

Application of SAN DIEGO GAS & ELECTRIC )  
COMPANY for authority to update its gas and )  
electric revenue requirement and base rates )  
effective January 1, 2028 (U 902-M) )

Application No.: A.26-06-XXX

Exhibit No.: (SDGE-03-CWP)

CAPITAL WORKPAPERS TO  
PREPARED DIRECT TESTIMONY  
OF AMY KITSON  
ON BEHALF OF SAN DIEGO GAS & ELECTRIC COMPANY

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA

JUNE 2026



**2028 General Rate Case - APPLICATION  
INDEX OF WORKPAPERS**

**Exhibit SDGE-03-CWP - GAS ENGINEERING & SYSTEM INTEGRITY**

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**Overall Summary For Exhibit No. SDGE-03-CWP**

<b>Area:</b>	<b>GAS ENGINEERING &amp; SYSTEM INTEGRITY</b>
<b>Witness:</b>	<b>Amy Kitson</b>

In 2025 \$ (000)

		Adjusted-Forecast					
		2026	2027	2028	2029	2030	2031
<b>A. GAS TRANSMISSION &amp; ENGINEERING OVERHEAD POOL</b>		329	329	329	329	329	329
	<b>Total</b>	<b>329</b>	<b>329</b>	<b>329</b>	<b>329</b>	<b>329</b>	<b>329</b>

*Note: Totals may include rounding differences.*

**Area:** GAS ENGINEERING & SYSTEM INTEGRITY  
**Witness:** Amy Kitson  
**Category:** A. GAS TRANSMISSION & ENGINEERING OVERHEAD POOL  
**Workpaper:** EN9030

**Summary for Category: A. GAS TRANSMISSION & ENGINEERING OVERHEAD POOL**

	In 2025\$ (000) Incurred Costs						
	Adjusted-Recorded	Adjusted-Forecast					
	2025	2026	2027	2028	2029	2030	2031
Labor	7	15	15	15	15	15	15
Non-Labor	314	314	314	314	314	314	314
NSE	0	0	0	0	0	0	0
<b>Total</b>	<b>321</b>	<b>329</b>	<b>329</b>	<b>329</b>	<b>329</b>	<b>329</b>	<b>329</b>
FTE	0.2	0.2	0.2	0.2	0.2	0.2	0.2

**Workpapers belonging to this Category:**

EN9030 EN9030 - Local Engineering Pool - GT Pool							
Labor	7	15	15	15	15	15	15
Non-Labor	314	314	314	314	314	314	314
NSE	0	0	0	0	0	0	0
<b>Total</b>	<b>321</b>	<b>329</b>	<b>329</b>	<b>329</b>	<b>329</b>	<b>329</b>	<b>329</b>
FTE	0.2	0.2	0.2	0.2	0.2	0.2	0.2
<b>Unit Measure: FTEs</b>							
Units	0	0	0	0	0	0	0

*Note: Totals may include rounding differences.*

**Beginning of Workpaper Group**  
**EN9030 - EN9030 - Local Engineering Pool - GT Pool**

**Area:** GAS ENGINEERING & SYSTEM INTEGRITY  
**Witness:** Amy Kitson  
**Budget Code:** EN903.0  
**Category:** A. GAS TRANSMISSION & ENGINEERING OVERHEAD POOL  
**Category-Sub:** 1. LOCAL ENGINEERING POOL - GT POOL  
**Workpaper Group:** EN9030 - EN9030 - Local Engineering Pool - GT Pool  
**Unit Measure:** FTEs

**Summary of Results (Constant 2025 \$ in 000s):**

Forecast Method		Adjusted Recorded					Adjusted Forecast					
Years		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Labor	Base YR Rec	237	384	377	9	7	15	15	15	15	15	15
Non-Labor	Base YR Rec	241	45	0	374	314	314	314	314	314	314	314
NSE	Base YR Rec	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>		<b>477</b>	<b>429</b>	<b>377</b>	<b>383</b>	<b>321</b>	<b>329</b>	<b>329</b>	<b>329</b>	<b>329</b>	<b>329</b>	<b>329</b>
FTE	Base YR Rec	1.5	2.3	2.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Units	Base YR Rec	0	0	0	0	0	0	0	0	0	0	0

**Business Purpose:**

Capital Budget Code EN9030 serves as a centralized pool for overhead charges that are initially recorded in this category and subsequently reassigned to the appropriate budget categories on a direct-cost basis. These charges are temporarily held and redistributed monthly in accordance with established accounting practices. This budget code ensures consistent treatment of designated overhead costs, enabling their direct allocation to specific budget categories. The associated capital expenditures support initiatives focused on safety, compliance, reliability, and affordability.

**Physical Description:**

Supervision and Engineering Overhead charges stemming from labor spend on Capital projects and reassigned to Capital budget categories specific to Gas Transmission projects.

**Project Justification:**

Continues an established accounting procedure for making charges to overheads on a direct basis to Gas Transmission's budget categories.

*Note: Totals may include rounding differences.*

**Area:** GAS ENGINEERING & SYSTEM INTEGRITY  
**Witness:** Amy Kitson  
**Budget Code:** EN903.0  
**Category:** A. GAS TRANSMISSION & ENGINEERING OVERHEAD POOL  
**Category-Sub:** 1. LOCAL ENGINEERING POOL - GT POOL  
**Workpaper Group:** EN9030 - EN9030 - Local Engineering Pool - GT Pool  
**Unit Measure:** FTEs

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**Forecast Methodology:**

**Labor - Base YR Rec**

The forecast was developed using the base year method to capture labor expense requirements for this cost category. This method is most appropriate because the historical data indicates that activities and number of capital projects in scope of SoCalGas and staffing levels steadily increased but will remain steady. This method is most appropriate to reflect future needs.

**Non-Labor - Base YR Rec**

The forecast was developed using the base year method to capture non-labor expense requirements for this cost category. This method is most appropriate because the historical data indicates that activities and number of capital projects in scope of SoCalGas and staffing levels steadily increased but will remain steady. This method is most appropriate to reflect future needs.

**NSE - Base YR Rec**

There are no non-standard escalation expenses in this workpaper.

**Units - Base YR Rec**

The unit selected is FTE as it most accurately defines a measureable unit per presented cost for labor and non-labor within this workpaper.

**Area:** GAS ENGINEERING & SYSTEM INTEGRITY  
**Witness:** Amy Kitson  
**Budget Code:** EN903.0  
**Category:** A. GAS TRANSMISSION & ENGINEERING OVERHEAD POOL  
**Category-Sub:** 1. LOCAL ENGINEERING POOL - GT POOL  
**Workpaper Group:** EN9030 - EN9030 - Local Engineering Pool - GT Pool  
**Unit Measure:** FTEs

**Summary of Adjustments to Forecast:**

In 2025 \$ (000)																		
Years	Base Forecast						Forecast Adjustments						Adjusted-Forecast					
	2026	2027	2028	2029	2030	2031	2026	2027	2028	2029	2030	2031	2026	2027	2028	2029	2030	2031
Labor	7	7	7	7	7	7	8	8	8	8	8	8	15	15	15	15	15	15
NLbr	314	314	314	314	314	314	0	0	0	0	0	0	314	314	314	314	314	314
NSE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>321</b>	<b>321</b>	<b>321</b>	<b>321</b>	<b>321</b>	<b>321</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>329</b>	<b>329</b>	<b>329</b>	<b>329</b>	<b>329</b>	<b>329</b>
FTE	0.2	0.2	0.2	0.2	0.2	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.2	0.2	0.2	0.2	0.2
Units	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

**Forecast Adjustment Details:**

Year	Labor (Base YR Rec)	NLbr (Base YR Rec)	NSE (Base YR Rec)	Total	FTE	Units (Base YR Rec)
2026	8	0	0	8	0.0	0
<b>Explanation:</b>	Reflects changes in connection with the compensation modernization initiative. Please refer to the Compensation and Benefits testimony, Ex. SCG-16/SDGE-20.					
<b>2026 Total</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>8</b>	<b>0.0</b>	<b>0</b>
2027	8	0	0	8	0.0	0
<b>Explanation:</b>	Reflects changes in connection with the compensation modernization initiative. Please refer to the Compensation and Benefits testimony, Ex. SCG-16/SDGE-20.					
<b>2027 Total</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>8</b>	<b>0.0</b>	<b>0</b>

*Note: Totals may include rounding differences.*

**Area:** GAS ENGINEERING & SYSTEM INTEGRITY  
**Witness:** Amy Kitson  
**Budget Code:** EN903.0  
**Category:** A. GAS TRANSMISSION & ENGINEERING OVERHEAD POOL  
**Category-Sub:** 1. LOCAL ENGINEERING POOL - GT POOL  
**Workpaper Group:** EN9030 - EN9030 - Local Engineering Pool - GT Pool  
**Unit Measure:** FTEs

Year	Labor (Base YR Rec)	NLbr (Base YR Rec)	NSE (Base YR Rec)	Total	FTE	Units (Base YR Rec)
2028	8	0	0	8	0.0	0
<b>Explanation:</b>	Reflects changes in connection with the compensation modernization initiative. Please refer to the Compensation and Benefits testimony, Ex. SCG-16/SDGE-20.					
<b>2028 Total</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>8</b>	<b>0.0</b>	<b>0</b>
2029	8	0	0	8	0.0	0
<b>Explanation:</b>	Reflects changes in connection with the compensation modernization initiative. Please refer to the Compensation and Benefits testimony, Ex. SCG-16/SDGE-20.					
<b>2029 Total</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>8</b>	<b>0.0</b>	<b>0</b>
2030	8	0	0	8	0.0	0
<b>Explanation:</b>	Reflects changes in connection with the compensation modernization initiative. Please refer to the Compensation and Benefits testimony, Ex. SCG-16/SDGE-20.					
<b>2030 Total</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>8</b>	<b>0.0</b>	<b>0</b>
2031	8	0	0	8	0.0	0
<b>Explanation:</b>	Reflects changes in connection with the compensation modernization initiative. Please refer to the Compensation and Benefits testimony, Ex. SCG-16/SDGE-20.					
<b>2031 Total</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>8</b>	<b>0.0</b>	<b>0</b>

*Note: Totals may include rounding differences.*

**Area:** GAS ENGINEERING & SYSTEM INTEGRITY  
**Witness:** Amy Kitson  
**Budget Code:** EN903.0  
**Category:** A. GAS TRANSMISSION & ENGINEERING OVERHEAD POOL  
**Category-Sub:** 1. LOCAL ENGINEERING POOL - GT POOL  
**Workpaper Group:** EN9030 - EN9030 - Local Engineering Pool - GT Pool  
**Unit Measure:** FTEs

**Determination of Adjusted-Recorded (in thousands):**

	2021	2022	2023	2024	2025
<b>Recorded (Nominal \$)*</b>					
Labor	155	164	154	134	119
Non-Labor	151	262	164	211	177
NSE	0	0	0	0	0
<b>Total</b>	<b>306</b>	<b>426</b>	<b>318</b>	<b>345</b>	<b>296</b>
FTE	1.4	1.4	1.2	1.0	0.8
Units	0	0	0	0	0
<b>Adjustments (Nominal \$) **</b>					
Labor	-10	110	160	-126	-113
Non-Labor	18	-225	-164	147	137
NSE	0	0	0	0	0
<b>Total</b>	<b>8</b>	<b>-115</b>	<b>-4</b>	<b>21</b>	<b>24</b>
FTE	-0.1	0.6	0.6	-0.9	-0.6
Units	0	0	0	0	0
<b>Recorded-Adjusted (Nominal \$)</b>					
Labor	145	274	314	8	6
Non-Labor	169	37	0	359	314
NSE	0	0	0	0	0
<b>Total</b>	<b>314</b>	<b>311</b>	<b>314</b>	<b>366</b>	<b>320</b>
FTE	1.3	2.0	1.8	0.1	0.2
Units	0	0	0	0	0
<b>Vacation &amp; Sick (Nominal \$)</b>					
Labor	22	40	44	1	1

**Area:** GAS ENGINEERING & SYSTEM INTEGRITY  
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**Budget Code:** EN903.0  
**Category:** A. GAS TRANSMISSION & ENGINEERING OVERHEAD POOL  
**Category-Sub:** 1. LOCAL ENGINEERING POOL - GT POOL  
**Workpaper Group:** EN9030 - EN9030 - Local Engineering Pool - GT Pool  
**Unit Measure:** FTEs

**Determination of Adjusted-Recorded (in thousands):**

	2021	2022	2023	2024	2025
Non-Labor	0	0	0	0	0
NSE	0	0	0	0	0
<b>Total</b>	<b>22</b>	<b>40</b>	<b>44</b>	<b>1</b>	<b>1</b>
FTE	0.2	0.3	0.3	0.1	0.0
Units	0	0	0	0	0
<b>Escalation to 2025\$</b>					
Labor	70	70	20	0	0
Non-Labor	71	8	0	16	0
NSE	0	0	0	0	0
<b>Total</b>	<b>141</b>	<b>78</b>	<b>20</b>	<b>16</b>	<b>0</b>
FTE	0.0	0.0	0.0	0.0	0.0
Units	0	0	0	0	0
<b>Recorded-Adjusted (Constant 2025\$)</b>					
Labor	237	384	377	9	7
Non-Labor	241	45	0	374	314
NSE	0	0	0	0	0
<b>Total</b>	<b>477</b>	<b>429</b>	<b>377</b>	<b>383</b>	<b>321</b>
FTE	1.5	2.3	2.1	0.2	0.2
Units	0	0	0	0	0

\* After company-wide exclusions of Non-GRC costs

\*\* Refer to "Detail of Adjustments to Recorded" page for line item adjustments

*Note: Totals may include rounding differences.*

**Area:** GAS ENGINEERING & SYSTEM INTEGRITY  
**Witness:** Amy Kitson  
**Budget Code:** EN903.0  
**Category:** A. GAS TRANSMISSION & ENGINEERING OVERHEAD POOL  
**Category-Sub:** 1. LOCAL ENGINEERING POOL - GT POOL  
**Workpaper Group:** EN9030 - EN9030 - Local Engineering Pool - GT Pool  
**Unit Measure:** FTEs

**Summary of Adjustments to Recorded:**

In Nominal \$(000)					
Years	2021	2022	2023	2024	2025
Labor	-10	110	160	-126	-113
Non-Labor	18	-225	-164	147	137
NSE	0	0	0	0	0
<b>Total</b>	<b>8</b>	<b>-115</b>	<b>-4</b>	<b>21</b>	<b>24</b>
FTE	-0.1	0.6	0.6	-0.9	-0.6
Units	0	0	0	0	0

**Detail of Adjustments to Recorded in Nominal \$:**

Year	Labor	NLbr	NSE	Total	FTE	Units
2021	-10	18	0	8	-0.1	0
<b>Explanation:</b>	Adjustments to GRID values to reflecting overhead pools per the ABC team.					
<b>2021 Total</b>	-10	18	0	8	-0.1	0
2022	110	-225	0	-115	0.6	0
<b>Explanation:</b>	Adjustments to GRID values to reflecting overhead pools per the ABC team.					
<b>2022 Total</b>	110	-225	0	-115	0.6	0

*Note: Totals may include rounding differences.*

**Area:** GAS ENGINEERING & SYSTEM INTEGRITY  
**Witness:** Amy Kitson  
**Budget Code:** EN903.0  
**Category:** A. GAS TRANSMISSION & ENGINEERING OVERHEAD POOL  
**Category-Sub:** 1. LOCAL ENGINEERING POOL - GT POOL  
**Workpaper Group:** EN9030 - EN9030 - Local Engineering Pool - GT Pool  
**Unit Measure:** FTEs

Year	Labor	NLbr	NSE	Total	FTE	Units
2023	160	-164	0	-4	0.6	0
<b>Explanation:</b> Adjustments to GRID values to reflecting overhead pools per the ABC team.						
<b>2023 Total</b>	160	-164	0	-4	0.6	0
2024	-126	147	0	21	-0.9	0
<b>Explanation:</b> Adjustments to GRID values to reflecting overhead pools per the ABC team.						
<b>2024 Total</b>	-126	147	0	21	-0.9	0
2025	-113	137	0	24	-0.6	0
<b>Explanation:</b> Adjustments to GRID values to reflecting overhead pools per the ABC team.						
2025	0	0	0	0	0.0	0
<b>Explanation:</b> Adjustments to update units of measure.						
<b>2025 Total</b>	-113	137	0	24	-0.6	0

*Note: Totals may include rounding differences.*

**Beginning of Workpaper Sub Details for  
Workpaper Group EN9030**

**Area:** GAS ENGINEERING & SYSTEM INTEGRITY  
**Witness:** Amy Kitson  
**Budget Code:** EN903.0  
**Category:** A. GAS TRANSMISSION & ENGINEERING OVERHEAD POOL  
**Category-Sub:** 1. LOCAL ENGINEERING POOL - GT POOL  
**Workpaper Group:** EN9030 - EN9030 - Local Engineering Pool - GT Pool  
**Workpaper Detail:** EN9030.001 - Gas Transmission Supervision and Engineering Overhead Pool  
**Unit Measure:** FTEs

**In-Service Date:** Not Applicable

**Description:**

Provides a pool for overhead charges that will be assigned to various budget categories on a direct basis. Charges reside in this budget category temporarily and are reassigned monthly.

**Forecast In 2025 \$(000)**

Years	2026	2027	2028	2029	2030	2031
Labor	15	15	15	15	15	15
Non-Labor	314	314	314	314	314	314
NSE	0	0	0	0	0	0
<b>Total</b>	<b>329</b>	<b>329</b>	<b>329</b>	<b>329</b>	<b>329</b>	<b>329</b>
FTE	0.2	0.2	0.2	0.2	0.2	0.2
Units	0	0	0	0	0	0

*Note: Totals may include rounding differences.*