

Company: Southern California Gas Company (U 904 G)/San Diego Gas & Electric  
Company (U 902 M)  
Proceeding: 2019 General Rate Case  
Application: A.17-10-007/-008 (cons.)  
Exhibit: SCG-249/SDG&E-249

**SOCALGAS/SDG&E**

**REBUTTAL TESTIMONY OF CHARLES MANZUK**

**(CASE MANAGEMENT EXHIBIT)**

**JUNE 18, 2018**

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**



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1                                   **SOCALGAS/SDG&E REBUTTAL TESTIMONY**  
2                                   **OF CHARLES MANZUK**  
3                                   **(CASE MANAGEMENT EXHIBIT)**

4   **I.       INTRODUCTION**

5               Pursuant to the Assigned Commissioner’s Scoping Memorandum and Ruling issued on  
6   January 29, 2018 (Scoping Memo), Southern California Gas Company (SoCalGas) and San  
7   Diego Gas & Electric Company (SDG&E) (collectively, the Companies) hereby submit rebuttal  
8   testimony on June 18, 2018. Table CM-1 in my rebuttal testimony provides a listing of the  
9   Companies’ rebuttal testimony exhibits being submitted in response to the assertions in the direct  
10   testimony of other parties, and also includes areas that are not submitting rebuttal testimony (see  
11   Table CM-2). In addition, my rebuttal testimony addresses the direct testimony of The Utility  
12   Reform Network (TURN), as submitted by Mr. Eric Borden, dated May 14, 2018.<sup>1</sup> As a general  
13   matter, please note that the fact that the Companies may not have responded to every issue raised  
14   by others in our rebuttal testimonies does not mean or imply that the Companies agree with the  
15   proposals or contentions made by these other parties.

16   **II.      SUMMARY OF SOCALGAS AND SDG&E REBUTTAL SUBMISSION**

17               Table CM-1 below lists the rebuttal testimony being served by SoCalGas and SDG&E in  
18   this June 18, 2018 submission. The exhibits are provided as specific to SoCalGas, SDG&E, or a  
19   joint exhibit shown as SCG/SDG&E.

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<sup>1</sup> May 14, 2018, Prepared Testimony of Eric Borden, Addressing the Proposals of San Diego Gas & Electric Company and Southern California Gas Company in their Test Year 2019 General Rate Case, Related to Electric Distribution Capital, Gas Transmission Operation, Gas Major Projects, Cash Working Capital, and Customer Forecast, Ex. TURN-01.

**Table CM-1: Overview of Exhibits Serving Rebuttal Testimony**

<b>Exhibit No.</b>	<b>Area</b>	<b>Witness</b>
SCG-204	Gas Distribution	Gina Orozco-Mejia
SCG-205	Gas System Integrity	Omar Rivera
SCG-206	Gas Transmission Operation	Beth Musich
SCG-207	Gas Transmission	Michael Bermel & Beth Musich
SCG-208	Gas Major Projects	Michael Bermel
SCG-209	Gas Engineering	Deanna Haines
SCG-210	Underground Storage	Neil Navin
SCG-211	Aliso Canyon Turbine Replacement Project	David Buczkowski
SCG-213	Gas Control & System Operations/Planning	Devin Zornizer
SCG-214	Pipeline Integrity for Transmission & Distribution	Maria Martinez
SCG-215	Pipeline Safety Enhancement Plan (PSEP)	Rick Phillips & Sharim Chaudhury*
SCG-216	Gas Procurement	Martin Lazarus
SCG-217	Advanced Metering Infrastructure Policy	Rene Garcia
SCG-218	Customer Services - Field & Meter Reading	Gwen Marelli
SCG-219	Customer Services - Office Operations	Michael Baldwin
SCG-220	Customer Services - Information	Rosalinda Magana*
SCG-221	Customer Services - Technologies, Policies & Solutions	Sharon Tomkins*
SCG-223	Fleet Services & Facility Operations	Carmen Herrera
SCG-224	Real Estate	R. Dale Tattersall
SCG-225	Environmental Services	Darrell Johnson
SCG-226	Information Technology	Christopher Olmsted
SCG-232	Human Resources Department, Safety, Workers' Compensation & Long-Term Disability	Mary Gevorkian
SCG-233	Accounting & Finance/Legal/Regulatory Affairs/External Affairs	Ramon Gonzales*
SCG-235	Rate Base	Patrick Moersen
SCG-236	Depreciation	Flora Ngai
SCG-237	Taxes	Ragan Reeves
SCG-238	Working Cash	Karen Chan
SCG-241	Miscellaneous Revenues	Annette Steffen
SCG-242	Regulatory Accounts	Rae Marie Yu
SCG-243	Summary of Earnings	Ryan Hom
SCG-244	Post-Test Year Ratemaking	Sandra Hrna*
SCG-247	Mobilehome Park Utility Upgrade Program	Joseph Velasquez

\* Indicates direct testimonies that have been adopted by rebuttal witnesses.

\*\* Indicates a new witness area.

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**Table CM-1: Overview of Exhibits Serving Rebuttal Testimony (continued)**

<b>Exhibit No.</b>	<b>Area</b>	<b>Witness</b>
SDG&E-204	Gas Distribution	Gina Orozco-Mejia
SDG&E-205	Gas System Integrity	Omar Rivera
SDG&E-206	Gas Transmission Operation	Beth Musich
SDG&E-207	Gas Transmission	Michael Bermel & Beth Musich
SDG&E-209	Gas Engineering	Deanna Haines
SDG&E-211	Pipeline Integrity for Transmission & Distribution	Maria Martinez
SDG&E-214	Electric Distribution Capital	Alan Colton
SDG&E-215	Electric Distribution O&M	William Speer
SDG&E-216	Electric Generation	Daniel Baerman & Gregory Shimansky*
SDG&E-217	Customer Services - Field	Gwen Marelli
SDG&E-218	Customer Services - Office Operations	Jerry Stewart
SDG&E-219	Customer Services - Information and Technologies	Lisa Davidson
SDG&E-221	Fleet Services	Carmen Herrera
SDG&E-222	Real Estate, Land Services, & Facilities	R. Dale Tattersall
SDG&E-224	Information Technology	Christopher Olmsted
SDG&E-230	Human Resources Department, Safety, Workers' Compensation & Long-Term Disability	Tashonda Taylor
SDG&E-231	Accounting & Finance/Legal/Regulatory Affairs/External Affairs	Sandra Hrna
SDG&E-233	Rate Base	R. Craig Gentes
SDG&E-234	Depreciation	Dane Watson*
SDG&E-235	Taxes	Ragan Reeves
SDG&E-236	Working Cash	Steven Dais
SDG&E-237	Gas Customer Forecast	Rose-Marie Payan
SDG&E-238	Electric Customer Forecast	Kenneth Schiermeyer
SDG&E-240	Miscellaneous Revenues	Eric Dalton
SDG&E-241	Regulatory Accounts	Norma Jasso
SDG&E-242	Summary of Earnings	Ryan Hom
SDG&E-243	Post-Test Year Ratemaking	Kenneth Deremer
SDG&E-246	Electric Rates & Bill Comparison**	Cynthia Fang*
SDG&E-247	Mobilehome Park Utility Upgrade Program	Joseph Velasquez
SDG&E-251	Asset Management**	Kenneth Deremer*
SDG&E-253	DER Projects**	Ted Reguly*

\* Indicates direct testimonies that have been adopted by rebuttal witnesses.

\*\* Indicates a new witness area.

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**Table CM-1: Overview of Exhibits Serving Rebuttal Testimony (continued)**

<b>Exhibit No.</b>	<b>Area</b>	<b>Witness</b>
SCG-202/SDG&E-202	Risk Management Volume	Diana Day, Gregory Flores, & Jamie York
SCG-203/SDG&E-203	Fueling Our Future (FOF) Policy	David Baron* & Don Widjaja*
SCG-222/SDG&E-220	Supply Management, Logistics, & Supplier Diversity	Joseph Chow* & Sydney Furbush*
SCG-227/SDG&E-225	Cybersecurity	Gavin Worden
SCG-228/SDG&E-226	Corporate Center - General Administration	Mia Demontigny
SCG-229/SDG&E-227	Corporate Center - Insurance	Neil Cayabyab
SCG-230/SDG&E-228	Corporate Center - Compensation & Benefits	Debbie Robinson
SCG-231/SDG&E-229	Corporate Center - Pension & Postretirement Benefits Other Than Pension	Debbie Robinson & Yannick Gagne*
SCG-246/SDG&E-245	Gas Rates and Bill Comparison & Daily Core Demand Forecast Group**	Sharim Chaudhury
SCG-249/SDG&E-249	Case Management	Charles Manzuk
SCG-250/SDG&E-252	Safety Policy**	David Buczkowski & David Geier

\* Indicates direct testimonies that have been adopted by rebuttal witnesses.

\*\* Indicates a new witness area.

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3 Table CM-2 below lists the witness areas that are not serving rebuttal testimony on June  
4 18, 2018.<sup>2</sup>

<sup>2</sup> As shown in the Test Year (TY) 2019 General Rate Case Application of SDG&E (October 6, 2017), Exhibits SDG&E-08 and SDG&E-10 were reserved. Thus, no direct testimony was submitted for those exhibits and no rebuttal testimony will be submitted for Exhibits SDG&E-208 and SDG&E-210.

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**Table CM-2: Overview of Exhibits Not Serving Rebuttal Testimony<sup>3</sup>**

<b>Exhibit No.</b>	<b>Area</b>	<b>Witness</b>
SCG-201	Policy Overview	J. Bret Lane
SCG-212	Aliso Incident Expenditure Requirements	Andrew Steinberg
SCG-239	Gas Customer Forecast	Rose-Marie Payan
SCG-240	Cost Escalation	Scott Wilder
SCG-248	Present Rate Revenues	Ryan Hom
SDG&E-201	Policy Overview	Caroline Winn
SDG&E-212	Electric & Fuel Procurement	Kendall Helm
SDG&E-213	Distributed Energy Resource Policy	Alan Dulgeroff
SDG&E-223	Environmental Services	Nancy Clancy
SDG&E-239	Cost Escalation	Scott Wilder
SDG&E-248	Present Rate Revenues	Ryan Hom
SDG&E-250	Supplemental Year-Round Wildfire Risk Mitigation	David Geier
SCG-234/SDG&E-232	Shared Services & Shared Assets Billing, Segmentation & Capital Reassignments	James Vanderhye
SCG-245/SDG&E-244	Compliance	Jamie York

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3 **III. REBUTTAL TO PARTIES' PROPOSALS**

4 **A. SoCalGas and SDG&E are Not Required to Create New Data or New Data**  
5 **Formats**

6 In its analysis of SDG&E's electric distribution capital, TURN recommended that  
7 all quantitative data provided through workpapers and discovery should be provided in  
8 Excel format, and that all workpapers and calculations should be provided upfront when  
9 the utility files testimony and not obtained through discovery.<sup>4</sup>

10 SDG&E and SoCalGas fully understand their burden of proof in this case, and have every  
11 incentive to provide all of the relevant information they can feasibly provide in the direct case  
12 and, in the event parties desire additional information, through discovery. SDG&E and  
13 SoCalGas strive to provide that information, while at the same time being mindful of the volume  
14 of information that will be included in testimony and workpapers. But SDG&E and SoCalGas

<sup>3</sup> Previously submitted supplemental exhibits, for example Exhibit SCG-42-S, are also not serving rebuttal testimonies.

<sup>4</sup> Ex. TURN-01 (Borden) at 7.

1 are not able to produce Excel spreadsheets that do not exist; tables that appear in testimony and  
2 workpapers are not derived from spreadsheets, as explained further below. SDG&E and  
3 SoCalGas should not be required to create excel spreadsheets for TURN and other parties as it  
4 would be unduly burdensome. Therefore, SDG&E and SoCalGas are not in the practice of doing  
5 so (unless doing so is not a burden) as this would be inconsistent with the Commission’s rules  
6 and the law regarding discovery.<sup>5</sup> SDG&E and SoCalGas are providing more information than  
7 ever before in their rate cases now incorporating the Risk Assessment Mitigation Phase (RAMP)  
8 process, through an ever-expanding General Rate Case (GRC) presentation, and through  
9 responses to ever-increasing quantities of data requests.<sup>6</sup> Frequently, intervenors will request  
10 information that we simply do not have or in a format that is different than how the data was  
11 provided. SDG&E and SoCalGas do not perform all of our computations using Excel  
12 spreadsheets and it would not be feasible to create Excel spreadsheets for parties every time one  
13 is requested.

14 **B. Testimony Tables and Workpapers Do Not Originate As Spreadsheets**

15 The majority of the SDG&E and SoCalGas GRC workpapers and tables that appear in  
16 testimony are not created from, nor do they originate as, Excel spreadsheets. As SDG&E and  
17 SoCalGas informed TURN and other parties in data request responses, most GRC workpapers  
18 and testimony tables are produced from a database system named the General Rate Case  
19 Integrated Database (GRID), which consists of many data tables that are dynamically linked to  
20 permit grouping of cost centers and budget codes, editing of historical values, selection of a  
21 forecast methodology, adjustments to forecasts, and the production of workpapers.

22 The GRID was designed to meet the data requirements of the Rate Case Plan and  
23 as a means to help efficiently manage the data and data outputs above and beyond the  
24 limitations of Excel. GRID was produced in-house, and was first used for the 2012  
25 SDG&E and SoCalGas GRCs and has been subsequently used in the 2016 and 2019 rate  
26 cases.<sup>7</sup> The development and consistent presentation of the GRC forecasts and

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<sup>5</sup> Rule 10.1 of the Commission’s Rules of Practice and Procedure admonishes discovery requests that cause undue “burden, expense, or intrusiveness” on the answering party.

<sup>6</sup> For example, SDG&E and SoCalGas responded to over 10,500 data request questions contained within hundreds of data requests from multiple parties.

<sup>7</sup> In the 2012 GRC, GRID, in addition to its other functions, was used to produce Operations and Maintenance (O&M) workpapers. Beginning in 2016, GRID was enhanced to also produce the capital



1 | workpapers is heavily dependent on the use of this GRID application. While many of  
2 | those workpapers appear in tabular format, they are not spreadsheets; GRID itself is not a  
3 | giant spreadsheet or built upon a spreadsheet model; nor is the underlying database on  
4 | which GRID is built configured to export ‘live spreadsheets.’

5 |         The GRID application is not portable. It consists of a number of custom-programmed  
6 | application modules operating over or dependent upon enterprise-level systems such as Systems  
7 | Applications & Products (SAP), Business Warehouse, and Microsoft SQL-Server. The use of a  
8 | database for this purpose does not involve spreadsheets. The workpapers are formatted ‘reports’  
9 | from that collection of tables and linking relationships that form the GRID database. These are  
10 | derived and produced directly as PDF documents in the case of the main workpapers, or as Word  
11 | tables in the case of the tables that appear in testimony. Data extracts of this type contain only  
12 | data values; the extract is not capable of producing ‘working formulas.’ In some instances, the  
13 | workpapers have additional ‘supplemental workpaper’ pages which are derived from witness-  
14 | crafted spreadsheets and not by the GRID application. Many of these supplemental workpapers  
15 | are Excel based with working formulae and these have been provided to parties as requested.

16 |         To assist in evaluation by the parties, SDG&E and SoCalGas have also supplied, on  
17 | request, Excel reports showing the five years of adjusted-recorded historical spend and the three  
18 | years of forecasts. For example, these were supplied to the Office of Ratepayer Advocates  
19 | (ORA) on December 1, 2017 and updated on January 25, 2018, and to TURN on February 5,  
20 | 2018. This information is obtained as a specifically-created database extract for O&M costs and  
21 | many capital budgets, and is provided in tabular format as an Excel spreadsheet. Although as  
22 | previously discussed, as a report, it consists of values and contains no formulae. Also, 2017  
23 | adjusted-recorded data for capital was provided to ORA on March 12, 2018. The 2017 adjusted-  
24 | recorded data for O&M was delivered on March 16. This information was also provided to  
25 | TURN on March 22, 2018. Although the majority of workpapers are not generated as Excel-  
26 | based documents, these are examples of instances where SDG&E and SoCalGas provide Excel-  
27 | based documents to further assist parties in their case evaluation.

28 |         This concludes my prepared rebuttal testimony.

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workpapers. In the 2008 GRC, O&M workpapers were produced through an application built on Lotus Notes.

## **APPENDIX A – GLOSSARY OF TERMS**

GRC	General Rate Case
GRID	General Rate Case Integrated Database
O&M	Operations and Maintenance
ORA	Office of Ratepayer Advocates
RAMP	Risk Assessment Mitigation Phase
SDG&E	San Diego Gas & Electric Company
SoCalGas	Southern California Gas Company
SAP	Systems Applications & Products
TURN	The Utility Reform Network
TY	Test Year