

**ORA DATA REQUEST**  
**ORA-SDGE-031-LMW**  
**SDG&E 2019 GRC – A.17-10-007**  
**SDG&E RESPONSE**  
**DATE RECEIVED: NOVEMBER 27, 2017**  
**DATE RESPONDED: DECEMBER 11, 2017**

**Exhibit Reference:** SDG&E-20, Workpapers

**SDG&E Witness:** Willoughby

**Subject:** Various

**Please provide the following:**

1. Referring to SDG&E's workpaper page 43, 2100-3013.000 - SUPPLY MANAGEMENT DIRECTOR, there is a 2018 adjustment of \$323,000 for compensation for expanded roles in procurement to Category Management. Based on this please answer/provide the following:

- a. Is the compensation increase for new employees or for current employees?
- b. If new employees, what are their functions?
- c. An explanation justifying why the increase is necessary.
- d. Why is there an expanded role in procurement?
- e. An explanation why SDG&E can't use their exiting workforce to handle the expanded roles.

**SDG&E Response 1:**

1.a. The new Category Management organization structure is expected to be comprised of both new employees and current employees; with current employees taking on new and expanded roles.

1.b. New employees would be expected to contribute through one the following functions: portfolio manager, category manager, category advisor, category analyst, supply operations manager, supply operations team lead, contracting agent, or buyer.

1.c. This increase is necessary to support an elevated skillset throughout the organization design to optimize the Supply Management role in the company. SDG&E is transitioning to Category Management to enhance our procurement practices by aligning our resources with our clients' purchasing requirements, while leveraging market and spend intelligence. This transition will yield increased efficiencies and reduced costs on behalf of the entire Company.

1.d. To fully deliver the benefits of Category Management, an elevated skillset across the organization will be required.

1.e. The additional functions of Category Management were not performed by the organization reflected in the historical baseline. The 2018 forecast adjustment reflects the overall additional cost of restructuring the organization to meet the additional demands of Category Management.

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2. Referring to SDG&E's workpaper page 43, 2100-3013.000 - SUPPLY MANAGEMENT DIRECTOR, there is a 2019 adjustment of \$367,000 for ongoing costs in support of Transaction Enablement. Based on this please answer/provide the following:

- a. Why is SDG&E waiting until 2019 to reflect this need for additional funding above the base forecast?
- b. If the costs are ongoing why were the costs not reflected in the historic years?
- c. What is the composition of the ongoing costs?
- d. What is Transaction Enablement?
- e. Why does SDG&E consider these costs as necessary?

**SDG&E Response 2:**

2.a. SDG&E is waiting to reflect these costs because they are not anticipated to be needed until 2019. The Sempra Hosted On-Line Purchasing (SHOP) system, formerly referred to as Transaction Enablement, is expected to become fully operational beginning in 2018. The 2019 adjustment reflects a conservative view and would be the first year of an ongoing software maintenance expense needed to support this system.

2.b. 2019 is the first year that these ongoing costs are anticipated to begin. The term "on-going" as used in this context refers to costs that will be ongoing from 2019 on.

2.c. The forecast adjustment reflects the anticipated software maintenance costs needed to support the SHOP system.

2.d. Transaction Enablement, now referred to as the SHOP system, is a centralized internal purchase ordering system aimed at providing easy-to-use, up-to-date eProcurement functionality that can be accessible from any location by means of personal computer and/or a mobile device.

2.e. The SHOP system will bolster internal controls and the management of purchases and spend, ultimately providing enhanced purchasing productivity and efficiency.