

TURN DATA REQUEST-042
SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8
SDG&E_SOCALGAS RESPONSE
DATE RECEIVED: APRIL 6, 2018
DATE RESPONDED: APRIL 16, 2018

Data Requests: Regarding Pensions (Exh. SCG-31/SDG&E-29)

1. Please reconcile the following numbers: the TWT SDGE Cash Balance Plan report, dated January 2017, p. 3, states that for 01/01/2016 the PBO was \$923 mm and the funded status was -\$173 million. The 10-k, p. 161, states that for January 1, 2016, the plan had a PBO of \$965 million, and had a “funded status for December 31” of -\$213 million. Please explain fully. If this is a matter of timing, please explain why the “funded status for December 31, 2015” of -\$213mm (on the 10-k) is different from the 1/1/2016 funded status of -\$173mm on the TWT report.

Utility Response 01:

There are two main sources for the differences:

- a) Amounts shown in the 10-K represent total pension figures and also include liabilities from a non-qualified pension plan related to certain SDG&E executives. This accounts for most of the difference (nearly \$37 million).
- b) The other ~\$3 million is due to re-measurement of the liabilities to take into account actual participant data at January 1, 2016. Because of timing, amounts reported in the 10-K are based on census data at the last completed measurement date. January 1, 2016 PBO in the 2016 SEC form 10-K is the same as the December 31, 2015 PBO reported in 2015 SEC Form 10-K and is based on actual participant data as of January 1, 2015. The valuation report recalculates the January 1, 2016 PBO to take into account the actual participant data at January 1, 2016. If employees transfer between the various companies, liabilities and assets may also be transferred between plans which could add to the minor differences.