

**CFC DATA REQUEST**  
**CFC-Sempra-2019 #8**  
**SOICALGAS 2019 GRC – A.17-10-008**  
**SDG&E 2019 GRC – A.17-10-007**  
**DATE RECEIVED: MARCH 27, 2018**  
**DATE RESPONDED: APRIL 19, 2018**

1. SCG-26-CWP, page 14, describes the "RO MODEL & GRID ENHANCEMENT" project. One Business Purpose listed is "Create variance analysis tool to run various scenarios."

a. Please describe the variance analysis tool, and explain the advantageous added capabilities it affords SoCalGas. In particular, please describe how the new analysis tool improves SCG's ability to evaluate different rate case scenarios.

One Physical Description listed is "Developed VB code and macros to create variance reports for different areas in the RO model."

b. Please describe the variance reporting capability that the new analysis tool has added, and provide an example of its output.

One Project Justification listed is "Avoid unnecessary audits from the CPUC."

c. Please explain the expected annual cost savings to each of SCG and the CPUC from avoiding unnecessary audits.

**SDG&E and SoCalGas Response 01:**

1a. The TY 2019 GRC RO model is enhanced with the Comparison Reporting tool for variance analysis. This tool is an Excel Add-in that utilized Visual Basic (VB) codes to automatically compare and compute the variances between the scenarios.

The RO model is comprised of 25 data Excel files where variance reports for different scenarios may be needed to help evaluate and assess the impact of the scenarios. Prior to the Comparison Reporting tool, the variance report was manually done by copying data from two models and manually adding the formulas to calculate the change between the two scenarios. Additionally, the user cannot open and view the file from the two models since it has the same file name. It would require the user to rename one of the files to display both. This manual process is less accurate and inefficient.

The Comparison Reporting tool streamlines the process by simply selecting the two model folders (Base vs. Compare) and the files to compare. It produces three workbooks vertically aligned (see screen print below). In this sample, we are comparing the Summary of Earnings between the Revised filing (Base) and the Second Revised filing (Compare). The workbook on the left shows the change between the Base and Compare model. The workbook on the top right is the rptSummary file from the Base model while the workbook on the bottom right is from the Compare model. This tool promotes efficient and accurate analysis to ensure timely processing of the GRC and fulfills internal reporting requirements.

**CFC DATA REQUEST**  
**CFC-Sempra-2019 #8**  
**SOCALGAS 2019 GRC – A.17-10-008**  
**SDG&E 2019 GRC – A.17-10-007**  
**DATE RECEIVED: MARCH 27, 2018**  
**DATE RESPONDED: APRIL 10, 2018**

2. SCG-26-CWP, page 76, describes the "My Account Additional Self-Service Features and Transactional Improvements" project.

The Business Purpose states as follows:

"This project will enhance and expand self-service transactions supported by My Account. For example, our Start and Transfer Service Orders in My Account are high volume transactions that show great promise for growth. Analysis by various teams has shown that there are various impactful ways of increasing completion rates for these two transactions. These series of enhancements focus on removing some major roadblocks currently inherent in these transactions. Aside from making each transaction shorter and more concise, we are focusing on raising the confidence level of customers by providing newly found important information that are causing frequent drop-offs and calls to the CCC."

- a. As the project will make transactions shorter and more concise, does that translate into any administrative cost savings for the company? Please explain.
- b. As the project will make transactions shorter and more concise, how will that translate into customer time savings, and what value does SCG ascribe to those customer benefits? Please comment.

**SDG&E and SoCalGas Response 02:**

- a. SoCalGas expects that improving digital channels, such as the enhancements proposed in the My Account Self-Service Features and Transactional Improvements project, which includes making transactions shorter and more concise, will increase customer satisfaction and may result in customers returning to do business in the channel they prefer. SoCalGas has not conducted an analysis to determine administrative cost savings regarding these improvements.
- b. SoCalGas is seeking these enhancements to improve the customer experience as stated in response 2(a). System enhancements to shorten transaction times and to make them more concise should result in customers being able to adjust the date and time of their gas service orders more easily through a digital platform, without the need to contact the Customer Call Center to complete those transactions, as described in Exhibit SCG-20-R, page ASC-52, lines 8 to 14.

**CFC DATA REQUEST**  
**CFC-Sempra-2019 #8**  
**SOCALGAS 2019 GRC – A.17-10-008**  
**SDG&E 2019 GRC – A.17-10-007**  
**DATE RECEIVED: MARCH 27, 2018**  
**DATE RESPONDED: APRIL 19, 2018**

**SDG&E and SoCalGas Response 01 Continued:**

The image displays three screenshots of Excel spreadsheets. The leftmost screenshot shows a 'SUMMARY OF EARNINGS' table for SoCalGas. The middle screenshot shows a 'Table KN-1' with 'Present Rates' and 'Proposed Rates' for 2019. The rightmost screenshot shows another 'Table KN-1' with similar data.

Line No.	Description	Present Rates	Proposed Rates
9	Base Margin	\$ 4,162	\$ (56,871)
10	Miscellaneous Revenues		(1,814)
11	Revenue Requirement	\$ 4,162	\$ (58,685)

  

Line No.	Description	2019 Present Rates (2019\$)	2019 Proposed Rates (2019\$)
9	Base Margin	\$ 2,353,294	\$ 2,904,554
10	Miscellaneous Revenues	98,685	84,924
11	Revenue Requirement	\$ 2,451,979	\$ 2,989,477

  

Line No.	Description	2019 Present Rates (2019\$)	2019 Proposed Rates (2019\$)
9	Base Margin	\$ 2,357,456	\$ 2,847,682
10	Miscellaneous Revenues	98,685	83,119
11	Revenue Requirement	\$ 2,456,141	\$ 2,930,792

1b. Please see response in 1a.

1c. Annual savings to each of SDG&E, SCG and the CPUC from avoiding unnecessary audits in terms of dollar impacts are not quantifiable and are not available. However, this tool promotes process efficiencies and accurate analysis to facilitate timely processing of the GRC proceeding.

**CFC DATA REQUEST**  
**CFC-Sempra-2019 #8**  
**SOCALGAS 2019 GRC – A.17-10-008**  
**SDG&E 2019 GRC – A.17-10-007**  
**DATE RECEIVED: MARCH 27, 2018**  
**DATE RESPONDED: APRIL 10, 2018**

3. SCG-26-CWP, page 193, describes the "Integrated Customer Data & Analytics" project. The Business Purpose states as follows:

"ICDA is a strategic priority and enabler for multiple projects within the Customer Service Enhancement Program (CSEP). ICDA will deliver an integrated data store that enables the future vision of Southern California Gas Company's customer analytics. The analytics solution will accommodate big data volumes generated from Advanced Meter (AM) interval data and self-service transactional data. The integration of this data will provide the ability to analyze customer behavioral data, trends, and preferences during the customer evolution process (starting service, requesting service orders, program participation, remittance processing, transferring service, etc.). By doing so, this will allow SCG to make operational, tactical and strategic decisions more efficiently and timely, by making data promptly accessible and available to SCG's data analysts."

- a. Please explain whether, and if so, how, the ICDA has contributed (or will contribute) to the implementation of default TOU pricing.
- b. Please explain whether, and if so, how, the ICDA has contributed (or will contribute) to the implementation of a fixed charge for residential customers.

Under Physical Description, a bullet refers to "Facilitate the residential growth strategy."

c. Please describe the residential growth strategy, and explain how ICDA will contribute to it.

The Project Justification says as follows:

"Upon implementation of this integrated data solution business units in scope will have the following opportunities to realize the following benefits:

- Improved analytics around inaccurate bills, process billing, exceptions/resolutions (failed edits) with the opportunity to reduce the number of monthly billing exceptions
- Increase in paperless billing rate
- Provide segmentation analysis on propensity to pay, method of payment, channel preference, behavior score, number of collection notices; improve uncollectable rate and collection agency annual referral amounts
- Improve target marketing effectiveness using customer segmentation
- Ability to reduce analytics time to insights (and time to business value) by investing in Information Governance and Data Management, Analytics Governance and Advanced Analytics capabilities. Current estimates are 80% of super-user time spent integrating data because of lack of foundational capabilities."

d. What annualized savings will ICDA generate due to reducing super-user time spent on data integrating? Please explain.

e. What annualized savings will ICDA generate through reducing billing errors? Please explain.

**CFC DATA REQUEST**  
**CFC-Sempra-2019 #8**  
**SOCALGAS 2019 GRC – A.17-10-008**  
**SDG&E 2019 GRC – A.17-10-007**  
**DATE RECEIVED: MARCH 27, 2018**  
**DATE RESPONDED: APRIL 10, 2018**

**Question 3-Continued**

- f. What annualized savings will ICDA facilitate through reducing paper billing? Please explain.
- g. What improvement in the uncollectible rate does Sempra anticipate from the ICDA project? Please explain.

**SDG&E and SoCalGas Response 03:**

3a. The SoCalGas ICDA has no relationship to an implementation of default TOU pricing for electric customers.

3b. The SoCalGas ICDA has no relationship to an implementation of a fixed charge for residential electric customers.

3c. The SoCalGas Residential Growth Strategy was an initiative that focused on providing residential customers with new or improved services and products. There were three areas of focus: new construction, possible Non-Tariffed Products and Services (NTP&S) opportunities, and possible new tariffed services. The new construction focus area looked at practical opportunities for natural gas solutions in new construction and how to incorporate natural gas in the upcoming Zero Net Emissions (ZNE) building codes. The second two focus areas were combined and consisted of a series of ideation sessions and research on new products and services (either NTP&S or tariffed) that could improve the health, safety and comfort of residential customers. The three focus areas are now part of the regular work performed by both the Residential Market Services group and the Small & Medium Business (SMB) Support Services group. Both groups continue to utilize ICDA data and queries regularly for targeted customer information, such as average usage, billing information, and demographic information to support their ongoing efforts to refine strategies that support the residential customer segment and the SMB customer segment.

3d. The increase in analytic capabilities provided by the ICDA process will allow the Company to target and streamline communications to customers, such as promoting paperless billing benefits to customers on paper bills, reduction of bill exceptions and analysis of customer propensity to pay and bad debt indicators, all of which should lead to further efficiencies in operations and savings in time and expenses where applicable. An estimate of such savings has not been quantified.

**CFC DATA REQUEST**  
**CFC-Sempra-2019 #8**  
**SOCALGAS 2019 GRC – A.17-10-008**  
**SDG&E 2019 GRC – A.17-10-007**  
**DATE RECEIVED: MARCH 27, 2018**  
**DATE RESPONDED: APRIL 10, 2018**

**SDG&E and SoCalGas Response 03 Continued:**

3e. See response to Question 3d above. The Integrated Customer Data Warehouse developed by the ICDA project allows the Billing group to process their work queue in ways that are not possible in the Legacy Customer Information System (CIS). The primary efficiency difference derives from the added flexibility to sort and filter billing exceptions in the work queue in ways that provide additional detail, giving Billing supervisors the ability to assign work in groups and to analyze exceptions for patterns that can lead to prevention efforts. An estimate of such savings has not been quantified.

3f. See response to Question 3d above.

3g. See response to Question 3d above.

**CFC DATA REQUEST**  
**CFC-Sempra-2019 #8**  
**SOCALGAS 2019 GRC – A.17-10-008**  
**SDG&E 2019 GRC – A.17-10-007**  
**DATE RECEIVED: MARCH 27, 2018**  
**DATE RESPONDED: APRIL 13, 2018**

4. SCG-26-CWP, page 611, describes the "Gas Distribution and M&R Improvements" project. The Business Purpose states as follows:

"The project will focus on application development, configuration, and data capture to support compliance reporting, efficiency and continuous improvements and the ability to integrate with GIS for data analysis. The scope also includes enhancements identified through Fueling our Future Initiative.

- Provide Mobile solution for all inspection activities and e-form to report results.
- Develop an interface with KorTerra and SAP/GIS and SAP/GIS (in sync data) to support failure prevention analysis and other reporting requirements
- Develop ongoing Operational and Compliance (GO112F, CFR49) Reports (HANA)
- Support and align with GIS on enhancements for future state of bread crumbing technology (with smart tablet technology)
- Improve M&R form redesign to gain efficiencies
- Improve efficiencies on existing Gas Distribution structure and overall alignment across work groups."

The Physical Description says as follows:

"The project will continue to improve and implement efficiencies to Gas Distribution and MRC. to maintain compliance with all Federal and State regulations (i.e. PHMSA, GO 112F, SB1371) and continue to drive changes that require our systems to change in order to maintain system integrity and ensure compliance."

- a. Please explain whether, if at all, this project will play a role in creating benefits in terms of reducing Dig-Ins, and what the annual value of those benefits is expected to be.
- b. Please explain whether, if at all, this project will play a role in terms of reducing Incorrect Operations, and what the annual value of those benefits is expected to be.

**SDG&E and SoCalGas Response 04:**

- a. In general, GIS and mapping data is associated with mitigating the risk of "Dig-Ins" (i.e., third-party excavation damages); however, this specific GIS-related "Gas Distribution and M&R Improvements" project is not associated with mitigating the risk of Dig-Ins. Therefore, this project will not play a role in creating benefits in the terms of reducing Dig-Ins. Rather, this project is aimed at reducing the risk of Records Management.

As it is described in the Risk Assessment Mitigation Phase (RAMP) Report of SoCalGas and SDG&E, "[t]he records management risk involves the use of inaccurate or incomplete information that could result in the failure to (1) construct, operate, and maintain SoCalGas' pipeline system safely and prudently; or, (2) to satisfy regulatory compliance requirements."<sup>1</sup> The Records Management RAMP chapter focuses on the

---

<sup>1</sup> I.16-10-015/-016. RAMP Report of SoCalGas and SDG&E. Filed on November 30, 2016. Risk Chapter SCG-08, Records Management at SCG 8-2.

**CFC DATA REQUEST**  
**CFC-Sempra-2019 #8**  
**SOCALGAS 2019 GRC – A.17-10-008**  
**SDG&E 2019 GRC – A.17-10-007**  
**DATE RECEIVED: MARCH 27, 2018**  
**DATE RESPONDED: APRIL 13, 2018**

**SDG&E and SoCalGas Response 04 Continued:**

modernization of records.<sup>2</sup> On page SCG 8-12 of the RAMP risk chapter of Records Management, it states “SoCalGas proposes an initiative to digitize its records... SoCalGas’ records have evolved over the life of the operational assets, and transferring existing paper records to an electronic format (digitization) is one aspect of modernizing SoCalGas’ records. In addition to digitization, SoCalGas’ initiative will also add searchability and traceability functionality.”

A prerequisite to understanding and assessing the level of risk of potential incidents and events on a pipeline system is a robust understanding of system knowledge based on reliable records such as the location, condition and operating parameters of the pipelines. SoCalGas and SDG&E’s Gas Operations use the results of these risk assessments to continue to drive down the likelihood of asset-related safety incidents and events. SoCalGas and SDG&E manages the risk of records management, in part, through mitigation actions that have been developed and implemented over many years, including “Operational Compliance and Oversight,” a mitigation presented in the RAMP Report. The Gas Distribution and M&R Improvement project relates to the collection, input, and management of data by digitizing forms and providing form validations to record reliable information directly into our work management and GIS systems for future analysis. The project will focus on application development, configuration, and data capture to support compliance reporting, efficiency and continuous improvements and the ability to integrate with GIS for data analysis in addition to an expected cost reduction. The project will also continue to improve and implement efficiencies to Gas Distribution and Measurement Regulation and Control (MRC).

When developing this project and assessing its benefits, an alternative that was considered was implementing one centralized records management IT system for all operational asset groups. This centralized system, if implemented, would replace GIS and implement a single system in its place. Even though this alternative would minimize the potential for multiple systems to have differing records and may reduce some costs, this alternative would also prevent each operational asset group from identifying, implementing, and utilizing a system that best meets the needs of the specific operational asset group. The centralized system approach does not allow specialization because not all records require the same attributes to be collected and retained. Based on the foregoing, the Gas Distribution and M&R Improvements project is preferred.

As for benefits, implementing this project will result in more efficient records and operations. The business purpose as described in the capital workpapers of IT witness Chris Olmsted (Exhibit SCG-26-CWP) also provides the benefits of this project (e.g.,

---

<sup>2</sup> [https://www.sdge.com/sites/default/files/SCG-8\\_RAMP\\_Records\\_Management\\_FINAL.pdf](https://www.sdge.com/sites/default/files/SCG-8_RAMP_Records_Management_FINAL.pdf).



**CFC DATA REQUEST**  
**CFC-Sempra-2019 #8**  
**SOCALGAS 2019 GRC – A.17-10-008**  
**SDG&E 2019 GRC – A.17-10-007**  
**DATE RECEIVED: MARCH 27, 2018**  
**DATE RESPONDED: APRIL 13, 2018**

**SDG&E and SoCalGas Response 04 Continued:**

improve M&R form redesign to gain efficiencies). Quantitative benefit calculations, such as risk spend efficiency (RSE), were not presented in the Test Year 2019 GRC. This approach is consistent with guidance stemming from the RAMP proceeding, as shown in the Revised Direct Testimony of Diana Day (Exhibit SCG-02-R/SDG&E-02-R, Chapter 1): “Through the SED Evaluation Report and comments submitted in response to both the SED Evaluation Report and the Companies’ RAMP Report, stakeholders agreed that the RSEs are evolving, should be further refined in the S-MAP [Safety Model Assessment Proceeding], and have limited usefulness in their current state.” (Exhibit SCG-02-R/SDG&E-02-R, Chapter 1 at p. DD-17 lines 18-21.) SoCalGas and SDG&E’s comments in the RAMP proceeding stated “the Utilities do not plan to include their nascent RSE calculations in the upcoming TY 2019 GRC. However, the Utilities will work with the parties and the Commission in the S-MAP proceeding toward furthering development of a more useful effectiveness metric in the next RAMP.” (I.16-10-015/I.16-10-016. SoCalGas and SDG&E Opening Comments (April 24, 2017), at 4-5; and SoCalGas and SDG&E Reply Comments (May 9, 2017), at 6-8.) Therefore, the requested information is not available. Please see the Revised Direct Testimony of Diana Day (Exhibit SCG-02-R/SDG&E-02-R, Chapter 1) and the Direct Testimony of Jamie York (Exhibit SCG-02-R/SDG&E-02-R, Chapter 3) for more information regarding the Commission’s guidance in presenting the first-ever risk-informed GRC.

- b. SoCalGas and SDG&E assume that the question’s use of the term “Incorrect Operation” refers to this term as described in the RAMP Report, which is one of the nine types of threats that could lead to a pipeline incident as determined by the U.S. Department of Transportation Pipeline and Hazardous Materials and Safety Administration (PHMSA) and ASME B31.8S.<sup>3</sup> Incorrect Operation is listed as a risk driver to other RAMP risks, such as the risk of Catastrophic Damage Involving a High-Pressure Pipeline Failure and, therefore, is associated with that RAMP risk<sup>4</sup> (*see* RAMP risk chapter SCG-04 at SCG 4-7 and 4-9.). However, “Incorrect Operation” is not listed as a risk driver of the Records Management risk (*see* RAMP risk chapter SCG-08 at SCG 8-4 – 8-5) and, therefore, is not associated with the risk of Records Management or this project.

---

<sup>3</sup> I.16-10-015/-016. RAMP Report of SoCalGas and SDG&E. Filed on November 30, 2016. Risk Chapter SCG-04, Catastrophic Damage Involving a High-Pressure Pipeline Failure at SCG 4-3.

<sup>4</sup> [https://www.sdge.com/sites/default/files/SCG-4\\_RAMP\\_Catastrophic\\_Damage\\_Involving\\_a\\_High-Pressure\\_Pipeline\\_Failure\\_FINAL.pdf](https://www.sdge.com/sites/default/files/SCG-4_RAMP_Catastrophic_Damage_Involving_a_High-Pressure_Pipeline_Failure_FINAL.pdf).

**CFC DATA REQUEST**  
**CFC-Sempra-2019 #8**  
**SOCALGAS 2019 GRC – A.17-10-008**  
**SDG&E 2019 GRC – A.17-10-007**  
**DATE RECEIVED: MARCH 27, 2018**  
**DATE RESPONDED: APRIL 13, 2018**

5. SCG-26-CWP, page 709, describes the "Gas GIS 2017-2019" project.

The Business Purpose states as follows:

"The over-arching theme on the proposed continuing project is compliance, safety and timeliness of regulatory request. The project focuses on software development, configuration and data model enhancements of the existing Gas GIS systems. These Gas GIS application solutions will support system wide users, compliance, safety and emergency response, and efficiency improvement project requirements.

This continuing project includes the following:

- Migrating Medium Pressure GIS to UPDM and synchronizing with High Pressure UPDM
- Provide synchronization of medium pressure asset data across GIS and SAP
- Provide access to medium pressure linear asset data via mobile GIS and mobile Leak Survey / Patrol applications
- Provide a single source for viewing all medium pressure asset data, including equipment assets, maintenance history, electronic documentation and real-time reads (OSI/PI). (EAM for Distribution)
- Provide support for Failure Prevention Analysis
- Replace enterprise Web Viewer and provide access to GIS data via Enterprise Portal
- Provide integration with AutoCAD
- Provide re-integration of add-on solutions including Risk and Threat Modeling and Hydraulic Modeling."

The Physical Description says as follows:

"The project will continue the implementation of Gas GIS application solutions to support Operations, the Distribution Integrity Management Program (DIMP), Pipeline Safety Enhancement Program (PSEP), the Transmission Integrity Management Program (TIMP) and the Storage Integrity Management Program (SIMP). This work is required to support and demonstrate compliance with Federal and State regulations. The project focuses on software development, configuration and data model enhancements of the existing Gas GIS systems."

The Project Justification is described as follows:

"This project represents the Capital activities that support requested DIMP and TIMP O&M activities. The project includes technical and functional application solutions to support DIMP, PSEP, TIMP and SIMP to ensure company meets regulatory compliance and reporting requirements. Benefits are ability to demonstrate compliance, complete regulatory reporting and cost avoidance."

- a. Please explain whether, if at all, this project will play a role in creating benefits in terms of reducing Dig-Ins, and what the annual value of those benefits is expected to be.
- b. Please explain whether, if at all, this project will play a role in terms of reducing Incorrect Operations, and what the annual value of those benefits is expected to be.

**CFC DATA REQUEST**  
**CFC-Sempra-2019 #8**  
**SOCALGAS 2019 GRC – A.17-10-008**  
**SDG&E 2019 GRC – A.17-10-007**  
**DATE RECEIVED: MARCH 27, 2018**  
**DATE RESPONDED: APRIL 13, 2018**

**SDG&E and SoCalGas Response 05:**

- a. As explained in the response to Question 4, in general, GIS and mapping data is associated with mitigating the risk of “Dig-Ins” (i.e., third-party excavation damages); however, this specific GIS-related “Gas GIS 2017-2019” project is not associated with mitigating the risk of Dig-Ins. Therefore, this project will not play a role in creating benefits in the terms of reducing Dig-Ins. Rather, this project is aimed at reducing the risk of Records Management.

As it is described in the RAMP Report of SoCalGas and SDG&E, “[t]he records management risk involves the use of inaccurate or incomplete information that could result in the failure to (1) construct, operate, and maintain SoCalGas’ pipeline system safely and prudently; or, (2) to satisfy regulatory compliance requirements.”<sup>1</sup> The Records Management RAMP chapter focuses on the modernization of records.<sup>2</sup> On page SCG 8-12 of the RAMP risk chapter of Records Management, it states “SoCalGas proposes an initiative to digitize its records... SoCalGas’ records have evolved over the life of the operational assets, and transferring existing paper records to an electronic format (digitization) is one aspect of modernizing SoCalGas’ records. In addition to digitization, SoCalGas’ initiative will also add searchability and traceability functionality.”

A prerequisite to understanding and assessing the level of risk of potential incidents and events on a pipeline system is a robust understanding of system knowledge based on reliable records such as the location, condition and operating parameters of the pipelines. SoCalGas and SDG&E’s Gas Operations use the results of these risk assessments to continue to drive down the likelihood of asset-related safety incidents and events. SoCalGas and SDG&E manages the risk of records management, in part, through mitigation actions that have been developed and implemented over many years, including “Operational Compliance and Oversight,” a mitigation presented in the RAMP Report. This Gas GIS project relates to the collection, input, and management of data. The project will continue the implementation of Gas GIS application solutions to support Operations, the Distribution Integrity Management Program (DIMP), Pipeline Safety Enhancement Program (PSEP), the Transmission Integrity Management Program (TIMP) and the Storage Integrity Management Program (SIMP). This work is required to support and demonstrate compliance with Federal and State regulations. The project focuses on software development, configuration and data model enhancements of the existing Gas GIS systems by digitizing forms and providing form validations to accurately record

---

<sup>1</sup> I.16-10-015/-016. RAMP Report of SoCalGas and SDG&E. Filed on November 30, 2016. Risk Chapter SCG-08, Records Management at SCG 8-2.

<sup>2</sup> [https://www.sdge.com/sites/default/files/SCG-8\\_RAMP\\_Records\\_Management\\_FINAL.pdf](https://www.sdge.com/sites/default/files/SCG-8_RAMP_Records_Management_FINAL.pdf).

**CFC DATA REQUEST**  
**CFC-Sempra-2019 #8**  
**SOCALGAS 2019 GRC – A.17-10-008**  
**SDG&E 2019 GRC – A.17-10-007**  
**DATE RECEIVED: MARCH 27, 2018**  
**DATE RESPONDED: APRIL 13, 2018**

**SDG&E and SoCalGas Response 05 Continued:**

information directly into our work management system, our GIS system will have integrity in the data for future analysis.

When developing this project and assessing its benefits, an alternative that was considered was implementing one centralized records management IT system for all operational asset groups. This centralized system, if implemented, would replace GIS and implement a single system in its place. Even though this alternative would minimize the potential for multiple systems to have differing records and may reduce some costs, this alternative would also prevent each operational asset group from identifying, implementing, and utilizing a system that best meets the needs of the specific operational asset group. The centralized system approach does not allow specialization because not all records require the same attributes to be collected and retained. Based on the foregoing, this Gas GIS project is preferred.

As for benefits, implementing this project will result in more efficient records and operations. The business purpose as described in the capital workpapers of IT witness Chris Olmsted (Exhibit SCG-26-CWP) also provides the benefits of this project (e.g., provide synchronization of medium pressure asset data across GIS and SAP). Quantitative benefit calculations, such as RSE, were not presented in the Test Year 2019 GRC. This approach is consistent with guidance stemming from the RAMP proceeding, as shown in the Revised Direct Testimony of Diana Day (Exhibit SCG-02-R/SDG&E-02-R, Chapter 1): “Through the SED Evaluation Report and comments submitted in response to both the SED Evaluation Report and the Companies’ RAMP Report, stakeholders agreed that the RSEs are evolving, should be further refined in the S-MAP, and have limited usefulness in their current state.” (Exhibit SCG-02-R/SDG&E-02-R, Chapter 1 at p. DD-17 lines 18-21.) SoCalGas and SDG&E’s comments in the RAMP proceeding stated “the Utilities do not plan to include their nascent RSE calculations in the upcoming TY 2019 GRC. However, the Utilities will work with the parties and the Commission in the S-MAP proceeding toward furthering development of a more useful effectiveness metric in the next RAMP.” (I.16-10-015/I.16-10-016. SoCalGas and SDG&E Opening Comments (April 24, 2017), at 4-5; and SoCalGas and SDG&E Reply Comments (May 9, 2017), at 6-8.) Therefore, the requested information is not available. Please see the Revised Direct Testimony of Diana Day (Exhibit SCG-02-R/SDG&E-02-R, Chapter 1) and the Direct Testimony of Jamie York (Exhibit SCG-02-R/SDG&E-02-R, Chapter 3) for more information regarding the Commission’s guidance in presenting the first-ever risk-informed GRC.

**CFC DATA REQUEST**  
**CFC-Sempra-2019 #8**  
**SOCALGAS 2019 GRC – A.17-10-008**  
**SDG&E 2019 GRC – A.17-10-007**  
**DATE RECEIVED: MARCH 27, 2018**  
**DATE RESPONDED: APRIL 13, 2018**

**SDG&E and SoCalGas Response 05 Continued:**

- b. SoCalGas and SDG&E assume that the question’s use of the term “Incorrect Operation” refers to this term as described in the RAMP Report, which is one of the nine types of threats that could lead to a pipeline incident as determined by the U.S. Department of Transportation PHMSA and ASME B31.8S.<sup>3</sup> Incorrect Operation is listed as a risk driver to other RAMP risks, such as the risk of Catastrophic Damage Involving a High-Pressure Pipeline Failure and, therefore, is associated with that RAMP risk<sup>4</sup> (*see* RAMP risk chapter SCG-04 at SCG 4-7 and 4-9.). However, “Incorrect Operation” is not listed as a risk driver of the Records Management risk (*see* RAMP risk chapter SCG-08 at SCG 8-4 – 8-5) and, therefore, is not associated with the risk of Records Management or this project.

---

<sup>3</sup> I.16-10-015/-016. RAMP Report of SoCalGas and SDG&E. Filed on November 30, 2016. Risk Chapter SCG-04, Catastrophic Damage Involving a High-Pressure Pipeline Failure at SCG 4-3.

<sup>4</sup> [https://www.sdge.com/sites/default/files/SCG-4\\_RAMP\\_Catastrophic\\_Damage\\_Involving\\_a\\_High-Pressure\\_Pipeline\\_Failure\\_FINAL.pdf](https://www.sdge.com/sites/default/files/SCG-4_RAMP_Catastrophic_Damage_Involving_a_High-Pressure_Pipeline_Failure_FINAL.pdf).

**CFC DATA REQUEST**  
**CFC-Sempra-2019 #8**  
**SOCALGAS 2019 GRC – A.17-10-008**  
**SDG&E 2019 GRC – A.17-10-007**  
**DATE RECEIVED: MARCH 27, 2018**  
**DATE RESPONDED: APRIL 19, 2018**

6. SCG-26-CWP, page 19, describes the "FoF - Claims Analytics" project.

The Business Purpose states as follows:

"Sempra currently uses various claims and asset management systems (RiskMaster, GIS, SAP, CASCADE) that are separately maintained and supported by various departments. Between these systems, there is no unique "identifier" that would enable data to be easily extracted for reporting or analytics. The company's ability to analyze claims, identify trends and avoid future litigation can be greatly improved by the ability to access, report, analyze and model data within these separate systems (collectively referred to as Claims Analytics)."

The Physical Description of the project says...

"Project will deliver an IT solution that will make data from RiskMaster, GIS, SAP and CASCADE accessible for analytics and reporting. The focus will be on predictive analytics in order to identify trends and help decision makers take correction action to avoid future litigation."

The Project Justification is described as follows:

"Sempra can achieve soft benefits in the following areas using Claims Analytics: fraud detection, outlier claims, litigation expense management and defense strategy. In addition, project would result in efficiency and productivity savings in making data more easily acceptable for analytics and reporting. By improving our Claims Management processes, this could also have a positive impact on customer interactions."

- a. Will the FoF Claims Analytics project allow Sempra to phase out any of the other systems noted (RiskMaster, GIS, SAP, CASCADE)? Please comment.
- b. Will the FoF Claims Analytics project allow Sempra to reduce its use of any of the other systems noted (RiskMaster, GIS, SAP, CASCADE), such that the ongoing costs of those programs will decrease? Please comment.
- c. What is the estimated beneficial impact the FoF Claims Analytics project will have on Sempra's future claims and litigation costs? Please comment.
- d. How, if at all, will the FoF Claims Analytics project reduce Sempra's future insurance coverage costs? Please comment.

**SDG&E and SoCalGas Response 06:**

- a. No. This project is intended to be an enhancement to claims data analytics capabilities. This project will allow Sempra to integrate data from disparate systems to facilitate analysis of potential risks and/or trends that may not be readily identified in the individual standalone systems. The Company is in the early stages of development and is considering various aspects of claims management and claims analytics. We do not anticipate this system will replace GIS, SAP or CASCADE.
- b. No, see above answer. The Company is in the early stages of development and will leverage existing systems with the new system to further improve current processes. While design decisions have not been made, Sempra does not anticipate this project will impact the ongoing costs of the referenced systems.

**CFC DATA REQUEST  
CFC-Sempra-2019 #8  
SOCALGAS 2019 GRC – A.17-10-008  
SDG&E 2019 GRC – A.17-10-007  
DATE RECEIVED: MARCH 27, 2018  
DATE RESPONDED: APRIL 19, 2018**

**SDG&E and SoCalGas Response 06 Continued:**

- c. The estimated beneficial impact on Sempra's future claims and litigation costs is not currently quantifiable. Sempra anticipates the enhanced analytical capability resulting from this project will positively impact the company's ability to manage inherent operational risks and resultant costs.
- d. The Company has not stated that this project would result in a reduction of our insurance costs.

**CFC DATA REQUEST**  
**CFC-Sempra-2019 #8**  
**SOCALGAS 2019 GRC – A.17-10-008**  
**SDG&E 2019 GRC – A.17-10-007**  
**DATE RECEIVED: MARCH 27, 2018**  
**DATE RESPONDED: APRIL 10, 2018**

7. SCG-26-CWP, page 56, describes the "FoF - PACER OCS - Order Re-Prioritization Project Phase II" project.

The Business Purpose states as follows:

"The main driver for this project is improved Customer Services Field order scheduling and management, providing the ability to better and more granularly prioritize work based on order type, for all SCG CSF order types. Customer Services' O&M budget is expected to remain aggressive, with the need for more efficient and effective schedule balancing for all fielded work orders, including customer-driven orders (CES), Billing, Collections (Revenue), post-Advanced Meter maintenance, regulatory (PMC/REG), Meter Set (Builder Services) and other categories and order types. The current PACER Order Completion Schedule manages order types by "Categories" rather than targeted order types/priorities; i.e., New SET Meter orders, with an identified imbalance of current order categories. CSF Order Category assignments have not changed in CIS/PACER systems in approximately 15 years and are in need of updating to reflect current business conditions. It is estimated that 2350-3850 customer-generated calls/orders can be moved from CCC/CSR's to the IVR and Web Customer channels. In addition to creating more granular order categories for improved order prioritization, this project will enable consistent handling of water heater orders across web, phone and IVR channels."

The Project Justifications:

"Increased customer satisfaction, improved emergency response time, reduction in unplanned field overtime (possibly savings), targeting specific orders, rather than Categories, a reduction in schedule overrides when schedules are full, and providing Dispatch with methods to strategically manage Company and Customer priorities. Savings and Benefits, Customer Experience, Work Order and WorkForce efficiencies; managing/avoiding unplanned field overtime and Customer order priority strategy improvements, to be defined in Business Case."

- a. What annualized benefit is expected from the Order Re-Prioritization Project Phase II? Please explain.
- b. What annual benefits are expected for each of the factors mentioned in the Project Justification paragraph? Please explain.

**SDG&E and SoCalGas Response 07:**

- 7.a. The annualized benefit expected from the Order Re-Prioritization Project Phase II is \$135,000. This is comprised of the following: 1) Savings of \$113,000 for Customer Services – Field for labor efficiency savings. This project will enable more granular capabilities for scheduling work, which will provide the SoCalGas Dispatch group with the flexibility to manage the order completion schedule and field personnel availability based on specific areas within a geographical district boundary contributing to more efficient routes; and 2) Savings of \$22,000 in the Customer Contact Center for reduction in customer generated calls that are anticipated to be moved to self-service channels. The savings of \$113,000 is included in the FOF savings for the Customer Services – Field area in the testimony of Gwen Marelli, Exhibit SCG-18-R, and the savings of \$22,000 is included in the FOF savings for the Customer Contact Center area represented in the testimony of Michael Baldwin, Exhibit SCG-19-R.



**CFC DATA REQUEST  
CFC-Sempra-2019 #8  
SOCALGAS 2019 GRC – A.17-10-008  
SDG&E 2019 GRC – A.17-10-007  
DATE RECEIVED: MARCH 27, 2018  
DATE RESPONDED: APRIL 10, 2018**

**SDG&E and SoCalGas Response 07 Continued:**

- 7.b. Please see response to question 7a for the annualized cost savings. This project will enable SoCalGas to prioritize customer service work by specific order types and service types versus the current order category groupings (which is comprised of multiple order types bundled together). As a result, SoCalGas Customer Service will have the ability to allocate available workforce to those order types that may be more important to customers, thereby, potentially improving overall customer satisfaction. Additionally, it is anticipated that having more efficient routes could improve emergency response times and minimize unplanned overtime.

**CFC DATA REQUEST**  
**CFC-Sempra-2019 #8**  
**SOICALGAS 2019 GRC – A.17-10-008**  
**SDG&E 2019 GRC – A.17-10-007**  
**DATE RECEIVED: MARCH 27, 2018**  
**DATE RESPONDED: APRIL 13, 2018**

8. SCG-26-CWP, page 733, describes the "SCG CPD Enhancements Phase 4" project.

The Business Purpose states as follows:

"Enhancements include fine tuning the newly implemented functionalities and adding necessary improvements identified through experience using the new project management tool. New enhancements include the automation of M&R maintenance process to integrate with CPD processes, the implementation of sewer lateral enhancement to allow pre-inspection prior to construction, related M&I enhancements to improve regulatory reporting and compliance, improvement on the existing training environment, project management portal, and contractor submittal of electronic construction forms (move away from forms submitted on paper), check to abandon automation (another area to move away from a paper based process). The decommissioning of the legacy construction system (CMS) will be reviewed as part of this project as well."

The Physical Description says:

"The Project focuses on software development and configuration enhancements to Construction, Planning and Design Project (CPD) that fully implement SAP/Click Mobile and GWD to all SoCalGas regions at year end 2014. Additionally, Federal and State regulations, EAM, and Fueling our Future initiatives (i.e. PHMSA, GO 112F, SB1371) continue to drive changes that require our systems to change in order to maintain and report compliance on our pipeline/system."

The Project Justification says:

"Some enhancements with soft benefits include more effective process for job allocations with improved usability enhancements and more data readily available; better accuracy of aligning maintenance schedules and activities for M&R large meters resulting in more accurate billing and reduction of manual intervention; improved accuracy of and capacity of data collection and reporting for regulatory compliance activities such as check to abandon, MSA Inspection, measurement & regulation, planning, and reporting capability; and more accurate gas compliance-related data and reporting for both SoCalGas and SDG&E."

- a. Please explain whether, if at all, this project will play a role in creating benefits in terms of reducing Dig-Ins, and what the annual value of those benefits is expected to be.
- b. Please explain whether, if at all, this project will play a role in terms of reducing Incorrect Operations, and what the annual value of those benefits is expected to be.

**SDG&E and SoCalGas Response 08:**

- a. As explained in the responses to Questions 4 and 5, in general, GIS and mapping data is associated with mitigating the risk of "Dig-Ins" (i.e., third-party excavation damages); however, this specific GIS-related "SCG CPD Enhancements Phase 4" project is not associated with mitigating the risk of Dig-Ins. Therefore, this project will not play a role in creating benefits in the terms of reducing Dig-Ins. Rather, this project is aimed at reducing the risk of Records Management.

**CFC DATA REQUEST**  
**CFC-Sempra-2019 #8**  
**SOCALGAS 2019 GRC – A.17-10-008**  
**SDG&E 2019 GRC – A.17-10-007**  
**DATE RECEIVED: MARCH 27, 2018**  
**DATE RESPONDED: APRIL 13, 2018**

**SDG&E and SoCalGas Response 08 Continued:**

As it is described in the Risk Assessment Mitigation Phase (RAMP) Report of SoCalGas and SDG&E, “[t]he records management risk involves the use of inaccurate or incomplete information that could result in the failure to (1) construct, operate, and maintain SoCalGas’ pipeline system safely and prudently; or, (2) to satisfy regulatory compliance requirements.”<sup>1</sup> The Records Management RAMP chapter focuses on the modernization of records.<sup>2</sup> On page SCG 8-12 of the RAMP risk chapter of Records Management, it states “SoCalGas proposes an initiative to digitize its records... SoCalGas’ records have evolved over the life of the operational assets, and transferring existing paper records to an electronic format (digitization) is one aspect of modernizing SoCalGas’ records. In addition to digitization, SoCalGas’ initiative will also add searchability and traceability functionality.”

A prerequisite to understanding and assessing the level of risk of potential incidents and events on a pipeline system is a robust understanding of system knowledge based on reliable records such as the location, condition and operating parameters of the pipelines. SoCalGas and SDG&E’s Gas Operations use the results of these risk assessments to continue to drive down the likelihood of asset-related safety incidents and events. SoCalGas and SDG&E manages the risk of records management, in part, through mitigation actions that have been developed and implemented over many years, including “Operational Compliance and Oversight,” a mitigation presented in the RAMP Report. The Construction, Planning and Design Project (CPD) Enhancement project relates to the collection, input, and management of data by digitizing forms and providing form validations to accurately record information directly into our work management systems. The project focuses on software development and configuration enhancements to CPD that fully implement SAP/Click Mobile and GWD.

When developing this project and assessing its benefits, an alternative that was considered was implementing one centralized records management IT system for all operational asset groups. This centralized system, if implemented, would replace GIS and implement a single system in its place. Even though this alternative would minimize the potential for multiple systems to have differing records and may reduce some costs, this alternative would also prevent each operational asset group from identifying, implementing, and utilizing a system that best meets the needs of the specific operational asset group. The centralized system approach does not allow specialization because not all records require the same attributes to be collected and retained. Based on the foregoing, the CPD Enhancement project is preferred.

---

<sup>1</sup> I.16-10-015/-016. RAMP Report of SoCalGas and SDG&E. Filed on November 30, 2016. Risk Chapter SCG-08, Records Management at SCG 8-2.

<sup>2</sup> [https://www.sdge.com/sites/default/files/SCG-8\\_RAMP\\_Records\\_Management\\_FINAL.pdf](https://www.sdge.com/sites/default/files/SCG-8_RAMP_Records_Management_FINAL.pdf).

**CFC DATA REQUEST**  
**CFC-Sempra-2019 #8**  
**SOCALGAS 2019 GRC – A.17-10-008**  
**SDG&E 2019 GRC – A.17-10-007**  
**DATE RECEIVED: MARCH 27, 2018**  
**DATE RESPONDED: APRIL 13, 2018**

**SDG&E and SoCalGas Response 08 Continued:**

As for benefits, implementing this project will result in more efficient records and operations. More specifically, the benefits of this project's enhancements include a more effective process for job allocations with improved usability enhancements and more data readily available; better accuracy of aligning maintenance schedules and activities for M&R large meters resulting in more accurate billing and reduction of manual intervention; improved accuracy of and capacity of data collection and reporting for regulatory compliance activities such as check to abandon, MSA Inspection, measurement & regulation, planning, and reporting capability; and more accurate gas compliance-related data and reporting for both SoCalGas and SDG&E. Quantitative benefit calculations, such as RSE, were not presented in the Test Year 2019 GRC. This approach is consistent with guidance stemming from the RAMP proceeding, as shown in the Revised Direct Testimony of Diana Day (Exhibit SCG-02-R/SDG&E-02-R, Chapter 1): "Through the SED Evaluation Report and comments submitted in response to both the SED Evaluation Report and the Companies' RAMP Report, stakeholders agreed that the RSEs are evolving, should be further refined in the S-MAP, and have limited usefulness in their current state." (Exhibit SCG-02-R/SDG&E-02-R, Chapter 1 at p. DD-17 lines 18-21.) SoCalGas and SDG&E's comments in the RAMP proceeding stated "the Utilities do not plan to include their nascent RSE calculations in the upcoming TY 2019 GRC. However, the Utilities will work with the parties and the Commission in the S-MAP proceeding toward furthering development of a more useful effectiveness metric in the next RAMP." (I.16-10-015/I.16-10-016. SoCalGas and SDG&E Opening Comments (April 24, 2017), at 4-5; and SoCalGas and SDG&E Reply Comments (May 9, 2017), at 6-8.) Therefore, the requested information is not available. Please see the Revised Direct Testimony of Diana Day (Exhibit SCG-02-R/SDG&E-02-R, Chapter 1) and the Direct Testimony of Jamie York (Exhibit SCG-02-R/SDG&E-02-R, Chapter 3) for more information regarding the Commission's guidance in presenting the first-ever risk-informed GRC.

**CFC DATA REQUEST**  
**CFC-Sempra-2019 #8**  
**SOCALGAS 2019 GRC – A.17-10-008**  
**SDG&E 2019 GRC – A.17-10-007**  
**DATE RECEIVED: MARCH 27, 2018**  
**DATE RESPONDED: APRIL 13, 2018**

**SDG&E and SoCalGas Response 08 Continued:**

- b. SoCalGas and SDG&E assume that the question's use of the term "Incorrect Operation" refers to this term as described in the RAMP Report, which is one of the nine types of threats that could lead to a pipeline incident as determined by the U.S. Department of Transportation Pipeline and Hazardous Materials and Safety Administration (PHMSA) and ASME B31.8S.<sup>3</sup> Incorrect Operation is listed as a risk driver to other RAMP risks, such as the risk of Catastrophic Damage Involving a High-Pressure Pipeline Failure and, therefore, is associated with that RAMP risk<sup>4</sup> (*see* RAMP risk chapter SCG-04 at SCG 4-7 and 4-9.). However, "Incorrect Operation" is not listed as a risk driver of the Records Management risk (*see* RAMP risk chapter SCG-08 at SCG 8-4 – 8-5) and, therefore, is not associated with the risk of Records Management or this project.

---

<sup>3</sup> I.16-10-015/-016. RAMP Report of SoCalGas and SDG&E. Filed on November 30, 2016. Risk Chapter SCG-04, Catastrophic Damage Involving a High-Pressure Pipeline Failure at SCG 4-3.

<sup>4</sup> [https://www.sdge.com/sites/default/files/SCG-4\\_RAMP\\_Catastrophic\\_Damage\\_Involving\\_a\\_High-Pressure\\_Pipeline\\_Failure\\_FINAL.pdf](https://www.sdge.com/sites/default/files/SCG-4_RAMP_Catastrophic_Damage_Involving_a_High-Pressure_Pipeline_Failure_FINAL.pdf).