. SoCalGas

Part C - Other

9. SCG-45 - COMPLIANCE

Issue #	Subject	Reference
1. SCG45.000	Gas Transmission, Distribution and Storage Reports (Safety Reports)	2C9-a1
TOTAL	TOTAL	

CHAPTER 2C9-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
ORA Differences to SoCalGas Requests

Exhibit No.: SCG-45
Area: COMPLIANCE
Witness: York, Jamie K.
Subject: Gas Transmission, Distribution and Storage Reports (Safety Reports)

Issue Description:

SoCalGas Position: SoCalGas and SDG&E request to discontinue the submission of the Safety Reports given that the new accountability and Risk Assessment Mitigation Phase (RAMP) reporting requirements as well as Senate Bill 549 will provide the information requested by statute.

Exhibit SCG-45/SDG&E-44, p. JKY-33 to JKY-36

ORA Position: ORA recommends that SoCalGas and SDG&E continue the submission of the Safety Reports on the basis that it is premature to assume that the accountability reports, RAMP reports, and Senate Bill 549 requirements will provide a complete replacement of the Safety Reports.

Exhibit ORA-33, p. 20 to 22

Chapter 3

Differences Between SoCalGas and UCAN

Chapter 3 - UCAN vs. SoCalGas

Part C - Other

1. SCG-29 - CORPORATE CENTER - INSURANCE

Issue #	Subject	Reference
1. SCG29.000	LIPBA	3C1-a1
TOTAL	TOTAL	

CHAPTER 3C1-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
UCAN Differences to SoCalGas Requests

Exhibit No.: SCG-29
Area: CORPORATE CENTER - INSURANCE
Witness: Cayabyab, Neil K.
Subject: LIPBA

Issue Description:

SoCalGas Position: SDG&E and SoCalGas request the establishment of a new two-way Liability Insurance Premium Balancing Account. These new balancing accounts are necessary to protect against the possible increase in the need for additional amounts of liability insurance and because of market fluctuations in the cost of liability insurance.

Exhibit SCG-29/SDG&E-27, p. NKC-ii

UCAN Position: UCAN recommends that the LIPBA be employed to record SDG&E's actual expenditures for protecting against its wildfire liability risk. UCAN suggests that \$80 million would represent an appropriate base from which to make annual adjustments reflecting actual expenditures. UCAN's support for LIPBA is subject to the condition that for any future reasonableness review of LIPBA, SDG&E must show that they considered alternatives.

Exhibit UCAN1 (Sulpizo), p. 2 and 15

Chapter 3 - UCAN vs. SoCalGas

Part C - Other

2. SCG-44-2R - POST-TEST YEAR RATEMAKING

Issue #	Subject	Reference
1. SCG44.000	Attrition Year Increases	3C2-a1
TOTAL	TOTAL	

CHAPTER 3C2-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
UCAN Differences to SoCalGas Requests

Exhibit No.: SCG-44-2R
Area: POST-TEST YEAR RATEMAKING
Witness: Hrna, Sandra K.
Subject: Attrition Year Increases

Issue Description:

SoCalGas Position:

SoCalGas proposes:

- Using IHS/Markit Global Insight's utility cost escalation factors to determine PTY O&M escalation (excluding medical expenses)
- Adopting Willis Towers Watson's actuarial forecasts and escalations to determine PTY medical expenses
- Calculating capital-related revenue requirements using: (a) an escalated 5-year average level of capital additions and (b) a forecast for Pipeline Safety Enhancement Plan (PSEP) capital additions beyond TY 2019

Rev Req Increase:

2020	8.08%	\$236.9 million
2021	6.09%	\$192.9 million
2022	6.03%	\$202.6 million

Exhibit SCG-44-2R, p. JAM-1 to JAM-2

UCAN Position:

UCAN recommends the following:

- (1) Primary: Increase the utilities' capital and O&M authorized test year revenue requirements by projected CPI-Urban annual increase plus 75 basis points (2012 GRC methodology). UCAN does not oppose SoCalGas' proposal to collect incremental PSEP revenue requirements.
- (2) Alternative 1: Adopt ORA's primary proposal of applying a 4.0% annual escalator to the utilities' capital and O&M revenue requirements, plus SoCalGas' incremental post-test year PSEP revenue requirements.
- (3) Alternative 2: Escalated capital additions and retirements based on recorded data from 2013 through 2017 and ORA's recommendations regarding O&M cost escalation

Exhibit UCAN3 (Charles), p. 2 to 3

Chapter 4

Differences Between SoCalGas and TURN

Chapter 4 - TURN vs. SoCalGas

Part A - O&M and Capital Expenditures

1. SCG-04-R - GAS DISTRIBUTION

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	TURN	TURN vs. SoCalGas	
1. 2GD000.003	20,772	11,470	(9,302)	4A1-a1
2. 2GD000.004	16,997	11,390	(5,607)	4A1-a2
TOTAL	37,769	22,860	(14,909)	

CHAPTER 4A1-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

NONSHARED O&M

Subject: Main Maintenance
Workpaper: 2GD000.003

SoCalGas Position: SoCalGas forecasts \$20.772 million of expenses in 2019 for Main Maintenance. The work is primarily comprised of (a) leak evaluation; (b) leak repairs; (c) franchise alterations; (d) compliance maintenance; and (e) miscellaneous maintenance.

SoCalGas uses a five-year (2012 through 2016) historical linear trend to forecast base expenses excluding damage credits. For the damage credits component of this workgroup, SoCalGas uses a five-year (2012 through 2016) average to forecast future expense. Adding to the base amount is incremental funding requested for leak repairs offset by FOF savings.

RAMP costs are included in SoCalGas' 2019 forecast.

Exhibit SCG-04-R, p. GOM-49 to GOM-56.

TURN Position: TURN recommends \$11.470 million for 2019. This is the result of \$12.714 million in base forecast using a five-year average, offset by \$1.244 million in FOF savings. TURN finds no basis for using a different forecast method for damage credits only in this category and finds a five-year average (2012-2016) most appropriate.

Exhibit TURN-09, p. 3-4

Note: For this summary, TURN's recommended reduction is treated as labor cost.

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	12,718	3,416	-9,302
NonLabor	8,054	8,054	0
Nonstandard	0	0	0
TOTAL	20,772	11,470	-9,302

CHAPTER 4A1-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

NONSHARED O&M

Subject: Service Maintenance
Workpaper: 2GD000.004

SoCalGas Position: SoCalGas forecasts \$16.997 million of expenses in 2019 for Service Maintenance. The work is primarily comprised of (1) evaluation and repair of service leaks; (2) service alteration; (3) MSA alterations and meter guard replacements; and (4) miscellaneous service and MSA maintenance.

SoCalGas used a five-year (2012 through 2016) linear trend to forecast the base level of funding needed for TY 2019. Added to this base are incremental work elements not reflected in the base forecast to adequately fund service maintenance activities in TY 2019. These work elements include MSA maintenance; meter guards; chronically inaccessible MSAs - disconnect service; offset by FOF savings.

RAMP costs are included in 2019 forecast.

Exhibit SCG-04-R, p. GOM-56 to GOM-61.

TURN Position: TURN supports ORA's proposal of \$11.390 million using the 2016-2017 average for base forecast, offset by FOF savings, though TURN finds that even a lower amount using a five-year average (2012-2016) would be reasonable.

Exhibit TURN-09, p. 7

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	14,410	8,119	-6,291
NonLabor	2,587	3,271	684
Nonstandard	0	0	0
TOTAL	16,997	11,390	-5,607

Chapter 4 - TURN vs. SoCalGas

Part A - O&M and Capital Expenditures

2. SCG-06 - GAS TRANSMISSION O&M

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	TURN	TURN vs. SoCalGas	
1. 2GT002.000	26,467	2,376	(24,091)	4A2-a1
TOTAL	26,467	2,376	(24,091)	

CHAPTER 4A2-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-06
Area: GAS TRANSMISSION O&M
Witness: Musich, Elizabeth A.

NONSHARED O&M

Subject: Technical Services
Workpaper: 2GT002.000

SoCalGas Position: SoCalGas forecasts \$26.467 million for Technical Services using the five-year average forecast methodology.

RAMP-related costs include mitigation activity for Catastrophic Failure of High-Pressure Pipeline.

Exhibit SCG-06, p. EAM-9, EAM-16 to EAM-18

TURN Position: TURN recommends average historical spending levels be adopted for Technical Services by omitting 2012 and substituting 2017 for its five year average, resulting in a recommended forecast of \$2.376 million for 2019, a reduction of \$24.090* million to SoCalGas' requested \$26.466* million.

TURN disallowed SoCalGas' requested funding for the North-South project.

*Amounts differ from table below due to rounding.

Exhibit TURN-01, p. 41-42

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	582	325	-257
NonLabor	18,723	2,051	-16,672
Nonstandard	7,162	0	-7,162
TOTAL	26,467	2,376	-24,091

Chapter 4 - TURN vs. SoCalGas

Part A - O&M and Capital Expenditures

3. SCG-08-R - GAS MAJOR PROJECTS

a. CAPITAL

Project	2017+2018+2019 (in 2016 \$, 000s)			Reference
	SoCalGas	TURN	TURN vs. SoCalGas	
1. 00343.0.ALL	47,883	21,982	(25,901)	4A3-a1
TOTAL	47,883	21,982	(25,901)	

CHAPTER 4A3-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-08-R
Area: GAS MAJOR PROJECTS
Witness: Bermel, Michael A.

CAPITAL EXPENDITURES

Project: GAS DISTRIBUTION CONTROL CENTER (DOCC)
Budget Code: 00343.0.ALL

SoCalGas Position: SoCalGas requests a total of \$1.200 million for 2017, \$8.969 million for 2018, and \$37.714 million for 2019 for Gas Major Projects.

SoCalGas' request is comprised of the following projects.

WPG	2017	2018	2019
003430.001	\$0.400	\$3.156	\$25.901
003430.002	\$0.300	\$4.813	\$ 4.813
003430.003	\$0.500	\$1.000	\$ 7.000
Total	\$1.200	\$8.969	\$37.714

RAMP-related costs include mitigation activity for Catastrophic Damage Involving a Medium-Pressure Pipeline Failure.

Exhibit SCG-08-R, p. MAB-19 to MAB-32

TURN Position: TURN opposes the proposed Distribution Operation Control Center (DOCC) and recommends disallowance of the forecasted test year expenditures for SoCalGas. TURN finds it is unclear whether the proposed DOCC will provide meaningful safety benefits. At a minimum, the potential safety benefits of a DOCC have not been demonstrated to outweigh the significant capital costs.

WPG	2017	2018	2019
003430.001	\$0.400	\$3.156	\$ 0.000
003430.002	\$0.300	\$4.813	\$ 4.813
003430.003	\$0.500	\$1.000	\$ 7.000
Total	\$1.200	\$8.969	\$11.813

Exhibit TURN-01, p. 42-44

Note: Database limitations restrict entries in this table to numeric values. On this page, TURN makes no 2017 recommendation.

CHAPTER 4A3-a1

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
003430.001	400	3,156	25,901	29,457
003430.002	300	4,813	4,813	9,926
003430.003	500	1,000	7,000	8,500
Total	1,200	8,969	37,714	47,883

TURN	2017	2018	2019	Total
003430.001	400	3,156	0	3,556
003430.002	300	4,813	4,813	9,926
003430.003	500	1,000	7,000	8,500
Total	1,200	8,969	11,813	21,982

Difference	2017	2018	2019	Total
003430.001	0	0	-25,901	-25,901
003430.002	0	0	0	0
003430.003	0	0	0	0
Total	0	0	-25,901	-25,901

Chapter 4 - TURN vs. SoCalGas

Part A - O&M and Capital Expenditures

4. SCG-18-R - CS - FIELD & METER READING

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	TURN	TURN vs. SoCalGas	
1. 2FC005.000	16,702	15,533	(1,169)	4A4-a1
2. 2FC006.000	2,219	2,002	(217)	4A4-a2
TOTAL	18,921	17,535	(1,386)	

CHAPTER 4A4-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-18-R
Area: CS - FIELD & METER READING
Witness: Marelli, Gwen R.

NONSHARED O&M

Subject: MSA Inspection Program
Workpaper: 2FC005.000

SoCalGas Position: The CS-F MSA Inspection Organization performs physical, onsite inspections of each MSA to comply with DOT required MSA inspections for atmospheric corrosion, to identify conditions which require remediation by CS-F and Distribution field employees, and to contact customers to resolve meter access issues. Approximately 69.7% of the costs are attributable to the RAMP mitigation item, "gas facility and pipeline inspections".

A zero-based forecast is used to forecast TY 2019 expenses based on the volume of inspections and associated remediation work estimated to meet DOT compliance requirements and the volume of meter access issues. SoCalGas is requesting incremental funding of \$10.835 million for the following: incremental MIRs, incremental FSA's, incremental MORs, two-employee access teams, incremental supervisors, incremental support staff and vehicles.

Exhibit SCG-18-R, p. GRM-38 to GRM-44

TURN Position: TURN's recommendation is to reduce SoCal's forecasted spending by 7% (approximately a third of the 2017 percentage of underspending) in TY 2019. Actual 2017 spending was 20.8% less than forecasted. SoCal built a model to explain its spending forecast covering 15 pages of workpapers, but the 2017 results were not well explained by the model.

Exhibit TURN-03, p. 6

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	16,099	14,972	-1,127
NonLabor	603	561	-42
Nonstandard	0	0	0
TOTAL	16,702	15,533	-1,169

CHAPTER 4A4-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-18-R
Area: CS - FIELD & METER READING
Witness: Marelli, Gwen R.

NONSHARED O&M

Subject: Meter Reading - Operations
Workpaper: 2FC006.000

SoCalGas Position: SoCalGas is requesting funding of \$2.219 million for meter readers to capture manual reads at customer premises for customers enrolled in the Opt-Out Program, customers located in AMI's escalated jurisdictions and customers affected by AMI MTU failures.

Approximately 50.8% of the costs are RAMP-related and include the costs for the following mitigation activities: (1) personal protective equipment (PPE) and safety equipment and (2) gas facility and pipeline inspections.

A zero-based forecast is used to forecast TY 2019 expenses in lieu of other forecasting methodology to reflect the effect of AMI implementation. The forecast is based on the average number of read orders per meter reader, training time, and vacation and sick time.

Exhibit SCG-18-R, p. GRM-45 to GRM-47

TURN Position: TURN proposes a 10% adjustment to 2019 meter reading - operations labor costs. This adjustment accounts for the fact that 2017 actual labor costs were lower than SoCal's forecast for 2017 and were approximately the same as 2019 projected costs, and that SoCalGas will need to read fewer meters in 2019 than it read in 2017. TURN also questioned SoCal's drive time assumptions for escalated jurisdictions.

Exhibit TURN-03, p. 6 to 7

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	2,172	1,955	-217
NonLabor	47	47	0
Nonstandard	0	0	0
TOTAL	2,219	2,002	-217

Chapter 4 - TURN vs. SoCalGas

Part A - O&M and Capital Expenditures

4. SCG-18-R - CS - FIELD & METER READING

b. O&M - SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	TURN	TURN vs. SoCalGas	
1. 2FC00A-USS.ALL	1,514	1,357	(157)	4A4-b1
TOTAL	1,514	1,357	(157)	

CHAPTER 4A4-b1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-18-R
Area: CS - FIELD & METER READING
Witness: Marelli, Gwen R.

SHARED SERVICES O&M

Subject: Customer Services Field Staff
Workpaper: 2FC00A-USS.ALL

SoCalGas Position: CS-F Staff is comprised primarily of management personnel who develop and implement processes, policies and procedures, including Gas Standards and Information Bulletins; track, analyze and report operational data; and manage special projects for CS-F operations. Approximately 63.5% of the costs are RAMP-related costs.

A five-year historical average was used to forecast both labor and non-labor costs to avoid potential for artificially inflating or deflating results based on short-term anomalies. The shared service allocation percentage is based on an assessment of the specific activities performed by each individual CS-F Staff employee. As a result of assessing the work performed by positions in this cost category, 5.56% of CS-F Staff costs will be allocated to SDG&E in TY 2019.

Exhibit SCG-18-R, p. GRM-53 to GRM-56

TURN Position: TURN proposes to forecast this account using a four-year average (2014-2017). The forecast is almost identical to the 2017 recorded value. Total costs declined in each year from 2012-2016, and the two highest - and earliest - years 2012 and 2013, are statistically significantly higher than the last four years (2014-2017).

Exhibit TURN-03, p. 7 to 8

Proposed TY2019 Forecast (in thousands of 2016 dollars)

SCG	Labor	NLbr	NSE	Total
2200-0942.000	1,384	130	0	1,514
Total	1,384	130	0	1,514

TURN	Labor	NLbr	NSE	Total
2200-0942.000	1,203	154	0	1,357
Total	1,203	154	0	1,357

Difference	Labor	NLbr	NSE	Total
2200-0942.000	-181	24	0	-157
Total	-181	24	0	-157

Chapter 4 - TURN vs. SoCalGas

Part A - O&M and Capital Expenditures

5. SCG-19-R - CS - OFFICE OPERATIONS

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	TURN	TURN vs. SoCalGas	
1. 200000.000	29,872	27,510	(2,362)	4A5-a1
2. 200001.000	9,024	8,553	(471)	4A5-a2
3. 200002.000	12,011	11,885	(126)	4A5-a3
4. 200003.000	6,264	5,943	(321)	4A5-a4
5. 200004.001	995	951	(44)	4A5-a5
6. 200005.001	13,812	13,536	(276)	4A5-a6
7. 200006.000	3,179	2,859	(320)	4A5-a7
8. 200007.000	1,042	929	(113)	4A5-a8
TOTAL	76,199	72,166	(4,033)	

CHAPTER 4A5-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: CS - OFFICE OPERATIONS
Witness: Baldwin, Michael H.

NONSHARED O&M

Subject: CCC - Operations
Workpaper: 200000.000

SoCalGas Position: The CCC handles a variety of customer service needs with the largest volume of interactions consisting of billing and payment inquiries as well as customer-requested service orders.

RAMP: CCC is generally the first point of company contact for emergencies; as such it provides a critical support role in the safety of the SoCalGas system and the public's well-being.

A base year forecasting methodology was applied to project CCC Operations O&M costs with various incremental changes.

Exhibit SCG-19-R, MHB-11 to MHB-20

TURN Position: TURN develops an alternative forecast for the number of phone calls by reducing the calls taken by CSRs for 12 months ending April 2018 by 3%. TURN also reduces the number of calls taken by a Full-Time Equivalent CSR. TURN applies these reductions to SoCalGas' labor forecast and a proportionate reduction in non-labor expenses.

Exhibit TURN-03, p. 13 to 18

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	29,525	27,191	-2,334
NonLabor	347	319	-28
Nonstandard	0	0	0
TOTAL	29,872	27,510	-2,362

CHAPTER 4A5-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: CS - OFFICE OPERATIONS
Witness: Baldwin, Michael H.

NONSHARED O&M

Subject: CCC - Support
Workpaper: 200001.000

SoCalGas Position: CCC Support provides the necessary services to keep CCC operation efficient and productive. It includes functions such as forecasting call volumes, and planning and scheduling CSRs to support the forecast levels of customer contact.

A base year forecasting methodology was applied to project CCC Support O&M costs. Incremental changes include: (a) increase quality assurance support; (b) expand training and development team; (c) expansion of the special investigation team; (d) adjustments for full year staffing for CCC Support; (e) process efficiency reductions due to FOF; (f) increase in CCC system maintenance fees; (g) decrease in telecommunication costs and (h) IVR confirmation email fee.

Exhibit SCG-19-R, p. MHB-20 to MHB-27

TURN Position: TURN recommends a reduction to SoCal's forecast of \$471,000, resulting in \$8,553,000, by analyzing 2017 spending. TURN's recommendation overlaps with \$51,000 of ORA's \$167,000 reduction which was part of SoCal's 2017 forecast.

Exhibit TURN-03, p. 18

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	5,742	5,503	-239
NonLabor	3,282	3,050	-232
Nonstandard	0	0	0
TOTAL	9,024	8,553	-471

CHAPTER 4A5-a3

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: CS - OFFICE OPERATIONS
Witness: Baldwin, Michael H.

NONSHARED O&M

Subject: Branch Offices
Workpaper: 200002.000

SoCalGas Position: SoCalGas currently operates 44 branch offices throughout its service territory, which provide customers the options of paying their bills in-person, inquiring about accounts and completing other customer service transactions. SoCalGas also provides customer services through a network of APLs. These APLs provide similar payment services for SoCalGas customers and offer convenient locations and extended hours with no transaction fee to the customer.

A base year forecasting methodology was applied to project Branch Office O&M costs with changes for: (a) reduction due to branch closures, (b) ADA branch compliance items and (c) ADA Coordinator and NL task

Exhibit SCG-19-R, p. MHB-28 to MHB-31

TURN Position: TURN's forecast is \$11,885,000 which is \$127,000 below SoCal's request. TURN uses a 2017 baseline for labor but recommends a two-year average for non-labor expenses, and then adds incremental labor and non-labor spending for 2018-2019.

Exhibit TURN-03, p. 20 to 21

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	9,322	9,241	-81
NonLabor	2,689	2,644	-45
Nonstandard	0	0	0
TOTAL	12,011	11,885	-126

CHAPTER 4A5-a4

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: CS - OFFICE OPERATIONS
Witness: Baldwin, Michael H.

NONSHARED O&M

Subject: Billing Services
Workpaper: 200003.000

SoCalGas Position: Billing Services is responsible for calculating bills and maintaining accurate customer account information. Billing Services at SoCalGas consists of two distinct organizations: (1) billing for residential and small commercial and industrial customers (Mass Market Billing); and (2) billing for large commercial and industrial customers (Major Market Billing).

A base year forecasting methodology was applied to project Billing Services O&M costs with changes for (a) meter growth, (b) FOF reductions, (c) 2 Pounds Square Inch (PSI) program expansion, (d) contract labor and (e) large font bill.

Exhibit SCG-19-R, p. MHB-31 to MHB-34

TURN Position: TURN's forecast is \$5,942,000, based on a rapid reduction in spending in 2017. TURN uses a base year of 2017 for the entire activity with no additional FOF reductions.

Exhibit TURN-03, p. 22 to 23

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	6,216	5,801	-415
NonLabor	48	142	94
Nonstandard	0	0	0
TOTAL	6,264	5,943	-321

CHAPTER 4A5-a5

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: CS - OFFICE OPERATIONS
Witness: Baldwin, Michael H.

NONSHARED O&M

Subject: Credit and Collections Postage
Workpaper: 200004.001

SoCalGas Position: Credit and Collections postage expenses include the cost of mailing collections notices.

A base year forecasting methodology was applied to project Credit and Collections Postage O&M costs.

Exhibit SCG-19-R, p. MHB-38

TURN Position: TURN recommends a two-year average of 2016-2017 and a spending level of \$951,000 to reflect SoCalGas' lower cost and reduced number of notices mailed by SoCalGas in 2017, while also recognizing that seasonal factors and economic conditions influence the number of collections notices mailed.

Exhibit TURN-03, p. 23 to 24

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	995	951	-44
TOTAL	995	951	-44

CHAPTER 4A5-a6

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: CS - OFFICE OPERATIONS
Witness: Baldwin, Michael H.

NONSHARED O&M

Subject: Remittance Processing Postage
Workpaper: 200005.001

SoCalGas Position: Remittance Processing Postage expenses include the cost of mailing customer bills, notices, letters and other customer correspondence.

A base year plus adjustments forecasting methodology was applied to project Remittance Processing Postage O&M costs. Adjustments include: (a) increase in postage due to meter growth, (b) USPS postage rate decrease, (c) FOF reduction in postage and (d) postage for home energy guide.

Exhibit SCG-19-R, p. MHB-41 to MHB-43

TURN Position: TURN forecasts that the paper bill volume is likely to be less than SoCal has projected by about 2%, and thus forecasts a 2% decline in postage costs at current rates. This 2% reduction is equivalent to 70,000 fewer paper bills per month or about 835,000 annually. Any changes to average postage rates will be captured in the update phase of this case. TURN therefore forecasts postage costs of \$13,576,000, a \$276,000 reduction to SoCal's forecast.

Exhibit TURN-03, p. 25

Note: TURN testimony (Ex. TURN-023) states that the forecast is \$13,576,000 (p. 25) whereas Table 7 (p. 12) and Table 18 (p. 25) show a forecast of \$13,536 thousand.

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	13,812	13,536	-276
TOTAL	13,812	13,536	-276

CHAPTER 4A5-a7

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: CS - OFFICE OPERATIONS
Witness: Baldwin, Michael H.

NONSHARED O&M

Subject: Customer Service Other Office Ops and Technology
Workpaper: 200006.000

SoCalGas Position: Customer Service Other Office Ops and Technology is comprised of the following groups: Customer Operations Technology, Customer Service Technology Project Management and Vice President of Customer Services.

A base year forecasting methodology was applied to project Customer Services Other Office Ops and Technology O&M costs. Changes to the base year include: (a) Customer Data Privacy Program, (b) Energy Data Program Administrator, (c) support for mobile customer applications, (d) data analytics support, (e) customer operations technology, (f) summer intern program and (g) discontinue market research and CES quarterly survey.

Exhibit SCG-19-R, p. MHB-43 to MHB-49

TURN Position: TURN forecasts \$2,859,000 (a reduction of \$320,000), including \$474,000 less in labor expenses and \$154,000 more in non-labor expenses. TURN recommends using 2017 as a base year for labor but recommends providing half of the increment from 2017 recorded to 2019 forecast to recognize that SoCal may add some positions, particularly when 2017 still contains vacancies. TURN recommends a six-year average of non-labor expenditures (\$375,000), to reflect the cyclical nature of these costs. TURN then removes the \$15,000 decrement projected by SoCal for 2018-2019.

Exhibit TURN-03, p. 26 to 27

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	2,973	2,499	-474
NonLabor	206	360	154
Nonstandard	0	0	0
TOTAL	3,179	2,859	-320

CHAPTER 4A5-a8

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: CS - OFFICE OPERATIONS
Witness: Baldwin, Michael H.

NONSHARED O&M

Subject: Measurement Data Ops (MDO)
Workpaper: 200007.000

SoCalGas Position: MDO monitors and maintains accurate and timely usage measurement reporting to support SoCalGas and SDG&E Major Markets Billing functions for almost 1,300 large gas volume meters.

A base year forecasting methodology was applied to project MDO O&M costs. Changes to the base year include: (a) adjustments for full year staffing and (b) reduction in telecommunication costs.

Exhibit SCG-19-R, p. MHB-34 to MHB-36

TURN Position: TURN recommends \$929,000, \$113,000 less than SoCal, after reversing the requested increase in labor expenses. TURN recommends using the 2016 base year for labor without annualization because labor declined in 2017. TURN accepts SoCal's non-labor reductions in telecommunications.

Exhibit TURN-03, p. 27 to 28

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	925	812	-113
NonLabor	117	117	0
Nonstandard	0	0	0
TOTAL	1,042	929	-113

Chapter 4 - TURN vs. SoCalGas

Part A - O&M and Capital Expenditures

5. SCG-19-R - CS - OFFICE OPERATIONS

b. O&M - SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	TURN	TURN vs. SoCalGas	
1. 20000A-USS.ALL	1,604	1,480	(124)	4A5-b1
TOTAL	1,604	1,480	(124)	

CHAPTER 4A5-b1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: CS - OFFICE OPERATIONS
Witness: Baldwin, Michael H.

SHARED SERVICES O&M

Subject: CS - Office Operations
Workpaper: 20000A-USS.ALL

SoCalGas Position: Major Market Credit and Collections is a shared service responsible for activities such as (a) establishing credit, (b) mitigating credit risk, (c) maintaining collateral, (d) negotiating contract credit terms, (e) monitoring accounts receivable and (f) performing collections activity.

A base year forecasting methodology was applied to project Major Market Credit and Collections O&M costs. Changes include: (a) adjustments for full year staffing and (b) FOF efficiencies.

Exhibit SCG-19-R, p. MHB-50 to MHB-52

TURN Position: TURN recommends \$1,480,000, a reduction of \$124,000. TURN recommends a three-year average for labor, since 2016 was the highest of the last three years with both 2015 and 2017 below it. TURN accepts SoCal's non-labor forecast, since actual spending was only \$6,000 less than the forecast.

Exhibit TURN-03, p. 28 to 29

Proposed TY2019 Forecast (in thousands of 2016 dollars)

SCG	Labor	NLbr	NSE	Total
2200-0354.000	1,307	297	0	1,604
Total	1,307	297	0	1,604

TURN	Labor	NLbr	NSE	Total
2200-0354.000	1,183	297	0	1,480
Total	1,183	297	0	1,480

Difference	Labor	NLbr	NSE	Total
2200-0354.000	-124	0	0	-124
Total	-124	0	0	-124

Chapter 4 - TURN vs. SoCalGas

Part A - O&M and Capital Expenditures

6. SCG-23-R - FLEET SERVICES & FACILITY OPERATIONS

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	TURN	TURN vs. SoCalGas	
1. 2RF002.000	13,342	11,599	(1,743)	4A6-a1
2. 2RF002.001	12,503	9,243	(3,260)	4A6-a2
3. 2RF003.001	35,175	20,331	(14,844)	4A6-a3
4. 2RF003.002	5,956	2,211	(3,745)	4A6-a4
5. 2RF003.003	-1,754	-1,440	314	4A6-a5
6. 2RF003.004	6,184	2,217	(3,967)	4A6-a6
7. 2RF004.000	18,131	15,434	(2,697)	4A6-a7
TOTAL	89,537	59,595	(29,942)	

CHAPTER 4A6-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-23-R
Area: FLEET SERVICES & FACILITY OPERATIONS
Witness: Herrera, Carmen L.

NONSHARED O&M

Subject: Maintenance Operations
Workpaper: 2RF002.000

SoCalGas Position: SoCalGas requests \$13.342 million for TY 2019 for Maintenance Operations using the five-year average forecast methodology plus incremental adjustments.

Inspection and maintenance are carried out in garage locations distributed throughout the SoCalGas territory. The Maintenance Operations organization performs vehicle safety inspections and other routine maintenance, replaces worn and defective parts, and repairs damaged vehicles. In addition, this group facilitates compliance with applicable federal, state, and local environmental, safety, and emissions regulations. Technician labor and training costs are included in this forecast.

Exhibit SCG-23-R, p. CLH-26 to CLH-28

TURN Position: TURN supports ORA's recommendation for forecasts of \$11.599 million for SCG.

Exhibit TURN-05, p. 46-48

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	8,107	6,962	-1,145
NonLabor	5,235	4,637	-598
Nonstandard	0	0	0
TOTAL	13,342	11,599	-1,743

CHAPTER 4A6-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-23-R
Area: FLEET SERVICES & FACILITY OPERATIONS
Witness: Herrera, Carmen L.

NONSHARED O&M

Subject: Automotive Fuel
Workpaper: 2RF002.001

SoCalGas Position: SoCalGas requests \$12.503 million for TY 2019 for Automotive Fuel using the five-year average forecast methodology plus incremental adjustments.

IE Exhibit SCG-23-R, p. CLH-26 to CLH-29

TURN Position: TURN recommends adoption of ORA's forecast (a \$1.473 million reduction), and a further reduction of \$1.786 million to remove the cost of fuel that will no longer be charged under base rates using GRC funds. The total reduction to SoCalGas's test year forecast is \$3.260 million.

Exhibit TURN-05 (Errata), p. 48-50

Note: Amount differ from table below due to rounding.

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	12,503	9,243	-3,260
Nonstandard	0	0	0
TOTAL	12,503	9,243	-3,260

CHAPTER 4A6-a3

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-23-R
Area: FLEET SERVICES & FACILITY OPERATIONS
Witness: Herrera, Carmen L.

NONSHARED O&M

Subject: Amortization
Workpaper: 2RF003.001

SoCalGas Position: SoCalGas requests \$35.175 million for TY 2019 for Amortization using the zero-based forecast methodology.

SoCalGas' amortization request consists of the annual repayment of principal for the fleet Services leases composed of active lease obligations and new lease obligations for replacements or additional vehicles as needed by the operating groups.

RAMP-related costs include mitigation activity for SCG-2 Employee, Contractor, Customer and Public Safety.

Exhibit SCG-23-R, p. CLH-7 to CLH-26

TURN Position: TURN's primary recommendation is that the Commission adopt ORA's forecast of \$20.331 million, relying on the 2017 recorded expenditure for the 2019 test year.

In the alternative, TURN recommends that the Commission augment the 2017 recorded cost only by the amount of the ACTM-vehicle replacement budget, scaled down to account for the substantial ATCM acquisitions that the utilities have already recorded in 2016 and 2017. This results in an ATCM adder of \$2.853 million. The alternate proposed forecast for Amoritization is \$23.184 million instead of \$20.331 million.

Exhibit TURN-05, p. 32-46 & Table 16

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	35,175	20,331	-14,844
TOTAL	35,175	20,331	-14,844

CHAPTER 4A6-a4

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-23-R
Area: FLEET SERVICES & FACILITY OPERATIONS
Witness: Herrera, Carmen L.

NONSHARED O&M

Subject: Interest
Workpaper: 2RF003.002

SoCalGas Position: SoCalGas requests \$5.956 million for TY 2019 for Interest using the zero-based forecast methodology.

All replacement and incremental vehicle additions are forecasted to be financed under lease arrangements with floating interest rates.

RAMP-related costs include mitigation activity for SCG-2 Employee, Contractor, Customer and Public Safety.

Exhibit SCG-23-R, p. CLH-7 to CLH-26

TURN Position: TURN's primary recommendation is that the Commission adopt ORA's forecast of \$2.211 million, relying on the 2017 recorded expenditure for the 2019 test year.

In the alternative, TURN recommends that the Commission augment the 2017 recorded cost only by the amount of the ACTM-vehicle replacement budget, scaled down to account for the substantial ATCM acquisitions that the utilities have already recorded in 2016 and 2017. This results in an ATCM adder of \$0.549 million. The alternate proposed forecast for Interest is \$2.760 million instead of \$2.211 million.

Exhibit TURN-05, p. 32-46 & Table 16

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	5,956	2,211	-3,745
TOTAL	5,956	2,211	-3,745

CHAPTER 4A6-a5

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-23-R
Area: FLEET SERVICES & FACILITY OPERATIONS
Witness: Herrera, Carmen L.

NONSHARED O&M

Subject: Salvage
Workpaper: 2RF003.003

SoCalGas Position: SoCalGas requests -\$1.754 million for TY 2019 for Salvage using the zero-based forecast methodology.

Vehicles are sold for salvage at the end of their useful life. Any net proceeds are credited back to Fleet Services offsetting the incremental acquisition costs of replacement vehicles.

Exhibit SCG-23-R, p. CLH-7 to CLH-26

TURN Position: TURN's primary recommendation is that the Commission adopt ORA's forecast of -\$1.440 million, relying on the 2017 recorded expenditure for the 2019 test year.

In the alternative, TURN recommends that the Commission augment the 2017 recorded cost only by the amount of the ACTM-vehicle replacement budget, scaled down to account for the substantial ATCM acquisitions that the utilities have already recorded in 2016 and 2017. This results in an ATCM adder of -\$0.142 million. The alternate proposed forecast for Salvage is -\$1.582 million instead of -\$1.440 million.

Exhibit TURN-05, p. 32-46 & Table 16

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	-1,754	-1,440	314
Nonstandard	0	0	0
TOTAL	-1,754	-1,440	314

CHAPTER 4A6-a6

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-23-R
Area: FLEET SERVICES & FACILITY OPERATIONS
Witness: Herrera, Carmen L.

NONSHARED O&M

Subject: License Fees & Sales Tax
Workpaper: 2RF003.004

SoCalGas Position: SoCalGas requests \$6.184 million for TY 2019 for License Fees & Sales Tax using the zero-based forecast methodology.

License fees payable to the State of California each year are a function of the age and composition of the fleet during that year, and consist of several components based on vehicle weight, capacities, age, purchase price, and location.

To prevent paying excess sales tax at the time of transferring title, the Company has revised the way it pays sales tax on vehicle leases by incorporating sales tax into its monthly lease payments. Previously, SoCalGas paid sales tax for vehicles up front. The change was necessary to avoid double payment of sales taxes in the event that vehicles are later purchased by SoCalGas.

Exhibit SCG-23-R, p. CLH-7 to CLH-26

TURN Position: TURN's primary recommendation is that the Commission adopt ORA's forecast of \$2.217 million, relying on the 2017 recorded expenditure for the 2019 test year.

In the alternative, TURN recommends that the Commission augment the 2017 recorded cost only by the amount of the ACTM-vehicle replacement budget, scaled down to account for the substantial ATCM acquisitions that the utilities have already recorded in 2016 and 2017. This results in an ATCM adder of \$0.502 million. The alternate proposed forecast for License Fees & Sales Tax is \$2.719 million instead of \$2.217 million.

Exhibit TURN-05, p. 32-46 & Table 16

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	6,184	2,217	-3,967
TOTAL	6,184	2,217	-3,967

CHAPTER 4A6-a7

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-23-R
Area: FLEET SERVICES & FACILITY OPERATIONS
Witness: Herrera, Carmen L.

NONSHARED O&M

Subject: Facility Operations
Workpaper: 2RF004.000

SoCalGas Position: SoCalGas requests \$18.245* million for TY 2019 for Facility Operations using the five-year average forecast methodology plus incremental adjustments.

Facility Operations provides operations and maintenance of SoCalGas facilities in order to provide a safe work environment for our employees at 80 owned and staffed utility facilities, which averages 47 years of age.

RAMP-related costs include mitigation activity for SCG-2 Risk to Employee, Contractor, Customer, and Public Safety, SCG-5 Workplace Violence and SCG-6 Workplace Violence

In the testimony, the following workpapers are grouped together as Facility Operations.

2RF001.000	\$ 0.115
2RF004.000	\$18.131
Total	\$18.246*

*Difference due to rounding.

Exhibit SCG-23-R, p. CLH-30 to CLH-34

TURN Position: TURN recommends that the Commission reduce the \$18.131 million O&M forecast for WP 2RF004.000 for Facility Operations by \$2.697 million, which results in a forecast of \$15.434 million.

Note: TURN does not provide labor (L) and non-labor (NL) split details in their testimony. Labor and non-labor amounts in tables below are derived using both TURN's testimony and SoCalGas' workpaper. In the event there is non L/NL details available, the reduction is deducted from NL.

Exhibit TURN-05, p. 12-17

Note: SoCalGas agrees to reduce the Real Estate planning study and review of space configuration costs by \$0.667 million resulting in a forecast for WP 2RF004.000 of \$17.578 million for TY 2019. This correction will be reflected in the August Update Filing. (Exhibit SCG-223, p. CLH-A-312)

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	4,448	3,688	-760

CHAPTER 4A6-a7

NonLabor	13,683	11,746	-1,937
Nonstandard	0	0	0
TOTAL	18,131	15,434	-2,697

Chapter 4 - TURN vs. SoCalGas

Part A - O&M and Capital Expenditures

6. SCG-23-R - FLEET SERVICES & FACILITY OPERATIONS

b. CAPITAL

Project	2017+2018+2019 (in 2016 \$, 000s)			Reference
	SoCalGas	TURN	TURN vs. SoCalGas	
1. 00653.0.ALL	128,829	103,947	(24,882)	4A6-b1
2. 00734.0.ALL	41,911	22,626	(19,285)	4A6-b2
TOTAL	170,740	126,573	(44,167)	

CHAPTER 4A6-b1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-23-R
Area: FLEET SERVICES & FACILITY OPERATIONS
Witness: Herrera, Carmen L.

CAPITAL EXPENDITURES

Project: Fleet & Facility Operations' Capital Projects
Budget Code: 00653.0.ALL

SoCalGas Position: SCG requests \$24.243 million for 2017, \$45.863 million for 2018, and \$59.923 million for 2019 for Infrastructure & Improvements.

These costs are separated into four cost subcategories: (1) Infrastructure & Improvements; (2) Facility Renovations; (3) Sustainability Projects; and (4) Physical Security Infrastructure Enhancements (i.e., RAMP).

RAMP-related costs include mitigation activity for SCG-5 Workplace Violence.

Tables below reflect only those projects where a disallowance has been recommended by ORA.

Exhibit SCG-23-R, p. CLH-40 to CLH-47

TURN Position: TURN recommends that the Commission provide zero funding for the Compton, Chatsworth, Anaheim, and Pico Rivera facilities. SCG's lack of support for its original funding request, and the dilatory and failed attempt to cobble together the appearance of support warrants this outcome. This would reduce to \$0 the 2018 and 2019 forecasts by \$8.996 million and \$12.006 million.

Exhibit TURN-05, p. 17-18

Note: TURN only addressed funding request for Chatsworth (00653B.001), Compton (00653B.002), Anaheim (00653B.003), and Pico Rivera (00653B.004), the remaining projects in this budget code were not addressed by TURN. Due to system limitation, the JCE is unable to limit the table to those items in dispute between TURN and SCG only. The display of zero in the "Difference" section of the table indicates that TURN made no recommendation regarding those projects.

CHAPTER 4A6-b1

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
00653A.001	10,869	10,869	10,869	32,607
00653A.002	7,246	8,996	7,246	23,488
00653A.003	799	784	820	2,403
00653B.001	1,900	3,998	0	5,898
00653B.002	1,980	1,002	0	2,982
00653B.003	0	1,500	4,500	6,000
00653B.004	0	2,496	7,506	10,002
00653B.005	0	8,518	7,382	15,900
00653B.006	0	2,000	16,750	18,750
00653B.007	0	2,000	1,000	3,000
00653C.001	670	2,060	1,950	4,680
00653C.002	779	1,040	1,300	3,119
Total	24,243	45,263	59,323	128,829

TURN	2017	2018	2019	Total
00653A.001	10,869	10,869	10,869	32,607
00653A.002	7,246	8,996	7,246	23,488
00653A.003	799	784	820	2,403
00653B.001	0	0	0	0
00653B.002	0	0	0	0
00653B.003	0	0	0	0
00653B.004	0	0	0	0
00653B.005	0	8,518	7,382	15,900
00653B.006	0	2,000	16,750	18,750
00653B.007	0	2,000	1,000	3,000
00653C.001	670	2,060	1,950	4,680
00653C.002	779	1,040	1,300	3,119
Total	20,363	36,267	47,317	103,947

Difference	2017	2018	2019	Total
00653A.001	0	0	0	0
00653A.002	0	0	0	0
00653A.003	0	0	0	0
00653B.001	-1,900	-3,998	0	-5,898
00653B.002	-1,980	-1,002	0	-2,982
00653B.003	0	-1,500	-4,500	-6,000
00653B.004	0	-2,496	-7,506	-10,002
00653B.005	0	0	0	0
00653B.006	0	0	0	0
00653B.007	0	0	0	0
00653C.001	0	0	0	0
00653C.002	0	0	0	0
Total	-3,880	-8,996	-12,006	-24,882

CHAPTER 4A6-b2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-23-R
Area: FLEET SERVICES & FACILITY OPERATIONS
Witness: Herrera, Carmen L.

CAPITAL EXPENDITURES

Project: NGV Refueling Stations
Budget Code: 00734.0.ALL

SoCalGas Position: For TY 2019, the NGV Refueling Stations request is \$7.175 million in 2017, \$15.937 million in 2018, and \$18.799 million in 2019, to upgrade existing NGV stations and plan, design, and build eight new NGV refueling stations.

Exhibit SCG-23-R, p. CLH-53 to CLH-54

TURN Position: TURN recommends that the Commission adopt ORA's position. ORA recommends funding at the recorded 2017 level (\$7.542 million) for each of 2017, 2018, and 2019.

Exhibit TURN-05, p. 18-31

Note: TURN's Errata testimony filed on August 6, 2018 revised the reduction amount of \$8.395 million and \$11.257 million to \$8.762 million and \$11.624 million for 2018 and 2019, respectively. TURN agrees with ORA's assessment that the 2017 spending should be adopted for the 2018 and 2019 forecasts, the correct reduction for 2018 should be \$8.395 million and 2019 should be \$11.257 million, not the revised amounts stated in TURN's Errata testimony.

CHAPTER 4A6-b2

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
00734A.001	505	0	0	505
00734A.002	157	0	0	157
00734A.003	1,100	0	0	1,100
00734A.004	385	0	0	385
00734A.005	385	0	0	385
00734A.006	565	0	0	565
00734A.007	900	0	0	900
00734A.008	1,783	0	0	1,783
00734A.009	93	0	0	93
00734A.010	220	660	0	880
00734B.001	1,082	0	0	1,082
00734C.001	0	15,277	0	15,277
00734D.001	0	0	18,799	18,799
Total	7,175	15,937	18,799	41,911

TURN	2017	2018	2019	Total
00734A.001	150	0	0	150
00734A.002	829	0	0	829
00734A.003	1,738	0	0	1,738
00734A.004	237	0	0	237
00734A.005	564	0	0	564
00734A.006	588	0	0	588
00734A.007	1,054	0	0	1,054
00734A.008	534	0	0	534
00734A.009	67	0	0	67
00734A.010	77	660	0	737
00734B.001	1,704	0	0	1,704
00734C.001	0	6,882	0	6,882
00734D.001	0	0	7,542	7,542
Total	7,542	7,542	7,542	22,626

Difference	2017	2018	2019	Total
00734A.001	-355	0	0	-355
00734A.002	672	0	0	672
00734A.003	638	0	0	638
00734A.004	-148	0	0	-148
00734A.005	179	0	0	179
00734A.006	23	0	0	23
00734A.007	154	0	0	154
00734A.008	-1,249	0	0	-1,249
00734A.009	-26	0	0	-26
00734A.010	-143	0	0	-143
00734B.001	622	0	0	622
00734C.001	0	-8,395	0	-8,395
00734D.001	0	0	-11,257	-11,257
Total	367	-8,395	-11,257	-19,285

Chapter 4 - TURN vs. SoCalGas

Part A - O&M and Capital Expenditures

7. SCG-30 - COMPENSATION & BENEFITS

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	TURN	TURN vs. SoCalGas	
1. 2CP000.000	79,090	53,453	(25,637)	4A7-a1
2. 2PB000.000	96,023	93,366	(2,657)	4A7-a2
3. 2PB000.010	300	150	(150)	4A7-a3
4. 2PB000.011	1,920	960	(960)	4A7-a4
5. 2PB000.013	1,087	1,112	25	4A7-a5
6. 2PB000.014	217	179	(38)	4A7-a6
7. 2PB000.015	1,098	1,366	268	4A7-a7
8. 2PB000.016	180	0	(180)	4A7-a8
9. 2PB000.017	254	112	(142)	4A7-a9
10. 2PB000.018	532	0	(532)	4A7-a10
TOTAL	180,701	150,698	(30,003)	

CHAPTER 4A7-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-30
Area: COMPENSATION & BENEFITS
Witness: Robinson, Debbie S.

NONSHARED O&M

Subject: COMPENSATION - VARIABLE PAY (GRC USE ONLY)
Workpaper: 2CP000.000

SoCalGas Position: Variable pay, or short-term incentive compensation, places a portion of employee compensation at-risk, subject to achievement of the plan's performance measures.

Exhibit SCG-30/SDG&E-28, p. DSR-9

TURN Position: TURN's forecast differs from SDG&E's and SCG's because TURN's excludes ICP costs for (1) Financial measures; (2) almost all Strategic Initiative measures; and (3) one SCG ICP Operational measure.

TURN reduces the SCG forecast for utility ICP spending by \$25.637 million.

Exhibit TURN-05, p. 52

Note:		SoCalGas	TURN
	Non-Executive Variable Pay	\$75,680	\$51,765
	Executive Variable Pay	\$3,410	\$1,688

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	79,090	53,453	-25,637
NonLabor	0	0	0
Nonstandard	0	0	0
TOTAL	79,090	53,453	-25,637

CHAPTER 4A7-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-30
Area: COMPENSATION & BENEFITS
Witness: Robinson, Debbie S.

NONSHARED O&M

Subject: HEALTH BENEFITS - MEDICAL
Workpaper: 2PB000.000

SoCalGas Position: SoCalGas and SDG&E offer several medical plan designs to meet the varying needs of employees and their dependents and consistent with its collective bargaining agreements.

SDG&E's forecasted TY 2019 medical expense is \$56.204 million and SoCalGas' is \$96.023 million. The increase between 2016 and 2019 costs reflects forecasted medical rate escalation, as well as anticipated changes in headcount.

Exhibit SCG-30/SDG&E-28, p. DSR-25 to DSR-26

TURN Position: TURN recommends that the Commission direct each utility to use premium-increase estimates over the 2017 actual premium for Medical costs of 6% for both 2018 and 2019.

Exhibit TURN-05, p. 86-87

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	96,023	93,366	-2,657
TOTAL	96,023	93,366	-2,657

CHAPTER 4A7-a3

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-30
Area: COMPENSATION & BENEFITS
Witness: Robinson, Debbie S.

NONSHARED O&M

Subject: RETIREMENT BENEFITS - NQ SAVINGS
Workpaper: 2PB000.010

SoCalGas Position: The nonqualified retirement savings plan, or deferred compensation plan, allows pre-tax contributions for employees, subject to IRS compensation and contribution limits. Company matching contributions mirror the company matching contributions provided under the RSP, but do not include the “stretch match.”

SDG&E’s and SoCalGas’ forecasted TY 2019 costs for company matching contributions under the nonqualified retirement savings plan are \$245 thousand and \$300 thousand, respectively. Projected costs are based on actual 2016 costs adjusted for labor inflation.

Exhibit SCG-30/SDG&E-28, p. DSR-42 to DSR-43

TURN Position: TURN recommends a 50% reduction in ratepayer funding for Nonqualified RSP and Supplemental Pension program costs for both utilities, including the Corporate Center allocations for Supplemental Pension.

Exhibit TURN-05, p. 92

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	300	150	-150
TOTAL	300	150	-150

CHAPTER 4A7-a4

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-30
Area: COMPENSATION & BENEFITS
Witness: Robinson, Debbie S.

NONSHARED O&M

Subject: RETIREMENT BENEFITS - SUPPLEMENTAL PENSION
Workpaper: 2PB000.011

SoCalGas Position: SoCalGas and SDG&E offer two supplemental pension plans, the Supplemental Executive Retirement Plan, which covers a small number of senior executives, and the Cash Balance Restoration Plan. The Cash Balance Restoration Plan restores benefits for employees whose earnings or benefits exceed the limitations established by the Employee Retirement and Income Security Act.

SDG&E's and SoCalGas' forecasted TY 2019 expense for supplemental pension plans is \$2.370 million and \$1.920 million, respectively. Cost forecasts represent the projected benefit payments.

Exhibit SCG-30/SDG&E-28, p. DSR-43 to DSR-44

TURN Position: TURN recommends a 50% reduction in ratepayer funding for Nonqualified RSP and Supplemental Pension program costs for both utilities, including the Corporate Center allocations for Supplemental Pension.

Exhibit TURN-05, p. 92

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	1,920	960	-960
TOTAL	1,920	960	-960

CHAPTER 4A7-a5

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-30
Area: COMPENSATION & BENEFITS
Witness: Robinson, Debbie S.

NONSHARED O&M

Subject: OTHER BENEFITS - EDUCATIONAL ASSISTANCE
Workpaper: 2PB000.013

SoCalGas Position: The Professional Development Assistance Program (PDAP) provides reimbursement of tuition for degree and certificate programs that maintain or enhance the skills necessary to perform current or prospective jobs within the company.

SDG&E's and SoCalGas' forecasted TY 2019 costs for Professional Development Assistance Program are \$508 thousand and \$1.087 million, respectively.

Exhibit SCG-30/SDG&E-28, p. DSR-46

TURN Position: TURN uses a five-year average (2013-2017) for Other Benefits, except for Benefits Administration, for which TURN uses SCG's value, and for the Mass Transit benefit, for which TURN uses the 2017 recorded value.

Exhibit TURN-05, p. 88 to 89

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	1,087	1,112	25
TOTAL	1,087	1,112	25

CHAPTER 4A7-a6

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-30
Area: COMPENSATION & BENEFITS
Witness: Robinson, Debbie S.

NONSHARED O&M

Subject: OTHER BENEFITS - EMERGENCY CARE
Workpaper: 2PB000.014

SoCalGas Position: The backup childcare program provides emergency childcare services when an employee's primary childcare resource is unavailable.

SDG&E's and SoCalGas' forecasted TY 2019 expense for the backup childcare program is \$159 thousand and \$217 thousand, respectively. Program costs are projected to increase by five percent per year in 2018 and 2019.

Exhibit SCG-30/SDG&E-28, p. DSR-47 to DSR-48

TURN Position: TURN uses a five-year average (2013-2017) for Other Benefits, except for Benefits Administration, for which TURN uses SCG's value, and for the Mass Transit benefit, for which TURN uses the 2017 recorded value.

Exhibit TURN-05, p. 88 to 90

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	217	179	-38
TOTAL	217	179	-38

CHAPTER 4A7-a7

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-30
Area: COMPENSATION & BENEFITS
Witness: Robinson, Debbie S.

NONSHARED O&M

Subject: OTHER BENEFITS - MASS TRANSIT
Workpaper: 2PB000.015

SoCalGas Position: The transportation program provides transit subsidies for employees who use public transportation, vanpools and carpools.

SDG&E's and SoCalGas' forecasted TY 2019 costs for mass transit incentive program are \$86 thousand and \$1.098 million, respectively.

Exhibit SCG-30/SDG&E-28, p. DSR-48

TURN Position: TURN uses the 2017 recorded value for Mass Transit benefit.

Exhibit TURN-05, p. 88 to 89

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	1,098	1,366	268
TOTAL	1,098	1,366	268

CHAPTER 4A7-a8

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-30
Area: COMPENSATION & BENEFITS
Witness: Robinson, Debbie S.

NONSHARED O&M

Subject: OTHER BENEFITS - RETIREMENT ACTIVITIES
Workpaper: 2PB000.016

SoCalGas Position: Upon retirement, the company gives the employee a retirement gift and hosts a retirement breakfast in recognition of past service and contribution to the company's success.

SDG&E's and SoCalGas' forecasted TY 2019 expense for retirement activities is \$67 thousand for SDG&E and \$180 thousand for SoCalGas. The cost of retirement activities is forecasted to decrease due to fewer expected retirements.

Exhibit SCG-30/SDG&E-28, p. DSR-48 to DSR-49

TURN Position: TURN recommends a zero forecast for Retirement Activity because these activities build loyalty and comradery but are not related to any job-related activities.

Exhibit TURN-05, p. 90 to 91

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	180	0	-180
TOTAL	180	0	-180

CHAPTER 4A7-a9

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-30
Area: COMPENSATION & BENEFITS
Witness: Robinson, Debbie S.

NONSHARED O&M

Subject: OTHER BENEFITS - SERVICE RECOGNITION
Workpaper: 2PB000.017

SoCalGas Position: Service recognition awards are given to employees on their fifth anniversary and every five years thereafter. Employees select a specific item from a group of awards that vary depending on years of service.

SDG&E's and SoCalGas' forecasted TY 2019 costs for service recognition are \$108 thousand and \$254 thousand, respectively. Costs are projected based on the estimated number of employees with service anniversaries in each year.

Exhibit SCG-30/SDG&E-28, p. DSR-49

TURN Position: TURN recommends that the Commission adopt 50% of the historical average (six-year for SDG&E and five-year for SCG) for Service Recognition.

Exhibit TURN-05, p. 91

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	254	112	-142
TOTAL	254	112	-142

CHAPTER 4A7-a10

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-30
Area: COMPENSATION & BENEFITS
Witness: Robinson, Debbie S.

NONSHARED O&M

Subject: OTHER BENEFITS - SPECIAL EVENTS
Workpaper: 2PB000.018

SoCalGas Position: Special Events night is the one time a year when employees from union and management ranks from all around the company gather in one place.

SoCalGas' forecasted TY 2019 cost for special events is \$532 thousand.

Exhibit SCG-30/SDG&E-28, p. DSR-50

TURN Position: TURN recommends a zero forecast for Special Events.

Exhibit TURN-05, p. 90 to 91

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	532	0	-532
TOTAL	532	0	-532

Chapter 4 - TURN vs. SoCalGas

Part A - O&M and Capital Expenditures

8. SCG-31 - PENSION & PBOPs

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	TURN	TURN vs. SoCalGas	
1. 2PN000.000	202,830	90,670	(112,160)	4A8-a1
TOTAL	202,830	90,670	(112,160)	

CHAPTER 4A8-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-31
Area: PENSION & PBOPs
Witness: Robinson, Debbie S.

NONSHARED O&M

Subject: EMPLOYEE PENSION
Workpaper: 2PN000.000

SoCalGas Position: The SoCalGas and SDG&E proposed methodology stops the continued underfunding of the Projected Benefit Obligation (PBO) and targets its full funding within seven years. Recover is based on the greater of: (i) the annual service cost plus a seven-year amortization of the PBO shortfall; (ii) the annual ERISA minimum required contribution, or (iii) the contribution required to maintain an 85% AFTAP.

Annual contributions will be limited so that the contribution does not result in pension assets exceeding 110% of the PBO.

Exhibit SCG-31/SDG&E-29, p. DSR-2

TURN Position: TURN's primary proposal is that the Commission authorize recovery of the GAAP Pension Expense, which includes the service cost as one component. TURN also recommends that shareholders should contribute to the plans a total of \$30 million (for SoCalGas) over the three-year term 2019-2021, above the authorized ratepayer contribution. Additionally, if one of the other limits (MRC or 85% AFTAP) is triggered in 2019-2021 due to being higher than the GAAP pension expense, SoCalGas should be responsible for paying 20% of the incremental annual amount.

Alternative: If the Commission does not adopt TURN's proposal and allows the SDG&E and SoCalGas to use "service cost plus 7-year amortization of the PBO shortfall," then TURN recommends that the SDG&E and SoCalGas cover 10% of the actual shortfall amount each year that is embedded in the contribution calculation.

Exhibit TURN-06, p. 3 to 5

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	202,830	90,670	-112,160
TOTAL	202,830	90,670	-112,160

Chapter 4 - TURN vs. SoCalGas

Part A - O&M and Capital Expenditures

9. SCG-32 - HUMAN RESOURCES DEPARTMENT, SAFETY, WORKERS' COMPENSATION & LONG-TERM

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	TURN	TURN vs. SoCalGas	
1. 2HR005.000	1,025	881	(144)	4A9-a1
2. 2HR006.000	10,509	6,525	(3,984)	4A9-a2
3. 2HR006.001	18,063	17,771	(292)	4A9-a3
4. 2HR007.000	3,823	3,281	(542)	4A9-a4
TOTAL	33,420	28,458	(4,962)	

CHAPTER 4A9-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-32
Area: HUMAN RESOURCES DEPARTMENT, SAFETY, WORKERS' COMPENSATION & LONG-TERM DISABILITY
Witness: Gevorkian, Mary

NONSHARED O&M

Subject: SCG DIRECTOR LABOR RELATIONS
Workpaper: 2HR005.000

SoCalGas Position: SoCalGas requests \$1.025 million for TY 2019 for Labor Relations using the base year forecast methodology.

The Labor Relations staff is responsible for the labor strategy, union relations, CBA negotiations, contract administration, grievances, mediations, arbitrations, and National Labor Relations Board (NLRB) actions.

Exhibit SCG-32, p. MG-24 to MG-25

TURN Position: TURN recommends a normalizing adjustment to the \$167k forecast for the new work leveling system, such that incremental spending of \$57k is adopted for the 2019 test year, a \$110k reduction.

TURN recommends that the Commission should not adopt the additional \$34k that SCG requests for a return to a post-Aliso Canyon work schedule.

The overall forecast for Labor Relations, including this adjustment and the reduction to remove the Aliso Canyon incident funding restoration, would be \$881,000.

Exhibit TURN-05, p. 97-98

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	748	714	-34
NonLabor	277	167	-110
Nonstandard	0	0	0
TOTAL	1,025	881	-144

CHAPTER 4A9-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-32
Area: HUMAN RESOURCES DEPARTMENT, SAFETY, WORKERS' COMPENSATION & LONG-TERM DISABILITY
Witness: Gevorkian, Mary

NONSHARED O&M

Subject: SCG Director Safety & Wellness
Workpaper: 2HR006.000

SoCalGas Position: SoCalGas requests \$10.509 million for TY 2019 for Safety & Wellness using the base year forecast methodology.

The Safety & Wellness department is responsible for positioning SoCalGas employees to lead healthy, safe, and productive lives. The services provided by the department include, but are not limited to: physical & mental wellness education; safety and industrial hygiene education and compliance; and incident prevention, analysis and reporting.

RAMP-related costs include mitigation activity for SCG-2 Employee, Contractor, Customer and Public Safety.

Exhibit SCG-32, p. MG-25 to MG-30

TURN Position: TURN's recommended forecast for Safety, Wellness, and Disability Services is \$6.525 million.

TURN recommended a reduction to SCG's forecast to remove the Aliso Canyon-related spending of \$136,000.

TURN also recommended an adjustment that removes all funding for Interactive Driver Safety Program for \$2.165 million and Defensive Driver Training and In-Vehicle Instruction for \$1.683 million.

Exhibit TURN-05, p. 98-101

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	6,115	5,464	-651
NonLabor	4,394	1,061	-3,333
Nonstandard	0	0	0
TOTAL	10,509	6,525	-3,984

CHAPTER 4A9-a3

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-32
Area: HUMAN RESOURCES DEPARTMENT, SAFETY, WORKERS' COMPENSATION & LONG-TERM DISABILITY
Witness: Gevorkian, Mary

NONSHARED O&M

Subject: Workers Comp and Long Term Disability
Workpaper: 2HR006.001

SoCalGas Position: SoCalGas requests \$18.063 million for TY 2019 for Workers' Compensation & Long-Term Disability.

Exhibit SCG-32, p. MG-33 to MG-34

TURN Position: TURN recommends that the Commission adopt a medical-escalation rate of 5.7% for 2017 and 6% for both of 2018 and 2019, as recommended for medical premiums for Health Benefits - Medical program.

This results in a decrease to the Workers' Compensation/Long-Term Disability forecast for SCG of \$292,000, producing an overall forecast of \$17.771 million.

Exhibit TURN-05, p. 104-105

Note: While compiling information for TURN-SEU-DR-011, Question 5, the utilities discovered an error in the workers' compensation (WC) and long-term disability (LTD) TY 2019 costs, whereby the medical reserves were inadvertently included in the calculation. Medical reserves (a credit) should not have offset WC and LTD costs. This resulted in SoCalGas understating the WC and LTD amount by \$4.381 million. The corrected forecast of \$22.444 million for TY 2019 will be updated in August 2018 for the Update Filing.

Exhibit SCG-232, p. MG-1

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	18,063	17,771	-292
TOTAL	18,063	17,771	-292

CHAPTER 4A9-a4

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-32
Area: HUMAN RESOURCES DEPARTMENT, SAFETY, WORKERS' COMPENSATION
& LONG-TERM DISABILITY
Witness: Gevorkian, Mary

NONSHARED O&M

Subject: SCG Director Org Effectiveness
Workpaper: 2HR007.000

SoCalGas Position: SoCalGas requests \$3.823 million for TY 2019 for Organizational Effectiveness using the base year forecast methodology.

The Organizational Effectiveness (OE) department provides leadership, organizational, and employee development programs, instructional design services, and knowledge transfer and management programs for SoCalGas.

RAMP-related costs include mitigation activity for SCG-7 Workforce Planning.

Exhibit SCG-32, p. MG-30 to MG-33

TURN Position: TURN recommends \$3.281 million for Organizational Effectiveness, a reduction of \$542,000 (\$171,000 for Aliso Canyon and \$371,000 for the Director Development program) to SCG's test-year forecast.

The reduction is a result of disallowing the \$171,000 increase following Aliso Canyon mitigation efforts, plus a reasonable allocation of the total cost of the director-development program to 2019 and a normalization of that cost across an assumed three-year GRC cycle.

Exhibit TURN-05, p. 101-104

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
Labor	2,833	2,662	-171
NonLabor	990	619	-371
Nonstandard	0	0	0
TOTAL	3,823	3,281	-542

Chapter 4 - TURN vs. SoCalGas

Part B - Capital-Related Costs

1. SCG-35-2R - RATE BASE

Issue #	Subject	Reference
1. SCG35.000	AFUDC Rate	4B1-a1
2. SCG35.001	Materials and Supplies	4B1-a2
TOTAL	TOTAL	

CHAPTER 4B1-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-35-2R
Area: RATE BASE
Witness: Moersen, Patrick D.
Subject: AFUDC Rate

Issue Description: TURN recommends lower AFUDC rates

SoCalGas Position: SoCalGas uses its authorized Rate of Return (ROR) as a reasonable proxy for estimating AFUDC applied to construction work in progress (CWIP) in the RO model, consistent with SoCalGas' practice in prior GRCs.

2017 - 8.02%
2018 - 7.34%
2019 - 7.34%

Exhibit SCG-35-2R, p. PDM-6

TURN Position: TURN recommends using 2017 actual AFUDC rate (7.36%) for 2017 in the RO model. TURN also recommends that the AFUDC rate used in 2018 and 2019 be set as 62 basis points below the authorized return for SoCal.

Exhibit TURN-03, p. 72-73

Note: SCG's current authorized ROR is 7.34% per Advice Letter 5192-G effective January 1, 2018.

CHAPTER 4B1-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-35-2R
Area: RATE BASE
Witness: Moersen, Patrick D.
Subject: Materials and Supplies

Issue Description: TURN recommends using 2016 average balance

SoCalGas Position: To calculate 2019 M&S average balance, SoCalGas applies the escalation rates to the 2016 year-end balance.

Exhibit SCG-35-WP-2R, p. 450-460

TURN Position: TURN escalates SoCalGas's M&S by 10.14% from the average rate base in 2016. The result is an M&S balance of \$23,671,000, which is \$835,000 less than SoCalGas's.

Exhibit TURN-03, p. 104

Note: In SCG's rebuttal (Exhibit SCG-235, p. PDM-2), SCG accepts this recommendation, which would reduce the 2019 M&S balance by \$835,000.

Proposed TY2019 Forecast

<u>Year</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
2019	24,506	23,671	-835
TOTAL	24,506	23,671	-835

Chapter 4 - TURN vs. SoCalGas

Part B - Capital-Related Costs

2. SCG-36-R - DEPRECIATION

Issue #	Subject	Reference
1. SCG36.000	Depreciation & Amortization Expenses	4B2-a1
TOTAL	TOTAL	

CHAPTER 4B2-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-36-R
Area: DEPRECIATION
Witness: Ngai, Flora
Subject: Depreciation & Amortization Expenses

Issue Description: Retain currently-authorized depreciation parameters

SoCalGas Position: SoCalGas is requesting the adoption of proposed service lives and net salvage rates, which were developed in accordance with the California Public Utilities Commission Standard Practice U-4. SoCalGas is also requesting approval of the resultant depreciation and amortization expense of \$606 million.

Exhibit SCG-36-R, p. FN-iii

TURN Position: The Commission should deny the utilities' requests to modify the currently authorized depreciation parameters due to their failure to present adequate support for the basis for those changes.

Exhibit TURN-07, p. 1

Note: The \$6.5 million difference shown in the table below is taken from Exhibit SCG-236, page FN-1, footnote 1.

Proposed TY2019 Forecast

<u>Year</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
2019	606,830	600,342	-6,488
TOTAL	606,830	600,342	-6,488

Chapter 4 - TURN vs. SoCalGas

Part B - Capital-Related Costs

3. SCG-37-2R - TAXES

Issue #	Subject	Reference
1. SCG37.002	Average Rate Assumption Method (ARAM)	4B3-a1
2. SCG37.003	Average Rate Assumption Method (ARAM)	4B3-a2
3. SCG37.004	Property Taxes	4B3-a3
4. SCG37.005	Franchise Fees	4B3-a4
TOTAL	TOTAL	

CHAPTER 4B3-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-37-2R
Area: TAXES
Witness: Reeves, Ragan G.
Subject: Average Rate Assumption Method (ARAM)

Issue Description: Excess ADIT Amortization

SoCalGas Position: SoCalGas proposes to apply ARAM to the excess accumulated deferred income tax (ADIT) benefits associated with both protected and unprotected assets in the determination of returning these benefits to its customers.

Exhibit SCG-37-2R, p. RGR-22

TURN Position: TURN recommends:

1. Returning the excess unprotected ADIT, with the exception of cost of removal, over six years: this would reduce 2019 rates by \$1.598 million.
2. The Commission should assume corresponding increases in 2020 of \$1.461 million and \$2.922 million in 2021 to the extent that post-test-year ratemaking is done with that degree of granularity.

Exhibit TURN-03C, p. 84

Proposed TY2019 Forecast

<u>Year</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
2019	0	-1,598	-1,598
TOTAL	0	-1,598	-1,598

CHAPTER 4B3-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-37-2R
Area: TAXES
Witness: Reeves, Ragan G.
Subject: Average Rate Assumption Method (ARAM)

Issue Description: Cost of Removal

SoCalGas Position: SoCalGas has concluded that the best interpretation of the ARAM rules under the TCJA is to exclude new removal costs accrued for book purposes after December 31, 2017 from its ARAM calculation, but will follow any IRS guidance or the IRS' response in a private letter ruling to Southern California Edison Company.

Exhibit SCG-37-2R, p. RGR-22

TURN Position: The Sempra Utilities should pursue a letter ruling from the IRS to resolve the uncertainty regarding whether "book depreciation" for the purposes of ARAM should include cost of removal as well as the recovery of the cost of the original plant investment.

Exhibit TURN-03, p. 82

Note: In SCG's rebuttal (SCG-237, p. RGR-14), SCG states that it will request its own private letter ruling from the IRS on this issue if the Commission believes it is necessary.

CHAPTER 4B3-a3

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-37-2R
Area: TAXES
Witness: Reeves, Ragan G.
Subject: Property Taxes

Issue Description: Property Taxes Calculation

SoCalGas Position: SoCalGas forecasts \$92.783 million of operating expense related to property taxes.

SoCalGas uses a five-year trend of historic property tax rates for forecasting the property tax rate for Test Year 2019. This five-year trend period includes the base year of the GRC (2016 for this GRC) and the prior four years. SoCalGas has consistently used this same methodology across multiple GRCs.”

Exhibit SCG-37-WP-2R, p. 17
Exhibit 237, p. RGR-21 to RGR-23

TURN Position: TURN’s estimate of 2019 Fiscal year property taxes charged as current operating expenses is \$74.266, a reduction of \$18.517 million or 20.0%. This reduction is resulted from 2 changes:

1. \$5.614 million resulted from correcting an error in deferred tax reserve calculation.
2. \$12.903 million resulted from using 2015-2017 average instead of 2016 recorded as the Taxable Percentage Parameters.

Exhibit TURN-03, p. 86-89

Note: SoCalGas states in its rebuttal testimony (Exhibit SCG-237, p. RGR-20) that it will correct the formula error in the Update Testimony Phase of this GRC.

TURN’s proposal is based on unadjusted figures, rather than those adjusted for GRC purposes. When adjusted to be consistent with the scope of the GRC, TURN’s proposed methodology would have no material impact on SoCalGas’ Test Year 2019 property tax forecast

Proposed TY2019 Forecast

<u>Year</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
2019	92,783	74,266	-18,517
TOTAL	92,783	74,266	-18,517

CHAPTER 4B3-a4

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-37-2R
Area: TAXES
Witness: Reeves, Ragan G.
Subject: Franchise Fees

Issue Description: Five-year average vs. two-year average

SoCalGas Position: SoCalGas uses a five-year historic average (2012-2016) franchise fee factor of 1.3720% for TY 2019.

Exhibit SCG-37-2R. p. RGR-32

TURN Position: TURN recommends using a two-year average (2016-2017) franchise fee factor of 1.2918% for TY 2019.

Exhibit TURN-03, p. 96

Chapter 4 - TURN vs. SoCalGas

Part B - Capital-Related Costs

4. SCG-38-2R - WORKING CASH

Issue #	Subject	Reference
1. SCG38.001	Working Cash	4B4-a1
TOTAL	TOTAL	

CHAPTER 4B4-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-38-2R
Area: WORKING CASH
Witness: Chan, Karen C.
Subject: Working Cash

Issue Description: TURN suggests changes to lead/lag and balance sheet items

SoCalGas Position: SoCalGas requests \$169.123 million for Test Year ("TY") 2019 for the activities in this work group. SoCalGas/SDG&E's request for working cash is in compliance with California Public Utilities Commission ("CPUC") Standard Practice ("SP") U-16, utilizing 2016 as-recorded costs to support its TY 2019 forecast. Working cash is a means to compensate investors for providing funds that are committed to the business for paying operating expenses in advance of receipt of the offsetting revenues from customers.

Exhibit SCG-38-2R, p. KCC-1

TURN Position: TURN recommends a total working cash request of \$0.722 million, a \$168.401 million reduction to SoCalGas' request. TURN's recommendation is based primarily on the followings:

1. Treat customer deposits as an offset to rate base and allow the actual customer deposit return as a charge into the core fixed cost account.
2. Balance sheet account adjustments.
3. Adjust revenue and expense lags (i.e., goods & services; federal and state taxes).
4. Exclude non-cash items (depreciation and deferred taxes) from working cash.

Items 1 to 3 are from Exhibit TURN-03, p. 111-120.

Item 4 is from Exhibit TURN-01, p. 49-51.

Note: TURN's figures are based on SCG's December 2017 revised filing, which do not reflect the impacts of the 2017 Tax Cuts and Jobs Act.

1. -\$82.5 million (customer deposit related, Exhibit TURN-03, p. 120)
2. -\$25.1 million (balance sheet and lead/lag related, Exhibit TURN-03, p. 111)
3. -\$60.1 million (non-cash related, Exhibit TURN-01, p. 51)

*TURN's proposed total reduction of \$168 million was incorrectly presented in SCG's rebuttal testimony as \$85.9 million. SCG will correct this error in the Opening Briefs. The \$168 million does not include the actual interest return on the \$82.5 million customer deposit.

In SCG's rebuttal (Exhibit SCG-238, p. KCC-15 and KCC-19), SCG listed several adjustments that totaled to approximately \$18 million decrease in working cash requirement, which lowers SCG's working cash requirement from \$169 million to approximately \$152 million.

CHAPTER 4B4-a1

Proposed TY2019 Forecast

<u>Year</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
2019	169,123	722	-168,401
TOTAL	169,123	722	-168,401

Chapter 4 - TURN vs. SoCalGas

Part C - Other

1. SCG-02-R - RISK MANAGEMENT

Issue #	Subject	Reference
1. SCG02.002	Balancing Risk Assessment Mitigation Phase (RAMP)	4C1-a1
TOTAL	TOTAL	

CHAPTER 4C1-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: RISK MANAGEMENT
Witness: Day, Diana L.
Subject: Balancing Risk Assessment Mitigation Phase (RAMP)

Issue Description:

SoCalGas Position: The Commission should not limit RAMP-related spending through one-way balancing account treatments, cost caps, or both as it would be unwise and incompatible with the Commission's decision in D.14-12-025 (and confirmed by D.16-08-018) to verify utility accountability for RAMP-related activities and costs through the two annual accountability reports. The Commission actively chose to adopt new accountability reporting requirements to achieve utility accountability, rather than other options such as regulatory accounts and cost caps. Further, because risks are dynamic, flexibility is required as SoCalGas and SDG&E may need to shift resources to pressing or emerging risks. Setting a cost cap specific to how much SoCalGas and SDG&E should be authorized to manage their key safety risks would set an unwise public policy precedent.

Exhibit SCG-202/SDG&E-202, p. DD/GF/JY-12

TURN Position: Given the concern about lack of specificity for project spending presented by SDG&E, the electric integrity RAMP projects should be tracked in a one-way balancing account, subject to an overall cost cap, and each activity's spending and unit costs should be tracked separately to inform future budgeting decisions.

Exhibit TURN-01, p. 1 and 28

Chapter 4 - TURN vs. SoCalGas

Part C - Other

2. SCG-03-R - FUELING OUR FUTURE (FOF) POLICY

Issue #	Subject	Reference
1. SCG03.000	Fueling our Future (FOF) - Transparency	4C2-a1
2. SCG03.001	Fueling our Future (FOF) - Base Year Adjustment	4C2-a2
TOTAL	TOTAL	

CHAPTER 4C2-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-03-R
Area: FUELING OUR FUTURE (FOF) POLICY
Witness: Baron, David
Subject: Fueling our Future (FOF) - Transparency

Issue Description: FOF transparency

SoCalGas Position: SoCalGas and SDG&E forecast a total FOF savings of \$68.991 million for 2019: \$42.760 million for SoCalGas, and \$26.231 million for SDG&E.

Exhibit SCG-03-R_SDGE-03-R, p. HDS/RC-8 & 9

TURN Position: TURN recommends the Commission to accept the Companies' FOF savings as a reduction to revenue requirement to be passed through to ratepayers, and recommends the Commission should insist that all SDG&E and SCG costs associated with FOF Project Phase be identified for transparency.

Exhibit TURN-08 (Dowdell) at 6

CHAPTER 4C2-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-03-R
Area: FUELING OUR FUTURE (FOF) POLICY
Witness: Baron, David
Subject: Fueling our Future (FOF) - Base Year Adjustment

Issue Description: Base year adjustment

SoCalGas Position: SoCalGas and SDG&E forecast a total FOF savings of \$68.991 million for 2019: \$42.760 million for SoCalGas, and \$26.231 million for SDG&E.

Exhibit SCG-03-R_SDGE-03-R, p. HDS/RC-8 & 9

TURN Position: TURN recommends adjusting 2016 base year revenues downward by the amount of the FOF Project Phase costs identified, as these one-time costs represent significant base year work by SDG&E and SCG staff that will not be repeated as part of the ordinary course of business going forward.

Exhibit TURN-08 (Dowdell) at 6

Chapter 4 - TURN vs. SoCalGas

Part C - Other

3. SCG-09-R - GAS ENGINEERING

Issue #	Subject	Reference
1. SCG09.000	Morongo Rights-of-Way	4C3-a1
TOTAL	TOTAL	

CHAPTER 4C3-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-09-R
Area: GAS ENGINEERING
Witness: Haines, Deanna R.
Subject: Morongo Rights-of-Way

Issue Description:

SoCalGas Position: SoCalGas is seeking authority to create a Morongo Right-of-Way Memorandum Account (MROWMA) for purposes of recording pre-construction costs as described in A. 16-12-011. If the Commission grants SoCalGas' relief in that proceeding, SoCalGas will withdraw its GRC proposal seeking a MROWMA.

SoCalGas is proposing a regulatory account, the Morongo Right-of-Way Balancing Account (MROWBA), to record and recover costs associated with renewal of the three expiring rights-of-way for Lines 2000, 2001, and 5000, and any pre-construction costs associated with potential relocations within and/or outside of the Morongo reservation that would be incurred as of the beginning of TY 2019. SoCalGas is proposing that the MROWBA be established as a two-way balancing account, with no associated cost estimate.

Exhibit SCG-09-R, p. DRH-16 to DRH-21

TURN Position: The Commission should deny SoCalGas' request for both a memorandum account and a balancing account to track costs associated with its efforts to achieve an extension of the expiring rights-of-way for gas pipelines that cross the jurisdictional territory of the Morongo Band of Mission Indians, and pre-construction costs of pipeline relocation projects in the event no extension is achieved.

TURN-07, p. 1

Chapter 4 - TURN vs. SoCalGas

Part C - Other

4. SCG-19-R - CS - OFFICE OPERATIONS

Issue #	Subject	Reference
1. SCG19.001	Uncollectible Rate	4C4-a1
TOTAL	TOTAL	

CHAPTER 4C4-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: CS - OFFICE OPERATIONS
Witness: Baldwin, Michael H.
Subject: Uncollectible Rate

Issue Description:

SoCalGas Position: SoCalGas agrees with TURN that a 10-year rolling average is a reasonable approach and asks the Commission to adopt this approach. SoCalGas agrees with TURN when they state, "a rolling average would mitigate some of the risk to the utilities and their ratepayers from changing economic conditions, which impact the uncollectible rate, by allowing the rate to be annually updated. Similarly, it would capture changes in the utilities' credit and collections activities, including those that may be required by the Commission in response to SB 598, which also impact the uncollectible rate. These regular adjustments would prevent historic data from becoming stale in an area of volatile costs."

Exhibit SCG-219, p. MHB-27 to MHB-28

TURN Position: TURN proposes a ten-year rolling average of historical uncollectible rates, starting with 2008-2017 for the test year, with adjustments to occur annually by Advice Letter.

Exhibit TURN-04, p. 1 to 11

Chapter 4 - TURN vs. SoCalGas

Part C - Other

5. SCG-28-R - CORPORATE CENTER - GENERAL ADMINISTRATION

Issue #	Subject	Reference
1. SCG28.001	General Administration Costs	4C5-a1
2. SCG28.002	Multi-Factor Basic allocation	4C5-a2
TOTAL	TOTAL	

CHAPTER 4C5-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-28-R
Area: CORPORATE CENTER - GENERAL ADMINISTRATION
Witness: DeMontigny, Mia L.
Subject: General Administration Costs

Issue Description:

SoCalGas Position: The Summary of Total Corporate Center Costs is as follows:

(Thousands of 2016 dollars)

2019 Forecast	Services Provided
59,556	Finance
62,344	Legal, Comp and Governance
24,698	HR & Administration
14,420	Corp Strategy & Ext Affairs
29,926	Facilities and Assets
94,048	Pensions & Benefits
284,992	Total

Exhibit SCG-28-R/SDG&E-26-R, p. MLD-1

TURN Position: TURN recommends the following reductions to Corp Center allocations to SoCalGas:

(Dollars in Thousands)

SoCalGas	TURN	
\$5,198	\$0	ICP Overhead (p. 52)
\$4,791	\$0	LTIP (p. 81)
\$300	\$150	Nonqualified RSP (p. 92)
\$1,842	\$921	Supplemental Pension (p. 92)

Exhibit TURN-05, p. 52 to 92

CHAPTER 4C5-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-28-R
Area: CORPORATE CENTER - GENERAL ADMINISTRATION
Witness: DeMontigny, Mia L.
Subject: Multi-Factor Basic allocation

Issue Description:

SoCalGas Position: To arrive at the forecasted rates for 2018 and 2019 historical data from 2013-2016 were projected using a trend forecasting method:

	2019
SDG&E	35.3%
SCG	40.9%
Utilities	76.2%
Global	23.8%
Total	100.00%

Exhibit SCG-28-R/SDG&E-26-R, p. MLD-14

TURN Position: TURN recommends a 1.46% lower Multi-Factor adjustment for SDG&E, a lower adjustment for SoCalGas by 1.96%, and an increase of 3.42% for unregulated activities.

	2019
SDG&E	33.84%
SCG	38.94%
Global	27.22%
Total	100.00%

Exhibit TURN-03, p. 68 to 69

Chapter 4 - TURN vs. SoCalGas

Part C - Other

6. SCG-29 - CORPORATE CENTER - INSURANCE

Issue #	Subject	Reference
1. SCG29.003	Liability Insurance - Utility Allocations	4C6-a1
TOTAL	TOTAL	

CHAPTER 4C6-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-29
Area: CORPORATE CENTER - INSURANCE
Witness: Cayabyab, Neil K.
Subject: Liability Insurance - Utility Allocations

Issue Description:

SoCalGas Position: Utility Allocations for insurance are as follows:

(Thousands of 2016 dollars)
\$126,270 SDG&E
\$38,560 SoCalGas
\$164,830 Total Utility

Exhibit SCG-29/SDG&E-27, p. NKC-1

TURN Position: TURN does not take exception to the total cost of insurance. TURN reduces the SDG&E allocation from \$126,270,000 to \$125,105,000. TURN reduces the SoCalGas allocation from \$38,560,000 to \$36,994,000.

TURN contends that the Sempra Utilities made an error in their allocation of Directors' and Officers' liability insurance and adjusts the allocation factors to use its proposed multi-factor basic allocator.

Exhibit TURN-03, p. 69 to 70

Proposed TY2019 Forecast

<u>Year</u>	<u>SCG</u>	<u>TURN</u>	<u>Difference</u>
2019	38,560	36,994	-1,566
TOTAL	38,560	36,994	-1,566

Chapter 4 - TURN vs. SoCalGas

Part C - Other

7. SCG-33 - ACCOUNTING AND FINANCE/LEGAL/REGULATORY AFFAIRS/ EXTERNAL AFFAIRS

Issue #	Subject	Reference
1. SCG33.000	Base Year Accounting Adjustments	4C7-a1
TOTAL	TOTAL	

CHAPTER 4C7-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-33
Area: ACCOUNTING AND FINANCE/LEGAL/REGULATORY AFFAIRS/ EXTERNAL AFFAIRS
Witness: Gonzales, Ramon
Subject: Base Year Accounting Adjustments

Issue Description: Base Year Accounting Adjustments

SoCalGas Position: TURN proposes a \$22,000 reduction in dues, based on 2016 expenses, for various club dues and chamber of commerce dues. Of the \$22,000 identified by TURN for removal from the case, SoCalGas had already removed \$1,365 during the production of direct testimony (Exhibit SCG-32-WP, workpaper 2HR001) and therefore SoCalGas does not dispute TURN's recommendation to remove the remaining \$20,635. This reduction will be reflected in the August 2018 Update filing.

TURN proposes removing \$134,000 for clothing and other gear, based on 2016 expenses, because it argues that these expenses are "largely promotional and image-building" and should not be paid for by ratepayers. There is no basis for TURN's claim that these expenses are "largely promotional and image-building."

Exhibit SCG-233, p. RG-8.

TURN Position: TURN recommends making Base Year adjustments of \$155,000 for SoCalGas for miscellaneous dues and donations (\$22,000), and clothing and other gear (\$133,000).

Exhibit TURN-3 (Marcus), p.75 to 78

Chapter 4 - TURN vs. SoCalGas

Part C - Other

8. SCG-44-2R - POST-TEST YEAR RATEMAKING

Issue #	Subject	Reference
1. SCG44.000	Attrition Year Increases	4C8-a1
TOTAL	TOTAL	

CHAPTER 4C8-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-44-2R
Area: POST-TEST YEAR RATEMAKING
Witness: Hrna, Sandra K.
Subject: Attrition Year Increases

Issue Description:

SoCalGas Position: SoCalGas proposes:

- Using IHS/Markit Global Insight's utility cost escalation factors to determine PTY O&M escalation (excluding medical expenses)
- Adopting Willis Towers Watson's actuarial forecasts and escalations to determine PTY medical expenses
- Calculating capital-related revenue requirements using: (a) an escalated 5-year average level of capital additions and (b) a forecast for Pipeline Safety Enhancement Plan (PSEP) capital additions beyond TY 2019

Rev Req Increase:

2020	8.08%	\$236.9 million
2021	6.09%	\$192.9 million
2022	6.03%	\$202.6 million

Exhibit SCG-44-2R, p. JAM-1 to JAM-2

TURN Position: TURN recommends projecting that Average Rate Adjustment Method (ARAM) costs returned to ratepayers should be increased in the Post Test Year period by \$4.4 million more for SoCalGas.

Exhibit TURN-03, p. 2

Chapter 4 - TURN vs. SoCalGas

Part C - Other

9. SCG-49 - OVERALL SUMMARY OF APRIL 6, 2018 TESTIMONY ON TAX ISSUES

Issue #	Subject	Reference
1. SCG49.000	Provide all quantitative data in Excel format	4C9-a1
TOTAL	TOTAL	

CHAPTER 4C9-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN Differences to SoCalGas Requests

Exhibit No.: SCG-49
Area: OVERALL SUMMARY OF APRIL 6, 2018 TESTIMONY ON TAX ISSUES
Witness: Manzuk, Charles R.
Subject: Provide all quantitative data in Excel format

Issue Description:

SoCalGas Position: This is not an issue raised by the utilities. SDG&E and SoCalGas responded to data requests regarding the provision of quantitative data in Excel spreadsheet format, that data was provided with original workpapers and the Master Data Request where available, the general format of the workpapers is not created from a spreadsheet and the General Ratecase Integrated Database (GRID) software developed for the preparation of forecasts and workpapers is not capable of producing working spreadsheets of the type requested. [The nature of the GRID database, related forecast methodologies and the availability of spreadsheets is discussed in the hearing transcript at page 2359:6 through 2363:10, and rebuttal exhibits SDG&E-214 Appendix A at AFC-A-28 and SCG-204 at GOM-67:22)

TURN Position: All quantitative data provided through workpapers and discovery should be provided in Excel format.

Exhibit TURN-01, p. 7, line 14

Chapter 5

Differences Between SoCalGas and TURN-SCGC

Chapter 5 - TURN-SCGC vs. SoCalGas

Part A - O&M and Capital Expenditures

1. SCG-06 - GAS TRANSMISSION O&M

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	URN-SCG	TURN-SCGC vs.	
			SoCalGas	
1. 2GT002.000	26,467	19,305	(7,162)	5A1-a1
TOTAL	26,467	19,305	(7,162)	

CHAPTER 5A1-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN-SCGC Differences to SoCalGas Requests

Exhibit No.: SCG-06
Area: GAS TRANSMISSION O&M
Witness: Musich, Elizabeth A.

NONSHARED O&M

Subject: Technical Services
Workpaper: 2GT002.000

SoCalGas Position: SoCalGas forecasts \$26.467 million for Technical Services using the five-year average forecast methodology.

RAMP-related costs include mitigation activity for Catastrophic Failure of High-Pressure Pipeline.

Exhibit SCG-06, p. EAM-9, EAM-16 to EAM-18

TURN-SCGC Position: TURN-SCGC submitted joint testimony on May 14, 2018 recommending the Commission deny SoCalGas' request to recover the preconstruction costs associated with the North-South Pipeline Project.

Exhibit TURN/SCGC (C. Yap), p. 1-10

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN-SCGC</u>	<u>Difference</u>
Labor	582	582	0
NonLabor	18,723	18,723	0
Nonstandard	7,162	0	-7,162
TOTAL	26,467	19,305	-7,162

Chapter 5 - TURN-SCGC vs. SoCalGas

Part A - O&M and Capital Expenditures

2. SCG-15-R - PIPELINE SAFETY ENHANCEMENT PLAN (PSEP)

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	URN-SCG	TURN-SCGC vs.	
			SoCalGas	
1. 2PS000.000	79,212	63,212	(16,000)	5A2-a1
TOTAL	79,212	63,212	(16,000)	

CHAPTER 5A2-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN-SCGC Differences to SoCalGas Requests

Exhibit No.: SCG-15-R
Area: PIPELINE SAFETY ENHANCEMENT PLAN (PSEP)
Witness: Phillips, Richard D.

NONSHARED O&M

Subject: PIPELINE SAFETY ENHANCEMENT PROGRAM
Workpaper: 2PS000.000

SoCalGas Position: SoCalGas forecasts \$249.468 million in O&M, and \$649.326 million in capital expenditures through 2021. SoCalGas' forecasts are comprised of the following components:

1. Pressure Test Projects
2. Miscellaneous PSEP Costs
3. Replacement Projects
4. Valve Enhancement Plan

Exhibit SCG-15-R, p. RDP-iv

TURN-SCGC Position: TURN/SCGC recommends that SCG's forecasts associated with the "risk assessment" factor (aka contingency adder) be removed. As a result, total proposed O&M reduction is \$49 million during the three-year GRC cycle.

TURN/SCGC (Yap), p. 15-18

Note: For this summary, TURN/SCGC's proposed O&M reduction of \$49 million is normalized over 3 years, resulting in \$16 million reduction for 2019.

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>TURN-SCGC</u>	<u>Difference</u>
Labor	4,260	4,260	0
NonLabor	74,952	58,952	-16,000
Nonstandard	0	0	0
TOTAL	79,212	63,212	-16,000

Chapter 5 - TURN-SCGC vs. SoCalGas

Part A - O&M and Capital Expenditures

2. SCG-15-R - PIPELINE SAFETY ENHANCEMENT PLAN (PSEP)

b. CAPITAL

Project	2017+2018+2019 (in 2016 \$, 000s)			Reference
	SoCalGas	URN-SCG	TURN-SCGC vs.	
			SoCalGas	
1. 00569.0.ALL	18,324	18,324	0	5A2-b1
TOTAL	18,324	18,324	0	

CHAPTER 5A2-b1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN-SCGC Differences to SoCalGas Requests

Exhibit No.: SCG-15-R
Area: PIPELINE SAFETY ENHANCEMENT PLAN (PSEP)
Witness: Phillips, Richard D.

CAPITAL EXPENDITURES

Project: PSEP AUX EQUIP & INFRASTR - NON PHASE
Budget Code: 00569.0.ALL

SoCalGas Position: SoCalGas forecasts \$249.468 million in O&M, and \$649.326 million in capital expenditures through 2021. SoCalGas' forecasts are comprised of the following components:

1. Pressure Test Projects
2. Miscellaneous PSEP Costs
3. Replacement Projects
4. Valve Enhancement Plan

Exhibit SCG-15-R, p. RDP-iv

TURN-SCGC Position: TURN/SCGC recommends that SCG's forecasts associated with the "risk assessment" factor (aka contingency adder) be removed. As a result, total proposed capital reduction is \$127.1 million during the three-year GRC cycle:

1. \$13.7 million related to pressure test projects.
2. \$37.5 million related to 9.5 replacement projects.
3. \$75.9 million related to Line 44-1008 (50%)

TURN/SCGC (Yap), p. 16-19

Note: Figures shown in the table below represent only a portion of the total PSEP forecast and do not reflect all of the reductions listed above.

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
00569A.003	0	0	9,122	9,122
00569C.002	0	0	9,202	9,202
Total	0	0	18,324	18,324

TURN-SCGC	2017	2018	2019	Total
00569A.003	0	0	9,122	9,122
00569C.002	0	0	9,202	9,202
Total	0	0	18,324	18,324

Difference	2017	2018	2019	Total
00569A.003	0	0	0	0
00569C.002	0	0	0	0
Total	0	0	0	0

Chapter 5 - TURN-SCGC vs. SoCalGas

Part C - Other

1. SCG-15-R - PIPELINE SAFETY ENHANCEMENT PLAN (PSEP)

Issue #	Subject	Reference
1. SCG15.004	Two-way Balancing Account	5C1-a1
2. SCG15.005	Modern Standard	5C1-a2
TOTAL	TOTAL	

CHAPTER 5C1-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN-SCGC Differences to SoCalGas Requests

Exhibit No.: SCG-15-R
Area: PIPELINE SAFETY ENHANCEMENT PLAN (PSEP)
Witness: Phillips, Richard D.
Subject: Two-way Balancing Account

Issue Description: TURN/SCGC opposes two-way balancing account

SoCalGas Position: SCG proposes to continue to record and balance PSEP costs in a two-way balancing account, the Pipeline Safety Enhancement Plan Balancing Account (PSEPBA).

Exhibit SCG-15-R, p. RDP-iii

TURN-SCGC Position: The Commission should deny balancing account coverage for the Applicants' PSEP costs going forward.

Exhibit TURN/SCGC-01 (Yap), p. 47

CHAPTER 5C1-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN-SCGC Differences to SoCalGas Requests

Exhibit No.: SCG-15-R
Area: PIPELINE SAFETY ENHANCEMENT PLAN (PSEP)
Witness: Phillips, Richard D.
Subject: Modern Standard

Issue Description: Interpretation of Subpart J

SoCalGas Position: SoCalGas understands the language in D.11-06-017 to require gas utilities to propose a plan to validate that all in-service natural gas transmission pipelines in California have “been pressure tested in accord with 49 CFR 192.619, excluding subsection 49 CFR 192.619 (c),” i.e., to the “modern standard” set by 49 CFR 192 Subpart J (Subpart J).

SoCalGas requests the Commission clarify State policy regarding pipelines that have documentation of a pressure test that pre-dates the adoption of federal pressure testing requirements (categorized as Phase 2B in SoCalGas and SDG&E’s PSEP).

Exhibit SCG-15-R, p. RDP-A-57

TURN-SCGC Position: The Commission Should Reject the Applicants’ Claim that D.11-06-017 Requires All Pipelines to Be Tested in Accordance with 49 Code of Federal Regulations Part 192 Subpart J.

Exhibit TURN/SCGC-01 (Yap), p. 49

Chapter 5 - TURN-SCGC vs. SoCalGas

Part C - Other

2. SCG-44-2R - POST-TEST YEAR RATEMAKING

Issue #	Subject	Reference
1. SCG44.001	GRC Term	5C2-a1
TOTAL	TOTAL	

CHAPTER 5C2-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
TURN-SCGC Differences to SoCalGas Requests

Exhibit No.: SCG-44-2R
Area: POST-TEST YEAR RATEMAKING
Witness: Hrna, Sandra K.
Subject: GRC Term

Issue Description:

SoCalGas Position: SoCalGas proposes a four-year term (2019-2022) for this GRC cycle.

Exhibit SCG-44-2R, JAM-1

TURN-SCGC Position: TURN-SCGC recommends that the Commission deny the Applicants' request for a third attrition year.

Exhibit TURN-SCGC (Yap), p. 10

Chapter 6

Differences Between SoCalGas and IS

Chapter 6 - IS vs. SoCalGas

Part A - O&M and Capital Expenditures

1. SCG-15-R - PIPELINE SAFETY ENHANCEMENT PLAN (PSEP)

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	IS	IS vs. SoCalGas	
1. 2PS000.000	79,212	63,407	(15,805)	6A1-a1
TOTAL	79,212	63,407	(15,805)	

CHAPTER 6A1-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
IS Differences to SoCalGas Requests

Exhibit No.: SCG-15-R
Area: PIPELINE SAFETY ENHANCEMENT PLAN (PSEP)
Witness: Phillips, Richard D.

NONSHARED O&M

Subject: PIPELINE SAFETY ENHANCEMENT PROGRAM
Workpaper: 2PS000.000

SoCalGas Position: SoCalGas forecasts \$249.468 million in O&M, and \$649.326 million in capital expenditures through 2021. SoCalGas' forecasts are comprised of the following components:

1. Pressure Test Projects
2. Miscellaneous PSEP Costs
3. Replacement Projects
4. Valve Enhancement Plan

Exhibit SCG-15-R, p. RDP-iv

IS Position: Indicated Shippers (IS) recommends that SCG's forecasts associated with the risk assessment adder be removed. As a result, total proposed O&M reduction is \$47.414 million for 2019-2021.

Indicated Shippers (Gorman), p. 35

Note: For this summary, IS proposed decrease is normalized over 3 years, resulting in \$15.8 million reduction for 2019.

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>IS</u>	<u>Difference</u>
Labor	4,260	4,260	0
NonLabor	74,952	59,147	-15,805
Nonstandard	0	0	0
TOTAL	79,212	63,407	-15,805

Chapter 6 - IS vs. SoCalGas

Part A - O&M and Capital Expenditures

1. SCG-15-R - PIPELINE SAFETY ENHANCEMENT PLAN (PSEP)

b. CAPITAL

Project	2017+2018+2019 (in 2016 \$, 000s)			Reference
	SoCalGas	IS	IS vs. SoCalGas	
1. 00569.0.ALL	18,324	18,324	0	6A1-b1
TOTAL	18,324	18,324	0	

CHAPTER 6A1-b1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
IS Differences to SoCalGas Requests

Exhibit No.: SCG-15-R
Area: PIPELINE SAFETY ENHANCEMENT PLAN (PSEP)
Witness: Phillips, Richard D.

CAPITAL EXPENDITURES

Project: PSEP AUX EQUIP & INFRASTR - NON PHASE
Budget Code: 00569.0.ALL

SoCalGas Position: SoCalGas forecasts \$249.468 million in O&M, and \$649.326 million in capital expenditures through 2021. SoCalGas' forecasts are comprised of the following components:

1. Pressure Test Projects
2. Miscellaneous PSEP Costs
3. Replacement Projects
4. Valve Enhancement Plan

Exhibit SCG-15-R, p. RDP-iv

IS Position: Indicated Shippers (IS) recommends that SCG's forecasts associated with the risk assessment adder be removed. Also, IS recommends that the Valve Enhancement Plan be extended over 2 GRC cycles. As a result, total proposed capital reduction is \$204.971 million for 2019-2021:

1. \$11.178 million associated with pressure test projects.
2. \$49.687 million associated with replacement projects.
3. \$42.213 million associated with valve enhancement.
4. \$101.893 million associated with extension of valve enhancement over 2 GRC cycles.

Indicated Shippers (Gorman), p. 35, 39, 42

Note: Figures shown in the table below represent only a portion of the total PSEP forecast and do not reflect all of the reductions listed above.

CHAPTER 6A1-b1

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
00569A.003	0	0	9,122	9,122
00569C.002	0	0	9,202	9,202
Total	0	0	18,324	18,324

IS	2017	2018	2019	Total
00569A.003	0	0	9,122	9,122
00569C.002	0	0	9,202	9,202
Total	0	0	18,324	18,324

Difference	2017	2018	2019	Total
00569A.003	0	0	0	0
00569C.002	0	0	0	0
Total	0	0	0	0

Chapter 6 - IS vs. SoCalGas

Part A - O&M and Capital Expenditures

2. SCG-31 - PENSION & PBOPs

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	IS	IS vs. SoCalGas	
1. 2PN000.000	202,830	124,700	(78,130)	6A2-a1
TOTAL	202,830	124,700	(78,130)	

CHAPTER 6A2-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
IS Differences to SoCalGas Requests

Exhibit No.: SCG-31
Area: PENSION & PBOPs
Witness: Robinson, Debbie S.

NONSHARED O&M

Subject: EMPLOYEE PENSION
Workpaper: 2PN000.000

SoCalGas Position: The SoCalGas and SDG&E proposed methodology stops the continued underfunding of the Projected Benefit Obligation (PBO) and targets its full funding within seven years. Recover is based on the greater of: (i) the annual service cost plus a seven-year amortization of the PBO shortfall; (ii) the annual ERISA minimum required contribution, or (iii) the contribution required to maintain an 85% AFTAP.

Annual contributions will be limited so that the contribution does not result in pension assets exceeding 110% of the PBO.

Exhibit SCG-31/SDG&E-29, p. DSR-2

IS Position: Indicated Shippers proposes using the current methodology for a pension expense of \$124.7 million in the 2019 test year.

Alternative: If the Commission adopts SoCalGas' proposed new methodology, but uses an amortization period that aligns with the expected average service life of the eligible employees, then the Commission should approve \$133.5 million pension funding cost.

Exhibit IS (Gorman), p. 52

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>IS</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	202,830	124,700	-78,130
TOTAL	202,830	124,700	-78,130

Chapter 6 - IS vs. SoCalGas

Part C - Other

1. SCG-02-R - RISK MANAGEMENT

Issue #	Subject	Reference
1. SCG02.001	Limited Increases on Risk Assessment Mitigation Phase (RAMP)	6C1-a1
TOTAL	TOTAL	

CHAPTER 6C1-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
IS Differences to SoCalGas Requests

Exhibit No.: SCG-02-R
Area: RISK MANAGEMENT
Witness: Day, Diana L.
Subject: Limited Increases on Risk Assessment Mitigation Phase (RAMP)

Issue Description:

SoCalGas Position: The Commission should not limit RAMP-related spending through one-way balancing account treatments, cost caps, or both as it would be unwise and incompatible with the Commission's decision in D.14-12-025 (and confirmed by D.16-08-018) to verify utility accountability for RAMP-related activities and costs through the two annual accountability reports. The Commission actively chose to adopt new accountability reporting requirements to achieve utility accountability, rather than other options such as regulatory accounts and cost caps. Further, because risks are dynamic, flexibility is required as SoCalGas and SDG&E may need to shift resources to pressing or emerging risks. Setting a cost cap specific to how much SoCalGas and SDG&E should be authorized to manage their key safety risks would set an unwise public policy precedent.

Exhibit SCG-202/SDG&E-202, p. DD/GF/JY-12

IS Position: Indicated Shippers recommend that the Commission impose limits to increases on rates as a RAMP planning criterion. For example, rate increases limited to the projected Consumer Price Index changes over at least the post-test year period could be used as a planning factor. However, specific critical projects that are needed for safety or risk mitigation would be exempted for this limited rate increase criterion.

Exhibit IS (Gorman), p. 10

Chapter 6 - IS vs. SoCalGas

Part C - Other

2. SCG-07 - GAS TRANSMISSION CAPITAL

Issue #	Subject	Reference
1. SCG07.000	Identification of future capital projects in PTY period	6C2-a1
TOTAL	TOTAL	

CHAPTER 6C2-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
IS Differences to SoCalGas Requests

Exhibit No.: SCG-07
Area: GAS TRANSMISSION CAPITAL
Witness: Musich, Elizabeth A.
Subject: Identification of future capital projects in PTY period

Issue Description: Identification of future capital projects in PTY period

SoCalGas Position: Although the Rate Case Plan does not require identification of capital projects in the Post Test Year period, and considering that capital projects contemplated for post-test years 2020, 2021 and 2022 may be several years beyond the forecast development for a General Rate Case, in response to IS' testimony SoCalGas provided additional detail on anticipated non-routine compressor replacement projects in appendices to its rebuttal exhibit SCG-207.

IS Position: SoCalGas should identify future needed non-routine large capital projects in the PTY period, estimating their costs, showing the cost/benefit of the projects, and demonstrating the inclusion of a non-routine project in a PTY period is prudent and reasonable.

Exhibit IS-1, p. 25

Chapter 6 - IS vs. SoCalGas

Part C - Other

3. SCG-15-R - PIPELINE SAFETY ENHANCEMENT PLAN (PSEP)

Issue #	Subject	Reference
1. SCG15.006	Two-way Balancing Account	6C3-a1
TOTAL	TOTAL	

CHAPTER 6C3-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
IS Differences to SoCalGas Requests

Exhibit No.: SCG-15-R
Area: PIPELINE SAFETY ENHANCEMENT PLAN (PSEP)
Witness: Phillips, Richard D.
Subject: Two-way Balancing Account

Issue Description: IS opposes two-way balancing account

SoCalGas Position: SCG proposes to continue to record and balance PSEP costs in a two-way balancing account, the Pipeline Safety Enhancement Plan Balancing Account (PSEPBA).

Exhibit SCG-15-R, p. RDP-iii

IS Position: IS believes the GRC process should maintain economic incentives to encourage aggressive management of the PSEP program, and the proposed two-way balancing account should be rejected.

Exhibit IS-1 (Gorman), p. 44

Chapter 6 - IS vs. SoCalGas

Part C - Other

4. SCG-44-2R - POST-TEST YEAR RATEMAKING

Issue #	Subject	Reference
1. SCG44.000	Attrition Year Increases	6C4-a1
2. SCG44.001	GRC Term	6C4-a2
TOTAL	TOTAL	

CHAPTER 6C4-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
IS Differences to SoCalGas Requests

Exhibit No.: SCG-44-2R
Area: POST-TEST YEAR RATEMAKING
Witness: Hrna, Sandra K.
Subject: Attrition Year Increases

Issue Description:

SoCalGas Position: SoCalGas proposes:

- Using IHS/Markit Global Insight's utility cost escalation factors to determine PTY O&M escalation (excluding medical expenses)
- Adopting Willis Towers Watson's actuarial forecasts and escalations to determine PTY medical expenses
- Calculating capital-related revenue requirements using: (a) an escalated 5-year average level of capital additions and (b) a forecast for Pipeline Safety Enhancement Plan (PSEP) capital additions beyond TY 2019

Rev Req Increase:

2020	8.08%	\$236.9 million
2021	6.09%	\$192.9 million
2022	6.03%	\$202.6 million

Exhibit SCG-44-2R, p. JAM-1 to JAM-2

IS Position: Indicated Shippers recommends that PTY revenue increases for non-PSEP capital should be denied. This removes the following capital-related revenue increase in the PTY period:
(Nominal\$-Millions)

Year	Remove Non-PSEP Capital Revenue
2020	\$179.3
2021	\$115.5
2022	\$117.8

Exhibit IS (Gorman), p. 27

Note: Indicated Shippers alternate proposal:
If the Commission chooses to allow some level of capital expenditures, Indicated Shippers recommends a limited PTY capital budget forecast based on the routine annual recurring capital expenditures in the historical period.

Exhibit IS (Gorman), p. 28

CHAPTER 6C4-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
IS Differences to SoCalGas Requests

Exhibit No.: SCG-44-2R
Area: POST-TEST YEAR RATEMAKING
Witness: Hrna, Sandra K.
Subject: GRC Term

Issue Description:

SoCalGas Position: SoCalGas proposes a four-year term (2019-2022) for this GRC cycle.

Exhibit SCG-44-2R, JAM-1

IS Position: Indicated Shippers recommends that the Commission rejected the proposed change to a four-year GRC cycle and maintain the three-year GRC cycle consistent with SoCalGas's last (2016) GRC.

Exhibit IS (Gorman), p. 16

Chapter 6 - IS vs. SoCalGas

Part C - Other

5. SCG-46-2R - PRESENT AND PROPOSED GAS TRANSPORTATION REVENUE & RATES

Issue #	Subject	Reference
1. SCG46.002	Affordability	6C5-a1
TOTAL	TOTAL	

CHAPTER 6C5-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
IS Differences to SoCalGas Requests

Exhibit No.: SCG-46-2R
Area: PRESENT AND PROPOSED GAS TRANSPORTATION REVENUE & RATES
Witness: Chaudhury, Iftekarul B.
Subject: Affordability

Issue Description: Rate Increases

SoCalGas Position: SCG believes it has fully justified its proposed rate increase in this proceeding.

IS Position: Indicated Shippers recommends that SoCalGas' proposed increase in revenues in the 2019 test year be reduced by approximately \$125 million.

Indicated Shippers recommends that the Commission impose limits to increases on rates as a RAMP planning criterion. For example, rate increases limited to the projected Consumer Price Index changes over at least the PTY period could be used as a planning factor. This reasonable escalation should approximate not only incremental capital investments, but incremental changes in O&M expenses. However, again, specific critical projects that are needed for safety or risk mitigation would be exempted for this limited rate increase criterion.

Exhibit IS-1 (Gorman), p. 10 & 15

Proposed TY2019 Forecast

<u>Year</u>	<u>SCG</u>	<u>IS</u>	<u>Difference</u>
2019	0	-125,000	-125,000
TOTAL	0	-125,000	-125,000

Chapter 7

Differences Between SoCalGas and FEA

Chapter 7 - FEA vs. SoCalGas

Part C - Other

1. SCG-29 - CORPORATE CENTER - INSURANCE

Issue #	Subject	Reference
1. SCG29.000	LIPBA	7C1-a1
2. SCG29.001	Liability Insurance	7C1-a2
TOTAL	TOTAL	

CHAPTER 7C1-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
FEA Differences to SoCalGas Requests

Exhibit No.: SCG-29
Area: CORPORATE CENTER - INSURANCE
Witness: Cayabyab, Neil K.
Subject: LIPBA

Issue Description:

SoCalGas Position: SDG&E and SoCalGas request the establishment of a new two-way Liability Insurance Premium Balancing Account. These new balancing accounts are necessary to protect against the possible increase in the need for additional amounts of liability insurance and because of market fluctuations in the cost of liability insurance.

Exhibit SCG-29/SDG&E-27, p. NKC-ii

FEA Position: FEA recommends that the Company's request to establish a two-way balancing account for liability insurance premiums be denied.

Exhibit FEA-1, p. 32

CHAPTER 7C1-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
FEA Differences to SoCalGas Requests

Exhibit No.: SCG-29
Area: CORPORATE CENTER - INSURANCE
Witness: Cayabyab, Neil K.
Subject: Liability Insurance

Issue Description:

SoCalGas Position: The 2019 insurance estimates are based on multiple factors, including expected insurance market conditions, insurance broker estimates (primarily provided by Marsh USA, Inc., and loss history. The TY 2019 Corporate Center Liability insurance forecast is \$166.965 million, as follows:

(Thousands of 2016 dollars)

2019 Forecast	Services Provided
69,224	General Excess
89,266	Fire
1,547	D&O
713	Fiduciary
4,226	Workers Comp
1,988	Other Liability

Exhibit SCG-29/SDG&E-27, p. NKC-1 and NKC-8

FEA Position: FEA recommends that multiple areas within Liability Insurance be based on recorded year, 2017:

(Thousands of dollars)

2019 Forecast	Services Provided
55,232	General Excess
81,483	Fire*
1,412	D&O
616	Fiduciary
3,671	Workers Comp

*Fire insurance consists of Wildfire Liability and Wildfire Property Damage Reinsurance. FEA makes a recommendation for Wildfire Liability only.

Exhibit FEA (Smith), p. 97 to 108

Chapter 8

Differences Between SoCalGas and CCUE

Chapter 8 - CCUE vs. SoCalGas

Part A - O&M and Capital Expenditures

1. SCG-04-R - GAS DISTRIBUTION

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	CCUE	CCUE vs. SoCalGas	
1. 2GD000.001	10,711	11,310	599	8A1-a1
2. 2GD000.002	16,050	17,525	1,475	8A1-a2
3. 2GD000.003	20,772	31,677	10,905	8A1-a3
4. 2GD000.004	16,997	17,177	180	8A1-a4
5. 2GD000.005	10,307	10,317	10	8A1-a5
TOTAL	74,837	88,006	13,169	

CHAPTER 8A1-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
CCUE Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

NONSHARED O&M

Subject: Leak Survey
Workpaper: 2GD000.001

SoCalGas Position: SoCalGas forecasts \$10.711 million of expenses in 2019 for Leak Survey.

The leak survey activity is a mitigation measure supporting three top safety risks identified in the RAMP Report: (1) Employee, Contractor, Customer, and Public Safety, (2) Catastrophic Damage Involving High-Pressure Pipeline Failure, and (3) Catastrophic Damage Involving Medium-Pressure Pipeline Failure.

SoCalGas chose the five-year (2012 through 2016) historical linear trend to forecast the base spending for the leak survey work. Added to base spending are incremental funding for (a) Bi-Annual high-pressure leak survey; (b) Enhanced leak survey - early vintage plastic pipe; (c) FOF savings.

Exhibit SCG-04-R, p. GOM-36 to GOM-40

CCUE Position: CUE recommends an increase of \$0.599 million over SCG's proposal.

1. An increase of \$0.099 million associated with shifting to annual inspections for some 6451 miles of pre-1986 plastic pipe

2. An increase of \$0.5 million to do a field comparison in 2019 of Picarro-type leak detection technology.

CUE (Marcus) p. 26-27

Note: For this summary, CUE's proposed increase is treated as labor cost.

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>CCUE</u>	<u>Difference</u>
Labor	10,705	11,304	599
NonLabor	6	6	0
Nonstandard	0	0	0
TOTAL	10,711	11,310	599

CHAPTER 8A1-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
CCUE Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

NONSHARED O&M

Subject: Locate & Mark
Workpaper: 2GD000.002

SoCalGas Position: SoCalGas forecasts \$16.050 million of expenses in 2019 for programs associated with Locate and Mark. The work is primarily consisted of (a) locating and marking SoCalGas' underground pipelines, (b) conducting job observations, (c) performing pothole operations and (d) performing depth checks.

The Locate and Mark forecast is based on the linear trend observed during the last five years (2012 through 2016). Added to this base forecast are USA ticket price increase and vacuum technology for potholing. The Locate and Mark survey activity is a mitigation measure identified in the RAMP Report: (1) Catastrophic Damage Involving Third-Party Dig-Ins.

Exhibit SCG-04-R, p. GOM-31 to GOM-36

CCUE Position: CUE recommends an increase of \$1.475 million over SCG's request.

1. CUE recommends \$16.354 million for Locate & Mark base forecast, an increase of \$0.915 million over SCG's proposal.

2. CUE also recommends \$0.56 million of 2019 expense for "additional standbys for observation on high pressure pipelines."

CUE (Marcus) p. 31-33

Note: For this summary, CUE's proposed increase is treated as labor cost.

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>CCUE</u>	<u>Difference</u>
Labor	14,590	16,065	1,475
NonLabor	1,460	1,460	0
Nonstandard	0	0	0
TOTAL	16,050	17,525	1,475

CHAPTER 8A1-a3

Southern California Gas Company
2019 Test Year GRC A.17-10-008
CCUE Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

NONSHARED O&M

Subject: Main Maintenance
Workpaper: 2GD000.003

SoCalGas Position: SoCalGas forecasts \$20.772 million of expenses in 2019 for Main Maintenance. The work is primarily comprised of (a) leak evaluation; (b) leak repairs; (c) franchise alterations; (d) compliance maintenance; and (e) miscellaneous maintenance.

SoCalGas uses a five-year (2012 through 2016) historical linear trend to forecast base expenses excluding damage credits. For the damage credits component of this workgroup, SoCalGas uses a five-year (2012 through 2016) average to forecast future expense. Adding to the base amount is incremental funding requested for leak repairs offset by FOF savings.

RAMP costs are included in SoCalGas' 2019 forecast.

Exhibit SCG-04-R, p. GOM-49 to GOM-56.

CCUE Position: CUE is proposing that SCG's current proposed 2,400 incremental leak repairs in 2019 be increased to 6,762 annual incremental leak repairs. As a result, CUE is proposing an additional \$10.905 million in 2019.

CCUE (Marcus) p. 24-25

Note: For this summary, CUE's proposed increase is treated as labor.

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>CCUE</u>	<u>Difference</u>
Labor	12,718	23,623	10,905
NonLabor	8,054	8,054	0
Nonstandard	0	0	0
TOTAL	20,772	31,677	10,905

CHAPTER 8A1-a4

Southern California Gas Company
2019 Test Year GRC A.17-10-008
CCUE Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

NONSHARED O&M

Subject: Service Maintenance
Workpaper: 2GD000.004

SoCalGas Position: SoCalGas forecasts \$16.997 million of expenses in 2019 for Service Maintenance. The work is primarily comprised of (1) evaluation and repair of service leaks; (2) service alteration; (3) MSA alterations and meter guard replacements; and (4) miscellaneous service and MSA maintenance.

SoCalGas used a five-year (2012 through 2016) linear trend to forecast the base level of funding needed for TY 2019. Added to this base are incremental work elements not reflected in the base forecast to adequately fund service maintenance activities in TY 2019. These work elements include MSA maintenance; meter guards; chronically inaccessible MSAs - disconnect service; offset by FOF savings.

RAMP costs are included in 2019 forecast.

Exhibit SCG-04-R, p. GOM-56 to GOM-61.

CCUE Position: CUE recommends an increase of \$0.180 million for MSA service repairs.

CUE (Marcus) p. 34

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>CCUE</u>	<u>Difference</u>
Labor	14,410	14,410	0
NonLabor	2,587	2,767	180
Nonstandard	0	0	0
TOTAL	16,997	17,177	180

CHAPTER 8A1-a5

Southern California Gas Company
2019 Test Year GRC A.17-10-008
CCUE Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

NONSHARED O&M

Subject: Tools Fittings & Materials
Workpaper: 2GD000.005

SoCalGas Position: SoCalGas forecasts \$10.307 million of expenses in 2019 for Tools, Fittings, and Materials. Recorded to this workgroup is the purchase of small tools, small pipe fittings, miscellaneous pipeline materials, and miscellaneous installation materials used during construction and maintenance activities and those held in inventory as vehicle truck stock.

SoCalGas used a five-year (2012 through 2016) historical linear trend to forecast future needs for tools, fittings and materials. Added to this base are incremental cost elements not reflected in the base forecast for TY 2019. These cost elements include (1) calibrated tools; (2) OMD cages; (3) MSA maintenance activities; (4) meter guard activities; and (5) OMD maintenance.

Exhibit SCG-04-R, p. GOM-69 to GOM-72

CCUE Position: CUE recommends an increase of \$0.010 million for Tools Fittings & Materials.

CUE (Marcus) p. 34

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>CCUE</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	10,307	10,317	10
Nonstandard	0	0	0
TOTAL	10,307	10,317	10

Chapter 8 - CCUE vs. SoCalGas

Part A - O&M and Capital Expenditures

1. SCG-04-R - GAS DISTRIBUTION

b. CAPITAL

Project	2017+2018+2019 (in 2016 \$, 000s)			Reference
	SoCalGas	CCUE	CCUE vs. SoCalGas	
1. 00256.0.ALL	87,477	88,256	779	8A1-b1
2. 00265.0.ALL	42,027	55,827	13,800	8A1-b2
3. 00267.0.ALL	12,627	18,563	5,936	8A1-b3
TOTAL	142,131	162,646	20,515	

CHAPTER 8A1-b1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
CCUE Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

CAPITAL EXPENDITURES

Project: Service Replacements
Budget Code: 00256.0.ALL

SoCalGas Position: SoCalGas requests \$28.538 million for 2017, \$31.470 million for 2018, and \$34.403 million for 2019 for Service Replacement.

RAMP costs are included in SoCalGas' forecasts.

Exhibit SCG-04-R, p. GOM-104

CCUE Position: CUE proposes replacing an additional 205 non-bare steel services per year starting in 2019 that are older than 67 years, at an incremental cost of \$0.779 million. CUE's total proposal for 2019 is \$35.182 million.

CUE (Marcus) p. 15-16

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
002560.001	26,388	29,212	31,877	87,477
002560.002	2,150	2,258	2,526	6,934
Total	28,538	31,470	34,403	94,411

CCUE	2017	2018	2019	Total
002560.001	26,388	29,212	32,656	88,256
Total	26,388	29,212	32,656	88,256

Difference	2017	2018	2019	Total
002560.001	0	0	779	779
002560.002	0	0	0	0
Total	0	0	779	779

CHAPTER 8A1-b2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
CCUE Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

CAPITAL EXPENDITURES

Project: Regulator Stations
Budget Code: 00265.0.ALL

SoCalGas Position: SoCalGas requests \$8.636 million for 2017, \$14.636 million for 2018, and \$19.436 million for 2019 for Regulator Stations.

SoCalGas' forecasts include RAMP-related costs, and incremental costs for the acceleration of regulator station replacements.

The Regulator Station activity is a mitigation measure identified in the RAMP report: (1) Catastrophic Damage Involving Medium-Pressure Pipeline Failure, (2) Catastrophic Damage Involving Medium-Pressure Pipeline Failure

Exhibit SCG-04-R, p. GOM-109 to GOM-111

CCUE Position: CUE proposes that SCG replace 23 incremental regulator station replacements per year above SCG's proposal. CUE's total proposal is \$33.236 for 2019, an increase of \$13.800 million over SCG's request.

CUE (Marcus) p. 16

Note: For this summary, CUE's proposed increase is treated as for project 00265.001.

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
002650.001	8,409	14,409	19,209	42,027
002650.002	185	185	185	555
002650.003	42	42	42	126
Total	8,636	14,636	19,436	42,708

CCUE	2017	2018	2019	Total
002650.001	8,409	14,409	33,009	55,827
Total	8,409	14,409	33,009	55,827

Difference	2017	2018	2019	Total
002650.001	0	0	13,800	13,800
002650.002	0	0	0	0
002650.003	0	0	0	0
Total	0	0	13,800	13,800

CHAPTER 8A1-b3

Southern California Gas Company
2019 Test Year GRC A.17-10-008
CCUE Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

CAPITAL EXPENDITURES

Project: Supply Line Replacements
Budget Code: 00267.0.ALL

SoCalGas Position: SoCalGas requests \$4.209 million each year for 2017-2019 for Supply Line Replacements.

The costs associated with this RAMP activity are included in the Supply Line Replacements base forecast for the years 2017 through 2019.

Exhibit SCG-04-R, p. GOM-99 to GOM-100

CCUE Position: CUE proposes SCG to increase its replacements of supply lines to 4.7 miles per year. As a result, CUE recommends \$10.145 million for 2019, an increase of \$5.936 million to SCG's 2019 request.

CUE (Marcus) p. 18

Proposed Capital Expenditures (in thousands of 2016 dollars)

	2017	2018	2019	Total
SCG				
002670.001	4,209	4,209	4,209	12,627
Total	4,209	4,209	4,209	12,627
CCUE				
002670.001	4,209	4,209	10,145	18,563
Total	4,209	4,209	10,145	18,563
Difference				
002670.001	0	0	5,936	5,936
Total	0	0	5,936	5,936

Chapter 8 - CCUE vs. SoCalGas

Part A - O&M and Capital Expenditures

2. SCG-05-R - GAS SYSTEM INTEGRITY

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	CCUE	CCUE vs. SoCalGas	
1. 2SI001.000	4,735	4,735	0	8A2-a1
TOTAL	4,735	4,735	0	

CHAPTER 8A2-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
CCUE Differences to SoCalGas Requests

Exhibit No.: SCG-05-R
Area: GAS SYSTEM INTEGRITY
Witness: Rivera, Omar

NONSHARED O&M

Subject: GAS OPERATIONS TRAINING & DEVELOPMENT
Workpaper: 2SI001.000

SoCalGas Position: SoCalGas requests \$4.734* million for TY 2019 for Gas Operations Training & Development using the five-year linear trend forecast methodology plus incremental increases.

Gas Operations Training and Development address the core duties in the Operation Training, Training and Support, Training Design and Support, Welding Training and Pipeline Maintenance Policy departments.

RAMP-related costs include mitigation activities for SCG-2 Employee, Contractor, Customer, and Public Safety, SCG-4, Catastrophic Damage Involving High-Pressure Pipeline Failure, SCG-7 Workforce Planning, Catastrophic Damage Involving Medium-Pressure Pipeline Failure.

*Amount differ from table below due to rounding.

Exhibit SCG-05-R, p. OR-24 to OR-33
Exhibit SCG-205, p. OR-9

CCUE Position: CUE does not dispute SoCalGas' incremental request for Gas Operations Training and Development; however, they do propose that the Commission make the proposed training expenditures subject to a one-way balancing account.

Exhibit CUE (D. Marcus), p. 36

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>CCUE</u>	<u>Difference</u>
Labor	2,141	2,141	0
NonLabor	2,594	2,594	0
Nonstandard	0	0	0
TOTAL	4,735	4,735	0

Chapter 8 - CCUE vs. SoCalGas

Part C - Other

1. SCG-14 - PIPELINE INTEGRITY FOR TRANSMISSION AND DISTRIBUTION

Issue #	Subject	Reference
1. SCG14.000	Vintage Integrity Plastic Plan (VIPP)	8C1-a1
2. SCG14.001	Bare Steel Replacement Plan (BSRP)	8C1-a2
3. SCG14.002	Distribution Riser Inspection Program (DRIP), increase in BSRP, VIPP	8C1-a3
TOTAL	TOTAL	

CHAPTER 8C1-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
CCUE Differences to SoCalGas Requests

Exhibit No.: SCG-14
Area: PIPELINE INTEGRITY FOR TRANSMISSION AND DISTRIBUTION
Witness: Martinez, Maria T.
Subject: Vintage Integrity Plastic Plan (VIPP)

Issue Description: Accelerate replacement rate for pre-1986 Aldyl-A gas pipe to replace 223 miles per year through 2022

SoCalGas Position: SoCalGas understands CUE's concern regarding the pace of replacement rates for the VIPP and BSRP programs, however it is SoCalGas' plan to continue to ramp-up the replacement rates throughout the General Rate Case cycle. Because SoCalGas' forecast endeavored to strike an appropriate balance between DIMP's pipeline safety, risk reduction effectiveness, and impact on ratepayer costs, SoCalGas recommends the Commission adopt its forecast as reasonable. DIMP is a balanced program; thus, should the Commission grant additional funding, as CUE requests, any over-collection would be returned under that mechanism to the customers.

Exhibit SCG-214, p. 11

CCUE Position: CUE proposes that VIPP Phase 2 should be accelerated to be completed in four years, SCG's proposed term for this GRC. SCG should be required to replace 223 miles per year in the 2019-2022 period. After 2022, there would still be 2-4 years left of the 6-8 year period over which SCG plans to increase its plastic pipe replacement rate, which would allow for a transition to the much higher replacement rates that would then be required.

SCG's 2019 capital budget for VIPP is \$102.96 million, based on 78 miles at \$250/foot. CUE's proposal would increase that to \$294.36 million, an increase of \$191.4 million, based on replacing 223 miles of mains and services in 2019.

Exhibit CUE (Marcus), p. 9

CHAPTER 8C1-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
CCUE Differences to SoCalGas Requests

Exhibit No.: SCG-14
Area: PIPELINE INTEGRITY FOR TRANSMISSION AND DISTRIBUTION
Witness: Martinez, Maria T.
Subject: Bare Steel Replacement Plan (BSRP)

Issue Description: Increase bare steel replacement starting in 2019

SoCalGas Position: SoCalGas understands CUE's concern regarding the pace of replacement rates for the VIPP and BSRP programs, however it is SoCalGas' plan to continue to ramp-up the replacement rates throughout the General Rate Case cycle. Because SoCalGas' forecast endeavored to strike an appropriate balance between DIMP's pipeline safety, risk reduction effectiveness, and impact on ratepayer costs, SoCalGas recommends the Commission adopt its forecast as reasonable. DIMP is a balanced program; thus, should the Commission grant additional funding, as CUE requests, any over-collection would be returned under that mechanism to the customers.

Exhibit SCG-214, p. 11

CCUE Position: Commission should require increased bare steel replacement starting in 2019 as bare steel is cathodically unprotected and thus at risk of accelerated corrosion. At SCG's proposed 2019 replacement rates, it would take until 2098 to remove all bare steel. CUE would accept replacing bare steel in this General Rate Case (GRC) cycle at only half of CUE's calculated rate and BSRP program should be increased from 29 to 103.5 miles of mains and service lines in 2019.

Exhibit CUE (Marcus), p. 12

CHAPTER 8C1-a3

Southern California Gas Company
2019 Test Year GRC A.17-10-008
CCUE Differences to SoCalGas Requests

Exhibit No.: SCG-14
Area: PIPELINE INTEGRITY FOR TRANSMISSION AND DISTRIBUTION
Witness: Martinez, Maria T.
Subject: Distribution Riser Inspection Program (DRIP), increase in BSRP, VIPP

Issue Description: 10% increase to the DRIP O&M program

SoCalGas Position: CUE recommends \$3.743 million more than SoCalGas' forecast for nonshared O&M expenses, on the basis of 10% increase in DRIP program and its recommended acceleration of the VIPP and BSRP programs. Because SoCalGas' forecast endeavored to strike an appropriate balance between DIMP's pipeline safety, risk reduction effectiveness, and impact on ratepayer costs, the Commission should adopt SoCalGas' forecast as reasonable.

Exhibit SCG-214, p. MTM-7

CCUE Position: CUE recommends a 10% increase to the DRIP O&M program. This is to modify process of re-inspecting mitigated risers to ensure process is working. CUE also recommends accelerating the VIPP and BSRP.

Exhibit CUE (Marcus), p. 36

Chapter 8 - CCUE vs. SoCalGas

Part C - Other

2. SCG-18-R - CS - FIELD & METER READING

Issue #	Subject	Reference
1. SCG18.000	Inadequate Staffing in CS-F Operations	8C2-a1
2. SCG18.001	Remediation of MTUs (CS-F Operations)	8C2-a2
TOTAL	TOTAL	

CHAPTER 8C2-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
CCUE Differences to SoCalGas Requests

Exhibit No.: SCG-18-R
Area: CS - FIELD & METER READING
Witness: Marelli, Gwen R.
Subject: Inadequate Staffing in CS-F Operations

Issue Description:

SoCalGas Position: CS-F Operations costs are primarily driven by work order volumes. BY 2016 order volume per active meter by order type and forecasted meter growth for 2017 through 2019 is applied to most order types for TY 2019 order volume forecasts. In addition, CS-F technician costs are driven by drive time, on-premises time, the amount of non-job time, training time and vacation and sick time.

With the exception of drive time which incorporated a 4% increase each year, BY 2016 data was used to determine the forecast for the various cost components and the required FTEs to complete the forecasted order volume.

Exhibit SCG-218, p. GRM-17

CCUE Position: CUE proposes to increase revenues for Customer Services-Field Operations Cost Category so that SoCalGas can hire a greater number of Energy Technician-Residential (ETR) employees and Energy Technician Residential-Apprentice (ETR-A) employees in order to provide adequate customer service.

Exhibit CCUE (Mitchell), p. 1 to 5

CHAPTER 8C2-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
CCUE Differences to SoCalGas Requests

Exhibit No.: SCG-18-R
Area: CS - FIELD & METER READING
Witness: Marelli, Gwen R.
Subject: Remediation of MTUs (CS-F Operations)

Issue Description:

SoCalGas Position: With the deployment of Advanced Metering Infrastructure (AMI) technology, CS-F will be required to replace MTUs with new ones when they need replacement. SoCalGas is requesting \$1.814 million for the remediation of MTUs due to the expected annual failure rate. The annual failure rate is covered by Mr. Garcia (Ex. SCG-17). The total connected meter forecast is covered by Ms. Payan (Ex. SCG-39).

Exhibit SCG-18-R, p. GRM-25

CCUE Position: CUE proposes that the O&M budget for the CS-F group be increased to allow for the same 1.92% per year failure rate expected for modules maintained by the M&R group. That would require an O&M allowance for AMI module replacements by the CS-F group of \$5.122 million in 2019, an increase of \$3.308 million over SCG's request.

Exhibit CCUE (Marcus), p. 28 to 29

Proposed TY2019 Forecast

<u>Year</u>	<u>SCG</u>	<u>CCUE</u>	<u>Difference</u>
2019	1,814	5,122	3,308
TOTAL	1,814	5,122	3,308

Chapter 8 - CCUE vs. SoCalGas

Part C - Other

3. SCG-19-R - CS - OFFICE OPERATIONS

Issue #	Subject	Reference
1. SCG19.000	Customer Contact Center Operations Spending - LOS	8C3-a1
TOTAL	TOTAL	

CHAPTER 8C3-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
CCUE Differences to SoCalGas Requests

Exhibit No.: SCG-19-R
Area: CS - OFFICE OPERATIONS
Witness: Baldwin, Michael H.
Subject: Customer Contact Center Operations Spending - LOS

Issue Description:

SoCalGas Position: SoCalGas targets a 60% LOS and proposes to add 19.7 FTEs from 2017-2019 to meet this target. The IVR acts as a virtual traffic cop to direct calls to specific CSRs who routinely handle the type of call the customer is calling about.

Exhibit SCG-219, p. MHB-13

CCUE Position: CUE proposes to increase revenue for Customer Contact Center Operations Spending so that SoCalGas can hire a greater number of Customer Service Representatives (CSRs) in order to provide adequate customer service. CUE proposes that the Commission require SoCalGas to meet a higher LOS.

Exhibit CCUE (Salas), p. 1 and 6

Chapter 8 - CCUE vs. SoCalGas

Part C - Other

4. SCG-44-2R - POST-TEST YEAR RATEMAKING

Issue #	Subject	Reference
1. SCG44.000	Attrition Year Increases	8C4-a1
2. SCG44.001	GRC Term	8C4-a2
TOTAL	TOTAL	

CHAPTER 8C4-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
CCUE Differences to SoCalGas Requests

Exhibit No.: SCG-44-2R
Area: POST-TEST YEAR RATEMAKING
Witness: Hrna, Sandra K.
Subject: Attrition Year Increases

Issue Description:

SoCalGas Position: SoCalGas proposes:

- Using IHS/Markit Global Insight's utility cost escalation factors to determine PTY O&M escalation (excluding medical expenses)
- Adopting Willis Towers Watson's actuarial forecasts and escalations to determine PTY medical expenses
- Calculating capital-related revenue requirements using: (a) an escalated 5-year average level of capital additions and (b) a forecast for Pipeline Safety Enhancement Plan (PSEP) capital additions beyond TY 2019

Rev Req Increase:

2020	8.08%	\$236.9 million
2021	6.09%	\$192.9 million
2022	6.03%	\$202.6 million

Exhibit SCG-44-2R, p. JAM-1 to JAM-2

CCUE Position: If the Sempra methodology for estimating PTYR revenue requirements is adopted, the capital spending should be based on Commission-adopted 2019 capital spending.

Exhibit CCUE (Marcus), p. 6

CHAPTER 8C4-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
CCUE Differences to SoCalGas Requests

Exhibit No.: SCG-44-2R
Area: POST-TEST YEAR RATEMAKING
Witness: Hrna, Sandra K.
Subject: GRC Term

Issue Description:

SoCalGas Position: SoCalGas proposes a four-year term (2019-2022) for this GRC cycle.

Exhibit SCG-44-2R, JAM-1

CCUE Position: CUE proposes a three-year GRC term.

Exhibit CCUE (Marcus), p. 5

Chapter 9

Differences Between SoCalGas and OSA

Chapter 9 - OSA vs. SoCalGas

Part C - Other

1. SCG-05-R - GAS SYSTEM INTEGRITY

Issue #	Subject	Reference
1. SCG05.000	Gas System Integrity – American Petroleum Institute's Recommended Practice 1173 (API RP 1173)	9C1-a1
TOTAL	TOTAL	

CHAPTER 9C1-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
OSA Differences to SoCalGas Requests

- Exhibit No.:** SCG-05-R
- Area:** GAS SYSTEM INTEGRITY
- Witness:** Rivera, Omar
- Subject:** Gas System Integrity – American Petroleum Institute’s Recommended Practice 1173 (API RP 1173)
- Issue Description:** Gas System Integrity – American Petroleum Institute’s Recommended Practice 1173 (API RP 1173)
- SoCalGas Position:** SCG and SDG&E propose that Gas System Integrity develop and implement a company-wide Pipeline Safety Management System (PSMS) API RP 1173, consistent with the Pipeline and Hazardous Materials Safety Administration’s recommendation. SCG forecasts \$3.830 million of expenses in 2019 for these efforts; SDG&E forecasts \$0.127 million of expenses in 2019 for these efforts. A zero-based methodology plus incremental increases was used to forecast this RAMP Incremental activity.
- API RP 1173 is a systematic way to identify hazards and control risks while validating that these risk controls are effective. SCG and SDG&E are seeking conformance with API RP 1173’s voluntary standard, including adopting its 10 tenets (e.g., Leadership and Mgmt Commitment, Risk Mgmt, Safety Assurance, Continuous Improvement).
- Exh SCG-05-R, pp. OR-44 to OR-46; Exh SDG&E-05, pp. OR-14 to OR-17; Exh SCG-250/SDG&E-252
- OSA Position:** OSA supports the implementation of API RP 1173 standards; however, additional conditions and considerations should be placed on SoCalGas’ and SDG&E’s implementation of API RP 1173. SoCalGas and SDG&E should:
- feverishly seek implementation of API RP 1173;
 - seek effectiveness of the PSMS in meeting objectives;
 - explicitly designate an Accountable Officer;
 - conduct a third-party audit of their implementation;
 - develop a long-term multi-year plan based on what will be prioritized;
 - include the PSMS as RAMP and report on it in the accountability reports;
- and at a minimum, meet annually with OSA and Safety and Enforcement Division staff to present their progress and continued implementation plans.
- In addition, the Commission should lay out the expectation that SoCalGas and SDG&E feverishly seek implementation of API RP 1173.
- Exhibit OSA-1, pp. 3-3 to 3-4
- Note:** SCG and SDG&E agree that a long-term multi-year plan is necessary. It is their intent to begin with a high-level plan first and then work towards developing a detailed plan that will further be prioritized. SCG and SDG&E clarify that API RP 1173 was designated as a RAMP item in this GRC. Also, SCG and SDG&E do not oppose meeting annually with OSA and SED to present progress on API RP 1173. They do not oppose evaluating OSA’s proposed voluntary API third-party audit program during the maturity assessment phase.

Exhibit SCG-205, pp. OR-17 to OR-27

Chapter 9 - OSA vs. SoCalGas

Part C - Other

2. SCG-10-R - UNDERGROUND STORAGE

Issue #	Subject	Reference
1. SCG10.000	Safety Management System	9C2-a1
TOTAL	TOTAL	

CHAPTER 9C2-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
OSA Differences to SoCalGas Requests

Exhibit No.: SCG-10-R
Area: UNDERGROUND STORAGE
Witness: Navin, Neil P.
Subject: Safety Management System

Issue Description: Safety Management System

SoCalGas Position: SoCalGas agrees with OSA that Underground Gas Storage would benefit from an SMS approach, and is committed to a voluntary implementation of API RP 1173. As planning and implementation of API RP 1173 moves forward company-wide, there is a coordination of efforts which includes Underground Gas Storage to streamline initiatives and seek opportunities to integrate SMS.

Exhibit SCG-210, p. NPN-15

OSA Position: OSA does not recommend any adjustment to Underground Storage's costs for TY 2019 as presented in this GRC. However, OSA asserts in its testimony that Underground Gas Storage would benefit from a Safety Management System approach, and states that "[t]he Utilities should develop a safety management system (SMS) framework to address [] gas storage assets/operations, and present its proposal in the next GRC. The framework/s should leverage the API 1173 framework's emphasis on safety culture."

Exhibit OSA-1, p. 2-4, 2-40, 2-25

Chapter 9 - OSA vs. SoCalGas

Part C - Other

3. SCG-14 - PIPELINE INTEGRITY FOR TRANSMISSION AND DISTRIBUTION

Issue #	Subject	Reference
1. SCG14.003	Line 235-2 failure	9C3-a1
TOTAL	TOTAL	

CHAPTER 9C3-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
OSA Differences to SoCalGas Requests

Exhibit No.: SCG-14
Area: PIPELINE INTEGRITY FOR TRANSMISSION AND DISTRIBUTION
Witness: Martinez, Maria T.
Subject: Line 235-2 failure

Issue Description: Line 235-2 failure

SoCalGas Position: SCG did not address Line 235-2 failure in TIMP or DIMP testimony.
Exhibit SCG-14

OSA Position: The rupture of Line 235-2 highlights a safety gap in SoCalGas' pipeline integrity program. Incident investigations, investigation findings, and lessons learned are important elements of a pipeline safety management program. OSA recommends to prevent similar incidents that safety management systems should be used to develop the programs in GRCs, information from the RCA should be used to determine if the TIMP should be expanded to include non-HCA pipelines.

Exhibit OSA-1, p.4-1 to 4-7

Chapter 9 - OSA vs. SoCalGas

Part C - Other

4. SCG-32 - HUMAN RESOURCES DEPARTMENT, SAFETY, WORKERS' COMPENSATION & LONG-TERM

Issue #	Subject	Reference
1. SCG32.000	Comprehensive approach to safety culture assessment	9C4-a1
2. SCG32.001	Contractors should be included in safety culture assessments	9C4-a2
3. SCG32.002	Assessments can be biased based on the safety focus of the Utilities (1)	9C4-a3
4. SCG32.003	Assessments can be biased based on the safety focus of the Utilities (2)	9C4-a4
TOTAL	TOTAL	

CHAPTER 9C4-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
OSA Differences to SoCalGas Requests

Exhibit No.: SCG-32
Area: HUMAN RESOURCES DEPARTMENT, SAFETY, WORKERS' COMPENSATION & LONG-TERM DISABILITY
Witness: Gevorkian, Mary
Subject: Comprehensive approach to safety culture assessment

Issue Description:

SoCalGas Position: SoCalGas agrees with OSA that the multi-method framework, such as the one identified in Table 1 in the Prepared Testimony of Caroline Contreras and Jenny Au, should be utilized to comprehensively assess safety culture.

SoCalGas agrees with OSA's long-term goal and plans to formally integrate additional components of the framework over time to continually, but gradually, expand the scope and allow employees to understand, appreciate, and own the process and outcome.

Exhibit SCG-223, p. MG-4 to MG-5

OSA Position: The Utilities should adopt a more comprehensive multi-method approach to assessing their safety culture by ideally incorporating the five methods listed in Table 1 (Suveys/Questionnaires, Interviews, Focus Groups, Observation, and Document Analysis), but at minimum, by at least incorporating one for each information type. If the latter, the Utilities should strive to incorporate an ideal comprehensive approach to their assessments based on the needs of each utility as their assessment efforts mature.

Exhibit OSA-1, p. 2-13 to 2-18

CHAPTER 9C4-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
OSA Differences to SoCalGas Requests

Exhibit No.: SCG-32
Area: HUMAN RESOURCES DEPARTMENT, SAFETY, WORKERS' COMPENSATION & LONG-TERM DISABILITY
Witness: Gevorkian, Mary
Subject: Contractors should be included in safety culture assessments

Issue Description:

SoCalGas Position: SoCalGas agrees with OSA's fundamental premise that contractors play an important role and should be included in assessing the overall safety culture.

SoCalGas will continue to explore further and look for other effective ways, such as interviews, focus groups, observations and document analysis to integrate contractors into the formal safety culture assessment process.

Exhibit SCG-232, p. MG-6 to MG-7

OSA Position: The Utilities should work to incorporate contractors and any others involved in a work process or at a work site who are the responsibility of the operator or who could affect or be affected by safety culture.

Exhibit OSA-1, p. 2-15

CHAPTER 9C4-a3

Southern California Gas Company
2019 Test Year GRC A.17-10-008
OSA Differences to SoCalGas Requests

Exhibit No.: SCG-32
Area: HUMAN RESOURCES DEPARTMENT, SAFETY, WORKERS' COMPENSATION & LONG-TERM DISABILITY
Witness: Gevorkian, Mary
Subject: Assessments can be biased based on the safety focus of the Utilities (1)

Issue Description:

SoCalGas Position: SoCalGas agrees with OSA's emphasis on the importance of prompt and diligent follow up with employees on the survey results, which is why SoCalGas does promptly follow-up with employees regarding survey results. SoCalGas will continue to follow-through on future survey results as needed and appropriate.

Exhibit SCG-232, p. MG-7

OSA Position: It is also critical that the Utilities promptly and diligently follow up with employees on the survey results, subsequent efforts, and further explore the feedback provided by the workforce. If employees don't feel like real efforts to address issues are being made, then they will see their participation as unimportant and render the survey useless. This was reflected in some of the comments left by employees. Lack of follow through can be detrimental and could be reflected in the low-participation.

Exhibit OSA-1, p. 2-17 to 2-18

CHAPTER 9C4-a4

Southern California Gas Company
2019 Test Year GRC A.17-10-008
OSA Differences to SoCalGas Requests

Exhibit No.: SCG-32
Area: HUMAN RESOURCES DEPARTMENT, SAFETY, WORKERS' COMPENSATION & LONG-TERM DISABILITY
Witness: Gevorkian, Mary
Subject: Assessments can be biased based on the safety focus of the Utilities (2)

Issue Description:

SoCalGas Position: SoCalGas agrees fundamentally with OSA that safety culture results can be influenced depending on employees' understanding of the term "safety." This is one reason SoCalGas has consistently communicated with the employees that safety focuses on three primary areas: employee safety, customer safety, and public safety. SoCalGas described the same vision in its Gas Safety Plan.

As part of the survey process and on an ongoing basis, SoCalGas will continue to work proactively with its employees to ensure they are well aware of the broader context of safety, to include system safety, process safety, customer safety, public safety, contractor safety, and occupational safety.

Exhibit SCG-232, p. MG-8 to MG-9

OSA Position: Although SoCalGas claims a "very high" score for its overall safety barometer results, the Utilities should keep in mind that results can be biased based the perception or concept that employees have on what safety is. If there is an organizational emphasis on occupational safety, employees will likely respond to the survey based on that perception of safety. This means that the results will also reflect that perception and not be representative of other process/system safety considerations.

For future surveys, the Utilities should consider incorporating questions that reveal process safety perceptions, and proactively work to ensure that its workforce is well aware of process safety, its importance, and the differences with occupational safety.

Exhibit OSA-1, p. 2-17 to 2-18

Chapter 10

Differences Between SoCalGas and SC-UCS

Chapter 10 - SC-UCS vs. SoCalGas

Part C - Other

1. SCG-21 - CS - TECHNOLOGIES, POLICIES & SOLUTIONS

Issue #	Subject	Reference
1. SCG21.000	RD&D Program	10C1-a1
2. SCG21.001	P&ES Group	10C1-a2
TOTAL	TOTAL	

CHAPTER 10C1-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
SC-UCS Differences to SoCalGas Requests

Exhibit No.: SCG-21
Area: CS - TECHNOLOGIES, POLICIES & SOLUTIONS
Witness: Tomkins, Sharon L.
Subject: RD&D Program

Issue Description:

SoCalGas Position: The Research, Development & Demonstration (RD&D) funding request should not be dependent on the California Energy Commission's (CEC) proposed increase in funding. At this time, CEC has not submitted a formal request to the CPUC to expand the program budget. Even if it had, that does not mean there should be a corresponding reduction in SoCalGas' RD&D request. SoCalGas' RD&D program is supplementary to and complementary of other RD&D programs, including the CEC's. SoCalGas appropriately administers its RD&D program in accordance with California Public Utilities Code Section 740.1 guidelines, and the integrity of the RD&D program is governed by effective controls.

Exhibit SCG-221, p. ST:8-9

SC-UCS Position: SC-UCS discusses two positions regarding the SoCalGas RD&D program, first recommending a decrease in SoCalGas' RD&D funding commensurate with any increase in the CEC's Natural Gas R&D program fund and later suggesting that SoCalGas should no longer administer an R&D program.

Exhibit SC-UCS-01 (O'Dea) at 41:11-13 and 45:27 to 46:2

CHAPTER 10C1-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
SC-UCS Differences to SoCalGas Requests

Exhibit No.: SCG-21
Area: CS - TECHNOLOGIES, POLICIES & SOLUTIONS
Witness: Tomkins, Sharon L.
Subject: P&ES Group

Issue Description:

SoCalGas Position: SoCalGas' request for the P&ES group is appropriate. The group plays an important role in helping customers and state, local and regional governments and agency stakeholders understand and take into consideration the implications of state and federal policy goals and policy implementation on SoCalGas customers and operations. The group also negotiates with local governments on franchise matters to protect franchise rights and customer interests. It is appropriate for SoCalGas to present our and our natural gas customers' view with respect to measures being discussed. These activities allow state agencies and local and regional governments to take such views and potential implications into consideration in making informed and balanced decisions.

Exhibit SCG-221, p. ST-16

SC-UCS Position: SoCalGas' P&ES group has aggressively sought to interfere with measures by state agencies and local governments that would reduce reliance on fossil fuels by replacing natural gas end uses with electric options.

Exhibit SC-UCS-01 (O'Dea) at 11:2-6

Note: SC-UCS does not appear to have provided a specific forecast for either non-shared or shared P&ES O&M expenses and no methodology is identified for determining such an estimate.

Chapter 10 - SC-UCS vs. SoCalGas

Part C - Other

2. SCG-23-R - FLEET SERVICES & FACILITY OPERATIONS

Issue #	Subject	Reference
1. SCG23.000	NGV Infrastructure vs. EV Charging Cost	10C2-a1
2. SCG23.001	Justification to upgrade existing or construct new NGV refueling stations	10C2-a2
TOTAL	TOTAL	

CHAPTER 10C2-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
SC-UCS Differences to SoCalGas Requests

Exhibit No.: SCG-23-R
Area: FLEET SERVICES & FACILITY OPERATIONS
Witness: Herrera, Carmen L.
Subject: NGV Infrastructure vs. EV Charging Cost

Issue Description:

SoCalGas Position: SoCalGas disagrees with Sierra Club/UCS's position as Sierra Club/UCS erroneously claims that "Investments in electric infrastructure to support electric and hybrid electric vehicles are much lower than proposed costs for new and expanded NGV refueling stations." [1] A new, utility owned, Fleet-public access NGV station is designed to serve thousands of vehicles every year and can fuel a heavy-duty vehicle within several minutes. In 2017, SoCalGas' internal data showed that utility owned Fleet-public NGV stations fueled 162,033 vehicles, an average of 55 vehicles per stations per day (30 public vehicles and 25 Fleet vehicles). In contrast, a single EV charger, as described in the SB 350 Transportation Electrification proceeding, will serve on average 1.74 vehicles each day at the site in question. [2]

Exhibit SCG-223, p. CLH-61 to CLH-62

SC-UCS Position: SoCalGas should not recover the costs of natural gas vehicles where electric or hybrid electric options of that vehicle class are available. (O'Dea)

SoCalGas' proposed fleet procurement, which contemplates replacing petroleum and diesel vehicles with natural gas vehicles ("NGVs"), fails to assess the comparative cost and environmental benefits of electric and hybrid electric vehicle options. Electric vehicles offer superior efficiency and environmental benefits as compared to combustion technologies and are available for the majority of the SoCalGas fleet. SoCalGas has not met its burden of proof to demonstrate that continued procurement of NGVs is in the best interest of ratepayers.

Exhibit Sierra Club-UCS-01, p. 2,

Note: [1] Ex. SIERRA-UCS-01 (O'Dea) at 27:3-4.

[2] California Public Utilities Commission, Proposed Decision On The Transportation Electrification Standard Review Projects, issued March 30, 2018, page 66. Cost estimate assumes 18,234 vehicles served by 10,491 charge points or 1.74 vehicles per EV charger.

Note: Sierra Club/UCS make no specific expense level recommendation.

CHAPTER 10C2-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
SC-UCS Differences to SoCalGas Requests

Exhibit No.: SCG-23-R
Area: FLEET SERVICES & FACILITY OPERATIONS
Witness: Herrera, Carmen L.
Subject: Justification to upgrade existing or construct new NGV refueling stations

Issue Description:

SoCalGas Position: Sierra Club/UCS claims that the utilities have not demonstrated a need for new utility NGV stations. SoCalGas disagrees. SCG has experienced an increase in natural gas fuel use by over 21% from 2016 to 2017 and expects usage to increase by almost 24% from 2017 to 2018.

SCG is committed to operating and maintaining a reliable and effective fueling infrastructure to fuel its own NGV Fleet to support the use of lower emission vehicles in its operation. SoCalGas has committed purchase orders for new NGVs through 2019. These new NGVs orders coupled with SoCalGas' target of a majority NGV fleet of over 1,300 AFV's by 2020 will allow SCG' continued use of its new and existing NGV refueling stations.

Exhibit SCG-223, p. CLH-61 to CLH-62

SC-UCS Position: SoCalGas and SDG&E's proposals to expand or construct new NGV refueling stations have not been justified, create significant stranded asset risk, and should not be approved. (O'Dea)

Exhibit Sierra Club-UCS-01, p. 2

Chapter 11

Differences Between SoCalGas and CFC

Chapter 11 - CFC vs. SoCalGas

Part A - O&M and Capital Expenditures

1. SCG-04-R - GAS DISTRIBUTION

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	CFC	CFC vs. SoCalGas	
1. 2GD003.000	18,321	17,821	(500)	11A1-a1
TOTAL	18,321	17,821	(500)	

CHAPTER 11A1-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
CFC Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina

NONSHARED O&M

Subject: Cathodic Protection
Workpaper: 2GD003.000

SoCalGas Position: SoCalGas forecasts \$18.322 million of expenses in 2019 for Cathodic Protection. Cathodic protection is one method for mitigating external corrosion on steel pipelines.

A five-year (2012 through 2016) historical linear trend was used to forecast the base expense for this workgroup. Added to this base are work elements related to incremental cathodic protection system enhancement in TY 2019, offset by FOF savings.

RAMP costs are included in SoCalGas' 2019 forecast.

Exhibit SCG-04-R, p. GOM-45 to GOM-48

CFC Position: CFC Foundation recommends reducing the Cathodic Protection budget from \$18.3M to \$17.8M - a \$0.5M reduction.

Exhibit CFC-03-R, p. 9

Note: CFC Foundation does not specify whether its recommended reduction is labor or non-labor. This summary treats it as labor.

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>CFC</u>	<u>Difference</u>
Labor	10,542	10,042	-500
NonLabor	7,779	7,779	0
Nonstandard	0	0	0
TOTAL	18,321	17,821	-500

Chapter 11 - CFC vs. SoCalGas

Part A - O&M and Capital Expenditures

2. SCG-14 - PIPELINE INTEGRITY FOR TRANSMISSION AND DISTRIBUTION

a. CAPITAL

Project	2017+2018+2019 (in 2016 \$, 000s)			Reference
	SoCalGas	CFC	CFC vs. SoCalGas	
1. 00277.0.ALL	202,620	131,920	(70,700)	11A2-a1
TOTAL	202,620	131,920	(70,700)	

CHAPTER 11A2-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
CFC Differences to SoCalGas Requests

Exhibit No.: SCG-14
Area: PIPELINE INTEGRITY FOR TRANSMISSION AND DISTRIBUTION
Witness: Martinez, Maria T.

CAPITAL EXPENDITURES

Project: Distribution Integrity Management
Budget Code: 00277.0.ALL

SoCalGas Position: SoCalGas requests a total of \$74.383 million for 2017, \$74.383 million for 2018, and \$160.000 million for 2019 for the Distribution Integrity Management Program (DIMP).

RAMP-related costs include mitigation activity for Catastrophic Damage Involving Medium Pressure Pipeline Failure.

The amounts in the tables below reflect only those projects where a disallowance has been recommended.

Exhibit SCG-14, p. MTM-31 to MTM-32

CFC Position: CFC's proposed reduction is the result of limiting DIMP capital spending to a 20% increase in 2019 over existing levels (2017: \$74M * 1.2 = \$90M). This is a \$70.7 million reduction from SCG proposed \$160.0 million request, to \$89.3 million.

The reduction is based on waiting for leak rate analysis done by the 3 new project advisors who will implement leak analysis and process strategy including appropriate performance metrics.

Exhibit CSC-03, p. 1-7

Note: There are three workpaper subs under budget code 00277.00. For the purpose of the Joint Comparison Exhibit, CFC's recommended reductions are taken out of 002770.001 only.

Proposed Capital Expenditures (in thousands of 2016 dollars)

SCG	2017	2018	2019	Total
002770.001	70,183	71,583	60,854	202,620
Total	70,183	71,583	60,854	202,620
CFC	2017	2018	2019	Total
002770.001	70,183	71,583	-9,846	131,920
Total	70,183	71,583	-9,846	131,920
Difference	2017	2018	2019	Total
002770.001	0	0	-70,700	-70,700
Total	0	0	-70,700	-70,700

Chapter 11 - CFC vs. SoCalGas

Part A - O&M and Capital Expenditures

3. SCG-22 - SUPPLY MANAGEMENT & LOGISTICS AND SUPPLIER DIVERSITY

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	CFC	CFC vs. SoCalGas	
1. 2SS006.000	2,910	1,720	(1,190)	11A3-a1
TOTAL	2,910	1,720	(1,190)	

CHAPTER 11A3-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
CFC Differences to SoCalGas Requests

Exhibit No.: SCG-22
Area: SUPPLY MANAGEMENT & LOGISTICS AND SUPPLIER DIVERSITY
Witness: Chow, Joseph

NONSHARED O&M

Subject: OFFICE SERVICES
Workpaper: 2SS006.000

SoCalGas Position: SoCalGas requests \$2.910 million for TY 2019 for Office Services using the five-year average forecast methodology.

Exhibit SCG-22, p. DW-14 to DW-15

CFC Position: CFC Foundation proposes a slight reduction to the SCG Office Services budget, based on the observed trend in actual spending. Rather than \$2.91 million, CFC Foundation recommends a budget of \$1.72 million for 2019.

Exhibit CFC-5-R, p. 1.

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>CFC</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	2,910	1,720	-1,190
Nonstandard	0	0	0
TOTAL	2,910	1,720	-1,190

Chapter 11 - CFC vs. SoCalGas

Part B - Capital-Related Costs

1. SCG-41-2R - MISCELLANEOUS REVENUES

Issue #	Subject	Reference
1. SCG41.001	Reconnection Charges	11B1-a1
TOTAL	TOTAL	

CHAPTER 11B1-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
CFC Differences to SoCalGas Requests

Exhibit No.: SCG-41-2R
Area: MISCELLANEOUS REVENUES
Witness: Steffen, Annette M.
Subject: Reconnection Charges

Issue Description: Increase of \$205 thousand

SoCalGas Position: SoCalGas forecasts \$1.513 million in reconnection charges.

Exhibit SCG-41-2R, p. AMS-4

CFC Position: CFC Foundation recommends increasing the expected Reconnections Charges revenues for 2019 from \$1.513 million to \$1.718 million. The net impact on the SCG revenue requirement would be an offsetting budget reduction of \$205 thousand.

Exhibit CFC-04-R, p. 7

Proposed TY2019 Forecast

<u>Year</u>	<u>SCG</u>	<u>CFC</u>	<u>Difference</u>
2019	1,513	1,718	205
TOTAL	1,513	1,718	205

Chapter 11 - CFC vs. SoCalGas

Part C - Other

1. SCG-04-R - GAS DISTRIBUTION

Issue #	Subject	Reference
1. SCG04.000	Unaccounted for Gas	11C1-a1
TOTAL	TOTAL	

CHAPTER 11C1-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
CFC Differences to SoCalGas Requests

Exhibit No.: SCG-04-R
Area: GAS DISTRIBUTION
Witness: Orozco-Mejia, Gina
Subject: Unaccounted for Gas

Issue Description: Reducing Revenue Requirement for Unaccounted for Gas

SoCalGas Position: Lost and Unaccounted for Gas should be addressed in the Triennial Cost Allocation Proceedings. Therefore, it is outside of the GRC scope.

Exhibit SCG-204, p. GOM-144

CFC Position: CFC Foundation estimates the current value of unaccounted for gas at \$27.9 million. Therefore, the 2019 SCG revenue requirement for Gas Distribution should be reduced by that amount.

Exhibit CFC-03-R (Roberts) at 11

Proposed TY2019 Forecast

<u>Year</u>	<u>SCG</u>	<u>CFC</u>	<u>Difference</u>
2019	0	-27,900	-27,900
TOTAL	0	-27,900	-27,900

Chapter 11 - CFC vs. SoCalGas

Part C - Other

2. SCG-26 - INFORMATION TECHNOLOGY

Issue #	Subject	Reference
1. SCG26.001	IT Division Capital	11C2-a1
TOTAL	TOTAL	

CHAPTER 11C2-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
CFC Differences to SoCalGas Requests

Exhibit No.: SCG-26
Area: INFORMATION TECHNOLOGY
Witness: Olmsted, Christopher R.
Subject: IT Division Capital

Issue Description:

SoCalGas Position: The forecast for SoCalGas IT-sponsored capital projects is:

(thousands of 2016 dollars)

2017	2018	2019
\$50,879	\$73,648	\$81,227

Exhibit SCG-26, p. 21

CFC Position: CFC Foundation proposes reducing the IT Division capital budget by \$13.9 million for 2019.

Exhibit CFC2 (Roberts, IT), p. 1

Proposed TY2019 Forecast

<u>Year</u>	<u>SCG</u>	<u>CFC</u>	<u>Difference</u>
2019	81,227	67,327	-13,900
TOTAL	81,227	67,327	-13,900

Chapter 11 - CFC vs. SoCalGas

Part C - Other

3. SCG-29 - CORPORATE CENTER - INSURANCE

Issue #	Subject	Reference
1. SCG29.002	Property Insurance - Excess	11C3-a1
TOTAL	TOTAL	

CHAPTER 11C3-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
CFC Differences to SoCalGas Requests

Exhibit No.: SCG-29
Area: CORPORATE CENTER - INSURANCE
Witness: Cayabyab, Neil K.
Subject: Property Insurance - Excess

Issue Description:

SoCalGas Position: The Excess Property Insurance program includes coverage for physical damage, earthquake, flood, excess pollution liability, control of well, and does not exclude losses from terrorism.

The Utility Allocation for Excess Property Insurance is \$8.908 million.

Exhibit SCG-29/SDG&E-27, p. NKC-3 to NKC-4

CFC Position: CFC Foundation proposes reducing the ratepayer share of funding Excess Property insurance premium expenses by \$1.8 million - from \$8.91 million to \$7.13 million.

Exhibit CFC-06, p. 1

Proposed TY2019 Forecast

<u>Year</u>	<u>SCG</u>	<u>CFC</u>	<u>Difference</u>
2019	8,908	7,130	-1,778
TOTAL	8,908	7,130	-1,778

Chapter 11 - CFC vs. SoCalGas

Part C - Other

4. SCG-46-2R - PRESENT AND PROPOSED GAS TRANSPORTATION REVENUE & RATES

Issue #	Subject	Reference
1. SCG46.000	Affordability	11C4-a1
TOTAL	TOTAL	

CHAPTER 11C4-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
CFC Differences to SoCalGas Requests

Exhibit No.: SCG-46-2R
Area: PRESENT AND PROPOSED GAS TRANSPORTATION REVENUE & RATES
Witness: Chaudhury, Iftexharul B.
Subject: Affordability

Issue Description: Rate increases

SoCalGas Position: SCG believes it has fully justified its proposed rate increase in this proceeding.

CFC Position: CFC Foundation recommends limiting the 2019 revenue requirements increase on the basis of observed median income growth in Sempra service region.

As an initial approach, CFC Foundation proposes limiting annual revenue requirement increases to twice the nominal median area income growth rate.

On this basis, CFC Foundation proposes reducing SCG's proposed 2019 revenue requirement by \$131 million.

Exhibit CFC-01-R, p. 3

Proposed TY2019 Forecast

<u>Year</u>	<u>SCG</u>	<u>CFC</u>	<u>Difference</u>
2019	0	-131,000	-131,000
TOTAL	0	-131,000	-131,000

Chapter 12

Differences Between SoCalGas and SCGC

Chapter 12 - SCGC vs. SoCalGas

Part C - Other

1. SCG-13 - GAS CONTROL AND SYSTEM OPERATIONS/PLANNING

Issue #	Subject	Reference
1. SCG13.001	ENVOY - Automated Trading of Scheduled Daily Quantities	12C1-a1
TOTAL	TOTAL	

CHAPTER 12C1-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
SCGC Differences to SoCalGas Requests

Exhibit No.: SCG-13
Area: GAS CONTROL AND SYSTEM OPERATIONS/PLANNING
Witness: Zornizer, Devin K.
Subject: ENVOY - Automated Trading of Scheduled Daily Quantities

Issue Description:

SoCalGas Position: SoCalGas is not requesting funding to include the functionality of automating the trading of scheduled daily quantities in this General Rate Case Application. SoCalGas maintains that the request for such functionality should be requested in A. 17-10-002, Core Balancing Proceeding.

Exhibit SCG-213, p. DKZ-19

SCGC Position: SCGC recommends that the Commission authorize the Applicants to spend an additional \$1 million in 2019 to incorporate automated trading of Daily Scheduled Quantities into the Applicants' Envoy electronic bulletin board system once the upgrading of its Microservice Architecture is completed in 2019. SCGC maintains that the request for such functionality is not within the scope of A.17-10-002, the core balancing proceeding.

Exhibit SCGC (Yap) , p. 2

Chapter 12 - SCGC vs. SoCalGas

Part C - Other

2. SCG-26 - INFORMATION TECHNOLOGY

Issue #	Subject	Reference
1. SCG26.000	ICDA Phase 4 (CS-OO)	12C2-a1
TOTAL	TOTAL	

CHAPTER 12C2-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
SCGC Differences to SoCalGas Requests

Exhibit No.: SCG-26
Area: INFORMATION TECHNOLOGY
Witness: Olmsted, Christopher R.
Subject: ICDA Phase 4 (CS-OO)

Issue Description: New project proposal

SoCalGas Position: Customer Services - Office Operations (SCG-19-R) provides business justification for the following ICDA projects related to improving customer experience:

BC 784H - 81470 ICDA Phase 1 and 2
BC 784C - 81470 FOF - Integrated Customer Data & Analytics (ICDA) Phase 3

(thousands of 2016 dollars)

BC	2017	2018	2019
784H	\$520	\$0	\$0
784C	\$1,545	\$534	\$0

SCGC Position: SCGC recommends that SoCalGas add Phase 4 to its ICDA project in order to complete the programming required to utilize the AMI data for core daily balancing purposes. SCGC recommends that the programming should be completed for no more than \$1 million in capital expenditures.

Exhibit SCGC (Yap), p. 21 to 22

Proposed TY2019 Forecast

<u>Year</u>	<u>SCG</u>	<u>SCGC</u>	<u>Difference</u>
2019	0	1,000	1,000
TOTAL	0	1,000	1,000

Chapter 13

Differences Between SoCalGas and EDF

Chapter 13 - EDF vs. SoCalGas

Part C - Other

1. SCG-13 - GAS CONTROL AND SYSTEM OPERATIONS/PLANNING

Issue #	Subject	Reference
1. SCG13.000	Facilities Sufficiency Group	13C1-a1
2. SCG13.002	Automated Imbalance Trade	13C1-a2
3. SCG13.003	Gas Electric Coordination (GEC)	13C1-a3
TOTAL	TOTAL	

CHAPTER 13C1-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
EDF Differences to SoCalGas Requests

Exhibit No.: SCG-13
Area: GAS CONTROL AND SYSTEM OPERATIONS/PLANNING
Witness: Zornizer, Devin K.
Subject: Facilities Sufficiency Group

Issue Description:

SoCalGas Position: SoCalGas maintains that the proposal to establish a "Facilities Sufficiency Group" should be addressed in the cost allocation proceeding and not in a GRC.

Exhibit SCG-213, p. DKZ-14 to DKZ-17

EDF Position: EDF proposes the Commission to require SCG to establish a Facilities Sufficiency Group (FSG) made up of representatives from SCG including senior members of its Engineering, Gas Control, Regulatory and Environmental staffs, plus senior Commission staff (including Engineering, Rates and facilities review staff; as well as stakeholder representatives from UPGD, CTAs, Suppliers (including CA producers), Electric Generators, and Environmental organizations.

Exhibit EDF-01, p. 5

CHAPTER 13C1-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
EDF Differences to SoCalGas Requests

Exhibit No.: SCG-13
Area: GAS CONTROL AND SYSTEM OPERATIONS/PLANNING
Witness: Zornizer, Devin K.
Subject: Automated Imbalance Trade

Issue Description:

SoCalGas Position: SoCalGas is not requesting funding to include the functionality of automating the trading of scheduled daily quantities in this General Rate Case Application (GRC).

Exhibit SCG-213, p. DKZ-12

EDF Position: EDF recommends that imbalance trading be implemented as an automated function within the ENVOY system.

Exhibit EDF-01, p. 16

CHAPTER 13C1-a3

Southern California Gas Company
2019 Test Year GRC A.17-10-008
EDF Differences to SoCalGas Requests

Exhibit No.: SCG-13
Area: GAS CONTROL AND SYSTEM OPERATIONS/PLANNING
Witness: Zornizer, Devin K.
Subject: Gas Electric Coordination (GEC)

Issue Description:

SoCalGas Position: SCG's RAMP is predicated on a risk framework that incorporate risk, value transparency, and place safety of the public, employees and contractors as a top priority. Safety is the priority before market risk and that is where SoCalGas focuses its efforts.

Regarding the operational risk, what EDF proposes is already being addressed within RAMP, and dollars are already identified. RAMP Chapter SCG-4 already addresses how operational risk is mitigated by operating the transmission system in a real-time control room environment, providing a centralized and holistic view of system health, and where the remote monitoring and operation of valves, compressor stations, pressure regulation equipment, and gas flow across the system enables Controllers to acknowledge, react and respond to both normal and abnormal operating conditions.

Exhibit SCG-213, p. DKZ-13 to DKZ-14

EDF Position: EDF recommends that SCG be required to allocate dollars to addressing both the operational risks, market risks and associated challenges of GEC so that ratepayers who pay for firm access to gas supply are benefitted from the services that SCG provides to the electric generators who do not have to pay for that same service.

EDF also recommends that this Commission require SCG examine and implement modifications to collect from those parties that expect (or as a practical matter receive) firm gas supplies but do not pay for them, namely the types of storage services that SCG provides with the assets, especially storage assets, supported by firm ratepayer dollars.

Exhibit EDF-01, p. 21-22

Chapter 13 - EDF vs. SoCalGas

Part C - Other

2. SCG-44-2R - POST-TEST YEAR RATEMAKING

Issue #	Subject	Reference
1. SCG44.001	GRC Term	13C2-a1
TOTAL	TOTAL	

CHAPTER 13C2-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
EDF Differences to SoCalGas Requests

Exhibit No.: SCG-44-2R
Area: POST-TEST YEAR RATEMAKING
Witness: Hrna, Sandra K.
Subject: GRC Term

Issue Description:

SoCalGas Position: SoCalGas proposes a four-year term (2019-2022) for this GRC cycle.

Exhibit SCG-44-2R, JAM-1

EDF Position: EDF agrees with CUE and IS that the GRC remain on a three-year term rather than the four-year term SCG and SDG&E are seeking.

EDF-03 (O'Connor Rebuttal), p. 7

Chapter 13 - EDF vs. SoCalGas

Part C - Other

3. SCG-46-2R - PRESENT AND PROPOSED GAS TRANSPORTATION REVENUE & RATES

Issue #	Subject	Reference
1. SCG46.003	Demand Forecasting Group	13C3-a1
TOTAL	TOTAL	

CHAPTER 13C3-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
EDF Differences to SoCalGas Requests

Exhibit No.: SCG-46-2R
Area: PRESENT AND PROPOSED GAS TRANSPORTATION REVENUE & RATES
Witness: Chaudhury, Iftekarul B.
Subject: Demand Forecasting Group

Issue Description: Role of Demand Forecasting Group

SoCalGas Position: Core customers' daily demand forecasting responsibilities are currently performed by the Demand Forecasting Group in Regulatory Affairs Department.

EDF Position: EDF proposes to move core customers' daily demand forecasting responsibilities from the Demand Forecasting Group in Regulatory Affairs Department (referred by EDF as RDFG) to the Gas Procurement Group.

Exhibit EDF-01 (Lander) at 17

Chapter 14

Differences Between SoCalGas and NDC

Chapter 14 - NDC vs. SoCalGas

Part A - O&M and Capital Expenditures

1. SCG-22 - SUPPLY MANAGEMENT & LOGISTICS AND SUPPLIER DIVERSITY

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	NDC	NDC vs. SoCalGas	
1. 2SS007.000	1,151	730	(421)	14A1-a1
TOTAL	1,151	730	(421)	

CHAPTER 14A1-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
NDC Differences to SoCalGas Requests

Exhibit No.: SCG-22
Area: SUPPLY MANAGEMENT & LOGISTICS AND SUPPLIER DIVERSITY
Witness: Chow, Joseph

NONSHARED O&M

Subject: SUPPLIER DIVERSITY
Workpaper: 2SS007.000

SoCalGas Position: SoCalGas requests \$1.151 million for TY 2019 for Supplier Diversity using the five-year average forecast methodology.

Exhibit SCG-22, p. DW-14

NDC Position: NDC proposes to reduce SoCalGas' 2019 forecast by \$.421 million, from \$1.151 million to .730 million. NDC recommends SoCalGas' forecasts should largely be based on 2016 recorded costs.

If the Commission finds SoCalGas' supplier diversity 5-year average costs forecast method reasonable, then the Commission should also condition approval of funding subject to an increase in SoCalGas's DBE spending goal to 43 percent, reflecting supplier diversity 5-year average performance.

Exhibit NDC-01, p. 30-32

Note: SoCalGas identified an error during the discovery process resulting in a reduction of \$0.100 million to the TY 2019 forecast of \$1.151 million. This will be corrected in the August 2018 Update filing.
(Exhibit SCG-222/SDG&E-220 p. JC/SF-7)

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>NDC</u>	<u>Difference</u>
Labor	479	328	-151
NonLabor	672	402	-270
Nonstandard	0	0	0
TOTAL	1,151	730	-421

Chapter 14 - NDC vs. SoCalGas

Part A - O&M and Capital Expenditures

2. SCG-30 - COMPENSATION & BENEFITS

a. O&M - NON-SHARED

Workpaper	2019 (in 2016 \$, 000s)			Reference
	SoCalGas	NDC	NDC vs. SoCalGas	
1. 2CP000.000	79,090	75,700	(3,390)	14A2-a1
2. 2CP000.001	10,029	0	(10,029)	14A2-a2
TOTAL	89,119	75,700	(13,419)	

CHAPTER 14A2-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
NDC Differences to SoCalGas Requests

Exhibit No.: SCG-30
Area: COMPENSATION & BENEFITS
Witness: Robinson, Debbie S.

NONSHARED O&M

Subject: COMPENSATION - VARIABLE PAY (GRC USE ONLY)
Workpaper: 2CP000.000

SoCalGas Position: Variable pay, or short-term incentive compensation, places a portion of employee compensation at-risk, subject to achievement of the plan's performance measures.

Exhibit SCG-30/SDG&E-28, p. DSR-9

NDC Position: NDC opposes executive ICP.

Exhibit NDC-01, p. 15

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>NDC</u>	<u>Difference</u>
Labor	79,090	75,700	-3,390
NonLabor	0	0	0
Nonstandard	0	0	0
TOTAL	79,090	75,700	-3,390

CHAPTER 14A2-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
NDC Differences to SoCalGas Requests

Exhibit No.: SCG-30
Area: COMPENSATION & BENEFITS
Witness: Robinson, Debbie S.

NONSHARED O&M

Subject: COMPENSATION - LTIP (GRC USE ONLY)
Workpaper: 2CP000.001

SoCalGas Position: Long-term incentives make up 11 percent to 51 percent of total target compensation (which includes base, short-term incentive and long-term incentive pay) for key management employees and officers.

SDG&E's forecasted TY 2019 long-term incentive cost is \$8.570 million and SoCalGas' is \$10.029 million.

Exhibit SCG-30/SDG&E-28, p. DSR-20 to DSR-21

NDC Position: NDC recommends that the Commission deny rate recovery of all of Sempra's LTIP costs.

Exhibit NDC-01, p. 19

Proposed TY2019 Forecast (in thousands of 2016 dollars)

<u>Expense Type</u>	<u>SCG</u>	<u>NDC</u>	<u>Difference</u>
Labor	0	0	0
NonLabor	0	0	0
Nonstandard	10,029	0	-10,029
TOTAL	10,029	0	-10,029

Chapter 14 - NDC vs. SoCalGas

Part C - Other

1. SCG-20-R - CS - INFORMATION

Issue #	Subject	Reference
1. SCG20.003	Multicultural and Language Survey	14C1-a1
TOTAL	TOTAL	

CHAPTER 14C1-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
NDC Differences to SoCalGas Requests

Exhibit No.: SCG-20-R
Area: CS - INFORMATION
Witness: Magana, Rosalinda
Subject: Multicultural and Language Survey

Issue Description:

SoCalGas Position: SoCalGas tracks the performance of campaign messaging tactics uniformly across all customer sectors. SoCalGas obtains insight into the effectiveness of its marketing efforts, including efforts with minority and low-income customers, through the analysis of metrics and performance for each communication channel conducted at the culmination of the campaign, and the results of the analysis are considered during the planning of following campaign strategies.

Exhibit SCG-220, p. RM-21

NDC Position: SoCalGas must conduct its multicultural and language surveys yearly, and expand the range to include Asian communities and customer assistance campaigns.

Exhibit NDC-01, p. ii

Chapter 14 - NDC vs. SoCalGas

Part C - Other

2. SCG-46-2R - PRESENT AND PROPOSED GAS TRANSPORTATION REVENUE & RATES

Issue #	Subject	Reference
1. SCG46.001	Affordability	14C2-a1
TOTAL	TOTAL	

CHAPTER 14C2-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
NDC Differences to SoCalGas Requests

Exhibit No.: SCG-46-2R
Area: PRESENT AND PROPOSED GAS TRANSPORTATION REVENUE & RATES
Witness: Chaudhury, Iftekarul B.
Subject: Affordability

Issue Description: Rate increases

SoCalGas Position: SCG believes it has fully justified its proposed rate increase in this proceeding.

NDC Position: NDC proposes the following:

1. The Commission must consider the reasonableness of utility requests, with a focus on keeping utility rates affordable for ratepayers.
2. Continued massive increases in utility revenue requirements outpace ratepayer ability to afford, and must be stopped.

Exhibit NDC-01 (Bautista), p. ii

Chapter 15

Differences Between SoCalGas and CLB

Chapter 15 - CLB vs. SoCalGas

Part C - Other

1. SCG-44-2R - POST-TEST YEAR RATEMAKING

Issue #	Subject	Reference
1. SCG44.000	Attrition Year Increases	15C1-a1
TOTAL	TOTAL	

CHAPTER 15C1-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
CLB Differences to SoCalGas Requests

Exhibit No.: SCG-44-2R
Area: POST-TEST YEAR RATEMAKING
Witness: Hrna, Sandra K.
Subject: Attrition Year Increases

Issue Description:

SoCalGas Position: SoCalGas proposes:

- Using IHS/Markit Global Insight's utility cost escalation factors to determine PTY O&M escalation (excluding medical expenses)
- Adopting Willis Towers Watson's actuarial forecasts and escalations to determine PTY medical expenses
- Calculating capital-related revenue requirements using: (a) an escalated 5-year average level of capital additions and (b) a forecast for Pipeline Safety Enhancement Plan (PSEP) capital additions beyond TY 2019

Rev Req Increase:

2020	8.08%	\$236.9 million
2021	6.09%	\$192.9 million
2022	6.03%	\$202.6 million

Exhibit SCG-44-2R, p. JAM-1 to JAM-2

CLB Position: The City of Long Beach recommends the following for estimating attrition year increases:

- Escalate total test year revenue requirement at a rate equal to the projected increase in consumer prices from the January 2018 IHS Markit US Economic Outlook and
- Add additional escalation for forecasted PSEP capital additions, as recommended by ORA

PTY	Increase
2020	3.30%
2021	3.75%
2022	3.75%

Exhibit CLB (Fulmer), p. 2 to 3

Chapter 16

Differences Between SoCalGas and SBUA

Chapter 16 - SBUA vs. SoCalGas

Part C - Other

1. SCG-20-R - CS - INFORMATION

Issue #	Subject	Reference
1. SCG20.000	FTEs to support small businesses	16C1-a1
2. SCG20.001	Small Commercial Customers Study	16C1-a2
3. SCG20.002	Education and Outreach for Small Businesses	16C1-a3
TOTAL	TOTAL	

CHAPTER 16C1-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
SBUA Differences to SoCalGas Requests

Exhibit No.: SCG-20-R
Area: CS - INFORMATION
Witness: Magana, Rosalinda
Subject: FTEs to support small businesses

Issue Description:

SoCalGas Position: SoCalGas supports marketing, communication, and outreach efforts to small and medium business customers through its Customer Strategy and Engagement organization, leveraging its Customer Marketing & Communication, Creative Services, Customer Insights & Analytics, and Digital Engagement teams, providing communications through multiple channels building awareness of, and improving access to, existing and new utility services, programs and resources, as well as targeted research and analysis to understand customer service needs and preferences. SoCalGas' Customer Segment Services organization provides support services strategy and customer services for the mass markets and small & medium business (SMB) customers.

Exhibit SCG-220, p. RM-23 to RM-24

SBUA Position: SBUA recommends that the Commission require SDG&E and SoCalGas to each commit to fund at least 10 full-time equivalent employees (FTE) that are trained and specifically dedicated to supporting small business with customer service and outreach. Of these 20 FTE at least two (one at SDG&E and one at SoCalGas) should be senior level employees, such as an account managers or supervisors. SBUA recommends that the Commission require both SDG&E and SoCalGas to create at least one department or organization that is specifically dedicated to shaping Sempra's company-wide interactions and policies to improve services for small business customers and to connect them with tools, resources, programs, services, and integrated demand-side management (IDSM) offerings.

Exhibit SBUA2 (Rafii), p. 9

CHAPTER 16C1-a2

Southern California Gas Company
2019 Test Year GRC A.17-10-008
SBUA Differences to SoCalGas Requests

Exhibit No.: SCG-20-R
Area: CS - INFORMATION
Witness: Magana, Rosalinda
Subject: Small Commercial Customers Study

Issue Description:

SoCalGas Position: SoCalGas regularly conducts business customer panels to understand the needs and interest of small and medium business customers. This customer panel wholly consists of small and medium business customers, providing the specific perspective and insight of this customer segment for their energy use and needs. SoCalGas analyzes the efforts of targeted campaign communications by tracking the performance of messaging tactics, with a sample of the campaign summary with results of the 2016 SMB energy efficiency marketing campaign.

Exhibit SCG-220, p. RM-25

SBUA Position: SBUA recommends that the Commission require Sempra to conduct a detailed study and report on the challenges and hurdles faced by small commercial customers in adopting energy solutions with concrete recommendations to address these hurdles, and to report the results of this report in the next GRC.

Exhibit SBUA2 (Rafii), p. 15

CHAPTER 16C1-a3

Southern California Gas Company
2019 Test Year GRC A.17-10-008
SBUA Differences to SoCalGas Requests

Exhibit No.: SCG-20-R
Area: CS - INFORMATION
Witness: Magana, Rosalinda
Subject: Education and Outreach for Small Businesses

Issue Description:

SoCalGas Position: SoCalGas conducts marketing and outreach campaigns that either target, or are specific to small business customers across multiple CPUC proceedings.

Exhibit SCG-220, p. RM-24

SBUA Position: SBUA recommends that SDG&E and SoCalGas implement education and outreach campaigns that specifically target small businesses.

Exhibit SBUA2 (Rafii), p. 8

Chapter 16 - SBUA vs. SoCalGas

Part C - Other

2. SCG-22 - SUPPLY MANAGEMENT & LOGISTICS AND SUPPLIER DIVERSITY

Issue #	Subject	Reference
1. SCG22.001	Track and report spending on non-diverse "small businesses" and conduct comprehensive study	16C2-a1
TOTAL	TOTAL	

CHAPTER 16C2-a1

Southern California Gas Company
2019 Test Year GRC A.17-10-008
SBUA Differences to SoCalGas Requests

Exhibit No.: SCG-22
Area: SUPPLY MANAGEMENT & LOGISTICS AND SUPPLIER DIVERSITY
Witness: Chow, Joseph
Subject: Track and report spending on non-diverse "small businesses" and conduct comprehensive study

Issue Description:

SoCalGas Position: SoCalGas maintain that the proposals to track and report spending on non-diverse "small businesses" and to conduct a study on how to provide assistance to non-diverse small businesses are outside the scope of this General Rate Case.

Exhibit SCG-222, p. JC/SF-9 to JC/SF-11

SBUA Position: SBUA recommends that the Commission require the utilities to track their spend on small businesses in their territories and implement future goals to increase contracting spend with both non-diverse and diverse small businesses. SBUA also recommends the Commission require the utilities to conduct a comprehensive study on the question of how best to provide targeted assistance to non-diverse small businesses to participate in the utilities' procurement spend and submit this study as part of the utilities' next Phase 1 GRC.

Exhibit SBUA (Rafii), p. 17