Exhibit Reference: SDG&E-37 and SDG&E-38
Witnesses: Payan and Schiermeyer
Subject: Gas & Electric Customer Forecasts

1. Please explain why Moody's and Global Insight historical (recorded) housing start data differs. Please provide an explanation, including differences in measurement techniques, and supporting sources/documents.

Utility Response 01:

SDG&E objects to the request in that it seeks information that may be outside SDG&E's knowledge. Subject to and without waiving the foregoing objection, SDG&E responds as follows:

SDG&E realizes that the process to create housing starts is an extensive effort and relies on the expertise of external economic forecasting firms, such as Moody's and Global Insight, to provide this information. Based on this data request, SDG&E requested documentation from both Moody's and Global Insight regarding their methodology to produce housing starts used in SDG&E's analysis. Both services provided their detailed methodologies and SDG&E is including them in this response. Please see separately included files, "Housing Starts Methodology (Moodys).pdf" and "US Regional History Methodology (Global Insight).pdf." Because of the complexities detailed in the included methodologies by third-party forecasting firms, SDG&E is unable to precisely explain the differences in historical housing starts between the two services.

2. Please explain, separately for each company, how Moody's and Global Insight estimate housing starts used in SDG&E's analysis. Please provide a separate explanation for how recorded housing starts are estimated versus forecasted for each company. Please provide all source documentation and workpapers related to this response.

Utility Response 02:

Please see response and included files to Question 1 for details on how both services estimate historical and forecasted housing starts used in SDG&E's analysis.

3. Please re-run the electric customer and gas customer forecast regression model ("revised model") using *only* Moody's housing start historical and forecast data. The revised model should use all the same assumptions, variables, transformations, etc. as the model presented in SDG&E's testimony other than the requested change to the data source for historical and forecast housing starts. Please provide the following:

   a. All workpapers, inputs, and assumptions for the revised model in Excel.

   b. All regression results in Excel.

   c. Two tables in Excel which compare the annual number of total average electric customers presented in testimony and the results from the revised model requested by TURN in this data request. The Tables should be in the same format with the same column/row headings and data as presented in Table KES-1 (p. KES-1, SDG&E-38).

   d. Two tables in Excel which compare the annual number of total average gas customers presented in testimony and the results from the revised model requested by TURN in this data request. The Tables should be in the same format with the same column/row headings and data presented in Table RMP-2 (p. RMP-4, SDG&E-37).

Utility Response 03:

SDG&E objects to this request under Rule 10.1 of the Commission's Rules of Practice and Procedure on the grounds that the burden, expense, and intrusiveness of this request clearly outweigh the likelihood that the information sought will lead to the discovery of admissible evidence. SDG&E also objects to the request on the grounds that the requested analyses have not been performed by SDG&E and therefore do not exist; SDG&E is not required to create new analyses and TURN has access to SDG&E's available models and source data to conduct its own analyses. SDG&E further objects to the request in that it seeks certain information that is outside SDG&E's knowledge. With respect to the SDG&E re-running its gas customer forecast regression model with only Moody's data, SDG&E objects to this request to the extent it is seeks information that is inaccessible and requires additional licenses or expenses to obtain. Subject to and without waiving the foregoing objections, SDG&E responds as follows:

While not required to create new analyses, for purposes of this request only, SDG&E re-ran four additional electric customer scenarios, in addition to the forecast used in the Direct Testimony of SDG&E Electric Customer Forecast witness Kenneth Schiermeyer. To do so, SDG&E began with its electric customer forecast model provided to TURN in response to Question 1 of TURN Data Request-010 on February 9, 2018, in the file "DR-TURN-SEU-010-Q1-Q11-Attachment-

Utility Response 03 Continued:

SDG&E-38-WP-WithFormulas&AnnualTab.xlsx." The performed scenarios and separately attached files are as follows:

1) Re-run using Moody's historical and forecasted housing starts:
Please see DR-TURN-SEU-010-Q1-Q11-Attachment-SDG&E-38-WP-WithFormulas&AnnualTab-Moodys-Husts-H&F.xlsx
2) Re-run using Moody's housing starts for forecast period only:
Please see DR-TURN-SEU-010-Q1-Q11-Attachment-SDG&E-38-WP-WithFormulas&AnnualTab-Moodys-Husts-F-Only.xlsx
3) Re-run using Global Insight's historical and forecasted housing starts:
Please see DR-TURN-SEU-010-Q1-Q11-Attachment-SDG&E-38-WP-WithFormulas&AnnualTab-Global-Husts-H&F.xlsx
4) Re-run using Global Insight's housing starts for forecast period only:
Please see DR-TURN-SEU-010-Q1-Q11-Attachment-SDG&E-38-WP-WithFormulas&AnnualTab-Global-Husts-F-Only.xlsx

For each of the above 're-run' scenarios, the resulting forecast annual average output is provided in the first tab of the respective Excel spreadsheets labeled 'Annual,' in a format similar to Table KES-1. The only sector that is impacted by a change in housing starts is the residential sector. Listed below is a summary of these scenarios for the residential sector.

2019 Average Annual Residential Electric Customers:

1,304,891 = Original SDG&E Filing, Table KES-1 (50/50 blend of Moody's and Global Insight)

1,301,083 = Re-run using 100% Moody's housing starts for history and forecast

1,301,080 = Re-run using Moody's housing starts for forecast only

1,308,722 = Re-run using 100% Global Insight's housing starts for history and forecast

1,308,702 = Re-run using Global Insight's housing starts for forecast only

For the request to re-run the gas customer forecast using Moody's data, as stated on page RMP-2 of the Direct Testimony of SDG&E's Gas Customer Forecast witness Rose-Marie Payan (Exhibit SDG&E-37), SDG&E's gas "residential customer forecast came from IHS Global Insight's February 2017 Regional Forecast for San Diego County." This was also communicated to TURN in SDG&E's response to Question 12 of TURN Data Request-010: "The gas model for SDG&E relied on housing starts from IHS Global Insight because this is the best available data

Utility Response 03 Continued:

the gas forecasting group has for tracking activity in the housing market…   The gas forecasting group does not subscribe to Moody's services." SDG&E's gas forecasting group does not have access or rights to access Moody's data.