

Company: San Diego Gas & Electric Company (U902M)  
Proceeding: 2019 General Rate Case  
Application: A.17-10-007/008 (cons.)  
Exhibit: SDG&E-230

**SDG&E**

**REBUTTAL TESTIMONY OF TASHONDA TAYLOR**

**(HUMAN RESOURCES DEPARTMENT, SAFETY, WORKERS'  
COMPENSATION & LONG-TERM DISABILITY)**

**JUNE 18, 2018**

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



A  Sempra Energy utility®



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1 **SDG&E REBUTTAL TESTIMONY OF TASHONDA TAYLOR**  
2 **(HUMAN RESOURCES DEPARTMENT, SAFETY,**  
3 **WORKERS' COMPENSATION & LONG-TERM DISABILITY)**

4  
5 **I. SUMMARY OF DIFFERENCES**

6 **Table TT-1**  
7 **Comparison of SDG&E and Intervenors TY 2019 Estimated**  
8 **Total Operations & Maintenance (O&M) Expenses**  
9

<b>TOTAL O&amp;M - Constant 2016 (\$000)</b>			
	<b>Base Year 2016</b>	<b>Test Year 2019</b>	<b>Change</b>
SDG&E	<b>\$17,000</b>	<b>\$19,164<sup>1</sup></b>	<b>\$2,164</b>
ORA	<b>\$17,000</b>	<b>\$18,776</b>	<b>\$1,776</b>
TURN	<b>\$17,000</b>	<b>\$18,553</b>	<b>\$553</b>

10  
11 **II. INTRODUCTION**

12 This rebuttal testimony regarding SDG&E's funding request for the Human Resources  
13 Department, Safety, Workers' Compensation & Long-Term Disability addresses the following  
14 testimony from other parties:

- 15 • Office of Safety Advocate (OSA) as submitted by Ms. Carolina Contreras  
16 (Exhibit OSA-1), dated May 14, 2018.
- 17 • The Office of Ratepayer Advocates (ORA) as submitted by Ms. Stacey  
18 Hunter (Exhibit ORA-23), dated April 13, 2018.
- 19 • The Utility Reform Network (TURN), as submitted by Mr. William  
20 Marcus (Exhibit TURN-03) and Mr. Garrick Jones & Mr. William Marcus  
21 (Exhibit TURN-05), dated May 14, 2018.

22 As a preliminary matter, the absence of a response to any particular issue in this rebuttal  
23 testimony does not imply or constitute agreement by SDG&E with the proposal or contention

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<sup>1</sup> While compiling information for TURN-SEU-DR-011, Question 5, the utilities discovered an error in the workers' compensation (WC) and long-term disability (LTD) TY 2019 costs, whereby the medical reserves were inadvertently included in the calculation. Medical reserves (a credit) should not have offset WC and LTD costs. This resulted in SDG&E understating the WC and LTD amount by over \$629,000. See Appendix A for more information.

1 made by these or other parties. The forecasts contained in SDG&E's direct testimony,  
2 performed at the project level, are based on sound estimates of its revenue requirements at the  
3 time of testimony preparation.

4 This rebuttal testimony further supports the main themes proposed in the direct testimony  
5 of Tashonda Taylor (Ex. SDG&E-30), including RAMP-related activities within the SDG&E-3  
6 Employee, Contactor, Customer, and Public Safety and SDG&E-17 Workforce Planning  
7 respective RAMP chapters. Moreover, this testimony supports SDG&E's proposed medical  
8 escalation rate for Workers' Compensation-related medical costs.

9 The following is a brief overview of the points raised by OSA, ORA, and TURN that will  
10 be addressed in SDG&E's rebuttal testimony:

11  
12 **A. OSA**

13 The Office of Safety Advocate (OSA) submitted testimony on May 14, 2018.<sup>2</sup> The  
14 following is a summary of OSA's position(s):

- 15 • The safety culture assessment should (1) take a more comprehensive  
16 approach, (2) incorporate contractors and others affected by safety culture,  
17 (3) incorporate questions that reveal process safety perceptions, (4)  
18 evaluate the effectiveness of improvement strategies and follow best  
19 practices from industry safety culture experts.<sup>3</sup>
- 20 • OSA did not dispute forecasts, allocations, or methodologies for any non-  
21 shared or shared services costs.<sup>4</sup>

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<sup>2</sup> May 14, 2018, Prepared Direct Testimony of Carolina Contreras Addressing SDG&E/SoCalGas Safety Policy and Management of Safety, on behalf of The Office of Safety Advocate [OSA], Exhibit OSA-1, Chapter 2 (Contreras).

<sup>3</sup> *Id.* at 2-2 to 2-3.

<sup>4</sup> *See id.*

1           **B.     ORA**

2           ORA issued its report on Human Resources Department, Safety, Workers' Compensation  
3 & Long-Term Disability and also Compensation & Benefits; Pension & Postretirement Benefits  
4 Other Than Pension on April 13, 2018.<sup>5</sup> The following is a summary of ORA's position(s):

- 5           • Proposes a reduced Workers' Compensation medical premium escalation  
6           rate of 4.25% in TY 2019.<sup>6</sup>
- 7           • RAMP-related training expenses in Organizational Effectiveness should  
8           be proposed at the alternate funding level of \$132,000.<sup>7</sup>
- 9           • Non-Shared Service forecasts and methodologies for Chief HR and CAO,  
10          Safety, Wellness, and Employee Care Services, Long-Term Disability,  
11          Diversity and Workforce Management, Employee Communications, HR  
12          Diversity, and Offices of the President and Chief Operating Officer should  
13          be adopted.<sup>8</sup>
- 14          • All Shared-Service forecasts and allocation methodologies should be  
15          adopted.<sup>9</sup>

16  
17           **C.     TURN**

18           The Utility Reform Network (TURN) submitted testimony on May 14, 2018.<sup>10</sup> The  
19 following is a summary of TURN's position(s):

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<sup>5</sup> April 13, 2018, ORA Report on Human Resources Department, Safety, Workers' Compensation, & Long-Term Disability, Exhibit ORA-23 (Stacey Hunter); April 13, 2018, ORA Report on Compensation & Benefits; Pension & Postretirement Benefits Other Than Pension, Exhibit ORA-22 (Stacey Hunter).

<sup>6</sup> Ex. ORA-23 (Hunter) at 1.

<sup>7</sup> *Id.* at 11.

<sup>8</sup> *Id.* at 6-8, 13.

<sup>9</sup> *Id.* at 1.

<sup>10</sup> May 14, 2018, Prepared Direct Testimony of William Marcus Addressing the Various Results of Operational Issues in SoCalGas and SDG&E's 2016 Test Year General Rate Cases, on behalf of The Utility Reform Network [TURN], Exhibit TURN-03 (Marcus); May 14, 2018 Prepared Testimony of Garrick F. Jones and William P. Marcus Addressing the Proposals of SDG&E and SoCalGas in Their Test Year 2019 General Rate Case, on behalf of TURN, Exhibit TURN-05 (Jones).

- Edison Electric Institute (EEI) membership dues should be 100% shareholder funded; alternatively, no more than 50% of the base year gross cost should be funded by ratepayers.<sup>11</sup>
- Proposes a reduced Workers' Compensation medical premium escalation rate of 6% in TY 2019.<sup>12</sup>
- TURN did not dispute forecasts, allocations, or methodologies for any shared services costs.

### III. OSA SAFETY CULTURE

In its testimony, OSA made several recommendations regarding select aspects of SDG&E's safety culture enhancements, approach to managing safety and related improvements, potential safety gaps, and means to help the Commission hold SDG&E accountable for its safety.<sup>13</sup>

OSA summarizes its goal as follows:

*“This testimony recommends improvements to the Utilities’ approach to managing safety in order to achieve greater effectiveness of existing and proposed safety programs and investments, enhance their commitment to safety, and mitigate potential pitfalls that could compromise the success of important safety initiatives in the long-term, such as the implementation of safety management systems.”<sup>14</sup>*

SDG&E will address certain OSA recommendations individually, as follows:

OSA Recommendation 1:

*“The Utilities should adopt a more comprehensive multi-method approach to assessing their safety culture by ideally incorporating the five methods listed in Table 1, but at minimum, by at least incorporating one for each information type. If the latter, the*

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<sup>11</sup> Ex. TURN-03 (Marcus) at 73-74.

<sup>12</sup> Ex. TURN-05 (Jones) at 105.

<sup>13</sup> Ex. OSA-1, Chapter 1 (Contreras) at 1-1 to 1-2.

<sup>14</sup> *Id.* at 1-2. Throughout my rebuttal I italicize quoted language from OSA for ease in reading. The italics are not in the original testimony submitted by OSA.

1            *Utilities should strive to incorporate an ideal comprehensive approach to their*  
2            *assessments based on the needs of each utility as their assessment efforts mature.”<sup>15</sup>*  
3

4            SDG&E agrees with OSA that a multi-method framework, like the one identified in  
5 Table 1<sup>16</sup> of OSA’s testimony, should be utilized to comprehensively assess safety culture.  
6 When SDG&E began its journey in 2013 to begin formally assessing its safety culture, it did  
7 consider these tools and methodologies. Good change management, however, must be done  
8 methodically and in steps. As stated the NorthStar report, *Assessment Of Pacific Gas And*  
9 *Electric Corporation And Pacific Gas And Electric Company’s Safety Culture Prepared For*  
10 *California Public Utilities Commission*,<sup>17</sup> PG&E has repeatedly stated its intention to change its  
11 safety culture, has allocated significant resources to a variety of safety programs, and has made  
12 some fragmented progress in developing a safety culture. Nevertheless, the Report also finds  
13 that PG&E’s overall progress is uneven across its gas and electric lines of business, and that  
14 while there are many programs underway, they do not yet add up to a consistent, robust, and  
15 accountable corporate-wide safety program.<sup>18</sup> As such, SDG&E chose its approach to avoid  
16 overwhelming employees, as implementing all methodologies at once could overwhelm  
17 employees and lead to employee resistance. SDG&E initiated a nationally recognized survey  
18 instrument to gather employee perception and gradually and methodically worked with  
19 employees to define, measure, assess, and improve its safety culture on an ongoing and  
20 sustainable basis.

21            SDG&E selected the National Safety Council (NSC) Barometer Survey for a variety of  
22 reasons. NSC is an independent, non-profit organization having conducted employee perception  
23 surveys for more than two decades, covering a cross section of businesses and millions of  
24 employees. In addition, the survey offers a unique benchmarking opportunity against  
25 participating organizations in the NSC Database to produce comparative percentile scores. The

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<sup>15</sup> *Id.* at 2-3.

<sup>16</sup> *Id.* at 2-14.

<sup>17</sup> *Assessment Of Pacific Gas And Electric Corporation And Pacific Gas And Electric Company’s Safety Culture Prepared For California Public Utilities Commission* (Apr. 21, 2017).

<sup>18</sup> Scoping Memo and Ruling of Assigned Commissioner, Investigation (I.) 15-08-019 (Aug. 27, 2015) at 2 (discussing the NorthStar report).



1 added benefit is the survey polls the entire workforce seeking anonymous confidential input from  
2 employees on safety culture. Conducting the survey bi-annually ensures consistency and is a  
3 reasonable and appropriate way to continue SDG&E's safety culture journey. SDG&E agrees  
4 with OSA's long-term goal and plans to formally integrate additional components of the  
5 framework over time to continually, but gradually, expand the scope and allow employees to  
6 understand, appreciate, and own the process and outcome.

7 The direct testimony of Tashonda Taylor (Ex. SDG&E-30) at pages TT-6 to TT-11 identifies  
8 numerous elements of SDG&E's safety culture that relate to the multi-method framework  
9 identified in Exhibit OSA-1, Table 1.<sup>19</sup> Prime examples are:

- 10 • Questionnaires
  - 11 ○ NSC Safety Barometer safety culture assessment survey
  - 12 ○ Employee Engagement survey
- 13 • Interviews
  - 14 ○ Direct feedback received by SDG&E executives from frontline employees and
  - 15 supervisors at Executive Safety Council meetings
  - 16 ○ Over 60 field and office safety committees, including electric and gas safety
  - 17 subcommittees, providing leadership in creating and maintaining a healthy and
  - 18 incident-free workplace
- 19 • Focus Groups
  - 20 ○ Executive Safety Council meetings, conducted at company locations throughout
  - 21 the service territory, to discuss employee safety and the things the Council can do
  - 22 to support employees and improve safety
  - 23 ○ Behavior Based Safety (BBS) Steering Team meetings
  - 24 ○ Grassroots Culture Change program team meetings
  - 25 ○ *Just Culture*, a proactive human performance improvement initiative, which is a
  - 26 methodology for managing organizational risks and building a safe and high
  - 27 accountability culture. *Just Culture* provides a consistent approach to
  - 28 accountability that evaluates quality of choice (human error, at risk behavior, or

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<sup>19</sup> Ex. OSA-1, Chapter 2 (Contreras) at 2-14.

reckless behavior) as it relates to work processes, established rules, procedures and values.

- Safety Congress, an annual event designed to provide safety training, share best practices, and promote leadership and employee engagement
- Safety Awards, presented annually at the Safety Congress, recognize individual and team safety standouts who embrace SDG&E's strong safety culture and demonstrate safety leadership
- Quarterly contractor safety meetings, including an annual Contractor Safety Summit, aimed at sharing best practices, incidents, results of incident investigations, success stories, and more

- Observation

- BBS Program, intended to reduce the occurrence of at-risk behaviors by modifying an individual's actions and/or behaviors through observation, feedback, and positive interventions aimed at developing safe work habits
- Grassroots Culture Change program empowers employees through employee-led teams that train and work with front-line employees to advance a positive safety culture in their work groups by addressing behaviors and norms to take safety beyond compliance
- Close Call/Near-Miss Program, whereby employees report close calls in tailgates, safety meetings, and through an online process

- Document Analysis

- Action plans developed by departments as a direct result of the Safety Barometer surveys
- Environmental & Safety Compliance Management Program (ESCMP), an environmental, health, and safety management system that helps to plan, set priorities, inspect, educate, train, and monitor the effectiveness of environmental, health, and safety activities
- SDG&E and the International Brotherhood of Electrical Workers (IBEW) Local 465 established the Overhead Safety Partnership to conduct a thorough examination of both industry and OSHA Best Practices to ensure that SDG&E's

1 work practices are aligned with industry best practices, and to recommend  
2 improvements to enhance line worker safety.

- 3 ○ Results from BBS Program observations are shared with employees at Steering  
4 Team meetings.
- 5 ○ Projects and initiatives resulting from the Grassroots Culture Change program
- 6 ○ Contractor Safety Program that:
  - 7 ■ Evaluates and verifies the safety records of contractors before they are hired  
8 for high and medium risk work
  - 9 ■ Enhances contractor safety standard contract requirements
  - 10 ■ Provides for review by qualified SDG&E personnel of contractor safety plans
  - 11 ■ Establishes business unit contractor oversight procedures
  - 12 ■ Establishes post-project safety evaluations of work performed by contractors  
13 and capturing/sharing of lessons learned
- 14 ○ A variety of other means, including minutes from safety meetings, risk  
15 assessments procedures, incident investigations, internal and external audit  
16 results, safety suggestions, and training records.

17 OSA Recommendation 2:

18 *“The Utilities should work to incorporate contractors and any others involved in a work*  
19 *process or at a work site who are the responsibility of the operator or who could affect or*  
20 *be affected by safety culture.”<sup>20</sup>*

21 SDG&E agrees with OSA’s fundamental premise that contractors play an important  
22 safety role and should be included in the assessment of the overall safety culture. However,  
23 OSA’s rebuttal statement fails to account for SDG&E’s very robust contractor safety program,  
24 which in many ways achieves OSA’s stated goal of incorporating contractors in the Company’s  
25 overall assessment and includes continuous enhancements to better align with industry best  
26 practices and improve safety culture.

27 As mentioned in Tashonda Taylor’s direct testimony (Ex. SDG&E-30) on page TT-10  
28 beginning on line 4, some of the components of SDG&E’s program that demonstrate its  
29 commitment to contractor safety include: 1) evaluation and verification of the safety records of

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<sup>20</sup> Ex. OSA-1, Chapter 2 (Contreras) at 2-15 (emphasis in the original).

1 contractors before they are hired for high and medium risk work; 2) enhanced contractor safety  
2 standard contract requirements; 3) review by qualified company personnel of contractor safety  
3 plans; 4) established business unit contractor oversight procedures; and 5) post-project safety  
4 evaluations of work performed by contractors and capturing/sharing of lessons learned.

5 While SDG&E does not survey the employees of contractors to avoid issues of co-  
6 employment, SDG&E does focus, as it should, on closely working with contractors on their own  
7 safety culture program. SDG&E ensures that contractors' safety culture aligns with SDG&E's  
8 through initiatives such as, the Gold Shovel Standard (GSS), a nonprofit organization committed  
9 to public safety by driving consistent contractor participation in preventing excavation dig-ins.<sup>21</sup>  
10 The GSS employs industry best practices to certify that contractors have demonstrated the  
11 highest level of safety performance in the field.

12 SDG&E conducts quarterly meetings with contractors to share best practices, ensure  
13 consistent and continuous communications, discuss areas of opportunity for improvement, and  
14 celebrate successes. This includes the SDG&E's Annual Contractor Safety Summit, which  
15 includes hundreds of participants, representatives from other California utilities, and the Safety  
16 Enforcement Division (SED) of the California Public Utilities Commission (CPUC).<sup>22</sup>

17 As previously mentioned, SDG&E utilizes an independent third-party administrator,  
18 ISNetworld. ISNetworld helps improve workplace safety around the globe through its tools and  
19 resources, system capabilities, implementation support and measurable, data-driven safety and  
20 compliance results.<sup>23</sup> These are all critical components to SDG&E's safety-first ideology.

21 Additionally, SDG&E currently has two facilities certified under the OSHA Voluntary  
22 Protection Program (VPP) and is pursuing additional sites.<sup>24</sup> VPP is a means to organize and  
23 validate safety practices and programs into a systematic process that fosters continual  
24 improvement in workplace safety with the goal to be best in class. One of the elements of VPP

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<sup>21</sup> Oct. 6, 2017, Direct Testimony of Tashonda Taylor on Human Resources Department, Safety, Workers' Compensation & Long-Term Disability, Exhibit SDG&E-30 (Taylor) at TT-10.  
<http://goldshovelstandard.org/>

<sup>22</sup> *Id.*

<sup>23</sup> *Id.* at TT-14.

<sup>24</sup> *Id.* at TT-16.

1 is the Contractor Safety Program.<sup>25</sup> In addition to the requirements the program be written and  
2 thorough, the program is evaluated to ensure contractors are adequately pre-qualified (i.e.,  
3 trained, written safety programs in place, low safety incident rate, etc.), observed during the job  
4 (to ensure safe work practices and behaviors) and evaluated post-job. Incident reporting,  
5 investigation and corrective action implementation, quick response to potential hazards, and job  
6 site inspections are additional requirements of the Contractor Safety Program that can contribute  
7 to or determine the overall contractor safety culture.<sup>26</sup>

8 Lastly, SDG&E's membership in the Campbell Institute, part of the National Safety  
9 Council, contains a Contractor Management workgroup, in which SDG&E participates.<sup>27</sup> The  
10 Campbell Institute is a respected global thought leader for world-class knowledge on keeping  
11 people safe and stewarding the earth's valuable resources. The Campbell Institute empowers all  
12 enterprises to become world-class organizations in environment, health, and safety through  
13 membership engagement and knowledge sharing. By gathering and disseminating the best  
14 practices and lessons learned from members, the institute inspires all organizations to attain and  
15 maintain the highest environmental, health, and safety (EHS) standards.

16 SDG&E continually looks for other effective ways, such as interviews, focus groups,  
17 observations, and document analysis to integrate contractors into the formal safety culture  
18 assessment process.

19 OSA Recommendation 3a:

20 *"The Utilities, especially SDG&E, must:*

- 21 • *Evaluate the effectiveness of the improvement strategies that resulted from the safety*  
22 *culture assessment. This involves monitoring the implementation of the improvement*  
23 *actions and the impact of the outcomes.*
- 24 • *Follow best practices for effective safety culture assessments, such as those*  
25 *promulgated by safety culture experts or equivalent documents from other*  
26 *industries.*"<sup>28</sup>

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<sup>25</sup> *Id.* at TT-5.

<sup>26</sup> *Id.* at TT-14 to TT-15.

<sup>27</sup> <https://www.thecampbellinstitute.org/participants>

<sup>28</sup> Ex. OSA-1, Chapter 2 (Contreras) at 2-17.

1 OSA also notes that SDG&E had a lower overall score and lower employee participation  
2 in the 2016 survey compared to the 2013 survey and suggests it could be due to:

3 “a lack of:

- 4 • *evaluating effectiveness of the improvements implemented;*
- 5 • *follow-through and communication with employees; and/or*
- 6 • *commitment from leadership to make the improvements necessary.*”<sup>[29]</sup>

7  
8 SDG&E agrees with OSA’s emphasis on the importance of prompt and diligent follow up  
9 with employees on the survey results, which is why SDG&E does promptly follow-up with  
10 employees regarding survey results. SDG&E does not agree that a score decline from the results  
11 of the initial 2013 survey signifies there is a follow-up or communication problem. The score  
12 decline may be due to many reasons other than those inferred by OSA.<sup>30</sup> For example, SDG&E  
13 rolled out the 2013 survey in a larger way, emphasizing the importance and value of  
14 participation, promoting the survey more regularly, sending more reminders to employees to  
15 complete the survey, giving a longer completion period, and the survey’s timing along with other  
16 enterprise events. If SDG&E is correct in these assumptions, the Company can ramp up  
17 participation in the next survey by simply increasing its promotion efforts akin to 2013. The  
18 document, “A Regulator’s Guide to Safety Culture and Leadership,”<sup>31</sup> cited by OSA, notes that  
19 “There is a danger that companies will use questionnaire results as a performance measure on the  
20 assumption that a high score equals a better safety culture. This approach is likely to result in  
21 managers focusing on how to improve their score (e.g., by incentivizing positive responses)  
22 rather than improving the safety culture.”

23 In this regard, it is unreasonable to place too much emphasis on a decline in the survey  
24 score. SDG&E welcomed the candid feedback received from employees and viewed the results  
25 of the 2016 survey as an opportunity to seek improvement. Specifically, SDG&E addressed the  
26 8-point decline in overall score by:

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<sup>29</sup> *Id.* at 2-15 to 2-16.

<sup>30</sup> OSA suggested the score decline was due to “*evaluating effectiveness of the improvements implemented; follow-through and communication with employees; and/or commitment from leadership to make the improvements necessary.*” *Id.* at 2-16 (emphasis in the original).

<sup>31</sup> “A Regulator’s Guide to Safety Culture and Leadership,” Technical Report prepared by Mark Fleming, PhD and Natasha Scott, PhD, Saint Mary’s University at 52.

- Strengthening the action planning efforts by working more closely with departments.
- Increasing the number of departments with action plans.
- Creating a repository for departments to update their plans and review plans of other departments.
- Ensuring items within the action plans are addressed and communicated and routinely revisited.

Additionally, SDG&E continued to examine its safety culture efforts and adopted or incorporated additional safety elements into its culture. As described above, SDG&E

- Strengthened the Contractor Safety Program using ISNetworld in its Overhead Safety Partnership,
- Engaged the Code of Excellence, the platform for formalizing the partnership between SDG&E and IBEW Local 465, with Safety Focus as one of its six tenets,
- Developed a collaboration between the separate BBS program processes to share best practices and achieve consistency,
- Plans to implement *Just Culture*, a proactive human performance improvement initiative,
- Established a team to create a more comprehensive incident investigation standard and reporting process,
- Enhanced its collaboration between the joint union and management Electric Safety Subcommittee and the Gas Safety Subcommittee,
- Joined the Gold Shovel Standard (GSS), and
- Acquired several National Safety Council (NSC) Defensive Driver Training modules, available to all SDG&E employees, to augment the existing Smith System<sup>®</sup> Defensive Driving training program *Five Keys to Space Cushion Driving*.

OSA Recommendation 3b:

*“For future surveys, the Utilities should consider incorporating questions that reveal process safety perceptions, and proactively work to ensure that its workforce is well aware of process safety, its importance, and the differences with occupational safety.”*<sup>32</sup>

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<sup>32</sup> Ex. OSA-1, Chapter 2 (Contreras) at 2-18.

1 SDG&E agrees fundamentally with OSA that safety culture results can be influenced  
2 depending on employees' understanding of the term "safety." This is one reason SDG&E  
3 consistently communicates with its employees that safety focuses on three primary areas:  
4 employee safety, customer safety, and public safety.

5 The NSC survey utilized by SDG&E consists of 50 standardized safety program  
6 questions that represent six fundamental safety program categories.<sup>33</sup> The safety program  
7 category topics that are covered include:

- 8 • Management Participation
- 9 • Safety Support Activities
- 10 • Supervisor Participation
- 11 • Safety Support Climate
- 12 • Employee Participation
- 13 • Organizational Climate

14 When employees take the survey, the instructions encourage employees to provide  
15 feedback about their organization's safety management system, including its components and the  
16 way it is being operated. Employees have an opportunity to express opinions and make  
17 observations that will improve the safety management system. The instructions do not limit  
18 employee responses to employee safety, system safety, or public safety. Thus, the survey itself  
19 uses a broad and inclusive definition of safety. A handful of survey questions specifically  
20 address employee safety, but the overwhelming majority of the questions address safety in  
21 general without being tied to employee, process, system, customer, or public safety.

22 SDG&E contends that employee actions, behaviors, and decisions impact safety in every  
23 category, whether it is employee safety, process safety, system safety, or customer/public safety.  
24 The NSC employee perception survey is broad and fundamental enough to capture employees'  
25 opinions about how safety in general is managed within the company at different levels.

26 SDG&E agrees there is opportunity to improve the survey by adding questions that may  
27 not be adequately addressed in the NSC's list of 50 standard questions. For example, SDG&E

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<sup>33</sup> <https://www.nsc.org/work-safety/services/surveys/survey-faqs#Q4>



1 added to the 2016 survey the following two agree/disagree questions to NSC’s list of 50 standard  
2 questions that pertain to Stop-the-Job authority and Close Call/Near Miss reporting:<sup>34</sup>

- 3 • My supervisor will support me if I "stop the job" when I believe conditions are unsafe.
- 4 • I feel comfortable reporting near-miss/close-call incidents.

5 Both questions capture employees’ comfort with reporting unsafe conditions or incidents  
6 whether they are related to employee safety or system safety. Based on feedback from  
7 employees through the NSC survey, SDG&E is making continual improvements in these areas.  
8 SDG&E employees have been reporting near misses and stop the job events covering all types of  
9 safety conditions/behaviors. Because these two questions are not part of NSC’s list of 50  
10 standard questions, benchmarking comparison are unavailable.

11 SDG&E’s next NSC survey is planned for the second half of 2018 and SDG&E is once  
12 again looking at adding a few questions pertaining to process/system safety that are of  
13 importance to continue to improve the NSC survey tool. Also, as part of the survey process and  
14 on an ongoing basis, SDG&E continues to work proactively with its employees to ensure they  
15 are well aware of the broader context of safety, to include system safety, process safety,  
16 customer safety, public safety, contractor safety, and occupational safety.

#### 17 **IV. REBUTTAL TO PARTIES’ O&M PROPOSALS**

##### 18 **A. Non-Shared Services O&M**

19 **Table TT-2**  
20 **Comparison of SDG&E and Intervenors TY 2019 Estimated**  
21 **Total Operations & Maintenance (O&M) Expenses**  
22

<b>NON-SHARED O&amp;M - Constant 2016 (\$000)</b>			
	<b>Base Year 2016</b>	<b>Test Year 2019</b>	<b>Change</b>
SDG&E	<b>\$17,000</b>	<b>\$19,164</b>	<b>\$2,164</b>
ORA	<b>\$17,000</b>	<b>\$18,776</b>	<b>\$1,776</b>
TURN	<b>\$17,000</b>	<b>\$18,553</b>	<b>\$553</b>

<sup>34</sup> <https://www.nsc.org/work-safety/services/surveys/survey-faqs#Q4>

1                   **1.       Workers’ Compensation Medical Escalation**

2                   **a.       ORA**

3                   ORA takes issue with the Test Year O&M forecast for Workers’ Compensation medical  
4 premium escalation rate of 6.5% used in the SDG&E’s forecast calculation.

5                   ORA proposes an alternative medical premium escalation:

6                   *“The 2017 Employer Health Benefits Survey, prepared by the Kaiser Family Foundation,*  
7 *found that the average family premium increase for employers is expected to average 3%.*  
8 *Price Waterhouse Coopers’ Health Research Institute projects 2018’s medical cost trend*  
9 *to be 6.5% - the first uptick in growth in three years. ORA used an average of these two*  
10 *rates to develop ORA’s recommended medical escalation rate of 4.25% for 2018 and*  
11 *2019.”<sup>35</sup>*

12                   **b.       TURN**

13                   TURN also takes issue with the Test Year O&M forecast for Workers’ Compensation  
14 medical premium escalation. TURN proposes its own medical premium escalation rate of 6% in  
15 TY 2019 stating that SDG&E’s forecasted 6.5% was applied to conform to the medical benefit  
16 forecast and “unreasonably high.”<sup>36</sup>

17                   SDG&E disagrees with ORA and TURN’s application of alternative medical premium  
18 escalation rates. SDG&E’s medical escalation forecast, which was prepared by Willis Towers  
19 Watson, is more appropriate because it takes into account demographic factors specific to  
20 SDG&E. These demographic factors – location, workforce demographics, and medical plan  
21 design – are key drivers of medical plan costs. A more detailed rebuttal is provided in witness  
22 Ms. Debbie Robinson’s rebuttal testimony (Exhibit SCG-230/SDG&E-228).

23                   Furthermore, the medical premium escalation rate is only one component of the total  
24 Worker’s Compensation forecast calculation. When comparing TY 2016 GRC total Workers’  
25 Compensation forecasts for 2014 – 2016<sup>37</sup> with actuals shown on the corrected Supplemental  
26 Workpaper in Appendix A, SDG&E’s forecast was underestimated in 2014 by more than

---

<sup>35</sup> Ex. ORA-22 (Hunter) at 17-18 (internal citation omitted).

<sup>36</sup> Ex. TURN-05 (Jones) at 105.

<sup>37</sup> See Appendix B.

1 \$267,000 and \$550,000 in 2016; 2015 was over forecast by approximately \$384,000. This  
2 analysis validates SDG&E’s use of the medical premium escalation rate prepared by Willis  
3 Towers Watson<sup>38</sup> and dispels TURN’s presumption of SDG&E conforming its forecasts for the  
4 medical benefit. SDG&E contends its use of a three-year average and non-standard escalation  
5 for the five Workers’ Compensation components methodology is fair and reasonable. The  
6 Commission should adopt SDG&E’s forecast as reasonable.

7 **2. RAMP-Related Training Expenses**

8 **a. ORA**

9 ORA takes issue with the TY 2019 O&M forecast for Organizational Effectiveness,  
10 specifically with the cost estimates associated with RAMP-related training programs, proposing  
11 an alternate funding level.

12 ORA states the following:

13 *“The RAMP-related cost estimates include various levels of funding. The*  
14 *RAMP forecasts in this section total \$330,000, which is significantly higher than*  
15 *the alternate funding level of \$132,000. Until SDG&E has more years of recorded*  
16 *expenses, ORA recommends a more conservative estimate to protect ratepayers*  
17 *from overpaying for a new program. ORA recommends that RAMP projects be*  
18 *funded at the alternate funding level of \$132,000. This results in an adjustment of*  
19 *\$198,000 in non-labor, for an ORA recommended expense of \$1.980 million for*  
20 *Diversity and Workforce Management expenses for 2019.”*<sup>39</sup>

21 As described in Ex. SDG&E-30 on page TT-24 beginning on line 3, SDG&E is  
22 requesting funds for RAMP-related training programs. First and foremost, it should be noted  
23 that ORA has not argued that the programs should not be funded at all. Second, since all  
24 programs are in development or were implemented in late 2017 and are ongoing, SDG&E  
25 maintains its position on needing the full resources to continue the programs and disagrees with  
26 ORA’s position that fully funding the programs would cause ratepayers to overpay. The costs  
27 are not speculative because these programs are not new.

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<sup>38</sup> Ex. SCG-30/SDG&E-28 (Robinson) at DSR-30.

<sup>39</sup> Ex. ORA-23 (Hunter) at 11 (internal citation omitted).

1 Furthermore, the alternate funding level that was proposed by ORA was based on the  
2 lower end of the range proposed in the initial RAMP filing. The project assumptions and  
3 estimated costs put forth in the RAMP Report were superseded by the requests made in  
4 supporting testimony in the TY 2019 GRC. GRC workpapers include a range of estimated costs  
5 for RAMP mitigation activities. The range reflected in the TY 2019 workpapers may not always  
6 align with the range put forth in the RAMP Report which was developed in 2015. Also,  
7 SDG&E agrees with ORA when, as stated in Ex. ORA-3 on RAMP-to-GRC Integration, “ORA  
8 recommends that the data produced by the RAMP and integrated into this GRC be used to  
9 inform funding decisions, but not to dictate these decisions or bypass a traditional review of  
10 proposals and their alternatives.”<sup>40</sup>

11 The Supervisor Effectiveness, Working Foremen Leadership, and Human Performance  
12 programs focus on enterprise-wide leadership and behavior development programs and services  
13 that translate business needs into specific team and individual learning needs. These programs  
14 are aimed at increasing involvement in field operations and leadership levels where program  
15 quality and accuracy are needed for success.

- 16 • Supervisor Effectiveness enhances supervisor knowledge, leadership skills, safety  
17 awareness, and policy knowledge.<sup>41</sup> The program aims to minimize knowledge  
18 loss attributed to retirement and natural attrition. Supervisor Effectiveness is  
19 comprised of two trainings: Selection and Essentials. Selection launched in Q4 of  
20 2017 and will continue through all divisions. Essentials launched company-wide  
21 in Q3 2017 and will be on going for all new supervisors. In 2017, more than  
22 \$48,000 was spent on program development and implementation.
- 23 • Field Leadership Development Program (formerly Working Foreman (WF)  
24 Leadership Training) is intended to enhance SDG&E’s safety culture by  
25 improving WF leadership skills in the areas of communication, coaching, and  
26 feedback.<sup>42</sup> Field Leadership Development Program is currently in development

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<sup>40</sup> April 13, 2018, ORA Report on Risk Management Policy; Enterprise Risk Management Organization; RAMP/GRC Integration; Pipeline Integrity; SoCalGas PSEP, Exhibit ORA-3 (Nils Stannik) at 15.

<sup>41</sup> Investigation (I.) 16-10-015, Risk Assessment and Mitigation Phase Report of San Diego Gas & Electric Company and Southern California Gas Company, Chapter SDG&E-17 (Tashonda Taylor) at 19

<sup>42</sup> Ex. SDG&E-30 (Taylor) at TT-24.

1 and scheduled for implementation in Q3 of 2018. In 2017, more than \$120,000  
2 was spent on program development.

- 3 • SDG&E benchmarking efforts in human performance illustrate a significant  
4 positive impact on safety behaviors. Human performance is a set of techniques  
5 and methods to enhance safety preparedness and investigations, creating a unified  
6 and consistent approach to safety leadership.<sup>43</sup> Human Performance (currently  
7 *Just Culture*) is in development and scheduled for implementation in Q3 of 2018.  
8 In 2017, more than \$85,000 was spent on program development.

9 As illustrated above, the RAMP-related programs are already implemented or in  
10 development and are consistent with SDG&E's forecasts, addressing ORA's concern of  
11 ratepayer overpayment. Organizational Effectiveness RAMP-related TY 2019 estimated  
12 expenses are necessary for sustaining employee safety awareness, practices, and health. The  
13 Commission should adopt SDG&E's forecast as reasonable.

14 **b. TURN**

15 TURN did not take issue with SDG&E's forecast for this cost category/cost center. The  
16 Commission should adopt SDG&E's forecast as reasonable.

17 **3. Edison Electric Institute (EEI) Dues**

18 **a. ORA**

19 ORA did not take issue with SDG&E's forecast for this cost category/cost center. The  
20 Commission should adopt SDG&E's forecast as reasonable.

21 **b. TURN**

22 TURN reduces the Test Year O&M forecast for EEI dues, recommending membership  
23 dues be 100% shareholder funded; or alternatively, that no more than \$300,000 (50% of the base  
24 year gross cost) be funded by ratepayers.<sup>44</sup> TURN states that SDG&E did not provide  
25 supporting documentation of the increase of dues from \$600,000 to \$800,000 in TY 2019, and  
26 failed to meet its burden of proof regarding exclusions for "lobbying", including legislative and  
27 regulatory advocacy, public relations, advertising, donations, and club dues.

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<sup>43</sup> *Id.* at TT-24 to TT-25.

<sup>44</sup> TURN-03 (Marcus) at 73-75.

1 SDG&E disagrees with TURN’s proposed reductions. The EEI invoices provided in  
2 response to TURN Data Request-019<sup>45</sup> identify the portions of the membership fees that EEI  
3 attributes to “lobbying” activities. SDG&E reduced its request according to the information  
4 provided on EEI invoices.

5 EEI brings SDG&E employees together with peers and colleagues from other companies  
6 in the industry to perform collective activities that are not regularly performed by the individual  
7 companies on a full-time basis, such as benchmarking studies, industry surveys, and sharing best  
8 practices. This collaborative approach benefits SDG&E ratepayers by reducing the need for  
9 expensive customized research and studies, consultants and experts, database development and  
10 maintenance, publication development, and specialized training. The Commission should adopt  
11 SDG&E’s forecast as reasonable.

12 **B. Shared Services O&M**

13 **Table TT-3**  
14 **Comparison of SDG&E and Intervenors TY 2019 Estimated**  
15 **Total Operations & Maintenance (O&M) Expenses**  
16

<b>SHARED O&amp;M - Constant 2016 (\$000)</b>			
	<b>Base Year 2016</b>	<b>Test Year 2019</b>	<b>Change</b>
SDG&E	<b>\$4,118</b>	<b>\$4,606</b>	<b>\$488</b>
ORA	<b>\$4,118</b>	<b>\$4,606</b>	<b>\$488</b>
TURN	<b>\$4,118</b>	<b>\$4,606</b>	<b>\$488</b>

17 Intervenors ORA and TURN did not take issue with SDG&E’s forecasts for shared  
18 services O&M cost categories/cost centers. The Commission should adopt SDG&E’s forecasts  
19 as reasonable.  
20

21 **V. CONCLUSION**

22 SDG&E agrees with OSA’s overarching conclusion that adequate conditions that  
23 promote improvements in managing and enhancing commitments to safety are necessary to

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<sup>45</sup> TURN-SEU-DR-019, Question 7, attached as Appendix C.

1 ensure the effectiveness of safety programs and spending.<sup>46</sup> In Section III of this testimony,  
2 SDG&E demonstrates its multi-method, comprehensive approach, describing programs,  
3 initiatives, and efforts for each of the five assessment methods recommended by OSA.<sup>47</sup>  
4 SDG&E acknowledges and agrees, in principal, with OSA's overarching conclusion and  
5 continues to be steadfast in the ongoing need for improvement.

6 RAMP-related activities that were proposed in the TY 2019 GRC filing were based on  
7 reducing safety risks and enhancing safety outcomes and not necessarily reducing costs.  
8 Because RAMP-related activities should be primarily evaluated on their capability of reducing  
9 risk (and not just the cost), estimates proposed in the 2015 RAMP filing should not be used in  
10 determining TY 2019 forecasts. The RAMP funding request in this GRC filing is better aligned  
11 with the activities and resource levels being requested.

12 SDG&E's medical escalation forecast prepared by Willis Towers Watson is more  
13 appropriate than ORA or TURN's proposed escalation rates because it includes demographic  
14 factors specific to SDG&E. Moreover, comparisons between SDG&E's 2016 GRC Workers'  
15 Compensation forecasts and actuals in the 2019 GRC workpapers further validate SDG&E's  
16 calculation and methodology.

17 This concludes my prepared rebuttal testimony.

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<sup>46</sup> Ex. OSA-1, Chapter 1 (Contreras) at 1-3.

<sup>47</sup> Ex. OSA-1, Chapter 2 (Contreras) at 2-15.

**APPENDIX A**  
**Data Request TURN-SEU-DR-011**



## Appendix A

As noted in the Summary table and corresponding footnote on page TT-1 of this document, errors were found in the methodology used to derive the Workers' Compensation recorded costs. SDG&E determined that Worker's Compensation Reserves should not be included in workpaper totals, so the Total Cost amounts shown on supplemental workpaper pages 37-38 and 42 are incorrect, which also causes the Projected Costs that are included in the SDG&E Revenue Requirement to be understated.

This error was discovered when drafting a response to a TURN data request. A corrected response was provided as part of TURN-SEU-DR-011 Question 5, which also included an attachment describing the error and correct amounts for 2017, 2018, and 2019.

**TURN DATA REQUEST-011**  
**SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8**  
**SDG&E\_SOCALGAS RESPONSE**  
**DATE RECEIVED: FEBRUARY 6, 2018**  
**DATE RESPONDED: FEBRUARY 27, 2018**

Data Request No: TURN SEU - 011  
Exhibit Reference: SDG&E (SDG&E-30) and SCG (SCG-32)  
Witnesses: Taylor and Gevorkian  
Subject: General GRC MDR

5. Regarding p. 42 of the SDG&E-30 workpapers and p. 48 of the SCG-32 workpapers: (Please provide the values in an Excel spreadsheet)

- a. Please identify the recorded values for each of the line items in the Workers' Compensation Projection table for each year, 2008-2013 and 2017.
- b. Please identify the recorded values for the Disability Claims Paid line item in the Long-Term Disability Projection table for each year, 2008-2015 and 2017.

**Utility Response 05:**

SoCalGas and SDG&E object to this request under Rule 10.1 of the Commission's Rules of Practice and Procedure on the grounds that the timeframe encompassed in this request is not relevant to the subject matter involved in the pending proceeding and therefore, the burden, expense and intrusiveness of this request outweighs the likelihood that the information sought will lead to the discovery of relevant and admissible evidence. In particular, this request seeks information prior to 2012 and is thus, outside the scope of the relevant time period used by SoCalGas/SDG&E in developing its forecasts. Subject to and without waiving the foregoing objection, SoCalGas/SDG&E respond as follows answering Question 5a and b with data covering 2012-2016. Please refer to the two Excel file attachments:

- TURN-SEU-011\_Q5 Attachment for SDG&E
- TURN-SEU-011\_Q5 Attachment for SCG

As noted in both attachments, while responding to this data request, SoCalGas and SDG&E discovered that the historical recorded costs were incorrectly identified. The attachments reflect the correct recorded costs and the impact the errors have on the TY 2019 forecasts, if applicable. The result is an understated forecast, which means that the current revenue requirement is too low.

**TURN-SEU-011\_Q5 Attachment for SDG&E**

A.17-10-007 TY2019 GRC

**SDG&E**

**Workers' Compensation**

Type of Cost	Corrected Historical Cost Detail (Nominal Dollars)						Corrected Basis for Projection (3YA)	Corrected Projected		
	2012	2013	2014	2015	2016	2017		2017	2018	2019
Medical	\$ 1,748,242	\$ 1,631,814	\$ 2,087,263	\$ 1,772,368	\$ 1,953,802		\$ 1,937,811	\$ 2,092,836	\$ 2,260,263	\$ 2,418,481
Expense (Litigation, etc.)	518,261	522,913	492,854	451,338	555,053	2017 cost	499,748	507,484	515,893	525,777
Indemnity (TD & PD)	2,143,940	1,131,824	1,406,008	1,116,043	2,779,493	data is not	1,767,181	1,812,868	1,867,216	1,923,412
Administration	445,869	226,031	456,942	395,400	291,514	available yet	381,285	387,188	393,603	401,144
Excess Liability Refunds	(857,903)	(603,838)	(550,668)	(272,573)	(976,864)		(600,035)	(609,323)	(619,419)	(631,287)
<b>Corrected Costs excluding Reserves</b>	<b>3,998,409</b>	<b>2,908,745</b>	<b>3,892,400</b>	<b>3,462,576</b>	<b>4,602,998</b>		<b>3,985,991</b>	<b>4,191,053</b>	<b>4,417,556</b>	<b>4,637,528</b>
Ex. SDG&E-30-WP pgs 38 and 42	\$3,998,759	\$2,908,745	\$3,893,307	\$3,462,402	\$3,097,257		\$3,419,333	\$3,615,624	\$3,811,663	\$4,007,766
Difference	(350)	(0)	(907)	174	1,505,741		566,658	575,429	605,893	629,762
<b>Escalation Factors</b>										
Labor Escalation								2.59%	3.00%	3.01%
Non Labor Escalation								1.55%	1.66%	1.92%
Medical Premium Escalation								8.00%	8.00%	7.00%

Note 1: While responding to this data request, errors were found in the methodology used to derive the Workers' Compensation recorded costs. We determined that Worker's Compensation Reserves should not be included in workpaper totals, so the Total Cost amounts shown on workpaper pages 38 and 42 are incorrect, which also causes the Projected Costs that are included in the SDG&E Revenue Requirement to be understated. This response provides the corrected amounts.

**APPENDIX B**  
**SDG&E 2016 GRC - APP**

San Diego Gas & Electric Company  
2016 GRC - APP

Non-Shared Service Workpapers

SDG&E  
Workers' Compensation Projection  
For Years 2014-2016

Type of Cost	Actual			Average	Basis for Projection	Projected	
	2011	2012	2013			2014	2015
Medical	\$ 1,707,266	\$ 1,748,242	\$ 1,631,814	\$ 1,695,774	\$	\$ 1,964,507	\$ 2,117,738
Expense (Litigation, etc.)	248,993	518,261	522,913	430,056		454,034	464,933
Indemnity (TD & PD)	1,847,681	2,143,940	1,131,824	1,707,815		1,803,037	1,850,746
Administration	677,723	445,869	226,031	449,874		474,957	486,358
Excess Liability Refunds	(951,962)	(857,903)	(603,838)	(804,567)		(849,427)	(869,816)
<b>Total Cost</b>	<b>\$ 3,529,702</b>	<b>\$ 3,998,409</b>	<b>\$ 2,908,745</b>	<b>\$ 3,478,952</b>	<b>\$</b>	<b>\$ 3,847,108</b>	<b>\$ 4,049,959</b>

**Assumptions**

Projection assumes three year average, medical costs are escalated using medical inflation from benefits testimony, indemnity escalated using labor inflation, and remaining costs are escalated using non labor inflation.

**Escalation Factors**

Labor Escalation	2.75%	2.75%	2.65%
Non Labor Escalation	2.75%	2.75%	2.40%
Medical Premium Escalation	5.70%	9.60%	7.80%

**APPENDIX C**  
**Data Request TURN-SEU-DR-019**

**TURN DATA REQUEST-019**  
**SDG&E-SOCALGAS 2019 GRC – A.17-11-007/8**  
**SDG&E\_SOCALGAS RESPONSE**  
**DATE RECEIVED: FEBRUARY 22, 2018**  
**DATE RESPONDED: MARCH 9, 2018**

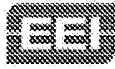
7. Regarding Edison Electric Institute (EEI) dues:
- a. Please identify total EEI dues and the percentage and dollar amount of EEI dues for which SDG&E seeks recovery from ratepayers and provide supporting documentation including invoices and vouchers for base year 2016 and TY 2019. If any EEI costs are allocated to SDG&E (or SoCalGas) from Corporate Center, please identify them separately. If the answer is greater than zero for TY 2019, answer part (b).
  
  - b. Provide the latest available documentation from the EEI identifying the amounts spent on lobbying, legislative advocacy, regulatory advocacy, public relations, advertising, donations, club dues, and any other functions identified by EEI.

**Utility Response 07:**

a) SDG&E does not receive allocated costs from Corporate Center. Below is the information for total EEI dues paid during BY 2016. As stated in the prepared direct testimony of Tashonda Taylor in Exhibit SDG&E-30, page TT-28, lines 21-28, SDG&E is forecasting that the TY 2019 forecast will be \$800,000 less lobbying costs of 13.2% for an incremental increase of \$174,000 over BY 2016.

	<b>Total Invoice</b>	<b>Portion Lobbying Activities</b>	<b>%</b>	<b>Adjusted Request</b>
2016 Dues	\$200,000	\$26,407	13%	\$173,593
2017 Dues	\$400,000	\$53,193	13%	\$346,807
<b>Total</b>	<b>\$600,000</b>	<b>\$79,600</b>	<b>13%</b>	<b>\$520,400</b>

b) Please see the copies of the invoices in the accompanying Excel file: TURN-SEU-DR-019 Q7 Attachment EEI Dues\_Redacted.



**Edison Electric Institute**  
*Power by Association*

701 Pennsylvania Avenue, N.W. • Washington, D.C. 20004-2696 • Phone (202) 508-5000

### Invoice for Membership Dues



CHAIRMAN AND CHIEF EXECUTIVE OFFICER  
SAN DIEGO GAS & ELECTRIC COMPANY  
8326 CENTURY PARK CT  
SAN DIEGO, CA 92123-1530

Date	Invoice Number
7/8/2016	DUES2016

*Payment due on or before 8/8/2016*

Description	Total
2016 EEI Membership Dues <sup>1</sup>	\$200,000
<b>Total</b>	<b>\$200,000</b>

<sup>1</sup> The portion of 2016 membership dues relating to influencing legislation, which is not deductible for federal income tax purposes, is estimated to be \$26,407.

#### PLEASE NOTE INFORMATION FOR ELECTRONIC PAYMENT

The following instructions should be used when transferring funds electronically (ACH or wire) to Edison Electric Institute:

Beneficiary's Bank:

Bank's Address:

Bank's ABA Number:

Beneficiary:

Beneficiary's Acct No:

Beneficiary's Address:

Beneficiary Reference: 2016 Membership Dues

Please refer any questions to Terri Oliva, EEI Controller: (202) 508-5541 or memberdues@eei.org

The Utility Procurement Policy allows memberships/sponsorships to be paid without from:

•

•

•

•

•

Approved

\$173,593 2100-0001, GL# 6250000, FE9302002100

\$26,407 2100-0001, GL# 7050241, FE9302002100

MEMBERSHIPS/DUES



# Invoice for Membership Dues



**[REDACTED]**  
CHIEF EXECUTIVE OFFICER  
SAN DIEGO GAS & ELECTRIC  
8330 CENTURY PARK CT  
SAN DIEGO, CA 92123-1530

Date	Invoice Number
12/07/2016	DUES201755

*Payment due on or before 1/31/2017*

Description	Total
<b>2017 EEI Membership Dues for:</b>	
Regular Activities of Edison Electric Institute <sup>1</sup>	\$343,182
Industry Issues <sup>2</sup>	34,318
Restoration, Operations, and Crisis Management Program <sup>3</sup>	7,500
<b>2017 Contribution to The Edison Foundation, which funds IEI <sup>4</sup></b>	<b>15,000</b>
<b>Total</b>	<b>\$400,000</b>

- 1 The portion of 2017 membership dues relating to influencing legislation, which is not deductible for federal income tax purposes, is estimated to be 13%.
- 2 The portion of the 2017 industry issues support relating to influencing legislation is estimated to be 25%.
- 3 The Restoration, Operations, and Crisis Management Program is related to improvements to industry-wide responses to major outages (e.g. National Response Event); continuity of industry and business operations; and EEI's all hazards (storms, cyber, etc.) support and coordination of the industry during times of crises. No portion of this assessment is allocable to influencing legislation.
- 4 The Edison Foundation is an IRC 501(c)(3) educational and charitable organization. Contributions are deductible for federal income tax purposes to the extent provided by law. Please consult your tax advisor with respect to your specific situation.

### PLEASE NOTE INFORMATION FOR ELECTRONIC PAYMENT

The following instructions should be used when transferring funds electronically (ACH or wire) to Edison Electric Institute:

Beneficiary's Bank: **[REDACTED]**  
 Bank's Address: **[REDACTED]**  
 Bank's ABA Number: **[REDACTED]**  
 Beneficiary: **[REDACTED]**  
 Beneficiary's Acct No: **[REDACTED]**  
 Beneficiary's Address: **[REDACTED]**  
 Beneficiary Reference: 2017 Membership Dues

Internal Order	Cost Center	Cost Element	Amount
FE9302802100	2100-0001	6250000	\$346,896.84
FE9302802100	2100-0001	7050241	\$ 53,193.16

Approved by **[REDACTED]**

Please refer any questions to Terri Oliva, EEI Controller: (202) 508-5541 or memberdues@eei.org

**SDG&E 2019 GRC Testimony Revision Log – June 18, 2018**

<b>Exhibit</b>	<b>Witness</b>	<b>Page</b>	<b>Line or Table</b>	<b>Revision Detail</b>
<i>SDG&amp;E-30</i>	<i>T. Taylor</i>	<i>TT-13</i>	<i>Table TT-8</i>	<i>TY 2019 Estimated is understated due to the inadvertent inclusion of medical reserves in the overall calculation. The correct TY 2019 Estimated should be \$4,637,528</i>