

Application No.: A.22-05-025XXX
Exhibit No.: _____
Witness: Kristina M. Ghianni

UPDATED PREPARED DIRECT TESTIMONY OF
KRISTINA M. GHIANNI
ON BEHALF OF
SAN DIEGO GAS & ELECTRIC COMPANY

*****REDACTED, PUBLIC VERSION*****

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



October 12~~May 31~~, 2022

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1 **UPDATED PREPARED DIRECT TESTIMONY OF**
2 **KRISTINA M. GHIANNI**
3 **ON BEHALF OF SAN DIEGO GAS & ELECTRIC COMPANY**

4 **I. INTRODUCTION**

5 The purpose of my updated testimony is to address cost recovery related to San Diego
6 Gas & Electric Company's ("SDG&E") Energy Resource Recovery Account ("ERRA"),
7 Competition Transition Charge ("CTC"), Local Generation ("LG") revenue requirements and
8 Tree Mortality Non-Bypassable revenue requirements. More specifically, my testimony:

- 9 • Describes SDG&E's ERRA, Transition Cost Balancing Account
10 ("TCBA"), Local Generating Balancing Account ("LGBA"), Tree
11 Mortality Non-Bypassable Charge Balancing Account ("TMNBCBA"),
12 Solar on Multifamily Affordable Housing ("SOMAH") Program funding,
13 Disadvantaged Communities Single Family Solar Homes program
14 ("DAC-SASH"), Portfolio Allocation Balancing Account ("PABA"),
15 Power Charge Indifference Adjustment ("PCIA") Undercollection
16 Balancing Account ("CAPBA"), and Resource Adequacy Procurement
17 Memorandum Account ("RAPMA"); and,
18 • Sets forth SDG&E's forecasted 2023 ERRA, CTC, LG, TMNBC, and
19 PABA revenue requirements. In addition, my testimony presents the
20 comparison between the recorded 2021 year-end balances with the actual
21 2021 year-end balances in the GHG allowance revenues and expenses
22 balancing accounts. Finally, my testimony requests authorization of the
23 revenue requirement of the San Onofre Nuclear Generating Station
24 ("SONGS") Unit 1 Offsite Spent Fuel Storage costs as described in
25 Section XIII below.

1 **II. BACKGROUND**

2 Pursuant to California Public Utilities Commission (“Commission”) Decisions (“D.”) 02-
3 10-062 and D.02-12-074, the purpose of the ERRA balancing account is to provide full recovery
4 of SDG&E’s energy procurement costs associated with serving SDG&E’s bundled service
5 customers. Energy procurement costs include expenses associated with the California
6 Independent System Operator (“CAISO”) such as energy and ancillary services load charges,
7 CAISO revenues from utility generation and supply contracts, contract costs, generation fuel
8 costs, CAISO-related costs, and hedging costs. The ERRA records revenues from SDG&E’s
9 Electric Energy Commodity Cost (“EECC”) rate schedule, adjusted to exclude commodity
10 revenues assigned to the Non-Fuel Generation Balancing Account (“NGBA”),¹ and other
11 Commission approved adjustments.

12 The purpose of the TCBA is to accrue all CTC revenues and recover all CTC-eligible
13 generation-related costs. Pursuant to D.02-12-074 and D.02-11-022, payments to Qualifying
14 Facilities (“QFs”) that are above the market benchmark proxy are charged to the TCBA. Eligible
15 CTC expenses² reflect the difference between the market proxy and the contract price of costs
16 associated with certain QF contracts.

17 The purpose of the LGBA is to record the revenues and costs of generation and other
18 energy sources where the Commission has determined that the resource is subject to the Cost
19 Allocation Mechanism (“CAM”). Such generation may take the form of purchase power
20 agreements, company-owned generation units associated with new generation resources, and any
21 other resources approved by the Commission for CAM treatment.

¹ In compliance with D.03-12-063, the NGBA became effective January 1, 2004.

² Expenses eligible for CTC recovery are defined by Assembly Bill (“AB”) 1890.

1 **III. 2023 ERRA, CTC, AND LG REVENUE REQUIREMENT FORECASTS**

2 As shown in Table 1 below, SDG&E’s 2023 ERRA revenue requirement forecast is
 3 ~~\$433.755~~\$45.009 million, including forecasted GHG costs as well as franchise fees and
 4 uncollectibles (“FF&U”). The direct testimony of SDG&E witness Mr. -Matthew O’Connell
 5 provides a detailed discussion of the Greenhouse Gas (“GHG”) costs.

6 **TABLE 1**
 7 **ERRA REVENUE REQUIREMENT**
 8 **(SMillions of Dollars)**

No.	Component	2023 Forecast		2022 Forecast		Change from Prior Year	
1.	Load ISO Charges						
2.	Supply ISO Revenues						
3.	Contract Costs (non-CTC)						
4.	Contract Costs (CTC up to market)						
5.	Generation Fuel						
6.	Net Supply ISO Revenues						
7.	CAISO Misc. Costs						
8.	Hedging Costs						
9.	GHG Costs						
10.	Subtotal		428.607 <u>538.540</u>		489.956 <u>777.521</u>		(61.349) <u>(238.981)</u>
11.	FF&U ³		5.1486.468		5.9459.339		(0.797) <u>(2.870)</u>
12.	TOTAL⁴		433.755 <u>545.009</u>		495.901 <u>786.860</u>		(62.146) <u>(241.851)</u>

9
 3 The 2023 forecast reflects the franchise fee and uncollectible factor of 1.012011.

4 Sums may not equal due to rounding.

1 The forecasted cost components set forth in the line items contained in Table 1 above,
 2 and the reasons for the \$ ~~(62.146)~~(241.851) million decrease in the 2023 ERRA revenue
 3 requirement forecast – as compared to the 2022 ERRA revenue requirement (as submitted in the
 4 2022 Forecast) – are addressed in Mr. -O’Connell’s testimony.

5 As shown in Table 2 below, SDG&E’s 2023 CTC revenue requirement forecast is
 6 ~~\$11.232~~10.765 million, including FF&U.

7 **TABLE 2**
 8 **CTC REVENUE REQUIREMENT**
 9 **(SMillions of Dollars)**

No.	Component	2023 Forecast	2022 Forecast	Change from Prior Year
1.	QF Contracts	11.098 <u>10.637</u>	11.556 <u>9.462</u>	(-0.458) <u>1.175</u>
2.	FF&U ⁵	0.133 <u>0.128</u>	-0.140 <u>0.114</u>	(-0.007) <u>0.014</u>
3.	TOTAL	11.232 <u>10.765</u>	11.696 <u>9.576</u>	(-0.465) <u>1.189</u>

10
 11 For CTC-eligible purchase power contracts, the power purchased is recorded to the
 12 ERRA at the market proxy of ██████████ MWh. The difference between the actual contract
 13 price and the market proxy is included in the 2023 CTC forecast and recorded to the TCBA.

14 SDG&E witness Mr. -O’Connell discusses the market proxy in greater detail in his testimony.

15 As shown in Table 3 below, SDG&E’s 2023 Local Generation (“LG”) revenue
 16 requirement forecast is ~~\$175.361~~189.826 million, including FF&U.

17 **TABLE 3**
 18 **LG REVENUE REQUIREMENT**
 19 **(SMillions of Dollars)**

No.	Component	2023 Forecast	2022 Forecast	Change from Prior Year
1.	Combined Heat & Power	██████████	██████████	██████████
2.	Energy Storage	██████████	██████████	██████████
3.	Peakers & Resource Adequacy	██████████	██████████	██████████
4.	Local Generation GHG	10.544 <u>3.884</u>	-7.553	10.544 <u>(3.669)</u>
5.	SUBTOTAL	73.279 <u>187.573</u>	141.409 <u>145.081</u>	-31.870 <u>42.492</u>

⁵ *Id.*

6.	FF&U ⁶	2.0812.253	-1.7161.743	-0.3660.510
7.	TOTAL⁷	175.361189.826	143.125146.824	-32.23643.002

1 The LGBA was authorized in D.13-03-029. The LGBA records the LG costs and the
2 revenues received from SDG&E’s LG rate. On a monthly basis, the LGBA compares the LG
3 costs with the revenues received. Interest is applied to any over- or under-collected balance at
4 the three-month Commercial Paper rate. The LGBA utilizes sub-accounts for each generation
5 resource. In addition, D.21-05-004 was approved on May 6, 2021, clarifying direct GHG costs of
6 a resource are appropriately recorded in the balancing account to which cost recovery of the
7 underlying resource is approved. In accordance with the decision SDG&E has included GHG
8 costs in the 2023 Forecast for LGBA.

10 **IV. RETURN OF THE UNDERCOLLECTED 2020 LGBA RECORDED ACTIVITY**

11 In its Record Year 2020 ERRA Compliance application (A.21-06-004), SDG&E
12 requested review of the 2020 LGBA undercollected activity of \$0.396 million (\$0.400 million
13 including FF&U) and sought authority to recover the 2020 recorded activity in its 2023 ERRA
14 Forecast proceeding. The application was approved on May 5, 2022, in D.22-05-006.
15 Accordingly, SDG&E is requesting to recover the undercollected 2020 LGBA recorded activity
16 in rates.

17 **V. COMPARISON OF 2021 RECORDED VS ACTUAL YEAR-END BALANCES IN**
18 **GHG BALANCING ACCOUNTS**

19 In accordance with Finding of Fact (“FOF”) 13 of D.14-10-033, utilities must reconcile
20 forecast amounts with recorded amounts until all actuals are available for the forecast year.
21 Consistent with this methodology, SDG&E provides a comparison of the 2021 year-end

⁶ *Id.*

⁷ Sums may not equal due to rounding.

1 recorded/forecasted balances with the 2021 year-end actual balances in three GHG balancing
2 accounts in Table 4 below. More specifically, (1) GHG allowance revenues are recorded in the
3 GHG Revenue Balancing Account (“GHGRBA”); (2) expenses are recorded in the GHG
4 Customer Outreach and Education Memorandum Account (“GHGCOEMA”); and (3) expenses
5 are recorded in the GHG Administrative Costs Memorandum Account (“GHGACMA”).

**TABLE 4
COMPARISON OF 2021 RECORDED VS ACTUAL YEAR-END BALANCES IN GHG
BALANCING ACCOUNTS**

Line	Description	2021 Recorded ¹ (\$)	2021 Actual (\$)	Difference
	(1) GHGRBA			
1	Beginning Balance 1/1/2021	7,376,791	7,376,791	-
2	Allowance Revenue	(133,698,111)	(161,825,842)	(28,127,731)
3	Revenue returned to customers	94,535,311	98,145,288 <u>98,165,080</u>	3,609,977 <u>3,629,769</u>
4	Franchise Fees and Uncollectibles	(1,133,230)	(1,176,522)	(43,292)
5	Transfer to GHGCOEMA and GHGACMA ^{2,3}	45,133	104,932	59,799
6	Allowance Set Aside for Multi-Family Program ⁴	16,743,709	35,975,035	19,231,326
7	Allowance Set Aside for DAC-SASH ⁵	1,030,000	2,060,000	1,030,000
8	Allowance Set Aside for DAC-GT ⁶	-	-	-
9	Allowance Set Aside for CSGT ⁷	-	-	-
10	Interest	13,699	13,371	(328)
11	Ending Balance 12/31/2021	(15,086,698)	(19,326,947) (19,307,155)	(4,240,249) (4,220,457)
	(2) GHGCOEMA			
12	Beginning Balance 1/1/2021	50,991	50,991	-
13	Transfer from GHGRBA ²	(177)	(28,753)	(28,576)
14	Expenses	(45,263)	(45,263)	-
15	Interest	26	26	-
16	Ending Balance 12/31/2021	5,576	(23,000)	(28,576)
	(3) GHGACMA			
17	Beginning Balance 1/1/2021	(64,856)	(64,856)	-
18	Transfer from GHGRBA ³	(44,956)	(76,179)	(31,223)
19	Expenses	82,089	84,676	2,588
20	Interest	(53)	(51)	2
21	Ending Balance 12/31/2021	(27,777)	(56,410)	(28,633)

¹Per A.21-04-010 (2022 ERRRA Forecast Update November 15, 2021) Attachment G. Template D-1: Annual Allowance Revenue Receipts and Customer Returns; and Template D-3: Detail of Outreach and Administrative Expenses. Recorded amounts represent actual recorded activity from January through September 2021 and forecasted amounts from October through December 2021.

² This represents the GHGCOEMA expense true-up. The 2021 Recorded column shows the approved true-up per D.21-01-017, which was approved in January 2021. The 2021 Actual column shows the approved true-up per D.21-01-017 in addition to D.21-12-040, which was approved in December 2021.

³ This represents the GHGACMA expense true-up. The 2021 Recorded column shows the approved true-up per D.21-01-017, which was approved in January 2021. The 2021 Actual column shows the approved true-up per D.21-01-017 in addition to D.21-12-040, which was approved in December 2021.

⁴ This represents the program funding and true-ups for SOMAH. The 2021 Recorded column shows approved funding per D.21-01-017, which was approved in January 2021. The 2021 Actual column shows approved funding per D.21-01-017 in addition to D.21-12-040, which was approved in December 2021.

⁵ This represents the program funding for DAC-SASH. The 2021 Recorded column shows approved funding per D.21-01-017, which was approved in January 2021. The 2021 Actual column shows approved funding per D.21-01-017 in addition to D.21-12-040, which was approved in December 2021.

⁶ This represents the program funding for DAC-GT. The 2021 Recorded column shows approved funding per D.21-01-017, which was approved in January 2021. The 2021 Actual column shows approved funding per D.21-01-017 in addition to D.21-12-040, which was approved in December 2021.

⁷ This represents the program funding for CSGT. The 2021 Recorded column shows approved funding per D.21-01-017, which was approved in January 2021. The 2021 Actual column shows approved funding per D.21-01-017 in addition to D.21-12-040, which was approved in December 2021.

1 **VI. GREEN TARIFF SHARED RENEWABLE BALANCING ACCOUNT**
2 **(“GTSRBA”)**

3 Per D.15-01-051, SDG&E established the GTSRBA⁸ to record the difference between the
4 revenues collected from individual customers electing to participate in the GTSR program and
5 the incremental costs incurred to serve customers participating in that program. The GTSR
6 program consists of both a Green Tariff (“GT”) component and an Enhanced Community
7 Renewables (“ECR”) component which are recorded in separate subaccounts with the GTSRBA.
8 SDG&E’s GTSR program began in 2016 and recorded activity through 2021 as described in
9 SDG&E’s Annual GTSR Program Progress Report filed on March 15, 2022 (A.12-01-008). In
10 its 2020 ERRA Compliance application A.21-06-004, SDG&E requested review of the 2020
11 GTSRBA undercollected activity of \$1.388 million. The 2020 GTSRBA activity was approved
12 in D.22-05-006 on May 5, 2022. However, as mentioned in Ms. Morien’s testimony, SDG&E’s
13 ~~is requesting not to include this activity in 2023 rates~~ EcoChoice program was suspended
14 pursuant to a ruling issued on August 25, 2022 in A.22-05-023. Therefore SDG&E is not
15 requesting to include this activity in 2023 rates.

⁸ See SDG&E Advice Letter (“AL”) 2889-E, approved June 23, 2016 and effective May 28, 2016.

1 **VII. TREE MORTALITY NON-BYPASSABLE CHARGE BALANCING ACCOUNT**
2 **(“TMNBCBA”)**

3 Per D.18-12-003, SDG&E filed AL 3343-E⁹ established the TMNBCBA to record the
4 tree mortality related procurement costs. As noted in D.18-12-003, Ordering Paragraph (“OP”)
5 9, the TMNBCBA cost will be recovered through the public purpose programs (“PPP”) charge.

6 SDG&E’s 2023 TMNBC contract cost forecast is [REDACTED] million
7 [REDACTED] including FF&U), which is described in Mr. O’Connell’s testimony. The
8 TMNBC account is also forecasted to receive \$ [REDACTED] million in CAISO revenues, and
9 \$ [REDACTED] million in REC and RA sales revenues, resulting in net costs of \$ [REDACTED]
10 million.

11 **VIII. SOLAR ON MULTIFAMILY AFFORDABLE HOUSING (“SOMAH”)**
12 **PROGRAM**

13 D.17-12-022 OP 4, at p. 69, states that the IOUs “each shall reserve 10% of the proceeds
14 from the sale of greenhouse gas allowances defined in Public Utilities Code Section 748.5
15 through its annual Energy Resource Recover Account (ERRA) proceedings for use in the Solar
16 on Multifamily Affordable Housing Program, starting with its ongoing 2018 ERRA forecast
17 proceeding.”¹⁰ D.20-04-012, issued on April 23, 2020, continues authorization of allocation of
18 funds to the SOMAH program through June 30, 2026.

⁹ Two supplemental ALs were filed for AL 3343. AL 3343-B was submitted on May 31, 2019 and approved on July 19, 2019 with a July 2, 2019 effective date. AL 3343-E was approved on July 19, 2019 with an effective date of July 2, 2019.

¹⁰ On May 13, 2022, SCE filed a Petition for Modification of D.17-12-022 seeking to change the allocation to 10%, not to exceed \$100 million statewide. ~~Should the PFM be granted prior to the October Update, SDG&E will update its testimony accordingly. On September 15, 2022, the Commission approved D.22-09-009, which modifies D.17-12-022 and D.20-04-012, changing the funding requirements for the SOMAH program. The IOUs are now required to set aside 10% or their proportionate share of \$100 million, whichever is less, of the proceeds from the sale of GHG allowances.~~

1 In Template D-1: Annual Allowance Revenue Receipts and Customer Returns in
2 Attachment G to this Application, SDG&E presents the SOMAH Program prior year true-up
3 funding for October through December 2021 request of \$2.960 million (\$2.996 million including
4 FF&U).¹¹ The true-up is also presented in the testimony of SDG&E witness Ms. Morien.

5 **IX. DAC-SASHBA**

6 The purpose of the DAC-SASHBA is to balance allocated greenhouse gas (“GHG”)
7 allowance revenues and program costs. The DAC-SASH Balancing Account was established in
8 2019 in Commission Decision 18-06-027 and Advice Letter 3410-E. D.18-06-027 OP 8 states
9 that the DACSASH program will be funded with GHG allowance proceeds if available and
10 recovered through the PPP mechanism if GHG allowance proceeds are unavailable.

11 In the 2023 ERRRA direct testimony of SDG&E Witness Mr. O’Connell, he states the total
12 DAC-SASH program funding is estimated to be ~~\$1.030~~1.090 million (~~\$1.042~~1.103 million
13 including FF&U). The forecasted 2023 GHG allowance revenues available for clean energy and
14 energy efficiency programs as set forth in the direct testimony of Mr. O’Connell will be
15 sufficient to cover the entire ~~\$1.030~~1.090 million after setting aside funding for the Solar on
16 Multifamily Affordable Housing (“SOMAH”) Program.

17 **X. PORTFOLIO ALLOCATION BALANCING ACCOUNT (PABA)**

18 Pursuant to Commission Decision 18-10-019 and Advice Letter 3318-E,¹² the purpose of
19 the PABA is to record the “above-market” costs and revenues associated with all generation
20 resources that are eligible for cost recovery through the PCIA rates, including SDG&E’s Utility-
21 Owned Generation (“UOG”). Costs recorded in each vintage subaccount will include, but are

¹¹ AL 3704-E filed March 1, 2021. ~~The January through September 2021 SOMAH true up will be included in the November Update.~~

¹² See SDG&E AL 3318-E, filed on December 10, 2018, and approved on May 30, 2019.

1 not limited to, fuel, GHG costs, third party power purchase contracts costs, and UOG’s revenue
 2 requirement. The above-market costs of all generation resources that are eligible for cost
 3 recovery through the PCIA rates, including SDG&E’s UOG, are also recorded in the PABA.

4 SDG&E’s 2023 PABA revenue requirement forecast includes the fuel costs for its
 5 electric generation facilities, including Miramar Energy Facility I (“Miramar I”), Miramar
 6 Energy Facility II (“Miramar II”), Palomar Energy Center (“Palomar”), Desert Star Energy
 7 Center (“Desert Star”), and the Cuyamaca Peak Energy Plant (“Cuyamaca”). The actual fuel
 8 costs of Miramar I, Miramar II, Palomar, Desert Star, and Cuyamaca are recorded in the PABA
 9 for recovery through commodity rates.

10 **TABLE 5**
 11 **PABA REVENUE REQUIREMENT**
 12 **(\$Millions of Dollars)**

No.	Component	2023 Forecast ¹³	2022 Forecast ¹⁴	Change from Prior Year
1.	Supply ISO Revenues	[REDACTED]	[REDACTED]	[REDACTED]
2.	Contract Costs (non-CTC)	[REDACTED]	[REDACTED]	[REDACTED]
3.	Generation Fuel	[REDACTED]	[REDACTED]	[REDACTED]
4.	GHG Costs	[REDACTED]	[REDACTED]	[REDACTED]
5.	TOTAL	<u>15.35597.801</u>	<u>337.612179.759</u>	<u>—(322.257)(81.958)</u>

13 As Table 5 indicates, SDG&E’s 2023 PABA revenue requirement forecast is
 14 \$15.35597.801 million. In addition, D.19-10-001 authorized the recovery of the PABA prior
 15 year-end balance to be recovered through the ERRA Forecast filing. SDG&E requests recovery
 16 of the projected 2022 year-end balances recorded to PABA of \$72.78189.199 million as shown
 17

¹³ Table 5 does not include the 2022 Year End Forecasted PABA balance of \$72.78189.199 million, as shown in Attachment C to Ms. Miller’s testimony.

¹⁴ The Updated November 2022 Forecast, included the 2021 forecasted year-end PABA under collected balance of \$123.812 \$111.698-million, including FF&U (not shown in Table 5 above).

1 in Ms. Sheri Miller’s testimony workpapers. The proposed 2022 PABA year-end balance is
2 projected based on ~~three-eight~~ months of actuals (January through ~~March-August~~ of 2022) and
3 ~~nine-four~~ months of forecasted expenses and revenues. ~~The forecasted year-end balance will be~~
4 ~~updated in SDG&E’s October Update filing and will include actual recorded entries from~~
5 ~~January through August.~~

6 In addition, pursuant to D.22-01-023, SDG&E shall transfer the 2022 ending balance of
7 ERRA to the most recent subaccount of PABA. The projected 2022 year-end balance of ERRA
8 is ~~\$(1.993)-30.485~~ million, ~~and will be updated in SDG&E’s October Update filing.~~

9 **XI. POWER CHARGE INDIFFERENCE ADJUSTMENT (PCIA)**
10 **UNDERCOLLECTION BALANCING ACCOUNT (CAPBA)**

11 Pursuant to Commission Decision 18-10-019 and Advice Letter 3436-E,¹⁵ the purpose of
12 the CAPBA is to record the obligation that accrues for departing load (“DL”) customers in the
13 event that the half-cent per kWh PCIA rate cap is reached. The CAPBA is comprised of a
14 subaccount for each customer vintage, as well as a specific bundled subaccount, which capture
15 the shortfall amount that is financed by bundled customers for DL customers when the DL PCIA
16 rate is capped, and the repayment amount from DL customers to bundled customers.

17 D.21-05-030 in the PCIA Order Instituting Rulemaking, R.17-06-026, removed the PCIA
18 cap and required SDG&E to dispose of any remaining CAPBA balance in PCIA Rates.
19 SDG&E’s 2023 PCIA rates include CAPBA amounts that remain outstanding related to the 2020
20 CAPBA Trigger.¹⁶ Please see the Prepared Direct Testimony of SDG&E witness Ms. Morien for

¹⁵ See SDG&E AL 3436-E, filed on September 30, 2019, and approved on October 30, 2019.

¹⁶ D.20-12-028.

1 a discussion of how SDG&E proposes to redistribute the remainder of the 2020 CAPBA Trigger
2 balance in greater detail.

3 In addition, SDG&E is proposing to close CAPBA after amortization is complete on
4 December 31, 2023 and transfer any remaining balance to PABA.

5 **XII. RESOURCE ADEQUACY PROCUREMENT MEMORANDUM ACCOUNT**
6 **(RAPMA)**

7 Pursuant to D.19-11-016, which ordered the creation of a memo account in the interim
8 period until the commission adopts a modified cost allocation mechanism, SDG&E implemented
9 the RAPMA in 2021. The RAPMA tracks and records the net costs related to the procurement of
10 incremental resource adequacy (RA) capacity and related administrative costs that are not
11 currently recovered in rates. Such costs may include: (1) contract costs of incremental resource
12 procurement to meet needs for bundled customers and/or unbundled customers of load-serving
13 entities (LSEs) that have opted-out of self-procurement or deficient LSEs that are unable to meet
14 their procurement obligations, and (2) administrative costs associated with the incremental
15 resource procurement process, such as outside Independent Evaluator costs.

16 On March 29, 2022 the Commission issued a proposed decision regarding modified
17 CAM treatment. On May 19, 2022 the Commission approved a revised proposed decision D.22-
18 05-015 ~~on which approved~~ modified CAM ~~and ordered SDG&E to file an advice letter to~~
19 ~~implement a new balancing account to replace RAPMA. Because the AL has not yet been~~
20 ~~approved and the new balancing account has not yet been created, the costs described above will~~
21 ~~continue to be forecasted in RAPMA until the new account is approved. The 2023 forecast of~~
22 ~~RAPMA costs net of offsetting revenues is \$3.549 million. SDG&E will incorporate the cost~~
23 ~~recovery impacts from this decision in the October Update to this 2023 forecast filing. The~~
24 ~~current forecast of 2023 costs is \$15.0 million.~~

1 **XIII. SONGS UNIT 1 OFFSITE SPENT FUEL STORAGE**

2 This section of my testimony requests authorization of the SONGS Unit 1 Offsite Spent
3 Fuel Storage costs revenue requirement of ~~\$1.1741.327~~ million (~~\$1.1881.343~~ million including
4 FF&U) for 2023, which are described in Mr. O’Connell’s testimony. The authorized revenue
5 requirement is tracked in SDG&E’s Nuclear Decommissioning Adjustment Mechanism account.

6 **XIV. SUMMARY**

7 My testimony presents the following revenue requirements for which SDG&E seeks
8 recovery in this 2023 ERRA Forecast Application:

- 9 • the 2023 ERRA revenue requirement forecast of ~~\$433.755545.009~~ million
10 (which includes forecasted GHG costs);
- 11 • the 2023 CTC revenue requirement forecast of ~~\$11.23210.765~~ million;
- 12 • the 2023 LG revenue requirement forecast of ~~\$175.361189.826~~ million;
- 13 • the 2023 TMNBC revenue requirement forecast of [REDACTED]
14 million;
- 15 • the 2023 PABA revenue requirement forecast of ~~\$15.35597.801~~ million;
- 16 and
- 17 • the 2022 forecasted undercollected balance, excluding previously
18 authorized CAPBA amounts recorded to PABA of ~~\$72.78189.199~~ million.

19 Except for PABA, each of these amounts include FF&U.

20 SDG&E is requesting authorization from the Commission to recover the undercollected
21 2020 recorded LGBA activity of \$0.400 million SDG&E is also requesting recovery of the
22 undercollected 2020 GTSRBA ending balance of \$1.388 million. In addition, my testimony also

1 presents the comparison of the 2021 recorded/forecasted vs. actual year-end balances in the GHG
2 allowance revenues and expenses balancing accounts.

3 Finally, SDG&E requests that the Commission approve the 2023 revenue requirement of
4 ~~\$1.174~~1.327 million (~~\$1.188~~1.343 million including FF&U) for the forecasted SONGS Unit 1
5 Offsite Spent Fuel Storage costs.

6 This concludes my prepared direct testimony.

1 **XV. QUALIFICATIONS**

2 My name is Kristina M. Ghianni. I am employed by SDG&E as a Principal Accountant
3 Supervisor in the Settlements & Systems Department. My business address is 8315 Century
4 Park Court, San Diego, California 92123. My primary responsibilities include approving gas and
5 electric commodity invoices, preparing various compliance filings, and preparing and reconciling
6 the monthly closing process. I joined SDG&E in 2006. In 2013, I began working in the
7 Settlements & Systems Department and have held positions of increasing responsibilities.

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

ATTACHMENT A

DECLARATION OF KRISTINA M. GHIANNI

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

**DECLARATION
OF KRISTINA GHIANNI**

A.22-05-__

Application of San Diego Gas & Electric Company (U 902-E)
for Approval of Its 2023 Electric Procurement Revenue Requirement Forecasts and GHG-
Related Forecasts

I, Kristina Ghianni, declare as follows:

1. I am a Principal Accountant Supervisor for San Diego Gas & Electric Company (“SDG&E”). I included my Prepared Direct Testimony (“Testimony”) in support of SDG&E’s October 12, 2022 Application for Approval of its 2023 Electric Procurement Revenue Requirement Forecasts and GHG-Related Forecasts (“Application”). Additionally, as a Principal Accountant Supervisor, I am thoroughly familiar with the facts and representations in this Declaration, and if called upon to testify I could and would testify to the following based upon personal knowledge.

2. I am providing this Declaration to demonstrate that the confidential information (“Protected Information”) in support of the referenced Application falls within the scope of data provided confidential treatment in the IOU Matrix (“Matrix”) attached to the Commission’s Decision (“D.”) 06-06-066 (the Phase I Confidentiality decision). Pursuant to the procedure adopted in D.08-04-023, I am addressing each of the following five features of Ordering Paragraph 2 of D.06-06-066:

- that the material constitutes a particular type of data listed in the Matrix;
- the category or categories in the Matrix the data correspond to;
- that SDG&E is complying with the limitations on confidentiality specified in the Matrix for that type of data;
- that the information is not already public; and

- that the data cannot be aggregated, redacted, summarized, masked or otherwise protected in a way that allows partial disclosure.

3. The Protected Information contained in my Testimony constitutes material, market sensitive, electric procurement-related information that is within the scope of Section 454.5(g) of the Public Utilities Code. As such, the Protected Information is allowed confidential treatment in accordance with the Matrix, as follows:

Confidential Information	Matrix Reference	Reason for Confidentiality
Table 1, line 1: Load ISO Charges	II.A.2 V.C	Utility Electric Price Forecasts; confidential for 3 years. LSE Total Energy Forecast; confidential for the front 3 years.
Table 1, lines 2 and 6: Supply ISO Revenues	II.A.2 II.B.1 II.B.3 II.B.4	Utility Electric Price Forecasts; confidential for 3 years. Generation Cost Forecasts of Utility Retained Generation; confidential for 3 years. Generation Cost Forecasts of QF Contracts; confidential for 3 years. Generation Cost Forecasts of Non-QF Bilateral Contracts; confidential for 3 years.
Table 1, line 3: Contract Costs (non-CTC)	II.B.4	Generation Cost Forecasts of Non-QF Bilateral Contracts; confidential for 3 years.
Table 1, line 4: Contract Costs (CTC up to market)	II.B.3 II.B.4	Generation Cost Forecasts of QF Contracts; confidential for 3 years. Generation Cost Forecasts of Non-QF Bilateral Contracts; confidential for 3 years.
Table 1, line 5: Generation Fuel	II.B.1 II.B.4	Generation Cost Forecasts of Utility Retained Generation; confidential for 3 years. Generation Cost Forecasts of Non-QF Bilateral Contracts; confidential for 3 years.
Table 1, line 7: CAISO Misc. Costs	II.A.2	Utility Electric Price Forecasts; confidential for 3 years.
Table 1, line 8: Hedging Costs	I.A.4	Long-term Fuel (gas) Buying and Hedging Plans; confidential for 3 years.
Section III, fourth paragraph. CTC market proxy price	II.A.2 II.B.3	Utility Electric Price Forecasts; confidential for 3 years. Generation Cost Forecasts of QF Contracts; confidential for 3 years.
Table 3, line 1: Combined Heat & Power	II.B.3	Generation Cost Forecasts of QF Contracts; confidential for 3 years.
Table 3, line 2: Energy Storage	II.B.1	Utility Retained Generation

Confidential Information	Matrix Reference	Reason for Confidentiality
Table 3, line 3: Peakers & Resource Adequacy	II.B.3 II.B.4	Generation Cost Forecasts of QF Contracts; confidential for 3 years. Generation Cost Forecasts of Non-QF Bilateral Contracts; confidential for 3 years.
Table 5, line 1: Supply ISO Revenues	II.A.2 II.B.1 II.B.3 II.B.4	Utility Electric Price Forecasts; confidential for 3 years. Generation Cost Forecasts of Utility Retained Generation; confidential for 3 years. Generation Cost Forecasts of QF Contracts; confidential for 3 years. Generation Cost Forecasts of Non-QF Bilateral Contracts; confidential for 3 years.
Table 5, line 2: Contract Costs (non-CTC)	II.B.4	Generation Cost Forecasts of Non-QF Bilateral Contracts; confidential for 3 years.
Table 5, line 3: Generation Fuel	II.B.1 II.B.4	Generation Cost Forecasts of Utility Retained Generation; confidential for 3 years. Generation Cost Forecasts of Non-QF Bilateral Contracts; confidential for 3 years.
Section VII, second paragraph, and section XIV Summary: Tree Mortality contract	II.B.4	Generation Cost Forecasts of Non-QF Bilateral Contracts; confidential for 3 years.

4. I am not aware of any instances where the Protected Information has been disclosed to the public. To my knowledge, no party, including SDG&E, has publicly revealed any of the Protected Information.

5. SDG&E will comply with the limitations on confidentiality specified in the Matrix for the Protected Information.

6. The Protected Information cannot be provided in a form that is aggregated, partially redacted, or summarized, masked or otherwise protected in a manner that would allow further disclosure of the data while still protecting confidential information.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 12th day of October 2022, in San Diego, California.

Kristina Ghianni

Kristina Ghianni
Principal Accountant Supervisor
San Diego Gas & Electric Company

ATTACHMENT B

**DECLARATION OF ~~JAMES MAGILL~~CHRIS SUMMERS
REGARDING CONFIDENTIALITY OF CERTAIN
DATA/DOCUMENTS PURSUANT TO D.16-08-024, *et al.***

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

**DECLARATION OF CHRIS SUMMERS
REGARDING CONFIDENTIALITY OF CERTAIN DATA/DOCUMENTS
PURSUANT TO D.16-08-024, *et al.***

I, Chris Summers, do declare as follows:


1. I am the Director of the Origination & Portfolio Design department for San Diego Gas & Electric Company (“SDG&E”). I have been delegated authority to sign this declaration by Estela de Llanos, Vice President of Energy Procurement, Sustainability & Environmental. I have reviewed Kristina Ghianni’s Prepared Direct Testimony (“Testimony”) in support of SDG&E’s “Application for Approval of its 2022 Electric Procurement Revenue Requirement Forecasts and GHG-Related Forecasts” (“Application”). I am personally familiar with the facts and representations in this Declaration and, if called upon to testify, I could and would testify to the following based upon my personal knowledge and/or information and belief.

2. I hereby provide this Declaration in accordance with Decisions (“D.”) 16-08-024, D.17-05-035, and D.17-09-023 to demonstrate that the confidential information (“Protected Information”) provided in the Testimony is within the scope of data protected as confidential under applicable law.

3. In accordance with the legal authority described herein, the Protected Information should be protected from public disclosure.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct to the best of my knowledge.

Executed this 12th day of October, 2022, at San Diego.


Chris Summers

ATTACHMENT A

SDG&E Request for Confidentiality on the following information in its Application for Approval of Its 2023 Electric Procurement Revenue Requirement Forecasts and GHG- Related Forecasts

Location of Protected Information	Legal Authority	Narrative Justification
Table 1, line 9: GHG Costs	D.14-10-033; D.16-08-024; D.17-05-035; D.17-09-023; Public Utilities Code Section 454.5(g).	GHG emissions forecasts: Providing these forecasts to market participants would allow them to know SDG&E’s forecasted GHG obligation, thereby compromising SDG&E’s contractual bargaining power such that customer costs are likely to rise. Thus, the release of this non-public confidential information will unjustifiably allow market participants to use this information to the disadvantage of SDG&E’s customers.
Table 3, line 4: Local Generation GHG	D.14-10-033; D.16-08-024; D.17-05-035; D.17-09-023; Public Utilities Code Section 454.5(g).	GHG emissions forecasts: Providing these forecasts to market participants would allow them to know SDG&E’s forecasted GHG obligation, thereby compromising SDG&E’s contractual bargaining power such that customer costs are likely to rise. Thus, the release of this non-public confidential information will unjustifiably allow market participants to use this information to the disadvantage of SDG&E’s customers.
Table 5, line 4: GHG Costs	D.14-10-033; D.16-08-024; D.17-05-035; D.17-09-023; Public Utilities Code Section 454.5(g).	GHG emissions forecasts: Providing these forecasts to market participants would allow them to know SDG&E’s forecasted GHG obligation, thereby compromising SDG&E’s contractual bargaining power such that customer costs are likely to rise. Thus, the release of this non-public confidential information will unjustifiably allow market participants to use this information to the disadvantage of SDG&E’s customers.