

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

Application of SAN DIEGO GAS & ELECTRIC
COMPANY (U 902 E) For Authority To Update
Electric Rate Design Effective on January 1, 2020

Application 19-07-XXX

**PREPARED DIRECT TESTIMONY OF
WOO-JIN SHIM
ON BEHALF OF SAN DIEGO GAS & ELECTRIC COMPANY**

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

JULY 3, 2019



TABLE OF CONTENTS

I.	PURPOSE AND SUMMARY	1
II.	Operations and Maintenance (“O&M”) COSTS	1
	A. Escalation	1
	B. Overhead Allocations.....	2
	C. Total O&M.....	2
III.	REVENUE REQUIREMENT	2
	A. O&M Expenses.....	3
	B. Working Cash	3
	C. Franchise Fees and Uncollectibles.....	3
	D. Forecasted Revenue Requirement.....	3
IV.	STATEMENT OF QUALIFICATIONS	5

1 **PREPARED DIRECT TESTIMONY OF**
2 **WOO-JIN SHIM**

3 **I. PURPOSE AND SUMMARY**

4 The purpose of this prepared direct testimony on behalf of San Diego Gas & Electric
5 Company (“SDG&E”) is to present the revenue requirement associated with the Electric Vehicle
6 High Power (“EV-HP”) rate. The forecasted revenue requirement for this project is \$1.1 million
7 over the years 2020 through 2021. Since this proposal includes costs above and beyond those
8 authorized by the California Public Utilities Commission (“Commission”) in SDG&E’s most
9 recent General Rate Case (“GRC”), all costs associated with this project are incremental, and
10 thus are additive to any currently authorized levels of revenue requirement.

11 **II. OPERATIONS AND MAINTENANCE (“O&M”) COSTS**

12 Table 1 below summarizes the direct costs described in the prepared direct testimony of
13 Brittany Applestein Syz.¹ These costs do not yet reflect the impact of escalation, and loaders.

14 **Table 1: Direct Costs**
15 *(In Millions, 2019\$)*

	2020	2021	Total
O&M	\$ 0.7	\$ 0.3	\$1.0

16
17 **A. Escalation**

18 Escalation is applied to direct costs to properly account for inflation. SDG&E applied the
19 indices published in IHS Global Insight’s 2019 1st quarter Utility Cost Forecast for this
20 Application.

¹ Prepared Direct Testimony of Brittany Applestein Syz at BS-12.

1 **A. O&M Expenses**

2 The loaded and escalated O&M expenses shown in Table 2 above are included as a
3 component of the total revenue requirement.

4 **B. Working Cash**

5 Working cash is the funding supplied by investors to meet day-to-day utility operational
6 requirements, and to cover the time that expenditures are made for services until the time
7 revenues are collected for those services.⁵ It is included as a component of the total revenue
8 requirement.

9 **C. Franchise Fees and Uncollectibles**

10 The revenue requirement includes costs related to the payment of FF&U. FF&U covers
11 payments made to counties and incorporated cities pursuant to local ordinances granting right of
12 way access, as well as uncollectible expenses incurred by SDG&E.⁶

13 **D. Forecasted Revenue Requirement**

14 Table 3 below illustrates the final forecasted revenue requirement for the Proposed
15 Project.

16 **Table 3: Forecasted Revenue Requirement Summary**
17 *(In Millions, Nominal)*

	2020	2021	Total
Revenue Requirement	\$ 0.8	\$ 0.3	\$1.1

18
19 The above revenue requirement is based on the forecasted costs provided in this
20 application. SDG&E will determine any applicable O&M costs of the Proposed Project as it is

⁵ A.17-10-007, Second Revised SDG&E Direct Testimony of Steven P. Dais (Working Cash) (Ex. SDG&E-36-2R) (April 6, 2018) at 2.

⁶ FF&U multipliers used for these revenue requirements are consistent with those supported in Decision (“D.”) 16-06-054.

1 completed, and will calculate the actual revenue requirements associated with those costs for
2 recovery in rates. Details on cost recovery of the actual revenue requirement are discussed in the
3 prepared direct testimony of Jenny Phan. Details of the rate impacts of the revenue requirement
4 are discussed in the prepared direct testimony of William Saxe.

5 This concludes my prepared direct testimony.

1 **IV. STATEMENT OF QUALIFICATIONS**

2 My name is Woo-Jin Shim. My business address is 8330 Century Park Court, San Diego,
3 California 92123. I am employed by SDG&E as a Principal Business Analyst in Financial &
4 Strategic Analysis. I am responsible for overseeing the financial analysis and development of
5 revenue requirements for SDG&E projects. I joined SDG&E in 2018. Prior to SDG&E, I was
6 employed by GreatCall for 0.5 years as a Senior Financial Analyst. I received a Bachelors in
7 Political Science from University of California (“UC”) Berkeley in 2001. I received a Master of
8 Business Administration degree from UC San Diego in 2013.

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