Proceeding No.: A.21-04-010
Exhibit No.:
Witness: Gwendolyn Morien

REVISED UPDATED PREPARED DIRECT TESTIMONY OF

GWENDOLYN MORIEN

ON BEHALF OF

SAN DIEGO GAS & ELECTRIC COMPANY

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

SDGE
A Sempra Energy utility

November 15~~8~~, 2021

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REVISED UPDATED PREPARED DIRECT TESTIMONY OF GWENDOLYN MORIEN ON BEHALF OF SAN DIEGO GAS & ELECTRIC COMPANY

I. OVERVIEW AND PURPOSE

The purpose of this revised updated testimony is to present San Diego Gas & Electric Company's ("SDG&E") rate recovery proposals for its application for approval of its 2022 forecasts of (1) the Energy Resource Recovery Account ("ERRA") revenue requirement, which includes greenhouse gas ("GHG") costs; (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; (6) the Tree Mortality Non-Bypassable Charge ("TMNBC") revenue requirement; (7) the sum of 2018 and 2019 Local Generating Balancing Account ("LGBA") activity recorded to the LGBA; ~~and~~ (8) the Power Charge Indifference Adjustment ("PCIA") undercollection balancing account ("CAPBA") overcollection; and (9) the 2021 year-end ERRA balance[1] as presented in the updated testimony of SDG&E witness Coreen Salcido.

This testimony also updates SDG&E's 2022 proposed rates for: (1) GHG Allowance return to customers, specifically the non-residential and the Residential California Climate Credit ("CCC"); (2) the vintage Power Charge Indifference Adjustment ("PCIA") rates; and (3) 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. In addition, this updated testimony requests authority to allocate bundled commodity revenues using the System

[1] On May 7, 2021, SDG&E filed an expedited ERRA Trigger Application (A.21-05-006) requesting authorization to address the disposition of the 2021 year-end ERRA balance in its 2022 ERRA Forecast proceeding. On November 12, 2021, Administrative Law Judge Douglas M. Long issued an e-mail ruling allowing SDG&E to revise its November Update and submit certain testimony to reflect the rate effects of the ERRA Trigger in this forecast proceeding.

Average Percent Change ("SAPC") methodology. The illustrative and proposed rates, rate impacts and bill impacts presented in this updated testimony are calculated using current effective rates[2] and current authorized system net and system delivered sales, and forecasted 2022 bundled sales.[3]

This updated testimony is organized as follows:

1. Section II – SDG&E's Bundled Commodity Cost Recovery Proposal;
2. Section III – 2022 Rate and Bill Impacts to Reflect Recovery of Updated Revenue Requirements for ERRA, PABA, CTC, LG, SONGS, ~~and~~ CAPBA; and the 2021 year-end ERRA balance;
3. Section IV – 2022 Rates for the Return of GHG Allowance Revenues;
4. Section V – 2022 PCIA Rates;
5. Section VI – 2022 Rates for SDG&E's Green Tariff Shared Renewables Program;
6. Section VII – Summary and Relief Requested; and
7. Section VIII – Qualifications.

II. SDG&E'S BUNDLED COMMODITY COST RECOVERY PROPOSAL

Throughout 2021 and 2022 SDG&E is expecting significant load departure, especially in SDG&E's Medium/Large Commercial & Industrial ("M/L C&I") class in 2021 and residential class in 2022. As such, SDG&E filed a standalone 2022 sales forecast application to request authority to

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2 Effective November 1, 2021 per Advice Letter ("AL") 3855-E.

3 Pursuant to D.21-07-010, SDG&E's current effective authorized system net and system delivered sales were implemented November 1, 2021 per AL 3855-E. Pursuant to ALJ Long's Email Ruling on October 21, 2021, SDG&E is using its 2022 bundled sales forecast (as filed in A.21-08-010) in this updated testimony. Coincident with implementation of the 2022 ERRA Forecast, SDG&E will implement its 2022 bundled sales forecast as filed in A.21-08-010. If a decision in A.21-08-010 is adopted that modifies SDG&E's 2022 Sales Forecast application as filed, SDG&E will implement updated 2022 bundled sales when it receives final approval in A.21-08-010.

update and implement all three types of sales (bundled, system net and system delivered) effective January 1, 2022.[4]

Due to the fact that SDG&E continues to undergo significant departing load, SDG&E proposes to adjust bundled commodity rates in order to collect the 2022 commodity-related revenue requirements[5] from its bundled customers using the SAPC methodology recently approved in SDG&E's 2021 ERRA Forecast Decision, D.21-01-017,[6] and SDG&E's 2019 GRC Phase 2 Decision, D.21-07-010. This is a deviation from the existing authorized rate allocation applied to the commodity revenues based on SDG&E's approved generation revenue allocation factors.[7] SDG&E requests authorization to use the SAPC methodology to allocate the 2022 commodity-related revenue requirements to bundled commodity rates because the approved generation revenue allocation factors from SDG&E's 2019 GRC Phase 2 decision (D.21-07-010) do not take into consideration the significant load departure in SDG&E's customer classes. Table 1 presents the generation revenue allocation factors which would result from using the SAPC methodology under SDG&E's proposed 2022 bundled sales forecast[8] against SDG&E's approved generation revenue allocation factors pursuant to D.21-07-010.

Table 1 – Generation Revenue Allocation Comparison

Customer Classes	Approved D.21-07-010 Generation Revenue Allocation Factors	SAPC Generation Revenue Allocation

[4] SDG&E filed A.21-08-010 on August 13, 2021. Proposed 2022 sales are expected to be implemented at or approximately at the same time as this instant application.

[5] 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.

[6] Ordering Paragraph ("OP") 8 of D.21-01-017.

[7] Approved in D.21-07-010, in Phase 2 of SDG&E's 2019 GRC.

[8] 2022 Bundled sales are presented as proposed by SDG&E in A.21-08-010. SDG&E is not requesting approval of the 2022 Sales Forecast in this application.

Residential	42.83%	49.54%
Small Commercial	13.27%	11.95%
Medium and Large Commercial and Industrial	42.03%	35.51%
Agriculture	1.50%	2.43%
Streetlighting	0.37%	0.57%
System	100.00%	100.00%

SDG&E presents the illustrative bundled class average rate and bill impacts for the SAPC methodology for allocating commodity revenue requirements in Section III below.

III. 2022 RATE AND BILL IMPACTS TO REFLECT RECOVERY OF UPDATED REVENUE REQUIREMENTS FOR ERRA, PABA, CTC, LG, SONGS, ~~AND~~ CAPBA, AND 2021 YEAR-END ERRA BALANCE

SDG&E requests the recovery in rates of the following 2022 revenue requirements[9] presented in the updated direct testimony of SDG&E witness Coreen Salcido:

1. 2022 ERRA Revenue Requirement of $777.521 million ($786.955 million including Franchise Fees and Uncollectible Expenses ("FF&U")) for recovery of the "up-to-market" energy procurement costs, which include GHG costs, associated with serving SDG&E's bundled service customers;[10]
2. 2022 PABA Revenue Requirement of $179.759 million ($181.940 million including FF&U) for recovery of the "above-market" costs and revenues associated with all generation resources that are eligible for cost recovery through PCIA rates,[11,12] and

[9] The revenue requirement figures in this testimony exclude FF&U unless otherwise noted. When FF&U is included, SDG&E uses the current approved FF&U rate of 1.012133 for illustrative purposes. An updated FF&U rate was approved in SDG&E's General Rate Case ("GRC") Decision ("D.) 19-09-051, and pursuant to that decision, SDG&E will implement the new FF&U rate on January 1, 2022, per AL 3885-E. However, the PCIA and GTSR rate figures in this testimony reflect the FF&U rate effective January 1, 2022.

[10] 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 per D.21-07-010.

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

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

recovery of the projected 2021 year-end balances recorded to PABA of $(110.359) million ($(111.698) million including FF&U);[13]

3. 2022 CTC Revenue Requirement of $9.462 million ($9.577 million including FF&U) for recovery of above-market costs associated with CTC-eligible resources from all customers;[14]

4. 2022 LG Revenue Requirement of $145.081 million ($146.842 million including FF&U) for the recovery of net costs associated with resources approved by the California Public Utilities Commission ("Commission") for Cost Allocation Mechanism ("CAM") treatment for recovery from all benefiting customers, including all bundled service, Direct Access ("DA") and Community Choice Aggregation ("CCA") customers,[15] and the return of balances recorded to the 2018 LGBA of

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13 D.19-10-001 authorized the recovery of the PABA prior year-end balance to be recovered through the ERRA Forecast filing.

14 SDG&E does not propose any changes to the allocation of CTC to customer classes as part of this proceeding. The allocation of CTC to customer classes was updated November 1, 2021 per D.21-07-010.

15 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.

$(91.084) million including FF&U[16,17] and the return of balances recorded to the 2019 LGBA of $(0.888) million including FF&U; [18,19]

5. 2022 SONGS Unit 1 Offsite Fuel Storage Revenue Requirement of $1.174 million ($1.188 million including FF&U) for the recovery of costs associated with the spent fuel storage costs; [20]

6. 2022 TMNBC Revenue Requirement as set forth in the updated testimony of SDG&E witness Coreen Salcido and confidentiality declaration attached thereto for recovery of costs associated with the tree mortality related procurement costs;[21] ~~and~~

7. 2022 CAPBA return to current bundled customers of $(17.772) million ($(17.988) million with FF&U) related to removal of the PCIA cap pursuant to D.21-05-030 as presented in the updated testimony of SDG&E witness Coreen Salcido~~.~~;[22] and

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[16] Consistent with D.06-07-029, LGC is a kWh charge developed by allocating the net costs among all customer classes based on the 12-month coincident peak ("12 CP") demand methodology, including bundled, DA and CCA customers, and then dividing the resulting customer class revenue by current authorized sales by customer class. SDG&E does not propose any changes to the allocation of LGC to customer classes as part of this proceeding. The allocation of LGC to customer classes was recently updated on November 1, 2021 per D.21-07-010.

[17] The exact amount of the 2018 LGBA recorded balance requested for return is $(91,083,979) pursuant to D.20-12-036.

[18] Consistent with D.06-07-029, LGC is a per kWh charge developed by allocating the net costs among all customer classes based on the 12 CP demand methodology, including bundled, DA and CCA customers, and then dividing the resulting customer class revenue by current authorized sales by customer class. SDG&E does not propose any changes to the allocation of LGC to customer classes as part of this proceeding. The allocation of LGC to customer classes was recently updated on November 1, 2021 per D.21-07-010.

[19] The exact amount of the 2019 LGBA recorded balance requested for return is $(887,680) pursuant to D.21-07-018.

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

[21] D.18-12-003, OP 9, 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.

[22] The total amount being transferred to PABA is $(20.139) million ($(20.383) with FF&U). $(2.367) million ($(2.396) million with FF&U) will be returned to PCIA vintages 2021 and 2022, while $(17.772) million

~~7.~~8. 2021 year-end ERRA undercollected balance of $148.151 million ($149.948 million with FF&U) as set forth in the updated testimony of SDG&E witness Coreen Salcido, that SDG&E is requesting authorization to transfer to the PABA, which would result in a total PABA revenue requirement of $327.910 million ($331.889 million with FF&U).

Table 2 below compares the currently effective revenue requirements to the 2022 proposed revenue requirements discussed above and the GHG Allowance revenues eligible for return to customers through electric rates discussed in more detail below in Section IV.

Table 2
ERRA, PABA, CTC, LG, SONGS, GHG, ~~and~~ CAPBA and 2021 Year-End ERRA Balance
Revenue Requirements ($000)

Line	Description	Current Authorized Revenue Requirement[23]		Proposed Revenue Requirement		Change from Current[24]	Change (%)
		w/o FF&U	w/ FF&U	w/o FF&U	w/ FF&U	w/ FF&U	w/ FF&U
1	ERRA[25]	$655,482	$663,435	$ 777,521	$ 786,955	$(123,519)	18.6%
2	PABA	$328,484	$332,469	$ 179,759	$ 181,940	$(150,529)	-45.3%
3	CTC	$11,265	$11,401	$ 9,462	$ 9,577	$(1,825)	-16.0%
4	LG	$122,947	$124,439	$ 145,081	$ 146,842	$ 22,403	18.0%
5	SONGS	$1,060	$1,073	$ 1,174	$ 1,188	$116	10.8%
6	PABA Balance[26]	$122,328	$123,812	$(110,359)	$(111,698)	$(235,510)	-190.2%
7	LGBA 2018 Balance	$0	$0	$(89,992)	$(91,084)	$(91,084)	-100.0%
8	LGBA 2019 Balance	$0	$0	$(877)	$(888)	$(888)	-100.0%

($(17.988) million with FF&U will be returned to 2022 bundled customers through their 2022 bundled commodity rates.

[23] Authorized by D.21-01-017 and effective March 1, 2021 per AL 3696-E-A-B.

[24] Differences may not equal due to rounding.

[25] Includes GHG costs.

[26] The proposed 2021 PABA year-end balance is projected based on nine months of actuals (January through September of 2021) and three months of forecasted expenses and revenues.

9	CAPBA 2021 Balance	$0	$0	$(17,772)	$(17,988)	$(17,988)	-100.0%
10	ERRA 2021 Balance	$0	$0	$148,151	$149,948	$149,948	100.0%
~~10~~ 11	**Subtotal**	$1,241,566	$1,256,630	$1,042,149 ~~893,999~~	$ 1,054,792 ~~904,844~~	$(201,837 ~~351,786~~)	-28.0%
	GHG Allowance Revenues Eligible for Return to Customers						
~~11~~12	Small Business Volumetric Return		$(1,657)		$0	$1,657	-100.0%
~~12~~13	Residential & Small Business CCC[27]		$(93,536)		$(190,908)	$(97,372)	104.1%
~~13~~14	Subtotal		$(95,193)		$(190,908)	$(95,715)	100.5%
~~14~~15	**Total[28]**		$1,161,437		$ 863,884 ~~713,936~~	$(297,553 ~~447,501~~)	-25.6 ~~38.5~~ %

Table 3 presents the illustrative class average rate impacts associated with the revenue requirements presented in Table 2, and Table 4 presents the illustrative bundled commodity class average rate impacts associated with the ERRA and PABA revenue requirements, as well as the 2021 CAPBA overcollection and 2021 year-end ERRA undercollected balance presented in Table 2. SDG&E is requesting rate recovery of those revenue requirements beginning January 1, 2022. The net $~~447,501~~297,553 million (including FF&U)[29] decrease from the currently effective revenue requirements and 2022 forecasted bundled sales would increase the system average rate by ~~0.145~~1.382 cents per kWh, or ~~0.52~~4.93%. Without the Residential and Small Business Semi-Annual

[27] Per D.21-08-026, Small Business GHG funds are to be returned to qualifying customers in the same manner as residential customers, i.e., a semi-annual credit. The CCC is discussed further in Section IV.

[28] Sums may not equal due to rounding. Sums do not include the TMNBC revenue requirement. SDG&E is requesting approval of its 2022 TMNBC revenue requirement, which is set forth in the testimony of SDG&E witness Coreen Salcido and confidentiality declaration attached thereto. SDG&E omitted the 2022 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.

[29] This value excludes the portion of revenues that Departing Load customers are forecasted to be responsible for in 2022 for the 2022 PABA revenue requirement and 2021 PABA year-end balance as discussed in Section V.C.

CCC, the system average rate would increase by ~~0.605~~1.842 cents per kWh, or ~~2.12~~6.45%. Table 5 below presents the illustrative class bill impacts associated with the revenue requirements presented in Table 2.

Table 3
Illustrative Class Average Rate Impacts from 2022 ERRA, PABA, CTC, LG, SONGS, GHG, ~~and~~ CAPBA, and 2021 Year-End ERRA Balance Revenue Requirements[30]

Customer Classes	Current Effective Rates[31] (¢/kWh)	Proposed Rates (¢/kWh)	Change (¢/kWh)	Change (%)
Residential	32.072	~~31.169~~32.447	~~(0.903)~~0.375	~~-2.82~~1.17%
Small Commercial	28.876	~~29.060~~30.140	~~0.184~~1.264	~~0.64~~4.38%
Medium and Large Commercial and Industrial	26.090	~~26.777~~28.062	~~0.687~~1.972	~~2.63~~7.56%
Agriculture	20.026	~~20.315~~21.224	~~0.289~~1.198	~~1.44~~5.98%
Streetlighting	26.140	~~26.425~~27.264	~~0.285~~1.124	~~1.09~~4.30%
System	28.036	~~28.181~~29.418	~~0.145~~1.382	~~0.52~~4.93%

Table 4
Illustrative Bundled Commodity Rate Impacts from 2022 ERRA, PABA, ~~and~~ CAPBA, and 2021 Year-End ERRA Balance Revenue Requirements[32,33]

Customer Classes	Current Effective Rates[34] (¢/kWh)	Proposed Rates (¢/kWh)	Change (¢/kWh)	Change (%)
Residential	12.349	~~13.385~~14.663	~~1.036~~2.314	~~8.39~~18.74%
Small Commercial	10.728	~~11.830~~12.910	~~1.102~~2.182	~~10.27~~20.34%
Medium and Large Commercial and Industrial	12.638	~~13.707~~14.992	~~1.069~~2.354	~~8.46~~18.63%
Agriculture	8.807	~~9.543~~10.452	~~0.736~~1.645	~~8.36~~18.68%
Streetlighting	8.097	~~8.773~~9.612	~~0.676~~1.515	~~8.35~~18.71%
System	12.027	~~13.116~~14.353	~~1.089~~2.326	~~9.05~~19.34%

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

31 Current effective rates effective November 1, 2021 per AL 3855-E.

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

33 Proposed rates include the impact of the 2022 bundled sales forecast on under- and over-collections that are included in the bundled commodity rates.

34 Based on rates effective November 1, 2021 per AL 3855-E.

Table 5
Illustrative Class Bill Impacts from 2022 ERRA, PABA, CTC, LG, SONGS, GHG, ~~and~~ CAPBA, and 2021 Year End ERRA Balance Revenue Requirements[35,36]

Customer Classes	Current Bill[37] ($/month)	Proposed Bill ($/month)	Change ($/month)	Change (%)
Residential Non-CARE [38]	136.31	~~132.47~~137.90	~~(3.84)~~1.59	~~-2.82~~1.17%
Residential CARE[39]	88.60	~~86.10~~89.63	~~(2.49)~~1.04	~~-2.82~~1.17%
Small Commercial[40]	333.32	~~335.44~~347.91	~~2.12~~14.59	~~0.64~~4.38%
Medium and Large Commercial and Industrial[41]	5,318.31	~~5,458.35~~5,720.29	~~140.04~~401.98	~~2.63~~7.56%
Agriculture[42]	945.25	~~958.89~~1,001.79	~~13.64~~56.55	~~1.44~~5.98%
Streetlighting[43]	192.27	~~194.36~~200.53	~~2.10~~8.27	~~1.09~~4.30%

IV. 2022 RATES FOR RETURN OF THE GHG ALLOWANCE REVENUES

In compliance with D.12-12-033 and D.21-08-026, the GHG allowance revenues eligible for return to customers is based on the GHG Allowance Revenues forecast of $194.404 million

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

36 Bill impacts are presented based on the average monthly usage for that customer-specific class based on the 12-months of customer usage from August 2020 to July 2021. Average monthly usage excludes Net Energy Metering ("NEM") consumption.

37 Current bill impacts are based on rates effective November 1, 2021 per AL 3855-E.

38 Residential class average bill impacts are based on 425 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.

39 Residential class average bill impacts are based on 425 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.

40 Small commercial class average bill impacts are based on 1,154 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.

41 M/L C&I class average bill impacts are based on 20,384 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.

42 Agriculture class average bill impacts are based on 4,720 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.

43 Streetlighting class average bill impacts are based on 735 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.

($196.762 million including FF&U) presented in the updated testimony of SDG&E witness Matthew O'Connell, adjusted for the following:

1. Reconciliation of 2020 forecasted with 2020 year-end actuals recorded in GHG Revenue Balancing Account ("GHGRBA") presented in the updated testimony of SDG&E witness Coreen Salcido of $(15.087) million (including FF&U);

2. GHG expenses related to customer outreach and education and administrative costs presented in the updated testimony of SDG&E witness April Bernhardt of $0.082 million (including FF&U) that will be recorded in the GHG Customer Outreach and Education Memorandum Account ("GHGCOEMA") and the GHG Administrative Costs Memorandum Account ("GHGACMA");

3. Solar on Multifamily Affordable Housing ("SOMAH") Program funding[44] of $19.440 million ($19.676 million including FF&U) for 2022.[45] In addition, Disadvantaged Community Single-Family Solar Homes ("DAC-SASH") Program funding of $1.030 million ($1.042 million including FF&U), the DAC – Green Tariff ("DAC-GT") Program funding of $0 million ($0 million including FF&U), and the Community Solar Green Tariff ("CSGT") Program funding of $0 million ($0 million

[44] 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.

[45] The SOMAH program currently has a statewide budget of $100 million. As SDG&E has informed Energy Division staff, it is possible that this budget would be exceeded if all utility participants (i.e., SDG&E, Pacific Gas and Electric Company, Southern California Edison Company, PacifiCorp, and Liberty Utilities) each seek their required percentage allocations of SOMAH funds pursuant to D.17-12-022. If each utility participant does in fact seek their required percentage allocations, then collectively the statewide budget of $100 million could potentially be exceeded by an estimated $32.426 million.

including FF&U), also presented in the updated testimony of SDG&E witness Matthew O'Connell; and[46]

4. The SOMAH Program prior year true-up funding for October through December 2020 request of $(0.209) ($(0.212) million including FF&U) pursuant to D.20-04-012, and also presented in the updated testimony of SDG&E witness Coreen Salcido.

Table 6 below provides the current authorized and proposed GHG Allowance revenues to determine the GHG Allowance revenues eligible for return to customers.

Table 6
GHG Allowance Revenues[47] Eligible for Return to Customers

	Current Authorized[48] ($000)	Proposed ($000)	Change[49] ($000)	Change (%)
GHG Allowance Revenues	$(115,836)	$(194,404)	$(78,567)	67.8%
Interest	$2	$(16)	$(19)	-787.2%
GHG Expenses[50]	$45	$60	$15	32.5%
Clean Energy/Energy Efficiency Program Costs	$17,774	$20,261	$2,488	14.0%
FF&U	$(1,189)	$(2,112)	$(923)	77.6%
Prior Year GHGRBA Revenue Return True-Up[51]	$3,173	$(15,087)	$(18,260)	-575.5%
GHG Allowance Revenues Eligible for Return to Customers	$(96,031)	$(191,298)	$(95,266)	99.2%

46 On February 1, 2021, SDG&E filed AL 3682-E which requested no funding for 2022.

47 All values exclude FF&U unless otherwise noted.

48 Authorized by D.21-01-017 and effective March 1, 2021 per AL 3696-E-A-B.

49 Differences may not equal due to rounding.

50 GHG Expenses include utility outreach and administrative costs, including information technology ("IT") billing and program management costs, as well as statewide outreach costs. Expenses include forecasted expenses of $0.082 million and reconciliation of prior year balancing accounts of $(0.022) as presented in the updated testimony of SDG&E witness Coreen Salcido.

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

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:[52]

1. **Emissions-Intensive and Trade-Exposed ("EITE")** entities will receive an annual, fixed-amount on-bill credit based on Commission calculations, discussed below;
2. **Small Business Return** is intended to offset the rate impacts of the Cap-and-Trade program in the electricity rates of small businesses, defined as entities with monthly demand not exceeding 20 kilowatts ("kW") in more than three months in a twelve-month period,[53] through a flat credit distribution method and is described in more detail below; and
3. **Residential CCC** for the distribution of all remaining GHG Allowance revenues to residential customers on an equal per residential account basis delivered as a semi-annual, on-bill credit in conjunction and equally to Small Business customers, and is described in more detail below.[54]

A. EITE

OP 1 of D.20-10-002 directs the IOUs to distribute GHG allowance proceeds in the same manner as previously directed in D.12-12-033, D.13-12-002, and D.14-12-037 (as modified by D.15-08-006 and D.16-07-007). D.20-10-002 also extended the existing formulas for the California Industry Assistance Credit for EITE until the California Air Resources Board ("CARB") begins the process of providing assistance or the Commission directs further changes.[55] D.21-08-026 modifies

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

[53] D.12-12-033, OP 1(B).

[54] 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.

[55] D.15-01-024, Attachment D, page 5.

the definitions and formulas for the dollar conversion factor and the emissions factors currently used for electricity purchases. Pursuant to OP 3 of D.21-08-026, the dollar conversion factor is defined as the average of the California Independent System Operator's ("CAISO") daily Greenhouse Gas Allowance Index Price for the preceding year plus eight percent. D.21-08-026 OP 4 adopts the emission-intensity metric calculated as part of each utility's annual allowance calculation used by CARB in place of the emissions factors currently used for utility electricity purchases. In addition, pursuant to OP 5 of D.21-08-026, the Dollar Conversion Factor and Emissions Factor equations provided in Appendix B of that decision are adopted and replace Equations 1, 5, and 9In 2021, EITE customers received EITE returns in the amount of $0.839 million. The adjustment to GHG Allowance Revenues eligible for return to customers in 2022 reflects an assumed return to EITE customers of $0.389 million.

B. Small Business Return

OP 1 of D.12-12-033 defines small businesses as non-residential customers on a general service or agricultural tariff with monthly demand not exceeding 20 kW for more than three months in a twelve-month period. This includes customers from SDG&E's Small Commercial, Medium and Large Commercial and Industrial, and Agricultural customer classes. Pursuant to OP 1 of D.12-12-033 small businesses are entitled to receive allowance revenue returns that will offset the rate impacts of GHG costs, which, pursuant to D.21-08-026, will be returned as a bill credit also known as the Small Business California Climate Credit (CCC). The Commission determined that the current distribution of the Small Business CCC does not comply with CARB regulations because it provides credits on a volumetric basis.[56] Pursuant to OP 6 of D.21-08-026, a flat credit distribution method, where qualifying small businesses receive a credit identical to the Residential CCC at the same time and in the same manner that the Residential CCC is distributed, will replace the current volumetric

[56] D.21-08-026, at p. 34.

distribution method. Section IV.3 below describes how the Residential CCC is developed and the frequency of its distribution, and Table 7 presents the final Small Business CCC semi-annual distribution amount of $64.17 (which is identical to the Residential CCC).

C. Residential CCC

After determining the EITE customer return revenue amount, the remaining GHG Allowance revenues eligible for return to customers will be allocated to all residential and eligible small business customers on an equal cents-per-customer[57] basis. The return to residential and small business customers will be credited to customers semi-annually as a bill credit, also known as the Semi-Annual CCC.[58] Table 7 below presents the remaining GHG Allowance revenues available for return through the Residential and Small Business CCC of $190.908 million, which results in a semi-annual Residential and Small Business CCC of $64.17.

Table 7
GHG Allowance Revenues[59] Eligible for Return through Residential and Small Business CCC

	Current Authorized ($000)[60]	Proposed ($000)	Change[61] ($000)	Change (%)
GHG Allowance Revenues Eligible for Return	$(96,031)	$(191,298)	$(95,266)	99.2%
EITE Customer Return Revenues	$839	$389	$(449)	-53.6%
Small Business Volumetric Return Revenues	$1,657	$0	$(1,657)	-100.0%
Residential and Small Business CCC Revenues	$93,536	$ 190,908	$97,372	104.1%

57 For the Residential CCC, the term "customer" refers to the residential household.

58 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.

59 Includes FF&U.

60 Authorized by D.21-01-017 and effective March 1, 2021 per AL 3696-E-A-B.

61 Differences may not equal due to rounding.

Residential and Small Business Semi-Annual CCC ($/semi-annual)	$34.60	$64.17	$29.56	85.4%

V. 2022 PCIA RATES

In D.06-07-030, modified by D.07-01-030, the Commission established authority for the PCIA component of the Cost Responsibility Surcharge ("CRS") to preserve bundled customer indifference by ensuring departing load customers pay their share of the cost responsibility associated with the above-market costs based on an administrative benchmark, also known as the "indifference amount," of the utilities' total procurement resource portfolio.[62]

In D.08-09-012, the Commission continued to refine the indifference amount methodology to better protect bundled customer indifference by introducing the requirement to "vintage" departing load customers, based on their departure date, when determining the customers' cost responsibility for the "total portfolio" of resources.[63] Assigning customers to a vintage ensured that departing load customers pay their share of above-market costs associated with the specific vintage portfolio of resources that were acquired to serve them prior to their departure from bundled load service in order to better protect bundled customer indifference. After departure from bundled service, the departing load customers are not required to pay for above-market costs associated with utility procurement commitments after that load departs.

In D.11-12-018, the Commission adopted further refinement to the indifference amount methodology recognizing that regulatory and industry changes had impacted energy procurement practices. Changes to the Market Price Benchmark ("MPB") methodology, used to determine the "above-market" value of electricity, now included the addition of a renewables portfolio standards adder ("RPS adder") to better reflect the market value of renewable resources and a revised resource

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

[63] D.08-09-012, OP 10.

adequacy capacity adder ("CAP adder"), which resulted in vintage MPBs.[64] The vintage portfolio of resources calculation was revised to better reflect time-of-use load variations and also removed load-related costs incurred by the California Independent System Operator ("CAISO") that are then charged to the utilities.

In accordance with D.16-09-044, the Joint Utilities and CCAs[65] developed a uniform workpaper template through the PCIA Working Group to "facilitate comparison and analysis of the PCIA across utilities."[66] Pursuant to D.17-08-026 OP 1 and consistent with SDG&E's 2020 ERRA Forecast, SDG&E has reflected the uniform workpaper template as attached in Appendix 7 of D.06-07-030 as part of this filing. The Commission further ordered in D.18-10-019 that PG&E, SCE and SDG&E develop a uniform common template for the calculation of each of their PCIA rates reflecting the changes ordered in the Decision.[67] SDG&E submitted its common template to the Commission's Energy Division and concurrently served the updated common template to the service list for its ERRA proceeding.

In D.18-10-019, the Commission issued a decision modifying the PCIA methodology revising inputs to the MPB that is used to calculate the PCIA. The revised methodology affects PCIA rates that were effective as of January 1, 2019. In addition to the revised MPB inputs, the decision also adopted an annual true-up mechanism, as recommended by a number of parties, as well as a cap that will limit the change of the PCIA rate from one year to the next. Starting in forecast year 2020, the cap level of the PCIA rate was set at 0.5 cents/kWh more than the prior year's PCIA, differentiated

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[64] D.11-12-018, OP 2.

[65] 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.

[66] D.17-08-026, p. 2.

[67] D.18-10-019, OP 3.

by system average vintage rate. In AL 3318-E, PABA was established to record the "above-market" costs and revenues associated with all PCIA eligible resources by vintage subaccounts. This balancing account became effective as of January 1, 2019.

In D.19-10-001, the Commission issued a decision further modifying the PCIA methodology revising the inputs to the billing determinants (sales) that is used to calculate the PCIA rates. The revised methodology affects PCIA rates that became effective January 1, 2020.[68] This revision ordered SDG&E to use vintage billing determinants of those responsible for the vintage portfolio to determine PCIA rates, instead of the currently used system net billing determinants. In addition, the decision authorized any over/under-collection in the PABA vintage subaccounts in a given year to be rolled into the next year's ERRA Forecast filing. The decision adopted the methodology for SDG&E to true-up the values in PABA for the imputed RPS and resource adequacy ("RA") costs using the updated benchmarks provided by the Energy Division on November 1st. The true-up amounts for both RPS and RA will be booked as adjustments to PABA annually through the ERRA Forecast filing.

AL 3436-E established the PCIA under-collection balancing account ("CAPBA").[69] CAPBA establishes an interest-bearing balance account that will be used in the event that the PCIA cap is reached, in order to track any obligation that accrues for departing load customers by vintage subaccounts.[70]

D.21-05-030 removed the PCIA cap and trigger mechanisms effective as of May 24, 2021. SDG&E is required to leave its 2021 capped PCIA rates and rate adders in effect through 2021 and

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68 SDG&E's 2020 ERRA Forecast Application, D.20-01-005, was not approved until January 16, 2020 and implemented into rates February 1, 2020 pursuant to AL 3500-E.

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

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

implement the removal of the PCIA cap in rates effective January 1, 2022.[71] This change is reflected in this updated testimony. For PCIA vintages that were capped during 2021, the balance of the CAPBA undercollection that was previously paid by bundled customers will be collected from departing load customers through PCIA rate adders and returned to bundled customers. Additionally, the removal of the PCIA cap effective January 1, 2022, pursuant to D.21-05-030 OP 1, also means that SDG&E's adopted 2020 ERRA Trigger vintage 2020 PCIA rate adders, pursuant to D.21-0-014, that were previously capped when SDG&E's 2020 ERRA Trigger was approved now must return to their uncapped level on January 1, 2022 in order for SDG&E to comply with D.21-05-030.

As discussed in the updated testimony of SDG&E witness Matthew O'Connell, SDG&E has participated in meet-and-confer activities with the necessary community choice aggregators for forecasting load departure from bundled service within SDG&E's service territory.[72]

In D.21-03-051, the Commission granted the Joint IOUs' uncontested Petition for Modification ("PFM") to D.17-08-026 which updates the PCIA workpaper to remove the application of line losses to capacity volumes and utilizes energy volumes as measured at the generator meter instead of customer meter. These updates are incorporated in this record year 2022 ERRA Forecast application.

A. Indifference Methodology

Under Commission rules,[73] departing load customers are responsible for their fair share of above-market costs, or an indifference amount, incurred by the utility on behalf of those customers when electric generation costs exceed the current market price, or market price benchmark. To maintain bundled customer indifference to the departure of SDG&E's customers to non-utility

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[71] D.21-05-030 per OP 1.

[72] Required as part of the D.20-03-019 per OP 1.

[73] California Public Utilities Code Section 365.2.

service, SDG&E calculates the indifference amount to determine the cost responsibility for DA, CCA and other departing load, specifically:

Indifference Amount = CTC + PCIA

The above-market costs for both the CTC and PCIA are determined using the MPB, a calculated proxy for the market value of electricity. This methodology is consistent with Commission directives, specifically D.11-12-018 and Resolution E-4475. CTC revenue requirements are addressed in the updated testimony of SDG&E witness Matthew O'Connell with rate impacts discussed above.

In this Application, SDG&E is proposing to update the currently effective vintage PCIA rates and to include the new vintage 2022 PCIA rates to account for customers' departing load in the second half of 2022. With respect to this 2022 ERRA proceeding, SDG&E's portfolio of resources, used to calculate the vintage 2022 indifference amounts and the resulting 2022 PCIA rates, will include applicable costs from SDG&E's:

- Forecasted 2022 PABA, and CTC revenue requirements;
- Projected 2021 PABA year-end balance; and
- SDG&E's authorized 2022 Non-Fuel Generation Balancing Account ("NGBA") revenue requirement.[74]

B. Treatment of SONGS-related Costs

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

[74] SDG&E filed AL 3886-E on November 4, 2021.

SDG&E's PCIA rates therefore no longer include SONGS-related Regulatory Asset costs.[75] The only remaining SONGS-related costs included in PCIA rates are non-fuel related costs authorized in SDG&E's 2019 General Rate Case (D.19-09-051), which are included in the PCIA rates in Attachment A.

C. PCIA Rate CAP Removal

As part of the ERRA Forecast proceeding, and pursuant to D.18-10-019, SDG&E was required to evaluate whether the $0.005/kWh PCIA cap had been reached based on the system average PCIA rate by customer vintage, using a comparison between the prior year's DA/CCA PCIA rates and the PCIA rates proposed in the current year's ERRA Forecast proceeding.[76] If the system average PCIA rate by customer vintage was forecasted to increase by more than $0.005/kWh, then all PCIA rates for that customer vintage would be capped. When the rate cap for any PCIA rate vintage was reached, the PCIA rates for that vintage could only be increased by $0.005/kWh and bundled customers were responsible for the revenue shortfall.

The Commission removed the PCIA rate cap in D.21-05-030.[77] However, as discussed in SDG&E's 2021 ERRA Forecast application and SDG&E's 2020 ERRA Trigger application, multiple vintages of 2021 PCIA rates were capped during 2021.[78] Therefore, with removal of the PCIA cap and its trigger mechanism, the undercollection that occurred during 2021 from these multiple vintages will be recovered from departing load customers in 2022 and returned to the bundled customers that funded the revenue shortfall during 2021. SDG&E proposes to recover this 2021

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75 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.

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

77 D.21-05-030, OP 1.

78 *See* Updated Prepared Direct Testimony of Stacy Fuhrer on Behalf of SDG&E, A.20-04-014 and Prepared Direct Testimony of Stacy Fuhrer on Behalf of SDSG&E, A.20-12-007.

CAPBA undercollection from departed load customers as PCIA rate adders (shown in Attachment D), as well as the proposed PCIA rate adders resulting from the 2021 CAPBA overcollection owed to bundled customers transferring to PABA vintages 2021 and 2022 (shown in Attachment D). Additionally, SDG&E proposes to calculate the 2021 CAPBA undercollection owed by departed load customers using the authorized revenue allocation approved in D.20-12-028 (i.e. equal cent per kWh), in order to avoid unnecessary rate shock to departed load customers' PCIA rates as a result of low departed sales necessary to recover this undercollection.

As presented in the updated testimony of Coreen Salcido, the 2021 CAPBA activity forecasted through December 31, 2021 of $(20.139) million ($(20.383) with FF&U) will be transferred to PABA and redistributed in 2022. Because some bundled customers who paid for the revenue shortfall during 2021 are now or will become departed load customers in 2022, a portion of the CAPBA will be allocated and returned to PCIA vintages 2021 and 2022 through the transfer to PABA vintage 2021. The balance of this return to previously bundled but now departed load customers is $(2.367) million ($(2.395) million with FF&U). The remainder of the 2021 CAPBA overcollection balance of $(17.772) million ($(17.988) million with FF&U) will be returned to bundled customers through their 2022 commodity rates. These amounts offset the $(20.139) million ($(20.383) million with FF&U) 2021 CAPBA undercollection that is being transferred to PABA.

D. 2021 Year-End ERRA Balance

As presented in the updated testimony of SDG&E witness Coreen Salcido and the Updated Prepared Direct Testimony of Eric L. Dalton, SDG&E is requesting to transfer its forecasted year-end ERRA undercollected balance of $148.151 million ($149.948 million with FF&U) to the PABA. In order to maintain customer indifference and appropriately recover costs from customers, SDG&E will transfer the 2021 year-end ERRA balance to PABA vintages 2020 and 2021 and collect the allocated costs from departed load customers through a PCIA adder rate, as shown in Attachment D.

VI. 2022 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."[79]

FOF 136 of D.15-01-051, states that "Each IOU's revenue requirements and associated forecasts of fuel and purchase power…are currently reviewed and approved in the annual ERRA forecast proceeding…" and FOF 137 states that "[c]oordinating review of true-up of GTSR and credits with the ERRA process will provide greater certainty that entries to the GTSR accounts are stated correctly and are consistent with Commission decisions." Accordingly, the commodity-related costs and credits as well as the resulting rates applied to GTSR customers are presented in this 2022 ERRA forecast application. Pursuant to D.15-01-051, "[t]he RPR [Renewable Power Rate][80] and other components of GTSR rates should be updated annually"[81] and "[c]hanges to the rates can be accomplished through Advice Letters."[82] As such, for 2022 SDG&E proposes updating the 2022 GTSR Program rate components, to be effective with SDG&E's 2022 ERRA Forecast, which as requested, would implement with SDG&E's 2022 Consolidated Filing to implement January 1, 2022

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

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

81 D.15-01-051, COL 53.

82 *Id.* COL 51.

electric rates, assuming Commission approval of this filing in time for inclusion in the 2022 Consolidated Filing.

GTSR rates (the differential adder or credit to the customer's otherwise applicable rate) are dependent on forecasted participation in the program. If SDG&E forecasts higher customer participation in the GTSR program, the proposed GTSR rates will be lower because the costs of the program are spread over more customers. SDG&E has and will continue to undergo significant load departure during 2021 and 2022. Given this load departure, SDG&E is forecasting very little participation in its GTSR program in 2022. Due to the statutory requirements related to calculating the GTSR rates, costs of the GTSR program must be recovered from future GTSR customers in order to ensure bundled customer indifference.[83] Therefore, the current undercollections of the program, as presented in the updated testimony of SDG&E witness Coreen Salcido, also factor into the calculation of the rate differential. If the GTSR rate differential increases to a point where it is no longer reasonable to assume that customers would choose to pay the incremental differential adder, it may become unreasonable for SDG&E to forecast any participation in the program, which would in turn increase the GTSR differential rate, making the program more and more uneconomical for customers.

As discussed below, SDG&E believes its current GTSR program undercollection and forecasted program participation make the 2022 GTSR program rates uneconomical for most customers. Therefore, in this updated testimony, SDG&E is presenting two options for the Commission to consider: (1) amortization of the 2018 and 2019 GTSRBA through the Renewable Power Rate over 12 months; or (2) amortization of the 2018 and 2019 GTSRBA through the

[83] PU Code § 2833.

Renewable Power Rate over 21 months, with a delayed implementation date of April 1, 2022.[84,85] It should be noted that even with a 21-month amortization period for the undercollection, the GTSR adder is significant and would likely cause bill volatility for participating customers. However, a delayed implementation date of April 1, 2022 will provide SDG&E with time to communicate the 2022 GTSR rates to customers so they may opt out of the rate if they choose. SDG&E is concerned that historically, there is very little time between adoption and implementation of GTSR rates, and SDG&E will not have sufficient time to communicate this large rate increase to its participating customers to allow them to make an informed decision. Although customers may opt of out the program at any time without penalty,[86] SDG&E is considering filing a subsequent advice letter to suspend the GTSR program pursuant to program requirements, in order to protect ratepayers.[87] An implementation date of April 1, 2022 will also provide the Commission with more time to review SDG&E's aforementioned advice letter to suspend the program. In the absence of a decision on a forthcoming advice letter to suspend the GTSR program prior to January 1, 2022, SDG&E presents the Commission with both GTSR rate options below. SDG&E recommends that the Commission adopt the second option (as reflected in Table 9 below), with the longer amortization period and the delayed implementation date.

The GTSR program includes two rate options: (1) a Green Tariff ("GT") rate and (2) an Enhanced Community Renewables ("ECR") rate. The GT program provides customers with the ability to purchase energy that contains a higher percentage of renewable power than offered under

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[84] Pursuant to Resolution E-5028, SDG&E is required to recover any undercollections from GTSR over the remaining cycle of the program. The current GTSR budget cycle extends until December 31, 2023. SDG&E is requesting delayed implementation of April 1, 2021, which would require a 21-month amortization period to recover undercollections through the end of the program's budget cycle.

[85] No other components of the GTSR rate are affected by this option.

[86] 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.

[87] D.15-01-051, OP 14 allows for suspension of the GTSR program if it is "necessary to protect ratepayers."

other scheduled service. The ECR program provides customers with the ability to purchase renewable energy from community-based projects directly through the developers of those projects ("Developer").

The rate components for the GT and ECR rates[88] associated with these programs are as follows:

1. **Renewable Power Rate[89]** for the GT rate is the price that customers pay for the commodity portion which is based on the cost of the incremental local solar projects that the Utility procures for the program. The 2022 cost of local solar component of the GT is $50.13/ megawatt-hour ("MWh") as described in the updated testimony of SDG&E witness Matthew O'Connell.[90] 2022 also includes the requested recovery of the undercollected 2018 GTSRBA ending balance of $0.125 million[91] and 2019 GTSRBA undercollection of $2.019 million[92] as described in the updated testimony of SDG&E witness Coreen Salcido. When SDG&E combines the 2022 Renewable Power Rate from the updated testimony of SDG&E witness Matthew O'Connell with the combined $2.145 million GTSRBA undercollection from updated testimony of SDG&E witness Coreen Salcido, the final 2022 Renewable Power Rate comes to $289.07/MWh.[93] Using a 21-month amortization period, the final 2022 Renewable Power Rate comes to $186.93/MWh.[94]

2. **Renewable Energy Commodity Price[95]** for the ECR rate is equal to the portion of the renewable generating facility's output that the customer has subscribed to, multiplied by the amount per kWh that the Utility has agreed to pay the developer ("Renewable Energy Commodity Price"). These values are part contract agreement with the Developers and therefore not addressed in this proceeding.

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[88] All GT and ECR rate components include FF&U unless otherwise noted.

[89] SDG&E's Renewable Power rate was previously referred to as the Cost of Local Solar.

[90] SDG&E witness Matthew O'Connell shows the Renewable Power Rate as $50.13/MWh, which is without FF&U. The rate of $50.74/MWh includes FF&U.

[91] As requested in SDG&E's 2018 ERRA Compliance filing (A.19-05-007) and approved in D.20-12-036.

[92] As requested in SDG&E's 2019 ERRA Compliance filing (A.20-06-001) and approved in D.21-07-018.

[93] $285.64/MWh is without FF&U. The rate of $289.07/MWh includes FF&U.

[94] $184.71/MWh is without FF&U. The rate of $186.93/MWh includes FF&U.

[95] Formerly the Solar Commodity Price.

3. **Renewable Energy Value Adjustment**[96] for the GT and ECR rates calculates the relative value of energy and capacity for the solar resources supporting the GT and ECR programs compared to the Utility's current portfolio of resources serving all bundled load. The 2022 Renewable Energy Value Adjustment is $0.01551/kWh as described in the updated testimony of SDG&E witness Matthew O'Connell.[97]

4. **Administrative Costs** for the GT and ECR rates include incremental costs such as labor and non-labor for program management and policy support, Green-e certification, and IT costs. Per Resolution E-5028 which approved the administrative costs for the GT and ECR programs, the 2022 charge for administrative costs is $0.02650/kWh for GT and $0.00000/kWh for ECR.[98]

5. **Marketing Costs** for the GT and ECR rates includes incremental costs needed to implement the marketing plan. These costs are composed of labor (spent for planning, managing to the marketing plan, and community outreach) and non-labor tactical implementation (*i.e.,* creative design, production, translation and mailing fees). Per Resolution E-5028 which approved the marketing costs for the GT and ECR programs, the 2022 marketing charge is $0.03039/kWh for GT and $0.00000/kWh for ECR.[99]

6. **Renewable Energy Commodity Credit**[100] for the ECR rate assumes the customer has already purchased the rights to this output from the developer, the Utility concurrently assigns a credit to the customer equal to Renewable Energy Commodity Price ("Renewable Energy Commodity Credit"). These values are part of the contract agreement with the Developers and therefore not addressed in this proceeding.

7. **SDG&E's Average Commodity Cost Adjustment** for the GT and ECR rates is intended to approximate the avoided commodity costs and is based on SDG&E's class average commodity cost at the time of this filing which is credited to the customer and is discussed in more detail below.

8. **Western Renewable Energy Generation Information System ("WREGIS")** for the GT and ECR rates may include, but is not limited to, the annual WREGIS fee and a per MWh certificate fee that is charged as Renewable Energy Credits ("RECs") are retired. As discussed in the updated testimony of SDG&E witness Matthew O'Connell, the WREGIS costs are $0.00400/MWh, or $0.00000/kWh.

[96] 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.

[97] SDG&E witness Matthew O'Connell shows the Renewable Energy Value Adjustment as $0.01532/kWh, which is without FF&U. The adjustment of $0.01551/kWh includes FF&U.

[98] Commission approved AL 3168-E, effective September 26, 2019 per Resolution E-5028.

[99] Commission approved AL 3168-E, effective September 26, 2019 per Resolution E-5028.

[100] Formerly known as Solar Commodity Credit.

9. **CAISO GMC** for the GT and ECR rates include CAISO charges are associated with grid management charges ("GMC") and energy scheduling. The 2022 CAISO costs, as described in the updated testimony of Matthew O'Connell, are $0.00670/MWh, or $0.00001/kWh.[101]

10. **Renewable Integration Costs ("RIC")** for the GT and ECR rates are currently set at $0/kWh as a placeholder.[102] A RIC Charge that is greater than $0/kWh may be 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.

[101] SDG&E witness Matthew O'Connell shows CAISO GMC as $0.00001/kWh, which is without FF&U. The cost of $0.00001/kWh includes FF&U.

[102] 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.

Table 8
GT Rate Components – 12 Month Amortization of Undercollection

	GT Rate Components	
	Current Authorized[103]	**Proposed**
Renewable Power Rate[104]	0.06034	0.28907
Renewable Energy Value Adjustment[105]	0.00825	00.01551
Administrative Costs	0.00390	0.02650
Marketing Costs	0.00448	0.03039
SDG&E's Average Commodity Cost Adjustment	*See* Table 11 below	
WREGIS	$0.00001	$0.00000
CAISO GMC	$0.00073	$0.00001
Renewable Integration Cost	$0.00000	$0.00000
PCIA	*See* Attachment E	

Table 9
GT Rate Components – 21 Month Amortization of Undercollection & April 1, 2022 Implementation

	GT Rate Components	
	Current Authorized[106]	**Proposed**
Renewable Power Rate[107]	0.06034	0.18693
Renewable Energy Value Adjustment[108]	0.00825	0.01551
Administrative Costs	0.00390	0.02650
Marketing Costs	0.00448	0.03039
SDG&E's Average Commodity Cost Adjustment	*See* Table 11 below	
WREGIS	$0.00001	$0.00000
CAISO GMC	$0.00073	$0.00001
Renewable Integration Cost	$0.00000	$0.00000
PCIA	*See* Attachment E	

[103] Authorized by D.21-01-017 and effective March 1, 2021 per AL 3696-E-A-B.

[104] Formerly known as Cost of Local Solar per SDG&E AL 3006-E.

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

[106] Authorized by D.21-01-017 and effective March 1, 2021 per AL 3696-E-A-B.

[107] Formerly known as Cost of Local Solar per SDG&E AL 3006-E.

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

Table 10
ECR Rate Components

	ECR Rate Components	
	Current Authorized[109]	**Proposed**
Renewable Energy Commodity Price[110]	Refer to Contract	
Renewable Energy Value Adjustment[111]	0.00825	0.01551
Administrative Costs	0.04750	0.00000
Marketing Costs	0.00092	0.00000
Renewable Energy Commodity Credit[112]	Refer to Contract	
SDG&E's Average Commodity Cost Adjustment	*See* Table 12 below	
WREGIS	$0.00001	$0.00000
CAISO GMC	$0.00073	$0.00001
Renewable Integration Cost	$0.00000	$0.00000
PCIA	*See* Attachment E	

SDG&E's Average Commodity Cost Adjustment is used as a proxy to reflect SDG&E's avoided commodity costs, which ideally would be reflected in the average commodity rate by customer class. To better reflect the avoided commodity cost, the average commodity rate is adjusted for ERRA-related balances given that such balances can cause the average commodity rate to differ from the costs, as well as adjusted for updated commodity costs as filed in SDG&E's 2022 NGBA update.[113] For this reason, SDG&E is substituting the ERRA component of the average commodity rate by customer class with an ERRA forecast value in order to adjust for ERRA Balances and updated NGBA costs to better approximate avoided costs, as authorized in D.15-01-051. SDG&E's 2022 adjusted class average commodity rate for the GTSR rate components is based on the proposed

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109 Authorized by D.21-01-017 and effective March 1, 2021 per AL 3696-E-A-B.

110 Formerly known as Solar Commodity Price.

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

112 Formerly known as Solar Commodity Credit.

113 SDG&E filed AL 3886-E on November4, 2021.

effective average commodity rate by customer class,[114] with the adjustments stated above, are shown in the Table 11 below.

Table 11
GT and ECR Rate Components – Class Average Commodity Adjustment Rates ($/kWh)

	Current Authorized[115]	Proposed
Residential	(0.06973)	(0.14665 ~~0.13386~~)
Small Commercial	(0.06486)	(0.12911 ~~0.11830~~)
M/L C&I	(0.07404)	(0.14994 ~~0.13708~~)
Agricultural	(0.05037)	(0.10453 ~~0.09543~~)
Streetlighting	(0.04579)	(0.09613 ~~0.08773~~)

The PCIA component of the GT and ECR rates comprises the indifference adjustment or the above-market cost of the Utility's existing procurement portfolio and is calculated annually. D.15-01-051 FOF 100 states, "[t]he PCIA calculated for DA and CCA customers provides a reasonable proxy for the GTSR customer indifference charge." Accordingly, the utilities were directed to use vintaged PCIA as a proxy for the indifference adjustment.[116] This is a cost that is ultimately born by all customers for resources that were procured on their behalf. GT and ECR customers' PCIA rates will be billed by customer class and customer specific vintage using the 2022 PCIA rates discussed above and identified in Attachment E.

Per SDG&E AL 3593-E, GTSR participants are no longer subjected to a termination fee if they cancel their subscription. As such, SDG&E no longer calculates or presents termination fees for GTSR participants.[117]

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114 Current commodity rates effective November 1, 2021 per AL 3855-E.

115 Effective March 1, 2021 per AL 3696-E-A-B.

116 D.15-01-051, p. 103.

117 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.

The detailed components of the GT and ECR rates and the total GT and ECR rates are presented in Attachments B and C of this updated testimony.

VII. 2021 YEAR-END ERRA BALANCE

As discussed in Section II and as presented in the Updated Prepared Direct Testimony of SDG&E witness Eric L. Dalton,[118] SDG&E is requesting recovery of its 2021 year-end ERRA undercollected balance of $148.151 million ($149.948 million with FF&U), to be implemented with concurrently with A.21-04-010. SDG&E is requesting authority to transfer the projected undercollection to PABA vintages 2020 and 2021. This transfer to PABA will allow for those ratepayers that depart bundled service during 2021 and 2022 to remain responsible for the shortfall from the undercollection that accrued while they were still receiving bundled service from SDG&E in 2021. This would result in a total PABA revenue requirement of $327.910 million ($331.889 million with FF&U).

~~VII.~~VIII. SUMMARY AND RELIEF REQUESTED

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

1. Approve for recovery in rates: (1) the 2022 ERRA revenue requirement of $786.955 million, which includes GHG costs; (2) the 2022 PABA revenue requirement of $181.940 million and the projected 2021 PABA year-end balance of $(111.698) million; (3) the 2022 CTC revenue requirement of $9.577 million; (4) the 2022 LG revenue requirement of $146.842 million; (5) the SONGS revenue requirement of $1.188 million; (6) the TMNBC revenue requirement as set forth in the updated testimony of SDG&E witness Coreen Salcido and confidentiality declaration attached

[118] SDG&E witness Dalton's testimony regarding the 2021 year-end undercollected ERRA balance was submitted in A.21-05-006 (ERRA Trigger proceeding) and updated on November 9, 2021. Mr. Dalton's updated testimony was served in this ERRA Forecast proceeding on November 15, 2021.

thereto; (7) the balances recorded to the 2018 LGBA of $(91.084) million and the 2019 LGBA of $(0.888) million;[119,120] ~~and~~ the net 2021 CAPBA overcollection of $(17.988) million; and the 2021 year-end ERRA undercollected balance of $149.948.

2. Approve SDG&E's 2022 proposed rates for:

   a. GHG Allowance return to customers for the Residential and Small Business Semi-Annual CCC of $64.17;

   b. 2022 PCIA rates presented in Attachment A;

   c. 2021 CAPBA rate adders presented in Attachment D; and

   d. 2022 rate components for the GTSR Program, which includes rates for the GT program and ECR program presented in Attachment B and C, with the GTSRBA undercollections amortized either over 12 months or 21 months (with an April 1, 2022 implementation date).

3. Approve SDG&E's request to allocate 2022 bundled commodity revenues using the SAPC methodology.

This concludes my revised updated prepared direct testimony.

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[119] The exact amount of the 2018 LGBA recorded balance requested for return is $(91,083,979) and the exact amount of the 2019 LGBA recorded balance requested for return is $(887,680).

[120] All revenue requirement values include the currently approved FF&U rate of 1.012133. An updated FF&U rate was approved in SDG&E's GRC decision (D.19-09-051), and pursuant to that decision and AL 3885-E, SDG&E will implement the new Commission approved FF&U rate on January 1, 2022 contemporaneously with the implementation of the rates approved in this ERRA Forecast decision.

~~VIII.~~IX. QUALIFICATIONS

My name is Gwendolyn Morien. My business address is 8330 Century Park Court, San Diego, California 92123. I have been employed as a Rate Strategy Project Manager in the Customer Pricing Department at San Diego Gas & Electric Company since 2017. My primary responsibilities include the development of electric rate design and policy in various regulatory filings. I began work at SDG&E in 2016 as a Business/Economics Analyst and have held positions of increasing responsibility in the Customer Pricing group.

I received a Bachelor of Science in Accounting from the State University of New York at Geneseo in 2010 and a Master of International Affairs with a concentration in Environmental and Energy Policy from the School of Global Policy and Strategy at the University of California, San Diego in 2016. I am a licensed CPA in New York.

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

ATTACHMENT A

2022 ILLUSTRATIVE PCIA RATES PURSUANT TO THIS INSTANT APPLICATION

SAN DIEGO GAS & ELECTRIC COMPANY - ELECTRIC DEPARTMENT
2022 ERRA Forecast

Attachment A
Power Charge Indifference Adjustment Rates for Direct Access and Community Choice Aggregation Customers[121]
($/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
Residential	0.00012	0.00013	0.00013	0.00312	0.00434	0.00589	0.00222	0.00339	0.00702	0.00979	0.01058
Small Commercial	0.00009	0.00010	0.00010	0.00249	0.00346	0.00471	0.00177	0.00271	0.00560	0.00782	0.00845
Medium & Large C&I	0.00007	0.00007	0.00007	0.00247	0.00344	0.00469	0.00175	0.00268	0.00559	0.00786	0.00853
Agriculture	0.00007	0.00007	0.00007	0.00190	0.00264	0.00359	0.00135	0.00206	0.00427	0.00596	0.00645
Streetlighting	0.00006	0.00007	0.00007	0.00170	0.00237	0.00322	0.00121	0.00185	0.00383	0.00535	0.00578
System Total	0.00009	0.00009	0.00009	0.00269	0.00375	0.00510	0.00191	0.00293	0.00608	0.00852	0.00922

121 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
2022 ERRA Forecast

Attachment A Continued
Power Charge Indifference Adjustment Rates for Direct Access and Community Choice Aggregation Customers[122]
($/kWh)

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	0.01196	0.01115	0.01117	0.01062	0.01062	0.01071	0.01338	0.01284	0.01868	0.01310	0.01310
Small Commercial	0.00956	0.00891	0.00893	0.00849	0.00849	0.00856	0.01072	0.01028	0.01502	0.00669	0.00669
Medium & Large C&I	0.00974	0.00903	0.00905	0.00857	0.00857	0.00865	0.01110	0.01058	0.01637	0.00580	0.00580
Agriculture	0.00732	0.00681	0.00682	0.00648	0.00648	0.00654	0.00821	0.00787	0.01155	0.00765	0.00765
Streetlighting	0.00654	0.00609	0.00610	0.00580	0.00580	0.00585	0.00731	0.00702	0.01020	0.00674	0.00674
System Total	0.01047	0.00973	0.00975	0.00926	0.00926	0.00934	0.01181	0.01130	0.01688	0.00960	0.00960

122 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

2022 PROPOSED GREEN TARIFF RATE COMPONENTS

SAN DIEGO GAS & ELECTRIC COMPANY - ELECTRIC DEPARTMENT
2022 ERRA Forecast

Attachment B
2022 Proposed Green Tariff Rate Components – 12-Month Amortization

	$/kWh	$/kWh	$/kWh	$/kWh	$/kWh
Description	**Residential**	**Sm Commercial**	**M/L C&I**	**Agriculture**	**Streetlighting**
Renewable Power Rate	0.28907	0.28907	0.28907	0.28907	0.28907
Renewable Energy Value Adjustment	0.01551	0.01551	0.01551	0.01551	0.01551
Administrative Costs	0.02650	0.02650	0.02650	0.02650	0.02650
Marketing Costs	0.03039	0.03039	0.03039	0.03039	0.03039
SDG&E's Average Commodity Cost Adjustment	(0.14665~~3386~~)	(0.12911~~1830~~)	(0.14994~~3708~~)	(0.10453~~09543~~)	(0.09613~~8773~~)
WREGIS	0.00000	0.00000	0.00000	0.00000	0.00000
CAISO GMC	0.00001	0.00001	0.00001	0.00001	0.00001
Renewable Integration Cost	0.00000	0.00000	0.00000	0.00000	0.00000
GT Differential	0.21484~~2763~~	0.23237~~4318~~	0.21155~~2441~~	0.25695~~6605~~	0.26536~~7375~~
PCIA	See Attachment E				

2022 ERRA Forecast

Attachment B Continued

2022 Proposed Green Tariff Rate Components – 21-Month Amortization & April 1, 2022 Implementation

	$/kWh	$/kWh	$/kWh	$/kWh	$/kWh
Description	**Residential**	**Sm Commercial**	**M/L C&I**	**Agriculture**	**Streetlighting**
Renewable Power Rate	0.18693	0.18693	0.18693	0.18693	0.18693
Renewable Energy Value Adjustment	0.01551	0.01551	0.01551	0.01551	0.01551
Administrative Costs	0.02650	0.02650	0.02650	0.02650	0.02650
Marketing Costs	0.03039	0.03039	0.03039	0.03039	0.03039
SDG&E's Average Commodity Cost Adjustment	(0.14665~~13386~~)	(0.12911~~1830~~)	(0.14994~~3708~~)	(0.10453~~09543~~)	(0.09613~~8773~~)
WREGIS	0.00000	0.00000	0.00000	0.00000	0.00000
CAISO GMC	0.00001	0.00001	0.00001	0.00001	0.00001
Renewable Integration Cost	0.00000	0.00000	0.00000	0.00000	0.00000
GT Differential	0.11269~~2549~~	0.13023~~4104~~	0.10940~~2227~~	0.15481~~6391~~	0.16321~~7161~~
PCIA	See Attachment E				

ATTACHMENT C

2022 PROPOSED ENHANCED COMMUNITY RENEWABLES RATE COMPONENTS

SAN DIEGO GAS & ELECTRIC COMPANY - ELECTRIC DEPARTMENT
2022 ERRA Forecast

Attachment C

2022 Proposed 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	0.01551	0.01551	0.01551	0.01551	0.01551
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	(0.14665~~3386~~)	(0.12911~~1830~~)	(0.14994~~3708~~)	(0.10453~~09543~~)	(0.09613~~8773~~)
WREGIS	0.00000	0.00000	0.00000	0.00000	0.00000
CAISO GMC	0.00001	0.00001	0.00001	0.00001	0.00001
Renewable Integration Cost	0.00000	0.00000	0.00000	0.00000	0.00000
ECR Differential	(0.13113~~1834~~)	(0.11360~~0278~~)	(0.13442~~2156~~)	(0.08901~~7991~~)	(0.08061~~7221~~)
PCIA	See Attachment E				

ATTACHMENT D

2022 PCIA RATE ADDERS PURSUANT TO D.20-12-028, D.21-02-014, AS MODIFIED BY D.21-05-030

SAN DIEGO GAS & ELECTRIC COMPANY - ELECTRIC DEPARTMENT
2022 ERRA Forecast

Attachment D

Power Charge Indifference Adjustment Rates for Direct Access and Community Choice Aggregation Customers[123,124]
($/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
Residential	-	-	-	-	-	-	-	-	0.00179	0.00349	0.01021
Small Commercial	-	-	-	-	-	-	-	-	0.00179	0.00349	0.01021
Medium & Large C&I	-	-	-	-	-	-	-	-	0.00179	0.00349	0.01021
Agriculture	-	-	-	-	-	-	-	-	0.00179	0.00349	0.01021
Streetlighting	-	-	-	-	-	-	-	-	0.00179	0.00349	0.01021
System Total	-	-	-	-	-	-	-	-	0.00179	0.00349	0.01021

123 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.

124 Pursuant to D.21-05-030, the PCIA cap is removed. As PCIA Vintage 2020 is no longer capped, the adder approved in D.21-02-024 is applied.

SAN DIEGO GAS & ELECTRIC COMPANY - ELECTRIC DEPARTMENT
2022 ERRA Forecast

Attachment D Continued

Power Charge Indifference Adjustment Rates for Direct Access and Community Choice Aggregation Customers[125,126]
($/kWh)

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	0.01252	0.00623	0.00634	0.01289	0.00635	0.01115	0.01092	0.00636	0.01996	0.01526	0.01526
Small Commercial	0.01252	0.00623	0.00634	0.01289	0.00635	0.01115	0.01092	0.00636	0.01719	0.01228	0.01228
Medium & Large C&I	0.01252	0.00623	0.00634	0.01289	0.00635	0.01115	0.01092	0.00636	0.02029	0.01522	0.01522
Agriculture	0.01252	0.00623	0.00634	0.01289	0.00635	0.01115	0.01092	0.00636	0.01458	0.00999	0.00999
Streetlighting	0.01252	0.00623	0.00634	0.01289	0.00635	0.01115	0.01092	0.00636	0.01336	0.00881	0.00881
System Total	0.01252	0.00623	0.00634	0.01289	0.00635	0.01115	0.01092	0.00636	0.01949	0.01466	0.01466

125 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.

126 Pursuant to D.21-05-030, the PCIA cap is removed. As PCIA Vintage 2020 is no longer capped, the adder approved in D.21-02-024 is applied.

ATTACHMENT E

TOTAL 2022 ILLUSTRATIVE PCIA RATES

SAN DIEGO GAS & ELECTRIC COMPANY - ELECTRIC DEPARTMENT
2022 ERRA Forecast

Attachment E

Power Charge Indifference Adjustment Rates for Direct Access and Community Choice Aggregation Customers[127,128]
($/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
Residential	0.00012	0.00013	0.00013	0.00312	0.00434	0.00589	0.00222	0.00339	0.00881	0.01328	0.02078
Small Commercial	0.00009	0.00010	0.00010	0.00249	0.00346	0.00471	0.00177	0.00271	0.00740	0.01131	0.01866
Medium & Large C&I	0.00007	0.00007	0.00007	0.00247	0.00344	0.00469	0.00175	0.00268	0.00738	0.01135	0.01874
Agriculture	0.00007	0.00007	0.00007	0.00190	0.00264	0.00359	0.00135	0.00206	0.00606	0.00945	0.01666
Streetlighting	0.00006	0.00007	0.00007	0.00170	0.00237	0.00322	0.00121	0.00185	0.00563	0.00884	0.01599
System Total	0.00009	0.00009	0.00009	0.00269	0.00375	0.00510	0.00191	0.00293	0.00787	0.01201	0.01943

127 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.

128 Pursuant to D.21-05-030, the PCIA cap is removed. As PCIA Vintage 2020 is no longer capped, the adder approved in D.21-02-024 is applied.

Attachment E Continued

Power Charge Indifference Adjustment Rates for Direct Access and Community Choice Aggregation Customers[129,130]
($/kWh)

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	0.02448	0.01738	0.01751	0.02351	0.01697	0.02186	0.02430	0.01920	0.03864	0.02835	0.02835
Small Commercial	0.02209	0.01514	0.01527	0.02138	0.01484	0.01971	0.02164	0.01663	0.03221	0.01897	0.01897
Medium & Large C&I	0.02226	0.01526	0.01539	0.02146	0.01492	0.01980	0.02202	0.01694	0.03667	0.02102	0.02102
Agriculture	0.01985	0.01304	0.01317	0.01937	0.01283	0.01768	0.01913	0.01423	0.02613	0.01764	0.01764
Streetlighting	0.01906	0.01232	0.01245	0.01870	0.01216	0.01700	0.01823	0.01337	0.02356	0.01555	0.01555
System Total	0.02299	0.01597	0.01610	0.02215	0.01561	0.02049	0.02273	0.01766	0.03638	0.02427	0.02427

129 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.

130 Pursuant to D.21-05-030, the PCIA cap is removed. As PCIA Vintage 2020 is no longer capped, the adder approved in D.21-02-024 is applied.

ATTACHMENT F

DECLARATION OF GWENDOLYN MORIEN REGARDING CONFIDENTIALITY OF CERTAIN DATA IN APPENDIX G PURSUANT TO D.06-06-066

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

DECLARATION
OF GWENDOLYN MORIEN

A.21-04-010
Application of San Diego Gas & Electric Company (U 902-E)
for Approval of Its 2022 Electric Procurement Revenue Requirement Forecasts and GHG-Related Forecasts

I, Gwendolyn Morien, declare as follows:

1. I am a Rate Strategy Project Manager for San Diego Gas & Electric Company ("SDG&E"). I included my Updated Direct Testimony ("Testimony") in support of SDG&E's November Update to Application for Approval of its 2022 Electric Procurement Revenue Requirement Forecasts and GHG-Related Forecasts ("Application"). Additionally, as the Rate Strategy Project Manager, I am thoroughly familiar with the facts and representations in this declaration, and if called upon to testify I could and would testify to the following based upon personal knowledge.

2. I am providing this Declaration to demonstrate that the confidential information ("Protected Information") in support of the referenced Application falls within the scope of data provided confidential treatment in the IOU Matrix ("Matrix") attached to the Commission's Decision ("D.") 06-06-066 (the Phase I Confidentiality decision). Pursuant to the procedure adopted in D.08-04-023, I am addressing each of the following five features of Ordering Paragraph 2 of D.06-06-066:

- that the material constitutes a particular type of data listed in the Matrix;
- the category or categories in the Matrix the data correspond to;
- that SDG&E is complying with the limitations on confidentiality specified in the Matrix for that type of data;
- that the information is not already public; and
- that the data cannot be aggregated, redacted, summarized, masked or otherwise protected in a way that allows partial disclosure.

3. The Protected Information contained in my Testimony constitutes material, market sensitive, electric procurement-related information that is within the scope of Section 454.5(g) of the Public Utilities Code.[1] As such, the Protected Information is allowed confidential treatment in accordance with the Matrix, as follows:

Confidential Information	Matrix Reference	Reason for Confidentiality and Timing
Cells highlighted in yellow in the excel file named "CONFIDENTIAL - PCIA Model_2022 ERRA Forecast Nov Update.xlsx"	V.E V.C	LSE Energy Forecast by Service Area (MWh); confidential for the front three years LSE Total Energy Forecast – Bundled Customer, confidential for the front three years
Cells highlighted in yellow in the excel file named "CONFIDENTIAL - Class Avg Rates_2022 ERRA Forecast Nov Update.xlsx"	V.E V.C	LSE Energy Forecast by Service Area (MWh); confidential for the front three years LSE Total Energy Forecast – Bundled Customer, confidential for the front three years
Application Appendix G, Template D-1: Revenue	V.C	LSE Total Energy Forecast – Bundled Customer, confidential for the front three years

4. I am not aware of any instances where the Protected Information has been disclosed to the public. To my knowledge, no party, including SDG&E, has publicly revealed any of the Protected Information.

5. SDG&E will comply with the limitations on confidentiality specified in the Matrix for the Protected Information.

6. The Protected Information cannot be provided in a form that is aggregated, partially redacted, or summarized, masked or otherwise protected in a manner that would allow further disclosure of the data while still protecting confidential information.

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

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 8th day of November, 2021, at San Diego, California.

*/s/ Gwendolyn Morien*___________
Gwendolyn Morien
Rate Strategy Project Manager III
San Diego Gas & Electric Company