

Application No.: A.22-05-025XXX
Exhibit No.: _____
Witness: Sheri Miller

UPDATED PREPARED DIRECT TESTIMONY OF
SHERI MILLER
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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**UPDATED PREPARED DIRECT TESTIMONY OF
SHERI MILLER
ON BEHALF OF SAN DIEGO GAS & ELECTRIC COMPANY**

I. PURPOSE AND OVERVIEW

This updated testimony describes the process of forecasting San Diego Gas & Electric Company's ("SDG&E") Power Charge Indifference Adjustment ("PCIA") costs in the 2023 Energy Resource Recovery Account ("ERRA") Forecast. The PCIA cost is equivalent to the utility's total portfolio costs, less its market value and its sales revenues, in a given year. Additional regulatory history of the PCIA is provided in SDG&E witness Gwen Morien's testimony.

The forecasted PCIA costs are calculated using the modeled forecast costs and volumes provided by SDG&E witness Matt O'Connell, and the final PCIA costs presented in this testimony are used by SDG&E witness Kristina Ghianni in her testimony describing the 2023 balancing account revenue requirements. This PCIA testimony also supports SDG&E witness Gwen Morien's development of customer rates in her testimony.

II. PCIA-ELIGIBLE COSTS

Decision ("D.")18-10-019 directed the Investor-Owned Utilities ("IOUs") to record above-market costs of PCIA-eligible resources to the Portfolio Allocation Balancing Account ("PABA"). The primary inputs included in the above-market cost calculations are 1) the monthly resource costs, 2) net revenues received from the California Independent System Operator ("CAISO") for the PCIA resource's energy and ancillary services sold to CAISO, net of CAISO charges, and 3) the market value of the renewable energy credits ("RECs") and resource adequacy ("RA") associated with the PCIA resources.

The monthly resource cost includes both contract costs and costs related to Utility-Owned Generation ("UOG"). The UOG operation and maintenance ("O&M") and capital-related

1 expenses were approved for recovery through the Non-Fuel Generation Balancing Account
 2 (“NGBA”) mechanism in the General Rate Case (“GRC”) decision D.19-09-051. Since above-
 3 market costs are required to be recovered through the PCIA mechanism, the above-market UOG
 4 costs are recovered in PABA, and the market value of the UOG costs is recovered through
 5 NGBA.

6 The forecasted actual costs, generation volumes and the CAISO net revenues are
 7 provided for each resource in the direct testimony of Matt O’Connell. Each of the PCIA-eligible
 8 resources is identified as belonging to a specific year, called the resource’s “vintage,” which
 9 corresponds to the year in which the contract was executed. The costs, generation, CAISO net
 10 revenues, and market value of attributes are assigned the vintage of the generating resource.

11 **III. PCIA BENCHMARKS**

12 Pursuant to D.19-10-001, Energy Division issues updated PCIA market price benchmarks
 13 (“MPB”) in the beginning of November. This May filing of the 2023 ERRa Forecast uses the
 14 latest available benchmarks to calculate PCIA, shown in Table 1 below, that were received from
 15 Energy Division on November 1, 2021. In October of 2022, Energy Division will issue new
 16 benchmarks, and SDG&E will submit an updated 2023 ERRa Forecast in its October Update
 17 incorporating the new benchmarks, and Table 1 below will be updated accordingly.

18 **Table 1 – 2022 SDG&E Forecast Adders**
 19

<u>Date Recorded</u>	<u>Recorded PABA January-August 2022</u>	<u>Recorded PABA true-up September 2022</u>
<u>Market Price Benchmark</u>	<u>Provided by Energy Division on November 1, 2021</u>	<u>Provided by Energy Division on September 30, 2022</u>
Energy Index On-Peak	\$71.72 (\$/MWh)	<u>Actual CAISO revenues</u>

Energy Index Off-Peak	\$56.53 (\$/MWh)	<u>Actual CAISO revenues</u>
System RA	\$6.03 (\$/kW-month)	<u>\$8.11 (\$/kW-month)</u>
Local RA	\$6.36 (\$/kW-month)	<u>\$6.60 (\$/kW-month)</u>
Flexible RA	\$6.41 (\$/kW-month)	<u>\$6.93 (\$/kW-month)</u>
Renewable Portfolio Standard (“RPS”) adder – REC	\$13.70 (\$/MWh)	<u>\$13.24 (\$/MWh)</u>

1
2 SDG&E uses the on-peak and off-peak energy indexes together with the on-peak and off-
3 peak load weighting factors to calculate the forecast weighted average price of the energy
4 component of the contract attributes. This price is then multiplied by the forecasted hourly
5 generation for each resource to calculate the expected market value of the PCIA resource
6 generation in 2023. This expected market value represents the amount of CAISO revenue that
7 SDG&E expects to receive for its PCIA resources, including contracted resources and UOG.
8 This amount is presented in Ms. Ghianni’s testimony in Table 6 “PABA revenue requirement,”
9 labeled “Supply ISO Revenues.” The actual CAISO revenues will be recorded in PABA each
10 month when they are received by SDG&E, and the revenue will partially offset the costs of the
11 PCIA resources.

12 To calculate the forecast market value of the RA attributes of the resources, each resource
13 is assigned to one of the Local, Flex, or System RA categories, based on the RA category that the
14 resource most commonly serves, and if a resource serves more than one category, Local is
15 assigned first if applicable, then Flex, and then System. The most updated monthly net
16 qualifying capacity (“NQC”) listing is obtained from the CAISO website, and an average
17 monthly NQC value for each resource is calculated. The resource’s NQC value is then
18 multiplied by the assigned RA benchmark to calculate the forecasted market value of the RA for

1 2023, as shown in Attachment A of this testimony. The resulting forecast market value for
2 contract resources is then included in ERRA revenue requirement as an expense, as it represents
3 the value of the RA attributes which SDG&E retained to use for the RA compliance obligations
4 on behalf of its bundled customers. The market value associated with UOG resources is
5 excluded from ERRA and instead recovered in NGBA, because the UOG costs were previously
6 approved for recovery in D.19-09-051, which approved SDG&E’s 2019 GRC application (A.17-
7 10-007).

8 To calculate the forecast market value of the REC attributes of the resources, the
9 applicable REC benchmark is applied to the 2023 forecasted generation of each renewable
10 resource. The resulting forecast market value for contract resources is then included in the
11 ERRA revenue requirement as an expense, as it represents the value of the REC attributes which
12 SDG&E retained to use for the Renewable Portfolio Standard (“RPS”) compliance obligations
13 on behalf of its bundled customers. As with the RA value discussed above, the market value
14 associated with RECs from UOG generation is excluded from ERRA and recovered in NGBA.
15 The total of the REC and RA market values for contracts is included in Ms. Ghianni’s testimony
16 in Table 1 labeled “ERRA Revenue Requirement,” on line 3 “non-CTC contract costs,” and also
17 mentioned in Ms. Morien’s testimony as part of the “up-to-market” energy procurement costs
18 recovered in ERRA.

19 **IV. VOLUNTARY ALLOCATIONS OF REC ATTRIBUTES**

20 Pursuant to D.21-05-030 and D.22-01-004, SDG&E is in the process of implementing the
21 RPS voluntary allocation process for 2023 delivery. SDG&E submitted its pro forma allocation
22 contracts for approval on February 28, 2022, and received approval on June 23, 2022. ~~Once~~
23 ~~SDG&E receives Commission approval of the contract templates, At the time of this October~~
24 ~~Update filing, SDG&E will commence the process of~~ finalizing and signed the terms of

1 ~~each RPS voluntary allocation~~ contracts ~~withfor~~ the eligible Load Serving Entities (“LSE”) in its
2 territory that ~~accepted~~ RPS allocations for 2023. These allocation credits are reflected in the
3 2023 revenue requirement for PABA in this filing.

4 ~~In addition, on February 19, 2022, SDG&E filed Advice Letter (“AL”) 3936 E requesting~~
5 ~~approval of two bilateral contracts to sell a significant amount of bundled RECs to San Diego~~
6 ~~Community Power (“SDCP”) and California Energy Alliance (“CEA”) with deliveries beginning~~
7 ~~in 2022. On April 15, 2022, the Commission issued draft Resolution E 5206 which would~~
8 ~~approve the proposed transactions with SDCP and CEA without modifications. These two~~
9 ~~counterparties have already signed agreements to purchase bundled RECs beginning in 2022~~
10 ~~with the understanding that the sales transactions will convert to PCIA REC allocations at the~~
11 ~~beginning of 2023. They also stated in their Joint CCA response to protests of this AL that “after~~
12 ~~2022, SDCP and CEA will voluntarily elect to receive 100% of their allocation of long term~~
13 ~~bundled RECs in the Voluntary Allocation Market Offer (“VAMO”) process. The draft~~
14 ~~Resolution was approved on May 19, 2022⁺, and therefore SDG&E is including the forecasted~~
15 ~~REC sales/allocation revenue for these two contracts in this initial 2023-ERRA Forecast filing.~~

16 In addition, SDG&E has submitted in its August 15, 2022 Draft 2022 RPS Procurement Plan
17 Updateis also assuming that it will take 100% of its own REC allocations, and therefore those
18 revenues to PABA and corresponding debits to ERRA are included in this ERRA Forecast.

19 ~~SDG&E however reserves the right under D.21-05-030 to take less than its full allocation.~~

20 ~~In addition to SDCP and CEA, SDG&E has several other LSEs in its territory that will~~
21 ~~also have options to receive allocations of RECs. Because SDG&E does not at this time have~~
22 ~~signed agreements with them, no estimates for potential revenues are included in this forecast. If~~

⁺~~E 5206.~~

~~allocation contracts are signed after this May ERRA forecast is filed but before the October update is due, the impacts will be included in the October update PCIA calculations.~~

V. MARKET OFFER OF REC ATTRIBUTES

Pursuant to D.21-05-030 and D.22-01-004, SDG&E submitted its pro forma market offer contracts for approval on April 4, 2022 in Advice Letter (“AL”) 3983-E. On April 11, 2022, an Assigned Commissioner’s Ruling (“ACR”) was issued in R.18-07-003 that created two tracks in the 2022 RPS plan review cycle to address voluntary allocation and market offer processes. The ACR ordered the IOUs to jointly file a market offer process to be reviewed and approved in the 2022 RPS Track 1 filing due on May 2, 2022, with a proposed decision due in Q3 2022.

Once a final decision is adopted in the RPS Track 1 filing, and after SDG&E also receives approval of its submitted market offer contract templates, SDG&E will hold a market offer solicitation to sell any 2023 generation RPS that remains after the voluntary allocation contracting process described in the section above is complete. Because the market offer solicitation has not yet been implemented, If the resulting market offer contracts are signed before the October update is filed, the market offer estimated revenues will not be included in the October update PCIA calculations.

VI. SALES OF REC ATTRIBUTES

Pursuant to D.21-05-030 and D.22-01-004, in the first quarter of 2022, SDG&E issued a Request for Information (“RFI”) to its RPS counterparties asking if they had any interest in negotiating changes to contracts, including contract assignment or buyout. SDG&E received a minimal number of responses to this request but no contracts were signed as a result, but it is possible that if the responses received result in successful contract changes, SDG&E’s PCIA-eligible portfolio could be affected. Also in the first quarter of 2022, SDG&E issued a similar RFI to its market participant contacts, soliciting interest in RPS energy or attributes, which

1 yielded responses from several companies. These responses also did not result in new contracts
2 being signed. Therefore, no additions were made to this October Update revenue requirement as
3 a result of these RFIs. If these responses result in successful negotiations for RPS sales, this
4 would also affect SDG&E's PCIA-eligible portfolio. Any changes to the 2023 PCIA portfolio
5 would result in changes to the 2023 PABA revenue requirement being requested in this ERRA
6 proceeding. If resulting contracts are signed and receive Commission approval after this May
7 ERRA forecast is filed but before the October update is due, the impacts will be included in the
8 October update PCIA calculations.

9 VII. GREEN TARIFF SHARED RENEWABLES

10 A history of Senate Bill (“SB”) 43, which was intended to expand access to renewable
11 energy to ratepayers, is provided in Ms. Morien’s testimony. As ~~I~~ ~~Mr. O’Connell~~ described ~~ds~~ in
12 ~~his~~ my May testimony and at the time of that filing, SDG&E provided ~~ds~~ its bundled customers
13 with the option to purchase 100% renewable energy through the Green Tariff Shared
14 Renewables (“GTSR”) program, branded as EcoChoice and EcoShare. The EcoChoice option
15 enabled ~~ds~~ customers to purchase renewable energy from contracted solar resources that have been
16 dedicated to the program, which included ~~d~~ Midway Solar and Wister Solar. The costs for these
17 resources ~~were to be~~ are recovered in the Green Tariff Shared Renewable Balancing Account
18 (“GTSRBA”).

19 On August 25 2022, the CPUC issued a Ruling that granted SDG&E’s requested
20 authorization to temporarily suspend its EcoChoice program.² This order suspended the
21 EcoChoice option to new participants and directed SDG&E to quickly disenroll customers from
22 the EcoChoice program. Because there will be no EcoChoice participation after August 2022, no

² A.22-05-023.

1 contract costs or Interim Pool costs were recorded in GTSRBA after that time. The Ruling did
2 not grant SDG&E authorization to recover the current balance in the GTSRBA, and therefore,
3 SDG&E is not requesting recovery of any GTSRBA balance in this October Update.

4 ~~If customers' usage for the year surpasses the output from the dedicated resources, then~~
5 ~~SDG&E uses generation from an established Interim Pool of solar resources to provide the~~
6 ~~renewable energy. Normally the costs for these resource contracts are included in the PCIA~~
7 ~~calculations and recovered through PABA, however, any volumes of Interim Pool energy that~~
8 ~~are forecasted to be used for the GTSR program are removed from PABA and ultimately~~
9 ~~excluded from the PCIA calculations. They are forecasted instead as energy costs in the~~
10 ~~GTSRBA. The costs in the GTSRBA are fully recovered from SDG&E's bundled customers~~
11 ~~that have enrolled in the EcoChoice program. However, in 2023 EcoChoice customer usage is~~
12 ~~forecasted to be lower than the total generation of the dedicated resources, and because of that, it~~
13 ~~will not be necessary to recover any Interim Pool contract costs in GTSRBA.~~

14 As mentioned above, SDG&E has two resources that were procured to be dedicated
15 generation for its Green Tariff program. Since it will not be possible to record the contract
16 expenses for these two resources to the GTSRBA due to the program suspension, SDG&E is
17 including them in the PCIA contract costs. SB 43 Section 2833(s) states that "a participating
18 utility shall, in the event of participant customer attrition *or other causes*³ that reduce customer
19 participation or electrical demand below generation levels, apply the excess generation from the
20 eligible renewable energy resources procured through the utility's green tariff shared renewables
21 Program to the utility's renewable portfolio standard procurement obligations or bank the excess
22 generation for future use to benefit all customers in accordance with the renewables portfolio

³ Emphasis added.

1 standard banking and procurement rules approved by the commission.” Pursuant to this
2 mandate, SDG&E has included the forecasted ~~excess~~ generation from both of its green tariff
3 dedicated generators in the cost recovery mechanism used for its RPS eligible contracts, namely
4 ERRA and PABA. The RPS attributes from both of these resources will be included in
5 SDG&E’s Voluntary Allocation and Market Offer (“VAMO”) processes as part of the PCIA
6 portfolio, pursuant to D.21-05-030. As Ms. Morien mentions in her testimony, GTSR customer
7 rates include a PCIA component for the above market cost of the Utility’s existing procurement
8 portfolio. The GTSR resources, however, are a subset of the total portfolio. Therefore, and
9 pursuant to AB 43 and D.15-01-051, GTSR customer rates must be adjusted for the difference
10 between the relative value of energy and capacity of the GTSR resources and the value of the
11 resources in SDG&E’s total portfolio. SDG&E adjusts the weighted cost of GTSR power to
12 reflect the time-of-use (“TOU”) allocation of the GTSR resources. The weighted cost of GTSR
13 capacity is adjusted to reflect the relative NQC value of the GTSR resources. The energy and
14 capacity adjustments together are \$0.03190/MWh, which will be an incremental adjustment to
15 the PCIA portion of the GTSR customer rate.

16 **VIII. MONTHLY ACCOUNTING FOR REC AND RA MARKET VALUES, AND** 17 **ANNUAL TRUE-UP**

18 Accruals for the estimated REC and RA market values of PCIA eligible resources are
19 recorded monthly to PABA and ERRA by SDG&E’s Settlements & Systems group as part of the
20 monthly accounting close process. Pursuant to D.19-10-001, these amounts will behave been
21 adjusted whento reflect the updated 2022 benchmarks that have beenare received from Energy
22 Division on October 3rdlater this year. Thise October Update filing of my testimony will
23 includes a true-up of the REC and RA market values recorded during January-August 2022, to

1 reflect the updated benchmarks. This true-up ~~will be~~ also included in the October Update of
2 the forecasted PABA year-end balance in my testimony.

3 In the annual true-up, amounts recorded for the REC and RA market values during the
4 first eight months of the year are revalued and the balancing accounts adjusted accordingly.
5 REC and RA attributes that were offered for sale but remained unsold are valued at a zero
6 benchmark, meaning that no credit is recorded to PABA for the market value. SDG&E offers its
7 excess REC and RA attributes for sale on at least an annual basis, therefore any REC and RA
8 attributes that are neither used for compliance nor sold are considered unsold. Pursuant to D.18-
9 10-019, actual energy (brown power) revenues received from CAISO for PCIA-related
10 generation are booked to PABA in the month received, and therefore energy market value does
11 not require a true-up entry in the October update filing, because the recorded CAISO revenues
12 reflect actual updated market prices.

13 During the period January through August 2022, the REC market value was calculated
14 monthly using estimated generated volumes and recorded as part of SDG&E's monthly financial
15 closing process. The final amount, including the true-up, is shown in Table 2 and was calculated
16 using actual volume deliveries and the updated benchmark of \$13.70/MWh.

17 **TABLE 2 - 2022 RPS Market Value True Up**

	<u>Price</u>	<u>Volumes</u>	<u>Amount</u> <u>Recorded</u>
<u>Estimated RECs</u> <u>Retained</u>	<u>\$13.70/MWh</u>	<u>3,909,255 MWh</u>	<u>\$53.6 million</u>
<u>Actual RECs</u> <u>Retained, valued at</u> <u>updated MPB</u>	<u>\$13.24/MWh</u>	<u>3,910,885 MWh</u>	<u>\$51.8 million</u>
<u>Volume Update</u> <u>portion of true-up</u>	<u>\$13.70/MWh</u>	<u>1,630 MWh</u>	<u>\$.022 million</u>

<u>MPB Update portion of true-up</u>	<u>(\$13.24 - \$13.70)/MWh</u>	<u>3,910,885 MWh</u>	<u>\$(1.8) million</u>
<u>Total Impact – decrease to REC market value</u>	<u>n/a</u>	<u>n/a</u>	<u>\$(1.8) million</u>

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During the period January through August 2022, the RA market value was calculated monthly using the Net Qualifying Capacity (“NQC”) values of the PCIA-eligible generators, adjusted for days the resources were unavailable due to outage. This monthly RA market value was recorded as part of SDG&E’s monthly financial closing process. The final amount, including the true-up, is shown in Table 3 and was calculated using the updated benchmarks and final capacity volumes.

TABLE 3 - 2022 RA Market Value True Up

<u>Contract Resources</u>	<u>Price</u>	<u>Capacity</u>	<u>Amount Recorded</u>
<u>Estimated Local RA Retained</u>	<u>\$6.36 (\$/kW-month)</u>	<u>777 MW monthly average</u>	<u>\$39.1 million</u>
<u>Actual Local RA Retained</u>	<u>\$6.60 (\$/kW-month)</u>	<u>777 MW monthly average</u>	<u>\$40.9 million</u>
<u>Estimated Flex RA Retained</u>	<u>\$6.41 (\$/kW-month)</u>	<u>20 MW monthly average</u>	<u>\$1.0 million</u>
<u>Actual Flex RA Retained</u>	<u>\$6.93 (\$/kW-month)</u>	<u>20 MW monthly average</u>	<u>\$1.1 million</u>
<u>Estimated System RA Retained</u>	<u>\$6.03 (\$/kW-month)</u>	<u>51 MW monthly average</u>	<u>\$2.4 million</u>
<u>Actual System RA Retained</u>	<u>\$8.11 (\$/kW-month)</u>	<u>51 MW monthly average</u>	<u>\$3.3 million</u>
<u>Utility-Owned Generation</u>	<u>Price</u>	<u>Capacity</u>	<u>Amount Recorded</u>
<u>Estimated Local RA Retained</u>	<u>\$6.36 (\$/kW-month)</u>	<u>637 MW monthly average</u>	<u>\$25.2 million</u>
<u>Actual Local RA Retained</u>	<u>\$6.60 (\$/kW-month)</u>	<u>637 MW monthly average</u>	<u>\$26.1 million</u>
<u>Estimated Flex RA Retained</u>	<u>\$6.41 (\$/kW-month)</u>	<u>0 MW</u>	<u>0</u>
<u>Actual Flex RA Retained</u>	<u>\$6.93 (\$/kW-month)</u>	<u>0MW</u>	<u>0</u>
<u>Estimated System RA Retained</u>	<u>\$6.03 (\$/kW-month)</u>	<u>354 MW monthly average</u>	<u>\$2.6 million</u>
<u>Actual System RA Retained</u>	<u>\$8.11 (\$/kW-month)</u>	<u>354 MW monthly average</u>	<u>\$3.5 million</u>
<u>Total UOG true-up Impact</u>	<u>n/a</u>	<u>n/a</u>	<u>\$1.8 million</u>
<u>Total Combined Contract and UOG Impact-increase to RA market value</u>	<u>n/a</u>	<u>n/a</u>	<u>\$4.6 million</u>

1 **IX. OTHER COSTS RECOVERED IN PABA**

2 As Mr. O’Connell describes in his testimony, this forecast of 2023 PABA revenue
3 requirements includes the natural gas fuel costs and associated GHG expenses for PCIA-eligible
4 conventional resources. These costs are included in the PCIA as part of the above-market cost
5 calculation of the gas-fired resources in their respective vintages.

6 In addition, SDG&E is including the 2022 PABA year-end forecasted balance of
7 ~~\$89.19972.781~~ million in its 2023 Indifference Amount, pursuant to D.19-10-001 which
8 authorized the PABA prior year-end balance recovery through that mechanism. The 2022 PABA
9 forecasted year-end balance is calculated using ~~eight~~three months of actual data and ~~four~~nine
10 months of forecasted data. It is presented in Attachment C to my testimony, and also mentioned
11 in Ms. Morien’s testimony.

12 **X. MODIFIED COST ALLOCATION MECHANISM (“MCAM”)**

13 D.22-05-015 approved a modified cost allocation mechanism for resources to be procured
14 in compliance with D.19-11-016, and ordered SDG&E to file an AL for authority to implement a
15 new balancing account for MCAM costs. SDG&E filed its implementation AL 4043-E on July
16 18, 2022 and is awaiting approval. Because the new MCAM balancing account is not yet
17 approved, in this forecast update filing SDG&E is not showing any 2023 forecasted costs in
18 MCAMBA. All costs related to the resources procured for D.19-11-016 are shown in this 2023
19 forecast update filing in the Resource Adequacy Procurement Memorandum Account
20 (“RAPMA”), and are not included in the PCIA calculations that are described in my testimony.
21 In addition, all 2022 costs for the D.19-11-016 resources have been recorded in RAPMA, and
22 will be resolved in compliance with D.22-05-015 and AL 4043-E upon approval of the AL.

1 **X-XI. SUMMARY**

2 A summary of the total 2023 forecasted PCIA above market cost (without FF&U) is
3 shown in Table 2 below. The CAISO revenues, fuel, GHG costs, and total PABA revenue
4 requirement shown below are also referenced in Ms. Ghianni's testimony.

5 **Table 42 – 2023 PCIA Forecast Summary**

	PCIA Components	2023 Forecast (in millions)
1.	PCIA contract costs	██████████
2.	UOG costs	\$210
3.	Generation fuel cost	██████████
4.	Direct GHG costs	██████████
5.	Less REC sales	\$0
6.	Less RA sales	██████████
7.	Less REC allocations	██████████
8.	Less contract REC market value	(\$ 1736)
9.	Less contract RA market value	(\$ 83160)
10.	Less CAISO supply revenues	(\$ 437538)
11.	= Total Indifference Amount revenue requirement	██████████

6
7 This concludes my prepared direct testimony.

8

⁴ This figure consists of ~~SDCP and CEA's~~ REC allocations to all load serving entities that accepted allocations discussed in Section IV above.

1 ~~XI~~.XII. **QUALIFICATIONS**

2 My name is Sheri Miller. My business address is 8315 Century Park Court, San Diego,
3 CA 92123. I am employed by SDG&E as a Principal Settlement Advisor in the Settlements &
4 Systems group in the Energy Supply organization. My responsibilities include writing and
5 reviewing ERRA witness testimony and advising on regulatory and legislative matters that
6 impact SDG&E's energy and gas procurement settlements and cost recovery processes.

7 I joined SDG&E in October 2000, and since that time, I have held various positions at
8 SDG&E including Senior Accountant, Principal Accountant, and Settlements Manager. I have
9 experience with many aspects of SDG&E's accounting processes, including approving the gas and
10 electric commodity invoices and overseeing the reporting processes.

11 I received a Bachelor of Science degree in Accounting and a Masters of Business
12 Administration from National University. I am also a Certified Public Accountant licensed in
13 the state of California.

14 I have previously testified before the California Public Utilities Commission.

ATTACHMENT A

DECLARATION OF SHERI MILLER

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

**DECLARATION
OF SHERI MILLER**

**A.22-05-XXX
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, Sheri Miller, declare as follows:

1. I am a Principal Settlements Advisor 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 Settlements Advisor, 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.¹ As such, the Protected Information is allowed confidential treatment in accordance with the Matrix, as follows:

Location of Protected Information	Matrix Reference	Reason for Confidentiality and Timing
Amounts highlighted in yellow in Table 4 of testimony named “2023 PCIA Forecast Summary”	II.B.1 II.B.4	Generation Cost Forecasts of Utility Retained Generation, confidential for three years Generation Cost Forecast of Non-QF Bilateral Contracts; confidential for three years
Cells highlighted in yellow in Attachment C “Forecasted 2022 Year End Balance of PABA”	II.B.1 II.B.3 II.B.4 IV.A IV.F XI	Generation Cost Forecasts of Utility Retained Generation, confidential for three years Generation Cost Forecast of QF Contracts; confidential for three years Generation Cost Forecast of Non-QF Bilateral Contracts; confidential for three years Forecast of IOU Generation Resources; confidential for three years Forecast of Post-1/1/2003 Bilateral Contracts; confidential for three years Detail of monthly variable cost on energy and utility operation (ERRA filings)
Cells highlighted in yellow in the spreadsheet named “CONFIDENTIAL PCIA 2023 ERRA forecast workpapers_Miller.xlsx”, tab ‘Utility Owned Generation’	IV.A	Forecast of IOU Generation Resources; confidential for three years

¹ In addition to the details addressed herein, SDG&E believes that the information being furnished in my Testimony is governed by Public Utilities Code Section 583 and General Order 66-D. Accordingly, SDG&E seeks confidential treatment of this data under those provisions, as applicable.

Location of Protected Information	Matrix Reference	Reason for Confidentiality and Timing
Cells highlighted in yellow in the spreadsheet named “CONFIDENTIAL PCIA 2023 ERRAs forecast workpapers_Miller.xlsx”, tab ‘Workpaper IOU TPS’	II.B.I	Generation Cost Forecasts of Utility Retained Generation, confidential for three years
Cells highlighted in yellow in the spreadsheet named “CONFIDENTIAL PCIA 2023 ERRAs forecast workpapers_Miller.xlsx”, tab ‘IOU Total Portfolio summary’	II.B.I	Generation Cost Forecasts of Utility Retained Generation, confidential for three years
Cells highlighted in yellow in the spreadsheet named “CONFIDENTIAL PCIA 2023 ERRAs forecast workpapers_Miller.xlsx”, tab ‘Indifference Amount Calc’	II.B.I	Generation Cost Forecasts of Utility Retained Generation, confidential for three 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.

Sheri Miller

Sheri Miller
Principal Settlements Advisor
San Diego Gas & Electric Company

ATTACHMENT B

DECLARATION OF ~~JAMES MAGILL~~ CHRIS SUMMERS
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 Sheri Miller’s Updated Prepared Direct Testimony (“Testimony”) in support of SDG&E’s October Update to its “Application for Approval of its 2023 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 October Update to Application for Approval of Its 2023 Electric Procurement Revenue Requirement Forecasts and GHG-Related Forecasts

Location of Protected Information	Legal Authority	Narrative Justification
Table 4: line 4: Direct 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.

ATTACHMENT C
FORECASTED 2022 YEAR END BALANCE OF PABA
CONFIDENTIAL

SAN DIEGO GAS & ELECTRIC
Attachment C
FORECASTED 2022 YEAR END PORTFOLIO ALLOCATION BALANCING ACCOUNT (PABA) BALANCES
(THOUSANDS OF DOLLARS)

Line No.	Vin 2002	Vin 2004	Vin 2005	Vin 2006	Vin 2007	Vin 2008	Vin 2009	Vin 2010	Vin 2011	Vin 2012	Vin 2013	Vin 2014	Vin 2015	Vin 2016	Vin 2017	Vin 2018	Vin 2019	Vin 2020	Vin 2021	Total
<u>Recorded Balances from January to March 2022 (a)</u>																				
1	[REDACTED]																			
2	[REDACTED]																			
3	[REDACTED]																			
4	[REDACTED]																			
5	[REDACTED]																			
6	[REDACTED]																			
7	[REDACTED]																			
8	[REDACTED]																			
9	[REDACTED]																			
10	[REDACTED]																			
11	[REDACTED]																			
<u>Forecast from April to December 2022 (b)</u>																				
13	[REDACTED]																			
14	[REDACTED]																			
15	[REDACTED]																			
16	[REDACTED]																			
17	[REDACTED]																			
18	[REDACTED]																			
19	[REDACTED]																			
20	[REDACTED]																			
21	[REDACTED]																			
22	[REDACTED]																			
23	[REDACTED]																			
24	[REDACTED]																			
25	[REDACTED]																			
<u>Year-End 2022 Forecast (c = a + b)</u>																				
27	0	230,447	29,524	33,997	73,090	27,330	68,943	85,645	243,705	72,416	4,429	999	0	0	8,857	41,263	0	0	0	920,645
28	0	(114,443)	(14,475)	(12,064)	(42,138)	(751)	756	(26,025)	(119,357)	(24,769)	(3,326)	(1,339)	0	0	(11,044)	0	0	0	0	(368,975)
29	0	(1,656)	(3,314)	(3,160)	0	(5,711)	(7,061)	(6,310)	(20,165)	(10,079)	(802)	(227)	0	0	(2,764)	0	0	0	0	(61,249)
30	0	(37,465)	(1,765)	(1,356)	(24,277)	(2,525)	(7,257)	(6,065)	(12,908)	(3,343)	(329)	(180)	0	0	(192)	(35,607)	0	0	0	(133,270)
31	(357)	(49,487)	(22,334)	(23,770)	36,528	(28,310)	(113,278)	(66,312)	(63,471)	(52,186)	26,481	1,271	(22,237)	23,822	(12,612)	(16,396)	17,942	(65,938)	30,995	(396,649)
32	0	0	0	0	0	0	109	354	527	14	0	0	597	0	220	10	0	610	0	2,441
33	(1)	(10)	(22)	(5)	30	(22)	(126)	(11)	(45)	(47)	26	3	(48)	39	(21)	30	21	158	189	140
34	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
35	(490)	1,404	(12,137)	1,081	11,144	(12,486)	(81,582)	(10,435)	(17,553)	(29,180)	17,180	2,016	(28,409)	23,861	(13,358)	15,294	13,264	81,740	107,955	69,311
36																			3,470	3,470
37	(490)	1,404	(12,137)	1,081	11,144	(12,486)	(81,582)	(10,435)	(17,553)	(29,180)	17,180	2,016	(28,409)	23,861	(13,358)	15,294	13,264	85,209	107,955	72,781

SAN DIEGO GAS & ELECTRIC
2023 ERRR Forecast Workpaper
FORECASTED 2022 YEAR END PORTFOLIO ALLOCATION BALANCING ACCOUNT (PABA) BALANCES
(THOUSANDS OF DOLLARS)

Line No.	Vin 2002	Vin 2004	Vin 2005	Vin 2006	Vin 2007	Vin 2008	Vin 2009	Vin 2010	Vin 2011	Vin 2012	Vin 2013	Vin 2014	Vin 2015	Vin 2016	Vin 2017	Vin 2018	Vin 2019	Vin 2020	Vin 2021	Total
Recorded Balances from January to August 2022 (a)																				
1	[REDACTED]																			
2	[REDACTED]																			
3	[REDACTED]																			
4	[REDACTED]																			
5	[REDACTED]																			
6	[REDACTED]																			
7	[REDACTED]																			
8	[REDACTED]																			
9	[REDACTED]																			
10	[REDACTED]																			
11	[REDACTED]																			
Forecast from September to December 2022 (b)																				
13	[REDACTED]																			
14	[REDACTED]																			
15	[REDACTED]																			
16	[REDACTED]																			
17	[REDACTED]																			
18	[REDACTED]																			
19	[REDACTED]																			
20	[REDACTED]																			
21	[REDACTED]																			
22	[REDACTED]																			
23	[REDACTED]																			
24	[REDACTED]																			
25	[REDACTED]																			
Year-End 2022 Forecast (c = a + b)																				
27	0	266,562	39,760	40,561	105,949	26,379	64,484	112,074	265,099	72,343	5,914	2,202	3,016	0	11,850	33,296	0	(51)	0	1,069,435
28	0	(172,887)	(22,242)	(13,896)	(90,695)	(1,726)	(3,869)	(34,884)	(133,436)	(25,288)	(4,445)	(1,665)	(3,060)	0	(14,963)	(532)	0	0	0	(523,587)
29	0	(1,691)	(4,569)	(3,255)	0	(6,581)	(8,243)	(7,750)	(22,074)	(9,243)	(1,086)	(328)	(409)	0	(2,608)	(80)	0	0	0	(67,918)
30	0	(18,732)	(785)	(1,890)	(11,655)	(1,152)	(7,155)	(6,497)	(12,651)	(4,026)	(166)	(202)	0	0	(2,163)	(32,942)	0	0	0	(100,015)
31	(915)	(44,016)	(18,942)	(21,933)	42,768	(21,952)	(32,587)	(63,822)	(67,661)	(51,927)	66,776	(433)	(57,237)	61,272	(43,306)	(24,580)	46,161	(169,676)	76,727	(404,764)
32	0	0	0	0	0	0	48	157	234	6	0	0	265	0	98	4	0	1,628	0	2,441
33	2	67	9	35	(64)	8	(350)	84	(169)	(133)	230	7	(297)	270	(196)	94	171	273	869	909
34	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1
35	(1,045)	3,320	(6,520)	7,002	14,215	(6,922)	(71,339)	7,650	(16,517)	(29,455)	57,924	1,069	(64,443)	61,542	(47,090)	1,254	41,633	(20,917)	154,368	85,729
36																		3,470		3,470
37	(1,045)	3,320	(6,520)	7,002	14,215	(6,922)	(71,339)	7,650	(16,517)	(29,455)	57,924	1,069	(64,443)	61,542	(47,090)	1,254	41,633	(17,448)	154,368	89,199