Cal Advocates DATA REQUEST – SDG&E RESPONSE
Data Request #005
SDG&E GRC PHASE 2 - A.21-09-001
DATE RECEIVED: November 18, 2021
DATE RESPONDED: December 2, 2021

DATA REQUEST

General Objections:

SDG&E objects to the definitions and instructions included in this data request on the grounds that they are overbroad, unduly burdensome, and seek information that is irrelevant to the subject matter involved in the pending proceeding and/or not reasonably calculated to lead to the discovery of admissible evidence, and therefore, beyond the requirements of CPUC Rule of Practice and Procedure 10.1. SDG&E also notes that special interrogatory instructions of this nature are expressly prohibited by California Code of Civil Procedure Section 2030.060(d).

Question 5

5. SDG&E relies on its A.19-03-002 GRC2 proposed marginal customer access costs (MCAC)1 to build its TOU-ELEC tiered customer charge.2 With regards to the hookup costs that comprised the capital portion of SDG&E's underlying GRC 2 MCAC calculation, please explain why the residential unit transformer costs ($/unit) for the maximum annual demand range of 7-12kW is higher than the 3-6 kW maximum annual demand range as illustrated by the table below. Specifically, this table shows that the average transformer cost to serve customers with demands between 7 kW and 12 kW is $675/customer whereas it costs $771/customer to serve customers with maximum annual demands between 3 kW and 6 kW.

Max Annual Demand (kW)	120/240 1-Phase			
	Transformers	Services	Meters	Total
	($/Unit)	($/Unit)	($/Unit)	($/Unit)
0 - 2	245	139	246	630
3 - 6	771	139	246	1,156
7 - 12	675	196	246	1,117
13 - 20	1,350	214	246	1,810

Source: A. 19-03-002 "Copy of Ch_5_WP#2_Marg Dist Cust Costs for Non School Class Revised_Public" workpapers, Resid TSM UC tab.

SDG&E Response:

The table below provides the calculation for the cost per customer for the installation of a 120/240 Single Phase transformer to serve residential customers of given maximum annual demand level. The marginal transformer costs reflect the transformer costs assumed to serve customers in the maximum annual demand range assuming all customers served on the transformer have the same maximum demand range level.

As seen in the table below, in answering this question SDG&E noticed a correction needed to the transformer costs for 7-12 and 13-20 kW customers. The marginal transformer costs that SDG&E proposed in A.19-03-002 incorrectly assumed that 7-12 and 13-20 kW customers would be served on 25 kVa transformers when it should have assumed 50 kVa transformers. Making this correction results in slightly higher transformer costs for 7-12 and 13-20 kW customers. However, even with this correction the transformer costs for 7-12 kW customers is less than the transformer costs for 3-6

kW customers because while the 50 kVa transformer costs are slightly higher than the 25 kVa transformer costs, one additional customer is assumed to be served on the 50 kVa transformer, which results in the estimated cost per customer to be lower.

Again these estimated marginal cost calculations are based on the premise that all customers served on a transformer will be in the same maximum annual demand range, which results in the costs for 7-12 kW customers being slightly lower than the costs for 3-6 kW customers.

As proposed by SDG&E in D.19-03-002:

120/240 Single Phase				
Max Annual Demand (KW)	Transformer Size	Transformer Cost	Average Customers Per Transformer	Average Transformer Cost
(a)	(b)	('c)	(d)	(e)
0 - 2	25	$5,399	22	$245
3 - 6	25	$5,399	7	$771
7 - 12	25	$5,399	8	$675
13 - 20	25	$5,399	4	$1,350

Corrected:

120/240 Single Phase				
Max Annual Demand (KW)	Transformer Size	Transformer Cost	Avg. Cust. Per Transformer	Avg. Transformer Cost
(a)	(b)	('c)	(d)	(e)
0 - 2	25	$5,399	22	$245
3 - 6	25	$5,399	7	$771
7 - 12	50	$5,800	8	$725
13 - 20	50	$5,800	4	$1,450

Revised Question 9

9. Please estimate and provide via Excel spreadsheet the marginal costs (including relevant non-passable charges) associated with SDG&E's proposed TOU-ELEC rate (i.e. residential class) according to the format below. In doing so, please assume SDG&E's current TOU periods.

SDG&E Response:

Marginal costs populated in the table below do not reflect equal percent marginal cost (EPMC) scaling. Marginal distribution costs and marginal commodity costs are from SDG&E's most recent 2019 GRC Phase 2. All other rate components are as of rates effective June 1, 2021.

Residential Marginal Costs to be Used for Contribution to Margin Analysis		
(Secondary)		
Marginal Cost Component	**Units**	**Rate**
Marginal Customer Access Cost:		
Residential	$ per Cust.-Month	11.26
Marginal Distribution Demand Cost:		
MDDC (Non-Coincident)	$ per kW-mo.	3.74
MDDC (Summer On-Peak)	$ per kW-mo.	1.32
Marginal Generation Capacity Cost:		
Summer:		
On-Peak Demand	$ per kW-mo.	6.35
Off-Peak Energy	$ per kWh	0.05920
Super-Off Peak Energy	$ per kWh	0.00000
Winter:		
On-Peak Demand	$ per kW-mo.	0.00
Off-Peak Energy	$ per kWh	0.00000
Super-Off Peak Energy	$ per kWh	0.00000
Marginal Energy Cost:		
Summer:		
On-Peak	$ per kWh	0.06650
Off-Peak	$ per kWh	0.03981
Super-Off Peak	$ per kWh	0.03540
Winter:		
On-Peak	$ per kWh	0.07432
Off-Peak	$ per kWh	0.04167
Super-Off Peak	$ per kWh	0.03219
Non-Bypassable Charges:		
Transmission	$ per kWh	0.06444
Public Purpose Program Charge (PPP)	$ per kWh	0.01362
Nuclear Decomissioning Charge (ND)	$ per kWh	0.00007
Competition Transition Charge (CTC)	$ per kWh	0.00077
Local Generation Charge (LGC)	$ per kWh	0.00853
Reliability Services (RS)	$ per kWh	(0.00001)
Department of Water Resources Bond Charge (DWR-BC)[1]	$ per kWh	0.00580
Distribution Miscellaneous NBCs[2]	$ per kWh	0.00237
Commodity Miscellaneous NBCs[3]	$ per kWh	0.00012
Total Non-Bypassables Charge	**$ per kWh**	**0.09494**

[1] Now the Wildfire Fund Nonbypassable Charge (WF-NBC).
[2] Includes Demand Response, VGI, and Medium-Duty Heavy-Duty EV Program costs.
[3] Includes under-over collections for CPP rates.

Revised Question 10

[Withdrawn]

END OF REQUEST