

Application No.: A.21-04-010  
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**



**~~April 15, 2021~~ November 5, 2021**

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

**I. PURPOSE**

This updated testimony outlines San Diego Gas & Electric Company’s (“SDG&E’s”) projected ongoing education and outreach costs related to the crediting of greenhouse gas (“GHG”) allowance revenues on residential and small business customers’ bills in the year 2022, as part of the Energy Resource Recovery Account (“ERRA”) forecast proceeding.

This updated testimony is based on recorded costs and projections set forth in SDG&E’s prior GHG testimony, submitted on August 1, 2013, and September 1, 2013, April 15, 2014, and in prior ERRA testimony, submitted on April 15, 2015, April 15, 2016, April 14, 2017, April 13, 2018, April 15, 2019, ~~and~~ April 15, 2020, and April 15, 2021.

**II. RESIDENTIAL EDUCATION AND OUTREACH ~~COSTS~~ OVERVIEW**

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

After a major statewide media effort in the first half of 2014, local communications have continued those efforts since, with a focus on the use of bill inserts, direct mail and email, which have been accounted for as administrative costs per direction from the California Public Utilities Commission (“CPUC” or “Commission”). These communications have been implemented by the utilities and feature the logo of the CPUC. No additional paid statewide education and outreach activity has taken place since that initial effort.

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

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

10 The Decision further states that a separate statewide awareness campaign is very expensive  
11 (“\$20 million per year expense would achieve a 40% to 60% awareness level”<sup>5</sup>) and that the  
12 Energy Upgrade California program should include climate credit messaging instead.<sup>6</sup> Thus,  
13 SDG&E is no longer reserving any funds for statewide media efforts to promote the Climate  
14 Credit but will solely focus on the local communication activities.

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<sup>1</sup> D.16-06-041 at 17, Ordering Paragraph (“OP”) 1. 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.

<sup>2</sup> 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. The PFM was granted per D.19-12-002, effective December 5, 2019.

<sup>3</sup> D.16-06-041 at 17, OP 2.

<sup>4</sup> *Id.* at 17, OP 3.

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

<sup>6</sup> *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 A. [Application] 12-08-007 et al.”).

1 For 2022, in accordance with D.13-12-003, SDG&E anticipates that it will maintain the  
2 three touchpoints with residential customers in April along with the distribution months, August  
3 and September:

4 1. SDG&E must coordinate with Energy Division staff to develop new language to  
5 modify twice-annual written communications required under D.16-06-041 to  
6 include points 1-43, above, when appropriate. New communication materials must  
7 also present a timetable clearly showing the distribution months for both the  
8 electric and natural gas credits for that year. The April timing of the natural gas  
9 credit is not affected by this Decision. Anticipated communication materials  
10 include:

11 a. An April customer bill insert/letter/email explaining that the April electric  
12 Climate Credit will be distributed in August for 2020, ~~and~~ 2021 and 2022;  
13 and

14 b. August and September customer bill inserts/letters/emails providing  
15 information about the Climate Credit as required in D.16-06-041. SDG&E  
16 must include information about the change in timing of Climate Credit  
17 distribution.<sup>7</sup>

### 18 **III. SMALL BUSINESS EDUCATION AND OUTREACH OVERVIEW**

19 In D.21-08-026, SDG&E was ordered to utilize a flat credit distribution method where  
20 qualifying small businesses receive a credit identical to the residential California Climate Credit at  
21 the same times the residential California Climate Credit is distributed.

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<sup>7</sup> D.19-12-002 at 10-11.

1 In October 2021, SDG&E consulted with the Commission’s Energy Division to develop an  
2 appropriate small business customer outreach plan and outreach message regarding the changes  
3 adopted in the decision. Similar to the residential California Climate Credit communications and  
4 assuming SDG&E is not presented with any technical difficulties to distribute the credit twice in  
5 2022<sup>8</sup>, August and September, SDG&E will conduct the following activities:

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

13 Expenses for outreach shall be entered into the utility’s Administrative and Outreach  
14 Memorandum Account.<sup>9</sup>

#### 15 **III.IV. 2022 COST PROJECTIONS**

16 For 2022, I have included in the Application the Detail of Outreach and Administrative  
17 Expense costs (Attachment G) – costs –at the same level as the 2021 ERRR Forecast Application.  
18 The forecast for 2022 incorporates SDG&E’s proposal to retain the August and September  
19 Climate Credit disbursement timing for 2022 and beyond, which is being considered by the  
20 Commission in R.20-05-002. SDG&E is awaiting Commission ~~approval on this~~  
21 ~~proposal~~direction for the years 2023 and beyond.

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<sup>8</sup> R.20-02-002 at 64.

<sup>9</sup> R.20-02-002 at 39.

1 ~~If SDG&E's proposal in R.20-05-002 is approved, and, in accordance with D.13-12-003,~~  
2 ~~SDG&E anticipates that it will maintain the three touchpoints with residential customers in April~~  
3 ~~along with the distribution months, August and September:~~

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

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

12 ~~b. August and September customer bill inserts/letters/emails providing information~~  
13 ~~about the Climate Credit as required in D.16-06-041. SDG&E must include information about the~~  
14 ~~change in timing of Climate Credit distribution.<sup>10</sup>~~

15 ~~If SDG&E's proposal in R.20-05-002 is not approved and SDG&E is required to revert to~~  
16 ~~the Climate Credit distribution months of April and October, SDG&E anticipates it will resume~~  
17 ~~the twice a year Climate Credit recipient communication as originally directed in D.16-06-04. The~~  
18 ~~administrative costs are projected to be slightly less given one less touch point.~~

19 Therefore, I have included \$59,000 for the required residential administrative costs as  
20 stated above and \$23,000 for the approved small business outreach. My total cost projection of  
21 the expenses to be incurred in 2022 is ~~\$59,000~~ \$82,000. This concludes my prepared direct  
22 testimony.

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<sup>10</sup> ~~D.19-12-002 at 10-11.~~

1 **IV.V. 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 17 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 previously testified before the California Public Utilities Commission.