Application:A.19-10-\_\_\_\_Exhibit No.:SDG&E-\_\_\_\_Witness:Jennifer Montanez

#### PREPARED DIRECT TESTIMONY OF

#### JENNIFER MONTANEZ

## ON BEHALF OF SAN DIEGO GAS & ELECTRIC COMPANY

## **CHAPTER 4 – BILL IMPACTS**



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

OCTOBER 28, 2019

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#### PREPARED DIRECT TESTIMONY OF JENNIFER MONTANEZ CHAPTER 4 – BILL IMPACTS

## I. INTRODUCTION

My prepared direct testimony presents San Diego Gas & Electric Company's ("SDG&E") proposed cost recovery along with the associated rate and bill impacts for the Power Your Drive Extension Program ("PYD Extension Program" or "Program") that is the subject of this application ("Application") as described in the testimony of Randy Schimka.<sup>1</sup>

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#### II. COST RECOVERY, RATE IMPACTS, AND BILL IMPACTS

SDG&E proposes to recover costs allocated to the California Public Utilities Commission jurisdiction through distribution rates. Costs, properly allocated to the Federal Energy Regulatory Commission ("FERC") jurisdiction, will be recovered through transmission rates. Table JM-1 below presents the illustrative class average electric rate impacts for 2021 through 2023 from recovery of the proposed revenue requirements, as presented in the testimony of Casey Butler, compared to current rates.<sup>2</sup> The amount SDG&E will recover in rates beginning in 2021 is based on the revenue requirement presented in Butler's testimony of \$0.971 million (without Franchise Fees and Uncollectibles ("FF&U")),<sup>3</sup> or \$1.008 million (with FF&U). SDG&E proposes to recover ongoing costs associated with the PYD Extension Program in a future General Rate Case ("GRC") proceeding.

<sup>&</sup>lt;sup>1</sup> References to "testimony" herein are to the prepared direct testimony served in support of this Application.

<sup>&</sup>lt;sup>2</sup> Rates effective June 1, 2019 per Advice Letter ("AL") 3377-E, approved June 21, 2019 and effective June 1, 2019.

<sup>&</sup>lt;sup>3</sup> Effective in rates on August 1, 2016 per D.16-06-054.

|              |                              |                             | <u>2021</u>                          |                                  |                             | <u>2022</u>                          |                                  |                             | <u>2023</u>                          |                                  |
|--------------|------------------------------|-----------------------------|--------------------------------------|----------------------------------|-----------------------------|--------------------------------------|----------------------------------|-----------------------------|--------------------------------------|----------------------------------|
|              | Current<br>6/1/19<br>(¢/kWh) | Proposed<br>Rate<br>(¢/kWh) | Change<br>from<br>Current<br>(¢/kWh) | Change<br>from<br>Current<br>(%) | Proposed<br>Rate<br>(¢/kWh) | Change<br>from<br>Current<br>(¢/kWh) | Change<br>from<br>Current<br>(%) | Proposed<br>Rate<br>(¢/kWh) | Change<br>from<br>Current<br>(¢/kWh) | Change<br>from<br>Current<br>(%) |
| Residential  | 27.368                       | 27.375                      | 0.007                                | 0.03%                            | 27.423                      | 0.055                                | 0.20%                            | 27.448                      | 0.080                                | 0.29%                            |
| Small Comm.  | 25.305                       | 25.312                      | 0.007                                | 0.03%                            | 25.357                      | 0.052                                | 0.21%                            | 25.381                      | 0.076                                | 0.30%                            |
| Med & Lg C&I | 23.045                       | 23.049                      | 0.004                                | 0.02%                            | 23.075                      | 0.030                                | 0.13%                            | 23.089                      | 0.044                                | 0.19%                            |
| Agriculture  | 17.625                       | 17.629                      | 0.004                                | 0.02%                            | 17.656                      | 0.031                                | 0.18%                            | 17.670                      | 0.045                                | 0.26%                            |
| Lighting     | 22.239                       | 22.247                      | 0.008                                | 0.04%                            | 22.301                      | 0.062                                | 0.28%                            | 22.329                      | 0.090                                | 0.40%                            |
| System Total | 24.596                       | 24.601                      | 0.005                                | 0.02%                            | 24.637                      | 0.041                                | 0.17%                            | 24.656                      | 0.060                                | 0.24%                            |

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In 2021, the illustrative annual bill impact of the proposed revenue requirements<sup>4</sup> is approximately \$0.43 for a typical residential customer<sup>5</sup> using 500 kilowatt-hours ("kWh") per month in both the inland and coastal climate zones, as compared to current rates. On a percentage basis, this equates to an illustrative annual bill impact of 0.02%. In 2022 the illustrative annual bill impact of the proposed revenue requirements is approximately \$3.84 for a typical residential customer using 500 kWh per month in both the inland and coastal climate zones, as compared to current rates. On a percentage basis, this equates to an illustrative annual increase of 0.21%. In 2023 the illustrative annual bill impact of the proposed revenue requirements is approximately \$5.55 for a typical residential customer using 500 kWh per month in both the inland and coastal climate zones, as compared to current rates. On a percentage basis, this equates to an illustrative annual bill impact of the proposed revenue requirements is approximately \$5.55 for a typical residential customer using 500 kWh per month in both the inland and coastal climate zones, as compared to current rates. On a percentage basis, this equates to an illustrative annual increase of 0.31%. Illustrative annual bill impacts for

<sup>&</sup>lt;sup>4</sup> See the testimony of Casey Butler for further details regarding the revenue requirements.

<sup>&</sup>lt;sup>5</sup> SDG&E's typical residential customer is a Non-California Alternate Rates for Energy ("CARE"), non-solar customer on basic service.

- 1 residential customers are presented in Table JM-2 below. Illustrative monthly bill impacts for
- 2 residential customers are presented in Table JM-3 below.

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## Table JM-2: Illustrative Annual Bill Impact – Residential Schedule DR

|                | Monthly<br>Energy<br>Usage<br>(kWh) <sup>1</sup> | Current<br>6/1/19<br>(\$) | Proposed<br>Bill<br>(\$) | 2021<br>Change<br>from<br>Current<br>(\$) | Change<br>from<br>Current<br>(%) | Proposed<br>Bill<br>(\$) | 2022<br>Change<br>from<br>Current<br>(\$) | Change<br>from<br>Current<br>(%) | Proposed<br>Bill<br>(\$) | 2023<br>Change<br>from<br>Current<br>(\$) | Change<br>from<br>Current<br>(%) |
|----------------|--|---------------------------|--------------------------|---|----------------------------------|--------------------------|---|----------------------------------|--------------------------|---|----------------------------------|
| Annual Inland  | 500  | 1,782.32                  | 1,782.78                 | 0.46                                      | 0.03%                            | 1,786.16                 | 3.84                                      | 0.22%                            | 1,787.84                 | 5.52                                      | 0.31%                            |
| Annual Coastal | 500  | 1,820.98                  | 1,821.39                 | 0.41                                      | 0.02%                            | 1,824.82                 | 3.84                                      | 0.21%                            | 1,826.55                 | 5.57                                      | 0.31%                            |
| Annual Average | 500  | 1,801.65                  | 1,802.09                 | 0.43                                      | 0.02%                            | 1,805.49                 | 3.84                                      | 0.21%                            | 1,807.20                 | 5.55                                      | 0.31%                            |

1) Annual bill based on monthly usuage.

## Table JM-3: Illustrative Monthly Bill Impact – Residential Schedule DR

|                | Monthly<br>Energy<br>Usage<br>(kWh) <sup>1</sup> | Current<br>6/1/19<br>(\$) | Proposed<br>Bill<br>(\$) | 2021<br>Change<br>from<br>Current<br>(\$) | Change<br>from<br>Current<br>(%) | Proposed<br>Bill<br>(\$) | 2022<br>Change<br>from<br>Current<br>(\$) | Change<br>from<br>Current<br>(%) | Proposed<br>Bill<br>(\$) | 2023<br>Change<br>from<br>Current<br>(\$) | Change<br>from<br>Current<br>(%) |
|----------------|--|---------------------------|--------------------------|---|----------------------------------|--------------------------|---|----------------------------------|--------------------------|---|----------------------------------|
| Inland Summer  | 500  | 154.22                    | 154.27                   | 0.05                                      | 0.03%                            | 154.54                   | 0.32                                      | 0.21%                            | 154.68                   | 0.46                                      | 0.30%                            |
| Inland Winter  | 500  | 144.46                    | 144.49                   | 0.03                                      | 0.02%                            | 144.78                   | 0.32                                      | 0.22%                            | 144.92                   | 0.46                                      | 0.32%                            |
| Coastal Summer | 500  | 159.95                    | 159.99                   | 0.04                                      | 0.03%                            | 160.27                   | 0.32                                      | 0.20%                            | 160.42                   | 0.47                                      | 0.29%                            |
| Coastal Winter | 500  | 145.89                    | 145.92                   | 0.03                                      | 0.02%                            | 146.21                   | 0.32                                      | 0.22%                            | 146.35                   | 0.46                                      | 0.32%                            |

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This concludes my prepared direct testimony.

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#### **III. STATEMENT OF QUALIFICATIONS**

My name is Jennifer Montanez and my business address is 8330 Century Park Court, San
Diego, California 92123. I am a Rate Strategy Project Manager in the Customer Pricing
Department of SDG&E. My primary responsibilities include planning, development, and
implementation of rate related proceedings, cost-of-service studies, determination of revenue
allocation and preparation of various regulatory filings. Prior to that, I was employed in
positions of increasing responsibility in the Electric and Fuel Procurement, Energy Risk
Management, and Resource Planning departments of SDG&E. I also served as an accountant for
various Sempra Energy business units for five years. I have been employed with Sempra Energy
and/or SDG&E for a total of 12 years.

I received a bachelor's degree in Business Administration, with an emphasis in
 Accounting, from California State University of San Marcos.

I have previously submitted testimony before the California Public Utilities Commission.