

Application No.: A.17-06-
Exhibit No.: _____
Witness: Sheri S. Miller
Date: June 1, 2017

SAN DIEGO GAS & ELECTRIC COMPANY
PREPARED DIRECT TESTIMONY OF
SHERI S. MILLER

****REDACTED, PUBLIC VERSION****

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

June 1, 2017



TABLE OF CONTENTS

I.	INTRODUCTION	1
II.	ERRA.....	3
	A. GHG Sub-Account.....	4
	B. Monthly ERRA Report	5
III.	TCBA.....	5
IV.	LGBA.....	7
V.	NERBA.....	8
VI.	IEMA	9
VII.	LCMA.....	9
VIII.	GTME&OMA.....	10
IX.	GTSRACMA	11
X.	ECRME&OMA	11
XI.	RPSCMA	11
XII.	AUDIT OF ENERGY RESOURCE RECOVERY ACCOUNT	12
XIII.	CONCLUSION.....	12
XIV.	QUALIFICATIONS	15
	Attachment A	A-1
	Attachment B	B-1
	Attachment C	C-1
	Attachment D	D-1
	Attachment E	E-1
	Attachment F.....	F-1
	Attachment G	G-1

Attachment H.....	H-1
Attachment I.....	I-1
Attachment J.....	J-1
Attachment K.....	K-1
Attachment L.....	L-1
Attachment M.....	M-1
Attachment N.....	N-1

1 **PREPARED DIRECT TESTIMONY OF**

2 **SHERI S. MILLER**

3 **ON BEHALF OF SDG&E**

4 **I. INTRODUCTION**

5 The purpose of my testimony is to address the recorded transactions and related cost
6 recovery for San Diego Gas & Electric Company’s (“SDG&E”) Energy Resource Recovery
7 Account (“ERRA”), Transition Cost Balancing Account (“TCBA”), and Local Generating
8 Balancing Account (“LGBA”) during the record period of January 1, 2016 through
9 December 31, 2016 (“Record Period”). The direct testimony of SDG&E witness Daniel L.
10 Sullivan describes SDG&E’s electric procurement and commodity expenses recorded to ERRA,
11 TCBA and LGBA during the 2016 Record Period.

12 My testimony also addresses entries recorded to seven other ERRA-related accounts: the
13 Assembly Bill (“AB”) 32 electric subaccount of the New Environmental Regulatory Balancing
14 Account (“NERBA”), the Independent Evaluator Memorandum Account (“IEMA”), the
15 Litigation Cost Memorandum Account (“LCMA”), the Green Tariff Marketing Education &
16 Outreach Memorandum Account (“GTME&OMA”), the Green Tariff Share Renewables
17 Administrative Cost Memorandum Account (“GTSRACMA”), the Enhanced Community
18 Renewable ME&O Memorandum Account (“ECRME&OMA”), and the Renewable Portfolio
19 Standard Cost Memorandum Account (“RPSCMA”).

20 Based on my testimony regarding recorded transactions, related cost recovery, and
21 balancing account entries associated with these accounts, my testimony requests that the
22 Commission find that:

- 1 • Transactions recorded to SDG&E’s ERRA during 2016 (Attachment A), TCBA
2 during 2016 (Attachment B) and LGBA during 2016 (Attachment C) were in
3 compliance with the California Public Utilities Commission (“Commission”)
4 directives and are recoverable;
- 5 • Transactions recorded in NERBA (Attachment D) associated with AB 32
6 administrative fees were in compliance with Commission directives;
- 7 • The amounts transferred from IEMA (Attachment E) to ERRA in 2016 were in
8 compliance with Commission directives; and
- 9 • Transactions recorded in the LCMA (Attachment F) during 2016 were in
10 compliance with Commission directives.
- 11 • Transactions recorded in the GTME&OMA (Attachment G) during 2016 were in
12 compliance with Commission directives.
- 13 • Transactions recorded in the GTSRACMA (Attachment H) during 2016 were in
14 compliance with Commission directives.
- 15 • Transactions recorded in the ECRME&OMA (Attachment I) during 2016 were in
16 compliance with Commission directives.
- 17 • Transactions recorded in the RPSCMA (Attachments L, M, and N) during 2016,
18 2015, and 2014 were in compliance with Commission directives.
- 19 • Regarding the LGBA, for which there is an undercollection of activity in 2016 in
20 the amount of █████ million SDG&E will seek cost recovery of this amount in its
21 ERRA Forecast Application for 2019, which will be filed on April 15, 2018.¹

¹ Since April 15, 2018 falls on a weekend, SDG&E is currently planning to file this case on April 14, 2018.

- 1 • As to the AB 32 costs in NERBA, for which there is an overcollection of activity
2 in 2016 in the amount of \$.025 million, SDG&E is not requesting authorization
3 for refund at this time because we are anticipating fluctuations in future year
4 expenses which may offset the overcollection.

5 Furthermore, my testimony provides a comparison of 2016 ERRA forecast versus actual
6 costs as well as comparison of 2016 versus 2015 recorded costs with explanations for variances
7 10% or greater. This information is provided herein to facilitate analysis of the ERRA activity
8 during 2016 and is found in Attachments J and K.

9 **II. ERRA**

10 Pursuant to Decision (“D.”) 02-10-062 and D.02-12-074, the purpose of the ERRA is to
11 provide full recovery of SDG&E’s energy procurement costs associated with serving SDG&E’s
12 bundled service customers. SDG&E’s ERRA revenue requirement also includes the full
13 recovery of California Independent System Operator (“CAISO”) costs charged to SDG&E, such
14 as energy and ancillary services load charges, CAISO revenues from utility generation and
15 supply contracts, contract costs, generation fuel costs, CAISO-related costs, hedging costs and
16 previously approved equity rebalancing costs related to the financial statement consolidation
17 under Accounting Standards Codification 810 (“ASC 810”)² of the Otay Mesa Energy Center
18 (“OMEC”) to serve SDG&E’s bundled service customers.³ ERRA includes revenues from
19 SDG&E’s Electric Energy Commodity Cost (“EECC”) rate schedules (commodity revenue)
20 adjusted to exclude non-fuel generation revenues allocated to the NGBA and other Commission-
21 approved regulatory accounts.

² ASC 810, effective January 1, 2010, amended Financial Accounting Standards Board (“FASB”) Interpretation No. 46 (R).

³ The equity rebalancing costs are included in the approved ERRA tariff in section 5(m).

1 On a monthly basis, ERRA compares the energy procurement costs described above with
 2 the commodity revenue (excluding NGBA and other revenues). Interest is applied to any over-
 3 or undercollection balance at the three-month Commercial Paper rate. SDG&E’s adopted ERRA
 4 tariff describes the entries that are made to the account on a monthly basis.⁴

5 The ERRA balance as of December 31, 2016 was an undercollection of approximately
 6 \$25.4 million. Attachment A summarizes the monthly accounting entries recorded to ERRA
 7 from January 1 through December 31, 2016 used to calculate the balance.

8 The 2016 activity in SDG&E’s ERRA, as detailed in Attachment A, is summarized in
 9 Table 1 below:

10 **Table 1**

	Under/(Over) Collection
December 31, 2015 ERRA Balance ⁵	(\$25,271,695)
Revenue	\$(1,154,636,599)
Expenses	\$1,248,409,179
Other - net ⁶	(\$43,402,076)
Interest	\$274,374
December 31, 2016 ERRA Balance	\$25,373,183

11 **A. GHG Sub-Account**

12 The GHG sub-account was established within ERRA pursuant to D.12-12-033 and
 13 D.13-10-053 to record the procurement-related GHG costs during the time that recovery of these

⁴ The monthly entries are described in the approved ERRA tariff in section 5.

⁵ The 2016 beginning balance is referenced in schedule A.

⁶ The “Other-net” category includes supplier refunds, transfers from other regulatory accounts, and carrying costs related to hedging.

1 costs was temporarily deferred. As of January 1, 2016, the balance in the ERRA GHG sub-
2 account was zero, because all of the 2015 vintage year emission expense was previously
3 transferred from the ERRA GHG sub-account to the main ERRA schedule.

4 **B. Monthly ERRA Report**

5 Ordering Paragraph 19 of D.02-12-074 directed Pacific Gas & Electric Company
6 (“PG&E”), Southern California Edison Company and SDG&E to file a monthly report with the
7 Commission’s Energy Division that summarizes monthly activity in the ERRA balancing
8 account. The utilities were also directed to submit original source documents pertaining to such
9 activities. D.07-04-020 at Finding of Fact 1 modified this requirement to allow SDG&E to
10 provide only a breakdown of costs recorded to ERRA in the monthly filings and make the
11 supporting documentation available to Commission staff and interested parties upon request.
12 The modified reporting requirement was effective with the April 2007 report. SDG&E
13 submitted the monthly reports to Energy Division and interested parties for all twelve months of
14 2016.

15 In summary, SDG&E requests that the Commission find the entries and calculations in its
16 ERRA to be appropriate, correctly stated and recoverable.

17 **III. TCBA**

18 In SDG&E’s 2005 ERRA compliance review proceeding, the Commission authorized the
19 review of SDG&E’s TCBA in future ERRA review proceedings.⁷ The annual ERRA review is
20 the appropriate forum to review the TCBA since the costs that are recorded in the TCBA
21 generally relate to the above-market portion of certain Qualifying Facilities (“QFs”) and
22 purchase power costs eligible for recovery under AB 1890.

⁷ The 2005 ERRA Compliance proceeding was approved by D.06-12-019.

1 The TCBA records the eligible above-market power costs and the revenues received from
2 SDG&E's Competition Transition Charge ("CTC") rate. For 2016, the market benchmark of
3 \$46.54/MWh⁸ was used to calculate the above-market portion of AB 1890-eligible transition
4 costs. On a monthly basis, the TCBA compares the above-market power costs with the revenue
5 from the CTC rate component. Interest is applied to any over- or undercollection balance at the
6 three-month Commercial Paper rate.

7 The balance in the TCBA as of December 31, 2016 was a \$3.3 million undercollection.⁹
8 Attachment B provides a monthly summary of the entries to the TCBA during 2016. Table 2
9 below summarizes the 2016 activity and shows the calculation of the undercollection.

10 **Table 2**

	Under/(Over) Collection
December 31, 2015 TCBA Balance	\$6,333,536
Revenue	\$(29,709,233)
Expenses	\$26,694,884
Interest	\$16,789
December 31, 2016 TCBA Balance	\$3,335,976

11 In this Application, SDG&E requests that the Commission find the entries and calculations
12 recorded in the TCBA to be appropriate, correctly stated and recoverable.

⁸ The market benchmark of \$46.54/MWh was authorized in D.15-12-032, which approved SDG&E's 2016 ERRA Revenue Requirement Forecast proceeding, A.15-04-014.

⁹ The forecasted 2016 year-end undercollected balance of \$8.6 million was approved in AL 2988-E on December 22, 2016 for amortization in rates effective January 1, 2017.

1 **IV. LGBA**

2 The LGBA was authorized by D.13-03-029. The purpose of the LGBA is to record the
3 revenues and costs of generating contracts where the Commission has determined that the
4 resource is subject to the cost allocation mechanism (“CAM”). In 2016, the only contract
5 included in the LGBA was the Escondido Energy Center.¹⁰

6 The LGBA tariff states that “The balance in the LGBA will be addressed in the
7 Company’s ERRA proceeding or in another proceeding deemed appropriate by the
8 Commission.”¹¹ Accordingly, SDG&E requests confirmation that transactions recorded in 2016
9 in the LGBA are in compliance with Commission directives.

10 [REDACTED]
11 [REDACTED] which provides a monthly summary of the
12 accounting entries recorded to the LGBA during 2016.

¹⁰ Per D.13-03-029, fuel costs for Escondido Energy Center LLC are to be recorded to the LGBA.

¹¹ See Cal. P.U.C. Sheet No. 23615-E, Preliminary Statement, No. 5.

1

Table 3

	Under/(Over) Collection
[REDACTED]	

2 In summary, SDG&E requests confirmation that (a) its transactions recorded in 2016 in
3 the LGBA are in compliance with Commission directives and are recoverable; and (b) SDG&E
4 shall request recovery of the undercollected 2016 recorded activity of [REDACTED] million in its 2019
5 ERRA Forecast Application.

6 **V. NERBA**

7 The AB 32 electric subaccount in NERBA, as approved by the Commission’s Decision
8 13-05-010 in the SDG&E’s 2012 General Rate Case (“GRC”), records actual costs against
9 revenue requirements for administrative fees charged by the California Air Resources Board
10 (“CARB”) which are authorized recoverable by CARB under AB 32. As of January 1, 2016, the
11 beginning balance in the AB 32 electric subaccount in NERBA was a \$0.3 million
12 overcollection. Revenues in 2016 were \$0.3 million, expenses totaled \$0.3 million, and interest
13 of approximately two thousand dollars was booked in 2016. The resulting activity in the AB 32
14 electric subaccount in NERBA as of December 31, 2016 was approximately a \$0.025 million
15 overcollection. SDG&E is not requesting authorization to refund this overcollection in rates at

1 this time because (1) we are experiencing fluctuations in expenses which may offset the
2 undercollection, and (2) the AB 32 electric NERBA activity in 2016 was minimal.

3 Additionally, SDG&E requests confirmation that the transactions recorded in the AB 32
4 electric subaccount in NERBA are appropriate and correctly stated in accordance with
5 Commission directives.

6 **VI. IEMA**

7 Pursuant to D.04-12-048 and D.05-07-039, the purpose of the IEMA is to record third
8 party costs associated with the use of Independent Evaluators (“IEs”) in the utility’s long-term
9 procurement activities and Renewables Portfolio Standard (“RPS”) programs. Interest is applied
10 to any over- or undercollection balance at the three-month Commercial Paper rate.

11 D.11-10-029,¹² which approved Phase 1 of SDG&E’s 2009 ERRR Compliance Filing,
12 granted authority for SDG&E to update its IEMA tariff disposition to allow it to transfer the
13 balance in the IEMA to ERRR on an annual basis.¹³ In compliance with D.11-10-029, SDG&E
14 transferred the IEMA 2016 undercollection balance of \$0.5 million as shown in line 55 of
15 Attachment A as well as in Attachment E. The transfers from IEMA to ERRR are also included
16 in the “Other-net” category of Table 1.

17 In this Proceeding, SDG&E requests that the Commission find the amounts transferred
18 from IEMA to ERRR in 2016 to be in compliance with Commission directives.

19 **VII. LCMA**

20 Pursuant to Resolution E-3893, the LCMA was established in 2004 to record the
21 litigation costs associated with refunds resulting from the energy price crisis in October 2000

¹² D.11-10-029 was issued on October 24, 2011.

¹³ D.11-10-029 was implemented in AL 2304-E, which was approved on January 12, 2012 and effective November 17, 2011.

1 through January 2001. The LCMA tracks the difference between incurred litigation costs and
2 settlement proceeds received.

3 Per the LCMA Preliminary Statement, the account is subject to review in the ERRA
4 proceeding; thus, SDG&E is presenting the transactions recorded during 2016 for review in
5 Attachment F.

6 At this time, SDG&E is not requesting recovery of the December 31, 2016
7 undercollected balance as there are still a few pending litigation cases, and the appropriate
8 vehicle for requesting recovery is through a separate filing. SDG&E requests that the
9 Commission review SDG&E's 2016 LCMA transactions. As of January 1, 2016, the beginning
10 balance in the LCMA was an undercollection of approximately \$0.1 million. During 2016, the
11 activity in the LCMA included minor expenses and interest for the year, as well as a \$0.1 million
12 credit for settlement monies received from CAISO. Thus, the balance in the LCMA as of
13 December 31, 2016 was an undercollection of \$.014 million. Once SDG&E has closed all
14 LCMA related litigation, SDG&E will evaluate and execute next steps.

15 **VIII. GTME&OMA**

16 Pursuant to D.15-01-051, the purpose of the GTME&OMA is to record the difference
17 between the revenues collected through the GT-ME&O Charge and the initial and ongoing
18 incremental ME&O costs incurred to implement the Green Tariff Shared Renewables Program
19 ("GTSRP"). The GTSRP consists of both a Green Tariff option and an Enhanced Community
20 Renewables option. ME&O costs for the Green Tariff option are recorded in the GTME&OMA.

21 In 2016, the GTME&OMA had current activity and interest of \$.088 million, and the
22 ending balance was \$.088 million as shown in Attachment G. SDG&E requests confirmation

1 that the transactions recorded in the GTME&OMA are appropriate and correctly stated in
2 accordance with Commission directives.

3 **IX. GTSRACMA**

4 Pursuant to D.15-01-051, the purpose of the GTSRACMA is to record the difference
5 between the revenues collected through the GTSR Administrative Charge and the initial and
6 ongoing incremental administrative costs incurred to implement the GTSRP.

7 In 2016, the GTSRACMA had current activity and interest of \$1.3 million, and the
8 ending balance was \$1.7 million, as shown in Attachment H. SDG&E requests confirmation that
9 the transactions recorded in the GTSRACMA are appropriate and correctly stated in accordance
10 with Commission directives.

11 **X. ECRME&OMA**

12 Pursuant to D.15-01-051, the purpose of the ECRME&OMA is to record the difference
13 between the revenues collected through the ECR-ME&O Charge and the initial and ongoing
14 incremental ME&O costs incurred to implement the GTSRP. The GTSRP consists of both a
15 Green Tariff option and an Enhanced Community Renewables option. ME&O costs for the
16 Enhanced Community Renewables option are recorded in the ECRME&OMA.

17 In 2016, the ECRME&OMA had current activity and interest of \$.002 million, and the
18 ending balance was also \$.002 million as shown in Attachment I. SDG&E requests confirmation
19 that the transactions recorded in the ECRME&OMA are appropriate and correctly stated in
20 accordance with Commission directives.

21 **XI. RPSCMA**

22 In compliance with D.06-10-050, SDG&E established the RPSCMA to record certain
23 consulting work associated with the renewable portfolio standard program. Pursuant to D.14-05-

1 002, the RPSCMA was modified in Advice Letter 2607-E to extend the time for recording costs.
2 Interest is applied to any over- or undercollection balance at the three-month commercial paper
3 rate.

4 In 2014, SDG&E incurred \$.005 million in charges that were included in RPSCMA. In
5 2015, SDG&E transferred the charges and associated interest from RPSCMA to ERRA, in
6 accordance with the established tariff. In 2016, additional charges of \$.040 million were
7 incurred and included in the RPSCMA. SDG&E is requesting confirmation that the transactions
8 recorded in the RPSCMA during the years 2014-2016 are appropriate and correctly stated in
9 accordance with Commission directives.

10 **XII. AUDIT OF ENERGY RESOURCE RECOVERY ACCOUNT**

11 As ordered in D.10-02-018, OP 4, “San Diego Gas & Electric Company shall conduct
12 and complete an audit of its Energy Resource Recovery Account at least once every four years
13 with the first audit to be for the 2009 or 2010 record year.” Accordingly, Sempra Energy Audit
14 Services conducted an audit of the ERRA for record year 2013. The audit was completed on
15 April 17, 2014 and no business control issues or corrective actions were identified by the
16 auditors.

17 **XIII. CONCLUSION**

- 18 • As directed in D.02-10-062 and D.02-12-074, SDG&E seeks approval of the
19 entries and calculations in its ERRA for the period January 1, 2016 through
20 December 31, 2016 and requests that the Commission find these entries and
21 calculations appropriate, correctly stated and recoverable.
- 22 • As directed in D.06-12-019, SDG&E seeks approval of the entries recorded to the
23 TCBA for the period January 1, 2016 through December 31, 2016 and requests

1 that the Commission find these entries and calculations appropriate, correctly
2 stated and recoverable in accordance with applicable Commission policy and
3 decisions.

- 4 • In accordance with D.13-03-029 and AL 2499-E, SDG&E seeks approval of the
5 entries recorded to the LGBA for the period January 1, 2016 through
6 December 31, 2016, and requests that the Commission find these entries and
7 calculations appropriate, correctly stated and recoverable in accordance with
8 applicable Commission policy and decisions. In summary, SDG&E is not
9 requesting cost recovery of the undercollected 2016 recorded activity of
10 [REDACTED] million at this time, but will include the request for recovery in its 2019
11 ERRA Forecast Application for recovery, which will be filed on April 15, 2018.¹⁴
- 12 • SDG&E requests that the Commission find the entries in the AB 32 electric
13 subaccount in NERBA to be appropriate and correctly stated. SDG&E is not
14 requesting authorization to include the balance of \$0.4 million overcollection in
15 rates at this time.
- 16 • SDG&E requests that the Commission find the balance transfer to ERRA of 2016
17 IEMA activity in compliance with Commission directives.
- 18 • SDG&E requests that the Commission find the entries in the LCMA for 2016 to be
19 appropriate and correctly stated in accordance with Commission directives.
- 20 • SDG&E requests that the Commission find the entries in the GTME&OMA as of
21 December 31, 2016 to be appropriate and correctly stated in accordance with
22 Commission directives.

¹⁴ Since April 15, 2018 falls on a weekend, SDGE is currently planning to file this case on April 14, 2018.

1 • SDG&E requests that the Commission find the entries in the GTSRACMA as of
2 December 31, 2016 to be appropriate and correctly stated in accordance with
3 Commission directives.

4 • SDG&E requests that the Commission find the entries in the ECRME&OMA as of
5 December 31, 2016 to be appropriate and correctly stated in accordance with
6 Commission directives.

7 • SDG&E requests that the Commission find the entries in the RPSCMA as of
8 December 31, 2016 to be appropriate and correctly stated in accordance with
9 Commission directives.

10 SDG&E has made the entries to the previously discussed regulatory accounts in accordance with
11 its adopted tariffs and in compliance with relevant Commission decisions.

12 This concludes my prepared direct testimony.
13

1 **XIV. QUALIFICATIONS**

2 My name is Sheri S. Miller. I am employed by SDG&E as the Settlements Manager in
3 the Settlements & Systems Department. My business address is 8315 Century Park Court, San
4 Diego, California 92123. My current responsibilities include managing the payment, recovery,
5 and regulatory reporting processes for SDG&E's procurement activities. I began working in
6 Settlements & Systems as a Principal Supervisor in September 2014.

7 I have been employed by SDG&E since October of 2000. In addition to my current role
8 in Settlements & Systems, I have worked in four other departments at SDG&E in positions of
9 increasing responsibility. From December 2009 to July 2013, I was employed in the Regulatory
10 Reporting group and prepared filings of financial data to the CPUC and FERC, and I also closed
11 and analyzed the balancing accounts each month. From August 2013 to September 2014, I
12 worked in the Regulatory Accounts group. My responsibilities included the development,
13 implementation and analysis of regulatory balancing and memorandum accounts.

14 I have previously testified before this Commission.

Attachment A

San Diego Gas & Electric (SDG&E)
 Energy Resource Recovery Account (ERRA)
 Account 1150450/2190132 under/over collection
CONFIDENTIAL PURSUANT TO D.06-06-066

Line #	Tariff Ref.	Notes	Jan 2016	Feb 2016	Mar 2016	Apr 2016	May 2016	PPA	Jun 2016	PPA	Jul 2016	Aug 2016	PPA	Sep 2016	Oct 2016	Nov 2016	Dec 2016
1		Beginning Balance Under/(Over)															
2		REVENUES															
3		Commodity Revenue	(97,199,188)	(79,949,612)	(92,877,753)	(83,702,754)	(100,525,891)	337,579	(131,918,182)		(134,783,066)	(187,136,101)		(162,024,151)	(162,060,042)	(121,633,013)	(94,016,415)
4	SA	3	(267,821)	(136,799)	(186,509)	(205,325)	(149,464)		(173,247)		(219,287)	(134,795)		(229,469)	(238,565)	(169,419)	(196,933)
5	SB		36	3	(9)	7	13		(3)			(1)		13,797	86,630	1,309	827
6	SC		48,562	41,040	73,237	870,331	768,365		1,023,661		1,518,842	2,847,796		1,484,702	1,392,663	1,657,486	1,569,097
7	SD		(97,418,411)	(80,045,368)	(92,991,034)	(83,037,741)	(99,906,977)	337,579	(131,067,771)		(133,483,511)	(184,423,101)		(160,755,121)	(160,819,314)	(120,143,637)	(92,643,424)
8		Total ERRA Revenues including FF&U															
9		Less: FF&U on Commodity Revenue	1,169,545	961,990	1,117,548	1,007,150	1,209,573	-	1,584,956	(1,718)	1,621,772	2,299,552		1,990,973	1,991,414	1,494,641	1,128,128
10		Less: FF&U on PCIA	3,223	1,646	2,244	2,471	1,798		2,085		2,639	1,656		2,820	2,932	2,082	2,363
11		Less: FF&U on PTR Credit	-	-	-	-	-		-		-	-		(170)	(1,065)	(16)	(10)
12		Less: FF&U on NEM	(584)	(494)	(881)	(10,472)	(9,245)		(12,317)		(18,275)	(34,994)		(18,244)	(17,113)	(20,367)	(18,828)
13		Total FF&U	1,172,184	963,142	1,118,911	999,149	1,202,126	-	1,574,724	(1,718)	1,606,136	2,266,214	-	1,975,379	1,976,168	1,476,340	1,111,653
14		Subtotal ERRA Revenues without FF&U	(96,246,227)	(79,082,226)	(91,872,123)	(82,038,592)	(98,704,851)	337,579	(129,493,047)	(1,718)	(131,877,375)	(182,156,887)	-	(158,779,742)	(158,843,146)	(118,667,297)	(91,531,771)
15		Less: NGBA Revenue	21,864,240	18,826,698	21,590,932	19,430,410	18,426,614		20,140,689		19,833,265	29,112,367		24,613,103	23,973,262	21,741,595	21,654,533
16		Less: MMMA Revenue	-	-	-	-	-		-		-	-		202,302	197,137	178,786	178,070
17		Less: GRCMA Revenue	-	-	-	-	-		-		-	-	423,508	423,508	423,508	423,508	423,508
18		Net Revenues Booked to ERRA	(74,381,987)	(60,255,528)	(70,281,191)	(62,608,182)	(80,278,237)	337,579	(109,352,358)	(1,718)	(112,044,110)	(152,805,236)	423,508	(133,540,829)	(134,249,239)	(96,323,408)	(69,275,660)
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22		EXPENSES															
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39		Rounding															
40		Total Balancing Account Expenses															
41																	
42		MISCELLANEOUS															
43		Supplier Refunds					(58,682)										
44		Carrying Cost Related to Hedging Margin I	22,119	30,423	32,490	27,199	24,623		20,873		18,497	16,548		17,107	17,303	19,039	20,743
45		Authorized Disallowances															
46		Otay Mesa In-Lieu Franchise Fees	(17,041)														
47		Cuyamaca In-Lieu Franchise Fees	(163)														
48		2013/2014 True-up - O&M							(44,714)								(769,348)
49		SONGS Settlement: Trust Reimbursement									(16,491,784)					(10,947,342)	
50		Transatlanta Settlement												(18,340)			
51		Net Current Month Under/ (Over) Collection															
52																	
53		Interest Rate	0.36%	0.47%	0.47%	0.47%	0.48%	0.48%	0.48%	0.48%	0.49%	0.46%	0.46%	0.50%	0.53%	0.58%	0.62%
54		Monthly Interest Calculation	(6,162)	(864)	9,640	21,478	34,792	135	42,586	(0)	47,719	38,136	81	30,515	24,449	15,366	16,503
55		Transfers To/From Other Regulatory Acco															(15,321,629)
56		Rounding				1	1										1
57		Account Balance with Interest & Transfers															
58																	
59																	
60		Calculated Trigger Percentage	-1.0%	0.7%	2.3%	4.4%	6.3%		6.8%		7.6%	4.7%		4.3%	2.5%	1.4%	1.6%
61		Prior Year Generation Revenue	1,632,357,445	1,632,357,445	1,619,752,557	1,619,752,557	1,619,752,557		1,619,752,557		1,619,752,557	1,619,752,557		1,619,752,557	1,619,752,557	1,619,752,557	1,619,752,557
62		Threshold Percentage	5%	5%	5%	5%	5%		5%		5%	5%		5%	5%	5%	5%
63		Threshold Amount	81,617,872	81,617,872	80,987,628	80,987,628	80,987,628		80,987,628		80,987,628	80,987,628		80,987,628	80,987,628	80,987,628	80,987,628

Notes

- Pursuant to AL 2807-E
- The trigger threshold amount of \$81.6M was approved in Advice Letter 2703-E.
- Bill Protection refund to ratepayers for August 2015 through May 2016.
- Backing out FF&U on Bill Protection refund to ratepayers of \$337,579 and <\$194,794>.

Attachment B

San Diego Gas & Electric
Transition Cost Balancing Account - Electric
(Over) / Under Collection
Account #1150318/2190020

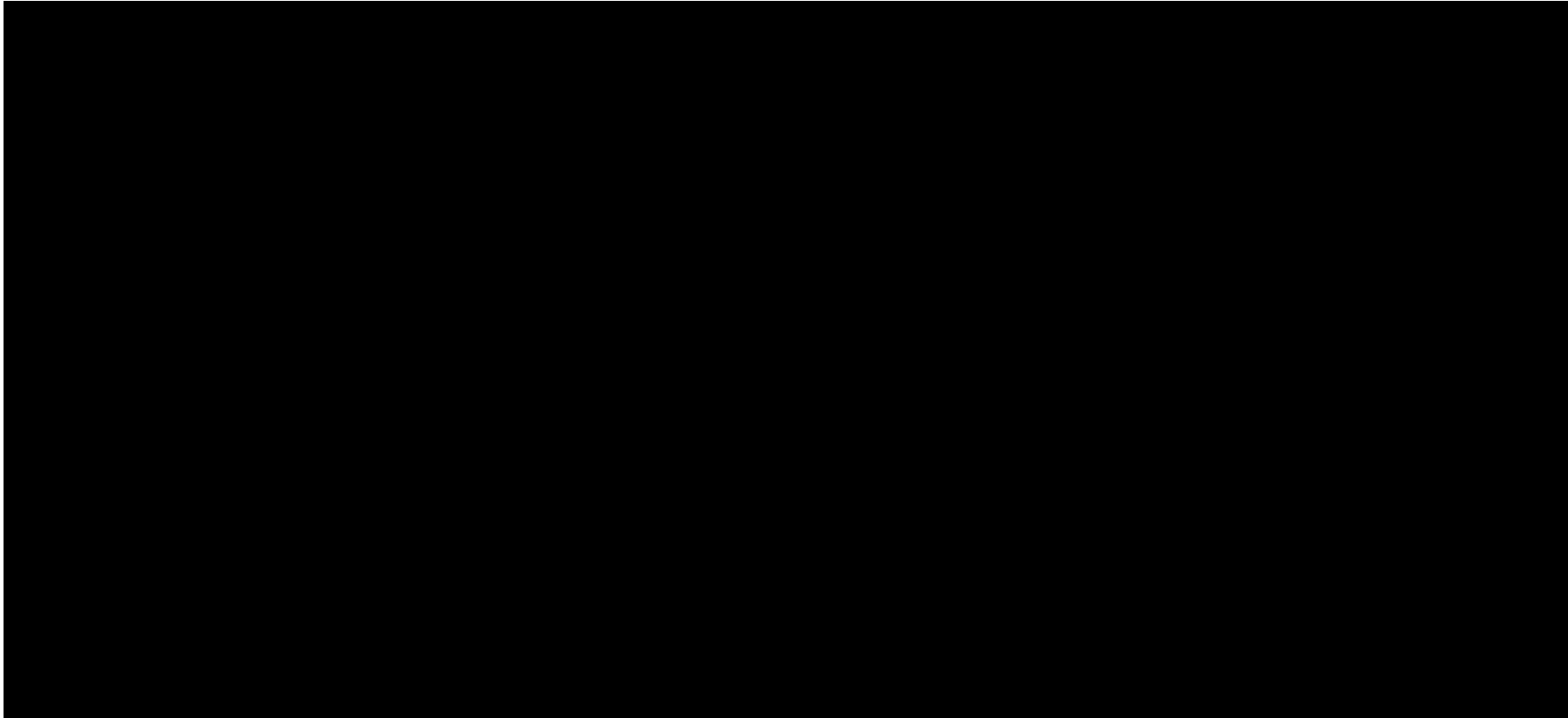
	<u>Jan-16</u>	<u>Feb-16</u>	<u>Mar-16</u>	<u>Apr-16</u>	<u>May-16</u>	<u>Jun-16</u>	<u>Jul-16</u>	<u>Aug-16</u>	<u>Sep-16</u>	<u>Oct-16</u>	<u>Nov-16</u>	<u>Dec-16</u>	<u>Total</u>	
Beginning Balance	\$ 6,333,536	\$ 4,528,944	\$ 2,593,843	\$ (400,963)	\$ (3,168,770)	\$ (1,968,216)	\$ 771,544	\$ 3,907,651	\$ 6,841,175	\$ 9,374,226	\$ 7,348,278	\$ 5,158,817	\$ 6,333,536	\$ 6,333,536
Revenue														
Gross CTC Revenue (PS 5a)	(2,021,509)	(2,169,032)	(2,551,724)	(2,324,264)	(2,198,977)	(2,358,261)	(2,437,368)	(3,206,384)	(2,937,973)	(2,837,772)	(2,510,402)	(2,520,285)	(30,073,951)	-29709233
Less FF&U	(24,324)	(26,099)	(30,704)	(27,967)	(26,459)	(28,376)	(29,328)	(39,400)	(36,102)	(34,871)	(30,848)	(30,242)	(364,718)	26694885
Net CTC Revenue	(1,997,185)	(2,142,933)	(2,521,021)	(2,296,297)	(2,172,518)	(2,329,885)	(2,408,041)	(3,166,984)	(2,901,871)	(2,802,901)	(2,479,554)	(2,490,043)	(29,709,233)	16789
CTC Costs	190,964	206,437	(474,216)	(470,810)	3,374,099	5,069,884	5,543,192	6,098,448	5,431,544	773,261	287,071	665,009	26,694,883	
Capital Related Costs (PS 5b)														
Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	
Tax on Return	-	-	-	-	-	-	-	-	-	-	-	-	-	
Return on Rate Base	-	-	-	-	-	-	-	-	-	-	-	-	-	
Property Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Costs	190,964	206,437	(474,216)	(470,810)	3,374,099	5,069,884	5,543,192	6,098,448	5,431,544	773,261	287,071	665,009	26,694,883	
Current Month Activity	(1,806,221)	(1,936,496)	(2,995,236)	(2,767,108)	1,201,581	2,739,999	3,135,152	2,931,464	2,529,673	(2,029,640)	(2,192,483)	(1,825,034)	(3,014,350)	
Interest Rate:	0.36%	0.47%	0.47%	0.47%	0.48%	0.48%	0.49%	0.46%	0.50%	0.53%	0.58%	0.62%		
Current Month Interest** (PS 5c)	1,629	1,395	429	(699)	(1,027)	(239)	955	2,060	3,378	3,692	3,022	2,194	16,789	
Current Activity and Interest	(1,804,592)	(1,935,101)	(2,994,807)	(2,767,807)	1,200,554	2,739,760	3,136,107	2,933,524	2,533,051	(2,025,948)	(2,189,461)	(1,822,840)	(2,997,561)	
Rounding/Transfer			1											1
Ending Balance	4,528,944	2,593,843	(400,963)	(3,168,770)	(1,968,216)	771,544	3,907,651	6,841,175	9,374,226	7,348,278	5,158,817	3,335,977	3,335,976	

Attachment C

San Diego Gas and Electric
Local Generation Balancing Account (LGBA)
GL Account # 1150595/2190239

Under / (Over) Collection

Jan-16 Feb-16 Mar-16 Apr-16 May-16 Jun-16 Jul-16 Aug-16 Sep-16 Oct-16 Nov-16 Dec-16 **TOTAL 2016**



(1) Per Dec. 13-03-029, fuel costs for Escondido Energy Center LLC are to be recorded to the Local Generation Balancing
(2) Transfer of CAISO balance from ERRRA

Attachment D

SAN DIEGO GAS & ELECTRIC
NEW ENVIRONMENTAL REGULATORY BALANCING ACCOUNT (NERBA) - ELECTRIC
AB32

Under / (over) collection

Account 1150597 / 2190242

Year 2016	Beginning Balance	Authorized Revenue	Authorized Amortizations	Expenses		Revenue		Int Inc / Exp		Under / Over Collect	
				Recorded Expenses	Current Month Activity	Interest Rate	Twelve Months Per Year	Interest Amount	Total Monthly Activity	Ending Balance	
Dec-15											(344,248)
January	(344,248)	(37,250)	-	-	(37,250)	0.36%	12	(109)	(37,359)		(381,607)
February	(381,607)	(37,250)	-	-	(37,250)	0.47%	12	(157)	(37,407)		(419,014)
March	(419,014)	(37,250)	-	-	(37,250)	0.47%	12	(171)	(37,421)		(456,435)
April	(456,435)	(37,250)	-	-	(37,250)	0.47%	12	(186)	(37,436)		(493,871)
May	(493,871)	(37,250)	-	-	(37,250)	0.48%	12	(205)	(37,455)		(531,326)
	(531,326)	57,085	-	-	57,085	0.48%	12	57	57,142		(474,184)
June	(474,184)	(25,833)	-	-	(25,833)	0.48%	12	(195)	(26,028)		(500,212)
July	(500,212)	(25,833)	-	-	(25,833)	0.49%	12	(210)	(26,043)		(526,256)
August	(526,256)	(25,833)	-	-	(25,833)	0.46%	12	(207)	(26,040)		(552,296)
September	(552,296)	(25,833)	-	286,768	260,935	0.50%	12	(176)	260,759		(291,537)
October	(291,537)	(25,833)	-	-	(25,833)	0.53%	12	(134)	(25,967)		(317,504)
November	(317,504)	(25,833)	-	-	(25,833)	0.58%	12	(160)	(25,993)		(343,497)
December	(343,497)	(25,836)	-	-	(25,836)	0.62%	12	(184)	(26,020)		(369,517)
Total		(310,000)	-	286,768	(23,232)			(2,037)	(25,269)		

Attachment E

**SAN DIEGO GAS & ELECTRIC
INDEPENDENT EVALUATOR MEMORANDUM ACCOUNT (IEMA)
ELECTRIC ONLY**

	4240088				INTEREST BASE			(7508181) 7513271	1150510 2190179
	I/O 7018421 TOTAL MONTHL Y EXPENSE S	456.00000	UNDER/(OVE R) COLLECTION (1)	PRIOR MONTH BALANCE	ADJUSTME NT	INTEREST BASE (2)	ADJ INTERES T RATE (4)	INTEREST (EXP) INC (5)	ACCOUN T BALANCE (7)
DECEMBER 2015				0					0
JANUARY 2016	36,659		36,659	0		18,330	0.36%	5	36,664
FEBRUARY	19,932		19,932	36,664		46,630	0.47%	18	56,614
MARCH	79,231		79,231	56,614		96,230	0.47%	38	135,883
APRIL	12,719		12,719	135,883		142,243	0.47%	56	148,658
MAY	40,851		40,851	148,658		169,084	0.48%	68	189,577
JUNE	105,591		105,591	189,577		242,373	0.48%	97	295,265
JULY	2,797		2,797	295,265		296,664	0.49%	121	298,183
AUGUST	44,642		44,642	298,183		320,504	0.46%	123	342,948
SEPTEMBER	114,908		114,908	342,948		400,402	0.50%	167	458,023
OCTOBER	(1,769)		(1,769)	458,023		457,139	0.53%	202	456,456
NOVEMBER	28,743		28,743	456,456		470,828	0.58%	228	485,427
DECEMBER	17,780		17,780	485,427		494,317	0.62%	255	503,462
DECEMBE (1)					(503,462)				
TOTAL 2016	502,084		502,084		(503,462)	3,154,740		1,378	0

(1) Per AL 2304-E Transfer 2016 IEMA activity to ERRR in December 2016

Attachment F

San Diego Gas & Electric
Litigation Cost Memorandum Accounts (LCMA) - Electric
(Over) / Under Collection
Account# 1150476/(2190156)

	<u>Jan-16</u>	<u>Feb-16</u>	<u>Mar-16</u>	<u>Apr-16</u>	<u>May-16</u>	<u>Jun-16</u>	<u>Jul-16</u>	<u>Aug-16</u>	<u>Sep-16</u>	<u>Oct-16</u>	<u>Nov-16</u>	<u>Dec-16</u>	<u>Total</u>
Beginning Balance	\$ 95,280	\$ 103,030	\$ 111,343	\$ 111,387	\$ 112,534	\$ 118,650	\$ 131,074	\$ 131,128	\$ 131,178	\$ 289	\$ 872	\$ 7,214	\$ 95,280
Revenue													
Authorized Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Settlement Proceeds (PS 4a)	-	-	-	-	-	-	-	-	(131,126)	-	-	-	(131,126)
Amortization	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-	-	-	(131,126)	-	-	-	(131,126)
O&M	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Related Costs													
Expenses (PS 4b)	7,720	8,271	-	1,103	6,070	12,374	-	-	210	583	6,340	7,121	49,792 ***
Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax on Return	-	-	-	-	-	-	-	-	-	-	-	-	-
Return on Rate Base	-	-	-	-	-	-	-	-	-	-	-	-	-
Property Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Costs	7,720	8,271	-	1,103	6,070	12,374	-	-	210	583	6,340	7,121	49,792
Current Month Activity	7,720	8,271	-	1,103	6,070	12,374	-	-	(130,916)	583	6,340	7,121	(81,334)
Interest Rate:	0.36%	0.47%	0.47%	0.47%	0.48%	0.48%	0.49%	0.46%	0.50%	0.53%	0.58%	0.62%	
Current Month Interest** (PS 4c)	30	42	44	44	46	50	54	50	27	-	2	6	395
Current Activity and Interest	7,750	8,313	44	1,147	6,116	12,424	54	50	(130,889)	583	6,342	7,127	(80,939)
Rounding/Transfer													-
Ending Balance	103,030	111,343	111,387	112,534	118,650	131,074	131,128	131,178	289	872	7,214	14,341	14,341

** Interest applied to average monthly balance as follows: ((Beg. Bal.+(Current Month Adjustment/2))*(Int.Rate/12))

*** December Expenses rounded down by 2 in order to tie the total to the 2016 O&M Expenses tab total

1/ CAISO Settlement Proceeds

Attachment G

San Diego Gas & Electric
Green Tariff Marketing Education & Outreach Memorandum Account (GTME&OMA) - Electric
(Over) / Under Collection
Account# 1150646 / 2190274

	<u>Jan-16</u>	<u>Feb-16</u>	<u>Mar-16</u>	<u>Apr-16</u>	<u>May-16</u>	<u>Jun-16</u>	<u>Jul-16</u>	<u>Aug-16</u>	<u>Sep-16</u>	<u>Oct-16</u>	<u>Nov-16</u>	<u>Dec-16</u>	<u>Total</u>
Beginning Balance	\$ 588	\$ 610	\$ 631	\$ 1,211	\$ 40,183	\$ 41,091	\$ 41,276	\$ 41,592	\$ 41,980	\$ 43,215	\$ 43,489	\$ 44,546	\$ 588
Revenue													
YM-GT Mktng Cost												(9)	(9)
YE-GT Term Mktng Cost													-
Total Revenues	-	-	-	-	-	-	-	-	-	-	-	(9)	(9)
O&M (PS 4a)	22	21	580	38,964	892	169	299	372	1,217	255	1,036	44,028	87,855
Capital Related Costs													
Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax on Return	-	-	-	-	-	-	-	-	-	-	-	-	-
Return on Rate Base	-	-	-	-	-	-	-	-	-	-	-	-	-
Property Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Costs	22	21	580	38,964	892	169	299	372	1,217	255	1,036	44,028	87,855
Current Month Activity	22	21	580	38,964	892	169	299	372	1,217	255	1,036	44,019	87,846
Interest Rate:	0.36%	0.47%	0.47%	0.47%	0.48%	0.48%	0.49%	0.46%	0.50%	0.53%	0.58%	0.62%	
Current Month Interest**	-	-	-	8	16	16	17	16	18	19	21	34	165
Current Activity and Interest	22	21	580	38,972	908	185	316	388	1,235	274	1,057	44,053	88,011
Rounding/Transfer													-
Ending Balance	610	631	1,211	40,183	41,091	41,276	41,592	41,980	43,215	43,489	44,546	88,599	88,599

Attachment H

SAN DIEGO GAS & ELECTRIC

Green Tariff Share Renewables Administrative Cost Memorandum Account (GTSRACMA)
Summary of Green Tariff option and Enhanced Community Renewables option Subaccounts
Under / (over) collection
SAP account # 1150645 - 2190273

				Revenue 4240156				Int Inc / (Exp) Under / (Over) Collect 7513399 / 75 1150645 - 2190273		
	Beginning Balance	Revenue	Expenses	Current Month Activity	Half balance	Interest Rate	Interest Amount	Transfer & Adjustme nt	Total Monthly Activity	Ending Balance
Year 2016					0.50					
2015 Balance										429,126
January	429,126		26,571	26,571	13,286	0.36%	133		26,704	455,830
February	455,830		71,593	71,593	35,797	0.47%	193		71,786	527,616
March	527,616		106,620	106,620	53,310	0.47%	228		106,848	634,464
April	634,464		47,112	47,112	23,556	0.47%	258		47,370	681,834
May	681,834		92,041	92,041	46,021	0.48%	291		92,332	774,166
June	774,166		174,575	174,575	87,288	0.48%	345		174,920	949,086
July	949,086		70,619	70,619	35,310	0.49%	402		71,021	1,020,107
August	1,020,107		155,713	155,713	77,857	0.46%	421		156,134	1,176,241
September	1,176,241		235,158	235,158	117,579	0.50%	539		235,697	1,411,938
October	1,411,938		(1,323)	(1,323)	(662)	0.53%	623		(700)	1,411,238
November	1,411,238		124,064	124,064	62,032	0.58%	712		124,776	1,536,014
November	1,536,014	(27)	157,442	157,415	78,708	0.62%	834		158,249	1,694,263
Total			1,260,185	1,260,158			4,979		1,265,137	

Attachment I

San Diego Gas & Electric
Enhanced Community Renewable ME&O Memorandum Account (ECRME&OMA) - Electric
(Over) / Under Collection
Account# 1150644 / 2190272

	<u>Jan-16</u>	<u>Feb-16</u>	<u>Mar-16</u>	<u>Apr-16</u>	<u>May-16</u>	<u>Jun-16</u>	<u>Jul-16</u>	<u>Aug-16</u>	<u>Sep-16</u>	<u>Oct-16</u>	<u>Nov-16</u>	<u>Dec-16</u>	<u>Total</u>
Beginning Balance	\$ 569	\$ 584	\$ 605	\$ 763	\$ 1,017	\$ 1,746	\$ 1,916	\$ 2,216	\$ 2,589	\$ 2,744	\$ 2,720	\$ 2,721	\$ 569
Revenue													
Total Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-
O&M (PS 4a)	15	21	158	254	728	169	299	372	154	(25)	-	-	2,145
Capital Related Costs													
Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax on Return	-	-	-	-	-	-	-	-	-	-	-	-	-
Return on Rate Base	-	-	-	-	-	-	-	-	-	-	-	-	-
Property Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Costs	15	21	158	254	728	169	299	372	154	(25)	-	-	2,145
Current Month Activity	15	21	158	254	728	169	299	372	154	(25)	-	-	2,145
Interest Rate:	0.36%	0.47%	0.47%	0.47%	0.48%	0.48%	0.49%	0.46%	0.50%	0.53%	0.58%	0.62%	
Current Month Interest**	-	-	-	-	1	1	1	1	1	1	1	1	8
Current Activity and Interest	15	21	158	254	729	170	300	373	155	(24)	1	1	2,153
Rounding/Transfer													-
Ending Balance	584	605	763	1,017	1,746	1,916	2,216	2,589	2,744	2,720	2,721	2,722	2,722

Attachment J

Attachment J - 2016 ERRA Forecast vs Actual Variance Analysis

CONFIDENTIAL/PRIVILEGED INFORMATION PURSUANT TO APPLICABLE PROVISIONS OF D.06-06-066,
GENERAL ORDER 66-C & PUC CODE SECTIONS 583 & 454.5(G)

Thousands of Dollars (without FF&U)

No.	Component	2016 Forecast	2016 Recorded	Difference	Variance
1	Load ISO Charges & Supply ISO Revenues		\$ 162,411		
2	Contract Costs (non-CTC)		896,541		
3	Contract Costs (CTC up to Market)		39,700		
4	Generation Fuel		95,600		
5	Net Supply ISO Revenues		1,031,841		
6	Equity Rebalancing Costs		12,183		
7	CAISO Misc. Costs		(28,588)		
8	Hedging Costs		36,395		
9	Greenhouse Gas & Carrying Costs		34,166		
	Total ERRA Expenses	\$ 1,292,965	\$ 1,248,409	\$ (44,556)	

- 1 **Load ISO Charges & Supply ISO Revenues** - Lower load and electric price for load were more than offset by much lower generation/supply revenue.
- 2 **Contract Costs (non-CTC)** - Solar and Wind prices were over-estimated in the forecast. In addition, SDG&E received a \$33M settlement from a counterparty which offset expenses.
- 3 **Contract Costs (CTC up to Market)** - Generation was higher than forecasted.
- 4 **Generation Fuel** - natural gas fuel prices were lower than forecast by 17%, and UOG units ran less than forecasted.
- 7 **CAISO Misc. Costs** - CRR and Convergence Bidding costs are not included in the forecast, therefore recorded values (typically negative) are lower than forecast.
- 8 **Hedging Costs** - natural gas prices were lower than forecast, which caused settled hedges to be at higher expense than forecast.
- 9 **Greenhouse Gas Costs** - greenhouse gas emissions credits costs were lower than forecasted, partially due to UOG units operating less than forecasted.

Attachment K

**San Diego Gas & Electric Company
 Energy Resource Recovery Account (ERRA)
 2016 vs 2015 Recorded Variance Analysis**

Line #	Description	Diff	Column 1 Total 2016	Column 2 Total 2015	Column 3 =Col.(1)-Col.(2) Difference	Column 3a = Col.(3)/Col.(2) Variance %	Column 4 Explanation > 10% Change or \$1 million
1	ERRA beginning balance		\$ (25,271,695)	\$ 279,978,215			
2	REVENUES						
3	EECC Revenue (Less DWR Revenue)	5A	(1,447,488,589)	(1,745,799,056)	298,310,467	-17.1%	The difference is due to lower customer usage volumes.
4	Power Charge Indifference (PCIA) Revenue	5B	(2,307,633)	(6,884,475)	4,576,842	-66.5%	The Power Charge Indifference Adjustment was lower in 2016 compared to 2015 due to the DWR- Power charge credit, which lowered the PCIA rate.
5	Peak Time Rebate (PTR) Incentive Payments	5C	102,609	255,858	(153,249)	-59.9%	Peak Time Rebate Energy Incentive Payments were lower in 2016 due to lower usage by the customers.
6	Net Energy Metering - Net Surplus Compensation Pmts	5D	13,295,782	664,018	12,631,764	1902.3%	Net Energy Metering compensation payments were higher in 2016 due to higher customer enrollment and activity.
7	Total ERRA Revenues including FF&U		(1,436,397,831)	(1,751,763,655)	315,365,824		
8							
9	Less: FF&U factor (1.012179) for EECC	5A	17,575,524	21,006,251	(3,430,727)		
10	Less: FF&U factor for Power Charge Indifference Revenue	5B	27,959	82,837	(54,878)		
11	Less: FF&U factor for Peak Time Rebate Payments	5C	(1,261)	(3,078)	1,817		
12	Less: FF&U factor for Net Energy Metering	5D	(161,814)	(7,990)	(153,824)		
13	Total FF&U		17,440,408	21,076,020	(3,637,612)		
14							
15	Subtotal ERRA Revenues without FF&U		(1,418,957,423)	(1,730,685,635)	311,728,212		
16							
17	Less: Transfer to NGBA	5t	261,207,709	266,757,258	(5,549,549)	-2.1%	Due to a lower NGBA revenue requirement for 2016.
18	Less: Transfer to GRCMA	5t	2,117,540	24,903,204	(22,785,664)	-91.5%	The previous GRC amortization ended in 2015. A new GRC amortization began in 2016.
19	Less: Transfer to DPBA	5t	-	37,896,639	(37,896,639)	-100.0%	2016 Dynamic Pricing revenues were collected as part of the revenues in the GRCMA from Jan-July 2016, and in the NGBA from August-December 2016.
20	Less: Transfer to MMMA	5t	995,578	-	995,578	100.0%	No revenues were transferred to MMMA in 2015.
21							
22	Net Revenues Booked to ERRA		\$ (1,154,636,596)	\$ (1,401,128,534)	\$ 246,491,938		
23							
24	EXPENSES						
25	Contract Costs (CTC up-to-market) - PGE	5a	-	-	-	-	
26	Contract Costs (CTC up-to-market) - QFs & YCA	5b	39,700,452	41,964,935	(2,264,484)	-5.4%	Due to lower payments to CoGen counterparties for energy and capacity.
27	Contract Costs (Non-CTC)	5c	896,540,971	867,435,018	29,105,953	3.4%	Due to increased purchased power agreement costs and lower sales for resale in 2016.
28	Generation Fuel & In-Lieu Payment	5d	95,600,059	130,857,697	(35,257,638)	-26.9%	Due to reduced fuel costs and less conventional generation in 2016.
29	Other ISO Related Costs	5e	49	(15,154)	15,203	-100.3%	Due to refunds from CAISO in 2015.
30	ISO Supply & Load Costs	5f	162,411,339	114,119,746	48,291,593	42.3%	Due to lower CAISO supply revenues and higher CAISO load costs in 2016.
31	Hedging Costs & Financial Transactions	5i	36,395,253	41,224,181	(4,828,928)	-11.7%	Due to lower losses in gas price derivative hedging activities.
32	Rounding		(6)	(2)	(4)	-	
33	Customer Incentives - SPP, DR,20/20		-	-	-	-	
34	Rewards/Penalties - Palomar Energy Ctr	5k	-	-	-	-	
35	WREGIS Costs	5l	3,267,206	2,973,917	293,289	9.9%	Increase due to a larger number of GHG RECs retired in 2016 for GHG compliance.
36	ISO CRRs Costs	5g	(31,495,245)	(20,975,551)	(10,519,694)	50.2%	Due to higher revenues from CAISO in 2016 resulting from higher CRR value/higher quantity of CRRs settling with CAISO for electric congestion.
37	ISO Convergence Bidding Costs	5e	(359,844)	(1,365,854)	1,006,010	-73.7%	Due to lower revenues from CAISO for convergence bidding related items.
38	Rebalancing Costs (OMEC)	5m	12,183,318	12,713,028	(529,710)	-4.2%	
39	Purchased Tradable Renewable Energy Credits (TREC)	5n	-	-	-	-	
40	Sales Tradable Renewable Energy Credits (TREC)	5n	-	-	-	-	
41	Net Surplus Compensation Costs (AB920)		-	-	-	-	
42	Authorized Disallowances	5s	-	-	-	-	
43		5p	-	-	-	-	
44	Total Balancing Account Expenses		\$ 1,248,409,179	\$ 1,225,648,871	\$ 22,760,309		
45							
46	MISCELLANEOUS						
47	Supplier Refunds	5q	(77,022)	(1,923,857)	1,846,835	-96.0%	Fewer large cases were settled in 2016, which generated lower refunds related to the Energy Crisis.
48	Adjustments for In-Lieu Franchise Fees and O&M true-ups related to SONGS settlement items	5d, 1	(831,266)	-	(831,266)	100%	In 2016 one-time adjustments were made for In-Lieu fees and also O&M SONGS related items.
49	Carrying Cost Related to Hedging Margin Deposit - Computed	5i	266,964	93,989	172,975	184.0%	Carrying costs were higher in 2016 primarily due to higher average account balances and higher 3- month Commercial Paper borrowing rates.
50	SONGS Settlement, Trust reimbursement	1	(27,439,126)	(74,989,503)	47,550,377	-63.4%	Lower SONGS Trust reimbursements pursuant to D. 14-11-040.
51	Total Miscellaneous		\$ (28,080,449)	\$ (76,819,371)	\$ 48,738,921		
52							
53	Net Current Month Under/ (Over) Collection		\$ 65,692,134	\$ (252,299,034)	\$ 317,991,169		
54							
55	Interest Rate						
56	Interest	5u	274,373	307,992	(33,619)	-10.9%	Although the interest rates were higher in 2016, there were higher average balances during 2015.
57							
58	Transfer from IEMA	5t	503,462	527,515	(24,053)	-4.6%	Transfer balance from IEMA to ERRA per AL 2304-E. IEMA is excluded from the total interest calculation because interest is calculated on the balance within the memo account prior to transfer.
59	Transfer from DPBA	5t	(15,825,091)	-	-	100.0%	The balance of the DPBA account was transferred to ERRA at the end of 2016.
60	Transfer from RPSCMA	5t	-	5,410	-	0.0%	Transfer of RPSCMA balance in 2015 pursuant to 2607-E
61	True-up of SONGS Settlement items	1	-	(53,791,793)	53,791,793	-100.0%	True up of SONGS Settlement items in 2015
62	Activity with Interest & Transfers		\$ 50,644,878	\$ (305,249,910)	\$ 371,749,343		
63	ERRA ending balance		\$ 25,373,183	\$ (25,271,695)			

\$ 25,373,183 \$ (25,271,695)

2016 volumes
2015 volumes

Attachment L

San Diego Gas & Electric
Renewable Portfolio Standard Cost Memorandum Account (RPSCMA) - Electric
(Over) / Under Collection
Account# 1150615 / 2190252

	<u>Jan-16</u>	<u>Feb-16</u>	<u>Mar-16</u>	<u>Apr-16</u>	<u>May-16</u>	<u>Jun-16</u>	<u>Jul-16</u>	<u>Aug-16</u>	<u>Sep-16</u>	<u>Oct-16</u>	<u>Nov-16</u>	<u>Dec-16</u>	<u>Total</u>
Beginning Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,528	\$ 40,732	\$ 40,750	\$ 40,770	\$ -
Revenue													
Authorized Revenue													-
Amortization	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-
O&M (PS 3a)								34,521	6,188	-	-	-	40,709
Capital Related Costs													
Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax on Return	-	-	-	-	-	-	-	-	-	-	-	-	-
Return on Rate Base	-	-	-	-	-	-	-	-	-	-	-	-	-
Property Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Costs	-	-	-	-	-	-	-	34,521	6,188	-	-	-	40,709
Current Month Activity	-	-	-	-	-	-	-	34,521	6,188	-	-	-	40,709
Interest Rate (3c):	0.36%	0.47%	0.47%	0.47%	0.48%	0.48%	0.49%	0.46%	0.50%	0.53%	0.58%	0.62%	
Current Month Interest**	-	-	-	-	-	-	-	7	16	18	20	21	82
Current Activity and Interest	-	-	-	-	-	-	-	34,528	6,204	18	20	21	40,791
Rounding/Transfer (3b)													-
Ending Balance	-	-	-	-	-	-	-	34,528	40,732	40,750	40,770	40,791	40,791

** Interest applied to average monthly balance as follows: ((Beg. Bal.+(Current Month Adjustment/2))*(Int.Rate/12))

1/ Per AL 2607-E transfer balance in RPSCMA to ERRR. (PS 3b)

Attachment M

SAN DIEGO GAS & ELECTRIC
Renewable Portfolio Standard Cost Memorandum Account (RPSCMA)
Under / (over) collection
SAP account # 1150615 / 2190252

Year 2015	Revenue 4240143		0.5		Int Inc / (Exp) 7513376 / 7508246		Under / (Over) Collect 1150615 / 2190252		Ending Balance
	Beginning Balance	Expenses	Current Month Activity	Half balance	Interest Rate	Interest Amount	Transfer & Adjustment	Total Monthly Activity	
2014 Balance									5,406
January	5,406	0	0	0	0.13%	1		1	5,407
February	5,407	0	0	0	0.12%	1		1	5,408
March	5,408	0	0	0	0.12%	1		1	5,409
April	5,409	0	0	0	0.11%	0		0	5,409
May	5,409	0	0	0	0.10%	0		0	5,409
June	5,409	0	0	0	0.12%	1		1	5,410
July	1/ 5,410	0					(5,410)		0
August	0	0	0	0	0.13%	0			0
September	0	0	0	0	0.18%	0			0
October	0	0	0	0	0.22%	0			0
November	0	0	0	0	0.18%	0			0
December	0	0	0	0	0.20%	0			0
Total		0	0			4		4	

1/ Per AL 2607-E transfer balance in RPSCMA to ERRR.

Attachment N

SAN DIEGO GAS & ELECTRIC
Renewable Portfolio Standard Cost Memorandum Account (RPSCMA)
Under / (over) collection
SAP account # 1150615 / 2190252

	Revenue 4240143		0.50		Int Inc / (Exp) 7513376 / 7508246		Under / (Over) Collect 1150615 / 2190252		
Year 2014	Beginning Balance	Expenses	Current Month Activity	Half balance	Interest Rate	Interest Amount	Transfer & Adjustment	Total Monthly Activity	Ending Balance
2013 Balance									0
January	0	0	0	0	0.09%	0		0	0
February	0	0	0	0	0.09%	0		0	0
March	0	0	0	0	0.10%	0		0	0
April	0	0	0	0	0.10%	0		0	0
May	0	0	0	0	0.10%	0		0	0
June	0	0	0	0	0.10%	0		0	0
July	0	0	0	0	0.10%	0		0	0
August (1)	0	486	486	243	0.10%	0	4,920	5,406	5,406
September	5,406	0	0	0	0.11%	0	0	0	5,406
October	5,406	0	0	0	0.10%	0			5,406
November	5,406	0	0	0	0.10%	0			5,406
December	5,406	0	0	0	0.10%	0			5,406
Total		486	486			0		5,406	

(1) Transfer expenses in I/O 7018421 that was balanced in IEMA. \$4,920.08 should be balanced in RPSCMA. \$485.55 was charged to I/O FE5570002100. Total amount to be balanced per Dean Kinports is \$5,405.63. Interest is minimal.

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

**DECLARATION
OF SHERI S. MILLER**

A.17-06-XXX

Application of San Diego Gas & Electric Company (U 902-E) for Approval of: (i) Contract Administration, Least Cost Dispatch and Power Procurement Activities in 2015, (ii) Costs Related to those Activities Recorded to the Energy Resource Recovery Account and Transition Cost Balancing Account in 2016 and (iii) Costs Recorded in Related Regulatory Accounts in 2016

I, Sheri S. Miller, declare as follows:

1. I am the Settlements Manager for San Diego Gas & Electric Company ("SDG&E"). I have included my Direct Testimony ("Testimony") in support of SDG&E's Application for Approval of: (i) Contract Administration, Least Cost Dispatch and Power Procurement Activities, and (ii) Costs Related to those Activities Recorded to the Energy Resource Recovery Account, incurred during the Record Period January 1, 2016 through December 31, 2016, and (iii) the Entries Recorded in Related Regulatory Accounts. Additionally, as the Settlements Manager, I am thoroughly familiar with the facts and representations in this declaration and if called upon to testify I could and would testify to the following based upon personal knowledge.
2. I am providing this Declaration to demonstrate that the confidential information ("Protected Information") in support of the referenced Application falls within the scope of data provided confidential treatment in the IOU Matrix ("Matrix") attached to the Commission's Decision D.06-06-066 (the Phase I Confidentiality decision). Pursuant to the procedures adopted

in D.08-04-023, I am addressing each of the following five features of Ordering Paragraph 2 in D.06-06-066:

- that the material constitutes a particular type of data listed in the Matrix;
- the category or categories in the Matrix the data correspond to;
- that SDG&E is complying with the limitations on confidentiality specified in the Matrix for that type of data;
- that the information is not already public; and
- that the data cannot be aggregated, redacted, summarized, masked or otherwise protected in a way that allows partial disclosure.

3. The Protected Information contained in my Testimony constitutes material, market sensitive, electric procurement-related information that is within the scope of Section 454.5(g) of the Public Utilities Code.¹ As such, the Protected Information provided by SDG&E is allowed confidential treatment in accordance with Appendix 1 – IOU Matrix in D.06-06-066.

Confidential Information	Matrix Reference	Reason for Confidentiality And Timing
SSM-2, 7, 8 and 13; Attachment A and Attachment C	XI	Monthly Procurement Costs, confidential for 3 years
Attachment J, line 1 and 5: Load ISO Charges & Supply ISO Revenues	II.A.2 V.C	Utility Electric Price Forecasts; confidential for 3 years. LSE Total Energy Forecast; confidential for the front 3 years.
Attachment J, line 2 and 6: Contract Costs (non-CTC) & Equity Rebalancing Costs	II.B.4	Generation Cost Forecasts of Non-QF Bilateral Contracts; confidential for 3 years.
Attachment J, line 3: Contract Costs (CTC up to market)	II.B.3 II.B.4	Generation Cost Forecasts of QF Contracts; confidential for 3 years. Generation Cost Forecasts of Non-QF Bilateral Contracts; confidential for 3 years.
Attachment J, line 4: Generation Fuel	II.B.1	Generation Cost Forecasts of Utility Retained Generation; confidential for 3

¹ In addition to the details addressed herein, SDG&E believes that the information being furnished in my Testimony is governed by Public Utilities Code Section 583 and General Order 66-C. Accordingly, SDG&E seeks confidential treatment of such data under those provisions, as applicable.

	II.B.4	years. Generation Cost Forecasts of Non-QF Bilateral Contracts; confidential for 3 years.
Attachment J, line 7: CAISO Misc. Costs	II.A.2	Utility Electric Price Forecasts; confidential for 3 years.
Attachment J, line 8: Hedging Costs	I.A.4	Long-term Fuel (gas) Buying and Hedging Plans; confidential for 3 years.
Attachment J, line 9 and Attachment K, line 43: Greenhouse Gas & Carrying Costs	I.A.4	Long-term Fuel (gas) Buying and Hedging Plans; confidential for 3 years.

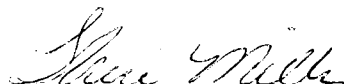
4. I am not aware of any instances where the Protected Information has been disclosed to the public. To my knowledge, no party, including SDG&E, has publicly revealed any of the Protected Information.

5. I will comply with the limitations on confidentiality specified in the Matrix for the Protected Information.

6. The Protected Information cannot be provided in a form that is aggregated, partially redacted, or summarized, masked or otherwise protected in a manner that would allow further disclosure of the data while still protecting confidential information.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 25th day of May, 2017, at San Diego, California.


 Sheri S. Miller
 Settlements Manager
 San Diego Gas & Electric Company