

Application of SAN DIEGO GAS & ELECTRIC)
COMPANY for authority to update its gas and electric)
revenue requirement and base rates)
effective January 1, 2016 (U 902-M))

Application No. 14-11-_____
Exhibit No.: (SDGE-41-WP)

WORKPAPERS TO
PREPARED DIRECT TESTIMONY
OF JEFF STEIN
ON BEHALF OF SAN DIEGO GAS & ELECTRIC COMPANY

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

NOVEMBER 2014



SAN DIEGO GAS & ELECTRIC COMPANY

TY2016 GRC – Exhibit Number SDGE-41-WP

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SAN DIEGO GAS & ELECTRIC COMPANY
Summary of 2014 - 2016 GRC Electric, Electric Generation, and Gas Segmentation Rates
Test Year 2016 General Rate Case

Line #	Account	Description	Basis of Costs used to derive the Electric, Electric Generation, & Gas Segmentation Rates	Costs allocated to Electric Segment (A)	Costs allocated to Electric Generation Segment (B)	Costs allocated to Gas Segment (C)	Total Costs (D)=(A)+(B)+(C)	GRC Electric Segmentation Rate (E)=(A)/(D)	GRC Electric Generation Segmentation Rate (F)=(B)/(D)	GRC Gas Segmentation Rate (F)=(C)/(D)	Worksheet Tab Reference	
1	COMMON ACCOUNTS											
2	163.1	WAREHOUSING	2013 Warehousing costs allocated to Electric, Electric Generation, and Gas activities	4,210,825	245,247	793,761	5,249,832	80.2%	4.7%	15.1%	(4) Non-Labor E & G split - Line 3	
4	163.2	PURCHASING	2013 Purchasing costs allocated to Electric, Electric Generation, and Gas activities	4,864,298	368,295	758,370	5,991,063	81.2%	6.1%	12.7%	(4) Non-Labor E & G split - Line 5	
6	184.2	FLEET	2013 Fleet utilization charges allocated to Electric, Electric Generation, and Gas activities	23,041,443	94,461	6,342,767	29,478,671	78.2%	0.3%	21.5%	(4) Non-Labor E & G split - Line 7	
8	184.3	SHOP	2013 Shop costs allocated to Electric, Electric Generation, and Gas activities	388,969	365	119,178	508,512	76.5%	0.1%	23.4%	(4) Non-Labor E & G split - Line 9	
10	184.6	EXEMPT MATERIAL	2013 Exempt Material costs allocated to Electric, Electric Generation, and Gas activities	3,691,322	96,160	1,101,988	4,889,470	75.5%	2.0%	22.5%	(4) Non-Labor E & G split - Line 11	
12	184.7	SMALL TOOLS	2013 Small Tools costs allocated to Electric, Electric Generation, and Gas activities	3,733,296	3,425	1,132,298	4,869,018	76.7%	0.1%	23.2%	(4) Non-Labor E & G split - Line 13	
14	184.8	WILDFIRE INSURANCE	N/A	-	-	-	-	100.0%	-	-		
16	901.0, 902.0-902.2, 902.5, 903.0-903.1, 903.3-903.5, 903.7-903.8, 905	CUSTOMER ACCOUNTS	2013 weighted average number of Electric and Gas customers	1,589,820	-	864,157	2,453,977	64.8%	0.0%	35.2%	(5) Customer Acct	
18	907.910	CUSTOMER SERVICE & SALES	2013 Actual costs	148,373,341	-	26,174,212	174,547,553	85.0%	0.0%	15.0%	(6) Customer Service	
20	920.0-920.2, 920.5, 921.0, 921.2, 921.5, 923.0-923.4, 928.0, 930.1-930.2, 935.0-935.1, 935.6	ADMINISTRATIVE AND GENERAL EXPENSES	2013 Adjusted Labor costs allocated to Electric, Electric Generation, and Gas activities	124,840,152	5,327,044	43,813,816	173,981,012	71.7%	3.1%	25.2%	(8) Payroll	
22	920.4	INCENTIVE COMPENSATION PLAN (ICP)	2013 Adjusted Labor costs allocated to Electric, Electric Generation, and Gas activities	124,840,152	5,327,044	43,813,816	173,981,012	71.7%	3.1%	25.2%	(8) Payroll	
24	924.0	PROPERTY INSURANCE	2013 Plant in Service	9,335,219	1,010,364	1,501,390	11,846,973	78.8%	8.5%	12.7%	(9) Property Insurance	
26	925.0-925.3	WORKERS' COMPENSATION (WC), PUBLIC LIABILITY AND PROPERTY DAMAGE (PLPD), INJURIES & DAMAGES	2013 Adjusted Labor costs allocated to Electric, Electric Generation, and Gas activities	124,840,152	5,327,044	43,813,816	173,981,012	71.7%	3.1%	25.2%	(8) Payroll	
28	926.0-926.5	PENSION & BENEFITS (P&B)	2013 Adjusted Labor costs allocated to Electric, Electric Generation, and Gas activities	124,840,152	5,327,044	43,813,816	173,981,012	71.7%	3.1%	25.2%	(8) Payroll	
30	931.0 & 931.6	RENTS (ELECTRIC & GAS ONLY)	2013 Adjusted Labor costs allocated to Electric and Gas activities	130,167,196	-	43,813,816	173,981,012	74.8%	0.0%	25.2%	(8) Payroll	

SAN DIEGO GAS & ELECTRIC COMPANY
Summary of 2014 - 2016 GRC Percentages of Reassignment to Capital
Test Year 2016 General Rate Case

Line #	Account	Description	Basis of Costs used to derive the Reassignment rates	Costs allocated to Capital (A)	Total Costs (B)	GRC Reassignment to Capital Rate (C) = (A) / (B)	Worksheet Tab Reference
1		LABOR OVERHEADS					
2	920.4	1) Incentive Compensation Plan (ICP)	2013 Adjusted Labor Costs	185,722,961	488,406,152	38.0%	(10) Labor
3	925.1	2) Workers' Compensation (WC)	2013 Adjusted Labor Costs	185,722,961	488,406,152	38.0%	(10) Labor
4	925.0	3) Public Liability and Property Damage (PLPD)	2013 Adjusted Labor Costs	185,722,961	488,406,152	38.0%	(10) Labor
5	926.0-926.5	4) Pension and Benefits (P&B)	2013 Adjusted Labor Costs	185,722,961	488,406,152	38.0%	(10) Labor
6	920.0-920.2, 920.5, 921.0, 921.2, 921.5, 923.0-923.2						
7		ADMINISTRATIVE AND GENERAL EXPENSES	2013 A&G costs allocated to capital activities	19,477,333	184,625,685	10.6%	(11) Capital A&G
8							
9	163.1	WAREHOUSING	2013 Warehousing costs allocated to capital activities	4,715,256	5,249,832	89.8%	(12) Non-Labor Reassignment - Line 3
10							
11	163.2	PURCHASING	2013 Purchasing costs allocated to capital activities	3,962,319	5,991,063	66.1%	(12) Non-Labor Reassignment - Line 5
12							
13	184.2	FLEET	2013 Fleet utilization charges allocated to capital activities	14,424,501	29,478,671	48.9%	(12) Non-Labor Reassignment - Line 7
14							
15	184.3	SHOP	2013 Shop costs allocated to capital activities	214,499	508,512	42.2%	(12) Non-Labor Reassignment - Line 9
16							
17	184.6	EXEMPT MATERIAL	2013 Exempt Material costs allocated to capital activities	4,358,569	4,889,470	89.1%	(12) Non-Labor Reassignment - Line 11
18							
19	184.7	SMALL TOOLS	2013 Small Tools costs allocated to capital activities	2,037,114	4,869,018	41.8%	(12) Non-Labor Reassignment - Line 13

SAN DIEGO GAS & ELECTRIC COMPANY
Summary of 2014 - 2016 GRC Electric Transmission O&M and Capital Allocation Rates
Test Year 2016 General Rate Case

Line #	Account	Description	Basis of Costs used to derive the Electric Transmission O&M and Capital Allocation Rates	Costs allocated to Electric Transmission O&M (A)	Total Electric O&M Costs Excluding Electric Generation (B)	Electric Transmission O&M Allocation Rates (C) = (A) / (B)	Worksheet Tab Reference	Costs allocated to Electric Transmission Capital (A)	Total Electric Capital Costs Excluding Electric Generation (B)	Electric Transmission Capital Allocation Rates (C) = (A) / (B)	Worksheet Tab Reference
1											
2	163.1	WAREHOUSING	2013 Warehousing costs allocated to ET O&M and Capital activities	10,913	333,034	3.3%	(13) Non-Labor_ET Allocation - Line 3	134,523	3,877,791	3.5%	(14) Non-Labor_ET Allocation - Line 3
3	163.2	PURCHASING	2013 Purchasing costs allocated to ET O&M and Capital activities	193,811	1,487,943	13.0%	(13) Non-Labor_ET Allocation - Line 5	2,106,185	3,376,355	62.4%	(14) Non-Labor_ET Allocation - Line 5
4	184.2	FLEET	2013 Fleet utilization charges allocated to ET O&M and Capital activities	2,539,315	11,145,229	22.8%	(13) Non-Labor_ET Allocation - Line 7	2,547,063	11,896,214	21.4%	(14) Non-Labor_ET Allocation - Line 7
5											
6	184.3	SHOP	2013 Shop costs allocated to ET O&M and Capital activities	36,596	211,455	17.3%	(13) Non-Labor_ET Allocation - Line 9	47,522	177,514	26.8%	(14) Non-Labor_ET Allocation - Line 9
7											
8	184.6	EXEMPT MATERIAL	2013 Exempt Material costs allocated to ET O&M and Capital activities	18,941	210,493	9.0%	(13) Non-Labor_ET Allocation - Line 11	2,104,742	3,480,829	60.5%	(14) Non-Labor_ET Allocation - Line 11
9											
10	184.7	SMALL TOOLS	2013 Small Tools costs allocated to ET O&M and Capital activities	351,232	2,043,292	17.2%	(13) Non-Labor_ET Allocation - Line 13	464,966	1,690,004	27.5%	(14) Non-Labor_ET Allocation - Line 13
11											
12	184.8	WILDFIRE INSURANCE	2013 Adjusted Labor Costs	21,456,199	130,167,196	16.5%	(15) Labor_ET O&M Allocation	-	-	-	-
13											
14	920.4	INCENTIVE COMPENSATION PLAN (ICP)	2013 Adjusted Labor Costs	21,456,199	123,581,512	17.4%	(15) Labor_ET O&M Allocation	20,640,563	64,584,230	32.0%	(17) Labor_ET Capital Allocation
15											
16	925.0	PUBLIC LIABILITY AND PROPERTY DAMAGE (PLPD)	2013 Adjusted Labor Costs	21,456,199	123,581,512	17.4%	(15) Labor_ET O&M Allocation	20,640,563	64,584,230	32.0%	(17) Labor_ET Capital Allocation
17											
18	925.1	WORKERS' COMPENSATION (WC)	2013 Adjusted Labor Costs	21,456,199	123,581,512	17.4%	(15) Labor_ET O&M Allocation	20,640,563	64,584,230	32.0%	(17) Labor_ET Capital Allocation
19											
20	925.2-925.3	INJURIES & DAMAGES	2013 Adjusted Labor Costs	21,456,199	123,581,512	17.4%	(15) Labor_ET O&M Allocation	-	-	-	-
21											
22	926.0-926.5	PENSION & BENEFITS (P&B)	2013 Adjusted Labor Costs	21,456,199	123,581,512	17.4%	(15) Labor_ET O&M Allocation	20,640,563	64,584,230	32.0%	(17) Labor_ET Capital Allocation
23											
24	920.0-920.2, 920.5, 921.0, 921.2, 921.5, 923.0-923.2	ADMINISTRATIVE AND GENERAL EXPENSES	2013 Adjusted Labor Costs	21,456,199	123,581,512	17.4%	(15) Labor_ET O&M Allocation	20,640,563	64,584,230	32.0%	(17) Labor_ET Capital Allocation
25											
26	923.3-923.4, 928.0, 930.1-930.2, 931.0, 931.6, 935.0-935.1, 935.6	MISC. ADMINISTRATIVE AND GEN EXPENSES (INCLUDING RENTS, GENERAL PLANT EXPENSES, ETC)	2013 Adjusted Labor Costs	21,456,199	123,581,512	17.4%	(15) Labor_ET O&M Allocation	-	-	-	-
27											
28	924.0	PROPERTY INSURANCE	2013 Plant in Service	3,777,468	9,365,947	40.3%	(16) Property Insurance ET	-	-	-	-
29											
30											

SEGMENTATION RATES

SAN DIEGO GAS & ELECTRIC COMPANY

**Derivation of 2013 Percentages of Allocation of Non-Labor Overheads Between Electric, Electric Generation, and Gas Segments
 Test Year 2016 General Rate Case**

Line #	Account Description	Overhead allocated to			Total Overhead (2013 \$) (D)=(A)+(B)+(C)	GRC Non-Overhead Electric Segmentation Rate (E) = (A) / (D)	GRC Non-Labor Overhead Electric Generation Segmentation Rate (F) = (B) / (D)	GRC Non-Overhead Gas Segmentation Rate (G) = (C) / (D)
		Electric (2013 \$) (A)	Electric Generation (2013 \$) (B)	Gas (2013 \$) (C)				
1								
2								
3	163.1 Warehousing	4,210,825	245,247	793,761	5,249,832	80.2%	4.7%	15.1%
4								
5	163.2 Purchasing	4,864,298	368,395	758,370	5,991,063	81.2%	6.1%	12.7%
6								
7	184.2 Fleet	23,041,443	94,461	6,342,767	29,478,671	78.2%	0.3%	21.5%
8								
9	184.3 Shop	388,969	365	119,178	508,512	76.5%	0.1%	23.4%
10								
11	184.6 Exempt Material	3,691,322	96,160	1,101,988	4,889,470	75.5%	2.0%	22.5%
12								
13	184.7 Small Tools	3,733,296	3,425	1,132,298	4,869,018	76.7%	0.1%	23.2%

SAN DIEGO GAS & ELECTRIC COMPANY

Derivation of 2013 Percentages of Allocation of Common Accounts to Electric and Gas Segments

CUSTOMER ACCOUNTS

(FERC Account: 901, 902.0-902.2, 902.5, 903.0-903.1, 903.3-903.5, 903.7-903.8, 905)

Test Year 2016 General Rate Case

Line #	Description	ELECTRIC	%	GAS	%
1					
2	Total Customers	1,408,404	62.0%	864,157	38.0%
3	Less: Combined Customers	864,157			
4	Electric Only Customers	544,247			
5					
6	CUSTOMERS	CUSTOMERS	WEIGHT	TOTAL	
7					
8	Total Comb. Customers	864,157	2	864,157	
9				864,157	
10	Electric Only Customers	544,247	1-1/3	725,663	
11	Total	1,408,404		2,453,977	
12					
13	ALLOCATION FACTORS	ELECTRIC	GAS	TOTAL	
14					
15	Weighted number of Combined Customers	864,157	864,157	1,728,314	
16	Weighted number of Electric Only Customers	725,663		725,663	
17					
18	Total weighted number of customers	1,589,820	864,157	2,453,977	
19					
20	GRC Segmentation Rates for Customer Accounts	64.8%	35.2%	100.0%	

SAN DIEGO GAS & ELECTRIC COMPANY
Derivation of 2013 Percentages of Allocation of Common Accounts to Electric, Electric Generation, and Gas Segments
CUSTOMER SERVICE & INFORMATION EXPENSES ANALYSIS (FERC Account: 907-910)

Test Year 2016 General Rate Case

Line #	Description	Electric (2013 \$)	Electric Generation (2013 \$)	Gas (2013 \$)	Total (2013 \$)	Source
1						
2	Customer Service & Informational Expenses for FERC Accounts 907-910	148,373,341	-	26,174,212	174,547,553	FERC Form 1, p 323, Line 171 & Form 2, p 325, Line 244
3						
4	GRC Segmentation Rates for Customer Service & Information expenses	85.0%	0.0%	15.0%	100.0%	

SAN DIEGO GAS & ELECTRIC COMPANY
Details of The Labor Costs of Electric Generation (Production) in the 2013 FERC Form 1
Test Year 2016 General Rate Case

Line #	Category	FERC Account	FERC Form 1 Line #	Direct Payroll Distribution	Allocation of Payroll charged for Clearing Accounts	Total	Worksheet Tab Reference
1	Steam power generation	500000E	3	1,046,577	405,172	1,451,749	
2	Steam power generation	502000E	3	-	-	-	
3	Steam power generation	505000E	3	-	1,758	1,758	
4	Steam power generation	506000E	3	3,506,307	1,194,778	4,701,085	
5	Nuclear Production	517000E	3	-	-	-	
6	Nuclear Production	519000E	3	-	3	3	
7	Nuclear Production	520000E	3	-	(1)	(1)	
8	Other power generation	546000E	3	368,392	143,743	512,135	
9	Other power generation	549000E	3	404,386	163,378	567,764	
10	Other power supply expenses	556000E	3	1,762,383	677,579	2,439,962	
11	Other power supply expenses	557000E	3	3,560,679	1,392,192	4,952,871	
12	Total FERC Form 1 Line 3			10,648,724	3,978,601	14,627,325	(18-19) FERC Form 1, pp 354 & 355 - Line 3
13							
14	Steam power generation	510000E	13	5,838	1,090	6,928	
15	Steam power generation	511000E	13	-	8,131	8,131	
16	Steam power generation	512000E	13	-	127,885	127,885	
17	Steam power generation	513000E	13	2,040	27,872	29,912	
18	Steam power generation	514000E	13	1,037,300	414,062	1,451,363	
19	Nuclear Production	528000E	13	-	-	-	
20	Nuclear Production	532000E	13	-	-	-	
21	Other power generation	552000E	13	-	4,101	4,101	
22	Other power generation	553000E	13	2,254	152,901	155,155	
23	Other power generation	554000E	13	212,590	75,348	287,938	
24	Total FERC Form 1 Line 13			1,260,023	811,390	2,071,413	(18-19) FERC Form 1, pp 354 & 355 - Line 13
25							
26	Total 2013 labor charged to the Production Accounts			11,908,747	4,789,991	16,698,738	(18-19) FERC Form 1, pp 354 & 355 - Line 20
27							
28	Less: Procurement labor costs recovered under Electric Distribution rates			(5,323,062)	(2,069,771)	(7,392,833)	Line 10 and 11
29							
30	Net 2013 Electric Generation labor costs:			6,585,684	2,720,221	9,305,905	

SAN DIEGO GAS & ELECTRIC COMPANY

Derivation of 2013 Percentages of Allocation of Common Accounts to Electric, Electric Generation, and Gas Segments Based on Labor Ratios
ADMINISTRATIVE AND GENERAL EXPENSES (FERC Accounts: 920.0-920.2 (in part), 920.5, 921.0, 921.2, 921.5, 923.0-923.4, and 928.0, 930.1-930.2, 931.0, 931.6, 935.0-935.1, 935.6)

INCENTIVE COMPENSATION PLAN (ICP) (FERC Account: 920.4)

PENSION & BENEFITS (FERC Accounts: 926.0-926.5)

INJURIES & DAMAGES (FERC Accounts: 925.0-925.3)

Test Year 2016 General Rate Case

Line #	Description	Electric (2013 \$)	Electric Generation * (2013 \$)	Total Electric (2013 \$)	Gas (2013 \$)	Total (2013 \$)	Source
2	Total Payroll Costs for 2013	149,013,543	11,908,747	160,922,290	54,936,252	215,858,542	(19-20) FERC Form 1, pp 354 & 355, Lines 28 & 62 (Column D)
3	Reclass:						
5	Procurement labor costs recovered under Electric Distribution rates	5,323,062	(5,323,062)	-	-	-	(7) Electric Generation Labor
6	Clearing allocation for procurement labor costs recovered under Electric Distribution rates	-	-	-	-	-	(7) Electric Generation Labor
7							
8	Adjusted Total Payroll Costs for 2013	154,336,606	6,585,684	160,922,290	54,936,252	215,858,542	
9							
10	Less: Administrative and General Expenses**	(29,496,453)	(1,258,641)	(30,755,094)	(11,122,436)	(41,877,530)	(19-20) FERC Form 1, pp 354 & 355, Lines 27 & 61 (Column B)
11							
12	Total Payroll Costs excluding A&G Labor	124,840,152	5,327,044	130,167,196	43,813,816	173,981,012	
13							
14	GRC Segmentation Rates	71.7%	3.1%	74.8%	25.2%	100.0%	
15							

*Electric Generation numbers on line 2-Line 8 are from Schedule (7) Electric Generation Labor

**A&G allocated to Electric Generation is based on Adjusted Electric Generation Payroll costs as a percentage of Adjusted Total Electric payroll costs from Line 8

SAN DIEGO GAS & ELECTRIC COMPANY

**Derivation of 2013 Percentages of Allocation of Common Accounts to Electric, Electric Generation, and Gas Segments
PROPERTY INSURANCE (FERC Account 924)**

Test Year 2016 General Rate Case

(\$ in thousands)

Line #	Description	Electric (2013 \$)	Electric Generation* (2013 \$)	Total Electric (2013 \$)	Gas (2013 \$)	Total (2013 \$)
1						
2	Total Distribution Plant**	5,105,706		5,105,706	1,368,155	6,473,861
3	Total Transmission Plant***	3,652,963		3,652,963		3,652,963
4	Total Steam Production Plant (Electric Generation)***		505,741	505,741		505,741
5	Total Other Production Plant (Electric Generation)***		473,895	473,895		473,895
6	General Plant**	237,136	12,639	249,775		249,775
7	Common Plant**	339,413	18,090	357,503	133,235	490,738
8	Total Plant in Service Excluding SONGS & Miscellaneous Intangible Plant	9,335,219	1,010,364	10,345,583	1,501,390	11,846,973
9						
10	GRC Segmentation Rates	78.8%	8.5%	87.3%	12.7%	100.0%
11						
12	*Electric Common and General Plant allocated to Electric Generation based on 5.05% labor ratio					
13	**The balance for Distribution, General, and Common plant are derived based on a simple average balance using beginning and ending year balances					
14	***The balance for Steam, Other Production, and Transmission plant are derived based on a 13-month average balance					

**REASSIGNMENT
RATES**

SAN DIEGO GAS & ELECTRIC COMPANY

Derivation of 2013 Percentages of Reassignment to Capital for Labor Overheads

FERC Accounts: 920.4, 925.0-925.1, 926.0-926.5

Test Year 2016 General Rate Case

Line #	Description	Amount (2013 \$)	Worksheet Tab Reference
1			
2	SALARY AND WAGES FOR CAPITAL JOBS		
3	Salary and Wages for Plant	164,587,425	(19-20) FERC Form 1, pp 354 & 355 - Line 71 (Column D)
4	Salary and Wages for Plant Removal	21,135,536	(19-20) FERC Form 1, pp 354 & 355 - Line 76 (Column D)
5	Total Salary and Wages for Capital Jobs	<u>185,722,961</u>	
6			
7	COMPANY SALARY AND WAGES		
8	Salary and Wages for Capital Jobs	185,722,961	(19-20) FERC Form 1, pp 354 & 355 - Line 71 and 76 (Column D)
9	Salary and Wages for Operation and Maintenance	260,065,454	(19-20) FERC Form 1, pp 354 & 355 - Line 65 (Column D)
10	Salary and Wages for Other Accounts	42,617,737	(19-20) FERC Form 1, pp 354 & 355 - Line 95 (Column D)
11	Total Company Salary and Wages	<u>488,406,152</u>	
12			
13	GRC Labor Overhead Reassignment to Capital Rate	38.0%	[Calculated - Line 5/Line 11]

San Diego Gas and Electric Company
 2016 GRC – APP
 Non-Shared Service Workpapers

SAN DIEGO GAS & ELECTRIC COMPANY

**Derivation of 2013 Percentages of Reassignment to Capital
 for Administrative and General (A&G) Costs**

**FERC Accounts: 920.0-920.2, 920.5, 921.0, 921.2, 921.5, 923.0-923.2
 Test Year 2016 General Rate Case**

Line #	Description	A&G Costs Allocated to Capital Jobs (2013 \$)	Total A&G Costs subject to Capitalization (2013 \$)	GRC A&G Reassignment to Capital Rate (C) = (A) / (B)
1		(A)	(B)	
2	Sempra Energy A&G Departments	8,603,100	66,434,008	
3	SDG&E A&G Departments	10,709,627	65,506,648	
4	SCG A&G Departments	164,606	52,685,029	
5				
6	Total	<u>19,477,333</u>	<u>184,625,685</u>	10.6%
7				

8
 9 Notes:
 10

- 11 The A&G Reassignment to Capital Rate is a weighted average rate. It is derived by dividing total 2013 recorded
- 12 A&G costs allocated to SDG&E construction jobs (Column A) by total 2013 recorded SDG&E A&G Costs (Column B).
- 13
- 14 (B) Costs subject to capitalization include FERC 920.0-920.2, 920.5, 921.0-921.2, 921.5, and 923.0-923.2.

SAN DIEGO GAS & ELECTRIC COMPANY

**Derivation of 2013 Percentages of Reassignment to Capital for Non-Labor Overheads
 Test Year 2016 General Rate Case**

Overhead allocated to

Line #	Account	Description	Overhead allocated to		Total Overhead (2013 \$) (C)=(A)+(B)	GRC Non-Labor Overhead Reassignment to Capital Rate (D) = (A) / (C)
			Construction Jobs (2013 \$) (A)	Operation and Maintenance, and Others (Note 1) (2013 \$) (B)		
1						
2						
3	163.1	Warehousing	4,715,256	534,577	5,249,832	89.8%
4						
5	163.2	Purchasing	3,962,319	2,028,743	5,991,063	66.1%
6						
7	184.2	Fleet	14,424,501	15,054,170	29,478,671	48.9%
8						
9	184.3	Shop	214,499	294,014	508,512	42.2%
10						
11	184.6	Exempt Material	4,358,569	530,902	4,889,470	89.1%
12						
13	184.7	Small Tools	2,037,114	2,831,905	4,869,018	41.8%
14						

Notes:

- 1) Others include Affiliate Billings and Refundables and Clearing.
- 2) Construction Jobs include Capital and Special Billables

**ELECTRIC TRANSMISSION
ALLOCATION
RATES**

SAN DIEGO GAS & ELECTRIC COMPANY

**Derivation of 2013 Percentages of Allocation of Non-Labor Overheads to Electric Transmission O&M
 Test Year 2016 General Rate Case**

Line #	Account	Description	Overhead allocated to			Total Overhead allocated to Electric O&M Jobs (2013 \$) (D)=(A)+(B)+(C)	GRC Non-Labor Overhead Electric Transmission O&M Allocation Rate* (E) = (A) / ((A)+(C))
			Electric Transmission O&M Jobs (2013 \$) (A)	Electric Generation O&M Jobs (2013 \$) (B)	Other Electric O&M Jobs (2013 \$) (C)		
1							
2							
3	163.1	Warehousing	10,913	194,852	322,121	3.3%	
4							
5	163.2	Purchasing	193,811	251,048	1,294,132	13.0%	
6							
7	184.2	Fleet	2,539,315	92,720	8,605,915	22.8%	
8							
9	184.3	Shop	36,596	243	174,859	17.3%	
10							
11	184.6	Exempt Material	18,941	72,792	191,552	9.0%	
12							
13	184.7	Small Tools	351,232	2,437	1,692,061	17.2%	
14							
15							

Note: O&M allocation rate is based on electric transmission O&M jobs as a percentage of total electric O&M jobs excluding Electric Generation.

SAN DIEGO GAS & ELECTRIC COMPANY

**Derivation of 2013 Percentages of Allocation of Non-Labor Overheads to Electric Transmission Capital
 Test Year 2016 General Rate Case**

Line #	Account	Description	Overhead allocated to			Total Overhead allocated to Electric Capital Jobs (2013 \$) (D)=(A)+(B)+(C)	GRC Non-Labor Overhead Electric Transmission Capital Allocation Rate* (E) = (A) / ((A)+(C))
			Electric Transmission Capital Jobs (2013 \$) (A)	Electric Generation Capital Jobs (2013 \$) (B)	Other Electric Capital Jobs (2013 \$) (C)		
1							
2							
3	163.1	Warehousing	134,523	50,394	3,743,268	3,928,185	3.5%
4							
5	163.2	Purchasing	2,106,185	117,346	1,270,170	3,493,701	62.4%
6							
7	184.2	Fleet	2,547,063	1,741	9,349,151	11,897,955	21.4%
8							
9	184.3	Shop	47,522	122	129,992	177,636	26.8%
10							
11	184.6	Exempt Material	2,104,742	23,368	1,376,087	3,504,198	60.5%
12							
13	184.7	Small Tools	464,966	988	1,225,038	1,690,992	27.5%
14							
15							

Note: Capital allocation rate is based on electric transmission capital jobs as a percentage of total electric capital jobs excluding Electric Generation.

SAN DIEGO GAS & ELECTRIC COMPANY

**Derivation of 2013 Percentages of Electric Transmission A&G Allocation
for Labor Overheads, and Administrative and General (A&G) Expenses**

FERC Accounts: 920.0-920.2, 920.4-920.5, 921.0, 921.2, 921.5, 923.0-923.4, 925.0-925.3, 926.0-926.5, 928.0, 930.1-930.2, 931.0, 931.6, 935-0-935.1, 935.6

Test Year 2016 General Rate Case

Line #	Description	Amount (2013 \$)	Worksheet Tab Reference
1			
2	DIRECT SALARY AND WAGES FOR ELECTRIC TRANSMISSION OPERATION AND MAINTENANCE		
3	Total Salary and Wages for Electric Transmission	<u>21,456,199</u>	(19-20) FERC Form 1, pp 354 & 355 - Line 21 (Column B)
4			
5	DIRECT SALARY AND WAGES FOR OPERATION AND MAINTENANCE		
6	Total Electric Salary and Wages for Operation and Maintenance	<u>160,922,290</u>	(19-20) FERC Form 1, pp 354 & 355 - Line 28 (Column B)
7	Less: Salary and Wages for Administrative and General	<u>(30,755,094)</u>	(19-20) FERC Form 1, pp 354 & 355 - Line 27 (Column B)
8	Total Electric Salary and Wages for Operation and Maintenance Excluding Administrative and General	<u>130,167,196</u>	
9	Less: Total Salary and Wages for Electric Generation	<u>(6,585,684)</u>	(7) Electric Generation Labor - Line 30
10	Net Company Salary and Wages for Operation and Maintenance excluding Electric Generation	<u>123,581,512</u>	
11			
12	GRC Electric Transmission O&M Allocation Rate (excluding Electric Generation) for Labor Overheads and A&G Expenses	17.4%	[Calculated - Line 3/Line 10]

Derivation of 2013 Percentages of Electric Transmission Wildfire Insurance Allocation (FERC Account: 184.8)

Line #	Description	Amount (2013 \$)	Worksheet Tab Reference
13			
14	DIRECT SALARY AND WAGES FOR ELECTRIC TRANSMISSION OPERATION AND MAINTENANCE		
15	Total Salary and Wages for Electric Transmission	<u>21,456,199</u>	(19-20) FERC Form 1, pp 354 & 355 - Line 21 (Column B)
16			
17	DIRECT SALARY AND WAGES FOR OPERATION AND MAINTENANCE		
18	Total Electric Salary and Wages for Operation and Maintenance	<u>160,922,290</u>	(19-20) FERC Form 1, pp 354 & 355 - Line 28 (Column B)
19	Less: Salary and Wages for Administrative and General	<u>(30,755,094)</u>	(19-20) FERC Form 1, pp 354 & 355 - Line 27 (Column B)
20	Net Company Salary and Wages for Operation and Maintenance	<u>130,167,196</u>	
21			
22	GRC Electric Transmission O&M Allocation Rate for Wildfire Insurance	16.5%	[Calculated - Line 15/Line 20]
23			
24	¹ Wildfire insurance is charged 100% to the Electric Department, 0% to the Generation Department, and 0% to the Gas Department.		

SAN DIEGO GAS & ELECTRIC COMPANY

**Derivation of 2013 Electric Transmission A&G Allocation Rate
 for Property Insurance Expenses (FERC Account: 924)
 Test Year 2016 General Rate Case
 (\$ in thousands)**

Line #	Description	Amount (2013 \$)	Worksheet Tab Reference
1			
2	Transmission Plant**	3,652,963	(9) Property Insurance - Line 3
3	Transmission Related General Plant**	41,163	
4	Transmission Related Common Plant**	83,342	
5	Total Transmission Related Investment in Plant	<u>3,777,468</u>	
6			
7	Total Transmission Plant**	3,652,963	Line 2
8	Total Distribution Plant*	5,105,706	(9) Property Insurance - Line 2
9	Total General Plant*	249,775	(9) Property Insurance - Line 6
10	Total Common Plant*	357,503	(9) Property Insurance - Line 7
11	Total Plant in Service Excluding SONGS, Electric Generation & Miscellaneous Intangible Plant	<u>9,365,947</u>	
12			
13	Transmission Plant Property Insurance Allocation Factor	40.3%	[Calculated - Line 5/Line 11]
14			
15	*The balance for Distribution, General, and Common plant are derived based on a simple average balance using beginning and ending year balances		
16	**The balance for Transmission plant is derived based on a 13-month average balance		

SAN DIEGO GAS & ELECTRIC COMPANY

Derivation of 2013 Percentages of Electric Transmission Capital Allocation for Labor Overheads

FERC Accounts: 920.0-920.2, 920.4-920.5, 921.0, 921.2, 921.5, 923.0-923.2, 925.0-925.1, 926.0-926.5

Test Year 2016 General Rate Case

Line #	Description	Amount (2013 \$)	Worksheet Tab Reference
1			
2	SALARY AND WAGES FOR ELECTRIC TRANSMISSION CAPITAL JOBS		
3	Total Salary and Wages for Electric Transmission	20,640,563	
4			
5	DIRECT SALARY AND WAGES FOR ELECTRIC CAPITAL JOBS		
6	Total Company Salary and Wages for Electric Capital Jobs including Capital Removal	64,827,642	(19-20) FERC Form 1, pp 354 & 355 - Line 68 + 73 (Column B)
7	Less: Total Salary and Wages for Electric Generation (FERC Account 310-317 & 340-347)	243,412	
8	Net Company Salary and Wages for Electric Capital Jobs excluding Electric Generation	64,584,230	
9			
10	GRC Electric Transmission Capital Allocation Rate (excluding Electric Generation)	32.0%	[Calculated - Line 3/Line 8]

2013 FERC FORM 1
PAGES 354-355

2013 FERC Form 1 (P354-355)				
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of payroll charged for Clearin Accounts (c)	Total (d)
1	Electric			
2	Operation			
3	Production	10,648,724		
4	Transmission	13,058,571		
5	Regional Market			
6	Distribution	40,579,221		
7	Customer Accounts	23,302,450		
8	Customer Service and Informational	19,529,520		
9	Sales			
10	Administrative and General	29,514,191		
11	TOTAL Operation (Enter Total of lines 3 thru 10)	136,632,677		
12	Maintenance			
13	Production	1,260,023		
14	Transmission	8,397,628		
15	Regional Market			
16	Distribution	13,391,059		
17	Administrative and General	1,240,903		
18	TOTAL Maint. (Total of lines 13 thru 17)	24,289,613		
19	Total Operation and Maintenance			
20	Production (Enter Total of lines 3 and 13)	11,908,747		
21	Transmission (Enter Total of lines 4 and 14)	21,456,199		
22	Regional Market (Enter Total of lines 5 and 15)			
23	Distribution (Enter Total of lines 6 and 16)	53,970,280		
24	Customer Accounts (Transcribe from line 7)	23,302,450		
25	Customer Service and Informational (Transcribe from line 8)	19,529,520		
26	Sales (Transcribe from line 9)			
27	Administrative and General (Enter Total of lines 10 and 17)	30,755,094		
28	TOTAL Oper. and Maint. (Total of lines 20 thru 27)	160,922,290	34,051,723	194,974,013
29	Gas			
30	Operation			
31	Production-Manufactured Gas			
32	Production-Nat. Gas (Including Expl. and Dev.)			
33	Other Gas Supply			
34	Storage, LNG Terminating and Processing	61,622		
35	Transmission	2,073,577		
36	Distribution	19,198,529		
37	Customer Accounts	12,010,710		
38	Customer Service and Informational	3,216,519		
39	Sales			
40	Administrative and General	10,660,253		
41	TOTAL Operation (Enter Total of lines 31 thru 40)	47,221,210		
42	Maintenance			
43	Production-Manufactured Gas			
44	Production-Natural Gas			
45	Other Gas Supply			
46	Storage, LNG Terminating and Processing			
47	Transmission	3,336,374		
48	Distribution	3,916,485		
49	Administrative and General	462,183		
50	TOTAL Maint. (Enter Total of lines 43 thru 49)	7,715,042		
51	Total Operation and Maintenance			
52	Production-Manufactured Gas (Enter Total of lines 31 and 43)			
53	Production-Natural Gas (Including Expl. and Dev.) (Total lines 32, 44)			
54	Other Gas Supply (Enter Total of lines 33 and 45)			
55	Storage, LNG Terminating and Processing (Total of lines 34 thru 46)	61,622		
56	Transmission (Lines 35 and 47)	5,409,951		
57	Distribution (Lines 36 and 48)	23,115,014		
58	Customer Accounts (Line 37)	12,010,710		
59	Customer Service and Informational (Line 38)	3,216,519		
60	Sales (Line 39)			
61	Administrative and General (Lines 40 and 49)	11,122,436		
62	TOTAL Operation and Maint. (Total of lines 52 thru 61)	54,936,252	10,155,189	65,091,441
63	Other Utility Departments			
64	Operation and Maintenance			
65	TOTAL All Utility Dept. (Total of lines 28, 62, and 64)	215,858,542	44,206,912	260,065,454
66	Utility Plant			
67	Construction (By Utility Departments)			
68	Electric Plant	56,317,126	91,198,392	147,515,518
69	Gas Plant	8,314,921	8,756,986	17,071,907
70	Other (provide details in footnote):			
71	TOTAL Construction (Total of lines 68 thru 70)	64,632,047	99,955,378	164,587,425
72	Plant Removal (By Utility Departments)			
73	Electric Plant	8,510,516	11,884,235	20,394,751
74	Gas Plant	365,137	375,648	740,785
75	Other (provide details in footnote):			
76	TOTAL Plant Removal (Total of lines 73 thru 75)	8,875,653	12,259,883	21,135,536
77	Other Accounts (Specify, provide details in footnote):			
78	3rd Party Billings, Gas		1,254,138	1,254,138
79	3rd Party Billings, Electric		4,793,251	4,793,251
80	Affiliate Billing, Gas		9,928,850	9,928,850
81	Affiliate Billing, Electric		26,641,498	26,641,498
82				
83				
84				
85				
86				
87				
88				
89				
90				
91				
92				
93				
94				
95	TOTAL Other Accounts		42,617,737	42,617,737
96	TOTAL SALARIES AND WAGES	289,366,242	199,839,910	488,406,152

Name of Respondent San Diego Gas & Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2013/Q4
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DISTRIBUTION OF SALARIES AND WAGES

Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)
1	Electric			
2	Operation			
3	Production	10,648,724		
4	Transmission	13,058,671		
5	Regional Market			
6	Distribution	40,579,221		
7	Customer Accounts	23,302,450		
8	Customer Service and Informational	19,529,520		
9	Sales			
10	Administrative and General	29,514,191		
11	TOTAL Operation (Enter Total of lines 3 thru 10)	138,632,677		
12	Maintenance			
13	Production	1,260,023		
14	Transmission	8,397,628		
15	Regional Market			
16	Distribution	13,391,059		
17	Administrative and General	1,240,903		
18	TOTAL Maintenance (Total of lines 13 thru 17)	24,289,613		
19	Total Operation and Maintenance			
20	Production (Enter Total of lines 3 and 13)	11,908,747		
21	Transmission (Enter Total of lines 4 and 14)	21,456,199		
22	Regional Market (Enter Total of Lines 5 and 15)			
23	Distribution (Enter Total of lines 6 and 16)	53,970,280		
24	Customer Accounts (Transcribe from line 7)	23,302,450		
25	Customer Service and Informational (Transcribe from line 8)	19,529,520		
26	Sales (Transcribe from line 9)			
27	Administrative and General (Enter Total of lines 10 and 17)	30,755,094		
28	TOTAL Oper. and Maint. (Total of lines 20 thru 27)	160,922,290	34,051,723	194,974,013
29	Gas			
30	Operation			
31	Production-Manufactured Gas			
32	Production-Nat. Gas (Including Expl. and Dev.)			
33	Other Gas Supply			
34	Storage, LNG Terminaling and Processing	61,622		
35	Transmission	2,073,577		
36	Distribution	19,198,529		
37	Customer Accounts	12,010,710		
38	Customer Service and Informational	3,216,519		
39	Sales			
40	Administrative and General	10,960,253		
41	TOTAL Operation (Enter Total of lines 31 thru 40)	47,221,210		
42	Maintenance			
43	Production-Manufactured Gas			
44	Production-Natural Gas (Including Exploration and Development)			
45	Other Gas Supply			
46	Storage, LNG Terminaling and Processing			
47	Transmission	3,336,374		

Name of Respondent San Diego Gas & Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) //	Year/Period of Report End of 2013/Q4
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DISTRIBUTION OF SALARIES AND WAGES (Continued)

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)
48	Distribution	3,918,485		
49	Administrative and General	462,103		
50	TOTAL Maint. (Enter Total of lines 43 thru 49)	7,715,042		
51	Total Operation and Maintenance			
52	Production-Manufactured Gas (Enter Total of lines 31 and 43)			
53	Production-Natural Gas (Including Expl. and Dev.) (Total lines 32,			
54	Other Gas Supply (Enter Total of lines 33 and 45)			
55	Storage, LNG Terminating and Processing (Total of lines 31 thru	61,622		
56	Transmission (Lines 35 and 47)	5,409,951		
57	Distribution (Lines 36 and 48)	23,115,014		
58	Customer Accounts (Line 37)	12,010,710		
59	Customer Service and Informational (Line 38)	3,216,519		
60	Sales (Line 39)			
61	Administrative and General (Lines 40 and 49)	11,122,436		
62	TOTAL Operation and Maint. (Total of lines 52 thru 61)	64,936,252	10,155,189	65,091,441
63	Other Utility Departments			
64	Operation and Maintenance			
65	TOTAL All Utility Dept. (Total of lines 28, 62, and 64)	215,858,542	44,206,912	260,065,454
66	Utility Plant			
67	Construction (By Utility Departments)			
68	Electric Plant	66,317,126	91,198,392	147,515,518
69	Gas Plant	8,314,921	8,758,986	17,073,907
70	Other (provide details in footnote):			
71	TOTAL Construction (Total of lines 68 thru 70)	64,632,047	99,957,378	164,589,425
72	Plant Removal (By Utility Departments)			
73	Electric Plant	8,510,516	11,884,236	20,394,751
74	Gas Plant	366,137	375,648	741,785
75	Other (provide details in footnote):			
76	TOTAL Plant Removal (Total of lines 73 thru 75)	8,876,653	12,259,883	21,136,536
77	Other Accounts (Specify, provide details in footnote):			
78	3rd Party Billings, Gas		1,254,138	1,254,138
79	3rd Party Billings, Electric		4,793,251	4,793,251
80	Affiliate Billings, Gas		9,928,850	9,928,850
81	Affiliate Billings, Electric		26,641,498	26,641,498
82				
83				
84				
85				
86				
87				
88				
89				
90				
91				
92				
93				
94				
95	TOTAL Other Accounts		42,617,737	42,617,737
96	TOTAL SALARIES AND WAGES	289,366,242	199,039,910	488,406,152