**DATA REQUEST**

**Please respond to the following questions regarding the VGI tariff, which states in part:**

Total Base Rate:

The hourly Total Base Rate will be charged on a volumetric (per kWh) basis.

Total Base Rate

* Subtotal Base Rate 0.05647
* Commodity Base Rate 0.05729
* Distribution Base Rate 0.03476

Total Base Rate 0.14852

Q1. Please confirm or correct the following statements:

1. The “Subtotal Base Rate” consists of all UDC rate components except Distribution.
2. The “Commodity Base Rate” consists of nonmarginal commodity or generation costs.
3. All marginal commodity or generation costs are mapped into either the CAISO day-ahead hourly price, or the VGI day-ahead C-CPP Hourly Adder
4. All marginal generation capacity costs are mapped into the VGI day-ahead C-CPP Hourly Adder
5. Distribution costs are mapped either into the “Distribution Base Rate” or VGI Distribution Critical Peak Pricing (D-CPP) Hourly Adder

**SDG&E Response:**

a. Yes. The "Subtotal Base Rate" presented on Sheet 2 of Schedule VGI consists of the Medium/Large Commercial & Industrial (M/L C&I) class average UDC rates except distribution rates, and thus, consists of the M/L C&I class average Transmission, Public Purpose Program (PPP), Nuclear Decommissioning (ND), Competition Transition Charge (CTC), Local Generation Charge (LGC), Reliability Services (RS), Department of Water Resources Bond Charge (DWR-BC) rates.

b. The "Commodity Base Rate" reflects recovery of the total commodity revenue requirement allocated to the M/L C&I customer class less commodity capacity revenues forecasted to be collected in the C-CPP Hourly Adder during the system's top 150 hours less California Independent System Operator (CAISO) day-ahead variable cost adjustment revenues.

c. The C-CPP Hourly Adder is designed to recover 50% of the marginal commodity capacity costs associated with the M/L C&I class. The remaining 50% of the commodity capacity costs are recovered through the commodity base rate. The CAISO day-of hourly adjustment for surplus energy is applied when the day-of prices are lower than day-ahead prices by one cent or greater.

d. See response to c.

e. Yes, the VGI rates are designed to recover distribution costs through either the "Distribution Base Rate" or D-CPP Hourly Adder.

Q2. SDG&E witness Cyndee Fang wrote the following description of the proposed “Grid Integration Rate” day-ahead C-CPP Hourly Adder: *[[1]](#footnote-2)*

*“The Commodity CPP Adder provides an alternative to peak demand charges that still provide incentives for customers to avoid adding to system load which may delay the need for new capacity investments. Customers will be notified on a day-ahead basis when forecasted load exceeds an established threshold with the threshold calculated based on the top 150 system hours from the previous year, which represents approximately 1.71% of annual hours.”*

a. Does the above testimony correctly describe the current VGI day-ahead C-CPP Hourly Adder? If not, please correct this description so that it would apply to the current VGI day-ahead C-CPP Hourly Adder.

b. Please confirm that the total number of C-CPP event hours in a given year may exceed 150 hours, and that total number of C-CPP event hours in a given year may be fewer than 150 hours

c. What is the maximum number of days in on which C-CPP events can be called a given year?

**SDG&E Response:**

a. Yes. The testimony cited above correctly describes the fact that both commodity demand charges and the Schedule VGI C-CPP Hourly Adder are designed to recover commodity capacity costs from customers.

b. The C-CPP Hourly adder is applied to any hour that is forecasted to exceed the C-CPP threshold for the year. If the actual number of hours that exceed the threshold is greater or less than 150, then the number of hours the C-CPP adder is applied will also be greater or less than 150 hours.

c. The C-CPP Hourly Adder will be added to the hours that exceed the C-CPP threshold of the forecasted top 150 SDG&E system peak hours on a day-ahead basis based on the CAISO day-ahead demand forecast. There are no maximum number of days to which the adder may be applied. The event hours are determined based on the threshold set at the beginning of the year. All hours with a forecasted load greater than the threshold are deemed event hours.

Q3. The following question pertains to July 24, 2018, a day on which the CAISO day-ahead hourly price exceeded $1.00 per kWh (in hour 20).

a. Did SDG&E call any C-CPP events on that day? If so, in which hours?

b. Did SDG&E call any D-CPP events on that day?

c. Did SDG&E call any D-CPP events for customers on Distribution line 0491 on that day? If so, in which hours?

d. What was the highest hourly rate per kWh paid by any SDG&E VGI customer on July 24, 2018, including the hourly base rate, CAISO hourly energy charges, and any CPP adders?

e. In which hour was that highest rate reached?

f. What was the highest hourly rate per kWh paid by SDG&E VGI customers served on Distribution line 0491 on July 24, 2018, including the hourly base rate, CAISO hourly energy charges, and any CPP adders?

**SDG&E Response:**

a. Yes, SDG&E called C-CPP events for hours beginning 14, 15, 16, 17, 18, 19, 20, 21, and 22.

b. Yes.

c. Yes, SDG&E called D-CPP events for hours beginning 11, 12, 13, 14, 15, and 16.

d. The highest hourly rate per kWh paid by a customer was $1.73/kWh, at hour beginning 19.

e. The highest hourly rate per kWh paid by a customer was $1.73/kWh, at hour beginning 19.

f. The highest hourly rate per kWh paid by a customer on circuit 0491 was $1.55/kWh, at hour beginning 16.

**End Request**

1. Testimony of C. Fang, p. CF-18, filed January 20, 2017, Application of SAN DIEGO GAS & ELECTRIC COMPANY (U902-E) for Approval of SB 350 Transportation Electrification Proposals [↑](#footnote-ref-2)