

**ORA DATA REQUEST**  
**ORA-SDGE-162-TCR**  
**SDG&E 2019 GRC – A.17-10-007**  
**SDG&E RESPONSE**  
**DATE RECEIVED: MARCH 14, 2018**  
**DATE RESPONDED: APRIL 3, 2018**

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

**SDG&E Witness:** Alan F. Colton

**Subject:** Partions within Overhead Pool Budget Codes

**Please provide the following:**

1. Budget codes 901, 904, 905, and 906 are used for electric distribution overhead pools (OHP). Are there other codes, data fields, or other means to identify the type of expenditures within each OHP budget code? If so, describe each way OHP recorded expenditures can be coded or identified to provide information on the types of expenditures recorded to the OHP budget code.

**SDG&E Response 01:**

Yes – In budget codes 901, 904, 905 and 906, with regard to the GRC forecasting model, labor expenses and non-labor expenses can be identified separately. Please also see the Master Data Request provided to ORA, section SDG&E 2019 GRC A.17-10-007 Audit Chapter 31 Question 16. SDG&E’s response to this question provides every individual Accounting transaction and the full Accounting string of data fields from SDG&E’s Accounting system for fiscal year 2016 to ORA in a digital format.

**ORA DATA REQUEST  
ORA-SDGE-162-TCR  
SDG&E 2019 GRC – A.17-10-007  
SDG&E RESPONSE  
DATE RECEIVED: MARCH 14, 2018  
DATE RESPONDED: APRIL 3, 2018**

2. Budget codes 901, 904, 905, and 906 are used for electric distribution overhead pools (OHP). Based on SDG&E's workpapers and discovery responses to date, ORA understands that within each budget code expenditures can be partitioned between labor and non-labor based on cost element codes. Is this correct? If not, please explain.

**SDG&E Response 02:**

Yes – This is correct in our Accounting system. However, our GRC forecasting model makes no distinction at a detailed level to the type of cost except to identify the amount of labor and the amount of non-labor.

**ORA DATA REQUEST**  
**ORA-SDGE-162-TCR**  
**SDG&E 2019 GRC – A.17-10-007**  
**SDG&E RESPONSE**  
**DATE RECEIVED: MARCH 14, 2018**  
**DATE RESPONDED: APRIL 3, 2018**

3. To clarify the intent of the two questions above, assume an analogy between 2016 recorded expenditures for BC 901 and swimming pool. Based on information to date, SDG&E has provided the total volume of the pool, the volume of water, and the volume of non-water for a period of time. If BC 901 were a swimming pool:

- a. Does SDG&E have the ability to partition the water volume between tap water, rain water, chlorine, and other chemicals?
- b. Does SDG&E have the ability to partition the non-water volume into adults, children, animals, toys, and leaves?
- c. Does SDG&E have no ability to track what is in the pool and how it got there, beyond water and non-water?

**SDG&E Response 03:**

SDG&E objects to this question on grounds that it calls for speculation and is vague and ambiguous, such that it is unintelligible. Subject to and without waiving this objection, SDG&E responds as follows:

For the purposes of these responses, SDG&E defines water (liquid resources) to be various kinds of labor costs. SDG&E further defines non-water (non-liquid resources) to be non-labor costs.

- a. If liquid resources are considered to be various types of labor costs, then yes, SDG&E has the ability to identify labor by employee type (executive, management, associate, union, part-time, full-time, call-in, etc.), labor rate of pay (regular pay, time-and-a-half pay, double-time pay), productive labor and non-productive labor (such as vacation, sick, jury duty, etc.). In the GRC forecasting model we can only provide the amount of liquid resources (labor) in total and not at a detailed level. Please also see the response to Question 1 for more details related to already produced and submitted data to ORA.
- b. If non-liquid resources are considered non-labor costs, then yes, SDG&E has the ability to identify at a low level the type of non-labor expense through the use of specific cost elements and other Accounting fields. In the GRC forecasting model, we can only provide the amount of non-liquid resources (non-labor) in total and not at a detailed level. Please also see the response to Question 1 for more details related to already produced and submitted data to ORA.
- c. Yes, SDG&E has the ability to track costs in the swimming pool (an Accounting system object – such as an order or cost center), how it got there and where it went – if it was further processed elsewhere, and how it ultimately affects the financial results. If we consider liquid to be labor and non-liquid to be non-labor, there are no other types of costs beyond these, because anything not identified as labor must be non-labor. The details of our process all relate to our Accounting system. However, our GRC Results of Operations (“RO”) model, while functioning differently than our Accounting system, is expected to provide overall financial results accurately. Please also see the response to Question 1 for more details related to already produced and submitted data to ORA.