

Application No.: A.19-04-
Exhibit No.: _____
Witness: April Bernhardt

UPDATED PREPARED DIRECT TESTIMONY OF
APRIL BERNHARDT
ON BEHALF OF
SAN DIEGO GAS & ELECTRIC COMPANY

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

NOVEMBER 7~~April 12~~, 2019



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5

6 **I. PURPOSE**

7 This updated prepared direct testimony outlines San Diego Gas & Electric Company's
8 ("SDG&E's") projected ongoing education and outreach costs related to the crediting of
9 greenhouse gas ("GHG") allowance revenues on customers' bills in the year 2020, as part of the
10 Energy Resource Recovery Account ("ERRA") forecast proceeding.

11 This updated prepared direct testimony is based on recorded costs and projections set forth
12 in SDG&E's prior GHG testimony, submitted on August 1, 2013 and September 1, 2013, April
13 15, 2014, and in prior ERRA testimony, submitted on April 15, 2015, April 15, 2016, April 14,
14 2017, April 13, 2018 and April 15, 2019.

15 **II. EDUCATION AND OUTREACH COSTS OVERVIEW**

16 Beginning in 2013, education and outreach activity has included working with the Energy
17 Division and outside consultants to define those activities. The education and outreach activity
18 was administered by the Center for Sustainable Energy ("CSE") under the statewide marketing,
19 education and outreach effort known as Energy Upgrade California. The utilities were tasked with
20 implementing support communications, such as email, direct mail and bill inserts, and these costs
21 were designated as administrative.

22 After a major statewide media effort in the first half of 2014, local communications have
23 continued those efforts since, with a focus on the use of bill inserts, direct mail and email, which
24 have been accounted for as administrative costs per direction from the California Public Utilities
25 Commission ("CPUC" or "Commission"). These communications have been implemented by the

1 utilities and feature the logo of the CPUC. No additional statewide education and outreach
2 activity has taken place since that initial effort.

3 In 2016, the Commission issued Decision (“D.”) 16-06-041, providing continued direction
4 for the utilities to focus on the following activities:

- 5 1. twice annually notify Climate Credit recipients¹ via on-bill communications when a
6 credit has been provided, and distribute the CPUC letter via email or bill insert;²
- 7 2. ensure that call center and customer service staff members are provided with
8 sufficient information to answer questions, and direct customers to a statewide
9 webpage for more information about the credit;³ and
- 10 3. notify the Director of Energy Division ~~or his designee-Director~~ if there are any
11 barriers in executing these activities.⁴

12 The decision further states that a separate statewide awareness campaign is very expensive
13 (“\$20 million per year expense would achieve a 40% to 60% awareness level”⁵) and that the
14 Energy Upgrade California program should include climate credit messaging instead.⁶ Thus,

1 ¹ See D.16-06-041 at 17, Ordering Paragraph (“OP”) 1-~~at 17~~. SDG&E electric only customers receive the electric bill Climate Credit while SDG&E gas only customer receive the gas Climate Credit. If an SDG&E customer has both gas and electric service, they receive both Climate Credits.

2 ² On March 29, 2019, SDG&E filed a Petition for Modification (“PFM”) of D.13-12-003 requesting to change the months in which the semi-annual Climate Credit is distributed – from April and October to August and September. SDG&E does not anticipate any impact to its forecast request for education and outreach costs if the PFM is granted. See Rulemaking (“R.”) 11-03-012, Petition for Modification of D.13-12-003 of San Diego Gas & Electric Company (March 29, 2019).

3 ³ D.16-06-041 at 17, OP 2.

4 ⁴ *Id.* at 17, OP 3.

5 ⁵ *Id.* at 7-8 (citing, R.11-03-12 August 21, 2013 Targetbase report findings included in D.16-06-041).

6 ⁶ *Id.* at 9 (“[m]essaging related to the climate credit has already been incorporated into the request for proposals for a statewide marketing campaign that was considered in ~~[Application]~~A. [Application] 12-08-007 et al.”).

1 SDG&E is no longer reserving any funds for statewide media efforts to promote the Climate
2 Credit but will solely focus on the local communication activities.

3 **III. 2020 COST PROJECTIONS**

4 For 2020, I have included in the Application the Detail of Outreach and Administrative
5 Expense costs (Attachment G) – costs —at a higher level than the 2019 ERRA Forecast
6 Application. at a lower level than in the 2019 ERRA Forecast Application. The forecast for 2020
7 takes into account the Commission’s Proposed Decision (“PD”) regarding SDG&E’s Petition for
8 Modification of D.13-12-003 that shifts the California Climate Credit electric distribution from
9 April and October to August and September in 2020 and 2021, if approved.

10 In accordance with ~~Decision~~ D.16-06-041, as mentioned above, SDG&E notifies
11 customers at each distribution of the California Climate Credit via bill insert/direct mail and email,
12 currently in April and October. If adopted, the PD requires an additional touchpoint with
13 customers in April along with the new distribution months, August and September:

14 1. SDG&E must coordinate with Energy Division staff to develop new language to
15 modify twice-annual written communications required under D.16-06-041~~28~~ to
16 include points 1-4, above, when appropriate. New communication materials must
17 also present a timetable clearly showing the distribution months for both the
18 electric and natural gas credits for that year. The April timing of the natural gas
19 credit is not affected by this Decision. Anticipated communication materials
20 include:

21 a. An April customer bill insert/letter/email explaining that the April electric
22 Climate Credit will be distributed in August for 2020 and 2021; and

1 b. August and September customer bill inserts/letters/emails providing
2 information about the Climate Credit as required in D.16-06-041. SDG&E
3 must include information about the change in timing of Climate Credit
4 distribution.

5 Therefore, I have included \$59,000 ~~\$47,500~~ for administrative costs such as bill inserts,
6 emails and Information Technology (“IT”) related costs. My total cost projection of the expenses
7 to be incurred in 2020 is ~~thus~~ ~~\$47,500~~ \$59,000.

8 This concludes my updated prepared direct testimony.

1 **IV. QUALIFICATIONS**

2 My name is April Bernhardt. I am employed by SDG&E as a marketing manager. My
3 business address is 8306 Century Park Court, CP-62C, San Diego, California, 92111.

4 I graduated from San Diego State University with a degree in Liberal Arts and Science. I
5 have more than 15 years of experience working for two Fortune 250 companies in San Diego in
6 the areas of communications and media, and most recently marketing.

7 I have been employed by SDG&E as a communications manager since 2010 with
8 increasing areas of responsibility. As the marketing manager of pricing plans, my responsibilities
9 include collaborating with internal and external stakeholders on Marketing, Education & Outreach
10 (“ME&O”) and as the conduit of information to ensure stakeholders are informed on critical
11 ME&O developments. Additionally, I am responsible for developing marketing strategies to
12 increase customer satisfaction and awareness of rate changes and pricing plan options.

13 Prior to my current role, I served as a senior project manager in communications at
14 SDG&E. Prior to that, I served as a senior communications manager in Media and Employee
15 Communications at SDG&E. I previously held communication roles at Sempra Energy and
16 Qualcomm Inc.

17 I have not previously testified before the California Public Utilities Commission.