

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Application of San Diego Gas & Electric
Company (U 902-E) Requesting Approval and
Funding for 2018-2022 Demand Response
Portfolio in compliance with Decision 16-09-056.

Application No. 17-01____-
(Filed January 17, 2017)

CHAPTER 2

PREPARED DIRECT TESTIMONY

OF L. ELLEN KUTZLER

ON BEHALF OF SAN DIEGO GAS & ELECTRIC COMPANY

JANUARY 17, 2017

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**PREPARED DIRECT TESTIMONY OF
L. ELLEN KUTZLER
CHAPTER 2**

I. OVERVIEW AND PURPOSE

This testimony describes San Diego Gas & Electric Company's (SDG&E) Information Technology (IT) budget request to support its demand response programs for 2018-2022. SDG&E's request for the 2018-2022 IT budget supporting its utility-run portfolio of demand response programs is \$8,830,721. This is an average of \$1,766,144 per year compared to the approved 2017 demand response IT budget of \$2,306,766.

The proposed budget is based on the anticipated scope and capabilities required to effectively and centrally integrate, manage and operate SDG&E's utility portfolio of demand response program. The following table shows this budget for each year:

	2018	2019	2020	2021	2022	TOTAL
IT	\$2,083,037	\$1,914,452	\$1,583,076	\$ 1,807,602	\$ 1,442,554	\$ 8,830,721

These costs take into consideration some fundamental and high-level assumptions, based on the utility DR program proposals contained in the testimony of E Bradford Mantz (Chapter 1):¹

- Sequence of Anticipated Program Implementation:
 - The AC Saver program will implement many of the foundational capabilities that other subsequent program implementations will require. These include, but are not limited to, incentive calculation, incentive approval workflow and integration to accounts payable to release

¹ Citations to testimony herein are to the prepared testimony served contemporaneously and in support of this application.

1 incentives for payout, self-service program enrollment and disenrollment,
2 and customer preference management related to cycling options.

- 3 ○ Changes and enhancements to SDG&E's supply resource programs will
4 be implemented before its load modifying programs. The order of
5 implementation will be determined after requested budgets are approved,
6 and the order will consider the status of other IT projects at that time.

- 7 • Base Interruptible Program, Permanent Load Shifting, and Technology Incentives
8 Program Strategy:

- 9 ○ SDG&E will potentially pursue a strategic direction for these programs
10 with the goal of having the complete Demand Response program portfolio
11 managed in the same core platform, *e.g.*, Demand Response Management
12 System (DRMS).

- 13 • Costing Approach:

- 14 ○ SDG&E employed Analogous/Parametric estimating, instead of bottom up
15 estimating. Specifically, the cost for implementing each in-scope demand
16 response program was assessed relative to the recent Capacity Bidding
17 Program implementation in the DRMS platform.

- 18 • Licensing:

- 19 ○ Budgets include on-going software licensing to support program
20 management and customer facing tools.

21 This proposed IT budget covers, and assumes approval of, SDG&E's utility DR portfolio
22 programs as proposed in Chapter 1, the prepared direct testimony of E Bradford Mantz. Note
23 that additional DRAM and Electric Rule 32 operations-related admin and IT costs are not
24 included in the above IT budget, and are also discussed in the testimony of Mr. Mantz.

1 The IT costs for SDG&E’s DR portfolio described herein, the separate and additional IT
2 support of its Electric Rule 32 implementation, and the additional funds needed for DRAM, are
3 all reflected in the budget tables in Chapter 6, the prepared direct testimony of B. Elaine
4 MacDonald.

5 **II. WITNESS QUALIFICATIONS**

6 My name is L. Ellen Kutzler. My business address is 8690 Balboa Ave., Suite 10, San
7 Diego, California 92123. I am employed by SDG&E as Software Development Manager for
8 SDG&E Customer Engagement Services. My team’s responsibilities include the design,
9 implementation, and support of customer engagement systems including demand response
10 programs for SDG&E. I have been employed by SDG&E since 2002.

11 I graduated from The Ohio State University with a Bachelor of Science in Business
12 Administration with emphasis in computer science. I graduated from San Diego State University
13 with a Master’s in Business Administration.

14 I have not testified before the California Public Utilities Commission.

15 This concludes my prepared direct testimony.