

Exhibit No: SCG-02
Docket No.: R.13-11-005
Witness: Deanna R. Haines



**PREPARED DIRECT TESTIMONY OF
DEANNA R. HAINES ON BEHALF OF
SOUTHERN CALIFORNIA GAS COMPANY
(OSC ORDERED ITEMS OF TESTIMONY 3 AND 4)**

January 10, 2020

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1 and standards advocacy for nearly a month after the Commission ordered Respondent to cease
2 such advocacy” and that SoCalGas “submitted misleading and inaccurate information that
3 minimized the full extent of its codes and standards advocacy after the Commission ordered
4 Respondent to cease its ratepayer-funded advocacy.”³ The Scoping Ruling notes that, if these
5 allegations are true, the scope of this Order to Show Cause (OSC) are “If Respondent failed to
6 comply with Decision (D.) 18-05-041, should Respondent be fined, penalized, or have other
7 sanctions imposed for such failure; and 2. Whether Respondent failed to comply with Rule 1.1
8 of the Commission’s Rules of Practice and Procedure, and if so, whether Respondent should be
9 fined, penalized or have other sanctions imposed for such failure.”⁴

10 At issue, then, is SoCalGas’ compliance with D.18-05-041, specifically Ordering
11 Paragraph 53, which states that “[SoCalGas] is prohibited from participating in statewide codes
12 and standards advocacy activities, other than to transfer ratepayer funds to the statewide lead for
13 codes and standards, during this business plan period.”⁵ It is my understanding that, while
14 ambiguous in the decision, SoCalGas has since interpreted the prohibition on “statewide [energy
15 efficiency] codes and standards advocacy activities” to include federal codes and standards
16 advocacy undertaken as part of its Energy Efficiency Codes & Standards Advocacy program
17 activity.⁶ At no point has SoCalGas (or Cal Advocates in its motion) interpreted the prohibition
18 to include activity undertaken by SoCalGas related to local codes and standards, including

³ *Id.* at p. 2.

⁴ *Id.*

⁵ D.18-05-041, p. 193.

⁶ *See, e.g.*, Response of Southern California Gas Company to the Motion of the Public Advocates Office for an Order to Show Cause Why Southern California Gas Company Should not be Sanctioned for Violating a Commission Order and Rule 1.1 of the Commission’s Rules of Practice and Procedures, pp. 6-8 (July 30, 2019), *available at* <http://docs.epuc.ca.gov/PublishedDocs/Efile/G000/M313/K821/313821404.PDF> (hereinafter “SoCalGas Response to Cal Advocates’ Sanctions Motion”).

1 activity undertaken as part of the local codes and standards subprograms that are part of
2 SoCalGas' EE portfolio.⁷

3 It is also my understanding that SoCalGas' position is that D.18-05-041's prohibition
4 applies to funding statewide and federal energy efficiency codes and standards advocacy using
5 funds authorized as part of the Energy Efficiency Business Plan, which are generally balanced in
6 SoCalGas' Demand Side Management Balancing Account (DSMBA), and does not apply to
7 activities occurring in other parts of SoCalGas' business, such as that which is funded through its
8 GRC.⁸ My understanding is that the scopes of EE funding and GRC funding are separate. I
9 nonetheless address in this testimony the request in the Scoping Ruling for more information
10 outside of the EE proceeding regarding energy efficiency codes and standards-related charges in
11 SoCalGas' Operations and Maintenance (O&M) and GRC accounts. Consistent with D.18-05-
12 041's prohibition and the time period within the scope of this OSC, my testimony addresses
13 codes and standards (C&S) activity since June 1, 2018 that is:

- 14 1) energy efficiency C&S related (excluding, e.g., codes and standards dealing with
15 safety);
- 16 2) ratepayer funded outside of the DSMBA (excluding, e.g., shareholder funded
17 activity); and
- 18 3) *advocacy* at the state or federal level.

19 For the purposes of this testimony, I address activity through November 30, 2019. While
20 SoCalGas salaried employees generally do not track and record their time in such a way that
21 would be of assistance here, this testimony (particularly in response to Ordered Item of

⁷ See Prepared Direct Testimony of Darren Hanway, p. 2, for a description of these local codes and standards subprograms.

⁸ See, e.g., D.19-09-051, p. 380 and FOF 172 (SoCalGas' GRC Decision rejected parties' arguments to disallow ratepayer funding for activities they argued were inappropriate advocacy and/or lobbying, including SoCalGas comment letters to the California Energy Commission (CEC), and finding "[t]he comment-letters sent by SoCalGas to state and local government agencies . . . when read as a whole and in its entirety, do not constitute efforts to block measures to replace natural gas with electric options.")

1 Testimony 4) was prepared by meeting with the groups within SoCalGas most likely to engage
2 in such activity (if at all), querying those groups on their recollections of activity related to
3 energy efficiency codes and standards advocacy, and providing those responses. SoCalGas
4 reserves the right to supplement its testimony if it identifies other activity that is responsive to
5 the Scoping Ruling’s requested information.

6 **III. ORDERED ITEM OF TESTIMONY 3**

7 The Scoping Ruling requires SoCalGas to “explain why the C&S activities cited in Cal
8 Advocates’ motion as [sic] in SoCalGas’s Operation and Maintenance (O&M) and the General
9 Rate Case (GRC) accounts were charged to those accounts, and provides all relevant account
10 entries for those items.”⁹ Cal Advocates’ motion at footnote 88 states “while most EE charges
11 are in the DSMBA, SoCalGas charged its Operations and Maintenance Account for participation
12 of an employee in the Appliance Standards and Rulemaking Federal Advisory Committee
13 (ASRAC). See footnote 71. SoCalGas also charged the General Rate case for employee
14 participation in a building decarbonization meeting. See footnote 79.”¹⁰ This testimony will
15 therefore address these two activities.

16 **A. Appliance Standards and Rulemaking Federal Advisory Committee**

17 As provided to Cal Advocates in response to data requests,¹¹ a SoCalGas employee held a
18 seat on the Appliance Standards and Rulemaking Federal Advisory Committee (ASRAC) from

⁹ Scoping Ruling, p. 4.

¹⁰ Motion of the Public Advocates Office for an Order to Show Cause why Southern California Gas Company Should Not be Sanctioned for Violating a Commission Order and Rule 1.1. of the Commission Rules of Practice and Procedure, p. 16 (July 15, 2019), available at <http://docs.epuc.ca.gov/PublishedDocs/Efile/G000/M312/K060/312060052.PDF>.

¹¹ Appendix A to the testimony of Darren Hanway [SoCalGas’ Amended Response to CAL-ADVOCATES-HB-SCG-2018-13 (September 11, 2019); SoCalGas’ Amended Response to CAL-ADVOCATES-HB-SCG-2019-01 (September 11, 2019); SoCalGas’ Response to CAL-ADVOCATES-HB-SCG-2019-10 (August 29, 2019).]

1 December 1, 2016 to February 6, 2019. The time spent by the SoCalGas employee on ASRAC
2 related activities since June 1, 2018 amounted to approximately 30 minutes of time.¹² None of
3 the employee’s time related to ASRAC since June 1, 2018 amounted to federal or statewide
4 energy efficiency codes and standards advocacy.

5 ASRAC was created by the office of Energy Efficiency and Renewable Energy, an office
6 of the U.S. Department of Energy (DOE) “as a discretionary advisory committee to provide
7 advice and recommendations related to” development of minimum efficiency standards for
8 appliances and equipment; development of product test procedures; certification and
9 enforcement of standards; labeling of various appliances and equipment; and specific issues of
10 concern to the Energy Department.¹³ An employee of SoCalGas was appointed to ASRAC on
11 December 1, 2016. The employee was appointed based on her subject matter expertise. The
12 employee is a graduate of the University of California, Berkeley, earned the status of Certified
13 Energy Manager, Certified Energy Auditor, and Certified Demand Side Management Specialist
14 from the Association of Energy Engineers, and has held numerous positions in the fields of
15 energy and energy efficiency. Further, the employee had been an active member of the
16 Association of Energy Engineers (AEE), US Green Building Council (USGBC), and the
17 American Society of Heating Refrigerating and Air Conditioning Engineers (ASHRAE). There
18 is not a dedicated “SoCalGas seat” on ASRAC and the employee’s appointment was the first
19 time a SoCalGas employee has held a seat on ASRAC. The employee’s appointment to ASRAC
20 was not related to the two Statewide C&S advocacy programs that are part of the EE portfolio.

¹² Appendix A to the testimony of Darren Hanway [SoCalGas’ Amended Response to CAL-
ADVOCATES-HB-SCG-2018-13 (September 11, 2019), Response to Q20; SoCalGas’ Response to
CAL-ADVOCATES-HB-SCG-2019-10 (August 29, 2019), Response to Q5.]

¹³ Appliance Standards and Rulemaking Federal Advisory Committee, *available at*
<https://www.energy.gov/eere/buildings/appliance-standards-and-rulemaking-federal-advisory-committee>.

1 The employee's first term expired December 2018. The employee's seat was rolled into the next
2 term and concluded effective February 6, 2019.

3 During the employee's time on ASRAC between June 1, 2018 to the end of her term,
4 ASRAC was in effect an inactive committee. The employee was not a member of the ASRAC
5 working groups, did not attend in-person ASRAC meetings or meetings via teleconference or
6 other electronic presence during that time, and did not participate in advocacy to the DOE,
7 including the review or drafting of comments or advice, in relation to a particular energy
8 efficiency code or standard. The employee's activities related to her membership on ASRAC
9 since June 1, 2018 are summarized below:

- 10 1. On June 28, 2018, the employee participated in an approximately 30 minute
11 meeting with SoCalGas' consultant regarding current rulemaking proceedings,
12 including DOE docket activity.¹⁴ The meeting was also attended by the SoCalGas
13 employee who, as part of the EE Statewide C&S advocacy programs, spent time
14 on statewide and federal energy efficiency codes and standards advocacy as
15 addressed in the testimony of Darren Hanway.
- 16 2. On November 16, 2018, the employee spent approximately two minutes sending
17 an email to approve a variable refrigerant flow multi-split air conditioners and
18 heat pumps (VRF) working group's request for an extension for their lab testing.¹⁵

19 No non-labor costs (such as travel expenses) were incurred by the employee as a result of
20 her participation in ASRAC between June 1, 2018 and the end of her term. The consultant costs
21 associated with the 30 minute meeting identified above were originally charged to the DSMBA
22 and have since been moved to shareholder funded accounts, as addressed in the testimony of
23 Darren Hanway.

¹⁴ Appendix A to the testimony of Darren Hanway [SoCalGas' Amended Response to CAL-ADVOCATES-HB-SCG-2018-13 (September 11, 2019), Response to Q20; SoCalGas' Response to CAL-ADVOCATES-HB-SCG-2019-10 (August 29, 2019), Response to Q5.]

¹⁵ Appendix A to the testimony of Darren Hanway [SoCalGas' Response to CAL-ADVOCATES-HB-SCG-2019-10 (August 29, 2019), Response to Q5.]

1 The employee is a salaried employee and her labor during June 1, 2018 to the end of her
2 term on ASRAC was charged to accounts which are funded through the GRC. However, as the
3 historical costs for the 2018-2019 period are part of the next GRC that has not yet been filed,
4 accounting can be subject to future adjustments during that cycle. SoCalGas' salaried employees
5 do not track their time each day with the intent of reporting an hourly log of activities. In
6 addition, as a salaried employee, the employee would have been paid the same amount regardless
7 of whether she had been a member of ASRAC or not and her normal workload did not go away
8 as a result of the activities identified above. In response to a data request, SoCalGas previously
9 estimated less than \$50 in labor costs associated with the employee's participation in ASRAC.¹⁶
10 This is an estimate as SoCalGas' salaried employees do not track their time by activity or task,
11 and are not paid by activity or task. In any event, as detailed above, none of the employee's
12 activity amounted to federal or statewide energy efficiency codes and standards advocacy.

13 **B. Building Decarbonization Meeting**

14 On June 26, 2018, three SoCalGas employees participated in a conference call with
15 employees from Pacific Gas and Electric Company (PG&E) related to building
16 decarbonization.¹⁷ None of the time associated with the call, including prep time, time on the
17 call, or follow up time, amounts to federal or statewide energy efficiency codes and standards
18 advocacy.

19 The purpose of the conference call was to exchange information on recent studies of
20 interest to the utilities. One item on the meeting agenda was listed as "Building Decarbonization

¹⁶ Appendix A to the testimony of Darren Hanway [SoCalGas' Response to CAL-ADVOCATES-HB-SCG-2018-13 (September 11, 2019), Response to Q23.]

¹⁷ See Appendix A to the testimony of Darren Hanway [SoCalGas' Response to CAL-ADVOCATES-HB-SCG-2018-13 (September 11, 2019), Response to Q16; SoCalGas' Amended Response to CAL-ADVOCATES-HB-SCG-2019-01 (September 11, 2019), Response to Q2.]

1 Activities through 2019” and contained sub-bullets: (1) Codes and Standards and (2) Local
2 reach codes and CCA activity. The SoCalGas employees on the call were not funded through
3 the DSMBA. The three SoCalGas employees who participated on the call do not recall the
4 specific discussion related to the codes and standards agenda item and only recall that time spent
5 on the subject was very brief. A PG&E response to a data request from Cal Advocates regarding
6 the same call provides that “SoCalGas participants reviewed the limitations on their participation
7 in codes & standards advocacy.”¹⁸ One SoCalGas employee estimated she spent approximately
8 18 minutes preparing for the conference call; all three SoCalGas employees spent approximately
9 an hour and a half on the call, and one SoCalGas employee estimated she spent approximately 30
10 minutes on follow-up items after the call. None of this time amounted to federal or statewide
11 energy efficiency codes and standards advocacy.

12 All three employees are salaried employees and their labor is charged to accounts which
13 are funded through the GRC. However, as the historical costs for the 2018-2019 period are part
14 of the next GRC that has not yet been filed, accounting can be subject to future adjustments
15 during that cycle. SoCalGas’ salaried employees do not track their time each day with the intent
16 of reporting out an hourly log of activities. In addition, as salaried employees, these employees
17 would have been paid the same amount regardless of whether they had participated in the call or
18 not and their normal workload did not go away as a result of the activities identified above.
19 SoCalGas therefore does not have a calculation of any labor costs associated with these activities
20 and there are no associated non-labor costs.

¹⁸ See, e.g., SoCalGas Response to Cal Advocates’ Sanctions Motion, Appendix A [PG&E Response to Cal Advocates’ Data Request No. ORA-HB-PGE-2018-014/PG&E No. ORA_27 and Cal Advocates Data Request No. ORA-HB-PGE-2018-014/PG&E No. ORA_27 (Follow-up-01).]

1 **IV. ORDERED ITEM OF TESTIMONY 4**

2 The Scoping Ruling requires SoCalGas to “provide any additional C&S-related charges
3 in the O&M and GRC accounts and explain how SoCalGas found them (as well as any
4 accounting adjustments that may have been made at any point to those charges).”¹⁹ As noted
5 above, this testimony addresses C&S-related charges that are: 1) EE C&S-related; 2) ratepayer
6 funded (excluding funding through the DSMBA); and 3) federal or statewide advocacy. With
7 that scope in mind, SoCalGas has not been able to identify any additional C&S-related charges
8 that are within the scope of item four. Nonetheless, in order to be transparent and in an attempt
9 to answer certain questions that have already been raised by other parties, SoCalGas does
10 highlight herein three areas of activity for informational purposes, and explains why SoCalGas
11 does not believe the activity is within the scope of the testimony ordered under item four.
12 SoCalGas also identifies whether the accounts originally charged for the activities discussed are
13 generally ratepayer or shareholder funded. During the development of the GRC forecasts, it is
14 sometimes necessary to remove incurred costs so that ratepayers are not funding activities that
15 should be borne by shareholders.

16 **A. California Energy Commission (CEC) 2022 California Energy Code**
17 **Update (Title 24)**

18 On March 5, 2019, the CEC opened a new docket, 19-BSTD-03, for the 2022 Energy
19 Code Pre-Rulemaking.²⁰ The CEC updates the Energy Code (Building Energy Efficiency
20 Standards) for new construction of, and additions and alterations to, residential and
21 nonresidential buildings on an approximately three-year cycle. The last update occurred for

¹⁹ Scoping Ruling, p. 4.

²⁰ California Energy Commission Docket Log, *available at*,
<https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=19-BSTD-03>.

1 codes effective January 1, 2020. According to the CEC, its enabling statute requires that
2 measures adopted be “cost effective, when taken in their entirety, and when amortized over the
3 economic life of the structure when compared with historic practice.”²¹ The CEC has also noted
4 that for the 2022 Energy Code update, they are “considering options to modify compliance
5 baselines and metrics to increase the Energy Code’s support for the state’s carbon-reduction
6 goals.”²²

7 A lead commissioner workshop was held on October 17, 2019, to present and discuss the
8 update to the code compliance metrics for the 2022 California Energy Code. The workshop
9 included presentations on the update to the California Building Energy Code Compliance
10 (CBECC) weather files, life cycle costing, the update to the 2022 Time Dependent Valuation
11 (TDV) of energy, alternative metrics considered, and the results of research into potential
12 alternative metrics.²³ The workshop presented final proposed metric(s) for the 2022 Energy
13 Code and concluded with a comment/question and answer period. The CEC also solicited
14 written public comment, which was due on November 30, 2019.

15 One SoCalGas employee and one SoCalGas consultant remotely attended the October 17,
16 2019 lead commissioner workshop via the CEC’s online meeting service.²⁴ The SoCalGas
17 employee is a salaried employee and her labor is charged to accounts which are funded through
18 the GRC. Likewise, the consultant’s contract is charged to accounts which are funded through
19 the GRC. However, as the historical costs for the 2018-2019 period are part of the next GRC
20 that has not yet been filed, accounting can be subject to future adjustments during that cycle.

²¹ Notice of Lead Commissioner Workshop, CEC Docket No. 19-BSTD-03, docketed on September 17, 2019.

²² *Id.*

²³ *Id.*

²⁴ As this workshop was available over the internet, it is possible additional SoCalGas employees viewed the workshop for their own informational purposes.

1 None of these costs are charged to accounts that are funded by the DSMBA and the employee's
2 and consultant's attendance at the workshop was not undertaken as part of the two Statewide
3 C&S advocacy programs that are part of the EE portfolio. One SoCalGas employee distributed
4 notes from the workshop to other SoCalGas employees for general awareness of the discussion
5 that was held at the workshop. SoCalGas considered submitting written comments following the
6 workshop, as solicited by the CEC, which included considering the engagement of a separate
7 outside consultant. SoCalGas did reach out to an outside consultant to potentially seek support
8 on comment preparation; however, further engagement on the matter did not occur. Ultimately,
9 SoCalGas did not submit comments in response to the workshop. Accordingly, SoCalGas does
10 not identify the activity described here as in scope for this OSC, as the meeting was attended by
11 SoCalGas for informational purposes and no advocacy took place.

12 **B. American Public Gas Association (APGA) Direct Use Task Group**
13 **(DUTG)**

14 SoCalGas is a member of the APGA. SoCalGas is aware that the APGA at times
15 engages in energy efficiency codes and standards advocacy, which is one aspect of the many
16 activities and functions of the organization. As detailed below, SoCalGas' 2018 APGA dues
17 were charged in part to an account funded by the GRC and in part to an account funded by
18 shareholders and its 2019 APGA dues were charged entirely to accounts funded by shareholders.
19 In addition, SoCalGas is but one member of the organization and does not recall participating in
20 the advocacy undertaken by the APGA on energy efficiency codes and standards.

21 In 2018, SoCalGas paid membership dues of \$50,000 to the APGA. Half of the
22 membership dues (\$25,000) were charged to an account that is associated with GRC ratepayer
23 funds, and half of the membership dues (\$25,000) were charged to an account that is shareholder
24 funded. In 2019, SoCalGas again paid \$50,000 to APGA. However, in 2019, all \$50,000 was

1 charged to shareholder-funded accounts.²⁵ As the historical costs for the 2018-2019 period are
2 part of the next GRC that has not yet been filed, accounting can be subject to future adjustments
3 during that cycle.

4 As a member of the APGA, SoCalGas participates in the organization's Direct Use Task
5 Group (DUTG). The purpose of the DUTG is generally to focus on researching, identifying,
6 communicating, educating, and valuing the direct use of natural gas, renewable natural gas, and
7 new technologies, as well as to support reductions in greenhouse gas emissions in all sectors,
8 affordability of energy, and reliability and resiliency of energy infrastructure. Since June 1,
9 2018, I have attended three meetings of the DUTG: on December 12, 2018, May 8, 2019, and
10 August 20, 2019.²⁶ Nonlabor costs (e.g., travel and meal expenses) of \$877.43 associated with
11 the December 2018 DUTG meeting and \$957.35 associated with the May 2019 DUTG meeting
12 were charged to accounts which are funded by ratepayers in the GRC. Nonlabor costs of
13 \$1,121.45 associated with the August 2019 DUTG meeting were charged to an account which is
14 shareholder funded. As the historical costs for the 2018-2019 period are part of the next GRC
15 that has not yet been filed, accounting can be subject to future adjustments during that cycle.

16 I am a salaried employee and my labor is charged to accounts which are funded through
17 the GRC. Based on recollection, I spent approximately 16 hours at each of the three DUTG
18 meetings. SoCalGas' salaried employees do not track their time each day with the intent of

²⁵ SoCalGas' data request response to Cal Advocates issued outside of this docket (data request HB-SCG-2019-11) contained an inadvertent error in describing the 2019 charges as being half ratepayer funded. However, the internal orders these costs were charged to are shareholder funded. SoCalGas served its amended response to this data request to Cal Advocates on January 10, 2019, correcting this error.

²⁶ Another SoCalGas employee attended a November 13-14, 2019 AGPA DUTG meeting as my proxy. The employee does not remember any discussion of energy efficiency codes and standards advocacy topics at the meeting. The non-labor expenses (\$1,846.55) for the employee's attendance at this meeting were charged to accounts that are ratepayer funded through the GRC. The employee is a salaried employee whose labor costs are also charged to accounts that are ratepayer funded through the GRC (and not funded through the DSMBA).

1 reporting an hourly log of activities. In addition, as a salaried employee, I would have been paid
2 the same amount regardless of whether I had attended the meetings or not, and my normal
3 workload did not go away as a result of the activities identified above. Thus, SoCalGas does not
4 have a calculation of any labor costs associated with these activities. Regarding the internal
5 orders charged for the nonlabor costs, these are the internal orders originally charged for the
6 identified expenses. As the historical costs for the 2018-2019 period are part of the next GRC
7 that has not yet been filed, accounting can be subject to future adjustments during that cycle.

8 All of this information notwithstanding, SoCalGas does not believe its involvement in the
9 DUTG constitutes EE C&S advocacy activity that is contemplated in this OSC. Only a small
10 portion of the activity undertaken by the DUTG is related to EE C&S advocacy, and SoCalGas
11 attends the DUTG meetings to follow the organization's work and to participate as a dues-paying
12 member. The meetings contain a variety of topics and are not solely focused on one issue.
13 SoCalGas does not drive the agenda for the DUTG, and is but one participant. Further, during
14 the time period in question (June 1, 2018 to November 30, 2019), SoCalGas does not recall
15 participating in any EE C&S advocacy undertaken by the APGA. For example, I do not recall
16 receiving any drafts of comments by the APGA related to EE C&S advocacy nor do I recall
17 being given the opportunity to provide edits or suggestions to such comments. In addition,
18 although items related to EE C&S are sometimes discussed at meetings, SoCalGas has not, for
19 example, voiced an opinion on whether the APGA should lobby or advocate on a given code or
20 standard related to energy efficiency.²⁷ Although SoCalGas does not believe SoCalGas'
21 membership in the APGA and attendance at meetings of that organization is enough to be

²⁷ Although SoCalGas does not recall participating in federal or statewide C&S advocacy as part of its DUTG membership since June 1, 2018, SoCalGas does believe it is nevertheless appropriate for SoCalGas to be able to speak and participate on issues affecting the company and natural gas at industry meetings, as the other IOUs also do.

1 considered statewide or federal EE C&S advocacy, even if it were, this activity is not related to
2 the two Statewide C&S advocacy programs that are part of the EE portfolio and is not funded by
3 the DSMBA.

4 **C. American Gas Association (AGA) Building Energy Codes &**
5 **Standards (BECS) Committee**

6 SoCalGas is a member of the AGA. For 2018, SoCalGas' membership dues were
7 \$845,661, and for 2019, SoCalGas' membership dues were \$887,943.²⁸ When communicating
8 dues amounts to SoCalGas, AGA provides an estimate of the portion of the dues that are
9 allocable to lobbying. For 2018, this estimate was 3.1% of total dues, and for 2019, this estimate
10 was 3.5% of total dues. During the next GRC, SoCalGas will adjust the amounts charged to
11 shareholder and ratepayer funded accounts for its 2018 and 2019 AGA dues accordingly.

12 As a member of the AGA, SoCalGas attends the organization's Building Energy Codes &
13 Standards (BECS) committee meetings. While BECS committee meeting agendas occasionally
14 include presentations related to energy efficiency codes and standards, the meetings are attended
15 by a SoCalGas employee for operations-based purposes. Specifically, SoCalGas attends for the
16 purpose of hearing and participating in discussions pertaining to any codes or standards that
17 could potentially affect the safety or operations of SoCalGas' natural gas or customer
18 infrastructure. Since June 1, 2018, SoCalGas' employees have attended three BECS committee
19 meetings: on September 10, 2018, May 14, 2019, and September 11, 2019. The non-labor costs
20 for these three meetings (approximately \$1,549, \$2,123, and \$1,549, respectively) were charged
21 to accounts that are funded by ratepayers in the GRC. The employees who attended these
22 meetings are salaried employees who do not track their time each day with the intent of reporting

²⁸ SoCalGas' AGA membership is joint with San Diego Gas & Electric Company (SDG&E). The consolidated membership dues as listed on SoCalGas' and SDG&E's dues notice was \$972,023 for 2018 and \$1,020,624 for 2019.

1 an hourly log of activities. In addition, as salaried employees, the employees would have been
2 paid the same amount regardless of whether they had attended the meetings or not, and their
3 normal workload did not go away as a result of the activities identified above. Thus, SoCalGas
4 does not have a calculation of any labor costs associated with the September 10, 2018 and
5 September 11, 2019 meeting. Regarding the May 14, 2019 meeting, in a prior data request
6 response to Cal Advocates, SoCalGas identified under \$4,000 in labor costs associated with its
7 employee's attendance at this meeting. This number is an estimate as SoCalGas' salaried
8 employees do not track their time by activity or task and are not paid by activity or task. As the
9 historical costs for the 2018-2019 period are part of the next GRC that has not yet been filed,
10 accounting can be subject to future adjustments during that cycle.

11 Although SoCalGas had provided the above information for informational purposes and
12 to be transparent, because SoCalGas' attendance is for operational purposes, SoCalGas does not
13 believe this activity constitutes C&S activity that is EE-related, ratepayer funded, and statewide
14 or federal advocacy, and is therefore not responsive to item 4 of the OSC.

15
16 This concludes my prepared direct testimony.

1 **V. QUALIFICATIONS**

2 My name is Deanna R. Haines. My business address is 555 West 5th Street, Los
3 Angeles, California 90013-1011. My current position is Director of Environmental Policy at
4 Southern California Gas Company (SoCalGas). The Environmental Policy organization, among
5 other things, provides policy support to SoCalGas and manages relationships with certain
6 regulatory agencies. I joined SoCalGas in 1988 and have been in my current position since April
7 2018. I have a Bachelor of Science Degree in Chemical Engineering from University of
8 Southern California and a Master's Degree in Business Administration from University of
9 Redlands. I have previously testified before the Commission.

APPENDIX A

