

Company: San Diego Gas & Electric Company (U902M)
Proceeding: 2019 General Rate Case
Application: A.17-10-007/-008 (cons.)
Exhibit: SDG&E-217

SDG&E

REBUTTAL TESTIMONY OF GWEN R. MARELLI

(CUSTOMER SERVICES - FIELD)

JUNE 18, 2018

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



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1 **SDG&E REBUTTAL TESTIMONY OF GWEN R. MARELLI**
2 **(CUSTOMER SERVICES - FIELD)**

3
4 **I. SUMMARY OF DIFFERENCES**

5 Table GRM-1 below summarizes the parties' respective Test Year (TY) 2019 forecasts
6 for SD&GE's Customer Services - Field (CS-F) activities.

7 **TABLE GRM-1**
8 **Summary of Differences**

TOTAL O&M - Constant 2016 (\$000)			
	Base Year 2016	Test Year 2019	Change
Non-Shared O&M¹			
SDG&E	\$ 21,439	\$ 23,733 ²	\$ 2,294
ORA	\$ 21,439	\$ 22,478	\$ 1,039
TURN	\$ 21,439	\$ 22,322	\$ 883

9
10 Table GRM-2 below summarizes the parties' respective TY 2019 forecast by CS-F cost
11 categories.
12

¹ SDG&E CS-F does not have any shared O&M expenses.

² TY 2019 request of \$23,733,000 should be revised to \$23,723,000. SDG&E communicated a calculation error in SDG&E's response to data request ORA-SDGE-091-CY3, question 1.c, on January 31, 2018. The calculation error equates to a total cost reduction of \$9,984 for TY 2019 in the CS-F Operations cost category. See Appendix A.

1 **TABLE GRM-2**

2 **Summary of Comparison by CS-F Cost Category - Non-Shared Costs**

TOTAL O&M - Constant 2016 (\$000)			
	Base Year 2016	Test Year 2019	Change
CS-F Operations			
SDG&E	\$ 13,212	\$ 15,888	\$ 2,676
ORA	\$ 13,212	\$ 14,911	\$ 1,699
TURN	\$ 13,212	\$ 14,764	\$ 1,552
CS-F Supervision			
SDG&E	\$ 1,237	\$ 1,422	\$ 185
ORA	\$ 1,237	\$ 1,144	\$ (93)
TURN	\$ 1,237	\$ 1,237	\$ 0
CS-F Dispatch			
SDG&E	\$ 4,335	\$ 3,906	\$ (429)
ORA	\$ 4,335	\$ 3,906	\$ (429)
TURN	\$ 4,335	\$ 3,906	\$ (429)
CS-F Support			
SDG&E	\$ 2,655	\$ 2,517	\$ (138)
ORA	\$ 2,655	\$ 2,517	\$ (138)
TURN	\$ 2,655	\$ 2,415	\$ (240)
Grand Total			
SDG&E	\$ 21,439	\$ 23,733	\$ 2,294
ORA	\$ 21,439	\$ 22,478	\$ 1,039
TURN	\$ 21,439	\$ 22,322	\$ 883

3
4 **II. INTRODUCTION**

5 As a preliminary matter, the absence of a response to any particular issue in this rebuttal
6 testimony does not imply or constitute agreement by SDG&E with the proposal or contention
7 made by these or other parties.

8 SDG&E provides rebuttal testimony regarding SDG&E's request for CS-F issues,
9 positions and proposals raised by the following parties:

- 10 • The Office of Ratepayer Advocates (ORA) as submitted by Ms. Crystal
11 Yeh (Exhibit ORA-16), dated April 13, 2018.
- 12 • The Utility Reform Network (TURN), as submitted by Mr. William Perea
13 Marcus (Exhibit TURN-03), dated May 14, 2018.

- 1 • San Diego Consumers’ Action Network (SDCAN), as submitted by Mr.
2 Michael Shames, dated May 14, 2018.

3 **A. ORA**

4 ORA issued its report on the CS-F testimony on April 13, 2018.³ ORA proposes a TY
5 2019 funding level which is 5.3% lower than SDG&E’s request. The following is a summary of
6 ORA’s positions:

- 7 • ORA accepts SDG&E’s TY 2019 forecast for CS-F Dispatch and CS-F
8 Support.
- 9 • ORA accepts SDG&E’s request to close the Smart Meter Opt-Out
10 Balancing Accounts (SMOBA).⁴
- 11 • ORA accepts SDG&E’s business justification for CS-F’s capital projects.⁵
- 12 • ORA accepts the FOF savings set forth in the testimony.
- 13 • For the CS-F Operations cost category, ORA proposes a TY 2019 funding
14 level that is 6.1% lower than SDG&E’s request.
- 15 • For the CS-F Supervision cost category, ORA proposes a TY 2019
16 funding level that is 19.5% lower than SDG&E’s request.

17 **B. TURN**

18 TURN issued its report on the CS-F testimony on May 14, 2018.⁶ TURN proposes a TY
19 2019 funding level that is 5.9% less than SDG&E’s request. The following is a summary of
20 TURN’s positions:

³ April 13, 2018, ORA Report on the Results of Operations for San Diego Gas & Electric Company, Southern California Gas Company, Test Year 2019 General Rate Case, SDG&E Customer Services - Field; Office Operations; and Information & Technologies, Exhibit ORA-16 (Crystal Yeh).

⁴ In December 2017, Prepared Revised Direct Testimony of Gwen R. Marelli Addressing Customer Services - Field, Exhibit SDG&E 17-R (Gwen Marelli), SDG&E is requesting the true-up and close out of the SMOBA in this TY 2019 GRC which is covered in October 6, 2017, Prepared Direct Testimony of Norma G. Jasso, Addressing Regulatory Accounts, Exhibit SDG&E-41 (Norma Jasso).

⁵ Capital costs for the forecast years 2017, 2018 and 2019 are sponsored by Mr. Olmsted. December 2017, Prepared Direct Testimony of Christopher R. Olmsted Addressing Information Technology, Exhibit SDG&E 24-R (Christopher Olmsted).

⁶ May 14, 2018, TURN Report on Various Results of Operations Issues in Southern California Gas Company’s and San Diego Gas and Electric Company’s 2016 Test Year General Rate Cases, Public Redacted Version, Exhibit TURN-03 (William Marcus).

- 1 • For the CS-F Dispatch cost category, similar to ORA, TURN accepts
2 SDG&E's TY 2019 request.
- 3 • For the CS-F Operations cost category, TURN proposes a TY 2019
4 funding level that is 7.1% lower than SDG&E's request.
- 5 • For the CS-F Supervision cost category, TURN proposes a TY 2019
6 funding level that is 13% lower than SDG&E's request.
- 7 • For the CS-F Support cost category, TURN proposes a TY 2019 funding
8 level that is 4.1% lower than SDG&E's request.

9 **C. SDCAN**

10 SDCAN issued its report on the CS-F testimony on May 14, 2018.⁷ The following is a
11 summary of SDCAN's positions:

- 12 • SDCAN proposes that certain service guarantees for missed appointments
13 should be increased by 100%, from \$50 to \$100. Additionally, SDCAN
14 proposes that the costs of the Service Guarantee program be shared
15 between shareholders and ratepayers.
- 16 • SDCAN proposes to expand service guarantees to customers using third-
17 party contractors for trenching.

18 **III. REBUTTAL TO PARTIES' O&M PROPOSALS**

19 **A. CS-F Operations Cost Category**

20 The CS-F Operations cost category consists of labor and non-labor expenses for field
21 technicians to provide service at customer premises, including both customer and company-
22 generated work orders. This cost category includes 53 order types. Examples of customer-
23 generated order types include requests to establish/remove gas and electric service, light gas
24 pilots, check gas appliances, shut off and restore gas service for fumigation, investigate the
25 potential causes of high bills, respond to emergency incidents, investigate potential gas leaks, and
26 other services. Examples of company-generated order types include meter and regulator changes,
27 and other meter work necessary to maintain company assets, and collecting customer payments for

⁷ May 14, 2018, SDCAN Report on SDCAN Evaluation of San Diego Gas and Electric Company's Customer Service and External Affairs Activities, (Michael Shames).

1 delinquent bills. Non-labor costs include items such as uniform expenses, small tools and
 2 miscellaneous supplies used on the job.

3 Table GRM-3 below provides a summary comparison of ORA and TURN's TY 2019
 4 forecast for each of the elements that make up the CS-F Operations cost category.

5 **TABLE GRM-3**
 6 **Summary Comparison - CS-F Operations Cost Category**

CS-F OPERATIONS	TY 2019 Estimated		
	In 2016 \$ (000s)		
Activity	SDG&E	ORA	TURN
BY 2016 Adjusted Recorded	\$ 13,212	\$ 13,212	\$ 13,212
Increase due to the Order Forecast methodology ⁸	\$ 977	\$ 0	\$ 0
TY 2019 1% Increase in Drive Time Due to Increasing Traffic Congestion ⁹	\$ 147	\$ 147	\$ 0
Other Incremental Funding Requests:			
Planned Meter Changes	\$ 736	\$ 736	\$ 736
Perform Bi-monthly Opt-Out Reads	\$ 340	\$ 340	\$ 340
Field Parts Replacement Service Program	\$ 223	\$ 223	\$ 223
Underset Regulator Remediation Program	\$ 126	\$ 126	\$ 126
Five-minute Clock Test	\$ 96	\$ 96	\$ 96
Non-labor for Multi-Gas Detector tool and Cell Phone Costs for Call Ahead Program	\$ 136	\$ 136	\$ 136
Sub-Total	\$ 15,993	\$ 15,016	\$ 14,869
FOF Savings	\$ (105)	\$ (105)	\$ (105)
TY 2019 Estimated	\$ 15,888	\$ 14,911	\$ 14,764

7

⁸ The amount of \$977 (000s) reflects the revised cost as provided in SDG&E's response to data request ORA-SDGE-102-CY3 on February 7, 2018. The cost shown in Ex. SDG&E-17-R (Marelli), Table GRM-13, at 14, was \$969 (000s). See Appendix B.

⁹ The amount of \$147 (000s) reflects the revised cost as provided in SDG&E's response to data request ORA-SDGE-102-CY3 on February 7, 2018. The cost shown in Ex. SDG&E-17-R (Marelli), Table GRM-13, at 14, was \$155 (000s). See Appendix B.

1 **1. ORA**

2 ORA takes issue with SDG&E’s TY 2019 forecast for the CS-F Operations cost category
3 and proposes a reduction of 6.1% to SDG&E’s TY 2019 request.

4 ORA states:

5 *“The increase due to the order forecast methodology is the difference between the*
6 *forecast as a result of the aforementioned-primarily three-year averaging of work*
7 *order types-and the BY 2016 adjusted recorded value.”¹⁰*

8
9 ORA’s statement is incorrect. To clarify, SDG&E’s TY 2019 requested increase of
10 \$0.977 million due to the order forecast methodology shown on Table GRM-3 is the difference
11 between the total CS-F Operations forecast of \$15.993 million (excluding FOF savings) less all
12 the incremental items shown in Table GRM-3 (i.e., 1% increase in drive time and other
13 incremental funding requests¹¹) and the BY 2016 adjusted recorded cost.¹² Therefore, this
14 amount is not solely attributable to the three-year average methodology used for 47 of 53 order
15 types (which also incorporates the active meter forecast for TY 2019), but also pertains to the
16 alternate forecast methodology for the other 6 order types. This distinction was explained in the
17 testimony of Ms. Marelli (Ex. SDG&E-17-R).¹³

18 ORA’s rationale for opposing the increase due to the order forecast methodology is
19 flawed for the following reasons:

20 **a. ORA depicted a distorted view of the order volume trend as a**
21 **basis for its TY 2019 forecast.**

22 ORA states:

23 *“If there is a clear trend of “volatility” in the work order volume, then by*
24 *definition one would see total values oscillate up and down historically. Instead,*
25 *Table 16-7 below shows the actual 2012-2016 Total Work Order Volumes for the*

¹⁰ Ex. ORA-16 (Yeh) at 8:3-6.

¹¹ Other incremental funding requests from Table GRM-3 include the following: planned meter changes, perform bi-monthly opt-out reads, Field Parts Replacement Service Program, Underset Regulator Remediation Program, five-minute clock test and non-labor for multi-gas detector tool and cell phone costs for call ahead program.

¹² This calculation was provided in SDG&E’s response to data request ORA-SDGE-102-CY3 on February 7, 2018. See Appendix B.

¹³ Ex. SDG&E-17-R (Marelli) at 10-11.

1 53 historically existing work order types, and SDG&E's forecast for 2019 which
2 uses a three-year average.”¹⁴
3

4 Table GRM-4 below is a recreation of ORA's Table 16-7 showing the total work order
5 volumes for the 53 order types and SDG&E's forecast for TY 2019.

6 **TABLE GRM-4**

7 **SDG&E's CS-F Operations Total Order Volume for 53 Order Types**

	2012	2013	2014	2015	2016	SDG&E 2019
Total	689,871	608,362	408,945	306,310	279,961	316,315

8
9 Using the order volume from Table GRM-4 above, ORA then created a simple linear trend line
10 of the total work order volume for years 2012 – 2016 shown as Figure 16-1 in its testimony and
11 states the following:

12 *“The declining trend in total work order volume is unambitious, and no outlier is*
13 *present in the past five recorded years. Yet, SDG&E claims it is necessary to*
14 *predict a large increase in incremental funding due to work order volume, which*
15 *was calculated by factoring in two previous recorded years (2014 and 2015) with*
16 *much larger work order volumes than BY 2016. There is no historical basis from*
17 *recent years to suggest that the volatility between years negates the clear*
18 *downward trend of work order volumes.”¹⁵*

19
20 As previously stated, the increase due to the order forecast methodology includes not
21 only the three-year average methodology for 47 of the 53 order types but also the alternate
22 forecast for 6 other order types. A three-year average of orders-per-active-meter was chosen for
23 the 47 order types because 2014 - 2016 are the most recent historical years in which the full
24 effects of smart meter implementation are reflected in work order volumes. ORA seems to
25 disagree with the use of the three-year average methodology as the basis for SDG&E's order
26 volume forecast for most order types. However, ORA provides no justification or explanation
27 that SDG&E's approach is unreasonable. Indeed, SDG&E utilized a three-year average (2014 –
28 2016) methodology for only 47 of 53 order types excluding those activities listed in Table GRM-

¹⁴ Ex. ORA-16 (Yeh) at 8:24-28.

¹⁵ *Id.* at 9:9-15.

1 3 under “Other Incremental Funding Requests” which were accepted by ORA.¹⁶ The TY 2019
2 forecasted order volume for each of the 47 order types is the product of the three-year average
3 (2014 - 2016) number of orders-per-active-meter and the number of forecasted active meters in
4 TY 2019.¹⁷

5 ORA included all 53 order types and does not acknowledge the alternate forecast for the
6 6 order types.¹⁸ This results in a distorted view of the order volume trend in Table GRM-4.
7 These 6 order types account for almost 94% of decrease in total CSF order volume between 2013
8 and 2017 which is why an alternate forecast methodology was used. For example, one of the 6
9 order types with an alternate forecast is the “Collections - First Call” order type. SDG&E’s TY
10 2019 forecast for this order type is based on a two-year average of 2015 and BY 2016 number of
11 orders-per-active meters since there was a change in collections process in 2014.¹⁹ This process
12 change significantly reduced the volume of orders in 2014 and 2015 as shown in Table GRM-5
13 below. The volume for this order type was reduced by 176,408 orders, or 63.3% less, in 2014 as
14 compared to 2013, and it was further reduced by 99,673 orders, or 97.5% less, in 2015 as
15 compared to 2014. Consequently, SDG&E used the two-year average methodology of number
16 of orders-per-active meter to forecast the 2,173 orders for TY 2019.

17 **TABLE GRM-5**
18 **Collections – First Call Order Type**

	2012	2013	2014	2015	BY 2016	SDG&E TY 2019
Total Orders	274,409	278,656	102,248	2,575	1,655	2,173

19

¹⁶ *Id.* at 7-8. “Incremental funding requests including: planned meter changes, bi-monthly opt-out reads, field parts replacement service program, underset regulator remediation program, five minute clock test, non-labor multi-gas detector tool and [cell] phone costs for call ahead program.”

¹⁷ The detailed calculations for the order volume forecast for TY 2019 were provided in SDG&E’s response to data request ORA-SDGE-091-CY3, question 1.c on January 31, 2018. See Appendix A.

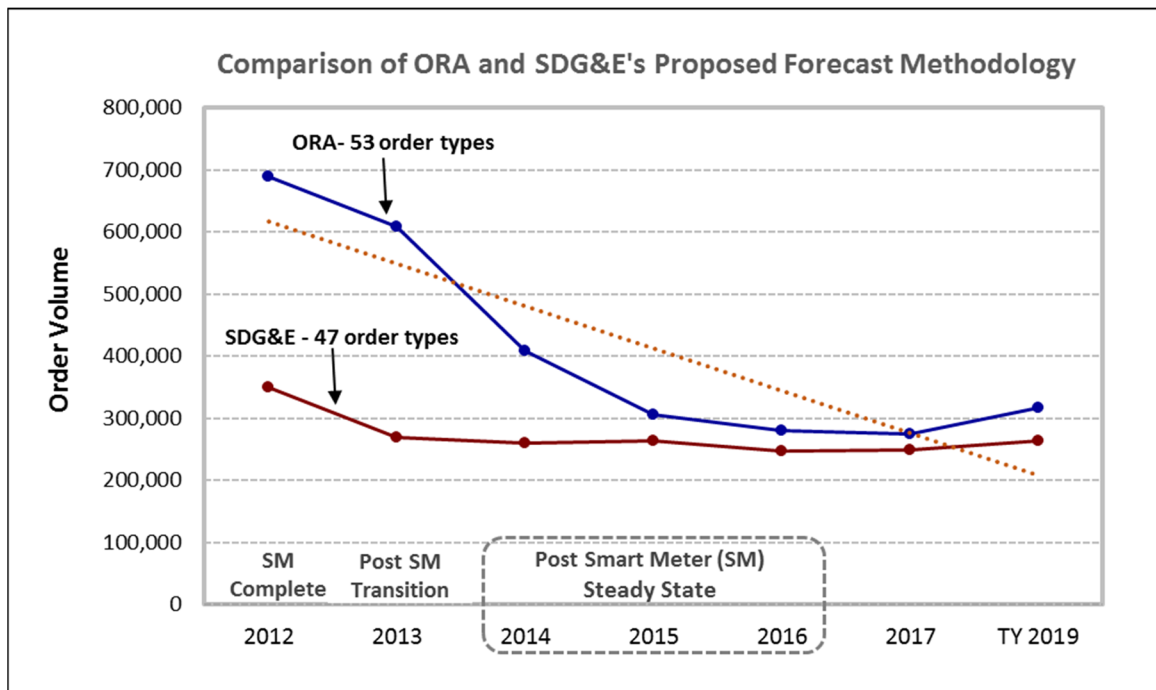
¹⁸ The detailed calculations for the alternate forecast for the 6 order types for TY 2019 were also provided to ORA. See footnote 17.

¹⁹ Ex. SDG&E-17-R (Marelli), Table GRM-10, at 11. Refer to forecasting assumptions for the “Collections – First Call” order type. In 2014, except for notices for vulnerable customers, SDG&E began mailing the first notice to the customer when a customer's payment became past due, instead of sending a field collector to customer premises to deliver the first collection notice.

1 The significant reduction for the “Collections - First Call” order type clearly skews ORA’s
 2 graphical representation of the historical work volume shown in its testimony in Figure 16-1 and
 3 misrepresents the use of the three-year average methodology for the other 47 order types. The
 4 other 5 order types also used alternate forecasting assumptions other than a three-year average.
 5 ORA does not substantiate in its testimony why the alternate forecasting methodology for these
 6 order types should not be accepted.

7 Figure GRM-1 provides a graphical representation of the volume of the 47 order types in
 8 comparison to ORA’s graph and linear trend line from its testimony which is based on the
 9 volume of 53 order types.

10 **FIGURE GRM-1**



	Historical Order Volume						Forecast
	2012	2013	2014	2015	BY 2016	2017	TY 2019
Volume for 47 order types	349,717	269,886	259,620	264,192	247,572	248,748	262,875
Volume for 53 order types	689,871	608,362	408,945	306,310	279,961	275,523	316,315

11
 12
 13 SDG&E’s TY 2019 total order volume for the 47 order types represents 83% of the total
 14 order volume of the 53 order types included in ORA’s graph above. As illustrated in Figure
 15 GRM-1, the actual order volume for the 47 order types for 2015 is slightly higher than 2014, and
 16 the 2017 actual volume is also slightly higher than BY 2016. Clearly, the historical order

1 volume for the 47 order types does not depict a declining trend. Therefore, the data contradicts
2 ORA's claim that "[t]here is no historical basis from recent years to suggest that the volatility
3 between years negates the clear downward trend of work order volumes."²⁰ Additionally,
4 ORA's assertion that "SDG&E claims it is necessary to predict a large increase in incremental
5 funding due to work order volume, which was calculated by factoring in two previous recorded
6 years (2014 and 2015) with **much larger work order volumes than BY 2016**"²¹ (emphasis
7 added) is not accurate. In fact, total order volume for the 47 order types is relatively flat between
8 2013 and 2017.

9 **b. 2014 – 2016 reflects the full effects of smart meter**
10 **implementation in work order volumes.**

11 A three-year average of orders-per-active-meter was chosen for the 47 order types
12 because 2014 - 2016 are the most recent historical years in which the full effects of smart meter
13 implementation are reflected in work order volumes. As indicated in Exhibit SDG&E-17-R,
14 CS-F Operations are primarily driven by work order volumes, which are largely driven by
15 factors outside of SDG&E's control.²² These factors include customer growth, weather, the state
16 of the economy, customer turnover, the level of natural gas and electric prices, customer
17 appliances/equipment choices, emergency incidents such as fires and earthquakes, and changes
18 to applicable laws and regulations.²³ SDG&E considered, but rejected, other forecasting
19 methodologies such as the 5-year and 4-year average because: a) A 5-year average would
20 include 2012, during which time smart meter was still being deployed; and b) A 4-year average
21 would include 2013 which is the year immediately after smart meter implementation and
22 represents a transition period for CS-F Operations.²⁴ Furthermore, SDG&E also rejected BY
23 2016 because SDG&E believed that its TY 2019 forecast should be based on a historical average

²⁰ Ex. ORA-16 (Yeh) at 9:13-15.

²¹ *Id.* at 9:10-13.

²² The rationale for the use of the three-year average was provided in SDG&E's response to data request ORA-SDGE-058-CY3 on December 29, 2017. See Appendix C.

²³ *Id.*

²⁴ *Id.*

1 of years that sufficiently captures the volatility of factors stated above.²⁵ Hence, SDG&E chose
2 2014 – 2016 as the best representative period to forecast TY 2019.²⁶

3 2. TURN

4 TURN agrees with ORA’s forecast and their proposed reduction. Additionally, TURN
5 also rejects SDG&E’s 1% incremental drive time. TURN’s rationale for the proposed reductions
6 are flawed for the following reasons:

7 a. Without any analysis or justification, TURN adopts ORA’s 8 distorted TY 2019 forecast.

9 TURN states:

10 *“For most types of orders, SDG&E uses an average of 2014-2016 orders and*
11 *escalates them with customer growth. However, SDG&E’s approach is*
12 *unreasonable, because, as ORA pointed out, there is a downtrend in field orders -*
13 *even after the completion of AMI. The total number of orders in 2014 (408,954)*
14 *was 46% higher than the number of orders in 2016 (279,961).”²⁷*

15
16 Neither ORA nor TURN provide any justification to demonstrate SDG&E’s forecast
17 methodology is not reasonable. TURN makes the same erroneous comparison as ORA by
18 stating *“Orders actually fell in 2017 (275,523 excluding smart meter opt out reads covered by a*
19 *balancing account) from base year 2016 levels (279,961).”²⁸* Similar to ORA, TURN’s
20 statement depicts a distorted view of the historical order volume by including all 53 order types
21 (refer to Figure GRM-1). Consequently, TURN’s assertion, like ORA’s, should be rejected.

22 b. TURN failed to recognize that traffic congestion in Southern 23 California is increasing.

24 TURN states:

25 *“The only difference between TURN and ORA is that TURN would specifically*
26 *reject SDG&E’s increase in drive time as speculative and poorly forecast in the*
27 *last GRC cycle. In Base Year 2013, drive time was 13.1 minutes. SDG&E*
28 *forecast drive time in 2016 of 13.5 minutes (a 1% increase per year, just like this*
29 *case). Actual drive time in 2016 was 13.0 minutes - approximately flat. Now,*
30 *SDG&E again forecasts an increase in drive time to 13.4 minutes in 2019. In*

²⁵ *Id.*

²⁶ *Id.*

²⁷ Ex. TURN-03 (Marcus) at 33.

²⁸ *Id.*

1 *light of SDG&E's having forecast non-existent increases in drive time as part of*
 2 *the last rate case cycle, TURN recommends that no drive time adjustment be*
 3 *made in this rate case cycle. TURN leaves drive time at 13.0 minutes in 2019.”²⁹*
 4

5 The calculation for SDG&E's request of 1% increase in drive time in TY 2019 is
 6 provided in Table GRM-6.

7 **TABLE GRM-6**
 8 **Calculation of 1% Increase in Drive Time³⁰**

Column Reference for Calculation >>		A	B	C	D	E	F	G	H	I	J
Item No.	Year	2011	2012	2013	2014	2015	2016	5 Yr Average	2017	2018	2019
1	Historical Average Drive Time per Order (Mins)	12.27	13.27	13.09	12.9	12.4	13.0				
2	Drive Time increase each year compared to previous year (Mins)		1.00	-0.18	-0.19	-0.50	0.60				
	Calculation		(B.1-A.1)	(C.1-B.1)	(D.1-C.1)	(E.1-D.1)	(F.1-E.1)				
3	% Change each year		8.1%	-1.4%	-1.5%	-3.9%	4.8%				
	Calculation		B.2/A.1	C.2/B.1	D.2/C.1	E.2/D.1	F.2/E.1				
4	5 year average of % Change from 2012 - 2016							1.3%	Used 1% increase each year for the forecast		
	Calculation							Avg of B.3 to F.3			

9
 10 As shown in Table GRM-6, the average drive time has fluctuated during the last five
 11 years. SDG&E took an average of the five-year percentage change shown in item no. 3 which
 12 equates to a 1.3% increase in drive time, and thus, proposed the 1% increase each year.
 13 Moreover, the actual 2017 average drive time is 13.2 minutes which is a 1.8% increase over BY
 14 2016 actual drive time; therefore, SDG&E's forecast of 1% increase is more than justified and a
 15 conservative forecast for increased drive time.

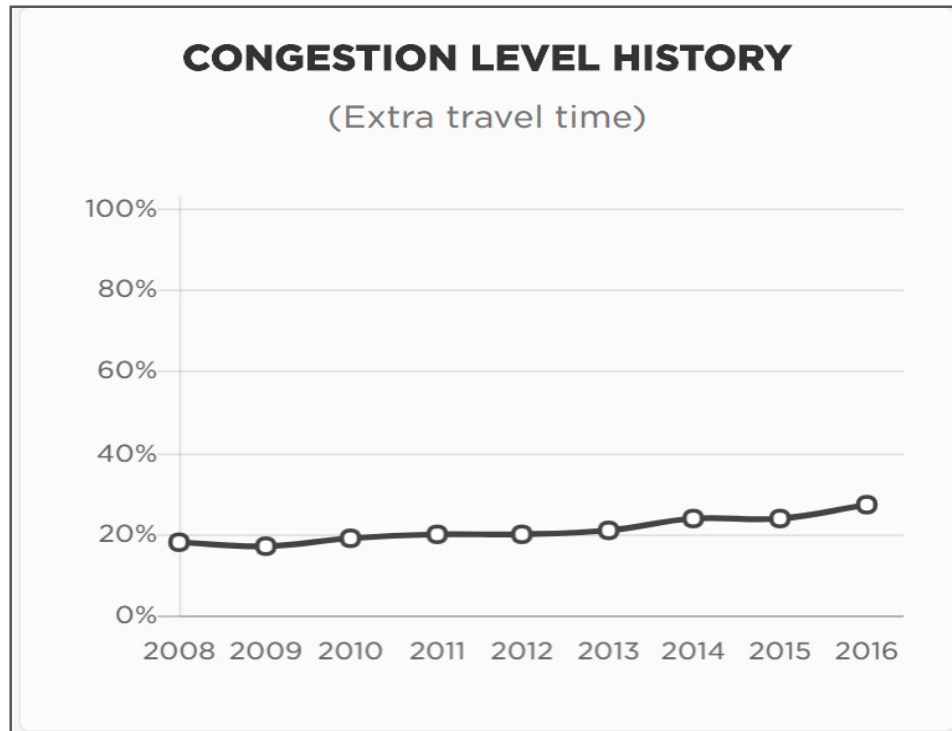
²⁹ *Id.* at 33-34.

³⁰ This information was provided in SDG&E's response to data request ORA-SDGE-050-CY3, Question 2, on December 20, 2017. See Appendix D.

1 A look at an independent source on traffic indexes also supports SDG&E’s assumption of
2 increased drive time due to increased traffic congestion. Figure GRM-2 below is from
3 TomTom’s³¹ Traffic Index information and illustrates San Diego’s congestion level history.

4 **Figure GRM-2**

5 **San Diego Congestion Level History from TomTom Traffic Index³²**



6
7 As depicted in the graph above, San Diego’s congestion level has been increasing since
8 2012. In fact, the congestion level increased by 3% in BY 2016 as compared to 2015.³³ Per
9 TomTom’s Traffic Index, “congestion level” is defined as:

10 *“Increase in overall travel times when compared to a Free Flow situation. For*
11 *example, a Congestion Level of 36% corresponds to 36% extra travel time for any*
12 *trip, anywhere in the city, at any time compared to what it would be in a Free*
13 *Flow situation...Free flow [is] a traffic situation in which travel times are not*

³¹ TomTom is a global technology company that designs and develops navigation products, software and services. This includes location-based products and mapmaking technologies, embedded automotive navigation solutions; portable navigation devices and apps, and advanced telematics fleet management and connected car services. <http://corporate.tomtom.com/overview.cfm>

³² TomTom’s Traffic Index Congestion Level History for San Diego, available at https://www.tomtom.com/en_gb/trafficindex/city/san-diego

³³ *Id.*

1 worsened by traffic congestion. This most typically occurs during the night, but
2 can happen at any time of the day.”³⁴
3

4 Based on the information presented on SDG&E’s BY 2016 and 2017 actual drive times
5 and San Diego’s congestion level history, SDG&E’s request for 1% increase in drive time is
6 valid, and TURN’s recommendation to deny SDG&E’s request should be rejected.

7 **B. CS-F Supervision Cost Category**

8 Organizationally, CS-F Operations field employees report to field supervisors. Like field
9 technicians and collectors, field supervisors are geographically dispersed across SDG&E’s five
10 operating bases. Field supervisors hire and coach employees, conduct safety and job
11 observations, coordinate with dispatch and others to address and resolve field issues, respond to
12 emergency incidents to provide on-site leadership, and manage the overall performance of CS-F
13 employees who work at each of the operating bases.

14 Table GRM-7 below provides a summary comparison of ORA and TURN’s TY 2019
15 forecast for the CS-F Supervision cost category.

16 **TABLE GRM-7**

17 **Summary of Comparison - CS-F Supervision**

CS-F SUPERVISION	TY 2019 Estimated – In 2016 \$ (000s)		
	SDG&E	ORA	TURN
TY 2019 Estimated	\$ 1,422	\$ 1,144	\$ 1,237

18 **1. ORA**

19
20 ORA opposes SDG&E’s TY 2019 forecast for the CS-F Supervision cost category and
21 proposes a reduction of \$0.278 million for the incremental 2.7 FTEs. ORA based its reduction
22 on 2017 adjusted recorded Supervision FTEs of 10.4.

23 **a. In denying SDG&E’s TY 2019 request, ORA only considered**
24 **2017 recorded data without any regard to maintaining the**
25 **appropriate employee-to-supervisor ratio.**³⁵

26 ORA states:

³⁴ TomTom’s Traffic Index Definitions, available at https://www.tomtom.com/en_gb/trafficindex/about

³⁵ The rationale for the employee-to-supervisor ratio was explained in Ex. SDG&E-17-R (Marelli) at 20.

1 “If SDG&E planned to have 2.7 FTEs above BY 2016 by 2019, then 2017 FTEs
 2 for this cost center should be slightly higher than BY 2016. Instead, recorded
 3 data demonstrates a decrease in CS-F Supervision FTEs. Therefore, ORA
 4 recommends that the BY 2016 authorized level of FTEs, 12.4, will be sufficient to
 5 meet TY 2019 CS-F supervision needs.”³⁶
 6

7 ORA’s approach of solely looking at 2017 adjusted recorded FTEs without any regard to
 8 maintaining SDG&E’s proposed employee-to-supervisor ratio is flawed. Table GRM-8 below
 9 provides the historical employee-to-supervisor ratio.

10 **TABLE GRM-8**
 11 **CS-F Operations Employee-to-Supervisor Ratio**³⁷

CS-F Operations Employee to Supervisor Ratio	Adjusted Recorded				
	2012	2013	2014	2015	BY 2016
CS-F Supervision FTEs ³⁸	18.6	18.9	14.6	13.1	12.4
CS-F Operations FTEs ³⁹	211.9	195.8	163.3	152.8	146.4
Employee to Supervisor Ratio	11.4	10.4	11.2	11.7	11.8

12
 13 SDG&E’s incremental request of \$0.278 million or 2.7 FTEs for TY 2019 is needed to
 14 maintain the employee-to-supervisor ratio of 11.5.⁴⁰ This ratio is based on the three-year average
 15 of 2014 to BY 2016 data.

³⁶ Ex. ORA-16 (Yeh) at 11:14-18.

³⁷ This information was provided in SDG&E’s response to data request ORA-SDGE-101-CY3, question 1.a, on February 7, 2018. See Appendix E.

³⁸ December 2017, Revised Workpapers to Prepared Direct Testimony of Gwen R. Marelli, on behalf of SDG&E, Exhibit SDG&E-17-WP-R (Gwen Marelli) at 56.

³⁹ *Id.* at 5.

⁴⁰ The 12:1 employee-to-supervisor ratio as was reflected in Ex. SDG&E-17-R (Marelli) was due to rounding. Also, although the three-year average of 11.5 employee-to-supervisor FTE was used in the FTE forecast calculation, Ex. SDG&E-17-WP-R (Marelli) at 64 displayed the rounded figure of 12 instead of the 11.5 due to the rounding number format in excel. The native Excel supplemental workpaper, “SDG&E-17-WP_Supplemental_1FC002.000_1” (sent to ORA on October 30, 2017) shows the 11.5 figure in cells G7, H7, and I7, which was used in the FTE calculation forecast for 2017, 2018 and TY 2019. A revised workpaper was provided in SDG&E’s response to data request ORA-SDGE-145-CY3, question 1.a, on March 15, 2018. See Appendix F.

1 ORA does not object to SDG&E’s proposed employee-to-supervisor ratio nor provide
2 justification why the three-year average employee-to-supervisor ratio is not reasonable. Instead,
3 ORA just assumes that BY 2016 level of 12.4 FTEs will be sufficient to meet TY 2019
4 supervision needs which equates to an employee-to-supervisor ratio of 13.3 as shown in Table
5 GRM-9, line no. 7. Thus, ORA increased the number of employees reporting to a supervisor by
6 almost 2.0 FTEs. As noted above, CS-F supervisors provide coaching and counseling to
7 employees, perform job safety observations, respond to emergencies and perform other tasks;
8 hence, it is necessary to maintain SDG&E’s proposed employee-to-supervisor level.

9 ORA accepts the proposed incremental funding in the CS-F Operations cost category as
10 shown in Table GRM-3; however, ORA fails to provide additional CS-F Supervision FTEs to
11 maintain the appropriate employee-to-supervisor ratio.

12 Table GRM-9 provides a comparison of the equivalent CS-F Operations FTEs for those
13 incremental costs that ORA accepted and the CS-F Supervision FTEs ORA proposed versus
14 SDG&E’s TY 2019 forecast and the resulting employee-to-supervisor ratio.
15
16

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Table GRM-9
Comparison of Employee-to-Supervisor Ratio based on
Proposed Total CS-F Supervision FTEs

		TY 2019 SDG&E Proposed	TY 2019 ORA Accepted	
Line No.	Description	All incremental funding request for CS-F Operations	1% increase in Drive Time & Other Incremental Funding Requests	Calculation
CS-F Operations FTE				
1	CS-F Operations: BY 2016 Adjusted Recorded FTE ⁴¹	146.4	146.4	A
2	CS-F Operations: Incremental FTEs from Table GRM-3. The "ORA Accepted" column excludes the FTE increase due to the Order Forecast Methodology ⁴²	26.9	18.6	B
3	CS-F Operations: Total TY 2019 Estimated FTEs	173.3	165.0	C = A + B
CS-F Supervision FTE				
4	CS-F Supervision: BY 2016 Adjusted Recorded FTE ⁴³	12.4	12.4	D
5	CS-F Supervision: Incremental FTEs	2.7	0.0	E
6	CS-F Supervision: Total TY 2019 Estimated FTEs	15.1	12.4	F = D + E
Employee-to-Supervisor Ratio based on Proposed CS-F Supervision FTEs				
7	CS-F Operations Employee-to- Supervisor Ratio based on Proposed CS-F Supervision FTEs	11.5	13.3	G = C / F

4

⁴¹ Ex. SDG&E-17-WP-R (Marelli) at 5.

⁴² See Appendix G for number of FTEs for each incremental cost item in Table GRM-3.

⁴³ Ex. SDG&E-17-WP-R (Marelli) at 56.

1 Therefore, SDG&E’s proposed funding for the CS-F Supervision cost category is
2 consistent with maintaining an appropriate employee-to-supervisor ratio. Based on the
3 aforementioned reasons, ORA’s recommendation for the CS-F Supervision cost category should
4 be rejected.

5 **2. TURN**

6 TURN’s proposes TY 2019 funding for CS-F Supervision at BY 2016 levels.

7 **a. TURN based its recommendation on its proposed CS-F**
8 **Operations FTEs which is erroneous and unjustified.**

9 TURN states:

10 *“We calculate that 13.35 FTE of supervision would be needed for 160 operations*
11 *employees to maintain the 12:1 ratio.”⁴⁴*
12

13 TURN does not take issue with SDG&E’s employee-to-supervisor ratio. However,
14 TURN based the number of supervisor FTEs by using the total CS-F operations FTEs of 160. In
15 addition, TURN provided no analysis to explain how the 160 FTEs was derived. TURN’s total
16 FTE count is presumably based on their disallowance in CS-F Operations which SDG&E has
17 previously explained, is erroneous and unjustified.⁴⁵

18 Because SDG&E has justified its TY 2019 request for CS-F Operations and demonstrated
19 TURN’s lack of basis for their recommendation, SDG&E’s proposed funding for the CS-F
20 Supervision cost category should be accepted.

21 **C. CS-F Support Cost Category**

22 The CS-F Support cost category includes: (1) centralized training (classroom instructors
23 and training manager located at SDG&E’s skills training center); (2) field instructors who
24 accompany new field employees immediately following their formal training; (3) QA inspectors
25 and QA supervisor who inspect the work of technicians; (4) district operations clerks who are
26 located at the field operating bases; (5) district operations managers who oversee the day to day
27 operations of each field operating base; (6) a Meter Access group that resolves any difficulty
28 field technicians might be experiencing in gaining safe access to meters at customer premises;
29 (7) a safety group that fosters safe work practices among CS-F employees; and (8) field

⁴⁴ Ex. TURN-03 (Marcus) at 35.

⁴⁵ Refer to Section III.A.2 herein.

1 technology support personnel who maintain the field Mobile Data terminals (MDTs), work
2 management, routing and reporting systems used for CS-F Operations.

3 Table GRM-10 below provides a summary comparison of ORA and TURN's TY 2019
4 forecast for the CS-F Support cost category.

5 **TABLE GRM-10**
6 **Summary of Comparison - CS-F Support**

CS-F SUPPORT	TY 2019 Estimated – In 2016 \$ (000s)		
	SDG&E	ORA	TURN
TY 2019 Estimated	\$ 2,517	\$ 2,517	\$ 2,415

7
8 **1. ORA**

9 ORA accepts SDG&E's TY 2019 forecast for the CS-F Support cost category.

10 **2. TURN**

- 11 **a. TURN uses a selective and inconsistent methodology to create**
12 **a lower forecast for the CS-F Support cost category.**

13 TURN states:

14 *“TURN recommends taking the lower level of 2017 labor spending into account*
15 *by using a weighted four-year average. We weight SDG&E's three-year average*
16 *(which is its 2017 forecast) by one-half and weight actual 2017 spending by one-*
17 *half. TURN's 2019 forecast, is thus \$2,063,000 for labor.”⁴⁶*

18
19 TURN also states:

20 *“We accept SDG&E's non-labor forecast for 2019, because it is based on specific*
21 *changes to a software contract.”⁴⁷*
22

23 TURN uses a selective and inconsistent methodology to create a lower forecast for the
24 CS-F Support cost category. Table GRM-11 shows a comparison of SDG&E's forecast
25 methodology to TURN's proposed methodology.

⁴⁶ Ex. TURN-03 (Marcus) at 36.

⁴⁷ *Id.*

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2

TABLE GRM-11
CS-F Support Cost Category

SDG&E's Methodology - In 2016 \$ (000s)			
Year	Labor	Non-labor	Total
2014 Adjusted Recorded	\$ 2,010	\$ 385	\$ 2,395
2015 Adjusted Recorded	\$ 2,240	\$ 373	\$ 2,613
2016 Adjusted Recorded	\$ 2,244	\$ 411	\$ 2,655
3 Year Average	\$ 2,165	\$ 389	\$ 2,554
Reduction in SORT maintenance costs	\$ 0	\$ (37)	\$ (37)
SDG&E's TY 2019 Forecast	\$ 2,165	\$ 352	\$ 2,517
TURN's Methodology - In 2016 \$ (000s)			
Year	Labor	Non-labor	Total
2017 Adjusted Recorded	\$ 1,960	\$ 412	\$ 2,372
50% of 2017 Adjusted Recorded	\$ 980	accepts SDGE's forecast	
50% of the SDG&E's 3 Year Average (2014 – 2016)	\$ 1,083		
TURN's TY 2019 Forecast	\$ 2,063	\$ 352	\$ 2,415

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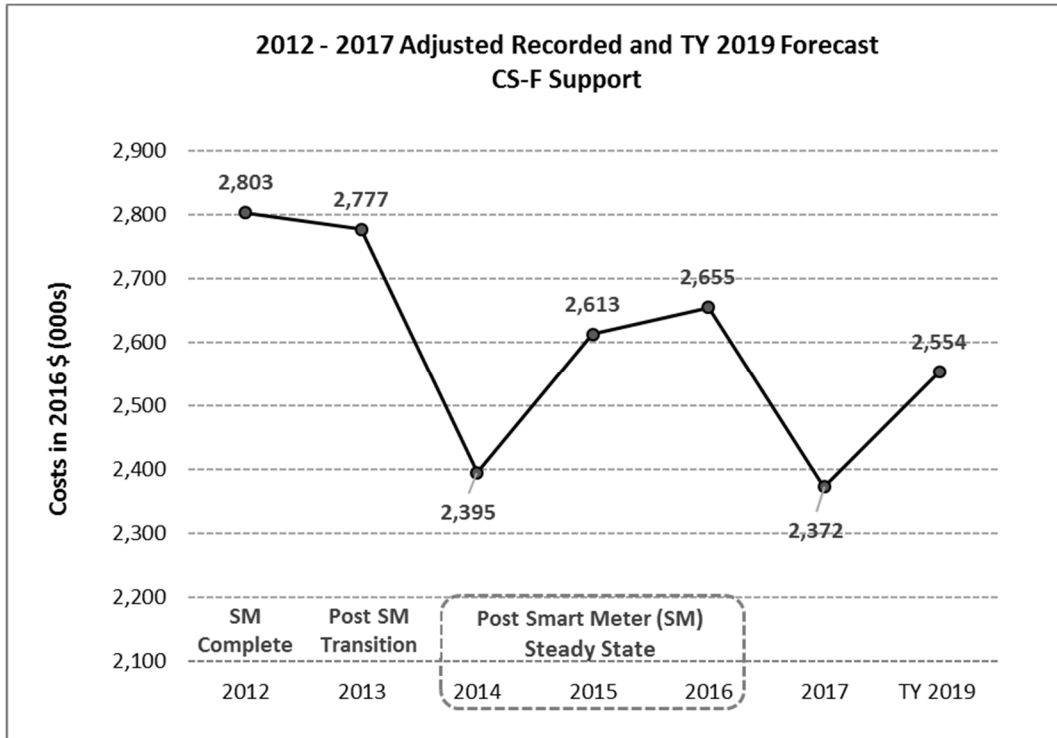
As noted in Table GRM-11, TURN's forecast methodology results in a 16.6% weighting for each year from 2014 to 2016 and a disproportionate 50% weighting to 2017. However, TURN does not provide justification or analysis for giving 2017 a disproportionate weight in its proposed TY 2019 forecast. It appears that TURN's rationale for using this methodology is simply to achieve a lower forecast than SDG&E's proposed three-year average of 2014 – 2016 adjusted recorded costs.

10
11
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15

Figure GRM-3 shows the historical adjusted recorded costs for CS-F Support during the last 6 years (2012 – 2017) which clearly shows fluctuations during this 6-year period. SDG&E's forecast is based on a three-year average, 2014 – 2016 adjusted recorded costs, because this best reflects the effects of SDG&E's post-Smart Meter implementation. This is also consistent with the three-year average methodology SDG&E used to forecast most of its order types in the CS-F Operations cost category. This same three-year average methodology was also used for the CS-F

1 Dispatch cost category, which TURN did not take issue with. Therefore, SDG&E's TY 2019
2 forecast is reasonable and should be adopted.

3 **Figure GRM-3**



4 **D. Other Items**

5 **1. SDCAN**

- 6 **a. SDCAN's proposal to increase the Service Guarantee credit**
7 **per missed appointment is not justified.**⁴⁸

8 SDCAN states:

9
10 *"In light of the many technological communication improvements since 2010,*
11 *along with an almost 50% drop in the number of appointments scheduled, these*
12 *missed appointments and customer credits should be dropping, not increasing.*
13 *SDCAN proposes that service guarantees should be increased from \$50 up to*
14 *\$100 per missed appointment so that customers are partially compensated for*
15 *their time. Additionally, SDG&E should be obligated to split the costs of the*
16 *program with shareholders until the next SDG&E GRC, at which time, if it*

⁴⁸ If the utility is unable to meet an appointment commitment with a customer for services at the customer's premises when access is required, SDG&E will credit \$50 to the customer's account. For establishment of service (turn-on orders), the customer will be credited with \$15 (or \$30 if both electric and gas services are impacted) rather than the \$50.

1 *provides evidence of reduced mission appointments, the program might, once*
2 *again be fully funded by ratepayers.”⁴⁹*
3

4 SDCAN does not take into account the relationship between responding to emergency
5 orders and missed appointments. Customers call SDG&E’s Customer Contact Center to report
6 emergency safety incidents such as when they smell gas or hear gas hissing. Based on the
7 information provided by the customer, SDG&E classifies these customer requests as its highest
8 priority gas emergency orders known as P1 orders. SDG&E’s goal is to respond to all P1 orders
9 within 60 minutes of a customer’s call; therefore, it is sometimes necessary for SDG&E CS-F to
10 divert field technicians from their prescheduled work appointments to respond to P1 orders
11 within the 60 minutes. This redirection of resources sometimes creates missed appointments.

12 Specifically, the significant increase in missed appointment during 2017 was attributable
13 to two factors: a) SDG&E experienced an increase in P1 orders caused by an increasing number
14 of area odor calls, and additionally, during November 2017, because of an over-odorization event
15 resulting from a third party interconnecting pipeline;⁵⁰ and b) 153 out of 368 Service Guarantee
16 credits were erroneously issued. The appointments for these orders were met, but, these orders
17 were erroneously identified as missed appointments, and the Service Guarantee credits had been
18 issued to customer’s account. SDG&E recently discovered this issue, and it was attributable to a
19 system upgrade during the last quarter of 2017. If the 153 erroneous missed appointments were
20 excluded from the 2017 data, there would be only 215 missed appointments which equates to
21 0.3% of the 66,088 total appointments scheduled.

22 Additionally, SDCAN recommends SDG&E should be obligated to split the cost of the
23 program with its shareholders. In fact, the Service Guarantee credit is and has been 100%
24 shareholder funded.

25 Based on the reasons provided and the fact that SDG&E has no control on the volume of
26 emergency orders received, SDCAN’s recommendation to increase the Service Guarantee credit
27 from \$50 to \$100 should be rejected.

⁴⁹ SDCAN (Shames) at 36.

⁵⁰ This information was provided in SDG&E’s response to data request SDCAN-DR-03, question 5, on March 9, 2018. See Appendix H.

1 **b. Rebuttal to SDCAN’s recommendation to expand the Service**
2 **Guarantee credit to customers using third-party contractors**
3 **for trenching is addressed in Exhibit 215.**

4 SDCAN states:

5 *“Appropos of residential customers, SDCAN recommends that the Commission*
6 *compel SDG&E to provide similar service guarantee bill credits to customers of*
7 *SDG&E who have been forced to pay higher-than-necessary trenching costs due*
8 *to SDG&E’s practices.”*⁵¹
9

10 The activities discussed by SDCAN associated with its recommendation are not CS-F
11 activities but pertain to activities in Electric Distribution. Please refer to the rebuttal testimony
12 of William Speer (Exhibit SDG&E 215), opposing SDCAN’s recommendation to expand the
13 Service Guarantee credit to customers using third-party contractors for trenching.

14 **IV. CONCLUSION**

15 SDG&E has addressed the proposed disallowances and flawed assumptions presented by
16 ORA and TURN. Neither ORA nor TURN provide sufficient analysis and justification to
17 support their forecast, and therefore, all proposals should be rejected. SDG&E’s TY 2019
18 request has been documented in prepared direct testimony, workpapers, rebuttal testimony and
19 responses to data requests. Accordingly, SDG&E’s TY 2019 forecast for CS-F should be
20 adopted.

21 SDG&E has also provided reasonable explanations to oppose SDCAN’s recommendation
22 to increase the Service Guarantee credit amount and address SDCAN’s concern on the funding
23 of the Service Guarantee credit.

24 This concludes my prepared rebuttal testimony.

⁵¹ *Id.* at 38.

APPENDIX A

SDG&E's Response to ORA-SDGE-091-CY3

**ORA DATA REQUEST
ORA-SDGE-091-CY3
SDG&E 2019 GRC – A.17-10-007
SDG&E RESPONSE
DATE RECEIVED: JANUARY 17, 2018
DATE RESPONDED: JANUARY 31, 2018**

Exhibit Reference: SDG&E-17-WP-R_Supplemental_1FC001.000_1.xlsx and SDG&E-17-WP-R

SDG&E Witness: Gwen Marelli

Subject: Customer Services-Field

Please provide the following:

1. Referring to Ex. SDG&E-17-WP-R_Supplemental_1FC001.000_1, tab “Cost Forecast”, columns DE-DH, the total cost forecast for the years 2016-2019 does not appear to match the forecast of years 2016-2019 provided in Ex. SDG&E-17-WP-R, page 3 of 86.
 - a. Please provide an explanation for the discrepancy.
 - b. Please indicate which numbers are correct for purposes of the GRC.
 - c. Please provide a spreadsheet that shows the calculation that went into the forecast for Order Volume (Columns E through H in the spreadsheet).
 - d. The testimony states that TY 2019 values were calculated using a 3 year average, but the 2019 values do not appear to be a 3 year average of 2014-2016, please explain the discrepancies.

SDG&E Response 01:

1.a. The cost forecast found in Ex. SDG&E-17-WP-R_Supplemental_1FC001.000_1, tab “Cost Forecast”, columns DE-DH (shown as item 2 in the table below), does not reflect the total forecast for 2016 – 2019 because it excludes cost savings for the Fueling our Future (FOF) initiative. Refer to items 2 – 5 below, which includes the FOF Ongoing savings. The total estimated forecast shown in item 5 matches the total estimated forecast in Ex. SDG&E-17-WP-R, pg 3 of 86, as shown in line 1.

		in 2016 \$ (000)			
		2017 Estimated	2018 Estimated	2019 Estimated	
1	Ex. SDG&E-17-WP-R, pg 3 of 86, for 1FC001.000 Customer Services Field - Operations	Total	14,538	14,959	15,888
2	SDG&E-17-WP-R_Supplemental_1FC001.000_1, tab “Cost Forecast”, columns DE-DH	Total	14,576,593	15,027,350	15,993,098
3	Item 2 in \$000	Item 2 / 1000	14,577	15,027	15,993
4	Exhibit SDG&E-17-WP-R, pages 6 -9	FOF - Ongoing	-39	-68	-105
5	Total Estimated Forecast	Item 3 + 4	14,538	14,959	15,888
This matches the total in SDG&E-17-WP-R, page 3 of 86, for 1FC001.000 Customer Services - Field Operations					

**ORA DATA REQUEST
ORA-SDGE-091-CY3
SDG&E 2019 GRC – A.17-10-007
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SDG&E Response to Question 1a Continued

In addition, the total cost forecasts found in Ex. SDG&E-17-WP-R_Supplemental_1FC001.000_1, tab “Cost Forecast”, columns DE-DH , line 63, are reflected in Ex. SDG&E-17-WP-R, pages 6 - 8 of 86, as itemized Adj Groups labeled “Other”, “Ramp Base”, and “RAMP Incremental,” as shown in the table below. For the RAMP cost calculation, please refer to SDG&E’s response to data request ORA-SDGE-DR-080-CY3, question 1.c.

	Exhibit Reference	Adj Group	in 2016 \$ (000)		
			2017 Estimated	2018 Estimated	2019 Estimated
1	From Exhibit SDG&E-17-WP-R, pages 6-9	Other	9,872	10,189	11,030
2	From Exhibit SDG&E-17-WP-R, pages 6-9	Other	88	154	191
3	From Exhibit SDG&E-17-WP-R, pages 6-9	RAMP Base	4,473	4,473	4,473
4	From Exhibit SDG&E-17-WP-R, pages 6-9	RAMP Incremental	144	211	299
5	Estimated Total Excluding FOF This matches the Total in SDG&E-17-WP-R_Supplemental_1FC001.000_1, tab “Cost Forecast”, columns DE-DH	Sum of item 1 - 4	14,577	15,027	15,993
6	From Exhibit SDG&E-17-WP-R, pages 6-9	FOF Ongoing	-39	-68	-105
7	Total Estimated Forecast with FOF This matches the Total in SDG&E-17-WP-R, page 3 of 86, for 1FC001.000 Customer Services - Field Operations	Item 5 + 6	14,538	14,959	15,888

- 1.b.** Refer to the response and tables provided in Q.1.a which explains the difference between the cost forecast found in Ex. SDG&E-17-WP-R_Supplemental_1FC001.000_1, on the tab “Cost Forecast, columns DE-DH, and the forecast provided in Ex. SDG&E-17-WP-R, page 3 of 86.
- 1.c.** The calculations that went into the forecast for the order volume (columns E-H) of Ex. SDG&E-17-WP-R_Supplemental_1FC001.000_1, tab “Cost Forecast,” are shown on the attached file labeled, “ORA-SDGE-091-CY3-Q1c Attachment.”

SDG&E discovered a calculation error in the order volume for the “CSF – Incomplete” order type. Exhibit SCG-17-WP-R, page 19 of 86, line # 53, showed the TY 2019 estimated order volume as 17,590 orders. The corrected order volume is 17,281 (refer to the “Incomplete Order” tab of the attached file), which is a reduction of 309 orders and equates to a total cost reduction of \$9,984 for TY 2019. A revision reflecting this change will be submitted by SDG&E at the next opportunity.

**ORA DATA REQUEST
ORA-SDGE-091-CY3
SDG&E 2019 GRC – A.17-10-007
SDG&E RESPONSE
DATE RECEIVED: JANUARY 17, 2018
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SDG&E Response to Question 1 Continued

- 1.d. The TY 2019 forecasted volume for each order does not appear to be a straight three-year average because it is a three-year average based on the number of orders-per-active meter. The TY 2019 forecasted order volume for each order type is the product of the three-year average number of orders-per-active-meter and the number of forecasted active meters in TY 2019. SDG&E utilized a three-year average (2014 – 2016) orders-per-active-meter methodology for most order types (47 of 54 order types), excluding those seven order types discussed in Exhibit SDG&E-17-R, section III.A.2, Table GRM-10, and the incremental funding requests discussed in section III.A.5. Refer to the attachment in response to Question 1.c showing the detailed calculations for how the order volume forecast was derived.

2019 General Rate Case - A.17-10-007

Attachment to ORA-SDGE-091-CY3, Question 1.c.
Exhibit Reference: SDG&E-17-WP-R_Supplemental_1FC001.000_1.xlsx and SDG&E17-WP-R
SDG&E Witness: Gwen Marelli
Subject: Customer Services-Field

Detailed Calculation for Order Volume Forecast

Active Meter Count		Historical Active Meter Count			Active Meter Count Forecast		
Calculation Steps >		A1	A2	A3	B1	B2	B3
Line #	Meter Type	2014	2015	2016	2017 Estimated	2018 Estimated	TY 2019 Estimated
001	Electric Meters	1,412,939	1,421,829	1,430,175	1,440,919	1,454,332	1,468,392
002	Gas Meters	865,093	870,203	875,462	880,289	886,510	892,419
003	Total Electric and Gas Meters	2,278,032	2,292,031	2,305,637	2,321,209	2,340,842	2,360,812

CS - Field Operations Order Volume Forecast		Historical Order Volume			Historical Orders Per Active Meter		
Calculation Steps >		E1	E2	E3	F = E / A		
Line #	Order Type	2014	2015	2016	2014	2015	2016
1	Change of Account - CA ELEC	435	375	276	0.0003	0.0003	0.0002
2	Change of Account - CA GAS	729	675	860	0.0008	0.0008	0.0010
3	Change of Account - CA GAS AND ELEC	175	165	170	0.0001	0.0001	0.0001
4	Change of Account - GIVE NOTICE	5,146	4,365	3,954	0.0023	0.0019	0.0017
5	Change of Account - RTO	304	379	329	0.0001	0.0002	0.0001
6	Collections - CREDIT SHUT OFF	1,516	1,092	1,529	0.0007	0.0005	0.0007
7	Collections - FIRST CALL ¹	102,248	2,575	1,655		0.0011	0.0007
8	Collections - SECOND CALL	8,340	16,321	14,708	0.0037	0.0071	0.0064
9	Collections - THIRD CALL	1,369	1,877	1,778	0.0006	0.0008	0.0008
10	CSO - APPLIANCE ADJUSTMENTS	31,111	32,738	26,614	0.0360	0.0376	0.0304
11	CSO - APPLIANCE MECHANIC WORK	725	663	532	0.0008	0.0008	0.0006
12	CSO - CARBON MONOXIDE-EMERGENCY	853	947	849	0.0010	0.0011	0.0010
13	CSO - CARBON MONOXIDE-NON EMERGENCY	1,326	1,365	1,289	0.0015	0.0016	0.0015
14	CSO - HIGH PRESSURE	148	139	130	0.0002	0.0002	0.0001
15	CSO - NO GAS	11,669	10,127	10,504	0.0135	0.0116	0.0120
16	CSO - OTHER MISC GAS & ELEC CUSTOMER REQUESTS	10,623	9,746	9,718	0.0047	0.0043	0.0042
17	CSO - SCHOOL LEAK SURVEYS	475	450	383	0.0005	0.0005	0.0004

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CS - Field Operations Order Volume Forecast		Historical Order Volume			Historical Orders Per Active Meter		
Calculation Steps >		E1	E2	E3	F = E / A		
Line #	Order Type	2014	2015	2016	2014	2015	2016
18	CSO - SEASONAL OFF	756	663	539	0.0009	0.0008	0.0006
19	CSO - SEASONAL ON MULTIPLES	11,228	9,879	9,707	0.0130	0.0114	0.0111
20	CSO - SEASONAL ON SINGLES	17,344	17,623	18,103	0.0200	0.0203	0.0207
21	Fumigation - FUMIGATION/BUG FOGGER	40,833	42,763	44,639	0.0472	0.0491	0.0510
22	Gas Leak - EMERGENCY B&B INSIDE	1,177	1,291	987	0.0014	0.0015	0.0011
23	Gas Leak - EMERGENCY B&B OUTSIDE	265	270	341	0.0003	0.0003	0.0004
24	Gas Leak - EMERGENCY-AGENCY REQUESTS	714	831	754	0.0008	0.0010	0.0009
25	Gas Leak - FIRE & EXPLOSIONS	12	8	9	0.0000	0.0000	0.0000
26	Gas Leak - GAS LEAKS-HAZARD	24,898	31,218	24,884	0.0288	0.0359	0.0284
27	Gas Leak - GAS LEAKS-NON HAZARD	3,061	3,928	3,855	0.0035	0.0045	0.0044
28	HBI - HBI	473	414	390	0.0005	0.0005	0.0004
29	Meter Work - O & M - ACOR	38	221	28	0.0000	0.0003	0.0000
30	Meter Work - O & M - CURB	447	528	394	0.0005	0.0006	0.0005
31	Meter Work - O & M - CUST/COMPANY CHANGE - ELEC	480	370	136	0.0003	0.0003	0.0001
32	Meter Work - O & M - CUST/COMPANY CHANGE - GAS	1,507	1,123	1,184	See tab, "Meter Work - O&M Order Forecast"		
33	Meter Work - O & M - CUST/COMPANY TEST(CHANGE) - GAS	5,936	19	25	See tab, "Meter Work - O&M Order Forecast"		
34	Meter Work - O & M - MISC COMPANY WORK	16,322	17,769	8,934	See tab, "Meter Work - O&M Order Forecast"		
35	Meter Work - O & M - PERIODIC TEST/CHANGE-GAS	6,413	4,198	4,894	See tab, "Meter Work - O&M Order Forecast"		
36	Nonpay Turn On - CREDIT CUT INS	2,737	3,454	3,430	0.0032	0.0040	0.0039
37	Read/Verify - REREADS	21,527	20,090	19,912	0.0249	0.0231	0.0227
38	TurnOn/ShutOff - CUST/COMPANY REMOVE/RESET - ELEC	56	31	10	0.0000	0.0000	0.0000
39	TurnOn/ShutOff - CUST/COMPANY REMOVE/RESET - GAS	269	238	228	0.0003	0.0003	0.0003
40	TurnOn/ShutOff - GIVE NOTICE CUT	2,779	2,366	1,996	0.0012	0.0010	0.0009
41	TurnOn/ShutOff - SHUT OFF ELEC	4,354	4,020	4,001	0.0031	0.0028	0.0028
42	TurnOn/ShutOff - SHUT OFF GAS	6,863	5,928	5,358	0.0079	0.0068	0.0061
43	TurnOn/ShutOff - SHUT OFF GAS AND ELEC	651	590	689	0.0003	0.0003	0.0003
44	TurnOn/ShutOff - SHUT OFF IN ERROR	238	205	258	0.0001	0.0001	0.0001
45	TurnOn/ShutOff - SOFT SHUT OFF GAS ELEC	18,307	16,261	14,808	0.0080	0.0071	0.0064
46	TurnOn/ShutOff - SOFT TURN ON GAS TURN ON ELEC	143	99	150	0.0001	0.0000	0.0001
47	TurnOn/ShutOff - TURN ON ELEC	5,236	4,537	4,060	0.0037	0.0032	0.0028
48	TurnOn/ShutOff - TURN ON G/E	1,017	792	654	0.0004	0.0003	0.0003
49	TurnOn/ShutOff - TURN ON GAS	8,104	6,485	5,677	0.0094	0.0075	0.0065
50	Miscellaneous - HOUSELINE TEST/PURGE - O&M	185	189	141	0.0002	0.0002	0.0002
51	Miscellaneous - SMART METER	7,144	3,526	4,434	0.0083	0.0041	0.0051
52	Collections - INCOMPLETE	3,340	3,950	3,377	See tab, "Incomplete Forecast"		

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CS - Field Operations Order Volume Forecast		Historical Order Volume			Historical Orders Per Active Meter		
Calculation Steps >		E1	E2	E3	F = E / A		
Line #	Order Type	2014	2015	2016	2014	2015	2016
53	CSF - INCOMPLETE	16,899	16,434	15,697	See tab, "Incomplete Forecast"		
54	OPT-OUT READS ²	27,404	19,820	16,579			0.0072
55	Underset Regulators - Install Slam Shut Regulator				See tab, "Underset Regulators Forecast"		
56	Underset Regulators - Relocate Regulator Outside				See tab, "Underset Regulators Forecast"		
57	Underset Regulators - Vent Through Existing Screens				See tab, "Underset Regulators Forecast"		
58	Underset Regulators - Incomplete				See tab, "Underset Regulators Forecast"		
59	Clock Test (increase in on-premises time)				See tab, "Five Min Clock Test Incremental"		
60	Field Parts Replacement Program (increase in on-premises time)				See tab, "Field Parts Replacement Program"		
61	Non-Fielded Smart Meter Module Troubleshooting ³						
62	Miscellaneous Non-Labor Adjustment ⁴						
63	Total	436,349	326,130	296,540			

Notes:	
1)	Used 2-Year average orders-per-active-meter
2)	Used BY 2016 for the estimated forecast
3)	This is not an order type. When meter changes are performed, the meter is returned to the base where CS-Field Operations technicians remove the Smart Meter module and evaluate for re-use or replacement. This is not driven by order volume.
4)	Non-Labor adjustment to account for costs not included in the 3 year average such as: a) mobile phone for field technicians, b) parts used in the Field Parts Replacement Program, and c) purchase of multi-gas detector tool

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Attachment to ORA-SDGE-091-CY3, Question 1.c.
Exhibit Reference: SDG&E-17-WP-R_Supplemental_1FC001.000_
SDG&E Witness: Gwen Marelli
Subject: Customer Services-Field

Detailed Calculation for Order Volume Forecast

Active Meter Count		Incremental Active Meter Count			Incremental Active Meter Count for 2017 & 2018 as a % of TY 2019		
Calculation Steps >		C1 = B1 - A3	C2 = B2 - B1	C3 = B3 - A3	D1 = C1 / C3	D2 = C2 / C3	D3 = C3 / C3
Line #	Meter Type	2017 Estimated	2018 Estimated	TY 2019 Estimated over BY 2016	2017 Estimated as a % of TY 2019 Estimated	2018 Estimated as a % of TY 2019 Estimated	
001	Electric Meters	10,744	13,412	38,217	28.1%	35.1%	
002	Gas Meters	4,827	6,221	16,957	28.5%	36.7%	
003	Total Electric and Gas Meters	15,571	19,633	55,174	28.2%	35.6%	

CS - Field Operations Order Volume Forecast		TY 2019 Order Volume Forecast			Incremental Order Volume			Total Order Volume Forecast		
Calculation Steps >		G = Average (F)	H = G x B3	I = H - E3	J = I x D	K = J + E3	L = K + J	M = H		
Line #	Order Type	Average Order per Active Meter	TY 2019 Estimated	TY 2019 Estimated over BY 2016	2017 Estimated	2018 Estimated	2017 Estimated	2018 Estimated	TY 2019 Estimate	
1	Change of Account - CA ELEC	0.0003	374	98	28	34	304	338	374	
2	Change of Account - CA GAS	0.0009	774	(86)	(25)	(32)	835	804	774	
3	Change of Account - CA GAS AND ELEC	0.0001	175	5	1	2	171	173	175	
4	Change of Account - GIVE NOTICE	0.0020	4,626	672	190	239	4,144	4,383	4,626	
5	Change of Account - RTO	0.0001	347	18	5	7	334	341	347	
6	Collections - CREDIT SHUT OFF	0.0006	1,420	(109)	(31)	(39)	1,498	1,460	1,420	
7	Collections - FIRST CALL ¹	0.0009	2,173	518	146	184	1,801	1,986	2,173	
8	Collections - SECOND CALL	0.0057	13,505	(1,203)	(340)	(428)	14,368	13,940	13,505	
9	Collections - THIRD CALL	0.0007	1,724	(54)	(15)	(19)	1,763	1,744	1,724	
10	CSO - APPLIANCE ADJUSTMENTS	0.0347	30,932	4,318	1,229	1,584	27,843	29,427	30,932	
11	CSO - APPLIANCE MECHANIC WORK	0.0007	657	125	36	46	568	613	657	
12	CSO - CARBON MONOXIDE-EMERGENCY	0.0010	906	57	16	21	865	886	906	
13	CSO - CARBON MONOXIDE-NON EMERGENCY	0.0015	1,361	72	20	26	1,309	1,336	1,361	
14	CSO - HIGH PRESSURE	0.0002	143	13	4	5	134	138	143	
15	CSO - NO GAS	0.0124	11,044	540	154	198	10,658	10,856	11,044	
16	CSO - OTHER MISC GAS & ELEC CUSTOMER REQUESTS	0.0044	10,333	615	175	225	9,893	10,118	10,333	
17	CSO - SCHOOL LEAK SURVEYS	0.0005	447	64	18	24	401	425	447	

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CS - Field Operations Order Volume Forecast		TY 2019 Order Volume Forecast		Incremental Order Volume			Total Order Volume Forecast		
Line #	Order Type	Average Order per Active Meter	TY 2019 Estimated	TY 2019 Estimated over BY 2016	2017 Estimated	2018 Estimated	K = J + E3	L = K + J	M = H
18	CSO - SEASONAL OFF	0.0008	670	131	37	48	576	624	670
19	CSO - SEASONAL ON MULTIPLES	0.0118	10,536	829	236	304	9,943	10,247	10,536
20	CSO - SEASONAL ON SINGLES	0.0203	18,139	36	10	13	18,113	18,127	18,139
21	Fumigation - FUMIGATION/BUG FOGGER	0.0491	43,827	(812)	(231)	(298)	44,408	44,110	43,827
22	Gas Leak - EMERGENCY B&B INSIDE	0.0013	1,181	194	55	71	1,042	1,114	1,181
23	Gas Leak - EMERGENCY B&B OUTSIDE	0.0003	299	(42)	(12)	(15)	329	314	299
24	Gas Leak - EMERGENCY-AGENCY REQUESTS	0.0009	786	32	9	12	763	775	786
25	Gas Leak - FIRE & EXPLOSIONS	0.0000	10	1	0	0	9	10	10
26	Gas Leak - GAS LEAKS-HAZARD	0.0310	27,688	2,804	798	1,029	25,682	26,711	27,688
27	Gas Leak - GAS LEAKS-NON HAZARD	0.0042	3,705	(150)	(43)	(55)	3,812	3,757	3,705
28	HBI - HBI	0.0005	437	47	13	17	403	420	437
29	Meter Work - O & M - ACOR	0.0001	98	70	20	26	48	74	98
30	Meter Work - O & M - CURB	0.0005	468	74	21	27	415	442	468
31	Meter Work - O & M - CUST/COMPANY CHANGE - ELEC	0.0002	340	204	58	75	194	269	340
32	Meter Work - O & M - CUST/COMPANY CHANGE - GAS						2,652	2,652	2,652
33	Meter Work - O & M - CUST/COMPANY TEST(CHANGE) - GAS						56	56	56
34	Meter Work - O & M - MISC COMPANY WORK						20,008	20,008	20,008
35	Meter Work - O & M - PERIODIC TEST/CHANGE-GAS						10,960	10,960	10,960
36	Nonpay Turn On - CREDIT CUT INS	0.0037	3,287	(143)	(41)	(52)	3,389	3,337	3,287
37	Read/Verify - REREADS	0.0236	21,036	1,124	320	412	20,232	20,644	21,036
38	TurnOn/ShutOff - CUST/COMPANY REMOVE/RESET - ELEC	0.0000	33	23	7	9	17	25	33
39	TurnOn/ShutOff - CUST/COMPANY REMOVE/RESET - GAS	0.0003	251	23	7	9	235	243	251
40	TurnOn/ShutOff - GIVE NOTICE CUT	0.0010	2,454	458	130	168	2,126	2,294	2,454
41	TurnOn/ShutOff - SHUT OFF ELEC	0.0029	4,261	260	74	96	4,075	4,171	4,261
42	TurnOn/ShutOff - SHUT OFF GAS	0.0070	6,207	849	242	311	5,600	5,911	6,207
43	TurnOn/ShutOff - SHUT OFF GAS AND ELEC	0.0003	663	(26)	(8)	(10)	681	672	663
44	TurnOn/ShutOff - SHUT OFF IN ERROR	0.0001	241	(17)	(5)	(6)	253	247	241
45	TurnOn/ShutOff - SOFT SHUT OFF GAS ELEC	0.0072	16,961	2,153	613	790	15,421	16,211	16,961
46	TurnOn/ShutOff - SOFT TURN ON GAS TURN ON ELEC	0.0001	135	(15)	(4)	(6)	146	140	135
47	TurnOn/ShutOff - TURN ON ELEC	0.0032	4,765	705	201	259	4,261	4,519	4,765
48	TurnOn/ShutOff - TURN ON G/E	0.0004	846	192	55	71	709	779	846
49	TurnOn/ShutOff - TURN ON GAS	0.0078	6,933	1,256	357	461	6,034	6,495	6,933
50	Miscellaneous - HOUSELINE TEST/PURGE - O&M	0.0002	176	35	10	13	151	164	176
51	Miscellaneous - SMART METER	0.0058	5,169	735	209	269	4,643	4,913	5,169
52	Collections - INCOMPLETE						2,522	2,513	2,504

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CS - Field Operations Order Volume Forecast		TY 2019 Order Volume Forecast		Incremental Order Volume			Total Order Volume Forecast		
Calculation Steps >		G = Average (F)	H = G x B3	I = H - E3	J = I x D		K = J + E3	L = K + J	M = H
Line #	Order Type	Average Order per Active Meter	TY 2019 Estimated	TY 2019 Estimated over BY 2016	2017 Estimated	2018 Estimated	2017 Estimated	2018 Estimated	TY 2019 Estimate
53	CSF - INCOMPLETE						16,508	16,904	17,281
54	OPT-OUT READS ²		16,976	397	112	141	16,691	16,832	16,976
55	Underset Regulators - Install Slam Shut Regulator						-	-	367
56	Underset Regulators - Relocate Regulator Outside						-	-	419
57	Underset Regulators - Vent Through Existing Screens						-	-	87
58	Underset Regulators - Incomplete						-	-	53
59	Clock Test (increase in on-premises time)								
60	Field Parts Replacement Program (increase in on-premises time)						23,131	24,160	25,138
61	Non-Fielded Smart Meter Module Troubleshooting ³						639	2,920	4,198
62	Miscellaneous Non-Labor Adjustment ⁴						No order volume shown ³	No order volume shown ⁴	
63	Total		279,520	17,090	4,864	6,265	343,770	353,732	363,243

Notes:

- 1) Used 2-Year average orders-per-active-meter
- 2) Used BY 2016 for the estimated forecast
- 3) This is not an order type. When meter changes are performed, ti Operations technicians remove the Smart Meter module and eva by order volume.
- 4) Non-Labor adjustment to account for costs not included in the 3 technicians, b) parts used in the Field Parts Replacement Program

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Attachment to ORA-SDGE-091-CY3, Question 1.c.
Exhibit Reference: SDG&E-17-WP-R_Supplemental_1FC001.000_1.xlsx and SDG&E17-WP-R
SDG&E Witness: Gwen Marelli
Subject: Customer Services-Field

Detailed Calculation for Meter Work - O & M Order Volume Forecast

Meter Work - O & M Historical Order Volume Forecast						
Line #	Meter Work - O & M Historical Order Volume	2014	2015	2016	Total / Allocation %	Calculation Step
1	Meter Work - O & M - CUST/COMPANY CHANGE - GAS	1,507	1,123	1,184	7.9%	A
2	Meter Work - O & M - CUST/COMPANY TEST(CHANGE) - GAS	5,936	19	25	0.2%	B
3	Meter Work - O & M - MISC COMPANY WORK	16,322	17,769	8,934	59.4%	C
4	Meter Work - O & M - PERIODIC TEST/CHANGE-GAS	6,413	4,198	4,894	32.5%	D
5	Total Meter Work - O & M	30,178	23,109	15,037		E = D + C + B + A

	For Total Meter Work volume on line 5, separated actual Planned Meter Changes performed from other meter work as shown in line 6 & 7					
6	Planned Meter Changes (PMC)*	12,199	4,198	4,898		F
7	Routine Meter Change (RMC)/Shop Survey	17,979	18,911	10,139		G = E - F

Line #	Meter Work - O & M Order Volume Forecast	BY 2016	2017 Estimated	2018 Estimated	TY 2019 Estimated	Calculation Step
8	PMC**	4,898	18,000	18,000	18,000	H
9	RMC/Shop Survey	10,139	15,676	15,676	15,676	I = Average (G)
10	Total	15,037	33,676	33,676	33,676	J = I + H

Line #	Meter Work Order Type - Order Volume Forecast	BY 2016	2017 Estimated	2018 Estimated	TY 2019 Estimated	Calculation Step
11	Meter Work - O & M - CUST/COMPANY CHANGE - GAS	1,184	2,652	2,652	2,652	K = J x A Allocation %
12	Meter Work - O & M - CUST/COMPANY TEST(CHANGE) - GAS	25	56	56	56	L = J x B Allocation %
13	Meter Work - O & M - MISC COMPANY WORK	8,934	20,008	20,008	20,008	M = J x C Allocation %
14	Meter Work - O & M - PERIODIC TEST/CHANGE-GAS	4,894	10,960	10,960	10,960	N = J x D Allocation %

*Pursuant to CPUC Resolution No. G-1426 approved in 1968, SDG&E established a Gas Meter Performance Control Program (GMPC). Line 6 represents the actual planned meter changes performed.

** Line 8 represents the order volume associated with the GMPC as indicated in the testimony of Gwen Marelli, Ex. SDG&E-17-R, page 15

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Attachment to ORA-SDGE-091-CY3, Question 1.c.
Exhibit Reference: SDG&E-17-WP-R_Supplemental_1FC001.000_1.xlsx and SDG&E17-WP-R
SDG&E Witness: Gwen Marelli
Subject: Customer Services-Field

Detailed Calculation for Incomplete Order Volume Forecast

Line #	Historical Incomplete Order Volume	2014	2015	2016	Calculation Step
1	CS - Field Operations Order Volume	416,110	305,746	277,466	A = Sum of Tab "ORA-SDGE-091-CY3, Question 1.c.", Calculation Step E, Lines #1 through #51 and Line #54
2	CSF - INCOMPLETE	16,899	16,434	15,697	B = Tab "ORA-SDGE-091-CY3, Question 1.c.", Calculation Step E, Line # 53
3	Collections - INCOMPLETE	3,340	3,950	3,377	C = Tab "ORA-SDGE-091-CY3, Question 1.c.", Calculation Step E, Line # 52
4	Collections Order Volume	139,361	40,593	34,720	D = Sum of Tab "ORA-SDGE-091-CY3, Question 1.c.", Calculation Step E, Lines #7 through #9 and Line #54
5	CS-Field Operations Order Volume (Not including Collections)	276,749	265,153	242,746	E = A - D
6	CS - Field Incomplete Rate	6.11%	6.20%	6.47%	F = B / E
7	Collections Incomplete Rate	2.40%	9.73%	9.73%	G = C / D
Line #	CS - Field Operations Incomplete Order Forecasting Rate				Calculation Step
8	CS -Field Operations	6.20%			H = BY 2015
9	Collections	7.28%			I = Average (G)
Line #	Incomplete Order Volume Forecast	2017 Estimated	2018 Estimated	TY 2019 Estimate	Calculation Step
10	CS-Field Operations Order Volume	300,970	307,235	313,196	J = Sum of Tab "ORA-SDGE-091-CY3, Question 1.c.", Calculation Step K and L, Lines #1 through #51, Line #54
11	Collections Order Volume	34,623	34,502	34,378	K= Sum of Tab "ORA-SDGE-091-CY3, Question 1.c", Calculation Step K and L, Lines #7 through #9 and Line #54
12	CS-F Operations Order Volume (Not including Collections)	266,347	272,733	278,818	L = J - K
13	CSF - INCOMPLETE *	16,508	16,904	17,281	M = L x H
14	Collections - INCOMPLETE	2,522	2,513	2,504	N = K x I

*SDG&E discovered a calculation error in the order volume for the "CSF - Incomplete" order type. Exhibit SCG-17-WP-R, page 19 of 86, line # 53, showed the TY 2019 estimated order volume as 17,590 orders. The corrected order volume is 17,281 as shown in line # 13 which is a reduction of 309 orders and equates to a total cost reduction of \$9,984 for TY 2019. A revision reflecting this change will be submitted by SDG&E at the next opportunity.

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Attachment to ORA-SDGE-091-CY3, Question 1.c.
Exhibit Reference: SDG&E-17-WP-R_Supplemental_1FC001.000_1.xlsx and SDG&E17-WP-R
SDG&E Witness: Gwen Marelli
Subject: Customer Services-Field

Detailed Calculation for Incremental Underset Regulators Volume Forecast

Line #	Total Number of Facilities Requiring Remediation - Underset Regulators	Calculation Step
1	Estimated Number Of Underset Regulators Annually *	873 A
2	Estimated % that will require a Slam Shut Regulator Installed **	42% B
3	Estimated % that will require a regulator be relocated to the outside location **	48% C
4	Estimated % that will require venting through access screen (No regulator change needed) **	10% D
5	Underset Regulators - Incomplete Rate	6.1% E

Line #	TY 2019 Underset Regulators Orders Forecast	Calculation Step
6	Underset Regulators - Install Slam Shut Regulator	367 F = B x A
7	Underset Regulators - Relocate Regulator Outside	419 G = C x A
8	Underset Regulators - Vent Through Existing Screens	87 H = D x A
9	Underset Regulators - Incomplete	53 I = E x A

*The new Underset Regulator Remediation Program activity is primarily driven by inadequately vented regulator conditions identified by the Leakage Mitigation Team during their leakage survey inspections as indicated in Ex. SDG&E-17-R, section III.A.5.d.

** SDG&E used the same percentage breakdown as SoCalGas for the three types of regulator work shown in lines 2 -4. To estimate the percentage breakdown for the three types of regulator work, SoCalGas performed a survey of 131 meters to inspect the condition and determine the type of regulator work required.

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Attachment to ORA-SDGE-091-CY3, Question 1.c.
Exhibit Reference: SDG&E-17-WP-R_Supplemental_1FC001.000_1.xlsx and SDG&E17-WP-R
SDG&E Witness: Gwen Marelli
Subject: Customer Services-Field

Detailed Calculation for Order Volume Forecast Used for the Five Minute Clock Test

SDG&E updated its policy and procedures to extend the clock test time from two minutes to five minutes to address the low flow detection and align with the industry standards. Utilizing the five minute clock test increases the on-premises time for orders requiring a houseline leak test.

Active Meter Count		Historical Active Meter Count			Active Meter Count Forecast		
Calculation Steps >		A1	A2	A3	B1	B2	B3
Line #	Meter Type	2014	2015	2016	2017 Estimated	2018 Estimated	TY 2019 Estimated
1	Gas Meters	865,093	870,203	875,462	880,289	886,510	892,419

Orders Requiring a Houseline Leak Test		Historical Order Volume			Historical Orders Per Active Meter		
Calculation Steps >		E1	E2	E3	F = E / A		
Line #	Orders Requiring a Houseline Leak Test	2014	2015	2016	2014	2015	2016
2	CSO - CARBON MONOXIDE-EMERGENCY	854	947	849	0.001	0.001	0.001
3	Gas Leak - EMERGENCY B&B INSIDE	1,177	1,291	987	0.001	0.001	0.001
4	Gas Leak - FIRE & EXPLOSIONS	12	8	9	0.000	0.000	0.000
5	Gas Leak - Inside Multiple Rooms ¹	4,355	6,032	4,234	0.005	0.007	0.005
6	Gas Leak-Indoors at Appliance ¹	12,287	14,430	11,625	0.014	0.017	0.013
7	Gas Leak - Non-Haz Leak Indoors ²	2,495	3,038	2,713	0.003	0.003	0.003
8	No Gas - Received Inspection ³	1,438	1,592	1,360	0.002	0.002	0.002
9	Meter Work - Red Tag Mtr Change ⁴	21	18	24	0.000	0.000	0.000
10	HBI - HBI	473	414	390	0.001	0.000	0.000
11	Miscellaneous - HOUSELINE TEST/PURGE - O&M	190	128	141	0.000	0.000	0.000
12	Total	23,302	27,898	22,332	0.027	0.032	0.026

Notes:
1 Subset of Order Type: Gas Leak - GAS LEAKS-HAZARD
2 Subset of Order Type: Gas Leak - GAS LEAKS-NON HAZARD
3 Subset of Order Type: CSO - NO GAS
4 Subset of Order Type: Meter Work - O & M - CUST/COMPANY TEST(CHANGE) - GAS

2019 General Rate Case - A.17-10-007

Attachment to ORA-SDGE-091-CY3, Question 1.c.
 Exhibit Reference: SDG&E-17-WP-R_Supplemental_1FC001.000_1.xlsx an
 SDG&E Witness: Gwen Marelli
 Subject: Customer Services-Field

Detailed Calculation for Order Volume Forecast Used for the Five Minute Clock Test

SDG&E updated its policy and procedures to extend the clock test time from two minutes to five minutes to address the low flow detection and align with the industry standards. Utilizing the five minute clock test increases the on-premises time for orders requiring a houseline leak test.

Active Meter Count		Incremental Active Meter Count			Incremental Active Meter Count for 2017 & 2018 as a % of TY 2019	
Calculation Steps >		C1 = B1 - A3	C2 = B2 - B1	C3 = B3 - A3	D1 = C1 / C3	D2 = C2 / C3
Line #	Meter Type	2017 Estimated	2018 Estimated	TY 2019 Estimated over BY 2016	2017 Estimated as a % of TY 2019 Estimated	2018 Estimated as a % of TY 2019 Estimated
1	Gas Meters	4,827	6,221	16,957	28.5%	36.7%

Orders Requiring a Houseline Leak Test		TY 2019 Order Volume Forecast			Incremental Order Volume			Total Order Volume Forecast		
Calculation Steps >		G = Average (F)	H = G x B3	I = H - E3	J = I x D	K = J + E3	L = K + J	M = H		
Line #	Orders Requiring a Houseline Leak Test	Average Order per Active Meter	TY 2019 Estimated	TY 2019 Estimated over BY 2016	2017 Estimated	2018 Estimated	2017 Estimated	2018 Estimated		
2	CSO - CARBON MONOXIDE-EMERGENCY	0.001	906	57	16	20.86	865	886	906	
3	Gas Leak - EMERGENCY B&B INSIDE	0.001	1,181	194	55	71.32	1,042	1,114	1,181	
4	Gas Leak - FIRE & EXPLOSIONS	0.000	10	1	0	0.34	9	10	10	
5	Gas Leak - Inside Multiple Rooms ¹	0.006	4,998	764	218	280.33	4,452	4,732	4,998	
6	Gas Leak-Indoors at Appliance ¹	0.015	13,108	1,483	422	543.98	12,047	12,591	13,108	
7	Gas Leak - Non-Haz Leak Indoors ²	0.003	2,818	105	30	38.63	2,743	2,782	2,818	
8	No Gas - Received Inspection ³	0.002	1,501	141	40	51.65	1,400	1,452	1,501	
9	Meter Work - Red Tag Mtr Change ⁴	0.000	22	(2)	(1)	(0.91)	23	22	22	
10	HBI - HBI	0.000	437	47	13	17.13	403	420	437	
11	Miscellaneous - HOUSELINE TEST/PURGE - O&M	0.000	157	16	4	5.74	146	152	157	
12	Total	0.028	25,138	2,805	799	1,029.08	23,131	24,160	25,138	

Notes:	
1	Subset of Order Type: Gas Leak - GAS LEAKS-HAZARD
2	Subset of Order Type: Gas Leak - GAS LEAKS-NON HAZARD
3	Subset of Order Type: CSO - NO GAS
4	Subset of Order Type: Meter Work - O & M - CUST/COMPANY TEST(CHANGE) - GAS

2019 General Rate Case - A.17-10-007

Attachment to ORA-SDGE-091-CY3, Question 1.c.
 Exhibit Reference: SDG&E-17-WP-R_Supplemental_1FC001.000_1.xlsx and SDG&E17-WP-R
 SDG&E Witness: Gwen Marelli
 Subject: Customer Services-Field

Detailed Calculation for the Order Volume Used for Field Parts Replacement Services (FPRS) Program

Based on average "Field Parts Sales per CS-F Technician per day" during 2016 FPRS pilot. SDG&E is requesting funding to expand the FPRS pilot program into an offering for all SDG&E customers.

Line #	Field Parts Replacement Program Forecast (increase in on-prem-time)	2017 Estimated	2018 Estimated	TY 2019 Estimated	Calculation Step
1	Estimated FTEs	17.50	80.00	115.00	A
2	Field Parts Orders per CS-F Technician per day	0.10	0.10	0.10	B
3	Orders Per Day	1.75	8.00	11.50	C = B x A
4	Days of Service	365	365	365	D = C x B
5	Total Order Volume	639	2,920	4,198	E = D x C

APPENDIX B

SDG&E's Response to ORA-SDGE-102-CY3

**ORA DATA REQUEST
ORA-SDGE-102-CY3
SDG&E 2019 GRC – A.17-10-007
SDG&E RESPONSE
DATE RECEIVED: JANUARY 25, 2018
DATE RESPONDED: FEBRAURY 7, 2018**

Exhibit Reference: SDG&E-17-R
SDG&E Witness: Gwen Marelli
Subject: Customer Services-Field

Please provide the following:

1. Referring to Ex. SDG&E-17-R, page GRM-B-14, Table GRM-13, column “Activity”, line “Increase due to the Order Forecast Methodology”, please provide an Excel spreadsheet showing how the Labor and non-labor values in this category were calculated.

SDG&E Response 01:

Please refer to the attached file labeled, “ORA-SDGE-102-CY3-Q1 Attachment.xlsx,” on how the labor and non-labor values for “Increase due to the Order Forecast Methodology” category was calculated.

SDG&E discovered a calculation error as shown below which is also noted on the attachment. A revision reflecting this change will be submitted by SDG&E at the next opportunity.

A	Exhibit SDG&E-17-R, Table GRM-13, page GRM-B-14	Labor	Non-Labor	Total
A.1	TY 2019 1% Increase in Drive Time due to Increasing Traffic Congestion	\$ 147	\$ 8	\$ 155
A.2	Increase due to the Order Forecast Methodology	\$ 920	\$ 49	\$ 969
A.3	Total	\$ 1,067	\$ 57	\$ 1,124
B	Below are the Corrected TY 2019 Estimated Costs for A.1 & A.2	Labor	Non-Labor	Total
B.1	TY 2019 1% Increase in Drive Time due to Increasing Traffic Congestion	\$ 140	\$ 7	\$ 147
B.2	Increase due to the Order Forecast Methodology	\$ 927	\$ 50	\$ 977
B.3	Total	\$ 1,067	\$ 57	\$ 1,124

Attachment to ORA-SDGE-102-CY3, Question 1
 Exhibit Reference: SDG&E-17-R
 SDG&E Witness: Gwen Marelli
 Subject: Customer Services - Field

Calculation to Derive the Labor and Non-Labor Estimate for the item, "Increase Due to the Order Forecast Methodology"

Line #	Activity	TY 2019 Estimated			Calculation Step	Additional Info
		Labor	Non-Labor	Total		
1	Total CS - Field Operations Forecast	\$ 15,016	\$ 977	\$ 15,993	A	Line # 63 (in \$000) of Ex. SDG&E-17-WP-R, pages 46-51 of 86
The costs for Lines 2 - 11 below were subtracted from the Total CS-Field Operations Forecast in Line # 1						
2	TY 2019 1% Increase in Drive Time due to Increasing Traffic Congestion*	\$ 140	\$ 7	\$ 147	B	This is the corrected amount. See Note* below
3	Planned Meter Changes	\$ 700	\$ 36	\$ 736	C	See response to ORA-SDGE-094-CY3, Question 1
4	Perform Bi-monthly Opt-Out Reads	\$ 318	\$ 22	\$ 340	D	Line # 54 (in \$000) of Ex. SDG&E-17-WP-R, pages 46-51 of 86
5	Field Parts Replacement Service Program (increase in on-prem time)	\$ 153	\$ 70	\$ 223	E	See response to ORA-SDGE-094-CY3, Question 3
6	Underset Regulator Remediation Program	\$ 120	\$ 6	\$ 126	F	Sum of Line # 55-58 (in \$000) of Ex. SDG&E-17-WP-R, pages 46-51 of 86
7	Five-minute Clock Test (increase in on-prem time)	\$ 92	\$ 4	\$ 96	G	Line # 59 (in \$000) of Ex. SDG&E-17-WP-R, pages 46-51 of 86
8	Non-Labor for Multi-Gas Detector tool and Cell Phone Costs for Call Ahead Program	\$ -	\$ 136	\$ 136	H	See response to ORA-SDGE-094-CY3, Question 6
9	Sub-Total	\$ 1,523	\$ 281	\$ 1,804	I = Sum of B to H	
10	CS - Field Operations Forecast less the estimated costs in line items 2 - 8	\$ 13,493	\$ 696	\$ 14,189	J = A - I	
11	BY 2016 Adjusted Recorded Costs	\$ 12,566	\$ 646	\$ 13,212	K	Ex. SDG&E-17-WP-R, page 5 of 86
12	Increase due to the Order Forecast Methodology*	\$ 927	\$ 50	\$ 977	L = J - K	This is the corrected amount. See Note* below

* Note: SDG&E discovered a calculation error in the estimate for the line items, "TY 2019 1% Increase in Drive Time due to Increasing Traffic Congestion " and "Increase due to the Order Forecast Methodology". Please refer to the table below for the original and corrected cost estimate for each activity. A revision reflecting this change will be submitted by SDG&E at the next opportunity.

A	From Exhibit SDG&E-17-R, Table GRM-13, page GRM-B-14	Labor	Non-Labor	Total
A.1	TY 2019 1% Increase in Drive Time due to Increasing Traffic Congestion	\$ 147	\$ 8	\$ 155
A.2	Increase due to the Order Forecast Methodology	\$ 920	\$ 49	\$ 969
A.3	Total	\$ 1,067	\$ 57	\$ 1,124
B	Below are the Corrected TY 2019 Estimated Costs for A.1 & A.2	Labor	Non-Labor	Total
B.1	TY 2019 1% Increase in Drive Time due to Increasing Traffic Congestion	\$ 140	\$ 7	\$ 147
B.2	Increase due to the Order Forecast Methodology	\$ 927	\$ 50	\$ 977
B.3	Total	\$ 1,067	\$ 57	\$ 1,124

APPENDIX C

SDG&E's Response to ORA-SDGE-058-CY3

APPENDIX C
SDG&E's Response to ORA-SDGE-058-CY3
ORA DATA REQUEST
ORA-SDGE-058-CY8
SDG&E 2019 GRC – A.17-10-007
SDG&E RESPONSE
DATE RECEIVED: DECEMBER 12, 2017
DATE RESPONDED: DECEMBER 29, 2017

Exhibit Reference: SDG&E-17
SDG&E Witness: Gwen Marelli
Subject: Customer Services-Field & Meter Reading

Please provide the following:

1. Referring to GRM-10, lines 14-16, “A three-year average was chosen because 2014-2016 are the most recent historical years in which the full effects of smart meter implementation are reflected in work order volumes.”
 - a. Were other forecasting methodologies looked at? If so, which methodologies? What was the rationale for rejecting them?
 - b. Was a last recorded year based forecast, plus and minus adjustments, considered? Is so, what was the rationale for not choosing it?

SDG&E Response 1:

- a. As indicated in Exhibit SDG&E-17, Section A.2, CS-F operations are primarily driven by work order volumes, which are largely driven by factors outside of SDG&E’s control. These factors include customer growth, weather, the state of the economy, customer turnover, the level of natural gas and electric prices, customer appliances/equipment choices, emergency incidents such as fires and earthquakes, and changes to applicable laws and regulations. Therefore, SDG&E’s TY 2019 forecast should be based on a historical average of years that sufficiently capture the volatility of these factors. SDG&E considered other forecasting methodologies such as the 5-year and 4-year average methodology and opted not to use these methodologies for the following reasons: a) A 5-year average would include 2012, during which time smart meter was still being deployed; and b) A 4-year average would include 2013 which is the year immediately after smart meter implementation and including this year may still not be representative of post smart meter implementation. As a result, SDG&E chose the 2014-2016 period as the optimal period since this would have incorporated the full effects of smart meter implementation in work order volumes and the volatility of the factors mentioned above.
- b. The last recorded year base forecast would be the 2016 Base Year and this was not one of the forecasting methodologies considered. This is because the SDG&E TY 2019 forecast should be based on a historical average of years that sufficiently capture the volatility of the factors stated in response to Q.1a.

APPENDIX D

**SDG&E's Response to ORA-SDGE-050-CY3,
Question 2**

ORA DATA REQUEST

ORA-SDGE-050-CY3

SDG&E 2019 GRC – A.17-10-007

SDG&E RESPONSE

DATE RECEIVED: DECEMBER 6, 2017

DATE RESPONDED: DECEMBER 20, 2017

2. Referring to Ex. SDG&E-17, p. GRM-12, section a. Drive Time, it states that forecasted 2017-2019 average drive times per order assume a 1% increase per year due to increased traffic. Please show how that 1% increase was calculated or derived.

SDG&E Response 2:

Please refer to the attached file labeled “ORA-SDGE-DR-050-CY3-Q2 Attachment.xlsx” which shows how the 1% increase in drive time was derived.

Attachment to ORA-SDG&E-050-CY3, Question 2

Exhibit Reference: SDG&E-17

SDG&E Witness: Gwen Marelli

Subject: Customer Services-Field and Meter Reading

Detailed calculation on how the 1% drive time increase was derived

Item No.	Year	A	B	C	D	E	F	G	H	I	J
1	Historical Average Drive Time per Order (Mins)	2011	2012	2013	2014	2015	2016	5 Yr Average	2017	2018	2019
		12.27	13.27	13.09	12.9	12.4	13.0				
2	Drive Time increase each year compared to previous year (Mins)		1.00	-0.18	-0.19	-0.50	0.60				
	Calculation		(B.1 - A.1)	(C.1 - B.1)	(D.1 - C.1)	(E.1 - D.1)	(F.1 - E.1)				
3	% Change each year		8.1%	-1.4%	-1.5%	-3.9%	4.8%				
	Calculation		B.2 / A.1	C.2 / B.1	D.2 / C.1	E.2 / D.1	F.2 / E.1				
4	5 year average of % Change from 2012 - 2016							1.3%			
	Calculation							Avg of B.3 to F.3			
									Used 1% increase each year for the forecast		

APPENDIX E

**SDG&E's Response to ORA-SDGE-101-CY3,
Question 1.a**

**ORA DATA REQUEST
ORA-SDGE-101-CY3
SDG&E 2019 GRC – A.17-10-007
SDG&E RESPONSE
DATE RECEIVED: JANUARY 25, 2018
DATE RESPONDED: FEBRUARY 7, 2018**

Exhibit Reference: SDG&E-17-R
SDG&E Witness: Gwen Marelli
Subject: Customer Services-Field

Please provide the following:

1. Referring to Ex. SDG&E-17-R, page GRM-B-21, Table GRM-16, states in the “Activity” column, “Incremental Supervisors (2.7 FTEs) based on zero-based forecast to maintain 12:1 employee to supervisor ratio.”
 - a. Please provide a table with information regarding the number of Supervisor FTEs in CS-F Supervision for the last recorded 5 years (2012-2016, include 2017 data if available), along with the number of employees FTEs in CS-F in that same time period, along with the employee to supervisor ratio in that time period.
 - b. Is there incremental work that would require an additional 2.7 FTEs? If yes, please show how that incremental work was factored into SDG&E’s estimate of the additional 2.7 FTEs. Provide copies of any studies that were conducted.

SDG&E Response 01:

- 1.a. The table below shows number of Supervisor FTEs in CS-F Supervision for 2012 – 2016, the number of employee FTEs in CS-F Operations during the same period and the employee to supervisor ratio during this period. The 2017 data is not yet available.

Line #	CS-F Operations Employee to Supervisor Ratio	Adjusted Recorded					Exhibit Reference
		2012	2013	2014	2015	2016	
1	CS-F Supervision FTEs	18.6	18.9	14.6	13.1	12.4	Exhibit SDGE-17-WP-R, Page 56 of 86, Workpaper 1FC002.000 - Customer Services Field - Supervision
2	CS-F Operations FTEs	211.9	195.8	163.3	152.8	146.4	Exhibit SDGE-17-WP-R, Page 5 of 86, Workpaper 1FC001.000 - Customer Services Field Operations
3	Employee to Supervisor Ratio	11.4	10.4	11.2	11.7	11.8	CSF-Operations FTEs / CS-F Supervision FTEs

**ORA DATA REQUEST
ORA-SDGE-101-CY3
SDG&E 2019 GRC – A.17-10-007
SDG&E RESPONSE
DATE RECEIVED: JANUARY 25, 2018
DATE RESPONDED: FEBRUARY 7, 2018**

SDG&E Response 01 Continued:

1.b. Yes, there would be incremental work that would require the additional 2.7 FTEs. Please refer to Exhibit SDGE-17-WP-R, SDGE-17-WP - 1FC002 CS - Field Supervision Supplemental Workpaper 1, page 64 of 86, which shows the detailed calculation on the number of CS - Field Supervision FTEs required in TY 2019. As indicated on line # 1 of page 64, the CS - Field Operations FTE for TY 2019 is 173 (also refer to pages 52 & 53 of 86 showing all the FTEs required for the CS - Field Operations order volume forecast with the total FTE of 173.3 for TY 2019 shown on line 63). Based on the employee to supervisor ratio of about 12 FTEs per supervisor, this will require a total of 15 supervisors resulting to an increase of 2.7 CS - Field Supervision FTEs as compared to BY 2016. See table below.

Line #	Incremental CS-F Supervision FTEs	FTE	Exhibit Reference
1	CS-F Supervision FTE TY 2019 Estimate	15.1	Exhibit SDGE-17-WP-R, SDGE-17-WP - 1FC002 CS - Field Supervision Supplemental Workpaper 1, page 64 of 86, Line 6
2	CS-F Supervision FTE BY 2016	12.4	Exhibit SDGE-17-WP-R, Page 56 of 86, Workpaper 1FC002.000 - Customer Services Field - Supervision
3	Incremental CS-F Supervision FTEs over BY 2016	2.7	TY 2019 Estimated FTEs (Line 1) - BY 2016 FTEs (Line 2)

APPENDIX F

**SDG&E's Response to ORA-SDGE-145-CY3,
Question 1.a**

ORA DATA REQUEST
ORA-SDGE-145-CY3
SDG&E 2019 GRC – A.17-10-007
SDG&E RESPONSE
DATE RECEIVED: MARCH 1, 2018
DATE RESPONDED: MARCH 15, 2018

Exhibit Reference: SDG&E-17-R and Response to ORA-SDG&E-DR-101-CY, 1.b.

SDG&E Witness: Gwen R. Marelli

Subject: Customer Services-Field

Please provide the following:

1. Referring to “SDG&E's Response to ORA-SDG&E-DR-101-CY, 1.b.”; the table provided states that in BY 2016, there was a CS-F Supervision FTE count of 12.4. In supplemental workpaper “SDGE-17-WP - 1FC002 CS - Field Supervision”, it shows the number of supervisors to be 13.

a. How many CS-F Supervision FTE were there in BY2016?

b. How many CS-F Supervision FTEs were there in 2017?

SDG&E Response 01:

1.a. There were 12.4 CS-F Supervision FTEs in BY 2016. The Total Labor FTE of 13 shown on line #6 of supplemental workpaper, “SDGE-17-WP - 1FC002 CS - Field Supervision”, was mislabeled as BY 2016. Additionally, the amounts shown on lines 7 -9 are not BY 2016 costs as labeled and were not used for the forecast calculation.

The attached file labeled, “ORA-SDGE-145-Q1 Attachment.xlsx”, is a revised workpaper to replace the supplemental workpaper labeled, “SDGE-17-WP - 1FC002 CS - Field Supervision Supplemental Workpaper 1”, included in Exhibit SDG&E-17-WP-R on page 64 of 86. It also replaces the native supplemental workpaper, “SDG&E-17-WP_Supplemental_1FC002.000_1.xlsx”, sent to ORA on 10/30/2017. The 3-year average (2014 – 2016) CS-Field Supervision FTE of 13 is shown on line 3. This data was used to derive the ratio of 11.5 CS-F Operations FTE per CS-F Supervision FTE shown on line 4.

1.b. There were 10.4 CS-F Supervision FTEs in 2017 adjusted recorded data.

2019 General Rate Case - A.17-10-007

Attachment to ORA-SDGE-145-CY3, Question 1

Exhibit Reference: SDG&E-17-R and Response to ORA-SDG&E-DR-101-CY, 1.b.

SDG&E Witness: Gwen Marelli

Subject: Customer Services-Field

REVISED WORKPAPER

- > To replace the supplemental workpaper labeled "SDGE-17-WP - 1FC002 CS - Field Supervision Supplemental Workpaper 1" included in Exhibit SDG&E-17-WP-R on page 64 of 86.
- > To replace the native supplemental workpaper, "SDG&E-17-WP_Supplemental_1FC002.000_1.xlsx" provided to ORA on 10/30/2017.
- > Revisions are highlighted in green.

TY 2019 CS - Field Supervision Estimated Cost

Line #	Calculation Factors	2017 Estimate	2018 Estimate	TY 2019 Estimate	Calculation Steps
1	CS - Field Operations FTE ¹	159	163	173	A
2	3 Year Average (2014 - 2016) CS - Field Operations FTE	154			B
3	3 Year Average (2014 - 2016) CS - Field Supervision FTE	13			C
4	3 Year Average CS - Field Operations FTE per CS - Field Supervisor FTE	11.5	11.5	11.5	D = B / C
5	2016 BY Average Supervisor Wage Rate	\$ 46.38	\$ 46.38	\$ 46.38	E
6	3 Year Average (2014 - 2016) Supervisor Non-Labor Per FTE	\$ 3,688.66	\$ 3,688.66	\$ 3,688.66	F
7	Total Annual Paid Hours	2,080	2,088	2,088	G
	CS - Field Supervision Costs	2017 Estimate	2018 Estimate	TY 2019 Estimate	Calculation Steps for 2017 to 2019 Estimate only
8	Total Labor FTE	13.8	14.1	15.1	H = A / D
9	Total Labor Costs	\$ 1,329,254	\$ 1,370,140	\$ 1,458,896	I = H x G x E
10	Total Non-Labor Costs	\$ 50,821	\$ 52,184	\$ 55,564	J = H x F
11	Total Costs	\$ 1,380,075	\$ 1,422,323	\$ 1,514,460	K = J + I

Notes:

1) For detailed calculations of CS - Field Operations FTE, refer to SDGE-17-WP - 1FC001 CS - Field Operations-Supplemental Workpaper 1. Total estimated FTE for 2017 thru 2019 is line #63 on page 53 of 86 of Exhibit SDGE-17-WP-R.

APPENDIX G

FTEs per Cost Increase in Table GRM-3 - CS-F Operations

APPENDIX G

FTEs per Cost Increase in Table GRM-3 - CSF Operations

		TY 2019 SDG&E Proposed	TY 2019 ORA Accepted
	CS-F OPERATIONS		
	Activity	All incremental funding request for CS-F Operations	1% increase in Drive Time & Other Incremental Funding Requests
1	Inrease due to the Order Forecast Methodology	8.31	
2	TY 2019 1% Increase in Drive Time Due to Increasing Traffic Congestion	1.62	1.62
	Incremental Funding Requests:		
3	Planned Meter Changes	7.92	7.92
4	Perform Bi-monthly Opt-Out Reads	4.94	4.94
5	Field Parts Replacement Service Program	1.73	1.73
6	Underset Regulator Remediation Program	1.35	1.35
7	Five-minute Clock Test	1.04	1.04
8	Non-labor for Multi-Gas Detector tool and Cell Phone Costs for Call Ahead Program	0.00	0.00
9	Total Incremental FTEs	26.9	18.6

APPENDIX H

**SDG&E's Response to SDCAN-DR-03,
Question 5**

APPENDIX H
SDG&E's Response to SDCAN-DR-03
SDCAN DATA REQUEST
SDCAN-SDG&E-DR-03
SDG&E 2019 GRC – A.17-10-007
SDG&E RESPONSE
DATE RECEIVED: FEBRUARY 23, 2018
DATE RESPONDED: MARCH 9, 2018

Exhibit Reference: SDCAN DR-01

SDG&E Witness: Stewart, Marelli and Hrna

5. In response to SDCAN DR1-23, you provided service guarantee data. Please provide a narrative explanation for the increase in missed appointments in 2014 and 2015, despite the reduction in appointments scheduled. Please also update the table provided with 2017 data when it becomes available in March 2018.

SDG&E Response 5:

The table below has been updated to include 2017. The increase in missed appointments in 2014, 2015 and 2017 is attributable to an increase in emergency orders caused by an increasing number of area odor calls and, additionally in 2017, an over-odorization event by an interconnecting non-utility pipeline.

Year	Appointments Scheduled	Appointments Missed	Credit to Customer (Nominal \$)
2012	84,436	66	\$ 2,580
2013	77,605	84	\$ 3,885
2014	68,195	139	\$ 5,400
2015	70,741	178	\$ 7,335
2016	63,740	66	\$ 2,640
2017	66,241	368	\$ 14,912