

**ORA DATA REQUEST  
ORA-SDGE-140-TCR  
SDG&E 2019 GRC – A.17-10-007  
SDG&E RESPONSE  
DATE RECEIVED: FEBRUARY 20, 2018  
DATE RESPONDED: MARCH 8, 2018**

**Exhibit Reference:** SDG&E-14 and SDG&E-24

**SDG&E Witness:** Alan F. Colton and Christopher R. Olmsted

**Subject:** Budget codes and cost elements

**Please provide the following:**

1. SDG&E budget codes sometimes end with a letter, for example 16258A for worst circuits in the current GRC and 13242B to rebuild the Kearney substation in the 2016 GRC. Provide a list of all such suffixes SDG&E uses and the meaning of each letter or other alphanumeric suffix.

**SDG&E Response 01:**

Budget codes ending with a letter or decimal point number represent a workpaper sub under an existing budget code. Letter and number assignments are done sequentially, e.g., A, B, C for letters and .001, .002, .003 for numbers, as sub-workpapers are created in our workpaper planning system.

If the suffix for a particular budget is numeric, that indicates that the budget or sub-budget has a cost history and the forecast may have been derived from that history such as an average or trend. Generally, if the suffix is alpha, that indicates the budget does not have a cost history and that it was newly created in the GRC process.

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2. The term “cost element” appears in SDG&E’s responses to discovery questions. Please define this term and its relationship to budget codes and other codes used to records and forecast capital expenditures.

**SDG&E Response 02:**

The term “cost element” is SDG&E’s hierarchy for charge types, that fall below the budget code/work order number level. The cost element selected would be indicative of the type of expense that is being recorded (i.e, straight-time labor, double-time labor, etc). For a detailed listing of all applicable cost elements used by SDG&E, please refer to the TY2019 GRC Master Data Request, Audit Section, Chapter 31, question 1.

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3. SDG&E workpapers breakdown recorded expenditures into labor, non-labor, and NSE. Please explain how these expenditures are differentiated, define any accounting codes that are used, and provide a legend to identify each type of work.

**SDG&E Response 03:**

These expenditures are differentiated by cost elements. Please refer to question 2 response.

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4. Non-labor expenditures include materials, contract labor, and all expenditures other than company labor per SDG&E's response to prior ORA data requests. Does SDG&E's accounting system provide the means to differentiate materials, contract labor, and other types of non-labor work when reviewing recorded expenditures? If so, explain how this is done, define any accounting codes that are used, and provide a legend to identify each type of non-labor work.

**SDG&E Response 04:**

Non-labor costs are differentiated by cost element. Please refer to question 2 response.