1. Refer to EVHP Workpapers Chapter 1. Please provide the derivation of the $125/hour charge rate.

**SDG&E Response:** The provided $125/hour charge is the standard estimated contractor rate for the relevant SDG&E departments.

* 1. Please identify the job title for each of the three labor categories.

**SDG&E Response:** As SDG&E has not hired contractors for these three labor categories, the exact job titles of the personnel who will perform these tasks is not known at this time.

* 1. Please provide the assumed salary for each of the three labor categories.

**SDG&E Response:** The estimated salary of the contracted personnel who will perform the manual billing tasks is $125/hour.

* 1. Please provide SDG&E’s adder for labor costs, and the derivation thereof.

**SDG&E Response:** Since SDG&E will be using contracted labor to manually bill the proposed interim rate discount, these direct costs are not subject to the same labor related overheads as internal SDG&E resources. For contracted labor costs, SDG&E is applying an estimated loader of 1% which is comprised of the applicable overheads for O&M non-labor purchased services.

* 1. Does SDG&E agree that its reported Pensions and Benefits from the 2018 FERC Form 1 (p. 323) is about 18% of SDG&E Payroll (2018 FERC Form 1, p. 355)?

**SDG&E Response:** This question is not applicable since SDG&E will be using contracted labor to manually bill the proposed interim rate discount.

* + 1. If SDG&E does not use a pension and benefit adder close to that value, please explain why, provide the pension and benefit adder it uses, and provide the derivation of that adder.

**SDG&E Response:** Since SDG&E will be using contracted labor to manually bill the proposed interim rate discount this question is not applicable. See the response to question 1c.

* 1. Does SDG&E agree that its reported payroll taxes from the 2018 FERC Form 1 (p. 262) is about 13% of SDG&E Payroll (2018 FERC Form 1, p. 355)?

**SDG&E Response:** Since SDG&E will be using contracted labor to manually bill the proposed interim rate discount this question is not applicable.

* + 1. If SDG&E does not use a payroll tax adder close to that value, please explain why, provide the adder it uses, and provide the derivation of that adder.

**SDG&E Response:** This question is not applicable since SDG&E will be using contracted labor to manually bill the proposed interim rate discount.

* 1. Please list all other overhead costs that SDG&E expects to incur to support the three employees listed in this workpaper.

**SDG&E Response:** See response to question 1c.

1. Refer to EVHP Workpapers Chapter 1.
   1. Please provide the number of EV HP customers that SDG&E expects to bill for each listed month, or the plausible range of that number.

**SDG&E Response:** While the total number of customers receiving the interim rate discount will depend on the number of DCFC and MD/HD EV sites added in SDG&E territory, SDG&E anticipates that the discount will be applied to up to approximately 150 customer accounts. Potentially more customer accounts may receive the discount towards the end of the listed period.

Note that the number of existing DCFCs in SDG&E’s service territory cited in the Chapter 1 prepared testimony is the number of DCFC ports, not DCFC customer accounts.

* 1. Does SDG&E agree that, if only the 212 existing DCFCs (p. BS-6) are served under the manually billed rate, the computations allow about 50 minutes monthly for each of the three employees, or about 150 minutes total?

**SDG&E Response:** No, SDG&E does not agree that 150 minutes total (50 minutes for each employee) is the accurate amount of time required to accomplish the tasks necessary to implement the interim solution.

* + 1. If so, please explain why retrieving the draft bill, dividing the demand charge by two, and producing the revised bill would require so much time.

**SDG&E Response:** See above. SDG&E does not agree with the assumption specified in the previous question.

* + 1. If not, please explain how much time the workpaper allows for the average bill, per employee.

**SDG&E Response:** The scope of work required to implement a manual solution requires activities from three different departments, specifically: Customer Operations Support, Billing, and Regulatory Accounting. The additional work required by the proposed interim billing solution would require an incremental resource for each department.

* 1. Please detail the actions and operations that each of the three employees would need to undertake for each bill each month.

**SDG&E Response**: It is unlikely that one employee could conduct all the different tasks relevant to the interim manually billed rate. More specifically, it would require that the employee resources perform all the related tasks for the distinct roles involved in each work group, namely:

* **Customer Operations Support (COS):** One additional resource is required to assist in managing the Company’s daily back-end system monitors business systems to identify and resolve errors so that customers receive service and are billed accurately. The COS resource dispatches reports on a regular basis to identify anomalies in customer activity and provide resolution if necessary.
* **Billing group:** The billing resource is the process owner and executer for manually adjusting the bills in the legacy billings system. The resource uses the tools provided by COS to determine the dollar amount that needs to be adjusted in the system. The resource has a knowledge of exception cases and difficult billing scenarios. The resource monitors each bill and ensures that the bills are not delayed.
* **Regulatory Accounting:** The Regulatory Accounting resource shall correctly account for the manual adjustment applied by the billing resource so that the adjustment is properly allocated under the general ledger.
* Additionally, IT and ITQA (Information Technology Quality Assurance) resource effort may be required for code changes and testing related to the display notification of adjustment on each bill.