Company: San Diego Gas & Electric Company (U 902 M)
Proceeding: 2024 General Rate Case
Application: A.22-05-___
Exhibit: SDG&E-24

PREPARED DIRECT TESTIMONY OF

BRITTANY APPLESTEIN SYZ

(ENVIRONMENTAL SERVICES)
and
(SAN ONOFRE NUCLEAR GENERATING STATION (SONGS))

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

May 2022

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SUMMARY

Environmental Services (in 2021$)			
O&M	**2021 Adjusted-Recorded ($000)**	**Estimated TY 2024 ($000)**	**Change ($000)**
Non-Shared-Environmental Services	$7,289	$8,436	$1,147
Non-Shared-SONGS	$1,216	$1,540	$324
Total O&M	$8,505	$9,976	$1,471

Summary of Requests

1. SDG&E's Environmental Services and SONGS Departments are requesting adoption of the 2024 Test Year (TY) forecast of $9,976,000 for operations and maintenance (O&M) expenses. This represents an increase of $1,471,000 from adjusted recorded base year costs of $8,505,000.
2. This request includes authorization to continue the New Environmental Regulatory Balancing Account (NERBA). Providing an estimate of $39,000 in decreased costs for TY 2024 compared to base year costs.
3. This request also includes continued funding of SONGS marine mitigation and worker's compensation costs based upon existing methodology approved by the California Public Utilities Commission (Commission or CPUC). Providing an estimate of $1,540,000 in costs for TY 2024.

PREPARED DIRECT TESTIMONY OF BRITTANY APPLESTEIN SYZ (ENVIRONMENTAL SERVICES and SONGS)

I. INTRODUCTION

A. Summary of Environmental Services and SONGS Costs and Activities

My testimony supports the TY 2024 forecasts of O&M costs for non-shared services for the forecast years 2022, 2023 and 2024, associated with the Environmental Services and SONGS areas for San Diego Gas and Electric Company (SDG&E). SONGS costs that were previously requested in SDG&E's Electric Generation Chapter in the TY 2019 General Rate Case (GRC) are now being requested in this chapter because the SONGS and Environmental Services departments are in the same organizational division whereas in the prior GRC they were organized in separate divisions; additionally, since SONGS is in decommissioning, it should no longer be placed in the Electric Generation Chapter. I do not include any capital costs in my testimony; however, I do provide support for the capital costs of an Environmental Management System that the IT (Information Technology) organization is developing as requested in the testimony of Mr. William J. Exon, Information Technology (Capital) witness (Exhibit (Ex.) SCG-21, Ch. 2). Table BS-1 summarizes my sponsored O&M costs.

TABLE BS-1
Test Year 2024 Summary of Total Costs

SUMMARY

Environmental Services (in 2021$)			
O&M	**2021 Adjusted-Recorded ($000)**	**Estimated TY 2024 ($000)**	**Change ($000)**
Non-Shared-Environmental Services	$7,289	$8,436	$1,147
Non-Shared-SONGS	$1,216	$1,540	$324
Total O&M	$8,505	$9,976	$1,471

In addition to this testimony, please refer to my work papers for further information on the activities described herein.

Environmental Services oversees SDG&E's compliance with federal, state, regional, and local environmental statutes, rules, and regulations, including laws protecting air quality, water quality, hazardous materials, hazardous waste, cultural resources, natural (biological) resources,

and environmental permitting. Key components of SDG&E's environmental compliance management program include internal assessments and trainings to help support and ensure compliance; development of compliance policies, procedures, and tools, including quality control procedures; and implementation of rigorous environmental contract terms and conditions for SDG&E's environmental consultants and vendors. Additionally, specialists within Environmental Services analyze the potential impacts of proposed and final regulations and rules as well as provide early planning for compliance with new regulations.

Environmental Services also manages field-based environmental representatives (FERs) that are located at various SDG&E sites to support day-to-day compliance operations, including generation facilities, substations, and Construction & Operations (C&O) facilities. These FERS manage the Environmental Safety Compliance Management Program (ESCMP) for the Company. Environmental Services also partners with operations management and crews to focus on compliance requirements during project work as well as providing on-call environmental specialists to assist field operations. Environmental Services' other responsibilities include screening planned infrastructure projects for environmental compliance and efforts to avoid and/or minimize project environmental impacts, soils contamination considerations and permitting needs; providing compliance oversight to project work; and developing and obtaining environmental permits and plans.

Environmental Services also manages a California certified environmental laboratory, two SDG&E treatment, storage, and disposal facilities (TSDFs), the remediation of contaminated soils at current and former utility sites, emergency hazardous waste release events, and a hazardous waste vendor audit program.

This department also develops and supports SDG&E's Sustainability Strategy and policy as described in Sustainability Policy testimony of Estela de Llanos (Ex. SDG&E-02) (Sustainability) to address climate issues and move the state toward achieving the aggressive greenhouse gas (GHG) emission reduction goals that it has through adaptation, mitigation, and transformation.

There are numerous acronyms for the various programs, agencies, and requirements encountered by Environmental Services and described in this testimony. In addition to describing each acronym in this text, I have included a Glossary of Terms in an appendix as a reference.

My testimony will also include requests for recovery of costs related to reasonably incurred SONGS-related O&M costs. SDG&E traditionally submits intervenor testimony in Southern California Edison Company's (SCE) GRC and seeks to establish and recover its 20% portion of certain SONGS costs in rates. In accordance with this Commission approved practice, SDG&E intervened in SCE's TY 2021 and submitted intervenor testimony requesting recovery of these costs.

My testimony also includes a request for NERBA. SDG&E is requesting that the existing structure of the NERBA balancing account be authorized to continue during this GRC cycle.

B. Support to and From Other Witnesses

In addition to sponsoring the Environmental Services and SONGS organization's costs, I also provide business or policy justification for the following other witnesses who sponsor operational costs driven by regulation or pressures:

- Mr. William J. Exon, the Information Technology (Capital) witness (Ex. SCG-21, Chapter (Ch.) 2), supporting capital costs for a new Environmental Management System (EMS) to maintain environmental compliance related information and sustainability data in a centralized database so the data is secure and available to multiple stakeholders. The EMS is to be part of the existing Environmental & Safety Value Stream Initiative managed by the IT group.
- Mr. Arthur Alvarez, witness for Fleet Services (Ex. SDG&E-22), supporting costs for the California Air Resources Board's (CARB's) Portable Engine Airborne Toxic Control Measure (ATCM) fleet emission standards, which went into effect in 2013 and became progressively more stringent in 2017 and 2020. SDG&E's Fleet Services will adjust (*e.g.*, retire older units, reclassify to "low-use," and/or replace with Tier 4 Final equivalent) the portable engine fleet to meet the engine tier phase-out schedule. Mr. Alvarez's testimony and work papers, (Ex. SDG&E-22), sponsor such costs.
- Mr. Tyson Swetek, witness for Electric Distribution O&M (Ex. SDG&E-12), supporting sulfur hexafluoride (SF6) reduction compliance costs. Refer to supplemental work paper 1EV000.001 in EX. SDG&E-24-WP.

- Ms. Oliva Reyes, witness for Electric Distribution Capital (Ex. SDG&E-11), supporting the SF6 switch replacement project costs. Refer to supplemental work paper 1EV000.001 in Ex. SDG&E-24-WP.
- Mr. Jason Kupfersmid, witness for Regulatory Accounts (Ex. SDG&E-43), requesting that the existing structure of the NERBA balancing account be authorized to continue during this GRC cycle.
- Mr. Kupfersmid, witness for Regulatory Accounts (Ex. SDG&E-43), informing that the existing structure of the SONGS Balancing account (SONGSBA) and Marine Mitigation Memorandum Account (MMMA) will continue during this GRC cycle.

C. Testimony Organization

My testimony is organized as follows:

- Introduction
- Summary of Environmental Services and SONGS Costs and Activities
- Support to and From Other Witnesses
- Sustainability and Safety Culture
- Non-Shared Costs and Activities, Forecast Method, and Cost Driver
- Environmental Services Director
- Environmental Field Operations
- Hazardous Materials /Waste Management and Site Mitigation
- Environmental Lab
- Environmental Programs
- Natural Resources and Post Construction
- Environmental Permitting & Project Management
- Sustainability Program and Strategies
- NERBA
- SONGS
- Conclusion
- Witness Qualification
- Appendix A - Glossary

II. SUSTAINABILITY AND SAFETY CULTURE

A. Sustainability

Sustainability, safety, and reliability are the cornerstones of SDG&E's core business operations and are central to SDG&E's GRC presentation. SDG&E is committed to not only deliver clean, safe, and reliable electric and natural gas service, but to do so in a manner that supports California's climate policy, adaptation, and mitigation efforts. In support of the legal and regulatory framework set by the state, SDG&E has set a goal to reach Net Zero GHG emissions by 2045. SDG&E adopted a Sustainability Strategy to facilitate the integration of GHG emission reduction strategies into SDG&E's day-to-day operations and long-term planning and published an economy-wide GHG Study that recommends a diverse approach for California leveraging clean electricity, clean fuels, and carbon removal to achieve these 2045 goals through the lens of reliability, affordability, and equity. The Sustainability Strategy serves as SDG&E's guide to enable a more just and equitable energy future in SDG&E's service territory and beyond. As a "living" strategy, SDG&E will continue to update the goals and objectives as technologies, policies, and stakeholder preferences evolve. See the Sustainability Policy testimony of Estela de Llanos (Ex. SDG&E-02).

In this GRC, SDG&E focuses on three major categories that underpin the Sustainability Strategy: mitigating climate change, adapting to climate change, and transforming the grid to be the reliable and resilient conduit for clean energy. SDG&E's goal is to contribute to the decarbonization of the economy by way of diversifying energy resources, collaborating with regional partners, and providing customer choice that enables an affordable, flexible, and resilient grid.

Many of the activities described in further detail in this testimony advance the state's climate goals and align with SDG&E's Sustainability Strategy. Environmental Services' commitment to environmental stewardship and sustainability encompasses habitat conservation, careful project planning to avoid or minimize impacts, fuels management, tree planting, and employee volunteerism. Over the past 25 years, Environmental Services has operated under a habitat conservation plan that SDG&E voluntarily developed with state and federal wildlife agencies (Natural Community Conservation Plan). SDG&E's plan was designed to avoid or minimize any impacts from its activities and help preserve the region's ecosystems. The environmental stewardship and conservation that Environmental Services practices to minimize

SDG&E's impact on sensitive habitat and restoration or expansion of carbon sinks that sequester GHG emissions will drive progress in the area(s) of Climate Adaptation and Climate Mitigation and/or Grid Transformation. This group also tracks and report emissions to ensure transparency and provide a basis for reducing such emissions. Environmental Services continues to tackle business challenges with a holistic approach to SDG&E's environmental work and climate equity.

B. Safety Culture

Safety is a core value and SDG&E is committed to providing safe and reliable service to all its stakeholders. This safety-first culture is embedded in every aspect of the Company's work. In 2020, SDG&E commenced development and deployment of a Safety Management System (SMS), which better aligns and integrates safety, risk, asset, and emergency management across the entire organization. The SMS takes a holistic and pro-active approach to safety and expands beyond "traditional" occupational safety principles to include asset safety, system safety, cyber safety, and psychological safety for improved safety performance and culture. SDG&E's SMS is a systematic, enterprise-wide framework that utilizes data to collectively manage and reduce risk and promote continuous learning and improvement in safety performance through deliberate, routine, and intentional processes.

Environmental Services contributes to the SMS through active engagement with its employees and through the execution of the following programs:

- Environmental Services has a Safety Committee that facilitates engagement with its employees through participation in an annual Safety Standdown for the entire Vice President's division, participation in the annual Safety Congress, attendance at the safety meetings of its business partners and recognition for employees who contribute to improved safety performance.
- Pre-screening of gas and electric capital and O&M projects is conducted to avoid environmental impacts and safety concerns in its operations. Early proactive involvement in the planning and design phases identify safety and environmental risks at a time when they can be avoided.
- Environmental Services and Safety conduct an annual internal certification of compliance programs and identifies opportunities for process improvement. Key components of its environmental compliance management program include

internal assessments to help support and ensure compliance; a hazardous waste vendor audit program; and rigorous environmental and safety contract terms and conditions for its consultants and vendors. Environmental Services collaborates with the Safety organization and other internal stakeholders to develop a library of standards, fact sheets, and company-specific employee training. For example, the Environmental Services hazardous material crew receives training on the appropriate standards, fact sheets, and specific safety related training for packaging, managing, and responding to hazardous material release events. (i.e., release of transformer oil due to a car-pole contact).

- Field-based environmental representatives are located at various SDG&E sites to support day-to-day operations. They manage programs, permits, and emergency response plans to protect its employees, customers, and the public.
- On-call environmental specialists are available to assist field operations and activate an Environmental Services Emergency Command Center (ECC) to support the SDG&E Emergency Operations Center (EOC). Environmental Services review near miss reports, safety incidents, emergency incidents and ECC and EOC activations as an opportunity to learn and improve.
- Environmental Services also manages a California certified environmental laboratory to support environmental services and safety, two SDG&E treatment, storage, and disposal facilities (TSDFs), the remediation of contaminated soils at current and former utility sites.

SDG&E remains focused on identifying and implementing the most cost-effective solutions with the potential to make the greatest impact on reducing GHG emissions, while maintaining a safe and reliable energy system. SDG&E believes that safety, reliability, and sustainability are inextricably linked and fundamental to the Company's ability to continue to successfully operate. Please see the Sustainability Policy testimony of Estela de Llanos (Ex. SDG&E-02) for additional detail on SDG&E's Sustainability Strategy and the Safety, Risk and Asset Management Systems testimony of Kenneth J. Deremer (Ex. SDG&E-31) for additional detail of SDG&E's safety policy.

III. NON-SHARED COSTS

"Non-Shared Services" are activities that are performed by a utility solely for its own benefit. SDG&E's parent company, Sempra Energy Corporate Center provides certain services to the utilities and to other subsidiaries. For purposes of this GRC, SDG&E treats costs for services received from the Sempra Energy Corporate Center as Non-Shared Services costs, consistent with any other outside vendor costs incurred by the utility. Table BS-2 summarizes the total non-shared O&M forecasts for the listed cost categories.

TABLE BS-2
Non-Shared O&M Summary of ENVIRONMENTAL AND SONGS Costs

ENVIRONMENTAL (In 2021$)	2021 Adjusted-Recorded (000s)	TY 2024 Estimated (000s)	Change (000s)
Environmental Services	$5,847	$7,033	$1,186
NERBA - Electric	$313	$419	$106
NERBA – Gas	$1,129	$984	($145)
SONGS	$1,216	$1,540	$324
Total Non-Shared Services	$8,505	$9,976	$1,471

A. Non-Shared O&M Categories for Environmental Services and SONGS

1. Description of Costs and Activities

The costs included in this cost category include employee labor costs and non-labor costs that are described in more detail within the individual categories of management in the table below.

2. Forecast Method

The base year forecast methodology was utilized to best represent the financial structure of the organization, while accounting for the incremental mandatory and compliance driven programs supported by the department moving forward. Historical averaging or trending of costs would not accurately reflect the future needs for the department given the evolving and expanding nature of the activities supported by the department. In summary, a base year forecast method is used because the most recent year of recorded costs is the most representative of the

current departmental activity and structure. This method, which was used in SDG&E's TY 2016 and TY 2019 GRCs, is again the most appropriate in this GRC.

3. Cost Drivers

There are specific new environmental regulatory and program-related requirements and related costs that will impact the company during the TY 2024 GRC forecast period, which are incremental to historically incurred costs. The cost drivers are described for each activity below. Table BS-3 summarizes the total non-shared O&M forecasts for the listed cost categories based upon activity.

TABLE BS-3
Non-Shared O&M Categories and Costs for ENVIRONMENTAL and SONGS

ENVIRONMENTAL SERVICES & SONGS			
Categories of Management	**2021 Adjusted-Recorded (000s)**	**TY 2024 Estimated (000s)**	**Change (000s)**
B. Environmental Services Director	$186	$186	$0
C. Environmental Field Operations	$1,237	$1,398	$161
D. Hazardous Materials & Waste Management	$1,728	$1,874	$146
Site Assessment & Mitigation	$108	$108	$0
E. Environmental Lab	$730	$852	$122
F. Environmental Programs	$636	$900	$264
G. Natural Resources and Post Construction	$531	$802	$271
H. Environmental Permitting & Project Mgmt.	$256	$328	$72
I. Sustainability Program and Strategies	$436	$586	$150
Subtotal Unbalanced O&M	$5,847	$7,033	$1,186
J. NERBA	$1,442	$1,403	($39)

ENVIRONMENTAL SERVICES & SONGS			
K. SONGS	$1,216	$1,540	$324
TOTAL O&M	**$8,505**	**$9,976**	**$1,471**

B. Environmental Services Director

1. Description of Costs and Activities

The Director provides leadership and strategic direction to Environmental Services at SDG&E.

2. Forecast Method

A base year forecast methodology was used to determine cost requirements. This methodology is most appropriate because it identifies specific cost drivers that are applicable to the oversight, leadership, and strategy of the overall Environmental Services department. The specific cost drivers and incremental costs are best applied to a base year spending level instead of using historical averages or trending that may not be reflective of recent spending patterns. The base year represents the most accurate manner of forecasting costs since it is the most recent and reliable indicator of specific cost drivers for the department for TY 2024.

3. Cost Drivers

The primary cost drivers are straight time labor, employee non-labor costs, consulting fees, and costs related to department wide functions. There are three employees including a Director, Business Planning Manager and Administrative Assistant. There are no upward or downward pressures associated with this activity in the TY 2024 GRC forecast period as the base year funding appears to be sufficient to fund estimated expenses for TY 2024.

C. Environmental Field Operations

1. Description of Costs and Activities

The compliance activities in this O&M cost category are associated with managing and maintaining environmental compliance for the company's approximately 200 facilities (Administration Offices, Construction and Operations (C&O) Centers, substations, and telecom sites) with environmental risk and regulatory oversight. Additionally, this group manages the environmental portion of the company-wide Environmental & Safety Compliance Management Program (ESCMP) which includes facilitating regulatory inspections (approximately 150 per

year), facilitating corporate audits, and conducting internal self-assessments (approximately 100 per year), developing, and facilitating mandatory training (over 5,000 employee completions per year), and annually certifying compliance metrics. Non-labor expenditures include facility-based regulatory fees and assessments, permits, and consultant-supported employee training development.

2. Forecast Method

A base year forecast methodology was used to determine cost requirements. This method is most appropriate because it identifies specific environmental regulatory changes and their related costs impacting the company in TY 2024TY 2024 . The specific cost drivers are best applied to a conservative base year level instead of using historical averages or trending that may not be reflective of recent spending patterns. The base year represents the most accurate manner of forecasting costs because it is the most representative of the current departmental activity and structure.

3. Cost Drivers

The primary cost drivers for this activity are employee labor charges and non-labor charges for permits and associated fees. The net upward pressure from base year costs is $161,000 related to increased labor costs. SDG&E is also requesting $10,000 in additional non-labor funding for consultant costs to support compliance activities related to site inspections.

a. **Labor:** SDG&E is requesting $105,000 to hire one additional full-time employee that will serve as a Field Operations Representative beginning in 2022. The position will support compliance requirements including facility inspections, self-assessments, and metrics. This position will also support the emergency response plans and permit tracking processes. Additionally, SDG&E is requesting $56,000 for the labor annualization effect for off cycle pay increases that were granted during the third quarter of 2021. The off cycle pay increases were granted to align employee compensation with established corporate pay-bands and promote compensation equity within the workplace. Refer to work paper group 1EV000.000 in Ex. SDG&E-24-WP.

D. Hazardous Materials & Waste Management and Site Assessment & Mitigation

1. Description of Costs and Activities

The Hazardous Materials and Waste section manages and oversees the hazardous materials/waste operations of SDG&E, and Site Assessment and Mitigation work, which include: the operation of two Treatment, Storage and Disposal Facilities (TSDF), conducting and managing cleanup activities from gas operations, electrical equipment, and company operations, and managing the receipt, storage, and shipment of hazardous materials and waste, including asbestos. These activities are performed by company employees and contracted vendors.

2. Forecast Method

A base year forecast methodology was used to determine cost requirements. This method is most appropriate because it identifies specific environmental regulatory changes and their related costs impacting the company during the TY 2024 GRC period. The specific cost drivers are best applied to a conservative base year level instead of using historical averages or trending that may not be reflective of recent spending patterns. The base year represents the most accurate manner of forecasting costs because it is the most representative of the current departmental activity and structure.

3. Cost Drivers

The primary upward cost pressure drivers for Hazardous Materials/Waste Management include employee labor charges and non-labor charges related to contracted services with outside vendors, permitting fees, and disposal costs to transport hazardous waste shown below. SDG&E is not forecasting any upward or downward pressures for the Site Assessment & Mitigation work activities during the forecast period, only the Hazardous Materials/Waste Management operations.

a. Labor: SDG&E is requesting $120,000 for estimated O&M labor charges related to onboarding two full-time employees (a Hazardous Materials Handler and a Hazardous Substance Specialist) to support SDG&E's hazardous waste programs. Refer to work paper group 1EV000.000 in Ex. SDGE-24-WP.

b. Non-Labor: SDG&E requests $26,000 to fund costs associated with the permit renewal for the Kearny Treatment Storage and Disposal Facility (TSDF). SDG&E is renewing this permit to comply with regulations for the storage of federally regulated

PCB equipment and waste streams that are generated throughout its service territory. SDG&E's Corporate Accounting organization has approved prorating the cost of this permit over its useful life of 10 years from 2022 to 2032. The total permit renewal cost is $260,000. The annual prorated cost is $26,000. SDG&E is requesting $26,000 for TY 2024. Refer to supplemental work paper 1EV000.002 in Ex. SDGE-24-WP.

E. Environmental Lab

1. Description of Costs and Activities

The compliance activities in this non-shared O&M cost category include operation of SDG&E's California State Certified Environmental Analysis Laboratory (The Lab). This functional area performs a broad spectrum of environmental and chemical sampling, testing and analysis for operational maintenance and regulatory compliance.

2. Forecast Method

A base year forecast methodology was used to determine cost requirements. This method is most appropriate because it identifies specific environmental regulatory changes and their related costs impacting the company during the TY 2024 GRC period. The specific cost drivers are best applied to a conservative base year level instead of using historical averages or trending that may not be reflective of recent spending patterns. The base year represents the most accurate manner of forecasting costs because it is the most representative of the current departmental activity and structure.

3. Cost Drivers

The cost drivers in this section are primarily employee labor charges, outsourced vendor costs and lab supplies.

a. Labor: SDG&E is requesting $85,000 for estimated O&M labor expense related to adding one additional full time Chemist to support additional responsibilities in metal testing, soil for export, and disposal of Polychlorinated Biphenyls (PCB). The Chemist position will also contribute to project support, equipment coding, profiling, and quality control to expand the lab's service capabilities and ensure high service levels. Refer to work paper group 1EV000.000 in Ex. SDG&E-24-WP.

b. Non-Labor: Upward pressures include non-labor costs for various programs listed below:

- **Environmental Laboratory Accreditation Program (ELAP) Certification:** SDG&E is forecasting to spend $27,000 annually for the years 2022-2024 to fund Lab equipment service contracts for metal testing equipment that is part of the ELAP Certification which requires annual performance sampling. Therefore, SDG&E is requesting $27,000 for TY 2024. Refer to work paper group 1EV000.000 in Ex. SDG&E-24-WP.
- **The NELAC Institute (TNI) Standards**: SDG&E seeks consultant support to conduct a third-party assessment of the SDG&E Environmental Lab for the ELAP. The assessment will be performed every 3 years against the requirements of the current California ELAP Regulations, 2016 TNI requirements and the International Accreditation Service (IAS) for testing laboratories. SDG&E requests the estimated cost for TNI standards of $10,000 in TY 2024. Refer to work paper group 1EV000.000 in Ex. SDG&E-24-WP.

F. Environmental Programs

1. Description of Costs and Activities

The compliance activities in this non-shared O&M cost category include specialists who provide guidance in and track air quality/GHG emissions, aquatic/water quality and cultural resources. These specialists conduct project screening for potential environmental impacts, obtain environmental permits, review proposed regulations, report on emissions, and provide compliance guidance and oversight.

2. Forecast Method

A base year forecast methodology was used to determine cost requirements. This method is most appropriate because it identifies specific environmental regulatory changes and their related costs impacting the company during the TY 2024 GRC period. The specific cost drivers are best applied to a conservative base year level instead of using historical averages or trending that may not be reflective of recent spending patterns. The base year represents the most accurate manner of forecasting costs because it is the most representative of the current departmental activity and structure.

3. Cost Drivers

The cost drivers in Environmental Programs are primarily employee labor in addition to non-labor charges for consultants, permits, and employee related expenses.

a. **Labor**: SDG&E is requesting $120,000 for estimated O&M labor charges for adding two additional full-time employees as described below.
Refer to work paper group 1EV000.000 in Ex. SDG&E-24-WP.

- One additional full-time employee to be added in 2023 within the Air/GHG group to support SDG&E's air emission reporting and inventory strategies. The total annual compensation for this position is $112,500 which is allocated 80% O&M and 20% capital. The estimated annual O&M cost of this position is $90,000 beginning in 2023, therefore SDG&E is requesting $90,000 in TY 2024.
- One full time employee to be added in 2023 within the Cultural Resources group to develop and manage tribal agreements so that tribal escorts and monitors are available during the planning and construction phases of SDG&E capital and O&M projects. The total annual compensation for this position of $112,500 is allocated 27% O&M and 73% capital. The estimated annual O&M cost of this position is $30,000 beginning in 2023, therefore SDG&E is requesting $30,000 in TY 2024.

b. **Non-Labor:** Upward pressures include non-labor costs for various programs listed below. SDG&E is requesting $141,400 in TY 2024. Refer to work paper group 1EV000.000 in Ex. SDG&E-24-WP for the following.

- **Greenhouse Gas Reporting (GHG)**: SDG&E continues to conduct mandatory compliance reporting of its GHG inventory. To support the increasing scope of emission reporting and verification to include Scope 3 emissions (defined as emissions resulting from gas/electricity supplied to customers from its business activity). Consultant support is used to compile, review, and verify GHG reports and would be expanded to include Scope 3 emissions. SDG&E estimates the consultant cost to be $6,400 annually for the years 2022-2024, therefore SDG&E requests $6,400 for TY 2024. Refer to work paper group 1EV000.000 in Ex. SDG&E-24-WP.
- **Natural Gas Pipeline Discharge Programmatic Permit:** To facilitate permitting for groundwater or wastewater discharges during natural gas pipeline operation and maintenance (O&M) and construction activities and to obtain uniform permit requirements throughout the state, SDG&E, in partnership with Southern California Gas Company (SoCalGas) and Pacific Gas and Electric Company (PG&E), completed implementation of a National Pollutant Discharge Elimination System (NPDES) programmatic

permit. Consultant support is needed to update the initial Annual Reporting Template. Estimated costs are $5,000 annually for the years 2022-2024, therefore SDG&E requests $5,000 for TY 2024. Refer to work paper group 1EV000.000 in Ex. SDG&E-24-WP.

- **Vault De-Watering Permit:** On October 21, 2014, the California SWRCB adopted the new Utility Vault De-Watering General Permit Order 2014-0174-DWQ. The Vault De-Watering Permit expired in June 2020. Permit coverage is extended until a new permit is adopted and becomes effective. This permit is a National Pollutant Discharge Elimination System (NPDES) permit pursuant to the Clean Water Act[1] that regulates short-term intermittent discharges from utility vaults and underground structures to surface waters. Consultant support will be needed to update the Pollution Prevention Plan, develop, and implement new Best Management Practices (BMPs) and training. Estimated consultant costs are $20,000 in 2023 and $10,000 in TY 2024. Refer to work paper group 1EV000.000 in Ex. SDG&E-24-WP.

- **Environmental Management System (EMS)**: SDG&E is requesting approval of costs to develop an electronic system to maintain compliance related documentation and sustainability data in a centralized database so that compliance documentation is secure and accessible to stakeholders. The system would integrate multiple hard copy retention practices currently in place into in a uniform and consistent record keeping methodology so that data analysis may be conducted and emergency response plans, permits, and monitoring data would be readily available. SDG&E's capital costs for this system are sponsored by the IT organization. See Mr. Exon's Information Technology (Capital) testimony (Ex. SCG-21, Ch. 2). The estimated O&M costs for the EMS system are $132,000 in 2022, $120,000 in 2023 and $120,000 in TY 2024. Refer to supplemental work paper 1EV000.003 in Ex. SDG&E-24-WP.

G. Natural Resources and Post Construction Compliance

1. Description of Costs and Activities

This non-shared O&M cost category includes ancillary costs related to employees who work on capital and O&M project licensing and permitting activities. These teams also provide

[1] 33 U.S.C. § 1251 et seq. (1972).

compliance guidance for natural resources and habitat restoration, as well as post construction compliance obligations.

2. Forecast Method

A base year forecast methodology was used to determine cost requirements. This method is most appropriate because it identifies specific environmental regulatory changes and their related costs impacting the company during the TY 2024 GRC period. The specific cost drivers are best applied to a conservative base year level and would not be captured by traditional averaging or trending. The base year represents the most accurate manner of forecasting costs because it is the most representative of the current departmental activity and structure.

3. Cost Drivers

The O&M costs for the Natural Resources and Post Construction teams are primarily employee labor and non-labor charges associated with licensing, permitting, construction and/or post-construction environmental compliance for capital and O&M projects.

a. **Labor**: SDG&E is requesting $100,000 for labor annualization costs related to partial year compensation for four new employees onboarded during the base year 2021. Refer to work paper group 1EV000.000 in Ex. SDG&E-24-WP.

b. **Non-Labor:** Upward pressures include non-labor costs for various programs listed below.

- **Enhancement Program Implementation Support, Training Materials.** This initiative assures that all post construction site restoration activities have support to obtain the necessary customer and landowner approvals and awareness of SDG&E restoration activities on their property. SDG&E is forecasting to spend $58,000 annually for the years 2022-2024 to support this initiative; therefore, SDG&E is requesting $58,000 for TY 2024. The support activities include but are not limited to coordinating site access, compiling and communicating schedules to customers and landowners and tracking customer and landowner contacts for these post construction restoration activities. Refer to work paper group 1EV000.000 in Ex. SDG&E-24-WP.

- **Cleveland National Forest (CNF) and Bureau of Land Management (BLM) O&M Plans:** Environmental Services has identified upward cost pressures to implement the CNF and BLM O&M Plans. In 2018, Congress amended the Federal Land Policy and Management Act (FLPMA) to add Section 512, which establishes requirements

for the development and approval of operating plans and agreements for powerline facility maintenance and vegetation management on National Forest Services (NFS) lands to remove or prune hazard trees. The Act established a more consistent and streamlined process for development, approval, and implementation of vegetation management, facility inspection, and O&M plans for electric utilities operating in rights-of-way on NFS and BLM lands, including timelines and benchmarks for approvals of plans and modifications. The rule became effective on August 10, 2020. The implementation of the rule will promote the reliability of the electric grid and will reduce the threat of damage to powerline facilities, natural resources, and nearby communities by streamlining approval for routine and emergency vegetation management on NFS lands. It's possible that the BLM O&M Plan (signed in December 2021) will benefit future O&M and capital projects due to a consistent and streamlined approval process. The CNF and BLM O&M Plan costs are outlined below.

(1) **CNF Master Special Use Permit (MSUP) O&M Cost Recovery Agreement**: The annual estimate is based upon the total project cost of $900,440 allocated over 5 years or $180,088 per year beginning in 2022. The O&M portion of the total project cost is estimated to be 40%, therefore, SDG&E requests $72,000 in TY 2024. Refer to work paper group 1EV000.000 in Ex. SDG&E-24-WP.

(2) **BLM O&M Plan Implementation:** An Environmental Consultant will be needed to support the implementation activities. The consultant cost estimate for implementation of the Plan is $325,000 of which $227,000 represents O&M. SDG&E anticipates that the O&M plan will be developed and implemented during the two-year period ending 2024 and it expects the timing of the O&M expense to be $113,500 in 2023 and $113,500 in 2024, therefore SDG&E requests $113,500 in 2024. Refer to work paper group 1EV000.000 in Ex. SDG&E-24-WP.

H. Environmental Permitting and Project Management

1. Description of Costs and Activities

This non-shared O&M cost category includes labor and non-labor ancillary costs for land planners, project managers, and capital project compliance leads who license and permit capital projects. These teams work on electric capital projects under the jurisdiction of the CPUC and/or California Energy Commission, as well as projects that meet existing General Order (GO) 131-D

exemptions and are therefore exempt from active CPUC permitting requirements. These teams also work on gas capital projects that are regulated by the CPUC pursuant to GO 112-F.

2. Forecast Method

A base year forecast methodology was used to determine cost requirements. This method is most appropriate because it identifies specific environmental regulatory changes and their related costs impacting the company during the TY 2024 GRC period. The specific cost drivers are best applied to a conservative base year level and would not be captured by traditional averaging or trending that may not be reflective of recent spending patterns. The base year represents the most accurate manner of forecasting costs because it is the most representative of the current departmental activity and structure.

3. Cost Drivers

The O&M costs for the Environmental Project Permitting and Environmental Project Management are primarily employee labor and non-labor charges associated with licensing, permitting, construction and/or post-construction environmental compliance for capital and O&M projects. SDG&E is not forecasting any upward or downward pressures for these teams during the forecast period.

I. Sustainability Program and Strategies

1. Description of Costs and Activities

The activities in this O&M cost category include development and implementation of a comprehensive sustainability strategic program for SDG&E. This team collaborates with internal and external stakeholders to develop goals, metrics, and operational strategies to track and monitor, among other items, water, fuel, emissions, and energy consumption data. They are responsible for performing data analytics and they produce an annual update on progress to the Sustainability Strategy.

2. Forecast Method

A base year forecast methodology was used to determine cost requirements. This method is most appropriate because it identifies specific cost drivers related to sustainability and strategy that may impact the company during the TY 2024 GRC period. The specific cost drivers are best applied to a conservative base year level and would not be captured by traditional averaging or trending that may not be reflective of recent spending patterns. The base year represents the

most accurate manner of forecasting costs because it is the most representative of the current departmental activity and structure.

3. Cost Drivers

The cost drivers associated with this function are primarily labor costs for employees and non-labor charges for consultants, benchmarking fees, and subscription costs. Environmental Services is requesting additional funding for sustainability costs related to education, outreach, and communications.

a. **Non-Labor**. Upward pressures include non-labor costs for consultants to develop continuing education and awareness materials (e.g., printed materials, brochures, newsletters, training video) for the Sustainability Program. SDG&E is requesting $150,000 in 2024. Refer to supplemental work paper 1EV000.004 in Ex. SDG&E-24-WP.

J. NERBA

1. Description of Costs and Activities

Background

In the TY 2012 GRC, the Commission approved the NERBA as a two-way balancing account, with multiple subaccounts, to record costs associated with certain new and proposed environmental rules or regulations. The currently authorized NERBA gas and electric subaccounts include (1) Assembly Bill 32; (AB32) Administration Fees; (2) Municipal Separate Stormwater Sewer Systems (MS4); (3) Polychlorinated Biphenyls (PCBs) Phase-Out, (4) Subpart W of Part 98 of Title 40 of the Code of Federal Regulations; and (5) Leak Detection Abatement Repair (LDAR). The intent of the NERBA is to record costs meeting the following key criteria: (1) uncertainty as to the scope, magnitude, and mechanics of the compliance requirements associated with new, proposed, or evolving environmental rules or regulations; and (2) potential for incurring significant incremental costs.

Proposal

As mentioned in the Regulatory Accounts testimony of Mr. Kupfersmid (Ex. SDG&E-43), SDG&E is requesting that the existing structure of the NERBA balancing account be authorized to continue during this GRC cycle. SDG&E's proposed NERBA-related costs are shown below in Table BS-4.

TABLE BS-4
Non-Shared Balanced O&M Summary of Costs for NERBA

NERBA ITEM	2021 Adjusted-Recorded	TY 2024 Estimated	Change	Status
AB32 Administrative Fees	$1,274	$1,331	$57	Continue in 2024 GRC Period
MS4	$0	$10	$10	Continue in 2024 GRC Period
PCB Phase-Out	$0	$0	$0	Continue in 2024 GRC Period
Subpart W	$2	$2	$0	Continue in 2024 GRC Period
LDAR	$166	$60	($106)	Continue in 2024 GRC Period
TOTAL	$1,442	$1,403	($39)	

2. Forecast Method

A base year forecast methodology was used to determine cost requirements for NERBA as a cost category. This method is appropriate because it identifies specific environmental regulatory requirements and their related costs impacting the company during the TY 2024 GRC period. The specific cost drivers are best applied to a conservative base year level and would not be captured by traditional averaging or trending that may not be reflective of recent spending patterns. The base year represents a reliable and accurate manner of forecasting costs since it is the most recent and reliable indicator of specific cost drivers for the department during the forecasting period. Further, as NERBA costs are, generally, not readily predictable given the attributes described earlier, traditional average of historical costs may not be a representative or accurate forecasting methodology.

3. Cost Drivers

The following NERBA subaccounts represent the cost drivers and collectively contribute to a total forecasted amount of $1,403,000 in TY 2024:

- **AB32 Administrative Fees:** SDG&E pays administrative fees as required by the California's Global Warming Solutions Act of 2006, referred to as "Assembly Bill (AB) 32." These fees allow CARB to recover its costs to implement AB32. AB32 requires public utility gas corporations, such as SDG&E, to pay annual administrative fees for each therm of natural gas they deliver to any end user in California, excluding natural gas delivered to electric generating facilities and to wholesale providers. AB32 requires electric generating facilities located in California, such as SDG&E's Palomar Power Plant, to pay annual administrative fees for each megawatt per hour (MW-hr) of net power generated by the combustion of natural gas. Due to regulatory uncertainty related to GHG inventory and reporting requirements, the import of electric power from out of state is unpredictable, the production of power plants is subject to California Independent System Operator (ISO) load requirements in California, and market forces are unpredictable in the summer months. SDG&E will continue to track the AB32 Administrative fees in the NERBA for the period covered by the TY 2024 GRC. SDG&E is requesting an increase of $57,000 for the AB32 Administrative Fees beyond the base year level. Refer to work paper group 1EV001.002 and 1EV002.002 and supplemental work paper 1EV001.002 Ex. SDG&E-24-WP.

- **Municipal Separate Stormwater Sewer System (MS4) Permit:** The San Diego Regional Water Quality Control Board (RWQCB) issued a revised MS4 Permit to owners/operators that include new requirements for cities and municipalities located in San Diego and Orange Counties, the Orange County Flood Control District and the San Diego County Regional Airport Authority.[2] In addition, municipalities and owners/operators must regulate dischargers within their jurisdiction and commercial facilities must minimize the discharge of pollutants through the implementation of BMPs. The MS4 Permit also requires the development and implementation of watershed-based plans (Water Quality Improvement Plans or WQIPs), and the identification and development of strategies for priority water bodies that need further protection and/or restoration. In 2016, San Diego and Orange Counties, the City of San Diego, the Orange County Flood Control District, and the San Diego County Regional Airport Authority issued updated stormwater ordinances, released their

[2] San Diego Regional Water Quality Control Board Order No. R9-2013-0001, as amended by Order Nos. R9-2015-0001 and R9-2015-0100.

new jurisdictional plans and BMP requirements[3]. Due to the uncertainty of additional cities and municipalities that may become more stringent during BMP implementation and may impose further compliance requirements during an inspection at its facilities in the future, SDG&E is including $10,000 in TY 2024 costs associated with MS4 Permit requirements subject to two-way balancing account treatment in the NERBA. Refer to work paper group 1EV001.003 and 1EV002.004 in Ex. SDG&E-24-WP.

- **PCB Phase-Out Costs:** Although no costs are currently forecasted for the PCB Phaseout subaccount, unforeseen regulatory requirements may present themselves within this TY 2024 GRC period that may require incremental costs to comply and, thus, should qualify as appropriate for inclusion within this existing NERBA two-way balancing account.
- **Subpart W Costs:** This applies to leaks and fugitive emissions from SDG&E's natural gas distribution system. In order to come up with an accurate emission factor SDG&E has to test a subset of its Transmission-Distribution (TD) gate stations annually. The forecasted costs are not significant for the Subpart W subaccount; $2,000 annually for 2022, 2023 and 2024, due to unforeseen regulatory requirements that may present themselves within the TY 2024 GRC period and may require incremental costs to comply. Thus, they should qualify as appropriate for inclusion within this existing NERBA two-way balancing account. Refer to work paper group 1EV002.001 in Ex. SDG&E-24-WP.
- **Leak Detection Abatement Repair (LDAR) Costs:** Due to LDAR regulatory requirements not associated with SB1371, SDG&E anticipates impacts to its gas facilities and operations. The initial protocols for testing, monitoring, and repair of leaks in compressor engines, pneumatic controllers, and piping under the CARB Oil and Gas Rule have been completed, therefore costs going forward will be less than the base year. Environmental Services is forecasting to spend $60,000 on an annual basis towards the LDAR program for the years 2022 – 2024. Therefore, SDG&E is requesting $60,000 in 2024, due to unforeseen regulatory requirements that may present themselves within the TY 2024 GRC period and may require incremental costs to comply and, thus, should qualify as appropriate for inclusion within this existing NERBA two-way balancing account. Refer to work paper group EV002.003 in Ex. SDG&E-24-WP.

K. SONGS

1. Description of Costs and Activities

Background

After the June 2013 closure of SONGS, most SONGS costs are appropriately considered to be decommissioning costs, and thus will be recovered through mechanisms other than the GRC. The remaining non-decommissioning costs are related to Marine Mitigation and Worker's Compensation. As the majority owner and licensee of SONGS, SCE sponsors these specific costs in its GRC filings, and in turn, the Commission has addressed SONGS-related expenses that SCE bills to SDG&E in SCE's GRC. In turn, SDG&E has filed intervenor testimony in SCE's TY 2021 GRC SDG&E seeking to establish and recover its 20% ownership interest in SONGS costs. The Commission has approved this methodology in order to maintain consistent treatment of SONGS billed costs and to avoid litigating SONGS costs and expenditures in more than one proceeding. This approach ensures there is no mismatch in treatment due to differentials in the timing of SCE's and SDG&E's GRCs and prevents any risk of overcollection from ratepayers.

Proposal

Requesting continued funding of SDG&E's 20% share of SONGS marine mitigation and worker's compensation costs based upon the existing methodology approved by the Commission.

2. Forecast Method

A zero-base forecast methodology is used to determine cost requirements for SONGS as these costs represent a pass-through of SCE's recoverable amounts that are billed to SDG&E based upon its 20% ownership interest in SONGS.

3. Cost Drivers

SDG&E's TY 2024 request presented in this testimony and shown in Table BS-5 below presents the portion of SONGS-related direct O&M costs established in SCE's TY 2021. SDG&E's methodology for calculating its 20% share of SONGS related costs and the resulting 2021 forecast SONGS revenue requirement of $1,517,000 was established in SCE's TY 2021

GRC.[3] The total cost includes $1,285,000 for approved Marine Mitigation costs, $177,000 for Worker's Compensation costs and Franchise Fees and Uncollectibles (FF&U) of $55,000. The 2021 forecast approved as part of SCE's TY 2021 GRC is escalated annually to arrive at the 2024 estimate of $1,540,000 in Table BS-5 below. Refer to supplemental work paper 1EV003.000 in Ex. SDG&E-24-WP.

TABLE BS-5
Test Year 2024 Summary of SONGS O&M

CATEGORIES OF COSTS	2021 Adjusted-Recorded	TY 2024 Estimated	Change
A. Marine Mitigation	$1,066	$1,354	$288
B. Worker's Compensation	$150	$186	$36
TOTAL	$1,216	$1,540	$324

a. Marine Mitigation Costs

SDG&E incurs its 20% share of SONGS Marine Mitigation costs that are derived from values determined in SCE's TY2021 GRC. These costs represent labor and non-labor expenses associated with the monitoring and maintenance of the San Dieguito Wetlands and the Wheeler North Reef and are designed to mitigate the turbidity effects caused by the movement of ocean water used to cool SONGS when it was operational. SCE provides its 78.21% of Marine Mitigation expense forecast for SONGS in its TY 2021 GRC. SCE will bill SDG&E for its 20% share of these expenses at the 100% level, including contractual overheads.[4]

The Marine Mitigation costs provided in SCE's forecast of Marine Mitigation direct costs are determined by SCE's project managers incorporating the assessments and directions of the California Coastal Commission's technical advisors and include the California Coastal Commission monitoring efforts. When billed to SDG&E, these costs are loaded with SCE's contractual overheads (SCE's labor and non-labor Administrative and General (A&G) overheads, and SCE's Pension and Benefits overhead, SCE's payroll taxes). Table BS-5

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[3] See D.21-08-036 at 553-554.

[4] *See* Application (A.) 19-08-013, SCE's 2021 GRC, Ex. SDG&E-01, detailing SDG&E's 20% share of the Marine Mitigation forecast at 100% for SONGS in SCE's TY 2021 GRC.

identifies the resulting forecast of SDG&E's expense, which includes escalation from 2021 to 2024, for use in this proceeding as $1,354,000 (TY 2024) for SONGS Marine Mitigation.

To ensure that SDG&E's ratepayers pay no more and no less for SONGS Marine Mitigation than what SCE bills SDG&E, SDG&E has established the Commission-approved Marine Mitigation Memorandum Account (MMMA).[5] The MMMA is continuing and approved until otherwise directed by the Commission. The regulatory accounting for the SONGSBA and MMMA are addressed by Mr. Kupfersmid (Ex. SDG&E-43).

b. SONGS Worker's Compensation Costs

SCE continues to bill SDG&E for SCE's Master Insurance Program (MIP)/Self-Insured Worker's Compensation expenses resulting from SONGS worker's compensation related accident and injury claims while SONGS was operating. The MIP program was active from 1972 to 1999. It provided insurance coverage for all of SCE, including the owners, contractors, and subcontractors at SONGS, under one insurance program for General Liability and Worker's Compensation. The program was terminated in 1999, so premiums are no longer paid into the program. However, there are still open claims that are the responsibility of SONGS' co-owners.

For periods after 1999 through June 7, 2013, SCE maintained a self-insured worker's compensation program under California's worker's compensation laws. That program included SCE workers at SONGS while it was operational. Collectively with the MIP, this program is referred to as "Worker's Compensation."

Current and former SONGS workers can initiate a claim under California's worker's compensation laws even after the employment related to the claim has ended. Thus, SONGS-related claims for 1972 through 1999 under MIP continue, as do claims under the Self-Insured Worker's Compensation from 2000 until June 7, 2013. Both the MIP and Self-Insured Worker's Compensation will remain open until all claims are closed.

The SONGS-related Worker's Compensation costs are included in SCE's worker compensation revenue requirement forecast for the entire company. SCE provided SDG&E with a breakout of SONGS related Worker's Compensation for SCE's TY 2021 GRC.[6] Table BS-5

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[5] SDG&E, Preliminary Statement, Marine Mitigation Memorandum Account, *available at*: https://tariff.sdge.com/tm2/pdf/ELEC_ELEC-PRELIM_MMMA.pdf.

[6] *See* A.19-08-013, SCE's 2021 GRC, Ex. SDG&E-01 (Attachment C).

identifies the resulting forecast of SDG&E's expense, which includes escalation from 2021 to 2024, for use in this proceeding as $186,000 (TY 2024) for SONGS Workers Compensation. In Decision (D.) 06-11-026, the Commission authorized SDG&E to establish the SONGS Balancing Account (SONGSBA), which allows SDG&E to recover no more and no less than the non-decommissioning SONGS costs billed by SCE. The SONGSBA is continuing and approved until otherwise directed by the Commission. The regulatory accounting for the SONGSBA is addressed by Mr. Kupfersmid (Ex. SDG&E-43).

c. Future GRC Proceedings

Traditionally SDG&E submits intervenor testimony in SCE's GRCs to seek recovery of its 20% ownership interest in SONGS costs. The Rate Case Plan Decision (D.20-01-002) extended the GRC cycle for each large California investor-owned utility from three to four years. SCE was directed to update its 2021 GRC application to add a third attrition year for 2024. SCE's 2024 attrition year is also SDG&E's test year for its 2024 GRC.

SDG&E proposes to change the recovery process for its 20% share of SONGS' costs. Starting in 2024, SDG&E proposes to no longer intervene in SCE's GRC cases to determine the forecast for SONGS Marine Mitigation and Workers' Compensation costs. Instead, SDG&E will forecast and seek recovery of the SONGS costs in its own GRC proceedings and will use the approved Post Test Year mechanism from its GRC case for attrition year cost recovery. SDG&E respectfully requests the Commission approve the proposal for the following reasons:

1) SONGS's Marine Mitigation and Workers' Compensation costs are balanced and tracked in the SONGSBA and MMMA accounts, respectively. Any over or under collection will be refunded to ratepayers.
2) Since Marine Mitigation and Workers' Compensation costs are relatively flat, SDG&E can accurately forecast the costs using a zero-based methodology by using SCE's adopted SONGS costs from SCE's GRC. Alternatively, SDG&E could use a historical average or trends to forecast the costs.
3) Seeking recovery of SONGS costs in SDG&E's own GRC will eliminate the administrative burden of intervening in SCE's cases.

IV. CONCLUSION

My testimony and work papers provide support for the costs I sponsor for Environmental Services, and the reasonableness of the methodologies used to derive those costs. The test year forecast represents an increase over base year costs due to increased workload in addition to new compliance requirements and initiatives. I respectfully ask the Commission to fully fund this important work so SDG&E can continue to meet its obligations to applicable regulations and environmental stewardship.

This concludes my prepared direct testimony.

V. WITNESS QUALIFICATIONS

My name is Brittany Applestein Syz. My business address is 8335 Century Park Ct., San Diego, California, 92123. My current position is Director of Environmental Services and Sustainability under the Energy Procurement and Sustainability organization. The Environmental Services & Sustainability and SONGS organizations provide services to SDG&E. I joined SDG&E in 2015. I have been in my current position at SDG&E since 2020. I am a licensed attorney in the State of California.

APPENDIX A

GLOSSARY OF TERMS

APPENDIX A – GLOSSARY OF TERMS

Acronyms	Definition
AB	Assembly Bill
ACOE	Army Corps of Engineers
ATCM	Airborne Toxic Control Measures
BLM	Bureau of Land Management
BMP	Best Management Practice
CARB	California Air Resources Board
CO2	Carbon Dioxide
EA	Environmental Assessment
EPA	Environmental Protection Agency
FF&U	Franchise Fees & Uncollectibles
GHG	Greenhouse Gas
HSCCA	Hazardous Substance Cleanup Cost Account
IAS	International Accreditation Service
LDAR	Leak Detection Abatement Repair
MMMA	Marine Mitigation Memorandum Account
MS4	Municipal Separate Storm Sewer System
NELAC	National Environmental Laboratory Accreditation Program
NERBA	New Environmental Regulatory Balancing Account
NOx	Nitrogen Oxides
NPDES	National Pollution Discharge Elimination System
PCB	Polychlorinated biphenyls
PM	Particulate Matter

Acronyms	Definition
RECLAIM	Regional Clean Air Incentives Market
RTC	RECLAIM Trading Credit
RWQCB	Regional Water Quality Control Board
SB	Senate Bill
SCAQMD	South Coast Air Quality Management District
SF6	Sulfur Hexafluoride
SONGS	San Onofre Nuclear Generating Station
SONGSBA	SONGS Balancing Account
SOx	Sulfur Oxides
TNI	The NELAC Institute
TSDF	Treatment Storage and Disposal Facility
WDR	Waste Discharge Requirement
WQC	Water Quality Certification
WQIP	Water Quality Improvement Plan