

**ORA DATA REQUEST**  
**ORA-SDG&E-DR-091-PM1**  
**SDG&E 2016 GRC – A.14-11-003**  
**SDG&E RESPONSE**  
**DATE RECEIVED: MARCH 24, 2015**  
**DATE RESPONDED: APRIL 2, 2015**

**Exhibit Reference:** SDG&E-19

**Subject:** SDG&E Global

**Please provide the following:**

1. Please explain whether SDG&E tracks when non-labor expense contracts expire, or transition from expenses to capital (or vice versa). If so, did SDG&E use any such analysis of the historical non-labor expense contracts and forecast 2014-2016 non-labor expense contracts to forecast TY 2016 non-labor expenses?

**SDG&E Response:**

SDG&E Information Technology (IT) tracks contract expiration through an enterprise contract management (ECM) system and on an annual basis. We also consider contracts that may need to transition from capital to expense (contracts typically do not transition from expense to capital). SDG&E IT did not use this type of information to forecast TY 2016 non-labor expenses.

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2. In Ex. SDG&E-19 where SDG&E has requested increased non-labor expenses, please provide copies of all studies and/or analyses used to develop each of SDG&E's increased non-labor forecasts. If no such studies or analyses were conducted, please so state, and explain why SDG&E believed it was not necessary to conduct such studies or analyses to support their forecasts for increased non-labor expenses.

**SDG&E Response:**

The increased non-labor forecasts were developed using various assumptions (e.g. historical averages, warranty expirations, and business-driven growth). Our internal IT planning processes typically leverage professional judgement instead of conducting studies. The basis for the forecast was documented in attachment SDG&E\_Response-DEF-001-B.pdf included in response to SDG&E-DEF-001, Deficiency B.