**CAL PA DATA REQUEST**

This is a follow up to the Public Advocates Office’s DR #7 concerning contribution to margin analysis.

**Question 1**

As a follow up to question 2 in DR 6, please provide the total medium and large commercial and industrial (M/L C&I) non-bypassable charges rate ($/kWh) as reflected in San Diego Gas and Electric Company’s rates effective June 1, 2019.

**SDG&E Response**:

In Decision 19-07-003 adopting the Economic Development Rate (“EDR”) program for SDG&E, the Commission stated that a positive Contribution to Margin (“CTM”) for EDRs is achieved when the forecasted contract revenues exceed a price floor. A price floor is composed of applicable marginal costs plus all non-bypassable charges, with non-bypassable charges defined as transmission, public purpose program (“PPP”), nuclear decommissioning (“ND”), ongoing competition transition charges (“CTC”), local generation charge (“LGC”), reliability services (“RS”), and department of water resources bond charge (“DWC-BC”).[[1]](#footnote-2) The table below provides the non-bypassable charges under this definition for M/L C&I customer class based on SDG&E’s electric rates effective June 1, 2019.



**Question 2**

As part of SDG&E’s cost of service analysis of M/L C&I customers performed in the General Rate Case Phase 2, does SDG&E calculate class average cost of service rates? If so, please provide those rates separated by delivery and commodity rates.

**SDG&E Response**:

The attached file (“Cal-PA DR-08, Q2”) provides the proposed SDG&E General Rate Case (“GRC”) Phase 2 marginal and Equal Percent of Marginal Cost (“EPMC”) distribution and commodity rates for the M/L C&I customer class by rate component.

**Question 3**

What does SDG&E believe would be the closest approximation of EV-HP customers’ cost of service—AL-TOU, class average cost of service rates (see question 2), or other rates? This question does not refer to the rates that EV-HP customers should be billed at—which would include policy, cost of service, and customer impact considerations—but rather what rates should theoretically most closely reflect EV-HP customers’ cost of service.

**SDG&E Response**:

Because EV-HP customers represent business customers with demand greater than 20 kW, the M/L C&I customer class cost of service is the correct cost of service for EV-HP. As stated on page WS-1, lines 18-22, of the Prepared Direct Testimony of William G. Saxe, EV-HP customers would currently take service on the standard electric rate schedule for the M/L C&I class (Schedule AL-TOU for Utility Distribution Company [“UDC”] non-commodity rates and Schedule EECC-CPP-D for commodity rates), which is the reason SDG&E developed the EV-HP rate based on the costs allocated to Schedule AL-TOU.

1. D.19-07-003, p. 7 and footnote 6 on p. 8. [↑](#footnote-ref-2)