

Company: San Diego Gas & Electric Company (U 902 M)
Proceeding: 2019 General Rate Case
Application: A.17-10-007
Exhibit: SDG&E-46-2R

SECOND REVISED

SDG&E

DIRECT TESTIMONY OF JEFFREY SHAUGHNESSY

(PRESENT AND PROPOSED ELECTRIC REVENUES AND RATES)

April 6, 2018

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



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SUMMARY

- System average electric rates revenue increase 5.5% over then-effective 2017 rates for the date the Test Year (TY) General Rate Case (GRC) Phase 1 Application was filed on October 6, 2017 and shown in the revised testimony served on December 20, 2017 (GRC Filing), if all of San Diego Gas & Electric Company's (SDG&E) TY GRC Phase 1 proposals are adopted. System average electric rates revenue increase 5.0% over rates that reflect the as expected authorized 2018 GRC revenue requirements shown in the GRC Filing if all of SDG&E's GRC Phase 1 proposals are adopted.
- When comparing then-effective 2017 rates shown in the GRC Filing to the 2019 GRC Phase 1 rates, the typical inland residential customer with basic service that uses 500 kWh per month would see an increase in their electric bill of \$6.53 per month, or 5.1%, in the summer, and \$6.82 per month, or 5.5% in the winter. The typical coastal residential customer with basic service that uses 500 kWh per month would see an increase in their electric bill of \$7.03 per month, or 5.1% in the summer, and \$6.96 per month, or 5.5% in the winter. When comparing rates that reflect the as expected authorized 2018 GRC revenue requirements shown in the GRC Filing to the 2019 GRC Phase 1 rates, the typical inland residential customer with basic service that uses 500 kWh per month would see an increase in their electric bill of \$5.94 per month, or 4.6%, in the summer, and \$6.20 per month, or 5.0% in the winter. The typical coastal residential customer with basic service that uses 500 kWh per month would see an increase in their electric bill of \$6.40 per month, or 4.6% in the summer, and \$6.33 per month, or 5.0% in the winter.

1 **SECOND REVISED**
2 **SDG&E DIRECT TESTIMONY OF JEFFREY SHAUGHNESSY**
3 **(PRESENT AND PROPOSED ELECTRIC REVENUES AND RATES)**

4 **I. INTRODUCTION**

5 The purpose of my testimony is to present: (1) a summary of the electric revenue and rate
6 changes that would result from adoption of the TY 2019 GRC proposals of SDG&E,¹ and (2)
7 estimates of residential customer bill impacts. Pursuant to the Assigned Commissioner’s
8 Scoping Memorandum and Ruling issued on January 29, 2018 (Scoping Memo), this exhibit has
9 been revised to reflect the impact of the Tax Cuts and Jobs Act (TCJA) on the SDG&E TY 2019
10 GRC. The TCJA was signed into federal law on December 22, 2017 and is discussed in the
11 testimony of the Taxes witness Ragan Reeves (SDG&E-35-2R), served concurrently with this
12 exhibit. A roadmap of this TCJA-related submission and impacts on other witnesses’ areas is
13 provided in the Case Management Exhibit SCG-49/SDG&E-49. Additionally, recognizing that
14 SDG&E’s current rates have changed since my direct testimony was served on October 6, 2017
15 and revised on December 20, 2017, this second revised testimony provides an Appendix B
16 presenting numbers based on current 2018 effective rates (consistent with Advice Letter 3167-E)
17 at the time of this submission.²

18 **II. SUMMARY OF PRESENT AND PROPOSED ELECTRIC REVENUES AND**
19 **RATES**

20 The following tables show current and proposed revenues and rates by customer class.
21 SDG&E has five customer classes: residential, small commercial (generally defined as non-
22 residential customers with demand less than 20 kW), medium and large commercial and
23 industrial (M/L C&I) (generally defined as non-residential customers with demand 20 kW and
24 greater), agricultural, and streetlighting. SDG&E’s proposals in this proceeding would result in
25 changes to the distribution, local generation charge (LGC) and commodity rate components to
26 reflect the requested change in revenue requirements. In compliance with Decision (D.) 12-12-
27 004, Decision Adopting A Dynamic Pricing Structure For Residential and Small Commercial

¹ This GRC Application addresses Phase 1 cost-of-service proposals. SDG&E separately files a GRC Application for Phase 2, which addresses electric marginal costs, revenue allocation, and rate design.

² SDG&E maintained herein the comparison point of “2018 Expected” consistent with my prior testimony exhibits served in this proceeding on October 6 and December 20, 2017. Maintaining the comparison point isolates the impact of the TCJA. Please also refer to the second revised testimony of Summary of Earnings witness Ryan Hom (Exhibit SDG&E-42-2R).

1 Customers (referred herein as Smart Pricing Program or SPP Decision), the rates presented in
 2 this testimony reflect SPP-related costs “collected from San Diego Gas & Electric Company
 3 customers through generation rates,”³ otherwise known as commodity rates. The revenue
 4 requirements presented in the Summary of Earnings testimony of Ryan Hom (Exhibit SDG&E-
 5 42-2R) reflect costs related to the SPP revenues as part of Distribution base margin. Appendix A
 6 of my testimony reflects the reallocation of these costs to Generation rates in order to comply
 7 with SPP Recovery under the SPP Decision. This does not change the overall revenue
 8 requirement.

9 Table JS-01A presents the comparison of then-effective 2017 revenues shown in the
 10 GRC Filing and SDG&E’s 2019 GRC Phase 1 proposed electric revenues by customer class, as
 11 well as the comparison of then-effective 2017 rates shown in the GRC Filing and SDG&E’s
 12 proposed 2019 GRC Phase 1 rates by customer class.

13 As proposed, SDG&E’s GRC Phase 1 would result in an increase to electric rate
 14 revenues of \$226 million, or 5.5%, with a system average rate impact of 1.2 cents/kWh, or 5.2%,
 15 compared to then-effective 2017 rates shown in the GRC Filing.

16
 17 **Table JS-01A**
 18 **SDG&E**
 19 **Electric Department Summary of Electric Revenue by Customer Class**

Line No.	Customer Class	Total Revenues		\$	%	Line No.
		Then-Effective 2017 shown in the GRC Filing ²	2019 GRC Phase 1 ¹			
1	Residential	1,858	1,966	108	5.8%	1
2	Small Commercial	486	515	28	5.8%	2
3	M/L C&I	1,695	1,781	86	5.1%	3
4	Agriculture	56	59	3	5.5%	4
5	Lighting	21	22	1	4.2%	5
6	System	4,117	4,343	226	5.5%	6

¹ Includes Utility Distribution Company revenues plus Generation/Commodity revenues based on current authorized sales.
² Effective 9/1/2017 per AL 3055-E-A.
³ Totals may not sum due to rounding.

³ See D.12-12-004 at 73-74, (Ordering Paragraph (OP) 17).

Line No.	Customer Class	Total Rates (Cents per kWh)		Change ³		Line No.
		Then-Effective 2017 shown in the GRC Filing ² Present	2019 GRC Phase 1 ¹ Proposed	cents/kWh	%	
1	Residential	25.0	26.4	1.4	5.8%	1
2	Small Commercial	23.9	25.3	1.4	5.8%	2
3	M/L C&I	19.9	20.8	0.9	4.6%	3
4	Agriculture	17.7	18.7	1.0	5.4%	4
5	Lighting	19.9	20.7	0.8	4.2%	5
6	System	22.1	23.3	1.2	5.2%	6

¹ Includes Utility Distribution Company revenues plus Generation/Commodity revenues based on current authorized sales.
² Effective 9/1/2017 per AL 3055-E-A.
³ Totals may not sum due to rounding.

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Table JS-01B presents the comparison of 2018 revenues that reflect the as expected authorized 2018 GRC revenue requirements shown in the GRC Filing and SDG&E’s 2019 GRC Phase 1 proposed electric revenues by customer class, as well as the comparison of 2018 rates that reflect the as expected authorized 2018 GRC revenue requirements shown in the GRC Filing and SDG&E’s proposed 2019 GRC Phase 1 rates by customer class.

As proposed, SDG&E’s GRC Phase 1 would result in an increase to electric rate revenues of \$205 million, or 5.0%, with a system average rate impact of 1.0 cents/kWh, or 4.7%, compared to 2018 rates that reflect the as expected authorized 2018 GRC revenue requirements shown in the GRC Filing.

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Table JS-01B
SDG&E
Electric Department Summary of Electric Revenue by Customer Class

Line No.	Customer Class	Total Revenues				Line No.
		(\$Millions)				
		2018 Expected shown in the GRC Filing ²	2019 GRC Phase 1 ¹	\$	%	
1	Residential	1,868	1,966	98	5.3%	1
2	Small Commercial	489	515	26	5.3%	2
3	M/L C&I	1,703	1,781	78	4.6%	3
4	Agriculture	57	59	3	5.0%	4
5	Lighting	21	22	1	3.8%	5
6	System	4,138	4,343	205	5.0%	6

¹ Includes Utility Distribution Company revenues plus Generation/Commodity revenues based on current authorized sales.
² Then-effective rates 9/1/2017 per AL 3055-E-A adjusted for expected 2018 GRC revenue requirements.
³ Totals may not sum due to rounding.

Line No.	Customer Class	Total Rates				Line No.
		(Cents per kWh)				
		2018 Expected shown in the GRC Filing ²	2019 GRC Phase 1 ¹	cents/kWh	%	
1	Residential	25.1	26.4	1.3	5.2%	1
2	Small Commercial	24.1	25.3	1.3	5.2%	2
3	M/L C&I	19.9	20.8	0.8	4.1%	3
4	Agriculture	17.8	18.7	0.9	4.9%	4
5	Lighting	20.0	20.7	0.8	3.8%	5
6	System	22.2	23.3	1.0	4.7%	6

¹ Includes Utility Distribution Company revenues plus Generation/Commodity revenues based on current authorized sales.
² Then-effective rates 9/1/2017 per AL 3055-E-A adjusted for expected 2018 GRC revenue requirements.
³ Totals may not sum due to rounding.

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III. RESIDENTIAL CUSTOMER BILL IMPACTS

Illustrative bill impacts to residential customers of SDG&E's proposals in this proceeding are presented in Tables 2A, 2B, 2C and 2D of this testimony. Tables JS-0-2A, JS-02B, JS-02C,

1 and JS-02D reflect monthly electric bill impacts, variable by season, climate zone, and usage
2 level for non-CARE⁴ customers.

3 As proposed, as shown on Table JS-02A, when comparing the then-effective 2017 rates
4 shown in the GRC Filing to the 2019 GRC proposed rates, the typical inland residential customer
5 with basic service that uses 500 kWh per month, would see an increase of \$6.53 per month, or
6 5.1%, in the summer, and \$6.82 per month, or 5.5% in the winter under the current residential
7 rate design structure. An inland residential customer with basic service with monthly usage of
8 1,000 kWh per month would see an increase of \$16.74 per month, or 5.1%, in the summer, and
9 \$17.03 per month, or 5.5% in the winter.

10 As proposed, as shown on Table JS-02B, when comparing the then-effective 2017 rates
11 as of the GRC Filing to the 2019 GRC proposed rates, the typical coastal residential customer
12 with basic service that uses 500 kWh per month would see an increase \$7.03 per month, or 5.1%
13 in the summer and \$6.96 per month, or 5.5% in the winter. A coastal residential customer with
14 basic service with monthly usage of 1,000 kWh per month would see an increase of \$17.24 per
15 month, or 5.1%, in the summer, and \$17.16 per month, or 5.5% in the winter.

16 As proposed, as shown on Table JS-02C, when comparing the 2018 rates that reflect the
17 as expected authorized 2018 GRC revenue requirements shown in the GRC Filing to the 2019
18 GRC proposed rates, the typical inland residential customer with basic service that uses 500 kWh
19 per month, would see an increase of \$5.94 per month, or 4.6%, in the summer, and \$6.20 per
20 month, or 5.0% in the winter under the current residential rate design structure. An inland
21 residential customer with basic service with monthly usage of 1,000 kWh per month would see
22 an increase of \$15.22 per month, or 4.6%, in the summer, and \$15.49 per month, or 5.0% in the
23 winter.

24 As proposed, as shown on Table JS-02D, when comparing the 2018 rates that reflect the
25 as expected authorized 2018 GRC revenue requirements shown in the GRC Filing to the 2019
26 GRC proposed rates, the typical coastal residential customer with basic service that uses 500
27 kWh per month would see an increase \$6.40 per month, or 4.6% in the summer and \$6.33 per
28 month, or 5.0% in the winter. A coastal residential customer with basic service with monthly
29 usage of 1,000 kWh per month would see an increase of \$15.68 per month, or 4.6%, in the
30 summer, and \$15.61 per month, or 5.0% in the winter.

⁴ CARE stands for California Alternate Rates for Energy.

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Table JS-02A
SDG&E
Electric Department Typical Monthly Residential Energy Charges at Then-Effective 2017
Rates Shown in the GRC Filing and 2019 Proposed Rates

(Inland Customers)						
Schedule DR (Summer Billing Period)						
LINE NO.	ENERGY (KWH) (A)	THEN- EFFECTIVE 2017 SHOWN IN THE GRC FILING BILL (\$) (B)	2019 GRC PHASE 1 PROPOSED BILL (\$) (C)	CHANGE ¹ (\$) (D)	CHANGE ¹ (%) (E)	LINE NO.
1	25	10.02	10.02	-	0.0%	1
2	50	11.22	11.79	0.57	5.1%	2
3	75	16.83	17.68	0.85	5.1%	3
4	100	22.44	23.58	1.14	5.1%	4
5	150	33.66	35.37	1.71	5.1%	5
6	200	44.90	47.17	2.27	5.1%	6
7	250	56.11	58.96	2.85	5.1%	7
8	300	67.34	70.75	3.41	5.1%	8
9	350	78.56	82.54	3.98	5.1%	9
10	400	89.78	94.33	4.55	5.1%	10
11	450	108.82	114.34	5.52	5.1%	11
12	500	128.95	135.48	6.53	5.1%	12
13	600	169.16	177.74	8.58	5.1%	13
14	700	209.38	220.00	10.62	5.1%	14
15	800	249.61	262.26	12.65	5.1%	15
16	900	289.84	304.54	14.70	5.1%	16
17	1000	330.06	346.80	16.74	5.1%	17
18	1500	531.20	558.14	26.94	5.1%	18
19	2000	732.31	769.46	37.15	5.1%	19
20	3000	1,134.56	1,192.12	57.56	5.1%	20

Schedule DR (Winter Billing Period)						
LINE	ENERGY (KWH)	PRESENT SHOWN IN THE GRC FILING BILL (\$)	2019 GRC PHASE 1 PROPOSED BILL (\$)	CHANGE ¹ (\$)	CHANGE ¹ (%)	LINE

<u>NO.</u>	<u>(A)</u>	<u>(B)</u>	<u>(C)</u>	<u>(D)</u>	<u>(E)</u>	<u>NO.</u>
1	25	10.02	10.02	-	0.0%	1
2	50	10.31	10.87	0.56	5.4%	2
3	75	15.46	16.32	0.86	5.6%	3
4	100	20.62	21.76	1.14	5.5%	4
5	150	30.93	32.63	1.70	5.5%	5
6	200	41.25	43.53	2.28	5.5%	6
7	250	51.56	54.40	2.84	5.5%	7
8	300	61.88	65.29	3.41	5.5%	8
9	350	72.18	76.16	3.98	5.5%	9
10	400	86.74	91.53	4.79	5.5%	10
11	450	105.22	111.02	5.80	5.5%	11
12	500	123.71	130.53	6.82	5.5%	12
13	600	160.65	169.52	8.87	5.5%	13
14	700	197.61	208.51	10.90	5.5%	14
15	800	234.56	247.51	12.95	5.5%	15
16	900	271.52	286.51	14.99	5.5%	16
17	1000	308.48	325.51	17.03	5.5%	17
18	1500	493.27	520.50	27.23	5.5%	18
19	2000	678.04	715.48	37.44	5.5%	19
20	3000	1,047.60	1,105.45	57.85	5.5%	20

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¹ Totals may not sum due to rounding.

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Table JS-02B
SDG&E
Electric Department Typical Monthly Residential Energy Charges at Then-Effective 2017
Rates Shown in the GRC Filing and
2019 Proposed Rates

(Coastal Customers)						
Schedule DR (Summer Billing Period)						
LINE NO.	ENERGY (KWH) (A)	THEN- EFFECTIVE 2017 SHOWN IN THE GRC FILING BILL (\$) (B)	2019 GRC PHASE 1 PROPOSED BILL (\$) (C)	CHANGE ¹ (\$) (D)	CHANGE ¹ (%) (E)	LINE NO.
1	25	10.02	10.02	-	0.0%	1
2	50	11.22	11.79	0.57	5.1%	2
3	75	16.83	17.68	0.85	5.1%	3
4	100	22.44	23.58	1.14	5.1%	4
5	150	33.66	35.37	1.71	5.1%	5
6	200	44.90	47.17	2.27	5.1%	6
7	250	56.11	58.96	2.85	5.1%	7
8	300	67.34	70.75	3.41	5.1%	8
9	350	78.56	82.54	3.98	5.1%	9
10	400	98.49	103.49	5.00	5.1%	10
11	450	118.60	124.61	6.01	5.1%	11
12	500	138.73	145.76	7.03	5.1%	12
13	600	178.94	188.01	9.07	5.1%	13
14	700	219.16	230.28	11.12	5.1%	14
15	800	259.39	272.54	13.15	5.1%	15
16	900	299.62	314.82	15.20	5.1%	16
17	1000	339.84	357.08	17.24	5.1%	17
18	1500	540.98	568.42	27.44	5.1%	18
19	2000	742.09	779.74	37.65	5.1%	19
20	3000	1,144.34	1,202.40	58.06	5.1%	20

Schedule DR (Winter Billing Period)						
LINE	ENERGY (KWH)	THEN- EFFECTIVE 2017 SHOWN IN THE GRC FILING BILL (\$)	2019 GRC PHASE 1 PROPOSED BILL (\$)	CHANGE ¹ (\$)	CHANGE ¹ (%)	LINE

<u>NO.</u>	<u>(A)</u>	<u>(B)</u>	<u>(C)</u>	<u>(D)</u>	<u>(E)</u>	<u>NO.</u>
1	25	10.02	10.02	-	0.0%	1
2	50	10.31	10.87	0.56	5.4%	2
3	75	15.46	16.32	0.86	5.6%	3
4	100	20.62	21.76	1.14	5.5%	4
5	150	30.93	32.63	1.70	5.5%	5
6	200	41.25	43.53	2.28	5.5%	6
7	250	51.56	54.40	2.84	5.5%	7
8	300	61.88	65.29	3.41	5.5%	8
9	350	72.18	76.16	3.98	5.5%	9
10	400	89.19	94.11	4.92	5.5%	10
11	450	107.67	113.61	5.94	5.5%	11
12	500	126.16	133.12	6.96	5.5%	12
13	600	163.10	172.10	9.00	5.5%	13
14	700	200.06	211.10	11.04	5.5%	14
15	800	237.01	250.09	13.08	5.5%	15
16	900	273.97	289.10	15.13	5.5%	16
17	1000	310.93	328.09	17.16	5.5%	17
18	1500	495.72	523.09	27.37	5.5%	18
19	2000	680.49	718.06	37.57	5.5%	19
20	3000	1,050.05	1,108.03	57.98	5.5%	20

¹ Totals may not sum due to rounding.

**Table JS-02C
SDG&E**

**Electric Department Typical Monthly Residential Energy Charges at 2018 Expected Shown
in the GRC Filing and
2019 Proposed Rates**

(Inland Customers) Schedule DR (Summer Billing Period)						
<u>LINE NO.</u>	<u>ENERGY (KWH) (A)</u>	<u>2018 EXPECTED SHOWN IN THE GRC FILING BILL (\$) (B)</u>	<u>2019 GRC PHASE 1 PROPOSED BILL (\$) (C)</u>	<u>CHANGE¹ (\$) (D)</u>	<u>CHANGE¹ (%) (E)</u>	<u>LINE NO.</u>
1	25	10.02	10.02	-	0.0%	1
2	50	11.27	11.79	0.52	4.6%	2
3	75	16.91	17.68	0.77	4.6%	3
4	100	22.55	23.58	1.03	4.6%	4
5	150	33.81	35.37	1.56	4.6%	5
6	200	45.10	47.17	2.07	4.6%	6

7	250	56.37	58.96	2.59	4.6%	7
8	300	67.65	70.75	3.10	4.6%	8
9	350	78.92	82.54	3.62	4.6%	9
10	400	90.19	94.33	4.14	4.6%	10
11	450	109.32	114.34	5.02	4.6%	11
12	500	129.54	135.48	5.94	4.6%	12
13	600	169.94	177.74	7.80	4.6%	13
14	700	210.35	220.00	9.65	4.6%	14
15	800	250.75	262.26	11.51	4.6%	15
16	900	291.17	304.54	13.37	4.6%	16
17	1000	331.58	346.80	15.22	4.6%	17
18	1500	533.64	558.14	24.50	4.6%	18
19	2000	735.68	769.46	33.78	4.6%	19
20	3000	1,139.78	1,192.12	52.34	4.6%	20

Schedule DR (Winter Billing Period)

LINE NO.	ENERGY (KWH) (A)	2018 EXPECTED SHOWN IN THE GRC FILING	2019 GRC PHASE 1 PROPOSED	CHANGE ¹	CHANGE ¹	LINE NO.
		BILL (\$) (B)	BILL (\$) (C)	(\$) (D)	(%) (E)	
1	25	10.02	10.02	-	0.0%	1
2	50	10.36	10.87	0.51	4.9%	2
3	75	15.54	16.32	0.78	5.0%	3
4	100	20.73	21.76	1.03	5.0%	4
5	150	31.08	32.63	1.55	5.0%	5
6	200	41.46	43.53	2.07	5.0%	6
7	250	51.82	54.40	2.58	5.0%	7
8	300	62.19	65.29	3.10	5.0%	8
9	350	72.54	76.16	3.62	5.0%	9
10	400	87.18	91.53	4.35	5.0%	10
11	450	105.74	111.02	5.28	5.0%	11
12	500	124.33	130.53	6.20	5.0%	12
13	600	161.46	169.52	8.06	5.0%	13
14	700	198.59	208.51	9.92	5.0%	14
15	800	235.73	247.51	11.78	5.0%	15
16	900	272.88	286.51	13.63	5.0%	16
17	1000	310.02	325.51	15.49	5.0%	17
18	1500	495.74	520.50	24.76	5.0%	18
19	2000	681.43	715.48	34.05	5.0%	19
20	3000	1,052.84	1,105.45	52.61	5.0%	20

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¹ Totals may not sum due to rounding.

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**Table JS-02D
SDG&E
Electric Department Typical Monthly Residential Energy Charges at 2018 Expected Shown
in the GRC Filing and 2019 Proposed Rates**

(Coastal Customers) Schedule DR (Summer Billing Period)						
LINE NO.	ENERGY	2018 EXPECTED SHOWN IN THE GRC FILING	2019 GRC PHASE 1 PROPOSED	CHANGE ¹	CHANGE ¹	LINE NO.
	(KWH) (A)	BILL (\$) (B)	BILL (\$) (C)	(\$) (D)	(%) (E)	
1	25	10.02	10.02	-	0.0%	1
2	50	11.27	11.79	0.52	4.6%	2
3	75	16.91	17.68	0.77	4.6%	3
4	100	22.55	23.58	1.03	4.6%	4
5	150	33.81	35.37	1.56	4.6%	5
6	200	45.10	47.17	2.07	4.6%	6
7	250	56.37	58.96	2.59	4.6%	7
8	300	67.65	70.75	3.10	4.6%	8
9	350	78.92	82.54	3.62	4.6%	9
10	400	98.95	103.49	4.54	4.6%	10
11	450	119.15	124.61	5.46	4.6%	11
12	500	139.36	145.76	6.40	4.6%	12
13	600	179.76	188.01	8.25	4.6%	13
14	700	220.17	230.28	10.11	4.6%	14
15	800	260.58	272.54	11.96	4.6%	15
16	900	301.00	314.82	13.82	4.6%	16
17	1000	341.40	357.08	15.68	4.6%	17
18	1500	543.46	568.42	24.96	4.6%	18
19	2000	745.50	779.74	34.24	4.6%	19
20	3000	1,149.60	1,202.40	52.80	4.6%	20

Schedule DR (Winter Billing Period)						
LINE NO.	ENERGY	2018 EXPECTED SHOWN IN THE GRC FILING	2019 GRC PHASE 1 PROPOSED	CHANGE ¹	CHANGE ¹	LINE NO.
	(KWH) (A)	BILL (\$) (B)	BILL (\$) (C)	(\$) (D)	(%) (E)	

1	25	10.02	10.02	-	0.0%	1
2	50	10.36	10.87	0.51	4.9%	2
3	75	15.54	16.32	0.78	5.0%	3
4	100	20.73	21.76	1.03	5.0%	4
5	150	31.08	32.63	1.55	5.0%	5
6	200	41.46	43.53	2.07	5.0%	6
7	250	51.82	54.40	2.58	5.0%	7
8	300	62.19	65.29	3.10	5.0%	8
9	350	72.54	76.16	3.62	5.0%	9
10	400	89.64	94.11	4.47	5.0%	10
11	450	108.20	113.61	5.41	5.0%	11
12	500	126.79	133.12	6.33	5.0%	12
13	600	163.92	172.10	8.18	5.0%	13
14	700	201.06	211.10	10.04	5.0%	14
15	800	238.20	250.09	11.89	5.0%	15
16	900	275.34	289.10	13.76	5.0%	16
17	1000	312.48	328.09	15.61	5.0%	17
18	1500	498.20	523.09	24.89	5.0%	18
19	2000	683.89	718.06	34.17	5.0%	19
20	3000	1,055.30	1,108.03	52.73	5.0%	20

¹ Totals may not sum due to rounding.

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IV. CONCLUSION

This concludes my prepared direct testimony.

1 **V. WITNESS QUALIFICATIONS**

2 My name is Jeffrey Shaughnessy and my business address is 8330 Century Park Court,
3 San Diego, California 92123.

4 I have been employed as Rate Design Manager in the Rate Strategy & Analysis group in the
5 Customer Pricing Department of San Diego Gas & Electric Company since 2016. My primary
6 responsibilities include the development of revenue requirement impacts on rates, cost-of-service
7 studies, determination of revenue allocation, and electric rate design in various regulatory filings. I
8 began work at SDG&E in 2011 as a Business Analyst and have held positions of increasing
9 responsibility in the Electric Rates group.

10 I received a Bachelor of Arts in Finance from Michigan State University in 2007 and a Master
11 of Arts in Economics from San Diego State University in 2011.

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

LIST OF ACRONYMS

ACRONYM	DEFINITION
CARE	California Alternate Rates for Energy
GRC	General Rate Case
LGC	local generation charge
M/L C&I	medium and large commercial and industrial
OP	Ordering Paragraph
SDG&E	San Diego Gas & Electric Company
SPP	Smart Pricing Program
TCJA	Tax Cuts and Jobs Act
TY	Test Year

APPENDIX A

ELECTRIC AND GAS REVENUES REFLECTING SMART PRICING PROGRAM

2019 SDG&E GRC Revenue Requirement Schedule							
(\$ in Thousands)							
2019 SDG&E GRC (Application)							
	Elec. Dist. (includes SPP)	SONGS	LGC	Generation	Electric Dept.	Gas (Includes SPP)	Total SDG&E
Base Margin w/o FF&U	1,421,482	0	141	263,885	1,685,508	422,647	2,108,155
FF&U	53,402	0	5	9,914	63,321	9,746	73,067
Subtotal	1,474,884	0	146	273,799	1,748,829	432,393	2,181,222
Misc. Revenue	14,653	0	0	0	14,653	2,843	17,496
Revenue Requirement	1,489,537	0	146	273,799	1,763,482	435,236	2,198,718
Smart Pricing Program (SPP) Reclassification for Rate Compliance							
	Elec. Dist.	SONGS	LGC	Generation	Electric Dept.	Gas	Total SDG&E
Base Margin w/o FF&U	-5,159			6,016	857	-857	-
FF&U	-194			214	20	-20	-
Subtotal	-5,353			6,230	877	-877	-
Misc. Revenue							
Revenue Requirement	-5,353			6,230	877	-877	-
Adjusted 2019 SDG&E GRC (Application), with SPP Reclassification							
	Elec. Dist.	SONGS	LGC	Generation (Includes SPP)	Electric Dept.	Gas	Total SDG&E
Base Margin w/o FF&U	1,416,323	0	141	269,901	1,686,365	421,790	2,108,155
FF&U	53,208	0	5	10,128	63,341	9,726	73,067
Subtotal	1,469,531	0	146	280,029	1,749,706	431,516	2,181,222
Misc. Revenue	14,653	0	0	0	14,653	2,843	17,496
Revenue Requirement	1,484,184	0	146	280,029	1,764,359	434,359	2,198,718

APPENDIX B

TABLES REFLECTING CURRENT EFFECTIVE 2018 RATES

**Table JS-01A-2018
SDG&E**

**Electric Department Summary of Electric Revenue by Customer Class at Effective 2018 and 2019
Proposed Rates**

Line No.	Customer Class	Total Revenues (\$Millions)		\$	%	Line No.
		2018 Effective ²	2019 GRC Phase 1 ¹			
1	Residential	1,804	1,895	91	5.0%	1
2	Small Commercial	586	618	31	5.4%	2
3	M/L C&I	1,769	1,848	79	4.5%	3
4	Agriculture	56	59	3	5.0%	4
5	Lighting	18	20	1	6.8%	5
6	System	4,234	4,439	205	4.9%	6

¹ Includes Utility Distribution Company revenues plus Generation/Commodity revenues based on current authorized sales.
² Effective 1/1/2018 per AL 3167-E.
³ Totals may not sum due to rounding.

Line No.	Customer Class	Total Rates (Cents per kWh)		Change ³		Line No.
		2018 Effective ² Present	2019 GRC Phase 1 ¹ Proposed	cents/kWh	%	
1	Residential	27.6	29.0	1.4	5.0%	1
2	Small Commercial	26.2	27.6	1.4	5.4%	2
3	M/L C&I	21.4	22.2	0.9	4.0%	3
4	Agriculture	19.5	20.4	0.9	4.9%	4
5	Lighting	21.6	23.1	1.5	6.8%	5
6	System	24.0	25.1	1.1	4.6%	6

¹ Includes Utility Distribution Company revenues plus Generation/Commodity revenues based on current authorized sales.
² Effective 1/1/2018 per AL 3167-E.
³ Totals may not sum due to rounding.

Table JS-02A-2018
SDG&E
Electric Department Typical Monthly Residential Energy Charges at Effective 2018 and 2019
Proposed Rates

(Inland Customers)
Schedule DR (Summer Billing Period)

LINE NO.	ENERGY (KWH) (A)	2018 EFFECTIVE BILL (\$) (B)	2019 GRC PHASE 1 PROPOSED BILL (\$) (C)	CHANGE ¹ (\$) (D)	CHANGE ¹ (%) (E)	LINE NO.
1	25	10.03	10.03	-	0.0%	1
2	50	13.58	14.15	0.57	4.2%	2
3	75	20.38	21.23	0.85	4.2%	3
4	100	27.18	28.32	1.14	4.2%	4
5	150	40.77	42.47	1.70	4.2%	5
6	200	54.36	56.64	2.28	4.2%	6
7	250	67.95	70.80	2.85	4.2%	7
8	300	81.54	84.96	3.42	4.2%	8
9	350	95.12	99.11	3.99	4.2%	9
10	400	108.72	113.27	4.55	4.2%	10
11	450	131.29	136.79	5.50	4.2%	11
12	500	155.09	161.59	6.50	4.2%	12
13	600	202.67	211.17	8.50	4.2%	13
14	700	250.26	260.75	10.49	4.2%	14
15	800	297.85	310.34	12.49	4.2%	15
16	900	345.44	359.93	14.49	4.2%	16
17	1000	393.03	409.52	16.49	4.2%	17
18	1500	650.76	678.06	27.30	4.2%	18
19	2000	927.93	966.87	38.94	4.2%	19
20	3000	1,482.29	1,544.50	62.21	4.2%	20

Schedule DR (Winter Billing Period)

LINE NO.	ENERGY (KWH) (A)	2018 EFFECTIVE BILL (\$) (B)	2019 GRC PHASE 1 PROPOSED BILL (\$) (C)	CHANGE ¹ (\$) (D)	CHANGE ¹ (%) (E)	LINE NO.
1	25	10.03	10.03	-	0.0%	1
2	50	11.55	12.11	0.56	4.8%	2
3	75	17.32	18.18	0.86	5.0%	3

4	100	23.11	24.25	1.14	4.9%	4
5	150	34.66	36.36	1.70	4.9%	5
6	200	46.21	48.49	2.28	4.9%	6
7	250	57.77	60.61	2.84	4.9%	7
8	300	69.32	72.74	3.42	4.9%	8
9	350	80.87	84.85	3.98	4.9%	9
10	400	96.93	101.71	4.78	4.9%	10
11	450	117.15	122.93	5.78	4.9%	11
12	500	137.38	144.16	6.78	4.9%	12
13	600	177.82	186.60	8.78	4.9%	13
14	700	218.26	229.04	10.78	4.9%	14
15	800	258.72	271.48	12.76	4.9%	15
16	900	299.16	313.92	14.76	4.9%	16
17	1000	339.61	356.37	16.76	4.9%	17
18	1500	565.05	592.95	27.90	4.9%	18
19	2000	800.62	840.15	39.53	4.9%	19
20	3000	1,271.76	1,334.56	62.80	4.9%	20

¹ Totals may not sum due to rounding.

**Table JS-02B-2018
SDG&E**

**Electric Department Typical Monthly Residential Energy Charges at Effective 2018 and 2019
Proposed Rates**

(Coastal Customers) Schedule DR (Summer Billing Period)						
LINE NO.	ENERGY (KWH) (A)	2018	2019 GRC	CHANGE ¹ (\$) (D)	CHANGE ¹ (%) (E)	LINE NO.
		EFFECTIVE BILL (\$) (B)	PHASE 1 PROPOSED BILL (\$) (C)			
1	25	10.03	10.03	-	0.0%	1
2	50	13.58	14.15	0.57	4.2%	2
3	75	20.38	21.23	0.85	4.2%	3
4	100	27.18	28.32	1.14	4.2%	4
5	150	40.77	42.47	1.70	4.2%	5
6	200	54.36	56.64	2.28	4.2%	6
7	250	67.95	70.80	2.85	4.2%	7
8	300	81.54	84.96	3.42	4.2%	8
9	350	95.12	99.11	3.99	4.2%	9
10	400	118.72	123.69	4.97	4.2%	10
11	450	142.51	148.49	5.98	4.2%	11
12	500	166.31	173.29	6.98	4.2%	12
13	600	213.90	222.87	8.97	4.2%	13
14	700	261.48	272.45	10.97	4.2%	14
15	800	309.08	322.04	12.96	4.2%	15

16	900	356.66	371.62	14.96	4.2%	16
17	1000	404.26	421.22	16.96	4.2%	17
18	1500	675.17	703.50	28.33	4.2%	18
19	2000	952.34	992.31	39.97	4.2%	19
20	3000	1,506.70	1,569.94	63.24	4.2%	20

Schedule DR (Winter Billing Period)

LINE NO.	ENERGY (KWH) (A)	2018	2019 GRC	CHANGE ¹ (\$) (D)	CHANGE ¹ (%) (E)	LINE NO.
		EFFECTIVE BILL (\$) (B)	PHASE 1 PROPOSED BILL (\$) (C)			
1	25	10.03	10.03	-	0.0%	1
2	50	11.55	12.11	0.56	4.8%	2
3	75	17.32	18.18	0.86	5.0%	3
4	100	23.11	24.25	1.14	4.9%	4
5	150	34.66	36.36	1.70	4.9%	5
6	200	46.21	48.49	2.28	4.9%	6
7	250	57.77	60.61	2.84	4.9%	7
8	300	69.32	72.74	3.42	4.9%	8
9	350	80.87	84.85	3.98	4.9%	9
10	400	99.53	104.44	4.91	4.9%	10
11	450	119.76	125.66	5.90	4.9%	11
12	500	139.98	146.89	6.91	4.9%	12
13	600	180.42	189.33	8.91	4.9%	13
14	700	220.87	231.77	10.90	4.9%	14
15	800	261.32	274.21	12.89	4.9%	15
16	900	301.76	316.65	14.89	4.9%	16
17	1000	342.21	359.10	16.89	4.9%	17
18	1500	570.85	599.04	28.19	4.9%	18
19	2000	806.42	846.24	39.82	4.9%	19
20	3000	1,277.56	1,340.65	63.09	4.9%	20

¹ Totals may not sum due to rounding.

SDG&E 2019 GRC Testimony Revision Log –April 2018

Exhibit	Witness	Page	Line or Table	Revision Detail
SDG&E-46	Jeffrey Shaughnessy	JS-ii	Summary	Added language "then-effective 2017 rates for the date the Test Year (TY) General Rate Case (GRC) Phase 1 Application was filed on October 6, 2017 and shown in the revised testimony served on December 20, 2017 (GRC Filing)"
SDG&E-46	Jeffrey Shaughnessy	JS-ii	Summary	Added language "shown in the GRC Filing"
SDG&E-46	Jeffrey Shaughnessy	JS-ii	Summary	Added language "then-effective 2017 rates shown in the GRC Filing"
SDG&E-46	Jeffrey Shaughnessy	JS-ii	Summary	Changed "\$6.54" to "\$6.53"
SDG&E-46	Jeffrey Shaughnessy	JS-ii	Summary	Added language "shown in the GRC Filing"
SDG&E-46	Jeffrey Shaughnessy	JS-ii	Summary	Changed "\$5.95" to "\$5.94"
SDG&E-46	Jeffrey Shaughnessy	JS-1	7-17	Added language "Pursuant to the Assigned Commissioner's Scoping Memorandum and Ruling issued on January 29, 2018 (Scoping Memo), this exhibit has been revised to reflect the impact of the Tax Cuts and Jobs Act (TCJA) on the SDG&E TY 2019 GRC. The TCJA was signed into federal law on December 22, 2017 and is discussed in the testimony of the Taxes witness Ragan Reeves (SDG&E-35-2R), served concurrently with this exhibit. A roadmap of this TCJA-related submission and impacts on other witnesses' areas is provided in the Case Management Exhibit SCG-49/SDG&E-49. Additionally, recognizing that SDG&E's current rates have changed since my direct testimony was served on October 6, 2017 and revised on December 20, 2017, this second revised testimony provides an Appendix B presenting numbers based on current 2018 effective rates (consistent with Advice Letter 3167-E) at the time of this submission."
SDG&E-46	Jeffrey Shaughnessy	JS-1	FN	Added footnote #2
SDG&E-46	Jeffrey Shaughnessy	JS-2	4	Changed "Khai Nguyen" to "Ryan Hom"
SDG&E-46	Jeffrey Shaughnessy	JS-2	4-5	Changed "Exhibit SDG&E-42-R" to "Exhibit SDG&E-42-2R"
SDG&E-46	Jeffrey Shaughnessy	JS-2	9-10	Added "then-effective 2017 revenues shown in the GRC Filing"
SDG&E-46	Jeffrey Shaughnessy	JS-2	11	Added "then-effective 2017 rates shown in the GRC Filing"

SDG&E-46	Jeffrey Shaughnessy	JS-2	14	Changed "5.3%" to "5.2%"
SDG&E-46	Jeffrey Shaughnessy	JS-2 to JS-3	Table JS-01A	Revised table
SDG&E-46	Jeffrey Shaughnessy	JS-3	3	Added language "shown in the GRC Filing"
SDG&E-46	Jeffrey Shaughnessy	JS-3	5	Added language "shown in the GRC Filing"
SDG&E-46	Jeffrey Shaughnessy	JS-3	8	Changed "\$206" to "\$205," "1.1 cents/kWh" to "1.0 cents/kWh" and "4.8%" to "4.7%"
SDG&E-46	Jeffrey Shaughnessy	JS-3	10	Added language "shown in the GRC Filing"
SDG&E-46	Jeffrey Shaughnessy	JS-4	Table JS-01B	Revised table
SDG&E-46	Jeffrey Shaughnessy	JS-5	3-4	Added language "then-effective 2017 rates shown in the GRC Filing"
SDG&E-46	Jeffrey Shaughnessy	JS-5	5	Changed "\$6.54" to "\$6.53"
SDG&E-46	Jeffrey Shaughnessy	JS-5	8	Changed "\$16.75" to "\$16.74"
SDG&E-46	Jeffrey Shaughnessy	JS-5	10-11	Added language "then-effective 2017 rates shown in the GRC Filing"
SDG&E-46	Jeffrey Shaughnessy	JS-5	17	Added language "shown in the GRC Filing"
SDG&E-46	Jeffrey Shaughnessy	JS-5	19	Changed \$5.95 to "\$5.94"
SDG&E-46	Jeffrey Shaughnessy	JS-5	22	Changed "\$15.23" to \$15.22"
SDG&E-46	Jeffrey Shaughnessy	JS-5	25	Added language "shown in the GRC Filing"
SDG&E-46	Jeffrey Shaughnessy	JS-6 to JS-7	Table JS-02A	Revised table
SDG&E-46	Jeffrey Shaughnessy	JS-8 to JS-9	Table JS-02B	Revised table
SDG&E-46	Jeffrey Shaughnessy	JS-9 to JS-10	Table JS-02C	Revised table
SDG&E-46	Jeffrey Shaughnessy	JS-11 to JS-12	Table JS-02D	Revised table
SDG&E-46	Jeffrey Shaughnessy	JS-A-1	Appendix A	Revised table
SDG&E-46	Jeffrey Shaughnessy	JS-B-1 to JS-B-4	Appendix B	Added Appendix