

ORA DATA REQUEST
ORA-SDG&E-DR-007-CL8
SDG&E 2019 GRC – A.17-10-007
SDG&E RESPONSE
DATE RECEIVED: OCTOBER 26, 2017
DATE RESPONDED: NOVEMBER 8, 2017

Exhibit Reference: SDG&E-36 and SDG&E-36-WP-C

SDG&E Witness: Steven P. Dais

Subject: Working Cash

Please provide the following:

1. Referring to page SPD-12, lines 11-14:
 - a. Please explain whether or not the requested cash balance amounts are minimum required balances set by each relevant bank(s) or financial institutions.
 - b. If the requested cash balance amounts are not minimum required balances set by the relevant bank(s), please explain what (if any) minimum balances are required by the relevant bank(s) for SDG&E's accounts.

SDG&E Response 1:

- a. The requested cash balance amounts are not minimum required balances set by SDG&E's banking institutions. SDG&E's banking institutions do not have minimum cash balance requirements. As described in ORA's Master Data Request, Chapter 24, Chapter 24-1 response, SDG&E strives to maintain the lowest positive collected cash balance practical, in order to maximize investment potential and minimize idle balances. The requested cash balances are based on average month-end actual amounts that are managed under this parameter.
- b. SDG&E's banking institutions do not have minimum cash balance requirements. Per the CPUC's Standard Practice U-16-W (Chapter 3 B 11): "In determining the cash requirement, the only amounts which should be considered are the required minimum bank deposits that must be maintained and reasonable amounts of working funds." As stated in response to Question 1a, SDG&E strives to maintain the lowest positive collected cash balance practical, while providing a reasonable amount of working funds.

ORA DATA REQUEST
ORA-SDG&E-DR-007-CL8
SDG&E 2019 GRC – A.17-10-007
SDG&E RESPONSE
DATE RECEIVED: OCTOBER 26, 2017
DATE RESPONDED: NOVEMBER 8, 2017

2. Referring to page SPD-15, line 16, and page 12 of the workpapers (Schedule D):
 - a. Please explain the source of the figure of (147.2) for lead days for option premiums.
 - b. Please detail the dispersion of option service periods covered by the option premiums captured in Schedule D-1.

SDG&E Response 2:

- a. This represents the weighted-average lead-lag between the check date and the mid-point of the service period.
- b. Please see attachment “Schedule D-1 – Option Premiums-1.xlsx,” which covers the service periods for option premiums.

ORA DATA REQUEST
ORA-SDG&E-DR-007-CL8
SDG&E 2019 GRC – A.17-10-007
SDG&E RESPONSE
DATE RECEIVED: OCTOBER 26, 2017
DATE RESPONDED: NOVEMBER 8, 2017

3. Referring to Schedules D-1, D-2, and D-3 on pages 12-14 of the workpapers:
 - a. For each schedule, please explain whether or not there are any differences between the total population of invoices and the sample of invoices that were tested.
 - b. If any differences are identified, please quantify and explain which sub-item of each schedule is responsible for each difference.

SDG&E Response 3:

- a. SDG&E utilized the total populations of invoices for the lead-lag calculations in Schedules D-1, D-2, & D-3.
- b. Not applicable.

ORA DATA REQUEST
ORA-SDG&E-DR-007-CL8
SDG&E 2019 GRC – A.17-10-007
SDG&E RESPONSE
DATE RECEIVED: OCTOBER 26, 2017
DATE RESPONDED: NOVEMBER 8, 2017

4. Referring to Schedule F on page 16 of the workpapers:
 - a. Please confirm whether or not there are typographical errors in lines 7, 9, 11, and 13, which apparently reference nonexistent or inappropriate lines.
 - b. Please confirm whether or not line 12, which only references SUI, is intended to also address FUTA.
 - c. If there are typographical errors in any line, please provide corrected language for each error.
 - d. Please identify the date when SDG&E provides the funds to ADP that are needed to make the federal and state unemployment insurance payments.
 - e. Please explain the methodology used to identify lag days for SUI and FUTA.
 - f. Please explain why the methodology adds one full month of lag to the average half-quarter lag, whereas the payment described in line 4 implies that additional month of lag follows only the fourth quarter.

SDG&E Response 4:

- a. Yes. Lines 7, 9, 11, and 13 contain typographical errors. Please see attachment “Schedule F – Revised-1.xlsx,” which corrects the line references.
- b. Yes, this also addresses FUTA. Please see Schedule F – Revised, which corrects the label for Line 12.
- c. Please see attachment “Schedule F – Revised-1.xlsx.”
- d. Please see attachment “Schedule - FUTA, SUI Payment Dates-1.xlsx,” which contains the dates when SDG&E provided funds to ADP to make federal and state unemployment insurance payments. Generally, these payments are made once per quarter.
- e. Payments are made at the end of the month following each quarter-end; hence, the derivation of lag days adds both half a quarter plus one-month of lag. Please see attachment Schedule F – Revised.xlsx for further detail.
- f. The payment dates for FUTA and SUI payments are due at the end of the month following each quarter (not just at year-end). As part of the Master Data Request, please refer to Chapter 24, Chapter 24 – Q9a.PDF (for SUI) and Chapter 24, Chapter 24 – Q9b.PDF (for FUTA) due dates.

ORA DATA REQUEST
ORA-SDG&E-DR-007-CL8
SDG&E 2019 GRC – A.17-10-007
SDG&E RESPONSE
DATE RECEIVED: OCTOBER 26, 2017
DATE RESPONDED: NOVEMBER 8, 2017

5. Referring to Schedule H-5.1 on page 24 of the workpapers:
 - a. Please explain why the number of items per month varies (e.g., three in January and February, one in March, and two in all other months).
 - b. Please explain why the third February item is applied to a service period for only half the month.

SDG&E Response 5:

- a. In review of this schedule, SDG&E determined that amendments are necessary to properly reflect payments and timing. SDG&E will amend the testimony and workpapers at the earliest convenience.
- b. In review of this schedule, SDG&E determined that amendments are necessary to properly reflect payments and timing. SDG&E will amend the testimony and workpapers at the earliest convenience.

ORA DATA REQUEST
ORA-SDG&E-DR-007-CL8
SDG&E 2019 GRC – A.17-10-007
SDG&E RESPONSE
DATE RECEIVED: OCTOBER 26, 2017
DATE RESPONDED: NOVEMBER 8, 2017

6. Referring to Schedule H-5.2 on page 25 of the workpapers, please explain why the number of lag days is not zero, given that the service period midpoint is the wire date for all items.

SDG&E Response 6:

The total health insurance lead-lag of 0.22 is the weighted-average lag for both schedules 5.1 and 5.2. The lead-lag days for schedule 5.2 is zero.

ORA DATA REQUEST
ORA-SDG&E-DR-007-CL8
SDG&E 2019 GRC – A.17-10-007
SDG&E RESPONSE
DATE RECEIVED: OCTOBER 26, 2017
DATE RESPONDED: NOVEMBER 8, 2017

7. Referring to Schedule H-6 on page 28 of the workpapers:
 - a. Please explain how the figure of 9 lag days was obtained for all items.
 - b. Please explain why the June amount significantly exceeds all other monthly amounts.

SDG&E Response 7:

- a. The 9 lag days represents the estimated time period between notification of amount due to when payments are disbursed.
- b. There was an unusually large claim paid in June.

ORA DATA REQUEST
ORA-SDG&E-DR-007-CL8
SDG&E 2019 GRC – A.17-10-007
SDG&E RESPONSE
DATE RECEIVED: OCTOBER 26, 2017
DATE RESPONDED: NOVEMBER 8, 2017

8. Referring to Schedule H-7.2 on page 30 of the workpapers, please explain why the service period for the March monthly item is given as 04/01/16 to 04/30/16.

SDG&E Response 8:

The service period for March should be 03/01/16 to 03/31/16. SDG&E will amend the testimony and workpapers at the earliest convenience.

**ORA DATA REQUEST
ORA-SDG&E-DR-007-CL8
SDG&E 2019 GRC – A.17-10-007
SDG&E RESPONSE
DATE RECEIVED: OCTOBER 26, 2017
DATE RESPONDED: NOVEMBER 8, 2017**

9. Referring to Schedule H-8 on page 32 of the workpapers, please explain why the December amount significantly exceeds all other monthly amounts.

SDG&E Response 9:

The December amount includes a true-up payment for 2017 PBOP (Post-Retirement Benefits Other Than Pension) contributions, based on an annual actuarial study.

ORA DATA REQUEST
ORA-SDG&E-DR-007-CL8
SDG&E 2019 GRC – A.17-10-007
SDG&E RESPONSE
DATE RECEIVED: OCTOBER 26, 2017
DATE RESPONDED: NOVEMBER 8, 2017

10. Referring to Schedule N-1 on page 42 of the workpapers, please explain whether or not the 622-day lagged refund of CA state franchise taxes associated with 2014 has been a common historical occurrence for SDG&E.

SDG&E Response 10:

Yes, California state franchise tax refunds with long lag days are common since the due date for filing the California tax return is October 15th of the following year. A similar refund of \$25,519,572 with 531 lag days was included in the work papers for SDGE's 2016 GRC.

**ORA DATA REQUEST
ORA-SDG&E-DR-007-CL8
SDG&E 2019 GRC – A.17-10-007
SDG&E RESPONSE
DATE RECEIVED: OCTOBER 26, 2017
DATE RESPONDED: NOVEMBER 8, 2017**

11. Referring to Schedules P-1 to P-6 on pages 47 et seq. of the workpapers, please explain whether or not the remainder of the allocation of each schedule amount is allocated to transmission.

SDG&E Response 11:

Yes, the remainder is allocated to transmission.

ORA DATA REQUEST
ORA-SDG&E-DR-007-CL8
SDG&E 2019 GRC – A.17-10-007
SDG&E RESPONSE
DATE RECEIVED: OCTOBER 26, 2017
DATE RESPONDED: NOVEMBER 8, 2017

12. Referring to Schedule P-3b on page 49 of the workpapers, please explain why the amounts for May and June are significantly lower than the other monthly amounts.

SDG&E Response 12:

The policy period is July to June of each year with payment in July, therefore the account balance is amortized each month resulting in a June balance of zero