

**SDG&E 2018 RDW
A.17-12-013**

TURN Data Request TURN-SDG&E-003

To:	Michelle Somerville
Cc:	John Pacheco
From:	Marcel Hawiger (TURN)
Date Sent:	October 3, 2018
Response Due:	October 17, 2018
Subject:	Marginal Costs

Please provide electronic responses to the following questions. Hard copy responses are unnecessary. The responses should be provided on a CD sent by mail or as attachments sent by e-mail to the following people:

Kevin Woodruff
Woodruff Expert Services
1127 - 11th Street, Suite 514
Sacramento, CA 95814
kdw@woodruff-expert-services.com

Marcel Hawiger
The Utility Reform Network (TURN)
785 Market Street, Suite 1400
San Francisco, CA 94103
marcel@turn.org

- For each question, please provide the name of each person who materially contributed to the preparation of the response. If different, please also identify the witness who would be prepared to respond to cross-examination questions regarding the response.
 - For any questions requesting numerical recorded data, **please provide all responses in working Excel spreadsheet format if so available**, with cells and formulae functioning.
 - For any question requesting documents, please interpret the term broadly to include any and all hard copy or electronic documents or records in SDG&E's possession.
 - Finally, if partial responses are available prior to the requested due date, please forward them as soon as they become available. If any of these requests are unclear or otherwise objectionable, please contact Marcel Hawiger as soon as possible so that we may attempt to resolve any problems.
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The following requests relate to SDG&E's *Prepared Direct Testimony of Benjamin A. Montoya* served December 20, 2017 ("SDG&E Direct Testimony") and SDG&E's *Prepared Supplemental Testimony of Benjamin A. Montoya* served September 26, 2018 ("SDG&E Supplemental Testimony"). Provide all requested workpapers in electronic Excel-compatible format with all data and formulae intact and functioning.

- 1) Please provide the following information regarding the "Energy Cost Impacts" presented on pp. BAM-5 and BAM-6 of SDG&E's Prepared Direct Testimony:
 - a. Does SDG&E intend to update these estimates of "Energy Cost Impacts" based on the revised "Net Load Impacts" presented on p. BAM-5 of SDG&E's Supplemental Testimony? Explain why or why not SDG&E will update these estimates, and if it will, state when and how SDG&E will provide such updates.

SDG&E Response:

SDG&E did not intend to update these energy cost impacts. SDG&E's interpretation of the ALJ Ruling directing supplemental testimony on calculation of cost estimates and Greenhouse Gas Reductions was to provide updated GHG cost and reduction impacts.

- b. Does SDG&E intend to update the "hourly market price of energy" used to estimates "Energy Cost Impacts," as described at p. BAM-5, lines 12-16 of SDG&E's Prepared Direct Testimony? Explain why or why not SDG&E will update these estimates, and if it will, state when and how SDG&E will provide such updates.

SDG&E Response:

See response a.

- c. When computing "Energy Cost Impacts," does SDG&E believe it appropriate to subtract from the "hourly market price of energy" described at p. BAM-5, lines 12-16 of SDG&E's Prepared Direct Testimony, the Greenhouse Gas cost implicit in such market prices? Explain why or why not SDG&E takes this position.

SDG&E Response:

In its Prepared Direct Testimony, SDG&E multiplied the hourly market price by the corresponding hourly load impact to arrive at an hourly "energy cost impact". While SDG&E agrees that there is an implied GHG component in this calculated energy cost, SDG&E provided an "all-in" energy cost without breaking out the GHG component. Since this testimony is primarily about GHG impacts, it seemed appropriate to include the GHG cost component.