

**CALSLA DATA REQUEST**  
**CALSLA-SDG&E-DR-01**  
**SDG&E SECOND AMENDED GRC Phase 2 APPLICATION – A.15-04-012**  
**SDG&E RESPONSE**  
**DATE RECEIVED: MAY 2, 2016**  
**DATE RESPONDED: MAY 17, 2016**

- 1) CALSLA received SDG&E’s electronic workpapers on compact disc. The disc was dated February 9, 2016. The following questions refer to SDG&E’s February 9, 2016 SDG&E-2 electronic workpapers: *Lighting Model 2016 GRC P2 – Dec 1 2015 Filing – Year 1 – Revised*, *Lighting Model 2016 GRC P2 – Dec 1 2015 Filing – Year 2 – Revised*, and *Lighting Model 2016 GRC P2 – Dec 1 2015 Filing – Year 3 – Revised*. CALSLA will refer to these files as “streetlight rate model”.
- a. Do these files, noted as Dec 1 2015, represent SDG&E’s most up to date streetlight rate model?
  - b. The streetlight rate model includes streetlight sales of 93,545,263 kWh. SDG&E-2, *CONFIDENTIAL Consolidated Model GRC P2 – Revised Workpapers* lists the 2016 GRC P2 streetlight forecast as 92,202,654 kWh. Please explain the difference in streetlight sales.
  - c. The streetlight rate model shows present rate revenues of \$18,891,117. SDG&E-2, *CONFIDENTIAL Consolidated Model GRC P2 – Revised Workpapers* lists the streetlight present rate revenues of \$18,316,581. Please explain the difference.
  - d. The streetlight rate model shows proposed year 1 rate revenues of \$20,184,634, an increase of 6.85% over the streetlight rate model’s present rate revenues. SDG&E-2, *CONFIDENTIAL Consolidated Model GRC P2 – Revised Workpapers* lists streetlight proposed year 1 rate revenues of \$20,445,195, an increase of 11.6% over the consolidated model’s present rate revenues. Please explain the difference between the streetlight rate model and consolidated model’s year 1 proposed streetlight revenues.

**SDG&E Response:**

- a. These are the latest filed streetlight rate models in this proceeding, consistent with the Second Amended Application filed on February 9<sup>th</sup>, 2016. The files labeled “Lighting Model 2016 GRC P2 – Dec 1 2015 Filing – Year 1 – Revised”, “Lighting Model 2016 GRC P2 – Dec 1 2015 Filing – Year 2 – Revised”, and “Lighting Model 2016 GRC P2 – Dec 1 2015 Filing – Year 3 – Revised” represent the streetlight rate models that were filed on February 9<sup>th</sup>, 2016 associated with the Revised Direct Testimony of Christopher Swartz.
- b. The streetlight sales in the three files “Lighting Model 2016 GRC P2 – Dec 1 2015 Filing – Year 1 – Revised”, “Lighting Model 2016 GRC P2 – Dec 1 2015 Filing – Year 2 – Revised”, and “Lighting Model 2016 GRC P2 – Dec 1 2015 Filing – Year 3 – Revised” are calculated based on the actual number of lamps effective December 31<sup>st</sup>, 2014 and assumed wattage contained within the Lighting Model, whereas, streetlight sales in the Consolidated model reflect the 2016 TY sales presented in the Direct Testimony of Ken Schiermeyer (Chapter 4). The number of lamps is multiplied by the assumption for Total Wattage for each lamp type and then multiplied by the assumption of 4,165 Dusk-to-

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Dawn Hours/Year.

- c. The difference in revenues calculated in the three Lighting Models and the Consolidated model is due to the difference in the sales in the two models. The streetlight revenues calculated in the Lighting Model are calculated based on the number of lamps and assumed wattage multiplied by the rates developed in the Lighting Model. The streetlighting rates developed in the Lighting Model are then presented in the “Consolidated Model GRC P2 - Revised Workpaper (CONFIDENTIAL)”, and the streetlighting revenues calculated in the Consolidated Model reflect the 2016 TY sales presented in the Direct Testimony of Ken Schiermeyer (Chapter 4) multiplied by the same streetlighting rates.
- d. See response to 1C.

- 2) In SDG&E’s original application for the 2016 General Rate Case, Phase 2, filed April 13, 2015, SDG&E Witness Yvonne M. Le Mieux sponsored testimony regarding dimmable street light rate design. Ms. Le Mieux describes SDG&E’s proposal to charge participating dimmable street light customers an administrative fee of \$0.04 per month per lamp (SDG&E-6, YML-9, lines 12-15). CALSLA acknowledges that this proposal was eliminated from SDG&E’s Second-Amended Application filed on February 9, 2016. CALSLA has the following questions:
- a. How did SDG&E calculate the proposed administrative fee of \$0.04 per month?
  - b. How many customers and how many streetlights were assumed to participate in the dimmable streetlight rate option described by Ms. Le Mieux?

Why was the proposed administrative fee proposal eliminated from SDG&E’s Second-Amended Application?

- c.

**SDG&E Response:**

- a. The \$0.04 administrative fee in the dimmable street lighting option proposed in SDG&E’s original April 13, 2015, GRC Phase 2 Direct Testimony of Yvonne Le Mieux was calculated based on the metering costs for small commercial customers as presented in the previously submitted Direct Testimony of William Saxe (Chapter 4). SDG&E used the metering costs for small commercial customers to calculate an equivalent metering cost for lighting customers. The metering costs for lighting were then divided by the number of lighting lamps to derive the incremental monthly \$0.04 cost per lamp.

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- b. The Direct Testimony of Yvonne Le Mieux did not assume a number for customer participation. Instead, this cost was allocated between all lights in the streetlighting class (159,000).
- c. In the Direct Testimony of Christopher Swartz (Chapter 2), filed on February 9, 2016, SDG&E proposed the development of a framework for a new dimmable streetlight option. This framework proposal replaced the previous proposal and associated administrative fee presented in the Direct Testimony of Yvonne Le Mieux filed on 4/13/2015.

In presenting the framework for the new rate option, SDG&E stated that it would “meet with the cities to discuss this new dimmable option to solicit feedback and support. As part of these discussions, SDG&E will further develop the rate design and business processes required for this new customer option”.<sup>1</sup> This has been occurring and the information being discussed is being incorporated into the new rate design, which will be introduced in this proceeding on June 3, 2016.

The initial introduction of the administrative fee when presented in the Direct Testimony of Yvonne Le Mieux filed on 4/13/2015 was intended to ensure that incremental costs associated with the implementation of a dimmable option would not be shifted to other customers. SDG&E continues to support the need for an administrative fee for the recovery of incremental administrative costs for the customers taking service under the new option, in order to minimize cost shift to other customers:

“The introduction of this dimmable rate option would incur additional administrative costs for SDG&E. As such, as part of this framework SDG&E would propose an administrative fee as part of this option.”<sup>2</sup>

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<sup>1</sup> See, Direct Testimony of Christopher Swartz, pg. CS-59.

<sup>2</sup> See, Direct Testimony of Christopher Swartz, pg. CS-59.