

TURN DATA REQUEST
TURN-SDG&E-DR-07
SDG&E 2016 GRC – A.14-11-003
SDG&E RESPONSE
DATE RECEIVED: APRIL 3, 2015
DATE RESPONDED: APRIL 17, 2015

1. Regarding 'ORA Request 4_B Summary SDGE.xlsx':
 - a. Please identify with specificity (i.e., volume and page number of testimony and workpapers) each location within the 2012 GRC showing where SDG&E identified and justified its forecasts for *Smart Meter Proj-Systems Devel*' (Item 048430) and *PT13013 Smart Meter Operation* (Item 00833R).
 - b. In the 2012 GRC, did SDG&E include the forecasted amounts for these two Smart Meter programs in the IT business unit section for purposes of forecasting IT expenditures? If not, please explain why it did not include it under IT in the 2012 GRC, but appears now to record the historical costs within the IT business unit, and briefly explain the justification for the change.
 - c. Did SDG&E record any portion of the 2009-2013 costs included in the 'ORA Request 4_B Summary SDG&E.xlsx' spreadsheet for *Smart Meter Proj-Systems Devel*' (Item 048430) and *PT13013 Smart Meter Operation* (Item 00833R) in the Advanced Metering Infrastructure Balancing Account (AMIBA), which the company established through Advice Letter 1897-E/1693-G on May 14, 2007 (according to Ex. SDG&E-12 (p. PCP-4) in A.10-12-005)?
 - i. If so, please identify the categories and amounts of costs recorded in the AMIBA in each year, provide evidence that SDG&E recorded these costs to the AMIBA and not to any GRC accounts, and explain why the costs are now included in the 'ORA Request 4_B Summary SDGE.xlsx' spreadsheet.
 - ii. If not, please provide a detailed explanation of why SDG&E did not do so.

SDG&E Response:

- a. In the TY2012 GRC, Project 4843.0 was referred to as Smart Meter Enhancements. Please see the Prepared Direct Testimony of Jeffrey C. Nichols Exh. SDG&E-18-R, Table JCN-9, listed on page JCN-61 and the associated Capital Workpapers SDG&E-18-R, pages JCN-CWP-92-R and JCN-CWP-93-R. This project was also discussed in the Prepared Direct Testimony of Paul C. Pruschki Exh. SDG&E-12 as described below in response to 1c.

The project PT13013 Smart Meter Operation was not forecasted in the TY2012 GRC for SDG&E.

- b. Yes, SDG&E did include project 4843.0 in the TY2012 GRC as described above in response to 1a.

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Response to Question 1b Continued

The project PT13013 Smart Meter Operation was not forecasted in the TY2012 GRC. This project didn't start until 2013, as shown in the file referenced by TURN 'ORA Request 4_B Summary SDG&E.xlsx', so it was beyond the scope of the TY2012 GRC forecast.

- c. From 2009 – 2011, the capital related costs (depreciation, return and taxes) associated with the costs included in the 'ORA Request 4_B Summary SDGE.xlsx' were recorded and recovered through the AMIBA regulatory account mechanism. See the separate attachments provided with this response for the years 2009-2011 as evidence that SDG&E recorded these costs to the AMIBA regulatory account. Beginning in 2012, the capital related costs related to AMI included in 'ORA Request 4_B Summary SDGE.xlsx' were not recovered through the AMIBA regulatory mechanism, but included in SDG&E's 2012 GRC base margin authorized revenue requirement (per D13-05-010). These costs are included in 'ORA Request 4_B Summary SDGE.xlsx' as these costs continue to be a part of SDG&E's CPUC GRC base margin revenue requirement as they have been since 2012 and not included in any other regulatory recovery mechanism (i.e. AMIBA).

Witness Paul Pruschki sponsored Smart Meter Policy testimony and workpapers, Exhibit SDG&E-12. The capital cost recovery is described by Mr. Pruschki on page PCP-12 beginning on line 3. The forecast for the Smart Meter Enhancement project costs are shown in Table PCP-4, reference line 8, on page PCP-13 and further described beginning on page PCP-46, line 11 through page PCP-47, line 22.

See separate attachments:

TURN-SDGE-DR-07_Q1c_AMIBA 2009 JE.pdf
TURN-SDGE-DR-07_Q1c_AMIBA-G 2009.pdf
TURN-SDGE-DR-07_Q1c_AMIBA-E 2009.pdf

TURN-SDGE-DR-07_Q1c_AMIBA 2010 JE.pdf
TURN-SDGE-DR-07_Q1c_AMIBA-G 2010.pdf
TURN-SDGE-DR-07_Q1c_AMIBA-E 2010.pdf

TURN-SDGE-DR-07_Q1c_AMIBA 2011 JE.pdf
TURN-SDGE-DR-07_Q1c_AMIBA-G 2011.pdf
TURN-SDGE-DR-07_Q1c_AMIBA-E 2011.pdf