

ORA DATA REQUEST

ORA-SDGE-DR-06

A.17-12-013

SDG&E 2018 Residential Rate Design Window

Date Received: April 11, 2018

Date Submitted: April 13, 2018

DATA REQUEST: IDTM ME&O

Question 2:

Has SDG&E developed an alternative schedule for default TOU implementation in the event that a March 2019 IDTM is not approved?

- a. Please provide an overview of this alternative schedule.
- b. In this scenario, how would SDG&E treat customers included within the default pilot? Would default pilot customers remain on the pilot rate, or be transitioned to another rate?
- c. Would SDG&E intend to perform outreach to encourage customers to opt-in to TOU rates were there an interim between the default pilot and the IDTM? If yes, please provide an overview of the plan.

SDG&E Response:

This question is vague because it is not clear what ORA is asking SDG&E to assume by the phrase “in the event a March 2019 IDTM is not approved.” If ORA is asking SDG&E to assume that its proposed default-TOU plan is not approved, then SDG&E would transition the pilot participants to the applicable existing rates or according to the transition plan included in the final decision.

However, if ORA is asking SDG&E to assume that its default-TOU plan is approved, but that it is not approved in time for a March 2019 implementation, then SDG&E would need more information to answer these questions. For example, is ORA asking SDG&E to assume it would get a final decision by January 2019 or some other date in 2019? Without knowing the timing of a final decision, SDG&E cannot speculate about how it would handle transition issues related to the pilot participants.

With respect to timing generally, SDG&E would like to reiterate why it has requested a final decision in time to implement in March 2019. Again, this timing is mainly based on the schedule for SDG&E’s CIS Upgrade and the need to avoid an overlap with the Test Phase of the CIS Upgrade. This point was clarified in a recent response (copied to the service list on April 9, 2018) to data requests from Energy Division. In addition to correcting testimony on this point, these responses to Energy Division also explain how the schedules were put together to optimize system stability, operational effectiveness, and the overall customer experience. SDG&E also identified two key risks that make it unwise to begin Mass TOU Default past March 2019 and therefore extend the major part of Mass TOU Default transitions into Q1 2020:

1. The first risk is that the Mass TOU Default transition would overlap with the CIS Test Phase that is scheduled to begin early in Q1 2020. During the Test phase,

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SDG&E will be performing extensive testing of its new SAP system, including a detailed review of customer bills through a bill comparison process. The bill comparison process will consist of comparing actual bills generated in SDG&E's legacy CIS and using the same data to generate corresponding bills in the new SAP system. The bill comparison process will not be effective if a significant number of rate changes occur during the process. The bill comparison process is critical, as it will identify any discrepancies with calculations or line items, and thus help to ensure the new SAP system is configured correctly when it goes live in January 2021.

2. The second risk is insufficient resourcing for SDG&E during 2020. Throughout 2020, SDG&E's Customer Service and IT employees will be receiving extensive training on the new SAP system to properly prepare for when the system goes live. This process will occur in waves so that the existing operations are not impacted due to employees being pulled off line for training. This training process is critical to the success of the new SAP implementation and will require that employees are available and not pulled off to support other key initiatives, such as necessary tasks to implement mass default TOU rates.

Again, since SDG&E does not know when the Commission will issue its final decision, assuming it does not do so before the end of 2018, it cannot speculate about how it would handle the transition for pilot participants. If the possibility of a delayed decision becomes more likely as the proceeding continues, SDG&E could prepare another transition plan at that time, depending on what the timing might be.