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December 16, 2022

The Honorable Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

**Re: San Diego Gas & Electric Company, 2023 Annual RSBA Rate Revision,
Docket No. ER23-___-000**

Dear Secretary Bose:

Pursuant to Section 35.13 of the Federal Energy Regulatory Commission’s (“FERC” or “Commission”) regulations,¹ San Diego Gas & Electric Company (“SDG&E”) submits revisions to its Transmission Owner (“TO”) Tariff, FERC Electric Tariff Volume No. 11, pertaining to SDG&E’s Reliability Services (“RS”) Revenue Requirement and related Rate Schedules (“RS Filing”).²

SDG&E respectfully requests that the Commission accept the proposed RS Filing to become effective January 1, 2023. The proposed effective date is mandated by Section 4 of Appendix VI to the TO Tariff, which requires SDG&E to file its annual RS rates in December—the month prior to when the RS rates are proposed to go into effect—to use the recorded balance in the RS Balancing Account (“RSBA”) as of November 30 of that year.

I. BACKGROUND

Consistent with its TO Tariff, SDG&E records RS Costs in its RSBA. The RSBA ensures that SDG&E does not over-collect or under-collect RS Costs that the CAISO assesses SDG&E. Each year, SDG&E determines an RS Revenue Requirement—including the RSBA and a forecast of RS costs for the applicable service year—and develops rates to collect that amount. SDG&E bills RS rates to all End-Use Customers and its single Wholesale Customer serving load in SDG&E’s service area.

¹ 18 CFR §35.13.

² FERC Electric Tariff, Original Volume 11, Appendix V and Appendix VII. The capitalized terms have the meaning ascribed to them herein or in SDG&E’s TO Tariff.

II. PROPOSED RS REVENUE REQUIREMENT AND RATES

A. 2023 Reliability Service Costs

SDG&E's proposed 2023 RS Revenue Requirement is \$557,000, an increase of \$406,000 as compared to its currently-effective 2022 RS Revenue Requirement of \$151,000. Statement BK, Exhibit No. SD-0004 calculates the 2023 RS Revenue Requirement of \$557,000.

In Exhibit No. SD-0001, Ms. Huang explains and quantifies the components of SDG&E's 2023 RS forecasted costs. The forecasted Exceptional Dispatch costs are \$458,000 for 2023, an increase of \$49,000 compared to the 2022 forecast of \$409,000.

In Exhibit No. SD-0003, Ms. Wissman describes how the 2023 forecast costs and the RSBA balance through November 30, 2022 are used to develop the RS Revenue Requirement. Ms. Wissman also describes the allocation of the RS Revenue Requirement to SDG&E's single wholesale customer and explains how RS costs (or refunds of overcollections) are allocated to SDG&E's retail customer classes.

Exhibit No. SD-0004, Cost of Service Statements, includes the following Statements: AH, BB, BD, BG, BH, BK and BL.

B. Revisions to Tariff Sheets

SDG&E proposes to revise the following sections of its TO Tariff, provided in clean and redlined formats:

Appendix V: Revised to reflect the 2023 Reliability Services Revenue Requirement.

Appendix VII: Summary of Reliability Services Retail and Wholesale Transmission Rates revised to reflect 2023 rates.

III. DOCUMENTS SUBMITTED

The documents submitted with this electronic filing are this transmittal letter and the following documents:

1. Attachment No.1, Clean Revised TO tariff sheets;
2. Attachment No. 2, Redline Revised TO tariff sheets;
3. Exhibit No. SD-0001, Testimony of Huang Lin;
4. Exhibit No. SD-0002, RS Costs Forecast;
5. Exhibit No. SD-0003, Testimony of Erica Wissman; and
6. Exhibit No. SD-0004, Cost Statements.

IV. REQUEST FOR WAIVER AND OTHER FILING REQUIREMENTS

SDG&E believes that the information contained in this filing provides a sufficient basis for the Commission to accept it and conforms both to general rules of applicability and to SDG&E-applicable Commission orders. Nonetheless, to the extent deemed necessary, SDG&E requests that the Commission grant any and all waivers necessary to permit the proposed rates in this RS Filing to become effective on January 1, 2023. SDG&E expressly requests that the Commission waive the 60-day notice requirement, as the Commission has done with respect to prior RS Filings, to permit SDG&E to comply with its TO Tariff requirement that SDG&E file annual RS rates in December; the month prior to when RS Rates are proposed to go into effect.³

V. SERVICE

Electronic copies are being served on the Docket No. ER19-221 service list. Electronic copies are also being served on the California Public Utilities Commission, the CAISO, and Participating Transmission Owners that have transferred operational control over their transmission facilities and entitlements to the CAISO.

VI. COMMUNICATIONS

Correspondence and other communications concerning this filing should be addressed to the following:

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³ See *Central Hudson Gas & Electric Corporation, et al.*, 60 FERC ¶ 61,106, *reh'g denied*, 61 FERC ¶ 61,089 (1992), and *Prior Notice and Filing Requirements Under Part II of the Federal Power Act*, 64 FERC ¶ 61,139, *clarified*, 65 FERC ¶ 61,081 (1993).

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VII. CONCLUSION

SDG&E respectfully requests that the Commission accept and approve SDG&E's proposed RSBA rate changes, effective January 1, 2023.

Respectfully submitted,

/s/Ross R. Fulton

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Attorney for

San Diego Gas & Electric Company