

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

Order Instituting Rulemaking to Continue  
Implementation and Administration, and  
Consider Further Development, of California  
Renewables Portfolio Standard Program.

Rulemaking 24-01-017  
(Filed January 25, 2024)

**SAN DIEGO GAS & ELECTRIC COMPANY (U 902 E)  
SUBSTITUTE SHEETS TO UPDATE DRAFT 2024 RENEWABLES PORTFOLIO  
STANDARD PROCUREMENT PLAN**

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September 5, 2024

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In accordance with the Rules of Practice and Procedure of the California Public Utilities Commission (the “Commission”) and the Assigned Commissioner and Assigned Administrative Law Judge’s Ruling (“ACR”), issued in the above-captioned docket on May 20, 2024, San Diego Gas & Electric Company (“SDG&E”) hereby submits substitute sheets for those pages that have changed from its Draft 2024 RPS Procurement Plan and related appendices originally filed on July 22, 2024. SDG&E is including a redline version of the substitute sheets for the following pages and appendices to indicate where changes have been made, as compared to the corresponding pages in the July 22, 2024, Draft RPS Plan filing:

- SDG&E’s 2024 Draft Renewables Portfolio Standard Procurement Plan, pages 27 and 63
- Appendix 18 – Upfront Achievable Standards and Criteria

Respectfully submitted this 5<sup>th</sup> day of September 2024.

/s/ Walter C. Waidelich  
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**OFFICER VERIFICATION**

I am an officer of the reporting organization herein and am authorized to make this verification on its behalf. The statements in the foregoing document are true of my own knowledge, except as to matters which are therein stated on information or belief, and as to those matters, I believe them to be true. The spreadsheet templates used within this filing have not been altered from the version issued or approved by Energy Division.

Executed on the 5<sup>th</sup> day of September 2024 at San Diego, CA.

/s/ Adam Pierce  
**Adam Pierce**  
Vice President – Energy Procurement & Rates  
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**Redline Version  
Attachment A**

**Substitute Sheets  
SDG&E's 2024 DRAFT RENEWABLES PORTFOLIO STANDARD  
PROCUREMENT PLAN**

**September 5, 2024**

2021 to support SDG&E meeting its AB 2514 procurement obligation. To date, SDG&E has completed the 2014, 2016 and 2018 energy storage procurement cycles. In March of 2020, SDG&E filed its Application for Approval of its 2020 Energy Storage Procurement Framework and Program (A.20-03-003), which described how developers terminated two of the third-party contracts leaving SDG&E approximately 6 MW short of its target. Additional third-party contract cancellations in the remainder of 2020 resulted in a deficiency of approximately 13 MWs. On April 21, 2022, the Commission issued D.22-04-044,<sup>53</sup> allowing SDG&E and the other Investor-Owned Utilities to count energy storage procurement that has occurred in other processes at the Commissions towards their AB 2514 targets through Tier 1 Advice Letters.<sup>54</sup> The Commission approved SDG&E's Advice Letter 4112-E via disposition on November 23, 2022, to count energy storage procurement that has occurred in other Commission processes towards its AB 2514 target. By counting 12.5 MW of Valley Center Energy Storage II towards its AB 2514 target, SDG&E has met its obligation. The Lake Hodges Pumped Storage Facility ("Lake Hodges"), a facility that commenced operation in 2012, has notified SDG&E that a force majeure event, which had interrupted service, was expected to continue indefinitely. Lake Hodges has indicated publicly that the project delays originally were thought to continue while emergency repairs were performed over 5-6 months but now indicates that the dam may have to be replaced. SDG&E has counted Lake Hodges towards compliance with its AB 2514 target requirements in past reports. SDG&E is forecasting zero RPS-generation from this facility. The conditions that caused the force majeure event continue to exist at the dam and will likely continue for many years. ~~Due and to the extended force majeure event,~~ SDG&E worked with the counterparty ~~on the~~ next steps due to this extended force majeure event.

## MANDATED RPS PROCUREMENT PROGRAMS

The Commission has implemented several mandated procurement programs, such as RAM, ReMAT, BioMAT, and BioRAM. These programs, with the exception of BioRAM, have resulted and will result in additional RPS procurement that SDG&E must include in its RNS calculation, which will impact SDG&E's position and procurement decisions. RPS-eligible procurement may occur both within and outside the RPS program. If authorized to procure renewable resources as a part of these initiatives, SDG&E will count such resources towards its RPS goals.

With regard to these programs, the Commission, as well as SDG&E, have long been interested in "develop[ing] a comprehensive and practical plan to combine IRP and RPS filings...."<sup>55</sup> SDG&E, along with Southern California Edison Company ("SCE") and Pacific Gas & Electric Company ("PG&E"), have submitted comments to the Commission as proponents to bring about greater efficiencies, avoid duplication, and enhance customer benefits by further aligning the RPS proceeding with the processes in the IRP proceeding.

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<sup>53</sup> This decision adopted remaining direction regarding AB 2514 energy storage procurement targets and approving two energy storage programs pursuant to AB 2868.

<sup>54</sup> D.22-04-044, Ordering Paragraph 1 at 42.

<sup>55</sup> D.19-12-042 at 74.

## **XVI. IMPACT OF TRANSMISSION AND INTERCONNECTION DELAYS**

Pursuant to the ACR issued on May 17, 2024, and SB1174 (Hertzberg Stat. 2022, Ch.229), SDG&E is required to provide information on the development of transmission and interconnection facilities that enable renewable energy or energy storage resources which have executed agreements, and are in development. SDG&E has reviewed and provided in this filing its transmission facilities and network upgrades that support renewable or energy storage resources. ~~SDG&E has not had delays in the construction of the transmission facility and system network upgrade currently in development to support renewable or energy storage resources. Furthermore, SDG&E does not currently have transmission facilities or network upgrades that are required to interconnect renewable or energy storage resources that are under its Wholesale Distribution Open Access Tariff (WDAT).~~ The Transmission and Interconnection Delay Reporting template can be found in Appendix 20. The total amount of renewable energy and energy storage resources in SDG&E’s interconnection portfolio equals 7.2 Gigawatts for transmission and distribution that is active in the CAISO queue. SDG&E did not have recent delays for interconnection in-service dates. SDG&E is continually documenting processes, lessons learned, benchmarking best practices, and working collaboratively to provide exceptional customer service and most accurate assessments for projects’ implementations. Currently, there is no quantification of impacts from our continuous improvement processes. SDG&E will continue its ongoing efforts to avoid impacts to in-service dates of renewable projects.

## **XVII. OTHER RPS PLANNING CONSIDERATIONS AND ISSUES**

### **SDG&E’S REQUEST FOR AN UPDATED SHORT-TERM RPS TRANSACTION APPROVAL FRAMEWORK**

SDG&E is at a disadvantage when competing with the other LSEs and other REC market participants due to the current Commission approval process for short-term REC transactions. To address the challenges, SDG&E seeks the ability to transact short-term transactions through a process similar to the Quarterly Compliance Report (“QCR”). SDG&E requests the Commission to update the approval process for REC transactions less than five years. SDG&E believes that this change will empower SDG&E and the other IOUs to manage RPS compliance in a highly competitive and evolving renewable energy product market, deliver or receive RPS products in a timely manner, and create a level playing field for SDG&E’s bundled customers. SDG&E, in coordination with the other California IOUs, SCE and PG&E, proposes an updated approval process consistent with individual IOUs upfront, achievable standards and criteria, which would be pre-approved and reported in a quarterly compliance report submitted to the Commission’s Auditors and Energy Division via Tier 1 Advice Letter. Long-term transactions with terms of 5 years or more and short-term transactions not consistent with upfront, achievable standards and criteria would continue to utilize the Tier 3 Advice Letter approval process. SDG&E provides its upfront and achievable standards and criteria in Appendix 18.

**Redline Version**  
**APPENDIX 18**

**Achievable, Upfront Standards & Criteria**

**September 5, 2024**

### SDG&E's Achievable, Upfront Standards and Criteria

CATEGORY	STANDARDS & CRITERIA
Volume	SDG&E will consider volume limits in sales and/or purchases (i.e., quantities within a volumetric cap (in MWh) and identified in, and approved by the Commission in the RPS Plan)
Delivery Years	Less than 5 years forward
Products	PCC 1 / 2 / 3
Transaction Type	Purchase/Sell
Price	Sales - Price Floor <u>or Strong Showing</u> Purchases - Price Ceiling or Strong Showing <del>(if price is above the ceiling)</del>
Entities Type	Brokers, Counterparties, and Exchanges
Process/Method	IOU solicitations, 3rd party solicitations, bilateral, and broker/exchange transactions
PRG Consultation	PRG consultation for transactions greater than three months except for those transactions which (1) cannot wait for PRG consultation, (2) are in keeping with a strategy or plan already discussed with and reviewed by the PRG, and (3) involve transparent exchanges, brokers, or electronic solicitations
Administrative Review	The quarterly RPS Reporting will be submitted to CPUC auditing staff and the relevant Energy Division staff
Attachments to Quarterly Report	IE Report when applicable (i.e., SDG&E held Solicitations), copy of executed agreement, summary of volumes transacted are within the volumetric caps, strong showing for bilaterals
Cost Recovery	<ul style="list-style-type: none"> <li>• Purchases &lt; or equal 1 year: ERRA</li> <li>• Purchases &gt; 1 year and &lt; 5: PABA subaccount</li> <li>• Unit specific sales: PABA subaccount for sold resource</li> <li>• Non-Unit Specific resource: PABA subaccount pro rata allocation</li> <li>• IOU VA share: ERRA</li> <li>• Brokers &amp; exchange fees: ERRA/subaccount of PABA based on whether the purchase/sales would record to ERRA or PABA</li> <li>• Request an order in Commission Decision for Tier 1 AL to modify tariffs as needed</li> </ul>
Contract Method	Either via Commission-adopted pro forma, or transactions using other documentation that must include, at a minimum, the Commission-adopted RPS Standard Terms and Conditions, with the exception of the defined term "CPUC Approval"
List of Approved Brokers & Exchanges	List of Approved Brokers and Exchanges for REC Sales and Purchases (See SDG&E's list of brokers and exchanges below)



### SDG&E's List of Brokers and Exchanges<sup>1</sup>

<b>Brokers</b>
BGC Environmental Brokerage Services
BGC Financial, L.P.
Choice Natural Gas, LP and Choice Power, LP
Elk Mountain Energy, LLC
Energy Trade Management GP, LLC
Equus Energy Group, LLC
Evolution Markets Inc.
Intercontinental Exchange Inc.
IVG Energy, Ltd.
SCB Brokers LLC.
TFS Brokers
TFS Energy Futures, LLC
Tullet Prebon Americas Corp
Wells Fargo Advisors, LLC

<b>Exchanges</b>
Intercontinental Exchange (ICE)
New York Mercantile Exchange (NYMEX)

Note: SDG&E will update its brokers and exchanges list in its Bundled Procurement Plan as needed.

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<sup>1</sup> SDG&E's 2014 Bundled Procurement Plan, on pages 48 and 49.