

Application No.: A.21-04-010  
Exhibit No.: \_\_\_\_\_  
Witness: Gwendolyn R. Morien

**PREPARED REBUTTAL TESTIMONY OF**  
**GWENDOLYN R. MORIEN**  
**ON BEHALF OF**  
**SAN DIEGO GAS & ELECTRIC COMPANY**

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



**AUGUST 13, 2021**

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**PREPARED REBUTTAL TESTIMONY OF  
GWENDOLYN R. MORIEN  
ON BEHALF OF SAN DIEGO GAS & ELECTRIC COMPANY**

**I. INTRODUCTION**

The purpose of my rebuttal testimony is to address the July 16, 2021 Prepared Direct Testimony of Brian Dickman on behalf of San Diego Community Power and Clean Energy Alliance (collectively the “CCA Parties”) in San Diego Gas and Electric Company’s (“SDG&E”) 2022 Energy Resource Recovery Account (“ERRA”) Application<sup>1</sup> (“Application”). Specifically, my rebuttal testimony addresses the following contentions made in Mr. Dickman’s testimony:

- Recommendations that SDG&E be prohibited from updating commodity rates for bundled customers until such rates can be developed using an updated retail sales forecast for 2022 that incorporates new departing load and matches commodity revenue requirement and expected bundled customer sales.
- Recommendations that future SDG&E ERRA Forecast cases be filed with a sales forecast for the same test year.
- Recommendations that SDG&E identify in testimony and workpapers the impact of issues initiated or identified in other Commission proceedings that affect revenue requirement and customer rates presented in this case, including: (1) updating for the 2022 sales forecast, (2) updating the Portfolio Allocation Balancing Account (“PABA”) revenue requirement to reflect the 2022 Non-Fuel Generation Balancing Account (“NGBA”)

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<sup>1</sup> SDG&E filed its 2022 ERRA Forecast Application (“A.”) 21-04-010 on April 15, 2021, with an amended application filed on May 10, 2021.

1 costs, (3) incorporating the 2021 year-end CAPBA balance and SDG&E's  
2 proposed cost recovery method, and (4) identifying the 2021 year-end  
3 ERRA balance and SDG&E's proposed cost recovery method.

4 SDG&E's failure to address any individual issue in this rebuttal testimony does not imply  
5 agreement by SDG&E with any argument, position or proposal asserted by the CCA Parties.

6 My testimony pertains to issues regarding illustrative rate and bill impacts associated  
7 with the cost recovery of SDG&E's ERRA Forecast Application and other rate component issues  
8 that were previously set forth in the Amended Prepared Direct Testimony of Stacy Fuhrer dated  
9 May 10, 2021 submitted in support of the Application. Moving forward, I will serve as  
10 SDG&E's witness on the issues previously presented in Ms. Fuhrer's Amended Prepared Direct  
11 Testimony, and therefore, I adopt Ms. Fuhrer's prior Direct Testimony as my own.

12 **II. THE COMMISSION HAS ALREADY ADDRESSED THE CCA PARTIES'**  
13 **RECOMMENDATION REGARDING THE 2022 SALES FORECAST**

14 At pages 14-18 of his Direct Testimony, Mr. Dickman argues that SDG&E's proposed  
15 bundled commodity rates are unreasonable and must be updated to reflect the 2022 sales  
16 forecast.<sup>2</sup> However, issues regarding the interplay between the ERRA forecast application and  
17 the 2022 sales forecast application were already addressed by the Commission in the prehearing  
18 conference and subsequent ruling that issued on August 8, 2021.<sup>3</sup> Specifically, the August 8<sup>th</sup>  
19 Ruling states:

20 1. SDG&E shall file its November Update filing for this proceeding  
21 using a sales forecast based on its last adopted 2021 sales forecast that is  
22 modified to reflect is best expert forecast of the departing load expected to  
23 occur in 2022.

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<sup>2</sup> Prepared Direct Testimony of Brian Dickman ("Dickman Testimony") at pp. 14-18.

<sup>3</sup> See Administrative Law Judge Douglas Long's *E-mail Ruling – 2022 Sales Forecast Work-Around* dated August 6, 2021.

1 SDG&E will abide by the Commission’s August 8<sup>th</sup> Ruling and will file its November  
2 Update using a sales forecast that reflects SDG&E’s best expert forecast of the departing load  
3 expected to occur in 2022. Accordingly, the CCA Parties’ request that the Commission prohibit  
4 the update of commodity rates until the 2022 sales forecast is approved should be rejected.

5 **III. SDG&E SUPPORTS INCLUDING A SALES FORECAST UPDATE IN FUTURE**  
6 **ERRA FILINGS *PROVIDED* THE COMMISSION MOVES SDG&E’S ERRA**  
7 **FORECAST FILING DATE TO JUNE 15**

8 In his Direct Testimony, Mr. Dickman recommends that future ERRA forecast cases be  
9 accompanied with an updated sales forecast for the projected year.<sup>4</sup> SDG&E agrees that  
10 beginning with next year’s ERRA forecast application (*i.e.*, the 2023 ERRA forecast  
11 application), SDG&E should be authorized by the Commission to include an annual sales  
12 forecast within the ERRA forecast application *on the condition that the Commission also*  
13 *authorize SDG&E to move its ERRA forecast filing date from April 15<sup>th</sup> to June 15<sup>th</sup>.*

14 SDG&E intends to submit a Petition for Modification of Decision (“D.”) 13-09-003 to (1)  
15 allow it to update all three types of electric sales (system net, system delivered and bundled)  
16 annually within the context of the ERRA Forecast Application in order to align rates with  
17 anticipated CCA load departure, and (2) move the ERRA forecast application filing date from  
18 April 15<sup>th</sup> to June 15<sup>th</sup> of each year. Both Pacific Gas and Electric Company and Southern  
19 California Edison Company already update their sales forecasts annually within the ERRA  
20 forecast proceeding and both those utilities file their respective ERRA forecast applications in  
21 June (instead of April). However, SDG&E’s sales forecast process is lengthy and time-  
22 consuming and includes an annual meet-and-confer effort with the CCA Parties, as well as other  
23 Load Serving Entities, which typically takes place in March of each year. As such, SDG&E will

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<sup>4</sup> Dickman Testimony at pp. 3 and 18.

1 need additional time, until June 15<sup>th</sup>, to develop the sales forecast and resulting rates from the  
2 meet-and-confer process and to prepare its ERRA forecast application in a timely and efficient  
3 manner.

4 **IV. SUMMARY OF ISSUES IN OTHER SDG&E PROCEEDINGS OR DECISIONS**  
5 **THAT IMPACT FINAL RATES THAT WILL BE INCLUDED IN THE**  
6 **NOVEMBER UPDATE**

7 At pages 30-40 of his Direct Testimony, Mr. Dickman identifies various issues raised in  
8 other proceedings (or decisions) that may have an impact on the final resolution of this ERRA  
9 Forecast Application, including: (1) updating the PABA revenue requirement to reflect the 2022  
10 NGBA costs; (2) recovery of the 2021 year-end CAPBA; (3) recovery of the 2021 ERRA  
11 Trigger as set forth in A.21-05-006; and (4) recovery of the 2020 ERRA Trigger Surcharge (D.  
12 21-02-014). I address each of these items below.

13 **A. SDG&E's 2022 NGBA**

14 In his Direct Testimony, Mr. Dickman recommends that SDG&E update its PABA  
15 revenue requirement to reflect the 2022 NGBA costs prior the November Update (pursuant to  
16 D.21-05-003, which discontinued the Power Charge Indifference Adjustment (“PCIA”) cap and  
17 trigger mechanism).<sup>5</sup> SDG&E objects to this recommendation as it is unduly burdensome and  
18 unnecessary.

19 As stated in the Amended Direct Testimony of SDG&E witness Stacy Fuhrer at page SF-  
20 19 lines 1-4:

21 “...the 2022 NGBA revenue requirements and the vintage 2022 MPBs are  
22 not available at the time of this filing. Therefore, the 2021 NGBA<sup>6</sup>  
23 revenue requirements and the current MPBs<sup>7</sup> were used in the preliminary

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<sup>5</sup> Dickman Testimony at pp. 2 and 31.

<sup>6</sup> SDG&E filed AL 3640-E on November 5, 2020.

<sup>7</sup> Per SDG&E's updated November 2021 ERRA Forecast Application (A.20-04-014) and D.21-01-017.

1 calculation of the vintage 2022 PCIA rates in this amended testimony and  
2 will be updated in SDG&E's November Update filing in this proceeding."

3 As previously stated, SDG&E will include the 2022 NGBA revenue requirement as part  
4 of its November Update to this Application. This is common practice for many prior ERRA  
5 proceedings, including the 2021 ERRA Forecast Application pursuant to D.21-01-017. Mr.  
6 Dickman does not provide any rationale for deviating from this established practice. Moreover,  
7 SDG&E notes that no party, including the CCA Parties, disputed this practice during the 2021  
8 ERRA forecast application or complained that the process was somehow deficient.

9 Furthermore, in response to SDCP/CEA Data Request ("DR") No. 2, Question 3,  
10 SDG&E already provided the CCA Parties with the impact of the 2022 NGBA revenue  
11 requirement on the 2022 PABA revenue requirement and the 2022 PCIA rates. Accordingly, any  
12 recommendation that SDG&E update rates and testimony to reflect the 2022 NGBA revenue  
13 requirement prior to the November Update should be rejected as unnecessary and unduly  
14 burdensome.

15 **B. SDG&E's Proposal for Recovery of the 2021 Year-End CAPBA Trigger**

16 In his Direct Testimony, Mr. Dickman recommends that the Commission should require  
17 SDG&E to provide a detailed proposal for recovery of the 2021 year-end CAPBA prior to filing  
18 its November Update.<sup>8</sup> SDG&E also objects to this recommendation as unduly burdensome and  
19 unnecessary.

20 In response to SDCP/CEA DR No. 4, Question 4, SDG&E provided the CCA Parties  
21 with the breakout of vintage 2021 CAPBA undercollections. The CCA Parties have not  
22 requested rate impacts from this undercollection, though SDG&E is happy to provide this

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<sup>8</sup> Dickman Testimony at pp. 31-33.

1 information via a data request response prior to the November Update. Providing illustrative  
2 rates pursuant to the 2021 CAPBA is a more constructive and efficient way to identify the impact  
3 of the PCIA cap removal pursuant to D.21-05-030 rather than a complete update of rates and  
4 testimony prior to the November Update. For that reason, the CCA Parties' recommendation  
5 that SDG&E update rates and testimony to reflect the 2021 CAPBA under-over collection  
6 account balance be denied as unnecessary and overly burdensome.

7 **C. SDG&E's Proposal for Recovery of the 2021 ERRR Trigger**

8 **1. Disposition of 2021 Year-End ERRR Balance**

9 In his Direct Testimony, Mr. Dickman recommends that SDG&E be required to provide a  
10 detailed proposal for recovery of the 2021 year-end ERRR balance prior to filing its November  
11 Update.<sup>9</sup> However, as Mr. Dickman correctly states on pages 33-34 of direct testimony, the  
12 CCA Parties' motion to consolidate the 2021 ERRR Trigger (A.21-05-006) into this instant  
13 application has not been ruled on by the Commission. As such, any request for SDG&E to  
14 update rates and testimony to reflect this impact is premature and out of scope of the current  
15 ERRR Forecast Application.

16 Furthermore, in response to SDCP/CEA DR No. 3 Question 19, SDG&E provided PCIA  
17 and bundled commodity rate impacts pursuant to A.21-05-006 and the eventual request by  
18 SDG&E to transfer the balance to the PABA by following the vintaging rules. Therefore, the  
19 CCA Parties currently have the impacts related to the 2021 ERRR Trigger that are being  
20 requested in Mr. Dickman's testimony. If there are further questions, SDG&E is open to  
21 providing responses via data requests. However, it would improper and inefficient to ask that  
22 SDG&E update the entirety of its application and testimony at this juncture. For these reasons,

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<sup>9</sup> Dickman Testimony at p. 37.



1 the CCA Parties' request for SDG&E to update rates and testimony pursuant to the 2021 ERRA  
2 Trigger should be rejected as out of scope, premature and unnecessary.

### 3 **2. Modification of ERRA Trigger Calculation**

4 At page 38 of his Direct Testimony, Mr. Dickman recommends that if SDG&E's  
5 proposal in A.21-05-066 (to modify the ERRA trigger methodology) is adopted, SDG&E should  
6 be required to provide with its monthly ERRA and PABA reporting a detailed accounting of the  
7 determination of bundled customers' share of the PABA and whether the combined ERRA and  
8 PABA balance has met the ERRA Trigger threshold.<sup>10</sup>

9 This proposal should be rejected as unduly burdensome and unnecessary and out of scope  
10 of this ERRA Forecast Proceeding. The CCA Parties provide no rationale as to why this  
11 information will provide any value, only stating that "the two balancing accounts don't always  
12 move in the opposite directions."<sup>11</sup> Per D.07-05-008, SDG&E is already required to serve notice  
13 if it reaches the trigger threshold,<sup>12</sup> and as stated by Mr. Dickman on page 38 of his testimony,  
14 SDG&E is already required to report monthly ERRA and PABA balances. SDG&E does not see  
15 the need or value in generating additional monthly reports that are of little use. Requiring  
16 SDG&E to provide a detailed accounting of bundled customers' share of PABA and whether the  
17 combined ERRA and PABA balance has met the ERRA trigger would be unduly burdensome  
18 and provide little value and should be rejected as such.

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<sup>10</sup> Dickman Testimony at pp. 38-40.

<sup>11</sup> *Id.*, at p. 38.

<sup>12</sup> *See* D.07-05-008 at OP 2.

1           **D.     SDG&E’s Proposal for Recovery of the 2020 ERRR Trigger Surcharge**

2           In his Direct Testimony, Mr. Dickman asks that SDG&E provide further explanation as  
3 to how the continued under-collection from vintage 2020 customers would be resolved.<sup>13</sup>

4           D.21-05-030 at Ordering Paragraph (“OP”) 1 states, “SDG&E shall leave its 2021 capped  
5 PCIA rates and rate adders in effect through 2021 and implement the removal of the PCIA cap in  
6 rates effective January 1, 2022.” The Commission is explicit that capped PCIA rates will be  
7 removed effective January 1, 2022. In order to comply with this directive, SDG&E will “uncap”  
8 PCIA rates pursuant to its 2020 ERRR Trigger (D.21-02-014) (Vintage 2020 in this instance),  
9 via its Tier 1 Consolidated Advice Letter filing. Any other course of action could result in  
10 SDG&E being out of compliance with D.21-05-030.

11           **V.     CONCLUSION**

12           This concludes my prepared rebuttal testimony.

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<sup>13</sup> *Id.* at p. 40.

1 **VI. QUALIFICATIONS**

2 My name is Gwendolyn Morien. My business address is 8330 Century Park Court, San  
3 Diego, California 92123. I have been employed as a Rate Strategy Project Manager in the  
4 Customer Pricing Department at San Diego Gas & Electric Company since 2017. My primary  
5 responsibilities include the development of electric rate design and policy in various regulatory  
6 filings. I began work at SDG&E in 2016 as a Business/Economics Analyst and have held  
7 positions of increasing responsibility in the Customer Pricing group.

8 I received a Bachelor of Science in Accounting from the State University of New York at  
9 Geneseo in 2010 and a Master of International Affairs with a concentration in Environmental and  
10 Energy Policy from the School of Global Policy and Strategy at the University of California, San  
11 Diego in 2016. I am a licensed CPA in New York.

12 I have previously testified before the California Public Utilities Commission and the  
13 Federal Energy Regulatory Commission.