OSA-SEU DATA REQUEST-003
SOCALGAS- SDG&E 2019 GRC – A.17-11-007/8
DATE RECEIVED: MARCH 15, 2018
DATE RESPONDED: APRIL 10, 2018

1. Please explain how parties can identify incremental or new risk mitigation activities in SEMPRA's testimony that were not originally identified in the RAMP but are now proposed in the general rate case and address safety risks contained in the RAMP.

Utilities Response 1:

As explained in the Direct Testimony of RAMP to GRC Integration witness Jamie York (Exhibit SCG-02-R/SDG&E-02R, Chapter 3), "it was anticipated that the Companies might identify additional RAMP-realted activities after the filing of the RAMP Report that contribute to the mitigation of one or more of the 28 RAMP risks. These mitigation acitivites would normally have been captured in the Companies' RAMP Report, but were not, either because such activities were unknown when the RAMP Report was submitted, or upon further examination, certain activities were considered to be a RAMP mitigation. Such activities in this GRC are referred to as RAMP Post-Filing." (Exhibit SCG-02-R/SDG&E-02-R, Chapter 3, at JKY-5 lines 17-22.) This RAMP Post-Filing designation can been seen in workpapers.

For convenience, below please find a summary of all the RAMP Post-Filing activites for each company broken out by capital and O&M.

O&M

GRC Witness Name	GRC Witness Exhibit Number	GRC Workpaper Group	Project/Program	RAMP Risk Name	RAMP Report Chapter
William Speer	SDG&E-15	1ED019.000	ISO 55000 Certification	Electric Infrastructure Integrity	SDG&E-12
Tashonda Taylor	SDG&E-30	1HR001.000	Contractor Safety Program	Employee, Contractor, & Public Safety	SDG&E-3
Tashonda Taylor	SDG&E-30	1HR001.000	OSHA Voluntary Protection Programs (VPP)	Employee, Contractor, & Public Safety	SDG&E-3
Tashonda Taylor	SDG&E-30	1HR001.000	Contractor Safety Program	Employee, Contractor, & Public Safety	SDG&E-3
Tashonda Taylor	SDG&E-30	1HR004.000	Leadership training programs	Workforce Planning	SDG&E-17
Tashonda Taylor	SDG&E-30	1HR004.000	Working Foreman Training and Human Performance	Workforce Planning	SDG&E-17
Jerry Stewart	SDG&E-18	1OO006.000	Call Center Volume Relative to Public Safety	Employee, Contractor, & Public Safety	SDG&E-3
Omar Rivera	SDG&E-05	1SI000.000	Traffic Control Work Group and Equipment	Employee, Contractor, & Public Safety	SDG&E-3
Devin Zornizer	SCG-13	2200-2289.000	Gas Control Operation	Catastrophic Damage Involving High-Pressure Pipeline Failure	SCG-4
Devin Zornizer	SCG-13	2200-2289.000	Gas Control SCADA Operation	Catastrophic Damage Involving High-Pressure Pipeline Failure	SCG-4
Michael Bermel	SCG-08	2MP001.000	Distribution Operations Control Center	Catastrophic Damage Involving Medium-Pressure Pipeline Failure	SCG-10
Carmen Herrera	SCG-23	2RF003.001	Emergency Services - Emergency Command Vehicle Centers	Employee, Contractor, Customer, & Public Safety	SCG-2
Carmen Herrera	SCG-23	2RF003.002	Emergency Services - Emergency Command Vehicle Centers	Employee, Contractor, Customer, & Public Safety	SCG-2

Utilities Response 1 - continued

Capital

GRC Witness Name	GRC Witness Exhibit Number	Budget Code	GRC Workpaper Group	Project/Program	RAMP Risk Name	RAMP Report Chapter Number
Alan Colton	SDG&E-14	236	002360.001	Capital Restoration of Service	Electric Infrastructure Integrity	SDG&E-12
Alan Colton	SDG&E-14	11144	11144A.001	On Ramp Aerial Lighting	Electric Infrastructure Integrity	SDG&E-12
Alan Colton	SDG&E-14	16255	162550.001	RTU Modernization	Electric Infrastructure Integrity	SDG&E-12
Alan Colton	SDG&E-14	16259	162590.001	Torrey Pines Re-Route	Electric Infrastructure Integrity	SDG&E-12
Alan Colton	SDG&E-14	16260	16260A.001	Morro Hill Substation Rebuild	Electric Infrastructure Integrity	SDG&E-12
Gina Orozco-Mejia	SDG&E-04	902	009020.002	RAMP Component of Local Engineering	Catastrophic Damage Involving Medium-Pressure Pipeline Failure	SDG&E-16
Michael Bermel	SCG-08	343	003430.001	Distribution Operations Control Center	Catastrophic Damage Involving High-Pressure Pipeline Failure	SCG-10

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2. OSA understood that there are two safety management systems (SMS's) being proposed for development and implementation in this rate case: 1- for the gas lines of businesses conforming to API 1173 for both SDG&E and SoCalGas; and 2- for the aviation component of SDG&E's electric operations. At this time, no enterprise-wide safety management system is proposed. Please:

Utilities Response 2:

As refelected in the testimony of J. Bret Lane and Caroline Winn, SoCalGas and SDG&E have been focused on public, contractor, employee and asset safety for many years.[1] In mid 2015, the American Petroleum Institute released its Recommended Practice 1173 *Public Safety Management Systems* (API 1173). Similarly, the International Standards Organization (ISO) released its standards on Asset and Risk Management. Diana Day's testimony[2] notes at page 26 and 27 "Specifically, SoCalGas and SDG&E plan to implement API 1173 Public Safety Management System and ISO 55000 Asset Management standards, respectively." This preamble to subpart 2 of this response provides information on both the implementation of API 1173 by gas operations at SoCalGas and SDG&E, and ISO 55000 by electric operations at SDG&E.

API 1173 for Gas Operations

In 2017, SoCalGas decided to pursue the implementation of American Petroleum Institute's Recommended Practice 1173 (API 1173) and use it as a basis of establishing a safety management system within the Company. A Director (Gas Systems Integrity and Programs) was identified in the organization to take on this role.

API 1173 was released in July 2015 following the Marshall Michigan pipeline incident in 2012. The Pipeline Hazardous Materials and Safety Administration (PHMSA) took the lead and responsibility for working with industry and other groups, to effectively respond to the National Transportation Safety Board's (NTSB) recommendations following the incident. The recommended practice builds upon a range of other standards and approaches that have been adopted widely, such as PAS-55, API 1160, ASME B31.8S, ISO 55000, ISO 31000 etc. API 1173 combines the key components of these standards to form a recommended practice that is specific to pipeline operators. The overall "Plan-Do-Check-Act" (PCDA) structure of API 1173 is shown below.

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1 A.17-10-007/008, Exhibits SCG-01-R, SDG&E-01.

2 A.17-10-007/008, Exhibit SCG-02-R/SDG&E-02-R, Chapter 1.

Utilities Response 2 - continued

As shown in the diagram, there are 10 tenets overall within API 1173. Each tenet is described from a perspective of what a safety management system looks like—it does not describe how an operator can accomplish implementing this system. The decision to move towards implementing API 1173 was based on the focus it provided for pipeline operators and the use of a continuous-improvement based system, i.e., Plan-Do-Check-Act. SoCalGas and the gas operations of SDG&E are committed to implementing API 1173 by 2019. See the Revised SoCalGas Direct Testimony of Omar Rivera (Gas System Integrity), Exhibit SCG-05-0R, at pages 44-45 for a discussion of implementation of a Pipeline Safety Management System pursuant to API 1173, and the 10 tenets.

As described in response to Questions 1a-d, OSA Data Request-004, Gas Operations' leadership recognizes that API 1173 has a strong emphasis on safety and safety culture. This emphasis and integration into our business is further detailed in responses to OSA-SEU Data Request-002 regarding our safety governance framework, other responses in this OSA-SEU Data Request-003 set regarding safety management system-related activities, as well as SoCalGas and SDG&E's Risk Assessment Mitigation Phase (RAMP) Reports and General Rate Case (GRC) testimonies. All Gas Operations witnesses have dedicated sections describing their organization's safety culture and RAMP risk-informed process, safety-related prioritization, and continuous

Utilities Response 2 - continued

improvement approach. The various tenets of API 1173 encourage an integrated approach to public, contractor and employee safety. For example, there is emphasis within API 1173 on the provision of safety-related training (Competence, Awareness and Training tenet), a senior leadership commitment to safety (Leadership and Management Commitment tenet), communication with internal and external stakeholders (Stakeholder Engagement tenet). As these tenets are integrated, they provide a structure that encourages safe operations and a learning culture with safety at the core.

Equally important is the focus API 1173 provides to improve the safety of the pipeline systems. Understanding, preventing and mitigating pipeline risk is the way operators are expected to meet this goal of improving pipeline-related safety measures. Gas Operations' leadership believes implementing API 1173 builds on the existing risk management policies and practices. 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. API 1173 encourages operators to use the results of these risk assessments to continue to drive down the likelihood of asset-related safety incidents and events – this approach has been adopted by Gas Operations as part of the development of Operating Unit Risk Registries (see Diana Day's testimony pg 26.), as well as SoCalGas and SDG&E's RAMP Reports and GRC testimonies by various Gas Operations witnesses related to asset risks, such as our Integrity Management Programs (e.g., TIMP, DIMP, and SIMP) and Pipeline Safety Enhancement Plan (PSEP).[3]

ISO 55000 Electric Operations

In 2008, 50 organizations from 15 industry sectors in 10 countries worked together to release the latest update to PAS 55 (Publicly Available Specification 55), known as PAS 55: 2008. It contained two parts: (1) PAS 55-1: Specification for the Optimized Management of Physical Assets, and (2) PAS 55-2: Guidelines for the Application of PAS 55-1.
The new update of PAS 55 provided clear definitions and a 28-point requirements specification for establishing and verifying an aligned, risk-informed, and whole-life management system for all types of physical assets.

In late July 2009, BSI (British Standards Institute), supported by Institute of Asset Management (IAM), submitted a proposal to form a "Project Committee" to develop an International Standard. This ISO Standard would be based upon the PAS 55, and include input from other industries, academia and practitioners, worldwide.

In January 2014, under the umbrella of the International Organization for Standardization, the ISO 55000 family of standards for asset management was published. As shown in the diagram

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[3] A.17-10-007/008, Exhibits SCG-1; SCG -02-R/SDG&E -02-R, Chapter 1; SCG-10-R; SCG-15-R and SDG&E-11.

Utilities Response 2 - continued

below there are 24 different components to ISO 55000. These are arranged, similarly to API 1173, as part of a plan-do-check-act system.

In 2017 SDG&E Eectric Operations decided to begin implementation of ISO 55000 for electric assets. SDG&E leadership believes the implementation of ISO 55000 will ehance safety and optimize performance of electric assets, while balancing asset risk and health.
There are many benefits of applying ISO 55000 within an organization. The factors that are important to us are three-fold. First, by utilizing this standard, the Company will be able to place the safe and effective management of our physical assets at the heart of what we do. Second, the discipline of following a proven benchmark will lead to greater internal consistency and transparency across asset groups that will lead to repeatable business, integrated asset data and asset-based processes. Finally, the framework promotes significant alignment across the organization and build a 'line of sight' to ensure employees at all levels fully understand their role in supporting effective management of asset health.

Comparison of API 1173 and ISO 55000

As implied above, there are many similarities between API 1173 and ISO 55000. Some of these are listed below:

Utilities Response 2 - continued

- Emphasis on leadership commitment to the program
- Managing the assets as a systemic and systematic process
- Both use the Plan-Do-Check-Act cycle
- Understanding and mitigating risk
- Integrated communication and training
- Management of information and documentation across life cycle
- Continuous Improvement

The main difference between the two standards is in the scope and focus of each. While API 1173's primary focus is on pipeline safety risk, ISO 55000 focuses on risks to achieving corporate objectives, safety typically being one of the key elements. Furthermore, ISO 55000 considers financial constraints and costs more effectively than API 1173. The table below illustrates the similarities between the two standards:

API 1173 Chapter	Corresponding ISO 55000 Chapter
Leadership and Management Commitment	Leadership
Stakeholder engagement	Context of the organization
Risk Management	Planning
Operational controls	Operation
Incident investigation, evaluation and lesson learned Safety assurance	Nonconformity and corrective action Preventive action Performance evaluation
Management Review and Continual improvement	Continual improvement
Competence, Awareness and Training	Support: Competence & Awareness
Documentation and record keeping.	Documented information
Emergency preparedness and Response	Not specifically in ISO 55000

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a) Confirm whether OSA's understanding is accurate. If not, explain why not and provide an accurate representation of this statement;
b) With respect to SMS 1) referenced above:
i) Explain what the scope of assets and operations this SMS is intended to cover for each utility.
ii) Has a gap analysis been performed? A gap analysis is performed to see how the operator's existing systems might already satisfy some of the requirements of RP 1173 and to identify any gaps. Please provide a copy of the analysis. If one has not been performed, please explain why and how the utility intends to develop and implement the SMS otherwise.
iii) Have action plans to address each of the gaps identified above been developed and implemented? Please explain and provide a copy of the plans.
iv) Please provide documentation of the goals the Utilities intent

Utilities Response 2a:

a. OSA is correct that for the gas business units, SoCalGas and SDG&E are proposing in this GRC conformance with the tenants of API 1173 (*see* SCG-05-R at OR-23, 44, 46 and SDGE-05 at OR-12, 14-17). SDG&E is also proposing within electric operations enhancement to its SMS for Aviation Services as well as a SMS for Unmanned Aircraft Systems (UAS) Services (*see* Exhibit SDG&E-15-R at WHS-43-45). In addition, SDG&E notes that it is implementing the ISO 55000 framework, which includes asset safety and asset health components (*see* Exhibit SDG&E-15-R at WHS-60-62). For a mapping of SMS activities included in this GRC, please see the response to Question 7a. Further, as indicated in responses to OSA-SEU-002 Questions 1-5 and OSA-SEU-003 Informal, both SoCalGas and SDG&E have implemented comprehensive safety programs and safety culture initiatives in addition to the above proposals.

Utilities Response 2b:

b.

i. This SMS (API 1173) is intended to cover Distribution, Transmission, Above Ground Storage, Customer Service and San Diego Gas Operations. In addition, it should be noted that Underground Storage is implementing API 1171 (Functional Integrity of Natural Gas Storage in Depleted Hydrocarbon Reservoirs and Aquifer Reservoirs).

ii. As part of the implementation of API 1173, as referenced on pages DD-26 and 27 of Diana Day's testimony (Exhibit SCG-02-R/SDG&E-02-R, Chapter 1) and the

Utilities Response 2b – continued

response to Question 2, multiple gap analyses have been performed by a third party with respect to the standards for SMSs set forth in API 1173. The latest gap analysis for SoCalGas and SDG&E was completed in November 2017, which reflects the progress and evolution since our prior assessments. All of the gap analyses for API 1173 were performed at the direction of counsel and are subject to the attorney-client privilege and work product doctrine.

iii. Action plans have been developed and implementation is currently in progress. Please see the separately attached PowerPoint presentation "GSMS ESC Kickoff_Modified" that describes SoCalGas and SDG&E's plan to address the gaps and implement their API 1173 framework. SoCalGas and SDG&E have removed the employee names from this PowerPoint.

iv. Please see the responses to Question 2, 2bii. and 2biii above.

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3. Please provide all supporting evidence of your Companies' leadership's commitment to implement an SMS, including the Boards of Directors and Senior Management.

Utilities Response 3:

Please refer to the responses to OSA-SEU-002 Questions 1-5 as well as the response to Question 2 herein. In addition, the Natural Gas Safety Plans of SoCalGas and SDG&E discuss the companies' commitment to safety. The 2018 Natural Gas Safety Plans were provided in the response to OSA-SEU-004 Q4b. Below is an excerpt from the 2018 Natural Gas Safety Plans:[4]

> At SoCalGas [SDG&E], the safety of our employees, customers, and communities has been and will continue to be our core value. Management's safety philosophy is expressed in the following Commitment to Safety statement that our senior management team wholeheartedly endorses:
>
> Southern California Gas Company's [San Diego Gas & Electric Company's] longstanding commitment to safety focuses on three primary areas – employee safety, customer safety and public safety. This safety focus is embedded in what we do and is the foundation for who we are – from initial employee training, to the installation, operation and maintenance of our utility infrastructure, and to our commitment to provide safe and reliable service to our customers.
>
> While we are proud of our safety and reliability achievements thus far, we know there is always room for improving the overall safety of our pipeline system and infrastructure. Our aim is to continuously drive process improvements throughout our pipeline system and operations, to meet state and federal safety regulations, and to stay abreast of industry best practices.
>
> We foster a work environment where employees are focused on and engaged in sustaining a culture that emphasizes safety, and in which they are encouraged to openly raise concerns and suggestions for improvement of our safety practices.

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4 https://www.sdge.com/sites/default/files/regulatory/SDGE_2018_Gas_Safety_Plan.pdf

https://www.socalgas.com/regulatory/documents/r-11-02-019/SoCalGas%202018%20Gas%20Safety%20Plan.pdf

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4. Mr. Oliveira informed OSA that development and implementation efforts of the pipeline safety management system conforming with API 1173 standards is at a maturity level of 2.6 based on the maturity model tool developed by the Pipeline Safety Management Group found here http://www.pipelinesms.org/index.php/httpwww-pipelinesms-orgwpcontentuploads201711psmsmaturitymodel_tools-pdf/. Please:

a) confirm if this maturity level applies to both of the Utilities;

b) explain the basis for that conclusion, including a description of the activities/efforts to date for each of the Utilities.

c) provide a copy of all documents referenced in your response, and any other documentation that justifies that conclusion.

Utilities Response 4:

a) As noted in the response to Question 2, the leadership of SoCalGas and SDG&E are committed to the implementation of API 1173. The implementation began in 2017 with the appointment of a Director of Gas System Integrity and Programs, Mr. Omar Rivera, with responsibility for the implementation of API 1173. Since the implementation has only begun and, as noted in the response to Question 2, full conformance is expected to be reached by the end of 2019. The maturity level of the SMS is considered to be "Developing – Level 2" per the Pipeline Safety Management Group's maturity assessment tool. The maturity level of 2 is applicable to SoCalGas and SDG&E.

b) Please see the response to Question 4a. In reaching the conclusion that the SMS was at a maturity level of 2, the Director of Gas Systems Integrity and Programs reviewed the Pipeline Safety Management Group (PSMG) Tool (one of a number of tools for measuring SMS maturity). The Tool has five elements to measure the maturity of a company's SMS. The five elements are: Level 1 Planning; Level 2 Developing; Level 3 Implemented; Level 4 Sustained and Level 5 Improving. A maturity level of 2 is based on the following:

PSMG Maturity Elements	Assessment
Level 1 Organization is developing an understanding of the management system	Yes
Implementation action plan developed	Yes
Implementation action plan approved	Yes
Level 2 Processes are being developed	Yes

Implementation is about 50% complete	Approximately - The assessment is based on discussions with the SMS team members.

Please note that the PSMG Tool and its five elements are different than the tools and scales used for the gap assessment and implementation plan referenced in the response to Question 2bii and iii above.

c) The implementation plan is included in the response to Question 2biii.

5. Explain how the Companies evaluated the resource requirements necessary to support all the safety management system elements that will be implemented in this Application's GRC cycle.

Utilities Response 5:

Generally, managerial levels are responsible for the appropriate resources to be in place to support safety management system (SMS) elements. Senior leaders are responsible for creating the vision and values that guide the policy and promote those values,[5] in defining roles and responsibilities. The GRC evaluation of SMS-related activities and resources needed, including the first-ever RAMP-to-GRC integration process this cycle to assess what resources are needed to address the Companies' top safety risks, is described throughout witnesses' testimonies. For the details of this evaluation process, please see Direct Testimony of Risk Management and Policy witness Diana Day (Exhibit SCG-02-R/SDG&E-02R, Chapter 1), Direct Testimony of RAMP to GRC Integration witness Jamie York (Exhibit SCG-02-R/SDG&E-02R, Chapter 3), RAMP sections and safety-related activities in individual GRC witnesses' testimonies, and the response to Question 7.

SoCalGas and SDG&E are evaluating and will continually evaluate the resource requirements to reach API 1173 conformance by surveying their major components—namely, the ten tenets of API 1173. For each major component, leadership is identifying individuals responsible as necessary, to accommodate the successful implementation of API 1173. As this system is still in the process of being implemented, these discussions are ongoing, and optimal allocation of resources are still being determined.

[5] A.17-10-007/-008. Exhibit SCG-02-R/SDG&E-02-R, Chapter 1. Appendix C at 50. Appendix D at 56.

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6. Please provide the following documents referenced by Mr Olivera at the meeting and verbally requested by OSA:

a) SMS roadmap;
b) SMS "baseline assessment";
c) SMS "implementation plan" and other SMS related plans.

Utilities Response 6:

Please see the responses to Questions 2 and 2b.

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7) Please identify all the activities that will be/are being/have been developed and implemented to achieve conformance with API 1173 and identify their status. Also:

a) Using an excel spreadsheet, please map all SMS related activities that are included in this GRC to the corresponding testimony and workpaper sections, provide the activity description, and corresponding dollar amount for each activity.

b) Please compile all the testimony sections addressing the SMS and related activities into a single document compendium.

Utilities Response 7:

Please see the response to Question 7a.

Utilities Response 7a:

a) Please see the separately attached spreadsheet "Data Response OSA 003_Q7a," which provides the SMS-related activities requested in the 2019 GRC, including efforts related to API 1173.

The status of each line item is provided the spreadsheet. It is shown as either "In Process" or "Planned," and was determined by the presence of recorded expenditures greater than zero in 2017. Any line item with a non-zero 2017 expenditure is labeled as "In Process." Because multiple line items in the spreadsheet can correspond to often a single forecasted item in the GRC, if that GRC forecasted item showed a value greater than zero, then all associated line items in the SMS spreadsheet were marked "In Process."

The exact meaning and application of "all SMS related activities" in the question are vague and ambiguous. As such, the speadsheet referenced in this response represent the best efforts of SoCalGas and SDG&E to capture SMS-related activities, including, but not limited to, those intended to achieve or maintain API 1173 conformance and to address Risk Assessment Mitigation Phase (RAMP) items that mitigate SoCalGas and SDG&E's top safety risks. However, depending on the definition of SMS-related activities, this may not be a complete list or include more granular items that may be identified through a more time-consuming, comprehensive search.

It is further noted that API 1173 is specifically mentioned in the following exhibits in the 2019 GRC proceeding:

- SCG-02-R/SDG&E-02-R, Chapter 1 (Day) - testimony
- SDG&E-04-R (Orozco-Mejia) and SDG&E-04-WP-R
- SDG&E-05 (Rivera) and SDG&E-05-WP
- SCG-05-R (Rivera) and SCG-05-WP
- SCG-08-R (Bermel)

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Utilities Response 7b:

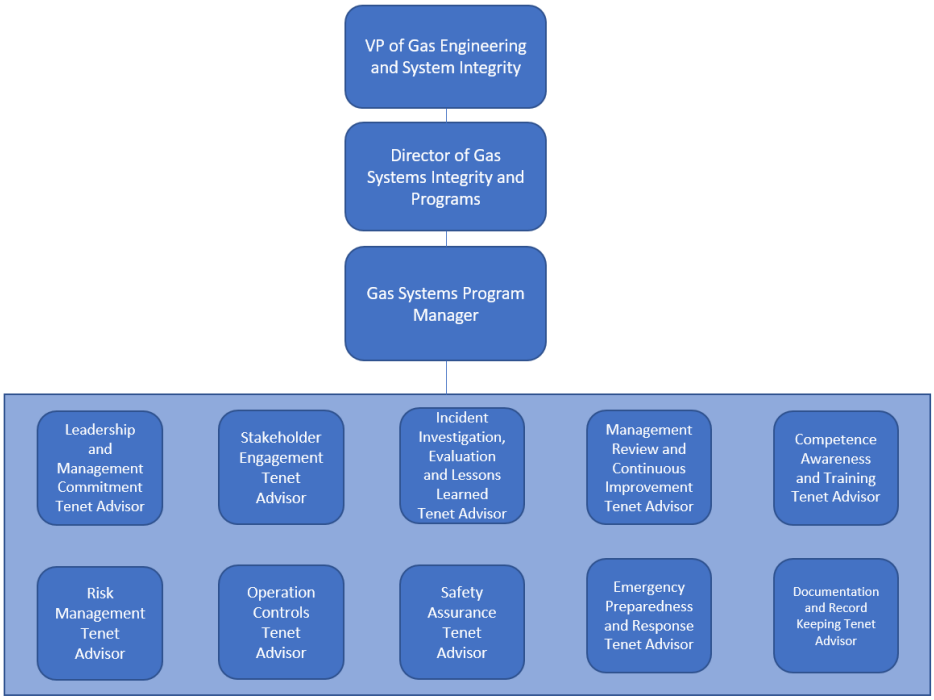
b) Please see the response to Question 7a. Please also see column C of the spreadsheet referenced in response to Question 7a.

8. At the meeting, Mr. Olivera mentioned the creation of a "group" that will be responsible for development and implementation of the SMS.
   a) Provide an organizational chart showing where this groups fits in relation to the rest of the organization, and describe how the group will be structured including information on its reporting lines and details about all the functions that this group will undertake.
   b) Identify the specific sections of testimony and workpapers that describe the functions of this group.
   c) From the testimony, OSA interprets this group as being part of "Gas Contractor Controls". Please explain why.
   d) Specify how many employees in this group will be solely dedicated to the implementation of the safety management system. If none, provide a forecast of their time that will be dedicated to the SMS.
   e) Estimate how much time has been spent on SMS efforts by the group since the group's inception to date, both as a percentage of the group's time and in total.

Utilities Response 8:

a) As noted in Diana Day's testimony (Exhibit SCG-02-R/SDG&E-02-R, Chapter 1) at pages DD-26 and 27 and as referenced in the response to Question 2 above, the leadership of SoCalGas and SDG&E are committed to the implementation of API 1173. In 2017, leadership assigned responsibility for the implementation to Mr. Omar Rivera (Director Gas Systems Integrity and Programs). In 2017, initial staffing of the API 1173 implementation organization included two full-time resources in addition to Mr. Rivera. As the planning and implementation has moved forward, a formal organization structure was proposed and approved by leadership. Below is the approved organizational chart, which is currently being put in place. Under the new structure currently underway (see PowerPoint presentation discussed in the response to Question 2biii), champions ("Tenet Advisors") have been established for each of the 10 tenets of API 1173 (e.g., Emergency Preparedness and Response). In addition, a governance structure has been created, which includes an Executive Steering Committee with Officers from multiple functions represented.

Utilities Response 8 - continued



As illustrated through the organizational chart above, Gas Operations established a formalized structure for implementing API 1173 and, under the guidance of the Director of Gas System Integrity Staff and Programs, initiated the process of API 1173 conformance. This organizational intent is structured to enhance the maturity of practices with the backing of the senior leadership team.

b) Please refer to Section II. E of SCG-05-R, Revised Direct Testimony of Omar Rivera - Gas System Integrity.

c) The Pipeline Safety Management System was once a subset of the Gas Contractor Controls department. The two groups have recently been separated after the filing of the GRC on October 6, 2017 and the Pipeline Safety Management System group is now part of the Gas System Programs department. The implementation of the SMS efforts are multi-year initiatives that will strengthen our risk, asset, and investment management processes.

d) While there are other positions in the Company that dedicate time and effort to API 1173 conformance, SoCalGas and SDG&E interpret this question to mean those persons who are assigned specifically to the Gas System Programs group. That count is 11.

As noted in response to Question 8a above, from inception to date, the organization includes two full-time employees dedicated to API 1173, who spend 100% of their time

Utilities Response 8 - continued

in support of the implementation of API 1173. In addition, Mr. Rivera commits 50% of his time to the implementation of API 1173. Further, there were other employees involved in developing plans. As also explained in response to Question 8a, additional resources are being committed as more aspects of API 1173 are being implemented.