

Application: A.17-09-005
Exhibit No.: SDG&E-xx
Witness: Paul Pruschki

PREPARED REVISED REBUTTAL TESTIMONY OF
PAUL PRUSCHKI
CHAPTER 12
ON BEHALF OF SAN DIEGO GAS & ELECTRIC COMPANY

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

June 26, 2018



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		- Accounts that do not qualify based on their rate, e.g., accounts with an EG rate (the natural gas transportation rate for Electric Generation customers)
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Two of the EE measures classified as specialized in my original and rebuttal testimony should have been classified as standard since they qualify for existing SDG&E EE Programs. One of the measures reclassified as standard in my rebuttal testimony was mistakenly considered a retrocommissioning measure. The measure was to install variable frequency drives on standalone ventilation fans and provide controls. The measure should have remained specialized due to the ventilation fan’s temporary and portable nature.¹ These revisions require changes to the total overall EE funding request as detailed in Section II below.

The second error concerns the costs used to determine the cost-effectiveness of the specialized measures. In response to ORA Data Request 011, SDG&E conducted Total Resource Cost (“TRC”) and Program Administrator Cost (“PAC”) analyses on the specialized EE measures proposed by SDG&E in the Application.² These results were also included in my rebuttal testimony.³ In preparing to respond to ORA Data Request 016,⁴ SDG&E discovered that the cost data used to prepare the TRC and PAC analyses was incorrect. SDG&E’s initial analyses included the estimated overall savings and costs for each measure as well as SDG&E’s

¹ See, Appendix A (“CET_Results_Specialized_REVISED”), attached hereto.
² ORA DR 011, Q2 (April 13, 2018);
³ Prepared rebuttal testimony of Paul Pruschki, pp. 9
⁴ ORA DR 016, Q1 (June 20, 2018).

assessment of the probability of implementing each measure.⁵ The overall savings benefits in those analyses was then reduced by the implementation probability, but the overall costs were not reduced by the same implementation probability. This mistake inaccurately lowered the cost-effectiveness of the measures. This revised rebuttal testimony corrects the cost-effectiveness ratios to account for implementation probability in the costs of each measure as well as the savings benefits.

II. REBUTTAL TESTIMONY TABLE CORRECTIONS

Revised Table PP-2, District EMP Savings by Measure Category:

District Measure Category	Targeted Electric Energy Savings (kWh)	Targeted Gas Energy Savings (Therms)	Targeted Distribution
Standard	7,400,000	44,400	74%
Specialized	2,600,000	15,600	26%
Totals (2019-2021)	10,000,000	60,000	100%

Revised Table PP-2_v2, District EMP Savings by Measure Category: with correction for reclassification of certain standard measures and specialized measures.

District Measure Category	Targeted Electric Energy Savings (kWh)	Targeted Gas Energy Savings (Therms)	Targeted Distribution
Standard	<u>7,470,000</u>	<u>44,820</u>	<u>74.7%</u>
Specialized	<u>2,530,000</u>	<u>15,180</u>	<u>25.3%</u>
Totals (2019-2021)	10,000,000	60,000	100%

⁵ ORA DR 01, Q2.i. (November 21, 2017);

1 The impacts to the cost of SDG&E's EE proposal are as follows:

2 **Revised Table PP-4, EE Direct Cost Summary:**

(2017\$ Cost in 1,000s; Excludes Loaders, Escalation, Taxes)				
Project	2019	2020	2021	Total
EE - Incremental	\$708	\$708	\$708	\$2,125

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4 **Revised Table PP-4_v2, EE Direct Cost Summary:** with correction for reclassification
5 of certain standard measures and specialized measures.

(2017\$ Cost in 1,000s; Excludes Loaders, Escalation, Taxes)				
Project	2019	2020	2021	Total
EE - Incremental	<u>\$697</u>	<u>\$697</u>	<u>\$697</u>	<u>\$2,092</u>

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7 **Revised Table PP-5, EE Proposal Activities and Requested Funding:**

2017\$ Funding Category 2019-2021	Amount
Targeted Specialized Measure Procurement Costs	\$1,224,643
Future Specialized Audits	\$300,000
Emerging Technology Projects	\$600,000
Total Incremental Funds Requested	\$2,124,643

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9 **Revised Table PP-5_v2, EE Proposal Activities and Requested Funding:** with
10 correction for reclassification of certain standard measures and specialized measures.

2017\$ Funding Category 2019-2021	Amount
Targeted Specialized Measure Procurement Costs	<u>\$1,191,672</u>
Future Specialized Audits	\$300,000
Emerging Technology Projects	\$600,000
Total Incremental Funds Requested	<u>\$2,091,672</u>

1 **Revised Table PP-6, Incremental Energy Efficiency Loaded Cost Summary:**

(Cost in 1,000s; Includes Loaders, Escalation)				
Project	2019	2020	2021	Total
EE - Incremental	\$763	\$782	\$801	\$2,347

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3 **Revised Table PP-6_v2, Incremental Energy Efficiency Loaded Cost Summary:** with
4 correction for reclassification of certain standard measures and specialized measures.

(Cost in 1,000s; Includes Loaders, Escalation)				
Project	2019	2020	2021	Total
EE - Incremental	<u>\$751</u>	<u>\$770</u>	<u>\$789</u>	<u>\$2,310</u>

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6 In addition, I am providing the following revisions to my direct testimony, to account for
7 the correction of the classification of standard measures and specialized measures:

8 **Page PP-13, line 12: delete “2.4,” replace with “2.53.”**

9
10 “. . . energy savings impact within the District’s boundaries. Overall, this proposal targets
11 ~~2.4~~ 2.53 million kWh of specialized energy savings measures based upon the findings in recently
12 completed audits.”

1 **III. COST-EFFECTIVENESS CORRECTIONS**

2 In response to ORA Data Request 016,⁶ SDG&E revisited the Total Resource Cost
3 (“TRC”) and Program Administrator Cost (“PAC”) analyses on these measures called for in
4 ORA Data Request 011.⁷ Because of the corrected measure classifications and costs, SDG&E’s
5 revised forecasted range for each of the proposed individual measure TRC ratios has changed
6 from 0.16 to 1.61 to **0.36 to 2.39**, and PAC ratios have changed from 0.97 to 2.66 to **1.63 to 3.01**.
7 The overall program TRC ratio has changed from 0.55 to **0.99** and the overall PAC ratio has
8 changed from 1.95 to **2.32**. A revised cost-effectiveness analyses has been completed and is
9 included as Appendix A.

10 This concludes my revisions to my rebuttal testimony.

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⁶ ORA DR 016, Q1 (June 20, 2018).

⁷ ORA DR 011, Q2 (April 13, 2018).