

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-_____
Exhibit: SCG-30/SDG&E-28

SOCALGAS AND SDG&E
DIRECT TESTIMONY OF DEBBIE S. ROBINSON
(COMPENSATION AND BENEFITS)

October 6, 2017

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



TABLE OF CONTENTS

1

2

3 I. INTRODUCTION AND SCOPE OF TESTIMONY 1

4 III. OVERVIEW OF TOTAL COMPENSATION PHILOSOPHY..... 5

5 IV. SUMMARY OF WILLIS TOWERS WATSON TOTAL COMPENSATION

6 STUDY 5

7 A. WTW Study Results: 6

8 V. COMPENSATION 8

9 A. Base Pay..... 8

10 B. Incentive Compensation Plan (ICP)..... 9

11 1. Non-Executive ICP 9

12 a. Performance measures 10

13 b. Increased emphasis on safety measures 10

14 c. 2017 ICP Performance Measures..... 12

15 2. Executive ICP 13

16 3. ICP Performance Goals Benefit Customers and the Community 14

17 a. Safety Performance Measures: 14

18 b. Customer and Supplier Diversity ICP Performance Measures:.... 15

19 c. Financial Performance Measures:..... 16

20 4. Non-Executive and Executive ICP Costs 17

21 5. ICP Should be Fully Recoverable: Costs are Reasonable and

22 Performance Is Tied to Goals That Benefit Ratepayers..... 18

23 C. Long-Term Incentive Compensation 20

24 1. Long-Term Incentive Program Benefits SoCalGas and SDG&E

25 Customers 20

26 2. Long-Term Incentive Program Design 21

27 3. Long-Term Incentive Costs: 21

28 D. Special Recognition Awards..... 22

29 1. Spot Cash and Employee Recognition Programs 22

30 2. Special Recognition Award Cost Forecasts..... 22

31 E. Summary – Compensation Programs..... 23

32 VI. EMPLOYEE BENEFITS..... 24

33 A. Overview..... 24

34 B. Health Benefits..... 25

1	1.	Medical	25
2	a.	Medical Plan Overview:	26
3	b.	Health Maintenance Organizations:.....	27
4	c.	Health Care Plus+ High-Deductible Health Plan with Health	
5		Savings Account	27
6	d.	Anthem Out of Area Plan:	27
7	e.	Medical Plan Enrollment:	28
8	f.	Medical Cost Trends	29
9	g.	Post-Test Year Medical Cost Escalation:	31
10	h.	Medical Cost Per Employee.....	31
11	i.	Employee Contributions	32
12	2.	Dental.....	32
13	a.	Dental Plan Overview:.....	33
14	b.	Dental Cost Trends	34
15	c.	Dental Cost per Employee	34
16	d.	Employee Contributions	34
17	3.	Vision.....	35
18	a.	Vision Plan Overview:.....	35
19	b.	Vision Plan Costs:.....	35
20	c.	Employee Contributions:	35
21	4.	Wellness.....	35
22	a.	Wellness Programs Overview:.....	36
23	b.	Wellness Program Costs:	37
24	5.	Employee Assistance Plan (EAP) and Mental Health and Substance	
25		Abuse	37
26	a.	EAP and Mental Health and Substance Abuse Programs	
27		Overview:.....	38
28	b.	EAP and Mental Health and Substance Abuse Program	
29		Costs:.....	39
30	C.	Welfare Benefits	39
31	1.	Accidental Death and Dismemberment	40
32	2.	Business Travel Insurance	40
33	3.	Life Insurance	40
34	D.	Retirement Plans	41

1	1.	Retirement Savings	41
2	a.	Retirement Savings Plan Overview	41
3	b.	Retirement Savings Plan Costs	42
4	2.	Nonqualified Savings Plan.....	42
5	3.	Supplemental Pension.....	43
6	E.	Other Benefit Program Expenses.....	44
7	1.	Benefit Administration Fees and Services.....	45
8	2.	Educational Assistance	46
9	3.	Emergency Day Care	47
10	4.	Mass Transit Incentive.....	48
11	5.	Retirement Activities	48
12	6.	Service Recognition.....	49
13	7.	Special Events.....	50
14	VII.	COMPENSATION CONTROLS	50
15	A.	External Compensation Surveys.....	50
16	1.	Non-Executive Jobs:	50
17	2.	Executive Jobs:	50
18	B.	External Benefits Surveys:.....	51
19	1.	Methodology for BENVAl Study.....	51
20	C.	Internal Review.....	51
21	VIII.	SEMPRA ENERGY CORPORATE CENTER - COMPENSATION & BENEFITS.....	51
22	IX.	QUALIFICATIONS	53

LIST OF APPENDICES

26	APPENDIX A – SOCALGAS 2019 GENERAL RATE CASE TOTAL	
27	COMPENSATION STUDY	DSR-A-1
28	APPENDIX B – SDG&E 2019 GENERAL RATE CASE TOTAL COMPENSATION	
29	STUDY	DSR-B-1
30	APPENDIX C – GLOSSARY OF TERMS.....	DSR-C-1

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SUMMARY
TY 2019 Summary of Total Compensation and Benefits Costs
(Thousands of 2016 Dollars)

Southern California Gas Company				
	Adjusted Recorded 2016	Estimated 2017	Estimated 2018	Estimated 2019
Compensation	74,804	78,176	82,300	90,743
Health Benefits	84,627	83,696	92,885	105,050
Welfare Benefits	1,725	1,698	1,786	1,922
Retirement Benefits	23,913	24,704	25,592	27,629
Other Benefit Program and Fees	4,213	4,534	4,250	4,475
Total	189,282	192,808	206,813	229,819

San Diego Gas and Electric				
	Adjusted Recorded 2016	Estimated 2017	Estimated 2018	Estimated 2019
Compensation	75,857	74,674	76,607	80,617
Health Benefits	49,165	52,579	57,296	63,861
Welfare Benefits	701	737	776	833
Retirement Benefits	17,892	24,637	19,665	19,984
Other Benefit Program and Fees	1,648	1,798	1,535	1,595
Total	145,263	154,425	155,879	166,890

Summary of Requests

Overview of the total compensation and benefits program at Southern California Gas Company (SoCalGas) and San Diego Gas & Electric (SDG&E) (collectively, the Utilities).

SoCalGas' and SDG&E's compensation and benefits programs include the following components:

- Base Pay;
- Variable Pay (short-term incentives);
- Long-term incentives;
- Special recognition awards;
- Health and welfare benefits;

- 1 • Retirement benefits; and
- 2 • Other benefit programs.

3 It also includes the results of the total compensation study conducted by Willis Towers
4 Watson (WTW), a nationally recognized compensation and benefits consulting firm, showing
5 our total compensation to be within 0.7% of market based on actual total compensation (using
6 actual ICP) and target total compensation (using target ICP) is within 1.2% of market at
7 SoCalGas and within 0.4% of market and target total compensation is within 1.5% of market at
8 SDG&E.

1 **SOCALGAS AND SDG&E DIRECT TESTIMONY**
2 **OF DEBBIE S. ROBINSON**
3 **(COMPENSATION AND BENEFITS)**
4

5 **I. INTRODUCTION AND SCOPE OF TESTIMONY**

6 My testimony provides an overview of the total compensation and benefits program at
7 Southern California Gas Company (SoCalGas) and San Diego Gas & Electric (SDG&E)
8 (collectively, the Utilities).

9 SoCalGas' and SDG&E's compensation and benefits programs include the following
10 components:

- 11 • Base Pay;
- 12 • Variable Pay (short-term incentives);
- 13 • Long-term incentives;
- 14 • Special recognition awards;
- 15 • Health and welfare benefits;
- 16 • Retirement benefits; and
- 17 • Other benefit programs.

18 It also includes the results of the total compensation study conducted by Willis Towers
19 Watson, a nationally recognized compensation and benefits consulting firm (the WTW Study).¹

20 Certain benefits are covered by other witnesses or in other exhibits:

- 21 • Long-term disability and workers' compensation are covered by Mary Gevorkian
22 (Exhibit SCG-32) and Tashonda Taylor (Exhibit SDG&E-30)
- 23 • Broad-based pension benefits and post-retirement benefits are presented in my
24 testimony on Pension and PBOPs (Exhibit SCG-31/SDG&E-29).

25 As noted in the Compliance testimony of Jamie York (Exhibit SCG-45/SDG&E-44), the
26 Commission has directed SoCalGas and SDG&E (in the final GRC Decision for Test Year (TY)
27 2016) to provide testimony in their TY 2019 General Rate Case (GRC) "regarding the actions
28 taken during the 2016-2018 GRC cycle, supported by relevant workpapers, data, company
29 documents, and reports ..." ² regarding 8 categories of information primarily related to

¹ The WTW Study is included as Appendix A (SoCalGas) and Appendix B (SDG&E).

² D.16-06-054 at 155.

1 compensation and risk management. Ms. York provides a description of these 8 requirements
2 and supports the information requested in items numbered 1 through 4 in D.16-06-54. The
3 information requested in items numbered 7 and 8 is provided in the Risk Management and Policy
4 testimony of Diana Day (Exhibit SCG-02/SDG&E-02, Chapter 1). I provide the information
5 requested in items numbered 5 and 6 in Section III.B, which describes the Utilities' ICP plans.

6 As summarized in Table DSR-1 and Table DSR-2 below, projected TY 2019
7 compensation and benefit program costs (excluding base pay and benefits covered in other
8 witness areas) are \$167 million for SDG&E and \$230 million for SoCalGas.
9

TABLE DSR-1

SDG&E - Compensation and Benefits Programs	Thousands of 2016 \$			
	2016	2017	2018	2019
Compensation:				
Non-Executive Variable Pay	\$62,488	\$61,210	\$63,053	\$66,718
Executive Variable Pay	\$4,128	\$4,020	\$4,020	\$4,020
Long-Term Incentive Plan (LTIP)	\$8,743	\$8,158	\$8,240	\$8,570
Spot Cash program	\$412	\$970	\$970	\$970
Employee Recognition program	\$86	\$316	\$324	\$339
<i>Subtotal</i>	<i>\$75,857</i>	<i>\$74,674</i>	<i>\$76,607</i>	<i>\$80,617</i>
Health Benefits:				
Medical	\$43,933	\$45,648	\$50,338	\$56,204
Dental	\$2,441	\$3,460	\$3,590	\$3,993
Vision	\$318	\$306	\$325	\$353
Wellness	\$791	\$1,359	\$1,066	\$1,117
EAP	\$278	\$262	\$273	\$291
Mental Health	\$1,404	\$1,544	\$1,704	\$1,903
<i>Subtotal</i>	<i>\$49,165</i>	<i>\$52,579</i>	<i>\$57,296</i>	<i>\$63,861</i>
Welfare Benefits:				
AD&D Insurance	\$74	\$85	\$90	\$96
Business Travel Insurance	\$25	\$26	\$26	\$27
Life Insurance	\$602	\$626	\$660	\$710
<i>Subtotal</i>	<i>\$701</i>	<i>\$737</i>	<i>\$776</i>	<i>\$833</i>
Retirement Benefits:				
Retirement Savings Plan	\$14,478	\$15,287	\$16,118	\$17,369
Nonqualified Retirement Savings Plan	\$225	\$230	\$237	\$245
Supplemental Pension	\$3,189	\$9,120	\$3,310	\$2,370
<i>Subtotal</i>	<i>\$17,892</i>	<i>\$24,637</i>	<i>\$19,665</i>	<i>\$19,984</i>
Other Benefit Programs and Fees:				
Benefits Administration Fees	\$669	\$807	\$655	\$667
Educational Assistance	\$441	\$456	\$476	\$508
Emergency Childcare	\$132	\$144	\$151	\$159
Mass Transit Incentive	\$71	\$80	\$82	\$86
Retirement Activities	\$209	\$209	\$76	\$67
Service Recognition	\$126	\$102	\$95	\$108
<i>Subtotal</i>	<i>\$1,648</i>	<i>\$1,798</i>	<i>\$1,535</i>	<i>\$1,595</i>
Total	\$145,263	\$154,425	\$155,879	\$166,890

TABLE DSR-2

SCG - Compensation and Benefits Programs	Thousands of 2016 \$			
	2016	2017	2018	2019
Compensation:				
Non-Executive Variable Pay	\$63,638	\$63,649	\$67,659	\$75,680
Executive Variable Pay	\$3,049	\$3,410	\$3,410	\$3,410
Long-Term Incentive Plan (LTIP)	\$7,587	\$9,548	\$9,643	\$10,029
Spot Cash program	\$431	\$978	\$978	\$978
Employee Recognition program	\$99	\$591	\$610	\$646
<i>Subtotal</i>	<i>\$74,804</i>	<i>\$78,176</i>	<i>\$82,300</i>	<i>\$90,743</i>
Health Benefits:				
Medical	\$78,922	\$76,043	\$84,678	\$96,023
Dental	\$2,587	\$4,180	\$4,517	\$5,052
Vision	\$575	\$534	\$572	\$629
Wellness	\$426	\$728	\$724	\$707
EAP	\$728	\$735	\$755	\$788
Mental Health	\$1,389	\$1,476	\$1,639	\$1,851
<i>Subtotal</i>	<i>\$84,627</i>	<i>\$83,696</i>	<i>\$92,885</i>	<i>\$105,050</i>
Welfare Benefits:				
AD&D Insurance	\$59	\$57	\$63	\$73
Business Travel Insurance	\$48	\$49	\$50	\$51
Life Insurance	\$1,618	\$1,592	\$1,673	\$1,798
<i>Subtotal</i>	<i>\$1,725</i>	<i>\$1,698</i>	<i>\$1,786</i>	<i>\$1,922</i>
Retirement Benefits:				
Retirement Savings Plan	\$21,351	\$21,822	\$23,191	\$25,409
Nonqualified Retirement Savings Plan	\$275	\$282	\$291	\$300
Supplemental Pension	\$2,287	\$2,600	\$2,110	\$1,920
<i>Subtotal</i>	<i>\$23,913</i>	<i>\$24,704</i>	<i>\$25,592</i>	<i>\$27,629</i>
Other Benefit Programs and Fees:				
Benefits Administration Fees	\$1,115	\$1,233	\$1,087	\$1,107
Educational Assistance	\$958	\$960	\$1,005	\$1,087
Emergency Childcare	\$188	\$197	\$206	\$217
Mass Transit Incentive	\$986	\$1,025	\$1,049	\$1,098
Retirement Activities	\$241	\$465	\$142	\$180
Service Recognition	\$254	\$181	\$267	\$254
Special Events	\$471	\$473	\$494	\$532
<i>Subtotal</i>	<i>\$4,213</i>	<i>\$4,534</i>	<i>\$4,250</i>	<i>\$4,475</i>
Total	\$189,282	\$192,808	\$206,813	\$229,819

1 **III. OVERVIEW OF TOTAL COMPENSATION PHILOSOPHY**

2 SoCalGas’ and SDG&E’s employees are critical to providing safe, efficient and reliable
3 service to their customers. SoCalGas’ and SDG&E’s total rewards programs are structured to
4 attract, motivate and retain a high-performing workforce. SoCalGas and SDG&E offer
5 competitive, market-driven total rewards programs that include base pay, variable pay (also
6 referred to as Incentive Compensation Plans or “ICP”), long-term incentives, recognition awards,
7 benefits, and retirement plans.

8 The compensation and benefits programs provided to SoCalGas and SDG&E employees,
9 retirees and their dependents reflect the impacts of the marketplace, collective bargaining and
10 government regulation. Compensation programs are designed to focus employees on the
11 companies’ key priorities, the most important of which is safety. As noted in the Risk
12 Management and Policy testimony of Diana Day (SCG-02/SDG&E-02, Chapter 1), safety is a
13 core value of SoCalGas and SDG&E, and a strong safety culture directly influences the safety
14 performance of an organization. SoCalGas’ and SDG&E’s strong safety culture is demonstrated
15 in my testimony, through the companies’ use of compensation metrics and key performance
16 indicators to drive improved safety performance. Both SoCalGas and SDG&E have increased
17 the weighting of their safety measures in variable pay plans over the past two years, such that
18 safety measures now comprise 70% of the company performance component. Benefit programs
19 that promote employee health and welfare also contribute to SoCalGas and SDG&E’s safety
20 performance and culture.

21 This holistic and competitive approach to total rewards has allowed SoCalGas and
22 SDG&E to maintain an experienced, productive workforce while maintaining a labor cost
23 structure that is in line with the market. The same approach to total rewards extends to the
24 Sempra Energy Corporate Center (SECC), ensuring that total compensation costs for the services
25 provided to SoCalGas and SDG&E by the SECC are reasonable and competitive.

26 **IV. SUMMARY OF WILLIS TOWERS WATSON TOTAL COMPENSATION**
27 **STUDY**

28 A total compensation study was conducted as part of SoCalGas’ and SDG&E’s TY 2019
29 General Rate Case submission in compliance with Commission Decisions D.87-12-066, D.89-
30 12-057, and D.96-01-011. For over 20 years, a Total Compensation Study has been prepared in
31 connection with each SoCalGas and SDG&E General Rate Case and the Office of Ratepayer

1 Advocates (ORA) has jointly sponsored and participated in the studies. SoCalGas and SDG&E
2 requested ORA's participation in the Total Compensation Study for the TY 2019 General Rate
3 Case as well, but ORA declined to participate.

4 The study was conducted to evaluate SoCalGas' and SDG&E's total compensation
5 relative to the external labor market. It includes a detailed analysis of "total compensation,"
6 which is defined as the aggregate value of annualized base pay, incentive compensation (short-
7 term and long-term) and benefits programs. For short-term incentive compensation, both actual
8 and target data were analyzed.

9 In selecting the vendor to conduct the Total Compensation Study, SoCalGas and SDG&E
10 sent Requests for Proposal (RFP) to three firms. Only two firms, WTW and Mercer, submitted
11 proposals for conducting the study. After evaluating each firm's experience conducting similar
12 studies, their proposed timelines and their fees, the SoCalGas and SDG&E team selected WTW
13 to conduct the study.

14 Even though ORA did not participate in the TY 2019 WTW Study, SoCalGas and
15 SDG&E applied a consistent methodology for the TY 2019 WTW Study as the one that was
16 applied in SoCalGas' and SDG&E's 2016 Total Compensation Study, in which ORA
17 participated. The TY 2019 WTW Study, which includes a detailed description of the study
18 methodology, is included as Appendix A (SoCalGas) and Appendix B (SDG&E).

19 **A. WTW Study Results:**

20 SDG&E's total compensation (defined as base salaries, short-term incentives, long-term
21 incentives and benefits) is within 0.4% of market based on actual total compensation (using
22 actual ICP) and target total compensation (using target ICP) is within 1.5% of market.
23 SoCalGas' actual total compensation is within 0.7% of market and target total compensation is
24 within 1.2% of market. The WTW Study results are summarized in Table DSR-2 below.

25 Compensation professionals, including WTW, typically consider a range of plus or minus
26 10 percent of the average of the external market data to be competitive and broader ranges are
27 common and expected for long-term incentive plans and benefits.

28 Towers Watson considers +/- 10 percent of the average or mean of the
29 competitive market to be the range of competitiveness. A range such as this is
30 generally considered by compensation professionals to be a standard of
31 competitiveness due to variances in employee performance levels, years of
32 experience, and tenure within and across organizations. For certain components of
33 compensation, such as long-term incentives and benefits, larger variances are

1 common. Because of the variables involved – matching benchmark jobs to
 2 survey information, matching career levels, sample size, and data quality issues –
 3 in a study such as this, a range should be considered in evaluating the
 4 competitiveness of compensation.³

5 Per the *World at Work Handbook of Compensation, Benefits and Total Rewards*, as a rule
 6 of thumb, salary information is expected to be reflective of the marketplace within plus or minus
 7 10 percent.⁴ As discussed above, using this competitive range takes into account differences in
 8 employee tenure, experience and performance, as well as potential job matching, sample size and
 9 data quality issues.

10 In D.95-12-055, the Commission affirmatively stated that compensation levels that fall
 11 between plus or minus five percent of the relevant market are considered to be “at market” and
 12 reasonable.

13 As shown in Table DSR-3 below, for both SoCalGas and SDG&E, Actual Total
 14 Compensation and Target Total Compensation fall within both the competitive range of plus or
 15 minus ten percent that is widely used by compensation professionals and the range of plus or
 16 minus five percent cited by the Commission in D.95-12-055.

17 **TABLE DSR-3**

Total Compensation vs. Market							
Company	Base Pay	Target Total Cash Compensation	Actual Total Cash Compensation	Benefits	Long-Term Incentives	Target Total Compensation	Actual Total Compensation
SDG&E*	-5.9%	-4.3%	-1.9%	13.6%	12.2%	-1.5%	0.4%
SCG*	-4.1%	-3.4%	-2.9%	10.9%	8.2%	-1.2%	-0.7%

18 *Includes Corporate Center. WTW Study results including and excluding Corporate Center are presented in Appendix A.

19 Tables DSR-4 and DSR-5 below present SDG&E’s and SoCalGas’ competitive status for
 20 each of the major elements of compensation by job category. The job categories and related
 21 compensation data also include a representation of Sempra Energy Corporate Center jobs that
 22 support SoCalGas and SDG&E. Corporate Center jobs were included in the WTW Study
 23 because, if the Corporate Center did not exist, SoCalGas and SDG&E would have to hire
 24 employees to perform the tasks.

³ WTW Study, p. 6.

⁴ *The World at Work Handbook of Compensation, Benefits & Total Rewards* (John Wiley & Sons, Inc. 2007), (*World at Work*), p. 148.

1 **TABLE DSR-4**

Job Category	SDG&E (Including Corporate Center Allocations) vs. Market									
	Total Employees in Benchmark Jobs	Total SDG&E Employee Population	Percentage of Total Represented by Benchmark Jobs	Base Salary	Target Total Cash Compensation	Actual Total Cash Compensation	Benefits	Long-Term Incentives	Target Total Compensation	Actual Total Compensation
Executive	7	16	41%	-9.8%	-14.0%	-2.6%	-1.4%	-12.6%	-12.7%	-6.7%
Manager/Supervisor	248	618	40%	-4.0%	-1.6%	4.3%	17.6%	22.5%	1.4%	6.4%
Professional/Technical	1,240	1,858	67%	-10.9%	-7.7%	-4.6%	14.1%	16.4%	-4.5%	-1.9%
Physical/Technical	925	1,166	79%	3.9%	1.8%	-0.8%	10.4%	N/A	3.2%	1.1%
Clerical	322	479	67%	-11.4%	-8.5%	-7.6%	13.3%	N/A	-4.6%	-3.8%
Total	2,743	4,137	66%	-5.9%	-4.3%	-1.9%	13.6%	12.2%	-1.5%	0.4%

2
3 **TABLE DSR-5**

Job Category	SCG (Including Corporate Center Allocations) vs. Market									
	Employees in Benchmark Jobs	Total SCG Employee Population	Total Represented by Benchmark Jobs	Base Salary	Target Total Cash Compensation	Actual Total Cash Compensation	Benefits	Long-Term Incentives	Target Total Compensation	Actual Total Compensation
Executive	7	18	39%	-5.8%	-8.2%	3.3%	4.6%	-2.8%	-5.1%	0.9%
Manager/Supervisor	282	982	29%	-7.3%	-4.4%	-0.9%	14.4%	20.3%	-1.5%	1.5%
Professional/Technical	1,251	2,124	59%	-10.6%	-6.6%	-3.7%	14.4%	13.9%	-3.6%	-1.1%
Physical/Technical	2,721	3,449	79%	0.7%	-1.4%	-4.2%	7.1%	N/A	0.1%	-2.2%
Clerical	635	845	75%	5.8%	2.1%	1.2%	8.9%	N/A	3.3%	2.6%
Total	4,896	7,417	66%	-4.1%	-3.4%	-2.9%	10.9%	8.2%	-1.2%	-0.7%

4
5
6 **V. COMPENSATION**

7 SoCalGas' and SDG&E's compensation packages include base pay, short-term incentive
8 compensation, long-term incentive compensation (for key management employees only) and
9 special recognition awards. It is essential that SoCalGas and SDG&E maintain their market
10 competitiveness in order to attract, retain and motivate their employees; and compensation is the
11 easiest element of the total rewards package for employees to evaluate in terms of the value of
12 the job or a job offer.

13 At SoCalGas and SDG&E, employee groups are described as Executive, Director,
14 Management, Associate and Union employees. Depending on the particular employee group, the
15 compensation and benefit plans may vary based on the overall compensation strategy, market
16 pay, and collective bargaining agreements.

17 **A. Base Pay**

18 Base pay is the foundation of SoCalGas' and SDG&E's compensation programs. It is the
19 most visible element of pay to employees. SoCalGas' and SDG&E's base pay programs are
20 structured to be competitive, internally equitable and cost effective. Pay structures for non-
21 represented jobs allow for individual differentiation based on an employee's performance, skills

1 and experience. Base pay and pay grades for represented jobs are subject to collective
2 bargaining agreements and are adjusted consistent with contract negotiations.

3 To ensure market pay ranges reflect the markets in which SoCalGas and SDG&E
4 compete for labor, the company participates in several survey databases sponsored by major
5 human resources consulting firms. Additional information on the compensation and benefits
6 review process is provided in Section VII.

7 **B. Incentive Compensation Plan (ICP)**

8 Variable pay, or short-term incentive compensation, is an essential component of a
9 competitive total compensation package for a number of reasons. Short-term incentive
10 compensation creates focus on and accountability for desired results, improves performance, and
11 facilitates ideas and operational improvements. Variable pay plans are a prevalent market
12 practice and are a key component of a competitive compensation package. According to Aon
13 Hewitt's 2013 U.S. Salary Increase Survey,⁵ short-term incentive compensation plans have
14 become the primary mechanism to pay for performance, with 90 percent of companies offering a
15 broad-based variable pay plan.

16 SoCalGas' and SDG&E's short-term ICP have been a longstanding part of the utilities'
17 total compensation strategies, for all of their non-represented workforce. ICP places a portion of
18 employee compensation at-risk, subject to achievement of the plan's performance measures,
19 motivating employees to meet or exceed important safety, customer service, supplier diversity,
20 reliability and financial goals.

21 **1. Non-Executive ICP**

22 All non-represented employees are eligible to participate in the ICP. Performance
23 measures are reviewed and updated annually. In early 2017, the leadership teams of SoCalGas
24 and SDG&E submitted the proposed 2017 ICP goals for approval by their respective boards of
25 directors. In early 2018, the 2017 ICP performance results will be approved by the boards. ICP
26 performance results are reviewed by the Sempra Energy Audit Services department prior to
27 board approval.

⁵ "Aon Hewitt Survey Shows 2014 Salary Increases to Reach Highest Levels Since 2008," Aon Hewitt Press Release, August 29, 2013, Lincolnshire, IL.

1 **a. Performance measures**

2 The SoCalGas and SDG&E ICP plans include a company performance component,
3 which trains employee focus on the achievement of company goals related to safety, reliability,
4 customer satisfaction and financial health. In addition, the plans include an individual
5 performance component, which is based on the employee’s contributions toward these company
6 goals and their achievement of their individual performance objectives. The company
7 performance component and individual performance component each are weighted at 50% of
8 employees’ target ICP award.

9 **b. Increased emphasis on safety measures**

10 Over the past two years, both SoCalGas and SDG&E have increased the emphasis on
11 employee and operational safety measures in their ICP plans. Safety is the top priority for
12 SoCalGas and SDG&E and this is reflected in the weighting of the safety measures in the 2017
13 ICP. As noted in the Risk Management and Policy testimony of Diana Day (SCG-02/SDG&E-
14 02, Chapter 1), a strong safety culture promotes strong safety performance:

15 Safety is a core value of the Utilities, as we “Treat safety as way of life.” We put
16 safety first and make zero the target for safety incidents every task, every job,
17 every day. Core values are those behaviors that define a company culture, and the
18 Commission has stated that “An effective safety culture is a prerequisite to a
19 utility’s positive safety performance record.”⁶

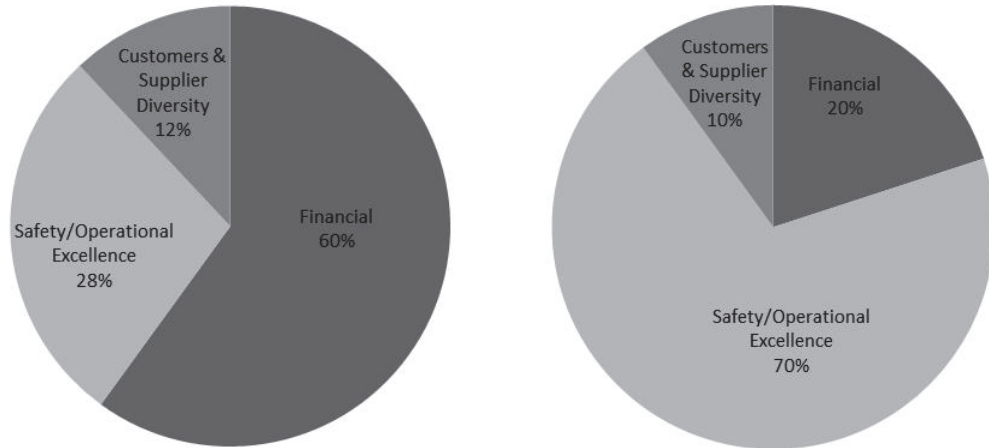
20 By placing increased emphasis on employee and operational safety measures in their ICP
21 plans, SoCalGas and SDG&E in turn bolster their already strong safety culture and safety
22 performance.
23

⁶ Exhibit SDG&E-02/SoCalGas-02, Chapter 1 (Day)(citing I.15-08-019, p. 4).

1 Safety measures make up 70% of the ICP's company performance component:

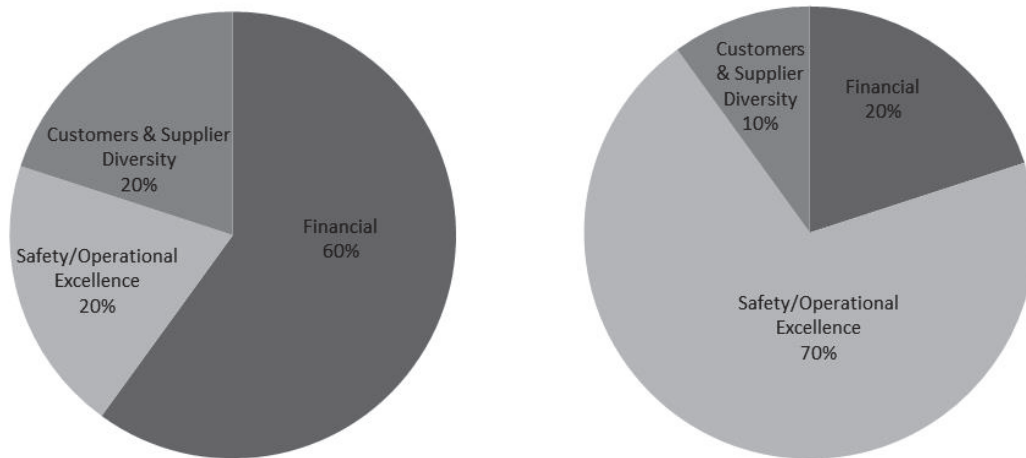
2 **FIGURE DSR-1**

2015 SDG&E Non-Executive ICP Company Performance Component **2017 SDG&E Non-Executive ICP Company Performance Component**



3 **FIGURE DSR-2**

4 **2015 SCG Non-Executive ICP Company Performance Component** **2017 SCG Non-Executive ICP Company Performance Component**



5
6 As shown in Figures DSR-1 and DSR-2 above, the ICP weighting for performance
7 measures related to safety has more than tripled since 2015. Providing even stronger alignment
8 between SoCalGas' and SDG&E's safety programs and the ICP helps to strengthen the
9 companies' safety culture and signal to employees that safety is the number-one priority. As the
10 Commission stated in D.16-06-054:

One of the leading indicators of a safety culture is whether the governance of a company utilizes any compensation, benefits or incentive to promote safety and hold employees accountable for the company's safety record.⁷

c. 2017 ICP Performance Measures

The performance measures for the 2017 SDG&E ICP are shown in Table DSR-6:

TABLE DSR-6

Performance Measure	Weighting as a % of Target
Safety and Public Safety Related Operational Measures	35%
<i>Gas Safety:</i>	
Pipeline Safety Enhancement Program (PSEP) <ul style="list-style-type: none"> • Miles of Pipe Remediated • Number of Valves Retrofitted 	8%
Distribution System Integrity: Miles of non-state-of-the-art pipe replaced	5%
Damage Prevention	5%
<i>Electric Safety:</i>	
System Average Duration Interruption Index (SAIFI)	2%
Worst Circuit: SAIDI	2%
Worst Circuit: SAIFI	2%
<i>Employee Safety:</i>	
Zero employee electric contacts	3%
Lost Time Incident (LTI) Rate	4%
Controllable Motor Vehicle Incidents (CMVI)	4%
Customer Service & Stakeholders	5%
Customer Connection Survey	2%
Overall Self-Service	2%
Supplier Diversity	1%
Financial Health	10%
SDG&E Earnings	6%
Sempra Energy Earnings	4%
Total Company Performance Component	50%
Total Individual Performance Component	50%

⁷ D.16-06-054, p. 153.

The performance measures for the 2017 SoCalGas ICP are shown in Table DSR-7:

TABLE DSR-7

Performance Measure	Weighting as a % of Target
Safety and Public Safety Related Operational Measures	35%
<i>Operational Safety:</i>	
Pipeline Safety Enhancement Program (PSEP)	
• Miles of Pipe Remediated	3%
• Number of Base Valves Retrofitted	3%
• Miles of Pipeline Projects Completed Close Out	2%
Damage Prevention – Damages per USA ticket rate	3%
Distribution System Integrity: Main and Service Replacement	3%
Incomplete Orders Reduction (Customer Service Field Efficiency)	2%
AMI – Advanced Meter Module Installations	
• Installations	3%
• Cost-cap Variance	2%
• Meters Advanced and Automated for Billing	2%
Storage Integrity Management Program (SIMP)	4%
<i>Employee Safety:</i>	
Lost Time Incident (LTI) Rate	4%
Controllable Motor Vehicle Incidents (CMVI)	4%
Customer Service & Stakeholders	5%
Customer Insight Study (CIS)	2%
Paperless Billing Increase	2%
Supplier Diversity	1%
Financial Health	10%
SoCalGas Earnings	6%
Sempra Energy Earnings	4%
Total Company Performance Component	50%
Total Individual Performance Component	50%

2. Executive ICP

SoCalGas' and SDG&E's executive ICP plans include operating and financial performance measures. The executive plans do not include an individual performance measure, although the SoCalGas and SDG&E boards of directors may adjust individual executive ICP awards in consideration of individual performance.

Consistent with the non-executive ICP, the emphasis on employee and operational safety measures has increased over the past two years.

1

TABLE DSR-8

SDG&E	Executive Plan		
	2015	2016	2017
Safety and Operational Excellence	19%	35%	50%
Customers and Supplier Diversity	11%	15%	10%
Financial Measures	60%	50%	35%
Strategic Priorities	10%		5%
Individual Performance			
	100%	100%	100%
SoCalGas	Executive Plan		
	2015	2016	2017
Safety and Operational Excellence	20%	35%	50%
Customers and Supplier Diversity	18%	15%	10%
Financial Measures	60%	50%	35%
Strategic Priorities	2%		5%
Individual Performance			
	100%	100%	100%

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The 2017 executive ICP performance measures related to safety, customer service and supplier diversity and financial health are the same measures shown in Tables DSR-6 and DSR-7 using the weighting shown in DSR-8. The executive ICP plans also include strategic goals, which are weighted at 5%. For SDG&E, these goals relate to SDG&E’s credit rating, cost of capital, clean transportation and energy storage. For SoCalGas, strategic goals also are weighted at 5% and include measures related to SoCalGas’ credit rating, cost of capital, completion of Fueling Our Future ideas, and optimization of capital investments and growth.

10

3. ICP Performance Goals Benefit Customers and the Community

11

a. Safety Performance Measures:

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The safety of our customers, employees and the communities served by SoCalGas and SDG&E has been and will always be our highest priority. The ICP safety goals support our safety culture by focusing on both operational and employee safety. Safety goals include:

15

Operational safety:

16

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- Pipeline Safety Enhancement Program: PSEP-related ICP performance measures focus on meeting goals for pipeline testing and, when necessary, replacement or abandonment.

- 1 • Distribution System Integrity: The ICP performance measure related to
2 distribution system integrity focuses on meeting goals related to the
3 replacement or abandonment of non-state-of-the-art pipe.
- 4 • Damage Prevention: The Damage Prevention ICP measure focuses on
5 reducing the number of damages to SDG&E or SoCalGas below ground
6 facilities which result in a release of gas.
- 7 • System Average Interruption Duration Index (SAIDI) and Worst Circuit
8 (SAIDI and SAIFI) (SDG&E Only): ICP performance measures focus on
9 reducing the cumulative outage time or frequency experienced by SDG&E
10 customers in a year.
- 11 • Incomplete Orders Reduction (Customer Service Field Efficiency)
12 (SoCalGas Only): The Incomplete Orders Reduction ICP performance
13 measure focuses on reducing the number of repeat visits by Customer
14 Service Field by reducing incomplete orders.
- 15 • AMI – Advanced Meter Module Installation (SoCalGas Only): The AMI-
16 related ICP performance measures focus on meeting goals related to the
17 installation of advanced meters and migration of customers to automated
18 meter reading and billing while staying within the AMI project’s budget.
- 19 • Storage Integrity Management Program (SIMP) (SoCalGas Only): The
20 SIMP-related ICP performance measure focuses on meeting goals related
21 to the number of wells inspected under the SIMP program.

22 Employee Safety:

- 23 • Lost Time Incident Rate (LTI): The LTI-related ICP performance
24 measures focus on reducing the number of OSHA Recordable Injuries or
25 Illnesses resulting in lost time (time away from work).
- 26 • Controllable Motor Vehicle Incidents (CMVI): The CMVI-related ICP
27 performance measures focus on reducing the rate of controllable motor
28 vehicle incidents.
- 29 • Zero Employee Electric Contacts (SDG&E-only): This ICP performance
30 measure is achieved only if no employee makes a direct electrical contact
31 with any part of their body that results in a disfigurement, dismemberment
32 or extended hospitalization requiring substantial medical treatment.

33 **b. Customer and Supplier Diversity ICP Performance Measures:**

34 Customer and supplier diversity goals focus on providing high-quality efficient service to
35 our customers and working with a wide variety of diverse suppliers in procuring goods and
36 services.

- 1 • Customer Connection Survey (SDG&E Only): Measures quality of service for
2 customers who have transacted with SDG&E in 2017.
- 3 • Overall self-service (SDG&E Only): Measures the percentage of customers who
4 are able to complete their service request using the web or Interactive Voice
5 Response system.
- 6 • Customer Insight Study (SoCalGas Only): Measures customers' perception of
7 SoCalGas. ICP goal relates to the percentage of favorable ratings from residential
8 customers.
- 9 • Paperless Billing Increase (SoCalGas Only): Focuses on increasing the
10 percentage of customer accounts billed electronically (not receiving a paper bill).
- 11 • Supplier Diversity: Measures the Diverse Business Enterprise spend as a
12 percentage of overall spend.

13 **c. Financial Performance Measures:**

14 While SoCalGas and SDG&E have reduced the weighting of the financial performance
15 measures in the ICP, these performance measures remain an important tool to focus employees
16 on maintaining the financial health SoCalGas and SDG&E. These goals also benefit customers
17 through:

- 18 • Access to capital markets: Strong financial performance on a consistent basis
19 results in SoCalGas and SDG&E maintaining strong credit ratings. These credit
20 ratings enable the utilities to access capital markets (debt markets) at favorable
21 market rates to fund on-going operations and projects, thereby preserving their
22 high standards of service and safety and reliability while also providing the ability
23 to finance new customer-driven investments and initiatives authorized by the
24 Commission.
- 25 • Operating efficiencies carry forward to future GRCs: a large portion of
26 information considered in GRCs includes historical operating expenses. To the
27 extent that SoCalGas and SDG&E achieve optimal financial results due to
28 operating efficiencies (actual expenses being lower than expected), these
29 efficiencies would be reflected in the historical expenses being assessed in future
30 general rate cases and thus benefit ratepayers in the future.

1 **4. Non-Executive and Executive ICP Costs**

2 ICP costs were forecast using a five-year historical average. For each year, the recorded
 3 non-executive ICP cost was divided by the eligible headcount to calculate an average ICP award
 4 per employee. The five-year historical average ICP award per employee was then multiplied by
 5 the projected headcount to forecast the 2017, 2018 and 2019 ICP costs. The same approach was
 6 used to calculate the executive ICP cost.

7 In D.05-11-021, the Commission affirmed the use of a historical average as the basis for
 8 Southern California Edison’s (SCE) short-term incentive plan costs:

9 We find SCE’s argument that an historical average of this ratio⁸ is inappropriate
 10 to be unpersuasive – we disagree that 2008-2013 shows a clear trend. However,
 11 we do place weight on the results of the TCS [Total Compensation Study] and
 12 decline to adopt the deep cuts proposed by TURN and ORA. To calculate STIP
 13 forecast, we apply the 12.11% ratio of STIP to total labor, as calculated based on
 14 ORA’s proposed six-year average, to SCE’s total labor forecast, then reduce that
 15 amount by 10% to account for STIP payout criteria that are not appropriate to
 16 charge to ratepayers.⁹

17 SDG&E’s cost forecast for non-executive ICP is provided in Table DSR-9, and
 18 SoCalGas’ is provided in Table DSR-10, below:

19 **TABLE DSR-9**

SDG&E Non-Executive Variable Pay (ICP)	Thousands of 2016 \$				
	2016 Actual	Average 2012-2016	2017	2018	2019
Non-Executive Variable Pay	\$62,488	\$62,758	\$61,210	\$63,053	\$66,718

20 **TABLE DSR-10**

SCG Non-Executive Variable Pay (ICP)	Thousands of 2016 \$				
	2016 Actual	Average 2012-2016	2017	2018	2019
Non-Executive Variable Pay	\$63,638	\$58,263	\$63,649	\$67,659	\$75,680

21 SDG&E’s cost forecast for executive ICP is provided in Table DSR-11, and SoCalGas’ is
 22 provided in Table DSR-12, below:
 23
 24

⁸ SCE uses a ratio of recoded STIP (short-term incentive plan) costs to non-capital labor costs, applied to the test year labor forecast.

⁹ D.15-11.021, p. 265.

1 **TABLE DSR-11**

SDG&E Executive Variable Pay (ICP)	Thousands of 2016 \$				
	2016 Actual	Average 2012-2016	2017	2018	2019
Executive Variable Pay	\$4,128	\$3,913	\$4,020	\$4,020	\$4,020

3 **TABLE DSR-12**

SCG Executive Variable Pay (ICP)	Thousands of 2016 \$				
	2016 Actual	Average 2012-2016	2017	2018	2019
Executive Variable Pay	\$3,049	\$2,921	\$3,410	\$3,410	\$3,410

4
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6 **5. ICP Should be Fully Recoverable: Costs are Reasonable and**
7 **Performance Is Tied to Goals That Benefit Ratepayers**

8 The WTW Study found that total compensation for both SoCalGas and SDG&E is “at
9 market.” SDG&E’s total compensation is within 0.4% of market and SoCalGas’ total
10 compensation is within 0.7 percent of market, which is well within the guideline of the plus or
11 minus five percent previously established by the Commission as reasonable, as well as the plus
12 or minus ten percent typically used by compensation professionals as reasonable. Because
13 compensation costs are reasonable, full recovery of SoCalGas’ and SDG&E’s forecasted revenue
14 requirement for ICP is justified. Variable pay is an important part of a competitive compensation
15 package. As such, it should be treated no differently than base pay for recovery purposes. The
16 Commission held in D.03-02-035 that “the utility is entitled to all of its reasonable costs and
17 expenses, as well as an opportunity to earn a rate of return on the utilities rate base.”

18 In past decisions (e.g., D.92-12-057, D.04-07-022 and D.93-12-043), the Commission
19 concluded that “... incentive pay is part and parcel of the overall compensation scheme,” and
20 that “... the allocation of total cash compensation between salaries and incentives should be left
21 to each utility’s discretion.”¹⁰

22 D.04-07-022 supported this result, quoting D.92-12-057 for the conclusion that it is
23 “clear how the issue of incentive compensation programs should be handled.”¹¹ This point is
24 further illustrated in D.04-07-022 for Southern California Edison:

¹⁰ D.92-12-057, Cal. PUC LEXIS 971 at *126 (quoting consensus report of workshops conducted by Commission staff).

¹¹ D.04-07-022, p. 206 (quoting D.92-12-057, 1992 Cal. PUC LEXIS 971 at *126).

1 We also note that it would be within SCE’s managerial discretion to offer all cash
2 compensation to employees in the form of base pay instead of a mix of base pay
3 and incentive pay. In the event SCE were to do so, we would not take issue with
4 ratepayer funding of the resulting compensation as long as total compensation is
5 reasonable. If total compensation does not exceed market levels, a disallowance
6 of reasonable expenses for the Results Sharing program would in effect be a
7 substitution of our judgment for that of SCE managers regarding the appropriate
8 mix of base and incentive pay. That is the sort of micromanagement that the
9 Commission rejected in D.92-12-057, and that we reject here.¹²

10 In its decision on SoCalGas’ 2008 General Rate Case (D.08-07-046), the Commission
11 stated in dicta that incentive compensation should be funded by ratepayers if it is part of a
12 reasonable total compensation package:

13 Because total compensation is reasonable, (defined as prevailing market rates for
14 comparable skills) the ratepayers should reasonably fund a revenue requirement
15 that includes the full market-based employee compensation for the adopted levels
16 of staff. Thus, there is no basis to exclude the incentive component and force
17 shareholders to assume a portion of the reasonable cost of employee
18 compensation. *We find no merit in DRA’s argument that shareholders should*
19 *fund any portion of the incentive portion of market-based employee*
20 *compensation.* We do not agree that incentives solely benefit the company: if
21 employees work harder or smarter to earn incentives (even just to achieve the
22 target incentives) then ratepayers should benefit too.¹³

23 Further:

24 Finding of Fact 23: The incentive compensation of certain employees is an
25 integral part of employee total compensation. Total compensation studies show
26 both SoCalGas and SDG&E are at-market. Incentive compensation is reasonably
27 included in the test year forecast.¹⁴

28 Although the compensation section of D.08-07-046 was later deleted,¹⁵ on grounds that
29 the final decision in that case was the result of a settlement,¹⁶ the premise in the above quotes
30 remains the same. The Commission sets rates based on the well-established principle that a
31 “utility is entitled to *all* of its reasonable costs and expenses, as well as an opportunity to earn a

¹² D.04-07-022, p. 217.

¹³ D.08-07-046, p. 22 (*emphasis added*).

¹⁴ D.08-07-046, p. 92, Finding of Fact 23.

¹⁵ D.09-06-052, OP 2.m.

¹⁶ D.09-06-052, p. 13, fn 22; *see also* D.09-06-052, p. 14.

1 rate of return on the utilities' rate base."¹⁷ This principle should apply no differently to
2 compensation than to any other reasonable business cost that the Utilities must incur. Variable
3 pay, or ICP, is part of a reasonable, market-based total compensation package, and SoCalGas
4 should receive full cost recovery for this program. The variable, performance-based nature of
5 ICP, as compared to a static base salary, provides additional benefits to customers, by
6 incentivizing employees to focus on achieving beneficial goals related to safety, reliability,
7 customer service, supplier diversity and company financial goals.

8 **C. Long-Term Incentive Compensation**

9 Long-term incentives are an integral component of a competitive compensation program
10 for key management and executive employees. According to the 2016 Aon Hewitt U.S. Total
11 Compensation Measurement Executive Compensation Policies and Programs survey, 89 percent
12 of the 476 companies participating in the survey provide long-term incentives to their leadership
13 teams. Consistent with the external labor market, SoCalGas' and SDG&E's compensation
14 philosophy ties a greater portion of pay to company performance at higher levels of
15 responsibility. Long-term incentives make up 11 percent to 51 percent of total target
16 compensation (which includes base, short-term incentive and long-term incentive pay) for key
17 management employees and officers.

18 The WTW Study found that SoCalGas' and SDG&E's total compensation is reasonable
19 and at market. Without long-term incentives, compensation for executive and other senior
20 management employees would be significantly below market.

21 **1. Long-Term Incentive Program Benefits SoCalGas and SDG&E** 22 **Customers**

23 A strong, stable leadership team is essential to delivering safe, reliable service to our
24 customers while maintaining efficient, financial sound operations. Long-term incentives are
25 critical to the attraction, motivation and retention of a skilled, experienced leadership team. The
26 three-year performance period for long-term incentives makes them a particularly powerful
27 retention tool.

¹⁷ D.03-02-035 (emphasis added); *see also* D.14-08-011, at 31 (“[T]he basic principle [of ratemaking] is to establish a rate which will permit the utility to recover its cost and expenses plus a reasonable return on the value of the property devoted to public use[.]”).

1 **2. Long-Term Incentive Program Design**

2 Long-term incentive awards promote strong, sustainable long-term performance. The
 3 actual compensation realized by participants is dependent on Sempra Energy’s performance.
 4 Long-term incentives awards are granted under the Sempra Energy Long Term Incentive Plan, in
 5 the form of performance-based restricted stock units and service-based restricted stock units.

6 Awards consist of three components:

- 7 • performance-based restricted stock units based on Sempra Energy’s total
 8 shareholder return relative to the utilities in the S&P 500 Utilities index and the
 9 S&P 500 Index;
- 10 • performance-based restricted stock units based on Sempra Energy’s Earnings Per
 11 Share growth over a three-year period; and
- 12 • service-based restricted stock units (does not apply to certain executive officers).

13 Award levels are set based on a review of total compensation for eligible employees
 14 compared to the external market. The Compensation Committee of the Sempra Energy Board of
 15 Directors approves participation and award levels. Long-term incentives are a powerful
 16 retention tool. Awards are forfeited upon termination of employment prior to vesting, unless
 17 such termination is by reason of death, disability or retirement.

18 **3. Long-Term Incentive Costs:**

19 Long-term incentive plan costs are based on the accounting expense incurred for awards
 20 issued to SoCalGas and SDG&E employees. Long-term incentive plan costs are summarized in
 21 Table DSR-13 for SDG&E and Table DSR-14 for SoCalGas:

22 **TABLE DSR-13**

SDG&E - Long-Term Incentive Plan (LTIP)	Thousands of 2016 \$			
	2016 Actual	2017	2018	2019
Long-Term Incentive Plan	\$8,743	\$8,158	\$8,240	\$8,570

24 **TABLE DSR-14**

SCG - Long-Term Incentive Plan (LTIP)	Thousands of 2016 \$			
	2016 Actual	2017	2018	2019
Long-Term Incentive Plan	\$7,587	\$9,548	\$9,643	\$10,029

1 **D. Special Recognition Awards**

2 **1. Spot Cash and Employee Recognition Programs**

3 SoCalGas and SDG&E use special recognition awards to reward individual employees
4 and teams for outstanding achievements, exceptional customer service, and process
5 improvements and innovations. Recognition awards, which may be financial or non-financial,
6 are a key means of recognizing and rewarding high-performing employees and teams.

7 Special recognition awards provide managers with a means to immediately acknowledge
8 and reinforce outstanding achievements. Typical awards include spot cash or small non-cash
9 recognitions such as restaurant gift cards, movie passes or similar awards.

10 Recognition awards are an important component of a competitive compensation package.
11 According to a 2015 *World at Work* survey “Trends in Employee Recognition,”¹⁸ approximately
12 89 percent of companies offer recognition programs. Companies use these programs to motivate
13 high performance and create a positive work environment.

14 SoCalGas and SDG&E maintain two special recognition programs, the Spot Cash Award
15 program and the Employee Recognition program:

- 16 • The Spot Cash Awards program is used to provide cash awards. From 2012
17 through June 2017, the average of spot cash awards for both companies was
18 approximately \$1,900. Awards typically range from \$250 to \$10,000.
- 19 • The Employee Recognition program is used to provide nominal non-cash awards,
20 generally valued at \$100 or less. Typical awards include gift cards, movie tickets
21 and tickets to sporting events.

22 SoCalGas and SDG&E have formal policies that govern both the Spot Cash Award
23 program and the Employee Recognition program to monitor the administration and budgeting of
24 the awards.

25 **2. Special Recognition Award Cost Forecasts**

26 Spot Cash awards were forecast based on a five-year historical average and are expected
27 to remain flat. Amounts shown for 2016 Actual exclude \$3.34 million in overtime costs related
28 to the Aliso Canyon Storage Facility gas leak incident. Employee Recognition programs were

¹⁸ Trends in Employee Recognition, A Report by World at Work and Underwritten by the ITA Group, May 2015, p. 3.

1 forecast at \$75 per non-executive employee. Costs are summarized in Table DSR-15 for
 2 SDG&E and Table DSR-16 for SoCalGas:

3 **TABLE DSR-15**

SDG&E Special Recognition Programs	Thousands of 2016 \$			
	2016 Actual	2017	2018	2019
Spot Cash program	\$412	\$970	\$970	\$970
Employee Recognition program	\$86	\$316	\$324	\$339
Total	\$498	\$1,286	\$1,294	\$1,309

5 **TABLE DSR-16**

SCG Special Recognition Programs	Thousands of 2016 \$			
	2016 Actual	2017	2018	2019
Spot Cash program	\$431	\$978	\$978	\$978
Employee Recognition program	\$99	\$591	\$610	\$646
Total	\$530	\$1,569	\$1,588	\$1,624

6 **E. Summary – Compensation Programs**

7 SoCalGas' and SDG&E's compensation programs have been very effective in controlling
 8 labor costs through a combination of conservative base pay practices and effective performance-
 9 based incentive rewards. SoCalGas' and SDG&E's performance-based Variable Pay plans focus
 10 employees on safety (both employee safety and operational safety), reliability, customer service
 11 and efficient, financially sound operations. Costs for these programs are at-market and
 12 reasonable, as evidenced by the results of the WTW Study.

13 Projected costs for SoCalGas' and SDG&E's incentive and recognition pay programs are
 14 summarized in Table DSR-17 and DSR-18 below:

16 **TABLE DSR-17**

SDG&E - Summary of Pay Programs	Thousands of 2016 \$			
	2016 Actual	2017	2018	2019
Non-Executive Variable Pay	\$62,488	\$61,210	\$63,053	\$66,718
Executive Variable Pay	\$4,128	\$4,020	\$4,020	\$4,020
Long-Term Incentive Plan	\$8,743	\$8,158	\$8,240	\$8,570
Spot Cash program	\$412	\$970	\$970	\$970
Employee Recognition program	\$86	\$316	\$324	\$339
Total	\$75,857	\$74,674	\$76,607	\$80,617

1 **TABLE DSR-18**

SCG - Summary of Pay Programs	Thousands of 2016 \$			
	2016 Actual	2017	2018	2019
Non-Executive Variable Pay	\$63,638	\$63,649	\$67,659	\$75,680
Executive Variable Pay	\$3,049	\$3,410	\$3,410	\$3,410
Long-Term Incentive Plan	\$7,587	\$9,548	\$9,643	\$10,029
Spot Cash program	\$431	\$978	\$978	\$978
Employee Recognition program	\$99	\$591	\$610	\$646
Total	\$74,804	\$78,176	\$82,300	\$90,743

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4 **VI. EMPLOYEE BENEFITS**

5 **A. Overview**

6 Benefit programs are a critical component of a competitive total rewards program.
7 SoCalGas and SDG&E offer comprehensive and balanced employee benefits programs that
8 include:

- 9
- 10 • Health benefits: medical, dental, vision, wellness, employee assistance program (EAP), and mental health and substance abuse benefits;
 - 11 • Welfare benefits: long-term disability, workers' compensation, life insurance, accidental death and dismemberment (AD&D) insurance, and business travel accident insurance;
 - 12 • Retirement benefits: pension and retirement savings plans; and
 - 13 • Other Benefit Programs.
- 14
15

16 Certain benefits are covered in other volumes. I cover broad-based pension benefits and
17 post-retirement benefits in Exhibit SCG-31/SDG&E-29 and, and Tashonda Taylor and Mary
18 Gevorkian cover long-term disability and workers compensation benefits in Exhibits SDG&E-30
19 and SCG-32, respectively.

20 The company monitors its benefit programs on an ongoing basis to ensure the appropriate
21 balance between benefit cost and maintaining a competitive position in the market. Cost
22 projections for the various benefit components reflect increases or decreases attributable to
23 benefit cost inflation, legislative and regulatory requirements, changes in the size of the
24 workforce and plan design changes. My workpapers (Exhibits SDG&E-28-WP and SCG-30-
25 WP), contain supporting documentation for each benefit category in my testimony.

1 SoCalGas and its employees share the cost of medical, dental, and vision insurance. The
 2 level of cost sharing between the company and employee varies depending on the type of benefit
 3 and the level of coverage selected. The company provides certain basic benefits at no cost to the
 4 employee including basic life, basic accidental death and dismemberment, long-term disability,
 5 employee assistance, and business travel accident insurance. Employees may also participate in
 6 several other benefit plans by paying the full cost through payroll deductions. These additional
 7 benefit choices include group variable universal life insurance, long-term care insurance, health
 8 care flexible spending, dependent care flexible spending and transportation flexible spending.

9 Health and welfare benefits are provided to employees under an Internal Revenue Code
 10 (IRC) Section 125 cafeteria plan. The cafeteria plan provides employees with a tax-advantaged
 11 means of selecting the benefits that best suit their needs.

12 Retirement benefits are earned during the employee’s working career and distributed
 13 following termination or retirement. Retirement benefits are tax-deferred while they are working
 14 and therefore allow employees to accumulate resources to support them during their retirement
 15 years.

16 **B. Health Benefits**

17 SoCalGas and SDG&E provide employees with group health benefits including medical,
 18 dental, vision, employee assistance, mental health and substance abuse and wellness plans.

19 **1. Medical**

20 As shown in Table DSR-19 and Table DSR-20 below, SDG&E’s forecasted TY 2019
 21 medical expense is \$56.204 million and SoCalGas’ is \$96.023 million. The increase between
 22 2016 and 2019 costs reflects forecasted medical rate escalation, as well as anticipated changes in
 23 headcount.

24 **TABLE DSR-19**

SDG&E - Medical	Thousands of 2016 \$			
	2016	2017	2018	2019
Medical Expense	\$43,933	\$45,648	\$50,338	\$56,204

26 **TABLE DSR-20**

SCG - Medical	Thousands of 2016 \$			
	2016	2017	2018	2019
Medical Expense	\$78,922	\$76,043	\$84,678	\$96,023

1 **a. Medical Plan Overview:**

2 SoCalGas and SDG&E offer several medical plan designs to meet the varying needs of
3 employees and their dependents and consistent with its collective bargaining agreements. These
4 include:

- 5 • Health Maintenance Organizations (HMOs): Anthem and Kaiser Permanente
6 HMOs;
- 7 • Health Care Plus⁺: Anthem high-deductible health plan with health savings
8 account; and
- 9 • Anthem Out-of-Area.

10 SoCalGas and SDG&E monitor medical plan performance and costs, as well as new plan
11 offerings from our medical insurance carriers. For example, over the past five years, SoCalGas
12 and SDG&E introduced Anthem Health Care Plus⁺ with a health savings account and
13 discontinued the Anthem Point of Service and Anthem SafetyNet plans. While all of these plans
14 offer access to both in-network and out-of-network providers, the Anthem HealthCare Plus⁺
15 plan's high deductible and co-insurance features encourage employees to actively manage their
16 healthcare choices and costs. In 2018, a new Anthem HMO will be introduced and the Anthem
17 HMO with Scripps will be discontinued. The new HMO will focus on delivery of high-quality
18 health care while controlling costs through its selection of network providers and its plan design.

19 In addition to adding or discontinuing medical plans, SoCalGas and SDG&E have made
20 changes to plan designs and plan funding to mitigate healthcare cost increases. For example,
21 HMO co-pays for office visits, emergency room and urgent care visits were increased in 2016.¹⁹
22 In 2017, the Anthem HealthCare Plus⁺ and Out of Area plans were migrated from a fully-insured
23 funding structure to a self-insured design, and pharmacy benefits were carved out and contracted
24 through Express Scripts²⁰.

¹⁹ Excludes SCG represented employees due to existing collective bargaining agreements.

²⁰ The transition of the Anthem HealthCare Plus⁺ and Out of Area to a self-insured design and the pharmacy carve out, along with similar transitions of dental and vision plans to self-insured designs, were included in the Fueling Our Future initiative. Exhibits SDG&E-28WP and SCG-30WP provide information on the cost avoidance associated with these changes.

1 **b. Health Maintenance Organizations:**

2 SoCalGas and SDG&E offer three HMO plans, two Anthem HMOs and one HMO
3 through Kaiser Permanente. HMOs promote preventative care and early identification and
4 treatment of health conditions. Annual physical examinations, screening tests and wellness
5 programs are emphasized in support of this objective.

6 Upon enrollment in an HMO, employees select a primary care physician. All care is
7 coordinated through the primary care physician. Managing access to specialized care promotes
8 more efficient utilization of the medical system. This helps control costs and often generates
9 better medical outcomes. Services are accessed through a closed provider network, or in the case
10 of Kaiser Permanente, an integrated staff model network. Generally, HMOs manage costs by
11 compensating providers based on a fixed annual rate rather than the actual cost of medical
12 services provided to participants.

13 **c. Health Care Plus+ High-Deductible Health Plan with Health**
14 **Savings Account**

15 The Anthem Health Care Plus+ plan is a high-deductible health plan. The insured
16 employee or dependent is responsible for all healthcare costs until the annual deductible has been
17 met. Preventative care, such as annual physical exams and well-baby care is fully covered by the
18 plan and is not subject to the deductible. After the deductible has been met, the plan and the
19 participant share the cost of covered services. If total cost for covered services exceeds the
20 plan's annual out of pocket maximums, the plan pays 100 percent. In order to encourage the use
21 of Anthem network providers, deductibles, coinsurance (participant cost sharing for claims), and
22 out of pocket maximums are lower for network providers and higher for non-network providers.

23 Participants in the Health Care Plus+ plan are eligible to participate in a health savings
24 account. A health savings account is a tax-advantaged combined checking and investment
25 account that may be used to reimburse participants for qualified medical expenses.

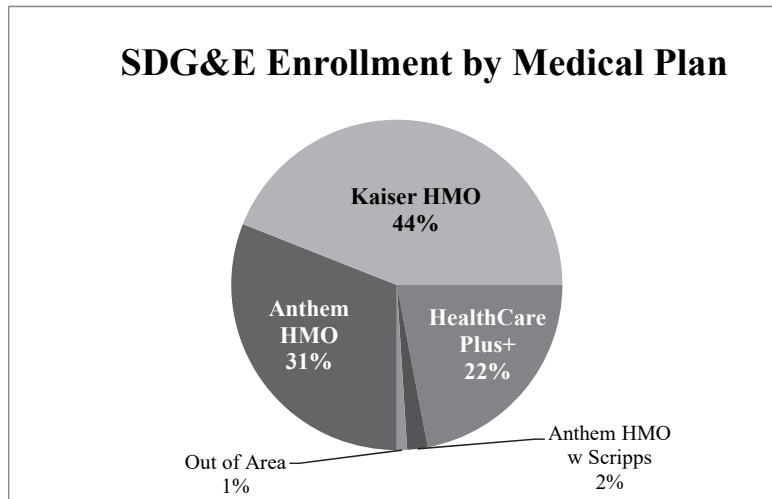
26 **d. Anthem Out of Area Plan:**

27 The Out of area plan provides coverage within the Anthem network or through non-
28 network health care facilities. Out-of-pocket costs are lower if a network provider is used. The
29 Out of Area plan is only offered to employees who do not reside in an area covered by a HMO.

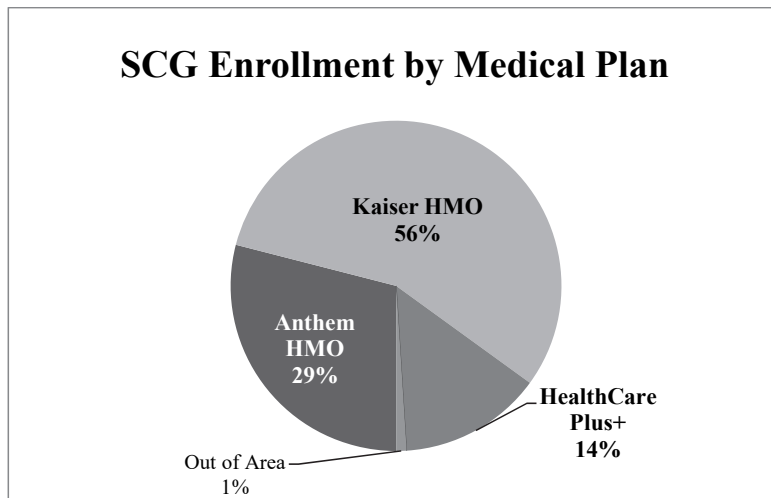
1 **e. Medical Plan Enrollment:**

2 Ninety percent of SDG&E's employees and 87 percent of SoCalGas' employees are
3 covered under the company's medical plans. Enrollment for each medical plan is shown in
4 Figure DSR-3 and DSR-4 below. Seventy-seven percent of covered SDG&E employees and 86
5 percent of covered SoCalGas employees are enrolled in HMO plans. The high HMO enrollment
6 level is indicative of the cost-effectiveness of the plan design and the long-established network of
7 managed care facilities in California.

8 **Figure DSR-3**



10 **Figure DSR-4**



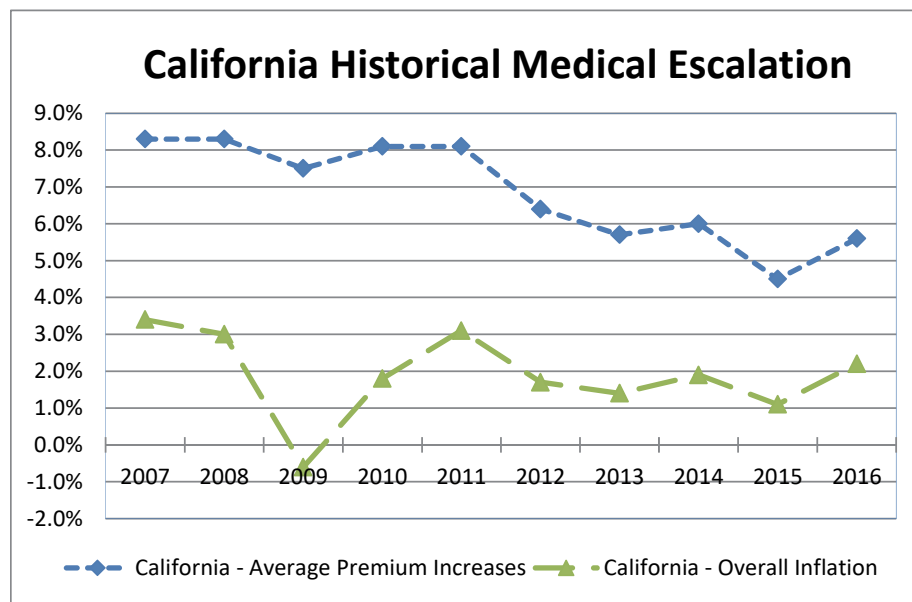
12 SDG&E's and SoCalGas' HMO enrollment level of 77 and 86 percent, respectively, far
13 exceeds the nationwide average. According to the 2016 Kaiser Family Foundation Employee

1 Health Benefits survey,²¹ 15 percent of covered workers are enrolled in HMOs, while 48 percent
 2 are enrolled in preferred provider organizations, 29 percent in high deductible health plans, 9
 3 percent in point-of-service plans, and less than 1 percent in indemnity plans. Regional data for
 4 the Western U.S. reflects HMO enrollment of 30 percent, but still falls far below SoCalGas' and
 5 SDG&E's HMO enrollment.

6 **f. Medical Cost Trends**

7 Healthcare costs continue to increase at rates much higher than general inflation.
 8 According to the 2017 California Employer Health Benefits Survey, health insurance premiums
 9 increased by 234 percent between 2002 and 2016 – nearly six times the state's overall
 10 cumulative inflation of 40 percent. Annual premium increases in California have averaged 6.9
 11 percent per year from 2007 through 2016.

12 **Figure DSR-5**



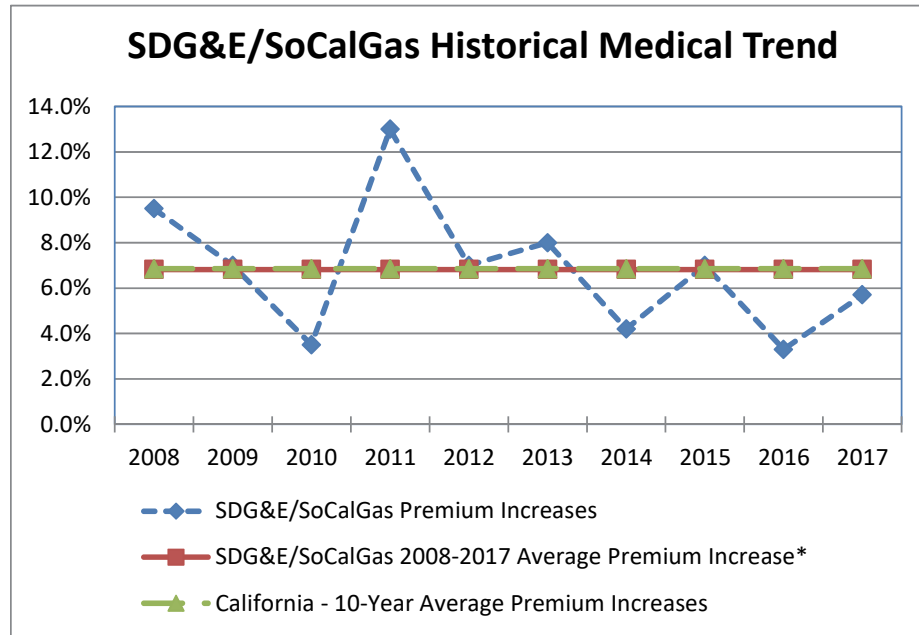
13 Source: California Employer Health Benefits Survey, March 2017

14 SoCalGas' and SDG&E's historical medical trend has followed a cyclical pattern.
 15 However, SoCalGas' and SDG&E's ten-year average medical escalation of 6.8 percent
 16 approximates California's ten-year historical average of 6.9 percent.

17
 18
²¹ Employer Health Benefits Survey, The Kaiser Family Foundation and Health Research Educational Trust, 2016 Annual Survey, p. 78.

1

Figure DSR-6



*Based on final renewal contracts and enrollment at time of renewal.

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3

4

5

A number of factors contribute to healthcare premium increases, including workforce demographics (e.g., age, gender, family size and health care costs in specific geographic areas), utilization experience, pharmaceutical costs, medical technology enhancements, new treatment protocols, overall program efficiency, and legislative and regulatory changes.

9

Healthcare reform legislation, the Patient Protection and Affordable Care Act, includes several provisions that place upward pressure on group health insurance premiums, including:

10

11

12

13

14

- Dependent coverage through age 26;
- Prohibition of annual and lifetime coverage limits; and
- Preventative services and immunizations must be provided with no cost sharing (i.e., co-payments and deductibles).

15

The medical trend forecast was prepared by WTW, SDG&E's and SoCalGas' actuary and benefits broker. WTW considered California and national data and prepared a forecast specifically for SDG&E and SoCalGas, taking into account workforce demographics, historical utilization data, and medical plan design. Projected rate increases for 2018 and 2019 are 8.0 percent and 7.0 percent, respectively.

16

17

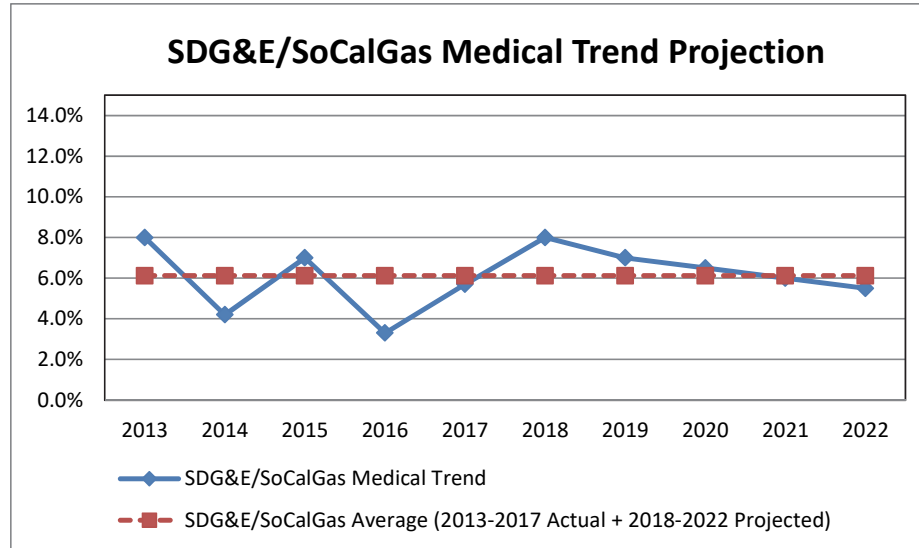
18

19

1 **g. Post-Test Year Medical Cost Escalation:**

2 Projected post-test year increases decline from 6.5 percent in 2020 to 6.0 percent in 2021
3 and 5.5 percent in 2022. The same factors that contribute to cost increases in 2016 through 2019
4 will continue to drive post-test year rate increases.

5 **Figure DSR-7**

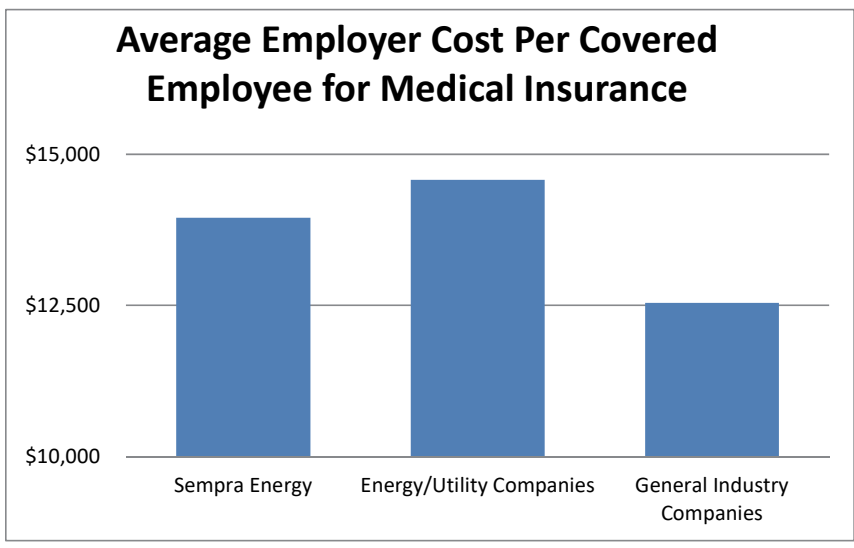


6
7
8 **h. Medical Cost Per Employee**

9 Medical benefits represent one of the largest and most important non-cash components of
10 a competitive compensation and benefits package. Despite significant increases in annual
11 premium costs, the company's strategies have been successful in maintaining a competitive
12 position compared to the marketplace. The company's average medical cost per covered
13 employee was \$13,948, compared to \$14,576 for energy/utility companies and \$12,542 for
14 general industry companies, according to WTW's 2017 High Performance Insights in Health
15 Care Study. Compared to the average general industry employer in WTW's database,
16 SoCalGas' and SDG&E's workforces are slightly older, family size is slightly larger and there is
17 a lower ratio of female employees versus male employees. All of these factors tend to increase
18 medical premium costs.

1

Figure DSR-8



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3

4

i. Employee Contributions

5

The pricing of different medical plan options to employees is an important factor in determining overall cost results and influencing the behavior of employees as they consider various health care alternatives. SoCalGas’ and SDG&E’s employees share in the cost of the medical plan.

9

Employees pay a portion of the medical premiums²², co-payments for office visits and prescriptions, and in some plans, deductibles and coinsurance. Sharing the plan expense with employees reduces the company’s cost, but more importantly, it promotes a better understanding of health care choices. The cost-sharing mechanisms encourage employees to take greater responsibility for their decisions at the point of care, including the selection of physicians, hospitals, outpatient clinics and pharmaceuticals.

15

2. Dental

16

As shown in Table DSR-21 and Table DSR-22 below, SDG&E’s and SoCalGas’ forecasted Test Year 2019 dental plan costs are \$3.993 million and \$5.052 million, respectively.

17

18

²² Refers to the premiums for insured plans and the premium equivalents for self-insured or minimum premium plans.

TABLE DSR-21

SDG&E - Dental	Thousands of 2016 \$			
	2016	2017	2018	2019
Dental Expense	\$2,441	\$3,460	\$3,590	\$3,993

TABLE DSR-22

SCG - Dental	Thousands of 2016 \$			
	2016	2017	2018	2019
Dental Expense	\$2,587	\$4,180	\$4,517	\$5,052

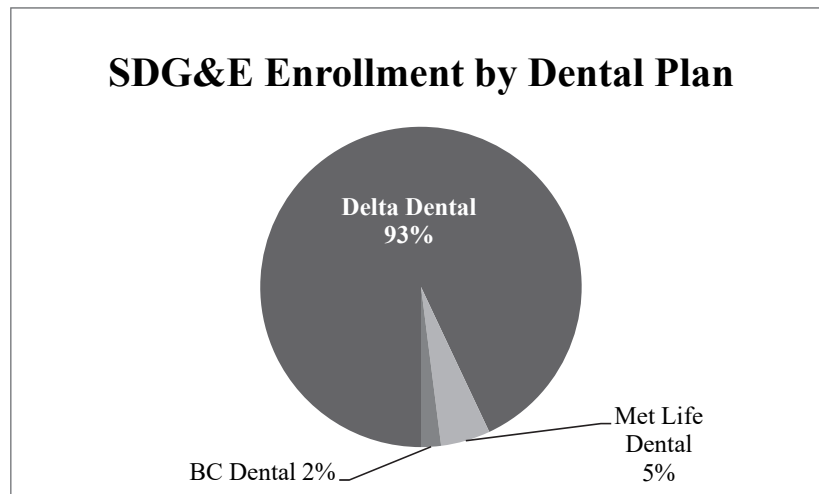
a. Dental Plan Overview:

SoCalGas and SDG&E offer the following dental plans to its employees and their eligible dependents:

- Delta Dental Plan;
- Met Life Safeguard Dental Plan; and
- Blue Cross Dental Net (SDG&E Represented Only).

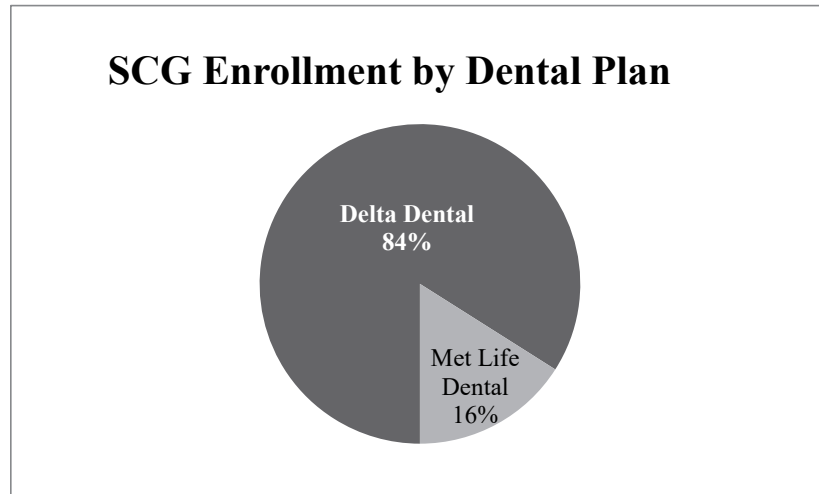
Ninety-three percent of SDG&E employees and 90 percent of SoCalGas are enrolled in a dental insurance plan. As shown in Figures DSR-9 and DSR-10, most employees elect to participate in the Delta Dental plan.

Figure DSR-9



1

Figure DSR-10



2
3

4 Employees enrolled in Delta Dental may select any dentist, but out-of-pocket costs are
5 lower if the employee selects a dentist within Delta Dental’s PPO network. The Met Life
6 (formerly Safeguard) dental plan and Blue Cross Dental Net are plans are Dental Maintenance
7 Organizations. Like a medical HMO, all care is coordinated through the employee’s primary
8 care dentist.

9 **b. Dental Cost Trends**

10 Costs for dental coverage are summarized above in Table DSR-21 and Table DSR-22.
11 2016 and 2017 costs reflect actual rates. 2018 and 2019 costs are based on 2017 rates adjusted
12 for projected inflation and changes in projected headcount.

13 **c. Dental Cost per Employee**

14 The company’s average dental cost of \$891 per covered employee approximates the 2017
15 benchmark average cost of \$867, as reported by Willis Towers Watson.

16 **d. Employee Contributions**

17 SoCalGas and SDG&E pays 80 percent of the premium²³ for the Delta Dental plan, while
18 employees pay the remaining 20 percent. SoCalGas and SDG&E pay the full premium²³ of the
19 Met Life and Blue Cross Dental Net DMO plans.

²³ Refers to the premiums for insured plans and the premium equivalents for self-insured plans.

1 **3. Vision**

2 As shown in Table DSR-23 and Table DSR-24 below, SDG&E’s and SoCalGas’
3 forecasted TY 2019 vision plan costs are \$353 thousand and \$629 thousand, respectively.

4
5 **TABLE DSR-23**

SDG&E - Vision	Thousands of 2016 \$			
	2016	2017	2018	2019
Vision Expense	\$318	\$306	\$325	\$353

6
7 **TABLE DSR-24**

SCG - Vision	Thousands of 2016 \$			
	2016	2017	2018	2019
Vision Expense	\$575	\$534	\$572	\$629

8
9
10 **a. Vision Plan Overview:**

11 SoCalGas and SDG&E offer employees vision coverage under the Vision Service Plan
12 (VSP). Employees enrolled in VSP may select any provider, but out-of-pocket costs are lower if
13 the employee selects a provider within VSP’s network. The plan provides a higher benefit if a
14 network provider is used, resulting in little or no expense above the co-payment.

15 **b. Vision Plan Costs:**

16 Costs for 2016 and 2017 reflect actual rates. 2018 and 2019 costs per covered employee
17 are forecasted based on 2017 costs, adjusted for projected inflation and changes in projected
18 headcount.

19 **c. Employee Contributions:**

20 SoCalGas and SDG&E pay the full premium²⁴ for employee-only coverage. Employees
21 are responsible for the full cost of dependent coverage.

22 **4. Wellness**

23 As shown in Table DSR-25 and Table DSR-26 below, SDG&E’s and SoCalGas’
24 forecasted TY 2019 wellness costs are \$1.117 million and \$707 thousand, respectively.

²⁴ Refers to the premium equivalent for this self-insured plan.

1 **TABLE DSR-25**

SDG&E - Wellness	Thousands of 2016 \$			
	2016	2017	2018	2019
Wellness	\$791	\$1,359	\$1,066	\$1,117

3 **TABLE DSR-26**

SCG - Wellness	Thousands of 2016 \$			
	2016	2017	2018	2019
Wellness	\$426	\$728	\$724	\$707

4
5
6 **a. Wellness Programs Overview:**

7 The objective of the SoCalGas and SDG&E wellness programs is to improve employee
8 health and productivity. Wellness programs promote healthy lifestyle changes and illness
9 prevention, facilitate early detection and management of illness and disease and help ensure that
10 employees diagnosed with health conditions receive optimal and effective treatment. Employers
11 are uniquely positioned to reach employees with these programs. Onsite programs, in particular,
12 provide convenient, easy access and encourage participation through peer and leadership
13 examples.

- 14 • Healthy Lifestyle and Illness Prevention: SoCalGas and SDG&E partner with
15 health care providers and non-profit agencies to offer classes and educational
16 materials to promote healthy behaviors to prevent illness. Current programs
17 include safety stand down events and health fairs, worksite fitness programs,
18 weight management, stress management, and smoking cessation. Annual onsite
19 influenza vaccinations greatly increase the number of employees protected from
20 influenza, resulting in reduced time off due to illness.
 - 21 ○ Linking wellness programs to employee safety programs through
22 participation in safety stand down events further reinforces our safety
23 culture and promotes a focus on healthy behaviors and prevention of
24 illnesses and injuries.
 - 25 ○ Based on data provided by the SoCalGas' and SDG&E's medical benefit
26 providers, a significant number of employees and dependents exceed the
27 national healthy weight guideline. Individuals with a body mass index
28 (BMI) score greater than 25.0% are considered overweight or obese. In

1 order to encourage sustainable weight management, which directly
2 impacts the severity and duration of chronic medical conditions, SoCalGas
3 and SDG&E offer weight management programs and various onsite and
4 offsite fitness programs to encourage employees to achieve and maintain a
5 healthy weight.

- 6 • Early Detection and Disease Management: Educational worksite presentations
7 promote healthy lifestyle choices, such as good nutrition, and address
8 management of chronic conditions, such as asthma, diabetes, and cardiovascular
9 disease. These educational programs, combined with health risk assessments and
10 onsite screenings, facilitate early detection and intervention and help employees
11 manage their health, reducing the need for emergency treatment and preventing
12 disease progression.
- 13 • Financial Wellness: Financial wellness programs help employees to manage debt
14 and plan for retirement and other financial goals, such as paying for their
15 children’s education or caring for elderly parents.

16 Wellness programs are a common benefit in the external marketplace. According to the
17 2016 Kaiser Family Foundation Employer Health Benefits survey, 83 percent of large employers
18 that provide health benefits also offer wellness programs and over half offer the opportunity to
19 complete a health risk assessment or participate in biometric screening.²⁵

20 **b. Wellness Program Costs:**

21 Wellness program costs are projected to increase from 2016 through 2019 due to
22 headcount additions, additional onsite health screenings, and additional programs promoting
23 health and wellness.

24 **5. Employee Assistance Plan (EAP) and Mental Health and Substance**
25 **Abuse**

26 As shown in Table DSR-27 and Table DSR-28 below, SDG&E’s and SoCalGas’
27 forecasted TY 2019 EAP and mental health/substance abuse costs are \$2.194 million and \$2.639
28 million, respectively.

²⁵ Employer Health Benefits Survey, The Kaiser Family Foundation and Health Research Educational Trust, 2016 Annual Survey, p. 212.

1 **TABLE DSR-27**

SDG&E - EAP and Mental Health	Thousands of 2016 \$			
	2016	2017	2018	2019
Employee Assistance Plan	\$278	\$262	\$273	\$291
Mental Health	\$1,404	\$1,544	\$1,704	\$1,903
Total	\$1,682	\$1,806	\$1,977	\$2,194

2
3 **TABLE DSR-28**

SCG - EAP and Mental Health	Thousands of 2016 \$			
	2016	2017	2018	2019
Employee Assistance Plan	\$728	\$735	\$755	\$788
Mental Health	\$1,389	\$1,476	\$1,639	\$1,851
Total	\$2,117	\$2,211	\$2,394	\$2,639

4
5
6 **a. EAP and Mental Health and Substance Abuse Programs**
7 **Overview:**

8 EAP and mental health and substance abuse programs reflect SoCalGas' and SDG&E's
9 commitment to employee health and a safe workplace environment. SoCalGas and SDG&E are
10 required by the Drug Free Workplace Act of 1988 and the Department of Transportation (DOT)
11 to have an EAP program available to employees.

12 EAP provides employees and their eligible dependents with cost-effective, confidential
13 counseling and treatment services for various personal problems that may have a negative impact
14 on job performance. The programs have been effective in reducing absenteeism, improving
15 productivity, reducing the number of accidents, and improving employee job performance.

16 In addition, EAP vendors support managers and supervisors in handling sensitive
17 employee issues such as workplace violence, substance abuse, crisis management and employee
18 morale. Situations in which the EAP vendors have provided assistance include violence in the
19 workplace, realignment and downsizing, co-worker deaths, and mitigating workplace impacts of
20 events such as riots, earthquakes, fires and terrorism.

21 Employees are eligible to receive five private counseling sessions per year, either over
22 the phone or in person, of up to one hour per session. EAP services also include unlimited
23 access to the 24-hour crisis hotline, seven days per week. In addition, employees can call or
24 access the website for referrals to legal and financial counseling services and receive discounted
25 rates.

1 Ongoing treatment beyond what is covered under the EAP or treatment for more serious
2 mental health conditions is covered under the mental health and substance abuse benefit. Mental
3 health and substance abuse services include individual counseling sessions for issues such as
4 psychological and emotional conditions, life management, all addictions, job-related problems,
5 and relationship issues. Benefits include coverage for both inpatient and outpatient services.

6 Under the Mental Health Parity and Addiction Equity Act, mental health and substance
7 abuse services are available on an unlimited basis and charged at the same costs, similar to any
8 other illness or condition that is covered through our medical plans.

9 **b. EAP and Mental Health and Substance Abuse Program Costs:**

10 EAP administrative fees for counseling sessions by a third-party provider are included in
11 monthly per capita rates. Also included are ten hours of training and four hours of Critical
12 Incident Stress Debriefing services. Fees are charged for any additional training programs
13 developed and presented by the EAP vendor, on an hourly basis, as needed.

14 Mental health and substance abuse administrative fees are also provided for in monthly
15 per capita rates. Additional fees are charged to the company, on a monthly basis, for individual
16 employee claims for inpatient, outpatient and substance abuse services.

17 The cost forecasts, as shown in Table DSR-27 and Table DSR-28 above, are based on
18 actual 2016 claims paid indexed for projected headcount changes and assuming that their
19 escalation trend will be the same as the escalation trend for medical costs.

20 **C. Welfare Benefits**

21 Welfare benefits provide financial resources to employees in the event of injury or
22 disability and to survivors in the event of the employee's death. This testimony focuses on
23 survivor benefits, which include life insurance, accidental death and dismemberment insurance
24 (AD&D), and business travel insurance. Disability and workers compensation benefits are
25 covered in the testimony of Tashonda Taylor (Exhibit SDG&E-30) and Mary Gevorkian (Exhibit
26 SCG-32). A summary of projected TY 2019 welfare benefit expenses is shown below in Table
27 DSR-29 and Table DSR-30:
28

1 **TABLE DSR-29**

SDG&E - Welfare Benefits	Thousands of 2016 \$			
	2016	2017	2018	2019
AD&D Insurance	\$74	\$85	\$90	\$96
Business Travel Insurance	\$25	\$26	\$26	\$27
Life Insurance	\$602	\$626	\$660	\$710
Total	\$701	\$737	\$776	\$833

2
3 **TABLE DSR-30**

SCG - Welfare Benefits	Thousands of 2016 \$			
	2016	2017	2018	2019
AD&D Insurance	\$59	\$57	\$63	\$73
Business Travel Insurance	\$48	\$49	\$50	\$51
Life Insurance	\$1,618	\$1,592	\$1,673	\$1,798
Total	\$1,725	\$1,698	\$1,786	\$1,922

4
5 **1. Accidental Death and Dismemberment**

6 SoCalGas and SDG&E provide employees with basic Accidental Death and
7 Dismemberment insurance coverage equal to one times annual pay (base salary plus ICP, if
8 applicable).²⁶ Coverage is adjusted each year to reflect increases or decreases in employee pay.
9 AD&D insurance provides a level of protection and additional security to employees and their
10 families in the event of a tragic accident.

11 Premiums for AD&D coverage are projected to remain flat at \$0.156 per \$1,000 of
12 coverage. Changes in total costs reflect projected headcount.

13 **2. Business Travel Insurance**

14 SoCalGas and SDG&E provide an additional life insurance benefit that covers employees
15 while traveling for business purposes. The coverage amount is \$400,000. Projected premiums
16 are adjusted for inflation and changes in headcount.

17 **3. Life Insurance**

18 SoCalGas and SDG&E provide employees with basic life insurance coverage equal to
19 one times annual pay (base salary plus ICP, if applicable). Coverage is adjusted each year to
20 reflect increases or decreases in employee pay. Basic life insurance is a cost-effective benefit

²⁶ Two times for SDG&E represented.

1 that provides employees with peace of mind in knowing that a financial safety net will be
2 provided to their beneficiaries in the event of a premature death.

3 The premium per \$1,000 of coverage is based on the actual 2017 rate. Projected 2018
4 and 2019 costs are adjusted for wage and headcount escalation.

5 **D. Retirement Plans**

6 SoCalGas and SDG&E retirement benefits provided to all regular employees include a
7 defined benefit pension plan, a defined contribution (401k) retirement savings plan and
8 postretirement health and welfare benefits. Employees whose benefits or pay exceed Internal
9 Revenue Service (IRS) limitations specified under the IRC also participate in the Cash Balance
10 Restoration Plan, which maintains participation at the same percentage level as all other
11 employees. Certain management employees participate in a nonqualified retirement savings
12 plan, or deferred compensation plan.

13 This testimony focuses on the 401(k) retirement savings plan, the nonqualified deferred
14 compensation plan and the supplemental pension plans. The defined benefit pension plan and
15 postretirement health and welfare benefits are covered in Exhibit SCG-31/SDG&E-29.

16 **1. Retirement Savings**

17 As shown in Table DSR-31 and Table DSR-32 below, SDG&E's and SoCalGas'
18 forecasted TY 2019 Retirement Savings Plan costs are \$17.369 million and \$25.409 million,
19 respectively.

20 **TABLE DSR-31**

SDG&E - Retirement Savings Plan	Thousands of 2016 \$			
	2016	2017	2018	2019
Retirement Savings Plan	\$14,478	\$15,287	\$16,118	\$17,369

22 **TABLE DSR-32**

SCG - Retirement Savings Plan	Thousands of 2016 \$			
	2016	2017	2018	2019
Retirement Savings Plan	\$21,351	\$21,822	\$23,191	\$25,409

23 **a. Retirement Savings Plan Overview**

24 The SoCalGas and SDG&E Retirement Savings Plans (RSP) provide employees with a
25 tax-advantaged means of saving for retirement. Approximately 93 percent of employees
26 participate in the plan, and the average contribution rate is 10 percent of eligible pay. Employees
27

1 are eligible to participate in the plan upon hire. SoCalGas and SDG&E encourage participation
 2 in the plan by providing a company matching contribution. The basic company matching
 3 contribution is equal to one-half of the first six percent of the employee’s contributions of
 4 eligible pay. In addition, employees receive a “stretch match” equal to one-fifth of the next five
 5 percent of the employee’s contributions. Company matching contributions vest after one year of
 6 service.

7 Participation is further encouraged through auto-enrollment of new hires at a six percent
 8 employee contribution rate with auto-escalation of employee contributions by one percent per
 9 year until employee contributions reach 11 percent.

10 Company matching contributions apply to pre-tax and after-tax contributions, so
 11 employees may continue to save even after reaching the IRS pre-tax contribution limit (\$18,000
 12 in 2017 with an additional “catch-up” contribution limit of \$6,000 for employees age 50 and
 13 older).

14 **b. Retirement Savings Plan Costs**

15 Projected costs for the company match on base pay contributions are based on actual
 16 2016 costs, and the projected company match on ICP is based on a five-year historical average of
 17 ICP. Projected costs are adjusted for wage and headcount escalation.

18 **2. Nonqualified Savings Plan**

19 As shown in Table DSR-33 and Table DSR-34 below, SDG&E’s and SoCalGas’
 20 forecasted TY 2019 costs for company matching contributions under the nonqualified retirement
 21 savings plan are \$245 thousand and \$300 thousand, respectively.

22 **TABLE DSR-33**

SDG&E - Nonqualified Retirement Savings Plan	Thousands of 2016 \$			
	2016	2017	2018	2019
Nonqualified RSP	\$225	\$230	\$237	\$245

24 **TABLE DSR-34**

SCG - Nonqualified Retirement Savings Plan	Thousands of 2016 \$			
	2016	2017	2018	2019
Nonqualified RSP	\$275	\$282	\$291	\$300

26 The nonqualified retirement savings plan, or deferred compensation plan, allows pre-tax
 27 contributions for employees, subject to IRS compensation and contribution limits. Company
 28

1 matching contributions mirror the company matching contributions provided under the RSP, but
2 do not include the “stretch match.” Participants are eligible for company matching contributions
3 after one year of service.

4 Projected costs are based on actual 2016 costs adjusted for labor inflation.

5 3. Supplemental Pension

6 As shown in Table DSR-35 and Table DSR-36 below, SDG&E’s and SoCalGas’
7 forecasted Test Year 2019 expense for supplemental pension plans is \$2.370 million and \$1.920
8 million, respectively.

9 **TABLE DSR-35**

SDG&E - Supplemental Pension	Thousands of 2016 \$			
	2016	2017	2018	2019
Supplemental Pension	\$3,189	\$9,120	\$3,310	\$2,370

11 **TABLE DSR-36**

SCG - Supplemental Pension	Thousands of 2016 \$			
	2016	2017	2018	2019
Supplemental Pension	\$2,287	\$2,600	\$2,110	\$1,920

12
13
14 SoCalGas and SDG&E offer two supplemental pension plans, the Supplemental
15 Executive Retirement Plan, which covers a small number of senior executives, and the Cash
16 Balance Restoration Plan.

17 The Cash Balance Restoration Plan restores benefits for employees whose earnings or
18 benefits exceed the limitations established by the Employee Retirement and Income Security
19 Act. Employees who earn in excess of \$270,000 per year (2017 earnings limit) continue to
20 accrue retirement benefits once they exceed the limits imposed by Employee Retirement Income
21 Security Act and Internal Revenue Service regulations. Benefits are accrued under the same
22 formula and are subject to the same vesting conditions as the broad-based retirement plan. The
23 plan merely restores benefits that would otherwise be lost due to statutory limits under broad-
24 based retirement plans.

25 Supplemental retirement benefits form an important component of the total reward
26 package for key managers, directors, attorneys and executives. These plans are a key component
27 of a competitive compensation and benefits package to attract and retain the leadership talent
28 required to operate the company.

1 Cost forecasts represent the projected benefit payments. These include future benefit
 2 payments to current retirees receiving monthly annuity benefits or annual installments, vested
 3 terminated employees entitled to future benefits, and active employees entitled to, or expected to
 4 be entitled to, plan benefits. As with other contingent cash flows, the amount and timing of
 5 future benefit payments are based on actuarial assumptions such as the lump sum rate, future
 6 salary increases, and mortality and retirement rates.

7 While retirees and vested terminated participants have somewhat predictable benefit
 8 payments, future benefit payments to current active employees can vary significantly from
 9 forecasted amounts in any given year, since the plan population is relatively small and benefits
 10 are generally paid as lump sums. However, over a longer period of time, aggregate expected
 11 benefit payments will converge to actual payments.

12 **E. Other Benefit Program Expenses**

13 The company offers a number of benefit programs that are designed to provide
 14 opportunities to enhance financial and technical knowledge through external education
 15 programs, reduce lost time, and promote a collaborative team-oriented environment. In addition,
 16 certain recognition programs are designed to engender a work environment that recognizes the
 17 value of our most critical asset – employees. A summary of projected costs to support SDG&E’s
 18 and SoCalGas’ other benefit programs is included in Table DSR-37 and Table DSR-38:

19 **TABLE DSR-37**

SDG&E - Other Benefit Programs	Thousands of 2016 \$			
	2016	2017	2018	2019
Benefits Administration Fees	\$669	\$807	\$655	\$667
Educational Assistance	\$441	\$456	\$476	\$508
Emergency Childcare	\$132	\$144	\$151	\$159
Mass Transit Incentive	\$71	\$80	\$82	\$86
Retirement Activities	\$209	\$209	\$76	\$67
Service Recognition	\$126	\$102	\$95	\$108
Total	\$1,648	\$1,798	\$1,535	\$1,595

1 **TABLE DSR-38**

SCG - Other Benefit Programs	Thousands of 2016 \$			
	2016	2017	2018	2019
Benefits Administration Fees	\$1,115	\$1,233	\$1,087	\$1,107
Educational Assistance	\$958	\$960	\$1,005	\$1,087
Emergency Childcare	\$188	\$197	\$206	\$217
Mass Transit Incentive	\$986	\$1,025	\$1,049	\$1,098
Retirement Activities	\$241	\$465	\$142	\$180
Service Recognition	\$254	\$181	\$267	\$254
Special Events	\$471	\$473	\$494	\$532
Total	\$4,213	\$4,534	\$4,250	\$4,475

2
3
4 **1. Benefit Administration Fees and Services**

5 As shown in Table DSR-39 and Table DSR-40 below, SDG&E's and SoCalGas'
6 forecasted TY 2019 costs for benefit administration and services fees are \$667 thousand and
7 \$1.107 million, respectively.

8 **TABLE DSR-39**

SDG&E - Benefits Administration Fees	Thousands of 2016 \$			
	2016	2017	2018	2019
Benefits Administration Fees	\$669	\$807	\$655	\$667

9
10 **TABLE DSR-40**

SCG - Benefits Administration Fees	Thousands of 2016 \$			
	2016	2017	2018	2019
Benefits Administration Fees	\$1,115	\$1,233	\$1,087	\$1,107

11
12 Benefit administration and service fees include fees for legally required audits, third-
13 party administrator and record-keeper fees, actuarial and other professional services and the cost
14 of benefit communication materials. These fees include:

- 15 • Legally required audits: audits of the Retirement Savings Plan and post-retirement
16 medical and life insurance plans;
- 17 • Third-party administrator and record-keeper fees: administrative fees to record-
18 keepers, claims administrators, and other third-party providers that administer
19 programs such as the health, dependent care and transportation flexible spending
20 account reimbursements; and COBRA enrollments;

- Actuarial and other professional services: professional fees associated with actuarial valuations of the benefit plans, the cost of the related to various benefit plan issues;
- Benefit communication materials: annual open enrollment communications, summary plan descriptions, summary annual reports, and benefits education.

The primary driver of the cost increase in 2017 was the cost of the GRC TY 2019 WTW Study.

2. Educational Assistance

As shown in Table DSR-41 and Table DSR-42 below, SDG&E’s and SoCalGas’ forecasted TY 2019 costs for the Professional Development Assistance Program are \$508 thousand and \$1.087 million, respectively.

TABLE DSR-41

SDG&E - Educational Assistance	Thousands of 2016 \$			
	2016	2017	2018	2019
Educational Assistance	\$441	\$456	\$476	\$508

TABLE DSR-42

SCG - Educational Assistance	Thousands of 2016 \$			
	2016	2017	2018	2019
Educational Assistance	\$958	\$960	\$1,005	\$1,087

The Professional Development Assistance Program (PDAP) provides reimbursement of tuition for degree and certificate programs that maintain or enhance the skills necessary to perform current or prospective jobs within the company. The program is open to all regular full-time employees and it is a key part of SoCalGas’ and SDG&E’s efforts to develop employees and promote from within the company to supervisory and management positions. Program participation reflects SoCalGas’ and SDG&E’s strong commitment to diversity. Sixty-three percent of participants are people of color and 47% are women.

Objectives of the program are as follows:

- Encourage life-long learning and developing new skills that are consistent with the Company’s business objectives;

- Promote employee retention by facilitating career paths that lead to positions of greater responsibility or enhancement of knowledge and understanding regarding current position responsibilities;
- Provide a competitive advantage when recruiting new employees; and
- Allow the company to effectively implement succession planning using internal resources and thereby reducing the expense associated with recruiting qualified external hires to fill key positions within the organization.

The PDAP policy limits the annual benefit to \$5,250 of qualified reimbursements, the maximum annual amount of monetary assistance that an employee may exclude from personal income tax liability under a qualified program. Although other Fortune 500 companies may offer slightly higher educational reimbursement, the \$5,250 cap allows the company to control costs while continuing to offer a competitive benefit.

The 2016 through 2019 forecast assumes that the number of participants increases from 142 in 2016 to 156 in 2019 for SDG&E and from 288 in 2016 to 310 in 2019 for SoCalGas. Projected costs are also indexed for inflation.

3. Emergency Day Care

As shown in Table DSR-43 and Table DSR-44 below, SDG&E’s and SoCalGas’ forecasted TY 2019 expense for the backup childcare program is \$159 thousand and \$217 thousand, respectively.

TABLE DSR-43

SDG&E - Emergency Childcare	Thousands of 2016 \$			
	2016	2017	2018	2019
Emergency Childcare	\$132	\$144	\$151	\$159

TABLE DSR-44

SCG - Emergency Childcare	Thousands of 2016 \$			
	2016	2017	2018	2019
Emergency Childcare	\$188	\$197	\$206	\$217

The backup childcare program provides emergency childcare services when an employee’s primary childcare resource is unavailable. This program reduces unplanned absences and work time lost due to breakdowns in childcare arrangements. This program is critical to employees who must report to work during emergencies such as wildfires and earthquakes when schools and day care centers are closed.

1 Employees with children from three months to 13 years old may access services through
 2 ChildrenFirst/Bright Horizons in both emergency situations and non-emergency situations
 3 including the business travel, relocation, school closings, and return from maternity or parental
 4 leave. This benefit is also available for emergency elder care.

5 Program costs are projected to increase by five percent per year from in 2018 and 2019.

6 **4. Mass Transit Incentive**

7 As shown in Table DSR-45 and Table DSR-46 below, SDG&E’s and SoCalGas’
 8 forecasted TY 2019 costs for the mass transit incentive program are \$86 thousand and \$1.098
 9 million, respectively.

10 **TABLE DSR-45**

SDG&E - Mass Transit Incentive	Thousands of 2016 \$			
	2016	2017	2018	2019
Mass Transit Incentive	\$71	\$80	\$82	\$86

12 **TABLE DSR-46**

SCG - Mass Transit Incentive	Thousands of 2016 \$			
	2016	2017	2018	2019
Mass Transit Incentive	\$986	\$1,025	\$1,049	\$1,098

13 The transportation program provides transit subsidies for employees who use public
 14 transportation, vanpools and carpools. The program supports the company’s compliance with
 15 South Coast Air Quality Management District Rule 2202 – Rideshare for sites with 250 or more
 16 employees. The objective of Rule 2202 is to offer a menu of flexible and cost-effective emission
 17 reduction strategies designed to meet emission reduction targets for targeted sites. SoCalGas and
 18 SDG&E have maintained traditional rideshare plans at four mandated sites and also purchases
 19 Mobile Source Emission Reduction Credits to satisfy any shortfall in Rule 2202 requirements.
 20

21 The cost forecast assumes that the participation ratio (number of participants as a
 22 percentage of the total workforce) remains constant while the number of participants increases
 23 from 89 employees to 97 employees at SDG&E and from 1,212 to 1,300 employees at SoCalGas
 24 due to increases in total headcount.

25 **5. Retirement Activities**

26 As shown in Table DSR-47 and Table DSR-48 below, SDG&E’s and SoCalGas’
 27 forecasted TY 2019 costs for retirement activities is \$67 thousand for SDG&E and \$180
 28 thousand for SoCalGas.

1 **TABLE DSR-47**

SDG&E - Retirement Activities	Thousands of 2016 \$			
	2016	2017	2018	2019
Retirement Activities	\$209	\$209	\$76	\$67

3 **TABLE DSR-48**

SCG - Retirement Activities	Thousands of 2016 \$			
	2016	2017	2018	2019
Retirement Activities	\$241	\$465	\$142	\$180

4
5 Upon retirement, the company gives the employee a retirement gift and hosts a retirement
6 breakfast in recognition of past service and contribution to the company's success.

7 The cost of retirement activities is forecasted to decrease due to fewer expected
8 retirements.

9 **6. Service Recognition**

10 As shown in Table DSR-49 and DSR-50 below, SDG&E's and SoCalGas' forecasted TY
11 2019 costs for service recognition are \$108 thousand and \$254 thousand, respectively.

12 **TABLE DSR-49**

SDG&E - Service Recognition	Thousands of 2016 \$			
	2016	2017	2018	2019
Service Recognition	\$126	\$102	\$95	\$108

14 **TABLE DSR-50**

SCG - Service Recognition	Thousands of 2016 \$			
	2016	2017	2018	2019
Service Recognition	\$254	\$181	\$267	\$254

15
16 Service recognition awards are given to employees on their fifth anniversary and every
17 five years thereafter. Employees select a specific item from a group of awards that vary
18 depending on years of service.

19 Most employers have a service recognition program, with five years being the standard
20 milestone for length of service designs. Recognizing service supports our goals of demonstrating
21 appreciation for and retaining a high quality, tenured and knowledgeable work force.

22 Costs are projected based on the estimated number of employees with service
23 anniversaries in each year.

1 **7. Special Events**

2 As shown in Table DSR-51 below, SoCalGas' forecasted TY 2019 cost for special events
3 is \$532 thousand.

4 **TABLE DSR-51**

SCG - Special Events	Thousands of 2016 \$			
	2016	2017	2018	2019
Special Events	\$471	\$473	\$494	\$532

5
6 Special Events night is a long-standing benefit highly valued by employees at all levels.
7 It is the one time a year when employees from union and management ranks from all around the
8 company gather in one place. The event site varies each year and has included Knott's Berry
9 Farm, Disneyland or Sea World.

10 **VII. COMPENSATION CONTROLS**

11 SoCalGas and SDG&E continuously evaluates the external labor market to ensure that its
12 compensation and benefits package is competitive and cost-effective. The company's pay
13 structure and guidelines used by human resources and managers to administer pay support this
14 objective. This section describes how the company uses external market data and internal
15 controls to maintain a competitive compensation and benefits package necessary to attract,
16 motivate and retain its workforce.

17 **A. External Compensation Surveys**

18 **1. Non-Executive Jobs:**

19 To ensure that total compensation is reflective of the external labor markets, Sempra
20 Energy's compensation and benefits departments participate in a number of professional surveys.
21 Survey databases purchased from major consulting firms include: WTW, Aon Hewitt, Mercer
22 SIRS, and EAPDIS. On occasion, third-party consultants are utilized to supplement standard
23 databases for additional survey information or to obtain information not readily available from
24 standard databases.

25 **2. Executive Jobs:**

26 SoCalGas and SDG&E also use external survey data to monitor pay for executive jobs.
27 The primary survey sources for executive compensation are the Aon Hewitt Total Compensation
28 Database and the WTW executive compensation database. The company also reviews executive

1 compensation and benefits data for S&P 500 Utilities Index companies as reported in each
2 company's annual proxy statement.

3 **B. External Benefits Surveys:**

4 **1. Methodology for BENVAL Study**

5 SoCalGas and SDG&E participate in the WTW BENVAL database. This database was
6 the source of the benefits data used in the WTW Study. BENVAL determines values for the
7 benefits provided by participating companies by applying a standard set of actuarial methods.

8 For purposes of the WTW Study, each benefit was valued individually and then
9 combined to create an overall benefits value. This overall benefits value was added to cash
10 compensation to determine a total compensation and benefits value for each job in the study. A
11 more detailed description of the benefits valuation methodology is found the WTW Study.

12 **C. Internal Review**

13 In addition to conducting and reviewing salary surveys, adequate internal controls are in
14 place to maintain competitive and equitable pay. SoCalGas and SDG&E provides salary and
15 incentive compensation planning budget guidelines, and pay administration guidelines for
16 managers to use to administer employee pay. The compensation staff conducts job studies to
17 review new and existing jobs for placement in pay ranges, reviews jobs for compliance with Fair
18 Labor Standards Act and California State Wage and Hour laws and conducts annual pay equity
19 reviews of total compensation for Office of Federal Contract Compliance Programs compliance.
20 Policies and procedures are established to conform to the Sarbanes-Oxley Act.

21 Pay for SDG&E and SoCalGas executives is reviewed and approved by the SDG&E
22 Board of Directors and SoCalGas Board of Directors, respectively. The Compensation
23 Committee of the Sempra Energy Board of Directors reviews and approves pay and incentive
24 plan performance measures for top SECC executive jobs with assistance from its independent
25 external consultant, Exequity.

26 **VIII. SEMPRA ENERGY CORPORATE CENTER - COMPENSATION & BENEFITS**

27 The compensation and benefit programs provided to employees at SECC are comparable
28 with those provided to SoCalGas and SDG&E employees. As previously discussed,
29 compensation and benefits were evaluated in conjunction with the WTW Study (*see* Appendix A
30 and Appendix B) and found to be at market. Consequently, the discussion presented in Sections
31 I thru VI is applicable to SECC. As noted in the WTW Study, an allocation of SECC jobs was

1 included in the SoCalGas and SDG&E evaluation of total compensation. Allocated SECC
2 positions were consolidated in the various job categories (*i.e.*, Professional/Technical, Clerical,
3 Professional/Technical, Managerial/Supervisory and Executive).

4 SECC compensation and benefits expenses and the allocations of these expenses to
5 SoCalGas and SDG&E using labor overhead rates are discussed in Mia DeMontigny's Corporate
6 Center testimony (Exhibit SCG-28/ SDG&E-26).

7 This concludes my prepared direct testimony.

8

1 **IX. QUALIFICATIONS**

2 My name is Debbie S. Robinson. My business address is 488 8th Avenue, San Diego,
3 California. My current position is Director - Compensation & Payroll Services for Sempra
4 Energy. My present responsibilities include managing Sempra Energy's overall broad-based
5 compensation programs, executive compensation and benefit programs, and interfacing with
6 Sempra's outsourced payroll vendor. Prior to my current position, I was responsible for
7 management of the company's health and welfare benefit programs.

8 Sempra Energy's Compensation and Benefits department supports the Sempra Energy
9 Corporate Center and Sempra Energy's business units including SoCalGas and SDG&E.

10 I have Bachelor of Arts degrees in International Business, Spanish and French from
11 Baker University in Baldwin City, Kansas. I also have an International Masters in Business
12 Administration degree with a concentration in finance from the University of South Carolina in
13 Columbia, South Carolina.

14 I hold the Certified Employee Benefits Specialist (CEBS), Certified Compensation
15 Professional (CCP), Certified Benefits Professional (CBP), Global Remuneration Professional
16 (GRP), and Senior Human Resources Professional (SPHR) designations.

17 I joined Sempra Energy in 2000 and have held various positions within the Compensation
18 and Benefits and Corporate Financial Planning areas. Prior to being employed by Sempra
19 Energy, I held various finance and compensation positions with Sprint in Kansas City, Missouri.
20 I have previously testified before the Commission.

Appendix A
Total Compensation Study – SoCalGas

Appendix B
Total Compensation Study – SDG&E

APPENDIX C
GLOSSARY OF TERMS

AD&D	Accidental Death and Dismemberment
CMVI	Controllable Motor Vehicle Incidents
EAP	Employee Assistance Program
HMO	Health Maintenance Organizations
ICP	Incentive Compensation Plans
IRC	Internal Revenue Code
IRS	Internal Revenue Service
GRC	General Rate Case
LTI	Lost Time Incident Rate
PDAP	Professional Development Assistance Program
RSP	Retirement Savings Plans
SAIDI	Systems Average Interruption Duration Index
SCE	Southern California Edison
SDG&E	San Diego Gas & Electric Company
SECC	Sempra Energy Corporate Center
SIMP	Storage Integrity Management Program
SoCalGas	Southern California Gas Company
Test Year	TY
Utilities	Southern California Gas Company and San Diego Gas & Electric Company
WTW	Willis Towers Watson (WTW)

Appendix A
Total Compensation Study – SoCalGas

2019 General Rate Case Compensation Study

Southern California Gas Company



Table of Contents

Introduction	1
Scope of Study	2
Overview of Study Results	3
Summary of Population Coverage	7
Supporting Documentation	8
Study Methodology	9
Benefits Valuation Methodology	20
Appendices	
APPENDIX A – I: Employee Profiles	A1
APPENDIX A – II: Benchmark Jobs and Employee Profile Alignment	A3
APPENDIX B – I: Detailed Competitive Summary by Employee Category – SCG.....	B1
APPENDIX B – II: Detailed Competitive Summary by Employee Category – Corporate Center	B7
APPENDIX C: Competitive Summary by Average Total Compensation Dollars	C1
APPENDIX D: Competitive Summary by Aggregate Total Compensation Dollars	D1
APPENDIX E: Detailed Benefits Methodology	E1
APPENDIX F: LTI Methodology	F1
APPENDIX G: Project Team Meeting Notes.....	G1
APPENDIX H: Glossary of Terms	H1

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Introduction

Willis Towers Watson was selected by Sempra Energy on behalf of Southern California Gas Company, to conduct a total compensation study (“study”) of selected representative jobs at Southern California Gas Company (SCG) for the purpose of assessing the competitiveness of SCG’s total compensation. The study was conducted as part of SCG’s 2019 General Rate Case (GRC) filing. The Office of Rate Payer Advocates (ORA) has participated in prior general rate cases, and was invited to participate in the 2019 General Rate Case as well. However, the ORA declined to participate in the study, and was therefore were not involved in the study.

The approach for conducting the study and reporting the results involved representatives from Sempra Energy and Willis Towers Watson working together as a project team. Project Team decisions concerning methodology, the rationale for making these decisions, and various points of view are referenced in this report and in the Project Team meeting notes (Appendix G).

Members of the Project Team included:

- Debbie Robinson, Sempra Energy, Director - Compensation and Payroll Services
- Gregory Shimansky, Sempra Energy, Regulatory Program Manager
- Eric Bayona, Sempra Energy, Manager of Compensation Services
- Dean Stoutland, Willis Towers Watson, Southwest Retirement Leader
- Yannick Gagne, Willis Towers Watson, Senior Consultant, Retirement
- Catherine Hartmann, Willis Towers Watson, Senior Consultant, Talent and Rewards
- Ragini Mathur, Willis Towers Watson, Consultant, Talent and Rewards
- Katherine Chan, Willis Towers Watson, Senior Analyst, Talent and Rewards
- Tina Gay, Willis Towers Watson, Director, North America Survey Operations
- Nicole Warno, Willis Towers Watson, Director, BDS-US
- John Goudelias, Willis Towers Watson, Manager, BDS-US

The results of the study and background on the process, methodology, assumptions, and information used to conduct this study are included in this report.

Scope of Study

This study evaluates the competitiveness of total compensation provided by SCG to its employees based on a selection of SCG jobs (“benchmark jobs”). Benchmark jobs are those positions that are common across comparable organizations and for which total compensation data are available from published surveys. The study covers 123 benchmark jobs at SCG representing 4,842 SCG employees (66% of 7,335 total SCG employees¹) as of February 28, 2017. Inclusive of Corporate Center, the study covers 4,896 employees². The employee categories represented by the benchmark jobs selected by SCG and Willis Towers Watson are:

- Executive
- Manager/Supervisor
- Professional/Technical
- Physical/Technical
- Clerical

Market total compensation is defined as total direct compensation (base salary, short-term incentives, and the annualized expected value of long-term incentives, i.e., stock options, restricted stock, performance share, and cash long-term incentive plans, if applicable), plus the value of employee benefits. The methodology examines each of the elements of total direct compensation and benefits separately, and then combines the values to obtain total compensation. The total compensation valuations and comparisons in the study were based on the following components of total compensation:

- Actual and target total direct compensation
 - Base salary
 - Actual short-term incentives (actual amounts for 2016 performance paid in 2017) and target awards
 - Actual annualized expected values of long-term incentives³
- Employee benefits
 - Defined benefit pension and defined contribution⁴ retirement plans
 - Disability plans
 - Medical plans (active and retiree)
 - Dental plans (active and retiree)
 - Life insurance (active and retiree group life and active accidental death and dismemberment)

To determine competitive standing, total compensation levels for SCG benchmark jobs were compared to total compensation levels for similar positions at comparable employers. A group of utility industry and general industry companies was selected as comparable employers (“peer companies”) for benefits analyses. See page 22 for the list of the peer companies used in the study.

¹ Excludes part-time employees, and temporary employees such as apprentices and interns.

² Includes 23.5% of Corporate and all SCG employees as of February 28, 2017.

³ Based on long-term incentive value as on grant date.

⁴ Inclusive of savings plans.

Overview of Study Results

Willis Towers Watson concludes that SCG's target total compensation level for all SCG jobs, including Corporate Center, is estimated to be 1.2% below the average (mean) of the competitive market. SCG's actual total compensation for all SCG jobs, including Corporate Center is estimated to be 0.7% below the average (mean) of the competitive market.

A portion of the results for Corporate Center jobs that serve SCG has been distributed to it for study purposes and are included in Table 1A.

The methodology used to distribute Sempra Energy Corporate Center jobs was based on the aggregate 2016 Operation and Maintenance expense from all of the various Corporate Center functions (i.e., Human Resources, External Affairs, Finance, and Legal) based on the allocation process as described in the testimony of Mia DeMontigny. The distribution factor included labor and non-labor expenses (including those parent company costs that are not distributable). The expense factors used to distribute Sempra Energy Corporate Center results were: SCG (23.5%) and SDG&E (21.1%).

Based on these factors, SCG study results shown in Table 1A include 23.5% of the Sempra Energy Corporate Center employees, payroll, and percentage relationship to market for each element of compensation.

The study results are presented in Table 1A on the next page. The table shows SCG's competitive standing for each element of total compensation.

Table 1A: SCG (Including Corporate Center¹) versus Market — Competitive Summary

SCG Employee Category	SCG Total # of Employees (EEs) ²	SCG EEs in Study	SCG Target Total Cash (\$000s)	SCG Target Total Cash Weighting	Base Salary	Variance — SCG Benchmark Jobs vs. Competitive Market Average					
						Target Total Cash ³	Actual Total Cash ³	Benefits	Long-Term Incentives	Target Total Comp. ⁴	Actual Total Comp. ⁴
Executive	18	7	\$8,395	1.2%	-5.8%	-8.2%	3.3%	4.6%	-2.8%	-5.1%	0.9%
Manager/Supervisor	982	282	\$132,944	18.6%	-7.3%	-4.4%	-0.9%	14.4%	20.3%	-1.5%	1.5%
Professional/Technical	2,124	1,251	\$231,029	32.4%	-10.6%	-6.6%	-3.7%	14.4%	13.9%	-3.6%	-1.1%
Physical/Technical	3,449	2,721	\$285,554	40.0%	0.7%	-1.4%	-4.2%	7.1%	N/A	0.1%	-2.2%
Clerical	845	635	\$55,916	7.8%	5.8%	2.1%	1.2%	8.9%	N/A	3.3%	2.6%
Total⁵	7,417	4,896	\$713,837	100.0%	-4.1%	-3.4%	-2.9%	10.9%	8.2%	-1.2%	-0.7%

¹ Includes 23.5% of total Corporate Center employees, actual and target compensation dollars and results, based on a formula related to Corporate Center operation and maintenance expense.

² SCG's population, including distribution of Corporate Center employees, as of February 28, 2017.

³ Actual total cash reflects base pay plus short-term (annual) incentives; target total cash reflects base pay plus target short-term incentive opportunity.

⁴ Actual total compensation is defined as actual total cash plus benefits and long-term incentives;

target total compensation is defined as target total cash plus benefits and long-term incentives.

⁵ Results weighted by SCG and allocated Corporate Center target total cash compensation for all jobs, both benchmark and non-benchmark.

Competitive positioning by employee category for SCG including Corporate Center (see Table 1A) are as follows:

1.1 Executive

Target total compensation for the Executive jobs is 5.1% below the average of the competitive market.

1.2 Manager/Supervisor

Target total compensation for the Manager/Supervisor jobs is 1.5% below the average of the competitive market.

1.3 Professional/Technical

Target total compensation for the Professional/Technical jobs is 3.6% below the average of the competitive market.

1.4 Physical/Technical

Target total compensation for the Physical/Technical jobs is 0.1% above the average of the competitive market.

1.5 Clerical

Target total compensation for the Clerical jobs is 3.3% above the average of the competitive market.

For reference, Table 1B shows study results for SCG before Corporate Center distribution. SCG target total compensation before Corporate Center distribution is 1.2% below market. SCG actual total compensation before Corporate Center distribution is 0.9% below market. See Appendix B - II for full Corporate Center results.

Table 1B: SCG (Excluding Corporate Center) versus Market — Competitive Summary

SCG Employee Category	SCG Total # of Employees (EEs) ¹	SCG EEs in Study	SCG Target Total Cash (\$000s)	SCG Target Total Cash Weighting	Base Salary	Variance — SCG Benchmark Jobs vs. Competitive Market Average					
						Target Total Cash ²	Actual Total Cash ²	Benefits	Long-Term Incentives	Target Total Comp. ³	Actual Total Comp. ³
Executive	16	5	\$6,718	1.0%	-7.2%	-9.2%	0.9%	3.8%	-3.7%	-6.2%	-0.7%
Manager/Supervisor	961	269	\$128,504	18.3%	-7.6%	-4.7%	-1.5%	14.2%	14.2%	-1.9%	0.8%
Professional/Technical	2,074	1,220	\$224,873	32.1%	-10.6%	-6.6%	-3.7%	14.6%	9.9%	-3.5%	-1.1%
Physical/Technical	3,449	2,721	\$285,554	40.8%	0.7%	-1.4%	-4.2%	7.1%	N/A	0.1%	-2.2%
Clerical	835	627	\$55,082	7.9%	5.9%	2.0%	1.1%	8.9%	N/A	3.2%	2.5%
Total⁴	7,335	4,842	\$700,732	100.0%	-4.1%	-3.5%	-3.1%	10.9%	5.8%	-1.2%	-0.9%

¹ SCG's population; as of February 28, 2017.

² Actual total cash reflects base pay plus short-term (annual) incentives; target total cash reflects base pay plus target short-term incentive opportunity.

³ Actual total compensation is defined as actual total cash plus benefits and long-term incentives; target total compensation is defined as target total cash plus benefits and long-term incentives.

⁴ Results weighted by SCG target total cash compensation for all jobs, both benchmark and non-benchmark.

Competitive positioning by employee category for SCG excluding Corporate Center (see Table 1B) are as follows:

1.6 Executive

Target total compensation for the Executive jobs is 6.2% below the average of the competitive market.

1.7 Manager/Supervisor

Target total compensation for the Manager/Supervisor jobs is 1.9% below the average of the competitive market.

1.8 Professional/Technical

Target total compensation for the Professional/Technical jobs is 3.5% below the average of the competitive market.

1.9 Physical/Technical

Target total compensation for the Physical/Technical jobs is 0.1% above the average of the competitive market.

1.10 Clerical

Target total compensation for the Clerical jobs is 3.2% above the average of the competitive market.

INTERPRETATION OF RESULTS BY WILLIS TOWERS WATSON

Willis Towers Watson considers +/- 10% of the average or mean of the competitive market to be the range of competitiveness. A range such as this is generally considered by compensation professionals to be a standard of competitiveness due to variances in employee performance levels, years of experience, and tenure within and across organizations. For certain components of compensation, such as long-term incentives and benefits, larger variances are common. Because of the variables involved — matching benchmark jobs to survey information, matching career levels, sample size, and data quality issues — in a study such as this, a range should be considered in evaluating the competitiveness of compensation.

Summary of Population Coverage

Table 2A: Study Coverage of SCG Population (Including Corporate Center)

SCG Employee Category	Benchmark Jobs	Total SCG Employee Population ¹	Total Employees in Benchmark Jobs	% of Total Population Represented by Benchmark Jobs
Executive	13	18	7	39%
Manager/Supervisor	55	982	282	29%
Professional/Technical	95	2,124	1,251	59%
Physical/Technical	24	3,449	2,721	79%
Clerical	29	845	635	75%
Total¹	216	7,417	4,896	66%

¹Includes 23.5% of Corporate and all SCG employees as of February 28, 2017.

Table 2B: Study Coverage of SCG Population (Excluding Corporate Center)

SCG Employee Category	Benchmark Jobs	Total SCG Employee Population ¹	Total Employees in Benchmark Jobs	% of Total Population Represented by Benchmark Jobs
Executive	5	16	5	31%
Manager/Supervisor	21	961	269	28%
Professional/Technical	57	2,074	1,220	59%
Physical/Technical	24	3,449	2,721	79%
Clerical	16	835	627	75%
Total¹	123	7,335	4,842	66%

¹Includes all SCG employees as of February 28, 2017.

This competitive study is an analysis of total compensation levels for a significant sample of SCG's total employee population. Due to the large number of SCG employees in the benchmark jobs selected for this study, Willis Towers Watson is confident that this study accurately represents the competitive positioning for the organization.

Tables 2A and 2B summarize the percentage of the total SCG employee population represented by the benchmark jobs ("coverage") that this study provides. They show the number of SCG employees that are in benchmark jobs compared to the total number of SCG employees in each employee category. Please note that the total number of employees excludes part-time, apprentices and interns, but includes contract employees and employees on leave of absence (these employees receive benefits). Overall, this study covers 66% of SCG's total employee population. Willis Towers Watson believes that the study coverage is sufficiently high to obtain an accurate representation of the competitive positioning for SCG's total employee population.

Supporting Documentation

The appendices to this report provide additional information that supports the study's results:

- Appendix A - I is a list of the employee profiles that were developed for benefits analyses.
- Appendix A - II is a list of the SCG benchmark jobs organized by SCG employee category and includes profile numbers for each benchmark job.
- Appendix B - I is a detailed competitive summary that provides the results for each SCG benchmark job within each SCG employee category. Subtotals are provided at the end of each employee category.
- Appendix B - II is a detailed competitive summary that provides the results for each Corporate Center benchmark job within each Corporate Center employee category. Subtotals are provided at the end of each employee category.
- Appendix C provides the average total compensation dollars for each SCG employee category by compensation component.
- Appendix D provides the aggregate total compensation dollars for each SCG employee category by compensation component.
- Appendix E is a detailed summary of the methodology used to value employee benefits in the study.
- Appendix F is a detailed summary of the methodology used to value LTI in the study.
- Appendix G provides summaries of each of the project team meetings. All decisions concerning methodology and the rationale for making these decisions are referenced in the project team meeting notes.
- Appendix H is a glossary of compensation-related terms used throughout this report.

Study Methodology

SCG EMPLOYEE CATEGORIES

For purposes of this study, SCG placed benchmark jobs into one of five employee categories. The employee categories are as follows:

- 1) *Executive* — This category includes the limited group of officers who are responsible for the overall direction of the company. Officers of Sempra Energy who have some responsibility for utility matters were included. Corporate Center positions whose expenses were not shared by the utilities were not included in the study (including jobs such as Sempra Energy Chairman and Chief Executive Officer).
- 2) *Manager/Supervisor* — Benchmark jobs in this category are classified as exempt under the Fair Labor Standards Act ⁵ (FLSA). This category contains different levels of leadership jobs with primary responsibility for directing the work of others and for the final work product in a unit of the company.
- 3) *Professional/Technical* — These benchmark jobs generally are individual contributors that are typically classified as exempt under the FLSA. These benchmark jobs usually require a college degree and the nature of the work involves extensive analysis and independent judgment. The benchmark jobs in this category are not covered by a collective bargaining agreement.
- 4) *Physical/Technical* — Benchmark jobs in this category are nonexempt under the FLSA. This category contains both field jobs requiring physical activities that are repetitive in nature and individual contributor technical jobs, such as Estimators. Physical (field) jobs are found more frequently in utility companies and are usually covered by a collective bargaining agreement. They often have formal apprenticeship programs and typically do not require college study. Technical jobs may require some college study, but a college degree is not required. Many have formal training programs in the company.
- 5) *Clerical* — These benchmark jobs are nonexempt under the FLSA. Jobs in this group usually are located in an office environment (although there are exceptions, such as meter readers) and require activities that are generally administrative or clerical in nature. These jobs may require some college study, but a college degree is not required. Some clerical jobs at SCG are covered by a collective bargaining agreement, unlike most clerical jobs in the competitive market.

⁵ The Fair Labor Standards Act (“FLSA”) of 1938 is a federal law that governs minimum wage, overtime pay, child labor and record-keeping requirements. The law also determines the type of positions that are exempt from minimum wage and overtime provisions. Under FLSA, “nonexempt” employees must be paid one-and-a-half times their normal wage rates for all hours worked in excess of 40 in any work week. Some states, including California, require overtime pay for nonexempt positions for hours exceeding 8 worked in one day.

SCG BENCHMARK JOB SELECTION PROCESS

This study includes 123 unique benchmark jobs at SCG representing 4,842 employees as of February 28, 2017. Additionally, when benchmark jobs from the Corporate Center were included in the study, the total SCG employee coverage came to 4,896 employees.

Benchmark jobs were selected from the following five SCG employee categories: 1) Executive, 2) Manager/Supervisor, 3) Professional/Technical, 4) Physical/Technical, and 5) Clerical. SCG provided Willis Towers Watson with an initial job list that included the following:

- All job classifications with one or more incumbents as of February 28, 2017
- All jobs initially identified for the 2016 GRC Study, including jobs excluded from that study for reasons such as lack of sufficient market information (matches, survey data)

Jobs chosen to be benchmark jobs met all or most of the following criteria:

- Jobs that were usually found in existing surveys that provide reliable competitive market data
- Jobs that, in aggregate, represented the largest number of incumbents to provide a representative cross-section of the employee population
 - Across the entire company (SCG and Corporate Center)
 - Across organization levels within the company
- Jobs that were representative of a job category or job family for cross-coverage
- Jobs that had a clearly definable scope of position, required education/experience, skills, and abilities

JOB MATCHING PROCESS

The Project Team worked together and conducted the benchmark job matching for this study over several weeks. The 2016 GRC Study benchmark positions were used as an initial starting point to maximize efficiency and help manage overall study costs. SCG and Willis Towers Watson began the job matching process by reviewing benchmark jobs that met the criteria established. The Project Team also identified new survey positions that were comparable to benchmark jobs at SCG (this is referred to as the “matching process”).

Survey positions were selected for benchmark jobs based on:

- Matches of benchmark jobs to survey positions that were validated and used in the prior SCG GRC Study
- Knowledge of the benchmark job scope and function by Sempra Energy Human Resources and line operations
- Willis Towers Watson’s experience and knowledge of the survey positions and the survey job leveling guides
- Comparable survey position matches selected by the Project Team from compensation surveys conducted by reputable consulting firms

A survey position was deemed to be an effective match to a benchmark job if the composition (e.g., scope, duties or function) of a survey job reflected 80% of the SCG benchmark composition. The 80% guideline is a standard guideline for compensation professionals. For executive benchmark jobs, survey positions also reflected the reporting level of the benchmark jobs in the organization.

Appendix A - I contains a list of SCG benchmark jobs and corresponding employee counts, by employee category that were included in the study.

The resulting coverage of SCG (including Corporate Center) employees in the final results ranged from 79% for the Physical/Technical employee category to 29% for the Manager/Supervisor employee category. Overall, there was 66% coverage of the total SCG population by benchmark jobs (see Tables 2A and 2B on page 7).

SURVEY SOURCES

Multiple survey sources were selected to ensure relevant and representative total compensation data for SCG benchmark jobs. For each survey source, data were pulled representing company-weighted data to ensure that no one company influenced the market rates. The survey sources are as follows:

Survey/Data Source	Data Type
Willis Towers Watson Compensation Data Bank (CDB) <ul style="list-style-type: none"> ▪ Energy Services Survey: Executive and Middle Management & Professional Surveys ▪ General Industry Survey: Executive and Middle Management & Professional Surveys 	Compensation Data
Edward A. Powell Data Information Solutions (EAPDIS) Energy Technical Craft Clerical Survey	Compensation Data
Mercer SIRS Survey	Compensation Data
Aon Hewitt Total Compensation Measurement (TCM) Executive Compensation Survey	Compensation Data
Aon Hewitt Total Compensation Measurement (TCM) Middle Management and Professional Survey	Compensation Data
Willis Towers Watson American Gas Association Compensation Survey	Compensation Data
Willis Towers Watson Benefits Database	Benefits Data

COMPENSATION DATA SOURCES AND SCOPES

For each survey specific data cuts were used for each different employee category to ensure an accurate reflection of the labor market that SCG competes for talent. From our experience, revenue scope provides a compensation differential at the Executive and Manager/Supervisor level. For this reason and comparability purposes with other larger employers, within these employee categories we will scope the data by revenue size, where available, to provide the most relevant comparator group.

Employee Category	Survey	Industry Scope	Revenue Scope
1) Executive ⁶	2016 Willis Towers Watson CDB General Industry Executive Compensation Survey	General Industry Data	Revenue = \$5-20B
	2016 Willis Towers Watson CDB Energy Services Executive Compensation Survey	Energy Services Data	Revenue = \$5-20B
	2016 Aon Hewitt TCM Executive Compensation Survey	General Industry Data Energy Services Data	Revenue = \$5-20B
2) Manager/ Supervisor	2016 Willis Towers Watson CDB General Industry Middle Management & Professional Compensation Survey	General Industry Data	Revenue = \$5-20B
	2016 Willis Towers Watson CDB Energy Services Middle Management & Professional Compensation Survey	Energy Services Data	Revenue = \$5-20B
	2016 Aon Hewitt TCM Middle Management and Professional Survey	General Industry Data Energy Services Data	Revenue = \$5-20B
	2016 Mercer SIRS Compensation Survey	General Industry Data	Revenue = \$5-20B
3) Professional/ Technical	2016 Willis Towers Watson CDB General Industry Middle Management & Professional Compensation Survey	General Industry Data	All Revenue
	2016 Willis Towers Watson CDB Energy Services Middle Management & Professional Compensation Survey	Energy Services Data	All Revenue
	2016 Willis Towers Watson American Gas Association Compensation Survey	Energy Services Data	All Revenue
	2016 Aon Hewitt TCM Middle Management and Professional Survey	General Industry Data Energy Services Data	All Revenue
	2016 Mercer SIRS Compensation Survey	General Industry Data	All Revenue
4) Physical/ Technical and 5) Clerical	2016 Willis Towers Watson CDB General Industry Middle Management & Professional Compensation Survey	General Industry Data	All Revenue
	2016 Willis Towers Watson CDB Energy Services Middle Management & Professional Compensation Survey	Energy Services Data	All Revenue
	2016 Willis Towers Watson American Gas Association Compensation Survey	Energy Services Data	All Revenue
	2016 Aon Hewitt TCM Middle Management and Professional Survey	General Industry Data Energy Services Data	All Revenue
	2016 Mercer SIRS Compensation Survey	General Industry Data	All Revenue
	2016 EAPDIS Energy Technical Craft Clerical Survey	Energy Services Data	All Revenue

⁶ Executives in the Corporate Center were matched to General Industry only, in order to align with Sempra Energy's recruitment strategy and methodology utilized in PG&E and Edison rate case studies.

COMPONENTS OF TOTAL COMPENSATION

The compensation elements are effective February 28, 2017 and include:

- Base salary (annualized rate) reflective of the most recent compensation structure
- Actual short-term incentives reflective of bonuses paid in 2017 for 2016 performance
- Target short-term incentives reflective of target bonuses
- Value of long-term incentives (i.e., restricted stock units and performance shares)
 - Reflective of SCG awards granted on January 3, 2017
 - SCG defines eligibility for long-term incentive awards by job level and title; all executives, directors and attorneys are eligible for long-term incentive awards
- Employee benefits
 - Defined benefit pension and defined contribution retirement plans
 - Disability plans
 - Medical plans (active and retiree)
 - Dental plans (active and retiree)
 - Life insurance (active and retiree group life and active accidental death and dismemberment)

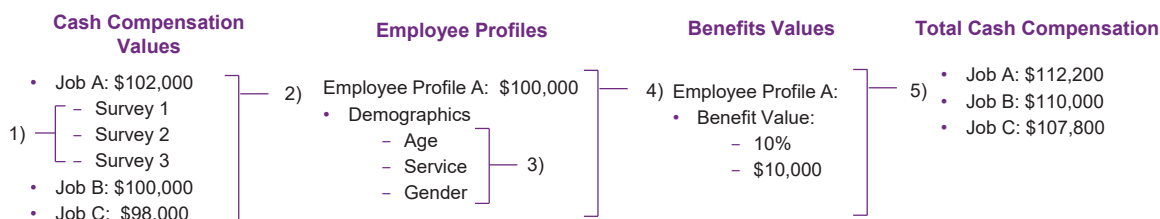
The following components of compensation will be excluded from the study because either most survey sources do not include such data or the value of the benefit is included in base salary:

- Vacation
- Overtime pay and shift differentials
- Paid time off (if in excess of vacation time)
- Special recognition awards or spot bonuses

TOTAL COMPENSATION VALUE COMPUTATION

- Market cash compensation values by benchmark job were derived from multiple survey sources based on agreed-upon matches and the availability of quality market data (i.e., sufficient number of companies, good correlations of average and 50th percentile, etc.).
 - Geographic differentials were applied to market cash compensation values for developing employee profiles for benefits analysis.
 - Geographic differentials were also applied to market base values only for total compensation value summation, i.e., total compensation as a summation of market base, bonus, LTI and benefits. Further explanations on methodology and rationale can be found in the following section for Cash Compensation Valuation Methodology.
- A total of 25 employee profiles have been developed and associated with each job category.
- These profiles currently reflect demographic information i.e. age, tenure and prevalent gender as is relevant to Sempra Energy’s employee population. The following guiding principles were followed to develop the employee profiles:
 - Employee profiles were derived based on market data that aligns with Willis Towers Watson’s general understanding of pay practices prevalent in the industry (e.g., similar range spreads).
 - Employee profiles were segregated into union and non-union specific profiles for the categories of Clerical and Physical/Technical since benefits plans vary across both groups.
 - Employee profiles were segregated for the executive population into specific profiles since benefit plans vary for this group.
 - To the best extent where market data supported the view, like jobs (based on job family, roles and responsibilities) were aligned to a single profile (e.g., separate profiles for supervisors vs. managers).
- Benefits values were then calculated for each employee profile, using Willis Towers Watson’s standard benefits valuation methodology, details of which can be found in Appendix E.
- Benefit values by benchmark job were then derived as a percentage of base pay and target bonus (for pay-based benefits) plus a fixed amount (for non-pay-based benefits) for each employee profile and applied to each benchmark job.
- Cash compensation, benefits and long-term incentive values were added together to obtain total compensation values for the 2019 GRC Study.

Details on the employee profiles developed, including market base pay information and demographic detail, are available in Appendix A - I.



- 1) Market **cash compensation values** by benchmark job are derived from multiple survey sources based on agreed upon matches
- 2) A total of **25 employee profiles** are evaluated across Sempra, focused by each job category and derived from cash compensation values
- 3) The **demographic data** for the benefits valuation aligns with Sempra incumbents in the same jobs as the employee profile(s)
- 4) Market **benefits values** by benchmark job are derived as a percentage of pay (for pay-based benefits) for each employee profile and applied to each benchmark job
- 5) Cash compensation and benefits values are added together for **total compensation** values for the 2019 GRC

Sample: For Illustration Purposes Only

CASH COMPENSATION VALUATION METHODOLOGY

Data Collection

Willis Towers Watson and the other managers of surveys used in this study collect compensation data directly from companies participating in the databases and surveys. The surveys collect base salary, short-term incentive, and long-term incentive data (where applicable) for actual incumbents at the companies participating in the surveys. Base salary, short-term incentive, and long-term incentive data (where applicable) were collected from the various data sources and from SCG for each survey position, and then combined at the position level to obtain compensation values.

The analysis contains both actual and target data for short-term incentives. These short-term incentives were awarded in 2017 for 2016 performance. In addition, cash profit sharing bonuses, when used as a short-term incentive, are included in total cash for the competitive market job matches. In certain cases where companies do not offer a short-term incentive or profit sharing plan for selected or all employees, base salary represents the entire total cash compensation package.

For certain benchmark job matches; Willis Towers Watson has weighted survey data from multiple data sources according to a predetermined methodology, i.e., energy service oriented jobs were matched to energy surveys, and jobs that fell in broader job categories were matched to both general industry and energy services surveys, wherever possible (generally with a 50-50 weighting of general and energy services industry). For nonexempt jobs, if an hourly rate of pay was reported by a data source, it was multiplied by 2,080 hours to obtain an annualized rate of base compensation. For exempt jobs, Willis Towers Watson used an annual rate of salary.

Multiple statistics were developed for compensation analysis. Specifically, the 25th percentile, median, average, and the 75th percentile of the market are provided.

Geographic differentials were analyzed and developed for Sempra Energy's most populated locations. As per Willis Towers Watson's methodology, geographic differentials were applied to market base pay only. Typically, pay components such as bonus and equity are not subject to geographic differentials, and differentiation in pay is seen in base pay only.

Geographic Analysis:

In order to determine a good approach to account for geographic differentials, as a first step towards establishing a process, Willis Towers Watson analyzed the availability of geographic data in surveys. Geographic data for the Southern California market was available for some survey jobs but not for all. Due to the inconsistency of data availability, as well as the sizeable presence of the SCG workforce in Southern California, we decided that we would analyze market data at a national level and then apply a weighted geographic differential percentage, based on primary locations, to achieve a similar yet less volatile and statistically sound approach to geographic differentials. Willis Towers Watson has adopted a similar methodology in previous rate cases, e.g., PG&E.

Willis Towers Watson used Economic Research Institute's (ERI) Geographic Assessor to obtain cost of labor as well as cost of living differential data for the study. ERI was founded over 25 years ago and is known for having one of the most robust cost of living and cost of labor databases in the U.S. Annually, it compiles data from more than 1,000 industry sectors that the majority of Fortune 500 companies rely upon for expert witness testimony, relocations, disability determinations, board presentations, and setting branch office structures.

For the GRC, Willis Towers Watson specifically reviewed data from ERI for seven cities, selected based on employees' work address, since they represent the highest Sempra Energy population (approximately 63% of Sempra's population works at these seven locations) across the enterprise. Employee work address is a preferred anchor for geographic analysis such as this as compared with home address.

- San Diego, CA
- Los Angeles, CA
- Pico Rivera, CA
- Anaheim, CA
- Redlands, CA
- San Dimas, CA
- Escondido, CA

Willis Towers Watson used the cost of labor differentials for these cities for our analysis since the value reflects the competitive difference for pay levels in the labor market, as understood by compensation professionals. Since cost of living reflects the cost of goods utilized by a typical consumer, including items such as housing, groceries and transportation, the cost of living index is not the best or preferred indicator of geographic differentials.

Willis Towers Watson analyzed the salary levels of each GRC job category to see the range of salaries that typically fall within a category. We then aligned the GRC job category specific salary levels to the ERI cost of labor salary levels, and applied Sempra's population coverage in the seven cities as a weight to derive a weighted average cost of labor differential for each GRC job category.

ERI Cost of Labor

Sempra Locations	Sempra Workforce Representation	ERI Cost of Labor Compared to National				
		Executive	Manager	Professional	Physical/Technical	Clerical
San Diego, CA	29.06%	--	110%	110%	110%	110%
Los Angeles, CA	17.37%	--	115%	115%	114%	114%
Pico Rivera, CA	3.62%	--	114%	114%	113%	113%
Anaheim, CA	3.53%	--	113%	113%	113%	113%
Redlands, CA	3.46%	--	108%	108%	108%	108%
San Dimas, CA	2.91%	--	114%	114%	113%	113%
Escondido, CA	2.56%	--	110%	110%	110%	110%
Weighted Average Cost of Labor		--	112%	111%	112%	111%
Final Cost of Labor Applied		--	108%	108%	108%	108%

The cost of labor across all job categories ranges between 11% - 12% above national average. Due to the reasons stated above, we opted to apply the preferred index of cost of labor, using a more conservative approach at 8% across all job categories, with the exception of the Executive job category. No geographical adjustments were applied to the Executive job category since Willis Towers Watson considers the labor market for this category to be at a broader national level.

Additionally, as described in the Total Compensation Valuation Methodology and Data Collection Sections above, geographic differentials were applied to market cash compensation values for

employee profiles and were only applied to market base for total compensation value summations and build up.

Effective Date

The survey and database sources used in the study collect base pay, short-term incentive, and, in some cases, long-term incentive data that are in effect as of a certain date from participating companies. Those sources and the effective dates are listed below.

Survey/Data Source	Effective Date
Willis Towers Watson CDB <ul style="list-style-type: none"> ▪ General Industry Survey: Executive and Middle Management & Professional Surveys ▪ Energy Services Survey: Executive and Middle Management & Professional Surveys ▪ American Gas Association Survey 	March 1, 2016
Aon Hewitt TCM <ul style="list-style-type: none"> ▪ Executive Compensation Survey ▪ Middle Management and Professional Survey 	April 1, 2016
Mercer SIRS Survey	April 1, 2016
EAPDIS Energy Technical Craft Clerical Survey	January 1, 2016

To provide a common reference date for compensation values, the salary data from the surveys and databases were aged to a common effective date of July 1, 2017. Data is aged since compensation is paid over a year of employment and pay generally increases once per year, if at all. Incentives are generally paid once per year. As a result, incentive awards are not aged.

The effective date of the competitive salary data to be aged varied by survey source since survey providers collect data at different times. Aging compensation data, using general or industry-specific rates of salary increase to provide current competitive market compensation levels, is a generally accepted practice of major consulting firms. Typically, consultants and practitioners will age salary data up to two years from the effective date of the data. Aging factors are based on general salary and wage increases that represent the actual experience of companies or represent the companies' budgeted increases.

A single aging factor of 2.9% will be applied to all jobs in all of SCG employee categories for surveys with effective dates in 2016. This 2.9% factor will be applied on a prorated basis depending on the effective date of the data. This factor was determined by using multiple sources of publicly available, governmental, and proprietary sources of information on national and western region hourly and salaried wage increases for the utility and general industries. The data sources used to determine the aging factor are shown below:

Survey/Data Source	Industry	Actual 2016 Increases
WorldatWork 2016-17 United States Salary Budget Survey (National)	Utility Industry	3.10%
	All Industries	3.10%
Willis Towers Watson 2016 United States General Industry Salary Budget	Energy Services and Utilities Industry	2.80%
	All Industries	2.90%
Mercer 2016/2017 US Compensation Planning Survey Report	Utility Industry	2.80%
	All Industries	2.80%
SCG Aging Factor		2.90%

As is typical practice, short-term incentives, long-term incentives, and employee benefit values were not aged. Benefit values will reflect any aging applied to base salaries for salary-related components of pay, and therefore are not updated separately.

LONG-TERM INCENTIVE VALUATION METHODOLOGY

In order to derive total direct compensation, that is, the sum of base salary, annual incentives and the value of long-term incentives, a dollar value must be established for the long-term incentive award or grant. The value should be one that allows a company to compare its long-term plan's worth to other companies. In order to do this, Willis Towers Watson uses a standard accounting value methodology as its standard methodology for presentation. Further details are outlined in Appendix F.

Long-term incentive (LTI) compensation programs include:

- Performance shares/units
- Restricted stock/units
- Stock options
- Cash LTI plans

The majority of survey sources used in the study provide long-term incentive dollar values for some or all categories of aforementioned long-term incentive programs⁷. For that reason, actual long-term incentive dollar values were used for the market analysis to ensure the most robust sample size and reporting data for long-term incentive eligible benchmark jobs. When benchmark jobs at Sempra Energy were not long-term incentive eligible, a comparison was not made. For each stock option⁸, restricted stock, or other performance award, the accounting value is the value determined by the company and reported to the survey.

⁷ Sempra Energy provided Willis Towers Watson with long-term incentive values for long-term incentive eligible jobs.

⁸ Although Sempra Energy does not offer stock options, this is a common vehicle in the general industry market and therefore is included in the market data from available survey sources.

Benefits Valuation Methodology

Willis Towers Watson's benefit valuation methodology, BenVal[®], was used to determine the benefits value delivered by each peer company to its employees. This valuation methodology applies a standard set of actuarial methods and assumptions to employee demographic profiles which have been customized based on the demographics of employee categories within SCG (i.e., age, service, and gender). Willis Towers Watson's methodology measures the value of benefits to the employee, not the cost of benefits to the company. Willis Towers Watson developed the methods and assumptions on the basis of a number of factors:

- Consistency with Generally Accepted Accounting Principles (GAAP)
- Conformance with Employee Retirement Income Security Act (ERISA) and other employee benefits standards
- Consistency with actuarial standards set by the American Academy of Actuaries and the Actuarial Standards Board
- Consistency with other studies done for other Willis Towers Watson clients
- Experience within utility and general industries

Employee benefit values will be calculated for the following benefit plans:

- Defined benefit and defined contribution retirement plans
- Disability plans
- Medical plans (active and retiree)
- Dental plans (active and retiree)
- Life insurance (active and retiree group life and active accidental death and dismemberment)

As is typical practice, benefit values that were excluded from this analysis are:

- Vacation
- Short-term disability
- Social Security
- Other government-mandated benefits

Employee benefit values were based on detailed descriptions of employee benefit programs applicable to new hires for the peer companies that are contained in Willis Towers Watson's Benefits Data Source (BDS) database and were updated to reflect changes in plan provisions.

We used demographics reflecting 25 unique employee profiles (i.e., job category, age, gender, service, and compensation) and data from 20 companies from the energy services/utility industry and 20 companies from general industry as the primary comparator groups for the study. A more detailed explanation of the employee benefits valuation methodology is provided in Appendix E.

BENEFITS PEER GROUPS

Relevant utility and general industry peer companies were selected based on size, industry segment, and geographic parameters to develop the most accurate assessment of SCG's competitive labor market.

The goal was to identify a combined peer group of 40 companies (large utilities nationwide and large general industry companies with a substantial presence in Southern California) and to utilize an appropriate subset of the peer group to obtain appropriate benefits data.

As the first step of the peer group selection process, Willis Towers Watson provided the Project Team with preliminary lists of companies that represent the labor market within which SCG competes. As part of the decision-making process, these preliminary lists were reviewed and select utility and general industry peer companies were picked using a set of selection criteria (i.e., size, industry characteristics, primary geographic labor market, and 2016 GRC Study peers).

Utility Industry Peer Companies

#	Organization	2016 Sempra Energy GRC Peer	2018 SCE GRC Peer	2017 PG&E GRC Peer	Revenue (Millions) ⁵
1	Ameren Corporation	Y		Y	\$6,098
2	American Electric Power System	Y	Y	Y	\$16,453
3	CenterPoint Energy, Inc.	Y		Y	\$7,386
4	Consolidated Edison Company of New York, Inc.	Y	Y	Y	\$12,554
5	Dominion Resources, Inc. ¹		Y	Y	\$11,683
6	DTE Energy	Y	Y	Y	\$10,337
7	Duke Energy Corporation	Y	Y	Y	\$23,459
8	Energy Future Holdings Corp.	Y	Y	Y	\$5,370
9	Entergy Corporation ¹	Y	Y	Y	\$11,513
10	Eversource Energy Service Co.			Y	\$7,955
11	Exelon Corporation ¹		Y	Y	\$29,447
12	NextEra Energy, Inc.	Y	Y	Y	\$17,486
13	Pacific Gas and Electric Company	Y	Y		\$16,833
14	PacifiCorp	Y	Y		\$5,232
15	Pinnacle West Capital Corporation	Y			\$3,495
16	PPL	Y		Y	\$7,669
17	Public Service Enterprise Group	Y	Y	Y	\$10,415
18	Southern California Edison	Y		Y	\$11,485
19	Southern Company Services, Inc. ¹		Y	Y	\$17,489
20	Xcel Energy Inc.	Y		Y	\$11,024

General Industry Peer Companies

#	Organization ²	2016 Sempra Energy GRC Peer	2018 SCE GRC Participant	2017 PG&E GRC Participant	Revenue (Millions) ⁵
1	Allergan, Inc.	Y	Y	Y	\$15,071
2	Amgen Inc. ³		Y		\$21,662
3	Apple Inc.	Y			\$215,639
4	Bank of America Corporation	Y			\$93,056
5	Bechtel Global Corporation ³		Y	Y	\$32,300
6	Chevron Corporation	Y	Y	Y	\$129,925
7	Edwards Lifesciences	Y			\$2,494
8	First American	Y			\$5,175
9	Fluor Corporation	Y		Y	\$18,114
10	General Dynamics NASSCO West ³				\$31,469
11	Intuit Inc.	Y			\$4,694
12	Jacobs Engineering Group Inc. ⁴	Y		Y	\$10,964
13	Oracle America, Inc.	Y		Y	\$37,047
14	Pacific Life Insurance Company ³			Y	\$8,321
15	Parsons Corporation ³		Y		\$3,219
16	Qualcomm Incorporated	Y		Y	\$23,554
17	Roche ³	Y			\$50,948
18	Sony Pictures Entertainment Inc. ³	Y			\$8,307
19	Teledyne Technologies Incorporated	Y			\$2,298
20	Western Union ³	Y			\$5,484

¹ Broad-based and executive benefits plans are available for these organizations. Broad-based, executive and union benefits plans are available for all other selected utility industry peers.

² Union benefits plans are not available for general industry peers.

³ Broad-based benefits plans are available for these organizations. Broad-based and executive benefits plans are available for all other selected general industry peers.

⁴ Company headquarters moved from California to Dallas; benefits information collected prior to their move.

⁵ 2016 revenue as reported by the organization.

APPENDIX A – I: Employee Profiles

The table below represents the market data utilized to develop the employee profiles.

Job Count	Job and Incumbent Counts		Market			Demographic Information				Job Category & Union Representation Information					
	Employee Counts	Base Median (in '000s) ¹	Target Bonus Percent Median ²	Median Age	Median Tenure	Prevalent Gender	Union Representation	Clerical	Physical/ Technical	Professional/ Technical	Manager/ Supervisor	Executive			
Profile 1	3	218	\$41	37.8	7.1	M	100%	33%	67%	--	--	--			
Profile 2	12	551	\$59	39.7	9.0	M	100%	50%	50%	--	--	--			
Profile 3	10	383	\$70	46.6	13.7	M	100%	20%	80%	--	--	--			
Profile 4	23	1,740	\$80	47.4	15.7	M	100%	4%	96%	--	--	--			
Profile 5	24	1,231	\$91	48.9	20.4	M	100%	8%	92%	--	--	--			
Profile 6	2	26	\$116	57.2	35.3	M	100%	--	100%	--	--	--			
Profile 7	5	32	\$51	50.3	6.8	F	--	100%	--	--	--	--			
Profile 8	25	320	\$60	41.4	10.2	F	--	56%	4%	40%	--	--			
Profile 9	36	443	\$71	41.4	8.5	F	--	36%	--	64%	--	--			
Profile 10	6	67	\$81	46.3	9.1	M	--	33%	67%	--	--	--			
Profile 11	2	19	\$90	49.1	7.6	F	--	50%	50%	--	--	--			
Profile 12	30	345	\$81	41.5	10.4	M	--	--	--	80%	20%	--			
Profile 13	26	228	\$93	42.6	12.5	F	--	--	--	92%	8%	--			
Profile 14	40	588	\$102	46.3	12.8	M	--	--	--	75%	25%	--			
Profile 15	35	486	\$113	46.0	11.2	M	--	--	--	69%	31%	--			
Profile 16	41	497	\$125	48.7	12.8	M	--	--	--	68%	32%	--			
Profile 17	39	267	\$135	48.3	14.2	M	--	--	--	51%	49%	--			
Profile 18	11	50	\$147	48.0	13.1	M	--	--	--	55%	45%	--			
Profile 19	21	161	\$161	49.8	13.3	M	--	--	--	48%	52%	--			
Profile 20	11	18	\$182	49.1	14.2	M	--	--	--	18%	82%	--			
Profile 21	21	65	\$205	51.3	16.2	M	--	--	--	14%	86%	--			
Profile 22	6	13	\$262	50.1	7.3	M	--	--	--	17%	83%	--			
Profile 23	6	6	\$265	47.5	18.2	F	--	--	--	--	--	100%			
Profile 24 ³	7	7	\$328	51.7	12.0	M	--	--	--	--	--	100%			
Profile 25	5	5	\$556	56.6	20.9	F	--	--	--	--	--	100%			
447		7,766													

¹ Geographic differentials were applied to market cash compensation values for employee profiles.

² Market target bonus for each profile does not include zero or blank target bonus.

³ The same incumbent in 985150, VP – Controller & CFO position oversees activities in both SDG&E and SCG and is therefore included twice in Profile 24.

APPENDIX A – II: Benchmark Jobs and Employee Profile Alignment⁹

⁹ Jobs have been sorted by profile number, and job title for ease of view.
August 1, 2017

SCG Executive Benchmark Jobs Included in Study

2019 GRC Study Position #	SCG Benchmark Job Title	Profile Number	Number of SCG Employees
2021	Executive 16	Profile 23	1
2020	Executive 15	Profile 23	1
2018	Executive 8	Profile 24	1
2019	Executive 9	Profile 24	1
2017	Executive 2	Profile 25	1
		TOTAL:	5

SCG Manager/Supervisor Benchmark Jobs Included in Study

2019 GRC Study Position #	SCG Benchmark Job Title	Profile	Number of SCG Employees
2039	Branch Ofc Supv	Profile 12	8
2041	CCC Supv	Profile 12	30
2042	Logstcs Supv	Profile 13	3
2040	Cust Remittance Procg Supv	Profile 14	2
2031	Field Team Lead - Customer Service	Profile 14	43
2038	Fleet Supv	Profile 14	4
2032	Meas Supervisor	Profile 14	15
2037	Fld Supv II - Cust Svc	Profile 15	58
2035	Fld Supv II - Gas Op	Profile 15	49
2036	Technical Supervisor	Profile 15	5
2029	Regnl Pub Affrs Mgr	Profile 16	4
2030	Billing Mgr	Profile 17	2
2028	Finance Manager 17	Profile 17	1
2033	Regnl Pipeline Proj Mgr	Profile 17	20
2027	Safety & Health Mgr	Profile 17	2
2034	Team Leader	Profile 17	11
2026	Infra Techlgy Mgr	Profile 19	6
2025	Finance Manager 6	Profile 21	1
2024	Human Resources Manager 1	Profile 21	1
2023	Human Resources Manager 2	Profile 21	1
2022	Assistant General Counsel	Profile 22	3
		TOTAL:	269

SCG Professional/Technical Benchmark Jobs Included in Study

2019 GRC Study Position #	SCG Benchmark Job Title	Profile	Number of SCG Employees
2123	Business Analyst - I	Profile 8	11
2121	Associate Engineer	Profile 9	47
2117	Business Analyst - II	Profile 9	17
2111	Claims Exmnr II - Wkrs Comp	Profile 9	5
2120	Proj Spec	Profile 9	117
2103	QA Spec	Profile 9	9
2119	Region Associate Engineer	Profile 9	14
2122	Staff Accountant - I	Profile 9	6
2108	Billing Analyst - II	Profile 12	5
2118	Business Systems Analyst - I	Profile 12	17
2114	Customer Programs Advisor I	Profile 12	7
2112	Engineer II	Profile 12	49
2115	Environmental Specialist	Profile 12	10
2102	Fld Instr	Profile 12	10
2105	Infra Techlgy Analyst	Profile 12	6
2113	Senior Accountant - I	Profile 12	9
2097	Customer Programs Advisor II	Profile 13	24
2110	Market Advisor - I	Profile 13	7
2092	Ops Trng Instructor	Profile 13	34
2116	Senior Business Analyst - I	Profile 13	10
2104	Staffing Advisor	Profile 13	6
2098	Techl Spec - II	Profile 13	13
2106	Technical Advisor - I	Profile 13	44
2109	Training Specialist	Profile 13	8
2107	Business Systems Analyst - II	Profile 14	42
2099	Engineer I	Profile 14	40
2086	Infra Technologist	Profile 14	20
2089	Proj Mgr - I	Profile 14	77
2091	Proj Mgr - Trans	Profile 14	10
2095	Senior Accountant - II	Profile 14	6
2079	Senior Engineer	Profile 14	25
2096	Senior Environmental Specialist	Profile 14	4
2083	Sr Acct Exec - II	Profile 14	20
2101	Sr Designer	Profile 14	14
2085	Acct Mgr - Engy Mkts	Profile 15	7
2090	Senior Business Analyst - II	Profile 15	21
2093	Software Developer	Profile 15	15
2094	Sr Contrg Agent	Profile 15	7
2087	Sr Customer Programs Advisor	Profile 15	10
2088	Technical Advisor - II	Profile 15	87
2100	Business Systems Advisor	Profile 16	8
2080	Proj Mgr - II	Profile 16	85
2076	Proj Mgr - Proj & Constrn	Profile 16	16
2084	Public Affairs Manager	Profile 16	20
2081	Senior Market Advisor - I	Profile 16	11
2072	Sr Infra Technologist	Profile 16	6
2078	Sr Software Developer	Profile 16	55

2019 GRC Study Position #	SCG Benchmark Job Title	Profile	Number of SCG Employees
2068	Sr Storage Fld Engineer	Profile 16	12
2073	Database Administrator	Profile 17	8
2082	Principal Business Analyst	Profile 17	11
2071	Principal Engineer	Profile 17	5
2075	Infra Team Lead	Profile 18	6
2074	IT Proj Ld	Profile 18	11
2077	Senior Business Systems Advisor	Profile 18	4
2069	Proj Mgr - III	Profile 19	35
2070	Software Team Lead	Profile 19	21
2067	Senior Counsel	Profile 21	16
		TOTAL:	1,220

SCG Physical/Technical Benchmark Jobs Included in Study

2019 GRC Study Position #	SCG Benchmark Job Title	Profile	Number of SCG Employees
2066	Adv Mtr Proj Fld Rep	Profile 1	191
2064	Field Service Assistant	Profile 2	46
2062	Lkg Ctrl Clerk - 4	Profile 2	22
2059	Mapping Assistant	Profile 2	10
2065	MSA Inspection Rep	Profile 2	96
2055	District Ops Clerk-5	Profile 3	83
2061	Field Collector	Profile 3	72
2060	Logistics Representative	Profile 3	48
2057	Collections Control Clerk-5	Profile 4	20
2063	Constrn Tech	Profile 4	321
2058	Energy Technician - Distribution	Profile 4	218
2056	Energy Technician - Residential	Profile 4	796
2052	Fac Mech	Profile 4	29
2054	Fleet Technician	Profile 4	32
2048	Ld Fleet Tech	Profile 4	43
2050	Meter & Regulator Technician #1	Profile 4	61
2053	Systems Protection Specialist	Profile 4	60
2046	Fld Plng Assoc	Profile 5	115
2045	Instrument Specialist	Profile 5	62
2049	Lead Construction Technician	Profile 5	228
2051	Planning Associate	Profile 5	120
2047	Station Maint Spec	Profile 5	22
2043	Telecom Tech	Profile 5	11
2044	Trans Pipeline Specialist	Profile 6	15
		TOTAL:	2,721

SCG Clerical Benchmark Jobs Included in Study

2019 GRC Study Position #	SCG Benchmark Job Title	Profile	Number of SCG Employees
2012	Mail Pmt Clerk-1	Profile 1	9
2002	Customer Billing Analyst - 5	Profile 2	34
2007	Customer Contact Representative - 4	Profile 2	15
2006	Customer Contact Representative - Bilingual - 4	Profile 2	30
2008	Customer Service Representative - 4	Profile 2	126
2005	Customer Service Representative - Bilingual - 4	Profile 2	128
2015	Meter Reader-R	Profile 2	17
2010	Admin Clerk - 3	Profile 3	93
2004	Sr Admin Clk - 5 - Qual Typ	Profile 4	23
2003	Dispatch Specialist	Profile 5	92
2016	Admin Assoc - 3 LA	Profile 7	2
2013	Admin Assoc - 4 LA	Profile 8	12
2011	Admin Assoc - 5 LA & Admin Assoc - LA	Profile 9	31
2014	Claims Associate	Profile 9	5
2001	Executive Assistant	Profile 9	6
2009	Legal Admin Assoc	Profile 9	4
TOTAL:			627

Corporate Center Executive Benchmark Jobs Included in Study

2019 GRC Study Position #	Corporate Center Benchmark Job Title	Profile	Number of Corporate Center Employees
3021	Executive 18	Profile 23	1
3020	Executive 17	Profile 23	1
3017	Executive 10	Profile 24	1
3018	Executive 11	Profile 24	1
3019	Executive 12	Profile 24	1
3014	Executive 3	Profile 25	1
3015	Executive 4	Profile 25	1
3016	Executive 5	Profile 25	1
TOTAL:			8

Corporate Center Manager/Supervisor Benchmark Jobs Included in Study

2019 GRC Study Position #	Corporate Center Benchmark Job Title	Profile	Number of Corporate Center Employees
3055	Proj Ctrl Ld	Profile 14	4
3047	Accounting Research & Policy Manager	Profile 16	2
3050	Finance Manager 20	Profile 16	1
3054	Corp Acctg Supv	Profile 16	2
3048	Human Resources Manager 7	Profile 16	1
3045	Security Manager	Profile 16	2
3051	Human Resources Manager 6	Profile 17	1
3052	Finance Manager 16	Profile 17	1
3043	Proj Ctrl Mgr	Profile 17	2
3053	Finance Manager 15	Profile 17	1
3038	Tax Manager	Profile 17	6
3036	IT Manager 2	Profile 18	1
3042	Audit Services Manager	Profile 19	3
3046	Finance Manager 12	Profile 19	1
3041	Corp Fin Mgr	Profile 19	2
3035	Finance Manager 14	Profile 19	1
3040	Finance Manager 13	Profile 19	1
3049	Finance Manager 11	Profile 19	1
3039	Finance Manager 8	Profile 20	1
3028	Public Relations Manager 4	Profile 20	1
3037	Public Relations Manager 3	Profile 20	1
3033	Finance Manager 9	Profile 20	1
3031	Finance Manager 10	Profile 20	1
3044	Human Resources Manager 5	Profile 20	1
3024	Finance Manager 5	Profile 21	1
3030	Finance Manager 4	Profile 21	1
3025	Public Relations Manager 2	Profile 21	1
3029	Public Relations Manager 1	Profile 21	1
3034	Finance Manager 2	Profile 21	1
3027	Director - Corporate Tax	Profile 21	4
3032	Finance Manager 3	Profile 21	1
3026	Finance Manager 1	Profile 22	1
3022	Associate General Counsel	Profile 22	3
3023	Legal Manager 1	Profile 22	1
TOTAL:			54

Corporate Center Professional/Technical Benchmark Jobs Included in Study

2019 GRC Study Position #	Corporate Center Benchmark Job Title	Profile	Number of Corporate Center Employees
3091	Staff Accountant	Profile 8	7
3093	Staff Accountant - Rotation	Profile 8	7
3089	Human Resources Professional 5	Profile 9	1
3084	Finance Professional 3	Profile 9	1
3090	Human Resources Professional 4	Profile 9	1
3092	Staff Accountant Rotation - II	Profile 9	9
3085	Tax Analyst II	Profile 9	5
3087	Finance Professional 2	Profile 13	1
3081	Human Resources Professional 3	Profile 13	1
3088	Finl Analyst	Profile 13	4
3086	Human Resources Professional 2	Profile 13	1
3074	MyInfo Project Manager	Profile 14	2
3080	Senior Accountant	Profile 14	5
3078	Public Relations Professional 2	Profile 15	1
3063	Insurance & Risk Advisory Manager	Profile 15	2
3076	Senior Auditor	Profile 15	5
3082	Senior Business Analyst - II	Profile 15	3
3083	Senior Financial Analyst	Profile 15	6
3077	Senior Tax Advisor	Profile 15	9
3079	Sp Agent	Profile 15	6
3064	Ld Software Developer	Profile 16	4
3073	IT Professional 2	Profile 16	1
3067	Senior Compensation Advisor	Profile 16	3
3071	IT Professional 3	Profile 16	1
3069	Sr Client Services Advisor	Profile 16	2
3068	Sr IT Auditor	Profile 16	2
3075	Human Resources Professional 1	Profile 16	1
3062	Prin Auditor	Profile 17	5
3066	Prin Finl Analyst	Profile 17	4
3072	Principal Accountant	Profile 17	7
3070	Finance Professional 1	Profile 17	1
3059	Proj Mgr - Audit Svcs	Profile 17	2
3061	Principal Tax Advisor	Profile 18	9
3065	Public Relations Professional 1	Profile 18	1
3058	IT Professional 1	Profile 19	1
3060	Prin IT Auditor	Profile 19	3
3056	Senior Counsel	Profile 21	7
3057	Senior Tax Counsel	Profile 22	2
		TOTAL:	133

Corporate Center Physical/Technical Benchmark Jobs Included in Study

2019 GRC Study Position #	Corporate Center Benchmark Job Title	Profile	Number of Corporate Center Employees
N/A	N/A	N/A	N/A
TOTAL:			

Corporate Center Clerical Benchmark Jobs Included in Study

2019 GRC Study Position #	Corporate Center Benchmark Job Title	Profile	Number of Corporate Center Employees
3012	Facilities Admin 1	Profile 8	1
3013	Finance Admin 1	Profile 8	1
3003	Exec Sec Spec	Profile 8	2
3008	Insurance & Risk Advisory Coordinator	Profile 8	2
3010	Finance Admin 2	Profile 8	1
3006	Tax Assoc II	Profile 8	2
3009	Administrative Associate - U4	Profile 9	2
3007	Human Resources Admin 1	Profile 9	1
3011	Legal Fiscal Support Associate	Profile 9	2
3004	Paralegal	Profile 9	2
3002	Executive Assistant - I & II	Profile 10	9
3005	Senior Legal Administrative Associate	Profile 10	4
3001	Senior Paralegal	Profile 11	6
TOTAL:			35

APPENDIX B – I: Detailed Competitive Summary by Employee Category – SCG¹⁰

¹⁰ Jobs have been sorted by Sempra average base salary.
August 1, 2017

Executive 2019 GRC Study Position	SCG Benchmark Job Title	# of SCG EES	SCG Average					Competitive Market Average					Variance - SCG +/- Market										
			Base Salary	Target Total Cash	Total Cash	Benefits	LTI	Target Total Comp.	Base Salary	Target Total Cash	Total Cash	Benefits	LTI	Target Total Comp.	Base Salary	Target Total Cash	Total Cash	Benefits	LTI	Target Total Comp.			
2017	Executive 2	1	\$555	\$944	\$1,114	\$122	\$1,094	\$2,160	\$2,330	\$588	\$1,034	\$1,108	\$112	\$1,250	\$2,397	\$2,470	-5.6%	-8.8%	0.5%	9.0%	-12.5%	-9.9%	-5.7%
2018	Executive 8	1	\$320	\$464	\$556	\$61	\$259	\$763	\$875	\$330	\$503	\$522	\$60	\$244	\$807	\$826	-3.2%	-7.7%	6.5%	0.6%	6.0%	-2.9%	5.9%
2019	Executive 9	1	\$305	\$442	\$514	\$59	\$246	\$746	\$818	\$364	\$542	\$574	\$64	\$268	\$874	\$906	-16.3%	-18.5%	-10.6%	-8.8%	-8.2%	-14.6%	-9.7%
2020	Executive 15	1	\$280	\$406	\$472	\$52	\$271	\$729	\$795	\$294	\$430	\$443	\$48	\$212	\$690	\$703	-4.9%	-5.5%	6.5%	7.5%	28.2%	5.7%	13.1%
2021	Executive 16	1	\$251	\$364	\$415	\$48	\$204	\$615	\$666	\$267	\$377	\$395	\$43	\$180	\$600	\$618	-5.9%	-3.3%	5.1%	9.7%	13.1%	2.6%	7.7%
	Benchmark Incumbents	5	\$1,711	\$2,620	\$3,071	\$341	\$2,073	\$5,034	\$5,485	\$1,844	\$2,886	\$3,043	\$328	\$2,153	\$5,367	\$5,524	-7.2%	-9.2%	0.9%	3.8%	-3.7%	-6.2%	-0.7%
	Total Incumbents	16																					
	Coverage	31.3%																					

Manager/Supervisor		SCG Average										Competitive Market Average										Variance - SCG +/- Market									
2019 GRC Study Position	SCG Benchmark Job Title	# of SCG EES	Base Salary	Target Total Cash	Total Cash	Benefits	LTI	Target Total Comp.	Base Salary	Target Total Cash	Total Cash	Benefits	LTI	Target Total Comp.	Base Salary %	Target Total Cash %	Total Cash %	Benefits %	LTI %	Target Total Comp. %	Base Salary %	Target Total Cash %	Total Cash %	Benefits %	LTI %	Target Total Comp. %					
2022	Assistant General Counsel	3	\$264	\$356	\$408	\$45	\$86	\$487	\$258	\$331	\$338	\$38	\$73	\$442	2.4%	7.5%	20.6%	19.1%	18.0%	10.2%	2.4%	7.5%	20.6%	19.1%	18.0%	10.2%	20.1%				
2023	Human Resources Manager 2	1	\$185	\$231	\$185	\$42	--	\$273	\$208	\$266	\$269	\$36	--	\$301	-10.9%	-12.9%	-31.1%	16.9%	--	-9.4%	-10.9%	-12.9%	-31.1%	16.9%	--	-9.4%	-25.5%				
2024	Human Resources Manager 1	1	\$178	\$222	\$247	\$40	\$60	\$322	\$204	\$256	\$261	\$35	\$59	\$350	-13.0%	-13.4%	-5.5%	16.5%	1.2%	-8.0%	-13.0%	-13.4%	-5.5%	16.5%	1.2%	-8.0%	-2.3%				
2025	Finance Manager 6	1	\$171	\$214	\$238	\$40	\$57	\$311	\$202	\$258	\$258	\$34	\$51	\$336	-15.3%	-14.5%	-7.8%	15.6%	13.0%	-7.3%	-15.3%	-14.5%	-7.8%	15.6%	13.0%	-7.3%	-2.4%				
2026	Infra Techlogy Mgr	6	\$152	\$162	\$198	\$35	--	\$217	\$169	\$200	\$202	\$30	--	\$230	-10.1%	-8.7%	-2.0%	16.5%	--	-5.4%	-10.1%	-8.7%	-2.0%	16.5%	--	-5.4%	0.4%				
2027	Safety & Health Mgr	2	\$148	\$170	\$178	\$29	--	\$199	\$134	\$155	\$156	\$23	--	\$178	10.1%	9.7%	14.2%	25.4%	--	11.7%	10.1%	9.7%	14.2%	25.4%	--	11.7%	15.7%				
2028	Finance Manager 17	1	\$139	\$167	\$179	\$29	--	\$196	\$133	\$153	\$153	\$23	--	\$177	4.5%	8.9%	17.2%	24.8%	--	11.0%	4.5%	8.9%	17.2%	24.8%	--	11.0%	18.2%				
2029	Regnl Pub Affrs Mgr	4	\$139	\$160	\$165	\$28	--	\$188	\$130	\$150	\$149	\$23	--	\$173	6.8%	6.3%	10.7%	22.7%	--	8.5%	6.8%	6.3%	10.7%	22.7%	--	8.5%	12.3%				
2030	Billing Mgr	2	\$124	\$143	\$150	\$27	--	\$170	\$130	\$153	\$152	\$23	--	\$176	-3.9%	-6.4%	-1.4%	14.7%	--	-3.6%	-3.9%	-6.4%	-1.4%	14.7%	--	-3.6%	0.7%				
2031	Field Team Lead - Customer Service	43	\$106	\$121	\$125	\$23	--	\$145	\$102	\$114	\$113	\$19	--	\$133	4.0%	6.3%	11.1%	22.5%	--	8.6%	4.0%	6.3%	11.1%	22.5%	--	8.6%	12.8%				
2032	Meas Supervisor	15	\$102	\$118	\$120	\$23	--	\$141	\$101	\$112	\$112	\$19	--	\$130	1.0%	5.6%	7.2%	22.0%	--	8.0%	1.0%	5.6%	7.2%	22.0%	--	8.0%	9.3%				
2033	Regnl Pipeline Proj Mgr	20	\$101	\$116	\$120	\$24	--	\$140	\$136	\$157	\$161	\$24	--	\$181	-25.9%	-25.9%	-25.8%	1.4%	--	-22.4%	-25.9%	-25.9%	-25.8%	1.4%	--	-22.4%	-24.7%				
2034	Team Leader	11	\$101	\$116	\$119	\$24	--	\$140	\$142	\$165	\$166	\$24	--	\$189	-29.1%	-29.7%	-28.0%	-1.7%	--	-26.1%	-29.1%	-29.7%	-28.0%	-1.7%	--	-26.1%	-24.7%				
2035	Flt Supv II - Gas Op	49	\$97	\$112	\$115	\$23	--	\$134	\$112	\$123	\$122	\$20	--	\$143	-13.0%	-9.0%	-5.9%	10.1%	--	-6.3%	-13.0%	-9.0%	-5.9%	10.1%	--	-6.3%	-3.6%				
2036	Technical Supervisor	5	\$97	\$111	\$113	\$22	--	\$134	\$112	\$123	\$22	\$20	--	\$143	-13.3%	-9.4%	-7.3%	9.9%	--	-6.6%	-13.3%	-9.4%	-7.3%	9.9%	--	-6.6%	-4.8%				
2037	Flt Supv II - Cust Svc	58	\$97	\$111	\$114	\$22	--	\$133	\$112	\$123	\$22	\$20	--	\$143	-13.7%	-9.7%	-6.9%	9.7%	--	-7.0%	-13.7%	-9.7%	-6.9%	9.7%	--	-7.0%	-4.5%				
2038	Fleet Supv	4	\$95	\$110	\$115	\$22	--	\$132	\$100	\$111	\$111	\$19	--	\$130	15.2%	20.5%	24.8%	18.3%	--	21.4%	15.2%	20.5%	24.8%	18.3%	--	21.4%	25.1%				
2039	Branch Ofc Supv	8	\$94	\$108	\$111	\$20	--	\$127	\$81	\$89	\$89	\$15	--	\$105	-8.3%	-3.3%	-2.5%	17.2%	--	-0.3%	-8.3%	-3.3%	-2.5%	17.2%	--	-0.3%	0.3%				
2040	Cust Remedance Procg Supv	2	\$93	\$107	\$110	\$22	--	\$129	\$101	\$111	\$113	\$19	--	\$132	15.8%	21.9%	25.3%	27.7%	--	22.7%	15.8%	21.9%	25.3%	27.7%	--	22.7%	25.7%				
2041	COC Supv	30	\$92	\$105	\$108	\$19	--	\$125	\$79	\$86	\$87	\$15	--	\$102	2.1%	8.6%	11.4%	24.0%	--	10.8%	2.1%	8.6%	11.4%	24.0%	--	10.8%	13.2%				
2042	Logstcs Supv	3	\$91	\$105	\$108	\$20	--	\$125	\$89	\$96	\$97	\$16	--	\$113	-7.6%	-4.7%	-1.5%	14.2%	--	-1.9%	-7.6%	-4.7%	-1.5%	14.2%	--	-1.9%	0.8%				
Benchmark Incumbents		269	\$27,873	\$32,318	\$35,419	\$6,265	\$375	\$38,958	\$30,180	\$33,912	\$33,911	\$5,484	\$329	\$39,725	-7.6%	-4.7%	-1.5%	14.2%	14.2%	-1.9%	-7.6%	-4.7%	-1.5%	14.2%	14.2%	-1.9%	0.8%				
Total Incumbents		961																													
Coverage		28.0%																													

Professional/Technical				SCG Average										Competitive Market Average										Variance - SCG +/- Market									
2019 GRC Study Position	# of SCG EES	SCG Benchmark Job Title	Base Salary	Target Total Cash	Target Total Comp.	LTI	Benefits	Total Cash	Target Total Cash	Target Total Comp.	LTI	Benefits	Total Cash	Target Total Cash	Target Total Comp.	LTI	Benefits	Base Salary %	Target Total Cash %	Target Total Comp. %	Base Salary %	Target Total Cash %	Target Total Comp. %	LTI %	Benefits %	Total Cash %	Target Total Cash %	Target Total Comp. %	LTI %	Benefits %			
2067	16	Senior Counsel	\$207	\$258	\$358	\$46	\$45	\$266	\$250	\$327	\$42	\$34	\$249	\$250	\$327	\$42	\$34	\$249	1.5%	6.9%	9.9%	1.5%	6.9%	9.9%	9.9%	31.1%	6.9%	31.1%	9.9%	31.1%	9.9%		
2068	12	Sr. Storage Fld Engineer	\$134	\$154	\$184		\$28	\$128	\$122	\$151		\$21	\$128	\$122	\$151		\$21	\$128	10.4%	19.2%	22.1%	10.4%	19.2%	22.1%		30.7%	19.2%	30.7%		30.7%	23.3%		
2069	35	Proj Mgr - III	\$130	\$160	\$186		\$31	\$117	\$155	\$205		\$28	\$177	\$155	\$205		\$28	\$177	-16.1%	-15.5%	-12.4%	-16.1%	-15.5%	-12.4%		11.7%	-15.5%	11.7%		11.7%	-9.1%		
2070	21	Software Team Lead	\$128	\$148	\$179		\$31	\$117	\$160	\$206		\$28	\$177	\$160	\$206		\$28	\$177	-19.6%	-18.5%	-13.1%	-19.6%	-18.5%	-13.1%		9.4%	-18.5%	9.4%		9.4%	-10.0%		
2071	5	Principal Engineer	\$128	\$147	\$174		\$27	\$114	\$152	\$179		\$28	\$148	\$152	\$179		\$28	\$148	-3.8%	-2.2%	2.4%	-3.8%	-2.2%	2.4%		17.4%	-2.2%	17.4%		17.4%	4.4%		
2072	3	Sr. Infra Technologist	\$128	\$144	\$172		\$27	\$114	\$128	\$165		\$22	\$143	\$128	\$165		\$22	\$143	-0.5%	3.6%	20.9%	-0.5%	3.6%	20.9%		20.9%	3.6%	20.9%		20.9%	9.3%		
2073	6	Database Administrator	\$123	\$141	\$168		\$27	\$114	\$140	\$162		\$24	\$138	\$140	\$162		\$24	\$138	-8.3%	-5.1%	15.5%	-8.3%	-5.1%	15.5%		15.5%	-5.1%	15.5%		15.5%	0.3%		
2074	11	IT Proj Ld	\$122	\$140	\$166		\$26	\$112	\$150	\$172		\$25	\$148	\$150	\$172		\$25	\$148	-19.1%	-19.1%	-13.1%	-19.1%	-19.1%	-13.1%		8.3%	-19.1%	8.3%		8.3%	-10.4%		
2075	6	Infra Team Lead	\$120	\$139	\$163		\$26	\$112	\$150	\$169		\$25	\$146	\$150	\$169		\$25	\$146	-19.9%	-15.4%	13.1%	-19.9%	-15.4%	13.1%		8.3%	-15.4%	8.3%		8.3%	-13.1%		
2076	16	Proj Mgr - Proj & Constr	\$114	\$131	\$157		\$25	\$113	\$127	\$143		\$22	\$144	\$127	\$143		\$22	\$144	-10.1%	-8.4%	-6.3%	-10.1%	-8.4%	-6.3%		13.2%	-8.4%	13.2%		13.2%	-14.6%		
2077	4	Senior Business Systems Advisor	\$113	\$130	\$156		\$25	\$113	\$142	\$161		\$22	\$144	\$142	\$161		\$22	\$144	-20.2%	-9.3%	-5.5%	-20.2%	-9.3%	-5.5%		12.2%	-9.3%	12.2%		12.2%	-3.1%		
2078	55	Sr. Software Developer	\$113	\$128	\$155		\$24	\$110	\$130	\$144		\$22	\$136	\$130	\$144		\$22	\$136	-12.9%	9.0%	12.6%	-12.9%	9.0%	12.6%		24.0%	9.0%	24.0%		24.0%	14.3%		
2079	25	Senior Engineer	\$111	\$127	\$152		\$24	\$110	\$107	\$117		\$19	\$116	\$107	\$117		\$19	\$116	-13.5%	-10.7%	-8.0%	-13.5%	-10.7%	-8.0%		11.6%	-10.7%	11.6%		11.6%	-5.3%		
2080	85	Proj Mgr - II	\$111	\$127	\$152		\$25	\$113	\$121	\$137		\$22	\$140	\$121	\$137		\$22	\$140	-9.1%	-7.9%	-6.0%	-9.1%	-7.9%	-6.0%		13.8%	-7.9%	13.8%		13.8%	-3.3%		
2081	11	Senior Market Advisor - I	\$110	\$126	\$156		\$25	\$113	\$143	\$161		\$24	\$140	\$143	\$161		\$24	\$140	-23.0%	-19.9%	18.7%	-23.0%	-19.9%	18.7%		9.4%	-19.9%	9.4%		9.4%	-15.6%		
2082	11	Principal Business Analyst	\$110	\$126	\$156		\$25	\$113	\$103	\$113		\$19	\$103	\$113	\$113		\$19	\$103	4.6%	9.3%	24.6%	4.6%	9.3%	24.6%		24.1%	9.3%	24.1%		24.1%	-10.3%		
2083	20	Sr. Acc't Exec - II	\$106	\$124	\$148		\$24	\$112	\$126	\$143		\$22	\$126	\$126	\$143		\$22	\$126	-14.9%	-13.5%	-11.1%	-14.9%	-13.5%	-11.1%		9.8%	-13.5%	9.8%		9.8%	-8.2%		
2084	20	Public Affairs Manager	\$107	\$123	\$149		\$23	\$112	\$112	\$125		\$21	\$112	\$125	\$125		\$21	\$112	-6.2%	-2.8%	0.2%	-6.2%	-2.8%	0.2%		13.5%	-2.8%	13.5%		13.5%	2.1%		
2085	4	Act Mgr - Eng'g Mkts	\$106	\$121	\$145		\$23	\$112	\$102	\$110		\$19	\$110	\$110	\$110		\$19	\$110	-10.6%	-7.4%	-5.8%	-10.6%	-7.4%	-5.8%		10.8%	-7.4%	10.8%		10.8%	12.7%		
2086	7	Infra Technologist	\$104	\$119	\$142		\$23	\$112	\$116	\$129		\$21	\$116	\$129	\$129		\$21	\$116	-2.3%	8.3%	10.8%	-2.3%	8.3%	10.8%		23.5%	8.3%	23.5%		23.5%	10.5%		
2087	10	Sr. Customer Programs Advisor	\$104	\$119	\$142		\$23	\$112	\$116	\$129		\$21	\$116	\$129	\$129		\$21	\$116	-10.6%	-7.4%	-5.8%	-10.6%	-7.4%	-5.8%		10.8%	-7.4%	10.8%		10.8%	-3.5%		
2088	87	Technical Advisor - II	\$98	\$113	\$137		\$23	\$112	\$121	\$132		\$21	\$116	\$132	\$132		\$21	\$116	-18.7%	-14.3%	-11.4%	-18.7%	-14.3%	-11.4%		15.3%	-14.3%	15.3%		15.3%	-11.4%		
2089	77	Proj Mgr - I	\$96	\$111	\$134		\$22	\$111	\$105	\$115		\$19	\$115	\$115	\$115		\$19	\$115	-8.3%	-4.1%	-1.4%	-8.3%	-4.1%	-1.4%		16.6%	-4.1%	16.6%		16.6%	1.1%		
2090	21	Senior Business Analyst - II	\$95	\$109	\$132		\$22	\$110	\$115	\$129		\$19	\$119	\$129	\$129		\$19	\$119	-17.5%	-14.9%	-13.4%	-17.5%	-14.9%	-13.4%		13.8%	-14.9%	13.8%		13.8%	-10.6%		
2091	10	Proj Mgr - Trans	\$94	\$108	\$132		\$22	\$110	\$107	\$119		\$17	\$119	\$119	\$119		\$17	\$119	-12.1%	-8.9%	-5.8%	-12.1%	-8.9%	-5.8%		13.8%	-8.9%	13.8%		13.8%	3.0%		
2092	34	Ops Tmg Instructor	\$94	\$108	\$132		\$21	\$110	\$98	\$117		\$17	\$108	\$98	\$117		\$17	\$108	-14.9%	0.8%	0.0%	-14.9%	0.8%	0.0%		19.8%	0.8%	19.8%		19.8%	5.3%		
2093	15	Software Developer	\$94	\$108	\$132		\$22	\$110	\$111	\$122		\$20	\$121	\$122	\$122		\$20	\$121	-18.7%	-11.1%	-9.2%	-18.7%	-11.1%	-9.2%		9.0%	-11.1%	9.0%		9.0%	-6.6%		
2094	7	Sr. Contg Agent	\$93	\$107	\$131		\$22	\$110	\$115	\$128		\$21	\$120	\$128	\$128		\$21	\$120	-14.9%	-10.2%	-10.2%	-14.9%	-10.2%	-10.2%		13.1%	-10.2%	13.1%		13.1%	-7.0%		
2095	6	Senior Accountant - II	\$92	\$106	\$130		\$22	\$110	\$104	\$114		\$19	\$114	\$114	\$114		\$19	\$114	-14.7%	-10.0%	-10.0%	-14.7%	-10.0%	-10.0%		14.4%	-10.0%	14.4%		14.4%	-1.7%		
2096	4	Senior Environmental Specialist	\$92	\$106	\$130		\$22	\$110	\$108	\$114		\$19	\$114	\$114	\$114		\$19	\$114	-11.4%	-8.0%	-4.4%	-11.4%	-8.0%	-4.4%		19.8%	-8.0%	19.8%		19.8%	6.5%		
2097	24	Customer Programs Advisor II	\$91	\$105	\$129		\$20	\$108	\$96	\$104		\$17	\$104	\$104	\$104		\$17	\$104	-4.5%	0.8%	8.9%	-4.5%	0.8%	8.9%		22.3%	0.8%	22.3%		22.3%	7.8%		
2098	13	Tech Spec - II	\$91	\$105	\$129		\$20	\$108	\$91	\$100		\$17	\$100	\$100	\$100		\$17	\$100	-0.1%	5.4%	9.9%	-0.1%	5.4%	9.9%		12.9%	5.4%	12.9%		12.9%	10.9%		
2099	40	Engineer II	\$91	\$105	\$129		\$22	\$110	\$107	\$117		\$19	\$116	\$117	\$117		\$19	\$116	-14.8%	-10.5%	-6.9%	-14.8%	-10.5%	-6.9%		22.9%	-10.5%	22.9%		22.9%	-4.1%		
2100	8	Business Systems Advisor	\$91	\$105	\$129		\$23	\$110	\$104	\$118		\$22	\$138	\$118	\$160		\$22	\$138	-27.0%	-24.2%	-22.1%	-27.0%	-24.2%	-22.1%		3.2%	-24.2%	3.2%		3.2%	-20.5%		
2101	14	Sr. Designer	\$86	\$98	\$112		\$21	\$106	\$101	\$106		\$18	\$106	\$106	\$106		\$18	\$106	-15.6%	-7.2%	-4.8%	-15.6%	-7.2%	-4.8%		15.1%	-7.2%	15.1%		15.1%	-1.8%		
2102	10	QA Spec	\$85	\$96	\$111		\$21	\$106	\$86	\$96		\$18	\$96	\$96	\$96		\$18	\$96	7.4%	14.4%	14.7%	7.4%	14.4%	14.7%		24.2%	14.4%	24.2%		24.2%	16.1%		
2103	9	Staffing Advisor	\$84	\$97	\$114		\$19	\$114	\$79	\$95		\$15	\$95	\$95	\$95		\$15	\$95	13.4%	21.7%	19.6%	13.4%	21.7%	19.6%		26.8%	21.7%	26.8%		26.8%	20.9%		
2104	6	Infra Technol Advisor	\$84	\$96	\$111		\$20	\$106	\$84	\$104		\$17	\$104	\$104	\$104		\$17	\$104	-11.8%	-7.8%	-4.3%	-11.8%	-7.8%	-4.3%		15.1%	-7.8%	15.1%		15.1%	-1.6%		
2105	6	Technical Advisor - I	\$83	\$96	\$111		\$19	\$106	\$82	\$98		\$15	\$98	\$98	\$98		\$15	\$98	1.8%	9.2%	10.4%	1.8%	9.2%	10.4%		21.8%	9.2%	21.8%		21.8%	12.1%		
2106	44	Business Systems Analyst - I	\$83	\$95	\$110		\$19	\$106	\$82	\$98		\$15	\$98	\$98	\$98		\$15	\$98	-15.0%	-10.3%	-7.9%	-15.0%	-10.3%	-7.9%		13.7%	-10.3%	13.7%		13.7%	-4.9%		
2107	2	Billing Analyst - II	\$82	\$95	\$110		\$21	\$106	\$105	\$115		\$17	\$115	\$115	\$115		\$17	\$115	-21.2%	-17.7%	-15.2%	-21.2%	-17.7%	-15.2%		8.8%	-17.7%	8.8%		8.8%	-14.0%		
2108	5	Training Specialist	\$82	\$95	\$110		\$19	\$106	\$85	\$93		\$16	\$93	\$93	\$93		\$16	\$93	-3.4%	1.4%	2.2%	-3.4%	1.4%	2.2%		18.0%	1.4%	18.0%		18.0%	4.5%		
2109	8	Market Advisor - I	\$82	\$94	\$109		\$19	\$106	\$82	\$102		\$17	\$102	\$102	\$102		\$17	\$102	-12.4%	-7.7%	-4.6%	-12.4%	-7.7%	-4.6%		15.3%	-7.7%	15.3%		15.3%	-1.8%		
2110	5	Claims Exmr II - Wrks Comp	\$78	\$89	\$103		\$18	\$103	\$75	\$82		\$15	\$82	\$82	\$82		\$15	\$82	3.6%	9.3%	9.1%	3.6%	9.3%	9.1%		21.4%	9.3%	21.4%		21.4%	11.0%		
2111	49	Engineer II	\$76	\$88	\$102		\$18	\$102	\$88	\$95		\$16	\$95	\$95	\$95		\$16	\$95	-12.8%	-7.3%	-4.5%	-12.8%	-7.3%	-4.5%		13.2%	-7.3%	13.2%		13.2%	-1.9%		
2112	7	Senior Accountant - I	\$76	\$88	\$102		\$18	\$102	\$77	\$84		\$15	\$84	\$84	\$84		\$15	\$84	-13.0%	-8.1%	-5.1%	-13.0%	-8.1%	-5.1%		13.2%	-8.1%	13.2%		13.2%	-2.5%		
2113	10	Customer Programs Advisor I	\$75	\$87	\$101		\$18	\$101	\$77	\$84		\$15	\$84	\$84	\$84		\$15	\$84	-10.4%	-5.3%	-2.0%	-10.4%	-5.3%	-2.0%		14.8%	-5.3%	14.8%		14.8%	9.3%		
2114	7	Environmental Specialist	\$75	\$87	\$101		\$18	\$101	\$74	\$82		\$15	\$82	\$82	\$82		\$15	\$82	-10.4%	-5.3%	-2.0%	-10.4%	-5.3%	-2.0%		14.8%	-5.3%	14.8%		14.8%	0.4%		
2115	10	Senior Business Analyst - I	\$75	\$87	\$101		\$18	\$101	\$95	\$105		\$16	\$105	\$105	\$105		\$16	\$105	-20.9%	0.6%	15.5%	-20.9%	0.6%	15.5%		17.5%	0.6%	17.5%		17.5			

Physical/Technical		SCG Average										Competitive Market Average										Variance - SCG +/- Market									
2019 GRG Study Position	SCG Benchmark Job Title	# of SCG EES	Base Salary	Target Total Cash	Target Total Comp.	LTI	Benefits	Total Cash	Target Total Cash	Target Total Comp.	Base Salary	Target Total Cash	Target Total Comp.	LTI	Benefits	Total Cash	Target Total Cash	Target Total Comp.	Base Salary %	Target Total Cash %	Total Cash %	Benefits %	Total Comp. %	LTI %							
2043	Telecom Tech	11	\$101	\$101	\$122	--	\$22	\$101	\$98	\$122	\$98	\$102	\$118	--	\$20	\$102	\$98	\$118	2.3%	2.3%	-1.5%	9.9%	3.6%	0.4%							
2044	Trans Pipeline Specialist	15	\$100	\$100	\$130	--	\$29	\$100	\$111	\$130	\$111	\$127	\$155	--	\$30	\$127	\$125	\$155	-9.4%	-9.4%	-19.8%	-1.5%	-16.3%	-17.2%							
2045	Instrument Specialist	62	\$100	\$100	\$121	--	\$22	\$100	\$90	\$121	\$90	\$96	\$109	--	\$19	\$96	\$90	\$109	10.5%	10.5%	3.7%	13.9%	11.1%	5.4%							
2046	Flt Png Assoc	115	\$100	\$100	\$121	--	\$21	\$100	\$90	\$121	\$90	\$96	\$115	--	\$19	\$96	\$90	\$115	10.8%	10.8%	4.1%	10.9%	7.5%	5.1%							
2047	Station Maint Spec	22	\$99	\$99	\$120	--	\$21	\$99	\$93	\$120	\$93	\$98	\$112	--	\$19	\$98	\$93	\$112	6.6%	6.6%	0.6%	12.0%	7.5%	2.5%							
2048	Ld Fleet Tech	43	\$93	\$93	\$113	--	\$20	\$93	\$69	\$113	\$69	\$95	\$114	--	\$19	\$95	\$69	\$114	4.8%	4.8%	-2.1%	6.0%	1.9%	-0.4%							
2049	Lead Construction Technician	228	\$93	\$93	\$114	--	\$21	\$93	\$69	\$114	\$69	\$97	\$116	--	\$19	\$97	\$69	\$116	0.4%	0.4%	-3.7%	9.1%	1.9%	-1.6%							
2050	Meter & Regulator Technician #1	61	\$93	\$93	\$113	--	\$20	\$93	\$69	\$113	\$69	\$92	\$107	--	\$18	\$92	\$69	\$107	4.5%	4.5%	1.2%	9.1%	5.3%	2.5%							
2051	Planning Associate	120	\$93	\$93	\$113	--	\$21	\$93	\$69	\$113	\$69	\$99	\$112	--	\$18	\$99	\$69	\$112	-0.4%	-0.4%	-6.0%	8.7%	1.2%	-3.6%							
2052	Fac Mech	29	\$87	\$87	\$107	--	\$19	\$87	\$79	\$107	\$79	\$82	\$96	--	\$17	\$82	\$79	\$96	11.2%	11.2%	11.2%	12.1%	11.4%	7.7%							
2053	Systems Protection Specialist	60	\$87	\$87	\$107	--	\$19	\$87	\$88	\$107	\$88	\$85	\$106	--	\$18	\$85	\$88	\$106	4.6%	4.6%	-1.3%	6.6%	0.1%	1.0%							
2054	Fleet Technician	32	\$84	\$84	\$103	--	\$19	\$84	\$62	\$103	\$62	\$85	\$104	--	\$18	\$85	\$62	\$104	2.9%	2.9%	-2.0%	-1.7%	6.4%	-0.3%							
2055	District Ops Clerk-5	83	\$81	\$81	\$100	--	\$19	\$81	\$73	\$100	\$73	\$79	\$95	--	\$18	\$79	\$73	\$95	11.1%	11.1%	3.9%	7.3%	4.5%	3.4%							
2056	Energy Technician - Residential	796	\$80	\$80	\$99	--	\$19	\$80	\$61	\$99	\$61	\$85	\$103	--	\$18	\$85	\$61	\$103	-1.4%	-1.4%	-5.6%	6.9%	0.1%	-3.4%							
2057	Collections Control Clerk-5	20	\$80	\$80	\$99	--	\$19	\$80	\$75	\$99	\$75	\$81	\$98	--	\$18	\$81	\$75	\$98	6.5%	6.5%	-1.4%	-0.7%	0.1%	0.7%							
2058	Energy Technician - Distribution	218	\$80	\$80	\$99	--	\$19	\$80	\$61	\$99	\$61	\$85	\$103	--	\$18	\$85	\$61	\$103	-1.9%	-1.9%	-6.1%	6.6%	-0.4%	-3.9%							
2059	Mapping Assistant	10	\$77	\$77	\$93	--	\$17	\$77	\$63	\$93	\$63	\$67	\$83	--	\$15	\$67	\$63	\$83	20.8%	20.8%	12.9%	14.6%	12.7%	14.1%							
2060	Logistics Representative	48	\$75	\$75	\$94	--	\$18	\$75	\$70	\$94	\$70	\$74	\$86	--	\$17	\$74	\$70	\$86	8.3%	8.3%	2.3%	9.3%	6.5%	3.6%							
2061	Field Collector	72	\$75	\$75	\$93	--	\$18	\$75	\$76	\$93	\$76	\$80	\$87	--	\$17	\$80	\$76	\$87	-1.6%	-1.6%	-3.6%	5.4%	-0.3%	-3.8%							
2062	Lkg Ctr Clerk - 4	22	\$74	\$74	\$90	--	\$16	\$74	\$62	\$90	\$62	\$66	\$80	--	\$15	\$66	\$62	\$80	19.6%	19.6%	12.8%	12.5%	11.9%	12.4%							
2063	Constn Tech	321	\$73	\$73	\$91	--	\$18	\$73	\$62	\$91	\$62	\$66	\$80	--	\$18	\$66	\$62	\$80	-10.8%	-10.8%	-16.6%	-15.7%	0.1%	-13.8%							
2064	Field Service Assistant	46	\$67	\$67	\$83	--	\$16	\$67	\$56	\$83	\$56	\$58	\$72	--	\$14	\$58	\$56	\$72	19.3%	19.3%	14.7%	14.9%	14.3%	14.5%							
2065	MSA Inspection Rep	96	\$56	\$56	\$71	--	\$15	\$56	\$56	\$71	\$56	\$59	\$70	--	\$14	\$59	\$56	\$70	-0.3%	-0.3%	-4.4%	8.0%	1.4%	-2.0%							
2066	Adv Mtr Proj Flt Rep	191	\$43	\$43	\$56	--	\$12	\$43	\$38	\$56	\$38	\$40	\$51	--	\$11	\$40	\$38	\$51	14.7%	14.7%	8.2%	11.5%	8.9%	9.4%							
Benchmark Incumbents		2,721	\$215,973	\$215,973	\$266,699	\$0	\$60,625	\$215,973	\$214,378	\$266,699	\$214,378	\$225,325	\$266,252	\$0	\$47,261	\$225,325	\$218,991	\$266,252	0.7%	-1.4%	-4.2%	7.1%	0.1%	-2.2%							
Total Incumbents		3,449																													
Coverage		78.9%																													

2019 GRC Study Position	SCG Benchmark Job Title	# of SCG EEs	SCG Average				Competitive Market Average				Variance - SCG +/- Market												
			Base Salary	Target Total Cash	Benefits	Total Comp.	Base Salary	Target Total Cash	Benefits	Total Comp.	Base Salary %	Target Total Cash %	Benefits %	Total Comp. %	LTI %								
2001 Executive Assistant		6	\$81	\$93	\$86	\$19	--	\$112	\$115	\$73	\$77	\$78	\$15	--	\$92	\$83	11.3%	20.3%	23.5%	26.1%	--	21.2%	23.9%
2002 Customer Billing Analyst - 5		34	\$81	\$81	\$81	\$17	--	\$98	\$98	\$68	\$68	\$72	\$15	--	\$83	\$87	18.6%	18.6%	11.8%	14.0%	--	17.8%	12.2%
2003 Dispatch Specialist		92	\$80	\$80	\$80	\$20	--	\$100	\$100	\$69	\$69	\$83	\$19	--	\$108	\$112	-9.6%	-9.6%	-13.8%	4.6%	--	-7.2%	-10.7%
2004 Sr Admin Ck - 5 - Qual Typ		23	\$80	\$80	\$80	\$19	--	\$99	\$99	\$62	\$62	\$87	\$18	--	\$100	\$105	-2.9%	-2.9%	-8.4%	6.2%	--	-1.3%	-6.0%
2005 Customer Service Representative - Bilingual - 4		128	\$75	\$75	\$75	\$16	--	\$92	\$92	\$62	\$66	\$65	\$15	--	\$81	\$80	21.0%	13.1%	14.9%	12.0%	--	12.9%	14.3%
2006 Customer Contact Representative - Bilingual - 4		30	\$75	\$75	\$75	\$16	--	\$92	\$92	\$62	\$66	\$65	\$15	--	\$81	\$80	21.0%	13.1%	14.9%	12.0%	--	12.9%	14.3%
2007 Customer Contact Representative - 4		15	\$75	\$75	\$75	\$16	--	\$91	\$91	\$65	\$69	\$69	\$15	--	\$84	\$83	15.6%	8.0%	9.4%	10.1%	--	8.4%	9.5%
2008 Customer Service Representative - 4		126	\$74	\$74	\$74	\$16	--	\$91	\$91	\$65	\$69	\$69	\$15	--	\$84	\$83	14.7%	7.2%	8.6%	9.6%	--	7.7%	8.8%
2009 Legal Admin Assoc		4	\$72	\$79	\$78	\$18	--	\$97	\$96	\$69	\$73	\$73	\$15	--	\$87	\$88	3.9%	8.6%	7.0%	21.2%	--	10.7%	9.4%
2010 Admin Clerk - 3		93	\$70	\$70	\$70	\$18	--	\$88	\$88	\$69	\$73	\$74	\$17	--	\$90	\$91	1.2%	-4.3%	-5.4%	4.5%	--	-2.7%	-3.5%
2011 Admin Assoc - 5 LA & Admin Assoc - LA		31	\$60	\$66	\$68	\$17	--	\$83	\$84	\$73	\$78	\$79	\$15	--	\$93	\$94	-17.6%	-15.2%	-14.1%	11.1%	--	-11.0%	-10.1%
2012 Mail Pmt Clerk-1		9	\$59	\$59	\$59	\$13	--	\$72	\$72	\$50	\$52	\$52	\$12	--	\$64	\$64	18.3%	12.2%	13.5%	12.3%	--	12.2%	13.3%
2013 Admin Assoc - 4 LA		12	\$53	\$58	\$59	\$16	--	\$74	\$74	\$62	\$66	\$66	\$14	--	\$80	\$80	-14.8%	-11.6%	-10.8%	13.3%	--	-7.2%	-6.5%
2014 Claims Associate		5	\$52	\$57	\$58	\$16	--	\$73	\$74	\$71	\$74	\$76	\$15	--	\$89	\$91	-26.8%	-23.8%	-23.4%	7.9%	--	-18.6%	-18.3%
2015 Meter Reader-R		17	\$51	\$51	\$51	\$15	--	\$66	\$66	\$54	\$56	\$56	\$14	--	\$70	\$70	-4.1%	-8.6%	-8.1%	5.3%	--	-5.9%	-5.4%
2016 Admin Assoc - 3 LA		2	\$47	\$52	\$51	\$19	--	\$71	\$70	\$52	\$55	\$56	\$16	--	\$72	\$72	-10.0%	-6.3%	-7.7%	16.2%	--	-1.2%	-2.3%
Benchmark Incumbents		627	\$45,890	\$46,277	\$46,363	\$10,764	\$0	\$57,040	\$57,127	\$43,323	\$45,362	\$45,841	\$9,886	\$0	\$55,247	\$55,726	5.9%	2.0%	1.1%	8.9%	N/A	3.2%	2.5%
Total Incumbents		835																					
Coverage		75.1%																					

APPENDIX B – II: Detailed Competitive Summary by Employee Category – Corporate Center

Executive	2019 GRC Study Position	Corp Center Benchmark Job Title	# of Corp Center EEs	Corp Center Average					Competitive Market Average					Variance - Corp Center +/- Market								
				Base Salary	Target Total Cash	Target Total Comp.	LTI	Benefits	Base Salary	Target Total Cash	Target Total Comp.	LTI	Benefits	Base Salary %	Target Total Cash %	Target Total Comp. %	LTI %	Benefits %				
	3014 Executive 3		1	\$600	\$1,020	\$1,288	\$1,379	\$2,529	\$2,796	\$1,258	\$1,346	\$1,807	\$3,198	\$3,286	-8.4%	-18.9%	-4.3%	-2.9%	-23.7%	-20.9%	-14.9%	
	3015 Executive 4		1	\$578	\$1,011	\$1,259	\$1,202	\$2,342	\$2,589	\$969	\$1,026	\$1,093	\$2,167	\$2,225	6.2%	4.4%	22.7%	21.3%	10.0%	8.1%	16.4%	
	3016 Executive 5		1	\$463	\$787	\$972	\$938	\$1,629	\$2,014	\$955	\$966	\$1,108	\$2,179	\$2,225	-13.7%	-17.6%	0.6%	-1.2%	-15.3%	-15.6%	-7.6%	
	3017 Executive 10		1	\$377	\$604	\$712	\$662	\$1,339	\$1,448	\$516	\$536	\$62	\$892	\$912	11.4%	16.9%	32.7%	18.9%	110.8%	50.1%	58.7%	
	3018 Executive 11		1	\$329	\$477	\$562	\$61	\$857	\$941	\$469	\$490	\$255	\$782	\$803	1.7%	1.7%	14.5%	6.2%	25.0%	9.6%	17.3%	
	3019 Executive 12		1	\$310	\$450	\$529	\$251	\$758	\$838	\$484	\$513	\$277	\$821	\$849	-5.3%	-7.2%	3.2%	-1.1%	-9.6%	-7.6%	-1.3%	
	3020 Executive 17		1	\$306	\$444	\$480	\$248	\$746	\$782	\$429	\$449	\$234	\$711	\$731	3.0%	3.6%	7.0%	12.7%	4.9%	7.0%		
	3021 Executive 18		1	\$251	\$364	\$420	\$203	\$614	\$670	\$395	\$404	\$173	\$613	\$622	-9.3%	-7.7%	4.0%	3.0%	17.4%	0.2%	7.7%	
	Benchmark Incumbents		8	\$3,215	\$5,157	\$6,221	\$5,203	\$11,014	\$12,078	\$3,299	\$5,474	\$5,731	\$614	\$5,262	\$11,607	-2.6%	-5.8%	8.6%	6.4%	-1.1%	-3.0%	4.1%
	Total Incumbents		11																			
	Coverage		72.7%																			

2019 GRC Study Position	Manager/Supervisor	# of Corp Center EEs	Corp Center Benchmark Job Title	Corp Center Average						Competitive Market Average						Variance - Corp Center +/- Market								
				Base Salary	Target Total Cash	Target Total Comp.	LTI	Benefits	Total Cash	Target Total Cash	Target Total Comp.	LTI	Benefits	Total Cash	Target Total Cash	Target Total Comp.	LTI	Benefits	Total Cash	Target Total Cash	Target Total Comp.	LTI	Benefits	
3022	Associate General Counsel	3	\$301	\$421	\$632	\$695	\$162	\$49	\$484	\$391	\$569	\$631	\$135	\$43	\$454	\$325	\$332	\$332	7.6%	6.6%	15.7%	20.3%	11.2%	10.1%
3023	Legal Manager 1	1	\$274	\$370	\$506	\$570	\$91	\$45	\$434	\$255	\$444	\$506	\$74	\$37	\$444	\$307	\$307	\$307	14.0%	30.7%	20.3%	22.1%	15.9%	28.4%
3024	Finance Manager 5	1	\$236	\$319	\$366	\$466	\$130	\$51	\$366	\$220	\$388	\$400	\$69	\$37	\$400	\$282	\$294	\$294	13.1%	24.5%	37.1%	28.1%	28.7%	36.6%
3025	Public Relations Manager 2	1	\$236	\$295	\$328	\$48	\$78	\$48	\$328	\$210	\$267	\$360	\$63	\$36	\$360	\$267	\$282	\$282	12.1%	16.5%	34.2%	24.1%	19.4%	19.4%
3026	Finance Manager 1	1	\$230	\$310	\$368	\$40	\$125	\$40	\$368	\$251	\$368	\$448	\$37	\$37	\$448	\$276	\$317	\$317	3.2%	16.4%	7.4%	32.4%	5.0%	19.0%
3027	Director - Corporate Tax	4	\$219	\$273	\$304	\$421	\$72	\$39	\$304	\$217	\$272	\$364	\$56	\$36	\$364	\$272	\$276	\$276	0.7%	10.2%	25.4%	28.8%	7.2%	14.5%
3028	Public Relations Manager 4	1	\$210	\$263	\$371	\$400	\$69	\$39	\$263	\$192	\$243	\$318	\$42	\$31	\$318	\$243	\$246	\$246	8.1%	18.6%	29.3%	66.4%	17.9%	25.9%
3029	Public Relations Manager 1	1	\$201	\$251	\$329	\$390	\$65	\$43	\$329	\$215	\$281	\$366	\$49	\$36	\$366	\$281	\$281	\$281	6.3%	7.4%	18.4%	33.1%	0.7%	6.4%
3030	Finance Manager 4	1	\$188	\$235	\$252	\$355	\$63	\$39	\$252	\$166	\$248	\$351	\$62	\$34	\$351	\$248	\$256	\$256	4.0%	-1.7%	19.9%	2.0%	-1.7%	1.1%
3031	Finance Manager 10	1	\$186	\$235	\$252	\$359	\$61	\$36	\$252	\$174	\$210	\$270	\$62	\$34	\$270	\$210	\$210	\$210	12.3%	25.6%	31.9%	77.2%	22.5%	32.9%
3032	Finance Manager 3	1	\$186	\$232	\$335	\$358	\$40	\$62	\$335	\$209	\$266	\$379	\$73	\$37	\$379	\$266	\$270	\$270	-11.0%	-12.6%	13.7%	-15.9%	-10.8%	-5.5%
3033	Finance Manager 9	1	\$177	\$221	\$313	\$343	\$57	\$35	\$313	\$191	\$237	\$330	\$56	\$30	\$330	\$237	\$244	\$244	-7.4%	-6.6%	16.5%	2.5%	-2.9%	4.2%
3034	Finance Manager 2	1	\$170	\$213	\$237	\$332	\$57	\$38	\$237	\$166	\$243	\$331	\$54	\$34	\$331	\$243	\$246	\$246	-13.3%	-12.6%	13.7%	6.8%	-6.8%	-0.2%
3035	Finance Manager 14	1	\$165	\$206	\$232	\$323	\$55	\$37	\$232	\$166	\$199	\$262	\$31	\$30	\$262	\$199	\$202	\$202	-0.5%	3.6%	15.0%	21.7%	77.0%	23.1%
3036	IT Manager 2	1	\$160	\$192	\$222	\$236	--	\$30	\$222	\$155	\$184	\$213	--	\$26	\$187	\$184	\$187	\$187	2.9%	4.4%	10.1%	17.1%	--	6.0%
3037	Public Relations Manager 3	1	\$157	\$196	\$225	\$299	\$32	\$32	\$225	\$182	\$226	\$302	\$45	\$29	\$302	\$226	\$228	\$228	-13.9%	-13.2%	-5.7%	10.8%	-6.6%	-1.0%
3038	Tax Manager	6	\$150	\$180	\$210	\$223	--	\$29	\$210	\$138	\$160	\$183	--	\$24	\$160	\$160	\$160	9.1%	12.5%	21.9%	22.2%	13.8%	22.0%	
3039	Finance Manager 8	1	\$148	\$178	\$208	\$208	--	\$30	\$208	\$171	\$209	\$243	--	\$27	\$209	\$215	\$215	-14.2%	-14.9%	-17.5%	8.3%	--	-14.5%	
3040	Finance Manager 13	1	\$148	\$178	\$208	\$230	--	\$33	\$208	\$171	\$207	\$245	--	\$31	\$207	\$214	\$214	-13.5%	-14.0%	-6.3%	8.3%	--	-11.1%	
3041	Corp Fin Mgr	2	\$146	\$176	\$209	\$215	--	\$33	\$209	\$168	\$203	\$234	--	\$30	\$203	\$204	\$204	-12.7%	-13.6%	-10.7%	8.6%	--	-10.7%	
3042	Audit Services Manager	3	\$144	\$173	\$206	\$214	--	\$33	\$206	\$166	\$197	\$228	--	\$30	\$197	\$198	\$198	-13.3%	-12.4%	-8.4%	8.6%	--	-9.5%	
3043	Proj Chf Mgr	2	\$144	\$172	\$185	\$214	--	\$28	\$185	\$132	\$138	\$160	--	\$22	\$138	\$138	\$138	9.1%	24.8%	34.2%	29.3%	--	25.4%	
3044	Human Resources Manager 5	1	\$140	\$168	\$198	\$211	--	\$29	\$198	\$173	\$209	\$243	--	\$28	\$209	\$215	\$215	-18.8%	-19.5%	-15.7%	5.6%	--	-16.6%	
3045	Security Manager	2	\$140	\$168	\$180	\$208	--	\$28	\$180	\$130	\$147	\$171	--	\$23	\$147	\$148	\$148	7.7%	14.4%	21.5%	22.6%	--	15.5%	
3046	Finance Manager 12	1	\$139	\$166	\$198	\$218	--	\$32	\$198	\$169	\$203	\$239	--	\$30	\$203	\$209	\$209	-18.0%	-18.1%	-10.8%	5.2%	--	-15.0%	
3047	Accounting Research & Policy Manager	2	\$138	\$159	\$186	\$196	--	\$27	\$186	\$129	\$148	\$171	--	\$23	\$148	\$148	\$148	7.3%	7.5%	14.4%	18.1%	--	8.9%	
3048	Human Resources Manager 7	1	\$131	\$157	\$184	\$190	--	\$27	\$184	\$130	\$150	\$176	--	\$23	\$150	\$153	\$153	0.6%	5.1%	6.7%	16.6%	--	6.6%	
3049	Finance Manager 11	1	\$131	\$157	\$181	\$192	--	\$31	\$181	\$168	\$204	\$236	--	\$30	\$204	\$206	\$206	-22.0%	-23.0%	-21.9%	1.5%	--	-19.8%	
3050	Finance Manager 20	1	\$131	\$157	\$162	\$189	--	\$27	\$162	\$129	\$148	\$171	--	\$23	\$148	\$148	\$148	1.7%	6.3%	9.4%	17.3%	--	7.7%	
3051	Human Resources Manager 6	1	\$128	\$153	\$161	\$188	--	\$26	\$161	\$133	\$154	\$178	--	\$23	\$154	\$154	\$154	-4.2%	-0.3%	4.4%	13.5%	--	1.5%	
3052	Finance Manager 16	1	\$128	\$153	\$164	\$191	--	\$26	\$164	\$132	\$152	\$178	--	\$23	\$152	\$155	\$155	-3.5%	0.6%	5.9%	14.1%	--	2.4%	
3053	Finance Manager 15	1	\$125	\$151	\$154	\$180	--	\$26	\$154	\$135	\$157	\$183	--	\$24	\$157	\$160	\$160	-7.3%	-4.1%	-3.6%	11.0%	--	-2.1%	
3054	Corp Acctg Supv	2	\$120	\$138	\$143	\$168	--	\$25	\$143	\$127	\$147	\$168	--	\$23	\$147	\$145	\$145	-5.4%	-5.9%	-1.4%	9.4%	--	-3.9%	
3055	Proj Chf Ld	4	\$83	\$95	\$99	\$118	--	\$20	\$99	\$104	\$113	\$132	--	\$19	\$113	\$113	\$113	-20.4%	-15.6%	-13.1%	4.0%	--	-12.8%	
Benchmark Incumbents		54	\$8,946	\$11,122	\$12,177	\$15,723	\$1,738	\$1,808	\$12,177	\$9,233	\$11,148	\$14,066	\$1,373	\$1,546	\$11,455	\$11,488	\$14,374	-3.1%	-0.2%	6.3%	17.0%	26.6%	4.3%	
Total Incumbents Coverage		89				\$15,723																		
		60.7%																						

2019 GRC Study Position	Corp Center	Bench Job Title	# of Corp Center EEs	Corp Center Average					Competitive Market Average					Variance - Corp Center +/- Market						
				Base Salary	Target Cash	Target Total Comp.	LTI	Total Comp.	Base Salary	Target Cash	Target Total Comp.	LTI	Total Comp.	Base Salary	Target Cash	Target Total Comp.	LTI	Total Comp.		
3056		Senior Counsel	7	\$226	\$282	\$297	\$46	\$50	\$333	\$249	\$34	\$42	\$326	11.0%	12.8%	19.0%	18.9%	16.0%	20.7%	
3057		Senior Tax Counsel	2	\$218	\$272	\$287	\$37	\$49	\$338	\$249	\$34	\$42	\$326	11.0%	12.8%	19.0%	18.9%	16.0%	20.7%	
3058		IT Professional 1	2	\$142	\$164	\$169	\$32	\$169	\$201	\$163	\$36	--	\$163	-11.0%	-10.7%	-4.8%	--	5.8%	10.5%	
3059		Prin Mgr - Audit Svcs	3	\$130	\$150	\$156	\$26	--	\$177	\$184	\$29	--	\$212	-11.0%	-10.7%	-7.8%	--	-7.8%	-5.3%	
3060		Prin IT Auditor	3	\$131	\$149	\$154	\$30	--	\$179	\$184	\$24	--	\$184	-6.7%	-5.9%	-2.8%	--	-3.9%	-1.2%	
3061		Principal Tax Advisor	9	\$126	\$145	\$149	\$26	--	\$174	\$179	\$28	--	\$200	-14.5%	-13.8%	-11.3%	--	-10.7%	-8.6%	
3062		Prin Auditor	5	\$126	\$145	\$150	\$26	--	\$174	\$179	\$24	--	\$200	-19.0%	-19.8%	-17.1%	--	-17.4%	-15.0%	
3063		Insurance & Risk Advisory Manager	2	\$120	\$137	\$145	\$24	--	\$176	\$176	\$24	--	\$184	-10.2%	-9.5%	-6.4%	--	-7.3%	-4.6%	
3064		IT Software Developer	4	\$116	\$134	\$139	\$24	--	\$168	\$169	\$21	--	\$155	17.7%	4.1%	8.4%	--	5.1%	8.9%	
3065		Public Relations Professional 1	1	\$115	\$132	\$141	\$24	--	\$157	\$165	\$23	--	\$167	-10.3%	-7.1%	-2.0%	--	-5.0%	-20.6%	
3066		Prin Finl Analyst	4	\$115	\$132	\$136	\$24	--	\$156	\$162	\$26	--	\$206	-26.2%	-26.6%	-22.8%	--	-23.9%	-20.5%	
3067		Senior Compensation Advisor	3	\$113	\$131	\$135	\$24	--	\$155	\$161	\$24	--	\$186	-17.4%	-17.2%	-16.0%	--	-14.7%	-13.6%	
3068		Sr IT Auditor	2	\$113	\$130	\$131	\$24	--	\$154	\$155	\$22	--	\$156	-5.3%	-3.0%	0.0%	--	-1.0%	1.5%	
3069		Sr Client Services Advisor	2	\$111	\$127	\$132	\$24	--	\$151	\$155	\$22	--	\$160	-8.8%	-5.6%	-6.0%	--	-3.5%	-3.9%	
3070		Finance Professional 1	1	\$108	\$124	\$130	\$24	--	\$148	\$153	\$24	--	\$155	-7.4%	-4.6%	-1.8%	--	-2.5%	-0.2%	
3071		IT Professional 3	1	\$108	\$124	\$126	\$23	--	\$147	\$150	\$24	--	\$181	-24.3%	-21.2%	-19.5%	--	-18.5%	-17.1%	
3072		Principal Accountant	7	\$108	\$122	\$125	\$23	--	\$146	\$149	\$23	--	\$167	-16.9%	-14.0%	-11.2%	--	-11.6%	-9.1%	
3073		IT Professional 2	1	\$108	\$121	\$125	\$23	--	\$145	\$148	\$22	--	\$176	-20.8%	-19.8%	-18.2%	--	-17.2%	-15.7%	
3074		W/Info Project Manager	2	\$105	\$121	\$125	\$22	--	\$143	\$147	\$22	--	\$160	-14.9%	-12.2%	-9.8%	--	-9.8%	-7.8%	
3075		Human Resources Professional 1	1	\$105	\$121	\$123	\$23	--	\$143	\$146	\$18	--	\$125	7.5%	13.5%	17.9%	--	14.4%	18.2%	
3076		Senior Auditor	5	\$104	\$120	\$124	\$22	--	\$142	\$146	\$22	--	\$147	-8.3%	-4.4%	-2.1%	--	-9.9%	-10.0%	
3077		Senior Tax Advisor	9	\$101	\$116	\$120	\$22	--	\$142	\$146	\$21	--	\$155	-13.1%	-10.5%	-7.7%	--	-8.6%	-6.5%	
3078		Public Relations Professional 2	1	\$101	\$116	\$120	\$22	--	\$142	\$146	\$21	--	\$155	-13.1%	-10.5%	-7.7%	--	-8.6%	-6.5%	
3079		Sp Agent	6	\$96	\$110	\$113	\$21	--	\$131	\$134	\$21	--	\$154	-13.2%	-11.9%	-9.3%	--	-10.0%	-7.7%	
3080		Senior Accountant	5	\$91	\$105	\$110	\$21	--	\$126	\$130	\$20	--	\$143	-13.1%	-10.1%	-7.7%	--	-8.1%	-6.0%	
3081		Human Resources Professional 3	1	\$91	\$104	\$107	\$19	--	\$123	\$126	\$20	--	\$140	-15.6%	-12.8%	-9.1%	--	-10.3%	-7.1%	
3082		Senior Business Analyst - II	3	\$90	\$103	\$106	\$21	--	\$124	\$127	\$17	--	\$118	-2.3%	2.8%	6.0%	--	4.3%	7.1%	
3083		Senior Financial Analyst	6	\$89	\$103	\$107	\$20	--	\$114	\$120	\$21	--	\$150	-22.0%	-19.5%	-18.6%	--	-17.1%	-16.2%	
3084		Finance Professional 3	1	\$85	\$98	\$101	\$18	--	\$114	\$127	\$21	--	\$148	-21.5%	-18.8%	-15.9%	--	-16.3%	-13.9%	
3085		Tax Analyst II	5	\$82	\$95	\$95	\$18	--	\$111	\$119	\$15	--	\$98	11.0%	17.7%	21.5%	--	17.6%	20.9%	
3086		Human Resources Professional 2	1	\$82	\$94	\$95	\$18	--	\$112	\$113	\$15	--	\$96	10.1%	16.9%	19.0%	--	16.9%	18.7%	
3087		Finance Professional 2	1	\$73	\$84	\$87	\$17	--	\$101	\$104	\$17	--	\$121	-13.7%	-9.4%	-8.1%	--	-7.1%	-6.0%	
3088		Fin Analyst	4	\$73	\$83	\$87	\$17	--	\$101	\$104	\$17	--	\$118	-21.4%	-17.4%	-13.9%	--	-14.5%	-11.5%	
3089		Human Resources Professional 5	1	\$72	\$82	\$85	\$17	--	\$99	\$102	\$15	--	\$123	-24.5%	-21.2%	-16.9%	--	-18.2%	-14.4%	
3090		Human Resources Professional 4	1	\$72	\$82	\$85	\$17	--	\$99	\$102	\$15	--	\$95	-2.8%	3.3%	8.0%	--	4.5%	8.5%	
3091		Staff Accountant	7	\$69	\$79	\$81	\$16	--	\$95	\$98	\$15	--	\$97	18.5%	27.3%	32.2%	--	25.9%	29.8%	
3092		Staff Accountant Rotation - II	9	\$58	\$67	\$69	\$15	--	\$83	\$85	\$14	--	\$91	-17.5%	-12.2%	-8.5%	--	-9.5%	-6.4%	
3093		Staff Accountant - Rotation	7	\$56	\$64	\$64	\$15	--	\$79	\$77	\$14	--	\$75	-4.3%	2.8%	0.9%	--	4.1%	2.6%	
		Benchmark Incumbents	133	\$13,990	\$16,290	\$16,833	\$3,036	\$450	\$20,319	\$17,653	\$2,807	\$296	\$20,755	-10.4%	-7.7%	-4.6%	8.1%	62.2%	-4.7%	
		Total Incumbents Coverage	211																	
			63.0%																	

Physical/Technical		Corp Center Average				Competitive Market Average				Variance - Corp Center +/- Market				
2019 GRC Study Position	Corp Center Benchmark Job Title	# of Corp Center EEs	Base Salary	Target Total Cash	Total Cash	LTI	Target Total Comp.	Total Comp.	Base Salary %	Target Total Cash %	Total Cash %	LTI %	Target Total Comp. %	Total Comp. %
		0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		-												
		0.0%												
	Benchmark Incumbents													
	Total Incumbents													
	Coverage													

2019 GRC Study Position	Corp Center Benchmark Job Title	# of Corp Center EEs	Corp Center Average					Competitive Market Average					Variance - Corp Center +/- Market									
			Base Salary	Target Total Cash	Target Total Comp.	LTI	Total Comp.	Base Salary	Target Total Cash	Target Total Comp.	LTI	Total Comp.	Base Salary %	Target Total Cash %	Target Total Comp. %	LTI %	Total Comp. %					
3001	Senior Paralegal	6	\$89	\$103	\$107	\$21	\$124	\$127	--	\$96	\$95	\$18	\$88	\$96	\$113	1.8%	7.4%	8.5%	--	14.2%	8.5%	12.3%
3002	Executive Assistant - I & II	9	\$81	\$93	\$97	\$19	\$112	\$116	--	\$85	\$85	\$17	\$80	\$85	\$102	1.3%	9.4%	10.1%	--	13.2%	10.1%	13.2%
3003	Exec Sec Spec	2	\$79	\$86	\$88	\$17	\$103	\$105	--	\$70	\$73	\$14	\$65	\$70	\$87	21.3%	23.6%	22.7%	--	20.4%	22.7%	20.1%
3004	Paralegal	2	\$72	\$83	\$86	\$17	\$100	\$102	--	\$81	\$80	\$15	\$76	\$81	\$95	-4.6%	2.3%	3.6%	--	10.5%	3.6%	7.4%
3005	Senior Legal Administrative Associate	4	\$71	\$78	\$80	\$18	\$96	\$98	--	\$84	\$86	\$17	\$79	\$84	\$102	-9.9%	-7.1%	-4.9%	--	6.3%	-4.9%	-4.0%
3006	Tax Assoc II	2	\$69	\$76	\$76	\$16	\$92	\$92	--	\$66	\$66	\$14	\$62	\$66	\$80	11.2%	13.7%	13.9%	--	16.5%	13.9%	16.1%
3007	Human Resources Admin 1	1	\$68	\$75	\$77	\$16	\$91	\$94	--	\$74	\$74	\$14	\$70	\$74	\$89	-3.2%	1.0%	4.4%	--	9.9%	2.5%	5.4%
3008	Insurance & Risk Advisory	2	\$66	\$72	\$74	\$16	\$88	\$90	--	\$67	\$68	\$14	\$63	\$67	\$82	4.4%	6.9%	7.8%	--	11.9%	7.8%	9.6%
3009	Administrative Associate	2	\$63	\$69	\$71	\$16	\$85	\$86	--	\$78	\$79	\$15	\$73	\$78	\$94	-13.5%	-11.0%	-8.4%	--	10.7%	-8.4%	-8.2%
3010	Finance Admin 2	1	\$62	\$68	\$72	\$16	\$84	\$87	--	\$66	\$66	\$14	\$62	\$66	\$80	0.3%	2.8%	4.1%	--	9.6%	4.1%	9.7%
3011	Legal Fiscal Support Associate	2	\$62	\$68	\$70	\$16	\$84	\$85	--	\$71	\$72	\$14	\$67	\$71	\$86	-8.2%	-4.5%	-2.5%	--	7.7%	-2.5%	-0.7%
3012	Facilities Admin 1	1	\$57	\$63	\$64	\$15	\$78	\$79	--	\$66	\$66	\$14	\$62	\$66	\$80	-7.1%	-3.7%	-1.6%	--	7.8%	-1.6%	-1.1%
3013	Finance Admin 1	1	\$55	\$64	\$63	\$15	\$79	\$79	--	\$69	\$69	\$14	\$64	\$69	\$84	-14.1%	-8.2%	-5.8%	--	6.0%	-5.8%	-6.0%
Benchmark Incumbents			\$2,809	\$2,943	\$3,037	\$622	\$3,565	\$3,659	\$0	\$2,818	\$2,832	\$557	\$2,828	\$2,818	\$3,375	-0.7%	4.5%	5.6%	N/A	11.6%	5.6%	8.0%
Total Incumbents Coverage															\$3,389					7.2%		

APPENDIX C: Competitive Summary by Average Total Compensation Dollars

Table C-1: SCG Study Summary (Excluding Corporate Center): Average Compensation Dollars (\$000s)

SCG Employee Category	# of SCG Employees in Study	SCG						Market									
		Base Salary	Target Total Cash	Actual Total Cash	Benefits	Incentives	Long-Term	Target Total Comp.	Actual Total Comp.	Base Salary	Target Total Cash	Actual Total Cash	Benefits	Incentives	Long-Term	Target Total Comp.	Actual Total Comp.
Executive	5	\$342	\$524	\$614	\$68	\$415	\$1,007	\$1,097	\$66	\$431	\$1,073	\$1,105					
Manager/Supervisor	269	\$104	\$120	\$124	\$23	\$1	\$145	\$149	\$20	\$1	\$148	\$148					
Professional/Technical	1,220	\$95	\$110	\$113	\$22	\$1	\$132	\$135	\$19	\$1	\$137	\$137					
Physical/Technical	2,721	\$79	\$79	\$79	\$19	\$0	\$98	\$98	\$17	\$0	\$98	\$100					
Clerical	627	\$73	\$74	\$74	\$17	\$0	\$91	\$91	\$16	\$0	\$88	\$89					
Total	4,842																

Table C-2: SCG Study Summary (Including Corporate Center): Average Compensation Dollars (\$000s)

SCG Employee Category	# of SCG Employees in Study	SCG						Market									
		Base Salary	Target Total Cash	Actual Total Cash	Benefits	Incentives	Long-Term	Target Total Comp.	Actual Total Comp.	Base Salary	Target Total Cash	Actual Total Cash	Benefits	Incentives	Long-Term	Target Total Comp.	Actual Total Comp.
Executive	7	\$358	\$557	\$659	\$72	\$479	\$1,108	\$1,210	\$69	\$493	\$1,168	\$1,199					
Manager/Supervisor	282	\$106	\$124	\$129	\$24	\$3	\$151	\$155	\$21	\$2	\$153	\$153					
Professional/Technical	1,251	\$95	\$110	\$113	\$22	\$1	\$133	\$136	\$19	\$1	\$138	\$137					
Physical/Technical	2,721	\$79	\$79	\$79	\$19	\$0	\$98	\$98	\$17	\$0	\$98	\$100					
Clerical	635	\$73	\$74	\$74	\$17	\$0	\$91	\$91	\$16	\$0	\$88	\$89					
Total	4,896																

APPENDIX D: Competitive Summary by Aggregate Total Compensation Dollars

Table D-1: SCG Study Summary (Excluding Corporate Center): Aggregate Compensation Dollars (\$000s)

SCG Employee Category	# of SCG Employees in Study	SCG					Market								
		Base Salary	Target Total Cash	Actual Total Cash	Long-Term Incentives	Target Total Comp.	Actual Total Comp.	Base Salary	Target Total Cash	Actual Total Cash	Long-Term Incentives	Target Total Comp.	Actual Total Comp.		
Executive	5	\$1,711	\$2,620	\$3,071	\$341	\$2,073	\$5,034	\$5,485	\$1,844	\$2,886	\$3,043	\$328	\$2,153	\$5,367	\$5,524
Manager/Supervisor	269	\$27,873	\$32,318	\$33,419	\$6,265	\$375	\$38,958	\$40,059	\$30,180	\$33,912	\$33,911	\$5,484	\$329	\$39,725	\$39,724
Professional/Technical	1,220	\$115,957	\$133,714	\$137,511	\$27,024	\$743	\$161,481	\$165,278	\$129,640	\$143,123	\$142,822	\$23,589	\$676	\$167,388	\$167,087
Physical/Technical	2,721	\$215,973	\$215,973	\$215,973	\$50,625	\$0	\$266,599	\$266,599	\$214,378	\$218,991	\$225,325	\$47,261	\$0	\$266,252	\$272,586
Clerical	627	\$45,890	\$46,277	\$46,363	\$10,764	\$0	\$57,040	\$57,127	\$43,323	\$45,362	\$45,841	\$9,886	\$0	\$55,247	\$55,726
Total	4,842														

Table D-2: SCG Study Summary (Including Corporate Center): Aggregate Compensation Dollars (\$000s)

SCG Employee Category	# of SCG Employees in Study	SCG					Market								
		Base Salary	Target Total Cash	Actual Total Cash	Long-Term Incentives	Target Total Comp.	Actual Total Comp.	Base Salary	Target Total Cash	Actual Total Cash	Long-Term Incentives	Target Total Comp.	Actual Total Comp.		
Executive	7	\$2,466	\$3,831	\$4,533	\$494	\$3,296	\$7,622	\$8,323	\$2,619	\$4,172	\$4,390	\$472	\$3,390	\$8,035	\$8,252
Manager/Supervisor	282	\$29,975	\$34,931	\$36,280	\$6,690	\$784	\$42,405	\$43,754	\$32,350	\$36,532	\$36,603	\$5,848	\$651	\$43,031	\$43,102
Professional/Technical	1,251	\$119,245	\$137,542	\$141,467	\$27,737	\$849	\$166,128	\$170,053	\$133,310	\$147,272	\$146,970	\$24,249	\$745	\$172,266	\$171,964
Physical/Technical	2,721	\$215,973	\$215,973	\$215,973	\$50,625	\$0	\$266,599	\$266,599	\$214,378	\$218,991	\$225,325	\$47,261	\$0	\$266,252	\$272,586
Clerical	635	\$46,504	\$46,968	\$47,077	\$10,910	\$0	\$57,878	\$57,987	\$43,940	\$46,024	\$46,506	\$10,017	\$0	\$56,041	\$56,523
Total	4,896														

APPENDIX E: Detailed Benefits Methodology

BenVal[®] Valuation Methodology

Willis Towers Watson's BenVal is a method for determining the value of benefits provided by participating companies by applying a standard set of actuarial methods and assumptions to a common employee population. BenVal results provide a quantitative evaluation of each company's benefit provisions and overall benefit program, and facilitate a comparison of these benefit values against peer companies.

The valuation methodology reflects the timing of benefits -- whether deferred or immediate:

- Retirement benefits such as pension and retiree welfare benefits are valued using projected unit credit (service prorate) methodology.
- Values for defined contribution plan benefits reflect amounts expected to be contributed for the year.
- Benefits potentially payable immediately such as death and disability benefits are valued on a term cost basis, reflecting the probabilities of the various events occurring within the year, multiplied by the value of the benefit.

Actuarial Assumptions

Economic

Discount rate		7.0%
Cash balance plan accumulation	1-year Treasury	4.4%
	5-year Treasury	5.1%
	10-year Treasury	5.3%
	30-year Treasury	5.5%
	long corporate bond	6.5%
	PPA Segment Rate 1	5.3%
	PPA Segment Rate 2	6.6%
	PPA Segment Rate 3	7.1%

Compensation increase	4.0%
Wage index (SSWB)	3.5%
Inflation (CPI)	2.5%
Health care cost trend (for postretirement medical)	6.5% graded to 5% over 5 years

Demographic

Retirement: Incidence varies by the age at which retirement benefits are available on an unreduced basis; illustrative rates are shown below:

Age at retirement	Age for unreduced benefit			
	65	62	60	55
50	2%	2%	2%	2%
55	4%	4%	4%	15%
60	10%	10%	15%	15%
62	20%	30%	30%	30%
65	100%	100%	100%	100%

Example: For a plan that provides an unreduced benefit at age 62, 30% of employees are expected to retire upon reaching that age.

Turnover: Illustrative rates are shown below:

Age	Rate
25	13.2%
35	8.1%
45	5.2%
55	2.2%
56+	0%

Mortality: RP 2000 table (reflecting projected mortality improvements through 2012), applied on a sex-distinct basis; illustrative rates are shown below:

Age	Deaths per 10,000 lives	
	Male	Female
25	3	2
35	7	4
45	13	10
55	32	22
65	79	60
75	207	173

Disablement (long-term disability): 1987 Commissioner’s Group Disability Table, with six month elimination period; adjusted where more restrictive long-term disability requirements apply

Termination of disability: 1987 Commissioner’s Group Disability Table (adjusted +11% to remove insurer margin)

Disabled mortality: PBGC mortality for disabled participants

Morbidity (short-term (STD) disability): developed based on (1) large company experience, (2) Society of Actuaries STD experience data, (3) 1987 Commissioner's Disability Table

Percentage married: 65%

Medical/dental coverage: Baseline active and retiree level elections.

Active employees

Coverage level	% electing
Single	37%
Employee + 1	23%
Employee + family	28%
Opt out	12%

Retirees

Coverage level	% electing
Retiree only	48%
Retiree + spouse	52%

Plan-Specific Methodology

Defined Benefit Plans

The present value of the annual benefit accrual is developed using the projected unit credit (service prorate) methodology. Benefits are allocated evenly over an employee's entire working history, reflecting projected pay and the plan's provisions for normal or early retirement (including any early retirement supplements), vesting, disability, pre- or postretirement death (where benefits are subsidized), and refund of employee contributions.

Plan values are indexed based on the employer's stated policy. In addition, breakpoints in step-rate formulas at levels based on the Social Security Taxable Wage Base are assumed to increase with the wage index.

For cash balance plans, the assumed rate of interest credited on accumulated account balances is set to reflect the plan provisions.

Defined Contribution Plans

Included in this category are money purchase plans, profit-sharing plans and any type of savings plan (thrift or stock purchase). Plan values are determined as an estimate of current year contributions.

For savings plans, expected participation and contribution levels are determined based on the employee's total pay and the level of matching contributions. The table differentiates, for example, between the total value of a profit sharing plan with an average annual contribution of 9% of pay and a savings plan which allows the employee to contribute 6% of pay with a company match of 50% of matched employee contributions. It is expected that even for the most generous matched plans, some percentage of employees will not elect to join the savings plan or contribute the full matched amount.

The participation rate for Savings Plans is dependent on the level of match and the total pay of the participant. It is determined as the product of Table A and Table B.

Table A
Assumed Participation Rates for Savings Plans
(other than stock purchase plans)

match	up to 8% of pay	over 8% of pay
none	40%	0%
1% - 24%	50%	25%
25% - 49%	60%	30%
50% - 74%	70%	35%
75% - 99%	80%	40%
100% and over	90%	45%

The above table applies to Total Pay of \$60,000 to \$89,999.

The following factors apply based on Total Pay:

Table B

Total Pay	Factor
<\$40,000	0.6
\$40,000 - \$59,999	0.8
\$60,000 - \$89,999	1.0
\$90,000 - \$119,999	1.2 (not more than 90%)
\$120,000 - \$159,999	1.4 (not more than 100%)
\$160,000+	100% participation (except at no match, which remains 0% for deferrals above 8%)

For example, a savings plan that matches 50% up to 6% of pay for an employee earning \$60,000 would have the following result:

$$\text{Employee Contribution} = (\$60,000 \times .06 \times .70) + (\$60,000 \times .02 \times .40) = \$3,000$$

$$\text{Employer Contribution} = (\$60,000 \times .06 \times .50 \times .70) = \$1,260$$

The same employee earning \$90,000 would have the following result:

$$\begin{aligned} \text{Employee Contribution} &= (\$90,000 \times .06 \times .84) + (\$90,000 \times .02 \times .48) = \$5,400 \\ \text{Employer Contribution} &= (\$90,000 \times .06 \times .50 \times .84) = \$2,268 \end{aligned}$$

The assumed value of a stock purchase plan is determined by the purchase period, the level of price discount and the assumed participation rates – see below.

Assumed Participation Rates for Stock Purchase Plans

Combined discount/option value	Up to 8% of pay	Over 8% of pay
none	0%	0%
1% - 24%	35%	17.5%
25% - 29%	38%	19%
30% - 39%	42%	21%
40% - 49%	46%	23%
50% and over	50%	25%

Note: The assumed subsidy reflects the discount applied to the stock price along with the value of the fixed price option determined based on the Black Scholes method. (For a typical plan, the option value is generally in the range of 10% - 15%.)

For profit sharing plans and ESOPs, assumed contribution levels reflect the average of the past five years' actual contributions to the plan or the company's projected future contributions (if provided).

Death Benefit Plans

Values of the following benefits are calculated: pre-retirement group life, employer subsidized accidental death and dismemberment, dependent's life insurance and postretirement group life. Insurance coverage provided under a Group Universal Life Plan (GULP) is also included.

The level of optional insurance elected is determined by a formula that reflects the level of contributions required along with the amount of basic company-provided coverage and the employee's salary, bonus if applicable and marital status.

Life insurance coverage continuing after retirement is valued on a projected unit credit basis. Retired employees are assumed to cease election of GULP coverage at age 65. Flat dollar death benefits are assumed to remain constant.

Occupational coverage is not valued, due to its assumed negligible value.

Disability Plans

Short-term and long-term disability benefits are valued. Short-term disability (STD) benefits include sick pay, salary continuance, intermittent and extended coverage, and sickness and accident policies.

Long-term disability values reflect the level and duration of benefits, the plan's definition of disability, definition of pay, and the plan's benefit integration provisions (e.g., coordination with Social Security or pension benefits).

Differentiation is made between plans with varying definitions of disablement. When more than one option for STD or LTD coverage is available to employees, the highest enrolled option is valued.

Medical and Dental Plans

Where multiple plans or options are available, it is assumed that all employees will elect the most prevalent choice as reported by the plan sponsor, i.e., the plan with the highest enrollment. Medical benefit values reflect such factors as: type of plan, deductibles and coinsurance, stop loss provisions, type and level of benefits provided, benefit limits, and the level of required employee contributions.

The value for prescription drug coverage is reflected in the health care plan value even if covered under a separate plan. Continuation of medical coverage is valued for survivors and disabled employees.

Separate values are calculated for active employee coverage (term cost) and for postretirement coverage (projected unit credit service cost). The value for postretirement coverage reflects the plan's coordination with Medicare benefits at age 65.

Values for HMOs are adjusted by a factor of 0.98 to reflect restrictions on provider choice. PPO, POS, CDHP and comprehensive plan values are not adjusted. For CDHPs, the amount provided by the employer as an HRA or HSA contribution is added to the total value of the plan. The model assumes 100 percent utilization of the account during the year. Out-of-network benefits are not reflected in the BenVal values.

Medical benefits continuing after retirement are valued on a projected unit credit cost basis.

The following table illustrates the assumed participation rates for medical and dental plans – which are based on the level of required employee contributions. These participation rates represent additional opt- outs based on value of employee contributions and are in addition to the baseline 12% opt-out rate listed on page 5 for actives.

Assumed Participation for Medical and Dental Plans

Contributions as % of plan value	Active	Retiree	Retiree – post-65
0%	100%	100%	100%
20%	98%	99%	95%
40%	96%	98%	90%
60%	94%	97%	80%
80%	92%	96%	65%
100%+	90%	95%	50%

Vacation and Holiday Plans

The values for vacation and holiday benefits reflect the employer’s schedule of benefits, the employee’s earnings level and expected utilization. Less than full utilization of vacation days is assumed in some cases, particularly for high paid/long service employees who are expected to forfeit a portion of vacation days each year – unless the employer provides pay for unused vacation days.

The values for PTO plans reflect the permitted use of PTO days and the design of the employer’s STD plan and holiday provisions, in addition to the aspects reflected for vacation and holiday benefits. If PTO days can be used for illness, the allocation to STD is determined based on the elimination period before subsequent STD/sick pay benefits are payable, to a maximum of the average annual absence day usage.

If PTO days can be used for personal days, personal absence or holidays, then there is an allocation to holidays. The holiday allocation amount is 10 days minus the number of specified employer scheduled plus specified employee scheduled holidays. If the total scheduled holidays equals or exceeds 10 days, there is no allocation to holidays. The remaining days are allocated to vacation.

APPENDIX F: LTI Methodology

Accounting Value

Accounting values are used by participants for financial reporting and/or disclosure purposes. The values reflect “fair values” under ASC 718, the U.S. accounting standard, and are the amounts that public companies discuss in their proxy statement CD&A report and disclose in their Grants of Plan-Based Awards table. For each stock option, restricted stock, or other performance award, the accounting value is the value determined by the company and reported to the survey. Values reflect the grant date accounting value per unit of the award and do not include any adjustments for actual or expected award forfeitures. Awards that result in specified cash payments at the conclusion of the performance or vesting period are reported based on the expected payout value of the award.

For stock options, accounting values reported by participants are calculated using an option pricing model. The type of model and the factors used in the model, such as the risk-free interest rate, volatility, and dividend yield, are all determined by the participant for financial reporting purposes. If a stock option has price hurdles, this performance feature should be accounted for in the value. The term used in the model should be the expected life of the option, and no other adjustments should be made for vesting or forfeiture.

For time-vesting restricted stock, the accounting value reported by participants is typically the grant value. If dividends are typically paid, but dividends are not attached to the restricted stock award, the accounting value should reflect this feature.

For restricted stock or performance plans that have non-stock-based performance criteria, the accounting value reported is typically target value at grant. If dividends are typically paid, but dividends are not attached to the award, the accounting value should reflect this feature.

For restricted stock or performance plans that have stock-based performance criteria (e.g., stock price hurdles or Total Shareholder Return), the accounting values reported should reflect this feature. Plans having stock-based performance criteria are known as “market based” and in Willis Towers Watson’s experience, will typically have accounting values within +/- 20 % of grant value.

APPENDIX G: Project Team Meeting Notes

Meeting # 1- Project Kick Off Meeting

Category	Description	
Meeting	2019 GRC Kick off Meeting	
Attendees	Sempra Energy Gregory Shimansky Debbie Robinson Eric Bayona	Willis Towers Watson Catherine Hartmann Dean Stoutland Ragini Mathur (by phone) Katherine Chan
When	Tuesday, January 31, 2017	
Timing	10:00 AM – 12:00 PM	
Location	In person meeting (Sempra San Diego Office)	

Meeting Agenda

Topic	Key Discussion Point(s)	Action Items
1. Communication & Protocols	<ul style="list-style-type: none"> ▪ Catherine, Ragini and Katherine from Willis Towers Watson to be marked on all emails ▪ Debbie, Greg and Eric from Sempra to be marked on all communications ▪ Team Meetings (Conference calls and in-person meetings) to be determined during the kick off and put on the calendar <ul style="list-style-type: none"> ▪ 4 in person meetings (including kick off meeting) ▪ 6 conference calls ▪ Weekly status updates via email 	<ul style="list-style-type: none"> ▪ WTW to ensure that the data confidentiality agreement between WTW and Sempra will not create roadblocks in June
2. Calendar	<ul style="list-style-type: none"> ▪ Debbie has a meeting with executives on April 27th to walk through assumptions used for the 2019 study and provide update on progress – WTW to provide as much assistance as possible 	<ul style="list-style-type: none"> ▪ WTW to send potential meeting dates to Sempra to set up meetings
3. Meeting Notes	<ul style="list-style-type: none"> ▪ WTW will continue to use the same meeting notes format ▪ Meeting Notes to be appended to the final work paper 	<ul style="list-style-type: none"> ▪ Meeting notes from Kick-off Meeting to be sent to Sempra
4. Compensation Analysis	<ul style="list-style-type: none"> ▪ The following pay percentiles will be provided in the compensation analysis: <ul style="list-style-type: none"> ▪ P25 ▪ P50 (median) ▪ Mean (company-weighted) ▪ P75 	
5. Total Compensation Analysis	<ul style="list-style-type: none"> ▪ WTW detailed the total compensation methodology including the development of “employee profiles” ▪ 20 employee profiles will be developed 	
6. Compensation Methodology- Benchmark Jobs	<ul style="list-style-type: none"> ▪ We will use the 2016 benchmark job list as a starting point to determine benchmark jobs for the 2019 GRC ▪ A high level review of the job codes showed that approximately 90 jobs might have changed. However, Sempra anticipates that the jobs will be similar this time, and that there are no material changes to the job content of the benchmark jobs ▪ We might find some changes in executive level jobs 	<ul style="list-style-type: none"> ▪ Sempra to send their job matches and the job list (with employee job info, grade and zip code) for WTW to review and validate
7. Compensation Methodology –	<ul style="list-style-type: none"> ▪ Sempra to provide average base salary and target bonus data by 2/27 	<ul style="list-style-type: none"> ▪ WTW needs job data to upload into

Topic	Key Discussion Point(s)	Action Items
Benchmark Job Data Collection	<ul style="list-style-type: none"> ▪ Actual bonus (ICP) payout data will be available around 3/15 ▪ Password for all files: GRC2019! 	<p>the REWARD database for analysis</p> <ul style="list-style-type: none"> ▪ Sempra to send average base salary and target bonus by 2/27
8. Compensation Methodology – Survey Data	<ul style="list-style-type: none"> ▪ Sempra to send WTW all third party surveys and NDAs– Aon Hewitt, EAPDIS, Mercer SIRS <ul style="list-style-type: none"> ▪ WTW will utilize the same survey scopes, with the addition of Aon Hewitt survey as a source for Manager/Supervisor and Professional/Technical jobs ▪ Survey data to be aged to July 1, 2017 for all surveys ▪ Geographic differentials <ul style="list-style-type: none"> ▪ Evaluate if geographic differentials should be applied to market data. Regardless of the decision made, rationale will be documented in final deliverable ▪ WTW will evaluate geographic differentials based on where large populations of Sempra employees live ▪ Long-term incentive data <ul style="list-style-type: none"> ▪ WTW to find out what the CDB survey uses in terms of valuation methodology and what other rate cases have used. Additionally, WTW will find out if it is possible to use accounting value for options and face value for restricted/performance shares ▪ Aging factor to be determined based on data from Willis Towers Watson, WorldatWork and Mercer salary budget surveys ▪ For some corporate jobs, Sempra does not necessarily hire from other utilities. Sempra and WTW discussed possibility of having two buckets of jobs, utility vs. non-utility jobs for the market pricing 	<ul style="list-style-type: none"> ▪ Sempra to send third party survey NDAs to WTW ▪ Sempra to send merit increase study that was conducted in-house ▪ WTW to check what aging factor SCE and PG&E used for their studies as well as CDB’s long-term incentive methodology
9. Benefits Database Participants	<ul style="list-style-type: none"> ▪ Benefits Database Participants were selected from the excel lists displayed (see separate excel workbook) ▪ Proposed changes to General Industry Peer Group <ul style="list-style-type: none"> ▪ Remove: AECOM, Fireman’s Fund Insurance Companies, Life Technologies, Boeing ▪ Add: Amgen, Bechtel, Pacific Life Insurance, Parsons Corp, General Dynamics ▪ Maybe: Check to see where Sony Network Entertainment is located vs. Sony Pictures ▪ Footnotes to be added: Calpine Corp (included in general industry peer group since this company is not regulated); Jacobs Engineering Group (company moved headquarters to Dallas but data is based on when they were in California) ▪ Proposed changes to Utility Industry Peer Group <ul style="list-style-type: none"> ▪ Remove: Integrys Energy, NV Energy ▪ Add: Dominion, Exelon Corp, Northeast Utilities dba Eversource, Southern Company Services 	<ul style="list-style-type: none"> ▪ WTW to follow-up with Pete and his team on the benefits database ▪ WTW to find out how Aon obtained SMUD and LADWP’s data ▪ WTW to check on current peer companies that were not on the list of available companies: Bank of America, Chevron Corp., Fluor Corp., Western Union

Topic	Key Discussion Point(s)	Action Items
	<ul style="list-style-type: none"> ▪ Maybe: (1) Find out if Salt River Project is investor-owned (2) Maybe keep Portland General Electric since it wasn't used by both SCE and PGE (3) Maybe keep Puget Sound Energy ▪ WTW will put together a median and average revenue and employee count comparison to evaluate if the modified peer groups are appropriate 	<ul style="list-style-type: none"> ▪ WTW to do research on Salt River Project and Sony Network Entertainment

WEEKLY STATUS UPDATE: February 6 – 10, 2017

Weekly Team Objectives	Comments on Current Status	Status
Sempra Data	<ul style="list-style-type: none"> ▪ Sempra has sent to WTW a preliminary job data file containing job comparison with the 2016 GRC, (highlighting 92 jobs from the 2016 GRC that did not have matches this year). Sempra also added employee data (job code, job title, market grade) for WTW to reconcile the 92 jobs. ▪ WTW has reviewed the job data file, and made suggestions on reconciliation for the 92 jobs, as well as addition of high incumbent roles in order to get to a high employee representation number. 	COMPLETE
Survey Data	<ul style="list-style-type: none"> ▪ Sempra has sent NDAs from all third party survey providers for WTW to sign (Friday, 2/10) 	COMPLETE
Benefits Peer Participants	<ul style="list-style-type: none"> ▪ WTW sent the benefits peer participants list to Sempra, with edits incorporated from the Kick-Off Meeting for Sempra to review. 	COMPLETE
Issue/Decision	Description	Status
Third Party Survey NDAs	<ul style="list-style-type: none"> ▪ WTW’s Legal Team will review the NDAs and send signed versions back to Sempra early in the week if February 13th. The Sempra team will then target sending across third party survey data to TW for job matching by February 17th 	IN PROCESS
Methodology Meeting and Market Match Review Meeting Dates	<ul style="list-style-type: none"> ▪ WTW and Sempra to decide on dates of mutual convenience for the Methodology Review Meeting and the Market Match Review Meetings 	IN PROCESS

Key Accomplishments in the past week	Key Objectives for the next week
<ul style="list-style-type: none"> ▪ WTW reviewed Sempra job data file and suggested matches for 92 “un-reconciled” jobs and recommended additional jobs for analysis in order to increase employee representation ▪ WTW has downloaded all copies of WTW CDB Published and Custom Cuts of General Industry and Energy Services Survey Reports: <ul style="list-style-type: none"> ▪ WTW CDB GI MMPS Published ▪ WTW CDB Energy Services MMPS Published ▪ WTW CDB GI Exec Published ▪ WTW CDB Energy Services MMPS Published ▪ WTW CDB GI MMPS Revenue 5-20B ▪ WTW CDB Energy Services MMPS Revenue 5-20B ▪ WTW CDB GI Exec Revenue 5-20B ▪ WTW CDB Energy Services MMPS Revenue 5-20B 	<ul style="list-style-type: none"> ▪ Sempra will review the changes WTW made in the job data file around selected jobs, review WTW suggestions on jobs to be added, provide market matches for roles to be included in 2019 GRC (for those roles only where matches haven’t been provided already), suggest which jobs can be clubbed into one unique benchmark ▪ WTW will sign and sent back the NDA documents to Sempra after WTW Legal team review ▪ Sempra will send WTW third party survey data once NDAs are signed ▪ WTW will continue uploading surveys into their internal system to commence market pricing ▪ WTW and Sempra to decide and block dates for methodology meeting as well as market match review meeting

WEEKLY STATUS UPDATE: February 13 – 17, 2017

Weekly Team Objectives	Comments on Current Status	Status
Sempra Data	<ul style="list-style-type: none"> Sempra has sent to WTW a revised job data file, with comments and resolutions on queries 	COMPLETE
Third Party Survey Vendor NDAs	<ul style="list-style-type: none"> WTW has sent back to Sempra all signed NDAs from the following survey vendors – Aon Hewitt, Mercer and EAPDIS 	COMPLETE
Methodology Meeting and Market Match Review Meeting Dates	<ul style="list-style-type: none"> WTW and Sempra mutually decided on the following dates for the following meetings: <ul style="list-style-type: none"> Methodology Review Meeting – Friday, February 24th, 12-2pm, Conference Call Market Match Review Meeting – Monday, March 13th, Full day meeting at Sempra HQ 	COMPLETE

Issue/Decision	Description	Status
Benefits Peer Participants	<ul style="list-style-type: none"> WTW has sent the benefits peer participants list to Sempra, with edits incorporated from the Kick-Off Meeting for Sempra to review last week; Sempra is reviewing the list and will sign-off/provide feedback to WTW by February 24th 	IN PROCESS
Third Party Survey Data	<ul style="list-style-type: none"> Sempra team to target sending WTW the third party survey vendor data by Wednesday, February 22nd 	IN PROCESS

Key Accomplishments in the past week	Key Objectives for the next week
<ul style="list-style-type: none"> WTW and Sempra finalized meeting dates for the Methodology Review Meeting and Market Match Review Meeting WTW reviewed all third party survey vendor NDAs with Legal, resolved queries, and sent over signed NDAs to Sempra Sempra responded to WTW's job data file clean up request, with resolutions and heads-up on some job data/pay elements that may change in the next iteration 	<ul style="list-style-type: none"> WTW to review Sempra's comments on the job file and to clean the file to get to a clean list of jobs and job criteria (job category, title, code etc.) Sempra will send WTW third party survey data WTW will continue uploading surveys into their internal system to commence market pricing, including any third-party surveys that Sempra will send to WTW WTW to prepare for the Methodology Review Meeting and facilitate conversation

Meeting #2 - Methodology Meeting

Category	Description	
Meeting	2019 GRC Methodology Meeting	
Attendees	Sempra Energy Debbie Robinson Eric Bayona	Willis Towers Watson Catherine Hartmann Ragini Mathur Katherine Chan
When	Friday, February 24, 2017	
Timing	12:00 PM – 1:15 PM	
Location	Conference Call (866-242-0546, 1865765)	

Meeting Agenda

Topic	Key Discussion Point(s)	Action Items
1. Calendar and Key Dates	<p>The following key dates were discussed:</p> <ul style="list-style-type: none"> ▪ Wednesday, 3/1 – Receive final survey data from Sempra (Eric) and finalize REWARD set up ▪ Thursday 3/2 – Receive new employee base pay and target STI from Sempra (need to marry to job pricing work) ▪ Thursday, 3/9 – Finalize the job pricing worksheets for review with Sempra (Catherine, Ragini and Katherine) ▪ Friday, 3/10 – Finalize project methodology document without employee/job counts (finalized March 20 with the employee/job counts) ▪ Monday, 3/13 – Job mapping session on-site with Sempra (Catherine, Ragini, and Katherine) ▪ Wednesday, 3/15 – Receive new employee actual STI, actual LTI and target LTI from Sempra (need to marry to job pricing work) ▪ Monday, 3/20 – Call to review draft role profiles that will be sent to BenVal team (Catherine, Ragini, and Katherine) ▪ Wednesday, 3/23 – Send role profiles to BenVal team to begin assessment ▪ Friday 4/7, 4/14 and 4/21 – Send updates to the Sempra team on progress ▪ Monday, 4/24 – Call to discuss draft report with the Sempra team (ahead of Debbie’s 4/27 meeting with the Executive Team) ▪ Monday, 5/1 – Call to receive feedback from Sempra on draft report to wrap up that week <ul style="list-style-type: none"> ▪ First week of May – Delivery of final report 	<ul style="list-style-type: none"> ▪ Revisit the time line after our meeting on 3/13 to ensure follow up dates can be reasonably met ▪ Update team calendars to reflect upcoming meetings
2. Surveys and Compensation Methodology	<ul style="list-style-type: none"> ▪ Confirmed survey sources, data cuts and discussed benchmarking methodology 	<ul style="list-style-type: none"> ▪ Sempra to obtain \$5B - \$20B survey cuts from Aon Hewitt and Mercer and push to send EAPDIS survey to WTW on Monday (2/27) ▪ Sempra to go through corporate jobs to identify which ones require specific utility

Topic	Key Discussion Point(s)	Action Items
		experience vs. general focus <ul style="list-style-type: none"> ▪ WTW to check methodology from peer rate cases and verify if Corporate Center jobs utilizes both general industry and energy services industry data or just general industry data ▪ WTW to send Sempra final job data file received from Sempra for 2016 GRC as a reference
3. Long-Term Incentives	<ul style="list-style-type: none"> ▪ LTI grant date: January 3rd, 2017 ▪ Sempra prefers using face value for LTI as this has been the historic perspective 	<ul style="list-style-type: none"> ▪ Sempra to provide WTW with both face value and accounting value of LTI for executives under review ▪ Sempra to find out from Aon Hewitt which LTI survey field was utilized for executive work for the Board
4. Benefits Peer Group	<ul style="list-style-type: none"> ▪ Remove Portland General Electric, Salt River Project and Puget Sound from benefit Utility Industry peers ▪ Remove Calpine Corp., Kaiser and Sony Network Entertainment from benefit General Industry peer group ▪ Peer group exhibit: Add column to show companies that are also PG&E and SCE peers 	<ul style="list-style-type: none"> ▪ WTW to make reflect edits in methodology section
5. Geographic Differentials	<ul style="list-style-type: none"> ▪ Sempra agreed with WTW's proposed methodology for geographic differentials 	<ul style="list-style-type: none"> ▪ WTW to outline methodology and review geographic differentials for cities where Sempra has largest workforce percentages

WEEKLY STATUS UPDATE: February 27 – March 3, 2017

Weekly Team Objectives	Comments on Current Status	Status
Sempra Job Data	<ul style="list-style-type: none"> ▪ WTW reviewed the additional input on the job data file, provided after the Methodology Review Call on 2/24), made changes based on Sempra Team’s notes, and finalized the jobs for analysis 	COMPLETE
Third Party Survey Vendor Data	<ul style="list-style-type: none"> ▪ Sempra and WTW reviewed the existing survey data cuts and the missing survey pay types required. Sempra ran reports for Aon Hewitt and Mercer SIRS and has sent WTW all third party survey data and cuts required 	COMPLETE
Sempra Compensation Data	<ul style="list-style-type: none"> ▪ Sempra has provided WTW with a file as of 2/28, with employee base pay, and target incentives information 	COMPLETE

Issue/Decision	Description	Status
Sempra Job Matching	<ul style="list-style-type: none"> ▪ WTW reviewed the initial market match information from MarketPay, and requested Sempra to check on the matches that have changed since the previous GRC, to ensure that the changes made to matches were based on scope and responsibilities changes 	IN PROCESS

Key Accomplishments in the past week	Key Objectives for the next week
<ul style="list-style-type: none"> ▪ Sempra sent over all required third party survey information to WTW, so WTW can load the survey data into internal database for running reports ▪ WTW and Sempra jointly reviewed the changes in market matches as documented in MarketPay reports 	<ul style="list-style-type: none"> ▪ WTW will complete uploading surveys into their internal system, and start reviewing market pricing (survey jobs, survey levels, general industry and energy industry usage methodology) ▪ WTW will send a complete compensation and LTI data request to Sempra, detailing how best to collect and collate this information

WEEKLY STATUS UPDATE: March 6 – 10, 2017

Weekly Team Objectives	Comments on Current Status	Status
Job Matching Review	<ul style="list-style-type: none"> ▪ WTW reviewed survey matches for all job categories, and made edits to matches where required ▪ WTW incorporated Sempra’s suggested edits to jobs where there were differences between MarketPay matching and WTW alignment from the previous GRC Study ▪ WTW prepared an issues log of questions for Sempra around survey matches, including discipline and level alignments, potential additions/deletions of survey matches ▪ WTW prepared materials for the Job Match Review Meeting on 3/13 including the following documents: <ul style="list-style-type: none"> ▪ Agenda ▪ Issues Log ▪ Leveling alignment ▪ Market Pricing Reports ▪ Supporting documentation (survey job and level descriptors, level equivalencies) 	COMPLETE
Sempra Compensation Data	<ul style="list-style-type: none"> ▪ Sempra has provided WTW with a supplemental employee data file as of 3/3, with actual incentives, LTI target percent, LTI awards, LTI accounting value, employee gender, age and tenure <ul style="list-style-type: none"> ▪ This file will be utilized for comparison purposes and to create Role Profiles for the benefit assessment 	COMPLETE

Issue/Decision	Description	Status
Sempra Job Matching	<ul style="list-style-type: none"> ▪ WTW reviewed market matches and will resolve pending queries with Sempra during the Job Match Review Meeting 	IN PROCESS

Key Accomplishments in the past week	Key Objectives for the next week
<ul style="list-style-type: none"> ▪ WTW reviewed all third party survey vendor information and uploaded the final scope data into the job matching database ▪ WTW incorporated Sempra’s edits to MarketPay matches ▪ WTW added suggestions for additions/deletions to market matches based on level equivalencies, as well as knowledge of similar types of jobs 	<ul style="list-style-type: none"> ▪ WTW and Sempra will meet at a face to face meeting at Sempra’s headquarters in San Diego on 3/3 to review market matches for all 450 jobs ▪ WTW and Sempra to finalize survey weighting methodology for all job categories and finalize jobs for study inclusion

Meeting Notes (Job Match Review Meeting) & Weekly Status Update (March 13 – 17, 2017)

Meeting #3 - Job Match Review Meeting

Category	Description	
Meeting	2019 GRC Job Match Review Meeting	
Attendees	Sempra Energy Debbie Robinson Eric Bayona	Willis Towers Watson Catherine Hartmann Ragini Mathur Katherine Chan
When	Monday, March 13, 2017	
Timing	9:00 AM – 5:00 PM	
Location	In Person Meeting (Sempra San Diego Office)	

Meeting Agenda

Topic	Key Discussion Point(s)	Action Items
1. Employee Representation	<ul style="list-style-type: none"> ▪ Current employee representation percentage is at 65.0% across all job categories, across 444 jobs ▪ This employee representation number is consistent with the previous GRC 	<ul style="list-style-type: none"> ▪ Sempra and WTW to re-visit employee representation percentage after all jobs have been reviewed, and decisions on deleting poor matches or non-representative jobs have been finalized ▪ If needed, Sempra and WTW to work together to add back more matches to keep employee representation percentage consistent with the previous GRC
2. Executive Job Match Review	<ul style="list-style-type: none"> ▪ Sempra and WTW reviewed matches made for all Executive jobs as well as the weighting methodology ▪ Consistent with the previous GRC, the Corporate Center jobs will be matched to General Industry only matches, but the Utility (SDG&E and SCG) jobs will be matched to both General Industry and Energy matches ▪ The following jobs will be taken off the job list: <ul style="list-style-type: none"> ▪ President, Corporate Center ▪ VP, Investor Relations, Corporate Center ▪ The following jobs will be added as replacements: <ul style="list-style-type: none"> ▪ COO, SDG&E ▪ VP, Federal Government Affairs, Corporate Center ▪ VP, Compliance, Governance and Corporate Secretary, Corporate Center ▪ Additionally, currently the same incumbent is the VP – Controller and CFO for SDG&E and SCG. This employee 	<ul style="list-style-type: none"> ▪ WTW will add the survey matches for the new executive jobs added (including the missing matches from the Aon Hewitt Executive Survey)

Topic	Key Discussion Point(s)	Action Items
	will be represented across both entities (however, the total employee count will exclude double counting)	
3. Non-Executive Job Match Review	<ul style="list-style-type: none"> ▪ WTW and Sempra reviewed the issues log prepared, and reviewed all matches associated with jobs listed on the issues log ▪ Comments regarding Sempra and WTW action items were noted in the issues log (Copy of the issues log is attached below) ▪ Consistent with the previous GRC, non-executive jobs will be matched to both general industry and energy services surveys ▪ However, energy services oriented jobs will be matched to energy surveys only 	<ul style="list-style-type: none"> ▪ Sempra to review WTW queries internally with SDG&E, SCG and Corporate Center counterparts ▪ WTW to incorporate Sempra's comments noted in the issues log
4. Geographic Differentials	<ul style="list-style-type: none"> ▪ WTW proposed the following methodology to calculate geographic differentials: <ul style="list-style-type: none"> ▪ WTW identified Sempra's top 6 locations, from the employee data file that Sempra had provided as of 2/28/2017. Sempra's top 6 locations represent 63% of its total employee population ▪ ERI based geographic differential percentages were calculated for each Sempra location identified. These differentials were based on salary ranges consistent with employee pay data for each job category for GRC benchmark jobs only ▪ A weightage was applied for each job category based on Sempra location to arrive at the geo differential commendation for each job category. ▪ Sempra agreed with WTW's proposed methodology for reviewing geographic differentials and we will decide on appropriate path moving forward 	<ul style="list-style-type: none"> ▪ WTW to develop market employee profiles with geographic differentials

2019 GRC Issues Log:

Job Code	Job Title	Issue	WTW Action
6605	Contract Administrator - Gas	Job Category	Exclude from analysis, no good matches
70110	Field Service Assistant	Match Review	Review discipline and level
012510	District Ops Clerk-5	Discipline Review	Select most representative discipline, verify if job exists at SDGE
C10008&C10009	Administrative Associate	Match Review	Split into two job codes - original job codes of C10008 - AS4 and C10009. Map C10009 - AS5 To U4/C4
C11100	Tax Assoc I	Level Alignment	Match all to I04/P1/A1
C11221	Tax Assoc II	Match Review	Match all to I04/P1/A1
C10134&C10133	Executive Assistant - I & II	Match Review	Match to U4/C4 of EA discipline
C10381	Senior Executive Assistant	Match Review	Match to U4/C4 for EA to CEO discipline
896010	Dir - Labor Relations	Match Review	Add GI and Utilities matches
C11094	Benefits Services Manager	Match Review	Add GI and Utilities matches
13047 987007	Business Analyst - I	Level Misalignment	All Business Analyst I to be aligned to WTW P1
987009 06363&13048	Business Analyst - II	Level Misalignment	All Business Analyst II to be aligned to WTW P2
837627&987012	Busn Sys Analyst - I	Level Misalignment	All Business Systems Analyst I to be aligned to WTW P1
840006&987014	Busn Sys Analyst - II	Level Misalignment	All Business Systems Analyst II to be aligned to WTW P2

980525; 837578	Buyer I; Buyer II	Level Misalignment	All Buyer 1 to be aligned to WTW P2; and Buyer 2 to WTW P3
12205 C11023	Comms Mgr	Match Review	Check for Aon Hewitt survey match for External Comms at I07
10306	Information Technology Project Manager	Job Category	Align to WTW P5
C10905	Ld Software Developer	Job Category	Align to WTW P4
860023&860039 10941 862566, 862586&987036 09732	Technical Advisor - I Technical Advisor - II	Level Misalignment	Change Technical Advisor II to P4
C10089	Director – Financial Reporting	Level Misalignment	WTW to check for E10 survey level for appropriate discipline in Aon Hewitt Survey.
C10093	Dir - Investor Relations	Match Review	Check for WTW M4 match for appropriate discipline (ACA090)
C11090	Senior Paralegal	Job Category	Change job category to Professional, and use the same matches as Utility (SDG&E/SCG) matches for consistency
C10268	Paralegal	Job Category	Change job category to Professional, and use the same matches as Utility (SDG&E/SCG) matches for consistency

Job Code	Job Title	Issue	Sempra Action
70224	Adv Mtr Proj Fld Rep	Job Category	Confirm job category classification
15439	Elect GIS Tech	Job Category	Confirm job category classification
15400	Energy Services Specialist I - Bnch Ofc	Job Category	Confirm job category classification
6215	Team Leader	Match Review	Confirm if 6215 and 6212 can be collapsed into one job
06212	Team Ldr - IV	Match Review	Confirm if 6215 and 6212 can be collapsed into one job
070220	Meter Reader-R	Job Category	Confirm job category classification
13043	Technical Support Assistant	Job Category	Confirm job category classification
00998	Utility Accounting Clerk	Level Alignment	Verify leveling at U4/C4 or U3/C3
C11080	Legal Fiscal Support Associate	Level Alignment	Verify leveling at U4/C4 or U3/C3
022471	Sr Admin Clk - 5 - Qual Typ	Level Alignment, Job Category	Confirm job category
070110	Field Service Assistant	Match Review	Confirm discipline and level
15109	Instru Ctrl Tech - Gas - Trans	Match Review	Confirm if matches can be same as 09852
07762	Service Planner	Match Review	Confirm WTW discipline used
022050	Collections Control Clerk-5	Match Review, Job Category	Confirm job category and alignment of level - I04/P1. (We don't have P2)
6006	Account Executive	Level Misalignment	Confirm is Level 3 from SIRS will work
12205 C11023	Comms Mgr	Match Review	Check if Corp Center can use the same matches as 12205 SDGE, and WTW to check for AH match
15884	Field Constrn Advisor	Match Review	Confirm primary discipline for alignment
985513 985518 985377	Infra Team Lead Infra Techlgy Analyst Infra Technologist	Discipline Misalignment	Confirm primary discipline for alignment
10987 10202 10204 10699	Infrastructure Team Lead Infrastructure Technologist Analyst Senior Infrastructure Technician	Discipline Misalignment	Confirm primary discipline for alignment
865069 07539	Public Affairs Manager	Discipline Misalignment	Confirm if the SCG job is aligned with Govt Relations, while the job with a similar title at SDGE is aligned with PR

06212	Team Ldr - IV	Missing Market Data	Confirm that 6215 and 6212 can be collapsed into one job
09695	Proj Mgmt Supv	Discipline Misalignment	Confirm usage of multiple disciplines
07848	Project Management Manager	Discipline Misalignment	Confirm usage of multiple disciplines
07848	Project Management Manager	Discipline Misalignment	Confirm usage of multiple disciplines
09251	Director - Resource Planning	Discipline Misalignment	Exclude form analysis, Sempra team to find a more suitable Director level job to add
09050	Vegetation Management Contract Administrator	Match Review	Confirm job category - Prof or Mgmt
15341	Engy Svcs Spec I Bilingual	Premium	Review rationale of applying the premium and verify how many languages/level of proficiency are required

Weekly Team Objectives	Comments on Current Status	Status
Job Match Review Meeting	<ul style="list-style-type: none"> ▪ WTW and Sempra reviewed job matches at a face to face meeting at Sempra HQ on March 13, 2017, at a full day meeting ▪ Topics of Discussion included: <ul style="list-style-type: none"> ▪ Employee Representation Percentages ▪ Executive Jobs <ul style="list-style-type: none"> - Addition of Jobs, and Deletion of jobs that do not exist/are irrelevant - Survey Weighting Methodology ▪ Non-Executive Jobs <ul style="list-style-type: none"> - Review of Issues Log - Resolution of Survey Level Alignment - Weighting Methodology ▪ Geographic differentials 	COMPLETE
Sempra LTI Data	<ul style="list-style-type: none"> ▪ Sempra has provided WTW with an additional employee data file containing revised LTI numbers for 7 incumbents. 	COMPLETE

Issue/Decision	Description	Status
Survey Matches and Data Review	<ul style="list-style-type: none"> ▪ WTW and Sempra will review anomalous survey data and confirm deletion of outliers 	IN PROCESS

Key Accomplishments in the past week	Key Objectives for the next week
<ul style="list-style-type: none"> ▪ WTW and Sempra reviewed job matches for all jobs highlighted by WTW ▪ WTW sent Sempra the issues log for Sempra to resolve action items assigned to them ▪ Sempra reviewed WTW queries and sent responses back to WTW ▪ WTW incorporated edits suggested by Sempra and ran market data to analyze data for anomalies/outliers ▪ WTW tested market data using standard “tests” to analyze if data should be included or dropped, and compared with Sempra base pay as well 	<ul style="list-style-type: none"> ▪ WTW and Sempra will discuss market outliers during a conference call, and make decisions on inclusion/exclusion of survey data ▪ WTW and Sempra will mutually decide if any additional jobs need to be included to main good employee representation percentages ▪ WTW to develop role profiles for Sempra and the market and review with Sempra before finalizing

WEEKLY STATUS UPDATE: March 20 – 24, 2017

Weekly Team Objectives	Comments on Current Status	Status
Market Data Outliers Review Meeting	<ul style="list-style-type: none"> ▪ WTW and Sempra reviewed outliers / anomalies in market data on a Web-Ex meeting on Monday, 3/20 	COMPLETE
Role Profile Development	<ul style="list-style-type: none"> ▪ WTW reviewed the market data for the assessment and developed 24 preliminary role profiles for benefits data calculation. ▪ Role profile development was based on: market 50th base composite, market 50th target bonus percent composite, union vs non union jobs, job category classification, job family/job type, gender predominance, employee average age and tenure 	COMPLETE

Issue/Decision	Description	Status
Market Data Outliers	<ul style="list-style-type: none"> ▪ WTW sent Sempra a list of jobs to review internally; these jobs were anomalies, reflecting Sempra data to be greater than 30% higher or lower compared with market ▪ WTW is reviewing market data and matches to ensure that jobs are accurately job matched and Sempra will check to see if the right employees are aligned to current job codes 	IN PROCESS

Key Accomplishments in the past week	Key Objectives for the next week
<ul style="list-style-type: none"> ▪ WTW and Sempra reviewed market data outliers ▪ WTW sent Sempra a list of jobs to check on internally for potential employee to job code misalignment ▪ Sempra reviewed the market data outliers and sent WTW observations on the jobs in question ▪ WTW developed a preliminary set of role profiles based on existing jobs (pending changes based on Sempra's job to employee analysis) 	<ul style="list-style-type: none"> ▪ WTW and Sempra will review final list of jobs, and any changes based on Sempra's internal review (inclusion or replacement of certain jobs, addition of Director roles to increase representation in the Manager/Supervisor job category) ▪ WTW and Sempra will review draft role profiles (pending job changes) on a conference call, Monday 3/27 ▪ WTW will finalize role profiles, and incorporate any final changes to jobs ▪ WTW will send role profiles to the benefits team for analysis by Wednesday, 3/29

WEEKLY STATUS UPDATE: March 27 – 31, 2017

Weekly Team Objectives	Comments on Current Status	Status
Market Data Outliers	<ul style="list-style-type: none"> ■ WTW and Sempra reviewed market data outliers on a conference call, and noted the following checks/reviews for WTW to conduct: <ul style="list-style-type: none"> ■ Search for appropriate Aon Hewitt match for Financial Planning Manager ■ Combine Lineman 1096 and 1097 into one job (same responsibilities) ■ Drop the Mercer match from the 850071 Branch Office Supervisor job pricing (weak match) ■ Check for WTW or Aon Hewitt matches for the following jobs: Locator 03618, Mail Clerk role 003020, Troubleshooter role 03940 ■ Change Mercer match for the Maint Mech role 09850 to level 4 and search for corresponding WTW and AH match ■ Sempra reviewed market data holistically after the March 27th conference call, and noted additional questions for WTW to check on via email <ul style="list-style-type: none"> ■ WTW responded to Sempra’s queries and scheduled a call for Friday, 3/31 to discuss matches for Energy Services Specialist jobs. Based on Sempra’s explanation of the differences between Level 1 and Level 2 of the role, WTW edited matches ■ Additionally, WTW noted that no premiums will be applied for bilingual jobs since the Sempra employee data does not reflect premiums either 	COMPLETE
Role Profile Development	<ul style="list-style-type: none"> ■ WTW and Sempra reviewed the draft 24 role profiles developed by WTW, and made minor changes to alignment of jobs to profiles ■ WTW edited Profile 2, which had a broad range of market data and recommended it be broken into 2 separate profiles, taking the final profile count to 25 	COMPLETE
Employee Data	<ul style="list-style-type: none"> ■ Sempra asked WTW to review employee data file again for Union jobs to call out jobs that had target bonus tagged to them, since this was likely an error ■ Based on WTW and Sempra discussion on March 27th, Sempra reviewed the employee data, and identified the cases where Union employees has target bonuses (either transferred jobs between union/non-union, or moved into a temporary job change for a period of time. ■ Sempra recommended that all select Union employees tagged to GRC benchmark jobs will not reflect target or actual bonuses (since this is not an accurate reflection of Sempra current practices) ■ Based on the 3/31 call, Sempra and WTW noted that part-time employees will be excluded from the study. WTW will continue to include contract and employees on LOA in the analysis, and will note this in the report as well 	COMPLETE

Issue/Decision	Description	Status
Final Employee Data	<ul style="list-style-type: none"> ▪ Sempra and WTW resolved the issue with Union employees, part-time, contract and leave of absence employees and will further check all employee data for those included in the study 	IN PROCESS

Key Accomplishments in the past week	Key Objectives for the next week
<ul style="list-style-type: none"> ▪ WTW and Sempra reviewed market data outliers and decided on changes/checks on matches for 4-5 jobs ▪ WTW noted that no premiums will be applied for bilingual jobs since the Sempra employee data does not reflect premiums either ▪ Sempra checked in on Union employees with target bonuses ▪ WTW to reflect zero target and actual bonuses for Union employees ▪ WTW and Sempra noted that part-time employees will be excluded from the study. WTW will continue to include contract and employees on LOA in the analysis, and will note this in the report as well ▪ WTW and Sempra reviewed the draft 25 role profiles developed by WTW; and finalized them on 3/30 to send to the Benefits team 	<ul style="list-style-type: none"> ▪ WTW will pull together the draft report (work structure paper) for review with Sempra ▪ WTW and Sempra to decide on date for draft report review ▪ WTW to send revised worksheets for Sempra to review – including role profiles, updated employee counts, updated job category roll ups for base, target and actual bonus

WEEKLY STATUS UPDATE: April 3 – 7, 2017

Weekly Team Objectives	Comments on Current Status	Status
Employee Data	<ul style="list-style-type: none"> ▪ Sempra further reviewed Corporate Center employee data, and identified 5 executive employees, as well as 15 non-executive employees to be excluded from the study since the cost for these is not shared by the Utilities <ul style="list-style-type: none"> ▪ Of the impacted employees, some were part of the 2019 GRC benchmark jobs ▪ WTW incorporated these changes into the job data file 	COMPLETE
Role Profile Development	<ul style="list-style-type: none"> ▪ The employee data changes impacted 8 role profiles ▪ WTW pulled in these changes and sent to the Benefits team 	COMPLETE

Issue/Decision	Description	Status
--	<ul style="list-style-type: none"> ▪ -- 	--

Key Accomplishments in the past week	Key Objectives for the next week
<ul style="list-style-type: none"> ▪ Sempra identified 20 Corporate Center employees to be excluded from the study ▪ WTW updated job data file and the role profiles based on the changes requested by Sempra 	<ul style="list-style-type: none"> ▪ WTW will pull together the draft report (work structure paper) for review with Sempra ▪ WTW and Sempra to decide on date for draft report review ▪ WTW to send revised worksheets for Sempra to review – including role profiles, updated employee counts, updated job category roll ups for base, target and actual bonus

Week of: April 10 – April 14, 2017

Weekly Team Objectives	Comments on Current Status	Status
Finalized Employee Data	<ul style="list-style-type: none"> ▪ Sempra and WTW reviewed the employee database to confirm excluded employees <ul style="list-style-type: none"> ▪ Confirmed that the President Sempra Energy should be removed from all counts which is consistent with the analysis the previous year and keeping with the philosophy of excluding Corporate Center employees whose expenses are not shared by both utilities 	COMPLETE
Role Profile Development	<ul style="list-style-type: none"> ▪ Role profiles were finalized and sent to the benefits team 	COMPLETE

Issue/ Decision	Description	Status
--	<ul style="list-style-type: none"> ▪ -- 	--

Key Accomplishments in the past week	Key Objectives for the next week
<ul style="list-style-type: none"> ▪ WTW Benefits team was/is processing benefits information and will continue to do so until the week of Apr 24th ▪ WTW continues to pull together the draft report structure to review with Sempra 	<ul style="list-style-type: none"> ▪ WTW and Sempra to meet via conference call to review the draft report structure

Week of: April 17 – April 21, 2017

Weekly Team Objectives	Comments on Current Status	Status
Draft Report Structure	<ul style="list-style-type: none"> ■ WTW pulled together a draft report structure for Sempra to review <ul style="list-style-type: none"> ■ The report contains the following sections: study scope, study methodology, job matching process, summary of population coverage, benefits valuation methodology, and a list of appendices that will be provided 	COMPLETE

Issue/ Decision	Description	Status
--	<ul style="list-style-type: none"> ■ -- 	--

Key Accomplishments in the past week	Key Objectives for the next week
<ul style="list-style-type: none"> ■ WTW Benefits team was/is processing benefits information and will continue to do so until the week of Apr 24th ■ WTW and Sempra decided to meet via conference call on Apr 24th, Monday to discuss the draft report structure 	<ul style="list-style-type: none"> ■ WTW will review and process benefits results as they come in from the benefits data team, and will incorporate into final results

Week of: April 24 – April 28, 2017

Weekly Team Objectives	Comments on Current Status	Status
Draft Report Structure Review Meeting	<ul style="list-style-type: none"> ▪ WTW and Sempra met via conference call to review the draft report structure ▪ Meeting Notes have been documented separately 	COMPLETE

Issue/ Decision	Description	Status
--	<ul style="list-style-type: none"> ▪ -- 	--

Key Accomplishments in the past week	Key Objectives for the next week
<ul style="list-style-type: none"> ▪ WTW Benefits team was/is processing benefits information ; benefits information will be available mid week Apr 24th ▪ WTW and Sempra decided to meet in person to discuss the final results and analysis on May 11th, from 12 noon to 2pm 	<ul style="list-style-type: none"> ▪ WTW will analyze benefits information and incorporate into total compensation values ▪ WTW will incorporate the benefit information into total compensation values and update the draft report structure document

Week of: May 1- May 5, 2017

Weekly Team Objectives	Comments on Current Status	Status
Develop Draft Report	<ul style="list-style-type: none"> ▪ WTW is reviewing and incorporating benefits values into analysis to compute total compensation ▪ WTW is updating the draft report to reflect final results 	COMPLETE

Issue/ Decision	Description	Status
--	<ul style="list-style-type: none"> ▪ -- 	--

Key Accomplishments in the past week	Key Objectives for the next week
<ul style="list-style-type: none"> ▪ WTW checked and reviewed benefits data as well as total compensation values 	<ul style="list-style-type: none"> ▪ WTW and Sempra to meet at an in person meeting to review report results

Meeting #3 – Draft Report Review Meeting

Category	Description			
Meeting	2019 GRC Draft Report Review Meeting			
Attendees	Sempra Energy <i>In person:</i> Debbie Robinson Eric Bayona	<i>Via phone:</i> David Sarkaria	Willis Towers Watson <i>In person:</i> Dean Stoutland Catherine Hartmann Ragini Mathur	<i>Via phone:</i> Yannick Gagne Katherine Chan Nicole Warno Kathy Knudsen
When	Thursday, May 11, 2017			
Timing	11:00AM – 1:00PM			
Location	Willis Towers Watson Irvine Office			

Meeting Agenda

Topic	Key Discussion Point(s)	Action Items
1. Draft Report Review	<ul style="list-style-type: none"> ▪ WTW and Sempra reviewed the draft report by section ▪ Sempra recommended minor verbiage edits to the reports, and formatting changes ▪ WTW and Sempra reviewed the overall total compensation values for both utilities- SDG&E and Sempra 	<ul style="list-style-type: none"> ▪ WTW to incorporate edits to the SDG&E and SCG reports
2. Benefits Values Review	<ul style="list-style-type: none"> ▪ Sempra requested a review of each benefits component i.e., retirement, medical, dental, disability and life insurance in the 2019 GRC Study ▪ WTW and Sempra reviewed each component relative to the market for SDGE, SCG and Corporate Center for broad-based, union and executive populations ▪ Sempra requested a review of 2016 GRC Study benefits components 	<ul style="list-style-type: none"> ▪ WTW to clean up 2019 GRC Study benefits analysis and prepare similar analysis for 2016 GRC Study benefits components ▪ WTW and Sempra to set up a WebEx meeting the following week to review the data
3. Release Letter	<ul style="list-style-type: none"> ▪ Sempra (Debbie) to check internally if the most recent version of the release letter sent by Willis Towers Watson (Dean) will meet Sempra’s requirements ▪ Sempra and WTW to review letter contents, and send signed copies across to both parties 	<ul style="list-style-type: none"> ▪ Sempra to gain sign off internally on release letter, and send the final version to WTW
4. Next Steps	<ul style="list-style-type: none"> ▪ Sempra will discuss the report internally and get back to WTW with any final questions ▪ Sempra has requested access to Willis Towers Watson’s internal benefits tool not related to the rate case 	<ul style="list-style-type: none"> ▪ Sempra to provide any additional feedback to WTW ▪ WTW to provide access to Sempra for the benefits tool

Weekly Team Objectives	Comments on Current Status	Status
Finalize draft report	<ul style="list-style-type: none"> ▪ WTW team has reviewed all total compensation components, and values in preparation for the draft report meeting with Sempra on May 11th, 2017 	COMPLETE
Draft Report Review Meeting	<ul style="list-style-type: none"> ▪ WTW and Sempra met at a face-to-face meeting at the WTW Irvine offices to review the 2019 GRC draft reports 	COMPLETE

Issue/Decision	Description	Status
Next Steps	<ul style="list-style-type: none"> ▪ WTW and Sempra discussed next steps to close out the project: <ul style="list-style-type: none"> ▪ WTW to prepare benefits components analysis to market for 2019 GRC Study and 2016 GRC Study results ▪ WTW and Sempra to review benefit values in a WebEx, date/time to be determined ▪ Sempra to check on release letter internally, incorporate any changes, and send back to WTW for review and sign off ▪ WTW to share 2019 GRC Report with Sempra after release letter has been signed ▪ WTW and Sempra to decide on final report formats to be distribute and submit to the CPUC/ORR (i.e., determine level of detail submitted) 	IN PROCESS

Key Accomplishments in the past week	Key Objectives for the next week
<ul style="list-style-type: none"> ▪ WTW completed internal review of total compensation values and prepared draft report for project team meeting ▪ WTW and Sempra met face-to-face to discuss 2019 GRC draft report 	<ul style="list-style-type: none"> ▪ Sempra to gain sign off on release letter and send to WTW for records ▪ WTW and Sempra to decide on a mutual date for benefits values to market review

APPENDIX H: Glossary of Terms

Average

The sum of all values of a data set divided by the number of values in that set. Equivalent to the mean.

Base Pay

The fixed compensation paid (hourly, weekly, monthly, or annual) to an employee for performing specific job responsibilities. Usually, these amounts are guaranteed.

Benchmark Job

A job that is commonly found and defined, used to make pay comparisons, either within the organization or to comparable jobs outside the organization. Pay data for these jobs are readily available in published surveys.

Black-Scholes Model

A mathematical model originally developed by Fisher Black and Myron Scholes to value stock options traded on public markets. It estimates the theoretical price an individual would pay for a traded option and considers stock price on grant date, option exercise price, number of years until exercise, dividend yield, risk free rate of return, and stock price volatility.

Career Level

A series of defined levels within a job family where the nature of the work is similar (e.g., accounting, engineering). The levels represent the organization's requirements for increased skill, knowledge and responsibility as the employee moves through a career.

Collective Bargaining Agreements

Agreements between employee groups and employers detailing work conditions including working hours, vacation and holiday entitlements, termination of service provisions, and sometimes benefit entitlements. These agreements may be specific to one company or industry or apply nationally.

Defined Benefit (DB) Pension Plan

Defined by the Employee Retirement Income Security Act of 1974 (ERISA) and the Internal Revenue Code (IRC) as any retirement plan that provides for future income and is not an individual account plan. It is a pension plan that specifies the benefits, or the methods of determining the benefits, but not the level or rate of contribution. Contributions are determined actuarially on the basis of the benefits expected to become payable.

Defined Contribution (DC) Pension Plan

Defined by the Employee Retirement Income Security Act of 1974 (ERISA) and the Internal Revenue Code (IRC) as a plan that provides for future income from an individual account for each participant with benefits based solely on (1) the amount contributed to the participant's account plus (2) any income, expenses, gains and losses, and forfeitures of accounts of other participants that may be allocated to the participant's account. The benefit amount to be received by the participant at retirement is unknown until retirement.

Exempt Employees

Employees who are exempt from the Fair Labor Standards Act of 1938 (FLSA) minimum wage and overtime provisions due to the type of duties performed. Includes executives, administrative employees, professional employees, and those engaged in outside sales as defined by the FLSA.

Fair Labor Standards Act of 1938 (FLSA)

A federal law governing minimum wage, overtime pay, child labor, and record-keeping requirements.

Incumbent

A person occupying and performing a job.

Long-Term Disability (LTD)

A form of long-term income protection that provides for some continuation of income in the event of disability. Definitions of disability become increasingly narrow in LTD plans (e.g., disabled from engaging in one's own occupation or from any occupation).

Long-Term Incentive

Any incentive plan that requires sustained performance of the firm for a period longer than one fiscal year for maximum benefit to the employee. Some plans are based on capital shares (i.e., stock) of the organization and may require investment by the employee (i.e., Employee Stock Purchase Plan), while others are based on financial performance (i.e., profit sharing cash plans).

Mean

A simple arithmetic average obtained by adding a set of numbers and then dividing the sum by the number of items in the set.

Nonexempt Employees

Employees who are not exempt from the minimum wage and overtime pay provisions of the Fair Labor Standards Act of 1938 (FLSA), for example, employees in clerical jobs.

Paid Time Off (PTO)

Refers to vacation, holidays, sick leave, lunch periods, and other miscellaneous leave for which an employee is compensated.

Performance Share/Performance Unit/Cash Awards

A stock (or stock unit) grant/award plan in which the payout is contingent upon achievement of certain predetermined external or internal performance goals during a specified period (e.g., three to five years) before the recipient has rights to the stock. The employee receiving the shares pays ordinary income tax on the value of the award at the time of earning it.

Profit Sharing Plan

An employee benefit plan established and maintained by an employer whereby the employees receive a share of the profits of the business. The plan normally includes a predetermined and defined formula for allocating profit shares among participants, and for distributing funds accumulated under the plan. However, some plans are discretionary. Funds may be distributed in cash, deferred as a qualified retirement program or distributed in a cash/deferred combination.

Restricted Stock

Stock that is given (or sold at a discount) to an employee, who is restricted from selling or transferring it for a specified time period (usually three to five years). The executive receives dividends, but must forfeit the stock if he/she terminates employment before the restriction period ends. If the employee remains in the employ of the company through the restricted period, the shares vest, irrespective of employee or company performance.

Salary

Compensation paid by the week, month or year rather than hourly. A salary is usually a guaranteed amount that is not reduced for time not worked.

Shift Differential

Extra pay allowance made to employees who work on a shift other than a regular day shift (e.g., 9 a.m. to 5 p.m., Monday through Friday) if the shift is thought to represent a hardship, or if competitive organizations provide a similar premium. Shift differentials usually are expressed as a percentage or in cents per hour.

Short-Term Disability (STD)

A benefits plan designed to provide income during absences due to non-occupational-related illness or injury, when the employee is expected to return to work within a specified time, usually within six months. Usually coordinated or integrated with sick leave at the beginning and with long-term disability (LTD) at the end of STD.

Short-Term Incentive

Usually a lump-sum payment (cash) made once a year in addition to an employee's normal salary or wage for a fiscal or calendar year. Generally based on predetermined performance criteria or standards.

Spot Bonus

A one-time discretionary bonus given to key contributors. Spot bonuses are performance related, not for length of service or equity.

Stock Option

A right to purchase company shares at a specified price during a specified period of time.

Third-Party Survey

For purposes of this study, this term refers to all other survey sources used in the study other than Willis Towers Watson's surveys, such as the EAPDIS Energy Technical Craft Clerical Survey.

Total Cash Compensation

Total annual cash compensation (base salary plus annual/short-term incentives).

Target Total Cash Compensation

Target total annual cash compensation (base salary plus target annual/short-term incentives).

Total Direct Compensation

Total cash compensation plus the annualized expected value of long-term incentives.

Target Total Direct Compensation

Target total cash compensation plus the annualized expected value of long-term incentives.

Total Compensation

The sum of all elements of compensation provided by an employer to an employee. For this study, the total compensation was defined to include base salary, annual/short-term incentives, annualized expected value of long-term incentives, and the value of employee benefits.

Target Total Compensation

The sum of all elements of compensation provided by an employer to an employee. For this study, the target total compensation was defined to include base salary, target annual/short-term incentives, annualized expected value of long-term incentives, and the value of employee benefits.

Vesting

A term typically used in conjunction with a pension or stock plan. For a stock option, vesting refers to the point in time when stock options or stock appreciation rights become exercisable or when a pension benefit becomes a non-forfeitable benefit.

Note: Selected definitions included in this glossary were obtained from WorldatWork's Glossary of Compensation & Benefits Terms.

Appendix B
Total Compensation Study – SDG&E

2019 General Rate Case Compensation Study

San Diego Gas & Electric Company



August 1, 2017

Table of Contents

Introduction	1
Scope of Study	2
Overview of Study Results	3
Summary of Population Coverage	7
Supporting Documentation	8
Study Methodology	9
Benefits Valuation Methodology	20
Appendices	
APPENDIX A – I: Employee Profiles	A1
APPENDIX A – II: Benchmark Jobs and Employee Profile Alignment	A3
APPENDIX B – I: Detailed Competitive Summary by Employee Category – SDG&E.....	B1
APPENDIX B – II: Detailed Competitive Summary by Employee Category – Corporate Center	B10
APPENDIX C: Competitive Summary by Average Total Compensation Dollars	C1
APPENDIX D: Competitive Summary by Aggregate Total Compensation Dollars	D1
APPENDIX E: Detailed Benefits Methodology	E1
APPENDIX F: LTI Methodology	F1
APPENDIX G: Project Team Meeting Notes.....	G1
APPENDIX H: Glossary of Terms	H1

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Introduction

Willis Towers Watson was selected by Sempra Energy on behalf of San Diego Gas & Electric Company, to conduct a total compensation study (“study”) of selected representative jobs at San Diego Gas & Electric Company (SDG&E) for the purpose of assessing the competitiveness of SDG&E’s total compensation. The study was conducted as part of SDG&E’s 2019 General Rate Case (GRC) filing. The Office of Rate Payer Advocates (ORA) has participated in prior general rate cases, and was invited to participate in the 2019 General Rate Case as well. However, the ORA declined to participate, and was therefore were not involved in the study.

The approach for conducting the study and reporting the results involved representatives from Sempra Energy and Willis Towers Watson working together as a project team. Project Team decisions concerning methodology, the rationale for making these decisions, and various points of view are referenced in this report and in the Project Team meeting notes (Appendix G).

Members of the Project Team included:

- Debbie Robinson, Sempra Energy, Director - Compensation and Payroll Services
- Gregory Shimansky, Sempra Energy, Regulatory Program Manager
- Eric Bayona, Sempra Energy, Manager of Compensation Services
- Dean Stoutland, Willis Towers Watson, Southwest Retirement Leader
- Yannick Gagne, Willis Towers Watson, Senior Consultant, Retirement
- Catherine Hartmann, Willis Towers Watson, Senior Consultant, Talent and Rewards
- Ragini Mathur, Willis Towers Watson, Consultant, Talent and Rewards
- Katherine Chan, Willis Towers Watson, Senior Analyst, Talent and Rewards
- Tina Gay, Willis Towers Watson, Director, North America Survey Operations
- Nicole Warno, Willis Towers Watson, Director, BDS-US
- John Goudelias, Willis Towers Watson, Manager, BDS-US

The results of the study and background on the process, methodology, assumptions, and information used to conduct this study are included in this report.

Scope of Study

This study evaluates the competitiveness of total compensation provided by SDG&E to its employees based on a selection of SDG&E jobs (“benchmark jobs”). Benchmark jobs are those positions that are common across comparable organizations and for which total compensation data are available from published surveys. The study covers 231 benchmark jobs at SDG&E representing 2,694 SDG&E employees (66% of 4,062 total SDG&E employees¹) as of February 28, 2017. Inclusive of Corporate Center, the study covers 2,743 employees². The employee categories represented by the benchmark jobs selected by SDG&E and Willis Towers Watson are:

- Executive
- Manager/Supervisor
- Professional/Technical
- Physical/Technical
- Clerical

Market total compensation is defined as total direct compensation (base salary, short-term incentives, and the annualized expected value of long-term incentives, i.e., stock options, restricted stock, performance share, and cash long-term incentive plans, if applicable), plus the value of employee benefits. The methodology examines each of the elements of total direct compensation and benefits separately, and then combines the values to obtain total compensation. The total compensation valuations and comparisons in the study were based on the following components of total compensation:

- Actual and target total direct compensation
 - Base salary
 - Actual short-term incentives (actual amounts for 2016 performance paid in 2017) and target awards
 - Actual annualized expected values of long-term incentives³
- Employee benefits
 - Defined benefit pension and defined contribution⁴ retirement plans
 - Disability plans
 - Medical plans (active and retiree)
 - Dental plans (active and retiree)
 - Life insurance (active and retiree group life and active accidental death and dismemberment)

To determine competitive standing, total compensation levels for SDG&E benchmark jobs were compared to total compensation levels for similar positions at comparable employers. A group of utility industry and general industry companies was selected as comparable employers (“peer companies”) for benefits analyses. See page 22 for the list of the peer companies used in the study.

¹ Excludes part-time employees, and temporary employees such as apprentices and interns.

² Includes 21.1% of Corporate and all SDG&E employees as of February 28, 2017.

³ Based on long-term incentive value as on grant date.

⁴ Inclusive of savings plans.

Overview of Study Results

Willis Towers Watson concludes that SDG&E's target total compensation level for all SDG&E jobs, including Corporate Center, is estimated to be 1.5% below the average (mean) of the competitive market. SDG&E's actual total compensation for all SDG&E jobs, including Corporate Center is estimated to be 0.4% above the average (mean) of the competitive market.

A portion of the results for Corporate Center jobs that serve SDG&E has been distributed to it for study purposes and are included in Table 1A.

The methodology used to distribute Sempra Energy Corporate Center jobs was based on the aggregate 2016 Operation and Maintenance expense from all of the various Corporate Center functions (i.e., Human Resources, External Affairs, Finance, and Legal) based on the allocation process as described in the testimony of Mia DeMontigny. The distribution factor included labor and non-labor expenses (including those parent company costs that are not distributable). The expense factors used to distribute Sempra Energy Corporate Center results were: SDG&E (21.1%) and SCG (23.5%).

Based on these factors, SDG&E study results shown in Table 1A include 21.1% of the Sempra Energy Corporate Center employees, payroll, and percentage relationship to market for each element of compensation.

The study results are presented in Table 1A on the next page. The table shows SDG&E's competitive standing for each element of total compensation.

Table 1A: SDG&E (Including Corporate Center¹) versus Market — Competitive Summary

SDG&E Employee Category	SDG&E Total # of Employees (EEs) ²	SDG&E EEs in Study	SDG&E Target Total Cash (\$000s)	SDG&E Target Total Cash Weighting	Variance — SDG&E Benchmark Jobs vs. Competitive Market Average						
					Base Salary	Target Total Cash ³	Actual Total Cash ³	Benefits	Long-Term Incentives	Target Total Comp. ⁴	Actual Total Comp. ⁴
Executive	16	7	\$8,120	1.8%	-9.8%	-14.0%	-2.6%	-1.4%	-12.6%	-12.7%	-6.7%
Manager/Supervisor	618	248	\$96,218	21.4%	-4.0%	-1.6%	4.3%	17.6%	22.5%	1.4%	6.4%
Professional/Technical	1,858	1,240	\$207,488	46.2%	-10.9%	-7.7%	-4.6%	14.1%	16.4%	-4.5%	-1.9%
Physical/Technical	1,166	925	\$107,722	24.0%	3.9%	1.8%	-0.8%	10.4%	N/A	3.2%	1.1%
Clerical	479	322	\$29,720	6.6%	-11.4%	-8.5%	-7.6%	13.3%	N/A	-4.6%	-3.8%
Total⁵	4,137	2,743	\$449,268	100.0%	-5.9%	-4.3%	-1.9%	13.6%	12.2%	-1.5%	0.4%

¹ Includes 21.1% of total Corporate Center employees, actual and target compensation dollars and results, based on a formula related to Corporate Center operation and maintenance expense.

² SDG&E's population, including distribution of Corporate Center employees, as of February 28, 2017.

³ Actual total cash reflects base pay plus short-term (annual) incentives; target total cash reflects base pay plus target short-term incentive opportunity.

⁴ Actual total compensation is defined as actual total cash plus benefits and long-term incentives;

target total compensation is defined as target total cash plus benefits and long-term incentives.

⁵ Results weighted by SDG&E and allocated Corporate Center target total cash compensation for all jobs, both benchmark and non-benchmark.

Competitive positioning by employee category for SDG&E including Corporate Center (see Table 1A) are as follows:

1.1 Executive

Target total compensation for the Executive jobs is 12.7% below the average of the competitive market.

1.2 Manager/Supervisor

Target total compensation for the Manager/Supervisor jobs is 1.4% above the average of the competitive market.

1.3 Professional/Technical

Target total compensation for the Professional/Technical jobs is 4.5% below the average of the competitive market.

1.4 Physical/Technical

Target total compensation for the Physical/Technical jobs is 3.2% above the average of the competitive market.

1.5 Clerical

Target total compensation for the Clerical jobs is 4.6% below the average of the competitive market.

For reference, Table 1B shows study results for SDG&E before Corporate Center distribution. SDG&E target total compensation before Corporate Center distribution is 1.6% below market. SDG&E actual total compensation before Corporate Center distribution is 0.3% above market. See Appendix B - II for full Corporate Center results.

Table 1B: SDG&E (Excluding Corporate Center) versus Market — Competitive Summary

SDG&E Employee Category	SDG&E Total # of Employees (EEs) ¹	SDG&E EEs in Study	SDG&E Target Total Cash (\$000s)	SDG&E Target Total Cash Weighting	Base Salary	Variance — SDG&E Benchmark Jobs vs. Competitive Market Average					
						Target Total Cash ²	Actual Total Cash ²	Benefits	Long-Term Incentives	Target Total Comp. ³	Actual Total Comp. ³
Executive	14	5	\$6,615	1.5%	-12.5%	-17.2%	-6.8%	-4.4%	-17.9%	-16.7%	-11.1%
Manager/Supervisor	599	237	\$92,232	21.1%	-4.1%	-1.7%	4.2%	17.6%	20.6%	1.2%	6.2%
Professional/Technical	1,813	1,212	\$201,961	46.2%	-10.9%	-7.7%	-4.6%	14.3%	13.9%	-4.5%	-1.9%
Physical/Technical	1,166	925	\$107,722	24.6%	3.9%	1.8%	-0.8%	10.4%	N/A	3.2%	1.1%
Clerical	470	315	\$28,972	6.6%	-11.7%	-8.9%	-8.0%	13.4%	N/A	-4.9%	-4.2%
Total⁴	4,062	2,694	\$437,501	100.0%	-5.9%	-4.3%	-2.1%	13.7%	10.5%	-1.6%	0.3%

¹ SDG&E's population; as of February 28, 2017.

² Actual total cash reflects base pay plus short-term (annual) incentives; target total cash reflects base pay plus target short-term incentive opportunity.

³ Actual total compensation is defined as actual total cash plus benefits and long-term incentives; target total compensation is defined as target total cash plus benefits and long-term incentives.

⁴ Results weighted by SDG&E target total cash compensation for all jobs, both benchmark and non-benchmark.

Competitive positioning by employee category for SDG&E excluding Corporate Center (see Table 1B) are as follows:

1.6 Executive

Target total compensation for the Executive jobs is 16.7% below the average of the competitive market.

1.7 Manager/Supervisor

Target total compensation for the Manager/Supervisor jobs is 1.2% above the average of the competitive market.

1.8 Professional/Technical

Target total compensation for the Professional/Technical jobs is 4.5% below the average of the competitive market.

1.9 Physical/Technical

Target total compensation for the Physical/Technical jobs is 3.2% above the average of the competitive market.

1.10 Clerical

Target total compensation for the Clerical jobs is 4.9% below the average of the competitive market.

INTERPRETATION OF RESULTS BY WILLIS TOWERS WATSON

Willis Towers Watson considers +/- 10% of the average or mean of the competitive market to be the range of competitiveness. A range such as this is generally considered by compensation professionals to be a standard of competitiveness due to variances in employee performance levels, years of experience, and tenure within and across organizations. For certain components of compensation, such as long-term incentives and benefits, larger variances are common. Because of the variables involved — matching benchmark jobs to survey information, matching career levels, sample size, and data quality issues — in a study such as this, a range should be considered in evaluating the competitiveness of compensation.

Summary of Population Coverage

Table 2A: Study Coverage of SDG&E Population (Including Corporate Center)

SDG&E Employee Category	Benchmark Jobs	Total SDG&E Employee Population ¹	Total Employees in Benchmark Jobs	% of Total Population Represented by Benchmark Jobs
Executive	13	16	7	41%
Manager/Supervisor	88	618	248	40%
Professional/Technical	148	1,858	1,240	67%
Physical/Technical	44	1,166	925	79%
Clerical	31	479	322	67%
Total¹	324	4,137	2,743	66%

¹Includes 21.1% of Corporate and all SDG&E employees as of February 28, 2017.

Table 2B: Study Coverage of SDG&E Population (Excluding Corporate Center)

SDG&E Employee Category	Benchmark Jobs	Total SDG&E Employee Population ¹	Total Employees in Benchmark Jobs	% of Total Population Represented by Benchmark Jobs
Executive	5	14	5	36%
Manager/Supervisor	54	599	237	40%
Professional/Technical	110	1,813	1,212	67%
Physical/Technical	44	1,166	925	79%
Clerical	18	470	315	67%
Total¹	231	4,062	2,694	66%

¹Includes all SDG&E employees as of February 28, 2017.

This competitive study is an analysis of total compensation levels for a significant sample of SDG&E's total employee population. Due to the large number of SDG&E employees in the benchmark jobs selected for this study, Willis Towers Watson is confident that this study accurately represents the competitive positioning for the organization.

Tables 2A and 2B summarize the percentage of the total SDG&E employee population represented by the benchmark jobs ("coverage") that this study provides. They show the number of SDG&E employees that are in benchmark jobs compared to the total number of SDG&E employees in each employee category. Please note that the total number of employees excludes part-time, apprentices and interns, but includes contract employees and employees on leave of absence (these employees receive benefits). Overall, this study covers 66% of SDG&E's total employee population. Willis Towers Watson believes that the study coverage is sufficiently high to obtain an accurate representation of the competitive positioning for SDG&E's total employee population.

Supporting Documentation

The appendices to this report provide additional information that supports the study's results:

- Appendix A - I is a list of the employee profiles that were developed for benefits analyses.
- Appendix A - II is a list of the SDG&E benchmark jobs organized by SDG&E employee category and includes profile numbers for each benchmark job.
- Appendix B - I is a detailed competitive summary that provides the results for each SDG&E benchmark job within each SDG&E employee category. Subtotals are provided at the end of each employee category.
- Appendix B - II is a detailed competitive summary that provides the results for each Corporate Center benchmark job within each Corporate Center employee category. Subtotals are provided at the end of each employee category.
- Appendix C provides the average total compensation dollars for each SDG&E employee category by compensation component.
- Appendix D provides the aggregate total compensation dollars for each SDG&E employee category by compensation component.
- Appendix E is a detailed summary of the methodology used to value employee benefits in the study.
- Appendix F is a detailed summary of the methodology used to value LTI in the study.
- Appendix G provides summaries of each of the project team meetings. All decisions concerning methodology and the rationale for making these decisions are referenced in the project team meeting notes.
- Appendix H is a glossary of compensation-related terms used throughout this report.

Study Methodology

SDG&E EMPLOYEE CATEGORIES

For purposes of this study, SDG&E placed benchmark jobs into one of five employee categories. The employee categories are as follows:

- 1) *Executive* — This category includes the limited group of officers who are responsible for the overall direction of the company. Officers of Sempra Energy who have some responsibility for utility matters were included. Corporate Center positions whose expenses were not shared by the utilities were not included in the study (including jobs such as Sempra Energy Chairman and Chief Executive Officer).
- 2) *Manager/Supervisor* — Benchmark jobs in this category are classified as exempt under the Fair Labor Standards Act ⁵ (FLSA). This category contains different levels of leadership jobs with primary responsibility for directing the work of others and for the final work product in a unit of the company.
- 3) *Professional/Technical* — These benchmark jobs generally are individual contributors that are typically classified as exempt under the FLSA. These benchmark jobs usually require a college degree and the nature of the work involves extensive analysis and independent judgment. The benchmark jobs in this category are not covered by a collective bargaining agreement.
- 4) *Physical/Technical* — Benchmark jobs in this category are nonexempt under the FLSA. This category contains both field jobs requiring physical activities that are repetitive in nature and individual contributor technical jobs, such as Estimators. Physical (field) jobs are found more frequently in utility companies and are usually covered by a collective bargaining agreement. They often have formal apprenticeship programs and typically do not require college study. Technical jobs may require some college study, but a college degree is not required. Many have formal training programs in the company.
- 5) *Clerical* — These benchmark jobs are nonexempt under the FLSA. Jobs in this group usually are located in an office environment (although there are exceptions, such as meter readers) and require activities that are generally administrative or clerical in nature. These jobs may require some college study, but a college degree is not required. Some clerical jobs at SDG&E are covered by a collective bargaining agreement, unlike most clerical jobs in the competitive market.

⁵ The Fair Labor Standards Act (“FLSA”) of 1938 is a federal law that governs minimum wage, overtime pay, child labor and record-keeping requirements. The law also determines the type of positions that are exempt from minimum wage and overtime provisions. Under FLSA, “nonexempt” employees must be paid one-and-a-half times their normal wage rates for all hours worked in excess of 40 in any work week. Some states, including California, require overtime pay for nonexempt positions for hours exceeding 8 worked in one day.

SDG&E BENCHMARK JOB SELECTION PROCESS

This study includes 231 unique benchmark jobs at SDG&E representing 2,694 employees as of February 28, 2017. Additionally, when benchmark jobs from the Corporate Center were included in the study, the total SDG&E employee coverage came to 2,743 employees.

Benchmark jobs were selected from the following five SDG&E employee categories: 1) Executive, 2) Manager/Supervisor, 3) Professional/Technical, 4) Physical/Technical, and 5) Clerical. SDG&E provided Willis Towers Watson with an initial job list that included the following:

- All job classifications with one or more incumbents as of February 28, 2017
- All jobs initially identified for the 2016 GRC Study, including jobs excluded from that study for reasons such as lack of sufficient market information (matches, survey data)

Jobs chosen to be benchmark jobs met all or most of the following criteria:

- Jobs that were usually found in existing surveys that provide reliable competitive market data
- Jobs that, in aggregate, represented the largest number of incumbents to provide a representative cross-section of the employee population
 - Across the entire company (SDG&E and Corporate Center)
 - Across organization levels within the company
- Jobs that were representative of a job category or job family for cross-coverage
- Jobs that had a clearly definable scope of position, required education/experience, skills, and abilities

JOB MATCHING PROCESS

The Project Team worked together and conducted the benchmark job matching for this study over several weeks. The 2016 GRC Study benchmark positions were used as an initial starting point to maximize efficiency and help manage overall study costs. SDG&E and Willis Towers Watson began the job matching process by reviewing benchmark jobs that met the criteria established. The Project Team also identified new survey positions that were comparable to benchmark jobs at SDG&E (this is referred to as the “matching process”).

Survey positions were selected for benchmark jobs based on:

- Matches of benchmark jobs to survey positions that were validated and used in the prior SDG&E GRC Study
- Knowledge of the benchmark job scope and function by Sempra Energy Human Resources and line operations
- Willis Towers Watson’s experience and knowledge of the survey positions and the survey job leveling guides
- Comparable survey position matches selected by the Project Team from compensation surveys conducted by reputable consulting firms

A survey position was deemed to be an effective match to a benchmark job if the composition (e.g., scope, duties or function) of a survey job reflected 80% of the SDG&E benchmark composition. The 80% guideline is a standard guideline for compensation professionals. For executive benchmark jobs, survey positions also reflected the reporting level of the benchmark jobs in the organization.

Appendix A - I contains a list of SDG&E benchmark jobs and corresponding employee counts, by employee category that were included in the study.

The resulting coverage of SDG&E (including Corporate Center) employees in the final results ranged from 79% for the Physical/Technical employee category to 40% for the Manager/Supervisor employee category. Overall, there was 66% coverage of the total SDG&E population by benchmark jobs (see Tables 2A and 2B on page 7).

SURVEY SOURCES

Multiple survey sources were selected to ensure relevant and representative total compensation data for SDG&E benchmark jobs. For each survey source, data were pulled representing company-weighted data to ensure that no one company influenced the market rates. The survey sources are as follows:

Survey/Data Source	Data Type
Willis Towers Watson Compensation Data Bank (CDB) <ul style="list-style-type: none"> ▪ Energy Services Survey: Executive and Middle Management & Professional Surveys ▪ General Industry Survey: Executive and Middle Management & Professional Surveys 	Compensation Data
Edward A. Powell Data Information Solutions (EAPDIS) Energy Technical Craft Clerical Survey	Compensation Data
Mercer SIRS Survey	Compensation Data
Aon Hewitt Total Compensation Measurement (TCM) Executive Compensation Survey	Compensation Data
Aon Hewitt Total Compensation Measurement (TCM) Middle Management and Professional Survey	Compensation Data
Willis Towers Watson American Gas Association Compensation Survey	Compensation Data
Willis Towers Watson Benefits Database	Benefits Data

COMPENSATION DATA SOURCES AND SCOPES

For each survey specific data cuts were used for each different employee category to ensure an accurate reflection of the labor market that SDG&E competes for talent. From our experience, revenue scope provides a compensation differential at the Executive and Manager/Supervisor level. For this reason and comparability purposes with other larger employers, within these employee categories we will scope the data by revenue size, where available, to provide the most relevant comparator group.

Employee Category	Survey	Industry Scope	Revenue Scope
1) Executive ⁶	2016 Willis Towers Watson CDB General Industry Executive Compensation Survey	General Industry Data	Revenue = \$5-20B
	2016 Willis Towers Watson CDB Energy Services Executive Compensation Survey	Energy Services Data	Revenue = \$5-20B
	2016 Aon Hewitt TCM Executive Compensation Survey	General Industry Data Energy Services Data	Revenue = \$5-20B
2) Manager/ Supervisor	2016 Willis Towers Watson CDB General Industry Middle Management & Professional Compensation Survey	General Industry Data	Revenue = \$5-20B
	2016 Willis Towers Watson CDB Energy Services Middle Management & Professional Compensation Survey	Energy Services Data	Revenue = \$5-20B
	2016 Aon Hewitt TCM Middle Management and Professional Survey	General Industry Data Energy Services Data	Revenue = \$5-20B
	2016 Mercer SIRS Compensation Survey	General Industry Data	Revenue = \$5-20B
3) Professional/ Technical	2016 Willis Towers Watson CDB General Industry Middle Management & Professional Compensation Survey	General Industry Data	All Revenue
	2016 Willis Towers Watson CDB Energy Services Middle Management & Professional Compensation Survey	Energy Services Data	All Revenue
	2016 Willis Towers Watson American Gas Association Compensation Survey	Energy Services Data	All Revenue
	2016 Aon Hewitt TCM Middle Management and Professional Survey	General Industry Data Energy Services Data	All Revenue
	2016 Mercer SIRS Compensation Survey	General Industry Data	All Revenue
4) Physical/ Technical and 5) Clerical	2016 Willis Towers Watson CDB General Industry Middle Management & Professional Compensation Survey	General Industry Data	All Revenue
	2016 Willis Towers Watson CDB Energy Services Middle Management & Professional Compensation Survey	Energy Services Data	All Revenue
	2016 Willis Towers Watson American Gas Association Compensation Survey	Energy Services Data	All Revenue
	2016 Aon Hewitt TCM Middle Management and Professional Survey	General Industry Data Energy Services Data	All Revenue
	2016 Mercer SIRS Compensation Survey	General Industry Data	All Revenue
	2016 EAPDIS Energy Technical Craft Clerical Survey	Energy Services Data	All Revenue

⁶ Executives in the Corporate Center were matched to General Industry only, in order to align with Sempra Energy's recruitment strategy and methodology utilized in PG&E and Edison rate case studies.

COMPONENTS OF TOTAL COMPENSATION

The compensation elements are effective February 28, 2017 and include:

- Base salary (annualized rate) reflective of the most recent compensation structure
- Actual short-term incentives reflective of bonuses paid in 2017 for 2016 performance
- Target short-term incentives reflective of target bonuses
- Value of long-term incentives (i.e., restricted stock units and performance shares)
 - Reflective of SDG&E awards granted on January 3, 2017
 - SDG&E defines eligibility for long-term incentive awards by job level and title; all executives, directors and attorneys are eligible for long-term incentive awards
- Employee benefits
 - Defined benefit pension and defined contribution retirement plans
 - Disability plans
 - Medical plans (active and retiree)
 - Dental plans (active and retiree)
 - Life insurance (active and retiree group life and active accidental death and dismemberment)

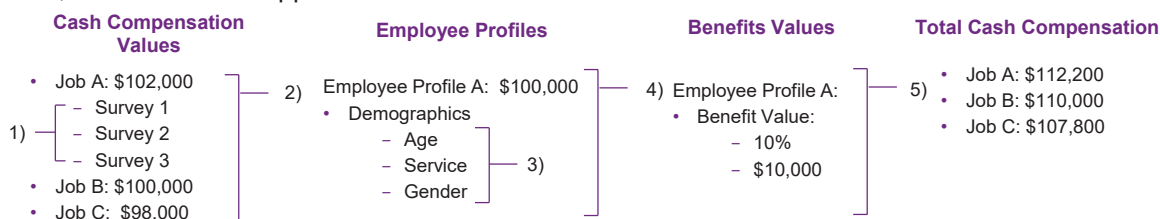
The following components of compensation will be excluded from the study because either most survey sources do not include such data or the value of the benefit is included in base salary:

- Vacation
- Overtime pay and shift differentials
- Paid time off (if in excess of vacation time)
- Special recognition awards or spot bonuses

TOTAL COMPENSATION VALUE COMPUTATION

- Market cash compensation values by benchmark job were derived from multiple survey sources based on agreed-upon matches and the availability of quality market data (i.e., sufficient number of companies, good correlations of average and 50th percentile, etc.).
 - Geographic differentials were applied to market cash compensation values for developing employee profiles for benefits analysis.
 - Geographic differentials were also applied to market base values only for total compensation value summation, i.e., total compensation as a summation of market base, bonus, LTI and benefits. Further explanations on methodology and rationale can be found in the following section for Cash Compensation Valuation Methodology.
- A total of 25 employee profiles have been developed and associated with each job category.
- These profiles currently reflect demographic information i.e. age, tenure and prevalent gender as is relevant to Sempra Energy’s employee population. The following guiding principles were followed to develop the employee profiles:
 - Employee profiles were derived based on market data that aligns with Willis Towers Watson’s general understanding of pay practices prevalent in the industry (e.g., similar range spreads).
 - Employee profiles were segregated into union and non-union specific profiles for the categories of Clerical and Physical/Technical since benefits plans vary across both groups.
 - Employee profiles were segregated for the executive population into specific profiles since benefit plans vary for this group.
 - To the best extent where market data supported the view, like jobs (based on job family, roles and responsibilities) were aligned to a single profile (e.g., separate profiles for supervisors vs. managers).
- Benefits values were then calculated for each employee profile, using Willis Towers Watson’s standard benefits valuation methodology, details of which can be found in Appendix E.
- Benefit values by benchmark job were then derived as a percentage of base pay and target bonus (for pay-based benefits) plus a fixed amount (for non-pay-based benefits) for each employee profile and applied to each benchmark job.
- Cash compensation, benefits and long-term incentive values were added together to obtain total compensation values for the 2019 GRC Study.

Details on the employee profiles developed, including market base pay information and demographic detail, are available in Appendix A - I.



- 1) Market **cash compensation values** by benchmark job are derived from multiple survey sources based on agreed upon matches
- 2) A total of **25 employee profiles** are evaluated across Sempra, focused by each job category and derived from cash compensation values
- 3) The **demographic data** for the benefits valuation aligns with Sempra incumbents in the same jobs as the employee profile(s)
- 4) Market **benefits values** by benchmark job are derived as a percentage of pay (for pay-based benefits) for each employee profile and applied to each benchmark job
- 5) Cash compensation and benefits values are added together for **total compensation** values for the 2019 GRC

Sample: For Illustration Purposes Only

CASH COMPENSATION VALUATION METHODOLOGY

Data Collection

Willis Towers Watson and the other managers of surveys used in this study collect compensation data directly from companies participating in the databases and surveys. The surveys collect base salary, short-term incentive, and long-term incentive data (where applicable) for actual incumbents at the companies participating in the surveys. Base salary, short-term incentive, and long-term incentive data (where applicable) were collected from the various data sources and from SDG&E for each survey position, and then combined at the position level to obtain compensation values.

The analysis contains both actual and target data for short-term incentives. These short-term incentives were awarded in 2017 for 2016 performance. In addition, cash profit sharing bonuses, when used as a short-term incentive, are included in total cash for the competitive market job matches. In certain cases where companies do not offer a short-term incentive or profit sharing plan for selected or all employees, base salary represents the entire total cash compensation package.

For certain benchmark job matches; Willis Towers Watson has weighted survey data from multiple data sources according to a predetermined methodology, i.e., energy service oriented jobs were matched to energy surveys, and jobs that fell in broader job categories were matched to both general industry and energy services surveys, wherever possible (generally with a 50-50 weighting of general and energy services industry). For nonexempt jobs, if an hourly rate of pay was reported by a data source, it was multiplied by 2,080 hours to obtain an annualized rate of base compensation. For exempt jobs, Willis Towers Watson used an annual rate of salary.

Multiple statistics were developed for compensation analysis. Specifically, the 25th percentile, median, average, and the 75th percentile of the market are provided.

Geographic differentials were analyzed and developed for Sempra Energy's most populated locations. As per Willis Towers Watson's methodology, geographic differentials were applied to market base pay only. Typically, pay components such as bonus and equity are not subject to geographic differentials, and differentiation in pay is seen in base pay only.

Geographic Analysis:

In order to determine a good approach to account for geographic differentials, as a first step towards establishing a process, Willis Towers Watson analyzed the availability of geographic data in surveys. Geographic data for the Southern California market was available for some survey jobs but not for all. Due to the inconsistency of data availability, as well as the sizeable presence of the SDG&E workforce in Southern California, we decided that we would analyze market data at a national level and then apply a weighted geographic differential percentage, based on primary locations, to achieve a similar yet less volatile and statistically sound approach to geographic differentials. Willis Towers Watson has adopted a similar methodology in previous rate cases, e.g., PG&E.

Willis Towers Watson used Economic Research Institute's (ERI) Geographic Assessor to obtain cost of labor as well as cost of living differential data for the study. ERI was founded over 25 years ago and is known for having one of the most robust cost of living and cost of labor databases in the U.S. Annually, it compiles data from more than 1,000 industry sectors that the majority of Fortune 500

companies rely upon for expert witness testimony, relocations, disability determinations, board presentations, and setting branch office structures.

For the GRC, Willis Towers Watson specifically reviewed data from ERI for seven cities, selected based on employees' work address, since they represent the highest Sempra Energy population (approximately 63% of Sempra's population works at these seven locations) across the enterprise. Employee work address is a preferred anchor for geographic analysis such as this as compared with home address.

- San Diego, CA
- Los Angeles, CA
- Pico Rivera, CA
- Anaheim, CA
- Redlands, CA
- San Dimas, CA
- Escondido, CA

Willis Towers Watson used the cost of labor differentials for these cities for our analysis since the value reflects the competitive difference for pay levels in the labor market, as understood by compensation professionals. Since cost of living reflects the cost of goods utilized by a typical consumer, including items such as housing, groceries and transportation, the cost of living index is not the best or preferred indicator of geographic differentials.

Willis Towers Watson analyzed the salary levels of each GRC job category to see the range of salaries that typically fall within a category. We then aligned the GRC job category specific salary levels to the ERI cost of labor salary levels, and applied Sempra's population coverage in the seven cities as a weight to derive a weighted average cost of labor differential for each GRC job category.

ERI Cost of Labor

Sempra Locations	Sempra Workforce Representation	ERI Cost of Labor Compared to National				
		Executive	Manager	Professional	Physical/Technical	Clerical
San Diego, CA	29.06%	--	110%	110%	110%	110%
Los Angeles, CA	17.37%	--	115%	115%	114%	114%
Pico Rivera, CA	3.62%	--	114%	114%	113%	113%
Anaheim, CA	3.53%	--	113%	113%	113%	113%
Redlands, CA	3.46%	--	108%	108%	108%	108%
San Dimas, CA	2.91%	--	114%	114%	113%	113%
Escondido, CA	2.56%	--	110%	110%	110%	110%
Weighted Average Cost of Labor		--	112%	111%	112%	111%
Final Cost of Labor Applied		--	108%	108%	108%	108%

The cost of labor across all job categories ranges between 11% - 12% above national average. Due to the reasons stated above, we opted to apply the preferred index of cost of labor, using a more conservative approach at 8% across all job categories, with the exception of the Executive job category. No geographical adjustments were applied to the Executive job category since Willis Towers Watson considers the labor market for this category to be at a broader national level.

Additionally, as described in the Total Compensation Valuation Methodology and Data Collection Sections above, geographic differentials were applied to market cash compensation values for employee profiles and were only applied to market base for total compensation value summations and build up.

Effective Date

The survey and database sources used in the study collect base pay, short-term incentive, and, in some cases, long-term incentive data that are in effect as of a certain date from participating companies. Those sources and the effective dates are listed below.

Survey/Data Source	Effective Date
Willis Towers Watson CDB <ul style="list-style-type: none"> ▪ General Industry Survey: Executive and Middle Management & Professional Surveys ▪ Energy Services Survey: Executive and Middle Management & Professional Surveys ▪ American Gas Association Survey 	March 1, 2016
Aon Hewitt TCM <ul style="list-style-type: none"> ▪ Executive Compensation Survey ▪ Middle Management and Professional Survey 	April 1, 2016
Mercer SIRS Survey	April 1, 2016
EAPDIS Energy Technical Craft Clerical Survey	January 1, 2016

To provide a common reference date for compensation values, the salary data from the surveys and databases were aged to a common effective date of July 1, 2017. Data is aged since compensation is paid over a year of employment and pay generally increases once per year, if at all. Incentives are generally paid once per year. As a result, incentive awards are not aged.

The effective date of the competitive salary data to be aged varied by survey source since survey providers collect data at different times. Aging compensation data, using general or industry-specific rates of salary increase to provide current competitive market compensation levels, is a generally accepted practice of major consulting firms. Typically, consultants and practitioners will age salary data up to two years from the effective date of the data. Aging factors are based on general salary and wage increases that represent the actual experience of companies or represent the companies' budgeted increases.

A single aging factor of 2.9% will be applied to all jobs in all of SDG&E employee categories for surveys with effective dates in 2016. This 2.9% factor will be applied on a prorated basis depending on the effective date of the data. This factor was determined by using multiple sources of publicly available, governmental, and proprietary sources of information on national and western region hourly and salaried wage increases for the utility and general industries. The data sources used to determine the aging factor are shown below:

Survey/Data Source	Industry	Actual 2016 Increases
WorldatWork 2016-17 United States Salary Budget Survey (National)	Utility Industry	3.10%
	All Industries	3.10%
Willis Towers Watson 2016 United States General Industry Salary Budget	Energy Services and Utilities Industry	2.80%
	All Industries	2.90%
Mercer 2016/2017 US Compensation Planning Survey Report	Utility Industry	2.80%
	All Industries	2.80%
SDG&E Aging Factor		2.90%

As is typical practice, short-term incentives, long-term incentives, and employee benefit values were not aged. Benefit values will reflect any aging applied to base salaries for salary-related components of pay, and therefore are not updated separately.

LONG-TERM INCENTIVE VALUATION METHODOLOGY

In order to derive total direct compensation, that is, the sum of base salary, annual incentives and the value of long-term incentives, a dollar value must be established for the long-term incentive award or grant. The value should be one that allows a company to compare its long-term plan's worth to other companies. In order to do this, Willis Towers Watson uses a standard accounting value methodology as its standard methodology for presentation. Further details are outlined in Appendix F.

Long-term incentive (LTI) compensation programs include:

- Performance shares/units
- Restricted stock/units
- Stock options
- Cash LTI plans

The majority of survey sources used in the study provide long-term incentive dollar values for some or all categories of aforementioned long-term incentive programs⁷. For that reason, actual long-term incentive dollar values were used for the market analysis to ensure the most robust sample size and reporting data for long-term incentive eligible benchmark jobs. When benchmark jobs at Sempra Energy were not long-term incentive eligible, a comparison was not made. For each stock option⁸, restricted stock, or other performance award, the accounting value is the value determined by the company and reported to the survey.

⁷ Sempra Energy provided Willis Towers Watson with long-term incentive values for long-term incentive eligible jobs.

⁸ Although Sempra Energy does not offer stock options, this is a common vehicle in the general industry market and therefore is included in the market data from available survey sources.

Benefits Valuation Methodology

Willis Towers Watson's benefit valuation methodology, BenVal[®], was used to determine the benefits value delivered by each peer company to its employees. This valuation methodology applies a standard set of actuarial methods and assumptions to employee demographic profiles which have been customized based on the demographics of employee categories within SDG&E (i.e., age, service, and gender). Willis Towers Watson's methodology measures the value of benefits to the employee, not the cost of benefits to the company. Willis Towers Watson developed the methods and assumptions on the basis of a number of factors:

- Consistency with Generally Accepted Accounting Principles (GAAP)
- Conformance with Employee Retirement Income Security Act (ERISA) and other employee benefits standards
- Consistency with actuarial standards set by the American Academy of Actuaries and the Actuarial Standards Board
- Consistency with other studies done for other Willis Towers Watson clients
- Experience within utility and general industries

Employee benefit values will be calculated for the following benefit plans:

- Defined benefit and defined contribution retirement plans
- Disability plans
- Medical plans (active and retiree)
- Dental plans (active and retiree)
- Life insurance (active and retiree group life and active accidental death and dismemberment)

As is typical practice, benefit values that were excluded from this analysis are:

- Vacation
- Short-term disability
- Social Security
- Other government-mandated benefits

Employee benefit values were based on detailed descriptions of employee benefit programs applicable to new hires for the peer companies that are contained in Willis Towers Watson's Benefits Data Source (BDS) database and were updated to reflect changes in plan provisions.

We used demographics reflecting 25 unique employee profiles (i.e., job category, age, gender, service, and compensation) and data from 20 companies from the energy services/utility industry and 20 companies from general industry as the primary comparator groups for the study. A more detailed explanation of the employee benefits valuation methodology is provided in Appendix E.

BENEFITS PEER GROUPS

Relevant utility and general industry peer companies were selected based on size, industry segment, and geographic parameters to develop the most accurate assessment of SDG&E's competitive labor market.

The goal was to identify a combined peer group of 40 companies (large utilities nationwide and large general industry companies with a substantial presence in Southern California) and to utilize an appropriate subset of the peer group to obtain appropriate benefits data.

As the first step of the peer group selection process, Willis Towers Watson provided the Project Team with preliminary lists of companies that represent the labor market within which SDG&E competes. As part of the decision-making process, these preliminary lists were reviewed and select utility and general industry peer companies were picked using a set of selection criteria (i.e., size, industry characteristics, primary geographic labor market, and 2016 GRC Study peers).

Utility Industry Peer Companies

#	Organization ²	2016 Sempra Energy GRC Peer	2018 SCE GRC Participant	2017 PG&E GRC Participant	Revenue (Millions) ⁵
1	Ameren Corporation	Y		Y	\$6,098
2	American Electric Power System	Y	Y	Y	\$16,453
3	CenterPoint Energy, Inc.	Y		Y	\$7,386
4	Consolidated Edison Company of New York, Inc.	Y	Y	Y	\$12,554
5	Dominion Resources, Inc. ¹		Y	Y	\$11,683
6	DTE Energy	Y	Y	Y	\$10,337
7	Duke Energy Corporation	Y	Y	Y	\$23,459
8	Energy Future Holdings Corp.	Y	Y	Y	\$5,370
9	Entergy Corporation ¹	Y	Y	Y	\$11,513
10	Eversource Energy Service Co.			Y	\$7,955
11	Exelon Corporation ¹		Y	Y	\$29,447
12	NextEra Energy, Inc.	Y	Y	Y	\$17,486
13	Pacific Gas and Electric Company	Y	Y		\$16,833
14	PacifiCorp	Y	Y		\$5,232
15	Pinnacle West Capital Corporation	Y			\$3,495
16	PPL	Y		Y	\$7,669
17	Public Service Enterprise Group	Y	Y	Y	\$10,415
18	Southern California Edison	Y		Y	\$11,485
19	Southern Company Services, Inc. ¹		Y	Y	\$17,489
20	Xcel Energy Inc.	Y		Y	\$11,024

General Industry Peer Companies

#	Organization ²	2016 Sempra Energy GRC Peer	2018 SCE GRC Participant	2017 PG&E GRC Participant	Revenue (Millions) ⁵
1	Allergan, Inc.	Y	Y	Y	\$15,071
2	Amgen Inc. ³		Y		\$21,662
3	Apple Inc.	Y			\$215,639
4	Bank of America Corporation	Y			\$93,056
5	Bechtel Global Corporation ³		Y	Y	\$32,300
6	Chevron Corporation	Y	Y	Y	\$129,925
7	Edwards Lifesciences	Y			\$2,494
8	First American	Y			\$5,175
9	Fluor Corporation	Y		Y	\$18,114
10	General Dynamics NASSCO West ³				\$31,469
11	Intuit Inc.	Y			\$4,694
12	Jacobs Engineering Group Inc. ⁴	Y		Y	\$10,964
13	Oracle America, Inc.	Y		Y	\$37,047
14	Pacific Life Insurance Company ³			Y	\$8,321
15	Parsons Corporation ³		Y		\$3,219
16	Qualcomm Incorporated	Y		Y	\$23,554
17	Roche ³	Y			\$50,948
18	Sony Pictures Entertainment Inc. ³	Y			\$8,307
19	Teledyne Technologies Incorporated	Y			\$2,298
20	Western Union ³	Y			\$5,484

¹ Broad-based and executive benefits plans are available for these organizations. Broad-based, executive and union benefits plans are available for all other selected utility industry peers.

² Union benefits plans are not available for general industry peers.

³ Broad-based benefits plans are available for these organizations. Broad-based and executive benefits plans are available for all other selected general industry peers.

⁴ Company headquarters moved from California to Dallas; benefits information collected prior to their move.

⁵ 2016 revenue as reported by the organization.

APPENDIX A – I: Employee Profiles

The table below represents the market data utilized to develop the employee profiles.

Job and Incumbent Counts			Market			Demographic Information			Job Category & Union Representation Information					
Job Count	Employee Counts	Base Median (in '000s) ¹	Target Bonus Percent Median ²	Median Age	Median Tenure	Prevalent Gender	Union Representation	Clerical	Physical/ Technical	Professional/ Technical	Manager/ Supervisor	Executive		
Profile 1	3	\$41	5.2%	37.8	7.1	M	100%	33%	67%	--	--	--		
Profile 2	12	\$59	5.7%	39.7	9.0	M	100%	50%	50%	--	--	--		
Profile 3	10	\$70	5.6%	46.6	13.7	M	100%	20%	80%	--	--	--		
Profile 4	23	\$80	5.7%	47.4	15.7	M	100%	4%	96%	--	--	--		
Profile 5	24	\$91	6.7%	48.9	20.4	M	100%	8%	92%	--	--	--		
Profile 6	2	\$116	11.5%	57.2	35.3	M	100%	--	100%	--	--	--		
Profile 7	5	\$51	5.1%	50.3	6.8	F	--	100%	--	--	--	--		
Profile 8	25	\$60	6.3%	41.4	10.2	F	--	56%	4%	40%	--	--		
Profile 9	36	\$71	6.8%	41.4	8.5	F	--	36%	--	64%	--	--		
Profile 10	6	\$81	6.6%	46.3	9.1	M	--	33%	67%	--	--	--		
Profile 11	2	\$90	5.4%	49.1	7.6	F	--	50%	50%	--	--	--		
Profile 12	30	\$81	8.6%	41.5	10.4	M	--	--	--	80%	20%	--		
Profile 13	26	\$93	9.4%	42.6	12.5	F	--	--	--	92%	8%	--		
Profile 14	40	\$102	9.7%	46.3	12.8	M	--	--	--	75%	25%	--		
Profile 15	35	\$113	11.0%	46.0	11.2	M	--	--	--	69%	31%	--		
Profile 16	41	\$125	12.3%	48.7	12.8	M	--	--	--	68%	32%	--		
Profile 17	39	\$135	13.4%	48.3	14.2	M	--	--	--	51%	49%	--		
Profile 18	11	\$147	15.0%	48.0	13.1	M	--	--	--	55%	45%	--		
Profile 19	21	\$161	17.4%	49.8	13.3	M	--	--	--	48%	52%	--		
Profile 20	11	\$182	20.5%	49.1	14.2	M	--	--	--	18%	82%	--		
Profile 21	21	\$205	25.5%	51.3	16.2	M	--	--	--	14%	86%	--		
Profile 22	6	\$262	24.9%	50.1	7.3	M	--	--	--	17%	83%	--		
Profile 23	6	\$265	40.6%	47.5	18.2	F	--	--	--	--	--	100%		
Profile 24 ³	7	\$328	47.5%	51.7	12.0	M	--	--	--	--	--	100%		
Profile 25	5	\$556	75.7%	56.6	20.9	F	--	--	--	--	--	100%		
	447		7,766											

¹ Geographic differentials were applied to market cash compensation values for employee profiles.

² Market target bonus for each profile does not include zero or blank target bonus.

³ The same incumbent in 985150, VP – Controller & CFO position oversees activities in both SDG&E and SCG and is therefore included twice in Profile 24.

APPENDIX A – II: Benchmark Jobs and Employee Profile Alignment⁹

⁹ Jobs have been sorted by profile number, and job title for ease of view.
August 1, 2017

SDG&E Executive Benchmark Jobs Included in Study

2019 GRC Study Position #	SDG&E Benchmark Job Title	Profile Number	Number of SDG&E Employees
1023	Executive 14	Profile 23	1
1022	Executive 13	Profile 23	1
1020	Executive 6	Profile 24	1
1021	Executive 7	Profile 24	1
1019	Executive 1	Profile 25	1
TOTAL:		5	

SDG&E Manager/Supervisor Benchmark Jobs Included in Study

2019 GRC Study Position #	SDG&E Benchmark Job Title	Profile	Number of SDG&E Employees
1077	Associate Customer Contact Center Supervisor	Profile 12	4
1069	Facilities Manager 4	Profile 12	1
1075	Customer Contact Center Supervisor	Profile 12	5
1076	Vegetation Management Contract Administrator	Profile 12	3
1070	Logistics Manager 3	Profile 13	1
1063	Billing Supervisor	Profile 14	5
1061	Customer Operations Support Supervisor	Profile 14	3
1067	Facilities Manager	Profile 14	5
1072	Fleet Supervisor	Profile 14	3
1059	Project Management Supervisor	Profile 14	9
1050	Construction Supervisor - Electric	Profile 15	47
1060	Public Relations Manager 5	Profile 15	1
1074	Dispatch Supervisor	Profile 15	2
1064	Electric Meter Test Supervisor	Profile 15	2
1065	Field Operations Supervisor I	Profile 15	9
1073	Field Operations Supervisor II	Profile 15	18
1068	Facilities Manager 3	Profile 15	1
1071	Technical Supervisor	Profile 15	3
1043	Project Management Manager 1	Profile 16	1
1053	Customer Service Manager 2	Profile 16	1
1055	Human Resources Manager 8	Profile 16	1
1057	Engineering Manager 5	Profile 16	1
1046	Portfolio Manager	Profile 16	4
1045	Project Management Manager	Profile 16	4
1058	Regional Public Affairs Manager	Profile 16	2
1040	Business Planning Manager	Profile 17	4
1051	Finance Manager 18	Profile 17	1
1044	Construction Manager - Electric	Profile 17	10
1062	Environmental Services Team Leader - Water/Natural Resources	Profile 17	4
1034	Finance Manager 19	Profile 17	1
1052	Operations & Engineering Manager	Profile 17	7
1048	Facilities Manager 2	Profile 17	1
1056	Team Leader	Profile 17	20
1066	Team Leader - IV	Profile 17	7
1042	Engineering Manager 4	Profile 18	1
1041	Customer Service Manager 1	Profile 18	1
1054	Regulatory Manager 2	Profile 18	1
1049	Engineering Manager 3	Profile 18	1
1035	Engineering Manager 2	Profile 19	1
1047	Marketing Manager 1	Profile 19	1
1039	Infrastructure Technology Manager	Profile 19	6
1038	Software Development Manager	Profile 19	14
1036	Construction Operations Manager	Profile 20	2
1037	Manager - Construction & Operations	Profile 20	6
1032	Engineering Manager 1	Profile 20	1
1025	Regulatory Manager 1	Profile 21	1

2019 GRC Study Position #	SDG&E Benchmark Job Title	Profile	Number of SDG&E Employees
1027	Facilities Manager 1	Profile 21	1
1031	Finance Manager 7	Profile 21	1
1026	Human Resources Manager 4	Profile 21	1
1028	IT Manager 1	Profile 21	1
1033	Logistics Manager 1	Profile 21	1
1030	Human Resources Manager 3	Profile 21	1
1029	Logistics Manager 2	Profile 21	1
1024	Assistant General Counsel	Profile 22	3
		TOTAL:	237

SDG&E Professional/Technical Benchmark Jobs Included in Study

2019 GRC Study Position #	SDG&E Benchmark Job Title	Profile	Number of SDG&E Employees
1229	Assoc Billing Analyst	Profile 8	16
1231	Associate Business Analyst - Rotation	Profile 8	3
1217	Billing Analyst - I	Profile 8	8
1223	Business Analyst - I	Profile 8	5
1215	Business Services Customer Energy Specialist	Profile 8	7
1226	Cust Programs Specialist I	Profile 8	10
1219	Reg Case Analyst	Profile 8	4
1230	Accountant - II	Profile 9	4
1222	Assoc Contrg Agent	Profile 9	6
1214	Associate Engineer	Profile 9	5
1218	Associate Engineer - R	Profile 9	18
1211	Business Analyst - II	Profile 9	10
1205	IT Professional 4	Profile 9	1
1220	IT Assoc - R	Profile 9	19
1193	Land Mgmt Rep	Profile 9	4
1228	Proj Spec	Profile 9	13
1227	Senior Accounting Mgmt Specialist	Profile 9	2
1216	Staff Accountant - II	Profile 9	15
1209	Area Forester	Profile 12	4
1213	Business Systems Analyst - I	Profile 12	5
1208	Customer Programs Advisor I	Profile 12	12
1200	Customer Project Planner	Profile 12	63
1221	Elect GIS Specialist	Profile 12	11
1210	Engineer II	Profile 12	17
1225	Engineering Analyst - I	Profile 12	10
1196	Environmental Specialist	Profile 12	9
1212	Field Utility Specialist	Profile 12	11
1189	Infrastructure Technology Analyst	Profile 12	6
1224	Proj Coord II	Profile 12	3
1197	Project Advisor	Profile 12	10
1206	Sec Ops Ctr Analyst - I	Profile 12	6
1195	Senior Accountant - I	Profile 12	8
1204	Senior Billing Analyst	Profile 12	2
1201	Senior Business Services Analyst	Profile 12	4
1187	Business Advisor	Profile 13	4
1207	Buyer II	Profile 13	2
1190	Cmnty Rels Mgr	Profile 13	2
1199	Contracting Agent	Profile 13	7
1171	Customer Programs Advisor II	Profile 13	15
1198	Market Advisor - I	Profile 13	3
1176	Operations Training Instructor	Profile 13	11
1186	Right-Of-Way Agent	Profile 13	4
1194	Senior Business Analyst - I	Profile 13	10
1175	Sr Paralegal	Profile 13	5
1191	Staffing Advisor	Profile 13	2
1192	Technical Advisor - I	Profile 13	6
1188	Account Executive	Profile 14	9

2019 GRC Study Position #	SDG&E Benchmark Job Title	Profile	Number of SDG&E Employees
1202	Business Systems Analyst - II	Profile 14	38
1181	Engineer I	Profile 14	30
1172	Field Safety Advisor	Profile 14	8
1163	Information Protection Technologist	Profile 14	3
1158	Infrastructure Technologist	Profile 14	26
1203	Network Operations Analyst	Profile 14	6
1164	Proj Mgr - I	Profile 14	33
1184	Reg Tariff Admtr	Profile 14	2
1180	Regulatory Case Administrator	Profile 14	2
1185	Senior Accountant - II	Profile 14	13
1182	Senior Chemist	Profile 14	2
1157	Senior Engineer	Profile 14	31
1177	Senior Environmental Specialist	Profile 14	15
1183	Senior Research Analyst	Profile 14	3
1145	Senior Transaction Scheduler	Profile 14	3
1178	Service Delivery Advisor	Profile 14	3
1159	Web Business Technologist	Profile 14	3
1147	Public Relations Professional 3	Profile 15	1
1160	Public Affairs Manager	Profile 15	4
1165	Senior Business Analyst - II	Profile 15	18
1170	Senior Claims Advisor	Profile 15	5
1169	Senior Contracting Agent	Profile 15	5
1167	Senior Customer Project Planner	Profile 15	41
1142	Senior Human Resources Advisor	Profile 15	2
1161	Senior Staffing Advisor	Profile 15	2
1179	Software Developer	Profile 15	15
1150	Sr Customer Programs Advisor	Profile 15	8
1173	Technical Advisor - II	Profile 15	11
1144	Emergency Services Program Manager	Profile 16	2
1133	Infrastructure Team Lead	Profile 16	21
1162	Environmental Sciences Professional 1	Profile 16	1
1148	Project Manager - II	Profile 16	67
1149	Regulatory Case Manager - I	Profile 16	3
1166	Senior Account Executive	Profile 16	8
1174	Senior Business Systems Analyst	Profile 16	34
1141	Senior Industrial Hygienist	Profile 16	2
1135	Senior Infrastructure Technician	Profile 16	34
1156	Senior Market Advisor - I	Profile 16	9
1143	Senior Organizational Development Advisor	Profile 16	3
1146	Senior Software Developer	Profile 16	58
1168	Sr Diverse Business Ent Advisor	Profile 16	2
1129	Database Administrator	Profile 17	11
1134	Information Technology Project Lead	Profile 17	23
1132	Engineering Professional 2	Profile 17	1
1154	Principal Accountant	Profile 17	4
1155	Principal Accountant	Profile 17	10
1139	Principal Accountant - Supervisor	Profile 17	4
1151	Principal Business Analyst	Profile 17	22
1152	Principal Business Systems Analyst	Profile 17	3

2019 GRC Study Position #	SDG&E Benchmark Job Title	Profile	Number of SDG&E Employees
1128	Principal Engineer	Profile 17	23
1136	SAP Business Warehouse Development	Profile 17	3
1153	SAP Process Designer	Profile 17	6
1137	Software Component Architect	Profile 17	12
1126	Information Technology Project Manager	Profile 18	14
1125	Information Technology Architect	Profile 19	4
1127	Proj Mgr - III	Profile 19	24
1124	Regulatory Professional 1	Profile 19	1
1140	Regulatory Case Manager - II	Profile 19	7
1131	Software Team Lead	Profile 19	24
1138	Sr Comms Mgr	Profile 19	4
1123	Engineering Professional 1	Profile 20	1
1130	Gvtl Affrs Mgr - Sta Agcy Affr	Profile 20	2
1122	Senior Counsel	Profile 21	21
		TOTAL:	1,212

SDG&E Physical/Technical Benchmark Jobs Included in Study

2019 GRC Study Position #	SDG&E Benchmark Job Title	Profile	Number of SDG&E Employees
1121	Traffic Ctrl Asst	Profile 1	18
1120	Laborer/UG Tech B	Profile 2	17
1117	Line Assistant	Profile 2	10
1116	Gas / Ug Tech (B)	Profile 3	13
1107	Locator	Profile 3	25
1118	Matl Handler	Profile 3	15
1115	Traffic Ctrl Spec	Profile 3	20
1111	Vehicle Operator A	Profile 3	5
1091	Electn NACE	Profile 4	10
1098	Facilities Mechanic - A	Profile 4	5
1101	Fleet Maint Technician	Profile 4	44
1112	Gas / Ug Tech (A)	Profile 4	9
1090	Instru Ctrl Tech - Gas - Trans	Profile 4	3
1102	Laboratory Tech	Profile 4	2
1109	Lead Stockkeeper	Profile 4	5
1110	Patroller (Gas)	Profile 4	17
1094	Regulator Technician - Distribution	Profile 4	9
1113	Single Phase Mtr Tech	Profile 4	10
1104	Sp Equip Opr - Haz Mat Cert	Profile 4	4
1105	Special Equipment Operator	Profile 4	2
1103	Welder (Gas) Arc Qual	Profile 4	17
1085	Communications Technician	Profile 5	15
1093	Compressor Operator	Profile 5	6
1079	Distribution Sytems Operator	Profile 5	13
1089	Electric Meter Tester	Profile 5	17
1086	Electronic Control Technician - Power Delivery	Profile 5	11
1095	Inspector A	Profile 5	21
1108	Line Checker	Profile 5	3
1082	Lineman	Profile 5	159
1106	Meter Services Person	Profile 5	40
1083	Relay Technician C	Profile 5	2
1097	Service Technician	Profile 5	79
1084	Substation Electrician	Profile 5	84
1080	Troubleshooter	Profile 5	41
1088	Wkg Frm - Gas / Non-Arc Qual	Profile 5	9
1078	Working Foreman - Electric Distribution	Profile 5	39
1087	Working Foreman (Gas) Arc Qual	Profile 5	16
1081	Working Foreman - Substation	Profile 6	11
1119	Elect GIS Technician	Profile 8	32
1096	Instru & Ctrl Tech	Profile 10	5
1099	Maint Mech	Profile 10	4
1100	Operations Technician	Profile 10	17
1114	Service Planner	Profile 10	28
1092	Sr Ops Tech	Profile 11	13
		TOTAL:	925

SDG&E Clerical Benchmark Jobs Included in Study

2019 GRC Study Position #	SDG&E Benchmark Job Title	Profile	Number of SDG&E Employees
1003	Senior Collector	Profile 3	9
1001	Dispatcher Specialist	Profile 5	26
1012	Accounting Associate	Profile 7	7
1017	Program Assistant	Profile 7	15
1018	Staff Assistant	Profile 7	5
1013	Utility Accounting Clerk	Profile 7	3
1015	Administrative Associate	Profile 8	10
1007	Energy Services Specialist I - Bnch Ofc	Profile 8	7
1014	Engy Svcs Spec I	Profile 8	106
1011	Engy Svcs Spec I Bilingual	Profile 8	21
1005	Engy Svcs Spec II	Profile 8	21
1009	Project Management Assistant	Profile 8	17
1006	Technical Support Assistant	Profile 8	7
1010	Administrative Associate	Profile 9	24
1002	Executive Assistant - I & II	Profile 9	9
1016	Operations Assistant	Profile 9	11
1004	Operations Coordinator	Profile 9	6
1008	Service Coordinator	Profile 9	11
TOTAL:			315

Corporate Center Executive Benchmark Jobs Included in Study

2019 GRC Study Position #	Corporate Center Benchmark Job Title	Profile	Number of Corporate Center Employees
3021	Executive 18	Profile 23	1
3020	Executive 17	Profile 23	1
3017	Executive 10	Profile 24	1
3018	Executive 11	Profile 24	1
3019	Executive 12	Profile 24	1
3014	Executive 3	Profile 25	1
3015	Executive 4	Profile 25	1
3016	Executive 5	Profile 25	1
TOTAL:			8

Corporate Center Manager/Supervisor Benchmark Jobs Included in Study

2019 GRC Study Position #	Corporate Center Benchmark Job Title	Profile	Number of Corporate Center Employees
3055	Proj Ctrl Ld	Profile 14	4
3047	Accounting Research & Policy Manager	Profile 16	2
3050	Finance Manager 20	Profile 16	1
3054	Corp Acctg Supv	Profile 16	2
3048	Human Resources Manager 7	Profile 16	1
3045	Security Manager	Profile 16	2
3051	Human Resources Manager 6	Profile 17	1
3052	Finance Manager 16	Profile 17	1
3043	Proj Ctrl Mgr	Profile 17	2
3053	Finance Manager 15	Profile 17	1
3038	Tax Manager	Profile 17	6
3036	IT Manager 2	Profile 18	1
3042	Audit Services Manager	Profile 19	3
3046	Finance Manager 12	Profile 19	1
3041	Corp Fin Mgr	Profile 19	2
3035	Finance Manager 14	Profile 19	1
3040	Finance Manager 13	Profile 19	1
3049	Finance Manager 11	Profile 19	1
3039	Finance Manager 8	Profile 20	1
3028	Public Relations Manager 4	Profile 20	1
3037	Public Relations Manager 3	Profile 20	1
3033	Finance Manager 9	Profile 20	1
3031	Finance Manager 10	Profile 20	1
3044	Human Resources Manager 5	Profile 20	1
3024	Finance Manager 5	Profile 21	1
3030	Finance Manager 4	Profile 21	1
3025	Public Relations Manager 2	Profile 21	1
3029	Public Relations Manager 1	Profile 21	1
3034	Finance Manager 2	Profile 21	1
3027	Director - Corporate Tax	Profile 21	4
3032	Finance Manager 3	Profile 21	1
3026	Finance Manager 1	Profile 22	1
3022	Associate General Counsel	Profile 22	3
3023	Legal Manager 1	Profile 22	1
TOTAL:			54

Corporate Center Professional/Technical Benchmark Jobs Included in Study

2019 GRC Study Position #	Corporate Center Benchmark Job Title	Profile	Number of Corporate Center Employees
3091	Staff Accountant	Profile 8	7
3093	Staff Accountant - Rotation	Profile 8	7
3089	Human Resources Professional 5	Profile 9	1
3084	Finance Professional 3	Profile 9	1
3090	Human Resources Professional 4	Profile 9	1
3092	Staff Accountant Rotation - II	Profile 9	9
3085	Tax Analyst II	Profile 9	5
3087	Finance Professional 2	Profile 13	1
3081	Human Resources Professional 3	Profile 13	1
3088	Finl Analyst	Profile 13	4
3086	Human Resources Professional 2	Profile 13	1
3074	MyInfo Project Manager	Profile 14	2
3080	Senior Accountant	Profile 14	5
3078	Public Relations Professional 2	Profile 15	1
3063	Insurance & Risk Advisory Manager	Profile 15	2
3076	Senior Auditor	Profile 15	5
3082	Senior Business Analyst - II	Profile 15	3
3083	Senior Financial Analyst	Profile 15	6
3077	Senior Tax Advisor	Profile 15	9
3079	Sp Agent	Profile 15	6
3064	Ld Software Developer	Profile 16	4
3073	IT Professional 2	Profile 16	1
3067	Senior Compensation Advisor	Profile 16	3
3071	IT Professional 3	Profile 16	1
3069	Sr Client Services Advisor	Profile 16	2
3068	Sr IT Auditor	Profile 16	2
3075	Human Resources Professional 1	Profile 16	1
3062	Prin Auditor	Profile 17	5
3066	Prin Finl Analyst	Profile 17	4
3072	Principal Accountant	Profile 17	7
3070	Finance Professional 1	Profile 17	1
3059	Proj Mgr - Audit Svcs	Profile 17	2
3061	Principal Tax Advisor	Profile 18	9
3065	Public Relations Professional 1	Profile 18	1
3058	IT Professional 1	Profile 19	1
3060	Prin IT Auditor	Profile 19	3
3056	Senior Counsel	Profile 21	7
3057	Senior Tax Counsel	Profile 22	2
		TOTAL:	133

Corporate Center Physical/Technical Benchmark Jobs Included in Study

2019 GRC Study Position #	Corporate Center Benchmark Job Title	Profile	Number of Corporate Center Employees
N/A	N/A	N/A	N/A
TOTAL:			

Corporate Center Clerical Benchmark Jobs Included in Study

2019 GRC Study Position #	Corporate Center Benchmark Job Title	Profile	Number of Corporate Center Employees
3012	Facilities Admin 1	Profile 8	1
3013	Finance Admin 1	Profile 8	1
3003	Exec Sec Spec	Profile 8	2
3008	Insurance & Risk Advisory Coordinator	Profile 8	2
3010	Finance Admin 2	Profile 8	1
3006	Tax Assoc II	Profile 8	2
3009	Administrative Associate - U4	Profile 9	2
3007	Human Resources Admin 1	Profile 9	1
3011	Legal Fiscal Support Associate	Profile 9	2
3004	Paralegal	Profile 9	2
3002	Executive Assistant - I & II	Profile 10	9
3005	Senior Legal Administrative Associate	Profile 10	4
3001	Senior Paralegal	Profile 11	6
TOTAL:			35

APPENDIX B – I: Detailed Competitive Summary by Employee Category – SDG&E¹⁰

¹⁰ Jobs have been sorted by Sempra average base salary.
August 1, 2017

Executive 2019 GRC Study Position	SDG&E Benchmark Job Title	# of SDG&E EEs	SDG&E Average				Competitive Market Average				Variance - SDG&E +/- Market									
			Base Salary	Target Total Cash	Target Total Comp.	Total Comp.	Base Salary	Target Total Cash	Target Total Comp.	Total Comp.	Base Salary %	Target Total Cash %	Target Total Comp. %	Total Comp. %	Base Salary %	Target Total Cash %	Target Total Comp. %	Total Comp. %		
1019	Executive 1	1	\$400	\$640	\$1,414	\$1,504	\$686	\$112	\$1,250	\$2,387	\$2,470	\$2,470	\$2,470	-31.9%	-38.1%	-34.1%	-45.1%	-41.0%	-38.1%	
1020	Executive 6	1	\$370	\$574	\$1,203	\$1,329	\$72	\$487	\$1,202	\$1,202	\$1,264	\$1,264	\$1,264	-5.9%	-10.6%	-0.4%	-2.4%	14.4%	5.2%	
1021	Executive 7	1	\$320	\$464	\$763	\$875	\$61	\$259	\$60	\$244	\$807	\$826	\$826	-3.2%	-7.7%	6.5%	0.8%	6.0%	-2.9%	
1022	Executive 13	1	\$293	\$425	\$716	\$816	\$54	\$238	\$48	\$212	\$690	\$703	\$703	-0.5%	-1.2%	18.2%	11.4%	12.4%	3.9%	
1023	Executive 14	1	\$255	\$370	\$626	\$702	\$48	\$208	\$43	\$180	\$600	\$618	\$618	-4.4%	-1.7%	12.9%	11.1%	15.5%	4.4%	
	Benchmark Incumbents	5	\$1,638	\$2,472	\$4,743	\$5,226	\$323	\$1,947	\$338	\$2,373	\$5,685	\$5,882	\$5,882	-12.5%	-17.2%	-6.8%	-4.4%	-17.9%	-16.7%	-11.1%
	Total Incumbents	14																		
	Coverage	35.7%																		

2019 GRC Study Position	SDG&E Job Title	# of SDG&E EEs	SDG&E Average				Competitive Market Average				Variance - SDG&E +/- Market						
			Base Salary	Total Cash	Total Comp.	LTI	Base Salary	Total Cash	Total Comp.	LTI	Base Salary %	Total Cash %	Total Comp. %	LTI %			
1024	Assistant General Counsel	3	\$282	\$450	\$590	\$93	\$381	\$538	\$73	\$442	9.6%	15.1%	33.2%	25.0%	26.9%	17.9%	31.5%
1025	Regulatory Manager 1	1	\$200	\$250	\$359	\$44	\$269	\$368	\$36	\$368	-5.7%	-7.1%	1.8%	22.3%	2.9%	-2.5%	3.9%
1026	Human Resources Manager 4	1	\$195	\$244	\$366	\$43	\$266	\$366	\$36	\$366	-6.1%	-8.2%	3.5%	21.4%	25.4%	-0.3%	8.5%
1027	Facilities Manager 1	1	\$195	\$244	\$366	\$43	\$266	\$366	\$36	\$366	-5.2%	-5.1%	5.0%	24.1%	35.1%	3.5%	11.1%
1028	IT Manager 1	1	\$191	\$239	\$374	\$64	\$345	\$344	\$61	\$344	-3.6%	-3.9%	7.6%	25.1%	4.3%	0.4%	8.8%
1029	Logistics Manager 2	1	\$187	\$234	\$362	\$42	\$252	\$331	\$45	\$331	-7.0%	-7.0%	1.0%	22.5%	36.1%	2.0%	8.0%
1030	Human Resources Manager 3	1	\$184	\$230	\$366	\$42	\$242	\$324	\$47	\$324	-5.6%	-4.7%	8.2%	24.4%	29.8%	3.3%	12.9%
1031	Finance Manager 7	1	\$183	\$229	\$370	\$61	\$331	\$363	\$35	\$363	-11.7%	-12.3%	1.6%	17.7%	-8.6%	-8.7%	1.3%
1032	Engineering Manager 1	1	\$175	\$219	\$282	\$36	\$213	\$289	\$28	\$291	-9.1%	3.0%	16.5%	28.9%	6.0%	17.9%	17.9%
1033	Logistics Manager 1	1	\$172	\$215	\$312	\$57	\$244	\$321	\$43	\$321	-12.0%	-12.0%	2.8%	18.1%	34.1%	-2.7%	8.5%
1034	Finance Manager 19	1	\$169	\$224	\$257	\$33	\$159	\$157	--	\$183	22.3%	27.4%	43.0%	37.6%	--	28.6%	42.3%
1035	Engineering Manager 2	1	\$158	\$200	\$266	--	\$168	\$227	--	\$194	9.0%	13.7%	19.1%	33.0%	--	16.4%	21.0%
1036	Construction Operations Manager	2	\$156	\$194	\$247	--	\$177	\$239	--	\$239	-12.1%	-8.1%	-1.0%	19.7%	--	-4.8%	1.4%
1037	Manager - Construction & Operations	6	\$153	\$191	\$244	--	\$174	\$208	--	\$235	-12.3%	-8.0%	0.6%	19.7%	--	-4.8%	2.8%
1038	Software Development Manager	14	\$152	\$183	\$231	--	\$167	\$194	--	\$223	-8.6%	-5.7%	3.0%	19.0%	--	-2.4%	5.2%
1039	Infrastructure Technology Manager	6	\$151	\$194	\$229	\$35	\$167	\$198	\$30	\$228	-9.5%	-8.8%	-2.9%	16.7%	--	-5.4%	-0.4%
1040	Business Planning Manager	4	\$150	\$180	\$225	\$30	\$153	\$163	\$23	\$176	12.8%	17.3%	27.4%	30.7%	--	19.1%	27.8%
1041	Customer Service Manager 1	1	\$148	\$178	\$223	--	\$160	\$180	\$26	\$206	-1.7%	-1.3%	7.1%	18.0%	--	1.1%	8.5%
1042	Engineering Manager 4	1	\$143	\$172	\$207	--	\$147	\$169	\$25	\$194	-2.6%	-1.6%	7.1%	20.1%	--	4.0%	8.8%
1043	Project Management Manager 1	1	\$141	\$169	\$216	--	\$129	\$148	\$23	\$171	9.7%	14.7%	26.4%	28.4%	--	16.5%	26.7%
1044	Construction Manager - Electric	10	\$141	\$162	\$190	--	\$136	\$158	\$24	\$182	3.4%	2.5%	6.6%	20.7%	--	4.8%	8.4%
1045	Project Management Manager	4	\$137	\$158	\$194	--	\$132	\$149	\$152	\$172	3.8%	5.6%	8.8%	22.5%	--	7.8%	10.6%
1046	Portfolio Manager	4	\$136	\$178	\$206	--	\$129	\$145	\$23	\$168	5.0%	12.2%	19.4%	26.8%	--	14.2%	20.4%
1047	Marketing Manager 1	1	\$135	\$156	\$185	--	\$150	\$177	\$28	\$205	-9.6%	-11.9%	-8.1%	14.6%	--	-8.3%	-5.0%
1048	Facilities Manager 2	1	\$134	\$154	\$182	--	\$135	\$155	\$23	\$179	-0.7%	-0.7%	-0.9%	18.6%	--	1.9%	1.6%
1049	Engineering Manager 3	1	\$133	\$161	\$196	--	\$149	\$171	\$11	\$196	-10.4%	-6.5%	-2.0%	14.5%	--	-3.8%	0.1%
1050	Construction Supervisor - Electric	47	\$132	\$151	\$178	--	\$113	\$126	\$21	\$146	16.1%	20.2%	25.0%	26.6%	--	21.1%	25.3%
1051	Finance Manager 18	1	\$126	\$145	\$181	--	\$131	\$151	\$23	\$174	-3.9%	-3.7%	1.8%	16.7%	--	-1.0%	3.7%
1052	Operations & Engineering Manager	7	\$123	\$142	\$176	--	\$142	\$165	\$24	\$189	-13.1%	-13.9%	-9.6%	9.5%	--	-10.9%	-7.2%
1053	Customer Service Manager 2	1	\$121	\$139	\$173	--	\$122	\$141	\$40	\$162	-0.7%	-1.2%	4.5%	18.2%	--	1.5%	6.4%
1054	Regulatory Manager 2	1	\$121	\$139	\$171	--	\$142	\$166	\$24	\$189	-15.0%	-15.2%	-12.6%	8.6%	--	-12.2%	-9.9%
1055	Human Resources Manager 8	1	\$121	\$139	\$176	--	\$129	\$148	\$24	\$173	-6.5%	-6.0%	-0.3%	14.9%	--	-3.2%	1.8%
1056	Team Leader	20	\$120	\$138	\$171	--	\$142	\$166	\$24	\$189	-15.2%	-16.0%	-12.3%	8.1%	--	-12.9%	-9.7%
1057	Engineering Manager 5	1	\$119	\$137	\$169	--	\$124	\$142	\$22	\$164	-3.5%	-3.5%	-0.4%	16.7%	--	-0.7%	1.9%
1058	Regional Public Affairs Manager	2	\$119	\$137	\$164	--	\$130	\$150	\$23	\$172	-8.8%	-8.8%	-7.3%	13.0%	--	-5.9%	-4.6%
1059	Project Management Supervisor	9	\$117	\$134	\$166	--	\$110	\$120	\$20	\$140	6.6%	11.7%	17.1%	25.7%	--	13.7%	18.3%
1060	Public Relations Manager 5	1	\$117	\$134	\$163	--	\$119	\$135	\$21	\$157	-2.0%	-0.6%	2.3%	14.6%	--	1.5%	4.0%
1061	Customer Operations Support	3	\$107	\$123	\$155	--	\$101	\$111	\$19	\$129	5.6%	11.4%	16.3%	25.4%	--	13.4%	17.6%
1062	Environmental Services Team Leader -	4	\$107	\$123	\$154	--	\$138	\$160	\$24	\$184	-22.8%	-23.3%	-18.9%	3.2%	--	-19.8%	-16.0%
1063	Billing Supervisor	5	\$104	\$119	\$149	--	\$101	\$111	\$19	\$132	2.2%	7.8%	11.7%	23.5%	--	10.1%	13.4%
1064	Electric Meter Test Supervisor	2	\$102	\$117	\$146	--	\$111	\$124	\$21	\$144	-8.0%	-5.6%	-0.8%	12.2%	--	-3.0%	1.1%
1065	Field Operations Supervisor 1	9	\$101	\$116	\$145	--	\$112	\$123	\$20	\$143	-10.1%	-6.0%	-0.5%	11.9%	--	-3.5%	1.3%
1066	Team Leader - IV	7	\$100	\$116	\$145	--	\$142	\$165	\$24	\$189	-29.2%	-28.8%	-26.9%	-1.5%	--	-26.2%	-23.7%
1067	Facilities Manager	5	\$99	\$114	\$140	--	\$100	\$111	\$19	\$129	-0.6%	3.5%	6.1%	21.1%	--	6.1%	8.2%
1068	Facilities Manager 3	1	\$96	\$110	\$137	--	\$111	\$125	\$21	\$146	-13.3%	-11.8%	-9.8%	8.6%	--	-8.9%	-7.2%
1069	Facilities Manager 4	1	\$95	\$109	\$134	--	\$88	\$98	\$15	\$104	16.8%	23.2%	28.8%	28.5%	--	24.0%	28.7%
1070	Logistics Manager 3	1	\$94	\$108	\$133	--	\$89	\$97	\$15	\$113	5.3%	12.0%	17.4%	25.9%	--	14.0%	18.7%
1071	Technical Supervisor	3	\$94	\$108	\$135	--	\$112	\$123	\$20	\$143	-16.2%	-12.4%	-7.5%	8.4%	--	-9.5%	-5.2%
1072	Fleet Supervisor	3	\$91	\$105	\$130	--	\$100	\$111	\$19	\$130	-8.9%	-5.7%	-3.0%	16.0%	--	-2.5%	-0.2%
1073	Field Operations Supervisor II	18	\$86	\$99	\$121	--	\$112	\$123	\$20	\$143	-28.4%	-19.9%	-17.0%	4.2%	--	-16.4%	-14.0%
1074	Dispatch Supervisor	2	\$83	\$95	\$100	--	\$81	\$92	\$21	\$109	-23.2%	-25.6%	-21.5%	0.7%	--	-21.9%	-18.4%
1075	Customer Contact Center Supervisor	5	\$81	\$93	\$97	--	\$79	\$87	\$15	\$102	2.6%	8.0%	12.1%	21.4%	--	10.0%	13.5%

Manager/Supervisor		SDG&E Average						Competitive Market Average						Variance - SDG&E +/- Market									
2019 GRC Study Position	SDG&E Benchmark Job Title	# of SDG&E EEs	Base Salary	Target Total Cash	Total Cash	Benefits	LTI	Target Total Comp.	Total Comp.	Base Salary	Target Total Cash	Total Cash	Benefits	LTI	Target Total Comp.	Total Comp.	Base Salary %	Target Total Cash %	Total Cash %	Benefits %	LTI %	Target Total Comp. %	Total Comp. %
1076	Vegetation Management Contract Administrator	3	\$75	\$66	\$89	\$18	--	\$104	\$107	\$81	\$88	\$88	\$15	--	\$104	\$103	-8.1%	-3.0%	1.2%	16.2%	--	-0.2%	3.4%
1077	Associate Customer Contact Center Supervisor	4	\$64	\$73	\$74	\$17	--	\$90	\$91	\$81	\$89	\$89	\$15	--	\$105	\$104	-21.7%	-18.1%	-16.4%	9.0%	--	-14.1%	-12.7%
Benchmark Incumbents		237	\$29,533	\$34,678	\$36,825	\$6,389	\$777	\$41,844	\$43,991	\$30,794	\$35,262	\$35,349	\$5,432	\$644	\$41,338	\$41,425	-4.1%	-1.7%	4.2%	17.6%	20.6%	1.2%	6.2%
Total Incumbents Coverage		599																					
		39.6%																					

Professional/Technical												SDG&E Average					Competitive Market Average					Variance - SDG&E +/- Market				
2019 GRC Study Position	SDG&E Benchmark Job Title	# of SDG&E EEs	Base Salary	Total Cash	Total Comp.	LTI	Target Total Comp.	Base Salary	Total Cash	Total Comp.	LTI	Target Total Comp.	Base Salary %	Total Cash %	Total Comp. %	Benefits %	Target Total Cash %	Total Cash %	Benefits %	LTI %	Target Total Comp. %					
1122	Senior Counsel	21	\$215	\$289	\$363	\$48	\$378	\$204	\$250	\$290	\$42	\$327	\$204	\$249	\$326	\$34	5.8%	7.5%	13.6%	35.1%	13.9%	11.2%	15.9%			
1123	Engineering Professional 1	1	\$205	\$257	\$297	\$40	\$297	\$167	\$221	\$220	\$29	\$249	\$167	\$220	\$249	\$29	9.6%	16.3%	25.9%	40.1%	--	19.0%	27.5%			
1124	Regulatory Professional 1	1	\$157	\$181	\$215	\$22	\$222	\$173	\$207	\$210	--	\$238	\$173	\$210	\$241	\$31	-9.1%	-12.7%	-11.0%	13.5%	--	-9.3%	-7.9%			
1125	Information Technology Architect	4	\$144	\$166	\$199	\$33	\$199	\$160	\$183	\$184	--	\$212	\$160	\$183	\$212	\$29	-10.0%	-9.7%	-4.8%	16.1%	--	-6.2%	-2.0%			
1126	Information Technology Project Manager	14	\$142	\$163	\$192	\$29	\$192	\$150	\$173	\$173	--	\$198	\$150	\$173	\$198	\$25	-5.5%	-5.9%	-2.9%	14.8%	--	-3.3%	-0.7%			
1127	Proj Mgr - III	24	\$138	\$160	\$192	\$28	\$192	\$155	\$177	\$177	--	\$205	\$155	\$177	\$205	\$28	-10.9%	-9.8%	-5.0%	16.1%	--	-6.3%	-2.1%			
1128	Principal Engineer	23	\$133	\$153	\$188	\$28	\$188	\$133	\$150	\$148	--	\$173	\$133	\$150	\$173	\$23	0.5%	2.2%	7.6%	20.6%	--	4.6%	9.5%			
1129	Database Administrator	11	\$128	\$147	\$174	\$27	\$174	\$134	\$149	\$148	--	\$172	\$134	\$149	\$172	\$23	-1.6%	2.9%	18.1%	18.1%	--	1.0%	4.9%			
1130	Gov Affairs Mgr - Sta Agcy Affr	2	\$125	\$144	\$174	\$28	\$174	\$181	\$217	\$221	--	\$249	\$181	\$217	\$249	\$28	-30.8%	-33.8%	-1.9%	7.8%	--	-30.1%	-30.2%			
1131	Software Team Lead	24	\$124	\$143	\$174	\$31	\$174	\$160	\$181	\$178	--	\$210	\$160	\$181	\$210	\$28	-22.4%	-21.1%	-15.9%	7.8%	--	-17.1%	-12.6%			
1132	Engineering Professional 2	1	\$124	\$143	\$174	\$27	\$174	\$141	\$159	\$161	--	\$183	\$141	\$159	\$183	\$24	-11.9%	-10.3%	-22.8%	12.1%	--	-7.4%	-18.3%			
1133	Infrastructure Team Lead	21	\$123	\$142	\$173	\$27	\$173	\$169	\$199	\$199	--	\$210	\$169	\$199	\$210	\$22	-4.2%	2.2%	5.6%	20.4%	--	4.7%	7.6%			
1134	Information Technology Project Lead	23	\$123	\$141	\$173	\$27	\$173	\$135	\$152	\$151	--	\$174	\$135	\$152	\$174	\$23	-8.9%	-7.2%	-3.2%	14.3%	--	-4.4%	-0.9%			
1135	Senior Infrastructure Technician	34	\$122	\$141	\$172	\$26	\$172	\$128	\$142	\$143	--	\$164	\$128	\$142	\$164	\$22	-4.6%	-0.6%	1.6%	18.5%	--	2.0%	3.9%			
1136	SAP Business Warehouse Development	3	\$122	\$141	\$174	\$26	\$174	\$127	\$142	\$141	--	\$164	\$127	\$142	\$164	\$22	-3.9%	-0.6%	4.4%	18.8%	--	2.1%	6.4%			
1137	Software Component Architect	12	\$121	\$139	\$168	\$26	\$168	\$137	\$155	\$155	--	\$178	\$137	\$155	\$178	\$23	-12.0%	-10.0%	-5.1%	12.4%	--	-7.1%	-2.8%			
1138	Sr Comm Mgr	4	\$120	\$138	\$168	\$26	\$168	\$156	\$187	\$187	--	\$216	\$156	\$187	\$216	\$23	-22.7%	-25.9%	-23.0%	4.0%	--	-21.9%	-19.4%			
1139	Principal Accountant - Supervisor	4	\$119	\$136	\$168	\$26	\$168	\$134	\$153	\$154	--	\$177	\$134	\$153	\$177	\$23	-11.8%	-10.7%	-6.9%	12.0%	--	-7.7%	-4.4%			
1140	Regulatory Case Manager - II	7	\$118	\$136	\$170	\$30	\$170	\$158	\$185	\$189	--	\$214	\$158	\$185	\$214	\$29	-25.2%	-26.7%	-25.7%	3.5%	--	-22.6%	-21.8%			
1141	Senior Industrial Hygienist - I	2	\$117	\$134	\$160	\$26	\$160	\$117	\$134	\$134	--	\$156	\$117	\$134	\$156	\$22	-3.7%	0.0%	-1.0%	19.0%	--	2.6%	1.8%			
1142	Senior Human Resources Advisor	2	\$115	\$132	\$158	\$24	\$158	\$121	\$137	\$137	--	\$158	\$121	\$137	\$158	\$22	-1.6%	1.2%	2.7%	15.8%	--	3.2%	4.3%			
1143	Senior Organizational Development	3	\$115	\$132	\$158	\$24	\$158	\$121	\$136	\$137	--	\$158	\$121	\$136	\$158	\$22	-5.2%	-2.8%	0.5%	17.2%	--	0.0%	2.8%			
1144	Emergency Services Program	2	\$114	\$129	\$153	\$24	\$153	\$123	\$137	\$139	--	\$159	\$123	\$137	\$159	\$22	-7.5%	-5.0%	-1.8%	15.8%	--	-2.1%	0.6%			
1145	Senior Transaction Scheduler	3	\$112	\$129	\$153	\$24	\$153	\$123	\$137	\$140	--	\$144	\$123	\$137	\$144	\$20	5.3%	7.1%	1.9%	23.1%	--	9.4%	9.1%			
1146	Senior Software Developer	58	\$112	\$129	\$153	\$24	\$153	\$130	\$144	\$142	--	\$165	\$130	\$144	\$165	\$23	-13.7%	-10.7%	-6.7%	12.0%	--	-7.6%	-4.1%			
1147	Public Relations Professional 3	1	\$111	\$128	\$153	\$24	\$153	\$118	\$133	\$135	--	\$154	\$118	\$133	\$154	\$21	-5.6%	-3.3%	-4.6%	13.1%	--	-1.1%	-2.2%			
1148	Project Manager - II	67	\$111	\$128	\$153	\$25	\$153	\$128	\$143	\$143	--	\$165	\$128	\$143	\$165	\$22	-13.1%	-10.6%	-7.3%	12.1%	--	-7.5%	-4.7%			
1149	Regulatory Case Manager - I	3	\$110	\$126	\$151	\$25	\$151	\$123	\$138	\$139	--	\$161	\$123	\$138	\$161	\$22	-10.4%	-8.7%	-5.9%	13.4%	--	-5.6%	-3.2%			
1150	Sr Customer Programs Advisor	8	\$109	\$125	\$152	\$24	\$152	\$116	\$129	\$129	--	\$149	\$116	\$129	\$149	\$21	-6.1%	-2.7%	-1.0%	13.6%	--	-0.4%	1.1%			
1151	Principal Business Analyst	22	\$108	\$124	\$153	\$25	\$153	\$142	\$158	\$161	--	\$181	\$142	\$158	\$181	\$24	-24.5%	-21.1%	-19.5%	4.8%	--	-17.7%	-16.4%			
1152	Principal Business Systems Analyst	3	\$107	\$123	\$154	\$25	\$154	\$143	\$159	\$162	--	\$186	\$143	\$159	\$186	\$24	-24.5%	-24.0%	-20.4%	2.7%	--	-20.6%	-17.4%			
1153	SAP Process Designer	6	\$107	\$123	\$154	\$25	\$154	\$134	\$151	\$149	--	\$174	\$134	\$151	\$174	\$23	-20.4%	-18.6%	-15.9%	6.8%	--	-15.2%	-12.8%			
1154	Principal Accountant	4	\$106	\$122	\$154	\$25	\$154	\$134	\$153	\$154	--	\$176	\$134	\$153	\$176	\$23	-20.9%	-19.9%	-15.9%	5.9%	--	-16.5%	-13.1%			
1155	Principal Accountant	10	\$106	\$122	\$152	\$25	\$152	\$134	\$153	\$154	--	\$176	\$134	\$153	\$176	\$23	-21.0%	-20.0%	-16.8%	5.8%	--	-16.6%	-13.9%			
1156	Senior Market Advisor - I	9	\$106	\$122	\$152	\$25	\$152	\$121	\$137	\$140	--	\$159	\$121	\$137	\$159	\$22	-12.6%	-11.3%	-10.5%	11.8%	--	-8.1%	-7.5%			
1157	Senior Engineer	31	\$105	\$120	\$144	\$23	\$144	\$107	\$117	\$116	--	\$137	\$107	\$117	\$137	\$19	-3.0%	9.0%	9.7%	24.1%	--	11.2%	11.8%			
1158	Infrastructure Technologist	26	\$105	\$120	\$144	\$23	\$144	\$102	\$110	\$112	--	\$129	\$102	\$110	\$129	\$19	-14.9%	-12.9%	-12.1%	7.6%	--	-10.1%	-9.5%			
1159	Web Business Technologist	3	\$103	\$119	\$142	\$23	\$142	\$103	\$113	\$114	--	\$132	\$103	\$113	\$132	\$19	0.2%	4.9%	6.5%	21.9%	--	7.4%	8.7%			
1160	Public Affairs Manager	4	\$100	\$115	\$138	\$23	\$138	\$118	\$133	\$135	--	\$154	\$118	\$133	\$154	\$21	-14.9%	-12.9%	-12.1%	7.6%	--	-10.1%	-9.5%			
1161	Senior Staffing Advisor	2	\$100	\$115	\$138	\$23	\$138	\$113	\$126	\$126	--	\$147	\$113	\$126	\$147	\$22	-11.2%	-8.8%	-3.2%	10.3%	--	-6.1%	-1.3%			
1162	Environmental Sciences Professional	1	\$98	\$113	\$136	\$24	\$136	\$105	\$115	\$114	--	\$159	\$105	\$115	\$159	\$22	-20.0%	-18.0%	-14.2%	7.5%	--	-14.5%	-11.2%			
1163	Information Protection Technologist	3	\$98	\$112	\$135	\$23	\$135	\$105	\$115	\$114	--	\$159	\$105	\$115	\$159	\$22	-7.0%	-2.7%	1.4%	17.6%	--	0.2%	3.7%			
1164	Proj Mgr - I	33	\$97	\$111	\$135	\$23	\$135	\$105	\$115	\$110	--	\$155	\$105	\$115	\$155	\$21	-16.2%	-2.9%	0.3%	17.4%	--	0.0%	2.8%			
1165	Senior Business Analyst - II	18	\$97	\$111	\$135	\$23	\$135	\$115	\$129	\$130	--	\$170	\$115	\$129	\$170	\$21	-16.2%	-13.5%	-11.6%	7.5%	--	-10.6%	-9.0%			
1166	Senior Account Executive	8	\$97	\$111	\$135	\$23	\$135	\$126	\$147	\$146	--	\$172	\$126	\$147	\$172	\$23	-26.5%	-25.9%	-25.7%	1.8%	--	-22.2%	-22.2%			
1167	Senior Customer Project Planner	41	\$97	\$111	\$135	\$23	\$135	\$126	\$147	\$147	--	\$170	\$126	\$147	\$170	\$22	-23.1%	-24.4%	-22.2%	0.1%	--	-21.2%	-19.3%			
1168	Sr Diverse Business Ent Advisor	2	\$96	\$110	\$134	\$23	\$134	\$120	\$134	\$136	--	\$155	\$120	\$134	\$155	\$22	-19.4%	-17.0%	-15.7%	8.3%	--	-13.5%	-12.4%			
1169	Senior Contracting Agent	5	\$96	\$110	\$134	\$23	\$134	\$115	\$128	\$128	--	\$149	\$115	\$128	\$149	\$21	-16.6%	-14.0%	-11.8%	7.2%	--	-11.1%	-9.2%			
1170	Senior Claims Advisor	5	\$95	\$110	\$133	\$22	\$133	\$112	\$125	\$125	--	\$146	\$112	\$125	\$146	\$21	-15.2%	-12.3%	-12.2%	8.5%	--	-9.4%	-9.3%			
1171	Customer Programs Advisor II	15	\$95	\$109	\$133	\$21	\$133	\$96	\$104	\$104	--	\$121	\$96	\$104	\$121	\$17	-0.5%	5.0%	8.3%	22.2%	--	7.4%	10.3%			
1172	Field Safety Advisor	8	\$95	\$109	\$132	\$22	\$132	\$102	\$112	\$113	--	\$132	\$102	\$112	\$132	\$19	-6.5%	-2.6%	-0.5%	17.7%	--	0.3%	2.1%			
1173	Technical Advisor - II	11	\$95	\$109	\$132	\$22	\$132	\$121	\$132	\$132	--	\$153	\$121	\$132	\$153	\$21	-21.5%	-17.2%	-14.9%	5.2%	--	-14.1%	-12.1%			

2019 GRC Study Position	SDG&E Benchmark Job Title	# of SDG&E EEs	SDG&E Average				Competitive Market Average				Variance - SDG&E +/- Market				
			Base Salary	Total Cash	Benefits	LTI	Target Total Comp.	Target Total Cash	Benefits	LTI	Base Salary	Target Total Cash	Benefits	LTI	Target Total Comp.
1174	Senior Business Systems Analyst	34	\$95	\$109	\$112	\$23	\$138	\$138	\$22	\$160	-23.7%	-21.3%	-18.7%	-15.3%	-17.6%
1175	Sr. Paralegal	5	\$93	\$107	\$112	\$21	\$98	\$96	\$16	\$112	6.2%	12.0%	17.7%	25.9%	14.0%
1176	Operations Training Instructor	11	\$92	\$105	\$106	\$20	\$108	\$108	\$17	\$125	-6.8%	-1.8%	-2.1%	18.4%	1.0%
1177	Senior Environmental Specialist	15	\$92	\$105	\$108	\$22	\$114	\$114	\$19	\$133	-11.8%	-8.5%	-5.1%	14.3%	-5.2%
1178	Service Delivery Advisor	3	\$91	\$105	\$107	\$22	\$108	\$107	\$19	\$126	-6.9%	-2.7%	-0.3%	17.7%	0.3%
1179	Software Developer	15	\$91	\$105	\$107	\$22	\$122	\$122	\$20	\$142	-17.7%	-14.0%	-11.3%	7.6%	-10.9%
1180	Regulatory Case Administrator	2	\$91	\$105	\$108	\$22	\$107	\$110	\$19	\$128	-8.7%	-4.4%	-1.7%	16.7%	0.9%
1181	Engineer I	30	\$91	\$104	\$108	\$22	\$117	\$116	\$19	\$137	-15.3%	-11.1%	-7.5%	12.8%	-7.7%
1182	Senior Chemist	2	\$90	\$103	\$109	\$22	\$114	\$115	\$19	\$135	-13.9%	-9.4%	-5.8%	13.9%	-6.1%
1183	Senior Research Analyst	3	\$90	\$103	\$107	\$22	\$111	\$112	\$19	\$129	-10.4%	-8.8%	-4.3%	15.4%	-2.1%
1184	Reg. Tariff Admin	2	\$90	\$103	\$107	\$22	\$109	\$109	\$19	\$127	-9.8%	-5.3%	-2.1%	16.3%	-0.6%
1185	Senior Accountant - II	13	\$89	\$103	\$106	\$22	\$108	\$120	\$20	\$140	-17.4%	-14.7%	-11.9%	10.6%	-8.8%
1186	Right-Of-Way Agent	4	\$89	\$102	\$106	\$20	\$92	\$99	\$17	\$116	-3.5%	2.9%	6.4%	21.1%	5.5%
1187	Business Advisor	4	\$88	\$101	\$104	\$20	\$95	\$104	\$17	\$122	-13.1%	-9.8%	-7.2%	17.8%	1.9%
1188	Account Executive	9	\$85	\$98	\$100	\$21	\$98	\$109	\$11	\$129	-13.1%	-11.5%	-8.4%	13.9%	-6.3%
1189	Infrastructure Technology Analyst	1189	\$85	\$98	\$101	\$19	\$82	\$88	\$15	\$103	3.9%	11.5%	13.3%	23.0%	13.2%
1190	Comtry Reels Mgr	2	\$85	\$97	\$102	\$20	\$97	\$97	\$16	\$114	-4.8%	-0.1%	5.2%	19.6%	2.8%
1191	Staffing Advisor	2	\$84	\$97	\$101	\$20	\$95	\$104	\$17	\$121	-11.2%	-7.2%	-2.2%	15.6%	-4.0%
1192	Technical Advisor - I	6	\$84	\$97	\$101	\$20	\$116	\$120	\$16	\$123	-13.5%	-8.8%	-4.9%	14.7%	-5.5%
1193	Land Mgmt Rep	4	\$84	\$96	\$100	\$19	\$75	\$80	\$15	\$95	11.1%	19.7%	25.0%	26.0%	20.7%
1194	Senior Business Analyst - I	10	\$83	\$96	\$100	\$20	\$95	\$105	\$17	\$122	-12.8%	-8.8%	-5.0%	14.7%	-5.5%
1195	Senior Accountant - I	8	\$83	\$95	\$99	\$19	\$88	\$96	\$16	\$112	-5.6%	2.1%	5.2%	18.5%	1.7%
1196	Environmental Specialist	9	\$81	\$94	\$96	\$18	\$84	\$92	\$16	\$107	-3.5%	2.1%	5.2%	20.3%	4.5%
1197	Project Advisor	10	\$81	\$93	\$98	\$18	\$82	\$88	\$15	\$103	-2.0%	5.8%	9.0%	20.3%	8.0%
1198	Market Advisor - I	3	\$81	\$93	\$98	\$19	\$86	\$106	\$17	\$123	-14.0%	-9.2%	-5.5%	14.6%	-8.8%
1199	Contracting Agent	7	\$80	\$92	\$96	\$18	\$80	\$87	\$15	\$102	0.9%	6.4%	8.6%	20.7%	-3.8%
1200	Customer Project Planner	63	\$80	\$92	\$95	\$18	\$84	\$91	\$22	\$108	-4.9%	0.7%	2.9%	17.8%	8.6%
1201	Senior Business Services Analyst	4	\$80	\$92	\$95	\$18	\$105	\$115	\$19	\$134	-23.6%	-20.4%	-17.9%	7.6%	-16.4%
1202	Business Systems Analyst - II	38	\$79	\$91	\$94	\$21	\$109	\$117	\$15	\$136	-25.1%	-22.1%	-18.2%	6.6%	-18.0%
1203	Network Operations Analyst	6	\$79	\$90	\$94	\$18	\$85	\$93	\$15	\$110	-7.7%	-3.2%	-0.9%	15.9%	-0.4%
1204	Senior Billing Analyst	2	\$79	\$89	\$93	\$18	\$74	\$73	\$15	\$88	12.1%	20.7%	19.1%	26.3%	21.6%
1205	IT Professional 4	1	\$77	\$88	\$91	\$18	\$92	\$92	\$15	\$107	-9.6%	-4.1%	-1.2%	15.5%	-1.2%
1206	Sec Ops Ctr Analyst - I	6	\$77	\$88	\$91	\$18	\$92	\$100	\$17	\$117	-16.8%	-12.5%	-10.9%	12.8%	-8.9%
1207	Buyer II	2	\$77	\$88	\$91	\$18	\$77	\$84	\$15	\$99	-0.7%	4.8%	8.8%	19.9%	7.1%
1208	Customer Programs Advisor I	12	\$76	\$88	\$91	\$18	\$88	\$88	\$15	\$104	-5.9%	-0.7%	3.1%	17.3%	2.0%
1209	Area Forester	4	\$76	\$88	\$91	\$18	\$81	\$88	\$15	\$103	-12.9%	-7.5%	-2.7%	13.7%	-4.4%
1210	Engineer II	17	\$76	\$88	\$91	\$18	\$85	\$94	\$15	\$110	-5.9%	-0.2%	2.9%	17.4%	2.5%
1211	Business Analyst - II	10	\$72	\$83	\$86	\$18	\$77	\$83	\$15	\$98	-5.9%	-0.2%	2.9%	17.4%	2.5%
1212	Field Utility Specialist	11	\$72	\$82	\$84	\$18	\$84	\$91	\$15	\$107	-14.5%	-9.8%	-10.2%	12.8%	-6.5%
1213	Business Systems Analyst - I	5	\$71	\$81	\$84	\$17	\$80	\$88	\$15	\$104	-13.7%	-8.8%	-5.1%	13.4%	-5.5%
1214	Associate Engineer	5	\$69	\$79	\$82	\$18	\$74	\$79	\$15	\$94	-6.2%	0.3%	5.1%	17.7%	3.1%
1215	Business Services Customer Energy	7	\$69	\$79	\$83	\$18	\$65	\$71	\$14	\$85	5.7%	12.5%	17.5%	22.7%	14.2%
1216	Staff Accountant - II	15	\$69	\$79	\$82	\$18	\$69	\$76	\$15	\$91	-2.3%	4.0%	8.1%	19.4%	6.5%
1217	Billing Analyst - I	8	\$68	\$79	\$82	\$18	\$66	\$71	\$14	\$85	3.6%	11.5%	15.6%	22.3%	13.3%
1218	Associate Engineer - R	18	\$68	\$78	\$76	\$18	\$74	\$79	\$15	\$94	-7.4%	-1.1%	-3.1%	17.2%	1.8%
1219	Reg Case Analyst	4	\$68	\$78	\$81	\$17	\$68	\$68	\$14	\$82	6.5%	14.4%	19.3%	23.4%	15.9%
1220	IT Assoc - R	19	\$67	\$77	\$78	\$17	\$68	\$73	\$15	\$88	-2.4%	4.9%	7.5%	19.8%	7.3%
1221	Elect GIS Specialist	11	\$66	\$75	\$77	\$17	\$68	\$68	\$15	\$82	-15.6%	-9.9%	-7.5%	13.3%	-6.4%
1222	Assoc Contr Agent	6	\$65	\$75	\$76	\$17	\$66	\$66	\$15	\$82	-14.4%	-9.1%	-7.2%	13.5%	-5.6%
1223	Business Analyst - I	6	\$65	\$74	\$78	\$17	\$67	\$68	\$14	\$82	1.9%	10.2%	14.0%	21.8%	12.2%
1224	Proj Coord II	3	\$64	\$73	\$75	\$17	\$65	\$67	\$15	\$80	-25.1%	-13.9%	-11.3%	11.3%	-10.1%
1225	Engineering Analyst - I	10	\$63	\$73	\$75	\$17	\$69	\$69	\$15	\$85	-23.5%	-19.0%	-16.0%	8.5%	-15.0%

Professional/Technical		SDG&E Average							Competitive Market Average							Variance - SDG&E +/- Market							
		2019 GRC Study Position	SDG&E Benchmark Job Title	# of SDG&E EEs	Base Salary	Target Total Cash	Total Cash	Benefits	LTI	Target Total Comp.	Base Salary	Target Total Cash	Total Cash	Benefits	LTI	Target Total Comp.	Base Salary %	Target Total Cash %	Total Cash %	Benefits %	LTI %	Target Total Comp. %	
1226	Cust Programs Specialist I	10	\$62	\$71	\$73	\$73	\$17	--	\$88	\$67	\$72	\$73	\$14	--	\$88	-7.0%	-1.0%	-0.3%	17.2%	--	2.0%	2.6%	
1227	Senior Accounting Mgmt Specialist	2	\$62	\$71	\$75	\$75	\$17	--	\$88	\$69	\$74	\$74	\$15	--	\$89	-10.8%	-4.6%	0.9%	15.9%	--	-1.2%	3.4%	
1228	Proj Spec	13	\$61	\$70	\$73	\$73	\$17	--	\$87	\$69	\$74	\$75	\$15	--	\$89	-11.3%	-5.0%	-2.7%	15.8%	--	-1.6%	0.4%	
1229	Assoc Billing Analyst	16	\$58	\$67	\$68	\$68	\$17	--	\$84	\$58	\$62	\$62	\$14	--	\$75	1.3%	8.7%	9.5%	21.3%	--	11.0%	11.6%	
1230	Accountant - II	4	\$58	\$66	\$69	\$69	\$17	--	\$85	\$71	\$76	\$76	\$15	--	\$91	-18.6%	-13.3%	-9.4%	12.2%	--	-9.2%	-5.9%	
1231	Associate Business Analyst - Rotation	3	\$55	\$63	\$61	\$61	\$16	--	\$80	\$63	\$66	\$67	\$14	--	\$80	-12.1%	-4.8%	-9.0%	16.0%	--	-1.1%	-4.7%	
Benchmark Incumbents		1,212	\$119,336	\$137,730	\$142,489	\$27,698	\$1,010	\$166,438	\$171,197	\$133,942	\$149,157	\$149,330	\$24,240	\$887	\$174,283	-10.9%	-7.7%	-4.6%	14.3%	13.9%	-4.5%	-1.9%	
Total Incumbents Coverage		1,813																					
		66.9%																					

2019 GRC Study Position	SDG&E Job Title	# of SDG&E EEs	SDG&E Average				Competitive Market Average				Variance - SDG&E +/- Market								
			Base Salary	Total Cash	Benefits	LTI	Target Total Comp.	Base Salary	Total Cash	Benefits	LTI	Target Total Comp.	Base Salary %	Total Cash %	Benefits %	LTI %	Target Total Comp. %		
1078	Working Foreman - Electric Distribution	39	\$126	\$126	\$24	--	\$150	\$104	\$109	\$20	--	\$125	20.4%	20.4%	15.1%	19.0%	--	20.1%	
1079	Distribution Systems Operator	13	\$122	\$122	\$24	--	\$145	\$89	\$93	\$19	--	\$112	36.7%	30.4%	30.4%	26.2%	--	34.9%	
1080	Troubleshooter	41	\$121	\$121	\$24	--	\$145	\$95	\$101	\$20	--	\$121	28.1%	19.7%	20.2%	18.6%	--	19.5%	
1081	Working Foreman - Substation	11	\$115	\$115	\$31	--	\$146	\$134	\$135	\$31	--	\$165	-4.0%	-14.3%	-14.9%	1.4%	--	-11.4%	
1082	Lineman	159	\$114	\$114	\$23	--	\$137	\$95	\$107	\$20	--	\$127	14.8%	7.3%	6.5%	12.4%	--	8.1%	
1083	Relay Technician C	2	\$110	\$110	\$22	--	\$132	\$95	\$99	\$19	--	\$115	15.0%	15.0%	10.4%	16.2%	--	15.2%	
1084	Substation Electrician	64	\$109	\$109	\$22	--	\$131	\$93	\$98	\$19	--	\$112	16.8%	16.8%	10.5%	17.0%	--	16.8%	
1085	Communications Technician	15	\$107	\$107	\$22	--	\$129	\$98	\$102	\$20	--	\$118	8.4%	8.4%	12.9%	4.4%	--	9.1%	
1086	Electronic Control Technician - Power Delivery	11	\$107	\$107	\$22	--	\$129	\$98	\$103	\$20	--	\$118	8.5%	8.5%	3.1%	13.0%	--	9.3%	
1087	Working Foreman (Gas) Arc Qual	16	\$105	\$105	\$22	--	\$127	\$93	\$97	\$19	--	\$112	13.3%	13.3%	8.6%	15.3%	--	13.6%	
1088	Wkg Frm - Gas / Non-Arc Qual	9	\$103	\$103	\$22	--	\$125	\$93	\$97	\$19	--	\$112	11.7%	11.7%	7.1%	14.5%	--	12.2%	
1089	Electric Meter Tester	17	\$100	\$100	\$22	--	\$122	\$91	\$95	\$19	--	\$110	10.5%	10.5%	5.8%	13.9%	--	11.1%	
1090	Instru Ctrl Tech - Gas - Trans	3	\$98	\$98	\$20	--	\$118	\$85	\$89	\$18	--	\$107	15.5%	10.3%	8.9%	11.9%	--	10.6%	
1091	Electr NACE	10	\$94	\$94	\$20	--	\$114	\$83	\$88	\$18	--	\$106	12.5%	6.1%	7.2%	10.1%	--	6.8%	
1092	St Ops Tech	13	\$93	\$103	\$22	--	\$125	\$94	\$98	\$18	--	\$117	-1.1%	4.2%	7.1%	19.8%	--	6.6%	
1093	Compressor Operator	6	\$93	\$93	\$21	--	\$114	\$84	\$88	\$19	--	\$113	-1.2%	-0.6%	-0.6%	8.4%	--	0.5%	
1094	Regulator Technician - Distribution	9	\$91	\$91	\$20	--	\$111	\$89	\$92	\$18	--	\$107	2.2%	2.2%	-1.0%	8.4%	--	3.3%	
1095	Inspector A	21	\$88	\$88	\$20	--	\$108	\$104	\$109	\$20	--	\$124	-15.2%	-15.2%	-19.4%	1.0%	--	-12.5%	
1096	Instru & Ctrl Tech	5	\$87	\$96	\$21	--	\$117	\$85	\$89	\$17	--	\$106	3.3%	8.5%	9.6%	20.6%	--	10.5%	
1097	Service Technician	79	\$86	\$86	\$20	--	\$107	\$100	\$106	\$20	--	\$119	-13.3%	-13.3%	-18.3%	2.2%	--	-10.8%	
1098	Facilities Mechanic - A	5	\$86	\$86	\$19	--	\$105	\$79	\$82	\$17	--	\$96	9.4%	9.4%	5.1%	11.7%	--	9.8%	
1099	Maint Mech	4	\$85	\$93	\$20	--	\$114	\$79	\$84	\$17	--	\$101	7.0%	11.3%	12.9%	21.8%	--	13.1%	
1100	Operations Technician	17	\$84	\$92	\$20	--	\$112	\$82	\$88	\$17	--	\$104	2.3%	5.0%	5.7%	19.1%	--	7.3%	
1101	Fleet Maint Technician	44	\$83	\$83	\$19	--	\$102	\$87	\$91	\$18	--	\$105	-4.3%	-4.3%	-8.6%	5.7%	--	-2.8%	
1102	Laboratory Tech	2	\$83	\$83	\$19	--	\$102	\$85	\$90	\$18	--	\$103	-3.1%	-3.1%	-7.8%	6.2%	--	-1.5%	
1103	Welder (Gas) Arc Qual	17	\$81	\$81	\$19	--	\$100	\$78	\$82	\$18	--	\$100	3.4%	-1.5%	-2.2%	7.1%	--	0.0%	
1104	Sp Equip Opr - Haz Mat Cert	4	\$80	\$80	\$19	--	\$99	\$73	\$77	\$17	--	\$93	10.5%	6.2%	4.6%	10.4%	--	6.9%	
1105	Special Equipment Operator	2	\$79	\$79	\$19	--	\$98	\$77	\$82	\$17	--	\$94	2.7%	2.7%	-3.6%	9.0%	--	3.9%	
1106	Meter Services Person	40	\$78	\$78	\$19	--	\$97	\$91	\$95	\$19	--	\$110	-14.6%	-14.6%	-18.2%	2.1%	--	-11.7%	
1107	Locator	25	\$77	\$77	\$19	--	\$96	\$67	\$71	\$17	--	\$84	14.9%	14.9%	9.6%	13.1%	--	14.5%	
1108	Line Checker	3	\$76	\$76	\$19	--	\$95	\$67	\$71	\$17	--	\$84	-26.6%	-26.6%	-30.3%	-4.7%	--	-23.0%	
1109	Lead Stockkeeper	5	\$75	\$75	\$18	--	\$93	\$67	\$71	\$18	--	\$88	-14.1%	-14.1%	-17.6%	3.6%	--	-11.4%	
1110	Patroller (Gas)	17	\$73	\$73	\$18	--	\$91	\$71	\$76	\$17	--	\$87	-5.5%	-10.0%	-10.1%	8.7%	--	-7.6%	
1111	Vehicle Operator A	5	\$73	\$73	\$18	--	\$91	\$71	\$76	\$17	--	\$87	2.9%	2.9%	-4.4%	8.7%	--	4.0%	
1112	Gas / Ug Tech (A)	9	\$69	\$69	\$18	--	\$87	\$63	\$67	\$18	--	\$101	-17.3%	-17.3%	-20.6%	0.4%	--	-14.2%	
1113	Single Phase Mtr Tech	10	\$68	\$68	\$18	--	\$85	\$76	\$76	\$17	--	\$93	-11.3%	-11.3%	-11.3%	3.5%	--	-8.6%	
1114	Service Planner	28	\$67	\$77	\$19	--	\$96	\$94	\$93	\$17	--	\$111	-22.3%	-18.1%	-13.8%	8.2%	--	-13.9%	
1115	Traffic Ctrl Spec	20	\$65	\$65	\$18	--	\$82	\$72	\$74	\$17	--	\$92	-9.5%	-13.8%	-12.8%	2.1%	--	-10.8%	
1116	Gas / Ug Tech (B)	13	\$63	\$63	\$17	--	\$81	\$75	\$80	\$18	--	\$98	-15.8%	-20.7%	-20.7%	-1.1%	--	-17.1%	
1117	Line Assistant	10	\$58	\$58	\$15	--	\$74	\$59	\$61	\$14	--	\$73	-1.0%	-1.0%	-4.5%	10.0%	--	1.1%	
1118	Mall Handler	15	\$58	\$58	\$17	--	\$75	\$70	\$74	\$17	--	\$86	-16.9%	-16.9%	-21.5%	1.5%	--	-13.4%	
1119	Elect GIS Technician	32	\$54	\$60	\$16	--	\$75	\$64	\$68	\$14	--	\$82	-16.0%	-13.2%	-11.6%	12.6%	--	-8.7%	
1120	Laborer/UG Tech B	17	\$50	\$50	\$15	--	\$65	\$52	\$62	\$14	--	\$77	-19.7%	-19.7%	-19.7%	3.3%	--	-15.4%	
1121	Traffic Ctrl Asst	18	\$39	\$39	\$12	--	\$51	\$39	\$41	\$11	--	\$52	0.0%	-5.2%	-4.0%	10.8%	--	-1.8%	
Benchmark Incumbents			\$85,341	\$86,136	\$19,067	\$0	\$105,203	\$82,176	\$87,013	\$17,278	\$0	\$101,905	3.9%	1.8%	-0.8%	10.4%	N/A	3.2%	
Total Incumbents Coverage			925	1,166	79.3%														

2019 GRC Study Position	SDG&E Benchmark Job Title	# of SDG&E EEs	SDG&E Average					Competitive Market Average					Variance - SDG&E +/- Market							
			Base Salary	Target Total Cash	Total Cash	Benefits	LTI	Target Total Comp.	Base Salary	Target Total Cash	Total Cash	Benefits	LTI	Target Total Comp.	Base Salary %	Target Total Cash %	Total Cash %	Benefits %	LTI %	Target Total Comp. %
1001	Dispatcher Specialist	26	\$64	\$84	\$84	\$20	--	\$104	\$89	\$93	\$19	\$15	--	\$112	-5.2%	-5.2%	-9.5%	6.6%	--	-3.1%
1002	Executive Assistant - I & II	9	\$74	\$91	\$91	\$18	--	\$104	\$77	\$78	\$15	\$15	--	\$92	2.4%	10.7%	16.3%	22.2%	--	12.6%
1003	Senior Collector	9	\$65	\$65	\$65	\$18	--	\$82	\$76	\$80	\$17	\$17	--	\$93	-15.1%	-15.1%	-18.7%	1.5%	--	-12.0%
1004	Operations Coordinator	6	\$61	\$67	\$69	\$17	--	\$84	\$78	\$79	\$15	\$15	--	\$84	-15.8%	-13.5%	-13.1%	12.0%	--	-9.4%
1005	Engy Svcs Spec II	21	\$60	\$66	\$67	\$17	--	\$82	\$66	\$65	\$14	\$14	--	\$80	-3.8%	-1.1%	3.2%	17.4%	--	2.1%
1006	Technical Support Assistant	7	\$58	\$63	\$65	\$16	--	\$80	\$64	\$64	\$14	\$14	--	\$78	-4.9%	-1.4%	1.1%	17.4%	--	2.0%
1007	Energy Services Specialist I - Binch Ofc	7	\$56	\$62	\$64	\$16	--	\$78	\$61	\$61	\$14	\$14	--	\$75	-2.6%	1.1%	5.8%	18.5%	--	4.3%
1008	Service Coordinator	11	\$56	\$62	\$63	\$16	--	\$78	\$74	\$76	\$15	\$15	--	\$89	-20.5%	-17.1%	-17.0%	10.8%	--	-12.5%
1009	Project Management Assistant	17	\$56	\$61	\$63	\$16	--	\$79	\$68	\$68	\$14	\$14	--	\$82	-12.7%	-10.0%	-8.4%	13.9%	--	-5.8%
1010	Administrative Associate	24	\$55	\$61	\$62	\$16	--	\$77	\$78	\$79	\$15	\$15	--	\$84	-24.4%	-22.2%	-21.1%	8.3%	--	-17.3%
1011	Engy Svcs Spec I Bilingual	21	\$54	\$59	\$60	\$16	--	\$75	\$61	\$61	\$14	\$14	--	\$75	-7.4%	-3.9%	-1.7%	16.7%	--	0.1%
1012	Accounting Associate	7	\$53	\$58	\$59	\$20	--	\$78	\$57	\$57	\$17	\$17	--	\$73	-2.3%	2.2%	4.6%	19.2%	--	6.0%
1013	Utility Accounting Clerk	3	\$52	\$57	\$59	\$20	--	\$77	\$59	\$59	\$17	\$17	--	\$76	-7.4%	-3.1%	-0.7%	17.6%	--	1.4%
1014	Engy Svcs Spec I	106	\$51	\$56	\$56	\$16	--	\$72	\$61	\$61	\$14	\$14	--	\$75	-12.2%	-8.9%	-7.7%	14.9%	--	-4.6%
1015	Administrative Associate	10	\$51	\$56	\$57	\$16	--	\$72	\$66	\$66	\$14	\$14	--	\$80	-17.8%	-14.8%	-12.9%	12.3%	--	-10.0%
1016	Operations Assistant	11	\$46	\$51	\$52	\$19	--	\$70	\$73	\$74	\$15	\$15	--	\$88	-27.1%	-24.2%	-23.0%	8.0%	--	-18.8%
1017	Program Assistant	15	\$46	\$51	\$52	\$19	--	\$70	\$52	\$52	\$16	\$16	--	\$68	-6.2%	-2.1%	0.5%	18.2%	--	2.7%
1018	Staff Assistant	5	\$41	\$45	\$45	\$19	--	\$63	\$55	\$56	\$16	\$16	--	\$72	-22.0%	-18.7%	-18.5%	13.2%	--	-11.4%
Benchmark Incumbents			\$17,752	\$19,283	\$19,591	\$5,269	\$0	\$24,552	\$21,168	\$21,291	\$4,647	\$0	\$25,815	-11.7%	-8.9%	-8.0%	13.4%	N/A	-4.9%	
Total Incumbents			315	470	470	67.0%														
Coverage																				

APPENDIX B – II: Detailed Competitive Summary by Employee Category – Corporate Center

Executive		Corp Center Average						Competitive Market Average						Variance - Corp Center +/- Market					
2019 GRC Study Position	Corp Center Benchmark Job Title	# of Corp Center EEs	Base Salary	Target Total Cash	Target Total Comp.	LTI	Benefits	Total Cash	Total Comp.	LTI	Benefits	Base Salary %	Target Total Cash %	Total Cash %	Benefits %	Target Total Comp. %	Total Comp. %		
3014	Executive 3	1	\$600	\$1,020	\$2,529	\$1,379	\$129	\$1,288	\$2,796	\$1,379	\$129	\$655	\$1,258	\$1,346	\$133	\$3,198	\$3,286		
3015	Executive 4	1	\$578	\$1,011	\$2,342	\$1,202	\$128	\$1,259	\$2,589	\$1,202	\$106	\$544	\$969	\$1,026	\$106	\$3,198	\$3,286		
3016	Executive 5	1	\$463	\$787	\$1,829	\$938	\$103	\$972	\$2,014	\$938	\$104	\$536	\$955	\$966	\$104	\$2,167	\$2,225		
3017	Executive 10	1	\$377	\$604	\$1,339	\$662	\$73	\$712	\$1,448	\$662	\$62	\$339	\$516	\$536	\$62	\$2,167	\$2,179		
3018	Executive 11	1	\$329	\$477	\$857	\$319	\$61	\$529	\$841	\$319	\$57	\$324	\$469	\$490	\$57	\$892	\$912		
3019	Executive 12	1	\$310	\$450	\$758	\$251	\$58	\$529	\$838	\$251	\$59	\$327	\$484	\$513	\$59	\$782	\$803		
3020	Executive 17	1	\$306	\$444	\$746	\$248	\$54	\$480	\$782	\$248	\$48	\$297	\$429	\$449	\$48	\$711	\$731		
3021	Executive 18	1	\$251	\$364	\$614	\$203	\$46	\$420	\$670	\$203	\$45	\$277	\$395	\$404	\$45	\$613	\$622		
	Benchmark Incumbents	8	\$3,215	\$5,157	\$11,014	\$5,203	\$653	\$6,221	\$12,078	\$5,203	\$614	\$3,299	\$5,474	\$5,731	\$614	\$11,350	\$11,607		
	Total Incumbents	11																	
	Coverage	72.7%																	

2019 GRC Study Position	Manager/Supervisor	# of Corp Center EEs	Corp Center Benchmark Job Title	Corp Center Average				Competitive Market Average				Variance - Corp Center +/- Market							
				Base Salary	Total Cash	Total Comp.	Target Total Comp.	Base Salary	Total Cash	Total Comp.	Target Total Comp.	Base Salary %	Target Cash %	Total Comp. %	Target Total Comp. %				
3022	Associate General Counsel	3	\$301	\$421	\$632	\$695	\$162	\$49	\$391	\$454	\$569	\$631	-2.7%	7.6%	6.6%	15.7%	20.3%	11.2%	10.1%
3023	Legal Manager 1	1	\$274	\$370	\$506	\$570	\$91	\$45	\$255	\$332	\$444	\$444	7.5%	14.0%	30.7%	20.3%	22.1%	15.9%	28.4%
3024	Finance Manager 5	1	\$236	\$319	\$366	\$466	\$130	\$51	\$220	\$282	\$388	\$400	7.4%	13.1%	24.5%	37.1%	88.1%	28.7%	36.6%
3025	Public Relations Manager 2	1	\$236	\$295	\$328	\$48	\$78	\$48	\$210	\$267	\$365	\$380	12.1%	10.3%	16.5%	34.2%	24.1%	19.4%	19.0%
3026	Finance Manager 1	1	\$230	\$310	\$368	\$40	\$125	\$475	\$251	\$317	\$365	\$448	-8.5%	-3.2%	16.4%	7.4%	32.4%	5.2%	19.0%
3027	Director - Corporate Tax	4	\$219	\$273	\$304	\$421	\$72	\$272	\$272	\$276	\$364	\$368	0.7%	0.3%	10.2%	25.4%	28.8%	7.2%	14.5%
3028	Public Relations Manager 4	1	\$210	\$263	\$371	\$400	\$69	\$39	\$192	\$243	\$315	\$318	9.4%	8.1%	18.6%	29.3%	66.4%	17.9%	25.9%
3029	Public Relations Manager 1	1	\$201	\$251	\$282	\$43	\$65	\$359	\$215	\$281	\$36	\$49	-6.3%	-7.4%	0.2%	18.4%	33.1%	0.7%	6.4%
3030	Finance Manager 4	1	\$188	\$235	\$252	\$355	\$63	\$41	\$196	\$258	\$345	\$351	-4.0%	-5.5%	-1.7%	19.9%	2.0%	-1.7%	1.1%
3031	Finance Manager 10	1	\$188	\$235	\$252	\$355	\$61	\$36	\$174	\$210	\$270	\$270	8.3%	12.3%	25.6%	31.9%	77.2%	22.5%	32.9%
3032	Finance Manager 3	1	\$186	\$232	\$256	\$358	\$40	\$62	\$209	\$266	\$375	\$379	-11.0%	-12.6%	-5.2%	13.7%	-15.9%	-10.8%	-5.5%
3033	Finance Manager 9	1	\$177	\$221	\$313	\$343	\$57	\$35	\$191	\$237	\$330	\$330	-7.4%	-6.6%	3.1%	16.5%	2.5%	-2.9%	4.2%
3034	Finance Manager 2	1	\$170	\$213	\$237	\$332	\$57	\$38	\$196	\$243	\$331	\$333	-13.3%	-12.6%	-3.7%	13.7%	6.8%	-6.8%	-0.2%
3035	Finance Manager 14	1	\$165	\$206	\$232	\$323	\$55	\$37	\$166	\$199	\$260	\$263	-0.5%	3.6%	15.0%	21.7%	77.0%	14.5%	23.1%
3036	IT Manager 2	1	\$160	\$192	\$222	\$236	--	\$30	\$155	\$184	\$210	\$213	2.9%	4.4%	10.1%	17.1%	--	6.0%	10.9%
3037	Public Relations Manager 3	1	\$157	\$196	\$215	\$32	\$32	\$226	\$182	\$228	\$29	\$302	-13.9%	-13.2%	-5.7%	10.8%	15.3%	-6.6%	-1.0%
3038	Tax Manager	6	\$150	\$180	\$210	\$223	\$29	\$29	\$138	\$160	\$184	\$183	9.1%	12.5%	21.9%	22.2%	--	13.8%	22.0%
3039	Finance Manager 8	1	\$148	\$178	\$178	\$208	\$30	\$28	\$171	\$209	\$215	\$243	-14.2%	-14.9%	-17.5%	8.3%	--	-12.1%	-14.5%
3040	Finance Manager 13	1	\$148	\$178	\$197	\$211	\$33	\$33	\$171	\$207	\$214	\$245	-13.5%	-14.0%	-8.3%	8.3%	--	-11.1%	-6.2%
3041	Corp Fin Mgr	2	\$146	\$176	\$182	\$215	\$33	\$33	\$168	\$203	\$204	\$234	-12.7%	-13.6%	-10.7%	8.6%	--	-10.7%	-8.2%
3042	Audit Services Manager	3	\$144	\$173	\$182	\$214	\$33	\$33	\$166	\$197	\$198	\$228	-13.3%	-12.4%	-8.4%	9.6%	--	-9.5%	-6.0%
3043	Proj Ctl Mgr	2	\$144	\$172	\$185	\$214	\$32	\$28	\$132	\$138	\$22	\$160	9.1%	24.8%	34.2%	29.3%	--	25.4%	33.5%
3044	Human Resources Manager 5	1	\$140	\$168	\$182	\$211	\$32	\$29	\$173	\$209	\$215	\$243	-18.8%	-19.5%	-15.7%	5.6%	--	-16.6%	-13.3%
3045	Security Manager	2	\$140	\$168	\$180	\$211	\$32	\$28	\$130	\$147	\$170	\$171	7.7%	14.4%	21.5%	22.6%	--	15.5%	21.7%
3046	Finance Manager 12	1	\$139	\$166	\$186	\$218	\$32	\$32	\$169	\$203	\$209	\$239	-18.0%	-18.1%	-10.8%	5.2%	--	-15.0%	-8.8%
3047	Accounting Research & Policy Manager	2	\$138	\$159	\$169	\$196	\$27	\$27	\$129	\$148	\$171	\$171	7.3%	7.5%	14.4%	18.1%	--	8.9%	14.9%
3048	Human Resources Manager 7	1	\$131	\$157	\$163	\$190	\$27	\$27	\$130	\$150	\$153	\$176	0.6%	5.1%	6.7%	16.6%	--	6.6%	8.0%
3049	Finance Manager 11	1	\$131	\$157	\$161	\$188	\$31	\$31	\$168	\$204	\$206	\$236	-22.0%	-23.0%	-21.9%	1.5%	--	-19.8%	-18.9%
3050	Finance Manager 20	1	\$131	\$157	\$162	\$189	\$27	\$27	\$129	\$148	\$171	\$171	1.7%	6.3%	9.4%	17.3%	--	7.7%	10.5%
3051	Human Resources Manager 6	1	\$128	\$153	\$161	\$188	\$26	\$26	\$133	\$154	\$177	\$178	-4.2%	-0.3%	4.4%	13.5%	--	1.5%	5.6%
3052	Finance Manager 16	1	\$128	\$153	\$164	\$191	\$26	\$26	\$132	\$152	\$155	\$178	-3.5%	0.6%	5.9%	14.1%	--	2.4%	7.0%
3053	Finance Manager 15	1	\$125	\$151	\$154	\$180	\$26	\$26	\$135	\$157	\$181	\$183	-7.3%	-4.1%	-3.6%	11.0%	--	-2.1%	-1.7%
3054	Corp Acctg Supv	2	\$120	\$138	\$143	\$168	\$25	\$25	\$127	\$147	\$145	\$168	-5.4%	-5.9%	-1.4%	9.4%	--	-3.9%	0.1%
3055	Proj Ctl Ld	4	\$83	\$95	\$99	\$118	\$20	\$20	\$104	\$113	\$132	\$132	-20.4%	-15.6%	-13.1%	4.0%	--	-12.8%	-10.6%
Benchmark Incumbents		54	\$8,946	\$11,122	\$12,177	\$15,723	\$1,738	\$1,808	\$9,233	\$11,148	\$14,066	\$14,374	-3.1%	-0.2%	6.3%	17.0%	26.6%	4.3%	9.4%
Total Incumbents Coverage		89																	
		60.7%																	

Professional/Technical		Corp Center Average										Competitive Market Average										Variance - Corp Center +/- Market													
2019 GRC Study Position	Corp Center Benchmark Job Title	# of Corp Center EEs	Base Salary	Target Cash	Target Total Comp.	LTI	Base Salary	Target Cash	Target Total Comp.	Total Comp.	Benefits	Total Cash	Target Total Comp.	LTI	Base Salary	Target Cash	Target Total Comp.	Total Comp.	Benefits	Total Cash	Target Total Comp.	LTI	Base Salary	Target Cash	Target Total Comp.	Total Comp.	Benefits	Total Cash	Target Total Comp.	LTI					
3056	Senior Counsel	7	\$226	\$282	\$337	\$50	\$204	\$250	\$326	\$326	\$34	\$249	\$327	\$42	\$110	\$128	\$190	\$326	\$35	\$190	\$189	\$110	\$128	\$190	\$326	\$35	\$190	\$189	\$110	\$128	\$190	\$326	\$35	\$190	\$189
3057	Senior Tax Counsel	2	\$218	\$272	\$338	\$49	\$200	\$250	\$338	\$338	\$36	\$249	\$338	\$42	\$108	\$126	\$188	\$338	\$36	\$188	\$189	\$108	\$126	\$188	\$338	\$36	\$188	\$189	\$108	\$126	\$188	\$338	\$36	\$188	\$189
3058	IT Professional 1	1	\$142	\$164	\$195	\$21	\$160	\$183	\$212	\$212	\$29	\$160	\$183	\$29	\$110	\$130	\$160	\$212	\$29	\$160	\$160	\$110	\$130	\$160	\$212	\$29	\$160	\$160	\$110	\$130	\$160	\$212	\$29	\$160	\$160
3059	Prin Mgr - Audit Svcs	3	\$131	\$150	\$177	\$26	\$140	\$160	\$184	\$184	\$24	\$140	\$160	\$24	\$110	\$130	\$140	\$184	\$24	\$140	\$140	\$110	\$130	\$140	\$184	\$24	\$140	\$140	\$110	\$130	\$140	\$184	\$24	\$140	\$140
3060	Prin IT Auditor	3	\$130	\$149	\$179	\$26	\$152	\$173	\$200	\$200	\$28	\$152	\$173	\$28	\$110	\$130	\$152	\$200	\$28	\$152	\$152	\$110	\$130	\$152	\$200	\$28	\$152	\$152	\$110	\$130	\$152	\$200	\$28	\$152	\$152
3061	Principal Tax Advisor	9	\$126	\$145	\$171	\$26	\$156	\$181	\$207	\$207	\$26	\$156	\$181	\$26	\$110	\$130	\$156	\$207	\$26	\$156	\$156	\$110	\$130	\$156	\$207	\$26	\$156	\$156	\$110	\$130	\$156	\$207	\$26	\$156	\$156
3062	Prin Auditor	5	\$126	\$145	\$176	\$26	\$140	\$160	\$184	\$184	\$24	\$140	\$160	\$24	\$110	\$130	\$140	\$184	\$24	\$140	\$140	\$110	\$130	\$140	\$184	\$24	\$140	\$140	\$110	\$130	\$140	\$184	\$24	\$140	\$140
3063	Insurance & Risk Advisory Manager	2	\$120	\$137	\$161	\$24	\$118	\$132	\$155	\$155	\$21	\$118	\$132	\$21	\$110	\$120	\$132	\$155	\$21	\$118	\$118	\$110	\$120	\$132	\$155	\$21	\$118	\$118	\$110	\$120	\$132	\$155	\$21	\$118	\$118
3064	IT Software Developer	4	\$116	\$134	\$158	\$24	\$130	\$144	\$167	\$167	\$23	\$130	\$144	\$23	\$110	\$120	\$144	\$167	\$23	\$130	\$130	\$110	\$120	\$144	\$167	\$23	\$130	\$130	\$110	\$120	\$144	\$167	\$23	\$130	\$130
3065	Public Relations Professional 1	1	\$115	\$132	\$157	\$24	\$108	\$122	\$146	\$146	\$22	\$108	\$122	\$22	\$110	\$120	\$122	\$146	\$22	\$108	\$108	\$110	\$120	\$122	\$146	\$22	\$108	\$108	\$110	\$120	\$122	\$146	\$22	\$108	\$108
3066	Prin Finl Analyst	4	\$115	\$132	\$156	\$24	\$108	\$122	\$146	\$146	\$22	\$108	\$122	\$22	\$110	\$120	\$122	\$146	\$22	\$108	\$108	\$110	\$120	\$122	\$146	\$22	\$108	\$108	\$110	\$120	\$122	\$146	\$22	\$108	\$108
3067	Senior Compensation Advisor	3	\$113	\$131	\$155	\$24	\$120	\$135	\$157	\$157	\$22	\$120	\$135	\$22	\$110	\$120	\$135	\$157	\$22	\$113	\$113	\$110	\$120	\$135	\$157	\$22	\$113	\$113	\$110	\$120	\$135	\$157	\$22	\$113	\$113
3068	Sr IT Auditor	2	\$113	\$130	\$154	\$24	\$124	\$138	\$160	\$160	\$22	\$124	\$138	\$22	\$110	\$120	\$138	\$160	\$22	\$113	\$113	\$110	\$120	\$138	\$160	\$22	\$113	\$113	\$110	\$120	\$138	\$160	\$22	\$113	\$113
3069	Sr Client Services Advisor	2	\$111	\$127	\$151	\$24	\$119	\$133	\$155	\$155	\$22	\$119	\$133	\$22	\$110	\$120	\$133	\$155	\$22	\$111	\$111	\$110	\$120	\$133	\$155	\$22	\$111	\$111	\$110	\$120	\$133	\$155	\$22	\$111	\$111
3070	Finance Professional 1	1	\$108	\$124	\$148	\$24	\$143	\$158	\$181	\$181	\$24	\$143	\$158	\$24	\$110	\$120	\$143	\$181	\$24	\$108	\$108	\$110	\$120	\$143	\$181	\$24	\$108	\$108	\$110	\$120	\$143	\$181	\$24	\$108	\$108
3071	IT Professional 3	1	\$108	\$124	\$147	\$23	\$130	\$144	\$167	\$167	\$23	\$130	\$144	\$23	\$110	\$120	\$144	\$167	\$23	\$108	\$108	\$110	\$120	\$144	\$167	\$23	\$108	\$108	\$110	\$120	\$144	\$167	\$23	\$108	\$108
3072	Principal Accountant	7	\$108	\$122	\$146	\$23	\$124	\$140	\$164	\$164	\$22	\$124	\$140	\$22	\$110	\$120	\$140	\$164	\$22	\$108	\$108	\$110	\$120	\$140	\$164	\$22	\$108	\$108	\$110	\$120	\$140	\$164	\$22	\$108	\$108
3073	IT Professional 2	1	\$108	\$121	\$145	\$23	\$124	\$140	\$164	\$164	\$22	\$124	\$140	\$22	\$110	\$120	\$140	\$164	\$22	\$108	\$108	\$110	\$120	\$140	\$164	\$22	\$108	\$108	\$110	\$120	\$140	\$164	\$22	\$108	\$108
3074	W/Info Project Manager	2	\$105	\$121	\$143	\$22	\$98	\$107	\$125	\$125	\$18	\$98	\$107	\$18	\$110	\$120	\$125	\$125	\$18	\$105	\$105	\$110	\$120	\$125	\$125	\$18	\$105	\$105	\$110	\$120	\$125	\$125	\$18	\$105	\$105
3075	Human Resources Professional 1	1	\$105	\$121	\$144	\$22	\$114	\$125	\$147	\$147	\$21	\$114	\$125	\$21	\$110	\$120	\$125	\$147	\$21	\$105	\$105	\$110	\$120	\$125	\$147	\$21	\$105	\$105	\$110	\$120	\$125	\$147	\$21	\$105	\$105
3076	Senior Auditor	5	\$104	\$120	\$142	\$22	\$114	\$125	\$146	\$146	\$21	\$114	\$125	\$21	\$110	\$120	\$125	\$146	\$21	\$104	\$104	\$110	\$120	\$125	\$146	\$21	\$104	\$104	\$110	\$120	\$125	\$146	\$21	\$104	\$104
3077	Senior Tax Advisor	9	\$101	\$116	\$142	\$22	\$117	\$132	\$154	\$154	\$21	\$117	\$132	\$21	\$110	\$120	\$132	\$154	\$21	\$101	\$101	\$110	\$120	\$132	\$154	\$21	\$101	\$101	\$110	\$120	\$132	\$154	\$21	\$101	\$101
3078	Public Relations Professional 2	1	\$101	\$116	\$138	\$22	\$117	\$132	\$154	\$154	\$21	\$117	\$132	\$21	\$110	\$120	\$132	\$154	\$21	\$101	\$101	\$110	\$120	\$132	\$154	\$21	\$101	\$101	\$110	\$120	\$132	\$154	\$21	\$101	\$101
3079	Sp Agent	6	\$96	\$110	\$131	\$21	\$110	\$122	\$143	\$143	\$20	\$110	\$122	\$20	\$110	\$120	\$122	\$143	\$20	\$96	\$96	\$110	\$120	\$122	\$143	\$20	\$96	\$96	\$110	\$120	\$122	\$143	\$20	\$96	\$96
3080	Senior Accountant	5	\$91	\$105	\$126	\$21	\$108	\$120	\$140	\$140	\$20	\$108	\$120	\$20	\$110	\$120	\$120	\$140	\$20	\$91	\$91	\$110	\$120	\$120	\$140	\$20	\$91	\$91	\$110	\$120	\$120	\$140	\$20	\$91	\$91
3081	Human Resources Professional 3	1	\$91	\$104	\$123	\$21	\$93	\$101	\$117	\$117	\$17	\$93	\$101	\$17	\$110	\$120	\$123	\$117	\$17	\$91	\$91	\$110	\$120	\$123	\$117	\$17	\$91	\$91	\$110	\$120	\$123	\$117	\$17	\$91	\$91
3082	Senior Business Analyst - II	3	\$90	\$103	\$124	\$21	\$115	\$129	\$150	\$150	\$21	\$115	\$129	\$21	\$110	\$120	\$129	\$150	\$21	\$90	\$90	\$110	\$120	\$129	\$150	\$21	\$90	\$90	\$110	\$120	\$129	\$150	\$21	\$90	\$90
3083	Senior Financial Analyst	6	\$89	\$103	\$127	\$21	\$114	\$127	\$148	\$148	\$21	\$114	\$127	\$21	\$110	\$120	\$127	\$148	\$21	\$89	\$89	\$110	\$120	\$127	\$148	\$21	\$89	\$89	\$110	\$120	\$127	\$148	\$21	\$89	\$89
3084	Finance Professional 3	1	\$85	\$98	\$119	\$21	\$77	\$83	\$98	\$98	\$15	\$77	\$83	\$15	\$110	\$120	\$98	\$98	\$15	\$85	\$85	\$110	\$120	\$98	\$98	\$15	\$85	\$85	\$110	\$120	\$98	\$98	\$15	\$85	\$85
3085	Tax Analyst II	5	\$82	\$95	\$113	\$21	\$75	\$81	\$96	\$96	\$15	\$75	\$81	\$15	\$110	\$120	\$96	\$96	\$15	\$82	\$82	\$110	\$120	\$96	\$96	\$15	\$82	\$82	\$110	\$120	\$96	\$96	\$15	\$82	\$82
3086	Human Resources Professional 2	1	\$82	\$94	\$111	\$21	\$75	\$81	\$96	\$96	\$15	\$75	\$81	\$15	\$110	\$120	\$96	\$96	\$15	\$82	\$82	\$110	\$120	\$96	\$96	\$15	\$82	\$82	\$110	\$120	\$96	\$96	\$15	\$82	\$82
3087	Finance Professional 2	1	\$73	\$84	\$102	\$17	\$53	\$60	\$75	\$75	\$17	\$53	\$60	\$17	\$110	\$120	\$75	\$75	\$17	\$73	\$73	\$110	\$120	\$75	\$75	\$17	\$73	\$73	\$110	\$120	\$75	\$75	\$17	\$73	\$73
3088	Fin Analyst	4	\$73	\$83	\$101	\$17	\$56	\$66	\$82	\$82	\$17	\$56	\$66	\$17	\$110	\$120	\$82	\$82	\$17	\$73	\$73	\$110	\$120	\$82	\$82	\$17	\$73	\$73	\$110	\$120	\$82	\$82	\$17	\$73	\$73
3089	Human Resources Professional 5	1	\$72	\$82	\$102	\$17	\$74	\$80	\$94	\$94	\$15	\$74	\$80	\$15	\$110	\$120	\$94	\$94	\$15	\$72	\$72	\$110	\$120	\$94	\$94	\$15	\$72	\$72	\$110	\$120	\$94	\$94	\$15	\$72	\$72
3090	Human Resources Professional 4	1	\$69	\$79	\$98	\$16	\$58	\$62	\$76	\$76	\$14	\$58	\$62	\$14	\$110	\$120	\$76	\$76	\$14	\$69	\$69	\$110	\$120	\$76	\$76	\$14	\$69	\$69	\$110	\$120	\$76	\$76	\$14	\$69	\$69
3091	Staff Accountant	7	\$69	\$79	\$98	\$16	\$58	\$62	\$76	\$76	\$14	\$58	\$62	\$14	\$110	\$120	\$76	\$76	\$14	\$69	\$69	\$110	\$120	\$76	\$76	\$14	\$69	\$69	\$110	\$120	\$76	\$76	\$14	\$69	\$69
3092	Staff Accountant Rotation - II	9	\$58	\$67	\$83	\$15	\$58	\$62	\$76	\$76	\$14	\$58	\$62	\$14	\$110	\$120	\$76	\$76	\$14	\$58	\$58	\$110	\$120	\$76	\$76	\$14	\$58	\$58	\$110	\$120	\$76	\$76	\$14	\$58	\$58
3093	Staff Accountant - Rotation	7	\$56	\$64	\$79	\$15	\$58	\$62	\$76	\$76	\$14	\$58	\$62	\$																					

Physical/Technical		Corp Center Average					Competitive Market Average					Variance - Corp Center +/- Market				
2019 GRC Study Position	Corp Center Benchmark Job Title	# of Corp Center EEs	Base Salary	Target Total Cash	Total Cash	LTI	Target Total Comp.	Total Comp.	Base Salary %	Target Total Cash %	Total Cash %	LTI %	Target Total Comp. %	Total Comp. %		
		0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
		-														
		0.0%														
	Benchmark Incumbents															
	Total Incumbents															
	Coverage															

2019 GRC Study Position	Corp Center Benchmark Job Title	# of Corp Center EEs	Corp Center Average					Competitive Market Average					Variance - Corp Center +/- Market								
			Base Salary	Target Total Cash	Target Total Comp.	LTI	Total Comp.	Base Salary	Target Total Cash	Target Total Comp.	LTI	Total Comp.	Base Salary %	Target Total Cash %	Target Total Comp. %	LTI %	Total Comp. %				
3001	Senior Paralegal	6	\$89	\$103	\$107	\$21	\$124	\$127	--	\$96	\$95	\$18	--	\$114	\$113	1.8%	7.4%	8.5%	--	8.5%	12.3%
3002	Executive Assistant - I & II	9	\$81	\$93	\$97	\$19	\$112	\$116	--	\$85	\$85	\$17	--	\$101	\$102	1.3%	9.4%	10.1%	--	10.1%	13.2%
3003	Exec Sec Spec	2	\$79	\$86	\$88	\$17	\$103	\$105	--	\$70	\$73	\$14	--	\$84	\$87	21.3%	23.6%	22.7%	--	22.7%	20.1%
3004	Paralegal	2	\$72	\$83	\$86	\$17	\$100	\$102	--	\$81	\$80	\$15	--	\$96	\$95	-4.6%	2.3%	3.6%	--	3.6%	7.4%
3005	Senior Legal Administrative Associate	4	\$71	\$78	\$80	\$18	\$96	\$98	--	\$84	\$86	\$17	--	\$101	\$102	-9.9%	-7.1%	-4.9%	--	-4.9%	-4.0%
3006	Tax Assoc II	2	\$69	\$75	\$76	\$16	\$92	\$92	--	\$66	\$66	\$14	--	\$80	\$80	11.2%	13.7%	13.9%	--	13.9%	16.1%
3007	Human Resources Admin 1	1	\$68	\$75	\$77	\$16	\$91	\$94	--	\$74	\$74	\$15	--	\$89	\$89	-3.2%	1.0%	4.4%	--	4.4%	5.4%
3008	Insurance & Risk Advisory	2	\$66	\$72	\$74	\$16	\$88	\$90	--	\$67	\$68	\$14	--	\$82	\$82	4.4%	6.9%	7.8%	--	7.8%	9.6%
3009	Administrative Associate	2	\$63	\$69	\$71	\$16	\$85	\$86	--	\$78	\$79	\$15	--	\$93	\$94	-13.5%	-11.0%	-8.4%	--	-8.4%	-8.2%
3010	Finance Admin 2	1	\$62	\$68	\$72	\$16	\$84	\$87	--	\$66	\$66	\$14	--	\$80	\$80	0.3%	2.8%	4.1%	--	4.1%	9.7%
3011	Legal Fiscal Support Associate	2	\$62	\$68	\$70	\$16	\$84	\$85	--	\$71	\$72	\$14	--	\$86	\$86	-8.2%	-4.5%	-2.4%	--	-2.4%	-0.7%
3012	Facilities Admin 1	1	\$57	\$63	\$64	\$15	\$78	\$79	--	\$66	\$66	\$14	--	\$80	\$80	-7.1%	-3.7%	-1.6%	--	-1.6%	-1.1%
3013	Finance Admin 1	1	\$55	\$64	\$63	\$15	\$79	\$79	--	\$69	\$69	\$14	--	\$84	\$84	-14.1%	-8.2%	-5.8%	--	-5.8%	-6.0%
Benchmark Incumbents			\$2,809	\$2,943	\$3,037	\$622	\$3,565	\$3,659	\$0	\$2,818	\$2,832	\$557	\$0	\$3,375	\$3,389	-0.7%	4.5%	5.6%	N/A	5.6%	8.0%
Total Incumbents Coverage																					

APPENDIX C: Competitive Summary by Average Total Compensation Dollars

Table C-1: SDG&E Study Summary (Excluding Corporate Center): Average Compensation Dollars (\$000s)

SDG&E Employee Category	# of SDG&E Employees in Study	SDG&E					Market					
		Base Salary	Target Total Cash	Actual Total Cash	Benefits	Long-Term Incentives	Target Total Comp.	Target Total Cash	Actual Total Cash	Benefits	Long-Term Incentives	Target Total Comp.
Executive	5	\$328	\$494	\$591	\$65	\$389	\$949	\$1,045	\$68	\$475	\$1,139	\$1,176
Manager/Supervisor	237	\$125	\$146	\$155	\$27	\$3	\$177	\$186	\$23	\$3	\$174	\$175
Professional/Technical	1,212	\$98	\$114	\$118	\$23	\$1	\$137	\$141	\$20	\$1	\$144	\$144
Physical/Technical	925	\$92	\$93	\$93	\$21	\$0	\$114	\$114	\$19	\$0	\$110	\$113
Clerical	315	\$56	\$61	\$62	\$17	\$0	\$78	\$79	\$15	\$0	\$82	\$82
Total	2,694											

Table C-2: SDG&E Study Summary (Including Corporate Center): Average Compensation Dollars (\$000s)

SDG&E Employee Category	# of SDG&E Employees in Study	SDG&E					Market					
		Base Salary	Target Total Cash	Actual Total Cash	Benefits	Long-Term Incentives	Target Total Comp.	Target Total Cash	Actual Total Cash	Benefits	Long-Term Incentives	Target Total Comp.
Executive	7	\$346	\$532	\$638	\$69	\$455	\$1,057	\$1,163	\$70	\$521	\$1,210	\$1,246
Manager/Supervisor	248	\$126	\$149	\$159	\$27	\$5	\$181	\$190	\$23	\$4	\$178	\$179
Professional/Technical	1,240	\$99	\$114	\$118	\$23	\$1	\$138	\$142	\$20	\$1	\$144	\$144
Physical/Technical	925	\$92	\$93	\$93	\$21	\$0	\$114	\$114	\$19	\$0	\$110	\$113
Clerical	322	\$57	\$62	\$63	\$17	\$0	\$78	\$80	\$15	\$0	\$82	\$83
Total	2,743											

APPENDIX D: Competitive Summary by Aggregate Total Compensation Dollars

Table D-1: SDG&E Study Summary (Excluding Corporate Center): Aggregate Compensation Dollars (\$000s)

SDG&E Employee Category	# of SDG&E Employees in Study	SDG&E					Market								
		Base Salary	Target Total Cash	Actual Total Cash	Benefits	Long-Term Incentives	Target Total Comp.	Actual Total Comp.	Base Salary	Target Total Cash	Actual Total Cash	Benefits	Long-Term Incentives	Target Total Comp.	Actual Total Comp.
Executive	5	\$1,638	\$2,472	\$2,956	\$323	\$1,947	\$4,743	\$5,226	\$1,873	\$2,985	\$3,172	\$338	\$2,373	\$5,695	\$5,882
Manager/Supervisor	237	\$29,533	\$34,678	\$36,825	\$6,389	\$777	\$41,844	\$43,991	\$30,794	\$35,262	\$35,349	\$5,432	\$644	\$41,338	\$41,425
Professional/Technical	1,212	\$119,336	\$137,730	\$142,489	\$27,698	\$1,010	\$166,438	\$171,197	\$133,942	\$149,157	\$149,330	\$24,240	\$887	\$174,283	\$174,456
Physical/Technical	925	\$85,341	\$86,136	\$86,336	\$19,067	\$0	\$105,203	\$105,403	\$82,176	\$84,626	\$87,013	\$17,278	\$0	\$101,905	\$104,292
Clerical	315	\$17,752	\$19,283	\$19,591	\$5,269	\$0	\$24,552	\$24,859	\$20,114	\$21,168	\$21,291	\$4,647	\$0	\$25,815	\$25,938
Total	2,694														

Table D-2: SDG&E Study Summary (Including Corporate Center): Aggregate Compensation Dollars (\$000s)

SDG&E Employee Category	# of SDG&E Employees in Study	SDG&E					Market								
		Base Salary	Target Total Cash	Actual Total Cash	Benefits	Long-Term Incentives	Target Total Comp.	Actual Total Comp.	Base Salary	Target Total Cash	Actual Total Cash	Benefits	Long-Term Incentives	Target Total Comp.	Actual Total Comp.
Executive	7	\$2,316	\$3,560	\$4,269	\$461	\$3,045	\$7,066	\$7,775	\$2,569	\$4,140	\$4,381	\$467	\$3,483	\$8,090	\$8,331
Manager/Supervisor	248	\$31,421	\$37,024	\$39,395	\$6,771	\$1,143	\$44,938	\$47,309	\$32,742	\$37,614	\$37,766	\$5,758	\$934	\$44,306	\$44,458
Professional/Technical	1,240	\$122,288	\$141,167	\$146,041	\$28,338	\$1,105	\$170,610	\$175,484	\$137,238	\$152,882	\$153,054	\$24,832	\$949	\$178,663	\$178,836
Physical/Technical	925	\$85,341	\$86,136	\$86,336	\$19,067	\$0	\$105,203	\$105,403	\$82,176	\$84,626	\$87,013	\$17,278	\$0	\$101,905	\$104,292
Clerical	322	\$18,303	\$19,904	\$20,232	\$5,400	\$0	\$25,304	\$25,631	\$20,668	\$21,763	\$21,888	\$4,765	\$0	\$26,528	\$26,653
Total	2,743														

APPENDIX E: Detailed Benefits Methodology

BenVal[®] Valuation Methodology

Willis Towers Watson's BenVal is a method for determining the value of benefits provided by participating companies by applying a standard set of actuarial methods and assumptions to a common employee population. BenVal results provide a quantitative evaluation of each company's benefit provisions and overall benefit program, and facilitate a comparison of these benefit values against peer companies.

The valuation methodology reflects the timing of benefits -- whether deferred or immediate:

- Retirement benefits such as pension and retiree welfare benefits are valued using projected unit credit (service prorate) methodology.
- Values for defined contribution plan benefits reflect amounts expected to be contributed for the year.
- Benefits potentially payable immediately such as death and disability benefits are valued on a term cost basis, reflecting the probabilities of the various events occurring within the year, multiplied by the value of the benefit.

Actuarial Assumptions

Economic

Discount rate		7.0%
Cash balance plan accumulation	1-year Treasury	4.4%
	5-year Treasury	5.1%
	10-year Treasury	5.3%
	30-year Treasury	5.5%
	long corporate bond	6.5%
	PPA Segment Rate 1	5.3%
	PPA Segment Rate 2	6.6%
	PPA Segment Rate 3	7.1%

Compensation increase	4.0%
Wage index (SSWB)	3.5%
Inflation (CPI)	2.5%
Health care cost trend (for postretirement medical)	6.5% graded to 5% over 5 years

Demographic

Retirement: Incidence varies by the age at which retirement benefits are available on an unreduced basis; illustrative rates are shown below:

Age at retirement	Age for unreduced benefit			
	65	62	60	55
50	2%	2%	2%	2%
55	4%	4%	4%	15%
60	10%	10%	15%	15%
62	20%	30%	30%	30%
65	100%	100%	100%	100%

Example: For a plan that provides an unreduced benefit at age 62, 30% of employees are expected to retire upon reaching that age.

Turnover: Illustrative rates are shown below:

Age	Rate
25	13.2%
35	8.1%
45	5.2%
55	2.2%
56+	0%

Mortality:

RP 2000 table (reflecting projected mortality improvements through 2012), applied on a sex-distinct basis; illustrative rates are shown below:

Age	Deaths per 10,000 lives	
	Male	Female
25	3	2
35	7	4
45	13	10
55	32	22
65	79	60
75	207	173

Disablement (long-term disability): 1987 Commissioner’s Group Disability Table, with six month elimination period; adjusted where more restrictive long-term disability requirements apply

Termination of disability: 1987 Commissioner’s Group Disability Table (adjusted +11% to remove insurer margin)

Disabled mortality: PBGC mortality for disabled participants

Morbidity (short-term (STD) disability): developed based on (1) large company experience, (2) Society of Actuaries STD experience data, (3) 1987 Commissioner’s Disability Table

Percentage married: 65%

Medical/dental coverage: Baseline active and retiree level elections.

Active employees

Coverage level	% electing
Single	37%
Employee + 1	23%
Employee + family	28%
Opt out	12%

Retirees

Coverage level	% electing
Retiree only	48%
Retiree + spouse	52%

Plan-Specific Methodology

Defined Benefit Plans

The present value of the annual benefit accrual is developed using the projected unit credit (service prorate) methodology. Benefits are allocated evenly over an employee's entire working history, reflecting projected pay and the plan's provisions for normal or early retirement (including any early retirement supplements), vesting, disability, pre- or postretirement death (where benefits are subsidized), and refund of employee contributions.

Plan values are indexed based on the employer's stated policy. In addition, breakpoints in step-rate formulas at levels based on the Social Security Taxable Wage Base are assumed to increase with the wage index.

For cash balance plans, the assumed rate of interest credited on accumulated account balances is set to reflect the plan provisions.

Defined Contribution Plans

Included in this category are money purchase plans, profit-sharing plans and any type of savings plan (thrift or stock purchase). Plan values are determined as an estimate of current year contributions.

For savings plans, expected participation and contribution levels are determined based on the employee's total pay and the level of matching contributions. The table differentiates, for example, between the total value of a profit sharing plan with an average annual contribution of 9% of pay and a savings plan which allows the employee to contribute 6% of pay with a company match of 50% of matched employee contributions. It is expected that even for the most generous matched plans, some percentage of employees will not elect to join the savings plan or contribute the full matched amount.

The participation rate for Savings Plans is dependent on the level of match and the total pay of the participant. It is determined as the product of Table A and Table B.

Table A
Assumed Participation Rates for Savings Plans
(other than stock purchase plans)

match	up to 8% of pay	over 8% of pay
none	40%	0%
1% - 24%	50%	25%
25% - 49%	60%	30%
50% - 74%	70%	35%
75% - 99%	80%	40%
100% and over	90%	45%

The above table applies to Total Pay of \$60,000 to \$89,999.

The following factors apply based on Total Pay:

Table B

Total Pay	Factor
<\$40,000	0.6
\$40,000 - \$59,999	0.8
\$60,000 - \$89,999	1.0
\$90,000 - \$119,999	1.2 (not more than 90%)
\$120,000 - \$159,999	1.4 (not more than 100%)
\$160,000+	100% participation (except at no match, which remains 0% for deferrals above 8%)

For example, a savings plan that matches 50% up to 6% of pay for an employee earning \$60,000 would have the following result:

$$\text{Employee Contribution} = (\$60,000 \times .06 \times .70) + (\$60,000 \times .02 \times .40) = \$3,000$$

$$\text{Employer Contribution} = (\$60,000 \times .06 \times .50 \times .70) = \$1,260$$

The same employee earning \$90,000 would have the following result:

$$\begin{aligned} \text{Employee Contribution} &= (\$90,000 \times .06 \times .84) + (\$90,000 \times .02 \times .48) = \$5,400 \\ \text{Employer Contribution} &= (\$90,000 \times .06 \times .50 \times .84) = \$2,268 \end{aligned}$$

The assumed value of a stock purchase plan is determined by the purchase period, the level of price discount and the assumed participation rates – see below.

Assumed Participation Rates for Stock Purchase Plans

Combined discount/option value	Up to 8% of pay	Over 8% of pay
none	0%	0%
1% - 24%	35%	17.5%
25% - 29%	38%	19%
30% - 39%	42%	21%
40% - 49%	46%	23%
50% and over	50%	25%

Note: The assumed subsidy reflects the discount applied to the stock price along with the value of the fixed price option determined based on the Black Scholes method. (For a typical plan, the option value is generally in the range of 10% - 15%.)

For profit sharing plans and ESOPs, assumed contribution levels reflect the average of the past five years' actual contributions to the plan or the company's projected future contributions (if provided).

Death Benefit Plans

Values of the following benefits are calculated: pre-retirement group life, employer subsidized accidental death and dismemberment, dependent's life insurance and postretirement group life. Insurance coverage provided under a Group Universal Life Plan (GULP) is also included.

The level of optional insurance elected is determined by a formula that reflects the level of contributions required along with the amount of basic company-provided coverage and the employee's salary, bonus if applicable and marital status.

Life insurance coverage continuing after retirement is valued on a projected unit credit basis. Retired employees are assumed to cease election of GULP coverage at age 65. Flat dollar death benefits are assumed to remain constant.

Occupational coverage is not valued, due to its assumed negligible value.

Disability Plans

Short-term and long-term disability benefits are valued. Short-term disability (STD) benefits include sick pay, salary continuance, intermittent and extended coverage, and sickness and accident policies.

Long-term disability values reflect the level and duration of benefits, the plan's definition of disability, definition of pay, and the plan's benefit integration provisions (e.g., coordination with Social Security or pension benefits).

Differentiation is made between plans with varying definitions of disablement. When more than one option for STD or LTD coverage is available to employees, the highest enrolled option is valued.

Medical and Dental Plans

Where multiple plans or options are available, it is assumed that all employees will elect the most prevalent choice as reported by the plan sponsor, i.e., the plan with the highest enrollment. Medical benefit values reflect such factors as: type of plan, deductibles and coinsurance, stop loss provisions, type and level of benefits provided, benefit limits, and the level of required employee contributions.

The value for prescription drug coverage is reflected in the health care plan value even if covered under a separate plan. Continuation of medical coverage is valued for survivors and disabled employees.

Separate values are calculated for active employee coverage (term cost) and for postretirement coverage (projected unit credit service cost). The value for postretirement coverage reflects the plan's coordination with Medicare benefits at age 65.

Values for HMOs are adjusted by a factor of 0.98 to reflect restrictions on provider choice. PPO, POS, CDHP and comprehensive plan values are not adjusted. For CDHPs, the amount provided by the employer as an HRA or HSA contribution is added to the total value of the plan. The model assumes 100% utilization of the account during the year. Out-of-network benefits are not reflected in the BenVal values.

Medical benefits continuing after retirement are valued on a projected unit credit cost basis.

The following table illustrates the assumed participation rates for medical and dental plans – which are based on the level of required employee contributions. These participation rates represent additional opt-outs based on value of employee contributions and are in addition to the baseline 12% opt-out rate listed on page 5 for actives.

Assumed Participation Rates for Medical and Dental Plans

Contributions as % of plan value	Active	Retiree	Retiree – post-65
0%	100%	100%	100%
20%	98%	99%	95%
40%	96%	98%	90%
60%	94%	97%	80%
80%	92%	96%	65%
100%+	90%	95%	50%

Vacation and Holiday Plans

The values for vacation and holiday benefits reflect the employer's schedule of benefits, the employee's earnings level and expected utilization. Less than full utilization of vacation days is assumed in some cases, particularly for high paid/long service employees who are expected to forfeit a portion of vacation days each year – unless the employer provides pay for unused vacation days.

The values for PTO plans reflect the permitted use of PTO days and the design of the employer's STD plan and holiday provisions, in addition to the aspects reflected for vacation and holiday benefits. If PTO days can be used for illness, the allocation to STD is determined based on the elimination period before subsequent STD/sick pay benefits are payable, to a maximum of the average annual absence day usage.

If PTO days can be used for personal days, personal absence or holidays, then there is an allocation to holidays. The holiday allocation amount is 10 days minus the number of specified employer scheduled plus specified employee scheduled holidays. If the total scheduled holidays equals or exceeds 10 days, there is no allocation to holidays. The remaining days are allocated to vacation.

APPENDIX F: LTI Methodology

Accounting Value

Accounting values are used by participants for financial reporting and/or disclosure purposes. The values reflect “fair values” under ASC 718, the U.S. accounting standard, and are the amounts that public companies discuss in their proxy statement CD&A report and disclose in their Grants of Plan-Based Awards table. For each stock option, restricted stock, or other performance award, the accounting value is the value determined by the company and reported to the survey. Values reflect the grant date accounting value per unit of the award and do not include any adjustments for actual or expected award forfeitures. Awards that result in specified cash payments at the conclusion of the performance or vesting period are reported based on the expected payout value of the award.

For stock options, accounting values reported by participants are calculated using an option pricing model. The type of model and the factors used in the model, such as the risk-free interest rate, volatility, and dividend yield, are all determined by the participant for financial reporting purposes. If a stock option has price hurdles, this performance feature should be accounted for in the value. The term used in the model should be the expected life of the option, and no other adjustments should be made for vesting or forfeiture.

For time-vesting restricted stock, the accounting value reported by participants is typically the grant value. If dividends are typically paid, but dividends are not attached to the restricted stock award, the accounting value should reflect this feature.

For restricted stock or performance plans that have non-stock-based performance criteria, the accounting value reported is typically target value at grant. If dividends are typically paid, but dividends are not attached to the award, the accounting value should reflect this feature.

For restricted stock or performance plans that have stock-based performance criteria (e.g., stock price hurdles or Total Shareholder Return), the accounting values reported should reflect this feature. Plans having stock-based performance criteria are known as “market based” and in Willis Towers Watson’s experience, will typically have accounting values within +/- 20% of grant value

APPENDIX G: Project Team Meeting Notes

Meeting # 1- Project Kick Off Meeting

Category	Description	
Meeting	2019 GRC Kick off Meeting	
Attendees	Sempra Energy Gregory Shimansky Debbie Robinson Eric Bayona	Willis Towers Watson Catherine Hartmann Dean Stoutland Ragini Mathur (by phone) Katherine Chan
When	Tuesday, January 31, 2017	
Timing	10:00 AM – 12:00 PM	
Location	In person meeting (Sempra San Diego Office)	

Meeting Agenda

Topic	Key Discussion Point(s)	Action Items
1. Communication & Protocols	<ul style="list-style-type: none"> ▪ Catherine, Ragini and Katherine from Willis Towers Watson to be marked on all emails ▪ Debbie, Greg and Eric from Sempra to be marked on all communications ▪ Team Meetings (Conference calls and in-person meetings) to be determined during the kick off and put on the calendar <ul style="list-style-type: none"> ▪ 4 in person meetings (including kick off meeting) ▪ 6 conference calls ▪ Weekly status updates via email 	<ul style="list-style-type: none"> ▪ WTW to ensure that the data confidentiality agreement between WTW and Sempra will not create roadblocks in June
2. Calendar	<ul style="list-style-type: none"> ▪ Debbie has a meeting with executives on April 27th to walk through assumptions used for the 2019 study and provide update on progress – WTW to provide as much assistance as possible 	<ul style="list-style-type: none"> ▪ WTW to send potential meeting dates to Sempra to set up meetings
3. Meeting Notes	<ul style="list-style-type: none"> ▪ WTW will continue to use the same meeting notes format ▪ Meeting Notes to be appended to the final work paper 	<ul style="list-style-type: none"> ▪ Meeting notes from Kick-off Meeting to be sent to Sempra
4. Compensation Analysis	<ul style="list-style-type: none"> ▪ The following pay percentiles will be provided in the compensation analysis: <ul style="list-style-type: none"> ▪ P25 ▪ P50 (median) ▪ Mean (company-weighted) ▪ P75 	
5. Total Compensation Analysis	<ul style="list-style-type: none"> ▪ WTW detailed the total compensation methodology including the development of “employee profiles” ▪ 20 employee profiles will be developed 	
6. Compensation Methodology- Benchmark Jobs	<ul style="list-style-type: none"> ▪ We will use the 2016 benchmark job list as a starting point to determine benchmark jobs for the 2019 GRC ▪ A high level review of the job codes showed that approximately 90 jobs might have changed. However, Sempra anticipates that the jobs will be similar this time, and that there are no material changes to the job content of the benchmark jobs ▪ We might find some changes in executive level jobs 	<ul style="list-style-type: none"> ▪ Sempra to send their job matches and the job list (with employee job info, grade and zip code) for WTW to review and validate
7. Compensation Methodology –	<ul style="list-style-type: none"> ▪ Sempra to provide average base salary and target bonus data by 2/27 	<ul style="list-style-type: none"> ▪ WTW needs job data to upload into

Topic	Key Discussion Point(s)	Action Items
Benchmark Job Data Collection	<ul style="list-style-type: none"> ▪ Actual bonus (ICP) payout data will be available around 3/15 ▪ Password for all files: GRC2019! 	<p>the REWARD database for analysis</p> <ul style="list-style-type: none"> ▪ Sempra to send average base salary and target bonus by 2/27
8. Compensation Methodology – Survey Data	<ul style="list-style-type: none"> ▪ Sempra to send WTW all third party surveys and NDAs– Aon Hewitt, EAPDIS, Mercer SIRS <ul style="list-style-type: none"> ▪ WTW will utilize the same survey scopes, with the addition of Aon Hewitt survey as a source for Manager/Supervisor and Professional/Technical jobs ▪ Survey data to be aged to July 1, 2017 for all surveys ▪ Geographic differentials <ul style="list-style-type: none"> ▪ Evaluate if geographic differentials should be applied to market data. Regardless of the decision made, rationale will be documented in final deliverable ▪ WTW will evaluate geographic differentials based on where large populations of Sempra employees live ▪ Long-term incentive data <ul style="list-style-type: none"> ▪ WTW to find out what the CDB survey uses in terms of valuation methodology and what other rate cases have used. Additionally, WTW will find out if it is possible to use accounting value for options and face value for restricted/performance shares ▪ Aging factor to be determined based on data from Willis Towers Watson, WorldatWork and Mercer salary budget surveys ▪ For some corporate jobs, Sempra does not necessarily hire from other utilities. Sempra and WTW discussed possibility of having two buckets of jobs, utility vs. non-utility jobs for the market pricing 	<ul style="list-style-type: none"> ▪ Sempra to send third party survey NDAs to WTW ▪ Sempra to send merit increase study that was conducted in-house ▪ WTW to check what aging factor SCE and PG&E used for their studies as well as CDB’s long-term incentive methodology
9. Benefits Database Participants	<ul style="list-style-type: none"> ▪ Benefits Database Participants were selected from the excel lists displayed (see separate excel workbook) ▪ Proposed changes to General Industry Peer Group <ul style="list-style-type: none"> ▪ Remove: AECOM, Fireman’s Fund Insurance Companies, Life Technologies, Boeing ▪ Add: Amgen, Bechtel, Pacific Life Insurance, Parsons Corp, General Dynamics ▪ Maybe: Check to see where Sony Network Entertainment is located vs. Sony Pictures ▪ Footnotes to be added: Calpine Corp (included in general industry peer group since this company is not regulated); Jacobs Engineering Group (company moved headquarters to Dallas but data is based on when they were in California) ▪ Proposed changes to Utility Industry Peer Group <ul style="list-style-type: none"> ▪ Remove: Integrys Energy, NV Energy ▪ Add: Dominion, Exelon Corp, Northeast Utilities dba Eversource, Southern Company Services 	<ul style="list-style-type: none"> ▪ WTW to follow-up with Pete and his team on the benefits database ▪ WTW to find out how Aon obtained SMUD and LADWP’s data ▪ WTW to check on current peer companies that were not on the list of available companies: Bank of America, Chevron Corp., Fluor Corp., Western Union

Topic	Key Discussion Point(s)	Action Items
	<ul style="list-style-type: none"> ▪ Maybe: (1) Find out if Salt River Project is investor-owned (2) Maybe keep Portland General Electric since it wasn't used by both SCE and PGE (3) Maybe keep Puget Sound Energy ▪ WTW will put together a median and average revenue and employee count comparison to evaluate if the modified peer groups are appropriate 	<ul style="list-style-type: none"> ▪ WTW to do research on Salt River Project and Sony Network Entertainment

WEEKLY STATUS UPDATE: February 6 – 10, 2017

Weekly Team Objectives	Comments on Current Status	Status
Sempra Data	<ul style="list-style-type: none"> ▪ Sempra has sent to WTW a preliminary job data file containing job comparison with the 2016 GRC, (highlighting 92 jobs from the 2016 GRC that did not have matches this year). Sempra also added employee data (job code, job title, market grade) for WTW to reconcile the 92 jobs. ▪ WTW has reviewed the job data file, and made suggestions on reconciliation for the 92 jobs, as well as addition of high incumbent roles in order to get to a high employee representation number. 	COMPLETE
Survey Data	<ul style="list-style-type: none"> ▪ Sempra has sent NDAs from all third party survey providers for WTW to sign (Friday, 2/10) 	COMPLETE
Benefits Peer Participants	<ul style="list-style-type: none"> ▪ WTW sent the benefits peer participants list to Sempra, with edits incorporated from the Kick-Off Meeting for Sempra to review. 	COMPLETE
Issue/Decision	Description	Status
Third Party Survey NDAs	<ul style="list-style-type: none"> ▪ WTW’s Legal Team will review the NDAs and send signed versions back to Sempra early in the week if February 13th. The Sempra team will then target sending across third party survey data to TW for job matching by February 17th 	IN PROCESS
Methodology Meeting and Market Match Review Meeting Dates	<ul style="list-style-type: none"> ▪ WTW and Sempra to decide on dates of mutual convenience for the Methodology Review Meeting and the Market Match Review Meetings 	IN PROCESS

Key Accomplishments in the past week	Key Objectives for the next week
<ul style="list-style-type: none"> ▪ WTW reviewed Sempra job data file and suggested matches for 92 “un-reconciled” jobs and recommended additional jobs for analysis in order to increase employee representation ▪ WTW has downloaded all copies of WTW CDB Published and Custom Cuts of General Industry and Energy Services Survey Reports: <ul style="list-style-type: none"> ▪ WTW CDB GI MMPS Published ▪ WTW CDB Energy Services MMPS Published ▪ WTW CDB GI Exec Published ▪ WTW CDB Energy Services MMPS Published ▪ WTW CDB GI MMPS Revenue 5-20B ▪ WTW CDB Energy Services MMPS Revenue 5-20B ▪ WTW CDB GI Exec Revenue 5-20B ▪ WTW CDB Energy Services MMPS Revenue 5-20B 	<ul style="list-style-type: none"> ▪ Sempra will review the changes WTW made in the job data file around selected jobs, review WTW suggestions on jobs to be added, provide market matches for roles to be included in 2019 GRC (for those roles only where matches haven’t been provided already), suggest which jobs can be clubbed into one unique benchmark ▪ WTW will sign and sent back the NDA documents to Sempra after WTW Legal team review ▪ Sempra will send WTW third party survey data once NDAs are signed ▪ WTW will continue uploading surveys into their internal system to commence market pricing ▪ WTW and Sempra to decide and block dates for methodology meeting as well as market match review meeting

WEEKLY STATUS UPDATE: February 13 – 17, 2017

Weekly Team Objectives	Comments on Current Status	Status
Sempra Data	<ul style="list-style-type: none"> Sempra has sent to WTW a revised job data file, with comments and resolutions on queries 	COMPLETE
Third Party Survey Vendor NDAs	<ul style="list-style-type: none"> WTW has sent back to Sempra all signed NDAs from the following survey vendors – Aon Hewitt, Mercer and EAPDIS 	COMPLETE
Methodology Meeting and Market Match Review Meeting Dates	<ul style="list-style-type: none"> WTW and Sempra mutually decided on the following dates for the following meetings: <ul style="list-style-type: none"> Methodology Review Meeting – Friday, February 24th, 12-2pm, Conference Call Market Match Review Meeting – Monday, March 13th, Full day meeting at Sempra HQ 	COMPLETE

Issue/Decision	Description	Status
Benefits Peer Participants	<ul style="list-style-type: none"> WTW has sent the benefits peer participants list to Sempra, with edits incorporated from the Kick-Off Meeting for Sempra to review last week; Sempra is reviewing the list and will sign-off/provide feedback to WTW by February 24th 	IN PROCESS
Third Party Survey Data	<ul style="list-style-type: none"> Sempra team to target sending WTW the third party survey vendor data by Wednesday, February 22nd 	IN PROCESS

Key Accomplishments in the past week	Key Objectives for the next week
<ul style="list-style-type: none"> WTW and Sempra finalized meeting dates for the Methodology Review Meeting and Market Match Review Meeting WTW reviewed all third party survey vendor NDAs with Legal, resolved queries, and sent over signed NDAs to Sempra Sempra responded to WTW's job data file clean up request, with resolutions and heads-up on some job data/pay elements that may change in the next iteration 	<ul style="list-style-type: none"> WTW to review Sempra's comments on the job file and to clean the file to get to a clean list of jobs and job criteria (job category, title, code etc.) Sempra will send WTW third party survey data WTW will continue uploading surveys into their internal system to commence market pricing, including any third-party surveys that Sempra will send to WTW WTW to prepare for the Methodology Review Meeting and facilitate conversation

Meeting #2 - Methodology Meeting

Category	Description	
Meeting	2019 GRC Methodology Meeting	
Attendees	SEMPRA Energy Debbie Robinson Eric Bayona	Willis Towers Watson Catherine Hartmann Ragini Mathur Katherine Chan
When	Friday, February 24, 2017	
Timing	12:00 PM – 1:15 PM	
Location	Conference Call (866-242-0546, 1865765)	

Meeting Agenda

Topic	Key Discussion Point(s)	Action Items
1. Calendar and Key Dates	The following key dates were discussed: <ul style="list-style-type: none"> ▪ Wednesday, 3/1 – Receive final survey data from Sempra (Eric) and finalize REWARD set up ▪ Thursday 3/2 – Receive new employee base pay and target STI from Sempra (need to marry to job pricing work) ▪ Thursday, 3/9 – Finalize the job pricing worksheets for review with Sempra (Catherine, Ragini and Katherine) ▪ Friday, 3/10 – Finalize project methodology document without employee/job counts (finalized March 20 with the employee/job counts) ▪ Monday, 3/13 – Job mapping session on-site with Sempra (Catherine, Ragini, and Katherine) ▪ Wednesday, 3/15 – Receive new employee actual STI, actual LTI and target LTI from Sempra (need to marry to job pricing work) ▪ Monday, 3/20 – Call to review draft role profiles that will be sent to BenVal team (Catherine, Ragini, and Katherine) ▪ Wednesday, 3/23 – Send role profiles to BenVal team to begin assessment ▪ Friday 4/7, 4/14 and 4/21 – Send updates to the Sempra team on progress ▪ Monday, 4/24 – Call to discuss draft report with the Sempra team (ahead of Debbie’s 4/27 meeting with the Executive Team) ▪ Monday, 5/1 – Call to receive feedback from Sempra on draft report to wrap up that week <ul style="list-style-type: none"> ▪ First week of May – Delivery of final report 	<ul style="list-style-type: none"> ▪ Revisit the time line after our meeting on 3/13 to ensure follow up dates can be reasonably met ▪ Update team calendars to reflect upcoming meetings
2. Surveys and Compensation Methodology	<ul style="list-style-type: none"> ▪ Confirmed survey sources, data cuts and discussed benchmarking methodology 	<ul style="list-style-type: none"> ▪ EMPRA to obtain \$5B - \$20B survey cuts from Aon Hewitt and Mercer and push to send EAPDIS survey to WTW on Monday (2/27) ▪ Sempra to go through corporate jobs to

Topic	Key Discussion Point(s)	Action Items
		identify which ones require specific utility experience vs. general focus <ul style="list-style-type: none"> ▪ WTW to check methodology from peer rate cases and verify if Corporate Center jobs utilizes both general industry and energy services industry data or just general industry data ▪ WTW to send Sempra final job data file received from Sempra for 2016 GRC as a reference
3. Long-Term Incentives	<ul style="list-style-type: none"> ▪ LTI grant date: January 3rd, 2017 ▪ Sempra prefers using face value for LTI as this has been the historic perspective 	<ul style="list-style-type: none"> ▪ Sempra to provide WTW with both face value and accounting value of LTI for executives under review ▪ Sempra to find out from Aon Hewitt which LTI survey field was utilized for executive work for the Board
4. Benefits Peer Group	<ul style="list-style-type: none"> ▪ Remove Portland General Electric, Salt River Project and Puget Sound from benefit Utility Industry peers ▪ Remove Calpine Corp., Kaiser and Sony Network Entertainment from benefit General Industry peer group ▪ Peer group exhibit: Add column to show companies that are also PG&E and SCE peers 	<ul style="list-style-type: none"> ▪ WTW to make reflect edits in methodology section
5. Geographic Differentials	<ul style="list-style-type: none"> ▪ Sempra agreed with WTW's proposed methodology for geographic differentials 	<ul style="list-style-type: none"> ▪ WTW to outline methodology and review geographic differentials for cities where Sempra has largest workforce percentages

WEEKLY STATUS UPDATE: February 27 – March 3, 2017

Weekly Team Objectives	Comments on Current Status	Status
Sempra Job Data	<ul style="list-style-type: none"> ▪ WTW reviewed the additional input on the job data file, provided after the Methodology Review Call on 2/24), made changes based on Sempra Team’s notes, and finalized the jobs for analysis 	COMPLETE
Third Party Survey Vendor Data	<ul style="list-style-type: none"> ▪ Sempra and WTW reviewed the existing survey data cuts and the missing survey pay types required. Sempra ran reports for Aon Hewitt and Mercer SIRS and has sent WTW all third party survey data and cuts required 	COMPLETE
Sempra Compensation Data	<ul style="list-style-type: none"> ▪ Sempra has provided WTW with a file as of 2/28, with employee base pay, and target incentives information 	COMPLETE

Issue/Decision	Description	Status
Sempra Job Matching	<ul style="list-style-type: none"> ▪ WTW reviewed the initial market match information from MarketPay, and requested Sempra to check on the matches that have changed since the previous GRC, to ensure that the changes made to matches were based on scope and responsibilities changes 	IN PROCESS

Key Accomplishments in the past week	Key Objectives for the next week
<ul style="list-style-type: none"> ▪ Sempra sent over all required third party survey information to WTW, so WTW can load the survey data into internal database for running reports ▪ WTW and Sempra jointly reviewed the changes in market matches as documented in MarketPay reports 	<ul style="list-style-type: none"> ▪ WTW will complete uploading surveys into their internal system, and start reviewing market pricing (survey jobs, survey levels, general industry and energy industry usage methodology) ▪ WTW will send a complete compensation and LTI data request to Sempra, detailing how best to collect and collate this information

WEEKLY STATUS UPDATE: March 6 – 10, 2017

Weekly Team Objectives	Comments on Current Status	Status
Job Matching Review	<ul style="list-style-type: none"> ▪ WTW reviewed survey matches for all job categories, and made edits to matches where required ▪ WTW incorporated Sempra’s suggested edits to jobs where there were differences between MarketPay matching and WTW alignment from the previous GRC Study ▪ WTW prepared an issues log of questions for Sempra around survey matches, including discipline and level alignments, potential additions/deletions of survey matches ▪ WTW prepared materials for the Job Match Review Meeting on 3/13 including the following documents: <ul style="list-style-type: none"> ▪ Agenda ▪ Issues Log ▪ Leveling alignment ▪ Market Pricing Reports ▪ Supporting documentation (survey job and level descriptors, level equivalencies) 	COMPLETE
Sempra Compensation Data	<ul style="list-style-type: none"> ▪ Sempra has provided WTW with a supplemental employee data file as of 3/3, with actual incentives, LTI target percent, LTI awards, LTI accounting value, employee gender, age and tenure <ul style="list-style-type: none"> ▪ This file will be utilized for comparison purposes and to create Role Profiles for the benefit assessment 	COMPLETE

Issue/Decision	Description	Status
Sempra Job Matching	<ul style="list-style-type: none"> ▪ WTW reviewed market matches and will resolve pending queries with Sempra during the Job Match Review Meeting 	IN PROCESS

Key Accomplishments in the past week	Key Objectives for the next week
<ul style="list-style-type: none"> ▪ WTW reviewed all third party survey vendor information and uploaded the final scope data into the job matching database ▪ WTW incorporated Sempra’s edits to MarketPay matches ▪ WTW added suggestions for additions/deletions to market matches based on level equivalencies, as well as knowledge of similar types of jobs 	<ul style="list-style-type: none"> ▪ WTW and Sempra will meet at a face to face meeting at Sempra’s headquarters in San Diego on 3/3 to review market matches for all 450 jobs ▪ WTW and Sempra to finalize survey weighting methodology for all job categories and finalize jobs for study inclusion

Meeting Notes (Job Match Review Meeting) & Weekly Status Update (March 13 – 17, 2017)

Meeting #3 - Job Match Review Meeting

Category	Description	
Meeting	2019 GRC Job Match Review Meeting	
Attendees	Sempra Energy Debbie Robinson Eric Bayona	Willis Towers Watson Catherine Hartmann Ragini Mathur Katherine Chan
When	Monday, March 13, 2017	
Timing	9:00 AM – 5:00 PM	
Location	In Person Meeting (Sempra San Diego Office)	

Meeting Agenda

Topic	Key Discussion Point(s)	Action Items
1. Employee Representation	<ul style="list-style-type: none"> ▪ Current employee representation percentage is at 65.0% across all job categories, across 444 jobs ▪ This employee representation number is consistent with the previous GRC 	<ul style="list-style-type: none"> ▪ Sempra and WTW to re-visit employee representation percentage after all jobs have been reviewed, and decisions on deleting poor matches or non-representative jobs have been finalized ▪ If needed, Sempra and WTW to work together to add back more matches to keep employee representation percentage consistent with the previous GRC
2. Executive Job Match Review	<ul style="list-style-type: none"> ▪ Sempra and WTW reviewed matches made for all Executive jobs as well as the weighting methodology ▪ Consistent with the previous GRC, the Corporate Center jobs will be matched to General Industry only matches, but the Utility (SDG&E and SCG) jobs will be matched to both General Industry and Energy matches ▪ The following jobs will be taken off the job list: <ul style="list-style-type: none"> ▪ President, Corporate Center ▪ VP, Investor Relations, Corporate Center ▪ The following jobs will be added as replacements: <ul style="list-style-type: none"> ▪ COO, SDG&E ▪ VP, Federal Government Affairs, Corporate Center ▪ VP, Compliance, Governance and Corporate Secretary, Corporate Center ▪ Additionally, currently the same incumbent is the VP – Controller and CFO for SDG&E and SCG. This employee 	<ul style="list-style-type: none"> ▪ WTW will add the survey matches for the new executive jobs added (including the missing matches from the Aon Hewitt Executive Survey)

Topic	Key Discussion Point(s)	Action Items
	will be represented across both entities (however, the total employee count will exclude double counting)	
3. Non-Executive Job Match Review	<ul style="list-style-type: none"> ▪ WTW and Sempra reviewed the issues log prepared, and reviewed all matches associated with jobs listed on the issues log ▪ Comments regarding Sempra and WTW action items were noted in the issues log (Copy of the issues log is attached below) ▪ Consistent with the previous GRC, non-executive jobs will be matched to both general industry and energy services surveys ▪ However, energy services oriented jobs will be matched to energy surveys only 	<ul style="list-style-type: none"> ▪ Sempra to review WTW queries internally with SDG&E, SCG and Corporate Center counterparts ▪ WTW to incorporate Sempra's comments noted in the issues log
4. Geographic Differentials	<ul style="list-style-type: none"> ▪ WTW proposed the following methodology to calculate geographic differentials: <ul style="list-style-type: none"> ▪ WTW identified Sempra's top 6 locations, from the employee data file that Sempra had provided as of 2/28/2017. Sempra's top 6 locations represent 63% of its total employee population ▪ ERI based geographic differential percentages were calculated for each Sempra location identified. These differentials were based on salary ranges consistent with employee pay data for each job category for GRC benchmark jobs only ▪ A weightage was applied for each job category based on Sempra location to arrive at the geo differential commendation for each job category. ▪ Sempra agreed with WTW's proposed methodology for reviewing geographic differentials and we will decide on appropriate path moving forward 	<ul style="list-style-type: none"> ▪ WTW to develop market employee profiles with geographic differentials

2019 GRC Issues Log:

Job Code	Job Title	Issue	WTW Action
6605	Contract Administrator - Gas	Job Category	Exclude from analysis, no good matches
70110	Field Service Assistant	Match Review	Review discipline and level
012510	District Ops Clerk-5	Discipline Review	Select most representative discipline, verify if job exists at SDGE
C10008&C10009	Administrative Associate	Match Review	Split into two job codes - original job codes of C10008 - AS4 and C10009. Map C10009 - AS5 To U4/C4
C11100	Tax Assoc I	Level Alignment	Match all to I04/P1/A1
C11221	Tax Assoc II	Match Review	Match all to I04/P1/A1
C10134&C10133	Executive Assistant - I & II	Match Review	Match to U4/C4 of EA discipline
C10381	Senior Executive Assistant	Match Review	Match to U4/C4 for EA to CEO discipline
896010	Dir - Labor Relations	Match Review	Add GI and Utilities matches
C11094	Benefits Services Manager	Match Review	Add GI and Utilities matches
13047 987007	Business Analyst - I	Level Misalignment	All Business Analyst I to be aligned to WTW P1
987009 06363&13048	Business Analyst - II	Level Misalignment	All Business Analyst II to be aligned to WTW P2
837627&987012	Busn Sys Analyst - I	Level Misalignment	All Business Systems Analyst I to be aligned to WTW P1
840006&987014	Busn Sys Analyst - II	Level Misalignment	All Business Systems Analyst II to be aligned to WTW P2

980525; 837578	Buyer I; Buyer II	Level Misalignment	All Buyer 1 to be aligned to WTW P2; and Buyer 2 to WTW P3
12205 C11023	Comms Mgr	Match Review	Check for Aon Hewitt survey match for External Comms at I07
10306	Information Technology Project Manager	Job Category	Align to WTW P5
C10905	Ld Software Developer	Job Category	Align to WTW P4
860023&860039 10941 862566, 862586&987036 09732	Technical Advisor - I Technical Advisor - II	Level Misalignment	Change Technical Advisor II to P4
C10089	Director – Financial Reporting	Level Misalignment	WTW to check for E10 survey level for appropriate discipline in Aon Hewitt Survey.
C10093	Dir - Investor Relations	Match Review	Check for WTW M4 match for appropriate discipline (ACA090)
C11090	Senior Paralegal	Job Category	Change job category to Professional, and use the same matches as Utility (SDG&E/SCG) matches for consistency
C10268	Paralegal	Job Category	Change job category to Professional, and use the same matches as Utility (SDG&E/SCG) matches for consistency

Job Code	Job Title	Issue	Sempra Action
70224	Adv Mtr Proj Fld Rep	Job Category	Confirm job category classification
15439	Elect GIS Tech	Job Category	Confirm job category classification
15400	Energy Services Specialist I - Bnch Ofc	Job Category	Confirm job category classification
6215	Team Leader	Match Review	Confirm if 6215 and 6212 can be collapsed into one job
06212	Team Ldr - IV	Match Review	Confirm if 6215 and 6212 can be collapsed into one job
070220	Meter Reader-R	Job Category	Confirm job category classification
13043	Technical Support Assistant	Job Category	Confirm job category classification
00998	Utility Accounting Clerk	Level Alignment	Verify leveling at U4/C4 or U3/C3
C11080	Legal Fiscal Support Associate	Level Alignment	Verify leveling at U4/C4 or U3/C3
022471	Sr Admin Clk - 5 - Qual Typ	Level Alignment, Job Category	Confirm job category
070110	Field Service Assistant	Match Review	Confirm discipline and level
15109	Instru Ctrl Tech - Gas - Trans	Match Review	Confirm if matches can be same as 09852
07762	Service Planner	Match Review	Confirm WTW discipline used
022050	Collections Control Clerk-5	Match Review, Job Category	Confirm job category and alignment of level - I04/P1. (We don't have P2)
6006	Account Executive	Level Misalignment	Confirm is Level 3 from SIRS will work
12205 C11023	Comms Mgr	Match Review	Check if Corp Center can use the same matches as 12205 SDGE, and WTW to check for AH match
15884	Field Constrn Advisor	Match Review	Confirm primary discipline for alignment
985513 985518 985377	Infra Team Lead Infra Techlgy Analyst Infra Technologist	Discipline Misalignment	Confirm primary discipline for alignment
10987 10202 10204 10699	Infrastructure Team Lead Infrastructure Technologist Infrastructure Technology Analyst Senior Infrastructure Technician	Discipline Misalignment	Confirm primary discipline for alignment
865069 07539	Public Affairs Manager	Discipline Misalignment	Confirm if the SCG job is aligned with Govt Relations, while the job with a similar title at SDGE is aligned with PR

06212	Team Ldr - IV	Missing Market Data	Confirm that 6215 and 6212 can be collapsed into one job
09695	Proj Mgmt Supv	Discipline Misalignment	Confirm usage of multiple disciplines
07848	Project Management Manager	Discipline Misalignment	Confirm usage of multiple disciplines
07848	Project Management Manager	Discipline Misalignment	Confirm usage of multiple disciplines
09251	Director - Resource Planning	Discipline Misalignment	Exclude form analysis, Sempra team to find a more suitable Director level job to add
09050	Vegetation Management Contract Administrator	Match Review	Confirm job category - Prof or Mgmt
15341	Engy Svcs Spec I Bilingual	Premium	Review rationale of applying the premium and verify how many languages/level of proficiency are required

Weekly Team Objectives	Comments on Current Status	Status
Job Match Review Meeting	<ul style="list-style-type: none"> ▪ WTW and Sempra reviewed job matches at a face to face meeting at Sempra HQ on March 13, 2017, at a full day meeting ▪ Topics of Discussion included: <ul style="list-style-type: none"> ▪ Employee Representation Percentages ▪ Executive Jobs <ul style="list-style-type: none"> – Addition of Jobs, and Deletion of jobs that do not exist/are irrelevant – Survey Weighting Methodology ▪ Non-Executive Jobs <ul style="list-style-type: none"> – Review of Issues Log – Resolution of Survey Level Alignment – Weighting Methodology ▪ Geographic differentials 	COMPLETE
Sempra LTI Data	<ul style="list-style-type: none"> ▪ Sempra has provided WTW with an additional employee data file containing revised LTI numbers for 7 incumbents. 	COMPLETE

Issue/Decision	Description	Status
Survey Matches and Data Review	<ul style="list-style-type: none"> ▪ WTW and Sempra will review anomalous survey data and confirm deletion of outliers 	IN PROCESS

Key Accomplishments in the past week	Key Objectives for the next week
<ul style="list-style-type: none"> ▪ WTW and Sempra reviewed job matches for all jobs highlighted by WTW ▪ WTW sent Sempra the issues log for Sempra to resolve action items assigned to them ▪ Sempra reviewed WTW queries and sent responses back to WTW ▪ WTW incorporated edits suggested by Sempra and ran market data to analyze data for anomalies/outliers 	<ul style="list-style-type: none"> ▪ WTW and Sempra will discuss market outliers during a conference call, and make decisions on inclusion/exclusion of survey data ▪ WTW and Sempra will mutually decide if any additional jobs need to be included to main good employee representation percentages ▪ WTW to develop role profiles for Sempra and the market and review with Sempra before finalizing

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|---|--|
| <ul style="list-style-type: none">■ WTW tested market data using standard “tests” to analyze if data should be included or dropped, and compared with Sempra base pay as well | |
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WEEKLY STATUS UPDATE: March 20 – 24, 2017

Weekly Team Objectives	Comments on Current Status	Status
Market Data Outliers Review Meeting	<ul style="list-style-type: none"> ▪ WTW and Sempra reviewed outliers / anomalies in market data on a Web-Ex meeting on Monday, 3/20 	COMPLETE
Role Profile Development	<ul style="list-style-type: none"> ▪ WTW reviewed the market data for the assessment and developed 24 preliminary role profiles for benefits data calculation. ▪ Role profile development was based on: market 50th base composite, market 50th target bonus percent composite, union vs non union jobs, job category classification, job family/job type, gender predominance, employee average age and tenure 	COMPLETE

Issue/Decision	Description	Status
Market Data Outliers	<ul style="list-style-type: none"> ▪ WTW sent Sempra a list of jobs to review internally; these jobs were anomalies, reflecting Sempra data to be greater than 30% higher or lower compared with market ▪ WTW is reviewing market data and matches to ensure that jobs are accurately job matched and Sempra will check to see if the right employees are aligned to current job codes 	IN PROCESS

Key Accomplishments in the past week	Key Objectives for the next week
<ul style="list-style-type: none"> ▪ WTW and Sempra reviewed market data outliers ▪ WTW sent Sempra a list of jobs to check on internally for potential employee to job code misalignment ▪ Sempra reviewed the market data outliers and sent WTW observations on the jobs in question ▪ WTW developed a preliminary set of role profiles based on existing jobs (pending changes based on Sempra's job to employee analysis) 	<ul style="list-style-type: none"> ▪ WTW and Sempra will review final list of jobs, and any changes based on Sempra's internal review (inclusion or replacement of certain jobs, addition of Director roles to increase representation in the Manager/Supervisor job category) ▪ WTW and Sempra will review draft role profiles (pending job changes) on a conference call, Monday 3/27 ▪ WTW will finalize role profiles, and incorporate any final changes to jobs ▪ WTW will send role profiles to the benefits team for analysis by Wednesday, 3/29

WEEKLY STATUS UPDATE: March 27 – 31, 2017

Weekly Team Objectives	Comments on Current Status	Status
Market Data Outliers	<ul style="list-style-type: none"> ■ WTW and Sempra reviewed market data outliers on a conference call, and noted the following checks/reviews for WTW to conduct: <ul style="list-style-type: none"> ■ Search for appropriate Aon Hewitt match for Financial Planning Manager ■ Combine Lineman 1096 and 1097 into one job (same responsibilities) ■ Drop the Mercer match from the 850071 Branch Office Supervisor job pricing (weak match) ■ Check for WTW or Aon Hewitt matches for the following jobs: Locator 03618, Mail Clerk role 003020, Troubleshooter role 03940 ■ Change Mercer match for the Maint Mech role 09850 to level 4 and search for corresponding WTW and AH match ■ Sempra reviewed market data holistically after the March 27th conference call, and noted additional questions for WTW to check on via email <ul style="list-style-type: none"> ■ WTW responded to Sempra’s queries and scheduled a call for Friday, 3/31 to discuss matches for Energy Services Specialist jobs. Based on Sempra’s explanation of the differences between Level 1 and Level 2 of the role, WTW edited matches ■ Additionally, WTW noted that no premiums will be applied for bilingual jobs since the Sempra employee data does not reflect premiums either 	COMPLETE
Role Profile Development	<ul style="list-style-type: none"> ■ WTW and Sempra reviewed the draft 24 role profiles developed by WTW, and made minor changes to alignment of jobs to profiles ■ WTW edited Profile 2, which had a broad range of market data and recommended it be broken into 2 separate profiles, taking the final profile count to 25 	COMPLETE
Employee Data	<ul style="list-style-type: none"> ■ Sempra asked WTW to review employee data file again for Union jobs to call out jobs that had target bonus tagged to them, since this was likely an error ■ Based on WTW and Sempra discussion on March 27th, Sempra reviewed the employee data, and identified the cases where Union employees has target bonuses (either transferred jobs between union/non-union, or moved into a temporary job change for a period of time. ■ Sempra recommended that all select Union employees tagged to GRC benchmark jobs will not reflect target or actual bonuses (since this is not an accurate reflection of Sempra current practices) ■ Based on the 3/31 call, Sempra and WTW noted that part-time employees will be excluded from the study. WTW will continue to include contract and employees on LOA in the analysis, and will note this in the report as well 	COMPLETE

Issue/Decision	Description	Status
Final Employee Data	<ul style="list-style-type: none"> ▪ Sempra and WTW resolved the issue with Union employees, part-time, contract and leave of absence employees and will further check all employee data for those included in the study 	IN PROCESS

Key Accomplishments in the past week	Key Objectives for the next week
<ul style="list-style-type: none"> ▪ WTW and Sempra reviewed market data outliers and decided on changes/checks on matches for 4-5 jobs ▪ WTW noted that no premiums will be applied for bilingual jobs since the Sempra employee data does not reflect premiums either ▪ Sempra checked in on Union employees with target bonuses ▪ WTW to reflect zero target and actual bonuses for Union employees ▪ WTW and Sempra noted that part-time employees will be excluded from the study. WTW will continue to include contract and employees on LOA in the analysis, and will note this in the report as well ▪ WTW and Sempra reviewed the draft 25 role profiles developed by WTW; and finalized them on 3/30 to send to the Benefits team 	<ul style="list-style-type: none"> ▪ WTW will pull together the draft report (work structure paper) for review with Sempra ▪ WTW and Sempra to decide on date for draft report review ▪ WTW to send revised worksheets for Sempra to review – including role profiles, updated employee counts, updated job category roll ups for base, target and actual bonus

WEEKLY STATUS UPDATE: April 3 – 7, 2017

Weekly Team Objectives	Comments on Current Status	Status
Employee Data	<ul style="list-style-type: none"> ▪ Sempra further reviewed Corporate Center employee data, and identified 5 executive employees, as well as 15 non-executive employees to be excluded from the study since the cost for these is not shared by the Utilities <ul style="list-style-type: none"> ▪ Of the impacted employees, some were part of the 2019 GRC benchmark jobs ▪ WTW incorporated these changes into the job data file 	COMPLETE
Role Profile Development	<ul style="list-style-type: none"> ▪ The employee data changes impacted 8 role profiles ▪ WTW pulled in these changes and sent to the Benefits team 	COMPLETE

Issue/Decision	Description	Status
--	<ul style="list-style-type: none"> ▪ -- 	--

Key Accomplishments in the past week	Key Objectives for the next week
<ul style="list-style-type: none"> ▪ Sempra identified 20 Corporate Center employees to be excluded from the study ▪ WTW updated job data file and the role profiles based on the changes requested by Sempra 	<ul style="list-style-type: none"> ▪ WTW will pull together the draft report (work structure paper) for review with Sempra ▪ WTW and Sempra to decide on date for draft report review ▪ WTW to send revised worksheets for Sempra to review – including role profiles, updated employee counts, updated job category roll ups for base, target and actual bonus

Week of: April 10 – April 14, 2017

Weekly Team Objectives	Comments on Current Status	Status
Finalized Employee Data	<ul style="list-style-type: none"> ▪ Sempra and WTW reviewed the employee database to confirm excluded employees <ul style="list-style-type: none"> ▪ Confirmed that the President Sempra Energy should be removed from all counts which is consistent with the analysis the previous year and keeping with the philosophy of excluding Corporate Center employees whose expenses are not shared by both utilities 	COMPLETE
Role Profile Development	<ul style="list-style-type: none"> ▪ Role profiles were finalized and sent to the benefits team 	COMPLETE

Issue/Decision	Description	Status
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Key Accomplishments in the past week	Key Objectives for the next week
<ul style="list-style-type: none"> ▪ WTW Benefits team was/is processing benefits information and will continue to do so until the week of Apr 24th ▪ WTW continues to pull together the draft report structure to review with Sempra 	<ul style="list-style-type: none"> ▪ WTW and Sempra to meet via conference call to review the draft report structure

Week of: April 17 – April 21, 2017

Weekly Team Objectives	Comments on Current Status	Status
Draft Report Structure	<ul style="list-style-type: none"> ■ WTW pulled together a draft report structure for Sempra to review. <ul style="list-style-type: none"> ■ The report contains the following sections: study scope, study methodology, job matching process, summary of population coverage, benefits valuation methodology, and a list of appendices that will be provided 	COMPLETE

Issue/Decision	Description	Status
--	<ul style="list-style-type: none"> ■ -- 	--

Key Accomplishments in the past week	Key Objectives for the next week
<ul style="list-style-type: none"> ■ WTW Benefits team was/is processing benefits information and will continue to do so until the week of Apr 24th ■ WTW and Sempra decided to meet via conference call on Apr 24th, Monday to discuss the draft report structure 	<ul style="list-style-type: none"> ■ WTW will review and process benefits results as they come in from the benefits data team, and will incorporate into final results ■

Week of: April 24 – April 28, 2017

Weekly Team Objectives	Comments on Current Status	Status
Draft Report Structure Review Meeting	<ul style="list-style-type: none"> ▪ WTW and Sempra met via conference call to review the draft report structure ▪ Meeting Notes have been documented separately 	COMPLETE

Issue/Decision	Description	Status
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Key Accomplishments in the past week	Key Objectives for the next week
<ul style="list-style-type: none"> ▪ WTW Benefits team was/is processing benefits information ; benefits information will be available mid week Apr 24th ▪ WTW and Sempra decided to meet in person to discuss the final results and analysis on May 11th, from 12 noon to 2pm 	<ul style="list-style-type: none"> ▪ WTW will analyze benefits information and incorporate into total compensation values ▪ WTW will incorporate the benefit information into total compensation values and update the draft report structure document

Week of: May 1- May 5, 2017

Weekly Team Objectives	Comments on Current Status	Status
Develop Draft Report	<ul style="list-style-type: none"> ▪ WTW is reviewing and incorporating benefits values into analysis to compute total compensation ▪ WTW is updating the draft report to reflect final results 	COMPLETE

Issue/Decision	Description	Status
--	<ul style="list-style-type: none"> ▪ -- 	--

Key Accomplishments in the past week	Key Objectives for the next week
<ul style="list-style-type: none"> ▪ WTW checked and reviewed benefits data as well as total compensation values 	<ul style="list-style-type: none"> ▪ WTW and Sempra to meet at an in person meeting to review report results

Meeting #3 – Draft Report Review Meeting

Category	Description			
Meeting	2019 GRC Draft Report Review Meeting			
Attendees	Sempra Energy <i>In person:</i> Debbie Robinson Eric Bayona	<i>Via phone:</i> David Sarkaria	Willis Towers Watson <i>In person:</i> Dean Stoutland Catherine Hartmann Ragini Mathur	<i>Via phone:</i> Yannick Gagne Katherine Chan Nicole Warno Kathy Knudsen
When	Thursday, May 11, 2017			
Timing	11:00AM – 1:00PM			
Location	Willis Towers Watson Irvine Office			

Meeting Agenda

Topic	Key Discussion Point(s)	Action Items
1. Draft Report Review	<ul style="list-style-type: none"> ▪ WTW and Sempra reviewed the draft report by section ▪ Sempra recommended minor verbiage edits to the reports, and formatting changes ▪ WTW and Sempra reviewed the overall total compensation values for both utilities- SDG&E and Sempra 	<ul style="list-style-type: none"> ▪ WTW to incorporate edits to the SDG&E and SCG reports
2. Benefits Values Review	<ul style="list-style-type: none"> ▪ Sempra requested a review of each benefits component i.e., retirement, medical, dental, disability and life insurance in the 2019 GRC Study ▪ WTW and Sempra reviewed each component relative to the market for SDGE, SCG and Corporate Center for broad-based, union and executive populations ▪ Sempra requested a review of 2016 GRC Study benefits components 	<ul style="list-style-type: none"> ▪ WTW to clean up 2019 GRC Study benefits analysis and prepare similar analysis for 2016 GRC Study benefits components ▪ WTW and Sempra to set up a WebEx meeting the following week to review the data
3. Release Letter	<ul style="list-style-type: none"> ▪ Sempra (Debbie) to check internally if the most recent version of the release letter sent by Willis Towers Watson (Dean) will meet Sempra’s requirements ▪ Sempra and WTW to review letter contents, and send signed copies across to both parties 	<ul style="list-style-type: none"> ▪ Sempra to gain sign off internally on release letter, and send the final version to WTW
4. Next Steps	<ul style="list-style-type: none"> ▪ Sempra will discuss the report internally and get back to WTW with any final questions ▪ Sempra has requested access to Willis Towers Watson’s internal benefits tool not related to the rate case 	<ul style="list-style-type: none"> ▪ Sempra to provide any additional feedback to WTW ▪ WTW to provide access to Sempra for the benefits tool

Weekly Team Objectives	Comments on Current Status	Status
Finalize draft report	<ul style="list-style-type: none"> ▪ WTW team has reviewed all total compensation components, and values in preparation for the draft report meeting with Sempra on May 11th, 2017 	COMPLETE
Draft Report Review Meeting	<ul style="list-style-type: none"> ▪ WTW and Sempra met at a face-to-face meeting at the WTW Irvine offices to review the 2019 GRC draft reports 	COMPLETE

Issue/Decision	Description	Status
Next Steps	<ul style="list-style-type: none"> ▪ WTW and Sempra discussed next steps to close out the project: <ul style="list-style-type: none"> ▪ WTW to prepare benefits components analysis to market for 2019 GRC Study and 2016 GRC Study results ▪ WTW and Sempra to review benefit values in a WebEx, date/time to be determined ▪ Sempra to check on release letter internally, incorporate any changes, and send back to WTW for review and sign off ▪ WTW to share 2019 GRC Report with Sempra after release letter has been signed ▪ WTW and Sempra to decide on final report formats to be distribute and submit to the CPUC/ORR (i.e., determine level of detail submitted) 	IN PROCESS

Key Accomplishments in the past week	Key Objectives for the next week
<ul style="list-style-type: none"> ▪ WTW completed internal review of total compensation values and prepared draft report for project team meeting ▪ WTW and Sempra met face-to-face to discuss 2019 GRC draft report 	<ul style="list-style-type: none"> ▪ Sempra to gain sign off on release letter and send to WTW for records ▪ WTW and Sempra to decide on a mutual date for benefits values to market review

APPENDIX H: Glossary of Terms

Average

The sum of all values of a data set divided by the number of values in that set. Equivalent to the mean.

Base Pay

The fixed compensation paid (hourly, weekly, monthly, or annual) to an employee for performing specific job responsibilities. Usually, these amounts are guaranteed.

Benchmark Job

A job that is commonly found and defined, used to make pay comparisons, either within the organization or to comparable jobs outside the organization. Pay data for these jobs are readily available in published surveys.

Black-Scholes Model

A mathematical model originally developed by Fisher Black and Myron Scholes to value stock options traded on public markets. It estimates the theoretical price an individual would pay for a traded option and considers stock price on grant date, option exercise price, number of years until exercise, dividend yield, risk free rate of return, and stock price volatility.

Career Level

A series of defined levels within a job family where the nature of the work is similar (e.g., accounting, engineering). The levels represent the organization's requirements for increased skill, knowledge and responsibility as the employee moves through a career.

Collective Bargaining Agreements

Agreements between employee groups and employers detailing work conditions including working hours, vacation and holiday entitlements, termination of service provisions, and sometimes benefit entitlements. These agreements may be specific to one company or industry or apply nationally.

Defined Benefit (DB) Pension Plan

Defined by the Employee Retirement Income Security Act of 1974 (ERISA) and the Internal Revenue Code (IRC) as any retirement plan that provides for future income and is not an individual account plan. It is a pension plan that specifies the benefits, or the methods of determining the benefits, but not the level or rate of contribution. Contributions are determined actuarially on the basis of the benefits expected to become payable.

Defined Contribution (DC) Pension Plan

Defined by the Employee Retirement Income Security Act of 1974 (ERISA) and the Internal Revenue Code (IRC) as a plan that provides for future income from an individual account for each participant with benefits based solely on (1) the amount contributed to the participant's account plus (2) any income, expenses, gains and losses, and forfeitures of accounts of other participants that may be allocated to the participant's account. The benefit amount to be received by the participant at retirement is unknown until retirement.

Exempt Employees

Employees who are exempt from the Fair Labor Standards Act of 1938 (FLSA) minimum wage and overtime provisions due to the type of duties performed. Includes executives, administrative employees, professional employees, and those engaged in outside sales as defined by the FLSA.

Fair Labor Standards Act of 1938 (FLSA)

A federal law governing minimum wage, overtime pay, child labor, and record-keeping requirements.

Incumbent

A person occupying and performing a job.

Long-Term Disability (LTD)

A form of long-term income protection that provides for some continuation of income in the event of disability. Definitions of disability become increasingly narrow in LTD plans (e.g., disabled from engaging in one's own occupation or from any occupation).

Long-Term Incentive

Any incentive plan that requires sustained performance of the firm for a period longer than one fiscal year for maximum benefit to the employee. Some plans are based on capital shares (i.e., stock) of the organization and may require investment by the employee (i.e., Employee Stock Purchase Plan), while others are based on financial performance (i.e., profit sharing cash plans).

Mean

A simple arithmetic average obtained by adding a set of numbers and then dividing the sum by the number of items in the set.

Nonexempt Employees

Employees who are not exempt from the minimum wage and overtime pay provisions of the Fair Labor Standards Act of 1938 (FLSA), for example, employees in clerical jobs.

Paid Time Off (PTO)

Refers to vacation, holidays, sick leave, lunch periods, and other miscellaneous leave for which an employee is compensated.

Performance Share/Performance Unit/Cash Awards

A stock (or stock unit) grant/award plan in which the payout is contingent upon achievement of certain predetermined external or internal performance goals during a specified period (e.g., three to five years) before the recipient has rights to the stock. The employee receiving the shares pays ordinary income tax on the value of the award at the time of earning it.

Profit Sharing Plan

An employee benefit plan established and maintained by an employer whereby the employees receive a share of the profits of the business. The plan normally includes a predetermined and defined formula for allocating profit shares among participants, and for distributing funds accumulated under the plan. However, some plans are discretionary. Funds may be distributed in cash, deferred as a qualified retirement program or distributed in a cash/deferred combination.

Restricted Stock

Stock that is given (or sold at a discount) to an employee, who is restricted from selling or transferring it for a specified time period (usually three to five years). The executive receives dividends, but must forfeit the stock if he/she terminates employment before the restriction period ends. If the employee remains in the employ of the company through the restricted period, the shares vest, irrespective of employee or company performance.

Salary

Compensation paid by the week, month or year rather than hourly. A salary is usually a guaranteed amount that is not reduced for time not worked.

Shift Differential

Extra pay allowance made to employees who work on a shift other than a regular day shift (e.g., 9 a.m. to 5 p.m., Monday through Friday) if the shift is thought to represent a hardship, or if competitive organizations provide a similar premium. Shift differentials usually are expressed as a percentage or in cents per hour.

Short-Term Disability (STD)

A benefits plan designed to provide income during absences due to non-occupational-related illness or injury, when the employee is expected to return to work within a specified time, usually within six months. Usually coordinated or integrated with sick leave at the beginning and with long-term disability (LTD) at the end of STD.

Short-Term Incentive

Usually a lump-sum payment (cash) made once a year in addition to an employee's normal salary or wage for a fiscal or calendar year. Generally based on predetermined performance criteria or standards.

Spot Bonus

A one-time discretionary bonus given to key contributors. Spot bonuses are performance related, not for length of service or equity.

Stock Option

A right to purchase company shares at a specified price during a specified period of time.

Third-Party Survey

For purposes of this study, this term refers to all other survey sources used in the study other than Willis Towers Watson's surveys, such as the EAPDIS Energy Technical Craft Clerical Survey.

Total Cash Compensation

Total annual cash compensation (base salary plus annual/short-term incentives).

Target Total Cash Compensation

Target total annual cash compensation (base salary plus target annual/short-term incentives).

Total Direct Compensation

Total cash compensation plus the annualized expected value of long-term incentives.

Target Total Direct Compensation

Target total cash compensation plus the annualized expected value of long-term incentives.

Total Compensation

The sum of all elements of compensation provided by an employer to an employee. For this study, the total compensation was defined to include base salary, annual/short-term incentives, annualized expected value of long-term incentives, and the value of employee benefits.

Target Total Compensation

The sum of all elements of compensation provided by an employer to an employee. For this study, the target total compensation was defined to include base salary, target annual/short-term incentives, annualized expected value of long-term incentives, and the value of employee benefits.

Vesting

A term typically used in conjunction with a pension or stock plan. For a stock option, vesting refers to the point in time when stock options or stock appreciation rights become exercisable or when a pension benefit becomes a non-forfeitable benefit.

Note: Selected definitions included in this glossary were obtained from WorldatWork's Glossary of Compensation & Benefits Terms.

APPENDIX C
GLOSSARY OF TERMS

AD&D	Accidental Death and Dismemberment
CMVI	Controllable Motor Vehicle Incidents
EAP	Employee Assistance Program
HMO	Health Maintenance Organizations
ICP	Incentive Compensation Plans
IRC	Internal Revenue Code
IRS	Internal Revenue Service
GRC	General Rate Case
LTI	Lost Time Incident Rate
PDAP	Professional Development Assistance Program
RSP	Retirement Savings Plans
SAIDI	Systems Average Interruption Duration Index
SCE	Southern California Edison
SDG&E	San Diego Gas & Electric Company
SECC	Sempra Energy Corporate Center
SIMP	Storage Integrity Management Program
SoCalGas	Southern California Gas Company
Test Year	TY
Utilities	Southern California Gas Company and San Diego Gas & Electric Company
WTW	Willis Towers Watson (WTW)