CSD DATA REQUEST

CSD-SDG&E-REVISED DR-02, Q1(b)

SDG&E SECOND AMENDED GRC Phase 2 APPLICATION – A.15-04-012 SDG&E REVISED RESPONSE

DATE RECEIVED: MAY 19, 2016 DATE RESPONDED: JUNE 17, 2016

- 1. In SDG&E's testimony in Phase 2 of its 2012 Test Year GRC, Ms Fang testified that "However, SDG&E will be filing in a future FERC application its proposals related to transmission rate design to move towards more accurate price signals. As stated in the testimony of Mr. Yunker (Chapter 1), cost-causation of transmission resources is largely driven by a customer's usage in relation to system peak. Currently M/L C&I schedules demand charges are a 90/10 split between non-coincident/peak demand charges. Given the inaccuracy of this price signal, SDG&E will be examining a shift towards a 100% peak demand charge and eliminating the transmission NCD charge for the recovery of base transmission revenue requirements in the context of potential bill impacts." (p. CF-26). Please respond to the following questions:
 - b. Please provide all communications (both internal and external to SDG&E) relate to SDG&E's examination of "a shift towards a 100% peak demand charge and eliminating NCD charge for recover of base transmission revenue requirements...," including but not limited to all drafts of the filing at FERC (even if SDG&E ultimately did not make an application to FERC to change its rate design).

Response:

b. Attached to this response is a preliminary draft of testimony and associated draft workpapers that were developed in anticipation of approval of the October 19, 2012 partial settlement in SDG&E's 2012 GRC Phase 2 proceeding. This initial draft testimony was developed but was not vetted or reviewed internally by SDG&E given that the partial settlement was not approved in D.14-01-002.

Zip Folder "SDGE Draft 2013 Transmission Rate Design Workpapers.zip" contains:

- FERC 2013 12-CP Allocation Data Revised Customer Classes.xlsx: Provides 12-CP allocation by class and seasonal split
- Statement BB 2013.xls: Provides 12-CP allocation by class
- Statement BG 2013.xls: Shows revenue and rate comparison
- Statement BH Present Structure.xlsx: Used in Statement BG for comparison
- Statement BL 2013.xlsx: Rate Design workpaper

Links are intact for anything linking between the above files.

After followup discussions with the City of San Diego, SDG&E conducted an additional search for communications related to the development of SDG&E's 2012 GRC Phase 2 proposal to shift the transmission demand charge to a 100% peak demand charge. SDG&E was able to identify five additional communications with attachments. One of these communications/attachments is designated as confidential under the attorney client privilege and work product doctrine. The other four communications are included with this response and are described below:

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- FW Rate Proposal List Draft do not circulate doc.msg
- FW Updated summary charts on GRC Phase 2 Proposals by customer group.msg
- Fwd Draft Testimony Network Use.msg
- RE GRC Phase II--Weekly Witness Meeting.msg

Please note that some of the attachments accompanying these messages are identified as confidential or privileged materials and should be treated in accordance with the active non-disclosure agreement executed between SDG&E and the City of San Diego in this proceeding.