

SAN DIEGO GAS & ELECTRIC COMPANY
APPLICATION FOR APPROVAL TO EXTEND THE MOBILE HOME PARK UTILITY
UPGRADE PROGRAM

(A.17-05-008)

(DATA REQUEST ORA-SDGE-003-CL8)

QUESTION 1:

With regard to Table 1 of Chapter 3, p. HSM-3, please provide:

- a. An electronic copy of the table;
- b. Electronic copies of all supporting workpapers justifying the cost forecasts in Table 1;
- c. An explanation of the variation in per-space costs, given as the sum of each year's total gas costs and total electric costs, divided by the estimated MHP spaces to be converted that year. Provide an explanation for each year of 2018 to 2024.
- d. A full breakdown of the line item, "Other Costs," into its constituent parts, for each year of 2018 to 2024;
- e. An explanation and justification of the methodology and any assumptions used to calculate escalation;
- f. An explanation for the selection of varying numbers of MHP spaces to be converted each year from 2018 to 2024.

RESPONSE 1:

- a. See attached Excel file.
- b. See attached Excel file.
- c. Upon review, SDG&E has identified an error in the Application regarding the breakdown of estimated total MHP spaces to be converted each year of 2018-2024. The total number of spaces is unchanged at 6,615. The forecasted spaces should be captured as follows:

	2018	2019	2020	2021	2022	2023	2024
Estimated MHP Spaces Converted	-	1,543	1,543	1,178	1,178	1,173	-

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Based on the corrected conversion estimates and the estimated costs provided, the average per-space conversion costs on an annual basis are as noted below. Costs incurred in 2018 and 2024 will be allocated to conversion costs as the Program progresses, which will impact the per-space estimates listed herein.

	2018	2019	2020	2021	2022	2023	2024
Estimated MHP Spaces Converted	0	1,543	1,543	1,178	1,178	1,173	0
Estimated Gas Costs*	\$2.0	\$20.9	\$21.4	\$17.4	\$17.8	\$18.0	\$0.0
Estimated Electric Costs*	\$2.3	\$22.4	\$23.1	\$18.9	\$19.4	\$19.8	\$0.0
Total Estimated Costs*	\$4.3	\$43.3	\$44.5	\$36.3	\$37.2	\$37.8	\$0.1
Estimated Per-Unit Cost		\$28,062	\$28,840	\$30,815	\$31,579	\$32,225	
<i>*In millions of dollars</i>							

Assumptions considered in forecasting space conversions in 2018-2024 are stated in Response 1f herein.

- d. See attached Excel file.
- e. See SDG&E’s response to ORA-SDGE-004-CL8, Q1(b).
- f. The following are general assumptions which were taken into consideration in forecasting space conversions from 2018-2024 and which affect annual conversion targets:
 - SDG&E considered that post-pilot activities may begin during the first quarter of 2018.
 - SDG&E estimated that a new Form of Intent (“FOI”) filing period may be offered to interested MHP owners as was done for the Pilot. This would be followed by Outreach, Application, and Planning/Design activities which would span through the third quarter of 2018. SDG&E estimated a very high likelihood that, while construction will begin in 2018, no MHPs will be fully completed in 2018.
 - SDG&E estimated that in 2019 it would complete its first set of MHPs and based its target on a review of currently known MHPs interested in participating in the Program. The same construction pace was estimated for 2020.
 - SDG&E adjusted its conversion schedule for MHPs finished from 2021-2023 to accommodate the overall 20% target, further considering that activities may be impacted by larger MHPs and the length of time and resources required to complete those.

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QUESTION 2:

With regard to the discussion of “factors which could impact cost forecasts” on p. HSM-4 of Chapter 3, in lines 6 to 20, please explain the extent to which any of these factors has been encountered in SDG&E’s experience to date with the MHP upgrade pilot.

RESPONSE 2:

- 13 MHPs dropped out of the Program during a detailed Application period, which impacted the planned annual number of conversions.
- 2 MHPs had FOIs that inaccurately reflected space counts.

MHP	FOI Count	PTO/Actual Count
MHP 1	15	41
MHP 2	171	110

- SDG&E shares one joint park with Southern California Gas Company (“SoCalGas”). Joint project milestones were established based on individual project schedules; however, a 28-day difference in gas and electric design activities resulted between the utilities’ schedules.
- Delays due to resource availability have been minimal to date; however, BTM resource shortages are currently expected for electric contractors in SDG&E’s service territory and SDG&E expects this will negatively impact current projects.
- Some MHPs in SDG&E’s service territory are under the jurisdiction of the California Housing and Community Development (“HCD”) and subject to inspections and inspector availability from HCD. 4 MHPs experienced delays due to HCD inspector resource availability. Some MHPs in SDG&E’s service territory fall under the jurisdiction of various Local Enforcement Agencies (“LEA”) whose inspector resources and availability may vary. 1 MHP experienced a delay due to LEA inspector availability.

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

**DECLARATION OF JOE VELASQUEZ
REGARDING CONFIDENTIALITY OF CERTAIN DATA PURSUANT TO D.16-08-024**

I, Joe Velasquez, do declare as follows:

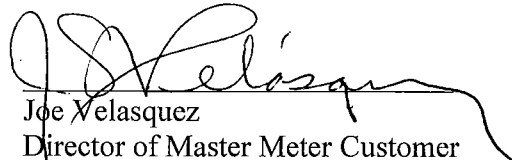
1. I am the Director of Master Meter Customer Programs for San Diego Gas & Electric Company ("SDG&E"). I have been delegated authority to sign this declaration by Gina Orozco-Mejia, Vice President of Gas Operations. I have reviewed the data response in Application (A.) 17-05-008 to the Office of Ratepayer Advocates ("ORA") titled "ORA-SDGE-003-CL8." In addition, I am personally familiar with the facts and representations in this Declaration and, if called upon to testify, I could and would testify to the following based upon my personal knowledge and/or belief.

2. I hereby provide this Declaration in accordance with Decision ("D.") D-16-08-024 to demonstrate that the yellow-highlighted confidential information ("Protected Information") provided in the Excel file titled "ORA-SDG&E-003-CL8-Q3 (conf.," included with Response 3 to ORA-SDGE-003-CL8, is within the scope of data protected as confidential under applicable law, and pursuant to Public Utilities ("PUC") Code § 583 and General Order ("GO") 66-C, as described in Attachment A below.

3. In accordance with the legal authority described herein, the Protected Information should be protected from public disclosure.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct to the best of my knowledge.

Executed this 11th day of July, 2017, at Los Angeles, California.


Joe Velasquez
Director of Master Meter Customer
Programs

ATTACHMENT A

SDG&E Request for Confidentiality on the following information contained in ORA-SDGE-003-CL8

Location of Protected Information	Legal Authority	Narrative Justification
Data Request ORA-SDGE-003-CL8 in A.17-05-008, yellow-highlighted cells in the Excel file titled "ORA-SDG&E-003-CL8-Q3 (conf.)" included with Response 3.	GO 66-C Section 2.2(b) Gov't Code §§6254(k), 6254.7 (d); Evidence Code §1060; Civil Code §3426 <i>et seq.</i>	The yellow-highlighted cells contain MHP names. This is market-sensitive information that, if revealed, could put the MHP at an unfair business disadvantage because it provides nonpublic information regarding MHP program participation.

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QUESTION 3:

With regard to p. 5 to 7 of Attachment A:

- a. Please provide total and per-space costs for each of the six MHPs completed as of December 2016, as well as any MHPs that have since been completed. Use the same format as Table 1 on p. 6 to 7. Provide an Excel copy of this information.
 - i. Indicate the number of spaces in each converted MHP.
 - ii. Indicate whether the MHP was converted for electric, gas, or both.
 - iii. Indicate whether any other utility participated in the conversion.
- b. For all items in Table 1 on p. 6 to 7, please explain the extent to which the line item cost does or does not vary with the number of spaces to be converted at any given MHP.
- c. For all items in Table 1 on p. 6 to 7 that do not vary with the number of spaces to be converted at any given MHP, please explain the methodology for allocating costs.
- d. Please provide a breakdown of costs for “Other (HCD, LEA Permit Fees)” on line 25 in Table 1 on p. 6. Provide this breakdown both in aggregate across the 6 completed MHPs as well as for each individual completed MHP.

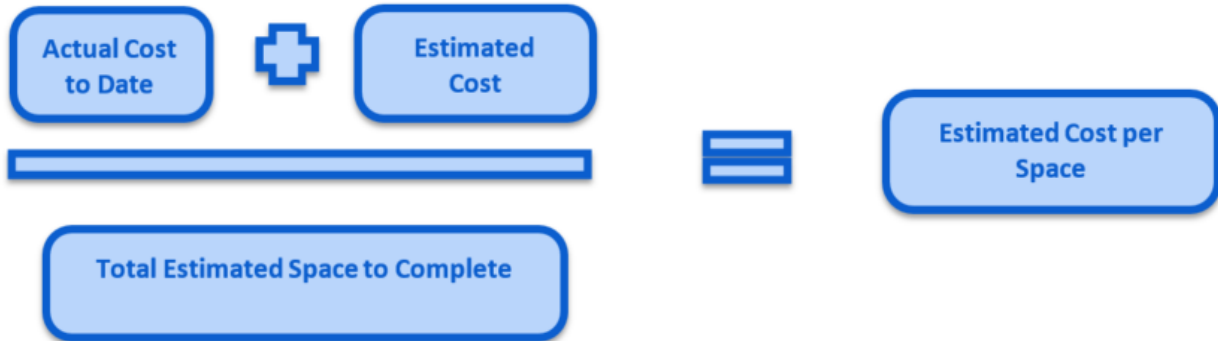
RESPONSE 3:

- a. See attached Excel file. **Please note that the yellow highlighted information in the Excel file is confidential and protected material pursuant to PUC Section 583, GO-66C, and D.16-08-024.**
- b. For all items in Table 1 on p. 6 to 7, total line item costs are affected by the number of spaces converted at any given MHP. The per-unit cost of some items, such as those listed under Program Management Costs (PMC) (line 37 of Table 1 on p. 6) do not vary regardless of the specific MHP, but the total allocation will vary depending on the number of spaces converted.
- c. PMC costs are allocated to individual parks upon project closeout after all costs, including invoices, have been received and settled. The formula for calculating a per-space cost is shown in the figure below. Once a per-space cost is calculated, an allocation is made to each MHP based on the total number of spaces converted. SDG&E continually updates actual Program costs (Actual Cost to Date) and periodically updates its future Program cost estimates (Estimated Cost) and the estimated number of spaces in scope (Total Estimated Spaces to Complete) to maintain an updated estimated cost per space and to ensure all PMC costs are equitably allocated to MHPs by the end of the Pilot Program.

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- d. See attached Excel file. Please note that the yellow highlighted information in the Excel file is confidential and protected material pursuant to PUC Section 583, GO-66C, and D.16-08-024.