

**San Diego Gas & Electric Company
Application No. 15-04-012
(2nd Amended Application)**

**Federal Executive Agencies' Second Set of Data Requests to
San Diego Gas & Electric Company with Regard to the February 9, 2016 Filing**

<u>Item No.</u>	<u>Description</u>
2-1.	<p>As a follow-up to the response to FEA Data Request 1-16 with respect to the allocation of CARE, ESAP, EPIC, CSI, SGIP, LGC, EE, CTC, DR and other non-marginal cost items, please:</p> <p>a. Identify the allocation determinants (for example, coincident peak demands, class peak demands, sum of customer maximum demands, energy, number of customers, etc.) used in allocating the costs of each of the enumerated items to customer classes and rate schedules. If there are any differences between the treatment of bundled service customers and direct access customers, please describe them. Note, this includes use of "imputed" values.</p> <p>b. Please describe and identify where each of these costs currently are recovered in the rates of customers on AL-TOU and A6-TOU.</p>
2-2.	<p>Please provide the same information that was requested in DR 2-1 with respect to allocations and collections under proposed rates.</p>
2-3.	<p>SDG&E's response to FEA DR 1-17 includes the sentence: "Updates were not proposed for CSI, SGIP, and DR allocations." Please explain what kinds of updates are referenced, and what this sentence is intended to convey.</p>
2-4.	<p>On pages 12-14 of his direct testimony in this proceeding, SDG&E witness Saxe describes an error made in the allocation of distribution revenue allocations in test year 2012 GRC, Phase 2 (A.11-10-002) and on page 14 of his testimony, at lines 4-9, states as follows:</p> <p>"The use of coincident peak demands based on the 2008 load research data from the Circuit and Substation Study Requirement to allocate marginal distribution demand-related revenues understated the responsibility of the residential class for these marginal distribution demand-related cost revenues and overstated the responsibility of the non-residential classes for these marginal distribution demand-related cost revenues that was presented in my TY 2012 GRC Phase 2 rebuttal testimony." [Footnote omitted.]</p>

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	<p>With regard to this statement:</p> <ol style="list-style-type: none">Please describe, in as much detail as available, the dollar magnitude of the misallocation by customer class and by major rate schedule within the M-L C&I class.State how and when the referenced error was discovered and what actions were taken once the error was identified.Explain what is meant by the sentence on page 14 of Mr. Saxe's testimony, lines 13-16, which states:<p style="margin-left: 40px;">"It should be noted that SDG&E's current electric rates, which reflect the implementation of D.14-01-002 adopting the partial settlement agreement on revenue allocation in SDG&E's TY 2012 GRC Phase 2 proceeding, correctly comport with the approved settlement."</p>
2-5.	<p>SDG&E's witness Christopher Swartz discusses primary substation and secondary substation service at page 25 of his direct testimony. With regard to this testimony:</p> <ol style="list-style-type: none">Please describe in detail the characteristics of secondary substation service and primary substation service, and state how they differ from secondary service, from primary service, and from transmission service.The testimony beginning on line 10 on page 25 states:<p style="margin-left: 40px;">"However, while these customers continue to fully utilize distribution demand services, including services related to local and feeder distribution demand costs, failure to include these costs in the prices these customers pay results in a shift of costs to other customers."</p><p>According to Schedule AL-TOU, AL-TOU 6 and Form 106-3859 (Request for Service at Secondary/Primary Substation Level Rates), the customer pays a "distance adjustment fee" times the distance from the Customer's Service Point to the nearest transmission voltage level line. Isn't the purpose of this charge to reflect the applicable costs of the distribution system?</p>

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2-6.	Referring to Table CS-17 in Mr. Swartz's testimony, please explain why the monthly cost per customer should be approximately the same regardless of size (< 500 kW, > 500 kW, > 12,000 kW) and voltage level (primary, secondary).
2-7.	Please provide a detailed narrative description and road map through the rates model and workpapers that show the specific derivation of the "cost-based MSF" (dollars per month) shown in Table CS-17 for secondary substation service and primary substation service, for each size level. Please include an explanation of why these calculations and cost components are appropriate given the nature of the service provided.
2-8.	Did SDG&E calculate MSF costs for secondary substation service and primary substation service with a method that was based on actual equipment costs? If so, please provide that analysis.
2-9.	Did SDG&E calculate the costs referenced in DR 2-8 using any other approach? If so, please provide that analysis.
2-10.	Please provide an analysis and cost development for the costs referenced in DR 2-8 using the method (s) used in the prior Phase 2 case, the TY 2012 Phase 2 proceeding.
2-11.	Please provide a copy of testimony, exhibits, workpapers, stipulations, advice letter filings, resolutions, Commission orders and other documents pertaining to the primary and secondary substation rates: a. When originally adopted. b. Any subsequent time if a change in costing or pricing concepts was proposed.

(END OF SECOND SET OF FEA DATA REQUESTS TO SDG&E)