

Application: \_\_\_\_\_

Exhibit No.: SDGE-\_\_\_\_\_

Witness: Kellen C. Gill\_\_\_\_\_

**PREPARED TESTIMONY OF**  
**KELLEN C. GILL**  
**ON BEHALF OF SAN DIEGO GAS & ELECTRIC COMPANY**  
**CHAPTER 4**



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

**January 22, 2018**

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**PREPARED DIRECT TESTIMONY OF  
KELLEN C. GILL  
CHAPTER 4**

**I. INTRODUCTION**

My direct testimony presents San Diego Gas & Electric Company’s (“SDG&E”) proposed cost recovery along with the associated rate and bill impacts for the transportation electrification (“TE”) proposals that are the subject of this application (“Application”). As explained in the direct testimony of Linda P. Brown (Chapter 1), SDG&E submits this Application to reduce barriers and facilitate widespread TE in the medium-duty and heavy-duty vehicle segments. This application is consistent with Senate Bill (“SB”) 350, California Public Utilities Commission (“CPUC” or “Commission”) guidance and California Air Resources Board (“CARB”) efforts.

**II. COST RECOVERY, RATE IMPACTS, AND BILL IMPACTS**

SDG&E proposes to recover the costs of implementing the TE proposals through distribution rates, consistent with the recovery of similar costs.<sup>1</sup> Table KCG-1 below presents the illustrative class average electric rate impacts for 2020 through 2023 of the proposed revenue requirements for the 100% utility ownership scenario presented in the direct testimony of Greg D. Shimansky (Chapter 5). In addition, the revenue requirements presented in the testimony of Witness Shimansky reflect revenue requirements beginning in 2019. SDG&E proposes to combine the 2019 and 2020 revenue requirement and recover the 2019 revenue requirement in 2020 to coincide with SDG&E’s rate change occurring on January 1, 2020.<sup>2</sup> The amount

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<sup>1</sup> Costs are primarily transformers and electric services which include wires and conduit, meter pedestals, and electric vehicle supply equipment. See direct testimony of Hannon J. Rasool and David M. Goldgraben (Chapters 2 and 3, respectively) for a detailed description of the costs.

<sup>2</sup> Timing of implementation is dependent upon approval.

SDG&E will recover in rates beginning in 2020 is based on the revenue requirement presented in Witness Shimansky’s testimony of \$5.661 million (without FF&U), or \$5.872 million (with FF&U).<sup>3</sup> SDG&E proposes to recover ongoing costs associated with the Medium-Duty and Heavy-Duty Electric Vehicle Charging Infrastructure Program and Vehicle to Grid Electric School Bus Pilot in a future General Rate Case (“GRC”).

**Table KCG-1: Class Average Electric Rates Impact**

	Current 1/1/18 (¢/kWh)	2020			2021			2022			2023		
		Proposed Rate (¢/kWh)	Change from Current (¢/kWh)	Change from Current (%)	Proposed Rate (¢/kWh)	Change from Current (¢/kWh)	Change from Current (%)	Proposed Rate (¢/kWh)	Change from Current (¢/kWh)	Change from Current (%)	Proposed Rate (¢/kWh)	Change from Current (¢/kWh)	Change from Current (%)
Residential	27.561	27.600	0.039	0.14%	27.641	0.080	0.29%	27.690	0.129	0.47%	27.738	0.177	0.64%
Small Comm.	26.242	26.283	0.041	0.16%	26.325	0.083	0.32%	26.376	0.134	0.51%	26.425	0.183	0.70%
Med & Lg C&I	21.385	21.407	0.022	0.10%	21.429	0.044	0.21%	21.456	0.071	0.33%	21.482	0.097	0.45%
Agriculture	19.468	19.493	0.025	0.13%	19.519	0.051	0.26%	19.552	0.084	0.43%	19.583	0.115	0.59%
Lighting	21.635	21.679	0.044	0.20%	21.725	0.090	0.42%	21.781	0.146	0.67%	21.836	0.201	0.93%
System Total	23.997	24.027	0.030	0.13%	24.058	0.061	0.25%	24.095	0.098	0.41%	24.132	0.135	0.56%

In 2020, the annual bill impact is approximately \$2.28<sup>4</sup> in 2020 for a typical residential customer using 500 kWh per month in both the Inland and Coastal climate zones, as compared to current rates. On a percentage basis, this equates to an increase of 0.1% for a typical residential customer in both the Inland and Coastal climate zones. In 2023 the annual bill impact is approximately \$10.37 for a typical residential customer using 500 kWh per month in both the Inland and Coastal climate zones, as compared to current rates. On a percentage basis, this equates to an increase of 0.6% for a typical residential customer in both the Inland and Coastal climate zones.

<sup>3</sup> FF&U is Franchise Fees and Uncollectibles.

<sup>4</sup> See the Direct Testimony of Greg D. Shimansky (Chapter 5) for further details regarding the revenue requirements.

Table KCG-2 below presents the illustrative class average electric rate impacts for 2020 through 2023 of the proposed revenue requirements for the 50% utility ownership / 50% customer ownership scenario presented in the direct testimony of Greg D. Shimansky (Chapter 5). In addition, the revenue requirements presented in the testimony of Witness Shimansky reflect revenue requirements beginning in 2019. SDG&E proposes to combine the 2019 and 2020 revenue requirements and recover the 2019 revenue requirement in 2020 to coincide with SDG&E's rate change occurring on January 1, 2020.<sup>5</sup> The amount SDG&E will recover in rates beginning in 2020 is based on the revenue requirement presented in Witness Shimansky's testimony of \$10.510 million (without FF&U), or \$10.902 million (with FF&U). SDG&E proposes to recover ongoing costs associated with the Medium-Duty and Heavy-Duty Electric Vehicle Charging Infrastructure Program and Vehicle to Grid Electric School Bus Pilot as part of a future GRC.

**Table KCG-2: Class Average Rates Impact**

	Current 1/1/18 (¢/kWh)	2020			2021			2022			2023		
		Proposed Rate (¢/kWh)	Change from Current (¢/kWh)	Change from Current (%)	Proposed Rate (¢/kWh)	Change from Current (¢/kWh)	Change from Current (%)	Proposed Rate (¢/kWh)	Change from Current (¢/kWh)	Change from Current (%)	Proposed Rate (¢/kWh)	Change from Current (¢/kWh)	Change from Current (%)
Residential	27.561	27.633	0.072	0.26%	27.651	0.090	0.33%	27.690	0.129	0.47%	27.729	0.168	0.61%
Small Comm.	26.242	26.317	0.075	0.29%	26.335	0.093	0.35%	26.376	0.134	0.51%	26.416	0.174	0.66%
Med & Lg C&I	21.385	21.425	0.040	0.19%	21.435	0.050	0.23%	21.456	0.071	0.33%	21.477	0.092	0.43%
Agriculture	19.468	19.515	0.047	0.24%	19.526	0.058	0.30%	19.552	0.084	0.43%	19.577	0.109	0.56%
Lighting	21.635	21.717	0.082	0.38%	21.737	0.102	0.47%	21.782	0.147	0.68%	21.826	0.191	0.88%
System Total	23.997	24.052	0.055	0.23%	24.066	0.069	0.29%	24.096	0.099	0.41%	24.125	0.128	0.53%

In 2020 the annual bill impact is approximately \$4.26<sup>6</sup> for a typical residential customer using 500 kWh per month in both the Inland and Coastal climate zones, as compared to current

<sup>5</sup> Timing of implementation is dependent upon approval.

<sup>6</sup> See the Direct Testimony of Greg D. Shimansky (Chapter 5) for further details regarding the revenue requirements.

1 rates. On a percentage basis, this equates to an increase of 0.2% for a typical residential  
2 customer in both the Inland and Coastal climate zones. In 2023, the annual bill impact is  
3 approximately \$9.88 for a typical residential customer using 500 kWh per month in both the  
4 Inland and Coastal climate zones, as compared to current rates. On a percentage basis, this  
5 equates to an increase of 0.6% for a typical residential customer in both the Inland and Coastal  
6 climate zones.

7 This concludes my prepared direct testimony.

1 **III. STATEMENT OF QUALIFICATIONS**

2 My name is Kellen Childs Gill and my business address is 8330 Century Park Court, San  
3 Diego, California 92123. I am employed by SDG&E as a Rate Strategy Project Manager in the  
4 Customer Pricing Department. My primary responsibilities include planning, development, and  
5 implementation of rate related proceedings and preparation of various regulatory filings.

6 I began work at SDG&E in March 2015 as a Regulatory Case Manager. Prior to joining  
7 SDG&E, I was employed by Sempra Energy where I worked in several positions of increasing  
8 responsibility in tax, accounting, internal audit and legislative policy beginning in June 2007.

9 I graduated from the University of San Diego with a Bachelor's degree in Business  
10 Administration and a minor in Accounting. I went on to earn a Master of Science in  
11 Accountancy with an emphasis in entity taxation from San Diego State University. I am also a  
12 Certified Public Accountant licensed to practice in the state of California.

13 I have not testified before the California Public Utilities Commission.