

**ORA DATA REQUEST
ORA-SDGE-171-MRK
SDG&E 2019 GRC – A.17-10-007
SDG&E RESPONSE
DATE RECEIVED: MARCH 22, 2018
DATE RESPONDED: APRIL 4, 2018**

Exhibit Reference: SDG&E-40
SDG&E Witness: Eric Dalton
Subject: Miscellaneous Revenues

1. Referring to Ex. SDG&E-04-R, p. GOM-74, footnote 23, please explain with a sample calculation how, if CIAC credits are not omitted in the historical costs for New Business, this will lead to those credits being applied not once, but actually twice, thereby understating the revenue requirement. Please be specific in the calculations, by pointing out the first application, and then the second application, of the credits

SDG&E Response 01:

SDG&E objects to this request pursuant to Rule 10.1 of the Commission's Rules of Practice and Procedure on the grounds that the request is neither relevant to the subject matter involved in this proceeding nor is reasonably calculated to lead to the discovery of admissible evidence, and further on the ground that the burden and intrusiveness of this request outweigh the likelihood that the information sought will lead to the discovery of admissible evidence. Subject to and without waiving these objections, SDG&E responds as follows:

Please see the attached file ORA-SDGE-171-MRK Attachment.

- (1) The tab 6290060 shows the GL account values that were not omitted from the historical costs reported in multiple capital workpapers. Where these credits remain, the historical period capital costs were lower than they otherwise would have been without these credits (this is the first credit). For forecast methods other than zero-based, the forecasts for 2017-2019 were then calculated using these historical costs (column J shows the forecast method selected), which lowered the averages by the amounts shown in column K.
- (2) For illustrative purposes, the sample calculations provided utilize workpaper 00501 System Minor Additions, Relocations and Retirements because the forecast methodology was a 5-year average.
 - a. Tab 'BC501 CWP' displays excerpts of Ex. SDG&E-04 capital workpapers
 - b. Tab 'BC501 BW' shows the recorded costs in nominal dollars
 - c. Tab 'BC501 Sample Calcs' walks through the calculations. The first application is highlighted yellow and denoted with an (a) and the second impact is also highlighted yellow and denoted with a (b).