

Company: San Diego Gas & Electric Company  
Application: 17-09-005  
Exhibit No.: SDG&E-\_\_\_\_\_

**PREPARED SUPPLEMENTAL TESTIMONY OF**

**CYNTHIA FANG**

**CHAPTER 7**

**ON BEHALF OF SAN DIEGO GAS & ELECTRIC COMPANY**

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

**March 28, 2018**



## TABLE OF CONTENTS

I.	OVERVIEW AND PURPOSE .....	1
II.	HISTORICAL MONTHLY ELECTRICITY USAGES AND COSTS OF THE DISTRICT'S CRUISE SHIP TERMINAL ACCOUNT .....	2
III.	ESTIMATED BILL IMPACTS, WITH AND WITHOUT THE REQUESTED DISCOUNTS, FOR THE DISTRICT'S CRUISE SHIP TERMINAL ACCOUNT .....	2
IV.	CONCLUSION.....	4

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
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18  
19  
20  
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**PREPARED DIRECT TESTIMONY OF  
CYNTHIA FANG  
CHAPTER 7**

**I. OVERVIEW AND PURPOSE**

On March 8, 2018, a Scoping Memo and Ruling of Assigned Commissioner Picker and Joint Ruling with Administrative Law Judge (“ALJ”) Lau (“Scoping Memo”) was issued, which requires San Diego Gas & Electric Company (“SDG&E”) to file supplemental testimony to provide additional information to address the following questions:

1. How does the Port District transfer the monthly electricity costs for its cruise ship terminal account to the individual cruise ships?
2. What are the historical monthly electricity usages and costs of the Port District’s cruise ship terminal account for the past three years?
3. What is the monthly forecasted electricity demand for the cruise ship terminal account for the next five years?
4. Compare the estimated bill impacts, with and without the requested discounts, for the Port District’s cruise ship terminal account for the next five years under Schedules A, AL-TOU, and A6-TOU.

Originally, the Scoping Memo assigned all four questions to SDG&E, however, pursuant to ALJ Lau’s e-mail dated Friday, March 16, 2018, the San Diego Unified Port District (“District”) was assigned to answer Questions 1 and 3 in its supplemental testimony due on April 4, 2018. Therefore, the purpose of my supplemental testimony is to present SDG&E’s responses to Questions 2 and 4.

1 **II. HISTORICAL MONTHLY ELECTRICITY USAGES AND COSTS OF THE**  
2 **DISTRICT’S CRUISE SHIP TERMINAL ACCOUNT**

3 Question 2 in the Scoping Memo requests the “the historical monthly electricity  
4 usages and costs of the District’s cruise ship terminal account for the past three years.”

5 Attachment A to my testimony provides the monthly electricity usage and electric bills for  
6 the District’s cruise ship terminal account for the three-year period of December 2014 to  
7 November 2017.

8 **III. ESTIMATED BILL IMPACTS, WITH AND WITHOUT THE REQUESTED**  
9 **DISCOUNTS, FOR THE DISTRICT’S CRUISE SHIP TERMINAL**  
10 **ACCOUNT**

11 Question 4 in the Scoping Memo requests a comparison of “the estimated bill  
12 impacts, with and without the requested discounts, for the Port District’s cruise ship terminal  
13 account for the next five years under Schedules A, AL-TOU, and A6-TOU.” As noted in  
14 my direct testimony, SDG&E’s standard small commercial rate schedule is Schedule TOU-  
15 A. With the move of small commercial customers to mandatory time-of-use (TOU) rates,  
16 Schedule A, the prior flat (non-TOU) small commercial rate has been closed and is  
17 scheduled for elimination on July 1, 2018. As such, SDG&E’s response provides bill  
18 impacts under Schedule TOU-A rather than Schedule A, consistent with the analysis  
19 provided in my direct testimony. In accordance with the foregoing, Attachment B to my  
20 supplemental testimony provides a five-year comparison of the estimated bill impacts, with  
21 and without the requested discounts, for the District’s cruise ship terminal account under  
22 Schedules TOU-A, AL-TOU and A6-TOU.

23 SDG&E bases this analysis on data provided by the District that aligns with the  
24 District’s anticipated response to Scoping Memo Question 3 for the “monthly forecasted  
25 electricity demand for the cruise ship terminal account for the next five years” to be

1 provided formally by the District on April 4, 2018. As will be described in District's  
2 supplemental testimony, the data provided by the District for use in this analysis is based on  
3 the Monte Carlo simulation model currently used by the District to support its testimony in  
4 this proceeding and includes some adjustments to meet the specific data needs to conduct  
5 the analysis for Question 4. Generally, Monte Carlo simulations are probabilistic models  
6 designed to produce outputs based on multiple simulations (over 50) under a given set of  
7 assumptions, and are subject to variations found in such simulations. In order to provide the  
8 specific data needed to develop the bill impact comparison, the numbers provided herein are  
9 based on an individual sample in the District's simulation. As such, while the five-year  
10 results are expected to be stable, care should be taken in relying upon the more granular  
11 results, particularly at the individual month and year level.

12 In addition, a key assumption made in order to provide the data necessary for the  
13 requested analysis is that the number of cruise ship visits is held constant. Question 4  
14 involves a comparison of electricity bills under different rates with the same forecasted  
15 number of visits. As will be emphasized in the supplemental testimony provided by the  
16 District on April 4, 2018, the cruise ship terminal account's electricity bill and therefore its  
17 effective rate may have a significant effect on the number of cruise ship visits; a higher  
18 effective rate is expected to result in fewer visits.

19 My direct testimony provided<sup>1</sup> estimated annual bills for the District's cruise ship  
20 terminal account based on Schedule TOU-A, the standard M/L C&I rate schedule, Schedule  
21 AL-TOU Primary with CPP, and the optional cost-based M/L C&I rate schedule, Schedule  
22 A6-TOU Primary, as well as the calculation of the Shore Power Rate with the proposed

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<sup>1</sup> Application ("A.") 17-09-005 Prepared Direct Testimony of Cynthia Fang page CF-10.

1 Discount adjustment, based on historical usage (July 2016 - June 2017)<sup>2</sup> and current rates at  
2 the time of filing, which were electric rates effective March 1, 2017.<sup>3</sup>

3 The analysis provided in Attachment B differs from what was provided in my direct  
4 testimony in the following ways:

- 5 • Usage is based on estimated forecasted usage provided by the District as  
6 discussed above.
- 7 • Excludes CPP to be consistent with the Scoping Memo request for additional  
8 information.
- 9 • Updated to reflect current effective rates which became effective January 1,  
10 2018,<sup>4</sup> and include updated TOU periods.

11 **IV. CONCLUSION**

12 This concludes my prepared supplemental testimony.

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<sup>2</sup> The historic usage between July 2016 and June 2017 used for this analysis only included one Critical Peak Pricing (“CPP”) event on September 26, 2016. Different number of CPP events over a 12-month period will impact a customer’s bill. Currently, Schedule EECC-CPP-D tariff allows for a maximum of 18 events. Schedule EECC-CPP-D, Applicability: Sheet 1 [http://regarchive.sdge.com/tm2/pdf/ELEC\\_ELEC-SCHEDS\\_EECC-CPP-D.pdf](http://regarchive.sdge.com/tm2/pdf/ELEC_ELEC-SCHEDS_EECC-CPP-D.pdf)

<sup>3</sup> Based on current rates effective 3/1/2017 per AL 3034-E/3034-E-A.

<sup>4</sup> Per Advice Letter (“AL”) 3167-E.

# ATTACHMENT A

## San Diego Unified Port District Cruise Ship Terminal Account Historic Usage and Bills from December 2014 – November 2017

Year	Month	Energy Usage (kWh)	Total Monthly Bill (\$)
2014	December	107,504	\$22,836.07
2015	January	89,032	\$19,171.40
2015	February	72,776	\$16,080.46
2015	March	63,432	\$14,024.18
2015	April	350,808	\$77,320.46
2015	May	257,864	\$64,166.77
2015	June	80,184	\$23,518.88
2015	July	0	\$52.89
2015	August	0	\$52.89
2015	September	48	\$66.94
2015	October	392,656	\$114,964.41
2015	November	547,144	\$144,779.78
2015	December	133,704	\$28,564.30
2016	January	272,560	\$55,819.89
2016	February	78,832	\$15,778.27
2016	March	201,592	\$40,266.44
2016	April	6,528	\$1,355.09
2016	May	227,456	\$51,488.50
2016	June	38,848	\$11,233.31
2016	July	0	\$52.89
2016	August	0	\$52.89
2016	September	0	\$52.89
2016	October	342,112	\$90,967.89
2016	November	431,344	\$100,825.53
2016	December	290,424	\$58,508.59
2017	January	346,040	\$69,996.89
2017	February	181,368	\$40,189.61
2017	March	91,752	\$18,875.58
2017	April	192,912	\$43,644.22
2017	May	180,256	\$46,872.61
2017	June	0	\$52.89
2017	July	69,512	\$16,491.05
2017	August	0	\$52.89
2017	September	32	\$62.76
2017	October	807,880	\$217,057.78
2017	November	438,872	\$120,944.31

# ATTACHMENT B

## San Diego Unified Port District Cruise Ship Terminal Account Estimated Bill Impacts 2018 – 2022

Scenario	2018	2019	2020	2021	2022	5-Year Total
Schedule TOU-A	\$715,052	\$838,802	\$975,833	\$1,070,279	\$1,070,324	\$4,670,290
Schedule AL-TOU	\$3,838,605	\$3,866,616	\$3,931,844	\$4,103,366	\$4,106,862	\$19,847,293
Schedule A6-TOU	\$2,800,915	\$2,641,817	\$2,683,425	\$3,250,452	\$2,723,924	\$14,100,532
Shore Power Rate Proposal at Small Commercial Class Average	\$631,888	\$741,534	\$864,028	\$954,172	\$942,822	\$4,134,444
Shore Power Rate Proposal at M/L C&I Class Average	\$775,403	\$909,953	\$1,060,268	\$1,170,885	\$1,156,957	\$5,073,467
Small Commercial Rate Proposal Compared to Schedule TOU-A	\$60,351	\$71,151	\$84,435	\$100,606	\$86,634	\$403,176
M/L C&I Rate Proposal Compared to Schedule AL-TOU	(\$3,206,717)	(\$3,125,082)	\$(3,067,816)	(\$3,149,194)	(\$3,164,040)	(\$15,712,849)
M/L C&I Proposal Compared to Schedule A6-TOU	(\$2,169,027)	(\$1,900,283)	(\$1,819,397)	(\$2,296,280)	(\$1,781,102)	(\$9,966,088)