

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

Application of San Diego Gas & Electric Company (U 902 M) for Authority, Among Other Things, to Increase Rates and Charges for Electric and Gas Service Effective on January 1, 2016.

Application No. 14-11-003  
(Filed November 14, 2014)

Application of Southern California Gas Company (U 904 G) for Authority to Update its Gas Revenue Requirement and Base Rates Effective on January 1, 2016.

Application No. 14-11-004  
(Filed November 14, 2014)

**JOINT MOTION FOR ADOPTION OF SETTLEMENT AGREEMENTS  
REGARDING SAN DIEGO GAS & ELECTRIC COMPANY'S  
TEST YEAR 2016 GENERAL RATE CASE,  
INCLUDING ATTRITION YEARS 2017 AND 2018**

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**I. INTRODUCTION**

Pursuant to Rule 12.1 of the California Public Utilities Commission's ("Commission's") Rules of Practice and Procedure, this Joint Motion by San Diego Gas & Electric Company ("SDG&E"), Office of Ratepayer Advocates ("ORA"), Federal Executive Agencies ("FEA"), Environmental Defense Fund ("EDF"), Joint Minority Parties ("JMP"), The Utility Reform Network ("TURN"), Utility Consumers' Action Network ("UCAN"), and San Diego Consumers' Action Network ("SDCAN") (collectively referred to hereafter as "Settling Parties"<sup>1</sup>) jointly request approval of a settlement of the Test Year ("TY") 2016 revenue requirement, including attrition years 2017 and 2018, determination in the above-captioned General Rate Case ("GRC") proceeding ("TY 2016 Settlement Agreement").<sup>2</sup> In addition, this Motion requests approval of settlement agreements executed among (1) SDG&E, Southern California Gas Company ("SoCalGas"), and EDF (the "EDF Settlement"), (2) SDG&E, SoCalGas, and JMP (the "JMP Settlement"), (3) SDG&E, SoCalGas, and FEA (the "FEA Settlement"), and (4) SDG&E, SoCalGas, and TURN/UCAN (the "TURN/UCAN Settlement")

<sup>1</sup> Although settlement was not reached with Mussey Grade Road Alliance, SDG&E has agreed to continue to work with them toward a possible settlement.

<sup>2</sup> The TY 2016 Settlement Agreement (including its Appendix) is attached to this Motion as Attachment 1.

(collectively referred to hereafter as “Bilateral GRC Settlements”).<sup>3</sup> Settling Parties propose that this portfolio of settlements adequately resolves the specific contested issues of interest to each signatory without conflict or overlap among the various settlement agreements. While there may be substantive issues, party positions, and other proposals that are not specifically addressed and resolved in settlement, it is the intent of Settling Parties to move for adoption of these settlements as a complete and final resolution of all issues among them in this proceeding, with the exception of a tax issue raised by TURN which, as specified in the TURN/UCAN Settlement, is not covered by the settlements and will be the subject of separate briefing. Also, it is not the intent of Settling Parties to prejudice the ability of any party from raising any issues again in future GRCs. Finally, this Motion and the corresponding settlements do not address or resolve all the outstanding contested issues raised by non-settling parties. Those issues remain ripe for further litigation by the non-settling parties (*i.e.*, briefing and a litigated outcome).

Settling Parties hereby request Commission adoption of the TY 2016 Settlement Agreement and Bilateral GRC Settlements, each on their own respective merits, as being “reasonable in light of the whole record, consistent with law, and in the public interest,” as required by Rule 12.1(d). Should the Commission adopt the settlements, the Settling Parties request that a decision be issued implementing the terms of the settlements as a full resolution of the issues raised in this proceeding and issue orders allowing for implementation of the settled revenue requirement as reflected in the TY 2016 Settlement Agreement and consistent with the additional terms contained in the Bilateral GRC Settlements.

## **II. BACKGROUND**

Pursuant to D.07-07-004, SDG&E and SoCalGas (collectively “Applicants”) filed TY 2016 GRC Applications (“A.”) 14-11-003 and A.14-11-004, respectively, on November 14, 2014. Notice of the Applications was by publication and posting in public places. On December 26, 2014, the Commission consolidated both GRC dockets. Timely protests and a response to the Applications were filed by various parties, to which SDG&E and SoCalGas filed a reply on December 29, 2014. A Prehearing Conference (“PHC”) was held on January 8, 2015. Parties were allowed the opportunity to file PHC statements of their positions. The purpose of the PHC was to discuss the scope of issues to be addressed in this consolidated proceeding, and the

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<sup>3</sup> The EDF Settlement, JMP Settlement, FEA Settlement and TURN/UCAN Settlement are attached to this Motion as Attachments 2-5, respectively.

procedural schedule. The Commission issued its Scoping Memo and Ruling on February 5, 2015.

SoCalGas and SDG&E served revised testimony in March, 2015. ORA issued its comprehensive reports on Applicants' GRCs on April 24, 2015. Intervenors served their testimony on May 15, 2015, including FEA, EDF, JMP, TURN, UCAN, SDCAN, Coalition of California Utility Employees ("CCUE"), Mussey Grade Road Alliance, Utility Workers Union of America ("UWUA"), and Southern California Generation Coalition ("SCGC"). In June 2015, SoCalGas and SDG&E served rebuttal testimony. Although there are other parties on the official service list, in addition to the Applicants, ORA, FEA, EDF, JMP, TURN, UCAN, SDCAN, CCUE, Mussey Grade Road Alliance, UWUA, and SCGC continued to be the only active parties in the proceeding.

Public Participation Hearings ("PPHs") were held in numerous locations throughout Southern California during May and June, 2015. Notice of the PPHs was by publication and posting in public places. Hearings were then held from June 22, 2015 through July 15, 2015.

**A. Description of Discovery**

Discovery was underway as early as August 2014, when Applicants tendered their notices of intent to file their GRC applications. The discovery process consisted of master data requests from ORA, deficiency data requests from ORA, an ORA on-site audit, formal and informal data requests from ORA and other intervenors, and tendering of additional data (*e.g.*, 2014 adjusted recorded costs). These discovery efforts resulted in Applicants responding to thousands of data requests. In addition, Applicants propounded their own discovery.

**B. Settlement Process and Compliance with Rule 12.1(b)**

As required by Rule 12.1(b), seven-day prior notice with an opportunity to participate in a settlement conference was provided to all parties on August 21, 2015. A settlement conference was held on August 28, 2015 in San Francisco, California, and concurrently by teleconference. During the settlement conference, Applicants presented the terms of their agreement in principal with ORA. It should be noted that although SDCAN, EDF, FEA, JMP, TURN, UCAN, and SDCAN were not involved in the initial discussions that resulted in the agreement in principal between Applicants and ORA, these settling parties have each conducted their own analyses of its terms and find that it will allow SDG&E and SoCalGas to operate safely, reliably, and efficiently, while keeping customer rates reasonable for the next GRC cycle. Accordingly, based

on the TY 2016 Settlement Agreement and their individual Bilateral GRC Settlements, the Settling Parties have agreed to resolve all contested issues between them, with the exception (as noted above) of a tax issue raised by TURN which, as specified in the TURN/UCAN Settlement, is not covered by the settlements and will be the subject of separate briefing.

### **III. SUMMARY OF THE TY 2016 SETTLEMENT AGREEMENT**

Pursuant to the TY 2016 Settlement Agreement, SDG&E's combined electric and gas authorized revenue requirement for TY 2016 will be \$1,811 million, of which \$1,500 million is Electric and \$311 million is Gas.<sup>4</sup> For the attrition years 2017 and 2018, the Settling Parties have agreed to escalation rates of 3.5% for each year. These settlement figures are supported by the Appendix to the TY 2016 Settlement Agreement, which includes all of the settlement details and is comprised of a Joint Comparison Settlement Exhibit, which contains the following documents:

- Settlement Terms (Exhibit A, "Settlement Agreement Terms Between San Diego Gas & Electric Company and Office of Ratepayer Advocates"), which provides a breakdown of the settlement amounts by functional area;
- Pursuant to Rule 12.1(a) of the Commission's Rules of Practice and Procedure, a detailed description of how individual account settlement values relate to SDG&E's and ORA's litigation positions (the format is similar but not identical to the litigation comparison exhibits which were tendered in July 2015); and
- Summary of Earnings table, which presents the major categories of expense, revenue and rate base.

If the Commission adopts the TY 2016 Settlement Agreement with no modifications, then SDG&E's combined electric and gas system average rate revenues, beginning January 1, 2016, would decrease from authorized 2015 rate revenues by 3.7%. This reflects the General Rate Case Memorandum Account ("GRCMA") roll-off occurring on January 1, 2016.

The TY 2016 Settlement Agreement provides an overall TY 2016 revenue requirement for SDG&E, broken down by major functional cost categories, as well as specific items related to the revenue requirement which are required for proper implementation of the revenue

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<sup>4</sup> Dollar amounts cited in this Motion are rounded; please refer to the TY 2016 Settlement Agreement and its Appendix A for more precise figures.

requirement. For example, the TY 2016 Settlement Agreement specifies the regulatory accounting treatment of various settled operations-related costs. As noted above, Settling Parties have raised other issues, arguments, and proposals which are not specified in the TY 2016 Settlement Agreement. However, by signing and committing to support the TY 2016 Settlement Agreement and their individual Bilateral GRC Settlements, Settling Parties are agreeing to resolve, without prejudice, all contested issues such that there remain no outstanding issues to litigate amongst Settling Parties in this GRC proceeding, with the exception (as noted above) of a tax issue raised by TURN which, as specified in the TURN/UCAN Settlement, is not covered by the settlements and will be the subject of separate briefing.

#### **IV. SUMMARY OF BILATERAL GRC SETTLEMENTS**

As noted above, in addition to the TY 2016 Settlement Agreement, SDG&E reached separate settlements with FEA, EDF, JMP, and TURN/UCAN. These Bilateral GRC Settlements were reached to resolve certain discreet issues raised by individual parties in a manner that does not conflict or overlap with the TY 2016 Settlement Agreement. Each bilateral settlement is briefly described below. Each bilateral agreement is being signed and executed specifically between SDG&E (and SoCalGas) and the party or parties who have executed the agreement.

##### **A. FEA Settlement**

FEA is a signatory to the TY 2016 Settlement Agreement. SDG&E (and SoCalGas) and FEA have additionally executed a stand-alone settlement to reach agreement on a contested issue involving the regulatory accounting treatment for the Pension and Post-Retirement Benefits Other than Pension balancing accounts (“PBA” and “PBOPBA” respectively). The FEA Settlement resolves all remaining contested issues raised by FEA, which impact SDG&E and SoCalGas. The FEA Settlement accompanies this Motion as Attachment 2.

##### **B. EDF Settlement**

EDF is a signatory to the TY 2016 Settlement Agreement. SDG&E (and SoCalGas) and EDF have additionally executed a stand-alone settlement to resolve issues addressed in EDF and SDG&E testimonies on matters related to Senate Bill (“SB”) 1371. The EDF Settlement resolves all remaining contested issues between SDG&E and EDF. The EDF Settlement is attached to this Motion as Attachment 3.

**C. JMP Settlement**

JMP is a signatory to the TY 2016 Settlement Agreement. SDG&E (and SoCalGas) and JMP have additionally executed a stand-alone settlement to resolve issues addressed in JMP and SDG&E testimonies on matters related to supplier diversity. The JMP Settlement resolves all remaining contested issues between SDG&E and JMP. The JMP Settlement is attached to this Motion as Attachment 4.

**D. TURN/UCAN Settlement**

TURN and UCAN are signatories to the TY 2016 Settlement Agreement. SDG&E (and SoCalGas) and TURN/UCAN have additionally executed a stand-alone settlement to resolve issues addressed in TURN, UCAN, and SDG&E testimonies on several matters, including regulatory accounting treatment of the Transmission Integrity Management Program (“TIMP”) and Distribution Integrity Management Program (“DIMP”), branch offices closures, rate stabilization, service establishment charge, cash working capital (on Manzanita Project), and a study on distributed generation on circuit peak loads. The TURN/UCAN Settlement resolves all remaining contested issues between SDG&E and TURN/UCAN, with the exception of the income tax repair allowance issue, for which TURN/UCAN and SDG&E are reserving the right to litigate (*i.e.*, it will be separately briefed by these specific parties). The TURN/UCAN Settlement is attached to this Motion as Attachment 5.

**V. INDIVISIBILITY OF THE TERMS CONTAINED IN EACH OF THE SETTLEMENT AGREEMENTS**

As set forth in the General Provisions and Reservations section of each settlement agreement, each term contained within each settlement document (but not across all settlement documents), is indivisible, with each part interdependent on each and all other parts. Regarding the relationship between settlements, the approval of each Bilateral GRC Settlement is contingent upon the approval of the TY 2016 Settlement Agreement, but not on approval of any of the other Bilateral GRC Settlements.<sup>5</sup> However, the approval of the TY 2016 Settlement Agreement is not contingent upon the approval of any of the Bilateral GRC Settlements.

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<sup>5</sup> In other words, each Bilateral GRC Settlement should be weighed and considered on its own merits, where the adoption of one is not contingent upon the adoption of any of the remaining Bilateral GRC Settlements.

In addition, any Settling Party may withdraw from the TY 2016 Settlement Agreement or their respective Bilateral GRC Settlements if the Commission modifies, deletes from, or adds to the disposition of the matters settled therein. The Settling Parties agree, however, to negotiate in good faith with regard to any Commission-ordered changes in order to restore the balance of benefits and burdens, and to exercise the right to withdraw only if such negotiations are unsuccessful.

**VI. FURTHER HEARINGS REGARDING THE SETTLEMENT AGREEMENTS ARE NOT NECESSARY**

Under Rule 12.3, hearings are not a prerequisite to approving a settlement. As a result of all the discovery, written testimony, and fully litigated hearings, the Commission has before it a fully developed record reflecting the merits of approving the TY 2016 Settlement Agreement (including the Joint Settlement Comparison Exhibit) and Bilateral GRC Settlements attached to this Motion. For each of the contested issues that would be resolved under the various settlement agreements, the proposed outcome is within the range of outcomes represented by the litigated positions of the parties as reflected in the existing record. This existing record will be further supplemented by the parties' filed comments and reply comments. Under these circumstances, Settling Parties do not believe there are any issues of material fact to resolve that require a hearing. To the extent there are outstanding issues over the merits of the TY 2016 Settlement Agreement or Bilateral GRC Settlements, it is likely that the issues will be legal and policy-related and, therefore, well suited to the comment process.

**VII. LEGAL STANDARD APPLICABLE TO REVIEW OF THE SETTLEMENT AGREEMENTS**

Numerous Commission decisions have endorsed settlements as an "appropriate method of alternative ratemaking" and express a strong public policy favoring settlement of disputes if they are fair and reasonable in light of the whole record.<sup>6</sup> This policy supports many worthwhile goals, including not only reducing the expense of litigation and conserving scarce Commission resources, but also allowing parties to reduce the risk that litigation will produce unacceptable results.<sup>7</sup> This strong public policy favoring settlements also weighs in favor of the Commission

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<sup>6</sup> See, e.g., D.05-10-041, 2005 Cal. PUC LEXIS 484 at \*70, D.15-03-006, 2015 Cal. PUC LEXIS 132 at \*8 and D.15-04-006, 2015 Cal. PUC LEXIS 212 at \*12-13.

<sup>7</sup> D.14-12-040, 2014 Cal. PUC LEXIS 617 at \*50-51.

resisting the temptation to alter the results of the negotiation process. As long as a settlement taken as a whole “is reasonable in light of the whole record, consistent with law, and in the public interest” it should be adopted without change.<sup>8</sup> As shown below, the TY 2016 Settlement Agreement and Bilateral GRC Settlements meet this standard.

**A. The TY 2016 Settlement Agreement And Bilateral GRC Settlements Are Reasonable In Light Of The Record As A Whole**

The Settling Parties are knowledgeable and experienced regarding the issues in this GRC proceeding and have a well-documented history of strongly-held positions, leading to different conclusions in many areas. In agreeing to the TY 2016 Settlement Agreement and Bilateral GRC Settlements, the Settling Parties have used their collective experience to produce appropriate, well-founded recommendations. The Settling Parties have ardently negotiated and succeeded in achieving settlements that they believe balance the various interests affected in this proceeding.

**B. The TY 2016 Settlement Agreement And Bilateral GRC Settlements Are Consistent With Law And Prior Commission Decisions**

The Settling Parties believe, and herein represent, that no term of the TY 2016 Settlement Agreement or Bilateral GRC Settlements contravenes statutory provisions or prior Commission decisions.<sup>9</sup>

**C. The TY 2016 Settlement Agreement And Bilateral GRC Settlements Are In The Public Interest**

**1. The TY 2016 Settlement Agreement will benefit ratepayers**

The TY 2016 Settlement Agreement arrives at an overall rate and bill impact that Settling Parties propose is in SDG&E ratepayers’ interest, and reaches a balance between level of service and reasonable rates. Although a litigated outcome rendered by the Commission would also strive to achieve that balance, this settled outcome, if adopted, provides an agreement reached by Settling Parties that were actively engaged in representing a variety of interests and constituents,

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<sup>8</sup> Rule 12.1(d) of the Commission’s Rules of Practice and Procedure.

<sup>9</sup> In D.00-09-037 (p. 11) the Commission based its finding that the third criteria had been met on representation by the settling parties that they expended considerable effort ensuring that the Settlement Agreement comports with statute and precedents, and did not believe that any of its terms or provisions contravene statute or prior Commission decisions. *See also*, D.07-04-043, 2007 Cal. PUC LEXIS 275 at \*126-127.

including ORA, which has provided the most comprehensive analysis of SDG&E's cost forecasts in this proceeding.

The Settling Parties have a common interest that SDG&E provides safe and reliable service to customers. Therefore, Settling Parties believe and expect that SDG&E will operate its system in a safe and reliable manner, in line with its assertions that customer, employee, and system safety are priorities for the company. Parties, as well as the Commission's Safety and Enforcement Division, have created a record on safety, reliability, and operational risk policy in this proceeding. The TY 2016 Settlement Agreement does not reach any explicit findings and conclusions over the various risk issues raised in this proceeding. However, it does specify the cost forecasts adopted for the specific areas of electric and gas operations that are related to risks, as well as the other cost categories. The Commission, having recently adopted a more safety-focused Rate Case Plan in Rulemaking ("R.") 13-11-006, will expect upcoming GRCs filed by utilities to incorporate these and other elements in a more uniform and systematic way. For purposes of SDG&E's TY 2016 GRC cycle, SDG&E will not only be an active participant in helping the Commission determine a safety-focused GRC, but will be preparing to file its next GRC under the new Rate Case Plan. At present, this continues to be an evolving process.

Thus, it is in the public interest to authorize the settlement amounts, permitting SDG&E to further develop its Enterprise Risk Management functions and to continue its operational and infrastructure risk-reduction efforts, even as the Commission's ratemaking landscape itself is changing.

## **2. The Bilateral GRC Settlements will benefit ratepayers**

With respect to the Bilateral GRC Settlements, each has also raised issues of public interest in this proceeding, including issues related to the environment (see EDF Settlement), supplier diversity (see JMP Settlement), and branch office closures, service establishment charges, rate stabilization, cash working capital for a specific project, a distributed generation study, and various regulatory balancing accounts (see FEA Settlement and TURN/UCAN Settlement). Together, the Bilateral GRC Settlements have resolved such issues for purposes of this GRC cycle in the interest of reaching an informed and fair compromise that benefits all ratepayers. That is, the Bilateral GRC Settlements, along with the TY 2016 Settlement Agreement, comprise a portfolio of settlements that Settling Parties propose meets the

Commission's standard for settlements that are in the public interest and supported by the evidentiary record.

### **3. Settlement after hearings is in the public interest**

Saving parties or the Commission the time or the expense of hearings is not the only thing to consider in determining if a settled outcome is preferable to a litigated one, or if it is in the public interest. In fact, a settlement after evidentiary hearings ensures that the settlement is based on a fully-litigated record. The negotiation process itself lends credence to the fact that the settlement is in the public interest and is the preferred outcome. Following extensive hearings, and therefore being completely informed as to the strengths, weaknesses, and nuances of each other's litigation positions, the negotiators for the Settling Parties spent many hours weighing and determining a reasonable, mutually acceptable outcome. The Commission has previously recognized the significance of this fact:

A very important potential advantage of settlements is that the parties themselves may be better able than the trier of fact to craft the optimal resolution of a dispute.<sup>10</sup>

Furthermore, with respect to the overall TY 2016 revenue requirement, the Joint Settlement Comparison Exhibit shows that for each area, the settled value falls within the ranges created by the Settling Parties' respective original estimates. Thus, from reviewing the TY 2016 Settlement Agreement, including its Appendix, and the process used to arrive at these mutually acceptable outcomes, the Commission may derive substantial assurance that the requirements of Rule 12 and Public Utilities Code Section 451 have been met.<sup>11</sup>

In assessing whether or not a settlement is in the public interest, the Commission has also looked at the extent to which discovery has been completed, the stage of the proceeding, whether the parties had undertaken a thorough review of the issues, the experience of counsel, the amount offered in settlement, the presence of a governmental participant, the overall strength of

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<sup>10</sup> D.92-08-036, Finding of Fact 9. *See also*, D.95-12-051, 1995 Cal. PUC LEXIS 963 at \*14 (“[t]he advantages of the settlement outweigh the risks of ratepayer harm.”).

<sup>11</sup> Public Utilities Code Section 451 provides, in pertinent part: “All charges demanded or received by any public utility, or by any two or more public utilities, for any product or commodity furnished or to be furnished or any service rendered or to be rendered shall be just and reasonable.”

applicant's case, and the relative risks and complexities of the litigation.<sup>12</sup> Such criteria are considered whether the settlement is all-party or contested.<sup>13</sup>

In the present case, discovery was complete and extensive, and the stage of the proceeding was as advanced as possible for a settlement – it was at the briefing stage. Parties undeniably had undertaken a thorough review of the issues. The Settling Parties were represented by highly experienced counsel. Moreover, the presence of ORA, the Commission staff responsible for representing ratepayer interest, is strongly indicative of the fact that the TY 2016 Settlement Agreement is reasonable and in the public interest. Indeed, ORA is “ideally positioned to comment on the operation of the utility and ratepayer perception” as required by D.92-12-019.<sup>14</sup> The fact that the other non-utility Settling Parties joined the TY 2016 Settlement Agreement after their review of the outcomes provided for in that agreement provides further confirmation of the reasonableness of those outcomes.

Regarding the Bilateral GRC Settlements, they are similar in that they involved the input of parties representing a wide variety of ratepayer interests, including the particular interests of ratepayers in San Diego's service territory (UCAN and SDCAN), diverse business enterprise interests (JMP), environmental interests (EDF), federal agency interests (FEA), and the interests of ratepayers throughout the state (TURN). Thus, the overall merit of the settlements that are the subject of this Motion can be determined based on the diversity of interests they represent.

In sum, the TY 2016 Settlement Agreement and Bilateral GRC Settlements represent a tough bargain, crafted under the strictures of all the Commission's rules governing procedural and substantive scrutiny of a utility request for rate changes, by parties intimately familiar with the utility's operations, accounting, and duty to provide safe and reliable service at reasonable rates.

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<sup>12</sup> See, e.g., Decision 00-09-037, 2000 Cal. PUC LEXIS 697 (citing *Officers for Justice v. Civil Service Commission of the City and County of San Francisco* (9th Cir. 1982) 688 F. 2d 615, 625). See also, D.03-12-035, 2002 Cal. PUC LEXIS 1051 at \*28-30 (citing to application of *Officers* in D.88-12-083). Additional examples of cases citing such factors are D.92-07-076, D.91-12-043, D.91-10-046, D.91-09-075, D.91-09-069, D.91-09-069, D.91-07-042, D.90-12-021, D.90-08-046, and D.88-12-083.

<sup>13</sup> D.00-09-037 at 9.

<sup>14</sup> D.92-12-019, 1992 Cal. PUC LEXIS 867 at \*24.

**4. The TY 2016 Settlement Agreement and Bilateral GRC Settlements are in the public interest even though they are not all-party settlements**

The TY 2016 Settlement Agreement and Bilateral GRC Settlements are not all-party settlements. Nevertheless, the TY 2016 Settlement Agreement and Bilateral GRC Settlements comply with the Commission's criteria for settlements. The Commission's criteria for contested settlements are stated in D.03-04-030,<sup>15</sup> where the Commission reaffirmed the policy it adopted in D.96-01-011:

We consider whether the settlement taken as a whole is in the public interest. In so doing, we consider individual elements of the settlement in order to determine whether the settlement generally balances the various interest at stake as well as to assure that each element is consistent with our policy objectives and the law. [cite omitted]

Since the Settlement before us is contested, we take note of the approach followed regarding a contested settlement in D.01-12-018. There, we stated that when a contested settlement is presented to us where hearings have been held on the contested issues, we are free to consider such settlements under Rule 51.1(e) or as joint recommendations. Evidentiary hearings were held on the contested issues in this proceeding, although various parties elected to waive or curtail cross-examination. Nonetheless, the underlying testimony was received into evidence, and forms an independent basis against which to evaluate the reasonableness of the Settlement Agreement.

All the settled issues are identified in the TY 2016 Settlement Agreement (including its Appendix) and Bilateral GRC Settlements in sufficient detail for the Commission to understand and appreciate their reasonableness, particularly in the context of the hearing record. The Settling Parties spent significant effort to assure that the specific amounts and terms adopted had a rationale associated with them and reflected the testimony regarding appropriate revenue requirements, account treatment or policy positions regarding those issues. Thus, measured against the underlying testimony in this case, the TY 2016 Settlement Agreement and Bilateral GRC Settlements are in the public interest.

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<sup>15</sup> 2003 Cal. PUC LEXIS 246 at \*66-67. This policy was also reaffirmed in D.10-12-035, 2010 Cal. PUC LEXIS 647 at \*39-40 and D.11-12-053, 2011 Cal. PUC LEXIS 585 at \*111-113. *See also*, D.11-05-018, 2011 Cal. PUC LEXIS 275 at \*23 (“In assessing settlements we consider individual settlement provisions but, in light of strong public policy favoring settlements, we do not base our conclusion on whether any single provision is the optimal result. Rather, we determine whether the settlement as a whole produces a just and reasonable outcome.”)



## **Attachment 1**

### **TY 2016 Settlement Agreement (including Appendix)**

**SETTLEMENT AGREEMENT REGARDING  
SAN DIEGO GAS & ELECTRIC COMPANY'S TEST YEAR 2016  
GENERAL RATE CASE REVENUE REQUIREMENT,  
INCLUDING ATTRITION YEARS 2017 AND 2018**

**I. INTRODUCTION**

Pursuant to Rule 12.1 of the Rules of Practice and Procedure of the California Public Utilities Commission ("Commission"), San Diego Gas & Electric Company ("SDG&E"), Office of Ratepayer Advocates ("ORA"), Department of Defense and All Other Federal Executive Agencies ("FEA"), The Utility Reform Network ("TURN"), Utility Consumers' Action Network ("UCAN"), Environmental Defense Fund ("EDF"), Joint Minority Parties ("JMP"), and San Diego Consumers' Action Network ("SDCAN") (collectively referred to hereafter as "Settling Parties") enter into this Settlement Agreement Regarding SDG&E's Test Year ("TY") 2016 General Rate Case ("GRC") Revenue Requirement, Including Attrition Years 2017 and 2018 ("TY 2016 Settlement Agreement").

**II. SETTLEMENT COMPLIES WITH COMMISSION REQUIREMENTS**

This TY 2016 Settlement Agreement provides an overall TY 2016 revenue requirement (and attrition year escalation rates for 2017 and 2018) that Settling Parties believe will allow SDG&E to operate and manage its system safely, reliably, and efficiently, while keeping customer rates reasonable for the next GRC cycle. The Settling Parties recognize that there is risk involved in litigation and that the Commission, based on the entirety of the record, could reach outcomes that are not fully aligned with any individual party's litigated positions. Accordingly, the Settling Parties have vigorously argued their positions, and have reached compromise positions that they believe are appropriate in light of the litigation risks and have the support of the evidentiary record. In particular, the level of revenue requirements agreed to in this TY 2016 Settlement Agreement reflects the Settling Parties' best judgments as to the totality of all parties' positions and risks on revenue requirements, and their agreement herein is explicitly based on final settled amounts summarized below and detailed in the attached Appendix.

**III. SETTLEMENT TERMS AND CONDITIONS**

Pursuant to this TY 2016 Settlement Agreement, SDG&E's combined electric and gas authorized revenue requirement for TY 2016 will be \$1,811 million, of which \$1,500 million is Electric and \$311 million is Gas. For the attrition years 2017 and 2018, the Settling Parties have agreed to escalation rates of 3.5% for each year. These settlement figures are supported in detail by the attached Appendix, which represents the full body of the settlement terms and is comprised of the following documents:

- Settlement Terms, which provides a breakdown of the settlement amounts by functional area;

- Joint Settlement Comparison Exhibit, which, pursuant to Rule 12.1(a) of the Commission's Rules of Practice and Procedure, provides a detailed description of how individual account settlement values relate to SDG&E's and ORA's litigation positions; and
- Summary of Earnings table, which presents the major categories of expense, revenue and rate base.<sup>1</sup>

#### **IV. GENERAL PROVISIONS AND RESERVATIONS**

In consideration of the mutual obligations, covenants and conditions contained herein, the Settling Parties agree to all of the above terms and conditions as well as the terms set forth in the attached Appendix as a complete and final resolution of all revenue requirement-related issues among them in this proceeding, in addition to miscellaneous terms specified in the Appendix that are not directly tied to the revenue requirement. The Settling Parties, by signing this TY 2016 Settlement Agreement, acknowledge that they pledge support for Commission approval and subsequent implementation of all the provisions of this TY 2016 Settlement Agreement. The Settling Parties agree to perform diligently and in good faith all actions required or implied hereunder, including the execution of any other documents required to effectuate the terms of this TY 2016 Settlement Agreement, and the preparation of exhibits for, and presentation of witnesses at any required hearings to obtain the approval and adoption of this TY 2016 Settlement Agreement by the Commission. The Settling Parties will not contest in this proceeding or in any other forum, or in any manner before this Commission, the recommendations establishing revenue requirements for 2016, 2017 and 2018 contained in this TY 2016 Settlement Agreement.

##### **A. COMPROMISE OF DISPUTED CLAIMS**

The Settling Parties agree that this TY 2016 Settlement Agreement represents a compromise of their respective revenue requirement-related (and including several miscellaneous terms that are not directly tied to the revenue requirement) positions in this proceeding. No individual term of this TY 2016 Settlement Agreement is assented to by any Party, except in consideration of the other Settling Parties' assent to all other terms.

##### **B. REGULATORY APPROVAL**

Settling Parties acknowledge that the positions expressed in this TY 2016 Settlement Agreement were reached after consideration of all positions advanced in all the testimony sponsored in the proceeding by all Settling Parties and declare and mutually agree that the terms and conditions herein are reasonable, consistent with the law, and in the public interest. Accordingly, the Settling Parties shall use their best efforts to obtain Commission approval of this TY 2016 Settlement Agreement and shall jointly request that the Commission adopt this TY 2016 Settlement Agreement in its entirety and without modification.

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<sup>1</sup> All three documents referenced here are included, in the order indicated, as a comprehensive Appendix document titled, *Joint Settlement Comparison Exhibit of San Diego Gas & Electric Company*, for purposes of efficiency of presentation.

**C. INCORPORATION OF COMPLETE SETTLEMENT AGREEMENT**

This TY 2016 Settlement Agreement embodies the entire understanding of the Settling Parties with respect to the matters described herein, and, except as described herein, supersedes and cancels any and all prior oral or written TY 2016 Settlement Agreements, principles, negotiations, statements, representations or understandings among the Settling Parties. This TY 2016 Settlement Agreement is to be treated as a complete package and not as a collection of separate TY 2016 Settlement Agreements on discrete issues. To accommodate the interests related to various issues, the Settling Parties acknowledge that changes, concessions or compromises by one or more Settling Parties in one section of this TY 2016 Settlement Agreement could result in changes, concessions or compromises by one or more Settling Parties in other sections of this TY 2016 Settlement Agreement. Consequently, the Settling Parties agree to oppose any modification of this TY 2016 Settlement Agreement not agreed to by all Settling Parties. Any Party signing this TY 2016 Settlement Agreement may withdraw from this TY 2016 Settlement Agreement if the Commission modifies, deletes from, or adds to the disposition of the matters settled herein. However, the Settling Parties agree to negotiate in good faith with regard to any Commission-ordered changes, in order to restore the balance of benefits and burdens, and to exercise the right to withdraw if such negotiations are unsuccessful.

**D. MODIFICATION OF SETTLEMENT AGREEMENT**

The terms and conditions of this TY 2016 Settlement Agreement may only be modified in writing subscribed to by the Settling Parties.

**E. NON-PRECEDENTIAL**

This TY 2016 Settlement Agreement represents a compromise between the Settling Parties, consistent with Rule 12.5 of the Commission's Rules of Practice and Procedure, and should not be considered precedent in any future proceeding before this Commission. The Settling Parties have assented to the terms of this TY 2016 Settlement Agreement only for the purpose of arriving at the compromise herein. Each Party expressly reserves its right to advocate, in other current and future proceedings, or in the event that this TY 2016 Settlement Agreement is rejected by the Commission, positions, principles, assumptions, arguments and methodologies which may be different than those underlying this TY 2016 Settlement Agreement.

**F. NON-WAIVER**

It is understood and agreed that no failure or delay by any Party hereto in exercising any right, power or privilege hereunder shall operate as a waiver hereof, nor shall any single or partial exercise thereof preclude any other or future exercise thereof or the exercise of any other right, power or privilege.

**G. GOVERNING LAW**

This TY 2016 Settlement Agreement shall be interpreted, governed and construed under the laws of the State of California, including Commission decisions, orders and rulings, as if

executed and to be performed wholly within the State of California.

#### **H. ENTIRE SETTLEMENT AGREEMENT**

This TY 2016 Settlement Agreement and all other supporting documents, exhibits, and schedules referred to in this TY 2016 Settlement Agreement constitute(s) the final, complete, and exclusive statement of the terms of the TY 2016 Settlement Agreement among the Settling Parties pertaining to the subject matter of this TY 2016 Settlement Agreement and supersedes all prior and contemporaneous understandings of the Settling Parties. This TY 2016 Settlement Agreement may not be contradicted by evidence of any prior or contemporaneous statements or TY 2016 Settlement Agreements. No Party has been induced to enter into this TY 2016 Settlement Agreement by, nor is any party relying on, any representation, understanding, TY 2016 Settlement Agreement, commitment or warranty outside those expressly set forth in this TY 2016 Settlement Agreement.

#### **I. CAPTIONS AND PARAGRAPH HEADINGS**

Captions and paragraph headings used herein are for convenience only and are not a part of this TY 2016 Settlement Agreement and shall not be used in construing it.

#### **J. EXECUTION**

This TY 2016 Settlement Agreement may be executed in counterparts by the Settling Parties with the same effect as if all the Settling Parties had signed one and the same document. All such counterparts shall be deemed to be an original and shall together constitute one and the same TY 2016 Settlement Agreement.

#### **K. EFFECTIVE DATE**

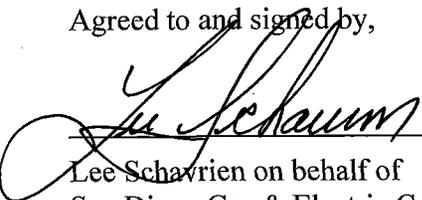
The Agreement is effective upon Commission approval, through December 31, 2018 or December 31, 2019, should the Commission adopt a three-year attrition period. This provision does not constitute any party's support for, or opposition to, the three-year attrition proposal.

#### **L. ATTACHMENTS**

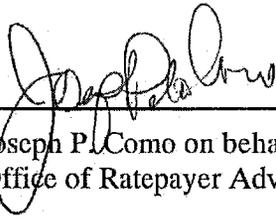
The Appendix to this TY 2016 Settlement Agreement is part of the agreement of the Settling Parties and is incorporated herein by reference.

#### **V. SIGNATURES**

Agreed to and signed by,

  
\_\_\_\_\_  
Lee Schavrien on behalf of  
San Diego Gas & Electric Company

9-10-15  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Joseph P. Como on behalf of  
Office of Ratepayer Advocates

9/10/15  
\_\_\_\_\_  
Date

\_\_\_\_\_  
Donald Kelly on behalf of  
Utility Consumers' Action Network

\_\_\_\_\_  
Date

\_\_\_\_\_  
Robert Finkelstein on behalf of  
The Utility Reform Network

\_\_\_\_\_  
Date

\_\_\_\_\_  
Rita Liotta on behalf of  
Department of Defense and  
All Other Federal Executive Agencies

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Date

\_\_\_\_\_  
Faith Bautista on behalf of  
Joint Minority Parties

\_\_\_\_\_  
Date

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Timothy O'Connor on behalf of  
Environmental Defense Fund

\_\_\_\_\_  
Date

\_\_\_\_\_  
Michael Shames on behalf of  
San Diego Consumers' Action Network

\_\_\_\_\_  
Date

\_\_\_\_\_  
Joseph P. Como on behalf of  
Office of Ratepayer Advocates

\_\_\_\_\_  
Date

*Donald Kelly*

*9/10/15*

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Donald Kelly on behalf of  
Utility Consumers' Action Network

\_\_\_\_\_  
Date

\_\_\_\_\_  
Robert Finkelstein on behalf of  
The Utility Reform Network

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Date

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San Diego Consumers' Action Network

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Date

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Joseph P. Como on behalf of  
Office of Ratepayer Advocates

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Date

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Donald Kelly on behalf of  
Utility Consumers' Action Network

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Robert Finkelstein on behalf of  
The Utility Reform Network

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Date

9/10/15

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Department of Defense and  
All Other Federal Executive Agencies

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Faith Bautista on behalf of  
Joint Minority Parties

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Michael Shames on behalf of  
San Diego Consumers' Action Network

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Joseph P. Como on behalf of  
Office of Ratepayer Advocates

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Date

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Donald Kelly on behalf of  
Utility Consumers' Action Network

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Date

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Robert Finkelstein on behalf of  
The Utility Reform Network

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Date



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*10 Sept 2015*

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Rita Liotta on behalf of  
Department of Defense and  
All Other Federal Executive Agencies

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Date

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Faith Bautista on behalf of  
Joint Minority Parties

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Timothy O'Connor on behalf of  
Environmental Defense Fund

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San Diego Consumers' Action Network

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Utility Consumers' Action Network

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Department of Defense and  
All Other Federal Executive Agencies

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*Faith Bautista*

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9/10/15

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Joint Minority Parties

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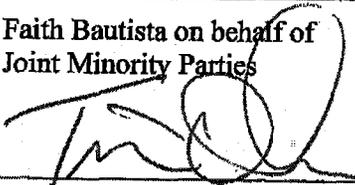
Rita Liotta on behalf of  
Department of Defense and  
All Other Federal Executive Agencies

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9/10/15

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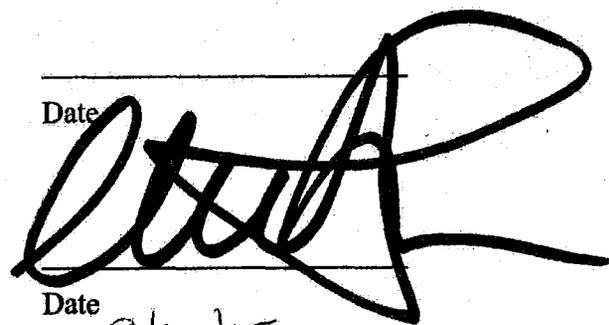
Date

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Michael Shames on behalf of  
San Diego Consumers' Action Network

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Date



9/10/15

Application of San Diego Gas & Electric Company (U 902 )	
M) for Authority, Among Other Things, to Increase Rates )	Application No. 14-11-003
and Charges for Electric and Gas Service Effective on )	(Filed November 14, 2014)
<u>January 1, 2016</u> )	
Application of Southern California Gas Company (U 904 )	
G) for Authority to Update its Gas Revenue Requirement )	Application No. 14-11-004
and Base Rates Effective on January 1, 2016 )	(Filed November 14, 2014)
_____ )	

JOINT SETTLEMENT COMPARISON EXHIBIT  
of SAN DIEGO GAS & ELECTRIC COMPANY

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA

SEPTEMBER 2015



# SETTLEMENT COMPARISON EXHIBIT OF SAN DIEGO GAS & ELECTRIC COMPANY

## CONTENTS

- I. Introduction
- II. Exhibit A – Settlement Agreement Terms Between San Diego Gas & Electric Company and Office of Ratepayer Advocates
- III. Detailed Comparison Analysis, with a separate table of contents and index
- IV. Appendices
  - A. Settlement Terms Cross Reference
  - B. Summary Of Earnings tables

## **I. INTRODUCTION**

This Settlement Comparison Exhibit presents the settlement terms as of the date of service between San Diego Gas & Electric Company (SDG&E) and the Office of Ratepayer Advocates (ORA). This exhibit is presented in a format similar to the previously served Litigation Comparison Exhibit.

This Settlement Comparison Exhibit consists of these sections:

- Exhibit A – Settlement Agreement Terms Between San Diego Gas & Electric Company and Office of Ratepayer Advocates
- Detailed Comparison analysis with a separate table of contents and index
- Appendices, containing additional information including Summary of Earnings tables

With respect to the Detailed Comparison, in a number of instances the settlement terms aggregated several individual issues (such as collections of capital projects), resulting in showing a settlement total value only. If additional detail exists it can be found in the index following the Detailed Comparison and appendices.

Values shown in the Detailed Comparison are based on the March 15, 2015 filing. End-of-hearings changes or corrections made by SDG&E are described in ‘Notes’ sections on the detail pages but are not reflected in the values depicted in the tables themselves. Moreover, SDG&E and ORA negotiated these settlement terms independently from the Update Testimony served in August 2015, and that Update Testimony does not subsequently alter any of the settlement terms. Notwithstanding, for reference purposes only, the updates noted in the Update Testimony are also described in the ‘Notes’ sections where applicable.

**II. Exhibit A – Settlement Agreement Terms Between San Diego Gas & Electric Company  
and Office of Ratepayer Advocates**

# **EXHIBIT A**

**SETTLEMENT AGREEMENT TERMS BETWEEN  
SAN DIEGO GAS & ELECTRIC COMPANY  
AND  
OFFICE OF RATEPAYER ADVOCATES**

Settlement Agreement Terms between SDG&E and ORA (Parties) on  
SDG&E General Rate Case (A.14-11-003 / A.14-11-004)

**SDG&E Expenses**

**Gas Distribution, Transmission, Engineering and Pipeline Integrity Expenses**

**Non-Shared O&M Expenses**

1. Gas Distribution Expenses

Parties stipulate to a forecast for Gas Distribution expenses of \$ 20.972 million for 2016.

- Parties stipulate to the ORA forecast for Tools, Fittings and Material of \$0.422 million; Electric Support of \$0.724 million; and Op. Management & Training of \$ 3.082 million.
- Parties stipulate to the SDG&E forecast for Service Maintenance of \$ 1.244 million; Measurement and Regulation of \$ 3.464 million; and Asset Management of \$ 1.849 million.
- Parties stipulate to a forecast for Supervision and Training of \$ 2.500 million.
- Parties agree and did not have any differences in forecasts for Other Services, Leak Survey, Locate and Mark, Main Maintenance, and Cathodic Protection.

2. Gas Transmission Expenses

Parties stipulate to the SDG&E forecast for Gas Transmission expenses of \$ 4.663 million for 2016.

3. Gas Engineering

Parties stipulate to a compromise forecast for Gas Engineering expenses of \$ 0.400 million for 2016.

4. Pipeline Integrity (TIMP and DIMP)

- Parties stipulate to the SDG&E forecast for Pipeline Integrity (TIMP and DIMP) expenses of \$ 11.484 million for 2016.

**Shared O&M Expenses**

Parties stipulate to the ORA forecast of \$ 0.035 million for shared Gas Engineering expenses.

**Gas Distribution, Transmission, Engineering and Pipeline Integrity Capital Expenditures**

Parties stipulate to the ORA forecast for capital expenditures of \$ 50.155 million for 2014.

Parties have no dispute and agree to the capital expenditure forecasts of \$50.735 million for 2015 and \$72.188 million for 2016.

## Electric Distribution O&M Expenses

### Non-Shared Electric Distribution O&M Expenses

Parties stipulate to a forecast for Electric Distribution O&M expenses of \$ 129.783 million for 2016.

- Parties stipulate to the revised SDG&E forecast of \$ 35.449 million for Electric Regional Operations.
- Parties stipulate to the SDG&E forecast of \$ 7.965 million for Troubleshooting.
- Parties stipulate to a compromise forecast of \$ 4.000 million for Skills & Compliance Training.
- Parties stipulate to a compromise forecast of \$ 0.800 million for Project Management.
- Parties stipulate to a compromise forecast of \$ 0.700 million for Service Order Team.
- Parties have no dispute and agree to a forecast of \$ 1.687 million for Regional Public Affairs.
- Parties stipulate to the revised SDG&E forecast of \$ 0.148 million for Grid Operations.
- Parties stipulate to the revised SDG&E forecast of \$ 6.710 million for Substation Construction and Maintenance.
- Parties have no dispute and agree to a forecast of \$ 1.711 million for System Protection.
- Parties stipulate to a compromise forecast of \$ 14.000 million for Electric Distribution Operations.
- Parties stipulate to the ORA forecast of \$ 1.996 million for Distribution Operations/EGISS.
- Parties stipulate to a compromise forecast of \$ 1.900 million for Kearny Operations Services.
- Parties stipulate to a compromise forecast of \$ 16.000 million for Construction Services.
- Parties stipulate to the SDG&E forecast of \$ 24.559 million for Vegetation Management – Tree Trimming with a one-way balancing account.
- Parties have no dispute and agree to a forecast of \$ 4.292 million for Vegetation Management – Pole Brushing.
- Parties have no dispute and agree to a forecast of \$ 2.702 million for Compliance & Asset Management.
- Parties stipulate to a compromise forecast of \$ 1.500 million for Distribution Engineering.
- Parties stipulate to a compromise forecast of \$ 0.400 million for Technology Innovation and Development.
- Parties stipulate to the SDG&E forecast of \$ 0.618 million for Reliability and Capacity Analysis.
- Parties stipulate to a compromise forecast of \$ 0.200 million for Information Management Support for Electric Distribution.
- Parties have no dispute and agree to a forecast of \$ 0.147 million for Major Projects.
- Parties stipulate to a compromise forecast of \$ 1.500 million for Technology Utilization.
- Parties have no dispute and agree to a forecast of \$ 0.324 million for Administrative and Management.
- Parties have no dispute and agree to a forecast of \$ 0.476 million for Officer.

## **Electric Distribution Capital Expenditures**

### **Part 1 (Per ORA-6)**

Parties stipulate to a total forecast for capital expenditures in 2014 of \$145.552 million which is the ORA forecast of \$ 135.229 million plus \$10.323 million.

- Parties stipulate to the ORA forecast of \$ 24.912 million for Capacity/Expansion.
- Parties stipulate to the ORA forecast of \$ 29.918 million for Franchise.
- Parties stipulate to the ORA forecast of \$ 33.638 million for New Business.
- Parties stipulate to the ORA forecast of \$ 28.678 million plus \$ 9.160 million for a total of \$ 37.838 million in Reliability/Improvements.
- Parties stipulate to the ORA forecast of \$ 18.083 million plus \$ 1.163 million for a total of \$ 19.246 million in Safety & Risk Management.

Parties stipulate to a forecast for capital expenditures of \$ 280.772 million for 2015.

- Parties stipulate to the ORA forecast of \$ 31.324 million for Capacity/Expansion.
- Parties stipulate to the SDG&E forecast of \$ 41.764 million for Franchise.
- Parties stipulate to a compromise forecast of \$ 67.000 million for New Business.
- Parties stipulate to a compromise forecast of \$ 100.000 million for Reliability/Improvements.
- Parties stipulate to the SDG&E forecast of \$ 40.684 million for Safety & Risk Management.

Parties stipulate to a forecast for capital expenditures of \$ 296.428 million for 2016.

- Parties stipulate to the SDG&E forecast of \$ 14.241 million for Capacity/Expansion.
- Parties stipulate to the SDG&E forecast of \$ 41.764 million for Franchise.
- Parties stipulate to a compromise forecast of \$ 70.000 million for New Business.
- Parties stipulate to a compromise forecast of \$ 95.000 million for Reliability/Improvements.
- Parties stipulate to the SDG&E forecast of \$ 75.423 million for Safety & Risk Management.

### **Part 2 (Per ORA-7)**

Parties stipulate to the ORA forecast for capital expenditures of \$ 113.902 million for 2014.

- Parties stipulate to the ORA forecast of \$ 63.826 million for Overhead Pools.
- Parties stipulate to the ORA forecast of \$ 29.118 million for Mandated.
- Parties stipulate to the ORA forecast of \$ 12.781 million for Materials.
- Parties stipulate to the ORA forecast of \$ 7.704 million for Trans/FERC.
- Parties stipulate to the ORA forecast of \$ 0.308 million for Equipment/Tools/Misc.

- Parties stipulate to the ORA forecast of \$ 0.165 million for Smart Meter.

Parties stipulate to a forecast for capital expenditures of \$ 199.082 million for 2015.

- Parties stipulate to the SDG&E forecast of \$ 118.357 million for Overhead Pools.
- Parties have no dispute and agree to a forecast of \$ 38.148 million for Mandated.
- Parties stipulate to the SDG&E forecast of \$ 22.025 million for Materials.
- Parties have no dispute and agree to a forecast of \$ 19.180 million for Trans/FERC.
- Parties have no dispute and agree to a forecast of \$ 1.372 million for Equipment/Tools/Misc.

Parties stipulate to a forecast for capital expenditures of \$ 186.216 million for 2016.

- Parties stipulate to the SDG&E forecast of \$ 110.224 million for Overhead Pools.
- Parties have no dispute and agree to a forecast of \$ 39.063 million for Mandated.
- Parties stipulate to the SDG&E forecast of \$ 23.027 million for Materials.
- Parties have no dispute and agree to a forecast of \$ 12.530 million for Trans/FERC.
- Parties have no dispute and agree to a forecast of \$ 1.372 million for Equipment/Tools/Misc.

### **Electric Generation and SONGS Expenses**

#### **Non-Shared Electric Generation O&M Expenses for TY 2016**

Parties stipulate to a compromise forecast for Non-Shared Electric Generation Expenses of \$ 52.389 million.

- Parties stipulate to a compromise forecast for Generation Plant of \$ 50.189 million.
- Parties stipulate to a compromise forecast for Resource Planning of \$ 1.000 million.
- Parties stipulate to a compromise forecast for Administration of \$ 1.200 million.

#### **Shared Electric Generation O&M Expenses for TY 2016**

Parties stipulate to a compromise forecast for Resource Planning – Director of \$ 0.800 million.

### **Electric Generation Capital Expenditures**

Parties stipulate to the ORA forecast for capital expenditures of \$ 17.036 million for 2014.

Parties stipulate to the SDG&E forecast for capital expenditures of \$ 8.408 million for 2015 and \$8.347 million for 2016.

### **Customer Services Expenses**

#### **Non-Shared O&M Expenses for TY 2016**

Parties stipulate to a compromise forecast of \$ 84.468 million for SDG&E's Non-Shared Expenses.

- Parties stipulate to the SDG&E forecast of \$ 22.135 million for Customer Service Field expenses.
- Parties stipulate to a compromise forecast of \$ 62.333 million for Customer Service Office Operations, Information, and Technologies.

**Non-Shared Customer Service Operations Expenses**

- Parties stipulate to a compromise forecast of \$ 8.400 million for Advanced Metering.
- Parties stipulate to the ORA forecast of \$ 5.210 million for Billing.
- Parties Stipulate to the SDG&E forecast of \$ 8.813 million for Customer Contact Center Operations.

**Non-Shared Customer Service Information Expenses**

- Parties stipulate to a compromise forecast of \$ 6.000 million for Residential Customer Services.
- Parties stipulate to a compromise forecast of \$ 5.500 million for Commercial & Industrial Services.
- Parties stipulate to a compromise forecast of \$ 12.500 million for Communications, Research and Web.
- Parties stipulate to the ORA forecast of \$ 2.854 million for Customer Programs and Projects.

**Shared O&M Expenses for TY 2016**

Parties have no dispute and agree to a forecast of \$ 0.979 million for SDG&E shared O&M expenses.

**Information Technology**

**O&M Expenses**

Parties stipulate to a compromise forecast of \$ 106.368 million.

- Parties stipulate to the SDG&E labor forecast of \$ 40.568 million.
- Parties stipulate to a compromise non-labor forecast of \$ 65.800 million.

**Capital Expenditures**

Parties stipulate to the ORA forecast for capital expenditures of \$ 88.635 million for 2014.

Parties have no dispute and agree to a forecast for capital expenditures of \$ 62.084 million for 2015 and \$ 35.388 million for 2016.

**Support Services**

**Non-Shared O&M Support Services Expenses**

Parties stipulate to a forecast of \$ 78.924 million for Non-Shared O&M Support Services Expenses.

Parties stipulate to the SDG&E forecast of \$ 11.715 million for Supply Management & Supplier Diversity Expenses.

Parties stipulate to a compromise forecast of \$ 39.161 million for Fleet Services expenses.

- Parties stipulate to a compromise forecast of \$ 16.700 million for Ownership Costs.
- Parties stipulate to a compromise forecast of \$ 20.500 million for Maintenance Operations.
- Parties have no dispute and agree to a forecast of \$ 1.961 million for Fleet Management.

Parties stipulate to a forecast of \$ 23.390 million for Real Estate, Land, Services and Facilities Expenses.

Parties stipulate to the SDG&E forecast of \$ 4.658 million for Environmental Services.

#### **Shared O&M Support Services Expenses**

Parties stipulate to a compromise forecast of \$ 24.041 million for Shared O&M Support Services expenses.

Parties stipulate to a compromise forecast of \$ 3.828 million for Supply Management & Supplier Diversity expenses.

Parties stipulate to a forecast of \$ 15.696 million for Real Estate, Land Services, and Facilities expenses.

- Parties stipulate to a compromise forecast of \$ 2.700 million for Facility Operations.
- Parties stipulate to the ORA forecast of \$ 0.179 million for Capital Programs.

Parties stipulate to the ORA forecast of \$ 4.517 million for Shared Environmental expenses.

#### **Capital Expenditures – Real Estate, Land Services, and Facilities**

Parties stipulate to the ORA forecast for capital expenditures of \$ 21.017 million for 2014.

Parties stipulate to a capital expenditure forecast of \$ 33.112 million for 2015.

Parties stipulate to the SDG&E capital expenditure forecast of \$ 42.930 million for 2016.

#### **Administrative and General Expenses**

##### **Expenses in ORA – 18**

##### **Non-Shared Expenses (HR related)**

Parties stipulate to a compromise forecast of \$ 14.586 million for SDG&E Non-Shared Expenses.

- Parties stipulate to the SDG&E forecast of \$ 6.552 million for Safety, Wellness, and Disability Services.
- Parties stipulate to the ORA forecast of \$ 0.518 million for HRIS Technology and Report.

### **Shared Expenses**

Parties agree to a compromise forecast of \$ 5.020 million.

- Parties stipulate to the SDG&E forecast of \$ 2.367 million for Safety Operations.
- Parties stipulate to the ORA forecast of \$ 1.222 million for Business Partner and Labor Relations.

### **Expenses in ORA – 19**

#### **Non-Shared Expenses (Reg. Affairs, Legal, Finance, etc)**

Parties stipulate to a compromise forecast of \$ 22.388 million for SDG&E Non-Shared Expenses.

- Parties stipulate to a compromise forecast of \$ 3.356 million for Regulatory Affairs expenses.
- Parties stipulate to a compromise forecast of \$ 3.600 million for Claims expenses.

### **Shared Expenses**

Parties have no dispute and agree to a forecast of \$ 13.582 million.

### **Meals and Entertainment**

Parties stipulate to the ORA proposed adjustment of (\$ 0.592) million for Meals and Entertainment.

### **Expenses in ORA-17**

#### **Compensation Expenses**

Parties stipulate to a compromise forecast of \$ 33.789 million for SDG&E's Total Compensation Expenses.

- For purposes of settlement, Parties stipulate to a compromise forecast of \$ 32.000 million for Variable Pay / Incentive Compensation Program. This stipulation does not resolve any policy issues regarding variable pay compensation.
- Parties stipulate to the ORA forecast of \$ 0 for Long-Term Incentive Plan.
- Parties have no dispute and agree to a forecast of \$ 1.423 million for the Spot Cash Program and \$ 0.366 million for the Employee Recognition Program.

Parties stipulate to a compromise forecast of \$ 56.693 million for SDG&E's Health Benefits Expenses.

- Parties stipulate to a compromise forecast of \$ 50.000 million for Medical Expenses.

- Parties stipulate to the ORA updated forecast for Dental (\$ 3.880 million) , Vision (\$ 0.331 million), Wellness (\$ 0.771 million), EAP (\$ 0.326 million) and Mental Health (\$ 1.385 million) expenses which totals \$ 6.693 million.

Parties have no dispute and agree to a forecast of \$ 14.287 million for the Retirement Savings Plan.

Parties stipulate to a compromise forecast of \$ 1.680 million for SDG&E's Supplemental Pension and \$ 0.137 million for Nonqualified Retirement Savings Plan.

### **Corporate Center Expenses (ORA – 16)**

Parties stipulate as follows:

Allocation of General Administration to SDG&E is \$ 61.300 million. Allocation of Insurance to SDG&E is \$110.000 million.

### **Other – Enterprise Risk Management**

Parties stipulate to a compromise forecast of \$ 2.500 million for SDG&E's Risk Management Expenses.

### **Escalation**

Parties stipulate to adopting ORA's escalation forecasts from R/O Model.

## **Working Cash related issues for SDG&E**

### **Working Cash Issues**

Parties agree to the ORA forecast for Cash Balances of \$ 0.

Parties agree to the SDG&E forecast for revenue lag days of 40.35.

Parties agree to the ORA forecast for federal income tax lag days of 37.50.

Parties agree to the ORA forecast for state income tax lag days of 20.60.

For purpose of settlement the Parties stipulate to the ORA revenue requirement adjustment of \$2.480 million (\$ 2.057 million electric and \$ 0.423 million gas), which in this instance only matches amounts as if customer deposits were treated as a source of debt. This stipulation does not resolve the policy issue of whether customer deposits are to be henceforth treated as a source of debt.

### **Post Test Year Ratemaking**

Parties agree to the ORA proposal of 3.5 % increase in 2017 and 3.5% increase in 2018.

### Other Issues

Parties agree to continue SDG&E's balancing treatment for the following programs:

- Pension: two-way balanced with Tier 2 filing.
- Post-Retirement Benefits Other than Pensions (PBOP): two-way balanced with Tier 2 filing.
- New Environment Regulation Balancing Account (NERBA): two-way balanced with Tier 2 filing.

Parties agree to ORA's forecasted payroll tax rate of 6.81%.

Parties agree to ORA's service establishment forecast of \$5.393 million (\$3.560 million for Electric, \$1.833 million for Gas).

Parties agree to SDG&E's sales forecast of 20,013 gWh.

Parties agree to continuation of SDG&E's existing, currently authorized, Z-factor mechanism.

### **III. Detailed Comparison Analysis**

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# **Chapter 1**

## **Reports and References**

**EXHIBIT REFERENCE SORTED BY HEARING EXHIBIT NUMBER**

<b>Hearing Exhibit #</b>	<b>Party</b>	<b>Original Exhibit #</b>	<b>Description</b>	<b>Witness</b>
	SDG&E	Exh No:SDG&E-42	UPDATED RESULTS OF OPERATIONS REPORT	Nguyen, Khai
	SCG	Exh No:SCG-40	UPDATED RESULTS OF OPERATIONS REPORT	Nguyen, Khai
Exh 1	SCG	Exh No:SCG-01-R	SOCALGAS POLICY OVERVIEW	Lane, J. Bret
Exh 2	SDG&E	Exh No:SDG&E-01-R	SDG&E POLICY OVERVIEW	Winn, Caroline A. and Drury, Scott D.
Exh 13	SCG	Exh No:SCG-02	RISK MANAGEMENT AND POLICY	Day, Diana
Exh 15	SDG&E	Exh No:SDG&E-02	RISK MANAGEMENT AND POLICY	Day, Diana
Exh 17	SDG&E	Exh No:SDG&E-43	RESPONSE TO SAFETY & ENFORCEMENT DIVISION (SED) REPORT	Day, Diana
Exh 17	SCG	Exh No:SCG-41	RESPONSE TO SAFETY & ENFORCEMENT DIVISION (SED) REPORT	Day, Diana
Exh 18	SDG&E-SCG	Exh No:SDG&E-202/SCG	RISK MANAGEMENT AND POLICY	Day, Diana
Exh 19	SCG	Exh No:SCG-03	GAS OPERATIONS RISK POLICY	Schneider, Douglas M.
Exh 21	SDG&E	Exh No:SDG&E-03	ELECTRIC OPERATIONS RISK POLICY AND GAS OPERATIONS RISK POLICY	Geier, David L. and Schneider, Douglas M.
Exh 25	SCG	Exh No:SCG-07	GAS ENGINEERING	Stanford, Raymond K
Exh 28	SCG	Exh No:SCG-207	GAS ENGINEERING AND GAS TRANSMISSION CAPITAL	Stanford, Raymond K
Exh 29	SDG&E	Exh No:SDG&E-06	GAS ENGINEERING	Stanford, Raymond K
Exh 32	SDG&E	Exh No:SDG&E-206	GAS ENGINEERING AND GAS TRANSMISSION CAPITAL	Stanford, Raymond K
Exh 33	SCGC	SCGC	Direct Testimony of C. Yap on behalf of SCGC	C. Yap
Exh 35	SCG	Exh No:SCG-05	GAS TRANSMISSION O&M	Musich, Beth
Exh 38	SCG	Exh No:SCG-205	GAS TRANSMISSION O&M	Musich, Beth
Exh 40	SDG&E	Exh No:SDG&E-05	GAS TRANSMISSION O&M	Musich, Beth
Exh 43	SDG&E	Exh No:SDG&E-205	GAS TRANSMISSION O&M	Musich, Beth
Exh 45	SCG	Exh No:SCG-06	UNDERGROUND STORAGE	Baker, Phillip E.
Exh 48	SCG	Exh No:SCG-206	UNDERGROUND STORAGE	Baker, Phillip E.
Exh 49	SCG	Exh No:SCG-08	TIMP & DIMP	Martinez, Maria T.
Exh 52	SCG	Exh No:SCG-208	TIMP & DIMP	Martinez, Maria T.
Exh 53	SDG&E	Exh No:SDG&E-07	TIMP & DIMP	Martinez, Maria T.

**EXHIBIT REFERENCE SORTED BY HEARING EXHIBIT NUMBER**

<b>Hearing Exhibit #</b>	<b>Party</b>	<b>Original Exhibit #</b>	<b>Description</b>	<b>Witness</b>
Exh 56	SDG&E	Exh No:SDG&E-207	TIMP & DIMP	Martinez, Maria T.
Exh 58	SCG	Exh No:SCG-04-R	GAS DISTRIBUTION	Ayala, Frank
Exh 61	SCG	Exh No:SCG-204	GAS DISTRIBUTION	Ayala, Frank
Exh 62	SDG&E	Exh No:SDG&E-04	GAS DISTRIBUTION	Ayala, Frank
Exh 65	SDG&E	Exh No:SDG&E-204	GAS DISTRIBUTION	Ayala, Frank
Exh 70	SDG&E	Exh No:SDG&E-10-R	ELECTRIC DISTRIBUTION O&M	Woldemariam, Jonathan T.
Exh 72	SDG&E	Exh No:SDG&E-210	ELECTRIC DISTRIBUTION O&M	Woldemariam, Jonathan T.
Exh 74	SDG&E	Exh No:SDG&E-11	ELECTRIC GENERATION	La Peter, Carl
Exh 77	SDG&E	Exh No:SDG&E-211	ELECTRIC GENERATION	La Peter, Carl
Exh 80	SDG&E	Exh No:SDG&E-12-R	SONGS	DeMarco, Michael L.
Exh 83	SDG&E	Exh No:SDG&E-212	SONGS	DeMarco, Michael L.
Exh 84	SDG&E	Exh No:SDG&E-08	ELECTRIC & FUEL PROCUREMENT	Garcia, Sue E
Exh 86	SDG&E	Exh No:SDG&E-13	CS - FIELD	Franke, Sara A.
Exh 88	SDG&E	Exh No:SDG&E-213	CS - FIELD	Franke, Sara A.
Exh 89	SCG	Exh No:SCG-10	CS - FIELD & METER READING	Franke, Sara A.
Exh 91	SCG	Exh No:SCG-210	CS - FIELD & METER READING	Franke, Sara A.
Exh 92	SCG	Exh No:SCG-35-R	POST-TEST YEAR RATEMAKING	Van der Leeden, Ronald M.
Exh 94	SCG	Exh No:SCG-235	POST-TEST YEAR RATEMAKING	Van der Leeden, Ronald M.
Exh 95	SDG&E	Exh No:SDG&E-37-R	POST-TEST YEAR RATEMAKING	Hrna, Sandra K.
Exh 97	SDG&E	Exh No:SDG&E-237	POST-TEST YEAR RATEMAKING	Hrna, Sandra K.
Exh 101	SDG&E	Exh No:SDG&E-14	CS - OPERATIONS, INFORMATION & TECHNOLOGIES	Baugh, Bradley M.
Exh 104	SDG&E	Exh No:SDG&E-214	CS - OPERATIONS, INFORMATION & TECHNOLOGIES	Baugh, Bradley M.
Exh 106	SCG	Exh No:SCG-23-R	PRES/COO, HR, WORKERS COMP & DISABILITY	Serrano, Mark L.
Exh 108	SCG	Exh No:SCG-223	HUMAN RESOURCES, DISABILITY & WORKERS COMP	Serrano, Mark L.
Exh 110	SCG	Exh No:SCG-11	CS - OFFICE OPERATIONS	Goldman, Evan D.
Exh 113	SCG	Exh No:SCG-211	CS - OFFICE OPERATIONS	Goldman, Evan D.
Exh 115	SCG	Exh No:SCG-12-R	CS - INFORMATION	Ayres, Ann D.
Exh 117	SCG	Exh No:SCG-212	CS - INFORMATION	Ayres, Ann D.
Exh 119	SCG	Exh No:SCG-09	PROCUREMENT	Chang, Ibtissam T

**EXHIBIT REFERENCE SORTED BY HEARING EXHIBIT NUMBER**

<b>Hearing Exhibit #</b>	<b>Party</b>	<b>Original Exhibit #</b>	<b>Description</b>	<b>Witness</b>
Exh 121	SDG&E	Exh No:SDG&E-24	HR, SAFETY, DISABILITY, & WORKERS COMP	Edgar, Sarah E
Exh 123	SDG&E	Exh No:SDG&E-224	HR, SAFETY, DISABILITY, & WORKERS COMP	Edgar, Sarah E
Exh 124	SCG	Exh No:SCG-39	ADVANCED METERING INFRASTRUCTURE POLICY	Garcia, Rene F.
Exh 125	SCG	Exh No:SCG-239	ADVANCED METERING INFRASTRUCTURE POLICY	Garcia, Rene F.
Exh 127	SCG	Exh No:SCG-14	SUPPLY MANAGEMENT	Hobbs, Richard D.
Exh 129	SCG	Exh No:SCG-214	SUPPLY MANAGEMENT	Hobbs, Richard D.
Exh 131	SDG&E	Exh No:SDG&E-15	SUPPLY MANAGEMENT & SUPPLIER DIVERSITY	Furbush, Sydney L.
Exh 133	SDG&E	Exh No:SDG&E-215	SUPPLY MANAGEMENT & SUPPLIER DIVERSITY	Furbush, Sydney L.
Exh 134	SDG&E	Exh No:SDG&E-09-R	ELECTRIC DISTRIBUTION CAPITAL	Jenkins, John D.
Exh 136	SDG&E	Exh No:SDG&E-209	ELECTRIC DISTRIBUTION CAPITAL	Jenkins, John D.
Exh 148	SCG	Exh No:SCG-18-R	INFORMATION TECHNOLOGY	Olmsted, Christopher R.
Exh 151	SCG	Exh No:SCG-218	INFORMATION TECHNOLOGY	Olmsted, Christopher R.
Exh 153	SDG&E	Exh No:SDG&E-19-R-A	INFORMATION TECHNOLOGY	Mikovits, Stephen J.
Exh 156	SDG&E	Exh No:SDG&E-219	INFORMATION TECHNOLOGY	Mikovits, Stephen J.
Exh 162	SCG	Exh No:SCG-15	FLEET & FACILITY OPERATIONS	Herrera, Carmen L.
Exh 165	SCG	Exh No:SCG-215	FLEET SERVICES & FACILITY OPERATIONS	Herrera, Carmen L.
Exh 166	SDG&E	Exh No:SDG&E-16	FLEET SERVICES	Herrera, Carmen L.
Exh 168	SDG&E	Exh No:SDG&E-216	FLEET SERVICES	Herrera, Carmen L.
Exh 174	SDG&E	Exh No:SDG&E-18	ENVIRONMENTAL	Pearson, R. Scott
Exh 176	SDG&E	Exh No:SDG&E-218	ENVIRONMENTAL	Pearson, R. Scott
Exh 177	SCG	Exh No:SCG-17-R	ENVIRONMENTAL	Tracy, Jill
Exh 179	SCG	Exh No:SCG-217	ENVIRONMENTAL	Tracy, Jill
Exh 182	SCG	Exh No:SCG-36-R	COMPLIANCE	Shimansky, Gregory D
Exh 183	SDG&E	Exh No:SDG&E-38-R	COMPLIANCE	Shimansky, Gregory D

**EXHIBIT REFERENCE SORTED BY HEARING EXHIBIT NUMBER**

<b>Hearing Exhibit #</b>	<b>Party</b>	<b>Original Exhibit #</b>	<b>Description</b>	<b>Witness</b>
Exh 184	SDG&E-SCG	Exh No:SDG&E-243/SCG	RESULT OF EXAMINATION AND OTHER FINANCIAL ISSUES	Shimansky, Gregory D
Exh 185	SCG	Exh No:SCG-13-R	CS - TECHNOLOGIES, POLICIES & SOLUTIONS	Reed, Jeffrey G.
Exh 187	SCG	Exh No:SCG-213	CS - TECHNOLOGIES, POLICIES & SOLUTIONS	Reed, Jeffrey G.
Exh 189	SCG	Exh No:SCG-37-R	REVENUES AT PRESENT AND PROPOSED RATES	Lenart, Gary G
Exh 190	SDG&E	Exh No:SDG&E-40-R	REVENUES AT PRESENT AND PROPOSED RATES	Lenart, Gary G
Exh 191	SCG	Exh No:SCG-21	COMPENSATION, HEALTH, & WELFARE	Robinson, Debbie
Exh 193	SDG&E	Exh No:SDG&E-22	COMPENSATION, HEALTH, & WELFARE	Robinson, Debbie
Exh 195	SDG&E-SCG	Exh No:SDG&E-222/SCG	COMPENSATION AND BENEFITS	Robinson, Debbie S.
Exh 200	SDG&E-SCG	Exh No:SDG&E-242/SCG	FINANCIAL COMPONENTS OF SHORT TERM INCENTIVE COMPENSATION	Schlax, Robert
Exh 203	SDG&E	Exh No:SDG&E-39-R	ELECTRIC REVENUES AND RATES	Fang, Cynthia
Exh 204	SDG&E	Exh No:SDG&E-239	ELECTRIC REVENUES AND RATES	Fang, Cynthia
Exh 208	SCG	Exh No:SCG-20	CORPORATE CENTER - INSURANCE	Carbon, Katherine
Exh 210	SDG&E	Exh No:SDG&E-21	CORPORATE CENTER - INSURANCE	Carbon, Katherine
Exh 212	SDG&E-SCG	Exh No:SDG&E-221/SCG	CORPORATE CENTER - INSURANCE	Carbon, Katherine
Exh 218	SCG	Exh No:SCG-34-R	SUMMARY OF EARNINGS	Nguyen, Khai
Exh 219	SDG&E	Exh No:SDG&E-36-R	SUMMARY OF EARNINGS	Nguyen, Khai
Exh 220	SCG	Exh No:SCG-19	CORPORATE CENTER - GENERAL ADMINISTRATION	Devine, Hannah L.
Exh 222	SDG&E	Exh No:SDG&E-20	CORPORATE CENTER - GENERAL ADMINISTRATION	Devine, Hannah L.
Exh 224	SDG&E-SCG	Exh No:SDG&E-220/SCG	CORPORATE CENTER - GENERAL ADMINISTRATION	Devine, Hannah L.
Exh 228	SCG	Exh No:SCG-32-R	MISCELLANEOUS REVENUES	Somerville, Michelle A.
Exh 230	SCG	Exh No:SCG-232	MISCELLANEOUS REVENUES	Somerville, Michelle A.
Exh 231	SDG&E	Exh No:SDG&E-34-R	MISCELLANEOUS REVENUES	Somerville, Michelle A.
Exh 233	SDG&E	Exh No:SDG&E-234	MISCELLANEOUS REVENUES	Somerville, Michelle A.

**EXHIBIT REFERENCE SORTED BY HEARING EXHIBIT NUMBER**

<b>Hearing Exhibit #</b>	<b>Party</b>	<b>Original Exhibit #</b>	<b>Description</b>	<b>Witness</b>
Exh 234	SDG&E	Exh No:SDG&E-30-R	WORKING CASH	Lewis, Jack S
Exh 236	SDG&E	Exh No:SDG&E-230	WORKING CASH	Lewis, Jack S
Exh 241	SCG	Exh No:SCG-29-R	WORKING CASH	Foster, Michael W.
Exh 243	SCG	Exh No:SCG-229	WORKING CASH	Foster, Michael W.
Exh 244	SCG	Exh No:SCG-28-R	TAXES	Reeves, Ragan G.
Exh 246	SCG	Exh No:SCG-228	TAXES	Reeves, Ragan G.
Exh 247	SDG&E	Exh No:SDG&E-29-R	TAXES	Reeves, Ragan G.
Exh 249	SDG&E	Exh No:SDG&E-229	TAXES	Reeves, Ragan G.
Exh 250	SCG	Exh No:SCG-33	REGULATORY ACCOUNTS	Austria, Reginald M.
Exh 252	SCG	Exh No:SCG-233	REGULATORY ACCOUNTS	Austria, Reginald M.
Exh 253	SDG&E	Exh No:SDG&E-35	REGULATORY ACCOUNTS	Jasso, Norma G.
Exh 254	SDG&E	Exh No:SDG&E-235	REGULATORY ACCOUNTS	Jasso, Norma G.
Exh 256	SDG&E	Exh No:SDG&E-31	ELECTRIC CUSTOMERS AND SALES	Schiermeyer, Kenneth E
Exh 258	SDG&E	Exh No:SDG&E-231	ELECTRIC CUSTOMERS AND SALES	Schiermeyer, Kenneth E
Exh 259	SDG&E	Exh No:SDG&E-25-R	REG AFFAIRS, CONTROLLER, FINANCE, LEGAL & EXT REL	Deremer, Kenneth J
Exh 261	SDG&E	Exh No:SDG&E-225	REG AFFAIRS, CONTROLLER, FINANCE, LEGAL & EXT REL	Deremer, Kenneth J
Exh 266	SDG&E	Exh No:SDG&E-240	ELECTRIC RELIABILITY PERFORMANCE INCENTIVES	Withers, Mason
Exh 267	SCG	Exh No:SCG-16	REAL ESTATE	Seifert, James Carl
Exh 269	SCG	Exh No:SCG-216	REAL ESTATE	Seifert, James Carl
Exh 270	SDG&E	Exh No:SDG&E-17	REAL ESTATE, LAND SERVICES AND FACILITIES	Seifert, James Carl
Exh 273	SDG&E	Exh No:SDG&E-217	REAL ESTATE AND FACILITIES	Seifert, James Carl
Exh 277	SCG	Exh No:SCG-22	PENSION & PBOPs	Sarkaria, David I
Exh 280	SDG&E	Exh No:SDG&E-23	PENSION & PBOPs	Sarkaria, David I
Exh 283	SCG	Exh No:SCG-24-R	REG AFF/A&F/LEGAL/EXT AFF	Gonzales, Ramon
Exh 285	SCG	Exh No:SCG-224	REG AFF/A&F/LEGAL/EXT AFF	Gonzales, Ramon

**EXHIBIT REFERENCE SORTED BY HEARING EXHIBIT NUMBER**

<b>Hearing Exhibit #</b>	<b>Party</b>	<b>Original Exhibit #</b>	<b>Description</b>	<b>Witness</b>
Exh 287	SCG	Exh No:SCG-25-R	SHARED SVCS AND SHARED ASSETS BILLING POL AND PROCESS	Diancin, Mark A.
Exh 290	SDG&E	Exh No:SDG&E-26-R	SHARED SVCS AND SHARED ASSETS BILLING POL AND PROCESS	Diancin, Mark A.
Exh 293	SDG&E	Exh No:SDG&E-27-R	RATE BASE	Aragon, Jesse S.
Exh 295	SDG&E	Exh No:SDG&E-28-R	DEPRECIATION	Wieczorek, Robert J
Exh 298	SCG	Exh No:SCG-26-R	RATE BASE	Yee, Garry G
Exh 300	SCG	Exh No:SCG-27-R	DEPRECIATION	Ngai, Flora
Exh 303	SCG	Exh No:SCG-31	ESCALATION	Wilder, Scott R
Exh 305	SDG&E	Exh No:SDG&E-33	ESCALATION	Wilder, Scott R
Exh 307	SCG	Exh No:SCG-38-R	REASSIGNMENT RATES	Stein, Jeff
Exh 309	SDG&E	Exh No:SDG&E-41-R	SEGMENTATION & REASSIGNMENT RATES	Stein, Jeff
Exh 311	SDG&E-SCG	Exh No:SDG&E-241/SCG	TOTAL COMPENSATION STUDY	Beal, Rick
Exh 312	EDF	EDF	Opening Testimony of T. O'Connor on behalf of EDF	T. O'Connor
Exh 313	EDF	EDF	Rebuttal Testimony of T. O'Connor on behalf of EDF	T. O'Connor
Exh 314	FEA	FEA	Direct Testimony of R. Smith on behalf of FEA	R. Smith
Exh 316	JMP	JMP	Testimony of F. Bautista, M. Whitlock and T. Martinez on behalf of JMP	F. Bautista, M. Whitlock, T. Martinez
Exh 317	MGRA	MGRA	Direct Testimony of J. Mitchell on behalf of MGRA	J. Mitchell
Exh 319	SDCAN	SDCAN	Prepared Testimony of M. Shames on behalf of SDCAN	M. Shames
Exh 320	UWUA	UWUA-1	Utility Workers Union of America - 1	C. Wood
Exh 321	UWUA	UWUA-2	Utility Workers Union of America - 2	J. Acosta
Exh 322	UWUA	UWUA-3	Utility Workers Union of America - 3	R. Downs
Exh 323	UWUA	UWUA-4	Utility Workers Union of America - 4	D. Sherman
Exh 324	UWUA	UWUA-5	Utility Workers Union of America - 5	P. Carriera
Exh 325	UWUA	UWUA-6	Utility Workers Union of America - 6	D. Brown
Exh 326	UWUA	UWUA-7	Utility Workers Union of America - 7	D. Kick
Exh 327	UWUA	UWUA-8	Utility Workers Union of America - 8	E. Hofmann
Exh 328	UWUA	UWUA-9	Utility Workers Union of America - 9	M. Barber
Exh 329	UWUA	UWUA-10	Utility Workers Union of America - 10	J. Simon
Exh 331	ORA	ORA-5	SDG&E - Electric Distribution Expenses	E. Jaeger

**EXHIBIT REFERENCE SORTED BY HEARING EXHIBIT NUMBER**

<b>Hearing Exhibit #</b>	<b>Party</b>	<b>Original Exhibit #</b>	<b>Description</b>	<b>Witness</b>
Exh 333	ORA	ORA-17	Compensation, Incentives, Benefits, Pension, and Postretirement Benefits Other Than Pension	S. Hunter
Exh 337	CCUE	CCUE	Prepared Testimony of D. Marcus on behalf of CCUE	D. Marcus
Exh 340	CCUE	CCUE	Rebuttal Testimony of D. Marcus on behalf of CCUE	D. Marcus
Exh 345	UCAN	UCAN	Testimony of R. Sulpizio on behalf of UCAN	R. Sulpizio
Exh 347	UCAN	UCAN	Testimony of Kobor-Norin-Fulmer on behalf of UCAN	B. Kobor, L. Norin, M. Fulmer
Exh 350	ORA	ORA-10	SoCalGas - Gas Distribution	D. Phan
Exh 353	ORA	ORA-13	Customer Services	T. Godfrey
Exh 358	SCG	Exh No:SCG-30	CUSTOMERS	Payan, Rose-Marie
Exh 360	SCG	Exh No:SCG-230	CUSTOMERS	Payan, Rose-Marie
Exh 362	SDG&E	Exh No:SDG&E-32	CUSTOMERS	Payan, Rose-Marie
Exh 364	SDG&E	Exh No:SDG&E-232	CUSTOMERS	Payan, Rose-Marie
Exh 366	ORA	ORA-1	Executive Summary	C. Tang
Exh 367	ORA	ORA-2	Summary of Earnings, Segmentation and Reassignment Rates	J. Oh
Exh 369	ORA	ORA-3	Customers, Sales, Cost Escalation	T. Renaghan
Exh 371	ORA	ORA-4	Miscellaneous Revenues	M. Kanter
Exh 374	ORA	ORA-6	SDG&E - Electric Distribution Capital Expenditures Part 1 of 2	G. Wilson
Exh 376	ORA	ORA-7	SDG&E - Electric Distribution Capital Expenditures Part 2 of 2	S. Logan
Exh 377	ORA	ORA-8	SDG&E - Electric Generation and SONGS	M. Loy
Exh 378	ORA	ORA-9	SDG&E - Gas Distribution, Transmission, Engineering, and Pipeline Integrity	G. Ezekwo
Exh 379	ORA	ORA-11	SoCalGas - Gas Transmission, Underground Storage, Engineering, and Pipeline Integrity	K. C. Lee
Exh 381	ORA	ORA-12	Risk Management and Procurement	T. Burns
Exh 383	ORA	ORA-14	Supply Management & Supplier Diversity, Fleet Services, Real Estate, Land Services & Facilities, and Environmental Services	S. Chia
Exh 385	ORA	ORA-15	Information Technology	P. Morse

**EXHIBIT REFERENCE SORTED BY HEARING EXHIBIT NUMBER**

<b>Hearing Exhibit #</b>	<b>Party</b>	<b>Original Exhibit #</b>	<b>Description</b>	<b>Witness</b>
Exh 387	ORA	ORA-16	Corporate Center – Shared Services & Shared Assets	J. Oh
Exh 389	ORA	ORA-18	Administrative & General Expenses Part 1 of 2	L. Laserson
Exh 391	ORA	ORA-19	Administrative & General Expenses Part 2 of 2	G. Dunham
Exh 393	ORA	ORA-20	Depreciation Expense and Reserve	M. Karie
Exh 394	ORA	ORA-21	Taxes	M. Campbell
Exh 396	ORA	ORA-22	Working Cash and Rate Base	K. McNabb
Exh 398	ORA	ORA-23	Post-Test Year Ratemaking and SCG Advanced Metering Infrastructure Policy	C. Tang
Exh 399	ORA	ORA-24	Report on the Results of Examination for SDG&E and SCG Test Year 2016 GRC	M. Waterworth, G. Novack, J. Lee, F. Hadiprodjo
Exh 400	TURN	TURN	Direct Testimony of W. B. Marcus on behalf of TURN	W. B. Marcus
Exh 402	TURN	TURN	Direct Testimony of J. Sugar on behalf of TURN	J. Sugar
Exh 404	TURN	TURN	Direct Testimony of G. Jones on behalf of TURN	G. Jones
Exh 408	TURN	TURN	Direct Testimony of E. Borden on behalf of TURN	E. Borden

**EXHIBIT REFERENCE SORTED BY PARTY AND ORIGINAL EXHIBIT NUMBER**

<b>Party</b>	<b>Original Exhibit #</b>	<b>Hearing Exhibit #</b>	<b>Description</b>	<b>Witness</b>
SDG&E	Exh No:SDG&E-01-R	Exh 2	SDG&E POLICY OVERVIEW	Winn, Caroline A. and Drury, Scott D.
SDG&E	Exh No:SDG&E-02	Exh 15	RISK MANAGEMENT AND POLICY	Day, Diana
SDG&E	Exh No:SDG&E-03	Exh 21	ELECTRIC OPERATIONS RISK POLICY AND GAS OPERATIONS RISK POLICY	Geier, David L. and Schneider, Douglas M.
SDG&E	Exh No:SDG&E-04	Exh 62	GAS DISTRIBUTION	Ayala, Frank
SDG&E	Exh No:SDG&E-05	Exh 40	GAS TRANSMISSION O&M	Musich, Beth
SDG&E	Exh No:SDG&E-06	Exh 29	GAS ENGINEERING	Stanford, Raymond K
SDG&E	Exh No:SDG&E-07	Exh 53	TIMP & DIMP	Martinez, Maria T.
SDG&E	Exh No:SDG&E-08	Exh 84	ELECTRIC & FUEL PROCUREMENT	Garcia, Sue E
SDG&E	Exh No:SDG&E-09-R	Exh 134	ELECTRIC DISTRIBUTION CAPITAL	Jenkins, John D.
SDG&E	Exh No:SDG&E-10-R	Exh 70	ELECTRIC DISTRIBUTION O&M	Woldemariam, Jonathan T.
SDG&E	Exh No:SDG&E-11	Exh 74	ELECTRIC GENERATION	La Peter, Carl
SDG&E	Exh No:SDG&E-12-R	Exh 80	SONGS	DeMarco, Michael L.
SDG&E	Exh No:SDG&E-13	Exh 86	CS - FIELD	Franke, Sara A.
SDG&E	Exh No:SDG&E-14	Exh 101	CS - OPERATIONS, INFORMATION & TECHNOLOGIES	Baugh, Bradley M.
SDG&E	Exh No:SDG&E-15	Exh 131	SUPPLY MANAGEMENT & SUPPLIER DIVERSITY	Furbush, Sydney L.
SDG&E	Exh No:SDG&E-16	Exh 166	FLEET SERVICES	Herrera, Carmen L.
SDG&E	Exh No:SDG&E-17	Exh 270	REAL ESTATE, LAND SERVICES AND FACILITIES	Seifert, James Carl
SDG&E	Exh No:SDG&E-18	Exh 174	ENVIRONMENTAL	Pearson, R. Scott
SDG&E	Exh No:SDG&E-19-R-A	Exh 153	INFORMATION TECHNOLOGY	Mikovits, Stephen J.
SDG&E	Exh No:SDG&E-20	Exh 222	CORPORATE CENTER - GENERAL ADMINISTRATION	Devine, Hannah L.
SDG&E	Exh No:SDG&E-21	Exh 210	CORPORATE CENTER - INSURANCE	Carbon, Katherine
SDG&E	Exh No:SDG&E-22	Exh 193	COMPENSATION, HEALTH, & WELFARE	Robinson, Debbie
SDG&E	Exh No:SDG&E-23	Exh 280	PENSION & PBOPs	Sarkaria, David I
SDG&E	Exh No:SDG&E-24	Exh 121	HR, SAFETY, DISABILITY, & WORKERS COMP	Edgar, Sarah E

**EXHIBIT REFERENCE SORTED BY PARTY AND ORIGINAL EXHIBIT NUMBER**

<b>Party</b>	<b>Original Exhibit #</b>	<b>Hearing Exhibit #</b>	<b>Description</b>	<b>Witness</b>
SDG&E	Exh No:SDG&E-25-R	Exh 259	REG AFFAIRS, CONTROLLER, FINANCE, LEGAL & EXT REL	Deremer, Kenneth J
SDG&E	Exh No:SDG&E-26-R	Exh 290	SHARED SVCS AND SHARED ASSETS BILLING POL AND PROCESS	Diancin, Mark A.
SDG&E	Exh No:SDG&E-27-R	Exh 293	RATE BASE	Aragon, Jesse S.
SDG&E	Exh No:SDG&E-28-R	Exh 295	DEPRECIATION	Wieczorek, Robert J
SDG&E	Exh No:SDG&E-29-R	Exh 247	TAXES	Reeves, Ragan G.
SDG&E	Exh No:SDG&E-30-R	Exh 234	WORKING CASH	Lewis, Jack S
SDG&E	Exh No:SDG&E-31	Exh 256	ELECTRIC CUSTOMERS AND SALES	Schiermeyer, Kenneth E
SDG&E	Exh No:SDG&E-32	Exh 362	CUSTOMERS	Payan, Rose-Marie
SDG&E	Exh No:SDG&E-33	Exh 305	ESCALATION	Wilder, Scott R
SDG&E	Exh No:SDG&E-34-R	Exh 231	MISCELLANEOUS REVENUES	Somerville, Michelle A.
SDG&E	Exh No:SDG&E-35	Exh 253	REGULATORY ACCOUNTS	Jasso, Norma G.
SDG&E	Exh No:SDG&E-36-R	Exh 219	SUMMARY OF EARNINGS	Nguyen, Khai
SDG&E	Exh No:SDG&E-37-R	Exh 95	POST-TEST YEAR RATEMAKING	Hrna, Sandra K.
SDG&E	Exh No:SDG&E-38-R	Exh 183	COMPLIANCE	Shimansky, Gregory D
SDG&E	Exh No:SDG&E-39-R	Exh 203	ELECTRIC REVENUES AND RATES	Fang, Cynthia
SDG&E	Exh No:SDG&E-40-R	Exh 190	REVENUES AT PRESENT AND PROPOSED RATES	Lenart, Gary G
SDG&E	Exh No:SDG&E-41-R	Exh 309	SEGMENTATION & REASSIGNMENT RATES	Stein, Jeff
SDG&E	Exh No:SDG&E-42		UPDATED RESULTS OF OPERATIONS REPORT	Nguyen, Khai
SDG&E	Exh No:SDG&E-43	Exh 17	RESPONSE TO SAFETY & ENFORCEMENT DIVISION (SED) REPORT	Day, Diana
SDG&E	Exh No:SDG&E-204	Exh 65	GAS DISTRIBUTION	Ayala, Frank
SDG&E	Exh No:SDG&E-205	Exh 43	GAS TRANSMISSION O&M	Musich, Beth
SDG&E	Exh No:SDG&E-206	Exh 32	GAS ENGINEERING AND GAS TRANSMISSION CAPITAL	Stanford, Raymond K
SDG&E	Exh No:SDG&E-207	Exh 56	TIMP & DIMP	Martinez, Maria T.
SDG&E	Exh No:SDG&E-209	Exh 136	ELECTRIC DISTRIBUTION CAPITAL	Jenkins, John D.
SDG&E	Exh No:SDG&E-210	Exh 72	ELECTRIC DISTRIBUTION O&M	Woldemariam, Jonathan T.
SDG&E	Exh No:SDG&E-211	Exh 77	ELECTRIC GENERATION	La Peter, Carl

**EXHIBIT REFERENCE SORTED BY PARTY AND ORIGINAL EXHIBIT NUMBER**

<b>Party</b>	<b>Original Exhibit #</b>	<b>Hearing Exhibit #</b>	<b>Description</b>	<b>Witness</b>
SDG&E	Exh No:SDG&E-212	Exh 83	SONGS	DeMarco, Michael L.
SDG&E	Exh No:SDG&E-213	Exh 88	CS - FIELD	Franke, Sara A.
SDG&E	Exh No:SDG&E-214	Exh 104	CS - OPERATIONS, INFORMATION & TECHNOLOGIES	Baugh, Bradley M.
SDG&E	Exh No:SDG&E-215	Exh 133	SUPPLY MANAGEMENT & SUPPLIER DIVERSITY	Furbush, Sydney L.
SDG&E	Exh No:SDG&E-216	Exh 168	FLEET SERVICES	Herrera, Carmen L.
SDG&E	Exh No:SDG&E-217	Exh 273	REAL ESTATE AND FACILITIES	Seifert, James Carl
SDG&E	Exh No:SDG&E-218	Exh 176	ENVIRONMENTAL	Pearson, R. Scott
SDG&E	Exh No:SDG&E-219	Exh 156	INFORMATION TECHNOLOGY	Mikovits, Stephen J.
SDG&E	Exh No:SDG&E-224	Exh 123	HR, SAFETY, DISABILITY, & WORKERS COMP	Edgar, Sarah E
SDG&E	Exh No:SDG&E-225	Exh 261	REG AFFAIRS, CONTROLLER, FINANCE, LEGAL & EXT REL	Deremer, Kenneth J
SDG&E	Exh No:SDG&E-229	Exh 249	TAXES	Reeves, Ragan G.
SDG&E	Exh No:SDG&E-230	Exh 236	WORKING CASH	Lewis, Jack S
SDG&E	Exh No:SDG&E-231	Exh 258	ELECTRIC CUSTOMERS AND SALES	Schiermeyer, Kenneth E
SDG&E	Exh No:SDG&E-232	Exh 364	CUSTOMERS	Payan, Rose-Marie
SDG&E	Exh No:SDG&E-234	Exh 233	MISCELLANEOUS REVENUES	Somerville, Michelle A.
SDG&E	Exh No:SDG&E-235	Exh 254	REGULATORY ACCOUNTS	Jasso, Norma G.
SDG&E	Exh No:SDG&E-237	Exh 97	POST-TEST YEAR RATEMAKING	Hrna, Sandra K.
SDG&E	Exh No:SDG&E-239	Exh 204	ELECTRIC REVENUES AND RATES	Fang, Cynthia
SDG&E	Exh No:SDG&E-240	Exh 266	ELECTRIC RELIABILITY PERFORMANCE INCENTIVES	Withers, Mason
SCG	Exh No:SCG-01-R	Exh 1	SOCALGAS POLICY OVERVIEW	Lane, J. Bret
SCG	Exh No:SCG-02	Exh 13	RISK MANAGEMENT AND POLICY	Day, Diana
SCG	Exh No:SCG-03	Exh 19	GAS OPERATIONS RISK POLICY	Schneider, Douglas M.
SCG	Exh No:SCG-04-R	Exh 58	GAS DISTRIBUTION	Ayala, Frank
SCG	Exh No:SCG-05	Exh 35	GAS TRANSMISSION O&M	Musich, Beth
SCG	Exh No:SCG-06	Exh 45	UNDERGROUND STORAGE	Baker, Phillip E.
SCG	Exh No:SCG-07	Exh 25	GAS ENGINEERING	Stanford, Raymond K

**EXHIBIT REFERENCE SORTED BY PARTY AND ORIGINAL EXHIBIT NUMBER**

<b>Party</b>	<b>Original Exhibit #</b>	<b>Hearing Exhibit #</b>	<b>Description</b>	<b>Witness</b>
SCG	Exh No:SCG-08	Exh 49	TIMP & DIMP	Martinez, Maria T.
SCG	Exh No:SCG-09	Exh 119	PROCUREMENT	Chang, Ibtissam T
SCG	Exh No:SCG-10	Exh 89	CS - FIELD & METER READING	Franke, Sara A.
SCG	Exh No:SCG-11	Exh 110	CS - OFFICE OPERATIONS	Goldman, Evan D.
SCG	Exh No:SCG-12-R	Exh 115	CS - INFORMATION	Ayres, Ann D.
SCG	Exh No:SCG-13-R	Exh 185	CS - TECHNOLOGIES, POLICIES & SOLUTIONS	Reed, Jeffrey G.
SCG	Exh No:SCG-14	Exh 127	SUPPLY MANAGEMENT	Hobbs, Richard D.
SCG	Exh No:SCG-15	Exh 162	FLEET & FACILITY OPERATIONS	Herrera, Carmen L.
SCG	Exh No:SCG-16	Exh 267	REAL ESTATE	Seifert, James Carl
SCG	Exh No:SCG-17-R	Exh 177	ENVIRONMENTAL	Tracy, Jill
SCG	Exh No:SCG-18-R	Exh 148	INFORMATION TECHNOLOGY	Olmsted, Christopher R.
SCG	Exh No:SCG-19	Exh 220	CORPORATE CENTER - GENERAL ADMINISTRATION	Devine, Hannah L.
SCG	Exh No:SCG-20	Exh 208	CORPORATE CENTER - INSURANCE	Carbon, Katherine
SCG	Exh No:SCG-21	Exh 191	COMPENSATION, HEALTH, & WELFARE	Robinson, Debbie
SCG	Exh No:SCG-22	Exh 277	PENSION & PBOPs	Sarkaria, David I
SCG	Exh No:SCG-23-R	Exh 106	PRES/COO, HR, WORKERS COMP & DISABILITY	Serrano, Mark L.
SCG	Exh No:SCG-24-R	Exh 283	REG AFF/A&F/LEGAL/EXT AFF	Gonzales, Ramon
SCG	Exh No:SCG-25-R	Exh 287	SHARED SVCS AND SHARED ASSETS BILLING POL AND PROCESS	Diancin, Mark A.
SCG	Exh No:SCG-26-R	Exh 298	RATE BASE	Yee, Garry G
SCG	Exh No:SCG-27-R	Exh 300	DEPRECIATION	Ngai, Flora
SCG	Exh No:SCG-28-R	Exh 244	TAXES	Reeves, Ragan G.
SCG	Exh No:SCG-29-R	Exh 241	WORKING CASH	Foster, Michael W.
SCG	Exh No:SCG-30	Exh 358	CUSTOMERS	Payan, Rose-Marie
SCG	Exh No:SCG-31	Exh 303	ESCALATION	Wilder, Scott R
SCG	Exh No:SCG-32-R	Exh 228	MISCELLANEOUS REVENUES	Somerville, Michelle A.

**EXHIBIT REFERENCE SORTED BY PARTY AND ORIGINAL EXHIBIT NUMBER**

<b>Party</b>	<b>Original Exhibit #</b>	<b>Hearing Exhibit #</b>	<b>Description</b>	<b>Witness</b>
SCG	Exh No:SCG-33	Exh 250	REGULATORY ACCOUNTS	Austria, Reginald M.
SCG	Exh No:SCG-34-R	Exh 218	SUMMARY OF EARNINGS	Nguyen, Khai
SCG	Exh No:SCG-35-R	Exh 92	POST-TEST YEAR RATEMAKING	Van der Leeden, Ronald M.
SCG	Exh No:SCG-36-R	Exh 182	COMPLIANCE	Shimansky, Gregory D
SCG	Exh No:SCG-37-R	Exh 189	REVENUES AT PRESENT AND PROPOSED RATES	Lenart, Gary G
SCG	Exh No:SCG-38-R	Exh 307	REASSIGNMENT RATES	Stein, Jeff
SCG	Exh No:SCG-39	Exh 124	ADVANCED METERING INFRASTRUCTURE POLICY	Garcia, Rene F.
SCG	Exh No:SCG-40		UPDATED RESULTS OF OPERATIONS REPORT	Nguyen, Khai
SCG	Exh No:SCG-41	Exh 17	RESPONSE TO SAFETY & ENFORCEMENT DIVISION (SED) REPORT	Day, Diana
SCG	Exh No:SCG-204	Exh 61	GAS DISTRIBUTION	Ayala, Frank
SCG	Exh No:SCG-205	Exh 38	GAS TRANSMISSION O&M	Musich, Beth
SCG	Exh No:SCG-206	Exh 48	UNDERGROUND STORAGE	Baker, Phillip E.
SCG	Exh No:SCG-207	Exh 28	GAS ENGINEERING AND GAS TRANSMISSION CAPITAL	Stanford, Raymond K
SCG	Exh No:SCG-208	Exh 52	TIMP & DIMP	Martinez, Maria T.
SCG	Exh No:SCG-210	Exh 91	CS - FIELD & METER READING	Franke, Sara A.
SCG	Exh No:SCG-211	Exh 113	CS - OFFICE OPERATIONS	Goldman, Evan D.
SCG	Exh No:SCG-212	Exh 117	CS - INFORMATION	Ayres, Ann D.
SCG	Exh No:SCG-213	Exh 187	CS - TECHNOLOGIES, POLICIES & SOLUTIONS	Reed, Jeffrey G.
SCG	Exh No:SCG-214	Exh 129	SUPPLY MANAGEMENT	Hobbs, Richard D.
SCG	Exh No:SCG-215	Exh 165	FLEET SERVICES & FACILITY OPERATIONS	Herrera, Carmen L.
SCG	Exh No:SCG-216	Exh 269	REAL ESTATE	Seifert, James Carl
SCG	Exh No:SCG-217	Exh 179	ENVIRONMENTAL	Tracy, Jill
SCG	Exh No:SCG-218	Exh 151	INFORMATION TECHNOLOGY	Olmsted, Christopher R.
SCG	Exh No:SCG-223	Exh 108	HUMAN RESOURCES, DISABILITY & WORKERS COMP	Serrano, Mark L.
SCG	Exh No:SCG-224	Exh 285	REG AFF/A&F/LEGAL/EXT AFF	Gonzales, Ramon

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<b>Party</b>	<b>Original Exhibit #</b>	<b>Hearing Exhibit #</b>	<b>Description</b>	<b>Witness</b>
SCG	Exh No:SCG-228	Exh 246	TAXES	Reeves, Ragan G.
SCG	Exh No:SCG-229	Exh 243	WORKING CASH	Foster, Michael W.
SCG	Exh No:SCG-230	Exh 360	CUSTOMERS	Payan, Rose-Marie
SCG	Exh No:SCG-232	Exh 230	MISCELLANEOUS REVENUES	Somerville, Michelle A.
SCG	Exh No:SCG-233	Exh 252	REGULATORY ACCOUNTS	Austria, Reginald M.
SCG	Exh No:SCG-235	Exh 94	POST-TEST YEAR RATEMAKING	Van der Leeden, Ronald M.
SCG	Exh No:SCG-239	Exh 125	ADVANCED METERING INFRASTRUCTURE POLICY	Garcia, Rene F.
SDG&E-SCG	Exh No:SDG&E-202/SCG	Exh 18	RISK MANAGEMENT AND POLICY	Day, Diana
SDG&E-SCG	Exh No:SDG&E-220/SCG	Exh 224	CORPORATE CENTER - GENERAL ADMINISTRATION	Devine, Hannah L.
SDG&E-SCG	Exh No:SDG&E-221/SCG	Exh 212	CORPORATE CENTER - INSURANCE	Carbon, Katherine
SDG&E-SCG	Exh No:SDG&E-222/SCG	Exh 195	COMPENSATION AND BENEFITS	Robinson, Debbie S.
SDG&E-SCG	Exh No:SDG&E-241/SCG	Exh 311	TOTAL COMPENSATION STUDY	Beal, Rick
SDG&E-SCG	Exh No:SDG&E-242/SCG	Exh 200	FINANCIAL COMPONENTS OF SHORT TERM INCENTIVE COMPENSATION	Schlax, Robert
SDG&E-SCG	Exh No:SDG&E-243/SCG	Exh 184	RESULT OF EXAMINATION AND OTHER FINANCIAL ISSUES	Shimansky, Gregory D
ORA	ORA-1	Exh 366	Executive Summary	C. Tang
ORA	ORA-2	Exh 367	Summary of Earnings, Segmentation and Reassignment Rates	J. Oh
ORA	ORA-3	Exh 369	Customers, Sales, Cost Escalation	T. Renaghan
ORA	ORA-4	Exh 371	Miscellaneous Revenues	M. Kanter
ORA	ORA-5	Exh 331	SDG&E - Electric Distribution Expenses	E. Jaeger
ORA	ORA-6	Exh 374	SDG&E - Electric Distribution Capital Expenditures Part 1 of 2	G. Wilson
ORA	ORA-7	Exh 376	SDG&E - Electric Distribution Capital Expenditures Part 2 of 2	S. Logan
ORA	ORA-8	Exh 377	SDG&E - Electric Generation and SONGS	M. Loy
ORA	ORA-9	Exh 378	SDG&E - Gas Distribution, Transmission, Engineering, and Pipeline Integrity	G. Ezekwo
ORA	ORA-10	Exh 350	SoCalGas - Gas Distribution	D. Phan

**EXHIBIT REFERENCE SORTED BY PARTY AND ORIGINAL EXHIBIT NUMBER**

<b>Party</b>	<b>Original Exhibit #</b>	<b>Hearing Exhibit #</b>	<b>Description</b>	<b>Witness</b>
ORA	ORA-11	Exh 379	SoCalGas - Gas Transmission, Underground Storage, Engineering, and Pipeline Integrity	K. C. Lee
ORA	ORA-12	Exh 381	Risk Management and Procurement	T. Burns
ORA	ORA-13	Exh 353	Customer Services	T. Godfrey
ORA	ORA-14	Exh 383	Supply Management & Supplier Diversity, Fleet Services, Real Estate, Land Services & Facilities, and Environmental Services	S. Chia
ORA	ORA-15	Exh 385	Information Technology	P. Morse
ORA	ORA-16	Exh 387	Corporate Center – Shared Services & Shared Assets	J. Oh
ORA	ORA-17	Exh 333	Compensation, Incentives, Benefits, Pension, and Postretirement Benefits Other Than Pension	S. Hunter
ORA	ORA-18	Exh 389	Administrative & General Expenses Part 1 of 2	L. Laserson
ORA	ORA-19	Exh 391	Administrative & General Expenses Part 2 of 2	G. Dunham
ORA	ORA-20	Exh 393	Depreciation Expense and Reserve	M. Karie
ORA	ORA-21	Exh 394	Taxes	M. Campbell
ORA	ORA-22	Exh 396	Working Cash and Rate Base	K. McNabb
ORA	ORA-23	Exh 398	Post-Test Year Ratemaking and SCG Advanced Metering Infrastructure Policy	C. Tang
ORA	ORA-24	Exh 399	Report on the Results of Examination for SDG&E and SCG Test Year 2016 GRC	M. Waterworth, G. Novack, J. Lee, F. Hadiprodjo
UCAN	UCAN	Exh 347	Testimony of Kobor-Norin-Fulmer on behalf of UCAN	B. Kobor, L. Norin, M. Fulmer
UCAN	UCAN	Exh 345	Testimony of R. Sulpizio on behalf of UCAN	R. Sulpizio
TURN	TURN	Exh 408	Direct Testimony of E. Borden on behalf of TURN	E. Borden
TURN	TURN	Exh 404	Direct Testimony of G. Jones on behalf of TURN	G. Jones
TURN	TURN	Exh 400	Direct Testimony of W. B. Marcus on behalf of TURN	W. B. Marcus
TURN	TURN	Exh 402	Direct Testimony of J. Sugar on behalf of TURN	J. Sugar
SDCAN	SDCAN	Exh 319	Prepared Testimony of M. Shames on behalf of SDCAN	M. Shames
MGRA	MGRA	Exh 317	Direct Testimony of J. Mitchell on behalf of MGRA	J. Mitchell

**EXHIBIT REFERENCE SORTED BY PARTY AND ORIGINAL EXHIBIT NUMBER**

<b>Party</b>	<b>Original Exhibit #</b>	<b>Hearing Exhibit #</b>	<b>Description</b>	<b>Witness</b>
CCUE	CCUE	Exh 337	Prepared Testimony of D. Marcus on behalf of CCUE	D. Marcus
CCUE	CCUE	Exh 340	Rebuttal Testimony of D. Marcus on behalf of CCUE	D. Marcus
FEA	FEA	Exh 314	Direct Testimony of R. Smith on behalf of FEA	R. Smith
JMP	JMP	Exh 316	Testimony of F. Bautista, M. Whitlock and T. Martinez on behalf of JMP	F. Bautista, M. Whitlock, T. Martinez
SCGC	SCGC	Exh 33	Direct Testimony of C. Yap on behalf of SCGC	C. Yap
EDF	EDF	Exh 312	Opening Testimony of T. O'Connor on behalf of EDF	T. O'Connor
EDF	EDF	Exh 313	Rebuttal Testimony of T. O'Connor on behalf of EDF	T. O'Connor
UWUA	UWUA-1	Exh 320	Utility Workers Union of America - 1	C. Wood
UWUA	UWUA-2	Exh 321	Utility Workers Union of America - 2	J. Acosta
UWUA	UWUA-3	Exh 322	Utility Workers Union of America - 3	R. Downs
UWUA	UWUA-4	Exh 323	Utility Workers Union of America - 4	D. Sherman
UWUA	UWUA-5	Exh 324	Utility Workers Union of America - 5	P. Carriera
UWUA	UWUA-6	Exh 325	Utility Workers Union of America - 6	D. Brown
UWUA	UWUA-7	Exh 326	Utility Workers Union of America - 7	D. Kick
UWUA	UWUA-8	Exh 327	Utility Workers Union of America - 8	E. Hofmann
UWUA	UWUA-9	Exh 328	Utility Workers Union of America - 9	M. Barber
UWUA	UWUA-10	Exh 329	Utility Workers Union of America - 10	J. Simon

## **Chapter 2**

# **Differences Between SDG&E and ORA**

## Chapter 2 - ORA vs. SDG&E

### Part A - O&M and Capital Expenditures

#### 1. SDG&E-02 (Exh 15) - RISK MANAGEMENT AND POLICY

##### a. O&M - SHARED

Workpaper	ORA vs. SDG&E (2016)	Reference
1. 1RM00A-USS.ALL	(1,903)	2A1-a1

## CHAPTER 2A1-a1

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-02  
**Area:** RISK MANAGEMENT AND POLICY  
**Witness:** Day, Diana L.

### SHARED SERVICES O&M

**Subject:** Risk Management  
**Workpaper:** 1RM00A-USS.ALL

**SDG&E Position:** SDG&E's TY 2016 request is \$2.964 million. Included in this request is the addition of 9 full-time equivalents (FTEs) on a combined basis for SDG&E and SCG.

Exhibit SDG&E-02, Page DD-10

**ORA Position:** ORA recommends that SDG&E receive \$1.061 million for SDG&E and SCG ERM expenses, SDG&E's 2014 adjusted recorded expense amount.

Exhibit ORA-12, Page 5

**Settlement:** Please refer to Exhibit A, page A-9, section "Other - Enterprise Risk Management" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

### Proposed TY2016 Forecast (in thousands of 2013 dollars)

<b>SDG&amp;E</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3590.000	1,224	1,740	0	2,964
<b>Total</b>	<b>1,224</b>	<b>1,740</b>	<b>0</b>	<b>2,964</b>

<b>ORA</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3590.000	811	250	0	1,061
<b>Total</b>	<b>811</b>	<b>250</b>	<b>0</b>	<b>1,061</b>

<b>Difference</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3590.000	-413	-1,490	0	-1,903
<b>Total</b>	<b>-413</b>	<b>-1,490</b>	<b>0</b>	<b>-1,903</b>

<b>Settlement</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
<b>1RM00A-USS.ALL</b>	<b>1,911</b>	<b>589</b>	<b>0</b>	<b>2,500</b>
<b>Total</b>	<b>1,911</b>	<b>589</b>	<b>0</b>	<b>2,500</b>

## Chapter 2 - ORA vs. SDG&E

### Part A - O&M and Capital Expenditures

#### 2. SDG&E-04 (Exh 62) - GAS DISTRIBUTION

##### a. O&M - NON-SHARED

Workpaper	ORA vs. SDG&E (2016)	Reference
1. 1GD000.004	(61)	2A2-a1
2. 1GD000.005	(45)	2A2-a2
3. 1GD000.006	(13)	2A2-a3
4. 1GD000.007	(648)	2A2-a4
5. 1GD001.000	(237)	2A2-a5
6. 1GD002.000	(339)	2A2-a6
7. 1GD004.000	(322)	2A2-a7

**CHAPTER 2A2-a1**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-04  
**Area:** GAS DISTRIBUTION  
**Witness:** Ayala, Frank B.

**NONSHARED O&M**

**Subject:** Field O&M - Service Maintenance  
**Workpaper:** 1GD000.004

**SDG&E Position:** SDG&E shows a recorded base year figure of \$1.183 million and a forecasted incremental increase of \$61.0 million resulting in a TY 2016 expense of \$1.244 million.

Exhibit SDG&E-04, Page FBA-23

**ORA Position:** ORA recommends \$1.1830 million for TY 2016 which is close to the recorded five-year (2010 through 2014) average.

Exhibit ORA-9, Page 9

**Settlement:** Please refer to Exhibit A, page A-2, section "Non-Shared O&M Expenses", subsection "1. Gas Distribution Expenses", of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	1,134	1,078	-56	1,134
NonLabor	110	105	-5	110
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>1,244</b>	<b>1,183</b>	<b>-61</b>	<b>1,244</b>

**CHAPTER 2A2-a2**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-04  
**Area:** GAS DISTRIBUTION  
**Witness:** Ayala, Frank B.

**NONSHARED O&M**

**Subject:** Field O&M - Tools Fittings & Materials  
**Workpaper:** 1GD000.005

**SDG&E Position:** SDG&E shows a recorded base year figure of \$.328 million and a forecasted incremental increase of \$.139 million resulting in a TY 2016 expense of \$.467 million.

Exhibit SDG&E-04, Page FBA-26

**ORA Position:** ORA recommends \$.422 million for TY 2016, based on the most recent recorded five-year (2010 through 2014) average. ORA's use of a five year average provides a more reliable TY forecast due to its reliance on updated historical data.

Exhibit ORA-9, Page 10

**Settlement:** Please refer to Exhibit A, page A-2, section "Non-Shared O&M Expenses", subsection "1. Gas Distribution Expenses", of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	6	5	-1	5
NonLabor	461	417	-44	417
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>467</b>	<b>422</b>	<b>-45</b>	<b>422</b>

**CHAPTER 2A2-a3**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-04  
**Area:** GAS DISTRIBUTION  
**Witness:** Ayala, Frank B.

**NONSHARED O&M**

**Subject:** Field O&M - Electric Support  
**Workpaper:** 1GD000.006

**SDG&E Position:** SDG&E shows a recorded base year figure of \$.606 million and a forecast incremental increase of \$.131 million resulting in a TY 2016 expense of \$.737 million.

Exhibit SDG&E-04, Page FBA-27

**ORA Position:** ORA recommends \$.724 million for TY 2016, based on the most recent recorded five-year (2010 through 2014) average. ORA's use of a five year average provides a more reliable TY forecast due to its reliance on updated historical data.

Exhibit ORA-9, Page 11

**Settlement:** Please refer to Exhibit A, page A-2, section "1. Gas Distribution Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	637	626	-11	626
NonLabor	100	98	-2	98
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>737</b>	<b>724</b>	<b>-13</b>	<b>724</b>

## CHAPTER 2A2-a4

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-04  
**Area:** GAS DISTRIBUTION  
**Witness:** Ayala, Frank B.

### NONSHARED O&M

**Subject:** Field O&M - Supervision & Training  
**Workpaper:** 1GD000.007

**SDG&E Position:** SDG&E shows a recorded base year figure of \$2.498 million and a forecast incremental increase of \$.343 resulting in a TY 2016 expense of \$2.841 million.

Exhibit SDG&E-04, Page FBA-28

**ORA Position:** ORA recommends \$2.193 million for TY 2016, based on the most recent recorded five-year (2010 through 2014) average. ORA's use of a five-year average provides a more reliable TY forecast due to its reliance on updated historical data.

Exhibit ORA-9, Page 13

**Settlement:** Please refer to Exhibit A, page A-2, section "Non-Shared O&M Expenses", subsection "1. Gas Distribution Expenses", of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

#### Proposed TY2016 Forecast (in thousands of 2013 dollars)

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	2,634	2,033	-601	2,318
NonLabor	207	160	-47	182
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>2,841</b>	<b>2,193</b>	<b>-648</b>	<b>2,500</b>

## CHAPTER 2A2-a5

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-04  
**Area:** GAS DISTRIBUTION  
**Witness:** Ayala, Frank B.

### NONSHARED O&M

**Subject:** Asset Management  
**Workpaper:** 1GD001.000

**SDG&E Position:** SDG&E shows a recorded base year figure of \$1.624 million and a forecast incremental increase of \$.224 million resulting in a TY 2016 expense of \$1.848 million.

Exhibit SDG&E-04, Page FBA-45

**ORA Position:** ORA recommends \$1.612 million for TY 2016, based on the most recent recorded five-year (2010 through 2014) average. ORA's use of a five-year average provides a more reliable TY forecast due to its reliance on updated historical data.

Exhibit ORA-9, Page 17

**Settlement:** Please refer to Exhibit A, page A-2, section "Non-Shared O&M Expenses", subsection "1. Gas Distribution Expenses", of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

#### Proposed TY2016 Forecast (in thousands of 2013 dollars)

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	1,400	1,221	-179	1,400
NonLabor	449	391	-58	449
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>1,849</b>	<b>1,612</b>	<b>-237</b>	<b>1,849</b>

**CHAPTER 2A2-a6**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-04  
**Area:** GAS DISTRIBUTION  
**Witness:** Ayala, Frank B.

**NONSHARED O&M**

**Subject:** Measurement & Regulation  
**Workpaper:** 1GD002.000

**SDG&E Position:** SDG&E shows a recorded base year figure of \$3.058 million and a forecasted incremental increase of \$.406 million resulting in a TY 2016 expense of \$3.464 million.

Exhibit SDG&E-04, Page FBA-31

**ORA Position:** ORA recommends \$3.125 million for TY 2016, based on the most recent recorded two-year (2013 and 2014) average.

Exhibit ORA-9, Page 14

**Settlement:** Please refer to Exhibit A, page A-2, section "Non-Shared O&M Expenses", subsection "1. Gas Distribution Expenses", of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	2,531	2,283	-248	2,531
NonLabor	933	842	-91	933
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>3,464</b>	<b>3,125</b>	<b>-339</b>	<b>3,464</b>

## CHAPTER 2A2-a7

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-04  
**Area:** GAS DISTRIBUTION  
**Witness:** Ayala, Frank B.

### NONSHARED O&M

**Subject:** Operations Management & Training  
**Workpaper:** 1GD004.000

**SDG&E Position:** SDG&E shows a recorded base year figure of \$2.238 million and a forecasted incremental increase of \$1.166 million resulting in a TY 2016 expense of \$3.404 million.

Exhibit SDG&E-04, Page FBA-52

**ORA Position:** ORA recommends \$3.082 million for TY 2016, based on the most recent recorded five-year (2010 through 2014) average, plus SDG&E's requested incremental additions of \$1.166 million. According to SDG&E the incremental cost includes the Expansion of the Operator Qualification Program, Additional Annual Welding Training, Leak Survey and CP Quality Assurance Specialist, Additional Compliance Technical Advisor and Technical Service Specialist.

Exhibit ORA-9, Page 18

**Settlement:** Please refer to Exhibit A, page A-2, section "Non-Shared O&M Expenses", subsection "1. Gas Distribution Expenses", of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

#### Proposed TY2016 Forecast (in thousands of 2013 dollars)

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	2,820	2,553	-267	2,553
NonLabor	584	529	-55	529
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>3,404</b>	<b>3,082</b>	<b>-322</b>	<b>3,082</b>

## Chapter 2 - ORA vs. SDG&E

### Part A - O&M and Capital Expenditures

#### 2. SDG&E-04 (Exh 62) - GAS DISTRIBUTION

##### b. CAPITAL

Project	ORA vs. SDG&E (2014+2015+2016)	Reference
1. 00500.0.ALL	(814)	2A2-b1
2. 00501.0.ALL	639	2A2-b2
3. 00502.0.ALL	377	2A2-b3
4. 00503.0.ALL	(1,061)	2A2-b4
5. 00504.0.ALL	44	2A2-b5
6. 00505.0.ALL	294	2A2-b6
7. 00506.0.ALL	150	2A2-b7
8. 00507.0.ALL	173	2A2-b8
9. 00508.0.ALL	1,750	2A2-b9
10. 00509.0.ALL	506	2A2-b10
11. 00510.0.ALL	(985)	2A2-b11
12. 00902.0.ALL	(617)	2A2-b12
13. 12551.0.ALL	(13)	2A2-b13

**CHAPTER 2A2-b1**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-04  
**Area:** GAS DISTRIBUTION  
**Witness:** Ayala, Frank B.

**CAPITAL EXPENDITURES**

**Project:** GD NEW CUSTOMERS  
**Budget Code:** 00500.0.ALL

**SDG&E Position:** Forecasted capital expenditures for this category for years 2014, 2015, and 2016 are \$7.042 million, \$9.584 million, and \$12.500 million, respectively. Exhibit SDG&E-04, Page FBA-61

**ORA Position:** ORA reviewed SDG&E's capital forecast for 2014, 2015 and 2016. ORA does not take issue with how the forecast was derived. SDG&E's total 2014 recorded expenditures is less than five percent of the SDG&E's 2014 requested amount. Based on this, ORA recommends that the Commission adopt the 2014 recorded capital expenditures and also accept SDG&E's 2015 and 2016 capital forecast.

Exhibit ORA-9, Page 20

**Settlement:** Please refer to Exhibit A, page A-2, section "Gas Distribution, Transmission, Engineering and Pipeline Integrity Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
005000.001	24,367
005000.002	4,759
<b>Total</b>	<b>29,126</b>
<b>ORA</b>	<b>2014-2016 Total</b>
005000.001	23,984
005000.002	4,328
<b>Total</b>	<b>28,312</b>
<b>Difference</b>	<b>2014-2016 Total</b>
005000.001	-383
005000.002	-431
<b>Total</b>	<b>-814</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
00500.0.ALL	28,312
<b>Total</b>	<b>28,312</b>

## CHAPTER 2A2-b2

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-04  
**Area:** GAS DISTRIBUTION  
**Witness:** Ayala, Frank B.

### CAPITAL EXPENDITURES

**Project:** GD SYS MINOR ADD/RLC/RTR  
**Budget Code:** 00501.0.ALL

**SDG&E Position:** Forecasted capital expenditures for this category for years 2014, 2015, and 2016 are \$1.450 million, \$1.450 million, and \$1.450 million, respectively.  
Exhibit SDG&E-04, Page FBA-63

**ORA Position:** ORA reviewed SDG&E's capital forecast for 2014, 2015 and 2016. ORA does not take issue with how the forecast was derived. SDG&E's total 2014 recorded expenditures is less than five percent of the SDG&E's 2014 requested amount. Based on this, ORA recommends that the Commission adopt the 2014 recorded capital expenditures and also accept SDG&E's 2015 and 2016 capital forecast.  
Exhibit ORA-9, Page 20

**Note:** This exhibit does not show the uncontested project sub-accounts. SoCalGas' total request for Budget Code 00501 is \$1.450 million for 2014, \$3.356 million for 2015, and \$3.356 million for 2016.

**Settlement:** Please refer to Exhibit A, page A-2, section "Gas Distribution, Transmission, Engineering, and Pipeline Integrity Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

CHAPTER 2A2-b2

Proposed Capital Expenditures (in thousands of 2013 dollars)

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
005010.001	2,004
005010.002	1,233
005010.005	1,113
<b>Total</b>	<b>4,350</b>

<b>ORA</b>	<b>2014-2016 Total</b>
005010.001	2,299
005010.002	1,414
005010.005	1,276
<b>Total</b>	<b>4,989</b>

<b>Difference</b>	<b>2014-2016 Total</b>
005010.001	295
005010.002	181
005010.005	163
<b>Total</b>	<b>639</b>

<b>Settlement</b>	<b>2014-2016 Total</b>
00501.0.ALL	4,989
<b>Total</b>	<b>4,989</b>

**CHAPTER 2A2-b3**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-04  
**Area:** GAS DISTRIBUTION  
**Witness:** Ayala, Frank B.

**CAPITAL EXPENDITURES**

**Project:** GD METERS & REGULATORS  
**Budget Code:** 00502.0.ALL

**SDG&E Position:** Forecasted capital expenditures for this category for years 2014, 2015, and 2016 are \$7.175 million, \$7.378 million, and \$7.610 million, respectively.  
Exhibit SDG&E-04, Page FBA-66

**ORA Position:** ORA reviewed SDG&E's capital forecast for 2014, 2015 and 2016. ORA does not take issue with how the forecast was derived. SDG&E's total 2014 recorded expenditures is less than five percent of the SDG&E's 2014 requested amount. Based on this, ORA recommends that the Commission adopt the 2014 recorded capital expenditures and also accept SDG&E's 2015 and 2016 capital forecast.  
Exhibit ORA-9, Page 20

**Settlement:** Please refer to Exhibit A, page A-2, section "Gas Distribution, Transmission, Engineering and Pipeline Integrity Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
005020.001	22,163
<b>Total</b>	<b>22,163</b>
<b>ORA</b>	<b>2014-2016 Total</b>
005020.001	22,540
<b>Total</b>	<b>22,540</b>
<b>Difference</b>	<b>2014-2016 Total</b>
005020.001	377
<b>Total</b>	<b>377</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
00502.0.ALL	22,540
<b>Total</b>	<b>22,540</b>

## CHAPTER 2A2-b4

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-04  
**Area:** GAS DISTRIBUTION  
**Witness:** Ayala, Frank B.

### CAPITAL EXPENDITURES

**Project:** GD SYS REINFORCEMENT  
**Budget Code:** 00503.0.ALL

**SDG&E Position:** Forecasted capital expenditures for this category for years 2014, 2015, and 2016 are \$2.304 million, \$2.304 million, and \$2.304 million, respectively.  
Exhibit SDG&E-04, Page FBA-68

**ORA Position:** ORA reviewed SDG&E's capital forecast for 2014, 2015 and 2016. ORA does not take issue with how the forecast was derived. SDG&E's total 2014 recorded expenditures is less than five percent of the SDG&E's 2014 requested amount. Based on this, ORA recommends that the Commission adopt the 2014 recorded capital expenditures and also accept SDG&E's 2015 and 2016 capital forecast.  
Exhibit ORA-9, Page 20

**Settlement:** Please refer to Exhibit A, page A-2, section "Gas Distribution, Transmission, Engineering and Pipeline Integrity Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

### Proposed Capital Expenditures (in thousands of 2013 dollars)

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
005030.001	6,912
<b>Total</b>	<b>6,912</b>
<b>ORA</b>	<b>2014-2016 Total</b>
005030.001	5,851
<b>Total</b>	<b>5,851</b>
<b>Difference</b>	<b>2014-2016 Total</b>
005030.001	-1,061
<b>Total</b>	<b>-1,061</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
00503.0.ALL	5,851
<b>Total</b>	<b>5,851</b>

**CHAPTER 2A2-b5**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-04  
**Area:** GAS DISTRIBUTION  
**Witness:** Ayala, Frank B.

**CAPITAL EXPENDITURES**

**Project:** GD EASEMENTS  
**Budget Code:** 00504.0.ALL

**SDG&E Position:** Forecasted capital expenditures for this category for years 2014, 2015, and 2016 are \$.028 million, \$.028 million, and \$.028 million, respectively.  
Exhibit SDG&E-04, Page FBA-70

**ORA Position:** ORA reviewed SDG&E's capital forecast for 2014, 2015 and 2016. ORA does not take issue with how the forecast was derived. SDG&E's total 2014 recorded expenditures is less than five percent of the SDG&E's 2014 requested amount. Based on this, ORA recommends that the Commission adopt the 2014 recorded capital expenditures and also accept SDG&E's 2015 and 2016 capital forecast.  
Exhibit ORA-9, Page 20

**Settlement:** Please refer to Exhibit A, page A-2, section "Gas Distribution, Transmission, Engineering and Pipeline Integrity Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
005040.001	84
<b>Total</b>	<b>84</b>
<b>ORA</b>	<b>2014-2016 Total</b>
005040.001	128
<b>Total</b>	<b>128</b>
<b>Difference</b>	<b>2014-2016 Total</b>
005040.001	44
<b>Total</b>	<b>44</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
00504.0.ALL	128
<b>Total</b>	<b>128</b>

**CHAPTER 2A2-b6**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-04  
**Area:** GAS DISTRIBUTION  
**Witness:** Ayala, Frank B.

**CAPITAL EXPENDITURES**

**Project:** STR & HIGHWAY RELOCATION  
**Budget Code:** 00505.0.ALL

**SDG&E Position:** Forecasted capital expenditures for this category for years 2014, 2015, and 2016 are \$3.970 million, \$3.970 million, and \$3.970 million, respectively. Exhibit SDG&E-04, Page FBA-71

**ORA Position:** ORA reviewed SDG&E's capital forecast for 2014, 2015 and 2016. ORA does not take issue with how the forecast was derived. SDG&E's total 2014 recorded expenditures is less than five percent of the SDG&E's 2014 requested amount. Based on this, ORA recommends that the Commission adopt the 2014 recorded capital expenditures and also accept SDG&E's 2015 and 2016 capital forecast. Exhibit ORA-9, Page 20

**Settlement:** Please refer to Exhibit A, page A-2, section "Gas Distribution, Transmission, Engineering and Pipeline Integrity Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
005050.001	11,760
005050.002	150
<b>Total</b>	<b>11,910</b>
<b>ORA</b>	<b>2014-2016 Total</b>
005050.001	12,050
005050.002	154
<b>Total</b>	<b>12,204</b>
<b>Difference</b>	<b>2014-2016 Total</b>
005050.001	290
005050.002	4
<b>Total</b>	<b>294</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
00505.0.ALL	12,204
<b>Total</b>	<b>12,204</b>

**CHAPTER 2A2-b7**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-04  
**Area:** GAS DISTRIBUTION  
**Witness:** Ayala, Frank B.

**CAPITAL EXPENDITURES**

**Project:** GD TOOLS & EQUIPMENT  
**Budget Code:** 00506.0.ALL

**SDG&E Position:** Forecasted capital expenditures for this category for years 2014, 2015, and 2016 are \$1.865 million, \$1.601 million, and \$.422 million, respectively.  
Exhibit SDG&E-04, Page FBA-73

**ORA Position:** ORA reviewed SDG&E's capital forecast for 2014, 2015 and 2016. ORA does not take issue with how the forecast was derived. SDG&E's total 2014 recorded expenditures is less than five percent of the SDG&E's 2014 requested amount. Based on this, ORA recommends that the Commission adopt the 2014 recorded capital expenditures and also accept SDG&E's 2015 and 2016 capital forecast.  
Exhibit ORA-9, Page 20

**Note:** This exhibit does not show the uncontested project sub-accounts. SoCalGas' total request for Budget Code 00506 is \$1.865 million for 2014, \$1.871 million for 2015, and \$1.955 million for 2016.

**Settlement:** Please refer to Exhibit A, page A-2, section "Gas Distribution, Transmission, Engineering and Pipeline Integrity Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
005060.001	1,521
005060.002	2,367
<b>Total</b>	<b>3,888</b>

<b>ORA</b>	<b>2014-2016 Total</b>
005060.001	1,555
005060.002	2,483
<b>Total</b>	<b>4,038</b>

<b>Difference</b>	<b>2014-2016 Total</b>
005060.001	34
005060.002	116
<b>Total</b>	<b>150</b>

<b>Settlement</b>	<b>2014-2016 Total</b>
00506.0.ALL	4,038
<b>Total</b>	<b>4,038</b>

**CHAPTER 2A2-b8**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-04  
**Area:** GAS DISTRIBUTION  
**Witness:** Ayala, Frank B.

**CAPITAL EXPENDITURES**

**Project:** GD CODE COMPLIANCE  
**Budget Code:** 00507.0.ALL

**SDG&E Position:** Forecasted capital expenditures for this category for years 2014, 2015, and 2016 are \$.320 million, \$.320 million, and \$.320 million, respectively. Exhibit SDG&E-04, Page FBA-77

**ORA Position:** ORA reviewed SDG&E's capital forecast for 2014, 2015 and 2016. ORA does not take issue with how the forecast was derived. SDG&E's total 2014 recorded expenditures is less than five percent of the SDG&E's 2014 requested amount. Based on this, ORA recommends that the Commission adopt the 2014 recorded capital expenditures and also accept SDG&E's 2015 and 2016 capital forecast. Exhibit ORA-9, Page 20

**Settlement:** Please refer to Exhibit A, page A-2, section "Gas Distribution, Transmission, Engineering and Pipeline Integrity Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
005070.001	960
<b>Total</b>	<b>960</b>
<b>ORA</b>	<b>2014-2016 Total</b>
005070.001	1,133
<b>Total</b>	<b>1,133</b>
<b>Difference</b>	<b>2014-2016 Total</b>
005070.001	173
<b>Total</b>	<b>173</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
00507.0.ALL	1,133
<b>Total</b>	<b>1,133</b>

**CHAPTER 2A2-b9**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-04  
**Area:** GAS DISTRIBUTION  
**Witness:** Ayala, Frank B.

**CAPITAL EXPENDITURES**

**Project:** MAINS & SERV REPL  
**Budget Code:** 00508.0.ALL

**SDG&E Position:** Forecasted capital expenditures for this category for years 2014, 2015, and 2016 are \$1.726 million, \$1.726 million, and \$1.726 million, respectively. Exhibit SDG&E-04, Page FBA-80

**ORA Position:** ORA reviewed SDG&E's capital forecast for 2014, 2015 and 2016. ORA does not take issue with how the forecast was derived. SDG&E's total 2014 recorded expenditures is less than five percent of the SDG&E's 2014 requested amount. Based on this, ORA recommends that the Commission adopt the 2014 recorded capital expenditures and also accept SDG&E's 2015 and 2016 capital forecast. Exhibit ORA-9, Page 20

**Settlement:** Please refer to Exhibit A, page A-2, section "Gas Distribution, Transmission, Engineering and Pipeline Integrity Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
005080.001	5,178
<b>Total</b>	<b>5,178</b>
<b>ORA</b>	<b>2014-2016 Total</b>
005080.001	6,928
<b>Total</b>	<b>6,928</b>
<b>Difference</b>	<b>2014-2016 Total</b>
005080.001	1,750
<b>Total</b>	<b>1,750</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
00508.0.ALL	6,928
<b>Total</b>	<b>6,928</b>

**CHAPTER 2A2-b10**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-04  
**Area:** GAS DISTRIBUTION  
**Witness:** Ayala, Frank B.

**CAPITAL EXPENDITURES**

**Project:** CATHODIC PROTECTION  
**Budget Code:** 00509.0.ALL

**SDG&E Position:** Forecasted capital expenditures for this category for years 2014, 2015, and 2016 are \$.586 million, \$.600 million, and \$.614 million, respectively.  
Exhibit SDG&E-04, Page FBA-82

**ORA Position:** ORA reviewed SDG&E's capital forecast for 2014, 2015 and 2016. ORA does not take issue with how the forecast was derived. SDG&E's total 2014 recorded expenditures is less than five percent of the SDG&E's 2014 requested amount. Based on this, ORA recommends that the Commission adopt the 2014 recorded capital expenditures and also accept SDG&E's 2015 and 2016 capital forecast.  
Exhibit ORA-9, Page 20

**Settlement:** Please refer to Exhibit A, page A-2, section "Gas Distribution, Transmission, Engineering and Pipeline Integrity Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
005090.001	1,800
<b>Total</b>	<b>1,800</b>
<b>ORA</b>	<b>2014-2016 Total</b>
005090.001	2,306
<b>Total</b>	<b>2,306</b>
<b>Difference</b>	<b>2014-2016 Total</b>
005090.001	506
<b>Total</b>	<b>506</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
00509.0.ALL	2,306
<b>Total</b>	<b>2,306</b>

## CHAPTER 2A2-b11

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-04  
**Area:** GAS DISTRIBUTION  
**Witness:** Ayala, Frank B.

### CAPITAL EXPENDITURES

**Project:** GD SYS RELIAB & SAFETY IMPR  
**Budget Code:** 00510.0.ALL

**SDG&E Position:** Forecasted capital expenditures for this category for years 2014, 2015, and 2016 are \$1.256 million, \$.737 million, and \$.463 million, respectively.  
Exhibit SDG&E-04, Page FBA-85

**ORA Position:** ORA reviewed SDG&E's capital forecast for 2014, 2015 and 2016. ORA does not take issue with how the forecast was derived. SDG&E's total 2014 recorded expenditures is less than five percent of the SDG&E's 2014 requested amount. Based on this, ORA recommends that the Commission adopt the 2014 recorded capital expenditures and also accept SDG&E's 2015 and 2016 capital forecast.  
Exhibit ORA-9, Page 20

**Settlement:** Please refer to Exhibit A, page A-2, section "Gas Distribution, Transmission, Engineering and Pipeline Integrity Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

### Proposed Capital Expenditures (in thousands of 2013 dollars)

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
005100.001	2,456
<b>Total</b>	<b>2,456</b>
<b>ORA</b>	<b>2014-2016 Total</b>
005100.001	1,471
<b>Total</b>	<b>1,471</b>
<b>Difference</b>	<b>2014-2016 Total</b>
005100.001	-985
<b>Total</b>	<b>-985</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
00510.0.ALL	1,471
<b>Total</b>	<b>1,471</b>

**CHAPTER 2A2-b12**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-04  
**Area:** GAS DISTRIBUTION  
**Witness:** Ayala, Frank B.

**CAPITAL EXPENDITURES**

**Project:** Local Engineering Pool - GD Pool  
**Budget Code:** 00902.0.ALL

**SDG&E Position:** Forecasted capital expenditures for this category for years 2014, 2015, and 2016 are \$4.343 million, \$5.136 million, and \$5.772 million, respectively. Exhibit SDG&E-04, Page FBA-89

**ORA Position:** ORA reviewed SDG&E's capital forecast for 2014, 2015 and 2016. ORA does not take issue with how the forecast was derived. SDG&E's total 2014 recorded expenditures is less than five percent of the SDG&E's 2014 requested amount. Based on this, ORA recommends that the Commission adopt the 2014 recorded capital expenditures and also accept SDG&E's 2015 and 2016 capital forecast. Exhibit ORA-9, Page 20

**Settlement:** Please refer to Exhibit A, page A-2, section "Gas Distribution, Transmission, Engineering and Pipeline Integrity Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
009020.001	15,251
<b>Total</b>	<b>15,251</b>
<b>ORA</b>	<b>2014-2016 Total</b>
009020.001	14,634
<b>Total</b>	<b>14,634</b>
<b>Difference</b>	<b>2014-2016 Total</b>
009020.001	-617
<b>Total</b>	<b>-617</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
00902.0.ALL	14,634
<b>Total</b>	<b>14,634</b>

**CHAPTER 2A2-b13**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-04  
**Area:** GAS DISTRIBUTION  
**Witness:** Ayala, Frank B.

**CAPITAL EXPENDITURES**

**Project:** CATHODIC PROTECTION SYSTEM ENHANCEMENTS  
**Budget Code:** 12551.0.ALL

**SDG&E Position:** Forecasted capital expenditures for this category for years 2014, 2015, and 2016 are \$.313 million, \$.353 million, and \$.353 million, respectively. Exhibit SDG&E-04, Page FBA-82

**ORA Position:** ORA reviewed SDG&E's capital forecast for 2014, 2015 and 2016. ORA does not take issue with how the forecast was derived. SDG&E's total 2014 recorded expenditures is less than five percent of the SDG&E's 2014 requested amount. Based on this, ORA recommends that the Commission adopt the 2014 recorded capital expenditures and also accept SDG&E's 2015 and 2016 capital forecast. Exhibit ORA-9, Page 20

**Settlement:** Please refer to Exhibit A, page A-2, section "Gas Distribution, Transmission, Engineering and Pipeline Integrity Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
125510.001	1,019
<b>Total</b>	<b>1,019</b>
<b>ORA</b>	<b>2014-2016 Total</b>
125510.001	1,006
<b>Total</b>	<b>1,006</b>
<b>Difference</b>	<b>2014-2016 Total</b>
125510.001	-13
<b>Total</b>	<b>-13</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
12551.0.ALL	1,006
<b>Total</b>	<b>1,006</b>

## Chapter 2 - ORA vs. SDG&E

### Part A - O&M and Capital Expenditures

#### 3. SDG&E-05 (Exh 40) - GAS TRANSMISSION

##### a. O&M - NON-SHARED

Workpaper	ORA vs. SDG&E (2016)	Reference
1. 1GT000.000	(185)	2A3-a1
2. 1GT001.000	(306)	2A3-a2

## CHAPTER 2A3-a1

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-05  
**Area:** GAS TRANSMISSION  
**Witness:** Musich-Barry, Elizabeth A.

### NONSHARED O&M

**Subject:** Pipeline Operations  
**Workpaper:** 1GT000.000

**SDG&E Position:** SDG&E shows a recorded 2013 base year cost of \$1.055 million and a forecasted incremental increase of \$.188 million (a 17.8% increase) resulting in a TY 2016 expense of \$1.243 million.

Exhibit SDG&E-05, Page JLD-5

**ORA Position:** ORA recommends \$1.058 million for TY 2016, based on the most recent recorded five-year (2010 through 2014) average. ORA's use of a five-year average is based on their belief that it provides a more reliable TY forecast due to its reliance on historical data.

Exhibit ORA-9, Page 23

**Settlement:** Please refer to Exhibit A, page A-2, section "Non-Shared O&M Expenses", subsection "2. Gas Transmission Expenses", of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

#### Proposed TY2016 Forecast (in thousands of 2013 dollars)

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	925	787	-138	925
NonLabor	257	219	-38	257
Nonstandard	61	52	-9	61
<b>TOTAL</b>	<b>1,243</b>	<b>1,058</b>	<b>-185</b>	<b>1,243</b>

**CHAPTER 2A3-a2**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-05  
**Area:** GAS TRANSMISSION  
**Witness:** Musich-Barry, Elizabeth A.

**NONSHARED O&M**

**Subject:** Compression Stations Operations  
**Workpaper:** 1GT001.000

**SDG&E Position:** SDG&E shows a recorded 2013 base year cost of \$2.969 million and a forecasted incremental increase of \$.345 million (a 11.6% increase)resulting in a TY 2016 expense of \$3.314\* million.

Exhibit SDG&E-05, Page JLD-9

**ORA Position:** ORA recommends \$3.008 million for TY 2016, based on the most recent recorded five-year (2010 through 2014) average. ORA's use of a five-year average provides a more reliable TY forecast due to its reliance on updated historical data.

Exhibit ORA-9, Page 25

**Note:** \* Test Year 2016 forecast is adjusted by (\$32K) as correction to forecast for NERBA-GHG Mitigation/Compliance.

Exhibit SDG&E-205

**Settlement:** Please refer to Exhibit A, page A-2, section "Non-Shared O&M Expenses", subsection "2. Gas Transmission Expenses", of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	1,473	1,337	-136	1,473
NonLabor	1,705	1,548	-157	1,705
Nonstandard	136	123	-13	136
<b>TOTAL</b>	<b>3,314</b>	<b>3,008</b>	<b>-306</b>	<b>3,314</b>

## Chapter 2 - ORA vs. SDG&E

### Part A - O&M and Capital Expenditures

#### 4. SDG&E-06 (Exh 29) - GAS ENGINEERING

##### a. O&M - NON-SHARED

Workpaper	ORA vs. SDG&E (2016)	Reference
1. 1EN000.000	(204)	2A4-a1
2. 1EN003.000	(244)	2A4-a2

**CHAPTER 2A4-a1**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-06  
**Area:** GAS ENGINEERING  
**Witness:** Stanford, Raymond K.

**NONSHARED O&M**

**Subject:** Gas Engineering  
**Workpaper:** 1EN000.000

**SDG&E Position:** SDG&E's expense forecast for TY 2016 is \$.257 million.

Exhibit SDG&E-06, Page RKS-6

**ORA Position:** ORA recommends \$.053 million for TY 2016 and this amount was SDG&E's 2014 recorded expense.

Exhibit ORA-9, Page-30

**Settlement:** Please refer to Exhibit A, page A-2, section "Non-Shared O&M Expenses", subsection "3. Gas Engineering", of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	119	0	-119	0
NonLabor	138	53	-85	100
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>257</b>	<b>53</b>	<b>-204</b>	<b>100</b>

**CHAPTER 2A4-a2**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-06  
**Area:** GAS ENGINEERING  
**Witness:** Stanford, Raymond K.

**NONSHARED O&M**

**Subject:** Public Awareness  
**Workpaper:** 1EN003.000

**SDG&E Position:** SDG&E shows a recorded 2013 base year figure of \$.260 million and forecasts an incremental increase of \$.201 million resulting in a TY expense of \$.461 million.

Exhibit SDG&E-06, Page RKS-8

**ORA Position:** ORA recommends the 2014 recorded amount of \$.217 million for TY 2016 because it is close to the five-year (2010 through 2014) average.

Exhibit ORA-9, Page 31

**Settlement:** Please refer to Exhibit A, page A-2, section "Non-Shared O&M Expenses", subsection "3. Gas Engineering", of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	0	0	0	0
NonLabor	461	217	-244	300
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>461</b>	<b>217</b>	<b>-244</b>	<b>300</b>

## Chapter 2 - ORA vs. SDG&E

### Part A - O&M and Capital Expenditures

#### 4. SDG&E-06 (Exh 29) - GAS ENGINEERING

##### b. O&M - SHARED

Workpaper	ORA vs. SDG&E (2016)	Reference
1. 1EN00A-USS.ALL	(57)	2A4-b1

## CHAPTER 2A4-b1

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-06  
**Area:** GAS ENGINEERING  
**Witness:** Stanford, Raymond K.

### SHARED SERVICES O&M

**Subject:** Gas Engineering  
**Workpaper:** 1EN00A-USS.ALL

**SDG&E Position:** SDG&E's expense forecast for TY2016 is \$.092 million. SDG&E asserts that this forecast expense represents an increase of \$.051 million over the five-year average (2009-2013).

Exhibit SDG&E-06, Page RKS-12

**ORA Position:** ORA recommends \$.035 million for TY 2016, which is the five-year (2010 through 2014) average.

Exhibit ORA-9, Page 33

**Settlement:** Please refer to Exhibit A, page A-2, section "Shared O&M Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

### Proposed TY2016 Forecast (in thousands of 2013 dollars)

<b>SDG&amp;E</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3563.000	90	2	0	92
<b>Total</b>	<b>90</b>	<b>2</b>	<b>0</b>	<b>92</b>

<b>ORA</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3563.000	35	0	0	35
<b>Total</b>	<b>35</b>	<b>0</b>	<b>0</b>	<b>35</b>

<b>Difference</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3563.000	-55	-2	0	-57
<b>Total</b>	<b>-55</b>	<b>-2</b>	<b>0</b>	<b>-57</b>

<b>Settlement</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
1EN00A-USS.ALL	35	0	0	35
<b>Total</b>	<b>35</b>	<b>0</b>	<b>0</b>	<b>35</b>

## Chapter 2 - ORA vs. SDG&E

### Part A - O&M and Capital Expenditures

#### 4. SDG&E-06 (Exh 29) - GAS ENGINEERING

##### c. CAPITAL

Project	ORA vs. SDG&E (2014+2015+2016)	Reference
1. 00411.0.ALL	(200)	2A4-c1
2. 00412.0.ALL	1,772	2A4-c2
3. 00413.0.ALL	(298)	2A4-c3
4. 00414.0.ALL	(176)	2A4-c4
5. 00415.0.ALL	(274)	2A4-c5
6. 00416.0.ALL	(130)	2A4-c6
7. 00417.0.ALL	(437)	2A4-c7
8. 00418.0.ALL	(67)	2A4-c8
9. 00436.0.ALL	(53)	2A4-c9
10. 00903.0.ALL	16	2A4-c10

## CHAPTER 2A4-c1

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-06  
**Area:** GAS ENGINEERING  
**Witness:** Stanford, Raymond K.

### CAPITAL EXPENDITURES

**Project:** GT PIPELINE NEW ADD.-EXTERNALLY DRIVEN  
**Budget Code:** 00411.0.ALL

**SDG&E Position:** Forecasted capital expenditures for this category for years 2014, 2015, and 2016 are \$.210 million, \$.592 million, and \$1.012 million, respectively.  
Exhibit SDG&E-06, Page RKS-15

**ORA Position:** ORA reviewed SDG&E's capital forecast for 2014, 2015 and 2016. ORA does not take issue with how the forecast was derived. SDG&E's total 2014 recorded expenditures are inline with SDG&E's 2014 requested amount. Based on this, ORA recommends that the Commission adopt the 2014 recorded capital expenditures and also accept SDG&E's 2015 and 2016 capital forecast.  
Exhibit ORA-9, Page 28

**Note:** \*ORA agrees with SDG&E's clarification that the 2014 actuals for 00411B.001 should be changed from \$0 to \$16 thousand.

Data Request SEU-ORA-DR-10, Question 1

\*\*SDG&E agrees with the ORA's proposal to adopt 2014 actuals. ORA does not oppose SDG&E forecasts for 2015 and 2016.

Exhibit SDG&E-206, page RKS-4

**Settlement:** Please refer to Exhibit A, page A-2, section "Gas Distribution, Transmission, Engineering and Pipeline Integrity Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

CHAPTER 2A4-c1

Proposed Capital Expenditures (in thousands of 2013 dollars)

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
00411A.001	1,575
00411B.001	38
00411C.001	201
<b>Total</b>	<b>1,814</b>

<b>ORA</b>	<b>2014-2016 Total</b>
00411A.001	1,480
00411B.001	0
00411C.001	134
<b>Total</b>	<b>1,614</b>

<b>Difference</b>	<b>2014-2016 Total</b>
00411A.001	-95
00411B.001	-38
00411C.001	-67
<b>Total</b>	<b>-200</b>

<b>Settlement</b>	<b>2014-2016 Total</b>
00411.0.ALL	1,614
<b>Total</b>	<b>1,614</b>

**CHAPTER 2A4-c2**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-06  
**Area:** GAS ENGINEERING  
**Witness:** Stanford, Raymond K.

**CAPITAL EXPENDITURES**

**Project:** GT PL REPLACE/EXTERNAL DRIVEN  
**Budget Code:** 00412.0.ALL

**SDG&E Position:** Forecasted capital expenditures for this category for years 2014, 2015, and 2016 are \$1.213 million, \$.680 million, and \$.680 million, respectively.  
Exhibit SDG&E-06, Page RKS-17

**ORA Position:** ORA reviewed SDG&E's capital forecast for 2014, 2015 and 2016. ORA does not take issue with how the forecast was derived. SDG&E's total 2014 recorded expenditures are inline with SDG&E's 2014 requested amount. Based on this, ORA recommends that the Commission adopt the 2014 recorded capital expenditures and also accept SDG&E's 2015 and 2016 capital forecast.  
Exhibit ORA-9, Page 28

**Note:** SDG&E agrees with the ORA's proposal to adopt 2014 actuals. ORA does not oppose SDG&E forecasts for 2015 and 2016.

Exhibit SDG&E-206, page RKS-4

**Settlement:** Please refer to Exhibit A, page A-2, section "Gas Distribution, Transmission, Engineering and Pipeline Integrity Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
004120.001	1,801
004120.002	772
<b>Total</b>	<b>2,573</b>
<b>ORA</b>	<b>2014-2016 Total</b>
004120.001	3,041
004120.002	1,304
<b>Total</b>	<b>4,345</b>
<b>Difference</b>	<b>2014-2016 Total</b>
004120.001	1,240
004120.002	532
<b>Total</b>	<b>1,772</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
00412.0.ALL	4,345
<b>Total</b>	<b>4,345</b>

## CHAPTER 2A4-c3

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-06  
**Area:** GAS ENGINEERING  
**Witness:** Stanford, Raymond K.

### CAPITAL EXPENDITURES

**Project:** GT PL RELOC-FWAY/EXTERNAL DRIVEN  
**Budget Code:** 00413.0.ALL

**SDG&E Position:** Forecasted capital expenditures for this category for years 2014, 2015, and 2016 are \$.298 million, \$.298 million, and \$.298 million, respectively.  
Exhibit SDG&E-06, Page RKS-19

**ORA Position:** ORA reviewed SDG&E's capital forecast for 2014, 2015 and 2016. ORA does not take issue with how the forecast was derived. SDG&E's total 2014 recorded expenditures are inline with SDG&E's 2014 requested amount. Based on this, ORA recommends that the Commission adopt the 2014 recorded capital expenditures and also accept SDG&E's 2015 and 2016 capital forecast.  
Exhibit ORA-9, Page 28

**Note:** SDG&E agrees with the ORA's proposal to adopt 2014 actuals. ORA does not oppose SDG&E forecasts for 2015 and 2016.

Exhibit SDG&E-206, page RKS-4

**Settlement:** Please refer to Exhibit A, page A-2, section "Gas Distribution, Transmission, Engineering and Pipeline Integrity Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

### Proposed Capital Expenditures (in thousands of 2013 dollars)

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
004130.001	894
<b>Total</b>	<b>894</b>
<b>ORA</b>	<b>2014-2016 Total</b>
004130.001	596
<b>Total</b>	<b>596</b>
<b>Difference</b>	<b>2014-2016 Total</b>
004130.001	-298
<b>Total</b>	<b>-298</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
00413.0.ALL	596
<b>Total</b>	<b>596</b>

## CHAPTER 2A4-c4

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-06  
**Area:** GAS ENGINEERING  
**Witness:** Stanford, Raymond K.

### CAPITAL EXPENDITURES

**Project:** GT PL RELOC-FRAN/PRV ROW/EXTERNAL DRIVEN  
**Budget Code:** 00414.0.ALL

**SDG&E Position:** Forecasted capital expenditures for this category for years 2014, 2015, and 2016 are \$.176 million, \$.176 million, and \$.176 million, respectively.  
Exhibit SDG&E-06, Page RKS-19

**ORA Position:** ORA reviewed SDG&E's capital forecast for 2014, 2015 and 2016. ORA does not take issue with how the forecast was derived. SDG&E's total 2014 recorded expenditures are inline with SDG&E's 2014 requested amount. Based on this, ORA recommends that the Commission adopt the 2014 recorded capital expenditures and also accept SDG&E's 2015 and 2016 capital forecast.  
Exhibit ORA-9, Page 28

**Note:** SDG&E agrees with the ORA's proposal to adopt 2014 actuals. ORA does not oppose SDG&E forecasts for 2015 and 2016.

Exhibit SDG&E-206, page RKS-4

**Settlement:** Please refer to Exhibit A, page A-2, section "Gas Distribution, Transmission, Engineering and Pipeline Integrity Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

### Proposed Capital Expenditures (in thousands of 2013 dollars)

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
004140.001	528
<b>Total</b>	<b>528</b>

<b>ORA</b>	<b>2014-2016 Total</b>
004140.001	352
<b>Total</b>	<b>352</b>

<b>Difference</b>	<b>2014-2016 Total</b>
004140.001	-176
<b>Total</b>	<b>-176</b>

<b>Settlement</b>	<b>2014-2016 Total</b>
00414.0.ALL	352
<b>Total</b>	<b>352</b>

**CHAPTER 2A4-c5**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-06  
**Area:** GAS ENGINEERING  
**Witness:** Stanford, Raymond K.

**CAPITAL EXPENDITURES**

**Project:** GT COMP STA ADD/RPL / EXTERNAL DRIVEN  
**Budget Code:** 00415.0.ALL

**SDG&E Position:** Forecasted capital expenditures for this category for years 2014, 2015, and 2016 are \$3.127 million, \$3.127 million, and \$3.127 million, respectively.  
Exhibit SDG&E-06, Page RKS-22

**ORA Position:** ORA reviewed SDG&E's capital forecast for 2014, 2015 and 2016. ORA does not take issue with how the forecast was derived. SDG&E's total 2014 recorded expenditures are inline with SDG&E's 2014 requested amount. Based on this, ORA recommends that the Commission adopt the 2014 recorded capital expenditures and also accept SDG&E's 2015 and 2016 capital forecast.  
Exhibit ORA-9, Page 28

**Note:** SDG&E agrees with the ORA's proposal to adopt 2014 actuals. ORA does not oppose SDG&E forecasts for 2015 and 2016.

Exhibit SDG&E-206, page RKS-4

**Settlement:** Please refer to Exhibit A, page A-2, section "Gas Distribution, Transmission, Engineering and Pipeline Integrity Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
004150.001	9,189
004150.002	192
<b>Total</b>	<b>9,381</b>
<b>ORA</b>	<b>2014-2016 Total</b>
004150.001	8,921
004150.002	186
<b>Total</b>	<b>9,107</b>
<b>Difference</b>	<b>2014-2016 Total</b>
004150.001	-268
004150.002	-6
<b>Total</b>	<b>-274</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
00415.0.ALL	9,107
<b>Total</b>	<b>9,107</b>

**CHAPTER 2A4-c6**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-06  
**Area:** GAS ENGINEERING  
**Witness:** Stanford, Raymond K.

**CAPITAL EXPENDITURES**

**Project:** GT CATHODIC PROTECTION/EXTERNAL DRIVEN  
**Budget Code:** 00416.0.ALL

**SDG&E Position:** Forecasted capital expenditures for this category for years 2014, 2015, and 2016 are \$.241 million, \$.262 million, and \$.262 million, respectively.  
Exhibit SDG&E-06, Page RKS-23

**ORA Position:** ORA reviewed SDG&E's capital forecast for 2014, 2015 and 2016. ORA does not take issue with how the forecast was derived. SDG&E's total 2014 recorded expenditures are inline with SDG&E's 2014 requested amount. Based on this, ORA recommends that the Commission adopt the 2014 recorded capital expenditures and also accept SDG&E's 2015 and 2016 capital forecast.  
Exhibit ORA-9, Page 28

**Note:** SDG&E agrees with the ORA's proposal to adopt 2014 actuals. ORA does not oppose SDG&E forecasts for 2015 and 2016.

Exhibit SDG&E-206, page RKS-4

**Settlement:** Please refer to Exhibit A, page A-2, section "Gas Distribution, Transmission, Engineering and Pipeline Integrity Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
004160.001	765
<b>Total</b>	<b>765</b>
<b>ORA</b>	<b>2014-2016 Total</b>
004160.001	635
<b>Total</b>	<b>635</b>
<b>Difference</b>	<b>2014-2016 Total</b>
004160.001	-130
<b>Total</b>	<b>-130</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
00416.0.ALL	635
<b>Total</b>	<b>635</b>

**CHAPTER 2A4-c7**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-06  
**Area:** GAS ENGINEERING  
**Witness:** Stanford, Raymond K.

**CAPITAL EXPENDITURES**

**Project:** Land Rights  
**Budget Code:** 00417.0.ALL

**SDG&E Position:** Forecasted capital expenditures for this category for years 2014, 2015, and 2016 are \$.500 million, \$0 million, and \$0 million, respectively.  
Exhibit SDG&E-06, Page RKS-24

**ORA Position:** ORA reviewed SDG&E's capital forecast for 2014, 2015 and 2016. ORA does not take issue with how the forecast was derived. SDG&E's total 2014 recorded expenditures are inline with SDG&E's 2014 requested amount. Based on this, ORA recommends that the Commission adopt the 2014 recorded capital expenditures and also accept SDG&E's 2015 and 2016 capital forecast.  
Exhibit ORA-9, Page 28

**Note:** SDG&E agrees with the ORA's proposal to adopt 2014 actuals. ORA does not oppose SDG&E forecasts for 2015 and 2016.

Exhibit SDG&E-206, page RKS-4

**Settlement:** Please refer to Exhibit A, page A-2, section "Gas Distribution, Transmission, Engineering and Pipeline Integrity Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
004170.001	500
<b>Total</b>	<b>500</b>

<b>ORA</b>	<b>2014-2016 Total</b>
004170.001	63
<b>Total</b>	<b>63</b>

<b>Difference</b>	<b>2014-2016 Total</b>
004170.001	-437
<b>Total</b>	<b>-437</b>

<b>Settlement</b>	<b>2014-2016 Total</b>
00417.0.ALL	63
<b>Total</b>	<b>63</b>

## CHAPTER 2A4-c8

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-06  
**Area:** GAS ENGINEERING  
**Witness:** Stanford, Raymond K.

### CAPITAL EXPENDITURES

**Project:** GT M&R STA ADD/RPL / EXTERNAL DRIVEN  
**Budget Code:** 00418.0.ALL

**SDG&E Position:** Forecasted capital expenditures for this category for years 2014, 2015, and 2016 are \$1.184 million, \$1.184 million, and \$1.184 million, respectively.  
Exhibit SDG&E-06, Page RKS-26

**ORA Position:** ORA reviewed SDG&E's capital forecast for 2014, 2015 and 2016. ORA does not take issue with how the forecast was derived. SDG&E's total 2014 recorded expenditures are inline with SDG&E's 2014 requested amount. Based on this, ORA recommends that the Commission adopt the 2014 recorded capital expenditures and also accept SDG&E's 2015 and 2016 capital forecast.  
Exhibit ORA-9, Page 28

**Note:** SDG&E agrees with the ORA's proposal to adopt 2014 actuals. ORA does not oppose SDG&E forecasts for 2015 and 2016.

Exhibit SDG&E-206, page RKS-4

**Settlement:** Please refer to Exhibit A, page A-2, section "Gas Distribution, Transmission, Engineering and Pipeline Integrity Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

CHAPTER 2A4-c8

Proposed Capital Expenditures (in thousands of 2013 dollars)

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
004180.001	1,305
004180.002	2,124
004180.003	123
<b>Total</b>	<b>3,552</b>

<b>ORA</b>	<b>2014-2016 Total</b>
004180.001	1,280
004180.002	2,084
004180.003	121
<b>Total</b>	<b>3,485</b>

<b>Difference</b>	<b>2014-2016 Total</b>
004180.001	-25
004180.002	-40
004180.003	-2
<b>Total</b>	<b>-67</b>

<b>Settlement</b>	<b>2014-2016 Total</b>
00418.0.ALL	3,485
<b>Total</b>	<b>3,485</b>

**CHAPTER 2A4-c9**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-06  
**Area:** GAS ENGINEERING  
**Witness:** Stanford, Raymond K.

**CAPITAL EXPENDITURES**

**Project:** GT CAPITAL TOOLS / QUALITY-ECON DRIVEN  
**Budget Code:** 00436.0.ALL

**SDG&E Position:** Forecasted capital expenditures for this category for years 2014, 2015, and 2016 are \$.130 million, \$.130 million, and \$.130 million, respectively.  
Exhibit SDG&E-06, Page RKS-27

**ORA Position:** ORA reviewed SDG&E's capital forecast for 2014, 2015 and 2016. ORA does not take issue with how the forecast was derived. SDG&E's total 2014 recorded expenditures are inline with SDG&E's 2014 requested amount. Based on this, ORA recommends that the Commission adopt the 2014 recorded capital expenditures and also accept SDG&E's 2015 and 2016 capital forecast.  
Exhibit ORA-9, Page 28

**Note:** SDG&E agrees with the ORA's proposal to adopt 2014 actuals. ORA does not oppose SDG&E forecasts for 2015 and 2016.

Exhibit SDG&E-206, page RKS-4

**Settlement:** Please refer to Exhibit A, page A-2, section "Gas Distribution, Transmission, Engineering and Pipeline Integrity Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
004360.001	390
<b>Total</b>	<b>390</b>

<b>ORA</b>	<b>2014-2016 Total</b>
004360.001	337
<b>Total</b>	<b>337</b>

<b>Difference</b>	<b>2014-2016 Total</b>
004360.001	-53
<b>Total</b>	<b>-53</b>

<b>Settlement</b>	<b>2014-2016 Total</b>
00436.0.ALL	337
<b>Total</b>	<b>337</b>

**CHAPTER 2A4-c10**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-06  
**Area:** GAS ENGINEERING  
**Witness:** Stanford, Raymond K.

**CAPITAL EXPENDITURES**

**Project:** Local Engineering Pool - GT Pool  
**Budget Code:** 00903.0.ALL

**SDG&E Position:** Forecasted capital expenditures for this category for years 2014, 2015, and 2016 are \$.133 million, \$.133 million, and \$.133 million, respectively.  
Exhibit SDG&E-06, Page RKS-28

**ORA Position:** ORA reviewed SDG&E's capital forecast for 2014, 2015 and 2016. ORA does not take issue with how the forecast was derived. SDG&E's total 2014 recorded expenditures are inline with SDG&E's 2014 requested amount. Based on this, ORA recommends that the Commission adopt the 2014 recorded capital expenditures and also accept SDG&E's 2015 and 2016 capital forecast.

Exhibit ORA-9, Page 28

**Note:** SDG&E agrees with the ORA's proposal to adopt 2014 actuals. ORA does not oppose SDG&E forecasts for 2015 and 2016.

Exhibit SDG&E-206, page RKS-4

**Settlement:** Please refer to Exhibit A, page A-2, section "Gas Distribution, Transmission, Engineering and Pipeline Integrity Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
009030.001	399
<b>Total</b>	<b>399</b>

<b>ORA</b>	<b>2014-2016 Total</b>
009030.001	415
<b>Total</b>	<b>415</b>

<b>Difference</b>	<b>2014-2016 Total</b>
009030.001	16
<b>Total</b>	<b>16</b>

<b>Settlement</b>	<b>2014-2016 Total</b>
00903.0.ALL	415
<b>Total</b>	<b>415</b>

## Chapter 2 - ORA vs. SDG&E

### Part A - O&M and Capital Expenditures

#### 5. SDG&E-07 (Exh 53) - TIMP & DIMP

##### a. O&M - NON-SHARED

Workpaper	ORA vs. SDG&E (2016)	Reference
1. 1TD000.000	(961)	2A5-a1
2. 1TD000.001	(1,225)	2A5-a2

## CHAPTER 2A5-a1

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-07  
**Area:** TIMP & DIMP  
**Witness:** Martinez, Maria T.

### NONSHARED O&M

**Subject:** TIMP  
**Workpaper:** 1TD000.000

**SDG&E Position:** SDG&E shows a recorded 2013 base year figure of \$4.206 million and forecasts an incremental increase of \$1.245 million resulting in a TY 2016 expense of \$5.451 million.

Exhibit SDG&E-07, Page MTM-7

**ORA Position:** ORA recommends that SDG&E's TY 2016 proposed expense of \$5.451 million be reduced to \$4.490 million. This recommendation is based on the four-year average of historical data.

Exhibit ORA-09, Page 35

**Settlement:** Please refer to Exhibit A, page A-2, section "Non-Shared O&M Expenses", subsection "4. Pipeline Integrity (TIMP and DIMP)", of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

#### Proposed TY2016 Forecast (in thousands of 2013 dollars)

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	559	460	-99	559
NonLabor	4,892	4,030	-862	4,892
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>5,451</b>	<b>4,490</b>	<b>-961</b>	<b>5,451</b>

**CHAPTER 2A5-a2**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-07  
**Area:** TIMP & DIMP  
**Witness:** Martinez, Maria T.

**NONSHARED O&M**

**Subject:** DIMP  
**Workpaper:** 1TD000.001

**SDG&E Position:** SDG&E shows a recorded 2013 base year figure of \$3.203 million and forecasts an incremental increase of \$2.830 million, resulting in a TY expense of \$6.033 million.

Exhibit SDG&E-07, Page MTM-7

**ORA Position:** ORA recommends \$4.808 million for TY 2016, based on the most recent recorded four-year (2011 through 2014) average. ORA's use of a four-year average provides a more reliable TY forecast due to its reliance on updated historical data.

Exhibit ORA-9, Page 36

**Settlement:** Please refer to Exhibit A, page A-2, section "Non-Shared O&M Expenses", subsection "4. Pipeline Integrity (TIMP and DIMP)", of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	1,472	1,173	-299	1,472
NonLabor	4,561	3,635	-926	4,561
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>6,033</b>	<b>4,808</b>	<b>-1,225</b>	<b>6,033</b>

## Chapter 2 - ORA vs. SDG&E

### Part A - O&M and Capital Expenditures

#### 5. SDG&E-07 (Exh 53) - TIMP & DIMP

##### b. CAPITAL

Project	ORA vs. SDG&E (2014+2015+2016)	Reference
1. 03468.0.ALL	2,689	2A5-b1
2. 09546.0.ALL	(677)	2A5-b2

**CHAPTER 2A5-b1**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-07  
**Area:** TIMP & DIMP  
**Witness:** Martinez, Maria T.

**CAPITAL EXPENDITURES**

**Project:** PIPELINE INTEGRITY FOR GAS TRANSMISSION  
**Budget Code:** 03468.0.ALL

**SDG&E Position:** SDG&E is requesting total TIMP capital expenditures of \$5.180 million for 2014; \$3.996 million for 2015 and \$3.996 million for 2016.

Exhibit SDG&E-07, Page MTM-18

**ORA Position:** ORA reviewed the SDG&E's capital forecast for 2014, 2015 and 2016. ORA accepts SDG&E's forecast methodology. ORA recommends that the Commission adopt the 2014 recorded capital expenditures and also accept SDG&E's 2015 and 2016 capital forecast.

Exhibit ORA-9, Page 37

**Settlement:** Please refer to Exhibit A, page A-2, section "Gas Distribution, Transmission, Engineering and Pipeline Integrity Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
034680.001	13,172
<b>Total</b>	<b>13,172</b>
<b>ORA</b>	<b>2014-2016 Total</b>
034680.001	15,861
<b>Total</b>	<b>15,861</b>
<b>Difference</b>	<b>2014-2016 Total</b>
034680.001	2,689
<b>Total</b>	<b>2,689</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
03468.0.ALL	15,861
<b>Total</b>	<b>15,861</b>

**CHAPTER 2A5-b2**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-07  
**Area:** TIMP & DIMP  
**Witness:** Martinez, Maria T.

**CAPITAL EXPENDITURES**

**Project:** Distribution Integrity Mgmt Program  
**Budget Code:** 09546.0.ALL

**SDG&E Position:** SDG&E is requesting total DIMP capital expenditures of \$2.777 million for 2014; \$2.794 million for 2015 and \$20.219 million for 2016.

Exhibit SDG&E-7, Page MTM-18

**ORA Position:** ORA reviewed the SDG&E's capital forecast for 2014, 2015 and 2016. ORA accepts SDG&E's forecast methodology. ORA recommends that the Commission adopt the 2014 recorded capital expenditures and also accept SDG&E's 2015 and 2016 capital forecast.

Exhibit ORA-9, Page 37

**Settlement:** Please refer to Exhibit A, page A-2, section "Gas Distribution, Transmission, Engineering and Pipeline Integrity Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
095460.001	25,790
<b>Total</b>	<b>25,790</b>
<b>ORA</b>	<b>2014-2016 Total</b>
095460.001	25,113
<b>Total</b>	<b>25,113</b>
<b>Difference</b>	<b>2014-2016 Total</b>
095460.001	-677
<b>Total</b>	<b>-677</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
09546.0.ALL	25,113
<b>Total</b>	<b>25,113</b>

## Chapter 2 - ORA vs. SDG&E

### Part A - O&M and Capital Expenditures

#### 6. SDG&E-09-R (Exh 134) - ELECTRIC DISTRIBUTION CAPITAL

##### a. CAPITAL

Project	ORA vs. SDG&E (2014+2015+2016)	Reference
1. 00100.0.ALL	(9,221)	2A6-a1
2. 00202.0.ALL	(67,018)	2A6-a2
3. 00203.0.ALL	(40,539)	2A6-a3
4. 00205.0.ALL	(35,538)	2A6-a4
5. 00206.0.ALL	(1,064)	2A6-a5
6. 00209.0.ALL	(153)	2A6-a6
7. 00214.0.ALL	(14,663)	2A6-a7
8. 00228.0.ALL	1,223	2A6-a8
9. 00229.0.ALL	(8,754)	2A6-a9
10. 00901.0.ALL	(55,291)	2A6-a10
11. 00904.0.ALL	(13,647)	2A6-a11
12. 00905.0.ALL	(2,304)	2A6-a12
13. 00906.0.ALL	(3,359)	2A6-a13
14. 02252.0.ALL	(5,471)	2A6-a14
15. 02258.0.ALL	(366)	2A6-a15
16. 04250.0.ALL	(951)	2A6-a16
17. 06247.0.ALL	(37,343)	2A6-a17
18. 07245.0.ALL	(1)	2A6-a18
19. 07249.0.ALL	(3)	2A6-a19
20. 07253.0.ALL	0	2A6-a20
21. 08253.0.ALL	(5,447)	2A6-a21
22. 08259.0.ALL	0	2A6-a22
23. 09136.0.ALL	2,317	2A6-a23

## Chapter 2 - ORA vs. SDG&E

### Part A - O&M and Capital Expenditures

#### 6. SDG&E-09-R (Exh 134) - ELECTRIC DISTRIBUTION CAPITAL

24. 09271.0.ALL	0	2A6-a24
25. 09274.0.ALL	0	2A6-a25
26. 09276.0.ALL	251	2A6-a26
27. 10266.0.ALL	(404)	2A6-a27
28. 10270.0.ALL	(147)	2A6-a28
29. 10272.0.ALL	0	2A6-a29
30. 11244.0.ALL	0	2A6-a30
31. 11257.0.ALL	(442)	2A6-a31
32. 11259.0.ALL	0	2A6-a32
33. 13250.0.ALL	(241)	2A6-a33
34. 13260.0.ALL	(52)	2A6-a34
35. 13263.0.ALL	0	2A6-a35
36. 97248.0.ALL	(1,637)	2A6-a36

## CHAPTER 2A6-a1

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

### CAPITAL EXPENDITURES

**Project:** Transmission/FERC Driven Projects  
**Budget Code:** 00100.0.ALL

**SDG&E Position:** This category of projects covers transmission projects with a distribution component. The distribution costs are included in SDG&E's TY2016 GRC forecasts and the FERC costs are recovered through the formula ratemaking process. The forecasts for this category for 2014, 2015, and 2016 are \$14.550 million, \$14.496 million, and \$10.777, respectively.

Exhibit SDG&E-09, Page JDJ-25

**ORA Position:** Most of the Transmission/FERC Driven projects are for electric system reliability. Other project purposes include fire safety, compliance, and blanket budget projects. ORA reviewed the project description, forecast method, goals, and cost driver(s) of each of the 18 projects in this program category. ORA accepts these justifications for SDG&E's forecast. As with all other electric distribution program categories, ORA recommends that the 2014 adjusted-recorded data be used for the 2014 forecast.

Exhibit ORA-7, Page 13

**Settlement:** Please refer to Exhibit A, page A-4, section "Electric Distribution Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

CHAPTER 2A6-a1

Proposed Capital Expenditures (in thousands of 2013 dollars)

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
001000.001	3,135
001020.001	150
061320.001	1,519
061320.003	256
071390.001	1,608
071440.001	6,408
081650.001	2,941
081650.002	1,407
081650.003	2,155
091250.001	1,859
09153A.001	52
091660.001	628
10135A.001	17,172
10150A.003	285
11126A.001	66
11127A.001	52
12156A.001	130
<b>Total</b>	<b>39,823</b>

<b>ORA</b>	<b>2014-2016 Total</b>
001000.001	1,872
001020.001	106
061320.001	1,311
061320.003	172
071390.001	1,652
071440.001	6,258
081650.001	2,871
081650.002	1,367
081650.003	2,073
091250.001	1,784
09153A.001	0
091660.001	659
10135A.001	10,370
10150A.003	88
11126A.001	17
11127A.001	2
12156A.001	0
<b>Total</b>	<b>30,602</b>

<b>Difference</b>	<b>2014-2016 Total</b>
001000.001	-1,263
001020.001	-44
061320.001	-208
061320.003	-84
071390.001	44
071440.001	-150
081650.001	-70
081650.002	-40
081650.003	-82
091250.001	-75
09153A.001	-52
091660.001	31
10135A.001	-6,802
10150A.003	-197

CHAPTER 2A6-a1

11126A.001	-49
11127A.001	-50
12156A.001	-130
<b>Total</b>	<b>-9,221</b>

<b>Settlement</b>	<b>2014-2016 Total</b>
00100.0.ALL	30,602
<b>Total</b>	<b>30,602</b>

**CHAPTER 2A6-a2**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

**CAPITAL EXPENDITURES**

**Project:** New Business Capital Projects  
**Budget Code:** 00202.0.ALL

**SDG&E Position:** Forecasted capital expenditures for this category for years 2014, 2015, and 2016 are \$58.592 million, \$70.653 million, and \$81.962 million, respectively.

Exhibit SDG&E-09, Page JDJ-76

**ORA Position:** ORA is not recommending that any of SDG&E's proposed capital projects be eliminated. Instead, ORA has incorporated adjusted-recorded 2014 data and revised the proposed expenditures to reflect the link between gross meter sets and forecasts for customer driven capital projects. Such a linkage is utilized by other energy utilities, and makes logical sense.

Exhibit ORA-6, Page 26

**Settlement:** Please refer to Exhibit A, page A-4, section "Electric Distribution Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

CHAPTER 2A6-a2

Proposed Capital Expenditures (in thousands of 2013 dollars)

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
002020.001	13,293
002040.001	501
002040.002	13,408
002110.001	4,442
002110.002	1,533
002150.001	858
002150.002	1,442
002160.001	780
002160.002	3,641
002170.001	7,027
002170.002	28,548
002180.001	8,888
002180.002	17,971
002190.001	11,947
002190.002	31,589
002240.001	1,250
002240.002	19,048
002250.001	9,203
002250.002	17,276
002350.001	96
002350.002	16,901
022640.001	1,565
<b>Total</b>	<b>211,207</b>

<b>ORA</b>	<b>2014-2016 Total</b>
002020.001	6,391
002040.001	224
002040.002	5,991
002110.001	5,960
002110.002	2,056
002150.001	731
002150.002	1,228
002160.001	331
002160.002	1,550
002170.001	3,240
002170.002	13,165
002180.001	4,236
002180.002	8,564
002190.001	4,592
002190.002	12,142
002240.001	999
002240.002	15,221
002250.001	13,643
002250.002	25,609
002350.001	97
002350.002	17,075
022640.001	1,144
<b>Total</b>	<b>144,189</b>

<b>Difference</b>	<b>2014-2016 Total</b>
002020.001	-6,902
002040.001	-277
002040.002	-7,417
002110.001	1,518

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002110.002	523
002150.001	-127
002150.002	-214
002160.001	-449
002160.002	-2,091
002170.001	-3,787
002170.002	-15,383
002180.001	-4,652
002180.002	-9,407
002190.001	-7,355
002190.002	-19,447
002240.001	-251
002240.002	-3,827
002250.001	4,440
002250.002	8,333
002350.001	1
002350.002	174
022640.001	-421
<b>Total</b>	<b>-67,018</b>

<b>Settlement</b>	<b>2014-2016 Total</b>
00202.0.ALL	170,638
<b>Total</b>	<b>170,638</b>

### CHAPTER 2A6-a3

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

#### CAPITAL EXPENDITURES

**Project:** Reliability/Improvements Capital Projects  
**Budget Code:** 00203.0.ALL

**SDG&E Position:** Customer's expectations with regard to availability of service continue to be driven up by widespread use of computers and other electronic devices. SDG&E has been proactive over the past two decades in trying to address this increased expectation and aging infrastructure issues. The forecasts for this category for 2014, 2015, and 2016 are 81.848 million, \$102.934 million, and \$74.427 million, respectively.

Exhibit SDG&E-09, Page JDJ-22

**ORA Position:** ORA is not recommending that any of SDG&E's proposed capital projects be eliminated. Instead, ORA has incorporated adjusted-recorded 2014 data and revised the proposed expenditure patterns to conform to the new completion dates that were provided by SDG&E.

Exhibit ORA-6, Page 33

**Settlement:** Please refer to Exhibit A, page A-4, section "Electric Distribution Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**CHAPTER 2A6-a3**

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
002030.001	4,698
002260.001	27,819
002270.001	11,124
002300.001	39,393
002360.001	11,532
01269A.001	11,276
062540.001	1,158
062600.001	9,093
081620.001	2,502
08261A.001	884
10261E.001	31,416
10261E.002	5,532
112470.001	2,562
112610.001	3,844
121250.001	1,864
12266A.001	9,792
12266A.002	1,716
13242B.001	16,762
142430.001	14,544
142430.002	2,556
932400.001	31,209
942410.001	560
992820.001	17,373
<b>Total</b>	<b>259,209</b>

<b>ORA</b>	<b>2014-2016 Total</b>
002030.001	3,847
002260.001	23,197
002270.001	10,145
002300.001	34,286
002360.001	12,410
01269A.001	11,276
062540.001	794
062600.001	5,997
081620.001	2,068
08261A.001	884
10261E.001	20,937
10261E.002	3,687
112470.001	2,562
112610.001	3,844
121250.001	1,864
12266A.001	9,791
12266A.002	1,717
13242B.001	16,762
142430.001	14,539
142430.002	2,561
932400.001	23,326
942410.001	421
992820.001	11,755
<b>Total</b>	<b>218,670</b>

<b>Difference</b>	<b>2014-2016 Total</b>
002030.001	-851
002260.001	-4,622

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002270.001	-979
002300.001	-5,107
002360.001	878
01269A.001	0
062540.001	-364
062600.001	-3,096
081620.001	-434
08261A.001	0
10261E.001	-10,479
10261E.002	-1,845
112470.001	0
112610.001	0
121250.001	0
12266A.001	-1
12266A.002	1
13242B.001	0
142430.001	-5
142430.002	5
932400.001	-7,883
942410.001	-139
992820.001	-5,618
<b>Total</b>	<b>-40,539</b>

<b>Settlement</b>	<b>2014-2016 Total</b>
00203.0.ALL	232,838
<b>Total</b>	<b>232,838</b>

**CHAPTER 2A6-a4**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

**CAPITAL EXPENDITURES**

**Project:** Franchise Capital Projects  
**Budget Code:** 00205.0.ALL

**SDG&E Position:** This category of projects is required to perform municipal overhead to underground conversion work or work in accordance with SDG&E's franchise agreements. The two categories of projects in the Franchise Category are those devoted to conversion of overhead distribution systems to underground and street or highway relocations due to improvements by governmental agencies. SDG&E has used a five year average to develop forecasts \$41.764 million a year for 2014, 2015, and 2016.

Exhibit SDG&E-09, Page JDJ-17

**ORA Position:** ORA is not recommending that any of SDG&E's proposed capital projects be eliminated. Instead, ORA has incorporated adjusted-recorded 2014 data. ORA is recommending Franchise capital expenditures of \$29.918 million in 2014, 2015, and 2016.

Exhibit ORA-6, Page 21

**Settlement:** Please refer to Exhibit A, page A-4, section "Electric Distribution Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

CHAPTER 2A6-a4

Proposed Capital Expenditures (in thousands of 2013 dollars)

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
002050.001	2,718
002050.002	15,519
002100.001	39,075
002130.001	67,980
<b>Total</b>	<b>125,292</b>

<b>ORA</b>	<b>2014-2016 Total</b>
002050.001	1,905
002050.002	10,881
002100.001	25,017
002130.001	51,951
<b>Total</b>	<b>89,754</b>

<b>Difference</b>	<b>2014-2016 Total</b>
002050.001	-813
002050.002	-4,638
002100.001	-14,058
002130.001	-16,029
<b>Total</b>	<b>-35,538</b>

<b>Settlement</b>	<b>2014-2016 Total</b>
00205.0.ALL	113,446
<b>Total</b>	<b>113,446</b>

## CHAPTER 2A6-a5

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

### CAPITAL EXPENDITURES

**Project:** ELECTRIC DISTRIBUTION TOOLS/EQUIPMENT  
**Budget Code:** 00206.0.ALL

**SDG&E Position:** The forecasts for Electric Distribution Tools/Equipment for 2014, 2015, and 2016 are \$1.372 million, \$1.372 million, and \$1.372 million, respectively. This is an ongoing project that is expected to continue through the Test Year. This blanket project is required to purchase new electric distribution tools and equipment required by field personnel to inspect, operate and maintain the electric distribution system.

Exhibit SDG&E-09, Page JDJ-57

**ORA Position:** The recorded spending for 2013 and 2014 is below the forecast levels in 2015 and 2016. It is reasonable to assume that these fluctuations are consistent with the historical spending patterns. Therefore, it is reasonable to adopt the adjusted recorded 2014 data for the 2014 forecast. ORA's recommendation is \$1.0 million below SDG&E's request. SDG&E's requests \$1.4 million each year for 2015 and 2016. ORA accepts these forecasts because they follow the pattern of historical spending.

Exhibit ORA-7, Page 14

**Settlement:** Please refer to Exhibit A, page A-4, section "Electric Distribution Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

### Proposed Capital Expenditures (in thousands of 2013 dollars)

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
002060.001	4,116
<b>Total</b>	<b>4,116</b>
<b>ORA</b>	<b>2014-2016 Total</b>
002060.001	3,052
<b>Total</b>	<b>3,052</b>
<b>Difference</b>	<b>2014-2016 Total</b>
002060.001	-1,064
<b>Total</b>	<b>-1,064</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
00206.0.ALL	3,052
<b>Total</b>	<b>3,052</b>

**CHAPTER 2A6-a6**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

**CAPITAL EXPENDITURES**

**Project:** FIELD SHUNT CAPACITORS  
**Budget Code:** 00209.0.ALL

**SDG&E Position:** SDG&E forecasts \$.594 million for 2014, \$.594 million for 2015, and \$.594 million for 2016.

Exhibit SDG&E-09, Page JDJ-28

**ORA Position:** ORA is not recommending that this proposed capital projects be eliminated. Instead, ORA has incorporated adjusted-recorded 2014 data.

Exhibit ORA-6, Page 11

**Settlement:** Please refer to Exhibit A, page A-4, section "Electric Distribution Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
002090.001	1,782
<b>Total</b>	<b>1,782</b>
<b>ORA</b>	<b>2014-2016 Total</b>
002090.001	1,629
<b>Total</b>	<b>1,629</b>
<b>Difference</b>	<b>2014-2016 Total</b>
002090.001	-153
<b>Total</b>	<b>-153</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
00209.0.ALL	1,629
<b>Total</b>	<b>1,629</b>

## CHAPTER 2A6-a7

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

### CAPITAL EXPENDITURES

**Project:** TRANSFORMERS  
**Budget Code:** 00214.0.ALL

**SDG&E Position:** The forecast for the Transformers project for 2014, 2015, and 2016 are \$18.287 million, \$19.158 million, and \$20.029 million, respectively. The forecasts for this project are zero based. This project is required to provide distribution transformers necessary to operate and maintain the electric distribution system. This blanket project is required to purchase transformers, supplying new and replacement equipment and maintaining inventory at each electric distribution service center.

Exhibit SDG&E-09, Page JDJ-69

**ORA Position:** Based on the 2014 adjusted-recorded data, ORA recommends a 2014 budget of \$12.8 million. Based on the 2013 and 2014 recorded data, and the fact that the trend in historical spending does not justify the requested 2015 budget, an adjustment is warranted. ORA recommends that the 2015 forecast be based on the 2013 expenditures. The 2013 expenditures are more reflective of historical spending, and should be considered a base year for the purposes of 2015 forecasting. ORA recommends a 2015 Materials capital expenditure forecast of \$15.6 million. ORA does not contest the 2016 forecast.

Exhibit ORA-7, Page 11

**Settlement:** Please refer to Exhibit A, page A-4, section "Electric Distribution Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

CHAPTER 2A6-a7

Proposed Capital Expenditures (in thousands of 2013 dollars)

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
002140.001	66,076
<b>Total</b>	<b>66,076</b>

<b>ORA</b>	<b>2014-2016 Total</b>
002140.001	51,413
<b>Total</b>	<b>51,413</b>

<b>Difference</b>	<b>2014-2016 Total</b>
002140.001	-14,663
<b>Total</b>	<b>-14,663</b>

<b>Settlement</b>	<b>2014-2016 Total</b>
00214.0.ALL	57,833
<b>Total</b>	<b>57,833</b>

**CHAPTER 2A6-a8**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

**CAPITAL EXPENDITURES**

**Project:** REACTIVE SMALL CAPITAL PROJECTS  
**Budget Code:** 00228.0.ALL

**SDG&E Position:** SDG&E forecasts \$1.448 million in 2014, \$1.448 million in 2015, and \$1.448 million in 2016.

Exhibit SDG&E-09, Page JDJ-29

**ORA Position:** ORA is not recommending that this proposed capital projects be eliminated. Instead, ORA has incorporated adjusted-recorded 2014 data.

Exhibit ORA-6, Page 11

**Settlement:** Please refer to Exhibit A, page A-4, section "Electric Distribution Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
002280.001	4,344
<b>Total</b>	<b>4,344</b>
<b>ORA</b>	<b>2014-2016 Total</b>
002280.001	5,567
<b>Total</b>	<b>5,567</b>
<b>Difference</b>	<b>2014-2016 Total</b>
002280.001	1,223
<b>Total</b>	<b>1,223</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
00228.0.ALL	5,567
<b>Total</b>	<b>5,567</b>

**CHAPTER 2A6-a9**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

**CAPITAL EXPENDITURES**

**Project:** Mandated Programs  
**Budget Code:** 00229.0.ALL

**SDG&E Position:** Mandated projects are those required by CPUC and other regulatory agencies. Mandated programs help promote public safety and employee safety. In addition, these programs protect SDG&E's capital investments of overhead and underground distribution facilities, maintain quality of service to SDG&E's customers, and avoid degradation of reliability due to aging electric systems. The forecasts for this category for 2014, 2015, and 2016 are \$37.872 million, \$38.148 million, and \$39.063, respectively.

Exhibit SDG&E-09, Page JDJ-18

**ORA Position:** Most of the activities in the Mandated subcategories are performed for safety purposes and regulatory requirements. ORA recommends that the adjusted 2014 Mandated capital expenditure forecast be adopted. ORA accepts the company's forecast for 2015 and Test Year 2016 for this program category, based on its review.

Exhibit ORA-7, Page 10

**Settlement:** Please refer to Exhibit A, page A-4, section "Electric Distribution Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**CHAPTER 2A6-a9**

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
002290.001	26,070
002890.001	36,985
012950.001	906
102650.001	4,934
872320.001	46,188
<b>Total</b>	<b>115,083</b>

<b>ORA</b>	<b>2014-2016 Total</b>
002290.001	26,761
002890.001	30,121
012950.001	624
102650.001	4,724
872320.001	44,099
<b>Total</b>	<b>106,329</b>

<b>Difference</b>	<b>2014-2016 Total</b>
002290.001	691
002890.001	-6,864
012950.001	-282
102650.001	-210
872320.001	-2,089
<b>Total</b>	<b>-8,754</b>

<b>Settlement</b>	<b>2014-2016 Total</b>
00229.0.ALL	106,329
<b>Total</b>	<b>106,329</b>

## CHAPTER 2A6-a10

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

### CAPITAL EXPENDITURES

**Project:** Local Engineering Pool - ED Pool  
**Budget Code:** 00901.0.ALL

**SDG&E Position:** The forecasts for the Local Engineering - Electric Distribution (ED) Pool for 2014, 2015, and 2016 are \$84.987 million, \$93.688 million, and \$92.593 million, respectively.

The Local Engineering - ED Pool consists of Planners, Designers and Engineers, and support personnel who research, analyze, and design the facilities needed to serve customers. These persons address the engineering needs for new services, facilities relocations, overhead-to-underground conversions, capacity, and reliability projects.

Exhibit SDG&E-09, Page JDJ-83

**ORA Position:** The historical costs for 2009-2012 for ED Pool activities show this sub category's costs were about 18.5% of the "basis of forecast" costs. The 2013 costs were about 25.7% of the "basis of forecast" costs. The 25.7% figure is the assumption used by SDG&E for its 2014-2016 forecasts. ORA accepts the company's method to forecast the overhead pools budget, but recommends that the 2014 budget be based on the adjusted-recorded costs.

Exhibit ORA-7, Page 6

**Settlement:** Please refer to Exhibit A, page A-4, section "Electric Distribution Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**CHAPTER 2A6-a10**

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
009010.001	271,268
<b>Total</b>	<b>271,268</b>

<b>ORA</b>	<b>2014-2016 Total</b>
009010.001	215,977
<b>Total</b>	<b>215,977</b>

<b>Difference</b>	<b>2014-2016 Total</b>
009010.001	-55,291
<b>Total</b>	<b>-55,291</b>

<b>Settlement</b>	<b>2014-2016 Total</b>
00901.0.ALL	235,645
<b>Total</b>	<b>235,645</b>

## CHAPTER 2A6-a11

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

### CAPITAL EXPENDITURES

**Project:** Local Engineering Pool - Substation Pool  
**Budget Code:** 00904.0.ALL

**SDG&E Position:** The forecasts for the Local Engineering - Substation Pool for 2014, 2015, and 2016 are \$15.328 million, \$15.147 million, and \$7.045 million, respectively. The Local Engineering – Substation Pool consists of the pool of planners, designers and engineers and support personnel who research, analyze, and design the facilities needed to serve customers.

Exhibit SDG&E-09, Page JDJ-85

**ORA Position:** For the Substation Pool, ORA did not perform a “basis of forecast” analysis. ORA accepts SDG&E’s assumption of 24.5 percent of the “basis of forecast for the developing the Substation Pool forecast, since 24.5 percent is very close to the 2014 recorded cost data. For 2014, ORA uses the 2014 Substation Pool recorded costs. ORA then uses the 2014 recorded data as the starting point for its 2015 forecast. This recommended budget will be very close to the Substation Pool 2015 forecast that would result from a “basis of forecast” analysis. In other words, ORA accepts SDG&E’s method of forecasting, but does not replicate that forecast method here. ORA accepts SDG&E’s 2016 forecast.

Exhibit ORA-7, Page 7

**Note:** ORA accepts the "Recalculated ORA Forecast" presented in Exhibit SDG&E-209, Page JDJ-36. ORA's updated forecast is the following:

2014 = \$8,414  
2015 = \$10,662  
2016 = \$12,545

**Settlement:** Please refer to Exhibit A, page A-4, section “Electric Distribution Capital Expenditures” of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

CHAPTER 2A6-a11

Proposed Capital Expenditures (in thousands of 2013 dollars)

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
009040.001	37,520
<b>Total</b>	<b>37,520</b>

<b>ORA</b>	<b>2014-2016 Total</b>
009040.001	23,873
<b>Total</b>	<b>23,873</b>

<b>Difference</b>	<b>2014-2016 Total</b>
009040.001	-13,647
<b>Total</b>	<b>-13,647</b>

<b>Settlement</b>	<b>2014-2016 Total</b>
00904.0.ALL	30,606
<b>Total</b>	<b>30,606</b>

**CHAPTER 2A6-a12**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

**CAPITAL EXPENDITURES**

**Project:** Department Overhead Pool  
**Budget Code:** 00905.0.ALL

**SDG&E Position:** The forecasts for the Department Overhead Pool for 2014, 2015, and 2016 are \$3.319 million, \$3.727 million, and \$4.139 million, respectively. Department Overheads are those costs for supervision and administration of crews in the SDG&E Construction and Operation (C&O) districts. Department Overhead is charged for expenses that are not attributable to one particular project, but benefit many projects, or the Construction and Operation (C&O) districts as a whole.

Exhibit SDG&E-09, Page JDJ-86

**ORA Position:** For the Department Overhead Pools, ORA uses an approach identical to the one used for the Substation Pool. The 2014 and 2015 forecasts are based on the 2014 recorded costs. For 2016, ORA accepts SDG&E's forecasts for this subcategory. Again, ORA accepts SDG&E's forecast method as reasonable, but the ORA forecast amounts presented in this testimony are not based on that method. The percentages of the bases of the forecasts for the Department Overhead Pools is 1.3 percent percent. These values are reasonable as they reflect the 2014 adjusted-recorded cost data.

Exhibit ORA-7, Page 8

**Note:** ORA accepts the "Recalculated ORA Forecast" presented in Exhibit SDG&E-209, Page JDJ-36. ORA's updated forecast is the following:

2014 = \$2,371  
2015 = \$3,020  
2016 = \$3,464

**Settlement:** Please refer to Exhibit A, page A-4, section "Electric Distribution Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

CHAPTER 2A6-a12

Proposed Capital Expenditures (in thousands of 2013 dollars)

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
009050.001	11,185
<b>Total</b>	<b>11,185</b>

<b>ORA</b>	<b>2014-2016 Total</b>
009050.001	8,881
<b>Total</b>	<b>8,881</b>

<b>Difference</b>	<b>2014-2016 Total</b>
009050.001	-2,304
<b>Total</b>	<b>-2,304</b>

<b>Settlement</b>	<b>2014-2016 Total</b>
00905.0.ALL	10,237
<b>Total</b>	<b>10,237</b>

## CHAPTER 2A6-a13

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

### CAPITAL EXPENDITURES

**Project:** Contract Administration Pool  
**Budget Code:** 00906.0.ALL

**SDG&E Position:** The forecasts for the CA Pool project for 2014, 2015, and 2016 are \$4.918 million, \$5.795 million, and \$6.447 million, respectively. The CA pool consists of those expenses necessary for the administration of projects that are performed by contractors for SDG&E. The expenses to this pool consist of labor for Contract Administrators and support personnel, as well as the associated non-labor support costs such as office and field supplies.

Exhibit SDG&E-09, Page JDJ-88

**ORA Position:** For the Contract Administration Pools, ORA uses an approach identical to the one used for the Substation Pool. The 2014 and 2015 forecasts are based on the 2014 recorded costs. For 2016, ORA accepts SDG&E's forecasts for this subcategory. Again, ORA accepts SDG&E's forecast method as reasonable, but the ORA forecast amounts presented in this testimony are not based on that method. The percentages of the bases of the forecasts for the Contract Administration Pools is 2.2 percent percent. These values are reasonable as they reflect the 2014 adjusted-recorded cost data.

Exhibit ORA-7, Page 8

**Note:** ORA accepts the "Recalculated ORA Forecast" presented in Exhibit SDG&E-209, Page JDJ-36. ORA's updated forecast is the following:

2014 = \$3,677  
2015 = \$4,747  
2016 = \$5,404

**Settlement:** Please refer to Exhibit A, page A-4, section "Electric Distribution Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**CHAPTER 2A6-a13**

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
00906A.001	17,160
<b>Total</b>	<b>17,160</b>

<b>ORA</b>	<b>2014-2016 Total</b>
00906A.001	13,801
<b>Total</b>	<b>13,801</b>

<b>Difference</b>	<b>2014-2016 Total</b>
00906A.001	-3,359
<b>Total</b>	<b>-3,359</b>

<b>Settlement</b>	<b>2014-2016 Total</b>
00906.0.ALL	15,919
<b>Total</b>	<b>15,919</b>

**CHAPTER 2A6-a14**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

**CAPITAL EXPENDITURES**

**Project:** MIRA SORRENTO 138/12KV SUB & C1442 T0 46  
**Budget Code:** 02252.0.ALL

**SDG&E Position:** SDG&E forecasts \$12.218 million in 2014, \$0 in 2015, and \$0 in 2016.

Exhibit SDG&E-09, Page JDJ-30

**ORA Position:** ORA is not recommending that this proposed capital project be eliminated. Instead, ORA has incorporated adjusted-recorded 2014 data.

Exhibit ORA-6, Page 11

**Settlement:** Please refer to Exhibit A, page A-4, section "Electric Distribution Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
022520.001	12,218
<b>Total</b>	<b>12,218</b>
<b>ORA</b>	<b>2014-2016 Total</b>
022520.001	6,747
<b>Total</b>	<b>6,747</b>
<b>Difference</b>	<b>2014-2016 Total</b>
022520.001	-5,471
<b>Total</b>	<b>-5,471</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
02252.0.ALL	6,747
<b>Total</b>	<b>6,747</b>

**CHAPTER 2A6-a15**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

**CAPITAL EXPENDITURES**

**Project:** Salt Creek & New Circuits  
**Budget Code:** 02258.0.ALL

**SDG&E Position:** This project had a 3/31/16 completion date. SDG&E subsequently revised this to the third quarter of 2016.

Exhibit SDG&E-09, Page JDJ-31

**ORA Position:** ORA did not use the revised date provided by SDG&E. ORA's reason for deviating from the revised date has to do with the fact that this project requires a Permit To Construct (PTC) before the project can begin. The Commission's California Environmental Quality Act (CEQA) team has informed ORA that the draft Environmental Impact Report (EIR) will not be published until late summer of this year, followed by 24 months of construction that would be completed in 2017. Therefore, for this single project, ORA is using a different completion date, namely July of 2017. ORA has assumed that expenditures in 2015 will be the same as 2014, since the PTC will not be issued For 2016, ORA is assuming that SDG&E will spend what it had budgeted for 2015. All remaining costs will be completed in 2017.

Exhibit ORA-6, Page 12

**Settlement:** Please refer to Exhibit A, page A-4, section "Electric Distribution Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
022580.001	7,889
<b>Total</b>	<b>7,889</b>
<b>ORA</b>	<b>2014-2016 Total</b>
022580.001	7,523
<b>Total</b>	<b>7,523</b>
<b>Difference</b>	<b>2014-2016 Total</b>
022580.001	-366
<b>Total</b>	<b>-366</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
02258.0.ALL	4,274
<b>Total</b>	<b>4,274</b>

**CHAPTER 2A6-a16**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

**CAPITAL EXPENDITURES**

**Project:** SMART METER PROJECT-METER DEVELOPMENT  
**Budget Code:** 04250.0.ALL

**SDG&E Position:** The forecasts for the Smart Meter project for 2014, 2015, and 2016 are \$1.116 million, \$0 million, and \$0 million, respectively. The purpose of the Smart Meter project was to deploy “intelligent” meters that could be read/viewed and operated remotely. The Smart Meter project increased operational efficiency and reduced the need to have field personnel perform meter reading activities.

Exhibit SDG&E-09, Page JDJ-132

**ORA Position:** ORA recommends that the adjusted-recorded spending of \$.165 million be adopted for 2014. The company forecasts \$0 for program spending in 2015 and 2016. ORA accepts the 2015 and 2016 forecast.

Exhibit ORA-7, Page 15

**Settlement:** Please refer to Exhibit A, page A-4, section “Electric Distribution Capital Expenditures” of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
042500.001	1,116
<b>Total</b>	<b>1,116</b>
<b>ORA</b>	<b>2014-2016 Total</b>
042500.001	165
<b>Total</b>	<b>165</b>
<b>Difference</b>	<b>2014-2016 Total</b>
042500.001	-951
<b>Total</b>	<b>-951</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
04250.0.ALL	165
<b>Total</b>	<b>165</b>

## CHAPTER 2A6-a17

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

### CAPITAL EXPENDITURES

**Project:** Safety & Risk Management Capital Projects  
**Budget Code:** 06247.0.ALL

**SDG&E Position:** A new major category of projects/budgets since the TY2012 GRC is the Safety & Risk Management category. The capital investments requested in this category address the mitigation of safety and physical system security risks. SDG&E forecasts \$26.209 million, \$40.684 million, and \$75.423 million, for 2014, 2015, and 2016, respectively.

Exhibit SDG&E-09, Page JDJ-23

**ORA Position:** ORA is not recommending that any of SDG&E's proposed capital projects be eliminated. Instead, ORA has incorporated adjusted-recorded 2014 data and revised the proposed expenditures to reflect the budgetary constraints imposed by the two FIRM capital projects. ORA is recommending Safety & Risk Management capital expenditures of \$18.083 million in 2014, \$27.406 million in 2015, and \$59.484 million in 2016.

Exhibit ORA-6, Page 37

**Note:** The totals in the SDG&E and ORA position summaries do not tie with the tables below due to the exclusion of uncontested capital projects in the tables.

**Settlement:** Please refer to Exhibit A, page A-4, section "Electric Distribution Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**CHAPTER 2A6-a17**

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
062470.001	2,529
112430.001	285
122560.001	468
122650.001	186
13247A.001	38,332
132550.001	186
13266A.001	420
14247A.001	80,318
<b>Total</b>	<b>122,724</b>

<b>ORA</b>	<b>2014-2016 Total</b>
062470.001	2,069
112430.001	414
122560.001	596
122650.001	59
13247A.001	38,332
132550.001	81
13266A.001	280
14247A.001	43,550
<b>Total</b>	<b>85,381</b>

<b>Difference</b>	<b>2014-2016 Total</b>
062470.001	-460
112430.001	129
122560.001	128
122650.001	-127
13247A.001	0
132550.001	-105
13266A.001	-140
14247A.001	-36,768
<b>Total</b>	<b>-37,343</b>

<b>Settlement</b>	<b>2014-2016 Total</b>
06247.0.ALL	115,761
<b>Total</b>	<b>115,761</b>

## CHAPTER 2A6-a18

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

### CAPITAL EXPENDITURES

**Project:** Telegraph Canyon-4th 138/12kV Bank & C1226  
**Budget Code:** 07245.0.ALL

**SDG&E Position:** This project originally had a 6/30/14 completion date, which was updated to the fourth quarter of 2015.

Exhibit SDG&E-09, Page JDJ-33

**ORA Position:** Nothing was spent on this project in 2014. Therefore, ORA has assumed that the costs for this project should be moved into 2015.

Exhibit ORA-6, Page 13

**Settlement:** Please refer to Exhibit A, page A-4, section "Electric Distribution Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

### Proposed Capital Expenditures (in thousands of 2013 dollars)

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
072450.001	3,080
<b>Total</b>	<b>3,080</b>
<b>ORA</b>	<b>2014-2016 Total</b>
072450.001	3,079
<b>Total</b>	<b>3,079</b>
<b>Difference</b>	<b>2014-2016 Total</b>
072450.001	-1
<b>Total</b>	<b>-1</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
07245.0.ALL	3,079
<b>Total</b>	<b>3,079</b>

**CHAPTER 2A6-a19**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

**CAPITAL EXPENDITURES**

**Project:** SAN YSIDRO-NEW 12KV CKT. 1202  
**Budget Code:** 07249.0.ALL

**SDG&E Position:** The San Ysidro 12kV Circuit project originally had a 5/31/14 completion date, which was updated to the third quarter of 2015.

Exhibit SDG&E-09, Page JDJ-34

**ORA Position:** Nothing was spent on this project in 2014. Therefore, ORA has assumed that the costs for this project should be moved into 2015.

Exhibit ORA-6, Page 13

**Settlement:** Please refer to Exhibit A, page A-4, section "Electric Distribution Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
072490.001	748
<b>Total</b>	<b>748</b>
<b>ORA</b>	<b>2014-2016 Total</b>
072490.001	745
<b>Total</b>	<b>745</b>
<b>Difference</b>	<b>2014-2016 Total</b>
072490.001	-3
<b>Total</b>	<b>-3</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
07249.0.ALL	745
<b>Total</b>	<b>745</b>

**CHAPTER 2A6-a20**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

**CAPITAL EXPENDITURES**

**Project:** C1161, BD - New 12kV circuit  
**Budget Code:** 07253.0.ALL

**SDG&E Position:** This project originally had a 5/31/14 completion date, which was updated to the third quarter of 2015.

Exhibit SDG&E-09, Page JDJ-35

**ORA Position:** Nothing was spent on this project in 2014. Therefore, ORA has assumed that the costs for this project should be moved into 2015.

Exhibit ORA-6, Page 13

**Settlement:** Please refer to Exhibit A, page A-4, section "Electric Distribution Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
072530.001	1,315
<b>Total</b>	<b>1,315</b>
<b>ORA</b>	<b>2014-2016 Total</b>
072530.001	1,315
<b>Total</b>	<b>1,315</b>
<b>Difference</b>	<b>2014-2016 Total</b>
072530.001	0
<b>Total</b>	<b>0</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
07253.0.ALL	1,315
<b>Total</b>	<b>1,315</b>

**CHAPTER 2A6-a21**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

**CAPITAL EXPENDITURES**

**Project:** Substation 12kV Capacitor Upgrades  
**Budget Code:** 08253.0.ALL

**SDG&E Position:** SDG&E forecasts \$3.278 million for 2014, \$3.278 million for 2015, and \$3.278 million for 2016.

Exhibit SDG&E-09, Page JDJ-36

**ORA Position:** ORA is not recommending that this proposed capital project be eliminated. Instead, ORA has incorporated adjusted-recorded 2014 data.

Exhibit ORA-6, Page 11

**Settlement:** Please refer to Exhibit A, page A-4, section "Electric Distribution Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
082530.001	9,834
<b>Total</b>	<b>9,834</b>
<b>ORA</b>	<b>2014-2016 Total</b>
082530.001	4,387
<b>Total</b>	<b>4,387</b>
<b>Difference</b>	<b>2014-2016 Total</b>
082530.001	-5,447
<b>Total</b>	<b>-5,447</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
08253.0.ALL	4,387
<b>Total</b>	<b>4,387</b>

**CHAPTER 2A6-a22**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

**CAPITAL EXPENDITURES**

**Project:** C917, CC: New 12kV Circuit  
**Budget Code:** 08259.0.ALL

**SDG&E Position:** The original 6/30/14 completion date has been revised to the third quarter of 2016.

Exhibit SDG&E-09, Page JDJ-37

**ORA Position:** Nothing was spent on this project in 2014. Since the completion date has been moved to 2016, ORA is assuming that nothing will be spent in 2015 either. Therefore, ORA has pushed all of the costs for this project out to 2016.

Exhibit ORA-6, Page 13

**Settlement:** Please refer to Exhibit A, page A-4, section "Electric Distribution Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
08259A.001	1,450
<b>Total</b>	<b>1,450</b>
<b>ORA</b>	<b>2014-2016 Total</b>
08259A.001	1,450
<b>Total</b>	<b>1,450</b>
<b>Difference</b>	<b>2014-2016 Total</b>
08259A.001	0
<b>Total</b>	<b>0</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
08259.0.ALL	0
<b>Total</b>	<b>0</b>

**CHAPTER 2A6-a23**

San Diego Gas & Electric Company  
 2016 Test Year GRC A-14-11-003  
 ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

**CAPITAL EXPENDITURES**

**Project:** TL6914 Los Coches-Loveland SW Pole Repl  
**Budget Code:** 09136.0.ALL

**SDG&E Position:** The forecasts for the TL6914 Los Coches-Loveland Wood-to-Steel project for 2014, 2015, and 2016 are \$58, \$2,396, and \$0, respectively. The TL 6914 Los Coches to Loveland SW Pole Replacements project will improve the reliability of transmission line 6914 in fire-prone or wind-prone areas by replacing 125 wood poles with equivalent steel poles for a distance of approximately 8 miles.

Exhibit SDG&E-09, Page JDJ-142

**ORA Position:** Most of the Transmission/FERC Driven projects are for electric system reliability. Other project purposes include fire safety, compliance, and blanket budget projects. ORA reviewed the project description, forecast method, goals, and cost driver(s) of each of the 18 projects in this program category. ORA accepts these justifications for SDG&E’s forecast. As with all other electric distribution program categories, ORA recommends that the 2014 adjusted-recorded data be used for the 2014 forecast.

Exhibit ORA-7, Page 13

**Settlement:** Please refer to Exhibit A, page A-4, section “Electric Distribution Capital Expenditures” of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
091360.001	2,454
<b>Total</b>	<b>2,454</b>
<b>ORA</b>	<b>2014-2016 Total</b>
091360.001	4,771
<b>Total</b>	<b>4,771</b>
<b>Difference</b>	<b>2014-2016 Total</b>
091360.001	2,317
<b>Total</b>	<b>2,317</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
09136.0.ALL	4,771
<b>Total</b>	<b>4,771</b>

**CHAPTER 2A6-a24**

San Diego Gas & Electric Company  
 2016 Test Year GRC A-14-11-003  
 ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

**CAPITAL EXPENDITURES**

**Project:** C1259, MAR: New 12kV Circuit  
**Budget Code:** 09271.0.ALL

**SDG&E Position:** The original completion date of 5/31/15 has been revised to the third quarter of 2016.

Exhibit SDG&E-09, JDJ-38

**ORA Position:** SDG&E was proposing to spend the entire cost for this project in 2015. ORA has moved this expenditure into 2016 to conform to the new date.

Exhibit ORA-6, Page 13

**Settlement:** Please refer to Exhibit A, page A-4, section "Electric Distribution Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
09271A.001	961
<b>Total</b>	<b>961</b>
<b>ORA</b>	<b>2014-2016 Total</b>
09271A.001	961
<b>Total</b>	<b>961</b>
<b>Difference</b>	<b>2014-2016 Total</b>
09271A.001	0
<b>Total</b>	<b>0</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
09271.0.ALL	0
<b>Total</b>	<b>0</b>

**CHAPTER 2A6-a25**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

**CAPITAL EXPENDITURES**

**Project:** C1282, LC - New circuit  
**Budget Code:** 09274.0.ALL

**SDG&E Position:** The original completion date of 8/31/14 has been moved to the third quarter of 2016.

Exhibit SDG&E-09, Page JDJ-39

**ORA Position:** Very little money was spent on this project in 2014. Due to the new 2016 completion date, ORA has moved the remaining costs for this project into 2016.

Exhibit ORA-6, Page 14

**Settlement:** Please refer to Exhibit A, page A-4, section "Electric Distribution Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
092740.001	4,031
<b>Total</b>	<b>4,031</b>
<b>ORA</b>	<b>2014-2016 Total</b>
092740.001	4,031
<b>Total</b>	<b>4,031</b>
<b>Difference</b>	<b>2014-2016 Total</b>
092740.001	0
<b>Total</b>	<b>0</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
09274.0.ALL	23
<b>Total</b>	<b>23</b>

**CHAPTER 2A6-a26**

San Diego Gas & Electric Company  
 2016 Test Year GRC A-14-11-003  
 ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

**CAPITAL EXPENDITURES**

**Project:** Poseidon - Cannon substation Modification  
**Budget Code:** 09276.0.ALL

**SDG&E Position:** This project that has a new completion date that is earlier than the original. The initial completion date was 1/31/15, which was revised to the fourth quarter of 2014.

Exhibit SDG&E-09, Page JDJ-40

**ORA Position:** ORA is not recommending that this proposed capital projects be eliminated. Instead, ORA has incorporated adjusted-recorded 2014 data and revised the proposed expenditure patterns to conform to the new completion dates that were provided by SDG&E.

Since the completion date is in 2014, ORA has assumed that the project was completed by the end of that year. Therefore, any proposed expenditures after 2014 were eliminated by ORA.

Exhibit ORA-6, Page 14

**Settlement:** Please refer to Exhibit A, page A-4, section “Electric Distribution Capital Expenditures” of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
092760.001	10,210
<b>Total</b>	<b>10,210</b>
<b>ORA</b>	<b>2014-2016 Total</b>
092760.001	10,461
<b>Total</b>	<b>10,461</b>
<b>Difference</b>	<b>2014-2016 Total</b>
092760.001	251
<b>Total</b>	<b>251</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
09276.0.ALL	10,461
<b>Total</b>	<b>10,461</b>

**CHAPTER 2A6-a27**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

**CAPITAL EXPENDITURES**

**Project:** C350, LI: Reconductor, Install Reg, RFS Cap  
**Budget Code:** 10266.0.ALL

**SDG&E Position:** The original completion date for this project was 5/31/14. The revised date is now the fourth quarter of 2014.

Exhibit SDG&E-09, Page JDJ-42

**ORA Position:** ORA is not recommending that this proposed capital projects be eliminated. Instead, ORA has incorporated adjusted-recorded 2014 data and revised the proposed expenditure patterns to conform to the new completion dates that were provided by SDG&E.

ORA assumes that this project was completed by the end of 2014.

Exhibit ORA-6, Page 14

**Settlement:** Please refer to Exhibit A, page A-4, section "Electric Distribution Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
10266A.001	933
<b>Total</b>	<b>933</b>
<b>ORA</b>	<b>2014-2016 Total</b>
10266A.001	529
<b>Total</b>	<b>529</b>
<b>Difference</b>	<b>2014-2016 Total</b>
10266A.001	-404
<b>Total</b>	<b>-404</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
10266.0.ALL	529
<b>Total</b>	<b>529</b>

**CHAPTER 2A6-a28**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

**CAPITAL EXPENDITURES**

**Project:** C1049, CSW: New 12kV Circuit  
**Budget Code:** 10270.0.ALL

**SDG&E Position:** The original completion date of 8/31/14 was extended to the fourth quarter of 2014.

Exhibit SDG&E-09, Page JDJ-43

**ORA Position:** ORA is not recommending that this proposed capital projects be eliminated. Instead, ORA has incorporated adjusted-recorded 2014 data and revised the proposed expenditure patterns to conform to the new completion dates that were provided by SDG&E.

ORA assumes that this project was completed by the end of 2014.

Exhibit ORA-6, Page 14

**Settlement:** Please refer to Exhibit A, page A-4, section "Electric Distribution Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
10270A.001	2,506
<b>Total</b>	<b>2,506</b>
<b>ORA</b>	<b>2014-2016 Total</b>
10270A.001	2,359
<b>Total</b>	<b>2,359</b>
<b>Difference</b>	<b>2014-2016 Total</b>
10270A.001	-147
<b>Total</b>	<b>-147</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
10270.0.ALL	2,359
<b>Total</b>	<b>2,359</b>

**CHAPTER 2A6-a29**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

**CAPITAL EXPENDITURES**

**Project:** Middletown 4kV Sub RFS  
**Budget Code:** 10272.0.ALL

**SDG&E Position:** The original 5/31/14 completion date has been revised to the second quarter of 2015.

Exhibit SDG&E-09, Page JDJ-44

**ORA Position:** ORA assumes that the remaining expenditures for this project should be moved into 2015.

Exhibit ORA-6, Page 14

**Settlement:** Please refer to Exhibit A, page A-4, section "Electric Distribution Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
10272A.001	734
<b>Total</b>	<b>734</b>
<b>ORA</b>	<b>2014-2016 Total</b>
10272A.001	734
<b>Total</b>	<b>734</b>
<b>Difference</b>	<b>2014-2016 Total</b>
10272A.001	0
<b>Total</b>	<b>0</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
10272.0.ALL	734
<b>Total</b>	<b>734</b>

**CHAPTER 2A6-a30**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

**CAPITAL EXPENDITURES**

**Project:** C928, POM: New 12kV Circuit  
**Budget Code:** 11244.0.ALL

**SDG&E Position:** The original 6/30/14 completion date has been modified to the third quarter of 2016.

Exhibit SDG&E-09, Page JDJ-45

**ORA Position:** SDG&E made no expenditures on the project in 2014. Since the new completion date now occurs in 2016, ORA has shifted the expenditures into that year.

Exhibit ORA-6, Page 15

**Settlement:** Please refer to Exhibit A, page A-4, section "Electric Distribution Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
11244A.001	734
<b>Total</b>	<b>734</b>
<b>ORA</b>	<b>2014-2016 Total</b>
11244A.001	734
<b>Total</b>	<b>734</b>
<b>Difference</b>	<b>2014-2016 Total</b>
11244A.001	0
<b>Total</b>	<b>0</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
11244.0.ALL	0
<b>Total</b>	<b>0</b>

**CHAPTER 2A6-a31**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

**CAPITAL EXPENDITURES**

**Project:** CAMP PENDLETON 12KV SERVICE  
**Budget Code:** 11257.0.ALL

**SDG&E Position:** SDG&E forecasts \$.612 million for 2014, \$0 for 2015, and \$0 for 2016.

Exhibit SDG&E-09, Page JDJ-46

**ORA Position:** ORA is not recommending that this proposed capital project be eliminated. Instead, ORA has incorporated adjusted-recorded 2014 data.

Exhibit ORA-6, Page 11

**Settlement:** Please refer to Exhibit A, page A-4, section "Electric Distribution Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
112570.001	612
<b>Total</b>	<b>612</b>

<b>ORA</b>	<b>2014-2016 Total</b>
112570.001	170
<b>Total</b>	<b>170</b>

<b>Difference</b>	<b>2014-2016 Total</b>
112570.001	-442
<b>Total</b>	<b>-442</b>

<b>Settlement</b>	<b>2014-2016 Total</b>
11257.0.ALL	170
<b>Total</b>	<b>170</b>

**CHAPTER 2A6-a32**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

**CAPITAL EXPENDITURES**

**Project:** C100, OT: 12kV Circuit Extension  
**Budget Code:** 11259.0.ALL

**SDG&E Position:** The original completion date for this project was 11/30/14. It has subsequently been modified to the third quarter of 2016.

Exhibit SDG&E-09, Page JDJ-46

**ORA Position:** SDG&E made no expenditures for this project in 2014. Since the new completion date now occurs in 2016, ORA has shifted all of the expenditures into that year.

Exhibit ORA-6, Page 15

**Settlement:** Please refer to Exhibit A, page A-4, section "Electric Distribution Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
11259A.001	1,858
<b>Total</b>	<b>1,858</b>
<b>ORA</b>	<b>2014-2016 Total</b>
11259A.001	1,858
<b>Total</b>	<b>1,858</b>
<b>Difference</b>	<b>2014-2016 Total</b>
11259A.001	0
<b>Total</b>	<b>0</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
11259.0.ALL	0
<b>Total</b>	<b>0</b>

**CHAPTER 2A6-a33**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

**CAPITAL EXPENDITURES**

**Project:** C108, B: Circuit Reconfiguration  
**Budget Code:** 13250.0.ALL

**SDG&E Position:** SDG&E has revised the original 5/31/14 completion date to the third quarter of 2014.

Exhibit SDG&E-09, Page JDJ-47

**ORA Position:** ORA is not recommending that this proposed capital projects be eliminated. Instead, ORA has incorporated adjusted-recorded 2014 data and revised the proposed expenditure patterns to conform to the new completion dates that were provided by SDG&E.

ORA assumes that this project was completed by the end of 2014.

Exhibit ORA-6, Page 15

**Settlement:** Please refer to Exhibit A, page A-4, section "Electric Distribution Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
13250A.001	619
<b>Total</b>	<b>619</b>
<b>ORA</b>	<b>2014-2016 Total</b>
13250A.001	378
<b>Total</b>	<b>378</b>
<b>Difference</b>	<b>2014-2016 Total</b>
13250A.001	-241
<b>Total</b>	<b>-241</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
13250.0.ALL	378
<b>Total</b>	<b>378</b>

**CHAPTER 2A6-a34**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

**CAPITAL EXPENDITURES**

**Project:** C1288, MSH: New 12kV Circuit  
**Budget Code:** 13260.0.ALL

**SDG&E Position:** SDG&E has revised the original 5/31/14 completion date to the fourth quarter of 2014.

Exhibit SDG&E-09, Page JDJ-50

**ORA Position:** ORA is not recommending that this proposed capital projects be eliminated. Instead, ORA has incorporated adjusted-recorded 2014 data and revised the proposed expenditure patterns to conform to the new completion dates that were provided by SDG&E.

ORA assumes that this project was completed by the end of 2014.

Exhibit ORA-6, Page 15

**Settlement:** Please refer to Exhibit A, page A-4, section "Electric Distribution Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
13260A.001	980
<b>Total</b>	<b>980</b>
<b>ORA</b>	<b>2014-2016 Total</b>
13260A.001	928
<b>Total</b>	<b>928</b>
<b>Difference</b>	<b>2014-2016 Total</b>
13260A.001	-52
<b>Total</b>	<b>-52</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
13260.0.ALL	980
<b>Total</b>	<b>980</b>

**CHAPTER 2A6-a35**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

**CAPITAL EXPENDITURES**

**Project:** C982: OL-Replace 300A Reg with 600A Reg  
**Budget Code:** 13263.0.ALL

**SDG&E Position:** The original 12/31/14 completion date has been revised to the third quarter of 2016.

Exhibit SDG&E-09, Page JDJ-51

**ORA Position:** Nothing was spent on this project in 2014. Since the completion date has been moved all the way to 2016, ORA is assuming that nothing will be spent in 2015 either. Therefore, ORA has pushed all of the costs for this project out to 2016.

Exhibit ORA-6, Page 16

**Settlement:** Please refer to Exhibit A, page A-4, section "Electric Distribution Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
13263A.001	551
<b>Total</b>	<b>551</b>
<b>ORA</b>	<b>2014-2016 Total</b>
13263A.001	551
<b>Total</b>	<b>551</b>
<b>Difference</b>	<b>2014-2016 Total</b>
13263A.001	0
<b>Total</b>	<b>0</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
13263.0.ALL	0
<b>Total</b>	<b>0</b>

**CHAPTER 2A6-a36**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-09-R  
**Area:** ELECTRIC DISTRIBUTION CAPITAL  
**Witness:** Jenkins, John D.

**CAPITAL EXPENDITURES**

**Project:** DISTRIBUTION SYSTEM CAPACITY IMPROVEMENT  
**Budget Code:** 97248.0.ALL

**SDG&E Position:** SDG&E forecasts \$2.556 for 2014, \$2.556 for 2015, and \$2.556 for 2016.

Exhibit SDG&E-09, Page JDJ-55

**ORA Position:** ORA is not recommending that this proposed capital project be eliminated. Instead, ORA has incorporated adjusted-recorded 2014 data.

Exhibit ORA-6, Page 11

**Settlement:** Please refer to Exhibit A, page A-4, section "Electric Distribution Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
972480.001	7,668
<b>Total</b>	<b>7,668</b>
<b>ORA</b>	<b>2014-2016 Total</b>
972480.001	6,031
<b>Total</b>	<b>6,031</b>
<b>Difference</b>	<b>2014-2016 Total</b>
972480.001	-1,637
<b>Total</b>	<b>-1,637</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
97248.0.ALL	6,031
<b>Total</b>	<b>6,031</b>

## Chapter 2 - ORA vs. SDG&E

### Part A - O&M and Capital Expenditures

#### 7. SDG&E-10-R (Exh 70) - ELECTRIC DISTRIBUTION O&M

##### a. O&M - NON-SHARED

Workpaper	ORA vs. SDG&E (2016)	Reference
1. 1ED001.000	(675)	2A7-a1
2. 1ED001.001	(116)	2A7-a2
3. 1ED001.003	(199)	2A7-a3
4. 1ED002.000	(7,198)	2A7-a4
5. 1ED003.000	(651)	2A7-a5
6. 1ED004.000	(3,939)	2A7-a6
7. 1ED005.000	(37)	2A7-a7
8. 1ED006.000	(503)	2A7-a8
9. 1ED008.000	(123)	2A7-a9
10. 1ED010.000	(840)	2A7-a10
11. 1ED011.000	(3,804)	2A7-a11
12. 1ED013.000	(1,427)	2A7-a12
13. 1ED014.000	(198)	2A7-a13
14. 1ED015.000	(1,290)	2A7-a14
15. 1ED018.000	(512)	2A7-a15
16. 1ED020.000	(315)	2A7-a16
17. 1ED021.001	(701)	2A7-a17
18. 1ED024.000	(705)	2A7-a18

## CHAPTER 2A7-a1

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-10-R  
**Area:** ELECTRIC DISTRIBUTION O&M  
**Witness:** Woldemariam, Jonathan

### NONSHARED O&M

**Subject:** Technology Innovation & Development  
**Workpaper:** 1ED001.000

**SDG&E Position:** SDG&E forecasts \$0.882 million for Technology, Innovation, and Development, which is an increase of \$0.555 million or 169.72% over 2013 recorded expenses of \$0.327 million and an increase of \$0.760 million or 622.95% over 2014 recorded expenses of \$0.122 million. SDG&E developed its TY forecast of \$0.882 million by using a 3-year linear (2011-2013) forecast plus an incremental increase of \$0.250 million.

Exhibit SDG&E-10-R, Page JTW-69

**ORA Position:** ORA developed its TY forecast of \$0.207 million by using a 3-year average (2012-2014) of historical recorded expenses. ORA's forecast of \$0.207 million is \$.085 million greater than 2014 recorded expenses of \$0.122 million and is sufficient to address emerging TY expenses associated with ITF.

Exhibit ORA-5, Page 49.

**Settlement:** Please refer to Exhibit A, page A-3, section "Non-Shared Electric Distribution O&M Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

### Proposed TY2016 Forecast (in thousands of 2013 dollars)

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	480	140	-340	271
NonLabor	402	67	-335	129
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>882</b>	<b>207</b>	<b>-675</b>	<b>400</b>

## CHAPTER 2A7-a2

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-10-R  
**Area:** ELECTRIC DISTRIBUTION O&M  
**Witness:** Woldemariam, Jonathan

### NONSHARED O&M

**Subject:** Reliability & Capacity  
**Workpaper:** 1ED001.001

**SDG&E Position:** SDG&E forecasts \$0.618 million for Reliability and Capacity Analysis, which is an increase of \$0.080 million or 14.87% over 2013 recorded expenses of \$0.538 million and an increase of \$0.266 million or 75.57% over 2014 recorded expenses of \$0.352 million. SDG&E developed its TY forecast of \$0.618 million by using 2013 base year recorded expenses plus an incremental increase of \$0.080 million for two fusing specialists, 1 administrative assistant, and a principal engineer.

Exhibit SDG&E-10-R, Page JTW-71

**ORA Position:** ORA's TY forecast is \$0.502 million. ORA developed its TY forecast of \$0.502 million by using a 3-year average (2012-2014) of historical recorded expenses, which uses the most recent historical recorded expenses from 2014. ORA's TY forecast is \$0.150 million greater than both 2014 recorded expenses of \$0.352 million and a 5-year average (2010-2014) of historical recorded expenses which is \$0.584 million.

Exhibit ORA-5, Page 50

**Settlement:** Please refer to Exhibit A, page A-3, section "Non-Shared Electric Distribution O&M Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

### Proposed TY2016 Forecast (in thousands of 2013 dollars)

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	309	239	-70	309
NonLabor	308	262	-46	308
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>617</b>	<b>501</b>	<b>-116</b>	<b>617</b>

### CHAPTER 2A7-a3

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-10-R  
**Area:** ELECTRIC DISTRIBUTION O&M  
**Witness:** Woldemariam, Jonathan

#### NONSHARED O&M

**Subject:** Information Management Support  
**Workpaper:** 1ED001.003

**SDG&E Position:** SDG&E forecasts \$0.339 million for Information Management Support, which is an increase of \$0.115 million or 51.34% over 2013 recorded expenses of \$0.224 million and an increase of \$0.199 million or 142.14% over 2014 recorded expenses of \$0.140 million. SDG&E developed its TY forecast by using 2013 base year recorded expenses plus an incremental increase of \$0.115 million for three Graphical Work Design (GWD) employees currently in IT to move to EDO.

Exhibit SDG&E-10-R, Page JTW-75

**ORA Position:** ORA's TY forecast is \$0.140. ORA developed its TY forecast of \$0.140 million by using 2014 recorded expenses. ORA's TY forecast is greater than both the 3-year (2012-2014) and 5-year (2010-2014) averages of historical recorded expenses which are \$0.132 million and \$0.108 million, respectively.

Exhibit ORA-5, Page 53

**Settlement:** Please refer to Exhibit A, page A-3, section "Non-Shared Electric Distribution O&M Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

#### Proposed TY2016 Forecast (in thousands of 2013 dollars)

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	217	133	-84	190
NonLabor	122	7	-115	10
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>339</b>	<b>140</b>	<b>-199</b>	<b>200</b>

## CHAPTER 2A7-a4

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-10-R  
**Area:** ELECTRIC DISTRIBUTION O&M  
**Witness:** Woldemariam, Jonathan

### NONSHARED O&M

**Subject:** Construction Services  
**Workpaper:** 1ED002.000

**SDG&E Position:** SDG&E forecasts \$18.865 million for Construction Services, which is an increase of \$13.639 million or 260.98% over 2013 recorded expenses of \$5.226 million and an increase of \$13.334 million or 241.08% over 2014 recorded expenses of \$5.531 million. SDG&E developed its TY forecast by using a 5-year average (2009-2013) of historical expenses plus incremental funding of \$13.639 million for various work activities.

Exhibit SDG&E-10-R, Page JTW-47

**ORA Position:** ORA's TY forecast is \$11.667 million. ORA developed its TY forecast of \$11.667 million by using a 5-year average (2010-2014) of historical expenses plus incremental funding of \$6.352 million for the Wildfire Strike Team and ORA's adjusted O&M FIRM costs.

Exhibit ORA-5, Page 39

**Settlement:** Please refer to Exhibit A, page A-3, section "Non-Shared Electric Distribution O&M Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

### Proposed TY2016 Forecast (in thousands of 2013 dollars)

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	308	334	26	308
NonLabor	18,557	11,333	-7,224	15,692
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>18,865</b>	<b>11,667</b>	<b>-7,198</b>	<b>16,000</b>

## CHAPTER 2A7-a5

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-10-R  
**Area:** ELECTRIC DISTRIBUTION O&M  
**Witness:** Woldemariam, Jonathan

### NONSHARED O&M

**Subject:** DistOps Enterprise Geographic Information System Standards  
**Workpaper:** 1ED003.000

**SDG&E Position:** SDG&E forecasts \$2.647 million for Distribution Operations/EGISS expenses, which is an increase of \$0.556 million or 26.59% over 2013 recorded expenses of \$2.091 million and an increase of \$0.722 million or 37.51% over 2014 recorded expenses of \$1.925 million. SDG&E developed its TY forecast of \$2.647 million by using a 5-year linear (2009-2013) forecast plus an incremental increase of \$0.028 to pay for GIS system maintenance.

Exhibit SDG&E-10-R, Page JTW-43

**ORA Position:** ORA's TY forecast is \$1.996 million. ORA developed its TY forecast of \$1.996 million by using a 3-year (2012-2014) average of historical expenses, which is higher than both 2014 recorded expenses of \$1.925 million and a 5-year average (2010-2014) of historical expenses which is \$1.817 million.

Exhibit ORA-5, Page 30

**Note:** As a result of the errata, SDG&E is reducing the test year 2016 forecast for this activity by \$.652 million, from \$2.647 million to \$1.995 million.

Exhibit SDG&E-210, p JW-28

**Settlement:** Please refer to Exhibit A, page A-3, section "Non-Shared Electric Distribution O&M Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

### Proposed TY2016 Forecast (in thousands of 2013 dollars)

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	1,175	1,230	55	1,175
NonLabor	1,472	766	-706	821
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>2,647</b>	<b>1,996</b>	<b>-651</b>	<b>1,996</b>

## CHAPTER 2A7-a6

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-10-R  
**Area:** ELECTRIC DISTRIBUTION O&M  
**Witness:** Woldemariam, Jonathan

### NONSHARED O&M

**Subject:** Electric Distribution Operations  
**Workpaper:** 1ED004.000

**SDG&E Position:** SDG&E forecasts \$15.315 million for Electric Distribution Operations, which is an increase of \$4.377 million or 40.02% over 2013 recorded expenses of \$10.938 million and an increase of \$3.654 million or 31.34% over 2014 recorded expenses of \$11.661 million. SDG&E uses a 3-year linear (2011-2013) forecast to develop its TY forecast \$15.315 million.

Exhibit SDG&E-10-R, Page JTW-40

**ORA Position:** ORA's TY forecast is \$11.377 million. ORA developed its TY forecast of \$11.377 million by using a 3-year average of historical costs (2012-2014). ORA's forecast is greater than a 5-year average (2010-2014) of historical recorded expenses which is \$10.401 million, and it is sufficient to address TY expenses.

Exhibit ORA-5, Page 29

**Settlement:** Please refer to Exhibit A, page A-3, section "Non-Shared Electric Distribution O&M Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

#### Proposed TY2016 Forecast (in thousands of 2013 dollars)

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	5,704	3,429	-2,275	4,400
NonLabor	9,611	7,947	-1,664	9,600
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>15,315</b>	<b>11,376</b>	<b>-3,939</b>	<b>14,000</b>

**CHAPTER 2A7-a7**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-10-R  
**Area:** ELECTRIC DISTRIBUTION O&M  
**Witness:** Woldemariam, Jonathan

**NONSHARED O&M**

**Subject:** GEOGRAPHIC BUSINESS SOLUTIONS DESKTOP  
**Workpaper:** 1ED005.000

**SDG&E Position:** SDG&E includes \$0.037 million for "Geographic Business Solutions Desktop" in its forecast for information Management Support.

Exhibit SDG&E-10-WP-R, Page 146

**ORA Position:** ORA recommends \$0 for this activity; SDG&E provides no supporting explanations or workpapers for this activity.

Exhibit ORA-5, Page 3

**Settlement:** Please refer to Exhibit A, page A-3, section "Non-Shared Electric Distribution O&M Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	36	0	-36	0
NonLabor	1	0	-1	0
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>37</b>	<b>0</b>	<b>-37</b>	<b>0</b>

## CHAPTER 2A7-a8

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-10-R  
**Area:** ELECTRIC DISTRIBUTION O&M  
**Witness:** Woldemariam, Jonathan

### NONSHARED O&M

**Subject:** Kearny Operations Services  
**Workpaper:** 1ED006.000

**SDG&E Position:** SDG&E forecasts \$2.239 million for Kearny Operations Services, which is an increase of \$0.401 million or 21.82% over 2013 recorded expenses of \$1.838 million and an increase of \$0.730 million or 48.38% over 2014 recorded expenses of \$1.509 million. SDG&E developed its labor forecast using 2013 base year recorded expenses plus an incremental increase of \$0.261 million for the transfer of employees into the Kearny Operations Services group during the period of 2013 and 2014 and to reflect a shift in charging allocations from Refundable to O&M due to that transfer. SDG&E developed its non-labor forecast using a 4-year average as the base year plus an incremental increase of \$0.080 million to comply with the Environmental Protection Agency's ("EPA"s) and California Air Resources Board's ("CARB"s) SF6 regulations.

Exhibit SDG&E-10-R, Page JTW-45

**ORA Position:** ORA's TY forecast is \$1.736 million. ORA developed its TY forecast of \$1.736 million by using a 3-year average (2012-2014) of historical recorded expenses. ORA's forecast is \$0.227 million greater than 2014 recorded expenses of \$1.509 million and is sufficient to address emerging TY expenses including compliance with EPA and CARB regulations.

Exhibit ORA-5, Page 32

**Settlement:** Please refer to Exhibit A, page A-3, section "Non-Shared Electric Distribution O&M Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

#### Proposed TY2016 Forecast (in thousands of 2013 dollars)

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	1,983	1,574	-409	1,723
NonLabor	256	162	-94	177
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>2,239</b>	<b>1,736</b>	<b>-503</b>	<b>1,900</b>

## CHAPTER 2A7-a9

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-10-R  
**Area:** ELECTRIC DISTRIBUTION O&M  
**Witness:** Woldemariam, Jonathan

### NONSHARED O&M

**Subject:** Grid Operations  
**Workpaper:** 1ED008.000

**SDG&E Position:** SDG&E forecasts \$0.348\* million for Grid Operations, which is an increase of \$0.200 million or 135.14% over 2013 recorded expenses of \$0.148 million and an increase of \$0.214 million or 159.70% over 2014 recorded expenses of \$0.134 million. SDG&E developed its TY forecast of \$0.348 million by using 2013 base year recorded expenses plus incremental costs of \$0.200 million for two additional electronic control technicians (ECTs).

Exhibit SDG&E-10-R, Page JTW-33

**ORA Position:** ORA's TY forecast is \$0.226 million. ORA developed its corresponding TY forecast of \$0.226 million by using a 5-year average (2010-2014) of historical recorded expenses, which is higher than both 2014 recorded expenses of \$0.134 million and the 3-year average (2012-2014) of historical recorded expenses which is \$0.189 million.

Exhibit ORA-5, Page 19

**Note:** Test Year 2016 forecast is adjusted by (\$200K) to reduce Electric Control Technician, from \$.348\* million to \$0.148 million.

\*Table below shows SDG&E's forecast of \$0.349 million. Difference of \$0.001 million from testimony is due to rounding.

Exhibit SDG&E-210

**Settlement:** Please refer to Exhibit A, page A-3, section "Non-Shared Electric Distribution O&M Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

#### Proposed TY2016 Forecast (in thousands of 2013 dollars)

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	292	200	-92	131
NonLabor	57	26	-31	17
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>349</b>	<b>226</b>	<b>-123</b>	<b>148</b>

## CHAPTER 2A7-a10

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-10-R  
**Area:** ELECTRIC DISTRIBUTION O&M  
**Witness:** Woldemariam, Jonathan

### NONSHARED O&M

**Subject:** Project Management  
**Workpaper:** 1ED010.000

**SDG&E Position:** SDG&E forecasts \$1.368 million for Project Management, which is an increase of \$0.886 million or 183.82% over 2013 recorded expenses of \$0.482 million and an increase of \$0.986 million or 258.12% over 2014 recorded expenses of \$0.382 million. SDG&E developed its TY forecast of \$1.368 million by using 2013 base year recorded expenses plus an incremental increase of \$0.886 million for a project planner class, reassigned personnel, and an increase in personnel.

Exhibit SDG&E-10-R, Page JTW-27

**ORA Position:** ORA's TY forecast is \$0.528 million. ORA developed its forecast of \$0.528 million by using 2014 recorded expenses plus an incremental increase of \$0.146 million for OpEx returning personnel. ORA's forecast is \$0.146 million greater than 2014 recorded costs of \$0.382 million, which is sufficient to address emerging TY expenses. It is also greater than both the 3-year (2012-2014) and 5-year (2010-2014) averages of \$0.424 million and \$0.488 million, respectively.

Exhibit ORA-5, Page 16

**Settlement:** Please refer to Exhibit A, page A-3, section "Non-Shared Electric Distribution O&M Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

### Proposed TY2016 Forecast (in thousands of 2013 dollars)

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	1,161	483	-678	732
NonLabor	207	45	-162	68
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>1,368</b>	<b>528</b>	<b>-840</b>	<b>800</b>

## CHAPTER 2A7-a11

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-10-R  
**Area:** ELECTRIC DISTRIBUTION O&M  
**Witness:** Woldemariam, Jonathan

### NONSHARED O&M

**Subject:** Electric Regional Operations  
**Workpaper:** 1ED011.000

**SDG&E Position:** SDG&E forecasts \$36.859\* million for Electric Regional Operations, which is an increase of \$5.110 million or 16.09% over 2013 recorded expenses of \$31.749 million and an increase of \$6.523 million or 21.50% over 2014 recorded expenses of \$30.336 million. SDG&E developed its TY forecast by using 2013 base year recorded expenses plus an incremental increase of \$5.110 million for various activities.

Exhibit SDG&E-10-R, Page JTW-8

**ORA Position:** ORA's TY forecast is \$33.055 million. ORA developed its TY forecast of \$33.055 million by using a 5-year average (2010-2014) of historical recorded expenses. ORA's forecast is \$2.719 million greater than 2014 recorded expenses of \$30.336 million. It is also greater than the 3-year average (2012-2014) of historical recorded expenses which is \$32.188 million.

Exhibit ORA-5, Page 8

**Note:** \* Test Year 2016 forecast is adjusted by (\$1,410K) for Jurisdictional Permitting and OT Drivers and Traffic Control Expenses, from \$36.859 million to \$35.449 million.

Exhibit SDG&E-210, p JW-14

**Settlement:** Please refer to Exhibit A, page A-3, section "Non-Shared Electric Distribution O&M Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

### Proposed TY2016 Forecast (in thousands of 2013 dollars)

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	24,542	22,881	-1,661	24,538
NonLabor	12,317	10,174	-2,143	10,911
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>36,859</b>	<b>33,055</b>	<b>-3,804</b>	<b>35,449</b>

**CHAPTER 2A7-a12**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-10-R  
**Area:** ELECTRIC DISTRIBUTION O&M  
**Witness:** Woldemariam, Jonathan

**NONSHARED O&M**

**Subject:** Skills & Compliance Training  
**Workpaper:** 1ED013.000

**SDG&E Position:** SDG&E forecasts \$5.087 million for Skills and Compliance Training, which is an increase of \$1.427 million or 38.99% over 2013 recorded expenses of \$3.660 million and an increase of \$2.474 million or 94.68% over 2014 recorded expenses of \$2.613 million. SDG&E developed its TY forecast of \$3.660 million by using 2013 base year recorded expenses plus an incremental increase of \$1.427 million for various activities.

Exhibit SDG&E-10-R, Page JTW-19

**ORA Position:** ORA's TY forecast is \$3.660 million. ORA developed its TY forecast of \$3.660 million by using the highest recorded expense level from the past six years (2009-2014).

Exhibit ORA-5, Page 13

**Settlement:** Please refer to Exhibit A, page A-3, section "Non-Shared Electric Distribution O&M Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	4,181	2,751	-1,430	3,094
NonLabor	906	909	3	906
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>5,087</b>	<b>3,660</b>	<b>-1,427</b>	<b>4,000</b>

**CHAPTER 2A7-a13**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-10-R  
**Area:** ELECTRIC DISTRIBUTION O&M  
**Witness:** Woldemariam, Jonathan

**NONSHARED O&M**

**Subject:** Service Order Team (SOT)  
**Workpaper:** 1ED014.000

**SDG&E Position:** SDG&E forecasts \$0.883 million for the SOT, which is an increase of \$0.037 million or 4.37% over 2013 recorded expenses of \$0.846 million and an increase of \$0.235 million or 36.27% over 2014 recorded expenses of \$0.648 million. SDG&E developed its TY forecast of \$0.883 million by using 2013 base year recorded expenses plus an incremental increase of \$0.037 million for the increased manning of 8 Service Order Planners.

Exhibit SDG&E-10-R, Page JTW-29

**ORA Position:** ORA's TY forecast is \$0.685 million. ORA developed its corresponding TY forecast of \$0.685 million by using 2014 base year recorded expenses plus an incremental increase of \$0.037 million. ORA's methodology is similar to that of SDG&E, but utilizes the most recent recorded expenses from 2014 as the base year instead of 2013 recorded expenses.

Exhibit ORA-5, Page 17

**Settlement:** Please refer to Exhibit A, page A-3, section "Non-Shared Electric Distribution O&M Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	354	321	-33	328
NonLabor	529	364	-165	372
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>883</b>	<b>685</b>	<b>-198</b>	<b>700</b>

**CHAPTER 2A7-a14**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-10-R  
**Area:** ELECTRIC DISTRIBUTION O&M  
**Witness:** Woldemariam, Jonathan

**NONSHARED O&M**

**Subject:** Substation C&O  
**Workpaper:** 1ED015.000

**SDG&E Position:** SDG&E forecasts \$6.912\* million for Substation Construction and Maintenance, which is an increase of \$1.016 million or 17.23% million over 2013 recorded expenses of \$5.896 million and an increase of \$1.565 million or 29.27% over 2014 recorded expenses of \$5.347 million. SDG&E developed its TY forecast by using 2013 base year recorded expenses plus an incremental increase of \$1.016 million for various activities.

Exhibit SDG&E-10-R, Page JTW-34

**ORA Position:** ORA's TY forecast is \$5.622 million. ORA developed its TY forecast of \$5.622 million by using a 2-year average of historical expenses. It is not appropriate to use a 3-year (2012-2014) or 5-year (2010-2014) average since "during the 2012 business year, the SCADA group, consisting of 19 employees, transferred from the Substation C&O group to System Protection as part of the department reorganization."

Exhibit ORA-5, Page 24

**Note:** \* Test Year 2016 forecast is adjusted by (\$202K) to remove certain transmission functions, from \$6.912 million to \$6.710 million.

Exhibit SDG&E-210, p JW-23

**Settlement:** Please refer to Exhibit A, page A-3, section "Non-Shared Electric Distribution O&M Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	4,730	3,577	-1,153	4,528
NonLabor	2,182	2,045	-137	2,182
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>6,912</b>	<b>5,622</b>	<b>-1,290</b>	<b>6,710</b>

**CHAPTER 2A7-a15**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-10-R  
**Area:** ELECTRIC DISTRIBUTION O&M  
**Witness:** Woldemariam, Jonathan

**NONSHARED O&M**

**Subject:** Distribution Engineering  
**Workpaper:** 1ED018.000

**SDG&E Position:** SDG&E forecasts \$1.909 million for Distribution Engineering, which is an increase of \$0.590 million or 44.73% over 2013 recorded expenses of \$1.319 million and an increase of \$0.440 million or 29.95% over 2014 recorded expenses of \$1.469 million. SDG&E developed its labor forecast of \$1.617 million using a 4-year linear (2010-2013) forecast plus an incremental increase of \$0.260 million. SDG&E developed its non-labor forecast of \$0.292 million by using a 3-linear (2011-2013) forecast.

Exhibit SDG&E-10-R, Page JTW-65

**ORA Position:** ORA's TY forecast is \$1.397 million. ORA developed its TY forecast of \$1.397 million by using a 4-year average (2011-2014) of historical recorded expenses. A 4-year average is appropriate because historical expenses have remained stable for the past four years. If SDG&E hires new NEM employees, SDG&E can reallocate costs from the non-labor contracted work that is currently being used to assist with the increased workload.

Exhibit ORA-5, Page 47

**Settlement:** Please refer to Exhibit A, page A-3, section "Non-Shared Electric Distribution O&M Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	1,617	992	-625	1,208
NonLabor	292	405	113	292
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>1,909</b>	<b>1,397</b>	<b>-512</b>	<b>1,500</b>

**CHAPTER 2A7-a16**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-10-R  
**Area:** ELECTRIC DISTRIBUTION O&M  
**Witness:** Woldemariam, Jonathan

**NONSHARED O&M**

**Subject:** Troubleshooting  
**Workpaper:** 1ED020.000

**SDG&E Position:** SDG&E forecasts \$7.965 million for Troubleshooting, which is an increase of \$0.440 million or 5.85% over 2013 recorded expenses of \$7.525 million and an increase of \$1.063 million or 15.40% over 2014 recorded expenses of \$6.902 million. SDG&E developed its TY forecast of \$7.965 million by using 2013 base year recorded expenses plus an incremental increase of \$0.440 million for additional troubleshooters to cover system growth requirements.

Exhibit SDG&E-10-R, Page JTW-16

**ORA Position:** ORA's TY forecast is \$7.650 million. ORA developed its TY forecast of \$7.650 million by using a 5-year average (2010-2014) of historical recorded expenses. ORA's forecast is \$0.748 million greater than 2014 recorded expenses of \$6.902 million. It is also greater than the 3-year average (2012-2014) of historical expenses which is \$7.509 million.

Exhibit ORA-5, Page 10

**Settlement:** Please refer to Exhibit A, page A-3, section "Non-Shared Electric Distribution O&M Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	7,655	7,329	-326	7,655
NonLabor	310	321	11	310
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>7,965</b>	<b>7,650</b>	<b>-315</b>	<b>7,965</b>

## CHAPTER 2A7-a17

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-10-R  
**Area:** ELECTRIC DISTRIBUTION O&M  
**Witness:** Woldemariam, Jonathan

### NONSHARED O&M

**Subject:** Vegetation Management (Tree Trimming)  
**Workpaper:** 1ED021.001

**SDG&E Position:** SDG&E forecasts \$24.559 million for its Vegetation Management (Tree Trimming) program, which is an increase of \$1.455 million or 6.30% over 2013 recorded expenses of \$23.104 million and an increase of \$2.196 million or 9.82% over 2014 recorded expenses of \$22.363 million. SDG&E is also proposing a two-way balancing account for Vegetation Management (Tree Trimming). SDG&E developed its TY forecast of \$24.559 million by using a 3-year average (2011-2013) of historical expenses plus an incremental increase of \$0.394 million for O&M expenses associated with the PowerWorkz Vegetation Management system.

Exhibit SDG&E-10-R, Page JTW-51

**ORA Position:** ORA's TY forecast is \$23.858 million, which is \$0.701 million lower than SDG&E's forecast. ORA developed its TY forecast of \$23.858 million by using a 3-year average (2012-2014) of historical recorded expenses, which uses the most recent historical recorded expenses from 2014. ORA objects to the use of a two-way balancing account for Vegetation Management (Tree Trimming), but recommends that the Commission continue the use of a one-way balancing account which will better protect ratepayers from cost variability.

Exhibit ORA-5, Page 41

**Settlement:** Please refer to Exhibit A, page A-3, section "Non-Shared Electric Distribution O&M Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

### Proposed TY2016 Forecast (in thousands of 2013 dollars)

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	1,061	1,030	-31	1,061
NonLabor	23,498	22,828	-670	23,498
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>24,559</b>	<b>23,858</b>	<b>-701</b>	<b>24,559</b>

**CHAPTER 2A7-a18**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-10-R  
**Area:** ELECTRIC DISTRIBUTION O&M  
**Witness:** Woldemariam, Jonathan

**NONSHARED O&M**

**Subject:** Technology Utilization  
**Workpaper:** 1ED024.000

**SDG&E Position:** SDG&E forecasts \$1.948 million for Technology Utilization, which is an increase of \$0.661 million or 51.36% over 2013 recorded expenses of \$1.287 million and an increase of \$1.038 million or 114.07% over 2014 recorded expenses of \$0.910 million. SDG&E developed its TY forecast using a 5-year linear (2009-2013) forecast plus incremental costs of the \$0.163 million for Borrego Springs Microgrid and the Advanced Energy Storage (AES) Project.

Exhibit SDG&E-10-R, Page JTW-77

**ORA Position:** ORA's TY forecast is \$1.243 million. ORA developed its TY forecast of \$1.243 million by using a 3-year average (2012-2014) of historical recorded expenses. Despite the downward trend in costs, ORA's forecast of \$1.243 million is \$0.333 million greater than 2014 recorded expenses of \$0.910 million.

Exhibit ORA-5, Page 55

**Settlement:** Please refer to Exhibit A, page A-3, section "Non-Shared Electric Distribution O&M Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	1,299	880	-419	1,062
NonLabor	649	363	-286	438
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>1,948</b>	<b>1,243</b>	<b>-705</b>	<b>1,500</b>

**Chapter 2 - ORA vs. SDG&E**  
**Part A - O&M and Capital Expenditures**

**8. SDG&E-11 (Exh 74) - ELECTRIC GENERATION**

**a. O&M - NON-SHARED**

<b>Workpaper</b>	<b>ORA vs. SDG&amp;E (2016)</b>	<b>Reference</b>
1. 1EG001.000	(180)	2A8-a1
2. 1EG004.000	(849)	2A8-a2
3. 1EG006.000	(4,960)	2A8-a3
4. 1EG008.000	(176)	2A8-a4

## CHAPTER 2A8-a1

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-11  
**Area:** ELECTRIC GENERATION  
**Witness:** La Peter, Carl S.

### NONSHARED O&M

**Subject:** Generation - Plant - Admin  
**Workpaper:** 1EG001.000

**SDG&E Position:** Generation Plant Administration (1EG001) is one of three OM workgroups included in the administration bucket. The other two workgroups included are the SVP - Power Supply (1EG005) and VP - Generation & Resource Planning (1EG008). SDG&E forecasts a total of \$1.38 million for these three workgroups. SDG&E expects expenditures to remain near historical levels with the addition of annual "Clean Tech membership dues" and new costs attendant to the "reorganization of the Power Supply organization."

Exhibit SDG&E-11, Page CSL-23

**ORA Position:** ORA recommends a TY forecast of \$1.082 for the three workgroups that compose the Administration bucket. ORA's reductions originate from incorporating the 2014 adjusted-recorded data. These reductions were made to Generation Plant Administration (1EG001) and VP - Generation & Resource Planning (1EG008). ORA did not take issue with SVP - Power Supply (1EG005).

Exhibit ORA-8, Page 9

**Settlement:** Please refer to Exhibit A, page A-5, section "Non-Shared Electric Generation O&M Expenses for TY 2016" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

### Proposed TY2016 Forecast (in thousands of 2013 dollars)

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	281	106	-175	157
NonLabor	6	1	-5	1
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>287</b>	<b>107</b>	<b>-180</b>	<b>158</b>

## CHAPTER 2A8-a2

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-11  
**Area:** ELECTRIC GENERATION  
**Witness:** La Peter, Carl S.

### NONSHARED O&M

**Subject:** Resource Planning  
**Workpaper:** 1EG004.000

**SDG&E Position:** SDG&E is requesting \$1.260 million which exceeds ORA's recommendation of \$.410 million by \$.850 million, or 207 percent. SDG&E is requesting an increase in personnel for "combined" solar programs and for an expected increase in work attendant to the transition to decommissioning at SONGS. SDG&E used a three-year average as a base upon which these discrete adjustments were made.

Exhibit SDG&E-11, Page CSL-21

**ORA Position:** ORA's recommends a forecast of \$.410 million. All of ORA's reductions originate from incorporating the 2014 adjusted recorded expense data into the forecasting methodology. ORA's recommendations are five-year averages that include the 2014 adjusted-recorded expenses.

Exhibit ORA-8, Page 8

**Settlement:** Please refer to Exhibit A, page A-5, section "Non-Shared Electric Generation O&M Expenses for TY 2016" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

#### Proposed TY2016 Forecast (in thousands of 2013 dollars)

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	545	365	-180	888
NonLabor	715	46	-669	112
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>1,260</b>	<b>411</b>	<b>-849</b>	<b>1,000</b>

**CHAPTER 2A8-a3**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-11  
**Area:** ELECTRIC GENERATION  
**Witness:** La Peter, Carl S.

**NONSHARED O&M**

**Subject:** Generation Plant Desert Star  
**Workpaper:** 1EG006.000

**SDG&E Position:** SDG&E's proposes a TY forecast of \$24.64 million.

Exhibit SDG&E-11, Page CSL-15

**ORA Position:** ORA recommends a \$5.0 million or 25.20 percent reduction to SDG&E's TY proposal of \$24.64 million. ORA, unlike SDG&E, used recorded-adjusted 2014 data to construct 3-year averages for Nonlabor and NSE expenses representing the first complete 3 calendar years of operation.

Exhibit ORA-8, Page 6

**Settlement:** Please refer to Exhibit A, page A-5, section "Non-Shared Electric Generation O&M Expenses for TY 2016" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	2,330	2,330	0	2,841
NonLabor	10,220	9,204	-1,016	11,224
Nonstandard	12,091	8,147	-3,944	9,935
<b>TOTAL</b>	<b>24,641</b>	<b>19,681</b>	<b>-4,960</b>	<b>24,000</b>

## CHAPTER 2A8-a4

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-11  
**Area:** ELECTRIC GENERATION  
**Witness:** La Peter, Carl S.

### NONSHARED O&M

**Subject:** VP - Generation & Resource Planning  
**Workpaper:** 1EG008.000

**SDG&E Position:** VP - Generation & Resource Planning (1EG008) is one of three OM workgroups included in the administration bucket. The other two workgroups included are the SVP - Power Supply (1EG005) and Generation Plant Administration (1EG001). SDG&E forecasts a total of \$1.38 million for these three workgroups. SDG&E expects expenditures to remain near historical levels with the addition of annual "Clean Tech membership dues" and new costs attendant to the "reorganization of the Power Supply organization."

Exhibit SDG&E-11, Page CSL-23

**ORA Position:** ORA recommends a TY forecast of \$1.082 for the three workgroups that compose the Administration bucket. ORA's reductions originate from incorporating the 2014 adjusted-recorded data. These reductions were made to Generation Plant Administration (1EG001) and VP - Generation & Resource Planning (1EG008). ORA did not take issue with SVP - Power Supply (1EG005).

Exhibit ORA-8, Page 9

**Settlement:** Please refer to Exhibit A, page A-5, section "Non-Shared Electric Generation O&M Expenses for TY 2016" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

### Proposed TY2016 Forecast (in thousands of 2013 dollars)

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	397	221	-176	326
NonLabor	39	39	0	58
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>436</b>	<b>260</b>	<b>-176</b>	<b>384</b>

**Chapter 2 - ORA vs. SDG&E**  
**Part A - O&M and Capital Expenditures**

**8. SDG&E-11 (Exh 74) - ELECTRIC GENERATION**

**b. O&M - SHARED**

Workpaper	ORA vs. SDG&E (2016)	Reference
1. 1EG00A-USS.ALL	(210)	2A8-b1

## CHAPTER 2A8-b1

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-11  
**Area:** ELECTRIC GENERATION  
**Witness:** La Peter, Carl S.

### SHARED SERVICES O&M

**Subject:** Resource Planning  
**Workpaper:** 1EG00A-USS.ALL

**SDG&E Position:** SDG&E is requesting \$.944 million. SDG&E expects expenditures to remain near historical levels with the addition of new personnel for two "backfill" positions.

Exhibit SDG&E-11, Page CSL-26

**ORA Position:** ORA's recommends a TY forecast of \$.735 million. ORA's reductions originate from incorporating the 2014 adjusted-recorded expense data into the forecasting methodology. SDG&E did not use 2014 adjusted recorded data. SDG&E's proposal to increase personnel starts in 2014. As a result of this 2014 experience, ORA used a three-year average, as SDG&E did, but including 2014 data.

Exhibit ORA-8, Page 10

**Settlement:** Please refer to Exhibit A, page A-5, section "Shared Electric Generation O&M Expenses for TY 2016" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

### Proposed TY2016 Forecast (in thousands of 2013 dollars)

<b>SDG&amp;E</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3433.000	729	215	0	944
<b>Total</b>	<b>729</b>	<b>215</b>	<b>0</b>	<b>944</b>

<b>ORA</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3433.000	552	182	0	734
<b>Total</b>	<b>552</b>	<b>182</b>	<b>0</b>	<b>734</b>

<b>Difference</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3433.000	-177	-33	0	-210
<b>Total</b>	<b>-177</b>	<b>-33</b>	<b>0</b>	<b>-210</b>

<b>Settlement</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
<b>1EG00A-USS.ALL</b>	<b>729</b>	<b>215</b>	<b>0</b>	<b>944</b>
<b>Total</b>	<b>729</b>	<b>215</b>	<b>0</b>	<b>944</b>

**Chapter 2 - ORA vs. SDG&E**  
**Part A - O&M and Capital Expenditures**

**8. SDG&E-11 (Exh 74) - ELECTRIC GENERATION**

**c. CAPITAL**

Project	ORA vs. SDG&E (2014+2015+2016)	Reference
1. 00006.0.ALL	(921)	2A8-c1
2. 00008.0.ALL	(824)	2A8-c2
3. 00009.0.ALL	(6,014)	2A8-c3
4. 00010.0.ALL	(2,884)	2A8-c4
5. 00011.0.ALL	(2,257)	2A8-c5

**CHAPTER 2A8-c1**

San Diego Gas & Electric Company  
 2016 Test Year GRC A-14-11-003  
 ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-11  
**Area:** ELECTRIC GENERATION  
**Witness:** La Peter, Carl S.

**CAPITAL EXPENDITURES**

**Project:** GENERATION CAPITAL TOOLS & TEST EQPT.  
**Budget Code:** 00006.0.ALL

**SDG&E Position:** SDG&E is requesting \$.470 million for Generation tools and test equipment. A zero-based methodology was used to develop the forecast.

Exhibit SDG&E-11, Page CSL-27

**ORA Position:** ORA recommends \$.164 million for Generation capital tools and test equipment. ORA's reduction is the result of using 2014 adjusted-recorded data and a five-year average to capture yearly fluctuations in this account.

Exhibit ORA-8, Page 12

**Note:** SDG&E accepts the five-year average for actual expenditures for this forecast.

Exhibit SDG&E-211, Page CL-6

**Settlement:** Please refer to Exhibit A, page A-5, section "Electric Generation Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
00006A.001	636
00006A.002	777
<b>Total</b>	<b>1,413</b>
<b>ORA</b>	<b>2014-2016 Total</b>
00006A.001	492
00006A.002	0
<b>Total</b>	<b>492</b>
<b>Difference</b>	<b>2014-2016 Total</b>
00006A.001	-144
00006A.002	-777
<b>Total</b>	<b>-921</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
00006.0.ALL	1,106
<b>Total</b>	<b>1,106</b>

**CHAPTER 2A8-c2**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-11  
**Area:** ELECTRIC GENERATION  
**Witness:** La Peter, Carl S.

**CAPITAL EXPENDITURES**

**Project:** MIRAMAR PLANT OPERATIONAL ENHANCEMENTS  
**Budget Code:** 00008.0.ALL

**SDG&E Position:** SDG&E is requesting \$2.22 million for 2014, \$430 million for 2015, and \$.300 million for TY 2016 and uses a zero-based method to develop these forecasts.

Exhibit SDG&E-11, Page CSL-28

**ORA Position:** ORA is recommending \$1.93 million for 2014 and \$.100 million for 2015 and \$.100 million for TY 2016. ORA adjusts the forecasts on a project by project basis.

Exhibit ORA-8, Page 13

**Note:** The totals in the SDG&E and ORA position summaries do not tie with the tables below due to the exclusion of uncontested capital projects in the tables.

**Settlement:** Please refer to Exhibit A, page A-5, section "Electric Generation Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

CHAPTER 2A8-c2

Proposed Capital Expenditures (in thousands of 2013 dollars)

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
00008A.001	130
00008A.002	300
00008A.003	300
00008A.004	1,923
<b>Total</b>	<b>2,653</b>

<b>ORA</b>	<b>2014-2016 Total</b>
00008A.001	0
00008A.002	0
00008A.003	0
00008A.004	1,829
<b>Total</b>	<b>1,829</b>

<b>Difference</b>	<b>2014-2016 Total</b>
00008A.001	-130
00008A.002	-300
00008A.003	-300
00008A.004	-94
<b>Total</b>	<b>-824</b>

<b>Settlement</b>	<b>2014-2016 Total</b>
00008.0.ALL	2,359
<b>Total</b>	<b>2,359</b>

### CHAPTER 2A8-c3

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-11  
**Area:** ELECTRIC GENERATION  
**Witness:** La Peter, Carl S.

#### CAPITAL EXPENDITURES

**Project:** PALOMAR PLANT OPERATIONAL ENHANCEMENTS  
**Budget Code:** 00009.0.ALL

**SDG&E Position:** The Palomar Plant forecasted capital expenditures support the company's goals of safe, reliable, low cost delivery of power. The forecasts for 2014, 2015, and 2016, are \$6.729 million, \$4.161 million, and \$2.796 million, respectively.

Exhibit SDG&E-11, Page CSL-30

**ORA Position:** ORA is recommending \$5.67 million for 2014, \$1.39 million for 2015, and \$.622 million in TY 2016. ORA addresses each forecast on a project by project basis.

Exhibit ORA-8, Page 16

**Note:** \*The totals in the SDG&E and ORA position summaries do not tie with the tables below due to the exclusion of uncontested capital projects in the tables.

\*\*SDG&E accepts the actual expenditure amount for 2014 in the following areas:

- Steam Turbine Upgraded N2 Packing,
- Drum Level Control Valves Using Linear Variable Displacement,
- Relocate Sample Panels to New Water Lab, and
- Bypass Quick Change Trim Upgrade

Exhibit SDG&E-211, Pages CL-9-19

**Settlement:** Please refer to Exhibit A, page A-5, section "Electric Generation Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

CHAPTER 2A8-c3

Proposed Capital Expenditures (in thousands of 2013 dollars)

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
00009A.002	1,535
00009A.003	138
00009A.005	158
00009A.006	312
00009A.008	51
00009A.009	200
00009A.010	100
00009A.011	590
00009A.013	390
00009A.017	58
00009A.021	211
00009A.022	800
00009A.023	303
00009A.024	553
00009A.025	105
00009A.026	845
00009A.027	575
00009A.028	554
<b>Total</b>	<b>7,478</b>

<b>ORA</b>	<b>2014-2016 Total</b>
00009A.002	520
00009A.003	1
00009A.005	0
00009A.006	204
00009A.008	31
00009A.009	0
00009A.010	0
00009A.011	363
00009A.013	345
00009A.017	0
00009A.021	0
00009A.022	0
00009A.023	0
00009A.024	0
00009A.025	0
00009A.026	0
00009A.027	0
00009A.028	0
<b>Total</b>	<b>1,464</b>

<b>Difference</b>	<b>2014-2016 Total</b>
00009A.002	-1,015
00009A.003	-137
00009A.005	-158
00009A.006	-108
00009A.008	-20
00009A.009	-200
00009A.010	-100
00009A.011	-227
00009A.013	-45
00009A.017	-58
00009A.021	-211
00009A.022	-800

CHAPTER 2A8-c3

00009A.023	-303
00009A.024	-553
00009A.025	-105
00009A.026	-845
00009A.027	-575
00009A.028	-554
<b>Total</b>	<b>-6,014</b>

<b>Settlement</b>	<b>2014-2016 Total</b>
00009.0.ALL	6,414
<b>Total</b>	<b>6,414</b>

## CHAPTER 2A8-c4

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-11  
**Area:** ELECTRIC GENERATION  
**Witness:** La Peter, Carl S.

### CAPITAL EXPENDITURES

**Project:** DESERT STAR ENERGY CTR OPER. ENHANCE.  
**Budget Code:** 00010.0.ALL

**SDG&E Position:** SDG&E is requesting \$10.89 million for 2014 \$1.73 million for 2015, and \$4.48 million for TY 2016. SDG&E used a "zero-based" method which is a project by project budget based method.

Exhibit SDG&E-11, Page CSL-42

**ORA Position:** ORA is recommending \$9.18 million for 2014, \$.393 million for 2015, and \$4.64 million for TY 2016. ORA adjusts the forecasts on a project by project basis.

Exhibit ORA-8, Page 19

**Note:** \*The totals in the SDG&E and ORA position summaries do not tie with the tables below due to the exclusion of uncontested capital projects in the tables.

\*\*SDG&E accepts the actual expenditure amount for 2014 in the following areas:

- Steam Turbine Blade Replacement,
- Vibration Monitoring System Upgrade,
- Ammonia Dilution Blower Upgrade,
- Combustion Turbine 2 Inlet Filter Media Upgrade,
- Mechanical Improvements,
- Instrumentation Improvements, and
- Electrical Improvements

Exhibit SDG&E-211, Pages CL-20-24

**Settlement:** Please refer to Exhibit A, page A-5, section "Electric Generation Capital Expenditures" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**CHAPTER 2A8-c4**

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
00010A.002	3,911
00010A.003	3,941
00010A.004	441
00010A.005	161
00010A.008	182
00010A.009	294
00010A.011	161
00010A.012	150
00010A.013	750
00010A.014	636
00010A.015	636
00010A.016	636
<b>Total</b>	<b>11,899</b>

<b>ORA</b>	<b>2014-2016 Total</b>
00010A.002	3,744
00010A.003	3,672
00010A.004	414
00010A.005	138
00010A.008	162
00010A.009	0
00010A.011	0
00010A.012	0
00010A.013	750
00010A.014	45
00010A.015	90
00010A.016	0
<b>Total</b>	<b>9,015</b>

<b>Difference</b>	<b>2014-2016 Total</b>
00010A.002	-167
00010A.003	-269
00010A.004	-27
00010A.005	-23
00010A.008	-20
00010A.009	-294
00010A.011	-161
00010A.012	-150
00010A.013	0
00010A.014	-591
00010A.015	-546
00010A.016	-636
<b>Total</b>	<b>-2,884</b>

<b>Settlement</b>	<b>2014-2016 Total</b>
00010.0.ALL	10,197
<b>Total</b>	<b>10,197</b>

**CHAPTER 2A8-c5**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-11  
**Area:** ELECTRIC GENERATION  
**Witness:** La Peter, Carl S.

**CAPITAL EXPENDITURES**

**Project:** CUYAMACA PEAK ENERGY PLANT OPER ENHANCE  
**Budget Code:** 00011.0.ALL

**SDG&E Position:** SDG&E is requesting \$1.43 million for 2014, \$1.61 million for 2015, and \$.300 million for TY 2016. SDG&E used a “zero-based” method which is a project by project budget based method.

Exhibit SDG&E-11, Page CSL-42

**ORA Position:** ORA is recommending \$0 million for 2014, \$1.08 million for 2015, and \$0 million for TY 2016. ORA adjusts the forecasts on a project by project basis.

Exhibit ORA-8, Page 21

**Note:** The totals in the SDG&E and ORA position summaries do not tie with the tables below due to the exclusion of uncontested capital projects in the tables.

**Settlement:** Please refer to Exhibit A, page A-5, section “Electric Generation Capital Expenditures” of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

CHAPTER 2A8-c5

Proposed Capital Expenditures (in thousands of 2013 dollars)

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
00011A.001	229
00011A.002	1,128
00011A.003	300
00011A.004	300
00011A.005	300
<b>Total</b>	<b>2,257</b>
<b>ORA</b>	<b>2014-2016 Total</b>
00011A.001	0
00011A.002	0
00011A.003	0
00011A.004	0
00011A.005	0
<b>Total</b>	<b>0</b>
<b>Difference</b>	<b>2014-2016 Total</b>
00011A.001	-229
00011A.002	-1,128
00011A.003	-300
00011A.004	-300
00011A.005	-300
<b>Total</b>	<b>-2,257</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
00011.0.ALL	924
<b>Total</b>	<b>924</b>

**Chapter 2 - ORA vs. SDG&E**  
**Part A - O&M and Capital Expenditures**

**9. SDG&E-13 (Exh 86) - CS - FIELD**

**a. O&M - NON-SHARED**

<b>Workpaper</b>	<b>ORA vs. SDG&amp;E (2016)</b>	<b>Reference</b>
1. 1FC001.000	(1,432)	2A9-a1
2. 1FC004.000	(126)	2A9-a2

## CHAPTER 2A9-a1

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-13  
**Area:** CS - FIELD  
**Witness:** Franke, Sara

### NONSHARED O&M

**Subject:** Customer Services Field - Operations  
**Workpaper:** 1FC001.000

**SDG&E Position:** SDG&E forecasts \$14.675 million for Customer Services Field (CSF)-Operations expenses, a reduction of -\$1.003 million over 2013 adjusted-recorded expenses of \$15.678 million. SDG&E utilized an activity based forecast of order volumes. The order volume forecasts for each individual work order type take into consideration the nature of the specific order type, variables impacting order volumes and order volume patterns during the period from 2005-2013. SDG&E then added expenses for various incremental activities including new enhanced customer education and customer outreach safety checks, and reduced expenses related to efficiencies.

Exhibit SDG&E-13, pp. SAF-5-18

**ORA Position:** ORA used SDG&E's 2014 adjusted-recorded expenses as a basis to calculate its estimate of \$13.243 million for SDG&E's expenses. SDG&E's 2014 adjusted-recorded expenses of \$13.243 million is \$2.435 million lower than its 2013 expense levels of \$15.678 million. SDG&E's historical expenses include embedded costs for customer appliance safety checks and costs for various resources to educate customers on SDG&E's programs. SDG&E should have embedded historical costs that can be reallocated to address its proposed TY activities.

Exhibit ORA-13, pp 9-12 for SDG&E's CSF Operations

**Note:** SDG&E's forecast for its CSF Operations includes incremental funding for enhanced Customer Education, and Customer Outreach Safety Checks. ORA recommends that the Commission direct SDG&E to plan, develop and implement customer pilot programs in the TY to track the interest/requests made by customers and the related costs incurred on SDG&E's proposed new customer offers/options.

Exhibit ORA-13, p. 12

**Settlement:** Please refer to Exhibit A, page A-6, section "Non-Shared O&M Expenses for TY 2016" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

### Proposed TY2016 Forecast (in thousands of 2013 dollars)

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	13,777	12,531	-1,246	13,777
NonLabor	898	712	-186	898
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>14,675</b>	<b>13,243</b>	<b>-1,432</b>	<b>14,675</b>

## CHAPTER 2A9-a2

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-13  
**Area:** CS - FIELD  
**Witness:** Franke, Sara

### NONSHARED O&M

**Subject:** Customer Services Field - Support  
**Workpaper:** 1FC004.000

**SDG&E Position:** SDG&E forecasts \$2.974 million for its Customer Services Field (CSF)-Support TY 2016 expenses. The forecasted expenses for both labor and non-labor are based on base year 2013 adjusted-recorded costs plus incremental changes for the elimination of a field instructor position, the addition of a senior training instructor position, and one-time costs for equipment.

Exhibit SDG&E-13, pp. SAF-20-21

**ORA Position:** ORA used SDG&E's 2013 adjusted-recorded expense as a basis for its estimates of \$2.848 million. Although SDG&E implemented organizational changes in 2013 and increased its staffing level in 2013, its adjusted-recorded expenses declined between 2013 and 2014 by \$0.352 million.

Exhibit ORA-13, pp.12-14 for SDG&E's CSF Support

**Note:** SDG&E accepted ORA's proposed funding level of \$31,000 (versus \$93,000) for the one-time purchase of new training equipment, resulting in a TY 2016 forecast reduction of -\$62,000.

Exhibit SDG&E-213, p. SAF-32

**Settlement:** Please refer to Exhibit A, page A-6, section "Non-Shared O&M Expenses for TY 2016" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

### Proposed TY2016 Forecast (in thousands of 2013 dollars)

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	2,584	2,556	-28	2,584
NonLabor	390	292	-98	390
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>2,974</b>	<b>2,848</b>	<b>-126</b>	<b>2,974</b>

## Chapter 2 - ORA vs. SDG&E

### Part A - O&M and Capital Expenditures

#### 10. SDG&E-14 (Exh 101) - CS - OPERATIONS, INFORMATION & TECHNOLOGIES

##### a. O&M - NON-SHARED

Workpaper	ORA vs. SDG&E (2016)	Reference
1. 100000.000	(636)	2A10-a1
2. 100002.000	(629)	2A10-a2
3. 100006.000	(72)	2A10-a3
4. 100008.000	(1,029)	2A10-a4
5. 100009.000	(483)	2A10-a5
6. 100010.000	(6,194)	2A10-a6
7. 100011.000	(590)	2A10-a7

**CHAPTER 2A10-a1**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-14  
**Area:** CS - OPERATIONS, INFORMATION & TECHNOLOGIES  
**Witness:** Baugh, Bradley M.

**NONSHARED O&M**

**Subject:** Advanced Metering Ops  
**Workpaper:** 100000.000

**SDG&E Position:** SDG&E forecasts \$8.771 million for its Advanced Metering Operations. SDG&E utilized a zero based methodology to forecast its labor expenses and utilized its 2013 adjusted-recorded expenses as a basis to forecast its non-labor expenses. SDG&E's forecast includes incremental funding for positions and activities associated with Meter Reading, Smart Meter Extended Warranty, and Software Maintenance/Service fees.

Exhibit SDG&E-14, Page BMB-10

**ORA Position:** ORA used SDG&E's 2013 adjusted-recorded expenses as a basis to calculate its estimate of \$8.135 million. SDG&E's 2016 forecast includes funding for positions that it requested and received funding for in its 2012 GRC.

Exhibit ORA-13, pp 16-19 for SDG&E's Advanced Metering Operations

**Settlement:** Please refer to Exhibit A, page A-6, section "Non-Shared Customer Service Operations Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	8,090	7,556	-534	7,802
NonLabor	681	579	-102	598
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>8,771</b>	<b>8,135</b>	<b>-636</b>	<b>8,400</b>

**CHAPTER 2A10-a2**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-14  
**Area:** CS - OPERATIONS, INFORMATION & TECHNOLOGIES  
**Witness:** Baugh, Bradley M.

**NONSHARED O&M**

**Subject:** Billing  
**Workpaper:** 100002.000

**SDG&E Position:** SDG&E forecasts \$5.839 million for its Billing work group expenses. SDG&E utilized its 2013 adjusted-recorded expenses as a basis to calculate its TY forecast and adjusted for proposed activities. SDG&E's forecast includes incremental funding for positions and activities associated with Net Energy Metering, New Rate Options and Programs, and training.

Exhibit SDG&E-14, Page BMB-19

**ORA Position:** ORA used SDG&E's 2013 adjusted-recorded expenses as a basis and adjusted for proposed activities to calculate its estimate of \$5.210 million. SDG&E was authorized funding for additional FTEs in its 2012 GRC for Net Energy Metering activities, and SDG&E is requesting funding for those positions again in its 2016 GRC. SDG&E has embedded historical costs associated with its New Rate Options and Programs that can be reallocated for proposed TY activities. ORA normalized SDG&E's forecast (\$410,000/3 years = \$137,000) to calculate incremental TY funding.

Exhibit ORA-13, pp 19-21 for SDG&E's Billing

**Settlement:** Please refer to Exhibit A, page A-6, section "Non-Shared Customer Service Operations Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	5,508	4,900	-608	4,900
NonLabor	331	310	-21	310
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>5,839</b>	<b>5,210</b>	<b>-629</b>	<b>5,210</b>

**CHAPTER 2A10-a3**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-14  
**Area:** CS - OPERATIONS, INFORMATION & TECHNOLOGIES  
**Witness:** Baugh, Bradley M.

**NONSHARED O&M**

**Subject:** CCC Operations  
**Workpaper:** 100006.000

**SDG&E Position:** SDG&E forecasts \$8.813 million for its Customer Contact Center Operations work group expenses. SDG&E utilized a zero-based methodology to forecast its labor expenses and utilized its 2013 adjusted-recorded expenses as a basis to forecast its non-labor expenses. SDG&E's forecast includes incremental funding for positions and activities associated with customer outreach safety checks, new rate options and programs, and California Alternate Rates for Energy (CARE) program enrollments.

Exhibit SDG&E-14, Page BMB-49

**ORA Position:** ORA recommends \$8.741 million, utilizing SDG&E's 2016 forecast as a basis. ORA adjusted SDG&E's forecast by \$72,000 to remove costs associated with California Alternate Rates for Energy (CARE) program enrollment costs. In D.14-06-036, the Commission ordered and SDG&E "agreed to seek funding for this activity as part of its Low Income Programs proceeding."

Exhibit ORA-13, pp 26-27 for SDG&E's Customer Contact Center Operations

**Settlement:** Please refer to Exhibit A, page A-6, section "Non-Shared Customer Service Operations Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	8,429	8,357	-72	8,429
NonLabor	384	384	0	384
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>8,813</b>	<b>8,741</b>	<b>-72</b>	<b>8,813</b>

**CHAPTER 2A10-a4**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-14  
**Area:** CS - OPERATIONS, INFORMATION & TECHNOLOGIES  
**Witness:** Baugh, Bradley M.

**NONSHARED O&M**

**Subject:** Residential Customer Services  
**Workpaper:** 100008.000

**SDG&E Position:** SDG&E forecasts \$6.607 million for its Residential Customer Services work group expenses. SDG&E utilized its 2013 adjusted-recorded expenses as a basis and added incremental funding for proposed activities to forecast its expenses. SDG&E's forecast includes incremental funding for additional positions associated with managing its Energy Management Tool, on-going third party licensing, hosting and maintenance costs, Customer Data Analytics and Technical Studies, and Plug-In Electric Vehicle (PEV) Outreach and Education, and development, production and distribution of information to inform customers about rate reform.

Exhibit SDG&E-14, Page BMB-60

**ORA Position:** ORA used SDG&E's 2013 adjusted-recorded expenses as a basis to calculate its estimate of \$5.576 million for SDG&E's expenses. SDG&E requested and was authorized funding in its 2012 GRC for customer outreach and education activities for Plug-In Electric Vehicles.

Exhibit ORA-13, pp. 29-31 for SDG&E's Residential Customer Services

**Settlement:** Please refer to Exhibit A, page A-6, section "Non-Shared Customer Service Information Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	2,903	2,579	-324	2,775
NonLabor	3,703	2,998	-705	3,225
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>6,606</b>	<b>5,577</b>	<b>-1,029</b>	<b>6,000</b>

**CHAPTER 2A10-a5**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-14  
**Area:** CS - OPERATIONS, INFORMATION & TECHNOLOGIES  
**Witness:** Baugh, Bradley M.

**NONSHARED O&M**

**Subject:** C&I Services  
**Workpaper:** 100009.000

**SDG&E Position:** SDG&E forecasts \$5.789 million for its Commercial and Industrial Services. SDG&E utilized its 2013 adjusted recorded expenses as a basis and added incremental funding for proposed projects to forecast its expenses. SDG&E's forecast includes incremental funding for proposed activities associated with New Rate Options and Programs activities to support small and medium business customers, outage management and communication activities, and software licensing costs.

Exhibit SDG&E-14, Page BMB-72

**ORA Position:** ORA used SDG&E's 2013 adjusted-recorded expenses as a basis to calculate its estimate of \$5.305 million for SDG&E's expenses. SDG&E's 2014 recorded expenses of \$4.712 million is \$0.820 million less than its 2014 forecast of \$5.532 million. After SDG&E's 2012/2013 reorganizational changes, its 2014 adjusted-recorded expenses declined to the lowest expense level in six years (2009-2014).

Exhibit ORA-13, pp. 31-33 for SDG&E's Commercial and Industrial Services

**Settlement:** Please refer to Exhibit A, page A-6, section "Non-Shared Customer Service Information Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	4,826	4,418	-408	4,580
NonLabor	962	887	-75	920
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>5,788</b>	<b>5,305</b>	<b>-483</b>	<b>5,500</b>

**CHAPTER 2A10-a6**

San Diego Gas & Electric Company  
 2016 Test Year GRC A-14-11-003  
 ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-14  
**Area:** CS - OPERATIONS, INFORMATION & TECHNOLOGIES  
**Witness:** Baugh, Bradley M.

**NONSHARED O&M**

**Subject:** Communications Research & Web  
**Workpaper:** 100010.000

**SDG&E Position:** SDG&E forecasts \$14.287 million for its Communications, Research and Web. SDG&E utilized its 2013 adjusted-recorded expenses as a basis and added incremental funding for proposed projects to forecast its expenses. SDG&E's forecast includes incremental funding for proposed activities associated with Customer Research (surveys), Social Media, Mobile Applications, My Account Content Management, SPP Event Notifications and Goals/Alerts, Ongoing SPP activities, New Rate Options/Programs, Enhanced Customer Educations, and Customer Outreach Safety Checks.

Exhibit SDG&E-14, Page BMB-82

**ORA Position:** ORA used a two year average (2012 and 2013) as a basis to calculate its estimate of \$8.093 million for SDG&E's expenses. SDG&E's 2014 adjusted-recorded expenses of \$6.899 million is \$3.721 million less than its 2014 forecast of \$10.620 million.

Exhibit ORA-13, pp. 33-38 for SDG&E's Communications, Research and Web.

**Note:** ORA utilized SDG&E's original workpapers instead of SDG&E's revised workpapers to determine its TY 2016 estimate for Customer Communications, Research and Web. Based on SDG&E's revised workpapers, the 2012 and 2013 two-year average for labor is \$2.212 million and non-labor is \$5.750 million for a total of \$7.962 million. The resulting difference between the SDG&E and ORA proposed TY 2016 forecast for labor is (\$0.811) million and non-labor is (\$5.514) million for a total of (\$6.325) million.

**Settlement:** Please refer to Exhibit A, page A-6, section "Non-Shared Customer Service Information Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	3,023	2,343	-680	3,023
NonLabor	11,264	5,750	-5,514	9,477
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>14,287</b>	<b>8,093</b>	<b>-6,194</b>	<b>12,500</b>

**CHAPTER 2A10-a7**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-14  
**Area:** CS - OPERATIONS, INFORMATION & TECHNOLOGIES  
**Witness:** Baugh, Bradley M.

**NONSHARED O&M**

**Subject:** Customer Programs & Projects  
**Workpaper:** 100011.000

**SDG&E Position:** SDG&E forecasts \$3.443 million for its Customer Programs & Projects. SDG&E utilized its 2013 adjusted-recorded expenses as a basis and added incremental funding for proposed activities to forecast its expenses. SDG&E's forecast includes incremental funding for additional positions and activities associated with ongoing Smart Pricing Program (SPP) / Customer Programs & Projects activities, Customer Privacy Office costs, Privacy Audit, software maintenance, and other costs.

Exhibit SDG&E-14, Page 102

**ORA Position:** ORA used SDG&E's 2013 adjusted-recorded expenses as a basis and adjusted for proposed activities to calculate its estimate of \$2.854 million for SDG&E's Customer Programs & Projects expenses. ORA's TY 2016 estimate for Customer Programs and Projects adopts SDG&E's incremental request for privacy audit costs.

Exhibit ORA-13, Page 38

**Settlement:** Please refer to Exhibit A, page A-6, section "Non-Shared Customer Service Information Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	1,921	1,419	-502	1,419
NonLabor	1,518	1,435	-83	1,435
Nonstandard	5	0	-5	0
<b>TOTAL</b>	<b>3,444</b>	<b>2,854</b>	<b>-590</b>	<b>2,854</b>

## Chapter 2 - ORA vs. SDG&E

### Part A - O&M and Capital Expenditures

#### 11. SDG&E-15 (Exh 131) - SUPPLY MANAGEMENT & SUPPLIER DIVERSITY

##### a. O&M - NON-SHARED

Workpaper	ORA vs. SDG&E (2016)	Reference
1. 1SS001.000	2	2A11-a1
2. 1SS002.000	(56)	2A11-a2
3. 1SS003.000	26	2A11-a3
4. 1SS004.000	(5)	2A11-a4
5. 1SS005.000	(318)	2A11-a5
6. 1SS006.000	(134)	2A11-a6
7. 1SS007.000	(305)	2A11-a7

**CHAPTER 2A11-a1**

San Diego Gas & Electric Company  
 2016 Test Year GRC A-14-11-003  
 ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-15  
**Area:** SUPPLY MANAGEMENT & SUPPLIER DIVERSITY  
**Witness:** Furbush, Sydney L.

**NONSHARED O&M**

**Subject:** Logistics Shops South - Pool Warehousing  
**Workpaper:** 1SS001.000

**SDG&E Position:** SDG&E developed the TY 2016 forecast of Supply Management and Supplier Diversity Non-Shared O&M expenses by using the five-year historical average (2009 to 2013) forecast methodology. SDG&E states, "A five-year historical average represents a reasonable base to estimate operational needs for TY 2016 because Supply Management and Supplier Diversity costs are generally prone to fluctuations due to changes in work activities, which impact staffing levels, purchased service costs, and other factors (i.e. fire prevention, capital projects, etc.).

Exhibit SDG&E-15, Page SLF- 3

**ORA Position:** ORA recommends using a three-year historical average (2011 to 2013) to forecast TY 2016 Non-Shared O&M expenses for Supply Management and Supplier Diversity. The three-year historical average provides a more recent level of SDG&E's Supply Management and Supplier Diversity operations to forecast the TY2016 Non-Shared O&M expenses.

Exhibit ORA-14, Page 8

**Settlement:** Please refer to Exhibit A, page A-7, section "Non-Shared O&M Support Services Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	3,947	3,981	34	3,947
NonLabor	131	99	-32	131
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>4,078</b>	<b>4,080</b>	<b>2</b>	<b>4,078</b>

**CHAPTER 2A11-a2**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-15  
**Area:** SUPPLY MANAGEMENT & SUPPLIER DIVERSITY  
**Witness:** Furbush, Sydney L.

**NONSHARED O&M**

**Subject:** Logistics Shops South-Pool - Shop Order  
**Workpaper:** 1SS002.000

**SDG&E Position:** SDG&E developed the TY 2016 forecast of Supply Management and Supplier Diversity Non-Shared O&M expenses by using the five-year historical average (2009 to 2013) forecast methodology. SDG&E states, "A five-year historical average represents a reasonable base to estimate operational needs for TY 2016 because Supply Management and Supplier Diversity costs are generally prone to fluctuations due to changes in work activities, which impact staffing levels, purchased service costs, and other factors (i.e. fire prevention, capital projects, etc.).

Exhibit SDG&E-15, Page SLF-3

**ORA Position:** ORA recommends using a three-year historical average (2011 to 2013) to forecast TY 2016 Non-Shared O&M expenses for Supply Management and Supplier Diversity. The three-year historical average provides a more recent level of SDG&E's Supply Management and Supplier Diversity operations to forecast the TY2016 Non-Shared O&M expenses.

Exhibit ORA-14, Page 8

**Settlement:** Please refer to Exhibit A, page A-7, section "Non-Shared O&M Support Services Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	500	474	-26	500
NonLabor	228	198	-30	228
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>728</b>	<b>672</b>	<b>-56</b>	<b>728</b>

**CHAPTER 2A11-a3**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-15  
**Area:** SUPPLY MANAGEMENT & SUPPLIER DIVERSITY  
**Witness:** Furbush, Sydney L.

**NONSHARED O&M**

**Subject:** Office Services  
**Workpaper:** 1SS003.000

**SDG&E Position:** SDG&E developed the TY 2016 forecast of Supply Management and Supplier Diversity Non-Shared O&M expenses by using the five-year historical average (2009 to 2013) forecast methodology. SDG&E states, "A five-year historical average represents a reasonable base to estimate operational needs for TY 2016 because Supply Management and Supplier Diversity costs are generally prone to fluctuations due to changes in work activities, which impact staffing levels, purchased service costs, and other factors (i.e. fire prevention, capital projects, etc.).

Exhibit SDG&E-15, Page SLF-4

**ORA Position:** ORA recommends using a three-year historical average (2011 to 2013) to forecast TY 2016 Non-Shared O&M expenses for Supply Management and Supplier Diversity. The three-year historical average provides a more recent level of SDG&E's Supply Management and Supplier Diversity operations to forecast the TY2016 Non-Shared O&M expenses.

Exhibit ORA-14, Page 8

**Settlement:** Please refer to Exhibit A, page A-7, section "Non-Shared O&M Support Services Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	0	0	0	0
NonLabor	2,389	2,415	26	2,389
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>2,389</b>	<b>2,415</b>	<b>26</b>	<b>2,389</b>

**CHAPTER 2A11-a4**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-15  
**Area:** SUPPLY MANAGEMENT & SUPPLIER DIVERSITY  
**Witness:** Furbush, Sydney L.

**NONSHARED O&M**

**Subject:** Logistics Shops South - Pool Purchasing  
**Workpaper:** 1SS004.000

**SDG&E Position:** SDG&E developed the TY 2016 forecast of Supply Management and Supplier Diversity Non-Shared O&M expenses by using the five-year historical average (2009 to 2013) forecast methodology. SDG&E states, "A five-year historical average represents a reasonable base to estimate operational needs for TY 2016 because Supply Management and Supplier Diversity costs are generally prone to fluctuations due to changes in work activities, which impact staffing levels, purchased service costs, and other factors (i.e. fire prevention, capital projects, etc.).

Exhibit SDG&E-15, Page SLF-3

**ORA Position:** ORA recommends using a three-year historical average (2011 to 2013) to forecast TY 2016 Non-Shared O&M expenses for Supply Management and Supplier Diversity. The three-year historical average provides a more recent level of SDG&E's Supply Management and Supplier Diversity operations to forecast the TY2016 Non-Shared O&M expenses.

Exhibit ORA-14, Page 8

**Settlement:** Please refer to Exhibit A, page A-7, section "Non-Shared O&M Support Services Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	693	706	13	693
NonLabor	36	18	-18	36
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>729</b>	<b>724</b>	<b>-5</b>	<b>729</b>

**CHAPTER 2A11-a5**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-15  
**Area:** SUPPLY MANAGEMENT & SUPPLIER DIVERSITY  
**Witness:** Furbush, Sydney L.

**NONSHARED O&M**

**Subject:** Supplier Diversity  
**Workpaper:** 1SS005.000

**SDG&E Position:** SDG&E developed the TY 2016 forecast of Supply Management and Supplier Diversity Non-Shared O&M expenses by using the five-year historical average (2009 to 2013) forecast methodology. SDG&E states, "A five-year historical average represents a reasonable base to estimate operational needs for TY 2016 because Supply Management and Supplier Diversity costs are generally prone to fluctuations due to changes in work activities, which impact staffing levels, purchased service costs, and other factors (i.e. fire prevention, capital projects, etc.).

Exhibit SDG&E-15, Page SLF-5

**ORA Position:** ORA recommends using a three-year historical average (2011 to 2013) to forecast TY 2016 Non-Shared O&M expenses for Supply Management and Supplier Diversity. The three-year historical average provides a more recent level of SDG&E's Supply Management and Supplier Diversity operations to forecast the TY2016 Non-Shared O&M expenses.

Exhibit ORA-14, Page 8

**Settlement:** Please refer to Exhibit A, page A-7, section "Non-Shared O&M Support Services Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	650	521	-129	650
NonLabor	695	506	-189	695
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>1,345</b>	<b>1,027</b>	<b>-318</b>	<b>1,345</b>

**CHAPTER 2A11-a6**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-15  
**Area:** SUPPLY MANAGEMENT & SUPPLIER DIVERSITY  
**Witness:** Furbush, Sydney L.

**NONSHARED O&M**

**Subject:** Electric Portfolio  
**Workpaper:** 1SS006.000

**SDG&E Position:** SDG&E developed the TY 2016 forecast of Supply Management and Supplier Diversity Non-Shared O&M expenses by using the five-year historical average (2009 to 2013) forecast methodology. SDG&E states, "A five-year historical average represents a reasonable base to estimate operational needs for TY 2016 because Supply Management and Supplier Diversity costs are generally prone to fluctuations due to changes in work activities, which impact staffing levels, purchased service costs, and other factors (i.e. fire prevention, capital projects, etc.).

Exhibit SDG&E-15, Page SLF-4

**ORA Position:** ORA recommends using a three-year historical average (2011 to 2013) to forecast TY 2016 Non-Shared O&M expenses for Supply Management and Supplier Diversity. The three-year historical average provides a more recent level of SDG&E's Supply Management and Supplier Diversity operations to forecast the TY2016 Non-Shared O&M expenses.

Exhibit ORA-14, Page 8

**Settlement:** Please refer to Exhibit A, page A-7, section "Non-Shared O&M Support Services Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	950	845	-105	950
NonLabor	101	72	-29	101
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>1,051</b>	<b>917</b>	<b>-134</b>	<b>1,051</b>

**CHAPTER 2A11-a7**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-15  
**Area:** SUPPLY MANAGEMENT & SUPPLIER DIVERSITY  
**Witness:** Furbush, Sydney L.

**NONSHARED O&M**

**Subject:** STRATEGY & SUSTAINABILITY  
**Workpaper:** 1SS007.000

**SDG&E Position:** SDG&E developed the TY 2016 forecast of Supply Management and Supplier Diversity Non-Shared O&M expenses by using the five-year historical average (2009 to 2013) forecast methodology. SDG&E states, "A five-year historical average represents a reasonable base to estimate operational needs for TY 2016 because Supply Management and Supplier Diversity costs are generally prone to fluctuations due to changes in work activities, which impact staffing levels, purchased service costs, and other factors (i.e. fire prevention, capital projects, etc.).

Exhibit SDG&E-15, Page SLF-5

**ORA Position:** ORA recommends using a three-year historical average (2011 to 2013) to forecast TY 2016 Non-Shared O&M expenses for Supply Management and Supplier Diversity. The three-year historical average provides a more recent level of SDG&E's Supply Management and Supplier Diversity operations to forecast the TY2016 Non-Shared O&M expenses.

Exhibit ORA-14, Page 8

**Settlement:** Please refer to Exhibit A, page A-7, section "Non-Shared O&M Support Services Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	566	590	24	566
NonLabor	827	498	-329	827
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>1,393</b>	<b>1,088</b>	<b>-305</b>	<b>1,393</b>

## Chapter 2 - ORA vs. SDG&E

### Part A - O&M and Capital Expenditures

#### 11. SDG&E-15 (Exh 131) - SUPPLY MANAGEMENT & SUPPLIER DIVERSITY

##### b. O&M - SHARED

Workpaper	ORA vs. SDG&E (2016)	Reference
1. 1SS00A-USS.ALL	(77)	2A11-b1
2. 1SS00B-USS.ALL	36	2A11-b2
3. 1SS00C-USS.ALL	(227)	2A11-b3
4. 1SS00D-USS.ALL	(3)	2A11-b4

## CHAPTER 2A11-b1

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-15  
**Area:** SUPPLY MANAGEMENT & SUPPLIER DIVERSITY  
**Witness:** Furbush, Sydney L.

### SHARED SERVICES O&M

**Subject:** Supply Mgmt & Diversity Director  
**Workpaper:** 1SS00A-USS.ALL

**SDG&E Position:** SDG&E developed the TY 2016 forecast of Supply Management and Supplier Diversity Shared O&M expenses by using the five-year historical average (2009 to 2013) forecast methodology. SDG&E states, "A five-year historical average represents a reasonable base to estimate operational needs for TY 2016 because Supply Management and Supplier Diversity costs are generally prone to fluctuations due to changes in work activities, which impact staffing levels, purchased service costs, and other factors (i.e. fire prevention, capital projects, etc.)."

Exhibit SDG&E-15, Page SLF-7

**ORA Position:** ORA recommends using a three-year historical average (2011 to 2013) to forecast TY 2016 Shared O&M expenses for Supply Management and Supplier Diversity. The three-year historical average provides a more recent level of SDG&E's Supply Management and Supplier Diversity operations to forecast the TY2016 Shared O&M expenses.

Exhibit ORA-14, Page 10

**Settlement:** Please refer to Exhibit A, page A-7, section "Shared O&M Support Services Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

### Proposed TY2016 Forecast (in thousands of 2013 dollars)

SDG&E	Labor	NLbr	NSE	Total
2100-3013.000	274	141	0	415
<b>Total</b>	<b>274</b>	<b>141</b>	<b>0</b>	<b>415</b>

ORA	Labor	NLbr	NSE	Total
2100-3013.000	265	73	0	338
<b>Total</b>	<b>265</b>	<b>73</b>	<b>0</b>	<b>338</b>

Difference	Labor	NLbr	NSE	Total
2100-3013.000	-9	-68	0	-77
<b>Total</b>	<b>-9</b>	<b>-68</b>	<b>0</b>	<b>-77</b>

Settlement	Labor	NLbr	NSE	Total
1SS00A-USS.ALL	265	73	0	338
<b>Total</b>	<b>265</b>	<b>73</b>	<b>0</b>	<b>338</b>

**CHAPTER 2A11-b2**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-15  
**Area:** SUPPLY MANAGEMENT & SUPPLIER DIVERSITY  
**Witness:** Furbush, Sydney L.

**SHARED SERVICES O&M**

**Subject:** Foundation  
**Workpaper:** 1SS00B-USS.ALL

**SDG&E Position:** SDG&E developed the TY 2016 forecast of Supply Management and Supplier Diversity Shared O&M expenses by using the five-year historical average (2009 to 2013) forecast methodology. SDG&E states, "A five-year historical average represents a reasonable base to estimate operational needs for TY 2016 because Supply Management and Supplier Diversity costs are generally prone to fluctuations due to changes in work activities, which impact staffing levels, purchased service costs, and other factors (i.e. fire prevention, capital projects, etc.)."

Exhibit SDG&E-15, Page SLF-7

**ORA Position:** ORA recommends using a three-year historical average (2011 to 2013) to forecast TY 2016 Shared O&M expenses for Supply Management and Supplier Diversity. The three-year historical average provides a more recent level of SDG&E's Supply Management and Supplier Diversity operations to forecast the TY2016 Shared O&M expenses.

Exhibit ORA-14, Page 10

**Settlement:** Please refer to Exhibit A, page A-7, section "Shared O&M Support Services Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3016.000	679	29	0	708
<b>Total</b>	<b>679</b>	<b>29</b>	<b>0</b>	<b>708</b>

<b>ORA</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3016.000	685	59	0	744
<b>Total</b>	<b>685</b>	<b>59</b>	<b>0</b>	<b>744</b>

<b>Difference</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3016.000	6	30	0	36
<b>Total</b>	<b>6</b>	<b>30</b>	<b>0</b>	<b>36</b>

<b>Settlement</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
1SS00B-USS.ALL	685	59	0	744
<b>Total</b>	<b>685</b>	<b>59</b>	<b>0</b>	<b>744</b>

## CHAPTER 2A11-b3

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-15  
**Area:** SUPPLY MANAGEMENT & SUPPLIER DIVERSITY  
**Witness:** Furbush, Sydney L.

### SHARED SERVICES O&M

**Subject:** Office Services  
**Workpaper:** 1SS00C-USS.ALL

**SDG&E Position:** SDG&E developed the TY 2016 forecast of Supply Management and Supplier Diversity Shared O&M expenses by using the five-year historical average (2009 to 2013) forecast methodology. SDG&E states, "A five-year historical average represents a reasonable base to estimate operational needs for TY 2016 because Supply Management and Supplier Diversity costs are generally prone to fluctuations due to changes in work activities, which impact staffing levels, purchased service costs, and other factors (i.e. fire prevention, capital projects, etc.)."

Exhibit SDG&E-15, Page SLF-7

**ORA Position:** ORA recommends using a three-year historical average (2011 to 2013) to forecast TY 2016 Shared O&M expenses for Supply Management and Supplier Diversity. The three-year historical average provides a more recent level of SDG&E's Supply Management and Supplier Diversity operations to forecast the TY2016 Shared O&M expenses.

Exhibit ORA-14, Page 10

**Settlement:** Please refer to Exhibit A, page A-7, section "Shared O&M Support Services Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**CHAPTER 2A11-b3**

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3266.000	0	720	0	720
2100-3331.000	945	23	0	968
2100-3407.000	281	28	0	309
<b>Total</b>	<b>1,226</b>	<b>771</b>	<b>0</b>	<b>1,997</b>

<b>ORA</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3266.000	0	676	0	676
2100-3331.000	801	-21	0	780
2100-3407.000	281	33	0	314
<b>Total</b>	<b>1,082</b>	<b>688</b>	<b>0</b>	<b>1,770</b>

<b>Difference</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3266.000	0	-44	0	-44
2100-3331.000	-144	-44	0	-188
2100-3407.000	0	5	0	5
<b>Total</b>	<b>-144</b>	<b>-83</b>	<b>0</b>	<b>-227</b>

<b>Settlement</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
<b>1SS00C-USS.ALL</b>	<b>1,226</b>	<b>772</b>	<b>0</b>	<b>1,998</b>
<b>Total</b>	<b>1,226</b>	<b>772</b>	<b>0</b>	<b>1,998</b>

**CHAPTER 2A11-b4**

San Diego Gas & Electric Company  
 2016 Test Year GRC A-14-11-003  
 ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-15  
**Area:** SUPPLY MANAGEMENT & SUPPLIER DIVERSITY  
**Witness:** Furbush, Sydney L.

**SHARED SERVICES O&M**

**Subject:** IT & Telecom Portfolio  
**Workpaper:** 1SS00D-USS.ALL

**SDG&E Position:** SDG&E developed the TY 2016 forecast of Supply Management and Supplier Diversity Shared O&M expenses by using the five-year historical average (2009 to 2013) forecast methodology. SDG&E states, "A five-year historical average represents a reasonable base to estimate operational needs for TY 2016 because Supply Management and Supplier Diversity costs are generally prone to fluctuations due to changes in work activities, which impact staffing levels, purchased service costs, and other factors (i.e. fire prevention, capital projects, etc.)."

Exhibit SDG&E-15, Page SLF-8

**ORA Position:** ORA recommends using a three-year historical average (2011 to 2013) to forecast TY 2016 Shared O&M expenses for Supply Management and Supplier Diversity. The three-year historical average provides a more recent level of SDG&E's Supply Management and Supplier Diversity operations to forecast the TY2016 Shared O&M expenses.

Exhibit ORA-14, Page 10

**Settlement:** Please refer to Exhibit A, page A-7, section "Shared O&M Support Services Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3332.000	730	20	0	750
<b>Total</b>	<b>730</b>	<b>20</b>	<b>0</b>	<b>750</b>

<b>ORA</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3332.000	736	11	0	747
<b>Total</b>	<b>736</b>	<b>11</b>	<b>0</b>	<b>747</b>

<b>Difference</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3332.000	6	-9	0	-3
<b>Total</b>	<b>6</b>	<b>-9</b>	<b>0</b>	<b>-3</b>

<b>Settlement</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
1SS00D-USS.ALL	736	11	0	747
<b>Total</b>	<b>736</b>	<b>11</b>	<b>0</b>	<b>747</b>

## Chapter 2 - ORA vs. SDG&E

### Part A - O&M and Capital Expenditures

#### 12. SDG&E-16 (Exh 166) - FLEET SERVICES

##### a. O&M - NON-SHARED

Workpaper	ORA vs. SDG&E (2016)	Reference
1. 1FS001.001	(2,664)	2A12-a1
2. 1FS001.002	(883)	2A12-a2
3. 1FS001.003	(400)	2A12-a3
4. 1FS001.004	(520)	2A12-a4
5. 1FS002.000	(1,230)	2A12-a5
6. 1FS002.001	(509)	2A12-a6

**CHAPTER 2A12-a1**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-16  
**Area:** FLEET SERVICES  
**Witness:** Herrera, Carmen L.

**NONSHARED O&M**

**Subject:** Amortization  
**Workpaper:** 1FS001.001

**SDG&E Position:** SDG&E is requesting \$6.622 million for amortization costs of Current Fleet and \$.364 million for Diesel Particulate Filter Retrofit/Replacements for TY 2016. SDG&E forecasts \$7.837 million for other fleet amortization costs for TY 2016, including Fleet Replacements 2014 through 2016; Incremental Fleet for Business Needs; and Alternative Fleet Vehicles.

Exhibit SDG&E-16, Page CLH-4

**ORA Position:** ORA does not oppose SDG&E's forecasts for amortization costs of Current Fleet and Diesel Particulate Filter Retrofit/Replacements for TY 2016.

ORA used the 66 percent that SDG&E purchased out of the fleet units it forecasted in 2014 to forecast the TY 2016 amortization costs for the three categories of fleet purchases: (1) Fleet Replacements 2014 through 2016; (2) Incremental Fleet for Business Needs; and (3) Alternative Fuel Vehicles.

Exhibit ORA-14, Page 13

**Settlement:** Please refer to Exhibit A, page A-7, section "Non-Shared O&M Support Services Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	0	0	0	0
NonLabor	0	0	0	0
Nonstandard	14,823	12,159	-2,664	14,000
<b>TOTAL</b>	<b>14,823</b>	<b>12,159</b>	<b>-2,664</b>	<b>14,000</b>

## CHAPTER 2A12-a2

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-16  
**Area:** FLEET SERVICES  
**Witness:** Herrera, Carmen L.

### NONSHARED O&M

**Subject:** Interest  
**Workpaper:** 1FS001.002

**SDG&E Position:** SDG&E is requesting \$2.598 million for the interest costs of fleet services for TY 2016 which is \$1.790 million or 222 percent above 2013 recorded interest costs. SDG&E determined interest costs by multiplying the monthly outstanding balances with the London Interbank Offered Rate contained in the Global Insight Forecast for the payment month and then summed for the year.

Exhibit SDG&E-16, Page CLH-4

**ORA Position:** ORA is recommending \$1.715 million for interest cost for TY 2016 which is \$.883 million or 34 percent less than SDG&E's forecast. ORA recommends using the 66 percent of the fleet units that SDG&E purchased out of the fleet units forecasted in 2014 to forecast the TY 2016 interest expense.

Exhibit ORA-14, Page 15

**Settlement:** Please refer to Exhibit A, page A-7, section "Non-Shared O&M Support Services Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

#### Proposed TY2016 Forecast (in thousands of 2013 dollars)

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	0	0	0	0
NonLabor	0	0	0	0
Nonstandard	2,598	1,715	-883	2,300
<b>TOTAL</b>	<b>2,598</b>	<b>1,715</b>	<b>-883</b>	<b>2,300</b>

**CHAPTER 2A12-a3**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-16  
**Area:** FLEET SERVICES  
**Witness:** Herrera, Carmen L.

**NONSHARED O&M**

**Subject:** Salvage  
**Workpaper:** 1FS001.003

**SDG&E Position:** SDG&E is requesting vehicle salvage proceeds of \$.700 million for TY 2016 which is \$.253 or 26.5 percent less than 2013 recorded salvage. Salvage is the recovery of the residual value of assets being retired from the fleet. Salvage proceeds received at auction are credited against amortization expenses to determine total asset ownership costs. SDG&E forecasts to salvage 200 units in TY 2016. SDG&E forecasts salvage proceeds of \$3,500 per unit based on the three year average of the per unit salvage achieved.

Exhibit SDG&E-16, Page CLH-4

**ORA Position:** ORA is recommending vehicle salvage proceeds of \$1.100 million for TY 2016 which is \$.400 million or 57 percent more than SDG&E's forecast. ORA recommends using the three-year average (2012 to 2014) of recorded total vehicle salvage proceeds to forecast TY 2016 vehicle salvage proceeds.

Exhibit ORA-14, Page 15

**Settlement:** Please refer to Exhibit A, page A-7, section "Non-Shared O&M Support Services Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	0	0	0	0
NonLabor	0	0	0	0
Nonstandard	-700	-1,100	-400	-1,000
<b>TOTAL</b>	<b>-700</b>	<b>-1,100</b>	<b>-400</b>	<b>-1,000</b>

**CHAPTER 2A12-a4**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-16  
**Area:** FLEET SERVICES  
**Witness:** Herrera, Carmen L.

**NONSHARED O&M**

**Subject:** License Fees  
**Workpaper:** 1FS001.004

**SDG&E Position:** SDG&E is requesting \$1.528 million for TY 2016 which is \$.489 million or 47 percent above 2013 recorded costs for License Fees. License fees are comprised of three components: an annual registration fee and an annual weight fee, both of which are generally fixed for the life of the vehicle. The annual vehicle license fee uses the scalar factor of original vehicle sale price and renewal age to determine the annual renewal fee. License fees are a factor of fleet composition and age and SDG&E states it is complex to forecast license fees individually for each vehicle each year. Therefore, SDG&E used the ratio of base year amortization payments to license fees of 11 percent to approximate future license payments.

Exhibit SDG&E-16, Page CLH-4

**ORA Position:** ORA is recommending \$1.008 million for TY 2016 which is \$.520 million or 34 percent less than SDG&E's forecast for License Fees. ORA recommends using the 66 percent of the fleet units that SDG&E purchased out of the fleet units forecasted in 2014 to forecast the TY 2016 license expense.

Exhibit ORA-14, Page 17

**Settlement:** Please refer to Exhibit A, page A-7, section "Non-Shared O&M Support Services Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	0	0	0	0
NonLabor	0	0	0	0
Nonstandard	1,528	1,008	-520	1,400
<b>TOTAL</b>	<b>1,528</b>	<b>1,008</b>	<b>-520</b>	<b>1,400</b>

**CHAPTER 2A12-a5**

San Diego Gas & Electric Company  
 2016 Test Year GRC A-14-11-003  
 ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-16  
**Area:** FLEET SERVICES  
**Witness:** Herrera, Carmen L.

**NONSHARED O&M**

**Subject:** Maintenance Operations  
**Workpaper:** 1FS002.000

**SDG&E Position:** SDG&E is requesting \$13.673 million in TY 2016 which is \$1.742 million or 15 percent above 2013 recorded expense for Vehicle Servicing & Repairs. SDG&E took the three-year average of recorded costs for Vehicle Servicing & Repairs and made four adjustments to forecast the TY 2016 expenses. These adjustments include incremental costs for vehicles, one fleet service attendant, backup sensors/cameras, and costs to comply with the Portable Diesel Engines Airborne Toxic Measures.

Exhibit SDG&E-16, CLH-9

**ORA Position:** ORA is recommending \$12.443 million for Vehicle Servicing and Repairs which is \$1.230 million or nine percent less than SDG&E's request for TY 2016. ORA's recommendation for TY 2016 is \$1.713 million or 16 percent above 2014 recorded expenses for Vehicle Servicing and Repairs. ORA uses the base year 2013 amount for Vehicle Servicing and Repairs, and then makes various adjustments to forecast TY 2016 expenses.

Exhibit ORA-14, Page 19

**Settlement:** Please refer to Exhibit A, page A-7, section "Non-Shared O&M Support Services Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	6,533	6,650	117	7,215
NonLabor	7,140	5,793	-1,347	6,285
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>13,673</b>	<b>12,443</b>	<b>-1,230</b>	<b>13,500</b>

**CHAPTER 2A12-a6**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-16  
**Area:** FLEET SERVICES  
**Witness:** Herrera, Carmen L.

**NONSHARED O&M**

**Subject:** Automotive Fuels  
**Workpaper:** 1FS002.001

**SDG&E Position:** SDG&E is requesting \$7.202 million for TY 2016 which is \$.509 million or 7.6 percent above 2013 recorded for Maintenance Operations-Automotive Fuels. SDG&E took the three-year average of recorded costs for Automotive Fuels and made an adjustment for additional fuel cost of 16 incremental vehicle requests to forecast the TY 2016 expenses.

Exhibit SDG&E-16, Page CLH-9

**ORA Position:** ORA is recommending \$6.693 million for TY 2016, which is the 2013 recorded expenses for automotive fuels to forecast Automotive Fuels. ORA's recommendation is \$.509 million or 7.6 percent less than SDG&E's forecast for Automotive Fuels.

Exhibit ORA-14, Page 21

**Settlement:** Please refer to Exhibit A, page A-7, section "Non-Shared O&M Support Services Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	0	0	0	0
NonLabor	7,202	6,693	-509	7,000
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>7,202</b>	<b>6,693</b>	<b>-509</b>	<b>7,000</b>

## Chapter 2 - ORA vs. SDG&E

### Part A - O&M and Capital Expenditures

#### 13. SDG&E-17 (Exh 270) - REAL ESTATE, LAND SERVICES AND FACILITIES

##### a. O&M - NON-SHARED

Workpaper	ORA vs. SDG&E (2016)	Reference
1. 1RE003.000	(1,277)	2A13-a1

**CHAPTER 2A13-a1**

San Diego Gas & Electric Company  
 2016 Test Year GRC A-14-11-003  
 ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-17  
**Area:** REAL ESTATE, LAND SERVICES AND FACILITIES  
**Witness:** Seifert, James C.

**NONSHARED O&M**

**Subject:** SDGE Rents  
**Workpaper:** 1RE003.000

**SDG&E Position:** SDG&E is requesting \$17.631 million for TY 2016 which is \$3.504 million or 24.8 percent above 2013 recorded expenses for Rents and Operating Expense. The non-shared service portion of rents is associated with rent for administrative offices, telecom sites, branch offices, an environmental laboratory, office, multi-use, and customer service facilities, trailers, and right of way easements. SDG&E states all rents with the exception of right of way easements are expected to increase by an average of five percent per year based on a combination of contractual increases and landlord estimates for operating expense increases. Based on estimates, right of way easements are expected to increase by an average of ten percent per year.

Exhibit SDG&E-17, Page JCS-4

**ORA Position:** ORA is recommending \$16.354 million for TY 2016 which is \$1.277 million or 7.2 percent less than SDG&E's request for Rents and Operating Expenses. ORA is recommending a five percent increase per year during 2013 to 2016. This is similar to SDG&E's request in which it says that all rents, with the exception of right of way easements, are expected to increase by an average of five percent per year based on a combination of contractual increases and landlord estimates for operating expense increases.

Exhibit ORA-14, Page 24

**Settlement:** Please refer to Exhibit A, page A-7, section "Non-Shared O&M Support Services Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	0	0	0	0
NonLabor	0	0	0	0
Nonstandard	17,631	16,354	-1,277	17,000
<b>TOTAL</b>	<b>17,631</b>	<b>16,354</b>	<b>-1,277</b>	<b>17,000</b>

## Chapter 2 - ORA vs. SDG&E

### Part A - O&M and Capital Expenditures

#### 13. SDG&E-17 (Exh 270) - REAL ESTATE, LAND SERVICES AND FACILITIES

##### b. O&M - SHARED

Workpaper	ORA vs. SDG&E (2016)	Reference
1. 1RE00A-USS.ALL	(274)	2A13-b1
2. 1RE00C-USS.ALL	(477)	2A13-b2

**CHAPTER 2A13-b1**

San Diego Gas & Electric Company  
 2016 Test Year GRC A-14-11-003  
 ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-17  
**Area:** REAL ESTATE, LAND SERVICES AND FACILITIES  
**Witness:** Seifert, James C.

**SHARED SERVICES O&M**

**Subject:** Facility Operations  
**Workpaper:** 1RE00A-USS.ALL

**SDG&E Position:** SDG&E is requesting \$2.807 million for TY 2016 which is \$.246 million or 9.6 percent above 2013 recorded expenses for Shared Facility Operations. The Shared Facility Operations cover the Headquarters utilities, facilities manager operation and administrative costs and the Rancho Bernardo Data Center and Annex.

Exhibit SDG&E-17, Page JCS-12

**ORA Position:** ORA is recommending \$2.533 million for TY 2016 which is \$.274 million or 9.8 percent less than SDG&E's request for Shared Facility Operations.

Exhibit ORA-14, Page 26

**Settlement:** Please refer to Exhibit A, page A-7, section "Shared O&M Support Services Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3029.000	0	1,384	0	1,384
<b>Total</b>	<b>0</b>	<b>1,384</b>	<b>0</b>	<b>1,384</b>

<b>ORA</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3029.000	0	1,110	0	1,110
<b>Total</b>	<b>0</b>	<b>1,110</b>	<b>0</b>	<b>1,110</b>

<b>Difference</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3029.000	0	-274	0	-274
<b>Total</b>	<b>0</b>	<b>-274</b>	<b>0</b>	<b>-274</b>

<b>Settlement</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
<b>1RE00A-USS.ALL</b>	<b>0</b>	<b>1,277</b>	<b>0</b>	<b>1,277</b>
<b>Total</b>	<b>0</b>	<b>1,277</b>	<b>0</b>	<b>1,277</b>

**CHAPTER 2A13-b2**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-17  
**Area:** REAL ESTATE, LAND SERVICES AND FACILITIES  
**Witness:** Seifert, James C.

**SHARED SERVICES O&M**

**Subject:** Capital Programs  
**Workpaper:** 1RE00C-USS.ALL

**SDG&E Position:** SDG&E is requesting \$.656 million for TY 2016 based on the five-year average of recorded expenses for Shared Capital Programs-Administration expenses.

Exhibit SDG&E-17, Page 14

**ORA Position:** ORA is recommending \$.179 million for TY 2016 which is \$.477 million or 73 percent less than SDG&E's forecast for Shared Capital Programs-Administration expenses. ORA's recommendation is based on the three-year average (2012 to 2014) of recorded expenses for Shared Capital Programs-Administration.

Exhibit ORA-14, Page 28

**Note:** SDG&E accepts ORA's methodology, the three-year average (2012 to 2014) of recorded expenses for Shared Capital Programs - Administration.

Exhibit SDG&E-217, Page JCS-5

**Settlement:** Please refer to Exhibit A, page A-7, section "Shared O&M Support Services Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3025.000	536	120	0	656
<b>Total</b>	<b>536</b>	<b>120</b>	<b>0</b>	<b>656</b>

<b>ORA</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3025.000	160	19	0	179
<b>Total</b>	<b>160</b>	<b>19</b>	<b>0</b>	<b>179</b>

<b>Difference</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3025.000	-376	-101	0	-477
<b>Total</b>	<b>-376</b>	<b>-101</b>	<b>0</b>	<b>-477</b>

<b>Settlement</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
1RE00C-USS.ALL	160	19	0	179
<b>Total</b>	<b>160</b>	<b>19</b>	<b>0</b>	<b>179</b>

## Chapter 2 - ORA vs. SDG&E

### Part A - O&M and Capital Expenditures

#### 13. SDG&E-17 (Exh 270) - REAL ESTATE, LAND SERVICES AND FACILITIES

##### c. CAPITAL

Project	ORA vs. SDG&E (2014+2015+2016)	Reference
1. 00700.0.ALL	(21,825)	2A13-c1

## CHAPTER 2A13-c1

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-17  
**Area:** REAL ESTATE, LAND SERVICES AND FACILITIES  
**Witness:** Seifert, James C.

### CAPITAL EXPENDITURES

**Project:** LAND BLANKET  
**Budget Code:** 00700.0.ALL

**SDG&E Position:** SDG&E is requesting Facilities capital expenditures of \$19.460 million in 2014, \$38.452 million in 2015, and \$42.930 million in 2016. Blanket budgets are often forecasted in whole or in part based on historic spend, without identifying specific assets.

Exhibit SDG&E-17, Page JCS-21

**ORA Position:** ORA is recommending \$21.017 million in 2014, \$29 million in 2015, and \$29 million in 2016. ORA is recommending using the 2014 recorded capital expenditures to forecast 2014 capital expenditures for Real Estate, Land Services and Facilities. ORA allocates its 2015 and 2016 capital expenditures forecasts to the capital categories based on the ratio of the capital expenditure of each category to total capital expenditures in SDG&E's 2015 and 2016 forecasts. Exhibit ORA-14, Page 36

**Note:** The totals in the SDG&E and ORA position summaries do not tie with the tables below due to the exclusion of uncontested capital projects in the tables.

**Settlement:** Please refer to Exhibit A, page A-7, section "Capital Expenditures - Real Estate, Land Services, and Facilities" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

CHAPTER 2A13-c1

Proposed Capital Expenditures (in thousands of 2013 dollars)

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
00700A.001	1,005
00700A.002	921
00701A.001	6,974
00703A.001	3,408
00703A.002	250
00703A.007	9,522
00705A.001	1,500
00707A.001	900
00708A.001	7,500
00708A.004	300
00709A.001	7,000
00709A.003	1,700
00710A.001	3,700
00710A.002	5,000
08729A.001	13,700
08734A.001	3,845
08735A.001	6,000
08735A.002	752
13745A.001	0
13746A.001	1,400
13749A.001	1,600
<b>Total</b>	<b>76,977</b>

<b>ORA</b>	<b>2014-2016 Total</b>
00700A.001	798
00700A.002	536
00701A.001	5,432
00703A.001	3,081
00703A.002	0
00703A.007	5,135
00705A.001	2,011
00707A.001	946
00708A.001	5,267
00708A.004	96
00709A.001	6,976
00709A.003	751
00710A.001	2,811
00710A.002	2,677
08729A.001	8,712
08734A.001	2,745
08735A.001	4,210
08735A.002	17
13745A.001	131
13746A.001	1,257
13749A.001	1,563
<b>Total</b>	<b>55,152</b>

<b>Difference</b>	<b>2014-2016 Total</b>
00700A.001	-207
00700A.002	-385
00701A.001	-1,542
00703A.001	-327
00703A.002	-250
00703A.007	-4,387

CHAPTER 2A13-c1

00705A.001	511
00707A.001	46
00708A.001	-2,233
00708A.004	-204
00709A.001	-24
00709A.003	-949
00710A.001	-889
00710A.002	-2,323
08729A.001	-4,988
08734A.001	-1,100
08735A.001	-1,790
08735A.002	-735
13745A.001	131
13746A.001	-143
13749A.001	-37
<b>Total</b>	<b>-21,825</b>

<b>Settlement</b>	<b>2014-2016 Total</b>
00700.0.ALL	73,194
<b>Total</b>	<b>73,194</b>

**Chapter 2 - ORA vs. SDG&E**  
**Part A - O&M and Capital Expenditures**

**14. SDG&E-18 (Exh 174) - ENVIRONMENTAL**

**a. O&M - NON-SHARED**

Workpaper	ORA vs. SDG&E (2016)	Reference
1. 1EV000.000	(254)	2A14-a1

**CHAPTER 2A14-a1**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-18  
**Area:** ENVIRONMENTAL  
**Witness:** Pearson, Richard S.

**NONSHARED O&M**

**Subject:** ENVIRONMENTAL SDGE NSS Cost Center  
**Workpaper:** 1EV000.000

**SDG&E Position:** SDG&E is requesting \$3.649 million for TY 2016 which is \$.268 million or eight percent above 2013 recorded Non-Shared Environmental Services' O&M expense. SDG&E started with the base year recorded O&M expenses and made incremental adjustments to forecast TY 2016 Non-Shared Environmental Services O&M expenses. These adjustments include full year funding for labor, water quality permitting increases, consultant costs for Bureau of Land Management environmental assessments.

Exhibit SDG&E-18, Page RSP-4

**ORA Position:** ORA is recommending \$3.396 million for TY 2016 which is \$.253 million or seven percent less than SDG&E's request for Non-Shared O&M expenses for Environmental Compliance. ORA's recommendation is based on the five-year average (2009 to 2013) of recorded Non-Shared O&M expenses for Environmental Compliance.

Exhibit ORA-14, Page 30

**Settlement:** Please refer to Exhibit A, page A-7, section "Non-Shared O&M Support Services Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	1,890	1,701	-189	1,828
NonLabor	1,760	1,695	-65	1,821
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>3,650</b>	<b>3,396</b>	<b>-254</b>	<b>3,649</b>

**Chapter 2 - ORA vs. SDG&E**  
**Part A - O&M and Capital Expenditures**

**14. SDG&E-18 (Exh 174) - ENVIRONMENTAL**

**b. O&M - SHARED**

<b>Workpaper</b>	<b>ORA vs. SDG&amp;E (2016)</b>	<b>Reference</b>
1. 1EV00C-USS.ALL	(98)	2A14-b1

## CHAPTER 2A14-b1

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-18  
**Area:** ENVIRONMENTAL  
**Witness:** Pearson, Richard S.

### SHARED SERVICES O&M

**Subject:** Environmental Programs  
**Workpaper:** 1EV00C-USS.ALL

**SDG&E Position:** SDG&E is requesting \$1.721 million in TY 2016 which is an increase of \$.404 million or 31 percent above 2013 recorded for Shared O&M expense for Environmental Programs. SDG&E started with the base year recorded Shared O&M expenses and made adjustments for incremental costs to forecast TY 2016 Shared O&M expenses for Environmental Programs.

Exhibit SDG&E-18, RSP-11

**ORA Position:** ORA is recommending \$1.623 million for TY 2016 which is \$.098 million or 5.7 percent less than SDG&E's request for Shared O&M expense for Environmental Programs. ORA disagrees with one of SDG&E's requests for incremental funding, the \$.147 million for State Water Resources Control Board Programmatic Certification for Linear Projects. ORA is recommending an increase of \$.049 million to obtain these programmatic permits. ORA recommends normalizing SDG&E's forecast of \$.147 million over the three year GRC cycle because the expense is non-recurring beyond 2016.

Exhibit ORA-14, Page 34

**Note:** SDG&E Test Year 2016 forecast is adjusted by (\$98K) as SDG&E accepts reduction proposed by ORA.

Exhibit SDG&E-218, p. 6

**Settlement:** Please refer to Exhibit A, page A-7, section "Shared O&M Support Services Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**CHAPTER 2A14-b1**

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3022.000	970	751	0	1,721
<b>Total</b>	<b>970</b>	<b>751</b>	<b>0</b>	<b>1,721</b>

<b>ORA</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3022.000	970	653	0	1,623
<b>Total</b>	<b>970</b>	<b>653</b>	<b>0</b>	<b>1,623</b>

<b>Difference</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3022.000	0	-98	0	-98
<b>Total</b>	<b>0</b>	<b>-98</b>	<b>0</b>	<b>-98</b>

<b>Settlement</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
<b>1EV00C-USS.ALL</b>	<b>970</b>	<b>653</b>	<b>0</b>	<b>1,623</b>
<b>Total</b>	<b>970</b>	<b>653</b>	<b>0</b>	<b>1,623</b>

**Chapter 2 - ORA vs. SDG&E**  
**Part A - O&M and Capital Expenditures**

**15. SDG&E-19-R (Exh 153) - INFORMATION TECHNOLOGY**

**a. O&M - NON-SHARED**

<b>Workpaper</b>	<b>ORA vs. SDG&amp;E (2016)</b>	<b>Reference</b>
1. 1IT001.000	(3,917)	2A15-a1
2. 1IT002.000	14	2A15-a2
3. 1IT003.000	479	2A15-a3
4. 1IT004.000	9	2A15-a4

## CHAPTER 2A15-a1

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-19-R  
**Area:** INFORMATION TECHNOLOGY  
**Witness:** Mikovits, Stephen J.

### NONSHARED O&M

**Subject:** IT Applications NSS  
**Workpaper:** 11T001.000

**SDG&E Position:** SDG&E is requesting \$17.667\* million in TY 2016 for Non-Shared Applications expense, which is equal to the 2013 Base Year Adjusted-Recorded expenses for this cost category plus adjustments.

Exhibit SDG&E-19-R, p. SJM-13

**ORA Position:** ORA's recommendations for IT O&M expenses are based on a holistic analysis of IT labor and non-labor costs. ORA did not use individual workpapers nor did they categorize their position by shared or non-shared costs. ORA accepted the total Information Security (IS) labor and non-labor forecasts. ORA recommended the following forecast methodologies for the remaining cost categories:

- Six Year Average for all non-Information Security Labor
- Five Year Linear trend for all non-Info Security "IT contract" non-labor costs
- Five year average for all non-Info Security, non-"IT contract" non-labor costs

Exhibit ORA-15, Appendix A

**Note:** \* SDG&E Test Year 2016 forecast is adjusted by (\$514K = \$23K Labor + \$491K non-labor) to remove SPP Refundable costs.

Exhibit SDG&E-19-R-Amended Workpapers, p. 5 of 621

**Settlement:** Please refer to Exhibit A, page A-6, section "O&M Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

### Proposed TY2016 Forecast (in thousands of 2013 dollars)

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	10,795	8,210	-2,585	10,795
NonLabor	6,872	5,540	-1,332	6,840
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>17,667</b>	<b>13,750</b>	<b>-3,917</b>	<b>17,635</b>

**CHAPTER 2A15-a2**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-19-R  
**Area:** INFORMATION TECHNOLOGY  
**Witness:** Mikovits, Stephen J.

**NONSHARED O&M**

**Subject:** IT Infrastructure NSS  
**Workpaper:** 11T002.000

**SDG&E Position:** SDG&E is requesting \$0.224 million in TY 2016 for Non-Shared Infrastructure expense, which is equal to the 2013 Base Year Adjusted-Recorded expenses for this cost category plus adjustments.

Exhibit SDG&E-19-R, p. SJM-14

**ORA Position:** ORA's recommendations for IT O&M expenses are based on a holistic analysis of IT labor and non-labor costs. ORA did not use individual workpapers nor did they categorize their position by shared or non-shared costs. ORA accepted the total Information Security (IS) labor and non-labor forecasts. ORA recommended the following forecast methodologies for the remaining cost categories:

- Six Year Average for all non-Information Security Labor
- Five Year Linear trend for all non-Info Security "IT contract" non-labor costs
- Five year average for all non-Info Security, non-"IT contract" non-labor costs

Exhibit ORA-15, Appendix A

**Settlement:** Please refer to Exhibit A, page A-6, section "O&M Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	223	142	-81	223
NonLabor	1	96	95	96
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>224</b>	<b>238</b>	<b>14</b>	<b>319</b>

**CHAPTER 2A15-a3**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-19-R  
**Area:** INFORMATION TECHNOLOGY  
**Witness:** Mikovits, Stephen J.

**NONSHARED O&M**

**Subject:** IT Support  
**Workpaper:** 11T003.000

**SDG&E Position:** SDG&E is requesting \$0.652 million in TY 2016 for Non-Shared IT Support expense, which is equal to the 2013 Base Year Adjusted-Recorded expenses for this cost category plus adjustments.

Exhibit SDG&E-19-R, p. SJM-16

**ORA Position:** ORA's recommendations for IT O&M expenses are based on a holistic analysis of IT labor and non-labor costs. ORA did not use individual workpapers nor did they categorize their position by shared or non-shared costs. ORA accepted the total Information Security (IS) labor and non-labor forecasts. ORA recommended the following forecast methodologies for the remaining cost categories:

- Six Year Average for all non-Information Security Labor
- Five Year Linear trend for all non-Info Security "IT contract" non-labor costs
- Five year average for all non-Info Security, non-"IT contract" non-labor costs

Exhibit ORA-15, Appendix A

**Settlement:** Please refer to Exhibit A, page A-6, section "O&M Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	468	675	207	468
NonLabor	184	456	272	456
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>652</b>	<b>1,131</b>	<b>479</b>	<b>924</b>

**CHAPTER 2A15-a4**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-19-R  
**Area:** INFORMATION TECHNOLOGY  
**Witness:** Mikovits, Stephen J.

**NONSHARED O&M**

**Subject:** Information Security NSS  
**Workpaper:** 11T004.000

**SDG&E Position:** SDG&E is requesting \$0.159 million in TY 2016 for Non-Shared Information Security expense, which is equal to the 2013 Base Year Adjusted-Recorded expenses for this cost category.

Exhibit SDG&E-19-R, p. SJM-14

**ORA Position:** ORA does not oppose SDG&E's 2016 forecast for NSS Info Security.

**Settlement:** Please refer to Exhibit A, page A-6, section "O&M Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	109	100	-9	109
NonLabor	50	68	18	68
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>159</b>	<b>168</b>	<b>9</b>	<b>177</b>

**Chapter 2 - ORA vs. SDG&E**  
**Part A - O&M and Capital Expenditures**

**15. SDG&E-19-R (Exh 153) - INFORMATION TECHNOLOGY**

**b. O&M - SHARED**

<b>Workpaper</b>	<b>ORA vs. SDG&amp;E (2016)</b>	<b>Reference</b>
1. 1IT00A-USS.ALL	(4,464)	2A15-b1
2. 1IT00B-USS.ALL	(1,361)	2A15-b2
3. 1IT00C-USS.ALL	(1,650)	2A15-b3
4. 1IT00D-USS.ALL	516	2A15-b4

## CHAPTER 2A15-b1

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-19-R  
**Area:** INFORMATION TECHNOLOGY  
**Witness:** Mikovits, Stephen J.

### SHARED SERVICES O&M

**Subject:** Applications  
**Workpaper:** 11T00A-USS.ALL

**SDG&E Position:** SDG&E is requesting \$24.998\* million in TY 2016 for Shared Applications expense, which is equal to the 2013 Base Year Adjusted-Recorded expenses for this cost category plus adjustments.

Exhibit SDG&E-19-R, p. SJM-18

**ORA Position:** ORA's recommendations for IT O&M expenses are based on a holistic analysis of IT labor and non-labor costs. ORA did not use individual workpapers nor did they categorize their position by shared or non-shared costs. ORA accepted the total Information Security (IS) labor and non-labor forecasts. ORA recommended the following forecast methodologies for the remaining cost categories:

- Six Year Average for all non-Information Security Labor
- Five Year Linear trend for all non-Info Security "IT contract" non-labor costs
- Five year average for all non-Info Security, non-"IT contract" non-labor costs

Exhibit ORA-15, Appendix A

**Note:** \* SDG&E Test Year 2016 forecast is adjusted by (\$73K = \$6K Labor + \$67K Non-Labor) to remove SPP Refundable costs.

2100-3073 = \$3K Labor

2100-3086 = \$3K Labor + \$67K non-labor

Exhibit SDG&E-19-R-Amended O&M Workpapers, pp. 57 and 108 of 621

**Settlement:** Please refer to Exhibit A, page A-6, section "O&M Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

CHAPTER 2A15-b1

Proposed TY2016 Forecast (in thousands of 2013 dollars)

<b>SDG&amp;E</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3071.000	1,219	74	0	1,293
2100-3072.000	606	302	0	908
2100-3073.000	777	168	0	945
2100-3074.000	262	29	0	291
2100-3076.000	1,317	7	0	1,324
2100-3079.000	33	30	0	63
2100-3080.000	2	16	0	18
2100-3082.000	-3	53	0	50
2100-3083.000	-2	0	0	-2
2100-3086.000	488	365	0	853
2100-3087.000	737	87	0	824
2100-3088.000	158	30	0	188
2100-3089.000	772	221	0	993
2100-3091.000	1,299	4,752	0	6,051
2100-3093.000	546	469	0	1,015
2100-3102.000	1,020	104	0	1,124
2100-3623.000	0	8,092	0	8,092
2100-3754.000	1	5	0	6
2100-3846.000	-5	11	0	6
2100-3848.000	124	6	0	130
2100-3905.000	18	0	0	18
2100-4001.000	547	259	0	806
<b>Total</b>	<b>9,916</b>	<b>15,080</b>	<b>0</b>	<b>24,996</b>

<b>ORA</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3071.000	470	959	0	1,429
2100-3072.000	330	674	0	1,004
2100-3073.000	344	701	0	1,045
2100-3074.000	105	215	0	320
2100-3076.000	481	981	0	1,462
2100-3079.000	23	46	0	69
2100-3080.000	7	14	0	21
2100-3082.000	19	38	0	57
2100-3083.000	-1	-1	0	-2
2100-3086.000	310	632	0	942
2100-3087.000	146	298	0	444
2100-3088.000	68	139	0	207
2100-3089.000	361	736	0	1,097
2100-3091.000	1,586	3,237	0	4,823
2100-3093.000	369	753	0	1,122
2100-3102.000	104	213	0	317
2100-3623.000	1,799	3,672	0	5,471
2100-3754.000	2	4	0	6
2100-3846.000	2	4	0	6
2100-3848.000	47	96	0	143
2100-3905.000	7	13	0	20
2100-4001.000	174	355	0	529
<b>Total</b>	<b>6,753</b>	<b>13,779</b>	<b>0</b>	<b>20,532</b>

<b>Difference</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3071.000	-749	885	0	136
2100-3072.000	-276	372	0	96
2100-3073.000	-433	533	0	100
2100-3074.000	-157	186	0	29
2100-3076.000	-836	974	0	138

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2100-3079.000	-10	16	0	6
2100-3080.000	5	-2	0	3
2100-3082.000	22	-15	0	7
2100-3083.000	1	-1	0	0
2100-3086.000	-178	267	0	89
2100-3087.000	-591	211	0	-380
2100-3088.000	-90	109	0	19
2100-3089.000	-411	515	0	104
2100-3091.000	287	-1,515	0	-1,228
2100-3093.000	-177	284	0	107
2100-3102.000	-916	109	0	-807
2100-3623.000	1,799	-4,420	0	-2,621
2100-3754.000	1	-1	0	0
2100-3846.000	7	-7	0	0
2100-3848.000	-77	90	0	13
2100-3905.000	-11	13	0	2
2100-4001.000	-373	96	0	-277
<b>Total</b>	<b>-3,163</b>	<b>-1,301</b>	<b>0</b>	<b>-4,464</b>

<b>Settlement</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
<b>11T00A-USS.ALL</b>	<b>9,918</b>	<b>13,780</b>	<b>0</b>	<b>23,698</b>
<b>Total</b>	<b>9,918</b>	<b>13,780</b>	<b>0</b>	<b>23,698</b>

## CHAPTER 2A15-b2

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-19-R  
**Area:** INFORMATION TECHNOLOGY  
**Witness:** Mikovits, Stephen J.

### SHARED SERVICES O&M

**Subject:** Infrastructure  
**Workpaper:** 11T00B-USS.ALL

**SDG&E Position:** SDG&E is requesting \$55.048 million in TY 2016 for Shared Infrastructure expense, which is equal to the 2013 Base Year Adjusted-Recorded expenses for this cost category plus adjustments.

Exhibit SDG&E-19-R, p. SJM-19

**ORA Position:** ORA's recommendations for IT O&M expenses are based on a holistic analysis of IT labor and non-labor costs. ORA did not use individual workpapers nor did they categorize their position by shared or non-shared costs. ORA accepted the total Information Security (IS) labor and non-labor forecasts. ORA recommended the following forecast methodologies for the remaining cost categories:

- Six Year Average for all non-Information Security Labor
- Five Year Linear trend for all non-Info Security "IT contract" non-labor costs
- Five year average for all non-Info Security, non-"IT contract" non-labor costs

Exhibit ORA-15, Appendix A

**Settlement:** Please refer to Exhibit A, page A-6, section "O&M Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

CHAPTER 2A15-b2

Proposed TY2016 Forecast (in thousands of 2013 dollars)

<b>SDG&amp;E</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-0207.000	1,841	746	0	2,587
2100-3095.000	969	291	0	1,260
2100-3097.000	802	50	0	852
2100-3098.000	34	0	0	34
2100-3099.000	0	219	0	219
2100-3100.000	1,067	198	0	1,265
2100-3103.000	0	10,385	0	10,385
2100-3105.000	14	0	0	14
2100-3106.000	0	7,475	0	7,475
2100-3107.000	1,002	129	0	1,131
2100-3334.000	762	76	0	838
2100-3335.000	30	20	0	50
2100-3494.000	0	5,370	0	5,370
2100-3495.000	0	7,088	0	7,088
2100-3498.000	286	12	0	298
2100-3500.000	304	15	0	319
2100-3501.000	0	1,254	0	1,254
2100-3502.000	1,842	66	0	1,908
2100-3544.000	34	4	0	38
2100-3548.000	161	76	0	237
2100-3682.000	298	23	0	321
2100-3683.000	956	138	0	1,094
2100-3684.000	355	67	0	422
2100-3698.000	428	42	0	470
2100-3824.000	203	14	0	217
2100-3835.000	0	17	0	17
2100-3843.000	1	0	0	1
2100-3855.000	0	5,265	0	5,265
2100-3856.000	0	1,247	0	1,247
2100-3859.000	0	616	0	616
2100-3884.000	0	1,038	0	1,038
2100-3885.000	426	4	0	430
2100-3888.000	310	17	0	327
2100-3900.000	224	644	0	868
2100-4003.000	90	2	0	92
<b>Total</b>	<b>12,439</b>	<b>42,608</b>	<b>0</b>	<b>55,047</b>

<b>ORA</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-0207.000	842	1,718	0	2,560
2100-3095.000	60	123	0	183
2100-3097.000	309	631	0	940
2100-3098.000	12	25	0	37
2100-3099.000	216	442	0	658
2100-3100.000	459	938	0	1,397
2100-3103.000	4,400	8,979	0	13,379
2100-3105.000	5	10	0	15
2100-3106.000	2,122	4,330	0	6,452
2100-3107.000	411	839	0	1,250
2100-3334.000	304	621	0	925
2100-3335.000	19	38	0	57
2100-3494.000	1,174	2,396	0	3,570
2100-3495.000	2,071	4,225	0	6,296
2100-3498.000	108	221	0	329
2100-3500.000	116	236	0	352
2100-3501.000	387	790	0	1,177
2100-3502.000	693	1,415	0	2,108

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2100-3544.000	14	28	0	42
2100-3548.000	86	175	0	261
2100-3682.000	117	238	0	355
2100-3683.000	397	811	0	1,208
2100-3684.000	153	313	0	466
2100-3698.000	-3	-6	0	-9
2100-3824.000	79	161	0	240
2100-3835.000	6	13	0	19
2100-3843.000	0	1	0	1
2100-3855.000	1,987	4,055	0	6,042
2100-3856.000	327	667	0	994
2100-3859.000	119	242	0	361
2100-3884.000	323	658	0	981
2100-3885.000	156	319	0	475
2100-3888.000	118	242	0	360
2100-3900.000	35	70	0	105
2100-4003.000	33	67	0	100
<b>Total</b>	<b>17,655</b>	<b>36,031</b>	<b>0</b>	<b>53,686</b>

<b>Difference</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-0207.000	-999	972	0	-27
2100-3095.000	-909	-168	0	-1,077
2100-3097.000	-493	581	0	88
2100-3098.000	-22	25	0	3
2100-3099.000	216	223	0	439
2100-3100.000	-608	740	0	132
2100-3103.000	4,400	-1,406	0	2,994
2100-3105.000	-9	10	0	1
2100-3106.000	2,122	-3,145	0	-1,023
2100-3107.000	-591	710	0	119
2100-3334.000	-458	545	0	87
2100-3335.000	-11	18	0	7
2100-3494.000	1,174	-2,974	0	-1,800
2100-3495.000	2,071	-2,863	0	-792
2100-3498.000	-178	209	0	31
2100-3500.000	-188	221	0	33
2100-3501.000	387	-464	0	-77
2100-3502.000	-1,149	1,349	0	200
2100-3544.000	-20	24	0	4
2100-3548.000	-75	99	0	24
2100-3682.000	-181	215	0	34
2100-3683.000	-559	673	0	114
2100-3684.000	-202	246	0	44
2100-3698.000	-431	-48	0	-479
2100-3824.000	-124	147	0	23
2100-3835.000	6	-4	0	2
2100-3843.000	-1	1	0	0
2100-3855.000	1,987	-1,210	0	777
2100-3856.000	327	-580	0	-253
2100-3859.000	119	-374	0	-255
2100-3884.000	323	-380	0	-57
2100-3885.000	-270	315	0	45
2100-3888.000	-192	225	0	33
2100-3900.000	-189	-574	0	-763
2100-4003.000	-57	65	0	8
<b>Total</b>	<b>5,216</b>	<b>-6,577</b>	<b>0</b>	<b>-1,361</b>

<b>Settlement</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
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11T00B-USS.ALL	14,566	36,591	0	51,157
Total	14,566	36,591	0	51,157

**CHAPTER 2A15-b3**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-19-R  
**Area:** INFORMATION TECHNOLOGY  
**Witness:** Mikovits, Stephen J.

**SHARED SERVICES O&M**

**Subject:** Information Security  
**Workpaper:** 1IT00C-USS.ALL

**SDG&E Position:** SDG&E is requesting \$5.611\* million in TY 2016 for Shared Information Security expenses, which is equal to the 2013 Base Year Adjusted-Recorded expenses for this cost category plus adjustments.

Exhibit SDG&E-19-R, p. SJM-19

**ORA Position:** ORA does not oppose SDG&E's 2016 forecast for Shared Info Security.

Exhibit ORA-15, p. 18

**Note:** SDG&E Test Year 2016 forecast is adjusted by (\$2K) for Security Engineering (2100-3774).

Exhibit SDG&E-19-R-Amended Workpaper, p. 515 of 621

**Settlement:** Please refer to Exhibit A, page A-6, section "O&M Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**CHAPTER 2A15-b3**

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3101.000	212	61	0	273
2100-3763.000	175	285	0	460
2100-3774.000	765	230	0	995
2100-3775.000	1,115	838	0	1,953
2100-3781.000	0	1,330	0	1,330
2100-3814.000	475	107	0	582
2100-3817.000	18	0	0	18
<b>Total</b>	<b>2,760</b>	<b>2,851</b>	<b>0</b>	<b>5,611</b>

<b>ORA</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3101.000	81	165	0	246
2100-3763.000	87	178	0	265
2100-3774.000	317	648	0	965
2100-3775.000	519	1,059	0	1,578
2100-3781.000	184	376	0	560
2100-3814.000	108	219	0	327
2100-3817.000	7	13	0	20
<b>Total</b>	<b>1,303</b>	<b>2,658</b>	<b>0</b>	<b>3,961</b>

<b>Difference</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3101.000	-131	104	0	-27
2100-3763.000	-88	-107	0	-195
2100-3774.000	-448	418	0	-30
2100-3775.000	-596	221	0	-375
2100-3781.000	184	-954	0	-770
2100-3814.000	-367	112	0	-255
2100-3817.000	-11	13	0	2
<b>Total</b>	<b>-1,457</b>	<b>-193</b>	<b>0</b>	<b>-1,650</b>

<b>Settlement</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
<b>11T00C-USS.ALL</b>	<b>2,760</b>	<b>2,658</b>	<b>0</b>	<b>5,418</b>
<b>Total</b>	<b>2,760</b>	<b>2,658</b>	<b>0</b>	<b>5,418</b>

**CHAPTER 2A15-b4**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-19-R  
**Area:** INFORMATION TECHNOLOGY  
**Witness:** Mikovits, Stephen J.

**SHARED SERVICES O&M**

**Subject:** IT Support  
**Workpaper:** 1IT00D-USS.ALL

**SDG&E Position:** SDG&E is requesting \$5.343 million in TY 2016 for Shared IT Support expense, which is equal to the 2013 Base Year Adjusted-Recorded expenses for this cost category plus adjustments.

Exhibit SDG&E-19-R, p. SJM-22

**ORA Position:** ORA's recommendations for IT O&M expenses are based on a holistic analysis of IT labor and non-labor costs. ORA did not use individual workpapers nor did they categorize their position by shared or non-shared costs. ORA accepted the total Information Security (IS) labor and non-labor forecasts. ORA recommended the following forecast methodologies for the remaining cost categories:

- Six Year Average for all non-Information Security Labor
- Five Year Linear trend for all non-Info Security "IT contract" non-labor costs
- Five year average for all non-Info Security, non-"IT contract" non-labor costs

Exhibit ORA-15, Appendix A

**Settlement:** Please refer to Exhibit A, page A-6, section "O&M Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

CHAPTER 2A15-b4

Proposed TY2016 Forecast (in thousands of 2013 dollars)

<b>SDG&amp;E</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3064.000	336	416	0	752
2100-3067.000	759	29	0	788
2100-3317.000	266	338	0	604
2100-3699.000	340	-40	0	300
2100-3713.000	497	39	0	536
2100-3733.000	393	244	0	637
2100-3762.000	131	44	0	175
2100-3807.000	121	412	0	533
2100-3842.000	1,007	12	0	1,019
<b>Total</b>	<b>3,850</b>	<b>1,494</b>	<b>0</b>	<b>5,344</b>

<b>ORA</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3064.000	273	557	0	830
2100-3067.000	260	531	0	791
2100-3317.000	219	448	0	667
2100-3699.000	109	222	0	331
2100-3713.000	195	397	0	592
2100-3733.000	232	473	0	705
2100-3762.000	63	129	0	192
2100-3807.000	206	421	0	627
2100-3842.000	370	755	0	1,125
<b>Total</b>	<b>1,927</b>	<b>3,933</b>	<b>0</b>	<b>5,860</b>

<b>Difference</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-3064.000	-63	141	0	78
2100-3067.000	-499	502	0	3
2100-3317.000	-47	110	0	63
2100-3699.000	-231	262	0	31
2100-3713.000	-302	358	0	56
2100-3733.000	-161	229	0	68
2100-3762.000	-68	85	0	17
2100-3807.000	85	9	0	94
2100-3842.000	-637	743	0	106
<b>Total</b>	<b>-1,923</b>	<b>2,439</b>	<b>0</b>	<b>516</b>

<b>Settlement</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
<b>11T00D-USS.ALL</b>	<b>3,850</b>	<b>3,190</b>	<b>0</b>	<b>7,040</b>
<b>Total</b>	<b>3,850</b>	<b>3,190</b>	<b>0</b>	<b>7,040</b>

**Chapter 2 - ORA vs. SDG&E**  
**Part A - O&M and Capital Expenditures**

**15. SDG&E-19-R (Exh 153) - INFORMATION TECHNOLOGY**

**c. CAPITAL**

Project	ORA vs. SDG&E (2014+2015+2016)	Reference
1. 00811.0.ALL	(5,639)	2A15-c1

## CHAPTER 2A15-c1

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-19-R  
**Area:** INFORMATION TECHNOLOGY  
**Witness:** Mikovits, Stephen J.

### CAPITAL EXPENDITURES

**Project:** IT Capital Projects  
**Budget Code:** 00811.0.ALL

**SDG&E Position:** SDG&E is requesting capital expenditures of \$94.274 million in 2014, \$62.084 million in 2015, and \$35.388 million in 2016 for Information Technology. These amounts include both business unit-sponsored IT capital projects and IT Division-sponsored IT capital projects.

**ORA Position:** ORA recommends utilizing adjusted-recorded 2014 capital expenditures of \$88.635 million, which is \$5.639 million less than SDG&E's 2014 forecast. ORA does not oppose the utility's 2015 and 2016 capital expenditure forecasts of \$62.084 million and \$35.388 million, respectively.

**Note:** The amounts in the following table reflect only those projects where a disallowance has been recommended by ORA for 2014 only.

**Settlement:** Please refer to Exhibit A, page A-6, section "Information Technology" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**CHAPTER 2A15-c1**

**Proposed Capital Expenditures (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>2014-2016 Total</b>
00811A.001	450
00811A.002	323
00821A.001	2,422
00821A.002	80
00821A.003	60
00827A.001	757
00827B.001	329
00829B.001	1,140
00829C.001	1,099
00829D.001	2,463
00829E.001	689
00829F.001	1,574
00829G.001	771
00831J.004	2,817
00831L.001	551
00831O.001	113
00831P.001	4,704
00833E.002	454
00833E.003	100
00833F.001	1,654
00833F.002	417
00833G.001	907
00833G.002	1,315
00833G.003	255
00833G.004	247
00833H.001	612
00833H.002	348
00833L.001	559
00833M.001	249
00833P.001	992
00833Q.001	357
00833Q.002	63
00833R.001	314
00833S.001	139
00833T.001	668
00833U.001	1,113
00834A.001	121
00834C.001	48
00834D.001	451
03849A.001	455
03849B.001	71
03851C.001	989
03851D.001	638
03851E.001	294
03851F.001	4,569
03851F.002	2,662
03851G.001	590
03851G.002	472
03851G.003	75
03851H.001	3,310
04843A.001	917
07864B.001	9,724
07864B.002	2,142
08869A.001	727
10872A.001	1,934
10874A.001	22,748

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10875A.001	1,184
10875A.002	298
10875B.001	1,441
10875C.001	90
10875D.001	126
10875E.001	444
10875F.001	139
10875K.001	2,818
10875K.002	161
10875L.001	2,130
10875M.001	14,578
10875M.002	1,909
10875N.001	4,818
10875O.001	1,976
10875O.002	1,021
10877A.001	304
11878A.001	171
11878A.002	738
13849A.001	998
<b>Total</b>	<b>119,386</b>

<b>ORA</b>	<b>2014-2016 Total</b>
00811A.001	143
00811A.002	135
00821A.001	3,069
00821A.002	0
00821A.003	0
00827A.001	0
00827B.001	431
00829B.001	1,320
00829C.001	1,047
00829D.001	1,309
00829E.001	148
00829F.001	1,564
00829G.001	709
00831J.004	3,241
00831L.001	0
00831O.001	0
00831P.001	5,029
00833E.002	0
00833E.003	0
00833F.001	1,918
00833F.002	0
00833G.001	832
00833G.002	0
00833G.003	0
00833G.004	0
00833H.001	475
00833H.002	148
00833L.001	224
00833M.001	429
00833P.001	1,031
00833Q.001	389
00833Q.002	0
00833R.001	396
00833S.001	284
00833T.001	795
00833U.001	1,393

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00834A.001	306
00834C.001	46
00834D.001	440
03849A.001	645
03849B.001	100
03851C.001	1,264
03851D.001	651
03851E.001	343
03851F.001	4,207
03851F.002	2,000
03851G.001	814
03851G.002	0
03851G.003	0
03851H.001	3,348
04843A.001	1,418
07864B.001	10,649
07864B.002	0
08869A.001	1,852
10872A.001	2,404
10874A.001	30,219
10875A.001	0
10875A.002	0
10875B.001	0
10875C.001	165
10875D.001	285
10875E.001	463
10875F.001	134
10875K.001	1,772
10875K.002	77
10875L.001	2,288
10875M.001	12,491
10875M.002	1,420
10875N.001	3,988
10875O.001	1,095
10875O.002	602
10877A.001	433
11878A.001	0
11878A.002	0
13849A.001	1,369
<b>Total</b>	<b>113,747</b>

<b>Difference</b>	<b>2014-2016 Total</b>
00811A.001	-307
00811A.002	-188
00821A.001	647
00821A.002	-80
00821A.003	-60
00827A.001	-757
00827B.001	102
00829B.001	180
00829C.001	-52
00829D.001	-1,154
00829E.001	-541
00829F.001	-10
00829G.001	-62
00831J.004	424
00831L.001	-551
00831O.001	-113

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00831P.001	325
00833E.002	-454
00833E.003	-100
00833F.001	264
00833F.002	-417
00833G.001	-75
00833G.002	-1,315
00833G.003	-255
00833G.004	-247
00833H.001	-137
00833H.002	-200
00833L.001	-335
00833M.001	180
00833P.001	39
00833Q.001	32
00833Q.002	-63
00833R.001	82
00833S.001	145
00833T.001	127
00833U.001	280
00834A.001	185
00834C.001	-2
00834D.001	-11
03849A.001	190
03849B.001	29
03851C.001	275
03851D.001	13
03851E.001	49
03851F.001	-362
03851F.002	-662
03851G.001	224
03851G.002	-472
03851G.003	-75
03851H.001	38
04843A.001	501
07864B.001	925
07864B.002	-2,142
08869A.001	1,125
10872A.001	470
10874A.001	7,471
10875A.001	-1,184
10875A.002	-298
10875B.001	-1,441
10875C.001	75
10875D.001	159
10875E.001	19
10875F.001	-5
10875K.001	-1,046
10875K.002	-84
10875L.001	158
10875M.001	-2,087
10875M.002	-489
10875N.001	-830
10875O.001	-881
10875O.002	-419
10877A.001	129
11878A.001	-171
11878A.002	-738
13849A.001	371

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<b>Total</b>	<b>-5,639</b>
<b>Settlement</b>	<b>2014-2016 Total</b>
00811.0.ALL	113,747
<b>Total</b>	<b>113,747</b>

## Chapter 2 - ORA vs. SDG&E

### Part A - O&M and Capital Expenditures

#### 16. SDG&E-20 (Exh 222) - CORPORATE CENTER - GENERAL ADMINISTRATION

##### a. O&M - NON-SHARED

Workpaper	ORA vs. SDG&E (2016)	Reference
1. 1SE000.001	(3,041)	2A16-a1

**CHAPTER 2A16-a1**

San Diego Gas & Electric Company  
 2016 Test Year GRC A-14-11-003  
 ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-20  
**Area:** CORPORATE CENTER - GENERAL ADMINISTRATION  
**Witness:** Devine, Hannah L.

**NONSHARED O&M**

**Subject:** SECC OUTSIDE SERVICES - F923.1 and F923.4  
**Workpaper:** 1SE000.001

**SDG&E Position:** SDG&E requests \$62.130 million in 2013 dollars, or \$64.200 million in 2016 (updated) dollars, for allocations of Sempra’s TY 2016 Corporate Center Shared Services. This includes allocated and directly-assigned expenses for functions that are not otherwise performed at the utility, in the area of Finance, Legal & Governance, Human Resources, External Affairs, Facilities/Assets (including Depreciation), and related Pension & Benefits.

Exhibit SDG&E-20, Pages PRW 1-2 and 8

The SDG&E position has been updated. Please refer to the Update Testimony of SDG&E and SoCalGas filed on August 17, 2015.

**ORA Position:** ORA recommends basing TY 2016 on the overall percentage of SDG&E allocations from Corporate Center Total, using a three-year recent average (2012-2014) including ORA’s audit adjustments. This results in \$59.6 million in 2013 dollars allocated to SDG&E (ORA did not calculate the escalated amount in 2016 dollars). ORA’s recommendation is a decrease of \$2.5 million (in 2013 dollars) to SDG&E.

Exhibit ORA-16, pages 7-8

**Note:** The proposed TY2016 Forecast below does not include Corporate Center’s standard escalation. Because of the variety of standard and non-standard costs, Corporate Center calculates and provides a total escalated allocation to the utilities as “non-standard” so they are not escalated a second time.

Proposed TY2016 Forecast (in thousands of 2013 dollars):  
 Non-Standard/Total 62,130(SDG&E) 59,648(ORA) -2,482(Difference)

**Settlement:** Please refer to Exhibit A, page A-9, section "Corporate Center Expenses (ORA - 16)" of the Stipulation of Principal Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	0	0	0	0
NonLabor	0	0	0	0
Nonstandard	61,905	58,864	-3,041	58,564
<b>TOTAL</b>	<b>61,905</b>	<b>58,864</b>	<b>-3,041</b>	<b>58,564</b>

**Chapter 2 - ORA vs. SDG&E**  
**Part A - O&M and Capital Expenditures**

**17. SDG&E-21 (Exh 210) - CORPORATE CENTER - INSURANCE**

**a. O&M - NON-SHARED**

<b>Workpaper</b>	<b>ORA vs. SDG&amp;E (2016)</b>	<b>Reference</b>
1. 1SN000.006	(7,422)	2A17-a1

**CHAPTER 2A17-a1**

San Diego Gas & Electric Company  
 2016 Test Year GRC A-14-11-003  
 ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-21  
**Area:** CORPORATE CENTER - INSURANCE  
**Witness:** Carbon, Katherine

**NONSHARED O&M**

**Subject:** SECC EXCESS LIABILITY INSURANCE PLPD - F184.8 Wildfire  
**Workpaper:** 1SN000.006

**SDG&E Position:** SDG&E forecasts \$89.939 million in Fire Liability insurance for 2016. Fire Liability is comprised of Wildfire Liability and Wildfire Property Damage Reinsurance. SDG&E states that Wildfire Liability provides coverage for third party liability for bodily injury, property damage or personal injury arising from wildfires, and that its premium forecast was based on actual premium expense used for 2013 and an annual escalation factor of 3% for market pressures.

Exhibit SDG&E-21, p. KC-5, Table 2B  
 Exhibit SDG&E-21-WP/K. Carbon p 81

**ORA Position:** ORA recommends \$82.517 million, a reduction of \$7.422 million.

ORA used the 2014 dollar amounts from the data response, found the de-escalated dollars amounts in the Excel file in the data response, then escalated the Wildfire Liability portion using ORA's escalation factor for SDG&E Non-Labor Electric, while maintaining the Wildfire Property Damage Reinsurance portion flat to derive a TY 2016 forecast for Fire Liability of \$82.517 million, which is \$7.422 million lower than SDG&E's request.

Exhibit ORA-16, p. 12, Table 16-3

**Settlement:** Please refer to Exhibit A, page A-9, section "Corporate Center Expenses (ORA - 16)" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	0	0	0	0
NonLabor	0	0	0	0
Nonstandard	89,939	82,517	-7,422	88,427
<b>TOTAL</b>	<b>89,939</b>	<b>82,517</b>	<b>-7,422</b>	<b>88,427</b>

## Chapter 2 - ORA vs. SDG&E

### Part A - O&M and Capital Expenditures

#### 18. SDG&E-22 (Exh 193) - COMPENSATION, HEALTH, & WELFARE

##### a. O&M - NON-SHARED

Workpaper	ORA vs. SDG&E (2016)	Reference
1. 1CP000.000	(33,107)	2A18-a1
2. 1CP000.002	(10,265)	2A18-a2
3. 1PB000.000	(2,134)	2A18-a3
4. 1PB000.001	(214)	2A18-a4
5. 1PB000.002	(19)	2A18-a5
6. 1PB000.003	(398)	2A18-a6
7. 1PB000.004	(9)	2A18-a7
8. 1PB000.005	(194)	2A18-a8
9. 1PB000.006	37	2A18-a9
10. 1PB000.007	(7)	2A18-a10
11. 1PB000.011	(3,360)	2A18-a11
12. 1PB000.023	(273)	2A18-a12

## CHAPTER 2A18-a1

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-22  
**Area:** COMPENSATION, HEALTH, & WELFARE  
**Witness:** Robinson, Debbie S.

### NONSHARED O&M

**Subject:** COMPENSATION-VARIABLE PAY  
**Workpaper:** 1CP000.000

**SDG&E Position:** SDG&E requests \$50.351 million for TY 2016 for the activities in this work group using a zero-based forecast. The ORA and SDG&E jointly selected Towers Watson to conduct the competitive compensation and benefits analysis. SDG&E's total compensation (defined as base salaries, target short-term incentives, long term incentives and benefits) is within 5.3 percent of market. Compensation professionals, including Towers Watson, typically consider a range of plus or minus 10 percent of the average of the external market data to be competitive and broader ranges are common and expected for long-term incentive plans and benefits. SDG&E is requesting recovery of variable pay based on target performance. If actual ICP performance exceeds target performance, the differential is funded by shareholders and is not recoverable in rates.

Exhibit SDG&E-22, p. DSR-6-9  
Exhibit SDG&E-22-WP, p. 6

**ORA Position:** ORA recommends \$17.244 million, a reduction of \$33.107 million by:

1. Allocate to ratepayers 20% of the Incentive Compensation Program (ICP) expense for executives;
2. Allocate to ratepayers 35% of the ICP expense for non-executives.

Exhibit ORA-17, p. 5

**Settlement:** Please refer to Exhibit A, page A-8, section "Compensation Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

### Proposed TY2016 Forecast (in thousands of 2013 dollars)

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	50,351	17,244	-33,107	32,000
NonLabor	0	0	0	0
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>50,351</b>	<b>17,244</b>	<b>-33,107</b>	<b>32,000</b>

**CHAPTER 2A18-a2**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-22  
**Area:** COMPENSATION, HEALTH, & WELFARE  
**Witness:** Robinson, Debbie S.

**NONSHARED O&M**

**Subject:** COMPENSATION-LONG-TERM INCENTIVE PLAN  
**Workpaper:** 1CP000.002

**SDG&E Position:** SDG&E requests \$10.265 million for TY 2016 for the activities in this work group using a zero-based forecast. Long-term incentives are an integral component of a competitive compensation program for key management and executive employees. Consistent with the external labor market, SDG&E's compensation philosophy ties a greater portion of pay to company performance at higher levels of responsibility. The actual compensation realized by participants is dependent on Sempra Energy's performance. Long-term incentives awards are granted under the Sempra Energy Long Term Incentive Plan, in the form of performance-based restricted stock units and service-based restricted stock units. Long-term incentive plan costs are based on the accounting expense incurred for awards issued to SDG&E employees.

Exhibit SDG&E-22, p. DSR-10-11  
Exhibit SDG&E-22-WP, p. 14

**ORA Position:** ORA recommends disallowing 100% of LTIP. ORA opposes ratepayer funding for the Long-Term Incentive Plans. The long term incentives, comprising stock options, are clearly shareholder-related expenses and are not an appropriate ratepayer expense. Ratepayers should not be burdened with this cost which serves to benefit highly compensated executives and shareholders.

Exhibit ORA-17, pp 12-13

**Settlement:** Please refer to Exhibit A, page A-8, section "Compensation Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	0	0	0	0
NonLabor	0	0	0	0
Nonstandard	10,265	0	-10,265	0
<b>TOTAL</b>	<b>10,265</b>	<b>0</b>	<b>-10,265</b>	<b>0</b>

**CHAPTER 2A18-a3**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-22  
**Area:** COMPENSATION, HEALTH, & WELFARE  
**Witness:** Robinson, Debbie S.

**NONSHARED O&M**

**Subject:** HEALTH BENEFITS-MEDICAL  
**Workpaper:** 1PB000.000

**SDG&E Position:** SDG&E requests \$50.179 million for TY 2016 the activities in this work group using a zero-based forecast. This reflects forecasted medical rate escalation as well as anticipated changes in headcount. Healthcare costs continue to increase at rates much higher than general inflation. The medical trend forecast was prepared by Towers Watson, SDG&E's actuary and benefits broker. Towers Watson considered California and national data and prepared a forecast specifically for SDG&E taking into account workforce demographics, historical utilization data, and medical plan design. The projected aggregate rate increase for 2016 is 7.8 percent.

Exhibit SDG&E-22, pp DSR-14 and DSR-19  
Exhibit SDG&E-22-WP, pp 36

The SDG&E position has been updated. Please refer to the Update Testimony of SDG&E and SoCalGas filed on August 17, 2015.

**ORA Position:** ORA recommends \$48.045 million (revised Errata amount) for TY 2016.

ORA's methodology began with the actual, rather than estimated, 2014 expense. ORA divided each company's 2014 actual expense by the 2014 actual FTE count to arrive at a program cost per person, escalated the program costs, and then multiplied the 2016 program cost by each company's estimated 2016 FTE count to arrive at ORA's TY estimate. In addition, ORA recommends using the Berkeley Healthcare Forum's California-specific forecast for medical escalation rates.

Exhibit ORA-17-E, p 4  
Exhibit ORA-17, pp 15, 17-18

**Note:** ORA's request for TY 2016 has been updated to reflect changes provided in the Errata filing. ORA's original request was \$44.955 million.

**Settlement:** Please refer to Exhibit A, page A-8, section "Compensation Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	0	0	0	0
NonLabor	0	0	0	0
Nonstandard	50,179	48,045	-2,134	50,000
<b>TOTAL</b>	<b>50,179</b>	<b>48,045</b>	<b>-2,134</b>	<b>50,000</b>

## CHAPTER 2A18-a4

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-22  
**Area:** COMPENSATION, HEALTH, & WELFARE  
**Witness:** Robinson, Debbie S.

### NONSHARED O&M

**Subject:** HEALTH BENEFITS-DENTAL  
**Workpaper:** 1PB000.001

**SDG&E Position:** SDG&E requests \$4.094 million for TY 2016 for the activities in this work group using a zero-based forecast. SDG&E offers two dental plans to its employees and their eligible dependents: Delta Dental Plan and Met Life Safeguard Dental Plan. 2016 costs are based on 2015 premiums adjusted for projected inflation and changes in projected headcount.

Exhibit SDG&E-22, p DSR-23

Exhibit SDG&E-22-WP, p. 45

**ORA Position:** ORA recommends \$3.88 million (revised Errata amount) for TY 2016. ORA analyzed the historical expenses and does not dispute them or the proposed escalation rates. ORA's use of 2014 actual, adjusted recorded expense results in an ORA TY estimate.

Exhibit ORA-17-E, p 4

Exhibit ORA-17, p 19

**Note:** ORA's request for TY 2016 has been updated to reflect changes provided in the Errata filing. ORA's original request was \$3.631 million.

**Settlement:** Please refer to Exhibit A, page A-9, section "Compensation Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

### Proposed TY2016 Forecast (in thousands of 2013 dollars)

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	0	0	0	0
NonLabor	0	0	0	0
Nonstandard	4,094	3,880	-214	3,880
<b>TOTAL</b>	<b>4,094</b>	<b>3,880</b>	<b>-214</b>	<b>3,880</b>

**CHAPTER 2A18-a5**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-22  
**Area:** COMPENSATION, HEALTH, & WELFARE  
**Witness:** Robinson, Debbie S.

**NONSHARED O&M**

**Subject:** HEALTH BENEFITS - VISION  
**Workpaper:** 1PB000.002

**SDG&E Position:** SDG&E requests \$0.350 million for TY 2016 for the activities in this work group using a zero-based forecast. SDG&E offers employees vision coverage under the Vision Service Plan ("VSP"). VSP is experience rated and future premiums are based on the prior year's utilization history. 2016 costs per covered employee are forecasted based on 2015 premiums adjusted for projected inflation and changes in projected headcount.

Exhibit SDG&E-22, p DSR-23  
Exhibit SDG&E-22-WP, p 52

**ORA Position:** ORA recommends 0.331 million (revised Errata amount) for TY 2016. ORA analyzed the historical expenses for both companies and does not dispute them or the proposed escalation rates. ORA's use of 2014 actual, adjusted recorded expense results in an ORA TY estimate.

Exhibit ORA-17-E, p 4  
Exhibit ORA-17, p 19

**Note:** ORA's request for TY 2016 has been updated to reflect changes provided in the Errata filing. ORA's original request was \$0.310 million.

**Settlement:** Please refer to Exhibit A, page A-9, section "Compensation Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	0	0	0	0
NonLabor	0	0	0	0
Nonstandard	350	331	-19	331
<b>TOTAL</b>	<b>350</b>	<b>331</b>	<b>-19</b>	<b>331</b>

**CHAPTER 2A18-a6**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-22  
**Area:** COMPENSATION, HEALTH, & WELFARE  
**Witness:** Robinson, Debbie S.

**NONSHARED O&M**

**Subject:** HEALTH BENEFITS-WELLNESS  
**Workpaper:** 1PB000.003

**SDG&E Position:** SDG&E requests \$1.169 million for TY 2016. The objective of the SDG&E wellness program is to improve employee health and productivity. 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.

Wellness program costs are projected to increase from 2013 through 2016 due to headcount additions, additional onsite health screenings, and additional programs promoting health and wellness.

Exhibit SDG&E-22, pp DSR-24 and DSR-25  
Exhibit SDG&E-22-WP, p. 59

**ORA Position:** ORA recommends 0.771 million (revised Errata amount) for TY 2016. ORA analyzed the historical expenses and does not dispute them or with the proposed escalation rates. ORA's use of 2014 actual, adjusted recorded expense results in an ORA TY estimate.

Exhibit: ORA-17, p 20  
Exhibit: ORA-17-E, p 4

**Note:** ORA's request for TY 2016 has been updated to reflect changes provided in the Errata filing. ORA's original request was \$0.758 million.

**Settlement:** Please refer to Exhibit A, page A-9, section "Compensation Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	0	0	0	0
NonLabor	0	0	0	0
Nonstandard	1,169	771	-398	771
<b>TOTAL</b>	<b>1,169</b>	<b>771</b>	<b>-398</b>	<b>771</b>

## CHAPTER 2A18-a7

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-22  
**Area:** COMPENSATION, HEALTH, & WELFARE  
**Witness:** Robinson, Debbie S.

### NONSHARED O&M

**Subject:** HEALTH BENEFITS-EMPLOYEE ASSISTANCE PROGRAM (EAP)  
**Workpaper:** 1PB000.004

**SDG&E Position:** SDG&E requests \$0.335 million for TY 2016 for the activities in this work group using a zero-based forecast. SDG&E is required by the Drug Free Workplace Act of 1988 and the Department of Transportation ("DOT") to have an EAP program available to its employees. EAP provides employees and their eligible dependents with cost-effective, confidential counseling and treatment services for various personal problems that may have a negative impact on job performance. The cost forecast is based on actual 2013 claims paid indexed for projected headcount changes and assuming that premiums follow the same escalation trend as medical premiums.

Exhibit SDG&E-22, pages DSR-26 and DSR-27  
Exhibit SDG&E-22-WP, page 67

**ORA Position:** ORA recommends \$0.326 million (revised Errata amount) for TY 2016.

ORA analyzed the historical expenses and does not dispute them or the proposed escalation rates. ORA's use of 2014 actual, adjusted recorded expense results in an ORA TY estimate.

Exhibit ORA-17, p 20  
Exhibit ORA-17-E, p 4

**Note:** ORA's request for TY 2016 has been updated to reflect changes provided in the Errata filing. ORA's original request was \$0.305 million.

**Settlement:** Please refer to Exhibit A, page A-9, section "Compensation Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

### Proposed TY2016 Forecast (in thousands of 2013 dollars)

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	0	0	0	0
NonLabor	0	0	0	0
Nonstandard	335	326	-9	326
<b>TOTAL</b>	<b>335</b>	<b>326</b>	<b>-9</b>	<b>326</b>

**CHAPTER 2A18-a8**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-22  
**Area:** COMPENSATION, HEALTH, & WELFARE  
**Witness:** Robinson, Debbie S.

**NONSHARED O&M**

**Subject:** HEALTH BENEFITS-MENTAL HEALTH  
**Workpaper:** 1PB000.005

**SDG&E Position:** SDG&E requests \$1.579 million for TY 2016 for the activities in this work group using a zero-based forecast. Mental health and substance abuse services include individual counseling sessions for issues such as psychological and emotional conditions, life management, all addictions, job-related problems, and relationship issues. The cost forecast is based on actual 2013 claims paid indexed for projected headcount changes and assuming that premiums follow the same escalation trend as medical premiums.

Exhibit SDG&E-22, pages DSR-26 and DSR-27  
Exhibit SDG&E-22-WP, page 74

**ORA Position:** ORA recommends \$1.385 million (revised Errata amount) for TY 2016.

ORA's use of 2014 actual, adjusted recorded expense and the Berkeley Healthcare Forum's California-specific medical escalation rates results in an ORA TY estimate.

Exhibit ORA-17, p 20  
Exhibit ORA-17-E, p 4

**Note:** ORA's request for TY 2016 has been updated to reflect changes provided in the Errata filing. ORA's original request was \$1.361 million.

**Settlement:** Please refer to Exhibit A, page A-9, section "Compensation Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	0	0	0	0
NonLabor	0	0	0	0
Nonstandard	1,579	1,385	-194	1,385
<b>TOTAL</b>	<b>1,579</b>	<b>1,385</b>	<b>-194</b>	<b>1,385</b>

**CHAPTER 2A18-a9**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-22  
**Area:** COMPENSATION, HEALTH, & WELFARE  
**Witness:** Robinson, Debbie S.

**NONSHARED O&M**

**Subject:** WELFARE BENEFITS-LIFE INSURANCE  
**Workpaper:** 1PB000.006

**SDG&E Position:** SDG&E requests \$0.790 million for TY 2016 for the activities in this work group using a zero-based forecast. SDG&E provides employees with basic life insurance coverage equal to one times annual pay (base salary plus ICP, if applicable). Coverage is adjusted each year to reflect increases or decreases in employee pay. The premium per \$1,000 of coverage is based on the actual 2014 rate. Projected 2016 costs are adjusted for wage and headcount escalation.

Exhibit SDG&E-22, p DSR-28  
Exhibit SDG&E-22-WP, p 96

**ORA Position:** ORA recommends \$0.827 million (revised Errata amount) for TY 2016.

ORA analyzed the historical expenses for both companies and does not dispute them or the proposed escalation rates. ORA's use of 2014 actual, adjusted recorded expense results in an ORA TY estimate.

Exhibit ORA-17, p 22  
Exhibit ORA-17-E, p 5

**Note:** ORA's request for TY 2016 has been updated to reflect changes provided in the Errata filing. ORA's original request was \$0.733 million.

**Settlement:** Please refer to Exhibit A, pages A-8 to A-9, section "Compensation Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	0	0	0	0
NonLabor	0	0	0	0
Nonstandard	790	827	37	827
<b>TOTAL</b>	<b>790</b>	<b>827</b>	<b>37</b>	<b>827</b>

**CHAPTER 2A18-a10**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-22  
**Area:** COMPENSATION, HEALTH, & WELFARE  
**Witness:** Robinson, Debbie S.

**NONSHARED O&M**

**Subject:** WELFARE BENEFITS-AD&D INSURANCE  
**Workpaper:** 1PB000.007

**SDG&E Position:** SDG&E requests \$0.093 million for TY 2016 for the activities in this work group using a zero-based forecast. SDG&E provides employees with basic Accidental Death and Dismemberment insurance coverage equal to one times annual pay (base salary plus ICP, if applicable). Coverage is adjusted each year to reflect increases or decreases in employee pay. AD&D insurance provides a level of protection and additional security to employees and their families in the event of a tragic accident.

Exhibit SDG&E-22, p DSR-28  
Exhibit SDG&E-22-WP, p 82

**ORA Position:** ORA recommends \$0.086 million (revised Errata amount) for TY 2016.

ORA analyzed the historical expenses and does not dispute them or the proposed escalation rates. ORA's use of 2014 actual, adjusted recorded expense results in an ORA TY estimate.

Exhibit ORA-17, p 22  
Exhibit ORA-17-E, p 5

**Note:** ORA's request for TY2016 has been updated to reflect changes provided in the Errata filing. ORA's original request was \$0.077 million).

**Settlement:** Please refer to Exhibit A, pages A-8 to A-9, section "Compensation Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	0	0	0	0
NonLabor	0	0	0	0
Nonstandard	93	86	-7	86
<b>TOTAL</b>	<b>93</b>	<b>86</b>	<b>-7</b>	<b>86</b>

## CHAPTER 2A18-a11

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-22  
**Area:** COMPENSATION, HEALTH, & WELFARE  
**Witness:** Robinson, Debbie S.

### NONSHARED O&M

**Subject:** RETIREMENT BENEFITS-SUPPLEMENTAL PENSION  
**Workpaper:** 1PB000.011

**SDG&E Position:** SDG&E requests \$3.360 million for TY 2016 for the activities in this work group using a zero-based forecast. SDG&E offers 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. The plan merely restores benefits that would otherwise be lost due to statutory limits under broad based retirement plans. Cost forecasts represent the projected benefit payments. As with other contingent cash flows, the amount and timing of future benefit payments are based on actuarial assumptions such as the lump sum rate, future salary increases, and mortality and retirement rates.

Exhibit SDG&E-22, pages DSR-30 and DSR-31

**ORA Position:** ORA recommends zero for TY 2016.

ORA opposes the inclusion of any supplemental executive benefits in revenue requirements. The amount contributed to the pension plan by ratepayers serves to provide sufficient retirement program benefits and does not need to be further supplemented and enhanced to provide even higher retirement benefits and to support a highly enhanced retirement salary.

Exhibit ORA-17, p 25

**Note:** Additional SDG&E reference: Exhibit SDG&E-22-WP, p 120

**Settlement:** Please refer to Exhibit A, page A-9, section "Compensation Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

### Proposed TY2016 Forecast (in thousands of 2013 dollars)

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	0	0	0	0
NonLabor	0	0	0	0
Nonstandard	3,360	0	-3,360	1,680
<b>TOTAL</b>	<b>3,360</b>	<b>0</b>	<b>-3,360</b>	<b>1,680</b>

**CHAPTER 2A18-a12**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-22  
**Area:** COMPENSATION, HEALTH, & WELFARE  
**Witness:** Robinson, Debbie S.

**NONSHARED O&M**

**Subject:** RETIREMENT BENEFITS-NON-QUALIFIED RETIREMENT SAVINGS PLAN  
**Workpaper:** 1PB000.023

**SDG&E Position:** SDG&E requests \$0.273 million for TY 2016.

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 under the plan are identical to Company matching contributions under the RSP.

Exhibit SDG&E-22, P DSR-30

**ORA Position:** ORA recommends that the Commission not allow any costs of the Nonqualified Savings Plan to be included in TY expenses used to develop the revenue requirement. ORA is opposed to having ratepayers bear the costs of benefit programs in excess of federal limits and which serve to further enhance benefits to higher compensated employees. Neither company has demonstrated that these enhanced benefits are necessary to attract and retain skilled employees nor supported the reasonableness of ratepayer funding the costs associated with supplemental benefits beyond traditional funding levels and limitations.

Exhibit ORA-17, pages 24 and 25

**Settlement:** Please refer to Exhibit A, page A-9, section "Compensation Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	0	0	0	0
NonLabor	0	0	0	0
Nonstandard	273	0	-273	137
<b>TOTAL</b>	<b>273</b>	<b>0</b>	<b>-273</b>	<b>137</b>

## Chapter 2 - ORA vs. SDG&E

### Part A - O&M and Capital Expenditures

#### 19. SDG&E-24 (Exh 121) - HR, SAFETY, DISABILITY, & WORKERS COMP

##### a. O&M - NON-SHARED

Workpaper	ORA vs. SDG&E (2016)	Reference
1. 1HR002.000	(100)	2A19-a1
2. 1HR007.000	(450)	2A19-a2

**CHAPTER 2A19-a1**

San Diego Gas & Electric Company  
 2016 Test Year GRC A-14-11-003  
 ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-24  
**Area:** HR, SAFETY, DISABILITY, & WORKERS COMP  
**Witness:** Edgar, Sarah E.

**NONSHARED O&M**

**Subject:** Safety Wellness & Disability Services  
**Workpaper:** 1HR002.000

**SDG&E Position:** SDG&E requests \$6.552 million for TY 2016 for the addition of one Industrial Hygienist at \$100,000\* in 2016 is needed for implementation of ARC Hazard assessment, training, and roll-out, arc hazard protection, and the enhancement of current Public Safety Programs. The additional employee is intended to shadow/backfill an anticipated retirement. Additional requests are for ARC Hazard assessment, training, and roll-out and the enhancement of current Public Safety Programs.

Exhibit SDG&E-24, p 8

**ORA Position:** ORA recommends \$6.452 million for TY 2016. ORA opposes ratepayer funding of this addition of one new Industrial Hygienist at \$100,000 in 2016. There is no certainty regarding when the current Industrial Hygienist plans to retire.

Exhibit ORA-18, p 6

**Note:** \* SDG&E request for TY 2016 has been updated to reflect changes provided in the Errata filing. SDG&E reduces its request by \$67K to \$33.3K, spreading the original request of \$100K over the three-year GRC cycle.

The amounts in the following table reflect only areas where a disallowance has been recommended by ORA.

Exhibit SDG&E-224, p. 2

**Settlement:** Please refer to Exhibit A, page A-8, section "Non-Shared Expenses (HR related)" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	912	812	-100	912
NonLabor	543	543	0	543
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>1,455</b>	<b>1,355</b>	<b>-100</b>	<b>1,455</b>

**CHAPTER 2A19-a2**

San Diego Gas & Electric Company  
 2016 Test Year GRC A-14-11-003  
 ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-24  
**Area:** HR, SAFETY, DISABILITY, & WORKERS COMP  
**Witness:** Edgar, Sarah E.

**NONSHARED O&M**

**Subject:** HRIS Technology & Reporting  
**Workpaper:** 1HR007.000

**SDG&E Position:** SDG&E requests \$0.969\* million in TY 2016 for HRIS Technology and Reporting which is \$500,000 above the 2013 adjusted-recorded amount.

Exhibit SDG&E-24, p SEE-14

**ORA Position:** ORA recommends that SDG&E run a pilot program for this new item first and provide a cost benefit analysis, before implementing such a costly program which would more than double SDG&E's spending compared to adjusted-recorded 2013 levels. SDG&E has not justified ratepayer funding of this full cost. Thus ORA recommends 10% of this requested incremental cost, or \$50,000 to run a pilot program for the HR Self Service & Mobile Access project. Thus, ORA recommends \$518,000 for HRIS Technology and Reporting in its TY 2016 GRC.

Exhibit ORA-18, p 8

**Note:** \* SDG&E request for TY 2016 has been updated to reflect changes provided in the Errata filing. SDG&E reduces its request by \$333K to \$167K, spreading the original request of \$500K over the three-year GRC cycle.

Exhibit SDG&E-224, p. 3

**Settlement:** Please refer to Exhibit A, page A-8, section "Non-Shared Expenses (HR related)" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	345	345	0	345
NonLabor	623	173	-450	173
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>968</b>	<b>518</b>	<b>-450</b>	<b>518</b>

## Chapter 2 - ORA vs. SDG&E

### Part A - O&M and Capital Expenditures

#### 19. SDG&E-24 (Exh 121) - HR, SAFETY, DISABILITY, & WORKERS COMP

##### b. O&M - SHARED

Workpaper	ORA vs. SDG&E (2016)	Reference
1. 1HR00A-USS.ALL	(988)	2A19-b1
2. 1HR00B-USS.ALL	(100)	2A19-b2

**CHAPTER 2A19-b1**

San Diego Gas & Electric Company  
 2016 Test Year GRC A-14-11-003  
 ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-24  
**Area:** HR, SAFETY, DISABILITY, & WORKERS COMP  
**Witness:** Edgar, Sarah E.

**SHARED SERVICES O&M**

**Subject:** Safety Operations  
**Workpaper:** 1HR00A-USS.ALL

**SDG&E Position:** SDG&E requestes forecasts \$2.4 million for Safety Operations, which is \$1 million higher than the 2013 adjusted-recorded level of \$1.4 million.

The primary cost driver for this increase is the Vehicle Technology Program, which will cost approximately \$1,368 per vehicle for equipment, installation, and reporting service subscriptions. SDG&E anticipates that 719 vehicles will undergo this transition for a total of \$988,000 (including \$4,500 for 3 days of training).

Exhibit SDG&E-24, p SEE-18

**ORA Position:** ORA recommends that SDG&E should provide a cost benefit analysis in its 2019 GRC of the improvements Safety Operations was able to make using the new technology. SDG&E should also provide proof that the pilot program in 2015 was successful. Thus, ORA recommends \$1.4 million for Safety Operations which is \$988,000 less than SDG&E’s TY 2016 forecast of \$2.4 million.

Exhibit ORA-18, p 10

**Settlement:** Please refer to Exhibit A, page A-8, section "Expenses in ORA - 18", subsection "Shared Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-0214.000	848	1,519	0	2,367
<b>Total</b>	<b>848</b>	<b>1,519</b>	<b>0</b>	<b>2,367</b>

<b>ORA</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-0214.000	848	531	0	1,379
<b>Total</b>	<b>848</b>	<b>531</b>	<b>0</b>	<b>1,379</b>

<b>Difference</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-0214.000	0	-988	0	-988
<b>Total</b>	<b>0</b>	<b>-988</b>	<b>0</b>	<b>-988</b>

<b>Settlement</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
<b>1HR00A-USS.ALL</b>	<b>848</b>	<b>1,519</b>	<b>0</b>	<b>2,367</b>
<b>Total</b>	<b>848</b>	<b>1,519</b>	<b>0</b>	<b>2,367</b>

## CHAPTER 2A19-b2

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-24  
**Area:** HR, SAFETY, DISABILITY, & WORKERS COMP  
**Witness:** Edgar, Sarah E.

### SHARED SERVICES O&M

**Subject:** Business Partner & Labor Relations  
**Workpaper:** 1HR00B-USS.ALL

**SDG&E Position:** SDG&E requests \$1.322 million for TY 2016 for Business Partner and Labor Relations.

SDG&E requests an additional employee for this department to "replace a current Labor Relations Advisor whose retirement date is unknown." \*

Exhibit SDG&E-24, p SEE-18  
ORAL-SDG&E-DR-001-LJL

**ORA Position:** ORA opposes this new FTE and recommends \$1.2 million in 2016 which is \$100,000 less than SDG&E's request. ORA states that when the current employee retires and that position opens, then the utility can hire the new Labor Relations Advisor. Until then, having two employees essentially doing the same job is unnecessary and unreasonable cost to ratepayers.

Exhibit ORA-18, pp 11-12

**Note:** \* SDG&E request for TY 2016 has been updated to reflect changes provided in the Errata filing. SDG&E reduces its request by \$67K to \$33.3K, spreading the original request of \$100K over the three-year GRC cycle.

The amounts in the following table reflect only areas where a disallowance has been recommended by ORA.

Exhibit SDG&E-224, p. 5

**Settlement:** Please refer to Exhibit A, page A-8, section "Expenses in ORA - 18", subsection "Shared Expenses" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

**CHAPTER 2A19-b2**

**Proposed TY2016 Forecast (in thousands of 2013 dollars)**

<b>SDG&amp;E</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-0284.000	976	58	0	1,034
<b>Total</b>	<b>976</b>	<b>58</b>	<b>0</b>	<b>1,034</b>

<b>ORA</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-0284.000	876	58	0	934
<b>Total</b>	<b>876</b>	<b>58</b>	<b>0</b>	<b>934</b>

<b>Difference</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
2100-0284.000	-100	0	0	-100
<b>Total</b>	<b>-100</b>	<b>0</b>	<b>0</b>	<b>-100</b>

<b>Settlement</b>	<b>Labor</b>	<b>NLbr</b>	<b>NSE</b>	<b>Total</b>
1HR00B-USS.ALL	876	58	0	934
<b>Total</b>	<b>876</b>	<b>58</b>	<b>0</b>	<b>934</b>

## Chapter 2 - ORA vs. SDG&E

### Part A - O&M and Capital Expenditures

#### 20. SDG&E-25-R (Exh 259) - REG AFFAIRS, CONTROLLER, FINANCE, LEGAL & EXT REL

##### a. O&M - NON-SHARED

Workpaper	ORA vs. SDG&E (2016)	Reference
1. 1AG002.000	(3,089)	2A20-a1
2. 1AG007.000	(262)	2A20-a2
3. 1AG015.000	(1,439)	2A20-a3

## CHAPTER 2A20-a1

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-25-R  
**Area:** REG AFFAIRS, CONTROLLER, FINANCE, LEGAL & EXT REL  
**Witness:** Deremer, Kenneth J.

### NONSHARED O&M

**Subject:** Asset and Project Accounting  
**Workpaper:** 1AG002.000

**SDG&E Position:** This work group consists of two reductions unrelated to Accounting Operations: Meals and Entertainment (M&E) and Customer Deposits (Working Cash). SDG&E did not specifically forecast M&E as a line item expense in this rate case; rather, M&E expenses are embedded in its 2016 revenue requirement forecast. M&E expenses are job-related expenses include travel, meals, and other expenses associated with establishing, maintaining and enhancing business relationships that provide value back to utility customers. Customer Deposits are excluded as a working cash item because the utility pays interest at the Federal Reserve published prime non-financial 3-month commercial paper rate. This treatment is consistent with Standard Practice U-16 whereby interest bearing accounts are excluded from working cash.

Exhibit SDG&E-25, p KJD-15

Exhibit SDG&E-30, p JSL-12

**ORA Position:** ORA proposes a reduction of \$3.089 million to this work group, a combination of a \$0.592 million reduction for Meals and Entertainment and a \$2.48 million reduction for Customer Deposits. ORA recommends reducing TY expenses by \$591,604 (in 2013 dollars) based on 2013 recorded costs, as a proxy for the amount of Meals and Entertainment expenses embedded in SDG&E's TY forecast. ORA states that SDG&E has not demonstrated that the meals and entertainment expenses serve a useful business-related purpose. ORA proposes a \$2.480 million reduction to SDG&E's Revenue Requirement for Customer Deposits. ORA recommends that the treatment the Commission adopted in its D.14-08-032 for Customer Deposits be extended to SDG&E in this GRC. (ORA position continued in Note)

**Note:** ORA position continued: ORA recommends that the Commission treat Customer Deposits as a source of long-term debt and reduce the revenue requirements for Customer Deposits by imputing financing costs based on short-term interest rates. The ORA adjustment of \$3.089 million is a combination of a \$0.592 million reduction for Meals and Entertainment and \$2.480 million reduction for Customer Deposits. \$0.017 million is unaccounted for and may be due to a calculation error.

Exhibit ORA-19, p 14

Exhibit ORA-22, p 2

**Settlement:** Please refer to Exhibit A, page A-8, section "Meals and Entertainment", and A-9, section "Working Cash Issues", of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

CHAPTER 2A20-a1

Proposed TY2016 Forecast (in thousands of 2013 dollars)

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	2,466	2,466	0	2,466
NonLabor	89	89	0	89
Nonstandard	0	-3,089	-3,089	-3,089
<b>TOTAL</b>	<b>2,555</b>	<b>-534</b>	<b>-3,089</b>	<b>-534</b>

## CHAPTER 2A20-a2

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-25-R  
**Area:** REG AFFAIRS, CONTROLLER, FINANCE, LEGAL & EXT REL  
**Witness:** Deremer, Kenneth J.

### NONSHARED O&M

**Subject:** GRC Revenue Requirements and Rates/Analysis  
**Workpaper:** 1AG007.000

**SDG&E Position:** SDG&E requests \$3.487 million for TY 2016.

The Regulatory Affairs Department primarily uses a five-year historical average of 2009-2013 costs to forecast the TY 2016, except for those areas where five-year history was not available due to re-organizations in 2010 within the Regulatory Affairs & Legislative Analysis area. The historical five-year period represents a reasonable business cycle in Regulatory Affairs because it captures the peaks in Regulatory Affairs costs related primarily to the GRC and the valleys in non-GRC years.

Exhibit SDG&E-25-R, p KJD-5

**ORA Position:** ORA recommends \$3.225 million for TY 2016.

In its forecast of 2016 expenses, SDG&E reflects "...seven additional economic/rates analysts...to address the incremental work load..." in the "GRC, Revenue Requirements and Rates/Analysis" section of SDG&E's Regulatory Affairs Department. According to its workpapers, SDG&E forecasts adding these seven new Full Time Equivalents (FTEs) in 2014 to its base forecast of 25 FTEs, for a total of 32 FTEs for each year from 2014-2016. The 7 new FTEs are forecasted to cost \$500,000 in non-shared labor expenses per year. In response to discovery, SDG&E confirmed that the 7 incremental positions had been hired by the 1st Quarter of 2014. SDG&E also indicated that the final 2014 headcount "...was reduced from 32 to 28 during the year due to attrition..." and that it expects to fill those positions in 2015. (continued in Note below)

**Note:** ORA position continued: Based on SDG&E's forecast that the 7 new FTE cost a total of \$500,000, the average cost amounts to \$71,430 per year for each new FTE. By applying that average cost to the four vacant positions, ORA estimates that filling the four vacancies will cost \$286,000 (labor).

ORA's TY forecast is derived by adding the incremental \$286,000 to the 2014 recorded figure of \$2,939,000 to arrive at its estimate of \$3,225,000.

Exhibit ORA-19, pp 5-6

**Settlement:** Please refer to Exhibit A, page A-8, section "Non-Shared Expenses (Reg. Affairs, Legal, Finance, etc)" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

CHAPTER 2A20-a2

Proposed TY2016 Forecast (in thousands of 2013 dollars)

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	2,694	2,432	-262	2,563
NonLabor	793	793	0	793
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>3,487</b>	<b>3,225</b>	<b>-262</b>	<b>3,356</b>

## CHAPTER 2A20-a3

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-25-R  
**Area:** REG AFFAIRS, CONTROLLER, FINANCE, LEGAL & EXT REL  
**Witness:** Deremer, Kenneth J.

### NONSHARED O&M

**Subject:** Claims Payments & Recovery Costs  
**Workpaper:** 1AG015.000

**SDG&E Position:** SDG&E requests \$4.323\* million for TY 2016 based on adjustments to prior year recorded claims payments/recoveries expense discovered after filing of this GRC application.

Exhibit SDG&E-25-R, p KJD-29

**ORA Position:** ORA proposes \$2.884 million for TY 2016.

SDG&E's data shows that the expenses in 2009 and 2010 were higher than in years 2011-2014. Beginning in 2011, SDG&E has managed its claims expenses more effectively in contrast to 2009 and 2010. ORA expects SDG&E to continue this effective management of these expenses, and therefore recommends a test year forecast of \$2.884 million, based on a four-year average of the expenses from 2011-2014. SDG&E's forecast of \$4.323 million is based on a five-year (2009-2013) average of expenses.

Exhibit ORA-19, p 10

**Note:** \* SDG&E's request for TY 2016 has been adjusted by (\$469K) to \$3.854 million in rebuttal testimony.

Correction based on adjustments to prior year recorded claims payments/recoveries expense discovered after filing of this GRC application. The corrected information is reflected in SDG&E response to data request FEA-02-22.

Exhibit SDG&E-225, p. KJD-2

**Settlement:** Please refer to Exhibit A, page A-8, section "Non-Shared Expenses (Reg. Affairs, Legal, Finance, etc)" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

### Proposed TY2016 Forecast (in thousands of 2013 dollars)

<u>Expense Type</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
Labor	0	0	0	0
NonLabor	4,323	2,884	-1,439	3,600
Nonstandard	0	0	0	0
<b>TOTAL</b>	<b>4,323</b>	<b>2,884</b>	<b>-1,439</b>	<b>3,600</b>

# Chapter 2 - ORA vs. SDG&E

## Part B - Capital-Related Costs

### 1. SDG&E-29-R (Exh 247) - TAXES

Issue #	Subject	Reference
1. SDG&E29.000	Payroll Tax Rates and Expense	2B1-a1
2. SDG&E29.002	Deferred Taxes	2B1-a2

## CHAPTER 2B1-a1

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-29-R  
**Area:** TAXES  
**Witness:** Reeves, Ragan G.  
**Subject:** Payroll Tax Rates and Expense

**Issue Description:** Payroll Tax Rates and Expense

**SDG&E Position:** SDG&E uses composite payroll tax rate of 6.89% for TY 2016.

The SDG&E payroll tax forecasts are based on a composite rate using the most current available tax rates.

A companywide composite tax rate was computed based on total forecasted payroll taxes divided by total forecasted wages. The composite payroll tax rate for each year was applied to labor dollars applicable to this filing to determine the employer's payroll tax expense.

Exhibit SDG&E-29\_R, pp RGR-1 and RGR-2

The SDG&E position has been updated. Please refer to the Update Testimony of SDG&E and SoCalGas filed on August 17, 2015.

**ORA Position:** ORA recommends payroll tax rate of 6.81% for TY 2016.

ORA notes that Sempra's calculation of the composite payroll tax applied the payroll tax wage base estimate limits according to the 2014 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance ("OASDI") and Federal Disability Insurance Trust Funds. ORA recommends that SDG&E use the established 2015 payroll tax rates to estimate tax expense. ORA accepts the OASDI tax rate of 6.2% on wages up to a maximum wage base of \$118,500. One of the differences between ORA's and Sempra's forecasts is due to applying the different taxable wage base estimates. (continued in Note)

**Note:** ORA position continued: The other differences between ORA's forecast of taxable wage base estimates and Sempra's is due to Sempra's increase in payroll taxes for TY 2016 to reflect changes in labor cost escalation and staffing level requests discussed by other witnesses.

Exhibit ORA-21, pages 2, 6 and 7  
Exhibit ORA-1-A

**Settlement:** Please refer to Appendix "SOE Tables".

## CHAPTER 2B1-a2

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-29-R  
**Area:** TAXES  
**Witness:** Reeves, Ragan G.  
**Subject:** Deferred Taxes

**Issue Description:** Bonus Depreciation

**SDG&E Position:** SDG&E notes that the Rate Case Plan already includes a mechanism for SDG&E to update its testimony to reflect changes in the relevant tax laws . SDG&E will follow the procedures and deadlines set forth in the Rate Case Plan and Scoping Memo for updating its forecasts to reflect tax law changes, including tax-extender legislation, extension of bonus depreciation, or other tax-related law changes that occur prior to the closing of the record in this GRC.

Exhibit SDG&E-229, pages RGR-2 to 3

**ORA Position:** ORA observes in the event the temporary extension of Bonus Depreciation, the temporary 100 percent expensing for certain business assets under ATRA and/or TIPPA, and any changes or modifications to the tax provisions of the tax law code must be appropriately adjusted to the forecast prior to a final Commission decision.

ORA-21, page 10

**Settlement:** The settlement does not address the merits of the parties' arguments or prejudice any party's ability to raise this issue again in an upcoming GRC.

# Chapter 2 - ORA vs. SDG&E

## Part B - Capital-Related Costs

### 2. SDG&E-30-R (Exh 234) - WORKING CASH

Issue #	Subject	Reference
1. SDG&E30.000	SDG&E Working Cash	2B2-a1

## CHAPTER 2B2-a1

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-30-R  
**Area:** WORKING CASH  
**Witness:** Lewis, Jack S.  
**Subject:** SDG&E Working Cash

**Issue Description:** SDG&E Working Cash

**SDG&E Position:** SDG&E requests \$136.056 million.

The methodology used by SDG&E to prepare its GRC request for working cash is in compliance with CPUC Standard Practice U-16, based on 2013 as-recorded costs and TY 2016 forecasts.

Exhibit SDG&E-30-R, JSL-19

**ORA Position:** ORA recommends a Working Cash Requirement for SDG&E of \$92.659 million. The variance is a result of excluding cash balances from the Working Cash requirement calculation, and differences in the forecast revenue lag days, FIT Lag Days, and CCFT Lag Days. ORA disagrees with the inclusion of \$4.8 million of SDG&E's Operational Cash Requirement component of the Working Cash Study/Requirement.

ORA does not agree with the methodology SDG&E used to calculate its Lead/Lag Working Cash requirement. ORA recommends using a 5-year average (2009-2013) for Lead/Lag Days. This would lead to a \$38.6 million reduction in the Lead/Lag working cash calculation relating to ORA's differences on forecasted revenue lag days, FIT Lag Days and CCFT Lag Days.

**Settlement:** Please refer to Exhibit A, page A-9, section "Working Cash Issues" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

### Proposed TY2016 Forecast

<u>Year</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
2016	136,056	92,659	-43,397	98,626
<b>TOTAL</b>	<b>136,056</b>	<b>92,659</b>	<b>-43,397</b>	<b>98,626</b>

# Chapter 2 - ORA vs. SDG&E

## Part B - Capital-Related Costs

### 3. SDG&E-31 (Exh 256) - ELECTRIC CUSTOMERS AND SALES

Issue #	Subject	Reference
1. SDG&E31.000	Electric Customers	2B3-a1

**CHAPTER 2B3-a1**

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-31  
**Area:** ELECTRIC CUSTOMERS AND SALES  
**Witness:** Schiermeyer, Kenneth E.  
**Subject:** Electric Customers

**Issue Description:** Electric Customers Forecast

**SDG&E Position:** Year-average total active customers are forecasted to increase from 1,405,218 in 2013 to 1,445,387 in 2016.

SDG&E develops electric customer forecasts using statistical models based on demographic data, economic data, seasonal patterns and other inputs that influence customer growth. Total customers are defined as total active meters. Economic and demographic data were based on February 2014 information released from IHS Global Insight's Regional Economic Service.

Exhibit SDG&E-31, P. KES-1

**ORA Position:** ORA proposes 1,445,892 electric customers for TY 2016, 505 more customers than SDG&E's forecast.

ORA developed econometric models to forecast customers to the residential, small commercial, and industrial classes of service. The models relate historic customers to housing starts and employment in SDG&E's service areas along with seasonal factors and other variables.

Exhibit ORA-3, p. 14

**Note:** See attachment for comparison table - Exhibit ORA-3, page 7, Table 3-3.

**Settlement:** The settlement does not address the merits of the parties' arguments or prejudice any party's ability to raise this issue again in an upcoming GRC.

**Proposed TY2016 Forecast**

<u>Year</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
2016	1,445,387	1,445,892	505	0
<b>TOTAL</b>	<b>1,445,387</b>	<b>1,445,892</b>	<b>505</b>	<b>0</b>

CHAPTER 2B3-a1

1 Table 3-3 compares ORA's and SDG&E's forecasts of electric customers for  
2 2014-2016.

3 **Table 3-3**  
4 **Comparison of ORA's and SDG&E's Forecasts of Electric**  
5 **Customers and Sales for 2014-2016**

Description	ORA Recommended			SDG&E Proposed <sup>6</sup>		
	2014	2015	2016	2014	2015	2016
Residential	1,258,233	1,271,680	1,288,009	1,257,698	1,270,654	1,286,981
Small Commercial	123,142	123,717	124,278	123,111	123,754	124,362
Med/Lg Comm/Ind	24,086	24,262	24,436	24,262	24,576	24,875
Agriculture	3,379	3,379	3,379	3,379	3,379	3,379
Lighting	5,896	5,841	5,790	5,896	5,841	5,790
<b>Total Customers</b>	<b>1,414,736</b>	<b>1,428,879</b>	<b>1,445,892</b>	<b>1,414,346</b>	<b>1,428,204</b>	<b>1,445,387</b>

6 Table 3-4 compares ORA's and SDG&E's 2014-2016 forecasts of cost  
7 escalation on a yearly percentage basis.

8 **Table 3-4**  
9 **Comparison of ORA's and SDG&E's Forecasts of**  
10 **2014-2016 Labor and Non-Labor Annual Escalation Rates**

Description	ORA Recommended			SDG&E Proposed <sup>7</sup>		
	2014	2015	2016	2014	2015	2016
Labor	1.95 %	2.32 %	2.80 %	2.14 %	2.35 %	2.65 %
Non-Labor						
Electric Non-Labor	0.96 %	0.27 %	1.77 %	1.71 %	2.15 %	2.25 %
Gas Non-Labor	1.60 %	-0.95 %	1.52 %	1.69 %	2.11 %	2.23 %
Shared Services	1.47 %	0.81 %	2.16 %	2.05 %	2.23 %	2.47 %

11  
12

<sup>6</sup> Ex. SDG&E-31, p. KES-1.

<sup>7</sup> Ex. SDG&E-33-WP, p. 1.

# Chapter 2 - ORA vs. SDG&E

## Part B - Capital-Related Costs

### 4. SDG&E-32 (Exh 362) - CUSTOMERS

Issue #	Subject	Reference
1. SDG&E32.000	Customers	2B4-a1

**CHAPTER 2B4-a1**

San Diego Gas & Electric Company  
 2016 Test Year GRC A-14-11-003  
 ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-32  
**Area:** CUSTOMERS  
**Witness:** Payan, Rosemarie  
**Subject:** Customers

**Issue Description:** Gas Customers

**SDG&E Position:** Year-average total gas customers are forecasted to increase from 861,573 in 2013 to 891,506 in 2016. This represents a total three-year increase of 29,933 customers and a compound annual growth rate of 1.1 percent. The total gas customer count includes quarterly-data forecasts for two major customer classes: residential meters and total commercial and industrial (C&I) meters. SDG&E uses economic and statistical techniques to develop quarterly-data forecasts of residential, commercial and industrial customers.

Exhibit SDG&E-32, pages RMP-1 to 2

**ORA Position:** ORA proposes 887,582 customers in 2016, 3,924 customers less than SDG&E's forecast.

ORA developed econometric models to forecast customers to the residential, small commercial, and industrial classes of service. The models relate historic customers to housing starts and employment in SDG&E's service areas along with seasonal factors and other variables.

Exhibit ORA-3, pp. 16 to 17

**Note:** See attachment for comparison table - Exhibit ORA-3, page 6.

**Settlement:** The settlement does not address the merits of the parties' arguments or prejudice any party's ability to raise this issue again in an upcoming GRC.

**Proposed TY2016 Forecast**

<u>Year</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
2016	891,506	887,582	-3,924	0
<b>TOTAL</b>	<b>891,506</b>	<b>887,582</b>	<b>-3,924</b>	<b>0</b>

CHAPTER 2B4-a1

1 Table 3-1 compares ORA's and SDG&E's forecasts of gas customers<sup>3</sup> for  
 2 2014-2016:

3 **Table 3-1**  
 4 **Comparison of ORA's and SDG&E's Forecasts of Gas**  
 5 **Customers for 2014-2016**

Description	ORA Recommended			SDG&E Proposed <sup>4</sup>		
	2014	2015	2016	2014	2015	2016
Residential	836,758	846,823	857,029	838,671	848,964	861,283
Commercial & Industrial	30,176	30,294	30,451	30,085	30,067	30,121
NGV	25	25	25	25	25	25
Electric Generation	70	74	77	70	74	77
<b>Total Customers</b>	<b>867,029</b>	<b>877,216</b>	<b>887,582</b>	<b>868,851</b>	<b>879,130</b>	<b>891,506</b>

6 Table 3-2 compares ORA's and SoCalGas' forecasts of gas customers for  
 7 2014-2016:

8 **Table 3-2**  
 9 **Comparison of ORA's and SoCalGas' Forecasts of**  
 10 **Customers for 2014-2016**

Description	ORA Recommended			SoCalGas Proposed <sup>5</sup>		
	2014	2015	2016	2014	2015	2016
Residential Single-Family	3,624,369	3,643,378	3,669,092	3,626,418	3,645,823	3,667,359
Residential Multi-Family	1,748,672	1,761,402	1,776,868	1,752,150	1,771,533	1,796,593
Residential Master Meter	40,661	40,454	40,248	40,661	40,454	40,248
Commercial	187,754	187,623	188,056	188,058	188,470	188,979
Industrial	19,062	19,334	19,525	19,018	19,159	19,238
<b>Total Customers</b>	<b>5,620,518</b>	<b>5,652,191</b>	<b>5,693,789</b>	<b>5,626,305</b>	<b>5,665,439</b>	<b>5,712,414</b>

11

12

<sup>3</sup> SoCalGas defines customers as Active Meters.

<sup>4</sup> Ex. SDG&E-32, p. RMP-3.

<sup>5</sup> Corrected SCG-30-WP, April 10, 2015.

# Chapter 2 - ORA vs. SDG&E

## Part B - Capital-Related Costs

### 5. SDG&E-33 (Exh 305) - ESCALATION

Issue #	Subject	Reference
1. SDG&E33.000	Escalation	2B5-a1

## CHAPTER 2B5-a1

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-33  
**Area:** ESCALATION  
**Witness:** Wilder, Scott R.  
**Subject:** Escalation

**Issue Description:** Escalation - Rates

**SDG&E Position:** Per the Commission's Rate Case Plan, D.07-07-004, the escalation factors will be updated after hearings and before implementation, based on the same indexes used in original presentation during hearings. Cost escalators were used to inflation-adjust costs from 2013 nominal dollars into TY 2016 nominal dollars, using escalation series from Global Insight 's Utility Cost Information Service ("UCIS). The SDG&E forecast incorporates escalators from IHS Global Insight's 4th Quarter 2013 Power Planner forecast released in February 2014.

Exhibit SDG&E-33, pages SRW-1 to 4

The SDG&E position has been updated. Please refer to the Update Testimony of SDG&E and SoCalGas filed on August 17, 2015.

**ORA Position:** ORA adopts SDG&E's labor, non-labor, and shared services escalation methodology. ORA uses a more recent Global Insight Power Planner forecast, specifically 4th quarter 2014.

Exhibit ORA-3, pages 30-31  
Exhibit ORA-3-E-R

**Settlement:** Parties stipulate to adopting ORA's escalation forecasts from R/O Model. Please refer to Exhibit A, page A-9, section "Escalation" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

# Chapter 2 - ORA vs. SDG&E

## Part B - Capital-Related Costs

### 6. SDG&E-34-R-A (Exh 231) - MISCELLANEOUS REVENUES

Issue #	Subject	Reference
1. SDG&E34.000	Miscellaneous Revenues	2B6-a1
2. SDG&E34.001	Miscellaneous Revenues	2B6-a2

**CHAPTER 2B6-a1**

San Diego Gas & Electric Company  
 2016 Test Year GRC A-14-11-003  
 ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-34-R-A  
**Area:** MISCELLANEOUS REVENUES  
**Witness:** Somerville, Michelle A.  
**Subject:** Miscellaneous Revenues

**Issue Description:** Electric Service Establishment Revenues

**SDG&E Position:** SDG&E proposed \$2.730 million for TY 2016. SDG&E proposes to update the fee structure to \$5 for non-fielded orders and \$25 for fielded orders. The proposed updated fee structure is a better representation of the costs SDG&E incurs related to this service and takes into account the impact of SDG&E’s Smart Meter remote disconnection capabilities. The most recent recorded year (2013) reflects the reduction in revenues due to the impact of SDG&E’s Smart Meter fee reduction and remote disconnection capabilities. To include the full Smart Meter benefits and to better align these charges with the cost of service, the forecast for 2016 is based on the calculation of the most recent recorded year (2013) adjusted by the estimated annual customer growth factors for the period 2014-2016 (0.84%, 1.18%, and 1.41% respectively) and the updated fee structure.

Exhibit SDG&E-34-R, pp 3-4

**ORA Position:** ORA recommends \$3.560 million for TY 2016.

ORA’s methodology is based on SDG&E’s electric customer counts for the years 2009 to 2016, as well as the historical electric Service Establishment Charge revenues. (The years 2009 to 2013 are the historical years; the remaining years are estimated.) Briefly, to get ORA’s estimated electric Service Establishment Charge revenues for the estimated years, each estimated year’s electric customer count estimate is multiplied by a scaling factor representing the average electric Service Establishment revenue per customer. The scaling factor is computed as the quotient of the historical average of electric Service Establishment Charge revenues divided by the historical average of electric customer counts.

Exhibit ORA-4, pp 4-5

**Settlement:** Please refer to Appendix "SOE Tables".

**Proposed TY2016 Forecast**

<u>Year</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
2016	2,730	3,560	830	3,560
<b>TOTAL</b>	<b>2,730</b>	<b>3,560</b>	<b>830</b>	<b>3,560</b>

## CHAPTER 2B6-a2

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-34-R-A  
**Area:** MISCELLANEOUS REVENUES  
**Witness:** Somerville, Michelle A.  
**Subject:** Miscellaneous Revenues

**Issue Description:** Gas Service Establishment Revenues

**SDG&E Position:** SDG&E proposed \$1.553 million as its test year Gas Service Establishment Charge revenues. SDG&E proposes to update the fee structure to \$5 for non-fielded orders and \$25 for fielded orders. The updated fee structure is a better representation of the costs SDG&E incurs related to this service and takes into account the impact of SDG&E's Smart Meter remote disconnection capabilities. The most recent recorded year (2013) reflects the reduction in revenues due to the impact of SDG&E's Smart Meter fee reduction and remote disconnection capabilities. To include the full Smart Meter benefits, the forecast for 2016 is based on the calculation of the most recent recorded year (2013) adjusted the estimated annual customer growth factors for the period 2014-2016 (0.65%, 0.98%, and 1.20% respectively) and the updated fee structure.

Exhibit SDG&E-34, p. 12

**ORA Position:** ORA recommends \$1.833 million for TY 2016.

ORA's methodology is based on SDG&E's gas customer counts for the years 2009 to 2016, as well as the historical gas Service Establishment Charge revenues. (The years 2009 to 2013 are the historical years; the remaining years are estimated.) Briefly, to get ORA's estimated gas Service Establishment Charge revenues for the estimated years, each estimated year's gas customer count estimate is multiplied by a scaling factor representing the average gas Service Establishment revenue per customer. The scaling factor is computed as the quotient of the historical average of gas Service Establishment Charge revenues divided by the historical average of gas customer counts.

Exhibit ORA-4, pp 7-8

**Settlement:** Please refer to Appendix "SOE Tables".

### Proposed TY2016 Forecast

<u>Year</u>	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Difference</u>	<u>Settlement</u>
2016	1,553	1,833	280	1,833
<b>TOTAL</b>	<b>1,553</b>	<b>1,833</b>	<b>280</b>	<b>1,833</b>

# Chapter 2 - ORA vs. SDG&E

## Part C - Other

### 1. SDG&E-14 (Exh 101) - CS - OPERATIONS, INFORMATION & TECHNOLOGIES

Issue #	Subject	Reference
1. SDG&E14A.003	Branch Office Closure	2C1-a1

## CHAPTER 2C1-a1

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-14  
**Area:** CS - OPERATIONS, INFORMATION & TECHNOLOGIES  
**Witness:** Baugh, Bradley M.  
**Subject:** Branch Office Closure

**Issue Description:** Branch Office Closure

**SDG&E Position:** SDG&E is requesting approval to close three of its Branch Offices that are the lowest volume Branch Offices, have a long-term trend of declining payment transactions, and have the highest cost per transaction.  
Exhibit SDG&E-14, p. BMB-38

**ORA Position:** ORA opposes SDG&E's proposal to close the National City and Downtown Branch Offices and convert the Oceanside Branch Office to an Authorized Payment Location (APL). ORA recommends SDG&E conduct customer surveys and research to obtain feedback directly from the customers who use those Branch Offices and report to the CPUC whether customers will be inconvenienced, have the resources to use self-services, or if they have money for bus fare to go to another Branch Office located three to six miles away. Doing this will assist SDG&E in determining, among other things, why a large percentage of its customers pay their bills with cash, and why customers prefer to utilize the Branch Offices. ORA is also concerned that the Branch Office closures may lead to an increased risk in customer disconnections.  
Exhibit ORA-13, p. 23 and p. 26

**Note:** Declines in payment transactions are not limited to the three Branch Offices SDG&E proposes to close and APLs have also experienced declines in payment transactions. This decline is due in part to the increase in self-service options by customers.  
  
Exhibit ORA-13, pp. 22-23  
Exhibit SDG&E-14, pp. BMB-38 and BMB-41

**Settlement:** The settlement does not address the merits of the parties' arguments or prejudice any party's ability to raise this issue again in an upcoming GRC.

# Chapter 2 - ORA vs. SDG&E

## Part C - Other

### 2. SDG&E-19-R (Exh 153) - INFORMATION TECHNOLOGY

Issue #	Subject	Reference
1. SDG&E19A.001	O&M and Capital in Next GRC	2C2-a1

## CHAPTER 2C2-a1

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-19-R  
**Area:** INFORMATION TECHNOLOGY  
**Witness:** Mikovits, Stephen J.  
**Subject:** O&M and Capital in Next GRC

**Issue Description:** Tracking of IT O&M and Capital in Next GRC

**SDG&E Position:** The Risk Decision, D.14-12-025, adopts a Risk Spending Accountability Report, which will have the effect of tracking risk-related spending, including spending on cybersecurity and risk management, in some fashion. SDG&E believes any discussions concerning the tracking of cybersecurity and risk management costs are better suited to occur during the SMAP and RAMP proceedings, instead of the GRC.

SDG&E Rebuttal Exh. SDG&E-219, page SJM-16 lines 3-5 and 8-9.

**ORA Position:** ORA recommends as part of SDG&E's next GRC filing to track O&M expenses and capital expenditures for Cybersecurity and Risk Management in the four areas presented in this TY 2016 GRC, Governance and Compliance, Awareness and Outreach, Security Engineering and Security Operations. In doing so, parties in SDG&E's next GRC will have better understanding and clarity on how funds are spent.

Exhibit ORA-15, p 18, line 22 to p 19, line 2.

**Settlement:** The settlement does not address the merits of the parties' arguments or prejudice any party's ability to raise this issue again in an upcoming GRC.

# Chapter 2 - ORA vs. SDG&E

## Part C - Other

### 3. SDG&E-22 (Exh 193) - COMPENSATION, HEALTH, & WELFARE

Issue #	Subject	Reference
1. SDG&E22A.004	Total Compensation Study	2C3-a1

## CHAPTER 2C3-a1

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-22  
**Area:** COMPENSATION, HEALTH, & WELFARE  
**Witness:** Robinson, Debbie S.  
**Subject:** Total Compensation Study

**Issue Description:** Total Compensation Study

**SDG&E Position:** A total compensation study was conducted as part of SDG&E's 2016 General Rate Case ("GRC") submission in compliance with Commission decisions D.87-12-066, D.89-12-057, and D.96-01-011. The study was conducted to evaluate SDG&E's total compensation relative to the external labor market.

SDG&E-22, page DSR-3

**ORA Position:** Some states provide ratepayer funding for compensation at the median average, or the 50th percentile, meaning that half of the comparator companies pay more and half pay less. ORA recommends that Sempra ratepayers should fund no more than the median average.

Exhibit ORA-17, page 7

**Settlement:** The settlement does not address the merits of the parties' arguments or prejudice any party's ability to raise this issue again in an upcoming GRC.

# Chapter 2 - ORA vs. SDG&E

## Part C - Other

### 4. SDG&E-37-R (Exh 95) - POST-TEST YEAR RATEMAKING

Issue #	Subject	Reference
1. SDG&E37.000	PTY - GRC Term	2C4-a1
2. SDG&E37.001	PTY - Alternate GRC Term	2C4-a2
3. SDG&E37.002	PTY - Medical Escalation	2C4-a3
4. SDG&E37.003	PTY - Z-Factor	2C4-a4
5. SDG&E37.004	PTY - Bonus Depreciation	2C4-a5

## CHAPTER 2C4-a1

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-37-R  
**Area:** POST-TEST YEAR RATEMAKING  
**Witness:** Hrna, Sandra K.  
**Subject:** PTY - GRC Term

**Issue Description:** Post Test Year Ratemaking - GRC Term

**SDG&E Position:** SDG&E is proposing a three-year GRC term.

SDG&E seeks Commission authorization for an attrition mechanism which would yield estimated revenue increases totaling \$96.6 million (5.07%) in 2017 and \$96.3 million (4.81%) in 2018.

Exhibit SDG&E-37-R, p. SKH-1, lines 19-20

**ORA Position:** ORA does not oppose a Post-Test Year Ratemaking (PTYR) mechanism which will provide SDG&E and SCG with some reasonable level of revenue increases in 2017 and 2018. In addition, ORA proposes a third attrition year in 2019, or a 4-year (2016-2019) rate case cycle for the two utilities.

ORA recommends post-test year revenue increases of 3.5% per year in 2017, 2018 and 2019. Based on ORA's forecast of SDG&E's 2016 revenue requirement, ORA's recommended PTYR methodology yields estimated revenue increases of \$60.6 million in 2017, \$62.8 million in 2018, and \$65 million in 2019.

Exhibit ORA-23, pp 2 and 16

**Settlement:** Parties agree to the ORA proposal of 3.5% increase in 2017 and 3.5% increase in 2018. Please refer to Exhibit A, page A-9, section "Post Test Year Ratemaking" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

Regarding ORA's proposal for a third attrition year in 2019: The settlement does not address the merits of the parties' arguments or prejudice any party's ability to raise this issue again in an upcoming GRC.

## CHAPTER 2C4-a2

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-37-R  
**Area:** POST-TEST YEAR RATEMAKING  
**Witness:** Hrna, Sandra K.  
**Subject:** PTY - Alternate GRC Term

**Issue Description:** Post Test Year Ratemaking - Alternate GRC Term

**SDG&E Position:** SDG&E is proposing a three-year GRC term. SDG&E seeks Commission authorization for an attrition mechanism which would yield estimated revenue increases totaling \$96.6 million (5.07%) in 2017 and \$96.3 million (4.81%) in 2018. Exhibit SDG&E-37-R, p. SKH-1, lines 19-20

**ORA Position:** If the Commission does not adopt ORA's recommended PTYR mechanism, and prefers a mechanism similar to SDG&E's and SoCalGas' proposals, then ORA recommends the following alternative: In determining post-test year increases for operational expenses: 1. ORA does not oppose the O&M margin escalation rates proposed by SDG&E (2.58% for 2017 and 2.46% for 2018) and SoCalGas (2.52% for 2017 and 2.42% for 2018); 2. If the Commission adopts a 4-year GRC cycle, the 2018 O&M margin escalation rates should be adopted for 2019; 3. SDG&E and SoCalGas be allowed to update their O&M margin escalation rates for the post-test years, but limits should be placed on how much the rates can be adjusted; and 4. Medical expense escalation rates should be set at 5.0% in 2017, 4.3% in 2018, and 3.6% in 2019, as opposed to SDG&E's and SoCalGas' proposed escalation rate of 7.8% for 2017 and 2018. (continued in Notes)

**Note:** In determining the capital attrition allowance, ORA does not oppose using an escalated 7-year average of capital additions, but recommends that 2014 recorded capital additions, as well as the adopted 2015 and 2016 capital additions forecasts, be used instead of SDG&E's and SoCalGas' 2014-2016 forecasts.

Exhibit ORA-23, p. 4

**Settlement:** Parties agree to the ORA proposal of 3.5% increase in 2017 and 3.5% increase in 2018. Please refer to Exhibit A, page A-9, section "Post Test Year Ratemaking" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

Regarding ORA's proposal for a third attrition year in 2019: The settlement does not address the merits of the parties' arguments or prejudice any party's ability to raise this issue again in an upcoming GRC.

### CHAPTER 2C4-a3

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-37-R  
**Area:** POST-TEST YEAR RATEMAKING  
**Witness:** Hrna, Sandra K.  
**Subject:** PTY - Medical Escalation

**Issue Description:** Post Test Year Ratemaking - Medical Escalation

**SDG&E Position:** Because SDG&E's medical costs are expected to continue increasing faster than general utility cost inflation, as medical costs are escalated separated based on Towers Watson's actuarial forecast, as described in the direct testimony of SDG&E witness Ms. Debbie Robinson [Exhibit SDG&E-22]. The proposed PTY medical cost escalation is based on the Towers Watson forecast is 7.8% for 2017 and 2018.

Exhibit SDG&E-37-R, p. SKH-5

**ORA Position:** ORA recommends a lower-cost alternative to Sempra Utility's proposal, where medical costs are escalated by 5.0% in 2017, 4.3% in 2018, and 3.6% in 2019, based upon a recent IHS forecast of group health insurance escalation rates.

Exhibit ORA-23, p 20

**Settlement:** Please refer to Exhibit A, page A-9, section "Post Test Year Ratemaking" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

## CHAPTER 2C4-a4

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-37-R  
**Area:** POST-TEST YEAR RATEMAKING  
**Witness:** Hrna, Sandra K.  
**Subject:** PTY - Z-Factor

**Issue Description:** Post Test Year Ratemaking - Z-Factor

**SDG&E Position:** SDG&E proposes to keep in place the current Z-factor process. It proposes no change to the current identification of Z-factor. It will continue to use the eight criteria to identify exogenous cost changes that qualify for Z-factor treatment. SDG&E believes the current Z factor mechanism is effective for the test year and post-test years.

Exhibit SDG&E-37-R, p SKH-7

**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 the test year. This is consistent with ORA's recommendation in the PG&E 2014 GRC, which was adopted by the Commission.

ORA recommends that Z-factor adjustments should apply when there are cost decreases as well as potential increases.

ORA-23, pp 17-18

**Settlement:** The settlement does not address the merits of the parties' arguments or prejudice any party's ability to raise this issue again in an upcoming GRC.

## CHAPTER 2C4-a5

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-37-R  
**Area:** POST-TEST YEAR RATEMAKING  
**Witness:** Hrna, Sandra K.  
**Subject:** PTY - Bonus Depreciation

**Issue Description:** Post Test Year - Bonus Depreciation

**SDG&E Position:** SDG&E has modeled the impacts of bonus depreciation only for 2014.

**ORA Position:** If provisions for bonus depreciation are extended into any years beyond 2014, through the end of this rate case cycle, the Sempra Utilities should be required to make the appropriate revenue requirement adjustments to reflect the impacts from bonus depreciatoin so that the benefits are flowed through to ratepayers and the full benefits should be included in SDG&E's post-test year advice letters.

ORA-23, p 18

**Settlement:** The settlement does not address the merits of the parties' arguments or prejudice any party's ability to raise this issue again in an upcoming GRC.

# Chapter 2 - ORA vs. SDG&E

## Part C - Other

### 5. SDG&E-38-R (Exh 183) - COMPLIANCE

Issue #	Subject	Reference
1. SDG&E38.000	Privileged Audits	2C5-a1

## CHAPTER 2C5-a1

San Diego Gas & Electric Company  
2016 Test Year GRC A-14-11-003  
ORA Differences to SDG&E Requests

**Exhibit No.:** SDG&E-38-R  
**Area:** COMPLIANCE  
**Witness:** Shimansky, Gregory D.  
**Subject:** Privileged Audits

**Issue Description:** Privileged Audits

**SDG&E Position:** Certain audit reports are marked confidential and privileged, since they are protected from disclosure by the attorney client privilege and/or attorney work product doctrine. The Commission has long recognized the validity of these privileges and there should be not automatic penalty to a regulated entity for exercising its legal rights. In addition, SoCalGas takes issue with ORA's calculation of the reduction because performing these audits did not amount to an incremental expense, as one would conclude by removing the implied and calculated costs of these audits.

Exhibit SDG&E-243, pages GDS-3 to 4

**ORA Position:** ORA recommends removal of \$526,000 in total from years 2011, 2013 and 2014 - \$159,000 in 2011, \$165,000 in 2013, and \$202,000 in 2014.

ORA reviewed the Internal Audit the Sempra Utilities conducted from 2009 through 2014. Of the 62 Internal Audit reports ORA selected for review, the Applicants designated 12 reports as "Privileged". Since ORA was not permitted to review those Internal Audit reports, ORA could not determine whether the costs of those audits are justifiably assigned to ratepayers. For this reason, ORA recommends a \$756,000 disallowance, to be adjusted in the RO Model for TY 2019.

Exhibit ORA-24, pp 3-4

**Settlement:** Please refer to Exhibit A, page A-9, section "Corporate Center Expenses (ORA-16)" of the Settlement Agreement Terms between San Diego Gas & Electric Company and Office of Ratepayer Advocates.

Settlement Terms Index to Comparison Exhibit: SDG&E

(\$ millions)

<u>Settlement Agreement Terms between SDG&amp;E and ORA</u>		<u>SDG&amp;E Comparison Exhibit</u>				
		<u>SDG&amp;E</u>	<u>ORA</u>	<u>Workpaper</u>	<u>Page</u>	
<b>SDG&amp;E Expenses</b>						
<b><u>Gas Distribution, Transmission, Engineering and Pipeline Integrity Expenses</u></b>						
<b><u>Non-Shared O&amp;M Expenses</u></b>						
<b>1. Gas Distribution Expenses</b>						
Parties stipulate to a forecast for Gas Distribution expenses of \$ 20.972 million for 2016.		20.972				
<ul style="list-style-type: none"> <li>• Parties stipulate to the ORA forecast for Tools, Fittings and Material of \$0.422 million;</li> <li>• Parties stipulate to the ORA forecast for Electric Support of \$0.724 million;</li> <li>• Parties stipulate to the ORA forecast for Op. Management &amp; Training of \$ 3.082 million.</li> <li>• Parties stipulate to the SDG&amp;E forecast for Service Maintenance of \$ 1.244 million;</li> <li>• Parties stipulate to the SDG&amp;E forecast for Measurement and Regulation of \$ 3.464 million;</li> <li>• Parties stipulate to the SDG&amp;E forecast for Asset Management of \$ 1.849 million.</li> <li>• Parties stipulate to a forecast for Supervision and Training of \$ 2.500 million.</li> </ul>		0.422 0.724 3.082 1.244 3.464 1.849 2.500 <hr/> 13.285	0.467 0.737 3.404 1.244 3.464 1.849 2.841 <hr/> 14.006	0.422 0.724 3.082 1.183 3.125 1.612 2.193 <hr/> 12.341	1GD000.005 1GD000.006 1GD004.000 1GD000.004 1GD002.000 1GD001.000 1GD000.007 <hr/> See Appendix B	23 24 28 22 27 26 25 <hr/> 21.693 20.028
<ul style="list-style-type: none"> <li>• Parties agree and did not have any differences in forecasts for Other Services, Leak Survey, Locate and Mark, Main Maintenance, and Cathodic Protection.</li> </ul>			7.687	7.687	See Appendix B	
<b>2. Gas Transmission Expenses</b>						
Parties stipulate to the SDG&E forecast for Gas Transmission expenses of \$ 4.663 million for 2016.		4.663				
			1.243	1.058	1GT000.000	45
			3.314	3.008	1GT001.000	46
			0.106	0.106	See Appendix B	
			4.663	4.172		
<b>3. Gas Engineering</b>						
Parties stipulate to a compromise forecast for Gas Engineering expenses of \$ 0.400 million for 2016.		0.400				
			0.257	0.053	1EN000.000	48
			0.461	0.217	1EN003.000	49
			0.718	0.270		
<b>4. Pipeline Integrity (TIMP and DIMP)</b>						
<ul style="list-style-type: none"> <li>• Parties stipulate to the SDG&amp;E forecast for Pipeline Integrity (TIMP and DIMP) expenses of \$ 11.484 million for 2016.</li> </ul>		11.484				
			5.451	4.490	1TD000.000	66
			6.033	4.808	1TD000.001	67
			11.484	9.298		
<b><u>Shared O&amp;M Expenses</u></b>						
Parties stipulate to the ORA forecast of \$ 0.035 million for shared Gas Engineering expenses.		0.035	0.092	0.035	1EN00A-USS.ALL	51

Settlement Terms Index to Comparison Exhibit: SDG&E  
(\$ millions)

<u>Settlement Agreement Terms between SDG&amp;E and ORA</u>	<u>SDG&amp;E Comparison Exhibit</u>			
	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Workpaper</u>	<u>Page</u>
	<u>Forecast</u>	<u>Forecast</u>		
<b><u>Gas Distribution, Transmission, Engineering and Pipeline Integrity Capital Expenditures</u></b>				
Parties stipulate to the ORA forecast for capital expenditures of \$ 50.155 million for 2014.	50.155	7.042	6.228	00500.0.ALL 30
		1.450	2.089	00501.0.ALL 31
		7.175	7.552	00502.0.ALL 33
		2.304	1.243	00503.0.ALL 34
		0.028	0.072	00504.0.ALL 35
		3.970	4.264	00505.0.ALL 36
		1.865	2.015	00506.0.ALL 37
		0.320	0.493	00507.0.ALL 38
		1.726	3.476	00508.0.ALL 39
		0.586	1.092	00509.0.ALL 40
		1.256	0.271	00510.0.ALL 41
		4.343	3.726	00902.0.ALL 42
		0.313	0.300	12551.0.ALL 43
		0.210	0.010	00411.0.ALL 53
		1.213	2.985	00412.0.ALL 55
		0.298	0	00413.0.ALL 56
		0.176	0	00414.0.ALL 57
		3.127	2.853	00415.0.ALL 58
		0.241	0.111	00416.0.ALL 59
		0.500	0.063	00417.0.ALL 60
		1.184	1.117	00418.0.ALL 61
		0.130	0.077	00436.0.ALL 63
		0.133	0.149	00903.0.ALL 64
		5.180	7.869	03468.0.ALL 69
		2.777	2.100	09546.0.ALL 70
		47.547	50.155	
Parties have no dispute and agree to the capital expenditure forecast of \$50.735 million for 2015.	50.735			See Appendix B
Parties have no dispute and agree to the capital expenditure forecast of \$72.188 million for 2016.	72.188			See Appendix B

Settlement Terms Index to Comparison Exhibit: SDG&E

(\$ millions)

	<u>Settlement Agreement Terms between SDG&amp;E and ORA</u>		<u>SDG&amp;E Comparison Exhibit</u>			
			SDG&E	ORA	Workpaper	Page
			<u>Forecast</u>	<u>Forecast</u>		
<b><u>Electric Distribution O&amp;M Expenses</u></b>						
<b><u>Non-Shared Electric Distribution O&amp;M Expenses</u></b>						
Parties stipulate to a forecast for Electric Distribution O&M expenses of \$ 129.783 million for 2016.		129.783				
• Parties stipulate to the revised SDG&E forecast of \$ 35.449 million for Electric Regional Operations.		35.449	36.859	33.055	1ED011.000	134
• Parties stipulate to the SDG&E forecast of \$ 7.965 million for Troubleshooting.		7.965	7.965	7.650	1ED020.000	139
• Parties stipulate to a compromise forecast of \$ 4.000 million for Skills & Compliance Training.		4.000	5.087	3.660	1ED013.000	135
• Parties stipulate to a compromise forecast of \$ .800 million for Project Management.		0.800	1.368	0.528	1ED010.000	133
• Parties stipulate to a compromise forecast of \$ .700 million for Service Order Team.		0.700	0.883	0.685	1ED014.000	136
• Parties have no dispute and agree to a forecast of \$ 1.687 million for Regional Public Affairs.		1.687	1.687	1.687	See Appendix B	
• Parties stipulate to the revised SDG&E forecast of \$ 0.148 million for Grid Operations.		0.148	0.349	0.226	1ED008.000	132
• Parties stipulate to the revised SDG&E forecast of \$ 6.710 million for Substation Construction and Maintenance.		6.710	6.912	5.622	1ED015.000	137
• Parties have no dispute and agree to a forecast of \$ 1.711 million for System Protection.		1.711	1.711	1.711	See Appendix B	
• Parties stipulate to a compromise forecast of \$ 14.0 million for Electric Distribution Operations.		14.000	15.315	11.376	1ED004.000	129
• Parties stipulate to the ORA forecast of \$ 1.996 million for Distribution Operations/EGISS.		1.996	2.647	1.996	1ED003.000	128
• Parties stipulate to a compromise forecast of \$ 1.900 million for Kearny Operations Services.		1.900	2.239	1.736	1ED006.000	131
• Parties stipulate to a compromise forecast of \$ 16.000 million for Construction Services.		16.000	18.865	11.667	1ED002.000	127
• Parties stipulate to the SDG&E forecast of \$ 24.559 million for Vegetation Management – Tree Trimming with a one-way balancing account.		24.559	24.559	23.858	1ED021.001	140
• Parties have no dispute and agree to a forecast of \$ 4.292 million for Vegetation Management – Pole Brushing.		4.292	4.292	4.292	See Appendix B	
• Parties have no dispute and agree to a forecast of \$ 2.702 million for Compliance & Asset Management.		2.702	2.702	2.702	See Appendix B	
• Parties stipulate to a compromise forecast of \$ 1.500 million for Distribution Engineering.		1.500	1.909	1.397	1ED018.000	138
• Parties stipulate to a compromise forecast of \$ 0.400 million for Technology Innovation and Development.		0.400	0.882	0.207	1ED001.000	124
• Parties stipulate to the SDG&E forecast of \$ 0.618 million for Reliability and Capacity Analysis.		0.618	0.617	0.501	1ED001.001	125
• Parties stipulate to a compromise forecast of \$ 0.200 million for Information Management Support for Electric Distribution.		0.200	0.339	0.140	1ED001.003	126
• Parties have no dispute and agree to a forecast of \$ 0.147 million for Major Projects.		0.147	0.147	0.147	See Appendix B	
• Parties stipulate to a compromise forecast of \$ 1.500 million for Technology Utilization.		1.500	1.948	1.243	1ED024.000	141
• Parties have no dispute and agree to a forecast of \$ 0.324 million for Administrative and Management.		0.324	0.324	0.324	See Appendix B	
• Parties have no dispute and agree to a forecast of \$ 0.476 million for Officer.		0.476	0.476	0.476	See Appendix B	
			<u>140.082</u>	<u>116.886</u>		

Settlement Terms Index to Comparison Exhibit: SDG&E  
(\$ millions)

<u>Settlement Agreement Terms between SDG&amp;E and ORA</u>		<u>SDG&amp;E Comparison Exhibit</u>			
		<u>SDG&amp;E</u>	<u>ORA</u>	<u>Workpaper</u>	<u>Page</u>
		<u>Forecast</u>	<u>Forecast</u>		
<b><u>Electric Distribution Capital Expenditures</u></b>					
<b><u>Part 1 (Per ORA-6)</u></b>					
Parties stipulate to a total forecast for capital expenditures in 2014 of \$145.552 million which is the ORA forecast of \$135.229 million plus \$10.323 million.					
	145.552				
<ul style="list-style-type: none"> <li>• Parties stipulate to the ORA forecast of \$ 24.912 million for Capacity/Expansion.</li> </ul>	24.912	0.594	0.441	00209.0.ALL	85
		1.448	2.671	00228.0.ALL	88
		12.218	6.747	02252.0.ALL	99
		1.008	1.229	02258.0.ALL	100
		3.080	-0.001	07245.0.ALL	104
		0.748	-0.003	07249.0.ALL	105
		1.315	0	07253.0.ALL	106
		3.278	-2.169	08253.0.ALL	107
		1.450	0	08259.0.ALL	108
		0	0	09271.0.ALL	110
		4.031	0.023	09274.0.ALL	111
		9.402	10.461	09276.0.ALL	112
		0.933	0.529	10266.0.ALL	113
		2.506	2.359	10270.0.ALL	114
		0.734	0.230	10272.0.ALL	115
		0.734	0	11244.0.ALL	116
		0.612	0.170	11257.0.ALL	117
		1.858	0	11259.0.ALL	118
		0.619	0.378	13250.0.ALL	119
		0.980	0.928	13260.0.ALL	120
		0.551	0.000	13263.0.ALL	121
		2.556	0.919	97248.0.ALL	122
		50.655	24.912		
<ul style="list-style-type: none"> <li>• Parties stipulate to the ORA forecast of \$ 29.918 million for Franchise.</li> </ul>	29.918	41.764	29.918	00205.0.ALL	82
<ul style="list-style-type: none"> <li>• Parties stipulate to the ORA forecast of \$ 33.638 million for New Business.</li> </ul>	33.638	58.592	33.638	00202.0.ALL	76
<ul style="list-style-type: none"> <li>• Parties stipulate to the ORA forecast of \$ 28.678 million plus \$ 9.160 million for a total of \$37.838 in Reliability/Improvements.</li> </ul>	37.838	81.848	28.678	00203.0.ALL	79
<ul style="list-style-type: none"> <li>• Parties stipulate to the ORA forecast of \$ 18.083 million plus \$ 1.163 million for a total of \$19.246 million in Safety &amp; Risk Management.</li> </ul>	19.246	26.209	18.083	06247.0.ALL	102
		259.068	135.229		

Settlement Terms Index to Comparison Exhibit: SDG&E

(\$ millions)

<u>Settlement Agreement Terms between SDG&amp;E and ORA</u>			<u>SDG&amp;E Comparison Exhibit</u>			
			<u>SDG&amp;E</u>	<u>ORA</u>	<u>Workpaper</u>	<u>Page</u>
			<u>Forecast</u>	<u>Forecast</u>		
Parties stipulate to a forecast for capital expenditures of \$ 280.772 million for 2015.		280.772				
<ul style="list-style-type: none"> <li>Parties stipulate to the ORA forecast of \$ 31.324 million for Capacity/Expansion.</li> </ul>		31.324	0.594	0.594	00209.0.ALL	85
			1.448	1.448	00228.0.ALL	88
			5.065	1.229	02258.0.ALL	100
			0	3.080	07245.0.ALL	104
			0	0.748	07249.0.ALL	105
			0	1.315	07253.0.ALL	106
			3.278	3.278	08253.0.ALL	107
			0.961	0	09271.0.ALL	110
			0.808	0	09276.0.ALL	112
			0	0.504	10272.0.ALL	115
			2.556	2.556	97248.0.ALL	122
			<u>16.572</u>	<u>16.572</u>	See Appendix B	
			31.282	31.324		
<ul style="list-style-type: none"> <li>Parties stipulate to the SDG&amp;E forecast of \$ 41.764 million for Franchise.</li> <li>Parties stipulate to a compromise forecast of \$ 67.000 million for New Business.</li> <li>Parties stipulate to a compromise forecast of \$ 100.000 million for Reliability/Improvements.</li> </ul>		100.000	41.764	29.918	00205.0.ALL	82
			70.653	50.071	00202.0.ALL	76
			102.934	85.893	00203.0.ALL	79
<ul style="list-style-type: none"> <li>Parties stipulate to the SDG&amp;E forecast of \$ 40.684 million for Safety &amp; Risk Management.</li> </ul>		40.684	38.086	24.808	06247.0.ALL	102
			2.598	2.598	See Appendix B	
			<u>40.684</u>	<u>27.406</u>		
			287.317	224.612		
Parties stipulate to a forecast for capital expenditures of \$ 296.428 million for 2016.		296.428				
<ul style="list-style-type: none"> <li>Parties stipulate to the SDG&amp;E forecast of \$ 14.241 million for Capacity/Expansion.</li> </ul>		14.241	0.594	0.594	00209.0.ALL	85
			1.448	1.448	00228.0.ALL	88
			1.816	5.065	02258.0.ALL	100
			3.278	3.278	08253.0.ALL	107
			2.556	2.556	97248.0.ALL	122
			0	1.450	08259.0.ALL	
			0	0.961	09271.0.ALL	
			0	4.008	09274.0.ALL	
			0	0.734	11244.0.ALL	
			0	1.858	11259.0.ALL	
			0	0.551	13263.0.ALL	
			<u>4.549</u>	<u>4.549</u>	See Appendix B	

Settlement Terms Index to Comparison Exhibit: SDG&E  
(\$ millions)

<u>Settlement Agreement Terms between SDG&amp;E and ORA</u>	<u>SDG&amp;E Comparison Exhibit</u>			
	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Workpaper</u>	<u>Page</u>
	<u>Forecast</u>	<u>Forecast</u>		
	14.241	27.052		

Settlement Terms Index to Comparison Exhibit: SDG&E  
(\$ millions)

<u>Settlement Agreement Terms between SDG&amp;E and ORA</u>		<u>SDG&amp;E Comparison Exhibit</u>			
		<u>SDG&amp;E</u>	<u>ORA</u>	<u>Workpaper</u>	<u>Page</u>
		<u>Forecast</u>	<u>Forecast</u>		
• Parties stipulate to the SDG&E forecast of \$ 41.764 million for Franchise.	41.764	41.764	29.918	00205.0.ALL	82
• Parties stipulate to a compromise forecast of \$ 70.000 million for New Business.	70.000	81.962	60.480	00202.0.ALL	76
• Parties stipulate to a compromise forecast of \$ 95.000 million for Reliability/Improvements.	95.000	74.427	104.099	00203.0.ALL	79
• Parties stipulate to the SDG&E forecast of \$ 75.423 million for Safety & Risk Management.	75.423	58.429	42.490	06247.0.ALL	102
		<u>16.994</u>	<u>16.994</u>	See Appendix B	
		<u>75.423</u>	<u>59.484</u>		
		287.817	281.033		

Settlement Terms Index to Comparison Exhibit: SDG&E

(\$ millions)

<u>Settlement Agreement Terms between SDG&amp;E and ORA</u>		<u>SDG&amp;E Comparison Exhibit</u>			
		<u>SDG&amp;E</u>	<u>ORA</u>	<u>Workpaper</u>	<u>Page</u>
		<u>Forecast</u>	<u>Forecast</u>		
<b>Part 2 (Per ORA-7)</b>					
Parties stipulate to the ORA forecast for capital expenditures of \$ 113.902 million for 2014.	113.902				
<ul style="list-style-type: none"> <li>Parties stipulate to the ORA forecast of \$ 63.826 million for Overhead Pools.</li> </ul>	63.826	84.987	49.364	00901.0.ALL	91
		15.328	8.414	00904.0.ALL	93
		3.319	2.371	00905.0.ALL	95
		4.918	3.677	00906.0.ALL	97
		<u>108.552</u>	<u>63.826</u>		
<ul style="list-style-type: none"> <li>Parties stipulate to the ORA forecast of \$ 29.118 million for Mandated.</li> </ul>	29.118	37.872	29.118	00229.0.ALL	89
<ul style="list-style-type: none"> <li>Parties stipulate to the ORA forecast of \$ 12.781 million for Materials.</li> </ul>	12.781	21.024	12.781	00214.0.ALL	86
<ul style="list-style-type: none"> <li>Parties stipulate to the ORA forecast of \$ 7.704 million for Trans/FERC.</li> </ul>	7.704	14.550	5.329	00100.0.ALL	73
		0.058	2.375	09136.0.ALL	109
		<u>14.608</u>	<u>7.704</u>		
<ul style="list-style-type: none"> <li>Parties stipulate to the ORA forecast of \$ 0.308 million for Equipment/Tools/Misc.</li> </ul>	0.308	1.372	0.308	00206.0.ALL	84
<ul style="list-style-type: none"> <li>Parties stipulate to the ORA forecast of \$ 0.165 million for Smart Meter.</li> </ul>	0.165	1.116	0.165	04250.0.ALL	101
		<u>184.544</u>	<u>113.902</u>		
Parties stipulate to a forecast for capital expenditures of \$ 199.082 million for 2015.	199.082				
<ul style="list-style-type: none"> <li>Parties stipulate to the SDG&amp;E forecast of \$ 118.357 million for Overhead Pools.</li> </ul>	118.357	93.688	75.899	00901.0.ALL	91
		15.147	8.414	00904.0.ALL	93
		3.727	2.371	00905.0.ALL	95
		5.795	3.677	00906.0.ALL	97
		<u>118.357</u>	<u>90.361</u>		
<ul style="list-style-type: none"> <li>Parties have no dispute and agree to a forecast of \$ 38.148 million for Mandated.</li> </ul>	38.148	38.148	38.148	See Appendix B	
<ul style="list-style-type: none"> <li>Parties stipulate to the SDG&amp;E forecast of \$ 22.025 million for Materials.</li> </ul>	22.025	22.025	15.605	00214.0.ALL	86
<ul style="list-style-type: none"> <li>Parties have no dispute and agree to a forecast of \$ 19.180 million for Trans/FERC.</li> </ul>	19.180	19.180	19.180	See Appendix B	
<ul style="list-style-type: none"> <li>Parties have no dispute and agree to a forecast of \$ 1.372 million for Equipment/Tools/Misc.</li> </ul>	1.372	1.372	1.372	See Appendix B	
		<u>199.082</u>	<u>164.666</u>		

Settlement Terms Index to Comparison Exhibit: SDG&E  
(\$ millions)

<u>Settlement Agreement Terms between SDG&amp;E and ORA</u>	<u>SDG&amp;E Comparison Exhibit</u>			
	<u>SDG&amp;E Forecast</u>	<u>ORA Forecast</u>	<u>Workpaper</u>	<u>Page</u>
Parties stipulate to a forecast for capital expenditures of \$ 186.216 million for 2016.				186.216
<ul style="list-style-type: none"> <li>• Parties stipulate to the SDG&amp;E forecast of \$ 110.224 million for Overhead Pools.</li> </ul>	110.224			
	92.593	90.714	00901.0.ALL	91
	7.045	7.045	00904.0.ALL	93
	4.139	4.139	00905.0.ALL	95
	6.447	6.447	00906.0.ALL	97
	<u>110.224</u>	<u>108.345</u>		
<ul style="list-style-type: none"> <li>• Parties have no dispute and agree to a forecast of \$ 39.063 million for Mandated.</li> </ul>	39.063	39.063	See Appendix B	
<ul style="list-style-type: none"> <li>• Parties stipulate to the SDG&amp;E forecast of \$ 23.027 million for Materials.</li> </ul>	23.027	23.027	00214.0.ALL	86
<ul style="list-style-type: none"> <li>• Parties have no dispute and agree to a forecast of \$ 12.530 million for Trans/FERC.</li> </ul>	12.530	12.530	See Appendix B	
<ul style="list-style-type: none"> <li>• Parties have no dispute and agree to a forecast of \$ 1.372 million for Equipment/Tools/Misc.</li> </ul>	1.372	1.372	See Appendix B	
	<u>186.216</u>	<u>184.337</u>		

Settlement Terms Index to Comparison Exhibit: SDG&E  
(\$ millions)

<u>Settlement Agreement Terms between SDG&amp;E and ORA</u>		<u>SDG&amp;E Comparison Exhibit</u>			
		<u>SDG&amp;E</u>	<u>ORA</u>	<u>Workpaper</u>	<u>Page</u>
		<u>Forecast</u>	<u>Forecast</u>		
<b><u>Electric Generation and SONGS Expenses</u></b>					
<b><u>Non-Shared Electric Generation O&amp;M Expenses for TY 2016</u></b>					
Parties stipulate to a compromise forecast for Non-Shared Electric Generation Expenses of \$ 52.389 million.	52.389				
• Parties stipulate to a compromise forecast for Generation Plant of \$ 50.189 million.	50.189	24.641	19.681	1EG006.000	145
		<u>26.189</u>	<u>26.189</u>	See Appendix B	
		50.830	45.870		
• Parties stipulate to a compromise forecast for Resource Planning of \$ 1.000 million.	1.000	1.260	0.411	1EG004.000	144
• Parties stipulate to a compromise forecast for Administration of \$ 1.200 million.	1.200	0.287	0.107	1EG001.000	143
		0.436	0.260	1EG008.000	146
		<u>0.658</u>	<u>0.658</u>	See Appendix B	
		1.381	1.025		
		<u>53.471</u>	<u>47.306</u>		
<b><u>Shared Electric Generation O&amp;M Expenses for TY 2016</u></b>					
Parties stipulate to a compromise forecast for Resource Planning – Director of \$ 0.800 million.	0.800	0.944	0.734	1EG00A-USS.ALL	148
<b><u>Electric Generation Capital Expenditures</u></b>					
Parties stipulate to the ORA forecast for capital expenditures of \$ 17.036 million for 2014.	17.036	0.471	0.164	00006.0.ALL	150
		2.123	1.829	00008.0.ALL	151
		2.008	0.944	00009.0.ALL	153
		9.877	8.175	00010.0.ALL	156
		1.428	0	00011.0.ALL	158
		<u>5.829</u>	<u>5.829</u>	See Appendix B	
		21.736	16.941		
Parties stipulate to the SDG&E forecast for capital expenditures of \$ 8.408 million for 2015.	8.408	0.471	0.164	00006.0.ALL	150
		0.330	0.000	00008.0.ALL	151
		3.296	0.520	00009.0.ALL	153
		1.386	0.045	00010.0.ALL	156
		0.529	0	00011.0.ALL	158
		<u>2.396</u>	<u>2.396</u>	See Appendix B	
		8.408	3.125		

Settlement Terms Index to Comparison Exhibit: SDG&E  
(\$ millions)

<u>Settlement Agreement Terms between SDG&amp;E and ORA</u>		<u>SDG&amp;E Comparison Exhibit</u>			
		<u>SDG&amp;E Forecast</u>	<u>ORA Forecast</u>	<u>Workpaper</u>	<u>Page</u>
Parties stipulate to the SDG&E forecast for capital expenditures of \$8.347 million for 2016.	8.347	0.471	0.164	00006.0.ALL	150
		0.200	0.000	00008.0.ALL	151
		2.174	0	00009.0.ALL	153
		0.636	0.795	00010.0.ALL	156
		0.300	0.000	00011.0.ALL	158
		<u>4.566</u>	<u>4.566</u>	See Appendix B	
		<u>8.347</u>	<u>5.525</u>		

Settlement Terms Index to Comparison Exhibit: SDG&E  
(\$ millions)

<u>Settlement Agreement Terms between SDG&amp;E and ORA</u>		<u>SDG&amp;E Comparison Exhibit</u>			
		<u>SDG&amp;E</u>	<u>ORA</u>	<u>Workpaper</u>	<u>Page</u>
		<u>Forecast</u>	<u>Forecast</u>		
<b><u>Customer Services Expenses</u></b>					
<b><u>Non-Shared O&amp;M Expenses for TY 2016</u></b>					
Parties stipulate to a compromise forecast of \$ 84.468 million for SDG&E's Non-Shared Expenses.		84.468			
•	Parties stipulate to the SDG&E forecast of \$ 22.135 million for Customer Service Field expenses.	22.135	14.675	13.243	1FC001.000 161
			2.974	2.848	1FC004.000 162
			4.486	4.486	See Appendix B
			22.135	20.577	
•	Parties stipulate to a compromise forecast of \$ 62.333 million for Customer Service Office Operations, Information, and Technologies.	62.333			
<b><u>Non-Shared Customer Service Operations Expenses</u></b>					
○	Parties stipulate to a compromise forecast of \$ 8.400 million for Advanced Metering.	8.400	8.771	8.135	10O000.000 164
○	Parties stipulate to the ORA forecast of \$ 5.210 million for Billing.	5.210	5.839	5.210	10O002.000 165
○	Parties Stipulate to the SDG&E forecast of \$ 8.813 million for Customer Contact Center Operations.	8.813	8.813	8.741	10O006.000 166
○	Parties stipulate to a compromise forecast of \$ 6.000 million for Residential Customer Services.	6.000	6.606	5.577	10O008.000 167
○	Parties stipulate to a compromise forecast of \$ 5.500 million for Commercial & Industrial Services.	5.500	5.788	5.305	10O009.000 168
○	Parties stipulate to a compromise forecast of \$ 12.5 million for Communications, Research and Web.	12.500	14.287	8.093	10O010.000 169
○	Parties stipulate to the ORA forecast of \$ 2.854 million for Customer Programs and Projects.	2.854	3.444	2.854	10O011.000 170
			13.057	13.057	See Appendix B
			66.605	56.972	
<b><u>Shared O&amp;M Expenses for TY 2016</u></b>					
Parties have no dispute and agree to a forecast of \$ 0.979 for SDG&E shared O&M expenses.		0.979			
			0.979	0.979	See Appendix B
			89.719	78.528	

Settlement Terms Index to Comparison Exhibit: SDG&E  
(\$ millions)

<u>Settlement Agreement Terms between SDG&amp;E and ORA</u>		<u>SDG&amp;E Comparison Exhibit</u>			
		<u>SDG&amp;E</u>	<u>ORA</u>	<u>Workpaper</u>	<u>Page</u>
		<u>Forecast</u>	<u>Forecast</u>		
<b><u>Information Technology</u></b>					
<b><u>O&amp;M Expenses</u></b>					
Parties stipulate to a compromise forecast of \$ 106.368 million.					106.368
•	Parties stipulate to the SDG&E labor forecast of \$ 40.568 million.	40.568			
		10.795	8.210	1IT001.000	207
		0.223	0.142	1IT002.000	208
		0.468	0.675	1IT003.000	209
		0.109	0.100	1IT004.000	210
		9.916	6.753	1IT00A-USS.ALL	212
		12.439	17.655	1IT00B-USS.ALL	215
		2.760	1.303	1IT00C-USS.ALL	219
		3.850	1.927	1IT00D-USS.ALL	221
		40.560	36.765		
•	Parties stipulate to a compromise non-labor forecast of \$ 65.80million.	65.800			
		6.872	5.540	1IT001.000	207
		0.001	0.096	1IT002.000	208
		0.184	0.456	1IT003.000	209
		0.050	0.068	1IT004.000	210
		15.080	13.779	1IT00A-USS.ALL	212
		42.608	36.031	1IT00B-USS.ALL	215
		2.851	2.658	1IT00C-USS.ALL	219
		1.494	3.933	1IT00D-USS.ALL	221
		69.140	62.561		
<b><u>Capital Expenditures</u></b>					
Parties stipulate to the ORA forecast for capital expenditures of \$ 88.635 million for 2014.		88.635	94.274	88.635	00811.0.ALL 224
Parties have no dispute and agree to a forecast for capital expenditures of \$ 62.084 million for 2015		62.084		See Appendix B	
Parties have no dispute and agree to a forecast for capital expenditures of \$ 35.388 million for 2016.		35.388		See Appendix B	

Settlement Terms Index to Comparison Exhibit: SDG&E  
(\$ millions)

<u>Settlement Agreement Terms between SDG&amp;E and ORA</u>		<u>SDG&amp;E Comparison Exhibit</u>			
		<u>SDG&amp;E</u>	<u>ORA</u>	<u>Workpaper</u>	<u>Page</u>
		<u>Forecast</u>	<u>Forecast</u>		
<b><u>Support Services</u></b>					
<b><u>Non-Shared O&amp;M Support Services Expenses</u></b>					
Parties stipulate to a forecast of \$ 78.924 million for Non-Shared O&M Support Services Expenses.	78.924				
Parties stipulate to the SDG&E forecast of \$ 11.715 million for Supply Management & Supplier Diversity Expenses.	11.715	4.078	4.080	1SS001.000	172
		0.728	0.672	1SS002.000	173
		2.389	2.415	1SS003.000	174
		0.729	0.724	1SS004.000	175
		1.345	1.027	1SS005.000	176
		1.051	0.917	1SS006.000	177
		1.393	1.088	1SS007.000	178
		<u>11.713</u>	<u>10.923</u>		
Parties stipulate to a compromise forecast of \$ 39.161 million for Fleet Services expenses.	39.161				
• Parties stipulate to a compromise forecast of \$ 16.700 million for Ownership Costs.	16.700	14.823	12.159	1FS001.001	186
		2.598	1.715	1FS001.002	187
		-0.700	-1.100	1FS001.003	188
		1.528	1.008	1FS001.004	189
		<u>18.249</u>	<u>13.782</u>		
• Parties stipulate to a compromise forecast of \$ 20.500 million for Maintenance Operations.	20.500	13.673	12.443	1FS002.000	190
		7.202	6.693	1FS002.001	191
		<u>20.875</u>	<u>19.136</u>		
• Parties have no dispute and agree to a forecast of \$1.961 million for Fleet Management.	1.961	1.961	1.961	See Appendix B	
Parties stipulate to a forecast of \$ 23.390 million for Real Estate, Land, Services and Facilities Expenses.	23.390	17.631	16.354	1RE003.000	193
		6.390	6.390	See Appendix B	
		<u>24.021</u>	<u>22.744</u>		
Parties stipulate to the SDG&E forecast of \$ 4.658 million for Environmental Services.	4.658	3.650	3.396	1EV000.000	202
		1.009	1.009	See Appendix B	
		<u>4.659</u>	<u>4.405</u>		
		<u>81.478</u>	<u>72.951</u>		

Settlement Terms Index to Comparison Exhibit: SDG&E  
(\$ millions)

<u>Settlement Agreement Terms between SDG&amp;E and ORA</u>		<u>SDG&amp;E Comparison Exhibit</u>			
		<u>SDG&amp;E</u>	<u>ORA</u>	<u>Workpaper</u>	<u>Page</u>
		<u>Forecast</u>	<u>Forecast</u>		
<b><u>Shared O&amp;M Support Services Expenses</u></b>					
Parties stipulate to a compromise forecast of \$ 24.041 million for Shared O&M Support Services expenses.	24.041				
Parties stipulate to a compromise forecast of \$ 3.828 million for Supply Management & Supplier Diversity expenses.	3.828	0.415	0.338	1SS00A-USS.ALL	180
		0.708	0.744	1SS00B-USS.ALL	181
		1.997	1.770	1SS00C-USS.ALL	182
		0.750	0.747	1SS00D-USS.ALL	184
		<u>3.870</u>	<u>3.599</u>		
Parties stipulate to a forecast of \$ 15.696 million for Real Estate, Land Services, and Facilities expenses.	15.696				
• Parties stipulate to a compromise forecast of \$ 2.700 million for Facility Operations.	2.700	1.384	1.110	1RE00A-USS.ALL	195
		<u>1.423</u>	<u>1.423</u>	See Appendix B	
		2.807	2.533		
• Parties stipulate to the ORA forecast of \$ 0.179 million for Capital Programs.	0.179	0.656	0.179	1RE00C-USS.ALL	196
		12.817	12.817	See Appendix B	
Parties stipulate to the ORA forecast of \$4.517 million for Shared Environmental expenses.	4.517	1.721	1.623	1EV00C-USS.ALL	204
		<u>2.894</u>	<u>2.894</u>	See Appendix B	
		<u>4.615</u>	<u>4.517</u>		
		24.765	23.645		
<b><u>Capital Expenditures – Real Estate, Land Services, and Facilities</u></b>					
Parties stipulate to the ORA forecast for capital expenditures of \$ 21.017 million for 2014.	21.017	11.561	13.118	00700.0.ALL	198
		<u>7.899</u>	<u>7.899</u>	See Appendix B	
		19.460	21.017		
Parties stipulate to a capital expenditure forecast of \$33.112 million for 2015.	33.112	27.586	18.134	00700.0.ALL	198
		<u>10.866</u>	<u>10.866</u>	See Appendix B	
		38.452	29.000		
Parties stipulate to the SDG&E capital expenditure forecast of \$42.930 million for 2016.	42.930	37.830	23.900	00700.0.ALL	198
		<u>5.100</u>	<u>5.100</u>	See Appendix B	
		42.930	29.000		

Settlement Terms Index to Comparison Exhibit: SDG&E  
(\$ millions)

<u>Settlement Agreement Terms between SDG&amp;E and ORA</u>		<u>SDG&amp;E Comparison Exhibit</u>			
		<u>SDG&amp;E</u>	<u>ORA</u>	<u>Workpaper</u>	<u>Page</u>
		<u>Forecast</u>	<u>Forecast</u>		
<b><u>Administrative and General Expenses</u></b>					
<b><u>Expenses in ORA – 18</u></b>					
<b><u>Non-Shared Expenses (HR related)</u></b>					
Parties stipulate to a compromise forecast of \$ 14.586 million for SDG&E Non-Shared Expenses.	14.586				
<ul style="list-style-type: none"> <li>• Parties stipulate to the SDG&amp;E forecast of \$ 6.552 million for Safety, Wellness, and Disability Services.</li> </ul>	6.552	1.455	1.355	1HR002.000	248
		5.097	5.097	See Appendix B	
		6.552	6.452		
<ul style="list-style-type: none"> <li>• Parties stipulate to the ORA forecast of \$ 0.518 million for HRIS Technology and Report.</li> </ul>	0.518	0.968	0.518	1HR007.000	249
		7.516	7.516	See Appendix B	
		15.036	14.486		
<b><u>Shared Expenses</u></b>					
Parties agree to a compromise forecast of \$ 5.020 million.	5.020				
<ul style="list-style-type: none"> <li>• Parties stipulate to the SDG&amp;E forecast of \$ 2.367 million for Safety Operations.</li> </ul>	2.367	2.367	1.379	1HR00A-USS.ALL	251
<ul style="list-style-type: none"> <li>• Parties stipulate to the ORA forecast of \$ 1.222 million for Business Partner and Labor Relations.</li> </ul>	1.222	1.034	0.934	1HR00B-USS.ALL	252
		0.288	0.288	See Appendix B	
		1.322	1.222		
		1.431	1.431	See Appendix B	
		5.120	4.032		
<b><u>Expenses in ORA – 19</u></b>					
<b><u>Non-Shared Expenses (Reg. Affairs, Legal, Finance, etc)</u></b>					
Parties stipulate to a compromise forecast of \$ 22.388 million for SDG&E Non-Shared Expenses.	22.388				
<ul style="list-style-type: none"> <li>• Parties stipulate to a compromise forecast of \$ 3.356 for Regulatory Affairs expenses.</li> </ul>	3.356	3.487	3.225	1AG007.000	257
<ul style="list-style-type: none"> <li>• Parties stipulate to a compromise forecast of \$ 3.600 million for Claims expenses.</li> </ul>	3.600	4.323	2.884	1AG015.000	259
		15.430	15.430	See Appendix B	
		23.240	21.539		
<b><u>Shared Expenses</u></b>					
Parties have no dispute and agree to a forecast of \$ 13.582 million.	13.582			See Appendix B	
<b><u>Meals and Entertainment</u></b>					
Parties stipulate to the ORA proposed adjustment of (\$ 0.592) for Meals and Entertainment.	(0.592)	0	(0.592)	1AG002.000	255

Settlement Terms Index to Comparison Exhibit: SDG&E

(\$ millions)

<u>Settlement Agreement Terms between SDG&amp;E and ORA</u>	<u>SDG&amp;E Comparison Exhibit</u>			
	<u>SDG&amp;E Forecast</u>	<u>ORA Forecast</u>	<u>Workpaper</u>	<u>Page</u>
<b><u>Expenses in ORA-17</u></b>				
<b><u>Compensation Expenses</u></b>				
Parties stipulate to a compromise forecast of \$ 33.789 million for SDG&E's Total Compensation Expenses.				33.789
<ul style="list-style-type: none"> <li>Parties stipulate to a compromise forecast of \$ 32.000 million for Variable Pay / Incentive Compensation Program.</li> </ul>	32.000	50.351	17.244	1CP000.000 235
<ul style="list-style-type: none"> <li>Parties stipulate to the ORA forecast of \$ 0 for Long-Term Incentive Plan.</li> </ul>	0	10.265	0	1CP000.002 236
<ul style="list-style-type: none"> <li>Parties have no dispute and agree to a forecast of \$ 1.423 million for the Spot Cash Program</li> </ul>	1.423	1.423	1.423	See Appendix B
<ul style="list-style-type: none"> <li>Parties have no dispute and agree to a forecast of \$0.366 million for the Employee Recognition Program.</li> </ul>	0.366	0.366	0.366	See Appendix B
		<u>62.405</u>	<u>19.033</u>	
Parties stipulate to a compromise forecast of \$ 56.693 million for SDG&E's Health Benefits Expenses.				56.693
<ul style="list-style-type: none"> <li>Parties stipulate to a compromise forecast of \$ 50.000 million for Medical Expenses.</li> </ul>	50.000	50.179	48.045	1PB000.000 237
<ul style="list-style-type: none"> <li>Parties stipulate to the ORA updated forecast for Dental (\$ 3.880 million) ,</li> </ul>	3.880	4.094	3.880	1PB000.001 238
<ul style="list-style-type: none"> <li>Parties stipulate to the ORA updated forecast for Vision (\$ 0.331 million),</li> </ul>	0.331	0.350	0.331	1PB000.002 239
<ul style="list-style-type: none"> <li>Parties stipulate to the ORA updated forecast for Wellness (\$ 0.771 million),</li> </ul>	0.771	1.169	0.771	1PB000.003 240
<ul style="list-style-type: none"> <li>Parties stipulate to the ORA updated forecast for EAP (\$ 0.326 million)</li> </ul>	0.326	0.335	0.326	1PB000.004 241
<ul style="list-style-type: none"> <li>Parties stipulate to the ORA updated forecast for Mental Health (\$ 1.385 million)</li> </ul>	1.385	1.579	1.385	1PB000.005 242
		<u>57.706</u>	<u>54.738</u>	
Parties have no dispute and agree to a forecast of \$ 14.287 million for the Retirement Savings Plan.				14.287
				See Appendix B
Parties stipulate to a compromise forecast of \$ 1.680 million for SDG&E's Supplemental Pension	1.680	3.360	0	1PB000.011 245
Parties stipulate to a compromise forecast of \$ 0.137 million for Nonqualified Retirement Savings Plan.	0.137	0.273	0	1PB000.023 246
<b><u>Corporate Center Expenses (ORA – 16)</u></b>				
Allocation of General Administration to SDG&E is \$ 61.3 million.	61.300	61.905	58.864	1SE000.001 231
		<u>2.744</u>	<u>2.744</u>	See Appendix B
		64.649	61.608	
Allocation of Insurance to SDG&E is \$110.0 million.	110.000	89.939	82.517	1SN000.006 233
		<u>21.573</u>	<u>21.573</u>	See Appendix B
		111.512	104.090	

Settlement Terms Index to Comparison Exhibit: SDG&E  
(\$ millions)

<u>Settlement Agreement Terms between SDG&amp;E and ORA</u>	<u>SDG&amp;E Comparison Exhibit</u>			
	<u>SDG&amp;E</u>	<u>ORA</u>	<u>Workpaper</u>	<u>Page</u>
	<u>Forecast</u>	<u>Forecast</u>		
<b><u>Other – Enterprise Risk Management</u></b>				
Parties stipulate to a compromise forecast of \$ 2.500 million for SDG&E’s Risk Management Expenses.	2.500	2.964	1.061	1RM00A-USS.ALL 20
<b><u>Escalation</u></b>				
Currently using ORA’s escalation forecasts from R/O Model.				272
<b><u>Working Cash related issues for SDG&amp;E</u></b>				
<b><u>Working Cash Issues</u></b>				
Parties agree to the ORA forecast for Cash Balances of \$ 0.				264
Parties agree to the SDG&E forecast for revenue lag days of 40.35.				264
Parties agree to the ORA forecast for federal income tax lag days of 37.50.				264
Parties agree to the ORA forecast for state income tax lag days of 20.60.				264
Parties stipulate to the ORA revenue requirement adjustment of \$ 2.480 million (\$ 2.057 million electric and \$ 0.423 million gas) to treat customer deposits as a source of long-term debt consistent with D.14-08-032.		0	(2.480)	1AG002.000 255
<b><u>Post Test Year Ratemaking</u></b>				
Parties agree to the ORA proposal of 3.5 % increase in 2017 and 3.5% increase in 2018.				283

## **IV. APPENDICES**

## **Appendix A. Settlement Terms Cross Reference**

Settlement Terms Cross Reference

O&M Issues

(\$ in millions)

	SDG&E	ORA	Settlement	Page #
<b>Gas Distribution, Gas Transmission, Gas Engineering, and Pipeline Integrity</b>				
<b>1. Gas Distribution</b>				
Tools, Fittings and Material	0.467	0.422	0.422	A-2
Electric Support	0.737	0.724	0.724	A-2
Op. Management & Training	3.404	3.082	3.082	A-2
Service Maintenance	1.244	1.183	1.244	A-2
Measurement and Regulation	3.464	3.125	3.464	A-2
Asset Management	1.849	1.612	1.849	A-2
Supervision and Training	2.841	2.193	2.500	A-2
Other Services, Leak Survey, Locate and Mark, Main Maintenance, and Cathodic Protection	7.687	7.687	7.687	A-2
<b>2. Gas Transmission</b>				
All Expenses	4.631	4.172	4.663	A-2
<b>3. Gas Engineering</b>				
All Expenses	0.718	0.270	0.400	A-2
<b>4. Pipeline Integrity (TIMP and DIMP)</b>				
TIMP	5.451	4.490	5.451	A-2
DIMP	6.033	4.808	6.033	A-2
<b>5. Shared Expenses (Gas Engineer)</b>				
All Expenses	0.092	0.035	0.035	A-2
<b>Electric Distribution</b>				
Electric Regional Operations	35.449	33.055	35.449	A-3
Troubleshooting	7.965	7.650	7.965	A-3
Skills & Compliance Training	5.087	3.660	4.000	A-3
Project Management	1.368	0.528	0.800	A-3
Service Order Team	0.883	0.685	0.700	A-3
Regional Public Affairs	1.687	1.687	1.687	A-3
Grid Operations	0.149	0.226	0.148	A-3
Substation Construction and Maintenance	6.710	5.622	6.710	A-3
System Protection	1.711	1.711	1.711	A-3
Electric Distribution Operations	15.315	11.376	14.000	A-3
Distribution Operations/EGISS	1.996	1.996	1.996	A-3
Kearny Operations Services	2.239	1.736	1.900	A-3
Construction Services	18.865	11.667	16.000	A-3
Vegetation Management - Tree Trimming	24.559	23.858	24.559	A-3
Vegetation Management - Pole Brushing	4.292	4.292	4.292	A-3
Compliance & Asset Management	2.702	2.702	2.702	A-3
Distribution Engineering	1.909	1.397	1.500	A-3
Technology Innovation and Development	0.882	0.207	0.400	A-3
Reliability and Capacity Analysis	0.617	0.501	0.618	A-3
Information Management Support for ED	0.339	0.140	0.200	A-3
Major Projects	0.147	0.147	0.147	A-3

	<b>SDG&amp;E</b>	<b>ORA</b>	<b>Settlement</b>	<b>Page #</b>
Technology Utilization	1.948	1.243	1.500	A-3
Administrative and Management	0.324	0.324	0.324	A-3
Officer	0.476	0.476	0.476	A-3

	SDG&E	ORA	Settlement	Page #
<b>Electric Generation and SONGS</b>				
1. Generation Plant	50.830	45.870	50.189	A-5
2. Resource Planning	1.260	0.411	1.000	A-5
3. Administration	1.381	1.025	1.200	A-5
4. Shared Expenses				
Resource Planning Director	0.944	0.734	0.800	A-5
<b>Customer Services</b>				
1. Customer Service Field	21.925	20.577	22.135	A-6
2. Customer Service Office Operations, Information, and Technologies				
Advanced Metering	8.771	8.135	8.400	A-6
Billing	5.839	5.210	5.210	A-6
Customer Contact Center	8.813	8.741	8.813	A-6
Residential Customer Services	6.606	5.577	6.000	A-6
Commercial & Industrial Services	5.788	5.305	5.500	A-6
Communications, Research, and Web	14.287	8.093	12.500	A-6
Customer Programs and Projects	3.444	2.854	2.854	A-6
3. Shared Expenses				
All Expenses	0.979	0.979	0.979	A-6
<b>Information Technology (NSS + SS)</b>				
1. Labor Forecast	40.535	36.765	40.568	A-6
2. Non-labor Forecast	68.580	62.562	65.800	A-6
<b>Support Services</b>				
1. Supply Mangement & Supplier Diversity	11.715	10.923	11.715	A-7
2. Fleet Services				
Ownership Costs	18.249	13.782	16.700	A-7
Maintenance Operations	20.875	19.136	20.500	A-7
Fleet Management	1.961	1.961	1.961	A-7
3. Real Estate, Land Services, and Facilities Expenses	24.021	22.744	23.390	A-7
4. Environmental Services	4.617	4.405	4.658	A-7
5. Shared Expenses				
Supply Management & Supplier Diversity	3.871	3.599	3.828	A-7
Facility Operations	2.806	2.532	2.700	A-7
Capital Programs	0.179	0.179	0.179	A-7
Environmental	4.516	4.517	4.517	A-7

	SDG&E	ORA	Settlement	Page #
<b>A&amp;G</b>				
<b>1. HR Related</b>				
Safety, Wellness, and Disability	6.485	6.452	6.552	A-8
HRIS Technology and Report	0.635	0.518	0.518	A-8
<b>2. HR Shared Expenses</b>				
Safety Operations	2.367	1.379	2.367	A-8
Business Partner and Labor Relations	1.255	1.222	1.222	A-8
<b>3. Reg. Affairs, Legal, Finance, etc</b>				
Regulatory Affairs	3.487	3.225	3.356	A-8
Claims	3.854	2.884	3.600	A-8
<b>4. Reg. Affairs, Legal, Finance Shared Expenses</b>				
All Expenses	13.368	13.582	13.582	A-8
<b>5. Meals and Entertainment</b>				
	-	-0.592	-0.592	A-8
<b>6. Compensation</b>				
Variable Pay / Incentive Compensation Program	50.351	17.244	32.000	A-8
Long-Term Incentive Plan	10.265	0.000	0.000	A-8
Spot Cash Program	1.423	1.423	1.423	A-8
Employee Recognition Program	0.366	0.366	0.366	A-8
Medical	50.673	47.238	50.000	A-8
Dental	4.094	3.815	3.880	A-9
Vision	0.350	0.326	0.331	A-9
Wellness	1.169	0.758	0.771	A-9
EAP	0.335	0.305	0.326	A-9
Mental Health	1.579	1.361	1.385	A-9
Retirement Savings Plan	14.287	14.287	14.287	A-9
Supplemental Pension	3.360	0.000	1.680	A-9
Nonqualified Retirement Savings Plan	0.273	0.000	0.137	A-9
<b>7. Corporate Center</b>				
General Administration	64.200	61.608	61.300	A-9
Insurance	111.512	104.090	110.000	A-9
<b>8. Enterprise Risk Management</b>				
	2.965	1.061	2.500	A-9

**Settlement Terms Cross Reference**  
**Capital Issues**

(\$ in millions)

	SDG&E	ORA	Settlement	Page #
	2014-2016	2014-2016	2014-2016	
<b>Gas Distribution, Transmission, Engineering, and Pipeline Integrity Capital Expenditures</b>				
All Projects	170.642	173.078	173.078	A-2
<b>Electric Distribution</b>				
Capacity/Expansion	96.178	83.288	70.477	A-4
Franchise	125.292	89.754	113.446	A-4
New Business	211.207	144.189	170.638	A-4
Reliability/Improvements	259.209	218.670	232.838	A-4
Safety & Risk Management	142.316	104.973	135.353	A-4
Overhead Pool	337.133	262.532	292.407	A-4 / A-5
Mandated	115.083	106.329	106.329	A-4 / A-5
Materials	66.076	51.413	57.833	A-4 / A-5
Transmission/FERC	46.318	39.414	39.414	A-4 / A-5
Equipment/Tools/Misc	4.116	3.052	3.052	A-4 / A-5
Smart Meter	1.116	0.165	0.165	A-4 / A-5
<b>Electric Generation</b>				
All Projects	38.491	25.591	33.791	A-5
<b>Information Technology</b>				
All Projects	191.746	186.107	186.107	A-6
<b>Real Estate, Land Services, and Facilities</b>				
All Projects	100.842	79.017	97.059	A-7

Settlement Terms Cross Reference  
Other Issues

Item No	SDGE Other Issues	SDGE Update Filing	ORA Update Filing	Settlement	Settled with ORA	Page #
1	Escalation			Currently using ORA's escalation forecasts from RO model.	Yes	A-9
	Working Cash:					
2	Cash Balances	4.527	0	0	Yes	A-9
3	Revenue Lag Days	40.35	39.92	40.35	Yes	A-9
4	Federal Income Tax Lag Days	0	37.5	37.5	Yes	A-9
5	State Income Tax Lag Days	-407	20.6	20.6	Yes	A-9
6	Customer Deposits		Treat customer deposits as a form of long term financing	Stipulate to ORA position to treat customer deposits as a form of long term financing. Revenue requirement is reduced by \$2.480 million.	Yes	A-9
7	Post-Test Year	Proposes multi-part PTY mechanism. (OM/Medical escalation plus capital related growth based on capital adds calculation)	2017 - 3.5% 2018 - 3.5%	2017 - 3.5% 2018 - 3.5%	Yes	A-9
8	Vegetation Management - Tree Trimming	2-way balancing account treatment	1-way balancing account treatment	1-way balancing account treatment	Yes	A-3
	Other Issues:					
8	Payroll Tax Rate	6.89%	6.81%	6.81%	Yes	A-10
9	Service Establishment	\$4.283 million (\$2.730 million for Electric, \$1.553 million for Gas)	\$5.393 million (\$3.560 million for Electric, \$1.833 million for Gas)	\$5.393 million (\$3.560 million for Electric, \$1.833 million for Gas)	Yes	A-10
10	Sales Forecast	20,013 gWh	20,013 gWh	20,013 gWh	Yes	A-10

## **Appendix B. Summary Of Earnings Tables**

SAN DIEGO GAS & ELECTRIC COMPANY  
TEST YEAR 2016  
COMBINED SUMMARY OF EARNINGS  
(Thousands of Dollars)

Line No.	Description	SDG&E Update 8/17 Proposed Rates	ORA Update 5/11 Proposed Rates	Settlement	Change from SDG&E Update	Comparison Exh. Reference
1	Base Margin	1,876,202	1,690,214	1,790,472	(85,730)	
2	Miscellaneous Revenues	19,235	19,986	20,061	826	2B6
3	Revenue Requirement	1,895,437	1,710,201	1,810,533	(84,903)	
<b>OPERATING &amp; MAINTENANCE EXPENSES</b>						
4	Distribution	159,348	136,915	150,756	(8,592)	2A(2,7)
5	Gas Transmission	4,631	4,172	4,663	32	2A3
6	PSEP	-	-	-	-	
7	Generation	54,415	48,040	53,333	(1,082)	2A8
8	Nuclear Generation (SONGS)	1,293	1,293	1,293	-	
9	Engineering	12,294	9,603	11,919	(375)	2A(4,5)
10	Procurement	8,757	8,757	8,757	-	
11	Customer Services	89,628	78,528	85,448	(4,180)	2A(9,10)
12	Information Technology	109,115	99,327	106,368	(2,747)	2A15
13	Support Services	105,627	96,596	102,961	(2,666)	2A(11,12,13,14)
14	Administrative and General	431,532	354,865	388,342	(43,190)	2A(1,16,17,18,19,20)
15	Subtotal (2013\$)	976,640	838,095	913,840	(62,800)	
16	Shared Services Adjustments	(91,061)	(90,728)	(90,216)	845	
17	Reassignments	(127,510)	(99,507)	(114,924)	12,585	
18	FERC Transmission Costs	(60,446)	(51,245)	(55,666)	4,780	
19	Escalation	22,245	19,114	21,172	(1,073)	2B5
20	Uncollectibles	3,263	2,940	3,114	(149)	
21	Franchise Fees	59,965	53,985	57,215	(2,750)	
22	Total O&M (2016\$)	783,096	672,654	734,536	(48,561)	
23	Depreciation & Amortization	439,813	423,822	432,059	(7,754)	
24	Taxes on Income	163,233	144,279	152,735	(10,498)	2B1
25	Taxes Other Than on Income	94,746	86,587	91,325	(3,420)	2B1
26	Total Operating Expenses	1,480,889	1,327,342	1,410,655	(70,234)	
27	Return	414,548	382,859	399,878	(14,670)	
28	Rate Base	5,321,539	4,914,746	5,133,222	(188,316)	2A/B
29	Rate of Return	7.79%	7.79%	7.79%	0.00%	
30	Derivation of Base Margin					
31	O&M Expenses (Line 22)	\$ 783,096	\$ 672,654	\$ 734,536	\$ (48,561)	
32	Depreciation (Line 23)	439,813	423,822	432,059	(7,754)	
33	Taxes (Line 24+25)	257,979	230,865	244,060	(13,918)	
34	Return (Line 27)	414,548	382,859	399,878	(14,670)	
35	Revenue Requirement	1,895,437	1,710,201	1,810,533	(84,903)	
36	Less: Misc. Revenues (Line 2)	19,235	19,986	20,061	826	
37	Base Margin (Line 1)	\$ 1,876,202	\$ 1,690,214	\$ 1,790,472	\$ (85,730)	

SAN DIEGO GAS & ELECTRIC COMPANY  
TEST YEAR 2016  
ELECTRIC SUMMARY OF EARNINGS  
(Thousands of Dollars)

Line No.	Description	SDG&E Update 8/17 Proposed Rates	ORA Update 5/11 Proposed Rates	Settlement	Change from SDG&E Update
1	Base Margin	\$ 1,556,022	\$ 1,399,184	\$ 1,484,192	\$ (71,831)
2	Miscellaneous Revenues	15,227	15,801	15,854	628
3	Revenue Requirement	\$ 1,571,249	\$ 1,414,985	\$ 1,500,046	\$ (71,203)
<u>OPERATING &amp; MAINTENANCE EXPENSES</u>					
4	Distribution	134,150	114,507	126,760	(7,390)
5	Gas Transmission	-	-	-	-
6	PSEP	-	-	-	-
7	Generation	53,864	47,611	52,802	(1,061)
8	Nuclear Generation (SONGS)	1,293	1,293	1,293	-
9	Engineering	584	224	330	(254)
10	Procurement	8,647	8,647	8,647	-
11	Customer Services	57,485	49,092	53,986	(3,499)
12	Information Technology	80,735	73,552	78,625	(2,109)
13	Support Services	82,418	75,251	80,316	(2,102)
14	Administrative and General	346,516	287,300	313,829	(32,686)
15	Subtotal (2013\$)	765,691	657,478	716,589	(49,102)
16	Shared Services Adjustments	(72,605)	(71,889)	(71,855)	750
17	Reassignments	(97,510)	(76,268)	(88,022)	9,488
18	FERC Transmission Costs	(60,446)	(51,245)	(55,666)	4,780
19	Escalation	15,688	13,542	15,044	(644)
20	Uncollectibles (0.174%)	2,706	2,433	2,581	(125)
21	Franchise Fees (3.4273%)	53,328	47,953	50,867	(2,462)
22	Total O&M (2016\$)	606,853	522,005	569,538	(37,314)
23	Depreciation & Amortization	382,132	366,871	374,980	(7,152)
24	Taxes on Income	143,633	125,142	133,676	(9,957)
25	Taxes Other Than on Income	79,765	72,474	76,726	(3,038)
26	Total Operating Expenses	\$ 1,212,382	\$ 1,086,493	\$ 1,154,921	\$ (57,461)
27	Return	358,867	328,492	345,125	(13,742)
28	Rate Base	4,606,766	4,216,846	4,430,365	(176,401)
29	Rate of Return	7.79%	7.79%	7.79%	(0.00)%
30	Derivation of Base Margin				
31	O&M Expenses (Line 22)	\$ 606,853	\$ 522,005	\$ 569,538	\$ (37,314)
32	Depreciation (Line 23)	382,132	366,871	374,980	(7,152)
33	Taxes (Line 24+25)	223,397	197,616	210,402	(12,995)
34	Return (Line 27)	358,867	328,492	345,125	(13,742)
35	Revenue Requirement	1,571,249	1,414,985	1,500,046	(71,203)
36	Less: Misc. Revenues (Line 2)	15,227	15,801	15,854	628
37	Base Margin (Line 1)	\$ 1,556,022	\$ 1,399,184	\$ 1,484,192	\$ (71,831)

SAN DIEGO GAS & ELECTRIC COMPANY  
TEST YEAR 2016  
GAS SUMMARY OF EARNINGS  
(Thousands of Dollars)

Line No.	Description	SDG&E Update 8/17 Proposed Rates	ORA Update 5/11 Proposed Rates	Settlement	Change from SDG&E Update
1	Base Margin	\$ 320,180	\$ 291,031	\$ 306,281	\$ (13,899)
2	Miscellaneous Revenues	4,008	4,185	4,207	199
3	Revenue Requirement	\$ 324,188	\$ 295,216	\$ 310,487	\$ (13,700)
<u>OPERATING &amp; MAINTENANCE EXPENSES</u>					
4	Distribution	25,198	22,408	23,996	(1,202)
5	Gas Transmission	4,631	4,172	4,663	32
6	PSEP	-	-	-	-
7	Generation	552	429	531	(21)
8	Nuclear Generation (SONGS)	-	-	-	-
9	Engineering	11,710	9,379	11,589	(121)
10	Procurement	110	110	110	-
11	Customer Services	32,143	29,436	31,462	(681)
12	Information Technology	28,380	25,775	27,743	(638)
13	Support Services	23,209	21,344	22,645	(564)
14	Administrative and General	85,016	67,565	74,512	(10,504)
15	Subtotal (2013\$)	210,949	180,618	197,251	(13,698)
16	Shared Services Adjustments	(18,456)	(18,839)	(18,361)	95
17	Reassignments	(30,000)	(23,239)	(26,903)	3,097
18	FERC Transmission Costs				
19	Escalation	6,557	5,572	6,129	(429)
20	Uncollectibles (0.174%)	557	506	533	(24)
21	Franchise Fees (2.0727%)	6,636	6,032	6,348	(288)
22	Total O&M (2016\$)	176,244	150,649	164,997	(11,247)
23	Depreciation & Amortization	57,681	56,951	57,079	(602)
24	Taxes on Income	19,601	19,136	19,059	(542)
25	Taxes Other Than on Income	14,981	14,112	14,599	(382)
26	Total Operating Expenses	\$ 268,507	\$ 240,849	\$ 255,735	\$ (12,772)
27	Return	55,681	54,366	54,753	(928)
28	Rate Base	714,773	697,900	702,858	(11,915)
29	Rate of Return	7.79%	7.79%	7.79%	0.00%
30	Derivation of Base Margin				
31	O&M Expenses (Line 22)	\$ 176,244	\$ 150,649	\$ 164,997	\$ (11,247)
32	Depreciation (Line 23)	57,681	56,951	57,079	(602)
33	Taxes (Line 24+25)	34,581	33,249	33,658	(923)
34	Return (Line 27)	55,681	54,366	54,753	(928)
35	Revenue Requirement	324,188	295,216	310,487	(13,700)
36	Less: Misc. Revenues (Line 2)	4,008	4,185	4,207	199
37	Base Margin (Line 1)	\$ 320,180	\$ 291,031	\$ 306,281	\$ (13,899)

Line	Description	Reference	WorkGroup / CC	SDG&E	Settlement	Difference
2	Misc. Revenue	2B6	Various	19,235	20,061	826
4	O&M Expenses Distribution	2A(2,7)	1ED000	324	324	0
			1ED001	1,838	1,217	(621)
			1ED002	18,865	16,000	(2,865)
			1ED003	1,995	1,996	1
			1ED004	15,315	14,000	(1,315)
			1ED005	37	0	(37)
			1ED006	2,239	1,900	(339)
			1ED008	149	148	(1)
			1ED009	476	476	0
			1ED010	1,368	800	(568)
			1ED011	35,449	35,449	0
			1ED013	5,087	4,000	(1,087)
			1ED014	883	700	(183)
			1ED015	6,710	6,710	0
			1ED017	1,711	1,711	0
			1ED018	1,909	1,500	(409)
			1ED020	7,965	7,965	0
			1ED021	28,852	28,852	0
			1ED022	1,687	1,687	0
			1ED023	147	147	0
			1ED024	1,948	1,500	(448)
			1ED025	2,702	2,702	0
			1GD000	11,108	10,710	(398)
			1GD001	1,849	1,849	0
			1GD002	3,464	3,464	0
			1GD003	1,867	1,867	0
			1GD004	3,404	3,082	(322)
			Total	159,348	150,756	(8,592)
5	Gas Transmission	2A3	1GT000	1,243	1,243	0
			1GT001	3,282	3,314	32
			1GT002	106	106	0
			Total	4,631	4,663	32
6	PSEP		None	0	0	0
7	Generation	2A8	1EG001	287	158	(129)
			1EG002	2,264	2,264	0
			1EG003	22,788	22,788	0
			1EG004	1,260	1,000	(260)
			1EG005	658	658	0
			1EG006	24,641	24,000	(641)
			1EG007	1,137	1,137	0
			1EG008	436	384	(52)
			2100-3433	944	944	(0)
			Total	54,415	53,333	(1,082)
8	Nuclear Generation (SONGS)		1ES000	1,064	1,064	0
			1ES001	229	229	0
			Total	1,293	1,293	0
9	Engineering	2A(4,5)	1EN000	257	100	(157)
			1EN003	461	300	(161)
			1TD000	11,484	11,484	0
			2100-3563	92	35	(57)
			Total	12,294	11,919	(375)

Line	Description	Reference	WorkGroup / CC	SDG&E	Settlement	Difference
10	Procurement		1EP001	2,451	2,451	0
			1EP002	2,966	2,966	0
			1EP003	3,340	3,340	0
			Total	8,757	8,757	0
11	Customer Services	2A(9,10)	1FC001	14,527	14,675	148
			1FC002	1,484	1,484	0
			1FC003	3,002	3,002	0
			1FC004	2,912	2,974	62
			1OO000	8,771	8,400	(371)
			1OO002	5,839	5,210	(629)
			1OO003	2,849	2,849	0
			1OO004	5,327	5,208	(119)
			1OO005	1,734	1,734	0
			1OO006	8,813	8,813	0
			1OO007	2,395	2,395	0
			1OO008	6,606	6,000	(606)
			1OO009	5,788	5,500	(288)
			1OO010	14,287	12,500	(1,787)
			1OO011	3,444	2,854	(590)
			1OO012	871	871	0
			2100-0006	121	121	0
			2100-3434	505	505	0
			2100-3461	125	125	0
			2100-3511	130	130	0
			2100-3709	98	98	0
Total	89,628	85,448	(4,180)			
12	Information Technology	2A15	1IT001	17,153	17,635	482
			1IT002	224	319	95
			1IT003	652	924	272
			1IT004	159	177	18
			2100-0207	2,587	3,560	973
			2100-3064	752	893	141
			2100-3067	788	1,290	502
			2100-3071	1,293	2,178	885
			2100-3072	908	1,280	372
			2100-3073	942	1,478	536
			2100-3074	291	477	186
			2100-3076	1,324	2,298	974
			2100-3079	63	79	16
			2100-3080	18	16	(2)
			2100-3082	50	35	(15)
			2100-3083	(2)	(3)	(1)
			2100-3086	783	1,120	337
			2100-3087	824	1,035	211
			2100-3088	188	297	109
			2100-3089	993	1,508	515
			2100-3091	6,051	4,536	(1,515)
			2100-3093	1,015	1,300	285
			2100-3095	1,259	1,092	(167)
			2100-3097	852	1,433	582
			2100-3098	35	59	24
			2100-3099	219	442	223
			2100-3100	1,266	2,005	739
2100-3101	273	377	104			
2100-3102	1,124	1,233	109			
2100-3103	10,385	8,979	(1,406)			
2100-3105	15	25	11			

Line	Description	Reference	WorkGroup / CC	SDG&E	Settlement	Difference
			2100-3106	7,475	8,389	914
			2100-3107	1,131	1,842	711
			2100-3317	604	714	110
			2100-3334	838	1,384	546
			2100-3335	51	68	18
			2100-3494	5,370	2,396	(2,974)
			2100-3495	7,089	2,848	(4,241)
			2100-3498	298	507	209
			2100-3500	319	540	221
			2100-3501	1,254	790	(464)
			2100-3502	1,909	3,257	1,348
			2100-3544	38	62	24
			2100-3548	236	336	100
			2100-3623	8,092	3,672	(4,420)
			2100-3682	321	537	215
			2100-3683	1,094	1,767	673
			2100-3684	422	668	246
			2100-3698	469	422	(47)
			2100-3699	300	562	262
			2100-3713	536	894	358
			2100-3733	637	866	229
			2100-3754	6	5	(1)
			2100-3762	174	260	86
			2100-3763	460	353	(107)
			2100-3774	993	1,413	420
			2100-3775	1,954	2,174	221
			2100-3781	1,330	376	(954)
			2100-3807	534	542	9
			2100-3814	582	694	112
			2100-3817	19	31	12
			2100-3824	217	364	147
			2100-3835	17	13	(4)
			2100-3842	1,019	1,019	0
			2100-3843	1	2	1
			2100-3846	6	(1)	(7)
			2100-3848	131	220	89
			2100-3855	5,265	4,055	(1,210)
			2100-3856	1,247	667	(580)
			2100-3859	616	242	(374)
			2100-3884	1,038	658	(380)
			2100-3885	430	745	315
			2100-3888	326	552	225
			2100-3900	868	295	(573)
			2100-3905	19	32	14
			2100-4001	806	902	96
			2100-4003	92	157	65
			Total	109,115	106,368	(2,747)
13	Support Services	2A(11,12,13,14)	1EV000	4,617	4,658	41
			1RE001	5,782	5,782	0
			1RE002	608	608	0
			1RE003	17,631	17,000	(631)
			1FS001	18,249	16,700	(1,549)
			1FS002	20,875	20,500	(375)
			1FS003	739	739	0
			1FS004	590	590	0
			1FS005	732	732	0
			1FS006	(99)	(99)	0
			1SS001	4,078	4,078	0
			1SS002	728	728	0

Line	Description	Reference	WorkGroup / CC	SDG&E	Settlement	Difference
			1SS003	2,389	2,389	0
			1SS004	729	729	0
			1SS005	1,345	1,345	0
			1SS006	1,051	1,051	0
			1SS007	1,393	1,393	0
			2100-0206	312	312	0
			2100-0632	1,245	1,245	0
			2100-3022	1,623	1,623	(0)
			2100-3282	784	784	0
			2100-3588	373	373	0
			2100-3589	180	180	0
			2100-0706	600	600	0
			2100-0708	10,523	10,523	0
			2100-3025	180	179	(1)
			2100-3029	1,384	1,277	(107)
			2100-3030	247	247	0
			2100-3032	100	100	0
			2100-3303	738	738	0
			2100-3323	795	795	0
			2100-3610	628	628	0
			2100-3714	609	609	0
			2100-3013	415	338	(77)
			2100-3016	708	744	36
			2100-3266	721	721	0
			2100-3331	968	969	0
			2100-3332	750	747	(3)
			2100-3407	310	309	(1)
			Total	105,627	102,961	(2,666)
14	Administrative and General	2A(1,16,17,18,19,20)	1AG002	2,555	(534)	(3,089)
			1AG003	323	323	0
			1AG004	2,130	2,130	0
			1AG005	864	864	0
			1AG006	810	810	0
			1AG007	3,487	3,356	(131)
			1AG009	519	519	0
			1AG011	7,142	7,142	0
			1AG012	674	674	0
			1AG013	259	413	154
			1AG015	3,854	3,600	(254)
			1PB000	79,375	75,457	(3,918)
			1CP000	62,039	33,571	(28,468)
			1HR000	376	376	0
			1HR001	604	604	0
			1HR002	1,388	1,455	67
			1HR003	5,097	5,097	0
			1HR004	2,123	2,123	0
			1HR006	1,825	1,825	0
			1HR007	635	518	(117)
			1HR008	295	295	0
			1HR009	2,233	2,293	60
			1PN000	9,550	9,550	0
			1SE000	64,200	61,308	(2,892)
			1SN000	111,512	110,000	(1,512)
			2100-SAXX	46,278	43,471	(2,807)
			2100-0274	479	479	0
			2100-0657	454	454	0
			2100-3050	275	275	0
			2100-3051	886	886	0

Line	Description	Reference	WorkGroup / CC	SDG&E	Settlement	Difference
			2100-3052	891	891	0
			2100-3058	1,016	1,016	0
			2100-3161	673	673	0
			2100-3162	1,059	1,059	0
			2100-3427	1,425	1,425	0
			2100-3428	710	710	0
			2100-3430	397	397	0
			2100-3555	551	551	0
			2100-3602	579	579	0
			2100-3791	974	1,179	205
			2100-3798	508	508	0
			2100-3845	60	60	0
			2100-4005	64	64	0
			2100-4006	493	493	0
			2100-4008	1,095	1,098	3
			2100-4009	779	786	7
			2100-3590	2,965	2,500	(465)
			2100-0214	2,367	2,367	0
			2100-0284	967	934	(33)
			2100-3505	795	795	0
			2100-3506	475	475	0
			2100-3833	288	288	0
			2100-3834	161	161	0
			Total	431,532	388,342	(43,190)
15	Subtotal (2013\$)			976,640	913,840	(62,800)
16	Shared Services Adjustments			(91,061)	(90,216)	845
17	Reassignments			(127,510)	(114,924)	12,585
18	FERC Transmission Costs			(60,446)	(55,666)	4,780
19	Escalation	2B5		22,245	21,172	(1,073)
20	Uncollectibles			3,263	3,114	(149)
21	Franchise Fees			59,965	57,215	(2,750)
22	Total O&M (2016\$)			783,096	734,536	(48,561)
23	Depreciation & Amortization			439,813	432,059	(7,754)
24	Taxes on Income	2B1		163,233	152,735	(10,498)
25	Taxes Other Than on Income	2B1		94,746	91,325	(3,420)
26	Total Operating Expenses			1,480,889	1,410,655	(70,234)
27	Return			414,548	399,878	(14,670)
28	Revenue Requirement			1,895,437	1,810,533	(84,903)
29	Rate Base	2A/B		5,321,539	5,133,222	(188,316)
30	Working Cash	2B2		131,282	98,626	(32,656)

SDG&E/ORA Capital Settlement Summary

(For Years 2014 - 2016)

Functional Area	Budget code	Description	SDG&E	Settlement	Difference
Gas Engineering	004120.001	GT PL REPLACE/EXTERNAL DRIVEN	3,041	3,041	0
Gas Engineering	004120.002	GT PL REPLACE/EXTERNAL DRIVEN	1,304	1,304	0
Gas Engineering	004130.001	GT PL RELOC-FWAY/EXTERNAL DRIVEN	596	596	0
Gas Engineering	004140.001	GT PL RELOC-FRAN/PRV ROW/EXTERNAL DRIVEN	352	352	0
Gas Engineering	004150.001	Compressor Stations	8,921	8,921	0
Gas Engineering	004160.001	GT CATHODIC PROTECTION/EXTERNAL DRIVEN	635	635	0
Gas Engineering	004170.001	Gas Transmission - Land Rights	63	63	0
Gas Engineering	004180.001	M&R Stations	1,280	1,280	0
Gas Engineering	004180.002	M&R Stations	2,084	2,084	0
Gas Engineering	004360.001	GT CAPITAL TOOLS / QUALITY-ECON DRIVEN	337	337	0
Gas Distribution	005000.001	New Business	23,984	23,984	0
Gas Distribution	005000.002	New Business	4,328	4,328	0
Gas Distribution	005010.001	Systems Minor Additions, Relocations and Retirements	2,299	2,299	0
Gas Distribution	005010.002	Systems Minor Additions, Relocations and Retirements	1,414	1,414	0
Gas Distribution	005010.003	Systems Minor Additions, Relocations and Retirements	3,812	3,812	0
Gas Distribution	005010.005	Systems Minor Additions, Relocations and Retirements	1,276	1,276	0
Gas Distribution	005020.001	Meter and Regulator Materials	22,540	22,540	0
Gas Distribution	005030.001	Pressure Betterment	5,851	5,851	0
Gas Distribution	005040.001	Distribution Easements	128	128	0
Gas Distribution	005050.001	Pipe Relocations - Franchise and Freeway	12,050	12,050	0
Gas Distribution	005050.002	Pipe Relocations - Franchise and Freeway	154	154	0
Gas Distribution	005060.001	Tools and Equipment	1,555	1,555	0
Gas Distribution	005060.002	Tools and Equipment	2,483	2,483	0
Gas Distribution	005060.003	Tools and Equipment	1,803	1,803	0
Gas Distribution	005070.001	Code Compliance	1,133	1,133	0
Gas Distribution	005080.001	Replacements of Mains & Services	6,928	6,928	0
Gas Distribution	005090.001	Cathodic Protection	2,306	2,306	0
Gas Distribution	005100.001	Regulator Station Improvements and Other	1,471	1,471	0
Pipeline Integrity	034680.001	PIPELINE INTEGRITY FOR GAS TRANSMISSION	15,861	15,861	0
Pipeline Integrity	095460.001	Distribution Integrity Mgmt Program	25,113	25,113	0
Gas Distribution	12550A.001	Category 4 Remediation	0	0	0
Gas Distribution	125510.001	Cathodic Protection System Enhancement	1,006	1,006	0
Gas Engineering	00411A.001	NRG Joint-venture UEG at Carlsbad	1,480	1,480	0
Gas Engineering	00411B.001	New Pipelines - Blanket W.O. projects	0	0	0
Gas Distribution	009020.001	Local Engineering Pool	14,634	14,634	0
Gas Engineering	009030.001	Local Engineering Pool - GT Pool	415	415	0
Gas Engineering	00411C.001	New Transmission Pipelines - Billed Capital	134	134	0
Gas Engineering	004150.002	Compressor Stations	186	186	0
Gas Engineering	004180.003	Billed Capital - M&R Stations	121	121	0
<b>Gas Engineering, Transmission, Engineering, and Pipeline Integrity Total</b>			<b>173,078</b>	<b>173,078</b>	<b>0</b>
Electric Distribution	002090.001	Field Shunt Capacitors	1,782	1,629	(153)
Electric Distribution	002280.001	Reactive Small Capital Projects	4,344	5,567	1,223
Electric Distribution	022520.001	Mira Sorrento 138/12KV Substation	12,218	6,747	(5,471)
Electric Distribution	022580.001	Salt Creek Substation & New Circuits	7,889	4,274	(3,615)
Electric Distribution	072450.001	Telegraph Canyon- 138/12kV Bank & C1226	3,080	3,079	(1)
Electric Distribution	072490.001	San Ysidro- New 12kv Circuit 1202	748	745	(3)
Electric Distribution	072530.001	C1161 BD - New 12kV Circuit	1,315	1,315	0
Electric Distribution	082530.001	Substation 12kV Capacitor Upgrades	9,834	4,387	(5,447)
Electric Distribution	092740.001	C1282 LC - New Circuit	4,031	23	(4,008)
Electric Distribution	092760.001	Poseidon - Cannon substation Modification	10,210	10,461	251
Electric Distribution	112570.001	Camp Pendleton 12kV Service	612	170	(442)
Electric Distribution	972480.001	Distribution System Capacity Improvement	7,668	6,031	(1,637)
Electric Distribution	08259A.001	C917, CC: New 12kV Circuit	1,450	0	(1,450)
Electric Distribution	09271A.001	C1259, MAR: New 12kV Circuit	961	0	(961)
Electric Distribution	10266A.001	C350, LI: Reconductor & Voltage Regulation	933	529	(404)
Electric Distribution	10270A.001	C1049, CSW: New 12kV Circuit	2,506	2,359	(147)
Electric Distribution	10272A.001	Middletown 4kV Substation RFS	734	734	0
Electric Distribution	11244A.001	C928, POM: New 12kV Circuit	734	0	(734)
Electric Distribution	11259A.001	C100, OT: 12kV Circuit Extension	1,858	0	(1,858)
Electric Distribution	13250A.001	C108, B: 12 kV Circuit Reconfiguration	619	378	(241)
Electric Distribution	13251A.001	C176 PO: Reconductor	657	657	0

(For Years 2014 - 2016)

Functional Area	Budget code	Description	SDG&E	Settlement	Difference
Electric Distribution	13259A.001	C1243, RMV: Reconductor	1,341	1,341	0
Electric Distribution	13260A.001	C1288, MSH: New 12kV Circuit□	980	928	(52)
Electric Distribution	13263A.001	C982: OL- Voltage Regulation	551	0	(551)
Electric Distribution	13285A.001	C1090, JM: New 12kV Circuit□	14,574	14,574	0
Electric Distribution	13286A.001	C1120, BQ: New 12kV Circuit□	2,965	2,965	0
Electric Distribution	13288A.001	GH New 12kV Circuit□	1,584	1,584	0
<b>ED - Capacity &amp; Expansion Total</b>			<b>96,178</b>	<b>70,477</b>	<b>(25,701)</b>
<b>Electric Distribution</b>	<b>002060.001</b>	<b>Electric Distribution Tools/Equipment</b>	<b>4,116</b>	<b>3,052</b>	<b>(1,064)</b>
Electric Distribution	002050.001	ELECTRIC DIST. STREET/HWY RELOCATIONS	2,718	2,447	(271)
Electric Distribution	002050.002	ELECTRIC DIST. STREET/HWY RELOCATIONS	15,519	13,973	(1,546)
Electric Distribution	002100.001	CONVERSION FROM OH TO UG RULE 20A	39,075	34,389	(4,686)
Electric Distribution	002130.001	CITY OF SAN DIEGO SURCHARGE PROG (20SD)	67,980	62,637	(5,343)
<b>ED - Franchise Total</b>			<b>125,292</b>	<b>113,446</b>	<b>(11,846)</b>
Electric Distribution	002290.001	CORRECTIVE MAINTENANCE PROGRAM (CMP)	26,070	26,761	691
Electric Distribution	002890.001	CMP UG Switch Replacement & Manhole Repair	36,985	30,121	(6,864)
Electric Distribution	012950.001	Load Research/DLP Electric Metering Project	906	624	(282)
Electric Distribution	102650.001	Avian Protection	4,934	4,724	(210)
Electric Distribution	872320.001	Pole Replacement And Reinforcement	46,188	44,099	(2,089)
<b>ED - Mandated Total</b>			<b>115,083</b>	<b>106,329</b>	<b>(8,754)</b>
<b>ED - Materials Total</b>	<b>002140.001</b>	<b>TRANSFORMERS</b>	<b>66,076</b>	<b>57,833</b>	<b>(8,243)</b>
Electric Distribution	002020.001	ELECTRIC METERS & REGULATORS	13,293	6,391	(6,902)
Electric Distribution	002040.001	ELECTRIC DISTRIBUTION EASEMENTS	501	224	(277)
Electric Distribution	002040.002	ELECTRIC DISTRIBUTION EASEMENTS	13,408	5,991	(7,417)
Electric Distribution	002110.001	CONVERSION FROM OH-UG RULE 20B 20C	4,442	5,960	1,518
Electric Distribution	002110.002	CONVERSION FROM OH-UG RULE 20B 20C	1,533	2,056	523
Electric Distribution	002150.001	OH RESIDENTIAL NB	858	731	(127)
Electric Distribution	002150.002	OH RESIDENTIAL NB	1,442	1,228	(214)
Electric Distribution	002160.001	OH NON-RESIDENTIAL NB	780	331	(449)
Electric Distribution	002160.002	OH NON-RESIDENTIAL NB	3,641	1,550	(2,091)
Electric Distribution	002170.001	UG RESIDENTIAL NB	7,027	3,240	(3,787)
Electric Distribution	002170.002	UG RESIDENTIAL NB	28,548	18,165	(10,383)
Electric Distribution	002180.001	UG NON-RESIDENTIAL NB	8,888	4,236	(4,652)
Electric Distribution	002180.002	UG NON-RESIDENTIAL NB	17,971	10,564	(7,407)
Electric Distribution	002190.001	NEW BUSINESS INFRASTRUCTURE	11,947	9,968	(1,979)
Electric Distribution	002190.002	NEW BUSINESS INFRASTRUCTURE	31,589	25,145	(6,444)
Electric Distribution	002240.001	NEW SERVICE INSTALLATIONS	1,250	999	(251)
Electric Distribution	002240.002	NEW SERVICE INSTALLATIONS	19,048	16,291	(2,757)
Electric Distribution	002250.001	CUSTOMER REQUESTED UPGRADES AND SERVICES	9,203	13,643	4,440
Electric Distribution	002250.002	CUSTOMER REQUESTED UPGRADES AND SERVICES	17,276	25,609	8,333
Electric Distribution	002350.001	TRANSFORMER & METER INSTALLATIONS	96	97	1
Electric Distribution	002350.002	TRANSFORMER & METER INSTALLATIONS	16,901	17,075	174
Electric Distribution	022640.001	SUSTAINABLE COMMUNITY ENERGY SYSTEMS	1,565	1,144	(421)
<b>ED - New Business Total</b>			<b>211,207</b>	<b>170,638</b>	<b>(40,569)</b>
Electric Distribution	009010.001	Local Engineering Pool - ED Pool	271,268	235,645	(35,623)
Electric Distribution	009040.001	Local Engineering Pool - Substation Pool	37,520	30,606	(6,914)
Electric Distribution	009050.001	Department Overhead Pool	11,185	10,237	(948)
Electric Distribution	00906A.001	Budget Code 906 - Contract Administration Pool	17,160	15,919	(1,241)
<b>ED - OH Pools</b>			<b>337,133</b>	<b>292,407</b>	<b>(44,726)</b>
Electric Distribution	002030.001	DISTRIBUTION SUBSTATION RELIABILITY	4,698	3,847	(851)
Electric Distribution	002260.001	MANAGEMENT OF OH DIST. SERVICE	27,819	23,197	(4,622)
Electric Distribution	002270.001	MANAGEMENT OF UG DIST. SERVICE	11,124	10,145	(979)
Electric Distribution	002300.001	REPLACEMENT OF UNDERGROUND CABLES	39,393	34,286	(5,107)
Electric Distribution	002360.001	CAPITAL RESTORATION OF SERVICE	11,532	12,410	878
Electric Distribution	062540.001	EMERGENCY TRANSFORMER & SWITCHGEAR	1,158	794	(364)
Electric Distribution	062600.001	REMOVE 4KV SUBS. FROM SERVICE	9,093	5,997	(3,096)
Electric Distribution	081620.001	SUBSTATION SECURITY	2,502	2,068	(434)

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Functional Area	Budget code	Description	SDG&E	Settlement	Difference
Electric Distribution	112470.001	ADVANCED ENERGY STORAGE	2,562	2,562	0
Electric Distribution	112610.001	SEWAGE PUMP STATION REBUILDS	3,844	3,844	0
Electric Distribution	121250.001	SUNNYSIDE 69/12KV REBUILD	1,864	1,864	0
Electric Distribution	142430.001	Microgrid Systems for Reliability	14,544	14,539	(5)
Electric Distribution	142430.002	Microgrid Systems for Reliability	2,556	2,561	5
Electric Distribution	932400.001	DISTRIBUTION CIRCUIT RELIABILITY CONSTRUCTION	31,209	23,326	(7,883)
Electric Distribution	942410.001	POWER QUALITY PROGRAM	560	421	(139)
Electric Distribution	992820.001	REPLACE OBSOLETE SUBSTATION EQUIPMENT	17,373	11,755	(5,618)
Electric Distribution	01269A.001	Rebuild Pt Loma 69/12kV Substation □	11,276	11,276	0
Electric Distribution	08261A.001	Vista 4kV Substation RFS □	884	884	0
Electric Distribution	10261E.001	Advanced Technology	31,416	30,097	(1,319)
Electric Distribution	10261E.002	Advanced Technology	5,532	3,687	(1,845)
Electric Distribution	12266A.001	Condition Based Maintenance Program	9,792	9,791	(1)
Electric Distribution	12266A.002	Condition Based Maintenance Program	1,716	1,717	1
Electric Distribution	13242B.001	Rebuild Kearny 69/12kV Substation □	16,762	21,770	5,008
<b>ED - Reliability Improvements Total</b>			<b>259,209</b>	<b>232,838</b>	<b>(26,371)</b>
<b>ED - Smart Meter Total</b>	<b>042500.001</b>	<b>SMART METER PROJECT-METER DEVELOPMENT</b>	<b>1,116</b>	<b>165</b>	<b>(951)</b>
Electric Distribution	062470.001	Replacement Of Live Front Equipment	2,529	2,069	(460)
Electric Distribution	112430.001	SDG&E Weather Instrumentation Install.	285	414	129
Electric Distribution	122560.001	Powerworkz	468	596	128
Electric Distribution	122650.001	C1215- Fire Risk Mitigation Project	186	59	(127)
Electric Distribution	132550.001	C441-Pole Loading Study/Fire Risk Mitigation	186	81	(105)
Electric Distribution	13247A.001	Fire Risk Mitigation (FiRM) - Phases 1 and 2	38,332	34,807	(3,525)
Electric Distribution	13266A.001	Distribution Aerial Marking and Lighting	420	280	(140)
Electric Distribution	13282A.001	13282 - Future CNF Blanket Budget □	9,704	9,704	0
Electric Distribution	13282A.002	13282 - Future CNF Blanket Budget □	0	0	0
Electric Distribution	14247A.001	Fire Risk Mitigation (FiRM) - Phase 3	80,318	77,455	(2,863)
Electric Distribution	14249A.001	SF6 Switch Replacement	9,888	9,888	0
<b>ED - Safety &amp; Risk Management Total</b>			<b>142,316</b>	<b>135,353</b>	<b>(6,963)</b>
Electric Distribution	001000.001	ELEC TRANS LINE RELIABILITY PROJECTS	3,135	1,872	(1,263)
Electric Distribution	001020.001	ELEC TRANS LINE RELOCATION PROJECTS	150	106	(44)
Electric Distribution	061320.001	RELOCATE SOUTH BAY SUBSTATION	1,519	1,311	(208)
Electric Distribution	061320.002	RELOCATE SOUTH BAY SUBSTATION	232	232	0
Electric Distribution	061320.003	RELOCATE SOUTH BAY SUBSTATION	256	172	(84)
Electric Distribution	071390.001	ECO SUBSTATION	1,608	1,652	44
Electric Distribution	071440.001	FIBER OPTIC FOR RELAY PROTECT & TELECOM	6,408	6,258	(150)
Electric Distribution	081650.001	Cleveland National Forest Power Line Replacement Projects	2,941	2,871	(70)
Electric Distribution	081650.002	Cleveland National Forest Power Line Replacement Projects	1,407	1,367	(40)
Electric Distribution	081650.003	Cleveland National Forest Power Line Replacement Projects	2,155	2,073	(82)
Electric Distribution	091250.001	TL 637 CRE-ST Wood to Steel	1,859	1,784	(75)
Electric Distribution	091360.001	TL6914 Los Coches-Loveland Wood to Steel	2,454	4,771	2,317
Electric Distribution	091660.001	TL13821 & 28-FANITA JUNCTION ENHANCE	628	659	31
Electric Distribution	09153A.001	TL676 Mission to Mesa Heights Reconductor	52	0	(52)
Electric Distribution	10135A.001	Los Coches Rebuild 138/69/12kV Substation □	17,172	10,370	(6,802)
Electric Distribution	10150A.003	TL13833 Wood to Steel	285	88	(197)
Electric Distribution	11126A.001	TL663 Mission to Kearny Reconductor	66	17	(49)
Electric Distribution	11127A.001	TL670 Mission to Clairemont Reconductor	52	2	(50)
Electric Distribution	12154A.001	TL631 Reconductor Project	2,182	2,182	0
Electric Distribution	12156A.001	TL600 Reliability Pole Replacements	130	0	(130)
Electric Distribution	13130A.001	Loop TL674 Into Del Mar and RFS TL666D	1,169	1,169	0
Electric Distribution	13143A.001	TL 695B Reconductor	458	458	0
<b>ED - Transmission/FERC Total</b>			<b>46,318</b>	<b>39,414</b>	<b>(6,904)</b>
Electric Distribution	13236A.001	ARCOS Call-out System Replacement	0	0	0
Electric Distribution	12261A.001	C221-FIRE Risk Mitigation (Hendrix Pilot)	0	0	0
Electric Distribution	13261A.001	Super Computer Cluster	0	0	0
Electric Distribution	10263A.001	Undergrounding in Fire Threat Zones	0	0	0
<b>ED - Other</b>			<b>0</b>	<b>0</b>	<b>0</b>
Generation	00006A.001	Capital Tools & Test Equipment	222	588	366

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Functional Area	Budget code	Description	SDG&E	Settlement	Difference
Generation	00006A.002	Capital Tools & Test Equipment	273	518	245
Generation	00008A.001	MEF Operational Enhancements	130	130	0
Generation	00008A.002	MEF Operational Enhancements	300	200	(100)
Generation	00008A.003	MEF Operational Enhancements	300	200	(100)
Generation	00008A.004	MEF Operational Enhancements	1,923	1,829	(94)
Generation	00008A.005	MEF Operational Enhancements	300	300	0
Generation	00009A.001	PEC Operational Enhancements	157	157	0
Generation	00009A.002	PEC Operational Enhancements	1,535	1,535	0
Generation	00009A.003	PEC Operational Enhancements	138	1	(137)
Generation	00009A.004	PEC Operational Enhancements	220	220	0
Generation	00009A.005	PEC Operational Enhancements	158	0	(158)
Generation	00009A.006	PEC Operational Enhancements	204	204	0
Generation	00009A.007	PEC Operational Enhancements	140	140	0
Generation	00009A.008	PEC Operational Enhancements	31	31	0
Generation	00009A.009	PEC Operational Enhancements	200	200	0
Generation	00009A.010	PEC Operational Enhancements	100	0	(100)
Generation	00009A.011	PEC Operational Enhancements	363	363	0
Generation	00009A.012	PEC Operational Enhancements	245	245	0
Generation	00009A.013	PEC Operational Enhancements	346	345	(1)
Generation	00009A.014	PEC Operational Enhancements	2,720	2,720	0
Generation	00009A.015	PEC Operational Enhancements	600	600	0
Generation	00009A.016	PEC Operational Enhancements	600	600	0
Generation	00009A.017	PEC Operational Enhancements	58	0	(58)
Generation	00009A.018	PEC Operational Enhancements	741	741	0
Generation	00009A.019	PEC Operational Enhancements	185	185	0
Generation	00009A.020	PEC Operational Enhancements	600	600	0
Generation	00009A.021	PEC Operational Enhancements	211	0	(211)
Generation	00009A.022	PEC Operational Enhancements	800	800	0
Generation	00009A.023	PEC Operational Enhancements	303	303	0
Generation	00009A.024	PEC Operational Enhancements	553	553	0
Generation	00009A.025	PEC Operational Enhancements	105	105	0
Generation	00009A.026	PEC Operational Enhancements	845	845	0
Generation	00009A.027	PEC Operational Enhancements	575	575	0
Generation	00009A.028	PEC Operational Enhancements	554	554	0
Generation	00010A.001	DSEC Operational Enhancements	99	99	0
Generation	00010A.002	DSEC Operational Enhancements	3,911	3,744	(167)
Generation	00010A.003	DSEC Operational Enhancements	3,670	3,672	2
Generation	00010A.004	DSEC Operational Enhancements	414	414	0
Generation	00010A.005	DSEC Operational Enhancements	138	138	0
Generation	00010A.006	DSEC Operational Enhancements	624	624	0
Generation	00010A.007	DSEC Operational Enhancements	636	636	0
Generation	00010A.008	DSEC Operational Enhancements	162	162	0
Generation	00010A.009	DSEC Operational Enhancements	294	0	(294)
Generation	00010A.010	DSEC Operational Enhancements	200	200	0
Generation	00010A.011	DSEC Operational Enhancements	161	0	(161)
Generation	00010A.012	DSEC Operational Enhancements	150	0	(150)
Generation	00010A.013	DSEC Operational Enhancements	750	750	0
Generation	00010A.014	DSEC Operational Enhancements	636	439	(197)
Generation	00010A.015	DSEC Operational Enhancements	636	454	(182)
Generation	00010A.016	DSEC Operational Enhancements	636	424	(212)
Generation	00010A.017	DSEC Operational Enhancements	381	381	0
Generation	00010A.019	DSEC Operational Enhancements	1,775	1,775	0
Generation	00010A.020	DSEC Operational Enhancements	660	660	0
Generation	00010A.022	DSEC Operational Enhancements	825	825	0
Generation	00011A.001	CPEP Operational Enhancements	229	229	0
Generation	00011A.002	CPEP Operational Enhancements	1,128	0	(1,128)
Generation	00011A.003	CPEP Operational Enhancements	300	200	(100)
Generation	00011A.004	CPEP Operational Enhancements	300	200	(100)
Generation	00011A.005	CPEP Operational Enhancements	300	295	(5)
Generation	00011A.006	CPEP Operational Enhancements	1,083	1,083	0
<b>Generation Total</b>			<b>36,833</b>	<b>33,791</b>	<b>(3,042)</b>
IT	00811A.001	PT12040 CA.ISO 2012 INITIATIVES□	450	143	(307)

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Functional Area	Budget code	Description	SDG&E	Settlement	Difference
IT	00811A.002	PT12040 CA.ISO 2012 INITIATIVES□	323	135	(188)
IT	00817A.001	PT14031 SDG&E Data Warehouse Upgrade	1,529	1,529	0
IT	00817B.001	PT15003 SDGE Desktop Hardware Refresh	4,668	4,668	0
IT	00821A.001	PT13010 CUSTOMER ANALYTICS SYSTEM 2013	2,422	3,069	647
IT	00821A.002	PT13010 CUSTOMER ANALYTICS SYSTEM 2013	80	0	(80)
IT	00821A.003	PT13010 CUSTOMER ANALYTICS SYSTEM 2013	60	0	(60)
IT	00827A.001	PT14032 SDG&E SCADA Log Management Expansion	757	0	(757)
IT	00827B.001	PT14045 Generation IS Equipment Refresh	329	431	102
IT	00827C.001	PT15001 Remote Server Rooms□	158	158	0
IT	00827C.002	PT15001 Remote Server Rooms□	158	158	0
IT	00827D.001	PT15005 SDGE Video-enabled Collaboration Room Upgrade	395	395	0
IT	00829B.001	PT14034 SDGE CI Small Cap Projects	1,140	1,320	180
IT	00829C.001	PT14035 2014 SDG&E Microwave Upgrade and Enhancement	1,099	1,047	(52)
IT	00829D.001	PT14036 SDGE Downtown SCADA	2,463	1,309	(1,154)
IT	00829E.001	PT14038 Mobile Command Trailer Enhancement	689	148	(541)
IT	00829F.001	PT13014 SDGE LAND MOBILE RADIO	1,574	1,564	(10)
IT	00829G.001	PT14004 SDGE SCADA Log Management	771	709	(62)
IT	00831A.001	PT15007 SDGE.com Redesign□	286	286	0
IT	00831B.001	PT15009 EBPP Tech Refresh	5,971	5,971	0
IT	00831E.001	PT14005 Off But Registering (OBR) Enhancement	554	554	0
IT	00831J.001	PT14015 C&I Business Portal	997	997	0
IT	00831J.002	PT14015 C&I Business Portal	1,295	1,295	0
IT	00831J.003	PT14015 C&I Business Portal	2,238	2,238	0
IT	00831J.004	PT14015 C&I Business Portal	2,817	3,241	424
IT	00831L.001	PT14023 IVR Phase 4 SDGE	551	0	(551)
IT	00831M.001	PT14040 Direct Access Service Request (DASR) Upgrade□	373	373	0
IT	00831N.001	PT14065 CCA - Community Choice Aggregation	1,370	1,370	0
IT	00831N.002	PT14065 CCA - Community Choice Aggregation	587	587	0
IT	00831N.003	PT14065 CCA - Community Choice Aggregation	666	666	0
IT	00831N.004	PT14065 CCA - Community Choice Aggregation	327	327	0
IT	00831P.001	PT12051 SDG&E My Account Accessibility	4,704	5,029	325
IT	00831P.004	PT12051 SDG&E My Account Accessibility	1,587	1,587	0
IT	00832A.001	PT14006 Branch Office Technical and Security Improvements	824	824	0
IT	00833B.001	PT15006 E&FP PCI and Allegro New Modules	807	807	0
IT	00833B.002	PT15006 E&FP PCI and Allegro New Modules	422	422	0
IT	00833C.005	PT15008 Service Order Routing Technology (SORT) Upgrade	592	592	0
IT	00833C.006	PT15008 Service Order Routing Technology (SORT) Upgrade	148	148	0
IT	00833D.001	PT15012 I-Avenue Replacement□	3,193	3,193	0
IT	00833E.001	PT16002 E&FP 2016 CAISO Mandates	986	986	0
IT	00833E.002	PT16002 E&FP 2016 CAISO Mandates	454	0	(454)
IT	00833E.003	PT16002 E&FP 2016 CAISO Mandates	100	0	(100)
IT	00833E.004	PT16002 E&FP 2016 CAISO Mandates	368	368	0
IT	00833E.005	PT16002 E&FP 2016 CAISO Mandates	75	75	0
IT	00833F.001	PT14013 Centralized Calculation Engine	1,654	1,918	264
IT	00833F.002	PT14013 Centralized Calculation Engine	417	0	(417)
IT	00833F.003	PT14013 Centralized Calculation Engine	2,424	2,424	0
IT	00833F.004	PT14013 Centralized Calculation Engine	583	583	0
IT	00833G.001	PT14017 Smart Energy Advisor 2□	907	832	(75)
IT	00833G.002	PT14017 Smart Energy Advisor 2□	1,315	0	(1,315)
IT	00833G.003	PT14017 Smart Energy Advisor 2□	255	0	(255)
IT	00833G.004	PT14017 Smart Energy Advisor 2□	247	0	(247)
IT	00833H.001	PT14018 E&FP Operations and Analytics Programs□	612	475	(137)
IT	00833H.002	PT14018 E&FP Operations and Analytics Programs□	348	148	(200)
IT	00833K.001	PT14029 Asset Photo Repository (APR)	301	301	0
IT	00833L.001	PT14044 Powerworkz Upgrade and Enhancements	559	224	(335)
IT	00833M.001	PT14062 Electric GIS 2014 Enhancements	249	429	180
IT	00833M.003	PT14062 Electric GIS 2014 Enhancements	818	818	0
IT	00833N.001	PT14064 SAP GAS GuiXT - SDGE	1,160	1,160	0
IT	00833P.001	PT13006 Performance Management Reporting Phase 2 (PMR2)	992	1,031	39
IT	00833Q.001	PT13007 POLE LOADING CALCULATION REPOSITORY	357	389	32
IT	00833Q.002	PT13007 POLE LOADING CALCULATION REPOSITORY	63	0	(63)
IT	00833R.001	PT13013 SMART METER OPERATION CENTER NETWORK□	314	396	82
IT	00833S.001	PT13017 CISCO DATA RETENTION	139	284	145

(For Years 2014 - 2016)

Functional Area	Budget code	Description	SDG&E	Settlement	Difference
IT	00833T.001	PT13022 Electric GIS 2013 Enhancements□	668	795	127
IT	00833U.001	PT13009 Smart Energy Advisor □	1,113	1,393	280
IT	00834A.001	PT13024 SORTCustomer Service Field MDT Refresh□	121	306	185
IT	00834C.001	PT12039 ESS MDT	48	46	(2)
IT	00834D.001	PT13011 SDGE MDT Replacement	451	440	(11)
IT	00835A.001	PT14021 PostgreSQL OpenSource DBMS	402	402	0
IT	00835B.001	PT14027 Performance Management Reporting Phase 3 (PMR3)	748	748	0
IT	00835B.002	PT14027 Performance Management Reporting Phase 3 (PMR3)	625	625	0
IT	03849A.001	PT14039 CEN Phase 4 - System Enhancements□	455	645	190
IT	03849A.002	PT14039 CEN Phase 4 - System Enhancements□	455	455	0
IT	03849B.001	PT13012 Net Energy Metering	71	100	29
IT	03849C.001	PT15800 Bill Re-Design 2015	3,323	3,323	0
IT	03851B.001	PT14003 Smart Meter Operations Center - Command Center	1,400	1,400	0
IT	03851C.001	PT0460 IT Financial Planning	989	1,264	275
IT	03851D.001	PT13003 GRC Phase 2□	638	651	13
IT	03851E.001	PT13018 SDG&E WebLogic Integration□	294	343	49
IT	03851F.001	PT13021 Critical Peak Pricing Default (CPP_D)□	4,569	4,207	(362)
IT	03851F.002	PT13021 Critical Peak Pricing Default (CPP_D)□	2,662	2,000	(662)
IT	03851F.003	PT13021 Critical Peak Pricing Default (CPP_D)□	365	365	0
IT	03851F.004	PT13021 Critical Peak Pricing Default (CPP_D)□	5,080	5,080	0
IT	03851G.001	PT13027 E&FP Spring 2014 CAISO Mandates	590	814	224
IT	03851G.002	PT13027 E&FP Spring 2014 CAISO Mandates	472	0	(472)
IT	03851G.003	PT13027 E&FP Spring 2014 CAISO Mandates	75	0	(75)
IT	03851H.001	PT13031 SMOC EXCEPTION MANAGEMENT (SMOC-EM)	3,310	3,348	38
IT	03853B.001	PT14030 Customer Analytics System - Phase II□	394	394	0
IT	03853B.002	PT14030 Customer Analytics System - Phase II□	977	977	0
IT	03853B.003	PT14030 Customer Analytics System - Phase II□	403	403	0
IT	03853B.004	PT14030 Customer Analytics System - Phase II□	936	936	0
IT	03853C.001	PT16003 Customer Analytics System - III	667	667	0
IT	03853C.002	PT16003 Customer Analytics System - III	241	241	0
IT	04843A.001	PT14843 Smart Meter IT Phase 3 Billing	917	1,418	501
IT	07864A.001	PT15801 CPD Enh ph 2 SDGE	1,593	1,593	0
IT	07864A.002	PT15801 CPD Enh ph 2 SDGE	138	138	0
IT	07864A.003	PT15801 CPD Enh ph 2 SDGE	1,608	1,608	0
IT	07864A.004	PT15801 CPD Enh ph 2 SDGE	139	139	0
IT	07864B.001	PT07864 SDGE CPD Enh Phase 1□	9,724	10,649	925
IT	07864B.002	PT07864 SDGE CPD Enh Phase 1□	2,142	0	(2,142)
IT	07864B.003	PT07864 SDGE CPD Enh Phase 1□	2,132	2,132	0
IT	08869A.001	PT11018 SDGE WAN REBUILD PHASE IV	727	1,852	1,125
IT	10872A.001	PTSPP Smart Peak Pricing	1,934	2,404	470
IT	10874A.001	PT12052 SDGE GRID COMMUNICATIONS SYSTEM (SGCS)	22,748	30,219	7,471
IT	10875A.001	Smart Grid Critical Infrastructure Cybercity□	1,184	0	(1,184)
IT	10875A.002	Smart Grid Critical Infrastructure Cybercity□	298	0	(298)
IT	10875B.001	Smart Grid Cybersecurity Training Environment	1,441	0	(1,441)
IT	10875C.001	Smart Grid DIIS Phase 2	90	165	75
IT	10875D.001	Smart Grid - Security Compliance Management Phase 1	126	285	159
IT	10875E.001	Smart Grid - Substation Security□	444	463	19
IT	10875F.001	Smart Grid - Threat Intelligence□	139	134	(5)
IT	10875G.001	Smart Grid Field Area Secure Device Monitoring and Management □	1,095	1,095	0
IT	10875G.002	Smart Grid Field Area Secure Device Monitoring and Management □	1,773	1,773	0
IT	10875H.001	Smart Grid Secure Distributed Network Protocol	897	897	0
IT	10875H.002	Smart Grid Secure Distributed Network Protocol	1,323	1,323	0
IT	10875I.001	Smart Grid Security Incident and Event Management (SIEM)	897	897	0
IT	10875I.002	Smart Grid Security Incident and Event Management (SIEM)	897	897	0
IT	10875J.001	Smart Grid Substation Security In a Box	897	897	0
IT	10875J.002	Smart Grid Substation Security In a Box	1,350	1,350	0
IT	10875K.001	Condition Based Maintenance Analytics	2,818	1,772	(1,046)
IT	10875K.002	Condition Based Maintenance Analytics	161	77	(84)
IT	10875L.001	Smart Grid Data Analytics	2,130	2,288	158
IT	10875L.002	Smart Grid Data Analytics	2,128	2,128	0
IT	10875M.001	Distributed Energy Resource Management (DERMS)	14,578	12,491	(2,087)
IT	10875M.002	Distributed Energy Resource Management (DERMS)	1,909	1,420	(489)
IT	10875N.001	ADMS Phase 2	4,818	3,988	(830)

(For Years 2014 - 2016)

Functional Area	Budget code	Description	SDG&E	Settlement	Difference
IT	10875O.001	DRMS (Demand Response Management System) - Phase 1	1,976	1,095	(881)
IT	10875O.002	DRMS (Demand Response Management System) - Phase 1	1,021	602	(419)
IT	10877A.001	PT10018 Windows 7 Platform Replacement	304	433	129
IT	11878A.001	Smart Grid Network Anomaly Detection Business Case	171	0	(171)
IT	11878A.002	Smart Grid Network Anomaly Detection Business Case	738	0	(738)
IT	11878A.003	Smart Grid Network Anomaly Detection Business Case	171	171	0
IT	11878A.004	Smart Grid Network Anomaly Detection Business Case	738	738	0
IT	11878A.005	Smart Grid Network Anomaly Detection Business Case	171	171	0
IT	11878A.006	Smart Grid Network Anomaly Detection Business Case	738	738	0
IT	11878C.001	Smart Grid Log Management□	754	754	0
IT	11878C.002	Smart Grid Log Management□	572	572	0
IT	11878D.001	Smart Grid Field Network Access Control□	473	473	0
IT	13849A.001	PT13026 Reduce your Use Opt In□	998	1,369	371
IT	00810A.001	Network/Telecom - Software Mandated	0	0	0
IT	00828A.001	Infrastructure - Software Reliability	0	0	0
IT	07864B.004	CBM Phase II Labor-ED Software	0	0	0
IT	10874A.002	GridComm-Electric General	0	0	0
IT	10874A.003	GridComm-Electric ED Software	0	0	0
IT	10875F.002	Smart Grid Threat Intelligence	0	0	0
IT	00831O.001	PT11013 SCG My Account Accessibility	113	0	(113)
<b>IT Total</b>			<b>191,746</b>	<b>186,107</b>	<b>(5,639)</b>
Support Services	00700A.001	Land Blanket	1,005	907	(98)
Support Services	00700A.002	Land Blanket	921	536	(385)
Support Services	00700A.003	Land Blanket	309	309	0
Support Services	00701A.001	Structures & Improvement Blanket	6,974	6,730	(244)
Support Services	00701A.002	Structures & Improvement Blanket	861	861	0
Support Services	00701A.003	Structures & Improvement Blanket	839	839	0
Support Services	00703A.001	Environmental/Safety Blanket	3,408	3,081	(327)
Support Services	00703A.002	Environmental/Safety Blanket	250	0	(250)
Support Services	00703A.003	Environmental/Safety Blanket	250	250	0
Support Services	00703A.004	Environmental/Safety Blanket	65	65	0
Support Services	00703A.005	Environmental/Safety Blanket	1,492	1,492	0
Support Services	00703A.006	Environmental/Safety Blanket	700	700	0
Support Services	00703A.007	Environmental/Safety Blanket	9,522	9,522	0
Support Services	00703A.008	Environmental/Safety Blanket	472	472	0
Support Services	00703A.009	Environmental/Safety Blanket	294	294	0
Support Services	00703A.010	Environmental/Safety Blanket	472	472	0
Support Services	00705A.001	Misc. Equipment Blanket	1,500	2,353	853
Support Services	00707A.001	Security Blanket	900	1,174	274
Support Services	00708A.001	Infrastructure/Reliability Blanket	7,500	7,500	0
Support Services	00708A.002	Infrastructure/Reliability Blanket	555	555	0
Support Services	00708A.003	Infrastructure/Reliability Blanket	750	750	0
Support Services	00708A.004	Infrastructure/Reliability Blanket	300	96	(204)
Support Services	00709A.001	Remodel/Relocate/Reconfig Blanket	7,000	9,455	2,455
Support Services	00709A.002	Remodel/Relocate/Reconfig Blanket	500	500	0
Support Services	00709A.003	Remodel/Relocate/Reconfig Blanket	1,700	1,700	0
Support Services	00709A.007	Remodel/Relocate/Reconfig Blanket	4,500	4,500	0
Support Services	00709A.010	Remodel/Relocate/Reconfig Blanket	196	196	0
Support Services	00709A.011	Remodel/Relocate/Reconfig Blanket	2,100	2,100	0
Support Services	00709A.013	Remodel/Relocate/Reconfig Blanket	500	500	0
Support Services	00710A.001	Business Unit Expansion Blanket	3,700	4,258	558
Support Services	00710A.002	Business Unit Expansion Blanket	5,000	2,677	(2,323)
Support Services	00710A.003	Business Unit Expansion Blanket	100	100	0
Support Services	00710A.004	Business Unit Expansion Blanket	1,750	1,750	0
Support Services	00710A.005	Business Unit Expansion Blanket	1,500	1,500	0
Support Services	00710A.006	Business Unit Expansion Blanket	1,200	1,200	0
Support Services	00710A.007	Business Unit Expansion Blanket	1,500	1,500	0
Support Services	00710A.008	Business Unit Expansion Blanket	2,960	2,960	0
Support Services	08729A.001	Century Park PHOTOVOLTAICS Installation	13,700	10,983	(2,717)
Support Services	08734A.001	NGV Upgrades	3,845	3,746	(99)
Support Services	08735A.001	RBDC UPS Electrical	6,000	5,508	(492)
Support Services	08735A.002	RBDC UPS Electrical	752	17	(735)

(For Years 2014 - 2016)

Functional Area	Budget code	Description	SDG&E	Settlement	Difference
Support Services	13746A.001	Land Svc Archibus System	1,400	1,257	(143)
Support Services	13749A.001	Mission Control Emergency Generator Replacement	1,600	1,563	(37)
Support Services	07728A.001	San Diego Energy Center	0	0	0
Support Services	13745A.001	Alpine Way Tenant Improvements	0	131	131
<b>Support Services Total</b>			<b>100,842</b>	<b>97,059</b>	<b>(3,783)</b>
<b>SONGS</b>	<b>000050.001</b>	<b>SONGS COMMON FACILITIES</b>	<b>9,388</b>	<b>9,388</b>	<b>0</b>
		<b>Grand total</b>	<b>1,915,931</b>	<b>1,721,375</b>	<b>(194,556)</b>

## **Attachments 2-5**

### **FEA Settlement, EDF Settlement, JMP Settlement and TURN/UCAN Settlement**

**SETTLEMENT AGREEMENT AMONG  
SAN DIEGO GAS & ELECTRIC COMPANY (SDG&E),  
SOUTHERN CALIFORNIA GAS COMPANY (SOCALGAS),  
AND FEDERAL EXECUTIVE AGENCIES (FEA)**

SDG&E, SoCalGas, and FEA (collectively, the Parties), hereby reach a settlement resolving all issues as raised and litigated in the Test Year 2016 consolidated General Rate Case proceeding, A.14-11-003 and A.14-11-004 (Test Year 2016 GRC).

This Agreement will be effective upon California Public Utilities Commission (Commission) approval, through December 31, 2018 or December 31, 2019, should the Commission adopt a three-year attrition period.

Based on extensive good faith negotiations by Parties, in furtherance of resolving contested issues raised in this GRC, Parties execute this Settlement Agreement (Agreement), and agree to the following:

**TERMS OF SETTLEMENT**

For the Test Year 2016 GRC cycle, SDG&E will retain its current balancing account treatment and the tariffs will remain unchanged regarding its Pension Balancing Account (PBA) and Post-Retirement Benefits Other Than Pensions Balancing Account (PBOPBA).

SDG&E's proposed change to begin including income tax impacts in those balance accounts is not being adopted, and the settlement reached between SDG&E and FEA reflects the FEA's recommendation that income taxes not be added to those balancing accounts.

For consistency purposes, SoCalGas will agree to follow the treatment outlined above for its PBA and PBOPBA.

FEA agrees to sign and join the settlement agreements reached among SDG&E, SoCalGas, and the Office of Ratepayer Advocates regarding the Test Year 2016 revenue requirement and Post Test Year issues (the "TY 2016 Settlement Agreements"). The TY 2016 Settlement Agreements provide:

- For SDG&E, a combined electric and gas authorized revenue requirement of \$1,811 million for TY 2016, of which \$1,500 million is electric and \$311 million is gas;
- For SoCalGas, an authorized requirement for TY 2016 of \$2,219 million; and
- a breakdown of the settlement amounts by functional area.

## **GENERAL PROVISIONS AND RESERVATIONS**

In consideration of the mutual obligations, covenants and conditions contained herein, the Parties agree to all of the above terms and conditions as a complete and final resolution of all issues between them in this proceeding. The Parties, by signing this Agreement, acknowledge that they pledge support for Commission approval and subsequent implementation of all the provisions of this Agreement. The Parties agree to perform diligently and in good faith all actions required or implied hereunder, including the execution of any other documents required to effectuate the terms of this Agreement, and the preparation of exhibits for, and presentation of witnesses at any required hearings to obtain the approval and adoption of this Agreement by the Commission. The Parties will contest in this proceeding or in any other forum, or in any manner before this Commission, the recommendations contained in this Agreement.

### **A. Compromise of Disputed Claims**

The Parties agree that this Agreement represents a compromise of their respective positions in this proceeding. No individual term of this Agreement is assented to by any Party, except in consideration of the other Parties' assent to all other terms.

### **B. Regulatory Approval**

Parties acknowledge that the positions expressed in this Agreement were reached after consideration of all positions advanced in all the testimony sponsored in the proceeding by all Parties and declare and mutually agree that the terms and conditions herein are reasonable, consistent with the law, and in the public interest. Accordingly, the Parties shall use their best efforts to obtain Commission approval of this Agreement and shall jointly request that the Commission adopt this Agreement in its entirety and without modification. The terms and conditions of this Agreement are contingent upon Commission approval of this Agreement and the TY 2016 Settlement Agreements.

### **C. Incorporation of Complete Agreement**

This Agreement embodies the entire understanding and agreement of the Parties with respect to the matters described herein, and, except as described herein, supersedes and cancels any and all prior oral or written agreements, principles, negotiations, statements, representations or understandings among the Parties. This Agreement is to be treated as a complete package and not as a collection of separate agreements on discrete issues. To accommodate the interests related to various issues, the Parties acknowledge that changes, concessions or compromises by one or more Parties in one section of this Agreement could result in changes, concessions or compromises by one or more Parties in other sections of this Agreement. Consequently, the Parties agree to oppose any modification of this Agreement not agreed to by all Parties. Any Party signing this Agreement may withdraw from this Agreement if the Commission modifies, deletes from, or adds to the disposition of the matters settled herein. However, the Parties agree to negotiate in good faith with regard to any Commission-ordered changes, in order to restore the balance of benefits and burdens, and to exercise the right to withdraw on if such negotiations are unsuccessful.

**D. Modification of Agreement**

The terms and conditions of this Agreement may only be modified in writing subscribed to by the Parties.

**E. Non-Precedential**

This Agreement represents a compromise between the Parties, consistent with Rule 12.5 of the Commission's Rules of Practice and Procedure, and should not be considered precedent in any future proceeding before this Commission. The Parties have assented to the terms of this Agreement only for the purpose of arriving at the compromise herein. Each Party expressly reserves its right to advocate, in other current and future proceedings, or in the event that this Agreement is rejected by the Commission, positions, principles, assumptions, arguments and methodologies which may be different than those underlying this Agreement.

**F. Non-Waiver**

It is understood and agreed that no failure or delay by any Party hereto in exercising any right, power or privilege hereunder shall operate as a waiver hereof, nor shall any single or partial exercise thereof preclude any other or future exercise thereof or the exercise of any other right, power or privilege.

**G. Counterparts**

This document may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

**H. Governing Law**

This Agreement shall be interpreted, governed and construed under the laws of the State of California, including Commission decisions, orders and rulings, as if executed and to be performed wholly within the State of California, provided that in the event of conflict between Federal law and the laws of the State of California, Federal law shall govern.

**I. Entire Agreement**

This Agreement and all other agreements, exhibits, and schedules referred to in this Agreement constitute(s) the final, complete, and exclusive statement of the terms of the Agreement among the Parties pertaining to the subject matter of this Agreement and supersedes all prior and contemporaneous understandings or agreements of the Parties. This Agreement may not be contradicted by evidence of any prior or contemporaneous statements or agreements. No Party has been induced to enter into this Agreement by, nor is any party relying on, any representation, understanding, agreement, commitment or warranty outside those expressly set forth in this Agreement.

**J. Captions and Paragraph Headings**

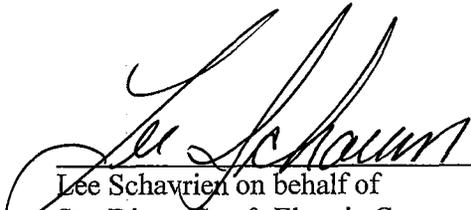
Captions and paragraph headings used herein are for convenience only and are not a part of this Agreement and shall not be used in construing it.

**K. Execution**

This Agreement may be executed in counterparts by the Parties with the same effect as if all the Parties had signed one and the same document. All such counterparts shall be deemed to be an original and shall together constitute one and the same Agreement.

**SIGNATURES**

Agreed to and signed by,

  
\_\_\_\_\_  
Lee Schavrien on behalf of  
San Diego Gas & Electric Company,  
Southern California Gas Company

9-10-15  
Date

  
\_\_\_\_\_  
Rita Liotta on behalf of  
Federal Executive Agencies

9 Sept 2015  
Date

## **A.14-11-003/004 (Test Year 2016 General Rate Case)**

### **Settlement Agreement among Environmental Defense Fund (EDF) San Diego Gas & Electric Company (SDG&E) and Southern California Gas Company (SoCalGas)**

Environmental Defense Fund (EDF), San Diego Gas & Electric Company (SDG&E), and Southern California Gas Company (SoCalGas), collectively, the Parties, hereby reach a settlement with this Settlement Agreement (Agreement), resolving all contested issues that exist among the Parties in the Test Year 2016 consolidated General Rate Case proceeding, A.14-11-003 and A.14-11-004 (Test Year 2016 GRC). EDF is also joining, as a signatory, the settlement terms reached among SDG&E, SoCalGas, and the Office of Ratepayer Advocates regarding the Test Year 2016 revenue requirement and Post Test Year issues, as documented in that separate settlement agreement document.

This Agreement will be effective upon California Public Utilities Commission (Commission) approval, through December 31, 2018 or December 31, 2019, should the Commission adopt a three-year attrition period.

Based on extensive good faith negotiations by Parties, in furtherance of resolving contested issues raised in this GRC, Parties agree to the following:

1. It is the intent of Parties to continue to have active, good faith negotiations on the substantive issues related to compliance with Senate Bill (SB) 1371, in the context of Rulemaking (R.) 15-01-008, with the goal of working collaboratively towards reaching common understandings, positions, and/or stipulations on as many of the issues as feasible.
2. It is also the intent of the parties to continue to work together in good faith to determine a plan of repair for non-hazardous leaks in the backlog, as SoCalGas expends the funds requested in this GRC, prior to the conclusion of the SB 1371 rulemaking.
3. Among the areas of ongoing discussions and negotiations are:

- a. development of a system of prioritization for the non-hazardous leak repairs performed prior to the completion of the SB 1371 rulemaking, with the goal of addressing the backlog in a cost effective, environmentally conscious and efficient manner; and
  - b. maintaining the PHMSA definitions of “leak” and “hazardous” for purposes of implementing SB 1371.
4. The New Environmental Regulatory Balancing Account (NERBA), as proposed in this GRC by SDG&E and SoCalGas, should be adopted. That is, as a two-way balancing account, and with the proposed modifications. See Exhibits (Exs.) 174 and 177.
5. To the extent costs associated with compliance with SB 1371 exceed the forecasted costs for Leak Detection and Repair (LDAR) during the GRC cycle, as provided by SDG&E and SoCalGas in Exs. 174, 175, 177, and 178, Parties support, and will seek any additional necessary regulatory authority to clarify that the recovery of those costs is permissible using the adopted NERBA for the duration of the GRC cycle.
6. The GRC should be resolved under its own procedural schedule, and should not remain open to await resolution of issues raised in R.15-01-008.
7. This settlement is not precedent setting and is in effect until the end of the adopted GRC cycle.

## **GENERAL PROVISIONS AND RESERVATIONS**

In consideration of the mutual obligations, covenants and conditions contained herein, the Parties agree to all of the above terms and conditions as a complete and final resolution of all issues between them in this proceeding. The Parties, by signing this Agreement, acknowledge that they pledge support for Commission approval and subsequent implementation of all the provisions of this Agreement. The Parties agree to perform diligently and in good faith all actions required or implied hereunder, including the execution of any other documents required to effectuate the terms of this Agreement, and the preparation of exhibits for, and presentation of witnesses at any required hearings to obtain the approval and adoption of this Agreement by the Commission. The Parties will contest in this proceeding or in any other forum, or in any manner before this Commission, the recommendations contained in this Agreement.

### **A. Compromise of Disputed Claims**

The Parties agree that this Agreement represents a compromise of their respective positions in this proceeding. No individual term of this Agreement is assented to by any Party, except in consideration of the other Parties' assent to all other terms.

### **B. Regulatory Approval**

Parties acknowledge that the positions expressed in this Agreement were reached after consideration of all positions advanced in all the testimony sponsored in the proceeding by all Parties and declare and mutually agree that the terms and conditions herein are reasonable, consistent with the law, and in the public interest. Accordingly, the Parties shall use their best efforts to obtain Commission approval of this Agreement and shall jointly request that the Commission adopt this Agreement in its entirety and without modification.

### **C. Incorporation of Complete Agreement**

This Agreement embodies the entire understanding and agreement of the Parties with respect to the matters described herein, and, except as described herein, supersedes and cancels any and all prior oral or written agreements, principles, negotiations, statements, representations or understandings among the Parties. This Agreement is to be treated as a complete package and not as a collection of separate agreements on discrete issues. To accommodate the interests related to various issues, the Parties acknowledge that changes,

concessions or compromises by one or more Parties in one section of this Agreement could result in changes, concessions or compromises by one or more Parties in other sections of this Agreement. Consequently, the Parties agree to oppose any modification of this Agreement not agreed to by all Parties. Any Party signing this Agreement may withdraw from this Agreement if the Commission modifies, deletes from, or adds to the disposition of the matters settled herein. However, the Parties agree to negotiate in good faith with regard to any Commission-ordered changes, in order to restore the balance of benefits and burdens, and to exercise the right to withdraw on if such negotiations are unsuccessful.

**D. Modification of Agreement**

The terms and conditions of this Agreement may only be modified in writing subscribed to by the Parties.

**E. Non-Precedential**

This Agreement represents a compromise between the Parties, consistent with Rule 12.5 of the Commission's Rules of Practice and Procedure, and should not be considered precedent in any future proceeding before this Commission. The Parties have assented to the terms of this Agreement only for the purpose of arriving at the compromise herein. Each Party expressly reserves its right to advocate, in other current and future proceedings, or in the event that this Agreement is rejected by the Commission, positions, principles, assumptions, arguments and methodologies which may be different than those underlying this Agreement.

**F. Non-Waiver**

It is understood and agreed that no failure or delay by any Party hereto in exercising any right, power or privilege hereunder shall operate as a waiver hereof, nor shall any single or partial exercise thereof preclude any other or future exercise thereof or the exercise of any other right, power or privilege.

**G. Counterparts**

This document may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

**H. Governing Law**

This Agreement shall be interpreted, governed and construed under the laws of the State of California, including Commission decisions, orders and rulings, as if executed and to be performed wholly within the State of California.

**I. Entire Agreement**

This Agreement and all other agreements, exhibits, and schedules referred to in this Agreement constitute(s) the final, complete, and exclusive statement of the terms of the Agreement among the Parties pertaining to the subject matter of this Agreement and supersedes all prior and contemporaneous understandings or agreements of the Parties. This Agreement may not be contradicted by evidence of any prior or contemporaneous statements or agreements. No Party has been induced to enter into this Agreement by, nor is any party relying on, any representation, understanding, agreement, commitment or warranty outside those expressly set forth in this Agreement.

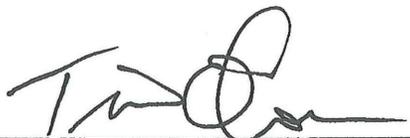
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**K. Execution**

This Agreement may be executed in counterparts by the Parties with the same effect as if all the Parties had signed one and the same document. All such counterparts shall be deemed to be an original and shall together constitute one and the same Agreement.

Agreed to and signed by,



Timothy O'Connor on behalf of  
Environmental Defense Fund

9/4/15  
Date



Lee Schavrien on behalf of  
San Diego Gas & Electric Company,  
Southern California Gas Company

9/8/15  
Date

**SETTLEMENT AGREEMENT AMONG  
SAN DIEGO GAS & ELECTRIC COMPANY (SDG&E),  
SOUTHERN CALIFORNIA GAS COMPANY (SOCALGAS), AND  
JOINT MINORITY PARTIES**

SDG&E, SoCalGas, and the Joint Minority Parties (collectively, the Parties), hereby reach a settlement resolving all issues as raised and litigated in the Test Year 2016 consolidated General Rate Case proceeding, A.14-11-003 and A.14-11-004 (Test Year 2016 GRC). The Joint Minority Parties are the National Asian American Coalition, the Ecumenical Center for Black Church Studies, the Jesse Miranda Center for Hispanic Leadership, Orange County Interdenominational Alliance, Christ Our Redeemer AME Church, and the Los Angeles Latino Chamber of Commerce.

Based on extensive good faith negotiations by the Parties, in furtherance of resolving contested issues raised in this GRC, Parties execute this settlement agreement (Agreement), and agree to the following:

**I. TERMS OF SETTLEMENT**

**A. Effective Term**

1. The Agreement is effective upon California Public Utilities Commission (“CPUC”) approval, through December 31, 2018 or December 31, 2019, should the CPUC adopt a three-year attrition period.

**B. Annual Meeting with Chief Executive Officers**

1. Parties agree that the Chief Executive Officer (“CEO”) of San Diego Gas & Electric Company (“SDG&E”) and of Southern California Gas Company (“SoCalGas”) will meet privately once annually with representatives from the Joint Minority Parties to discuss topics pertaining to supplier diversity, customer programs, work force demographics, and philanthropy.

**C. Annual Public Input Forum**

1. SDG&E and SoCalGas agree to host an annual public forum, wherein representatives from the Joint Minority Parties will be invited to offer input on topics pertaining to supplier diversity, customer programs, environmental issues, and philanthropy.

**D. Supplier Diversity**

1. SDG&E and SoCalGas agree to modify their Annual General Order 156 Reports to provide information regarding the size of the utilities’ diverse suppliers based on annual revenue information currently reported in the CPUC’s Supplier Clearinghouse database.

2. SDG&E and SoCalGas agree to provide informal reports to the Joint Minority Parties, on an annual basis, regarding the utilities' hiring of "returning veterans." These reports will be based on information the utilities will commence collecting from their suppliers upon the execution of this Agreement.
3. SDG&E and SoCalGas agree to set aspirational goals of increasing the annual dollar amount spent for SCORE diverse business enterprise (DBE) participants by 7% each year covered in this GRC period.

SCORE (Small Contractor Opportunity Realization Effort) provides opportunities for selected new and growing DBE companies to demonstrate abilities to work with utilities through low dollar, short term agreements. The criteria for SCORE participants include annual revenue of \$5 million or less and 25 or fewer employees, as reported to the CPUC Supplier Clearinghouse.

4. SDG&E and SoCalGas will encourage all of its Tier 1 suppliers to participate in an annual meeting jointly hosted by SDG&E, SoCalGas, and the Joint Minority Parties. Small and Medium size DBEs will be invited to attend, with the intention of increasing opportunities for DBEs to connect and contract with larger businesses. No contracts are guaranteed to result from the opportunities provided by these meetings.

**E. SoCalGas and SDG&E Review and Selection of Auditing Firms**

1. SDG&E and SoCalGas agree to continue their efforts to employ diverse firms to conduct accounting reviews and audits not currently conducted by Deloitte and Touche.
2. SDG&E and SoCalGas agree to host an annual networking meeting with minority certified public accountant firms to discuss potential opportunities.

**F. Pro Bono Work Conducted by SDG&E and SoCalGas Large Law Firms**

1. SDG&E and SoCalGas agree to encourage their large law firms (100+ attorneys) to provide pro bono work.
2. SDG&E and SoCalGas agree to host an annual networking meeting with their law firms and the Joint Minority Parties to discuss opportunities for pro-bono work.

**G. Small Business Development**

1. SDG&E and SoCalGas agree to continue to work with the Joint Minority Parties to discuss ways to increase the employ of small businesses in the CPUC's Utility Supplier Diversity Program.

SoCalGas and SDG&E define "technical assistance" as primarily educational efforts and "capacity building" as efforts of community-based business organizations to attract and retain members that can do business with utilities. The utilities frequently utilize referrals from the organizations to be included in procurement events. Each

company will commit to maintain or exceed its current efforts in the areas of technical assistance and capacity building for small minority owned businesses. SDG&E and SoCalGas will commit to investing at least a combined amount of \$650,000 annually in technical assistance and capacity building programs to small minority owned businesses. Each company will seek to leverage this funding with matching funds from other corporations, government, and private foundations.

#### **H. Settlement Agreements between SDG&E, SoCalGas, Office of Ratepayer Advocates and Other Parties**

1. Joint Minority Parties agree to sign and join the settlement agreement reached among SDG&E, SoCalGas, and the Office of Ratepayer Advocates regarding the Test Year 2016 revenue requirement and Post Test Year issues (the “TY 2016 Settlement Agreement”). The TY 2016 Settlement Agreement provides:

- for SDG&E, a combined electric and gas authorized revenue requirement of \$1,811 million for TY 2016, of which \$1,500 million is electric and \$311 million is gas;
- for SoCalGas, an authorized requirement for TY 2016 of \$2,219 million; and
- a breakdown of the settlement amounts by functional area.

#### **II. GENERAL PROVISIONS AND RESERVATIONS**

In consideration of the mutual obligations, covenants and conditions contained herein, the Parties agree to all of the above terms and conditions as a complete and final resolution of all issues between them in this proceeding. The Parties, by signing this Agreement, acknowledge that they pledge support for Commission approval and subsequent implementation of all the provisions of this Agreement. The Parties agree to perform diligently and in good faith all actions required or implied hereunder, including the execution of any other documents required to effectuate the terms of this Agreement, and the preparation of exhibits for, and presentation of witnesses at any required hearings to obtain the approval and adoption of this Agreement by the Commission. The Parties will contest in this proceeding or in any other forum, or in any manner before this Commission, the recommendations contained in this Agreement.

##### **A. Compromise of Disputed Claims**

The Parties agree that this Agreement represents a compromise of their respective positions in this proceeding. No individual term of this Agreement is assented to by any Party, except in consideration of the other Parties’ assent to all other terms.

##### **B. Regulatory Approval**

Parties acknowledge that the positions expressed in this Agreement were reached after consideration of all positions advanced in all the testimony sponsored in the proceeding by all Parties and declare and mutually agree that the terms and conditions herein are reasonable, consistent with the law, and in the public interest. Accordingly, the Parties shall use their best efforts to obtain Commission approval of this Agreement and shall jointly request that the Commission adopt this Agreement in its entirety and without modification. The terms and

conditions of this Agreement are contingent upon Commission approval of this Agreement and the TY 2016 Settlement Agreement.

**C. Incorporation of Complete Agreement**

This Agreement embodies the entire understanding and agreement of the Parties with respect to the matters described herein, and, except as described herein, supersedes and cancels any and all prior oral or written agreements, principles, negotiations, statements, representations or understandings among the Parties. This Agreement is to be treated as a complete package and not as a collection of separate agreements on discrete issues. To accommodate the interests related to various issues, the Parties acknowledge that changes, concessions or compromises by one or more Parties in one section of this Agreement could result in changes, concessions or compromises by one or more Parties in other sections of this Agreement. Consequently, the Parties agree to oppose any modification of this Agreement not agreed to by all Parties. Any Party signing this Agreement may withdraw from this Agreement if the Commission modifies, deletes from, or adds to the disposition of the matters settled herein. However, the Parties agree to negotiate in good faith with regard to any Commission-ordered changes, in order to restore the balance of benefits and burdens, and to exercise the right to withdraw on if such negotiations are unsuccessful.

**D. Modification of Agreement**

The terms and conditions of this Agreement may only be modified in writing subscribed to by the Parties.

**E. Non-Precedential**

This Agreement represents a compromise between the Parties, consistent with Rule 12.5 of the Commission's Rules of Practice and Procedure, and should not be considered precedent in any future proceeding before this Commission. The Parties have assented to the terms of this Agreement only for the purpose of arriving at the compromise herein. Each Party expressly reserves its right to advocate, in other current and future proceedings, or in the event that this Agreement is rejected by the Commission, positions, principles, assumptions, arguments and methodologies which may be different than those underlying this Agreement.

**F. Non-Waiver**

It is understood and agreed that no failure or delay by any Party hereto in exercising any right, power or privilege hereunder shall operate as a waiver hereof, nor shall any single or partial exercise thereof preclude any other or future exercise thereof or the exercise of any other right, power or privilege.

**G. Counterparts**

This document may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

**H. Governing Law**

This Agreement shall be interpreted, governed and construed under the laws of the State of California, including Commission decisions, orders and rulings, as if executed and to be performed wholly within the State of California.

**I. Entire Agreement**

This Agreement and all other agreements, exhibits, and schedules referred to in this Agreement constitute(s) the final, complete, and exclusive statement of the terms of the Agreement among the Parties pertaining to the subject matter of this Agreement and supersedes all prior and contemporaneous understandings or agreements of the Parties. This Agreement may not be contradicted by evidence of any prior or contemporaneous statements or agreements. No Party has been induced to enter into this Agreement by, nor is any party relying on, any representation, understanding, agreement, commitment or warranty outside those expressly set forth in this Agreement.

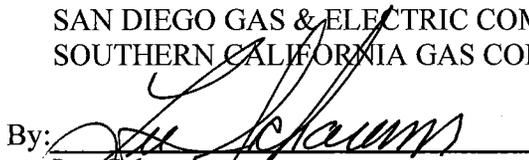
**J. Captions and Paragraph Headings**

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**K. Execution**

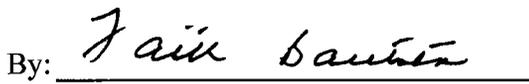
This Agreement may be executed in counterparts by the Parties with the same effect as if all the Parties had signed one and the same document. All such counterparts shall be deemed to be an original and shall together constitute one and the same Agreement.

SAN DIEGO GAS & ELECTRIC COMPANY  
SOUTHERN CALIFORNIA GAS COMPANY

By:   
Lee Schavrien  
Chief Administrative Officer  
San Diego Gas & Electric Company  
Southern California Gas Company

Date: 9/10/15

JOINT MINORITY PARTIES

By:   
Faith Bautista  
President and Chief Executive Officer  
National Asian American Coalition  
President, National Diversity Coalition

Date: 9/4/2015

**SETTLEMENT AGREEMENT AMONG  
SAN DIEGO GAS & ELECTRIC COMPANY (SDG&E),  
SOUTHERN CALIFORNIA GAS COMPANY (SOCALGAS),  
THE UTILITY REFORM NETWORK (TURN), AND  
UTILITY CONSUMERS' ACTION NETWORK (UCAN)**

SDG&E, SoCalGas, TURN, and UCAN (collectively, the Parties), hereby reach a settlement resolving all issues as raised and litigated in the Test Year 2016 consolidated General Rate Case proceeding, A.14-11-003 and A.14-11-004 (Test Year 2016 GRC), with the exception of the Income Tax – Repair Allowance issue noted below.

Moreover, TURN and UCAN agree to join, as signatories, the settlement agreements reached among SDG&E, SoCalGas, and the Office of Ratepayer Advocates (ORA) regarding the Test Year 2016 revenue requirement and Post Test Year issues for 2017 and 2018, the “Settlement Agreement Regarding Southern California Gas Company’s Test Year 2016 General Rate Case Revenue Requirement, Including Attrition Years 2017 and 2018” and the “Settlement Agreement Regarding San Diego Gas & Electric Company’s Test Year 2016 General Rate Case Revenue Requirement, Including Attrition Years 2017 and 2018” (collectively, the “TY 2016 Settlement Agreements”).

This Agreement will be effective upon California Public Utilities Commission (Commission) approval, through December 31, 2018 or December 31, 2019, should the Commission adopt a three-year attrition period. This condition does not constitute TURN’s or UCAN’s support for, or opposition to, the three-year attrition proposal.

Based on extensive good faith negotiations by Parties, in furtherance of resolving contested issues raised in this GRC, Parties execute this Settlement Agreement (Agreement), and agree to the following:

**I. TERMS OF SETTLEMENT**

**A. Applicable to SoCalGas and SDG&E**

- **Test Year 2016 revenue requirement and 2017-18 Post Test Year issues:** The settlement terms reached among SDG&E, SoCalGas and ORA address the full range of issues related to revenue requirement for test year 2016 and the 2017 and 2018 attrition years. (See the Joint Settlement Comparison Exhibit attached as an Appendix to the TY 2016 Settlement Agreement for each utility). SDG&E, SoCalGas and ORA have each represented that in reaching these proposed terms, they considered and incorporated the positions taken in testimony sponsored by TURN and UCAN to the extent those positions were different from and additive to those put forward in ORA’s testimony. TURN and UCAN have reviewed the proposed overall revenue requirement for 2016, 2017, and 2018, and agree that the proposed amount for each of these years is reasonable in light of the record, including the testimony sponsored by TURN and UCAN. Therefore, the overall revenue requirements set forth in the TY 2016 Settlement Agreements should be deemed incorporated in this agreement as if fully set forth herein.

- **Transmission/Distribution Integrity Management Programs (TIMP/DIMP):** Each utility will continue to maintain separate two-way balancing accounts for their TIMP and their DIMP expenditures. The advice letter process for recovery of any TIMP or DIMP undercollections will be limited to undercollection amounts up to 35% of the 2016 GRC cycle total revenue requirement for that program and will require a Tier 3 advice letter. Any amounts above the 35% will be subject to a separate application procedure.
- **Income Tax – Repair Allowance:** All issues associated with the income tax – repair allowance will be litigated separately from this Settlement, based on the existing evidentiary record and briefs to be submitted by interested parties.

**B. Applicable to SoCalGas only**

- **Storage Integrity Management Program (SIMP):** SoCalGas will establish a two-way balancing account for SIMP expenditures. The advice letter process for recovery of any undercollections will be limited to undercollection amounts up to 35% of the 2016 GRC cycle total SIMP revenue requirement and will require a Tier 3 advice letter. Any amounts above the 35% will be subject to a separate application procedure.

**C. Applicable to SDG&E only**

- **Service Establishment Charges:** SDG&E’s Service Establishment Charge will be set at \$5.85 for all customers.
- **Branch Offices:** The settling parties agree that SDG&E may file a separate application to seek closure of any currently existing branch offices during the 2016 GRC cycle.
- **Rate Stabilization:** Rates for SDG&E’s customers will be adjusted on January 1, 2016, to reflect roll-off of the General Rate Case Memorandum Account balances associated with SDG&E’s 2012 GRC Phase 1, irrespective of the timing of a final decision in this GRC.
- **Cash Working Capital/Manzanita Project:** SDG&E’s rate recovery of any costs associated with the Manzanita wind project and transmission interconnection for that project is limited to the amount received for the return on cash working capital for Preliminary Surveys and Investigations in this 2016 GRC cycle.<sup>3</sup> SDG&E agrees not to seek rate recovery of any costs associated with the project in any future CPUC or FERC rate case.
- **Study of DG Impacts on Circuit Peak Loads:** Prior to the filing of its next GRC application, SDG&E will perform and present a detailed and appropriate study of

DG impacts on circuit peak loads, based on actual data concerning the impact of DG on specific circuits. At a minimum, the study will seek to aggregate circuits with similar load profiles to better estimate the potential of DG to reduce circuit peaks and distribution expenditures in future GRCs.

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<sup>3</sup> The forecast for Preliminary Surveys and Investigations for the 2016 test year is based on 2013 recorded data that includes \$3.5 million for the Manzanita Wind Project. Ex. 238 (SDG&E response to TURN-12, question 3).

## **II. GENERAL PROVISIONS AND RESERVATIONS**

In consideration of the mutual obligations, covenants and conditions contained herein, the Parties agree to all of the above terms and conditions as a complete and final resolution of all issues between them in this proceeding. The Parties, by signing this Agreement, acknowledge that they pledge support for Commission approval and subsequent implementation of all the provisions of this Agreement. The Parties agree to perform diligently and in good faith all actions required or implied hereunder, including the execution of any other documents required to effectuate the terms of this Agreement, and the preparation of exhibits for, and presentation of witnesses at any required hearings to obtain the approval and adoption of this Agreement by the Commission. The Parties will contest in this proceeding or in any other forum, or in any manner before this Commission, the recommendations contained in this Agreement.

### **A. Compromise of Disputed Claims**

The Parties agree that this Agreement represents a compromise of their respective positions in this proceeding. No individual term of this Agreement is assented to by any Party, except in consideration of the other Parties' assent to all other terms.

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Parties acknowledge that the positions expressed in this Agreement were reached after consideration of all positions advanced in all the testimony sponsored in the proceeding by all Parties and declare and mutually agree that the terms and conditions herein are reasonable, consistent with the law, and in the public interest. Accordingly, the Parties shall use their best efforts to obtain Commission approval of this Agreement and shall jointly request that the Commission adopt this Agreement in its entirety and without modification. The terms and conditions of this Agreement are contingent upon Commission approval of this Agreement and the TY 2016 Settlement Agreements.

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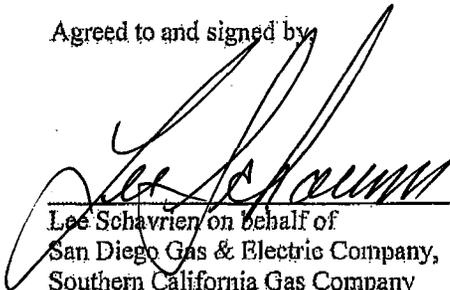
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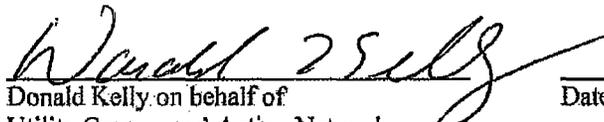
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**III. SIGNATURES**

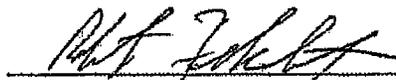
Agreed to and signed by

  
\_\_\_\_\_  
Lee Schavrien on behalf of  
San Diego Gas & Electric Company,  
Southern California Gas Company

9-10-15  
Date

  
\_\_\_\_\_  
Donald Kelly on behalf of  
Utility Consumers' Action Network

9/9/15  
Date

  
\_\_\_\_\_  
Robert Finkelstein on behalf of  
The Utility Reform Network

9/9/15  
Date

Application of San Diego Gas & Electric Company (U 902 M) for Authority, Among Other Things, to Increase Rates and Charges for Electric and Gas Service Effective on January 1, 2016.

Application No. 14-11-003  
(Filed November 14, 2014)

Application of Southern California Gas Company (U 904 G) for Authority to Update its Gas Revenue Requirement and Base Rates Effective on January 1, 2016.

Application No. 14-11-004  
(Filed November 14, 2014)

### **CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a true copy of the foregoing **JOINT MOTION FOR ADOPTION OF SETTLEMENT AGREEMENTS REGARDING SAN DIEGO GAS & ELECTRIC COMPANY'S TEST YEAR 2016 GENERAL RATE CASE, INCLUDING ATTRITION YEARS 2017 AND 2018** on each party named in the official service list for proceeding A.14-11-003/004 by electronic service, and by U.S. Mail to those parties who have not provided an electronic address. Copies were also sent via overnight mail to the Assigned Administrative Law Judges John S. Wong and Rafael L. Lirag.

Executed this 11th day of September 2015, at San Diego, California.

/s/ LISA FUCCI-ORTIZ  
Lisa Fucci-Ortiz



California  
Public Utilities  
Commission



[CPUC Home](#)

## CALIFORNIA PUBLIC UTILITIES COMMISSION Service Lists

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**PROCEEDING: A1411003 - SDG&E - FOR AUTHORIT**  
**FILER: SAN DIEGO GAS & ELECTRIC COMPANY**  
**LIST NAME: LIST**  
**LAST CHANGED: SEPTEMBER 8, 2015**

[Download the Comma-delimited File](#)  
[About Comma-delimited Files](#)

[Back to Service Lists Index](#)

### Parties

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FOR: RUTH HENRICKS

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FOR: UTILITY CONSUMERS' ACTION NETWORK

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SAN DIEGO CONSUMERS' ACTION NETWORK  
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FOR: JOINT MINORITY PARTIES: THE  
NATIONAL ASIAN AMERICAN COALITION, THE  
ECUMENICAL CENTER FOR BLACK  
CHURCHSTUDIES, THE JESSE MIRANDA CENTER  
FOR HISPANIC LEADERSHIP, ORANGE COUNTY  
INTERDENOMINATIONAL ALLIANCE, CHRIST  
OUR REDEEMER AME CHURCH, AND THE LOS  
ANGELES LATINO CHAMBER OF COMMERCE

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601 GATEWAY BLVD., STE. 1000  
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FOR: COALITION OF CALIFORNIA UTILITY  
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