

Proceeding No.: A.22-05-XXX
Exhibit No.: _____
Witness: Gwendolyn R. Morien

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

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



May 31, 2022

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

I. OVERVIEW AND PURPOSE

The purpose of this testimony is to present San Diego Gas & Electric Company's ("SDG&E") rate recovery proposals for its application for approval of its 2023 forecasts of (1) the Energy Resource Recovery Account ("ERRA") revenue requirement, which includes greenhouse gas ("GHG") costs and projected year-end balance in ERRA; (2) the Portfolio Allocation Balancing Account ("PABA") revenue requirement and projected year-end balance in PABA; (3) the Competition Transition Charge ("CTC") revenue requirement; (4) the Local Generation ("LG") revenue requirement; (5) the San Onofre Nuclear Generation Station ("SONGS") Unit 1 Offsite Spent Fuel Storage Cost revenue requirement; and (6) the Tree Mortality Non-Bypassable Charge ("TMNBC") revenue requirement as presented in the testimony of SDG&E witness Kristina Ghianni.

This testimony also presents SDG&E's 2023 proposed rates for: (1) the 2023 electric sales forecast; (2) GHG Allowance return to customers, specifically the Small Business and Residential California Climate Credit ("CCC"); and (3) the vintage Power Charge Indifference Adjustment ("PCIA") rates. SDG&E also presents illustrative 2023 rate components for the Green Tariff Shared Renewables ("GTSR") Program, which includes rates for the Green Tariff ("GT") program and the Enhanced Community Renewables ("ECR") program.¹ The illustrative rates, rate impacts and bill impacts presented in this testimony are calculated using current effective rates,² the forecasted 2023 ERRA Forecast revenue requirements as presented in the testimony of SDG&E witness Kristina

¹ As discussed in Section VI, SDG&E presents 2023 GTSR rates for illustrative purposes only, and proposes to maintain current effective 2022 GTSR rates through 2023.

² Effective January 1, 2022 per AL 3928-E. PCIA rates were updated on February 1, 2022 per AL 3943-E.

1 Ghianni, and the 2023 forecasted sales as presented in the testimony of SDG&E witness Kenneth
2 Schiermeyer.³

3 This testimony is organized as follows:

- 4 1. Section II – SDG&E’s Bundled Commodity Cost Recovery Proposal;
- 5 2. Section III – 2023 Rate and Bill Impacts to Reflect Recovery of Updated Revenue
6 Requirements for ERRA, PABA, CTC, LG and SONGS;
- 7 3. Section IV – 2023 Rates for the Return of GHG Allowance Revenues;
- 8 4. Section V – 2023 PCIA Rates, including SDG&E’s proposal to distribute the final
9 year of 2020 CAPBA Trigger revenues;
- 10 5. Section VI – 2023 Illustrative Rates for SDG&E’s Green Tariff Shared Renewables
11 Program;
- 12 6. Section VII – Summary and Relief Requested; and
- 13 7. Section VIII – Qualifications.

14 **II. SDG&E’S BUNDLED COMMODITY COST RECOVERY PROPOSAL**

15 Due to the continued load departure within its service territory, and in compliance with prior
16 Commission direction, SDG&E will implement its bundled commodity rates that collect the 2023
17 commodity-related revenue requirements⁴ using the system average percent change (“SAPC”)
18 methodology adopted in SDG&E’s 2019 GRC Phase 2.⁵ SDG&E presents the illustrative bundled
19 class average rate and bill impacts for the SAPC methodology for implementing SDG&E’s 2023
20 electric sales forecast in Section III below.

³ Includes System Net, Delivered, and Bundled sales.

⁴ Commodity-related revenue requirements include but are not limited to (1) the ERRA revenue requirement, (b) bundled customers’ portion of the PABA revenue requirement, and (c) bundled customers’ portion of the PABA year-end balance.

⁵ See D.21-07-010, OP 1, and p. 18.

1 **III. 2023 RATE AND BILL IMPACTS TO REFLECT RECOVERY OF UPDATED**
2 **REVENUE REQUIREMENTS FOR ERRA, PABA, CTC, LG AND SONGS**

3 SDG&E requests the recovery in rates of the following 2023 revenue requirements⁶ presented
4 in the direct testimony of SDG&E witness Kristina Ghianni:

- 5 1. 2023 ERRA Revenue Requirement of \$428.607 million (\$433.755 million including
6 Franchise Fees and Uncollectible Expenses (“FF&U”)) for recovery of the “up-to-
7 market” energy procurement costs, which include GHG costs, associated with serving
8 SDG&E’s bundled service customers.⁷ SDG&E also seeks recovery of the projected
9 2022 year-end balance recorded to ERRA of \$(1.993) million \$(2.003) million
10 including FF&U);⁸
- 11 2. 2023 PABA Revenue Requirement of \$15.355 million (\$15.445 million including
12 FF&U) for recovery of the “above-market” costs and revenues associated with all
13 generation resources that are eligible for cost recovery through PCIA rates,^{9,10} and
14 recovery of the projected 2022 year-end balance recorded to PABA of \$72.781 million
15 (\$73.209 million including FF&U);¹¹

⁶ The revenue requirement figures in this testimony exclude FF&U unless otherwise noted.

⁷ SDG&E is proposing a change to the allocation of commodity costs to customer classes as part of this proceeding. As discussed in Section II, SDG&E request authority to allocate commodity costs to customer classes using the SAPC methodology instead of the authorized generation revenue allocation factors approved in D.21-07-010.

⁸ D.22-01-023 directed each of the IOUs to modify their respective Electric Preliminary Statements governing the ERRA and PABA accounts to allow them to place year-end ERRA balances in the most-recent vintage subaccount of PABA each year.

⁹ In D.07-01-025, the Commission adopted the PCIA methodology for CCA customers.

¹⁰ AL 3318-E, approved May 30, 2019 and effective January 1, 2019, established the PABA.

¹¹ D.19-10-001 authorized the recovery of the PABA prior year-end balance to be recovered through the ERRA Forecast filing. PABA balances attributed to bundled customers are shown with FF&U. PABA balances attributed to departing load customers are shown with uncollectibles.

- 1 3. 2023 CTC Revenue Requirement of \$11.098 million (\$11.232 million including
2 FF&U) for recovery of above-market costs associated with CTC-eligible resources
3 from all customers;
- 4 4. 2023 LG Revenue Requirement of \$173.279 million (\$175.361 million including
5 FF&U) for the recovery of net costs associated with resources approved by the
6 California Public Utilities Commission (“Commission”) for Cost Allocation
7 Mechanism (“CAM”) treatment for recovery from all benefiting customers, including
8 all bundled service, Direct Access (“DA”) and Community Choice Aggregation
9 (“CCA”) customers,¹² and the undercollected balance recorded to the 2020 LGBA of
10 \$0.396 million (\$0.400 million including FF&U);¹³
- 11 5. 2023 SONGS Unit 1 Offsite Fuel Storage Revenue Requirement of \$1.174 million
12 (\$1.188 million including FF&U) for the recovery of costs associated with the spent
13 fuel storage costs;¹⁴ and
- 14 6. 2023 TMNBC Revenue Requirement as set forth in the testimony of SDG&E witness
15 Kristina Ghianni and confidentiality declaration attached thereto for recovery of costs
16 associated with the tree mortality related procurement costs.¹⁵

¹² In D.13-03-029, the Commission authorized SDG&E to implement the LGC rate component, which is designed to recover new generation costs for local reliability that are deemed to be subject to the CAM policy adopted in D.06-07-029 and D.11-05-005, as a per kilowatt hour (“kWh”) non-bypassable charge from all benefiting customers including all bundled service, DA and CCA customers.

¹³ Pursuant to D.22-05-006, approved on May 5, 2022.

¹⁴ D.15-12-032 authorized SDG&E to recover the costs of SONGS Unit 1 Offsite Spent Fuel Storage through its ERRA proceeding.

¹⁵ D.18-12-003, OP9, the TMNBC cost will be recovered through the public purpose programs (“PPP”) charge. Accordingly, the revenue requirement associated with the TMNBC is not included in the rate impacts.

1 Table 1 below compares the currently effective revenue requirements to the 2023 proposed
 2 revenue requirements discussed above and the GHG Allowance revenues eligible for return to
 3 customers through electric rates discussed in more detail below in Section IV.

4 **Table 1**
 5 **ERRA, PABA, CTC, LG, SONGS, and GHG Revenue Requirements (\$000)**

Line	Description	Current Authorized Revenue Requirement ¹⁶		Proposed Revenue Requirement		Change from Current ¹⁷	Change (%)
		w/o FF&U	w/ FF&U	w/o FF&U	w/ FF&U	w/ FF&U	w/ FF&U
1	ERRA ¹⁸	\$777,521	\$786,860	\$428,607	\$433,755	\$(353,105)	-44.9%
2	PABA ¹⁹	\$179,759	\$181,940	\$15,535	\$15,445	\$(166,495)	-91.5%
3	CTC	\$9,462	\$9,575	\$11,098	\$11,232	\$1,656	17.3%
4	LG	\$145,081	\$146,824	\$173,279	\$175,361	\$28,537	19.4%
5	SONGS	\$1,174	\$1,188	\$1,174	\$1,188	\$0	0.0%
6	ERRA 2022 Balance	\$0	\$0	\$(1,993)	\$(2,003)	\$(2,003)	0.0%
7	PABA Balance ^{20,21}	\$(110,359)	\$(111,684)	\$72,781	\$73,209	\$184,893	-165.6%
8	LGBA 2018 Balance	\$(89,992)	\$(91,084)	\$0	\$0	\$91,084	-100.0%
9	LGBA 2019 Balance	\$(877)	\$(888)	\$0	\$0	\$888	-100.0%
10	LGBA 2020 Balance	\$0	\$0	\$396	\$400	\$400	0.0%
11	2021 CAPBA Disposition	\$(17,772)	\$(17,986)	\$0	\$0	\$17,986	-100%
12	ERRA Trigger 2021	\$147,356	\$149,126	\$0	\$0	\$(149,126)	-100%

¹⁶ Authorized by D.21-12-040 and effective January 1, 2022 per AL 3928-E/A/B.

¹⁷ Differences may not equal due to rounding.

¹⁸ Includes GHG costs.

¹⁹ The bundled portion of the PABA balance shown includes FF&U. The departing load portion of the PABA balance shown includes uncollectibles.

²⁰ The proposed 2022 PABA year-end balance is projected based on three months of actuals (January to March of 2022) and nine months of forecasted expenses and revenues. The projected 2022 PABA year-end balance will be updated in SDG&E's October Update based on five more months of actuals from April to August.

²¹ The bundled portion of the PABA balance shown includes FF&U. The departing load portion of the PABA balance shown includes uncollectibles.

Line	Description	Current Authorized Revenue Requirement ¹⁶		Proposed Revenue Requirement		Change from Current ¹⁷	Change (%)
13	Subtotal	\$1,041,354	\$1,053,872	\$700,698	\$708,587	\$(345,284)	-32.8%
	GHG Allowance Revenues Eligible for Return to Customers						
14	Small Business & Residential CCC		\$(191,298)		\$(171,067)	\$20,231	-10.6%
15	EITE Returns		\$(389)		\$(389)	\$0	0.0%
16	Total²²		\$862,185		\$537,131	\$(325,054)	-37.7%

1
2 Table 2 presents the illustrative class average rate impacts associated with SDG&E's
3 proposed 2023 electric sales forecast as discussed in the testimony of SDG&E witness Schiermeyer
4 and the revenue requirements presented in Table 1. Table 3 presents the illustrative bundled
5 commodity rate impacts associated with the ERRA and PABA revenue requirements presented in
6 Table 1. SDG&E is requesting rate recovery of those revenue requirements beginning January 1,
7 2023. The net \$323,054 million (including FF&U)²³ decrease from the currently effective revenue
8 requirements, when implemented with SDG&E's 2023 sales forecast as discussed in the testimony of
9 SDG&E witness Schiermeyer, would increase the system average rate 1.494 cents per kWh, or 4.8%.
10 Without the Residential and Small Business Semi-Annual CCC, the system average rate would
11 increase by 1.412 cents per kWh, or 4.4%. Table 4 below presents the illustrative class bill impacts
12 associated with the revenue requirements presented in Table 1.

²² Sums may not equal due to rounding. Sums do not include the TMNBC revenue requirement. SDG&E is requesting approval of its 2023 TMNBC revenue requirement, which is set forth in the testimony of SDG&E witness Kristina Ghianni and confidentiality declaration attached thereto. SDG&E omitted the 2023 TMNBC revenue requirement figures from this table due to confidentiality concerns and because the revenue requirement associated with the TMNBC will be collected via the PPP charge.

²³ This value excludes the portion of revenues that Departing Load customers are forecasted to be responsible for in 2023 for: 1) the 2023 PABA revenue requirement; 2) the 2022 PABA year-end balance; and 3) the ERRA year-end balance as discussed in Section V.C.

Table 2
Illustrative Class Average Rate Impacts from 2022 ERRA, PABA, CTC, LG, SONGS, and GHG Revenue Requirements²⁴

Customer Classes	Current Effective Rates²⁵ (¢/kWh)	Proposed Rates (¢/kWh)	Change (¢/kWh)	Change (%)
Residential	34.523	36.500	1.977	5.73%
Small Commercial	32.243	33.637	1.394	4.32%
Medium and Large Commercial and Industrial	29.113	29.773	0.660	2.27%
Agriculture	23.165	24.728	1.563	6.75%
Streetlighting	29.009	30.155	1.146	3.95%
System	31.059	32.553	1.494	4.81%

Table 3
Illustrative Bundled Commodity Rate Impacts from 2022 ERRA and PABA Revenue Requirements^{26,27}

Customer Classes	Current Effective Rates²⁸ (¢/kWh)	Proposed Rates (¢/kWh)	Change (¢/kWh)	Change (%)
Residential	14.784	15.113	0.329	2.23%
Small Commercial	12.490	12.768	0.278	2.23%
Medium and Large Commercial and Industrial	14.868	15.199	0.331	2.23%
Agriculture	10.527	10.762	0.234	2.23%
Streetlighting	9.702	9.918	0.216	2.23%
System	14.315	14.727	0.412	2.88%

²⁴ These rate impacts do not reflect the TMNBC revenue requirement.

²⁵ Current rates effective January 1, 2022 per AL 3928-E/A/B.

²⁶ Class average commodity rates do not include commodity-related under/over collection rates.

²⁷ These rate impacts do not reflect the TMNBC revenue requirement.

²⁸ Current rates effective January 1, 2022 per AL 3928-E/A/B.

Table 4
Illustrative Class Bill Impacts from 2022 ERR, PABA, CTC, LG,
SONGS, and GHG Revenue Requirements²⁹

Customer Classes	Current Bill³⁰ (\$/month)	Proposed Bill (\$/month)	Change (\$/month)	Change (%)
Residential Non-CARE ³¹	149.72	154.54	4.82	3.22%
Residential CARE ³²	93.69	97.11	3.42	3.65%
Small Commercial ³³	321.75	335.66	13.91	4.32%
Medium and Large Commercial and Industrial ³⁴	4,828.47	4,937.93	109.46	2.27%
Agriculture ³⁵	800.08	854.06	53.98	6.75%
Streetlighting ³⁶	154.11	160.20	6.09	3.95%

IV. 2023 RATES FOR RETURN OF THE GHG ALLOWANCE REVENUES

In compliance with D.12-12-033 and D.20-10-002, the GHG allowance revenues eligible for return to customers is based on the GHG Allowance Revenues forecast of \$190.751 million (\$193.042 million including FF&U) presented in the testimony of SDG&E witness Matthew O’Connell, adjusted for the following:

²⁹ These bill impacts do not reflect the TMNBC revenue requirement.

³⁰ Current bill impacts are based on rates effective January 1, 2022 per AL 3928-E/A/B.

³¹ Residential class average bill impacts are based on 400 kWh of usage per month for a non-California Alternative Rates for Energy (“CARE”) customer. Customers’ actual bill impacts will vary with usage per month, by season and by climate zone.

³² Residential class average bill impacts are based on 400 kWh of usage per month for a CARE customer. Customers’ actual bill impacts will vary with usage per month, by season and by climate zone.

³³ Small commercial class average bill impacts are based on 998 kWh of usage per month. Customers’ actual bill impacts will vary with usage per month, by season and applicable rate schedule specific rate components like basic service fees (“BSF”) and demand charges.

³⁴ M/L C&I class average bill impacts are based on 16,585 kWh of usage per month. Customers’ actual bill impacts will vary with usage per month, by season and applicable rate schedule specific rate components like BSF and demand charges.

³⁵ Agriculture class average bill impacts are based on 3,454 kWh of usage per month. Customers’ actual bill impacts will vary with usage per month, by season and applicable rate schedule specific rate components like BSF and demand charges.

³⁶ Streetlighting class average bill impacts are based on 531 kWh of usage per month. SDG&E only presents average usage for metered lighting rate schedules LS-3, DWL and OL-2. Customers’ actual bill impacts will vary with usage per month and applicable rate schedule specific rate components like per lamp charges.

- 1 1. Reconciliation of 2021 forecasted with 2021 year-end actuals recorded in GHG
2 Revenue Balancing Account (“GHGRBA”) presented in the testimony of SDG&E
3 witness Kristina Ghianni of \$(4.240) million (including FF&U);
- 4 2. GHG expenses related to customer outreach and education and administrative costs
5 presented in the testimony of SDG&E witness Scott Lewis of \$0.081 million
6 (including FF&U) that will be recorded in the GHG Customer Outreach and Education
7 Memorandum Account (“GHGCOEMA”) and the GHG Administrative Costs
8 Memorandum Account (“GHGACMA”);
- 9 3. Solar on Multifamily Affordable Housing (“SOMAH”) Program funding^{37,38} of
10 \$19.075 million (\$19.304 million including FF&U) for 2023 and Disadvantaged
11 Community Single-Family Solar Homes (“DAC-SASH”) Program funding of \$1.030
12 million (\$1.042 million including FF&U), also presented in the testimony of SDG&E
13 witness Matthew O’Connell. Beginning in 2023, the DAC – Green Tariff (“DAC-
14 GT”) Program and the Community Solar Green Tariff (“CSGT”) Program will no
15 longer be funded through GHG allowance revenues and will instead be funded
16 through PPP rates in order to comply with the California Air Resources Board’s
17 (“CARB”) prohibition on the use of GHG proceeds to fund volumetric discounts;
18 and³⁹

³⁷ D.17-12-022 OP 4 requires the IOUs to “each shall reserve 10% of the proceeds from the sale of greenhouse gas allowances defined in Public Utilities Code Section 748.5 through its annual Energy Resource Recover Account (ERRA) proceedings for use in the Solar on Multifamily Affordable Housing program, starting with its ongoing 2018 ERRA forecast proceeding.” Furthermore, D.20-04-012 OP 6 extends SOMAH funding through June 30, 2026.

³⁸ On May 13, 2022, SCE filed a Petition for Modification of D.17-12-022 (issued in R.14-07-002) seeking to change the allocation to 10%, not to exceed \$1 million statewide. Should the PFM be granted prior to the October Update, SDG&E will update its testimony accordingly.

³⁹ Per AL 3944-E filed by SDG&E on February 1, 2022 and approved by the Commission on March 3, 2022.

4. The SOMAH Program prior year true-up funding for October through December 2020 request of \$2.960 million (\$2.996 million including FF&U) pursuant to D.20-04-012, and also presented in the testimony of SDG&E witness Kristina Ghianni.

Table 5 below provides the current authorized and proposed GHG Allowance revenues to determine the GHG Allowance revenues eligible for return to customers.

Table 5
GHG Allowance Revenues⁴⁰ Eligible for Return to Customers

	Current Authorized⁴¹ (\$000)	Proposed (\$000)	Change⁴² (\$000)	Change (%)
GHG Allowance Revenues	\$(194,404)	\$(190,751)	\$3,652	-1.9%
Interest	\$(16)	\$(32)	\$(16)	95.7%
GHG Expenses ⁴³	\$60	\$81	\$21	35.5%
Clean Energy/Energy Efficiency Program Costs	\$20,261	\$23,065	\$2,804	13.8%
FF&U	\$(2,112)	\$(2,014)	\$99	-4.7%
Prior Year GHGRBA Revenue Return True-Up ⁴⁴	\$(15,087)	\$(1,417)	\$13,670	-90.6%
GHG Allowance Revenues Eligible for Return to Customers	\$(191,298)	\$(171,067)	\$20,231	-10.6%

OP 1 of D.12-12-033, OP 1 of D.20-10-002, and OP 6 of D.21-08-026 direct the Investor-Owned Utilities (“IOUs”) to distribute GHG allowances revenues eligible for return to customers in the following manner:^{45,46}

⁴⁰ All values exclude FF&U unless otherwise noted.

⁴¹ Authorized by D.21-12-040 and effective January 1, 2022 per AL 3928-E/A/B.

⁴² Differences may not equal due to rounding.

⁴³ GHG Expenses include utility outreach and administrative costs, including information technology (“IT”) billing and program management costs, as well as statewide outreach costs.

⁴⁴ D.14-10-033, Findings of Fact (“FOF”) 15 allows utilities to use a balancing account to maintain a record of allowance revenues.

⁴⁵ Consistent with D.15-07-001, OP 18, the Residential Volumetric Return is no longer applicable.

⁴⁶ Consistent with D.21-08-026, OP 6, the Small Business Volumetric Return is no longer applicable.

1 1. **Emissions-Intensive and Trade-Exposed (“EITE”)** entities will receive an annual,
2 fixed-amount on-bill credit based on Commission calculations, discussed below;

3 2. **Small Business and Residential CCC** for the distribution of all remaining GHG
4 Allowance revenues to small business and residential customers on an equal per small
5 business and residential account basis delivered as a semi-annual, on-bill credit and is
6 described in more detail below.⁴⁷

7 **A. EITE**

8 OP 1 of D.20-10-002 directs the IOUs to distribute GHG allowance proceeds in the same
9 manner as previously directed in D.12-12-033, D.13-12-002, and D.14-12-037 (as modified by D.15-
10 08-006 and D.16-07-007). D.15-01-024 states “[o]nce EITE customers have begun receiving an
11 EITE return, the forecast return is based on the recorded prior-year revenue returned to EITE
12 customers.”⁴⁸ With respect to the California Industry Assistance Credit for EITE, D.20-10-002
13 extended the existing formulas until the CARB begins the process of providing assistance or the
14 Commission directs further changes.⁴⁹ In 2022, EITE customers received EITE returns in the amount
15 of \$0.389 million. As such, the adjustment to GHG Allowance Revenues eligible for return to
16 customers in 2023 reflects an assumed return to EITE customers of \$0.389 million.

17 **B. Small Business and Residential CCC**

18 The remaining GHG Allowance revenues eligible for return to customers will be allocated to
19 all qualifying small business and residential customers on an equal cents-per-account basis, which
20 will be credited to customers semi-annually as a bill credit, also known as the Small Business and

⁴⁷ D.15-07-001, COL 29 stated that beginning January 1, 2016, the GHG offset for upper tier residential customers should be eliminated and that the revenue return allocated to residential customers will consist solely of the semi-annual CCC.

⁴⁸ D.15-01-024, Attachment D, page 5.

⁴⁹ D.20-10-002 at pp. 2 and 13.

1 Residential Semi-Annual CCC.⁵⁰ Table 6 below presents the remaining GHG Allowance revenues
 2 available for return through the Small Business and Residential CCC of \$170.678 million, which
 3 results in a semi-annual Small Business and Residential CCC of \$58.61.

4 **Table 6**
 5 **GHG Allowance Revenues⁵¹ Eligible for Return through Residential CCC**

	Current Authorized (\$000)⁵²	Proposed (\$000)	Change⁵³ (\$000)	Change (%)
GHG Allowance Revenues Eligible for Return	\$(191,298)	\$(171,067)	\$20,231	-10.6%
EITE Customer Return Revenues	\$389	\$389	\$0	0.0%
Small Business and Residential CCC Revenues	\$190,908	\$170,678	\$(20,231)	-10.6%
Small Business and Residential Semi- Annual CCC (\$/semi-annual)	\$64.17	\$58.61	\$(5.56)	-8.7%

6
 7 **V. 2023 PCIA RATES**

8 In D.06-07-030, modified by D.07-01-030, the Commission established authority for the
 9 PCIA component of the Cost Responsibility Surcharge (“CRS”) to preserve bundled customer
 10 indifference by ensuring departing load customers pay their share of the cost responsibility associated
 11 with the above-market costs based on an administrative benchmark, also known as the “indifference
 12 amount,” of the utilities’ total procurement resource portfolio.⁵⁴

13 In D.08-09-012, the Commission continued to refine the indifference amount methodology to
 14 better protect bundled customer indifference by introducing the requirement to “vintage” departing
 15 load customers, based on their departure date, when determining the customers’ cost responsibility

⁵⁰ D.15-07-001, COL 29 stated that beginning January 1, 2016, the GHG offset for upper tier residential customers should be eliminated and that the revenue return allocated to residential customers will consist solely of the semi-annual CCC.

⁵¹ Includes FF&U.

⁵² Authorized by D.12-12-040 and effective January 1, 2022 per AL 3928-E/A/B.

⁵³ Difference may not equal due to rounding.

⁵⁴ In D.07-01-025, the Commission adopted the PCIA methodology for CCA customers.

1 for the “total portfolio” of resources.⁵⁵ Assigning customers to a vintage ensured that departing load
2 customers pay their share of above-market costs associated with the specific vintage portfolio of
3 resources that were acquired to serve them prior to their departure from bundled load service in order
4 to better protect bundled customer indifference. After departure from bundled service, the departing
5 load customers are not required to pay for above-market costs associated with utility procurement
6 commitments after that load departs.

7 In D.11-12-018, the Commission adopted further refinement to the indifference amount
8 methodology recognizing that regulatory and industry changes had impacted energy procurement
9 practices. Changes to the Market Price Benchmark (“MPB”) methodology, used to determine the
10 “above-market” value of electricity, now included the addition of a renewables portfolio standards
11 adder (“RPS adder”) to better reflect the market value of renewable resources and a revised resource
12 adequacy capacity adder (“CAP adder”), which resulted in vintage MPBs.⁵⁶ The vintage portfolio of
13 resources calculation was revised to better reflect time-of-use load variations and also removed load-
14 related costs incurred by the California Independent System Operator (“CAISO”) that are then
15 charged to the utilities.

16 In accordance with D.16-09-044, the Joint Utilities and CCAs⁵⁷ developed a uniform
17 workpaper template through the PCIA Working Group to “facilitate comparison and analysis of the
18 PCIA across utilities.”⁵⁸ Pursuant to D.17-08-026 OP 1 and consistent with SDG&E’s 2020 ERR
19 Forecast, SDG&E has reflected the uniform workpaper template as attached in Appendix 7 of D.06-

⁵⁵ D.08-09-012, OP 10.

⁵⁶ D.11-12-018, OP 2.

⁵⁷ Southern California Edison (“SCE”), Pacific Gas & Electric Company (“PG&E”), SDG&E companies (collectively, the Joint Utilities), CCAs, certain Electric Service Providers and other representatives of DA interests, and consumer, labor and environmental groups participated to the PCIA working group.

⁵⁸ D.17-08-026, p. 2.

1 07-030 as part of this filing. The Commission further ordered in D.18-10-019 that PG&E, SCE and
2 SDG&E develop a uniform common template for the calculation of each of their PCIA rates
3 reflecting the changes ordered in the Decision.⁵⁹ SDG&E submitted its common template to the
4 Commission’s Energy Division and concurrently served the updated common template to the service
5 list for its ERRA proceeding.

6 In D.18-10-019, the Commission issued a decision modifying the PCIA methodology revising
7 inputs to the MPB that is used to calculate the PCIA. The revised methodology affects PCIA rates
8 that were effective as of January 1, 2019. In addition to the revised MPB inputs, the decision also
9 adopted an annual true-up mechanism, as recommended by a number of parties, as well as a cap that
10 limited the change of the PCIA rate from one year to the next. Starting in forecast year 2020, the cap
11 level of the PCIA rate was set at 0.5 cents/kWh more than the prior year’s PCIA, differentiated by
12 system average vintage rate. In AL 3318-E, PABA was established to record the “above-market”
13 costs and revenues associated with all PCIA eligible resources by vintage subaccounts. This
14 balancing account became effective as of January 1, 2019.

15 In D.19-10-001, the Commission issued a decision further modifying the PCIA methodology
16 revising the inputs to the billing determinants (sales) that is used to calculate the PCIA rates. The
17 revised methodology affects PCIA rates that became effective January 1, 2020.⁶⁰ This revision
18 ordered SDG&E to use vintage billing determinants of those responsible for the vintage portfolio to
19 determine PCIA rates, instead of the currently used system net billing determinants. In addition, the
20 decision authorized any over/under-collection in the PABA vintage subaccounts in a given year to be
21 rolled into the next year’s ERRA Forecast filing. The decision adopted the methodology for SDG&E

⁵⁹ D.18-10-019, OP 3.

⁶⁰ SDG&E’s 2020 ERRA Forecast Application, D.20-01-005, was approved January 16, 2020 and implemented into rates February 1, 2020 pursuant to AL 3500-E.

1 to true-up the values in PABA for the imputed RPS and resource adequacy (“RA”) costs using the
2 updated benchmarks provided by the Energy Division on October 1.⁶¹ The true-up amounts for both
3 RPS and RA will be booked as adjustments to PABA annually through the ERRA Forecast filing.

4 In D.22-01-023, the Commission directed each of the IOUs to modify their respective Electric
5 Preliminary Statements governing the ERRA and PABA accounts to allow them to place year-end
6 ERRA balances in the most-recent vintage subaccount of PABA each year.⁶² The modifications
7 clarify that disposition of the year-end balance in the ERRA account shall be to the PABA upon
8 submission (where a Tier 1 advice letter is currently required) or approval (where a Tier 2 advice
9 letter is currently required) by the Commission of the applicable compliance advice letter addressing
10 such balance.

11 AL 3436-E established the PCIA under-collection balancing account (“CAPBA”).⁶³ CAPBA
12 establishes an interest-bearing balance account that will be used in the event that the PCIA cap is
13 reached, in order to track any obligation that accrues for departing load customers by vintage
14 subaccounts.⁶⁴ D.21-05-030 removed the PCIA cap and trigger mechanisms effective as of May 24,
15 2021. SDG&E was required to implement the removal of the PCIA cap in rates effective January 1,
16 2022.⁶⁵ For PCIA vintages that were capped during 2021, the balance of the CAPBA undercollection
17 that was previously paid by bundled customers will be collected from departing load customers
18 through PCIA rate adders and returned to bundled customers. Additionally, the removal of the PCIA

⁶¹ D.22-01-023 modified the PCIA market price benchmark release date from November 1 to October 1 each year, beginning with the 2022 benchmark. (D.22-01-023, OP 1).

⁶² D.22-01-023, at OP 4. SDG&E AL 3976-E was filed on March 25, 2022 and is waiting Commission disposition.

⁶³ SDG&E AL 3436-E was filed on September 30, 2019 approved on October 31, 2019.

⁶⁴ Pursuant to D.18-10-019 OP 9 to R.17-06-026. The CAPBA balance was the portion of PABA revenues that was above the capped system average rate of \$0.005 kWh per vintage.

⁶⁵ D.21-05-030 per OP 1.

1 cap effective January 1, 2022, pursuant to D.21-05-030 OP 1, also means that SDG&E’s adopted
2 2020 ERRA Trigger vintage 2020 PCIA rate adders, pursuant to D.21-0-014, that were previously
3 capped when SDG&E’s 2020 ERRA Trigger was approved now must return to their uncapped level
4 on January 1, 2022 in order for SDG&E to comply with D.21-05-030. As discussed in more detail
5 below, SDG&E’s remaining 2020 CAPBA Trigger adder rates will be recalculated for calendar year
6 2023.

7 In D.21-03-051, the Commission granted the joint IOUs’ uncontested Petition for
8 Modification (“PFM”) to D.17-08-026 which updates the PCIA workpaper to remove the application
9 of line losses to capacity volumes and utilizes energy volumes as measured at the generator meter
10 instead of customer meter. These updates are incorporated in this record year 2023 ERRA Forecast
11 application.

12 **A. Indifference Methodology**

13 Under Commission rules,⁶⁶ departing load customers are responsible for their fair share of
14 above-market costs, or an indifference amount, incurred by the utility on behalf of those customers
15 when electric generation costs exceed the current market price, or market price benchmark. To
16 maintain bundled customer indifference to the departure of SDG&E’s customers to non-utility
17 service, SDG&E calculates the indifference amount to determine the cost responsibility for DA, CCA
18 and other departing load, specifically:

19 **Indifference Amount = CTC + PCIA**

20 The above-market costs for both the CTC and PCIA are determined using the MPB, a
21 calculated proxy for the market value of electricity. This methodology is consistent with
22 Commission directives, specifically D.11-12-018 and Resolution E-4475. CTC revenue requirements

⁶⁶ California Public Utilities Code Section 365.2.

1 are addressed in the testimony of SDG&E witness Kristina Ghianni with rate impacts discussed
2 above.

3 In this Application, SDG&E is proposing to update the currently effective vintage PCIA rates
4 and to include the new vintage 2023 PCIA rates to account for customers' departing load in the
5 second half of 2023. With respect to this 2023 ERRA proceeding, SDG&E's portfolio of resources,
6 used to calculate the vintage 2023 indifference amounts and the resulting 2023 PCIA rates, will
7 include applicable costs from SDG&E's:

- 8 • Forecasted 2023 PABA, and CTC revenue requirements;
- 9 • Projected 2022 PABA year-end balance;
- 10 • Projected 2022 ERRA year-end balance; and
- 11 • SDG&E's authorized 2023 Non-Fuel Generation Balancing Account
12 ("NGBA") revenue requirement.

13 However, the 2023 NGBA revenue requirements and the vintage 2023 MPBs are not
14 available at the time of this filing.⁶⁷ Therefore, the 2022 NGBA⁶⁸ revenue requirements and the
15 current MPBs⁶⁹ were used in the preliminary calculation of the vintage 2023 PCIA rates in this
16 testimony and will be updated in SDG&E's October Update filing in this proceeding.

17 **B. Treatment of SONGS-related Costs**

18 On July 26, 2018, the Commission approved D.18-07-037 adopting the majority of the 2018
19 Revised Settlement Agreement ("Agreement"), which stated, in part, that SDG&E would cease
20 collecting in rates the revenue requirement authorized to be recovered related to the SONGS
21 regulatory asset.

⁶⁷ SDG&E expects to update this testimony in October once that information is available.

⁶⁸ SDG&E filed AL 3886-E on November 4, 2021.

⁶⁹ Per SDG&E's updated November 2021 ERRA Forecast Application (A.20-04-014) and D.21-01-017.

1 SDG&E's PCIA rates therefore no longer include SONGS-related Regulatory Asset costs.⁷⁰

2 The only remaining SONGS-related costs included in PCIA rates are non-fuel related costs
3 authorized in SDG&E's 2019 General Rate Case (D.19-09-051), which are included in the PCIA
4 rates in Attachment A.

5 **C. Disposition of 2020 CAPBA Trigger and 2020 ERRA Trigger Balances**

6 **1. Remaining 2020 CAPBA Trigger Balance Amortization Period**

7 As part of the ERRA Forecast proceeding, and pursuant to D.18-10-019, up until the
8 November update of the 2022 ERRA Forecast proceeding, SDG&E was required to evaluate whether
9 the \$0.005/kWh PCIA cap had been reached based on the system average PCIA rate by customer
10 vintage, using a comparison between the prior year's DA/CCA PCIA rates and the PCIA rates
11 proposed in the current year's ERRA Forecast proceeding.⁷¹ If the system average PCIA rate by
12 customer vintage was forecasted to increase by more than \$0.005/kWh, then all PCIA rates for that
13 customer vintage would be capped. When the rate cap for any PCIA rate vintage was reached, the
14 PCIA rates for that vintage could only be increased by \$0.005/kWh and bundled customers were
15 responsible for the revenue shortfall, and the shortfall was tracked through the CAPBA. D.21-05-030
16 removed this requirement and required SDG&E to dispose of any remaining CAPBA balance in 2022
17 PCIA rates.⁷² SDG&E's 2022 PCIA rates include two PCIA adders related to the CAPBA: 1) adders
18 for certain vintages that recover undercollections from departing load customers adopted in
19 SDG&E's 2020 CAPBA Trigger Application (A.20-07-009); and 2) adders for certain vintages that

⁷⁰ In the Order Instituting Investigation on the Commission's Own Motion in the Rates, Operations, Practices, Services and Facilities of SCE and SDG&E Associated with the San Onofre Nuclear Generating Station Units 2 and 3 (I. 12-10-013), a Joint Motion for Adoption of Settlement Agreement was approved by the Commission in D.18-07-037.

⁷¹ SDG&E's CAPBA Preliminary Statement pursuant to AL 3436-E and approved October 30, 2019.

⁷² D.21-05-030, OP 1.

1 dispose of the CAPBA amounts that accrued after SDG&E's 2020 CAPBA Trigger Application
2 balance was resolved.⁷³

3 SDG&E filed a CAPBA Trigger Application (A.20-07-009) on July 10, 2020. To reduce rate
4 volatility that would result from incorporating the CAPBA Trigger revenues into PCIA rates, the
5 Commission adopted an amortization period of 36 months for the CAPBA trigger balance, with the
6 intention to amortize the total balance in 2021, 2022 and 2023 PCIA rates.⁷⁴ The total balance to be
7 redistributed among bundled and departed load customers was \$8.92 million, or \$2.97 million per
8 year for three years.⁷⁵ If 2021 PCIA rates had been implemented on January 1, 2021, the
9 amortization period of 36 months would have ended in December 2023. However, SDG&E
10 implemented its 2021 PCIA rates on March 1, 2021 via AL 3696-E-A/B. Item 3.a. of the Joint
11 Stipulation of SDG&E and CCA Parties⁷⁶ in A.20-07-009 states:

12 *If 2021 PCIA rates are not implemented by January 1, 2021, the*
13 *amortization period for the 2020 CAPBA undercollection shall be reduced*
14 *commensurately to ensure that the amortization is completed by December*
15 *31, 2023.*

16 Therefore, SDG&E's 2020 CAPBA Trigger rates for forecast year 2023 will amortize the
17 remaining 14 months of the 2020 CAPBA Trigger balance over 12 months (January 1, 2023 –
18 December 31, 2023) in order to align the remaining amortization period with calendar year 2023 and
19 ensure compliance with the Joint Stipulation. As discussed in the testimony of SDG&E witness
20 Ghianni, SDG&E is requesting to transfer any remaining balance in the CAPBA to PABA after
21 amortization is complete on December 31, 2023 and close the CAPBA preliminary statement.

⁷³ D.21-12-040 adopted a standard 12-month amortization period of the remaining CAPBA balance in 2022 PCIA rates.

⁷⁴ D.20-12-028, OP 1.

⁷⁵ Excludes Franchise Fees and Uncollectibles.

⁷⁶ Joint Stipulation of SDG&E and CCA Parties (California Community Choice Association, San Diego Community Power, Clean Energy Alliance, and Solana Energy Alliance). Executed November 30, 2020.

1 **2. Adjustment to 2020 CAPBA Trigger PCIA Adder Rates**

2 While recalculating the 2023 ERRa Forecast final year of 2020 CAPBA Trigger PCIA
3 amortization adjustment during preparation of this application, SDG&E discovered it had
4 inadvertently overlooked updating 2020 CAPBA Trigger PCIA adder rates in the 2022 ERRa
5 Forecast November Update (adders that would be effective throughout 2022) for the 2022 bundled
6 sales forecast. The 2020 CAPBA Trigger PCIA adder rates were approved as \$/kWh rates (pursuant
7 to D.20-12-028) and implemented on March 1, 2021.⁷⁷ In the 2022 ERRa Forecast proceeding,
8 SDG&E carried forward these previously adopted rates.⁷⁸ At the time the 2022 ERRa Forecast
9 Application⁷⁹ was filed, SDG&E did not have authority to incorporate its proposed 2022 bundled
10 sales forecast into its 2022 ERRa Forecast.⁸⁰ SDG&E filed a separate 2022 Sales Forecast
11 Application⁸¹ as ordered by D.21-07-010,⁸² on August 13, 2021, which included its proposed 2022
12 bundled sales forecast. Because SDG&E’s 2022 bundled sales forecast was not authorized (or even
13 filed) when SDG&E filed its April 2022 ERRa Forecast application, carrying forward the
14 previously-adopted 2020 CAPBA Trigger PCIA adder rates was appropriate, and would have been
15 appropriate in the 2022 ERRa Forecast November Update had SDG&E not been ordered to
16 incorporate its proposed 2022 forecasted bundled sales shortly before filing the November Update.
17 On October 21, 2021, Administrative Law Judge (“ALJ”) Douglas M. Long issued an e-mail ruling
18 requiring SDG&E to incorporate SDG&E’s proposed bundled sales forecast from A.21-08-010 in its

⁷⁷ Per AL 3696-E/A/B effective March 1, 2021.

⁷⁸ Per AL 3909-E and 3943-E, SDG&E updated PCIA rates and adders to exclude Franchise Fees on February 1, 2022.

⁷⁹ A.21-04-010, filed April 15, 2021.

⁸⁰ See, Amended Direct Testimony of Stacy Fuhrer, dated May 10, 2021, SF-2: 11-18, A.21-04-010.

⁸¹ A.21-08-010.

⁸² OP 4.

1 November update. This was the first time SDG&E had incorporated an up-to-date bundled sales
 2 forecast in its ERRR Forecast Application November update, and, in updating its 2022 proposed
 3 PCIA and bundled rates, SDG&E overlooked updating the previously-approved 2020 CAPBA
 4 Trigger PCIA adder rates for the 2022 bundled sales forecast. Because of this oversight, certain
 5 PCIA vintages currently have higher PCIA adder rates than they otherwise should, and certain PCIA
 6 vintages have lower PCIA adder rates than they otherwise should (*i.e.*, the adder rates are the same
 7 that were in adopted and implemented in D.20-12-028).

8 The 2020 CAPBA Trigger PCIA adder rates are the only component of total PCIA rates
 9 affected by this oversight; the PCIA adders related to the disposition of the 2021 CAPBA balance
 10 currently in effect pursuant to D.21-05-030 and D.21-12-040 are unaffected. Tables 7 and 9 below
 11 present the currently effective 2020 CAPBA Trigger PCIA undercollection and overcollection adder
 12 rates, and Tables 8 and 10 present 2020 CAPBA Trigger PCIA adder rates if SDG&E had adjusted
 13 the 2020 CAPBA Trigger PCIA adder rates for the 2022 ERRR bundled Sales Forecast.

14 **Table 7 – 2020 CAPBA Trigger Undercollection from Departing Load Customers –**
 15 **2022 Current Effective Vintaged PCIA Adder Rates⁸³**

Rate Group	PCIA 2001 Vintage	PCIA 2002 Vintage	PCIA 2003 Vintage	PCIA 2004 Vintage	PCIA 2005 Vintage	PCIA 2006 Vintage	PCIA 2007 Vintage	PCIA 2008 Vintage	PCIA 2009 Vintage	PCIA 2010 Vintage	PCIA 2011 Vintage
Residential	-	-	-	-	-	-	-	-	0.00117	0.00219	0.00517
Small Commercial	-	-	-	-	-	-	-	-	0.00117	0.00219	0.00517
Medium & Large C&I	-	-	-	-	-	-	-	-	0.00117	0.00219	0.00517
Agriculture	-	-	-	-	-	-	-	-	0.00117	0.00219	0.00517
Streetlighting	-	-	-	-	-	-	-	-	0.00117	0.00219	0.00517
System Total	-	-	-	-	-	-	-	-	0.00117	0.00219	0.00517

Rate Group	PCIA 2012 Vintage	PCIA 2013 Vintage	PCIA 2014 Vintage	PCIA 2015 Vintage	PCIA 2016 Vintage	PCIA 2017 Vintage	PCIA 2018 Vintage	PCIA 2019 Vintage	PCIA 2020 Vintage	PCIA 2021 Vintage	PCIA 2022 Vintage
Residential	0.00617	0.00617	0.00628	0.00629	0.00629	0.00629	0.00629	0.00629	-	-	-
Small Commercial	0.00617	0.00617	0.00628	0.00629	0.00629	0.00629	0.00629	0.00629	-	-	-
Medium & Large C&I	0.00617	0.00617	0.00628	0.00629	0.00629	0.00629	0.00629	0.00629	-	-	-
Agriculture	0.00617	0.00617	0.00628	0.00629	0.00629	0.00629	0.00629	0.00629	-	-	-
Streetlighting	0.00617	0.00617	0.00628	0.00629	0.00629	0.00629	0.00629	0.00629	-	-	-
System Total	0.00617	0.00617	0.00628	0.00629	0.00629	0.00629	0.00629	0.00629	-	-	-

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⁸³ Pursuant to D.12-12-028, per AL 3928-E effective January 1, 2022, and updated February 1, 2022 per AL 3909-E and AL 3943-E.

**Table 8 – 2020 CAPBA Trigger Undercollection from Departing Load Customers –
2022 Recalculated Vintaged PCIA Adder Rates⁸⁴**

Rate Group	PCIA 2001 Vintage	PCIA 2002 Vintage	PCIA 2003 Vintage	PCIA 2004 Vintage	PCIA 2005 Vintage	PCIA 2006 Vintage	PCIA 2007 Vintage	PCIA 2008 Vintage	PCIA 2009 Vintage	PCIA 2010 Vintage	PCIA 2011 Vintage
Residential	-	-	-	-	-	-	-	-	0.00080	0.00138	0.00242
Small Commercial	-	-	-	-	-	-	-	-	0.00080	0.00138	0.00242
Medium & Large C&I	-	-	-	-	-	-	-	-	0.00080	0.00138	0.00242
Agricultural	-	-	-	-	-	-	-	-	0.00080	0.00138	0.00242
Lighting	-	-	-	-	-	-	-	-	0.00080	0.00138	0.00242
System	-	-	-	-	-	-	-	-	0.00080	0.00138	0.00242

Rate Group	PCIA 2012 Vintage	PCIA 2013 Vintage	PCIA 2014 Vintage	PCIA 2015 Vintage	PCIA 2016 Vintage	PCIA 2017 Vintage	PCIA 2018 Vintage	PCIA 2019 Vintage	PCIA 2020 Vintage	PCIA 2021 Vintage	PCIA 2022 Vintage
Residential	0.00262	0.00262	0.00264	0.00264	0.00264	0.00264	0.00264	0.00264	-	-	-
Small Commercial	0.00262	0.00262	0.00264	0.00264	0.00264	0.00264	0.00264	0.00264	-	-	-
Medium & Large C&I	0.00262	0.00262	0.00264	0.00264	0.00264	0.00264	0.00264	0.00264	-	-	-
Agricultural	0.00262	0.00262	0.00264	0.00264	0.00264	0.00264	0.00264	0.00264	-	-	-
Lighting	0.00262	0.00262	0.00264	0.00264	0.00264	0.00264	0.00264	0.00264	-	-	-
System	0.00262	0.00262	0.00264	0.00264	0.00264	0.00264	0.00264	0.00264	-	-	-

**Table 9 – 2020 CAPBA Trigger Overcollection from Bundled Customers –
2022 Current Effective Vintaged PCIA Adder Rates⁸⁵**

Rate Group	PCIA 2001 Vintage	PCIA 2002 Vintage	PCIA 2003 Vintage	PCIA 2004 Vintage	PCIA 2005 Vintage	PCIA 2006 Vintage	PCIA 2007 Vintage	PCIA 2008 Vintage	PCIA 2009 Vintage	PCIA 2010 Vintage	PCIA 2011 Vintage
Residential	-	-	-	-	-	-	-	-	-	-	-
Small Commercial	-	-	-	-	-	-	-	-	-	-	-
Medium & Large C&I	-	-	-	-	-	-	-	-	-	-	-
Agriculture	-	-	-	-	-	-	-	-	-	-	-
Streetlighting	-	-	-	-	-	-	-	-	-	-	-
System Total	-	-	-	-	-	-	-	-	-	-	-

Rate Group	PCIA 2012 Vintage	PCIA 2013 Vintage	PCIA 2014 Vintage	PCIA 2015 Vintage	PCIA 2016 Vintage	PCIA 2017 Vintage	PCIA 2018 Vintage	PCIA 2019 Vintage	PCIA 2020 Vintage	PCIA 2021 Vintage	PCIA 2022 Vintage
Residential	-	-	-	-	-	-	-	-	(0.00021)	(0.00021)	(0.00021)
Small Commercial	-	-	-	-	-	-	-	-	(0.00018)	(0.00018)	(0.00018)
Medium & Large C&I	-	-	-	-	-	-	-	-	(0.00021)	(0.00021)	(0.00021)
Agriculture	-	-	-	-	-	-	-	-	(0.00015)	(0.00015)	(0.00015)
Streetlighting	-	-	-	-	-	-	-	-	(0.00014)	(0.00014)	(0.00014)
System Total	-	-	-	-	-	-	-	-	(0.00021)	(0.00021)	(0.00021)

**Table 10 – 2020 CAPBA Trigger Overcollection from Bundled Customers –
2022 Recalculated Vintaged PCIA Adder Rates⁸⁶**

Rate Group	PCIA 2001 Vintage	PCIA 2002 Vintage	PCIA 2003 Vintage	PCIA 2004 Vintage	PCIA 2005 Vintage	PCIA 2006 Vintage	PCIA 2007 Vintage	PCIA 2008 Vintage	PCIA 2009 Vintage	PCIA 2010 Vintage	PCIA 2011 Vintage
Residential	-	-	-	-	-	-	-	-	-	-	-
Small Commercial	-	-	-	-	-	-	-	-	-	-	-
Medium & Large C&I	-	-	-	-	-	-	-	-	-	-	-
Agriculture	-	-	-	-	-	-	-	-	-	-	-
Streetlighting	-	-	-	-	-	-	-	-	-	-	-
System Total	-	-	-	-	-	-	-	-	-	-	-

Rate Group	PCIA 2012 Vintage	PCIA 2013 Vintage	PCIA 2014 Vintage	PCIA 2015 Vintage	PCIA 2016 Vintage	PCIA 2017 Vintage	PCIA 2018 Vintage	PCIA 2019 Vintage	PCIA 2020 Vintage	PCIA 2021 Vintage	PCIA 2022 Vintage
Residential	-	-	-	-	-	-	-	-	(0.00024)	(0.00024)	(0.00024)
Small Commercial	-	-	-	-	-	-	-	-	(0.00020)	(0.00020)	(0.00020)
Medium & Large C&I	-	-	-	-	-	-	-	-	(0.00024)	(0.00024)	(0.00024)
Agriculture	-	-	-	-	-	-	-	-	(0.00015)	(0.00015)	(0.00015)
Streetlighting	-	-	-	-	-	-	-	-	(0.00013)	(0.00013)	(0.00013)
System Total	-	-	-	-	-	-	-	-	(0.00023)	(0.00023)	(0.00023)

⁸⁴ Includes Uncollectibles.

⁸⁵ Pursuant to D.20-12-028, per AL 3928-E effective January 1, 2022, and updated February 1, 2022 per AL 3909-E and AL 3943-E.

⁸⁶ Includes Uncollectibles.

1 The result of not adjusting these PCIA adder rates is an overcollection from certain vintages
2 of PCIA customers and an undercollection from other PCIA vintages. Because there is one more
3 year of amortization left for the 2020 CAPBA Trigger balance, SDG&E proposes herein to use the
4 remaining 12 months to adjust the 2023 CAPBA Trigger rates for any under- and over-collections
5 resulting from the 2020 CAPBA Trigger implemented 2022 PCIA rate adders. For the average
6 residential customer using 400 kWh per month in one of the over-collected PCIA vintages,⁸⁷ the 2022
7 bill impact ranges from approximately \$0.15–1.46 additional per month. For the average residential
8 customer using 400 kWh per month in one of the vintages where more revenue should have been
9 returned (bundled customers at the time of D.20-12-028),⁸⁸ the average monthly impact is \$0.01, or
10 approximately \$0.17 annually.

11 For bundled customers that are receiving slightly more of a return in 2022 than is correct, the
12 reduction in class average bundled commodity rates is minimal, from 0.02-0.03%. The impact to an
13 average bundled residential customer using 400 kWh per month is approximately \$0.036 per month.
14 SDG&E's proposal will redistribute the recalculated balances to the appropriate customers during
15 2023, less any remaining 2020 CAPBA Trigger balance needing to be amortized. Tables 11 and 12
16 below present actual vs. recalculated amortization of the 2020 CAPBA Trigger balance over 2021-
17 2023.

⁸⁷ PCIA vintages 2009-2019.

⁸⁸ PCIA vintages 2020-2022.

Table 11 – Bundled Customer 2020 CAPBA Trigger Revenue Redistribution – Actual vs. Recalculated

	\$(000) ¹	
	Actual	Recalculated
Balance Year 1 (3/1/2021)	\$ 8,923	\$ 8,923
2021 Bundled ²	(2,034)	(2,034)
2021 Bundled-now-DL ²	(445)	(445)
Balance Year 2 (1/1/2022)	6,444	6,444
2022 Bundled	(2,441)	(1,772)
2022 Bundled-now-DL	(1,048)	(1,203)
Balance Year 3 (1/1/2023)	2,954	3,470
2023 Bundled	(423)	(1,092)
2023 Bundled-now-DL	(2,532)	(2,378)
Balance (12/31/2023)	\$ -	\$ -

¹Excludes FF&U.

²SDG&E implemented its 2021 ERRa Forecast and PCIA rates on March 1, 2021. Therefore, only 10 months of the 2021 CAPBA balance was amortized (\$8,923 million / 36 months * 10 months).

Table 12 – Departing Load Customer 2020 CAPBA Trigger Revenue Redistribution – Actual vs. Recalculated

	\$(000) ¹	
	Actual	Recalculated
Balance Year 1 (3/1/2021)	\$ 8,923	\$ 8,923
2021 Departing Load ²	(2,479)	(2,479)
Balance Year 2 (1/1/2022)	6,445	6,445
2022 Departing Load	(6,611)	(2,974)
Balance Year 3 (1/1/2023)	(167)	3,470
2023 Departing Load	167	(3,470)
Balance (12/31/2023)	\$ -	\$ -

¹Excludes FF&U.

²SDG&E implemented its 2021 ERRa Forecast and PCIA rates on March 1, 2021. Therefore, only 10 months of the 2021 CAPBA balance was amortized (\$8,923 million / 36 months * 10 months).

In Tables 13 and 14, SDG&E presents the 2022 overpayment to bundled customers and 2022 overcollection from departing load customers. Table 15 presents the balance that will be returned to customers who were bundled but have since departed. SDG&E proposed that the net balances will be included in 2023 bundled commodity rates and vintaged PCIA rates, making each group of customers whole. The result will be 2023 bundled rates that are slightly higher than they otherwise would have been, and 2023 PCIA rates that are slightly lower than they otherwise would have been, had SDG&E

adjusted the 2020 CAPBA Trigger PCIA adder rates in the 2022 ERRA Forecast application. The proposed 2023 PCIA Adder rates for the remaining redistribution of the 2020 CAPBA Trigger are presented in Attachment D.

Table 13 – 2023 Bundled 2020 CAPBA Trigger Revenue Redistribution

	\$(000) ¹
2022 Return to Bundled Customers - Recalculated	\$ (1,772)
2022 Return to Bundled Customers - Actual	(2,441)
<i>2022 Overpayment to Bundled Customers</i>	670
2023 Calculated Return to Bundled Customers	(1,092)
<i>Net 2023 Bundled Customer Return</i>	<u>\$ (423)</u>

¹Excludes FF&U.

Table 14 – 2023 Departing Load 2020 CAPBA Trigger Revenue Redistribution

	\$(000) ¹
2022 Departing Load Customer Undercollection - Recalculated	\$ 2,974
2022 Departing Load Customer Undercollection - Actual	6,611
<i>2022 Departing Load Customer Overpayment</i>	(3,637)
2023 Calculated Return to Bundled and Bun-now-DL Customers	3,470
<i>Net 2023 Departing Load Customer Return</i>	<u>\$ (167)</u>

¹Excludes FF&U.

Table 15 – 2023 Bundled-now-Departing Load 2020 CAPBA Trigger Revenue Redistribution

	\$(000) ¹
2022 Return to Bun-now-DL Customers - Recalculated	\$ (1,203)
2022 Return to Bun-now-DL Customers - Actual ²	(1,048)
<i>2022 Bun-now-DL Customer Underpayment</i>	(154)
2023 Calculated Return to Bun-now-DL Customers ³	(2,378)
<i>Net 2023 Bun-now-DL Customer Return</i>	<u>\$ (2,532)</u>

¹Excludes FF&U.

²In 2022, this includes PCIA vintages 2020-2022.

³In 2023, this includes PCIA vintages 2020-2023.

3. Adjustment to 2020 ERRA Trigger PCIA Adder Rates

SDG&E's authorized 2020 ERRA Trigger balance was implemented on March 1, 2021 at the same time as the 2021 ERRA Forecast.⁸⁹ SDG&E was authorized to amortize the 2020 ERRA

⁸⁹ Per AL 3696-E-A/B, pursuant to D.21-01-017 and D.21-02-014.

1 Trigger balance over 22 months, with amortization ending on December 31, 2022.⁹⁰ Because
 2 SDG&E was ordered to update its 2022 ERRR Forecast Application with the 2022 bundled sales
 3 forecast as proposed in A.21-08-010, SDG&E should have updated the 2020 ERRR Trigger PCIA
 4 adder rates for the 2022 bundled sales forecast in its 2022 ERRR Forecast November Update. The
 5 issue is the same as is described in the prior section relating to the 2020 CAPBA Trigger adjustment.
 6 Table 16 below shows the currently effective 2020 ERRR Trigger PCIA adder rates, and Table 17
 7 shows the recalculated 2020 ERRR Trigger PCIA adder rates when updated for 2022 bundled sales.

8 **Table 16 – 2020 ERRR Trigger – 2022 Current Effective Vintaged PCIA Adder Rates⁹¹**

Rate Group	PCIA 2001 Vintage	PCIA 2002 Vintage	PCIA 2003 Vintage	PCIA 2004 Vintage	PCIA 2005 Vintage	PCIA 2006 Vintage	PCIA 2007 Vintage	PCIA 2008 Vintage	PCIA 2009 Vintage	PCIA 2010 Vintage	PCIA 2011 Vintage
Residential											
Small Commercial											
Medium & Large C&I											
Agriculture											
Streetlighting											
System Total											

Rate Group	PCIA 2012 Vintage	PCIA 2013 Vintage	PCIA 2014 Vintage	PCIA 2015 Vintage	PCIA 2016 Vintage	PCIA 2017 Vintage	PCIA 2018 Vintage	PCIA 2019 Vintage	PCIA 2020 Vintage	PCIA 2021 Vintage	PCIA 2022 Vintage
Residential									0.00479	0.00479	0.00479
Small Commercial									0.00405	0.00405	0.00405
Medium & Large C&I									0.00519	0.00519	0.00519
Agriculture									0.00344	0.00344	0.00344
Streetlighting									0.00314	0.00314	0.00314
System Total									0.00479	0.00479	0.00479

11 **Table 17 – 2020 ERRR Trigger – 2022 Recalculated Vintaged PCIA Adder Rates⁹²**

Rate Group	PCIA 2001 Vintage	PCIA 2002 Vintage	PCIA 2003 Vintage	PCIA 2004 Vintage	PCIA 2005 Vintage	PCIA 2006 Vintage	PCIA 2007 Vintage	PCIA 2008 Vintage	PCIA 2009 Vintage	PCIA 2010 Vintage	PCIA 2011 Vintage
Residential											
Small Commercial											
Medium & Large C&I											
Agriculture											
Streetlighting											
System Total											

Rate Group	PCIA 2012 Vintage	PCIA 2013 Vintage	PCIA 2014 Vintage	PCIA 2015 Vintage	PCIA 2016 Vintage	PCIA 2017 Vintage	PCIA 2018 Vintage	PCIA 2019 Vintage	PCIA 2020 Vintage	PCIA 2021 Vintage	PCIA 2022 Vintage
Residential									0.00556	0.00556	0.00556
Small Commercial									0.00452	0.00452	0.00452
Medium & Large C&I									0.00552	0.00552	0.00552
Agriculture									0.00350	0.00350	0.00350
Streetlighting									0.00303	0.00303	0.00303
System Total									0.00532	0.00532	0.00532

⁹⁰ D.21-02-014, OP 1.

⁹¹ Pursuant to D.20-12-028, per AL 3928-E effective January 1, 2022, and updated February 1, 2022 per AL 3909-E and AL 3943-E.

⁹² Rates are updated for 2022 bundled sales as proposed in A.21-08-010 per D.21-12-040.

The result of not updating the 2020 ERRA Trigger rates for the 2022 bundled sales forecast is an undercollection from PCIA vintages 2020-2022 and an overcollection from 2022 bundled customers. An average residential departing load customer using 400 kWh per month has a 2022 monthly bill decrease of approximately \$0.31 as a result of not updating 2020 ERRA Trigger rates for 2022 bundled sales. Table 18 below shows the impact of not updating the 2020 ERRA Trigger PCIA adder rates for 2022 bundled sales.

Table 18 – 2020 ERRA Trigger Revenue Redistribution – Actual vs. Recalculated Using 2022 Bundled Sales

	\$(000) ¹		
	Actual	Recalculated	Difference
Balance Year 1 (3/1/2021)	124,000	\$ 124,000	\$ -
2021 Bundled	(45,565)	(45,565)	-
2021 Bundled-now-DL	(10,799)	(10,799)	-
Balance Year 2 (1/1/2022)	<u>67,636</u>	<u>67,636</u>	-
2022 Bundled	(45,565)	(40,291)	(5,275)
2022 Bundled-now-DL	(24,845)	(27,346)	2,501
Balance (1/1/2023)	<u>(2,774)</u>	<u>(0)</u>	<u>(2,774)</u>

¹Excludes FF&U.

SDG&E proposes to distribute any revenues among customer groups as an adder rate in the 2023 PCIA rates. In 2023, SDG&E proposes to return \$5.275 million to bundled customers and collect \$2.501 million from departing load customers. The proposed 2020 ERRA Trigger PCIA adder rates for 2023 are shown below in Table 19.

Table 19 – 2020 ERRA Trigger – 2023 Proposed Vintaged PCIA Adder Rates

Rate Group	PCIA 2001 Vintage	PCIA 2002 Vintage	PCIA 2003 Vintage	PCIA 2004 Vintage	PCIA 2005 Vintage	PCIA 2006 Vintage	PCIA 2007 Vintage	2008 Vintage	PCIA 2009 Vintage	PCIA 2010 Vintage	PCIA 2011 Vintage	PCIA 2012 Vintage
Residential	-	-	-	-	-	-	-	-	-	-	-	-
Small Commercial	-	-	-	-	-	-	-	-	-	-	-	-
Medium & Large C&I	-	-	-	-	-	-	-	-	-	-	-	-
Agriculture	-	-	-	-	-	-	-	-	-	-	-	-
Streetlighting	-	-	-	-	-	-	-	-	-	-	-	-
System Total	-	-	-	-	-	-	-	-	-	-	-	-

Rate Group	PCIA 2013 Vintage	PCIA 2014 Vintage	PCIA 2015 Vintage	PCIA 2016 Vintage	PCIA 2017 Vintage	PCIA 2018 Vintage	PCIA 2019 Vintage	PCIA 2020 Vintage	PCIA 2021 Vintage	PCIA 2022 Vintage	PCIA 2023 Vintage
Residential	-	-	-	-	-	-	-	0.00023	0.00023	0.00023	0.00023
Small Commercial	-	-	-	-	-	-	-	0.00014	0.00014	0.00014	0.00014
Medium & Large C&I	-	-	-	-	-	-	-	0.00017	0.00017	0.00017	0.00017
Agriculture	-	-	-	-	-	-	-	0.00012	0.00012	0.00012	0.00012
Streetlighting	-	-	-	-	-	-	-	0.00014	0.00014	0.00014	0.00014
System Total	-	-	-	-	-	-	-	0.00019	0.00019	0.00019	0.00019

1 Table 20 below shows illustrative 2022 PCIA rates that include 2020 CAPBA Trigger and 2020
 2 ERRA Trigger PCIA adder rates that have been adjusted for 2022 bundled sales.

3 **Table 20 – Illustrative 2022 Vintaged PCIA Rates, Adders Adjusted for 2022 Bundled Sales**

Rate Group	PCIA 2001 Vintage	PCIA 2002 Vintage	PCIA 2003 Vintage	PCIA 2004 Vintage	PCIA 2005 Vintage	PCIA 2006 Vintage	PCIA 2007 Vintage	PCIA 2008 Vintage	PCIA 2009 Vintage	PCIA 2010 Vintage	PCIA 2011 Vintage
Residential	0.00012	0.00013	0.00013	0.00309	0.00429	0.00583	0.00220	0.00335	0.00835	0.01233	0.01781
Small Commercial	0.00009	0.00010	0.00010	0.00247	0.00343	0.00466	0.00176	0.00268	0.00695	0.01039	0.01571
Medium & Large C&I	0.00007	0.00007	0.00007	0.00244	0.00341	0.00464	0.00173	0.00266	0.00694	0.01043	0.01579
Agriculture	0.00007	0.00007	0.00007	0.00188	0.00261	0.00355	0.00134	0.00204	0.00563	0.00854	0.01373
Streetlighting	0.00006	0.00007	0.00007	0.00169	0.00234	0.00319	0.00120	0.00183	0.00520	0.00794	0.01307
System Total	0.00008	0.00009	0.00009	0.00267	0.00371	0.00505	0.00189	0.00290	0.00742	0.01107	0.01647

Rate Group	PCIA 2012 Vintage	PCIA 2013 Vintage	PCIA 2014 Vintage	PCIA 2015 Vintage	PCIA 2016 Vintage	PCIA 2017 Vintage	PCIA 2018 Vintage	PCIA 2019 Vintage	PCIA 2020 Vintage	PCIA 2021 Vintage	PCIA 2022 Vintage
Residential	0.02068	0.01365	0.01370	0.01963	0.01315	0.01799	0.02041	0.01536	0.03898	0.02880	0.02880
Small Commercial	0.01831	0.01144	0.01148	0.01752	0.01104	0.01586	0.01777	0.01282	0.03233	0.01922	0.01922
Medium & Large C&I	0.01848	0.01155	0.01160	0.01760	0.01112	0.01595	0.01814	0.01312	0.03659	0.02110	0.02110
Agriculture	0.01609	0.00936	0.00940	0.01553	0.00906	0.01386	0.01529	0.01044	0.02592	0.01752	0.01752
Streetlighting	0.01531	0.00865	0.00868	0.01486	0.00839	0.01318	0.01440	0.00959	0.02322	0.01529	0.01529
System Total	0.01921	0.01225	0.01230	0.01828	0.01181	0.01663	0.01885	0.01383	0.03650	0.02451	0.02451

6 **D. Proposed 2023 PCIA Rates**

7 Tables 21 and 22 below provide a comparison of the final PCIA rates as implemented via AL
 8 3928-E on January 1, 2022 and updated via AL 3943-E on February 1, 2022, and the PCIA rates by
 9 vintage calculated using the 2023 ERRA Forecast inputs discussed above.

10 **Table 21 – 2022 Current Effective Vintage PCIA Rates⁹³**

Rate Group	PCIA 2001 Vintage	PCIA 2002 Vintage	PCIA 2003 Vintage	PCIA 2004 Vintage	PCIA 2005 Vintage	PCIA 2006 Vintage	PCIA 2007 Vintage	PCIA 2008	PCIA 2009 Vintage	PCIA 2010 Vintage	PCIA 2011 Vintage
Residential	0.00012	0.00013	0.00013	0.00309	0.00429	0.00583	0.00220	0.00335	0.00872	0.01315	0.02057
Small Commercial	0.00009	0.00010	0.00010	0.00247	0.00343	0.00466	0.00176	0.00268	0.00732	0.01120	0.01847
Medium & Large C&I	0.00007	0.00007	0.00007	0.00244	0.00341	0.00464	0.00173	0.00266	0.00731	0.01124	0.01855
Agriculture	0.00007	0.00007	0.00007	0.00188	0.00261	0.00355	0.00134	0.00204	0.00600	0.00935	0.01649
Streetlighting	0.00006	0.00007	0.00007	0.00169	0.00234	0.00319	0.00120	0.00183	0.00557	0.00875	0.01582
System Total	0.00008	0.00009	0.00009	0.00267	0.00371	0.00505	0.00189	0.00290	0.00779	0.01189	0.01923

Rate Group	PCIA 2012 Vintage	PCIA 2013 Vintage	PCIA 2014 Vintage	PCIA 2015 Vintage	PCIA 2016 Vintage	PCIA 2017 Vintage	PCIA 2018 Vintage	PCIA 2019 Vintage	PCIA 2020 Vintage	PCIA 2021 Vintage	PCIA 2022 Vintage
Residential	0.02423	0.01720	0.01733	0.02327	0.01680	0.02163	0.02405	0.01900	0.03825	0.02806	0.02806
Small Commercial	0.02186	0.01499	0.01512	0.02116	0.01469	0.01951	0.02141	0.01646	0.03188	0.01877	0.01877
Medium & Large C&I	0.02203	0.01510	0.01523	0.02124	0.01477	0.01959	0.02179	0.01677	0.03629	0.02081	0.02081
Agriculture	0.01964	0.01291	0.01303	0.01918	0.01270	0.01750	0.01894	0.01408	0.02586	0.01746	0.01746
Streetlighting	0.01886	0.01220	0.01232	0.01851	0.01203	0.01683	0.01804	0.01323	0.02332	0.01539	0.01539
System Total	0.02276	0.01580	0.01593	0.02193	0.01545	0.02028	0.02250	0.01748	0.03601	0.02402	0.02402

⁹³ Pursuant to D.12-12-028, per AL 3928-E effective January 1, 2022, and updated February 1, 2022 per AL 3909-E and AL 3943-E.

Table 22 – 2023 Proposed Vintage PCIA Rates

Rate Group	PCIA 2001 Vintage	PCIA 2002 Vintage	PCIA 2003 Vintage	PCIA 2004 Vintage	PCIA 2005 Vintage	PCIA 2006 Vintage	PCIA 2007 Vintage	PCIA 2008 Vintage	PCIA 2009 Vintage	PCIA 2010 Vintage	PCIA 2011 Vintage	PCIA 2012 Vintage
Residential	0.00013	0.00009	0.00009	0.00354	0.00353	0.00404	0.00201	0.00237	(0.00247)	(0.00202)	(0.00066)	(0.00255)
Small Commercial	0.00008	0.00005	0.00005	0.00216	0.00216	0.00247	0.00123	0.00145	(0.00151)	(0.00124)	(0.00041)	(0.00167)
Medium & Large C&I	0.00006	0.00003	0.00003	0.00211	0.00211	0.00242	0.00119	0.00141	(0.00152)	(0.00124)	(0.00036)	(0.00170)
Agriculture	0.00007	0.00004	0.00004	0.00183	0.00182	0.00209	0.00103	0.00122	(0.00128)	(0.00105)	(0.00033)	(0.00146)
Streetlighting	0.00008	0.00005	0.00005	0.00213	0.00213	0.00243	0.00121	0.00143	(0.00149)	(0.00122)	(0.00040)	(0.00165)
System Total	0.00009	0.00005	0.00005	0.00269	0.00269	0.00308	0.00152	0.00180	(0.00191)	(0.00157)	(0.00049)	(0.00205)

Rate Group	PCIA 2013 Vintage	PCIA 2014 Vintage	PCIA 2015 Vintage	PCIA 2016 Vintage	PCIA 2017 Vintage	PCIA 2018 Vintage	PCIA 2019 Vintage	PCIA 2020 Vintage	PCIA 2021 Vintage	PCIA 2022 Vintage	PCIA 2023 Vintage
Residential	(0.00107)	(0.00101)	(0.00379)	(0.00163)	(0.00312)	(0.00163)	(0.00041)	0.00751	0.01773	0.01738	0.01740
Small Commercial	(0.00076)	(0.00073)	(0.00243)	(0.00110)	(0.00202)	(0.00109)	(0.00031)	0.00474	0.01984	0.01956	0.01958
Medium & Large C&I	(0.00073)	(0.00069)	(0.00253)	(0.00106)	(0.00207)	(0.00104)	(0.00014)	0.00567	0.02286	0.02253	0.02254
Agriculture	(0.00067)	(0.00064)	(0.00213)	(0.00097)	(0.00177)	(0.00097)	(0.00030)	0.00404	0.01734	0.01709	0.01710
Streetlighting	(0.00076)	(0.00072)	(0.00240)	(0.00109)	(0.00199)	(0.00109)	(0.00034)	0.00452	0.01681	0.01658	0.01660
System Total	(0.00087)	(0.00083)	(0.00304)	(0.00130)	(0.00250)	(0.00129)	(0.00027)	0.00633	0.01872	0.01839	0.01841

VI. 2023 RATES FOR SDG&E’S GREEN TARIFF SHARED RENEWABLES PROGRAM

In D.15-01-051, the Commission began the implementation of Senate Bill (“SB”) 43, which set a formal requirement for the three California IOUs to implement the Green Tariff Shared Renewables (“GTSR”) Program. SB 43 was signed into law by Governor Brown on September 28, 2013. The GTSR Program is intended to (1) expand access to “all eligible renewable energy resources to all ratepayers who are currently unable to access the benefits of onsite generation,” and (2) “create a mechanism whereby institutional customers...commercial customers...and groups of individuals...can meet their needs with the electrical generation from eligible renewable energy resources.”⁹⁴

SDG&E believes its current GTSR program undercollection and forecasted program participation make the 2022 and 2023 GTSR program rates uneconomical for most customers. As such, in order to protect ratepayers, SDG&E filed AL 3920-E on December 17, 2021 requesting to suspend the GTSR and ECR programs. The Commission issued a Disposition on AL 3920-E on April 19, 2022, rejecting SDG&E’s request to suspend EcoChoice and EcoShare rates. The Disposition requires SDG&E to provide a detailed mitigation strategy and suspension plan for GTSR

⁹⁴ California Public Utilities Code Section 2831 (b) and (f).

1 and ECR rates, complete with static timelines, in its forthcoming Application for Review as directed
2 in D.21-12-036. SDG&E's Application for Review is due June 1, 2022.⁹⁵

3 However, because SDG&E believes the program is untenable and implementing 2023 GTSR
4 rates could cause significant harm to participating customers, SDG&E is requesting to maintain 2022
5 GTSR rate levels during 2023. SDG&E's testimony below presents illustrative 2023 GTSR and ECR
6 rates that are in compliance with GTSR requirements. As seen in Table 23, the calculated illustrative
7 2023 GTSR renewable power rate is \$1.15815/kWh. The administrative and marketing cost rates add
8 an additional \$0.37511/kWh. Combined with the other GTSR rate elements, an average residential
9 customer who uses 400 kWh and is 100% subscribed to GTSR will be billed an additional \$569 *per*
10 *month*.⁹⁶ SDG&E believes this is unacceptable. For comparison, the average residential customer
11 using 400 kWh who is 100% subscribed to GTSR would have been billed a GT differential premium
12 of \$86 per month in 2021.⁹⁷ While SDG&E would attempt to communicate this absurd increase to
13 participating customers so they may unenroll from the program, it is possible that some customers
14 may not read their emails or receive the messages, and could receive a monthly bill that is more than
15 *triple* their typical bill.⁹⁸ Therefore, SDG&E urges the Commission to adopt SDG&E's proposal to
16 maintain 2022 GTSR rate levels through 2023 while SDG&E follows the Commission's directive to
17 provide a detailed mitigation strategy and suspension plan in its aforementioned Application for
18 Review to be filed June 1, 2022. Below, SDG&E presents 2023 GTSR rates for illustrative purposes
19 only.

⁹⁵ Disposition of AL 3920-E.

⁹⁶ Before consideration of the PCIA, which GTSR customers are required to pay.

⁹⁷ Using GTSR rates effective 1/1/22 per AL 3928-E. Amount does not include PCIA charges.

⁹⁸ The current average bill of a typical non-CARE customer using 400 kWh and is 100% subscribed to GTSR is \$234/month (\$148 average non-CARE bill + \$86 GTSR differential premium), meaning the total bill for a customer that is 100% subscribed with GTSR rates at the calculated 2023 levels would result in a monthly bill of \$717 (\$148 average non-CARE bill + \$569 GTSR differential premium).

1 FOF 136 of D.15-01-051, states that “Each IOU’s revenue requirements and associated
2 forecasts of fuel and purchase power...are currently reviewed and approved in the annual ERRA
3 forecast proceeding...” and FOF 137 states that “[c]oordinating review of true-up of GTSR and
4 credits with the ERRA process will provide greater certainty that entries to the GTSR accounts are
5 stated correctly and are consistent with Commission decisions.” Accordingly, the commodity-related
6 costs and credits as well as the resulting rates applied to GTSR customers are presented in this 2023
7 ERRA forecast application for illustrative purposes. Pursuant to D.15-01-051, “[t]he RPR
8 [Renewable Power Rate]⁹⁹ and other components of GTSR rates should be updated annually”¹⁰⁰ and
9 “[c]hanges to the rates can be accomplished through Advice Letters.”¹⁰¹ However, as discussed, for
10 2023 SDG&E proposes to maintain the 2022 GTSR Program rate components, to be effective with
11 SDG&E’s 2023 ERRA Forecast, which as requested, would implement with SDG&E’s 2023
12 Consolidated Filing to implement January 1, 2023 electric rates, assuming Commission approval of
13 this filing in time for inclusion in the 2023 Consolidated Filing.

14 The GTSR program includes two rate options: (1) a Green Tariff (“GT”) rate and (2) an
15 Enhanced Community Renewables (“ECR”) rate. The GT program provides customers with the
16 ability to purchase energy that contains a higher percentage of renewable power than offered under
17 other scheduled service. The ECR program provides customers with the ability to purchase
18 renewable energy from community-based projects directly through the developers of those projects
19 (“Developer”).

⁹⁹ SDG&E’s RPR was previously referred to as the Cost of Local Solar.

¹⁰⁰ D.15-01-051, COL 53.

¹⁰¹ *Id.* COL 51.

1 The rate components for the GT and ECR rates¹⁰² associated with these programs are as
2 follows:

- 3 1. **Renewable Power Rate**¹⁰³ for the GT rate is the price that customers pay for the
4 commodity portion which is based on the cost of the incremental local solar projects
5 that the Utility procures for the program. The 2023 cost of local solar component of
6 the GT is \$52.98/ megawatt-hour (“MWh”) as described in the direct testimony of
7 SDG&E witness Matthew O’Connell.¹⁰⁴ 2023 also includes the illustrative recovery of
8 the undercollected of \$1.388 million¹⁰⁵ as described in the direct testimony of SDG&E
9 witness Kristina Ghianni. When SDG&E combines the 2023 Renewable Power Rate
10 from the direct testimony of SDG&E witness Matthew O’Connell with the combined
11 \$1.388 million GTSRBA undercollection from direct testimony of SDG&E witness
12 Kristina Ghianni, the final illustrative 2023 Renewable Power Rate comes to
13 \$1,158/MWh.¹⁰⁶
- 14 2. **Renewable Energy Commodity Price**¹⁰⁷ for the ECR rate is equal to the portion of
15 the renewable generating facility’s output that the customer has subscribed to,
16 multiplied by the amount per kWh that the Utility has agreed to pay the developer
17 (“Renewable Energy Commodity Price”). These values are part contract agreement
18 with the Developers and therefore not addressed in this proceeding.
- 19 3. **Renewable Energy Value Adjustment**¹⁰⁸ for the GT and ECR rates calculates the
20 relative value of energy and capacity for the solar resources supporting the GT and
21 ECR programs compared to the Utility’s current portfolio of resources serving all
22 bundled load. The illustrative 2023 Renewable Energy Value Adjustment is
23 \$0.03190/kWh as described in the direct testimony of SDG&E witness Matthew
24 O’Connell.¹⁰⁹
- 25 4. **Administrative Costs** for the GT and ECR rates include incremental costs such as
26 labor and non-labor for program management and policy support, Green-e
27 certification, and IT costs. Per Resolution E-5028 which approved the administrative

¹⁰² All GT and ECR rate components include FF&U unless otherwise noted.

¹⁰³ SDG&E’s Renewable Power rate was previously referred to as the Cost of Local Solar.

¹⁰⁴ SDG&E witness Matthew O’Connell shows the 2023 cost of local solar component as \$52.98/MWh, which is without FF&U. The rate of \$53.99/MWh includes FF&U.

¹⁰⁵ As requested in SDG&E’s 2020 ERRR Compliance filing (A.21-06-004) and adopted in D.22-05-006.

¹⁰⁶ \$1,158/MWh is with FF&U. The rate of \$1,144/MWh excludes FF&U.

¹⁰⁷ Formerly the Solar Commodity Price.

¹⁰⁸ D.16-05-006, p. 27 changed the name from Value of Solar Energy and Capacity Adjustment to Renewable Energy Value Adjustment to reflect the ability of multiple renewable technology types to participate in the GTSR Program.

¹⁰⁹ SDG&E witness Matthew O’Connell shows the Renewable Energy Value Adjustment as \$0.03190/kWh, which is without FF&U. The adjustment of \$0.03228/kWh includes FF&U.

1 costs for the GT and ECR programs, the illustrative 2023 charge for administrative
2 costs is \$0.18972/kWh for GT and \$0.00000/kWh for ECR.¹¹⁰

- 3 5. **Marketing Costs** for the GT and ECR rates includes incremental costs needed to
4 implement the marketing plan. These costs are composed of labor (spent for planning,
5 managing to the marketing plan, and community outreach) and non-labor tactical
6 implementation (*i.e.*, creative design, production, translation and mailing fees). Per
7 Resolution E-5028 which approved the marketing costs for the GT and ECR
8 programs, the illustrative 2023 marketing charge is \$0.18538/kWh for GT and
9 \$0.00000/kWh for ECR.¹¹¹
- 10 6. **Renewable Energy Commodity Credit**¹¹² for the ECR rate assumes the customer has
11 already purchased the rights to this output from the developer, the Utility concurrently
12 assigns a credit to the customer equal to Renewable Energy Commodity Price
13 (“Renewable Energy Commodity Credit”). These values are part of the contract
14 agreement with the Developers and therefore not addressed in this proceeding.
- 15 7. **SDG&E’s Average Commodity Cost Adjustment** for the GT and ECR rates is
16 intended to approximate the avoided commodity costs and is based on SDG&E’s
17 forecasted 2023 class average commodity rates presented in Section III, which is
18 credited to the customer and is discussed in more detail below.
- 19 8. **Western Renewable Energy Generation Information System (“WREGIS”)** for the
20 GT and ECR rates may include, but is not limited to, the annual WREGIS fee and a
21 per MWh certificate fee that is charged as Renewable Energy Credits (“RECs”) are
22 retired. As discussed in the direct testimony of SDG&E witness Matthew O’Connell,
23 the illustrative 2023 WREGIS costs are \$0.00400/MWh.
- 24 9. **CAISO GMC** for the GT and ECR rates include CAISO charges are associated with
25 grid management charges (“GMC”) and energy scheduling. The illustrative 2023
26 CAISO costs, as described in the direct testimony of Matthew O’Connell, are
27 \$0.00035/kWh.¹¹³
- 28 10. **Renewable Integration Costs (“RIC”)** for the GT and ECR rates are currently set at
29 \$0/kWh as a placeholder.¹¹⁴ A RIC Charge that is greater than \$0/kWh may be

¹¹⁰ Commission approved AL 3168-E, effective September 26, 2019 per Resolution E-5028.

¹¹¹ Commission approved AL 3168-E, effective September 26, 2019 per Resolution E-5028.

¹¹² Formerly known as Solar Commodity Credit.

¹¹³ SDG&E witness Matthew O’Connell shows CAISO GMC as \$0.3488/MWh, which is without FF&U. The cost of \$0.00349/MWh includes FF&U.

¹¹⁴ D.15-01-051 recognized that “[b]ecause GTSR is made up of renewable resources, the cost of renewables integration is of particular importance” (p. 115). D.15-01-051 further directed the IOUs to set a RIC charge of \$0 as a placeholder. Within 60 days of a decision setting a RIC charge for ratepayers, the IOUs must file a Tier 3 Advice Letter setting forth how the RIC charge will be allocated to customers (both new and existing). *Id.*, p. 119.

imposed in the future on a going-forward basis only to all customers served under this Schedule, unless otherwise directed by the Commission.

11. **PCIA** for the GT and ECR rates is intended to serve as a reasonable proxy for the GTSR customer indifference charge and is discussed further below.

Table 23
GT Illustrative Rate Components

	GT Rate Components (\$/kWh)	
	Current Authorized ¹¹⁵	2023 Rates (Presented for Illustrative Purposes)
Renewable Power Rate ¹¹⁶	0.28907	1.15815
Renewable Energy Value Adjustment ¹¹⁷	0.01551	0.03228
Administrative Costs	0.02650	0.18972
Marketing Costs	0.03039	0.18538
SDG&E's Average Commodity Cost Adjustment	See Table 25 below	
WREGIS	\$0.00000	\$0.00000
CAISO GMC	\$0.00001	\$0.00035
Renewable Integration Cost	\$0.00000	\$0.00000
PCIA ¹¹⁸	See Attachment E	

Table 24
ECR Illustrative Rate Components

	ECR Rate Components (\$/kWh)	
	Current Authorized ¹¹⁹	2023 Rates (Presented for Illustrative Purposes)
Renewable Energy Commodity Price ¹²⁰	Refer to Contract	
Renewable Energy Value Adjustment ¹²¹	0.01551	0.03228
Administrative Costs	0.00000	0.00000
Marketing Costs	0.00000	0.00000

¹¹⁵ Authorized by D.12-12-040 and effective January 1, 2022 per AL 3928-E-A/B.

¹¹⁶ Formerly known as Cost of Local Solar per SDG&E AL 3006-E.

¹¹⁷ Formerly known as Value of Solar Energy and Capacity Adjustment per SDG&E AL 3006-E.

¹¹⁸ SDG&E is not proposing to maintain 2022 PCIA rates for GT customers; under SDG&E's proposal GTSR customers will be charged 2023 PCIA rates.

¹¹⁹ Authorized by D.12-12-040 and effective January 1, 2022 per AL 3928-E-A/B.

¹²⁰ Formerly known as Solar Commodity Price.

¹²¹ Formerly known as Value of Solar Energy and Capacity Adjustment per SDG&E AL 3006-E.

	ECR Rate Components (\$/kWh)	
	Current Authorized ¹¹⁹	2023 Rates (Presented for Illustrative Purposes)
Renewable Energy Commodity Credit ¹²²	Refer to Contract	
SDG&E's Average Commodity Cost Adjustment	See Table 25 below	
WREGIS	\$0.00000	\$0.00000
CAISO GMC	\$0.00001	\$0.00035
Renewable Integration Cost	\$0.00000	\$0.00000
PCIA ¹²³	See Attachment E	

1 SDG&E's Average Commodity Cost Adjustment is used as a proxy to reflect SDG&E's
2 avoided commodity costs, which ideally would be reflected in the average commodity rate by
3 customer class. To better reflect the avoided commodity cost, the average commodity rate is adjusted
4 for ERRA-related balances given that such balances can cause the average commodity rate to differ
5 from the costs, as well as adjusted for updated commodity costs as filed in SDG&E's 2022 NGBA
6 update.¹²⁴ For this reason, SDG&E is substituting the ERRA component of the average commodity
7 rate by customer class with an ERRA forecast value in order to adjust for ERRA Balances and
8 updated NGBA costs to better approximate avoided costs, as authorized in D.15-01-051. SDG&E's
9 illustrative 2023 adjusted class average commodity rate for the GTSR rate components is based on
10 the proposed average commodity rate by customer class,¹²⁵ with the adjustments stated above, are
11 shown in the Table 25 below.

¹²² Formerly known as Solar Commodity Credit.

¹²³ SDG&E is not proposing to maintain 2022 PCIA rates for ECR customers; under SDG&E's proposal ECR customers will be charged 2023 PCIA rates.

¹²⁴ SDG&E filed AL 3886-E on November 4, 2021.

¹²⁵ As proposed in this testimony.

1 **Table 25**
 2 **GT and ECR Rate Components –**
 3 **Illustrative Class Average Commodity Adjustment Rates (\$/kWh)**

	Current Authorized¹²⁶	Proposed
Residential	(0.13386)	(0.15131)
Small Commercial	(0.11830)	(0.12984)
M/L C&I	(0.13708)	(0.14449)
Agricultural	(0.09543)	(0.11919)
Streetlighting	(0.08773)	(0.09918)

4 The PCIA component of the GT and ECR rates comprises the indifference adjustment or the
 5 above-market cost of the Utility’s existing procurement portfolio and is calculated annually. D.15-
 6 01-051 FOF 100 states, “[t]he PCIA calculated for DA and CCA customers provides a reasonable
 7 proxy for the GTSR customer indifference charge.” Accordingly, the utilities were directed to use
 8 vintaged PCIA as a proxy for the indifference adjustment.¹²⁷ This is a cost that is ultimately borne by
 9 all customers for resources that were procured on their behalf. GT and ECR customers’ PCIA rates
 10 will be billed by customer class and customer specific vintage using the proposed 2023 PCIA rates
 11 discussed above and identified in Attachment E.

12 Per SDG&E AL 3593-E, GTSR participants are no longer subjected to a termination fee if
 13 they cancel their subscription. As such, SDG&E no longer calculates or presents termination fees for
 14 GTSR participants.¹²⁸

15 The detailed components of the illustrative 2023 GT and ECR rates and the total illustrative
 16 2023 GT and ECR rates are presented in Attachments B and C of this testimony.

¹²⁶ Effective January 1, 2022 per AL 3928-E/A/B.

¹²⁷ D.15-01-051, p. 103.

¹²⁸ Per SDG&E AL 3593-E, effective September 18, 2020 and implemented into SDG&E’s tariffs October 1, 2020 pursuant to AL 3619-E.

1 **VII. SUMMARY AND RELIEF REQUESTED**

2 Consistent with the rate recovery proposed in this testimony, SDG&E requests the following
3 relief in the Commission’s forthcoming decision in this proceeding:

- 4 1. Approve for recovery in rates: (1) the 2023 ERRA revenue requirement of \$433.755
5 million, which includes GHG costs; (2) the projected 2022 ERRA year-end balance of
6 \$(2.017) million; (3) the 2023 PABA revenue requirement of \$15.445 million and the
7 projected 2022 PABA year-end balance of \$73.209 million; (4) the 2023 CTC revenue
8 requirement of \$11.232 million; (5) the 2023 LG revenue requirement of \$175.361
9 million; (6) the SONGS revenue requirement of \$1.188 million; (7) the TMNBC
10 revenue requirement as set forth in the testimony of SDG&E witness Kristina Ghianni
11 and confidentiality declaration attached thereto; and (8) the balance recorded to the
12 2020 LGBA of \$0.400 million;^{129,130}
- 13 2. Approve SDG&E’s 2023 proposed rates for:
- 14 a. GHG Allowance return to customers for the Residential and Small Business
15 Semi-Annual CCC of \$58.61; and
- 16 b. 2023 PCIA rates presented in Attachment A;
- 17 3. Approve SDG&E’s proposal to redistribute the 2020 CAPBA Trigger and 2020
18 ERRA Trigger balances among the appropriate groups of customers; and
- 19 4. Approve SDG&E’s 2023 proposal to maintain 2022 GTSR rates.

20 This concludes my prepared direct testimony.

¹²⁹ The exact amount of the 2020 LGBA recorded balance requested for return is \$405,173.

¹³⁰ All values except PABA include FF&U. The bundled portion of the 2023 PABA revenue requirements include FF&U. The departing load portion of the 2023 PABA revenue requirements include uncollectibles.

1 **VIII. 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 & Design Manager in the
4 Customer Pricing Department at San Diego Gas & Electric Company since 2021. My primary
5 responsibilities include the development of electric rate policy and design in various regulatory
6 filings. I joined SDG&E in 2016 and have held positions of increasing responsibility in the Customer
7 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 (inactive) in New York.

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

ATTACHMENT A

**2023 ILLUSTRATIVE PCIA RATES PURSUANT TO THIS
INSTANT APPLICATION**

SAN DIEGO GAS & ELECTRIC COMPANY - ELECTRIC DEPARTMENT
2023 ERRR Forecast

Attachment A

Power Charge Indifference Adjustment Rates for Direct Access and Community Choice Aggregation Customers¹³¹
(\$/kWh)

Rate Group	PCIA 2001 Vintage	PCIA 2002 Vintage	PCIA 2003 Vintage	PCIA 2004 Vintage	PCIA 2005 Vintage	PCIA 2006 Vintage	PCIA 2007 Vintage	PCIA 2008 Vintage	PCIA 2009 Vintage	PCIA 2010 Vintage	PCIA 2011 Vintage	PCIA 2012 Vintage
Residential	0.00013	0.00009	0.00009	0.00354	0.00353	0.00404	0.00201	0.00237	(0.00247)	(0.00201)	(0.00064)	(0.00226)
Small Commercial	0.00008	0.00005	0.00005	0.00216	0.00216	0.00247	0.00123	0.00145	(0.00151)	(0.00123)	(0.00039)	(0.00138)
Medium & Large C&I	0.00006	0.00003	0.00003	0.00211	0.00211	0.00242	0.00119	0.00141	(0.00151)	(0.00123)	(0.00035)	(0.00142)
Agriculture	0.00007	0.00004	0.00004	0.00183	0.00182	0.00209	0.00103	0.00122	(0.00128)	(0.00104)	(0.00031)	(0.00118)
Streetlighting	0.00008	0.00005	0.00005	0.00213	0.00213	0.00243	0.00121	0.00143	(0.00148)	(0.00121)	(0.00039)	(0.00136)
System Total	0.00009	0.00005	0.00005	0.00269	0.00269	0.00308	0.00152	0.00180	(0.00190)	(0.00156)	(0.00047)	(0.00176)

Rate Group	PCIA 2013 Vintage	PCIA 2014 Vintage	PCIA 2015 Vintage	PCIA 2016 Vintage	PCIA 2017 Vintage	PCIA 2018 Vintage	PCIA 2019 Vintage	PCIA 2020 Vintage	PCIA 2021 Vintage	PCIA 2022 Vintage	PCIA 2023 Vintage
Residential	(0.00078)	(0.00073)	(0.00351)	(0.00134)	(0.00285)	(0.00136)	(0.00016)	0.00762	0.01784	0.01749	0.01749
Small Commercial	(0.00048)	(0.00044)	(0.00215)	(0.00082)	(0.00174)	(0.00082)	(0.00007)	0.00480	0.01991	0.01963	0.01963
Medium & Large C&I	(0.00044)	(0.00040)	(0.00225)	(0.00078)	(0.00180)	(0.00077)	0.00010	0.00575	0.02294	0.02261	0.02261
Agriculture	(0.00039)	(0.00036)	(0.00185)	(0.00069)	(0.00149)	(0.00070)	(0.00006)	0.00410	0.01740	0.01715	0.01715
Streetlighting	(0.00047)	(0.00044)	(0.00212)	(0.00081)	(0.00171)	(0.00082)	(0.00010)	0.00459	0.01688	0.01665	0.01665
System Total	(0.00059)	(0.00054)	(0.00276)	(0.00102)	(0.00222)	(0.00102)	(0.00003)	0.00642	0.01881	0.01848	0.01848

¹³¹ As noted in Section V, SDG&E has implemented the common workpapers for PCIA rates, which do not distinguish between Continuous and Non-Continuous customers. SDG&E's PCIA rates are applicable to both DA and CCA customers.

ATTACHMENT B

2023 ILLUSTRATIVE GREEN TARIFF RATE COMPONENTS

**SAN DIEGO GAS & ELECTRIC COMPANY - ELECTRIC DEPARTMENT
2023 ERRR Forecast**

**Attachment B
2023 Illustrative Green Tariff Rate Components**

	\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh
Description	Residential	Sm Commercial	M/L C&I	Agriculture	Streetlighting
Renewable Power Rate	1.15815	1.15815	1.15815	1.15815	1.15815
Renewable Energy Value Adjustment	0.03228	0.03228	0.03228	0.03228	0.03228
Administrative Costs	0.18972	0.18972	0.18972	0.18972	0.18972
Marketing Costs	0.18538	0.18538	0.18538	0.18538	0.18538
SDG&E's Average Commodity Cost Adjustment	(0.15131)	(0.12984)	(0.14449)	(0.11919)	(0.09918)
WREGIS	0.00000	0.00000	0.00000	0.00000	0.00000
CAISO GMC	0.00035	0.00035	0.00035	0.00035	0.00035
Renewable Integration Cost	0.00000	0.00000	0.00000	0.00000	0.00000
GT Differential	1.41458	1.43606	1.42140	1.44671	1.44672
PCIA	See Attachment E				

ATTACHMENT C

**2023 ILLUSTRATIVE ENHANCED COMMUNITY
RENEWABLES RATE COMPONENTS**

**SAN DIEGO GAS & ELECTRIC COMPANY - ELECTRIC DEPARTMENT
2023 ERRR Forecast**

Attachment C

2023 Illustrative Enhanced Community Renewables Rate Components

	\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh
Description	Residential	Sm Commercial	M/L C&I	Agriculture	Streetlighting
Renewable Energy Commodity Price	Refer to Contract				
Value of Solar Energy and Capacity Adjustment	0.03228	0.03228	0.03228	0.03228	0.03228
Administrative Costs	0.00000	0.00000	0.00000	0.00000	0.00000
Marketing Costs	0.00000	0.00000	0.00000	0.00000	0.00000
Renewable Energy Commodity Credit	Refer to Contract				
SDG&E's Average Commodity Cost Adjustment	(0.15131)	(0.12984)	(0.14449)	(0.11919)	(0.09918)
WREGIS	0.00000	0.00000	0.00000	0.00000	0.00000
CAISO GMC	0.00035	0.00035	0.00035	0.00035	0.00035
Renewable Integration Cost	0.00000	0.00000	0.00000	0.00000	0.00000
<i>ECR Differential</i>	(0.11867)	(0.09719)	(0.11185)	(0.08654)	(0.06653)
PCIA	See Attachment E				

ATTACHMENT D

**2023 PCIA RATE ADDERS PURSUANT TO 2020 CAPBA
TRIGGER D.20-12-028 AND 2020 ERRA TRIGGER D.21-02-014**

SAN DIEGO GAS & ELECTRIC COMPANY - ELECTRIC DEPARTMENT
2023 ERRR Forecast

Attachment D

Power Charge Indifference Adjustment Rates for Direct Access and Community Choice Aggregation Customers¹³²
2020 CAPBA Trigger Undercollection
 (\$/kWh)

Rate Group	PCIA 2001 Vintage	PCIA 2002 Vintage	PCIA 2003 Vintage	PCIA 2004 Vintage	PCIA 2005 Vintage	PCIA 2006 Vintage	PCIA 2007 Vintage	PCIA 2008 Vintage	PCIA 2009 Vintage	PCIA 2010 Vintage	PCIA 2011 Vintage	PCIA 2012 Vintage
Residential	-	-	-	-	-	-	-	-	(0.00001)	(0.00001)	(0.00002)	(0.00028)
Small Commercial	-	-	-	-	-	-	-	-	(0.00001)	(0.00001)	(0.00002)	(0.00028)
Medium & Large C&I	-	-	-	-	-	-	-	-	(0.00001)	(0.00001)	(0.00002)	(0.00028)
Agriculture	-	-	-	-	-	-	-	-	(0.00001)	(0.00001)	(0.00002)	(0.00028)
Streetlighting	-	-	-	-	-	-	-	-	(0.00001)	(0.00001)	(0.00002)	(0.00028)
System Total	-	-	-	-	-	-	-	-	(0.00001)	(0.00001)	(0.00002)	(0.00028)

Rate Group	PCIA 2013 Vintage	PCIA 2014 Vintage	PCIA 2015 Vintage	PCIA 2016 Vintage	PCIA 2017 Vintage	PCIA 2018 Vintage	PCIA 2019 Vintage	PCIA 2020 Vintage	PCIA 2021 Vintage	PCIA 2022 Vintage	PCIA 2023 Vintage
Residential	(0.00028)	(0.00028)	(0.00028)	(0.00028)	(0.00028)	(0.00027)	(0.00024)	-	-	-	-
Small Commercial	(0.00028)	(0.00028)	(0.00028)	(0.00028)	(0.00028)	(0.00027)	(0.00024)	-	-	-	-
Medium & Large C&I	(0.00028)	(0.00028)	(0.00028)	(0.00028)	(0.00028)	(0.00027)	(0.00024)	-	-	-	-
Agriculture	(0.00028)	(0.00028)	(0.00028)	(0.00028)	(0.00028)	(0.00027)	(0.00024)	-	-	-	-
Streetlighting	(0.00028)	(0.00028)	(0.00028)	(0.00028)	(0.00028)	(0.00027)	(0.00024)	-	-	-	-
System Total	(0.00028)	(0.00028)	(0.00028)	(0.00028)	(0.00028)	(0.00027)	(0.00024)	-	-	-	-

¹³² As noted in Section V, SDG&E has implemented the common workpapers for PCIA rates, which do not distinguish between Continuous and Non-Continuous customers. SDG&E's PCIA rates are applicable to both DA and CCA customers.

**SAN DIEGO GAS & ELECTRIC COMPANY - ELECTRIC DEPARTMENT
2023 ERRR Forecast**

Attachment D Continued

Power Charge Indifference Adjustment Rates for Direct Access and Community Choice Aggregation Customers¹³³
2020 CAPBA Trigger Overcollection
(\$/kWh)

Rate Group	PCIA 2001 Vintage	PCIA 2002 Vintage	PCIA 2003 Vintage	PCIA 2004 Vintage	PCIA 2005 Vintage	PCIA 2006 Vintage	PCIA 2007 Vintage	PCIA 2008 Vintage	PCIA 2009 Vintage	PCIA 2010 Vintage	PCIA 2011 Vintage	PCIA 2012 Vintage
Residential												
Small Commercial												
Medium & Large C&I												
Agriculture												
Streetlighting												
System Total												

Rate Group	PCIA 2013 Vintage	PCIA 2014 Vintage	PCIA 2015 Vintage	PCIA 2016 Vintage	PCIA 2017 Vintage	PCIA 2018 Vintage	PCIA 2019 Vintage	PCIA 2020 Vintage	PCIA 2021 Vintage	PCIA 2022 Vintage	PCIA 2023 Vintage
Residential	-	-	-	-	-	-	-	0.00023	0.00023	0.00023	0.00023
Small Commercial	-	-	-	-	-	-	-	0.00014	0.00014	0.00014	0.00014
Medium & Large C&I	-	-	-	-	-	-	-	0.00017	0.00017	0.00017	0.00017
Agriculture	-	-	-	-	-	-	-	0.00012	0.00012	0.00012	0.00012
Streetlighting	-	-	-	-	-	-	-	0.00014	0.00014	0.00014	0.00014
System Total	-	-	-	-	-	-	-	0.00019	0.00019	0.00019	0.00019

¹³³ As noted in Section V, SDG&E has implemented the common workpapers for PCIA rates, which do not distinguish between Continuous and Non-Continuous customers. SDG&E's PCIA rates are applicable to both DA and CCA customers.

**SAN DIEGO GAS & ELECTRIC COMPANY - ELECTRIC DEPARTMENT
2023 ERRR Forecast**

Attachment D Continued

Power Charge Indifference Adjustment Rates for Direct Access and Community Choice Aggregation Customers¹³⁴
2020 ERRR Trigger Undercollection
(\$/kWh)

Rate Group	PCIA 2001 Vintage	PCIA 2002 Vintage	PCIA 2003 Vintage	PCIA 2004 Vintage	PCIA 2005 Vintage	PCIA 2006 Vintage	PCIA 2007 Vintage	PCIA 2008 Vintage	PCIA 2009 Vintage	PCIA 2010 Vintage	PCIA 2011 Vintage	PCIA 2012 Vintage
Residential	-	-	-	-	-	-	-	-	-	-	-	-
Small Commercial	-	-	-	-	-	-	-	-	-	-	-	-
Medium & Large C&I	-	-	-	-	-	-	-	-	-	-	-	-
Agriculture	-	-	-	-	-	-	-	-	-	-	-	-
Streetlighting	-	-	-	-	-	-	-	-	-	-	-	-
System Total	-	-	-	-	-	-	-	-	-	-	-	-

Rate Group	PCIA 2013 Vintage	PCIA 2014 Vintage	PCIA 2015 Vintage	PCIA 2016 Vintage	PCIA 2017 Vintage	PCIA 2018 Vintage	PCIA 2019 Vintage	PCIA 2020 Vintage	PCIA 2021 Vintage	PCIA 2022 Vintage	PCIA 2023 Vintage
Residential	-	-	-	-	-	-	-	0.00023	0.00023	0.00023	0.00023
Small Commercial	-	-	-	-	-	-	-	0.00014	0.00014	0.00014	0.00014
Medium & Large C&I	-	-	-	-	-	-	-	0.00017	0.00017	0.00017	0.00017
Agriculture	-	-	-	-	-	-	-	0.00012	0.00012	0.00012	0.00012
Streetlighting	-	-	-	-	-	-	-	0.00014	0.00014	0.00014	0.00014
System Total	-	-	-	-	-	-	-	0.00019	0.00019	0.00019	0.00019

¹³⁴ As noted in Section V, SDG&E has implemented the common workpapers for PCIA rates, which do not distinguish between Continuous and Non-Continuous customers. SDG&E's PCIA rates are applicable to both DA and CCA customers.

ATTACHMENT E

TOTAL 2023 ILLUSTRATIVE PCIA RATES

**SAN DIEGO GAS & ELECTRIC COMPANY - ELECTRIC DEPARTMENT
2023 ERRR Forecast**

Attachment E

Power Charge Indifference Adjustment Rates for Direct Access and Community Choice Aggregation Customers¹³⁵
(\$/kWh)

Rate Group	PCIA 2001 Vintage	PCIA 2002 Vintage	PCIA 2003 Vintage	PCIA 2004 Vintage	PCIA 2005 Vintage	PCIA 2006 Vintage	PCIA 2007 Vintage	PCIA 2008 Vintage	PCIA 2009 Vintage	PCIA 2010 Vintage	PCIA 2011 Vintage	PCIA 2012 Vintage
Residential	0.00013	0.00009	0.00009	0.00354	0.00353	0.00404	0.00201	0.00237	(0.00247)	(0.00202)	(0.00066)	(0.00255)
Small Commercial	0.00008	0.00005	0.00005	0.00216	0.00216	0.00247	0.00123	0.00145	(0.00151)	(0.00124)	(0.00041)	(0.00167)
Medium & Large C&I	0.00006	0.00003	0.00003	0.00211	0.00211	0.00242	0.00119	0.00141	(0.00152)	(0.00124)	(0.00036)	(0.00170)
Agriculture	0.00007	0.00004	0.00004	0.00183	0.00182	0.00209	0.00103	0.00122	(0.00128)	(0.00105)	(0.00033)	(0.00146)
Streetlighting	0.00008	0.00005	0.00005	0.00213	0.00213	0.00243	0.00121	0.00143	(0.00149)	(0.00122)	(0.00040)	(0.00165)
System Total	0.00009	0.00005	0.00005	0.00269	0.00269	0.00308	0.00152	0.00180	(0.00191)	(0.00157)	(0.00049)	(0.00205)

Rate Group	PCIA 2013 Vintage	PCIA 2014 Vintage	PCIA 2015 Vintage	PCIA 2016 Vintage	PCIA 2017 Vintage	PCIA 2018 Vintage	PCIA 2019 Vintage	PCIA 2020 Vintage	PCIA 2021 Vintage	PCIA 2022 Vintage	PCIA 2023 Vintage
Residential	(0.00107)	(0.00101)	(0.00379)	(0.00163)	(0.00312)	(0.00163)	(0.00041)	0.00751	0.01773	0.01738	0.01740
Small Commercial	(0.00076)	(0.00073)	(0.00243)	(0.00110)	(0.00202)	(0.00109)	(0.00031)	0.00474	0.01984	0.01956	0.01958
Medium & Large C&I	(0.00073)	(0.00069)	(0.00253)	(0.00106)	(0.00207)	(0.00104)	(0.00014)	0.00567	0.02286	0.02253	0.02254
Agriculture	(0.00067)	(0.00064)	(0.00213)	(0.00097)	(0.00177)	(0.00097)	(0.00030)	0.00404	0.01734	0.01709	0.01710
Streetlighting	(0.00076)	(0.00072)	(0.00240)	(0.00109)	(0.00199)	(0.00109)	(0.00034)	0.00452	0.01681	0.01658	0.01660
System Total	(0.00087)	(0.00083)	(0.00304)	(0.00130)	(0.00250)	(0.00129)	(0.00027)	0.00633	0.01872	0.01839	0.01841

¹³⁵ As noted in Section V, SDG&E has implemented the common workpapers for PCIA rates, which do not distinguish between Continuous and Non-Continuous customers. SDG&E's PCIA rates are applicable to both DA and CCA customers.