

Company: San Diego Gas & Electric Company (U902M)
Proceeding: 2016 General Rate Case
Application: A.14-11-003
Exhibit: SDG&E-224

SDG&E

REBUTTAL TESTIMONY OF SARAH E. EDGAR

(Human Resources, Safety, Disability, Workers' Compensation)

June 2015

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



TABLE OF CONTENTS

I.	SUMMARY OF DIFFERENCES	1
II.	INTRODUCTION	1
III.	REBUTTAL TO ORA’S O&M PROPOSALS	2
A.	Non-Shared Services O&M	2
1.	Safety, Wellness and Disability Services	2
2.	HRIS Technology and Reporting	2
B.	Shared Services O&M	3
1.	Safety Operations	3
2.	Incremental FTE for Labor Relations	5
IV.	CONCLUSION	6

APPENDIX A, Responses to Various Data Requests

SDG&E REBUTTAL TESTIMONY OF SARAH E. EDGAR
(Human Resources, Safety, Disability, Workers' Compensation)

I. SUMMARY OF DIFFERENCES

TOTAL O&M - Constant 2013 (\$000)			
	Base Year 2013	Test Year 2016	Change*
SDG&E	16,018	20,098 ¹	4,080
ORA	16,018	18,468	2,450

II. INTRODUCTION

Office of Ratepayer Advocates (ORA) issued its report on Human Resources, Safety, Disability, Workers' Compensation on April 24, 2015.² The following is a summary of ORA's positions:

- ORA does not oppose the forecasts in the following areas: VP of HR, Emergency Services, Long-Term Disability, Workers' Compensation, Employee Communications, Offices of the CEO and President & COO, Employee Care Services and Wellness Programs, and Manager Analysis and Workforce Planning.
- ORA opposes the new FTE in Safety Compliance (Industrial Hygienist) and reduces the forecast by \$100K.
- ORA reduces \$450K in the proposed HRIS Technology and Reporting mobile access portal.
- ORA reduces \$988K of SDG&E's request in Safety Operations related to the Vehicle Technology Program.
- ORA opposes the new FTE in Labor Relations (Labor Relations Advisor) and reduces the forecast by \$100K.

¹ Test Year (TY) 2016 forecast is adjusted by (\$60K) pursuant to Amended Response to TURN-Data Request-04, Question 4. See Appendix A.

² Exhibit (Ex.) ORA-18 (L. Laserson), ORA Report on Administrative & General Expenses, Part 1 of 2 (full title truncated).

1 **III. REBUTTAL TO ORA’S O&M PROPOSALS**

2 **A. Non-Shared Services O&M**

3

	Test Year 2016 Constant 2013 (\$000)	
SDG&E	15,038	
ORA	14,436	(601)

4

5 **1. Safety, Wellness and Disability Services**

6 ORA disagrees with SDG&E’s incremental request of \$100K for an additional industrial
7 hygienist, arguing that funding two positions is unnecessary and unreasonable.³ SDG&E’s
8 proposal to hire a less senior hygienist (at a lower salary) to acquire the skills, knowledge, and
9 experience of our senior hygienist, makes sense from a knowledge transfer standpoint. As
10 described in the job profile provided in response to an ORA data request,⁴ the industrial hygienist
11 position requires a high level of specialization and experience in the Federal OSHA and
12 Cal/OSHA regulated areas of hearing conservation, respiratory protection, asbestos, hazard
13 communication, and lead exposure. SDG&E’s strategy regarding the replacement of these
14 highly skilled and experienced resources is to hire a less experienced and, therefore less costly,
15 safety professional and afford them the opportunity to shadow and learn from our existing highly
16 skilled and experienced resources in order to gain an understanding of our business, as well as
17 the knowledge and experience necessary to perform at our high standards.

18 It is not SDG&E’s intention to expand the program to have an additional Industrial
19 Hygienist on a permanent basis. SDG&E intends to have the new Industrial Hygienist shadow
20 our existing highly experienced and skilled Industrial Hygienists for one year, and therefore
21 adjusts its TY2016 request to \$33.3K in 2016, spreading the original request of \$100K over the
22 three-year GRC cycle.

23 **2. HRIS Technology and Reporting**

24 ORA reduces SDG&E’s 2016 O&M forecast for HRIS Technology and Reporting by
25 \$450K, arguing that the department is operating efficiently without the proposal to fund the self-
26 service and mobile access project. ORA recommends \$50K instead of \$500K in incremental

³ Ex. ORA-18 at 6.

⁴ Response to ORA-SDG&E-DR-001-LJL. See Appendix A.

1 funding so that a pilot program can be run to help SDG&E develop a cost benefit analysis prior
2 to full implementation.⁵

3 SDG&E disagrees with ORA's proposal of \$50k (10%) for a pilot program. Software
4 development is unlike other project areas where only a portion can be developed and piloted.
5 The HR self-service and mobile access platform will automate the ad-hoc reporting and data
6 discovery process. This project is essential to SDG&E operating efficiently without adding
7 additional employee headcount in HR.

8 In this age of technology, managers and supervisors seek information to help them
9 optimally manage their organizations. Today SDG&E only has a single analytical resource
10 skilled to provide that information for over 652 managers and supervisors. Due to this
11 limitation, many requests are met much later than requested, or sometimes not at all. Rather than
12 request funding for an additional skilled and costly resource to respond to supervisory requests in
13 perpetuity, this self-service tool will enable supervisors and managers to quickly obtain the
14 information they need in order to optimally manage their organizations. The return on such an
15 investment is conservatively three years. When factoring in this information, ORA's forecast is
16 not viable. Given that this is a one-time, non-labor expense, SDG&E supports modifying its
17 request and spreading the cost of the incremental request over the three-year GRC cycle,
18 resulting in an increase of \$167K vs. \$500K in TY2016.

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

20

	Test Year 2016 Constant 2013 (\$000)	
SDG&E	5,120	
ORA	4,032	(1,088)

21

22 **1. Safety Operations**

23 ORA reduces SDG&E's forecast for Safety Operations by \$988K, suggesting that the
24 department run a pilot program from which SDG&E can provide a cost benefit analysis and
25 request necessary funding in the next GRC cycle.⁶

⁵ Ex. ORA-18 at 8.

⁶ Ex. ORA-18 at 10.

1 SDG&E disagrees with ORA's recommendation because it does not provide the funding
2 for a valid and viable employee and public safety initiative. Current best practice deploys
3 vehicle technology to identify leading indicators of poor driving habits before they lead to a
4 collision. Different than back-up sensors and cameras, in-vehicle cameras capture video of the
5 space surrounding a vehicle to help identify and correct at-risk behaviors such as abrupt braking,
6 hard cornering, and traffic violations. In-vehicle camera technology will not only tell us what
7 happened when our employee was behind the wheel (hard breaking, rapid acceleration, hard
8 cornering, etc.) but also why it happened.

9 Correcting these behaviors has a direct impact on employee and public safety. This
10 technology has been used successfully by companies with large fleets to improve driver safety,
11 reducing preventable collisions and their adverse consequences.

12 SDG&E's vehicle technology pilot is to be conducted in the fourth quarter of 2015. The
13 pilot is not to determine whether the technology will work to improve the driving skills of
14 SDG&E's employees, but instead to determine which technology will provide the most benefit to
15 SDG&E and its customers. Not only has SDG&E been researching this technology, but I
16 personally have been researching this technology for several years and discussing its advantages
17 with our utility peers who have already implemented it. I am confident that this technology will
18 work to improve the safety of SDG&E drivers. There are multiple vendors of in-cab camera
19 technology. SDG&E's pilot is being conducted to determine which vendor's technology and
20 services will provide the highest value to SDG&E and the communities we serve.

21 SDG&E's request of \$988K in TY2016 accounts for equipment, installation, and training
22 for 719 vehicles, or 50% of SDG&E's fleet. The balance of the fleet (719 vehicles) would be
23 outfitted in 2017. Cellular subscription and reporting costs will be ongoing at an annual rate of
24 approximately \$500/vehicle (\$744K at full deployment). When factoring in the proven results of
25 deploying vehicle technology and the importance of employee and public safety, SDG&E's
26 forecast of \$988K to outfit one-half of SDG&E's fleet in 2016 is appropriate. In fact, it is
27 understated. The table below reflects the total costs of the vehicle technology project which, if
28 added and spread equally over the three year period, would result in a request of \$1,043K for
29 TY2016.

	2016	2017	2018
GRC Request	\$988K	\$988K	\$988K
Cost of equipment, installation, training, and 12 months of subscription service for 719 vehicles	\$988K	\$988K	\$0
Ongoing subscription service	\$25K (50 pilot vehicles)	\$385K (769 vehicles)	\$744K (1488 vehicles)
TOTAL	\$1,013	\$1,373	\$744K

2. Incremental FTE for Labor Relations

ORA reduces SDG&E’s labor forecast by \$100K, for an additional Labor Relations Advisor (LRA). ORA states that there is not any certainty as to when the current LRA will retire and suggests that this position not be filled until then. ORA further states, “.....having two employees do the same job is unnecessary and unreasonable spending for ratepayers.”⁷

SDG&E disagrees with ORA’s reasoning. SDG&E LRAs are highly skilled in the areas of grievance resolution, mediation, and arbitration, as well as administering and interpreting the SDG&E/International Brotherhood of Electric Workers (IBEW) Local 465 Collective Bargaining Agreement (CBA). Negotiating terms and outcomes in these cases requires involvement by many parties, including IBEW Local 465. Having a trained and knowledgeable resource to support management and represented employees will help resolve issues in a timely manner, including those issues listed above. This high level of support will also reduce interruptions to operations and mitigate litigation related costs, all of which directly benefit ratepayers. ORA’s argument does not consider the need for transfer of knowledge, nor the value in the established relationship between SDG&E and IBEW 465. An abrupt change in personnel would hinder a smooth transition and potentially undermine SDG&E’s credibility and trust with Union leadership.

It is not SDG&E’s intention to expand the program to have an additional Labor Relations Advisor on a permanent basis. SDG&E’s intention is to allow a junior level Labor Relations Advisor to shadow SDG&E’s existing and very experienced Labor Relations Advisor for one year. Therefore, SDG&E supports modifying its TY2016 forecast to \$33.3K, spreading the original request of \$100K over the three-year GRC cycle.

⁷ Ex. ORA-18 at 11.

1 **IV. CONCLUSION**

2 Based on the analysis provided by ORA, I can justify a revised test year O&M request of
3 \$19.6 million, which is \$527K less than my original request. However, for the reasons provided
4 in this testimony, I disagree with ORA's reductions to my forecasts in Safety, Wellness, and
5 Disability Services, HRIS Technology & Reporting, Safety Operations, and Business Partner and
6 Labor Relations.

7 This concludes my prepared rebuttal testimony.

Appendix A
Various Data Request Responses

TURN DATA REQUEST-04
SDG&E-SOCALGAS 2016 GRC – A.14-11-003-004
SDG&E_SOCALGAS RESPONSE
DATE RECEIVED: APRIL 16, 2015
DATE RESPONDED: MAY 12, 2015
AMENDED RESPONSE: MAY 15, 2015

4. Did SDG&E or SoCalGas include in its recorded base year 2013 costs any expense associated with meetings, meals, event sponsorships, or similar costs payable to any chambers of commerce, that were not adjusted out for purposes of developing the test year 2016 forecasts? If so, for each utility please identify the total amount of chamber of commerce payments recorded in 2013 and not adjusted out of the forecast for 2016. Identify each account in which these ratepayer-funded costs may be found and the amounts in each account.

Utility Amended Response:

The Utilities assume that when the question asks for test year 2016 forecasts, the question intended to ask for **2016** forecast. We are providing these answers according to that assumption.

SoCalGas Amended Response:

Subsequent to providing TURN with the initial response on May 12th, additional items were identified. Given the increase in the amount of items subsequently identified, SoCalGas is attaching an excel spreadsheet in lieu of pasting the information in this response document. Please reference the attached file: “TURN-SEU-DR-04 Amended Q4 SCG Attachment.xls”. Furthermore, SoCalGas needs to delete/correct the following paragraph which was included in the initial response:

While preparing a response to this Data Request, SoCalGas discovered that it had inadvertently included the foregoing expenses (total = \$2,750) in the Test-Year 2016 forecast. Thus, in SoCalGas’ Rebuttal testimony, these particular expenses will be removed from the 2016 forecast and the total request for 2016 will be adjusted accordingly.

Upon further investigation, this explanation does not apply to SoCalGas costs reflected in the attached spreadsheet in response to this data request. The costs recorded in the attached spreadsheet do not represent inadvertent inclusions. Thus, they should not be removed from the base year recorded (2013) and test year 2016 forecast, as the initial response claimed.

TURN DATA REQUEST-04
SDG&E-SOCALGAS 2016 GRC – A.14-11-003-004
SDG&E_SOCALGAS RESPONSE
DATE RECEIVED: APRIL 16, 2015
DATE RESPONDED: MAY 12, 2015
AMENDED RESPONSE: MAY 15, 2015

Amended Response to Question 4 (Continued)

SDG&E Amended Response:

Subsequent to providing TURN with the initial response on May 12th, additional items were identified. See table below.

(2013\$'s as shown)

Cost Center	WP Group	Cost Element	C/E Description	Internal Order	Amount	Vendor
2100-4027	100008	6220812	SRV-BUS & CIVIC MTGS	ORD 7062720	\$500	VALLEY CENTER CHAMBER OF COMMERCE
2100-3463	1ED022	6220813	SRV-SPNSR BUS & CVC	ORD FC9210002100	\$1,000	SAN MARCOS CHAMBER OF COMMERCE
2100-3626	1HR009	6220812	SRV-BUS & CIVIC MTGS	ORD FC9210002100	\$500	SAN DIEGO REGIONAL CHAMBER OF
2100-3626	1HR009	6220812	SRV-BUS & CIVIC MTGS	ORD FC9210002100	\$395	SAN DIEGO REGIONAL CHAMBER OF
2100-3626	1HR009	6220812	SRV-BUS & CIVIC MTGS	ORD FC9210002100	\$60,000	SAN DIEGO REGIONAL CHAMBER OF
2100-3463	1ED022	6220812	SRV-BUS & CIVIC MTGS	ORD FC9210002100	\$550	ENCINITAS CHAMBER OF COMMERCE
2100-3592	1ED022	6220812	SRV-BUS & CIVIC MTGS	ORD FC9210002100	\$1,490	SAN DIEGO REGIONAL CHAMBER OF
2100-3463	1ED022	6220812	SRV-BUS & CIVIC MTGS	ORD FC9210002100	\$1,000	SAN MARCOS CHAMBER OF COMMERCE
2100-3463	1ED022	6220812	SRV-BUS & CIVIC MTGS	ORD FC9210002100	\$1,000	SAN DIEGO NORTH CHAMBER OF
2100-3463	1ED022	6220813	SRV-SPNSR BUS & CVC	ORD FC9210002100	\$5,000	SAN DIEGO REGIONAL CHAMBER OF
2100-3592	1ED022	6220590	SRV-MISCELLANEOUS	ORD FC9210002100	\$350	SAN CLEMENTE CHAMBER OF COMMERCE
			SDG&E Witness Area	TOTAL SDG&E	\$71,785	
			SDG&E-14 Baugh	100008	\$500	
			SDG&E-10 Woldermarian	1ED022	\$10,390	
			SDG&E-24 Edgar	1HR009	\$60,895	

Furthermore, as with the SoCalGas initial response, SDG&E needs to modify/correct the following paragraph:

While preparing a response to this Data Request, SDG&E discovered that it had inadvertently included the foregoing expenses (total = \$6,350) in the Test-Year 2016 forecast. Thus, in SDG&E's Rebuttal testimony, these particular expenses will be removed from the 2016 forecast and the total request for 2016 will be adjusted accordingly.

Upon further investigation, this explanation only applies to the newly identified cost item highlighted above. The line item charged to cost center 2100-3626 for \$60,000 should have been excluded from the base year 2013 and TY2016 expenses, since it was for annual dues, as shown in the attached invoice "TURN-SEU-DR-04 Amended Q4_SD Chamber of Commerce Dues.pdf". Employee names have been redacted from the attached invoice. All other costs reflected in the table above are costs that should not be removed from the base year recorded and test year forecast.

ORA ORAL DATA REQUEST
ORA ORAL-SDG&E-DR-001- LJL
SDG&E 2016 GRC – A.14-11-003
SDG&E RESPONSE
DATE RECEIVED: DECEMBER 17, 2014
DATE RESPONDED: JANUARY 9, 2015

Oral data Request: SDG&E-ORA-Oral DR-LJL-001

Questions from December 8, 2014 1PM conference call. All page numbers reference Workpapers SDG&E-24-WP.

1. Page 19; provide a description of each project listed including a breakdown of costs.

SDG&E Response 01:

- a) Arc Hazard Assessment training -
An arc flash occurs when electric current passes through the air instead of its intended path. The result is extremely high heat that causes severe burns, blinding light, and an explosion causing hearing damage or bodily injury that can be fatal. The National Fire Protection Association (NFPA) 70E requires training for anyone who may be exposed to an arc flash hazard. The \$75,000 requested is for consulting and training roll-out to comply with NFPA 70E and arc flash hazard protection.
- b) Public (Energy) Safety Program -
Enhancement of current public safety programs to include updating brochures and customer/community awareness and outreach. Public safety topics include:
 - Carbon Monoxide
 - Compact Fluorescent Light (CFL) Disposal Information
 - Facts about Unplanned Power Outages
 - Gas and Electric Safety at Home
 - Holiday Lighting Savings and Safety
 - Natural Gas Safety
 - Using Portable Generators
- c) Occupational Health Dynamics (OHD) Quantifit Respiratory Fit Testing Instruments -
Purchase of two instruments in anticipation of standards changes regarding the use of hydrochloric acid (HCL). The \$20,000 request includes instruments, maintenance, and calibration.
- d) Post-Incident Drug/Alcohol testing -
Attorney consultant fees for proposed policy changes that include criteria for testing that exceeds DOT post-accident requirements.
- e) Electric and Magnetic Fields (EMF) Brochure -
The yearly request of \$5,000 is for translation and production of SDG&E's EMF brochure from English to Spanish. This brochure is provided to customers on home visits and upon request.

**ORA ORAL DATA REQUEST
ORA ORAL-SDG&E-DR-001- LJL
SDG&E 2016 GRC – A.14-11-003
SDG&E RESPONSE
DATE RECEIVED: DECEMBER 17, 2014
DATE RESPONDED: JANUARY 9, 2015**

SDG&E Response to Question 01Continued:

- f) Safety Compliance Bill Insert -
Potential California Public Utilities Commission (CPUC) mandate for Radio Frequency (RF) Smart Meter bill insert

- g) Gauss Meter Instrument -
Gauss meters measure magnetic flux density. The 2015 request of \$2,000 is for the purchase of one additional Gauss Meter for EMF Measurement.

ORA ORAL DATA REQUEST
ORA ORAL-SDG&E-DR-001- LJL
SDG&E 2016 GRC – A.14-11-003
SDG&E RESPONSE
DATE RECEIVED: DECEMBER 17, 2014
DATE RESPONDED: JANUARY 9, 2015

2. Page 20, for the additional FTE requested in 2016, provide a description of duties and cost assumptions.

SDG&E Response 02:

Overview - The Industrial Hygienist is responsible managing complex compliance driven safety and health programs. Leverages internal and external resources to achieve greatest possible cost/benefit ratio. Acts as the primary contact for specific programs. The Industrial Hygienist provides expertise and guidance to the management team to ensure that all social and legal responsibilities for protecting employees and the public are fulfilled through appropriate policies and programs or specific recommendations.

Specific Job Functions:

- Provides guidance and work direction to project team members, debriefs team to establish lessons learned.
- Maintains management and stakeholder support of the safety and health function.
- Applies business skills to managing complex safety and health programs.
- Links safety and health programs to SEU strategic plans/objectives.
- Provides cost benefit analysis for recommended solutions.
- Represents the company with policy and regulatory issues.
- Analyzes evaluation data, reports findings, and makes appropriate recommendations to stakeholders based on available information and best practice standards.
- Analyzes the characteristics of existing and emerging safety and health technologies and their use in an occupational environment. Specifies the capabilities of existing and emerging technologies to enhance existing safety and health programs and minimize occupational risks.

Program Management:

- Develops and manages specialized and large scale projects. Provides lead capacity to ensure projects are managed to minimize risk and liability to the corporation.
- Acts in a lead capacity to establish and provide guidance and work direction to cross function teams to address advanced safety and health projects. This includes developing the project scope, project deliverable, project goals and objectives, execution, and close out reporting.
- Establishes contracts for industrial hygiene firms and abatement contractors. Also monitors contracts and contractors performance to ensure performance meets company standards.
- Provides tools and advanced tactics to clients for specialized and complex issues to lead to improved safety performance.

**ORA ORAL DATA REQUEST
ORA ORAL-SDG&E-DR-001- LJL
SDG&E 2016 GRC – A.14-11-003
SDG&E RESPONSE
DATE RECEIVED: DECEMBER 17, 2014
DATE RESPONDED: JANUARY 9, 2015**

SDG&E Response to Question 02 Continued:

Technical Expert:

- Oversees hazard and risk assessment to evaluate operations or potential employee exposures. Assessment includes identifying, evaluating, sampling, and data gathering and analysis.
- Develops scope of work and manages contracts of outside consultants to ensure health assessments are conducted according to industrial hygiene standards and company policies.
- Develops sound solutions to specialized technical problems.

Cost Assumptions:

Labor \$100,000 (AD1 – AD2 market range reference is \$69,400 - \$119,700)

**ORA ORAL DATA REQUEST
ORA ORAL-SDG&E-DR-001- LJL
SDG&E 2016 GRC – A.14-11-003
SDG&E RESPONSE
DATE RECEIVED: DECEMBER 17, 2014
DATE RESPONDED: JANUARY 9, 2015**

3. Page 27, why is Long-Term Disability forecasted using zero-based?

SDG&E Response 03:

Long-Term Disability costs were forecasted using zero-base because they are not subject to standard escalation factors. LTD costs are forecast using base-year recorded and escalated for estimated changes in labor costs (2.47%) and headcount (.803%). See SDGE-24-WP pg. 33 for details.

**ORA ORAL DATA REQUEST
ORA ORAL-SDG&E-DR-001- LJL
SDG&E 2016 GRC – A.14-11-003
SDG&E RESPONSE
DATE RECEIVED: DECEMBER 17, 2014
DATE RESPONDED: JANUARY 9, 2015**

4. Page 45, provide a description of each program listed including a breakdown of costs.

SDG&E Response 04:

Diversity outreach and workforce readiness efforts support our affirmative action plans by actively attempting to rectify our areas of under-representation. This expense is a result of:

- Increasing our level of participation at diversity recruitment and outreach events. \$60,000 non-labor.
- Additional diversity recruitment marketing and benchmarking efforts. \$30,000 non-labor.
- Participating in and developing Science, Technology, Engineering, and Math (STEM) programs at the K-12 and collegiate levels in underserved communities to raise awareness around jobs in the energy industry. \$10,000 non-labor.
- Labor costs needed to manage and support these programs. \$100,000 labor.

**ORA ORAL DATA REQUEST
 ORA ORAL-SDG&E-DR-001- LJL
 SDG&E 2016 GRC – A.14-11-003
 SDG&E RESPONSE
 DATE RECEIVED: DECEMBER 17, 2014
 DATE RESPONDED: JANUARY 9, 2015**

5. Page 51, for each year, provide a description of each project listed including a breakdown of costs.

SDG&E Response 05:

2014	Purchase of new training videos.	\$1,000
2014	Purchase of Live Training handheld devices.	\$3,000
2014-2016	Birkman annual fee; The Birkman Method is the personality assessment for improving people skills and aligning roles and relationships for maximum productivity and success.	\$3,000/yr.
2014-2016	Saratoga Benchmarking annual fee; Benchmarking memberships are beneficial for a variety of organizations by getting a behind-the-scenes look at how comparable organizations operate. HR and managers can get external confirmation on how their programs are working based on key metrics.	\$3,000/yr.
2015	Harvard Manage Mentor 2yr license renewal; Harvard Manage Mentor is an on-demand learning and performance support resource for leadership and management skill development.	\$30,000
2015	Video production equipment upgrade.	\$10,000
2015-2016	Respectful Workplace Peer Team Summit Costs to host the annual summit in support of SGD&E's Respectful Workplace program.	\$7,000/yr.
2015	Get Abstract license fee; Get Abstract streamlines and compresses new information each and every day to provide our teams with the most recent/relevant information.	\$20,000
2016	Employee Leadership training & licenses.	\$1,000
2016	Accountability, efficiency, and performance metrics training development and roll-out.	\$50,000

ORA ORAL DATA REQUEST
ORA ORAL-SDG&E-DR-001- LJL
SDG&E 2016 GRC – A.14-11-003
SDG&E RESPONSE
DATE RECEIVED: DECEMBER 17, 2014
DATE RESPONDED: JANUARY 9, 2015

6. Page 58, provide a description of each project listed including a breakdown of costs. Explain their significance to SDG&E operations. Show why they were not in 2014 forecast.

SDG&E Response 06:

Human Capital Advanced Analytics and Predictive Trending

This project will allow the HR Organization to analyze workforce data and deliver information for decision making. Using a holistic view of the workforce by integrating data into a single source of information, business users get the answers they need through analysis, reporting and measurement.

It will also allow for the use of advanced and predictive analytics, such as forecasting or data mining, for human capital trending, risk assessment or what-if analysis. Measure and analyze key indicators to track performance, establish improvement areas and determine next steps and compare key measures to benchmark data.

HR Staffing Process Efficiencies & System Integration

This project will integrate the entire recruitment process starting from requisition submittal to job posting, scheduling interviews and tracking candidate's progress based on the hiring process. Areas of focus will be applicant tracking, online job postings, paperless on-boarding and recruiting performance.

HR Self-Service & Mobile Access project

Implement a new reporting platform and tools to allow the HR Professionals to have real-time access to HR Data for development of ad-hoc reports and data discovery. In addition, the new platform will provide this capability and access via mobile devices.

These costs are not in the 2014 forecast because the projects are still in development and implementation will begin in 2015 and 2016.

**ORA ORAL DATA REQUEST
ORA ORAL-SDG&E-DR-001- LJL
SDG&E 2016 GRC – A.14-11-003
SDG&E RESPONSE
DATE RECEIVED: DECEMBER 17, 2014
DATE RESPONDED: JANUARY 9, 2015**

7. Page 72, why are you asking for EEI membership? Why are you not asking for it until 2016. What does EEI cover and what does it do for the company?

SDG&E Response 07:

SDG&E was previously a member of Edison Electric Institute (EEI). SDG&E plans to re-join the organization/association in 2016.

EEI is the association of the U.S. investor-owned electric companies. Organized in 1933, EEI works closely with all of its members, representing their interests and advocating equitable policies in legislative and regulatory arenas. EEI provides public policy leadership, critical industry data, strategic business intelligence, one-of-a-kind conferences. EEI projects the current annual dues level for SDG&E to be approximately \$600,000. The 2016 incremental request of \$500,000 is the result of reducing the dues by 16% to exclude lobbying activity costs.

ORA ORAL DATA REQUEST
ORA ORAL-SDG&E-DR-001- LJL
SDG&E 2016 GRC – A.14-11-003
SDG&E RESPONSE
DATE RECEIVED: DECEMBER 17, 2014
DATE RESPONDED: JANUARY 9, 2015

8. Page 81,
- a. Provide a description of the vehicle technology program.
 - b. Describe the Safety Barometer Survey
 - c. How many cars are involved in the In-Cab pilot program?
 - d. provide a breakdown of the costs involved in these programs.

SDG&E Response 08:

a. Vehicle Technology Program

With a fleet of approximately 1,700 vehicles, driving safety has always been a point of focus at SDG&E. We frequently review new training programs and vehicle technologies that may assist our drivers in improving overall driving safety. Emerging technologies such as in-vehicle cameras and telematics, are successfully being used by utilities and other industries to improve safety while on the roadways. Both technologies have proven to be an effective tool for coaching drivers, changing driver behaviors, and reducing vehicle accidents. Reports and alerts generated by these systems can be used by safety managers, supervision, and others to provide feedback, coaching, and training to correct risky driving behaviors, thereby reducing future crash risk.

b. Safety Barometer Survey

In 2013, in partnership with the National Safety Council (NSC), employees were asked to indicate their level of agreement or disagreement with a variety of safety and work-related statements grouped into six program categories: 1-Management Participation, 2-Supervisor Participation, 3-Employee Participation, 4-Safety Support Activities, 5-Safety Support Climate, and 6-Organizational Climate.

SDG&E is leveraging the results as a guide for making safety program improvements. The data provided will also be used as a baseline against which to measure future progress. In 2016, SDG&E is planning to conduct a follow-up survey to gauge the effectiveness of safety improvement initiatives and identify future opportunities.

c. The in-cab camera pilot has been re-scheduled to 2015 due to other project priorities. It is anticipated that 50 vehicles will participate in the pilot program.

**ORA ORAL DATA REQUEST
 ORA ORAL-SDG&E-DR-001- LJL
 SDG&E 2016 GRC – A.14-11-003
 SDG&E RESPONSE
 DATE RECEIVED: DECEMBER 17, 2014
 DATE RESPONDED: JANUARY 9, 2015**

SDG&E Response to Question 08Continued:

d.

Year	Description of costs	Amount
2014	In-cab Camera Pilot;	
	Equipment, installation, training, and reporting service subscription (\$1368/vehicle x 50)	\$35,000
2016	NSC Safety Barometer administration fee	\$75,000
2016	Vehicle Technology Program – phase 1	\$988,000
	Equipment, installation, and reporting service subscription (\$1368/vehicle x 719)	\$983,000
	Training (\$1,500/day x 3 days)	\$4,500

**ORA ORAL DATA REQUEST
 ORA ORAL-SDG&E-DR-001- LJL
 SDG&E 2016 GRC – A.14-11-003
 SDG&E RESPONSE
 DATE RECEIVED: DECEMBER 17, 2014
 DATE RESPONDED: JANUARY 9, 2015**

9. Page 89
- a. explain what you mean by new/upcoming changes due to legislation. Provide a cost estimate breakdown.
 - b. describe the iVOS program and what it means to be replaced by Reveal. What types of costs are involved.

SDG&E Response 09:

- a) Each year improvements and changes are made to Workers’ Compensation and other labor laws. While we cannot speculate on the exact changes and how they impact business, SDG&E is committed to complying with all local, state, and federal regulations. Examples of past legislation changes are Medicare Reporting (2011), Independent Medical Review Process (2013), e-billing requirement (2014).

Year	Description	\$ requested
2014-2016	Compliance administration costs	\$125,000

- b) iVOS is SDG&E’s current disability and workers’ compensation case management system. This system is scheduled to be upgraded to the new platform called Reveal in 2015. This new system will require additional contractor support during testing and transition in 2016.

Year	Description	\$ requested
2015	Software upgrade fee	\$125,000
2016	Contractor support for iVOS to Reveal testing and transition	\$100,000

ORA ORAL DATA REQUEST
ORA ORAL-SDG&E-DR-001- LJL
SDG&E 2016 GRC – A.14-11-003
SDG&E RESPONSE
DATE RECEIVED: DECEMBER 17, 2014
DATE RESPONDED: JANUARY 9, 2015

10. Page 104, what will be the job functions of the requested FTE? Please provide a job description and cost breakdown. If this position is temporary, please explain the vacancies in this TY2016 GRC.

SDG&E Response 10:

Overview

The primary purpose of the Labor Relations Advisor is to coordinate arbitration and mediation hearings between SDG&E and Union representatives to resolve disputes; facilitate and conduct grievances that are appealed to labor relations; implement results of arbitrations, grievances, and mediations; reconcile differences between labor law and Collective Bargaining Agreement (CBA), and identify labor dispute trends and best practices; provide advice, guidance, and counsel to SDG&E representatives on employee/labor relations/dispute issues; assess risk to SDG&E associated with legal disputes and develop strategies to minimize the impact; ensures that management and union work in an environment where there is cooperation and a focus of mutual interest; and to provide training opportunities for all employees relating to the Dispute Resolution processes, to advise, guide, train and counsel client organizations on employee/labor relation issues, assess risk to the business, develop performance management and disciplinary strategies; administer the collective bargaining agreement, company policies and procedures; implement results of arbitrations and grievances; and mediation results; reconcile differences between labor law and collective bargaining agreement. Ensures that management and union adhere to the principles and the spirit of the partnership, and encourages them to work in an environment where there is cooperation and a focus of mutual interest. This position is the first point of contact for all labor and represented employee relation needs. This position provides support to all organizations that have, or deal with, represented employees at SDG&E.

Job Duties

- Counsels, guides, and advises management on the performance management of represented employees; oversees the progressive discipline and the performance appraisal process; provides direction on discipline and termination matters; Provides direction to supervisors regarding, grievances, mediations, investigatory interviews, disciplinary

**ORA ORAL DATA REQUEST
ORA ORAL-SDG&E-DR-001- LJL
SDG&E 2016 GRC – A.14-11-003
SDG&E RESPONSE
DATE RECEIVED: DECEMBER 17, 2014
DATE RESPONDED: JANUARY 9, 2015**

SDG&E Response to Question 10 Continued:

Action(s), problem solving, and conflict resolution strategies.

- Conducts 3rd step grievance hearings and mediations to reach resolution on issues raised through the grievances, and negotiates ad hoc agreements to address issues.
- Supports the director of labor relations and attorneys in interpreting complex labor laws and reconciling differences between labor law and CBA, Company policies and procedures, preparation and presentation for matters before Arbitration panels including exhibits, evidence, witness preparation etc.
- Consults and guides client organizations on the CBA including policy interpretation, historical information in these areas such as intent of negotiations and agreements.
- Coordinates and prepares the Company's proposals and participates in negotiations as a resource.
- Fosters an effective ongoing relationship with union leadership to maintain trust, credibility, and a strong image of the Company.
- Consults as a subject matter expert to clients on labor relation issues including, but not limited to, performance management process, Employment/Labor Law, including Family and Medical Leave Act (FMLA), California Family Rights Act (CFRA), Pregnancy Disability Leave (PDL), Federal Service Labor (FSL), Equal Employment Opportunity Commission (EEOC), Department of Fair Employment and Housing (DFEH), and Employment Development Department (EDD) regulations.
- Ensures compliance with all safety regulations and policies and supports Sempra Energy Utility (SEU) organizational efforts to maintain an incident free lifestyle for all employees.

Cost Assumptions:

AD1 – AD2 market range reference is \$69,400 - \$119,700

Labor \$100,000

SEE-A-17

Doc#297735

**ORA ORAL DATA REQUEST
ORA ORAL-SDG&E-DR-001- LJL
SDG&E 2016 GRC – A.14-11-003
SDG&E RESPONSE
DATE RECEIVED: DECEMBER 17, 2014
DATE RESPONDED: JANUARY 9, 2015**

SDG&E Response to Question 10 Continued:

This position will replace a current Labor Relations Advisor whose retirement date is unknown at this time. Therefore, we cannot anticipate with certainty that there will be a vacancy in 2016.