

ORA DATA REQUEST
ORA-SDG&E-DR-080-GSD
SDG&E 2016 GRC – A.14-11-003
SDG&E RESPONSE
DATE RECEIVED: FEBRUARY 26, 2015
DATE RESPONDED: MARCH 11, 2015

Exhibit Reference: SDG&E-25

Subject: Regulatory Affairs Division, etc.

Please provide the following:

1. For all departments and/or divisions in Ex. SDG&E-25, where SDG&E has requested increased staffing, please provide copies of all studies and/or workload analyses used to develop each of SDG&E's increased staffing forecasts. If no such studies or analyses were conducted, please so state, and explain why SDG&E believed it was not necessary to conduct such studies or analyses to support their forecasts for increased staffing.

SDG&E Response 01:

Please note that "FTE's" are not hired as they do not represent headcount. "Headcount", or staffing, does not equal "Full Time Equivalent (FTE)". An FTE position is an indication of activity level and not a specific headcount in any given year. In some cases headcount may be less than the FTE count. For example, the activity level driving the forecasted incremental FTE in an operational area may ultimately be performed using internal labor, outside contractors, overtime or a mix of each. In other cases, headcount may be more than the FTE count if the positions are filled with part-time employees.

SDG&E does prepare a forecast of "Headcount" which is used for forecasting Employee Benefits only. Headcount forecast encompasses all employees, including those whose work responsibilities are included in the GRC, as well as those whose duties are related to a Refundable program or other functional area with costs approved through a non-GRC proceeding. Headcount is not used in the operating areas to forecast cost. Therefore, it would be incorrect to say that forecasted FTE's are hired or that an increase in FTE's means a direct increase in staffing.

Given that clarification, SDG&E has the following response:

SDG&E's request for incremental staffing in the Electric Load Analysis, Electric Demand Forecasting, and Electric Rates organizations involved a workload assessment which reviewed the increasing demand with regard to the changing compliance and regulatory requirements. These changes included but are not limited to:

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SDG&E Response 01:-Continued

- Smart Meter data which dramatically increased the amount of data that needed to be evaluated and analyzed;
- Increase in number of regulatory proceedings related to rates and rate design;
- Increase in support required from Electric Load Analysis and Electric Demand Forecasting organizations in regulatory proceedings;
- Growing significance of customer bill impact analysis in regulatory proceedings;
- Growing complexity in regulatory proceedings (i.e., Residential Rate Reform, NEM 2.0)

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2. For each of the proposed new FTEs in the Regulatory Affairs Division, provide the position title and a list of responsibilities and duties for each position. Also explain how SDG&E is currently handling those responsibilities and duties without the new FTEs.

SDG&E Response 02:

Please note that “FTE’s” are not hired as they do not represent headcount. “Headcount”, or staffing, does not equal “Full Time Equivalent (FTE)”. An FTE position is an indication of activity level and not a specific headcount in any given year. In some cases headcount may be less than the FTE count. For example, the activity level driving the forecasted incremental FTE in an operational area may ultimately be performed using internal labor, outside contractors, overtime or a mix of each. In other cases, headcount may be more than the FTE count if the positions are filled with part-time employees.

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Given that clarification, SDG&E has the following response:

The need to meet these responsibilities and duties without the new FTEs has resulted in the need for employees to work greatly extended hours and for SDG&E to request additional time to meet regulatory deadlines, such as responses to data requests and delays in regulatory filings dates. The previous state is not sustainable and imposes risks to SDG&E’s ability to continue to maintain high levels of standard in meeting its regulatory compliance obligations.

These positions are Business/Economic Analysts and Advisers. The general job description and responsibilities follow:

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SDG&E Response 02:-Continued

- Supports the development of management recommendations concerning SDG&E's regulatory policies and pricing strategies.
- Provides analytical support on costing/pricing/load analysis/forecasting issues in regulatory proceedings, developing recommendations and options for senior management, and documenting the analysis through testimony, exhibits and work papers, etc.
- Provides analytical support to various areas in the development of rebuttal testimony, discovery responses, and cross-examination of witnesses.
- Interfaces with the internal and external personnel as needed to develop proper analyses for forecasting, load analysis, rate-related concepts and issues. Also, monitors market, regulatory and legislative environments.
- Maintains complex costing, pricing, load analysis, forecasting models and databases, updating as necessary to reflect regulatory and industry changes.