

Company: Southern California Gas Company (U 904 G)

Proceeding: 2024 General Rate Case

Application: A.22-05-\_\_\_

Exhibit No: SCG-36-WP

WORKPAPERS TO  
PREPARED DIRECT TESTIMONY  
OF SCOTT WILDER  
ON BEHALF OF SOUTHERN CALIFORNIA GAS COMPANY

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA

MAY 2022



## Table of Contents

Escalation Factors: Utility Cost Indexes, set to 2021=1.0000; for 2024 GRC Application filing	3
SoCalGas Escalation Component Weightings (from actual 2021 O&M expenses)	4
2021 Earnings: By Job Function	5

## Escalation Factors: Utility Cost Indexes, set to 2021=1.0000; for 2024 GRC Application filing

Data based on Global Insight 4th Quarter 2021 utility cost forecast, released January 25, 2022.

Shared Services and nonlabor O&M weightings are from "GRC\_USS\_NSS by FERC 2021 for Esc Weights 02-17-22.xls"

Includes actual union contract escalations of 3.5% per year in 2009, 2010, and 2011; and actual contract escalations for 2.75% 2012, 2.75% 2013, 2.5% 2014, 2.5% 2015, 2.75% 2016, 2.75% 2017, 3.0% 2018, 3.25% 2019, 3.0% each 2020-2021-2022-2023, 3.25% 2024. (SCG 2022-2023-2024 was ratified 11-5-21.)

Series Name	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
<b>SoCalGas Escalators</b>											
<b>Shared Services</b>											
SHSVC_SD	0.9038	0.9245	0.9460	0.9591	1.0000	1.0284	1.0498	1.0726	1.0955	1.1203	1.1465
<b>Operations &amp; Maintenance</b>											
Labor O&M Index	0.8967	0.9214	0.9469	0.9711	1.0000	1.0346	1.0670	1.0999	1.1305	1.1628	1.1965
Gas Nonlabor O&M Index	0.8886	0.9168	0.9328	0.9290	1.0000	1.0423	1.0404	1.0465	1.0598	1.0778	1.0976
Post-Test-Year GOMPI	0.8931	0.9194	0.9407	0.9526	1.0000	1.0380	1.0553	1.0764	1.0995	1.1255	1.1530
<b>Capital-Related</b>											
Total Gas Plant	0.7462	0.7903	0.8280	0.8693	1.0000	1.0758	1.0222	0.9874	0.9786	0.9954	1.0177
<b>Components from Global Insight</b>											
<b>Labor O&amp;M</b>											
Util Svc Wkrs (with SoCalGas union %'s from 2009 through 2024; CEU4422000008 (adjusted)	0.8863	0.9129	0.9426	0.9709	1.0000	1.0300	1.0609	1.0954	1.1245	1.1559	1.1887
Managers and Administrators	0.9030	0.9271	0.9509	0.9712	1.0000	1.0377	1.0705	1.1035	1.1360	1.1693	1.2043
Professional and Technical	0.9063	0.9290	0.9499	0.9714	1.0000	1.0388	1.0729	1.1035	1.1349	1.1677	1.2015
<b>Nonlabor O&amp;M gas</b>											
Underground Storage	0.8780	0.9138	0.9244	0.9148	1.0000	1.0406	1.0198	1.0186	1.0278	1.0432	1.0604
Gas Transmission	0.8779	0.9110	0.9234	0.9174	1.0000	1.0553	1.0443	1.0444	1.0559	1.0737	1.0937
Gas Distribution	0.8786	0.9100	0.9266	0.9206	1.0000	1.0445	1.0389	1.0435	1.0569	1.0751	1.0952
Customer Accounts	0.8979	0.9259	0.9529	0.9462	1.0000	1.0512	1.0701	1.0848	1.1000	1.1187	1.1394
Customer Svc & Info	0.9035	0.9317	0.9588	0.9462	1.0000	1.0503	1.0573	1.0638	1.0725	1.0863	1.1025
Admin & General except Account 926 (926 had a 0.085 weighting in JGADGOMMS)	0.9175	0.9310	0.9499	0.9564	1.0000	1.0164	1.0337	1.0511	1.0685	1.0874	1.1075
Admin & General	0.9188	0.9324	0.9513	0.9587	1.0000	1.0168	1.0355	1.0546	1.0737	1.0946	1.1165
Admin & General: FERC Account 926	0.9326	0.9478	0.9668	0.9840	1.0000	1.0211	1.0548	1.0926	1.1302	1.1716	1.2139
<b>Utility Plant Construction Cost Indexes, Pacific Region</b>											
Total Gas Plant	0.7462	0.7903	0.8280	0.8693	1.0000	1.0758	1.0222	0.9874	0.9786	0.9954	1.0177

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2024 GRC - APP  
Cost Escalation Workpapers

**SoCalGas Escalation Component Weightings (from actual 2021 O&M expenses)**

GOMPI Weights with Labor	<b><i>SoCalGas Non-Shared Services: Non-Labor O&amp;M</i></b>				Global Insight-based
	Weighting	\$	FERC Accts	Description	Series Name
56.08%		\$544,003,915		<u>Labor</u>	
				<u>Non-Labor</u>	
	8.37%	\$35,645,024	814-837	Underground Storage	JGUSOMMS
	34.30%	\$146,165,045	850-867	Gas Transmission	JGTOMMS
	26.86%	\$114,405,221	870-894	Gas Distribution	JGDOMMS
	6.70%	\$28,547,450	901-905	Gas Customer Accounts	JGCAOMS
	1.81%	\$7,714,190	907-910	Gas Customer Svc & Info	JGCSIOMS
	21.96%	\$93,565,834	920-935 x926	Gas Admin & General except 926	JGADGOMMS_X926
43.92%	100.00%	\$426,042,764		Non-Labor TOTAL	

<b><i>SoCalGas Shared Services O&amp;M</i></b>					Global Insight-based
Weighting	\$	FERC Accts	Description		Series Name
45.51%	\$52,504,114		<u>Labor</u>		---
			<u>Non-Labor</u>		
	1.15%	\$1,330,523	814-837	Underground Storage	JGUSOMMS
	4.61%	\$5,312,820	850-867	Gas Transmission	JGTOMMS
	4.57%	\$5,275,839	870-894	Gas Distribution	JGDOMMS
	0.95%	\$1,097,964	901-905	Gas Customer Accounts	JGCAOMS
	0.03%	\$29,578	907-910	Gas Customer Svc & Info	JGCSIOMS
	43.18%	\$49,805,607	920-935 x926	Gas Admin & General except 926	JGADGOMMS_X926
100.00%	\$115,356,445		TOTAL		

Source: file "GRC\_USS\_NSS by FERC 2021 for Esc Weights 02-17-22.xlsx"; from GRC and Revenue Requirements Dept.

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**2021 Earnings: By Job Function**

	Hol/Vac	Incentive	Other	Overtime	Premium	Regular	Sick	Total
<b>SoCalGas</b>								
Associate	\$547,668.57	\$557,626.49	\$120,997.72	\$72,318.58		\$5,115,330.92	\$132,548.88	\$6,546,491.16
Executive	\$327,506.75	\$6,562,344.76	\$13,050,001.29			\$6,689,528.07		\$26,629,380.87
Management	\$33,776,901.14	\$51,283,988.13	\$7,049,943.84	\$2,288,738.29	\$34,929.12	\$235,487,184.76	\$5,197,665.27	\$335,119,350.55
Management Supervisor	\$21,492,765.68	\$36,943,951.94	\$9,724,332.47	\$5,291,243.37	\$22,579.00	\$127,051,508.97	\$2,570,193.49	\$203,096,574.92
Union	\$47,263,699.47	\$531,656.16	\$10,682,608.19	\$70,971,291.92	\$3,825,822.39	\$298,951,493.04	\$25,635,264.10	\$457,861,835.27
	\$103,408,541.61	\$95,879,567.48	\$40,627,883.51	\$78,623,592.16	\$3,883,330.51	\$673,295,045.76	\$33,535,671.74	\$1,029,253,632.77

<u>Area</u>	<u>Category</u>	<u>GI Description</u>	<u>Global Insight</u>	<u>SoCalGas \$</u>	<u>SoCalGas Weights</u>
Union	Union	(Utility Svc Wkrs)	CEU4422000008	\$457,861,835	44.485%
Supervisory	Exec & MgmtSup	(Mgrs & Adminstrtrs	ECIPWMBFNS	\$229,725,956	22.320%
NonUnion NonSup	Mgmnt & Associate	(Profssnl & Techncl	ECIPWPARNs	\$341,665,842	33.195%

Source: Sempra Compensation & Payroll Services Dept. (2021 earnings by job function)