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Independent Audit of San Diego Gas & Electric (SDG&E) Gas and Electric Franchise

Franchise Compliance Review Committee



November 2, 2023

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Introductions

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Bert Nuehring,
CPA
Partner

Bert.Nuehring@crowe.com



Erik Nylund, PMP,
CEP, EVP
Director

Erik.Nylund@crowe.com



Aaron Coen
Senior Manager

Aaron.Coen@crowe.com

Crowe LLP

- Crowe is a global accounting, consulting, and technology firm
- Have been in business for 80 years.
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- Six California offices.
- Served government organizations for more than 50 years.
- Worked with hundreds of state and local governments.
- Auditing and consulting projects for over 25 California local governments.



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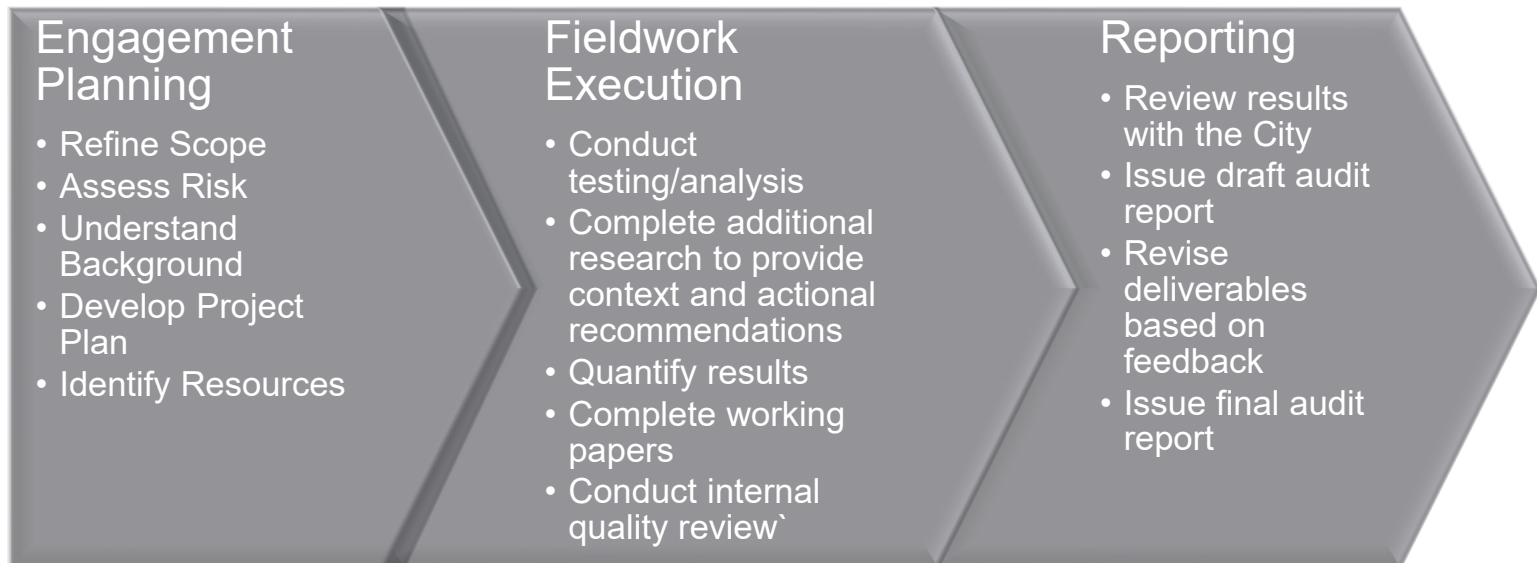


Objectives and Scope

- Independent Audit of San Diego Gas & Electric (SDG&E), Gas and Electric Franchise, for the two-year periods including:
 - July 1, 2021 to June 30, 2023 (first phase)
 - July 1, 2023 to June 30, 2025 (second phase).
- Services provided under U.S. Government Accountability Office's Government Auditing Standards (GAGAS) Performance Auditing Standards
- The audit scope includes compliance with the following agreements:
 - Franchises
 - Administrative MOU
 - Utility Undergrounding MOU
 - Energy Cooperation Agreement associated with the Franchises.

Approach – Phases

Performance Audit Approach





Example Focus Areas

- Payment of bid amount and franchise fees
- Compliance with laws
- Relocation efforts
- Facility undergrounding
- Location data
- Permitting
- City coordination
- Energy cooperative agreement (plans, collaboration, clean energy opportunities)



Phase 1 Deliverables and Timeline

| Deliverable | Timeline |
|------------------------|-----------------------------|
| Fieldwork | November 2023 to March 2024 |
| Reporting | March 2024 to April 2024 |
| Draft Report (Phase 1) | April 1, 2024 |
| Final Report (Phase 1) | April 30, 2024 |



Questions

