

Application of SAN DIEGO GAS & ELECTRIC )  
COMPANY for authority to update its gas and electric )  
revenue requirement and base rates )  
effective January 1, 2019 (U 902-M) )

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Proceeding: 2019 General Rate Case  
Application: A.17-10-007  
Exhibit No: (SDG&E-40-WP-R)

REVISED  
WORKPAPERS TO  
PREPARED DIRECT TESTIMONY  
OF ERIC L. DALTON  
ON BEHALF OF SAN DIEGO GAS & ELECTRIC COMPANY  
  
BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA

DECEMBER 2017



San Diego Gas & Electric  
Miscellaneous Revenue Workpapers

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**San Diego Gas & Electric Miscellaneous Revenue**  
**Miscellaneous Revenues**  
**Workpaper Summary**

		RECORDED						Growth Rate			FORECAST		
		Dec 2012	Dec 2013	Dec 2014	Dec 2015	Dec 2016	Average	2017	2018	2019	2017	2018	2019
Page													
ELECTRIC													
Service Establishment Fees	2	2,825	2,400	2,364	2,399	2,402	2,478	0.75%	0.93%	0.97%	2,472	2,485	2,523
Collection Charges	3	1,868	1,608	612	104	99	858				95	90	86
Late Payment Charges	4	428	478	638	722	598	573	1.04%	1.20%	1.08%	579	586	592
Return Check Charge	5	220	223	231	240	269	237	0.75%	0.93%	0.97%	202	209	209
Direct Access Fees	6	83	75	68	60	59	69				69	69	69
CO-GEN Reimbursement	7	232	224	220	184	172	206				207	207	207
Smart Meter Opt-Out	8	102	166	186	157	92	141				43	34	27
Other Service Revenue	9	209	324	1,804	520	478	667	0.75%	0.93%	0.97%	672	678	685
Total Account 451		5,967	5,498	6,123	4,386	4,169	5,229				4,339	4,358	4,398
Rent	10	805	895	959	1,048	1,012	944	-0.29%	4.00%	4.00%	1,009	1,049	1,091
Special Facility Charges	11	755	951	840	2,251	2,867	1,533				2,031	2,031	2,031
CAC Revenue	12	452	601	365	98	756	455				455	455	455
Other - Misc Revenue	13	55	40	54	46	41	47	1.50%	1.50%	1.50%	48	49	49
Total Account 454		2,067	2,487	2,218	3,443	4,676	2,979				3,543	3,584	3,626
Revenue Cycle Service Credits	14	(240)	(254)	(257)	(257)	(248)	(251)				(251)	(251)	(251)
Pole Attachment Fees	15	1,525	1,436	1,564	1,599	1,910	1,607				1,609	2,881	2,900
Shared Asset	16	4,802	7,937	6,662	5,644	4,043	5,818				4,349	3,532	3,675
Federal Turnkey Program	17	2,509	1,626	1,133	817	(615)	1,094				(440)	400	340
Emergency Services	18	245	(2)	27	-	-	54				50	50	50
Parts Replacement	19	-	-	-	-	18	4				39	177	255
Total Account 456		8,841	10,743	9,129	7,803	5,108	8,326				5,356	6,789	6,969
Total Electric		16,875	18,728	17,470	15,632	13,953	16,534				13,238	14,731	14,993
GAS													
Service Establishment Fees	20	1,407	1,329	1,207	1,228	1,183	1,271	0.55%	0.71%	0.67%	1,166	1,167	1,176
Collection Charges	2	801	689	262	44	43	368				41	39	37
Late Payment Charges	21	42	45	60	49	46	48	0.87%	0.84%	0.62%	49	49	50
Smart Meter Opt-Out	22	55	89	100	85	50	76				23	18	15
Total Account 488		2,305	2,152	1,629	1,406	1,322	1,763				1,279	1,273	1,278
Rent	23	18	18	22	22	23	21	3.00%	4.00%	4.00%	24	25	26
Total Account 493		18	18	22	22	23	21				24	25	26
CAC Revenue	24	63	88	46	11	117	65				65	65	65
Federal Turnkey Program	25	323	316	350	406	124	304				(171)	156	132
Shared Asset	26	2,066	3,493	2,641	2,188	1,581	2,394				1,751	1,419	1,482
Total Account 495		2,452	3,897	3,037	2,605	1,822	2,763				1,645	1,640	1,679
Total Gas		4,775	6,067	4,688	4,033	3,167	4,547				2,948	2,938	2,983
Total Electric and Gas		21,650	24,795	22,158	19,665	17,120	21,081				16,186	17,669	17,976

**SAN DIEGO GAS & ELECTRIC COMPANY  
MISCELLANEOUS REVENUES  
FERC ACCOUNT 451 SERVICE ESTABLISHMENT FEES**

**A) Description**

Revenue collection from residential and non-residential customers for establishment of electric service. D.16-06-054, the decision in the TY2016 GRC, approved the change in the fee structure from \$5 for non-fielded orders and \$15 for base fielded orders to \$5.85. This change was effective on August 1, 2016 when Schedule SE was changed.

**B) Forecast Methodology**

The 2019 forecast is calculated using the 2016 order count times estimated customer growth rate (2017-2019) for all customer types less the average fee reversal rate.

**Service Establishment Orders Revenues (All Customer Classes) (000s)**

2012	2013	2014	2015	2016	5 YR AVG
2,825	2,400	2,364	2,399	2,402	2,478

**Forecasted Growth Rate - (All Customer Classes)**

2017	2018	2019
0.75%	0.93%	0.97%

Electric Customer Growth Rate witness Ken Schiermeyer

**Fee Reversal Rate:**

2017	2018	2019
-1.1%	-1.1%	-1.1%

Charges reversed by Call Center

	Recorded Actuals					Forecast <sup>2</sup>		
	2012	2013	2014	2015	2016 <sup>1</sup>	2017	2018	2019
Remote Transactions	600,464	602,660	584,939	587,710	589,591	587,368	590,192	598,211
Fielded Transactions	72,631	47,253	43,178	43,588	38,958	38,319	38,005	38,007
Waived Transactions	(8,893)	(8,077)	(7,807)	(7,189)	(7,131)	(7,093)	(7,116)	(7,200)
Net Transactions	664,202	641,836	620,310	624,109	621,418	618,594	621,081	629,018

Note 1: \$5.85 fee was implemented August 1, 2016

Note 2: Forecast based on (Prior Year Net Transactions + Meter Growth - Waived Fees) x \$5.85

**C) Summary of Results**

Line	Miscellaneous Revenue	Total (000's)
1	2016 Recorded	2,402
2	2017 Estimated	2,472
3	2018 Estimated	2,485
4	2019 Test Year	2,523

**SAN DIEGO GAS & ELECTRIC COMPANY  
MISCELLANEOUS REVENUES  
FERC ACCOUNT 451/488 COLLECTION CHARGES**

**A) Description**

Revenue from charges assessed to customers to pay for the cost of delivering field collection notices and field disconnections. The fees are based on \$9 and \$15 increments.

**B) Forecast Methodology**

The 2019 forecast uses a two-year average for field collection notices due to the significant decrease in notices beginning June 2014. A two-year average is also used for field disconnection charges to keep consistency.

**Recorded (\$000)**

2012	2013	2014	2015	2016	
1,868	1,608	612	104	99	Electric
801	689	262	44	43	Gas

**\$9 Field Collections Notices**

**Chargeable calls completed (000s)**

2012	2013	2014	2015	2016	
259	249	92	10	9	All Customers

**Projected calls completed (000s, operational changes and best estimate of orders created)**

2017	2018	2019	
9	8	8	All Customers

**Revenue Projection (\$9) (\$000)**

2017	2018	2019	
79	75	71	All Customers

**\$15 Field Disconnections - G/L 4331002, 4330112**

**Chargeable disconnections completed (000s)**

2012	2013	2014	2015	2016	
22	4	3	4	4	All Customers

**Projected calls completed (000s, operational changes and best estimate of orders created)**

2017	2018	2019	
4	4	3	All Customers

**Revenue Projection (\$15) (\$000)**

2017	2018	2019	
57	54	52	All Customers

**C) Summary of Results**

		Collection Notice (\$9)			Credit Disconnection (\$15)		
		Electric	Gas	Total	Electric	Gas	Total
Line	Miscellaneous Revenue	Total (000's)	Total (000's)	Total (000's)	Total (000's)	Total (000's)	Total (000's)
1	2016 Recorded	58	25	83	41	18	59
2	2017 Estimated	55	24	79	40	17	57
3	2018 Estimated	52	22	75	38	16	54
4	2019 Test Year	50	21	71	37	16	52

		Total Electric			Total Gas		
		\$9	\$15	Total	\$9	\$15	Total
Line	Miscellaneous Revenue	Total (000's)	Total (000's)	Total (000's)	Total (000's)	Total (000's)	Total (000's)
1	2016 Recorded	58	41	99	25	18	43
2	2017 Estimated	55	40	95	24	17	41
3	2018 Estimated	52	38	90	22	16	39
4	2019 Test Year	50	37	86	21	16	37

**SAN DIEGO GAS & ELECTRIC COMPANY  
MISCELLANEOUS REVENUES  
FERC ACCOUNT 451 LATE PAYMENT CHARGES**

**A) Description**

Revenue from the charges assessed to commercial customers for delinquent payments.

**B) Forecast Methodology**

The 2019 forecast is based on the calculation of the five-year historical average (2012-2016 recorded) adjusted by estimated annual customer growth for the period 2017 - 2019.

**Recorded (\$000)**

2012	2013	2014	2015	2016	5 YR AVG
428	478	638	722	598	573

**Forecast Growth Rate and Revenue (000s) - (Commercial/Industrial)**

2017	2018	2019	Customer Growth Rate
1.04%	1.20%	1.08%	
579	586	592	Forecasted Revenue

**C) Summary of Results**

Line	Miscellaneous Revenue	Total (000's)
1	2016 Recorded	598
2	2017 Estimated	579
3	2018 Estimated	586
4	2019 Test Year	592

**SAN DIEGO GAS & ELECTRIC COMPANY  
MISCELLANEOUS REVENUES  
FERC ACCOUNT 451 RETURNED CHECK SERVICE CHARGE**

**A) Description**

A fee of \$7 is charged to customers for returned checks.

**B) Forecast Methodology**

The 2019 forecast is based on customer growth rate and \$7 fee effective August 1, 2016. The implementation of the reduced fee from \$8 to \$7 is expected to occur in 2017. There is a \$7,000 reduction in fees forecasted for 2017 due to the refunds of the reduced fee for 2016/2017. The forecasts for 2018 & 2019 have increases based on the expected customer growth.

**Gross Volume of Charges assessed by Service Type (in thousands)** a 70/30 split is used to book in SAP(2 separate GLs)

2012	2013	2014	2015	2016	
165	168	173	180	202	Electric
55	56	58	60	67	Gas
220	223	231	240	269	Total \$
27	28	29	30	34	Total Count

30 5 Year Average

**Gross Volume of Charges assessed (in thousands)**

2012	2013	2014	2015	2016
27	28	29	30	34

**Gross Charges Recorded (\$000)**

2012	2013	2014	2015	2016
\$ 8.00	\$ 8.00	\$ 8.00	\$ 8.00	\$ 8.00
220	223	231	240	269

**GRC Electric Acct Growth Rate (See Page 2)**

2017	2018	2019
0.75%	0.93%	0.97%

**Allowed Charges Rate**

2017	2018	2019
202	209	209

Gross Charges - Changed from \$8 to \$7

**C) Summary of Results**

Line	Miscellaneous Revenue	Total (000's)
1	2016 Recorded	269
2	2017 Estimated	202
3	2018 Estimated	209
4	2019 Test Year	209

**SAN DIEGO GAS & ELECTRIC COMPANY  
MISCELLANEOUS REVENUES  
FERC ACCOUNT 451 DIRECT ACCESS (DA) FEES**

**A) Description**

Revenues from Direct Access (DA) fees include charges billed to Energy Service Providers (ESP's) for late payments, rebilling and other miscellaneous billing requests completed by SDG&E on behalf of ESP's. In addition, DA fees include metering charges billed to DA customers for installation of meters and monthly maintenance of SDG&E-owned meters.

**B) Forecast Methodology**

The 2019 forecast is based on the calculation of the five-year historical average (2012-2016 recorded).

**Recorded (\$000)**

2012	2013	2014	2015	2016	5 YR AVG
83	75	68	60	59	69

2017	2018	2019
69	69	69

**C) Summary of Results**

Line	Miscellaneous Revenue	Total (000's)
1	2016 Recorded	59
2	2017 Estimated	69
3	2018 Estimated	69
4	2019 Test Year	69



**SAN DIEGO GAS & ELECTRIC COMPANY  
MISCELLANEOUS REVENUES  
FERC ACCOUNT 451 COGENERATION REIMBURSEMENT**

**A) Description**

Cogeneration reimbursements reflect credits received from the billing of cogeneration and small power producers for reimbursement of utility operating and maintenance expenses for work performed by the utility at the customer's facilities.

**B) Forecast Methodology**

The 2019 forecast is based on the calculation of the five-year historical average (2012-2016 recorded).

**Recorded (\$000)**

2012	2013	2014	2015	2016	5 YR AVG
232	224	220	184	172	207

2017	2018	2019
207	207	207

**C) Summary of Results**

Line	Miscellaneous Revenue	Total (000's)
1	2016 Recorded	172
2	2017 Estimated	207
3	2018 Estimated	207
4	2019 Test Year	207

**SAN DIEGO GAS & ELECTRIC COMPANY  
MISCELLANEOUS REVENUES  
FERC ACCOUNT 451 SMART METER OPT-OUT FEES**

**A) Description**

Smart Meter Opt-Out fee revenues is a charge to customers who opt-out of having a smart meter. The fee structure has a limit of three years.

**B) Forecast Methodology**

The forecast is based on the three year limit charge for opt-out customers, which reached the peak in 2014 and will continue to decline through the years of 2017 - 2019. Smart Meter Opt-out fees were previously balanced in the Smart Meter Opt-out balancing account and is now included in miscellaneous revenue. Additional information on smart meter opt-out fees can be found in the testimony of Gwen Marelli (EX. SDG&E-17).

**Recorded (\$000)**

2012	2013	2014	2015	2016	5 YR AVG
102	166	186	157	92	141

**Forecast Growth Rate**

2017	2018	2019
43	34	27

**C) Summary of Results**

Line	Miscellaneous Revenue	Total (000's)
1	2016 Recorded	92
2	2017 Estimated	43
3	2018 Estimated	34
4	2019 Test Year	27

**SAN DIEGO GAS & ELECTRIC COMPANY  
MISCELLANEOUS REVENUES  
FERC ACCOUNT 451 OTHER SERVICE REVENUES**

**A) Description**

Other service revenues are primarily from temporary service work, but also include meter testing, special metering and billing charges, and other service charges.

**B) Forecast Methodology**

The 2019 forecast is based on the calculation of the five-year historical average (2012-2016 recorded) adjusted by estimated annual customer growth for the period 2017 - 2019.

**Recorded (\$000)**

2012	2013	2014	2015	2016	5 YR AVG
209	324	1,804	520	478	667

**Forecast Growth Rate of Non-Pay T/on Orders**

2017	2018	2019
0.75%	0.93%	0.97%
672	678	685

Source: Ex. SDG&E-31, Witness K. Schiermeyer

**C) Summary of Results**

Line	Miscellaneous Revenue	Total (000's)
1	2016 Recorded	478
2	2017 Estimated	672
3	2018 Estimated	678
4	2019 Test Year	685

**SAN DIEGO GAS & ELECTRIC COMPANY  
MISCELLANEOUS REVENUES  
FERC ACCOUNT 454 RENT FROM ELECTRIC PROPERTY**

**A) Description**

Rent from electric property primarily reflects revenues received for the use of SDG&E operating sites, properties, licenses and right of ways. The amount recorded for rents exclude those properties allocated to SDG&E's electric transmission department.

**B) Forecast Methodology**

The forecast is based on existing lease & license agreements. The contracts have an annual increase provision with a fixed increase from 3% to 5%, or an increase based on the Consumer Price Index.

**Recorded (\$000)**

2012	2013	2014	2015	2016	5 YR AVG
805	895	959	1,048	1,012	944

**Forecast Growth Rate of Non-Pay T/on Orders**

2014	2015	2016
-0.29%	4.00%	4.00%
1,009	1,049	1,091

Average annual contract increase provision.

**C) Summary of Results**

Line	Miscellaneous Revenue	Total (000's)
1	2016 Recorded	1,012
2	2017 Estimated	1,009
3	2018 Estimated	1,049
4	2019 Test Year	1,091

**SAN DIEGO GAS & ELECTRIC COMPANY  
MISCELLANEOUS REVENUES  
FERC ACCOUNT 454 SPECIAL FACILITY CHARGES**

**A) Description**

Revenues from special facilities reflect charges billed to customers for the installation, use and/or maintenance of facilities by the utility at the customer's request. Payments from customers are received in the form of either monthly increments, annual installments, or as one-time payments as selected by the customer.

**B) Forecast Methodology**

The 2017 forecast is based on the calculation of the five-year historical average (2012 - 2016 recorded) adjusted for the construction of a 12kV back-up circuit from SDG&E's Stuart Mesa substation to MCB Camp Pendleton's 12kV switchgear at the new Navy Hospital, Camp Pendleton and inclusion of additional renewable meter adapter revenue.

**Recorded (\$000)**

2012	2013	2014	2015	2016	5 YR AVG
755	951	840	2,251	2,867	1,533

**Forecast Growth Rate of Non-Pay T/on Orders**

	2017	2018	2019
Five Year Average	1,533	1,533	1,533
Additional Renewable Adapter Revenue	498	498	498
<b>Total Forecast</b>	<b>2,031</b>	<b>2,031</b>	<b>2,031</b>

**C) Summary of Results**

Line	Miscellaneous Revenue	Total (000's)
1	2016 Recorded	2,867
2	2017 Estimated	2,031
3	2018 Estimated	2,031
4	2019 Test Year	2,031

**SAN DIEGO GAS & ELECTRIC COMPANY**  
**MISCELLANEOUS REVENUES**  
**FERC ACCOUNT 454 CUSTOMER ADVANCES FOR CONSTRUCTION (CAC)**

**A) Description**

CAC revenue, also called "ownership cost deductions" reflects the amount of revenue, based on a fixed percentage, which can be taken by SDG&E as a reduction to CAC deposits on a monthly basis if the customer does not become eligible for refunds one (electric) to three (gas) years after SDG&E facilities are ready to provide service.

**B) Forecast Methodology**

The 2019 forecast is based on the calculation of the 5-year historical average (2012 - 2016 recorded). The electric rate is unchanged 0.38%. New business growth rates for the period 2017 - 2019 are not expected to materially affect ownership cost revenues.

**Recorded (\$000)**

2012	2013	2014	2015	2016	5 YR AVG
452	601	365	98	756	455

2017	2018	2019
455	455	455

**C) Summary of Results**

Line	Miscellaneous Revenue	Total (000's)
1	2016 Recorded	756
2	2017 Estimated	455
3	2018 Estimated	455
4	2019 Test Year	455

**SAN DIEGO GAS & ELECTRIC COMPANY  
MISCELLANEOUS REVENUES  
FERC ACCOUNT 454 OTHER MISCELLANEOUS REVENUE**

**A) Description**

Electric right-of-way customer charges for Quit Claims of unused easements, Permission to Grade letters, Joint Use Agreements, Street Crossing Fees, Plan Review, Encroachment Removal Agreements, Right of Entry Permits, Consent Agreements or Right of Way Use Agreements.

**B) Forecast Methodology**

The 2019 forecast is based on the calculation of the five-year historical average (2012-2016 recorded).

**Recorded (\$000)**

2012	2013	2014	2015	2016	5 YR AVG
55	40	54	46	41	47

**Forecast Growth Rate of Non-Pay T/on Orders**

2017	2018	2019
1.50%	1.50%	1.50%
48	49	49

**C) Summary of Results**

Line	Miscellaneous Revenue	Total (000's)
1	2016 Recorded	41
2	2017 Estimated	48
3	2018 Estimated	49
4	2019 Test Year	49

**SAN DIEGO GAS & ELECTRIC COMPANY  
MISCELLANEOUS REVENUES  
FERC ACCOUNT 456 REVENUE CYCLE SERVICE (RCS) CREDITS**

**A) Description**

Pursuant to D.98-09-070, SDG&E was directed to provide credits to DA customer bill for those customers who elect to have metering and billing services from a party other than SDG&E. Since the RCS credits reduce the amount of revenue SDG&E is able to recover in electric distribution rates, the credits are recorded to account 456 as "negative" miscellaneous revenue, thereby increasing the revenue requirement.

**B) Forecast Methodology**

The 2019 forecast is based on the calculation of the five-year historical average (2012-2016 recorded).

**Recorded (\$000)**

2012	2013	2014	2015	2016	5 YR AVG
(240)	(254)	(257)	(257)	(248)	(251)

2017	2018	2019
(251)	(251)	(251)

**C) Summary of Results**

Line	Miscellaneous Revenue	Total (000's)
1	2016 Recorded	(248)
2	2017 Estimated	(251)
3	2018 Estimated	(251)
4	2019 Test Year	(251)



**SAN DIEGO GAS & ELECTRIC COMPANY  
MISCELLANEOUS REVENUES  
FERC ACCOUNT 456 POLE ATTACHMENT FEES**

**A) Description**

Telecommunication and cable operations access to SDG&E's overhead distribution poles.

**B) Forecast Methodology**

Distribution pole attachment fee - On January 21, 2011, SDG&E entered into a settlement agreement regarding distribution pole attachment fees (ref: Advice Letter 2225-E). 2016 was the last year of the agreement and fee was set at \$16.35. Currently SDG&E is in negotiations and is currently extending the \$16.35 pole attachment fee for the 1st or perhaps the 2nd quarter of 2017. However, no decision has been made for the rest of the year. Because no decision has yet been made for 2017, the fee of \$16.35 was used to forecast 2017 revenues in this document. The pole attachment fee used to forecast 2018 and 2019 is \$30.58. The \$30.58 derives from CPUC Public Code 767.5 which set forth the annual compensation for pole attachments. for public utilities. This fee was calculated by an SDG&E consultant and was approved by SDG&E's Accounting dept. SDG&E is seeking to charge this fee to its Licensee's however, as mentioned above it is being negotiated and discussed with Legal and Senior Management for approval. \*\*These fees are only applicable to those companies that signed the settlement agreement. In order to estimate the total number of distribution poles used to forecast 2017, 2018, and 2019 revenue, the average 2012-2016 year-to-year growth in number of distribution poles was calculated. This average growth was applied to subsequent years to project future distribution pole numbers.

**Recorded (\$000)**

2012	2013	2014	2015	2016	5 YR AVG
1,525	1,436	1,564	1,599	1,910	1,607

2017	2018	2019
1,609	2,881	2,900

**C) Summary of Results**

Line	Miscellaneous Revenue	Total (000's)
1	2016 Recorded	1,910
2	2017 Estimated	1,609
3	2018 Estimated	2,881
4	2019 Test Year	2,900

**SAN DIEGO GAS & ELECTRIC COMPANY  
MISCELLANEOUS REVENUES  
FERC ACCOUNT 456 SHARED ASSETS**

**A) Description**

Revenue reflects the use of SDG&E assets, primarily computer hardware and software and communication equipment by Southern California Gas Company, Sempra Energy Corporate Center, and/or unregulated affiliates.

**B) Forecast Methodology**

The forecast is based on the RO model.

**Recorded (\$000)**

2012	2013	2014	2015	2016	5 YR AVG
4,802	7,937	6,662	5,644	4,043	5,818

2017	2018	2019
4,349	3,532	3,675

**C) Summary of Results**

Line	Miscellaneous Revenue	Total (000's)
1	2016 Recorded	4,043
2	2017 Estimated	4,349
3	2018 Estimated	3,532
4	2019 Test Year	3,675

**SAN DIEGO GAS & ELECTRIC COMPANY  
MISCELLANEOUS REVENUES  
FERC ACCOUNT 456 FEDERAL TURNKEY PROGRAM**

**A) Description**

Under Executive Order 13132, the US Government is authorized and encouraged to enter into contracts with local utilities to expedite and facilitate the implementation of cost effective energy and conservation measures. This is the electric portion of the Government Turnkey program.

**B) Forecast Methodology**

The 2017-2019 forecast is based on expected net revenues from existing contracts with various federal entities and level of financing allowable by US Government.

**Profits Recorded (\$000)**

2012	2013	2014	2015	2016	5 YR AVG
2,509	1,626	1,133	817	-615	1,094

2017	2018	2019
-440	400	340

**C) Summary of Results (Profits)**

Line	Miscellaneous Revenue	Total (000's)
1	2016 Recorded	-615
2	2017 Estimated	-440
3	2018 Estimated	400
4	2019 Test Year	340

**SAN DIEGO GAS & ELECTRIC COMPANY  
MISCELLANEOUS REVENUES  
FERC ACCOUNT 456 EMERGENCY SERVICES**

**A) Description**

This represents revenue received for emergency restoration for customer owned facilities (gas and electric) on MCB Camp Pendleton.

**B) Forecast Methodology**

Starting in 2014, the Navy will no longer contract services through the Emergency Services Agreement at Camp Pendleton. For 2017, there is a contract for new services with MCBCP Emergency Services, on which the forecast is based.

**Recorded (\$000)**

2012	2013	2014	2015	2016	5 YR AVG
245	-2	27	0	0	54

2017	2018	2019
50	50	50

**C) Summary of Results**

Line	Miscellaneous Revenue	Total (000's)
1	2016 Recorded	0
2	2017 Estimated	50
3	2018 Estimated	50
4	2019 Test Year	50

**SAN DIEGO GAS & ELECTRIC COMPANY  
MISCELLANEOUS REVENUES  
FERC ACCOUNT 456 OTHER - PARTS REPLACEMENT**

**A) Description**

Charges related to Field Parts Replacement Services.

**B) Forecast Methodology**

SDG&E is still in a limited pilot for a new Field Parts Replacement Program as of January 2017. The forecast is based on a calculated average of "Sales per Service Tech per day" during the 2016 pilot and expected ramp ups.

**Recorded (\$000)**

2012	2013	2014	2015	2016	5 YR AVG
0	0	0	0	18	4

**C) Summary of Results**

Line	Miscellaneous Revenue	Total (000's)
1	2016 Recorded	18
2	2017 Estimated	39
3	2018 Estimated	177
4	2019 Test Year	255

**SAN DIEGO GAS & ELECTRIC COMPANY  
MISCELLANEOUS REVENUES  
FERC ACCOUNT 488 SERVICE ESTABLISHMENT CHARGES**

**A) Description**

Revenue collection from residential and non-residential customers for establishment of gas service. D.16-06-054, the decision in the TY2016 GRC, approved the change in the fee structure from \$5 for non-fielded orders and \$15 for base fielded orders to \$5.85. This change was effective on August 1, 2016 when Schedule SE was changed.

**B) Forecast Methodology**

The 2019 forecast is calculated using the 2016 order count times estimated customer growth rate (2017-2019) for all customer types less the average fee reversal rate.

**Service Establishment Orders Revenues (All Customer Classes) (000s)**

2012	2013	2014	2015	2016	2016
1,407	1,329	1,207	1,228	1,183	1,271

**Forecast Growth Rate and Revenue (000s) - (All Customer Classes)**

2017	2018	2019
0.55%	0.71%	0.67%

Gas Customer Growth Rate witness Rose-Marie Payan

**Fee Reversal Rate:**

2017	2018	2019
1.1%	1.1%	1.1%

Charges reversed by Call Center

	Recorded Actuals					Forecast <sup>2</sup>		
	2012	2013	2014	2015	2016 <sup>1</sup>	2017	2018	2019
Remote Transactions	600,464	602,660	584,939	587,710	589,591	587,368	590,192	598,211
Fielded Transactions	72,631	47,253	43,178	43,588	38,958	38,319	38,005	38,007
Waived Transactions	(8,893)	(8,077)	(7,807)	(7,189)	(7,131)	(7,093)	(7,116)	(7,200)
Net Transactions	664,202	641,836	620,310	624,109	621,418	618,594	621,081	629,018

Note 1: \$5.85 fee was implemented August 1, 2016

Note 2: Forecast based on (Prior Year Net Transactions + Meter Growth - Waived Fees) x \$5.85

**C) Summary of Results**

Line	Miscellaneous Revenue	Total (000's)
1	2016 Recorded	1,183
2	2017 Estimated	1,166
3	2018 Estimated	1,167
4	2019 Test Year	1,176

**SAN DIEGO GAS & ELECTRIC COMPANY  
MISCELLANEOUS REVENUES  
FERC ACCOUNT 488 LATE PAYMENT CHARGES**

**A) Description**

Revenue from the charges assessed to commercial customers for delinquent payments.

**B) Forecast Methodology**

The 2019 forecast is based on the calculation of the five-year average (2012-2016 recorded) adjusted by the estimated annual customer growth for the period 2017 - 2019.

**Recorded (\$000)**

2012	2013	2014	2015	2016	5 YR AVG
42	45	60	49	46	48

**Forecast Growth Rate of Commercial/Industrial Accounts**

2017	2018	2019
0.87%	0.84%	0.62%
49	49	50

**C) Summary of Results**

Line	Miscellaneous Revenue	Total (000's)
1	2016 Recorded	46
2	2017 Estimated	49
3	2018 Estimated	49
4	2019 Test Year	50

**SAN DIEGO GAS & ELECTRIC COMPANY  
MISCELLANEOUS REVENUES  
FERC ACCOUNT 488 OPT-OUT REVENUES**

**A) Description**

Smart Meter Opt-Out fee revenues is a charge to customers who opt-out of having a smart meter. The fee structure has a limit of three years.

**B) Forecast Methodology**

The forecast is based on the three year limit charge for opt-out customers, which reached the peak in 2014 and will continue to decline through the years of 2017 - 2019. Smart Meter Opt-out fees were previously balanced in the Smart Meter Opt-out balancing account and is now picked up in miscellaneous revenue.

**Recorded (\$000)**

2012	2013	2014	2015	2016	5 YR AVG
55	89	100	85	50	76

2017	2018	2019
23	18	15

**C) Summary of Results**

Line	Miscellaneous Revenue	Total (000's)
1	2016 Recorded	50
2	2017 Estimated	23
3	2018 Estimated	18
4	2019 Test Year	15



**SAN DIEGO GAS & ELECTRIC COMPANY  
MISCELLANEOUS REVENUES  
FERC ACCOUNT 493 RENT FROM GAS PROPERTY**

**A) Description**

Rent from gas property primarily reflects revenues received for the use of SDG&E operating sites, properties, licenses and right of ways.

**B) Forecast Methodology**

The forecast is based on existing lease & license agreements. The contracts have an annual increase provision with a fixed increase from 3% to 5%, or an increase based on the Consumer Price Index.

**Recorded (\$000)**

2012	2013	2014	2015	2016	5 YR AVG
18	18	22	22	23	21

**Forecast Growth Rate of Non-Pay T/on Orders**

2017	2018	2019
3.00%	4.00%	4.00%
24	25	26

Average annual contract increase provision.

**C) Summary of Results**

Line	Miscellaneous Revenue	Total (000's)
1	2016 Recorded	23
2	2017 Estimated	24
3	2018 Estimated	25
4	2019 Test Year	26

**SAN DIEGO GAS & ELECTRIC COMPANY  
MISCELLANEOUS REVENUES  
FERC ACCOUNT 495 CUSTOMER ADVANCES FOR CONSTRUCTION (CAC)**

**A) Description**

CAC revenue, also called "ownership cost deductions" reflects the amount of revenue, based on a fixed percentage, which can be taken by SDG&E as a reduction to CAC deposits on a monthly basis if the customer does not become eligible for refunds one (electric) to three (gas) years after SDG&E facilities are ready to provide service.

**B) Forecast Methodology**

The 2019 forecast is based on the calculation of the five-year historical average (2012 - 2016 recorded). The gas rate is unchanged 0.36%. New business growth rates for the period 2017 - 2019 are not expected to materially affect ownership cost revenues.

**Recorded (\$000)**

2012	2013	2014	2015	2016	5 YR AVG
63	88	46	11	117	65

2017	2018	2019
65	65	65

**C) Summary of Results**

Line	Miscellaneous Revenue	Total (000's)
1	2016 Recorded	117
2	2017 Estimated	65
3	2018 Estimated	65
4	2019 Test Year	65

**SAN DIEGO GAS & ELECTRIC COMPANY  
MISCELLANEOUS REVENUES  
FERC ACCOUNT 495 FEDERAL TURNKEY PROGRAM**

**A) Description**

Under Executive Order 13132, the US Government is authorized and encouraged to enter into contracts with local utilities to expedite and facilitate the implementation of cost effective energy and conservation measures. This is the Gas Revenue portion of the Government Turnkey Activities.

**B) Forecast Methodology**

The 2017-2019 forecast is based on expected net revenues from existing contracts with various federal entities and level of financing allowable by US Government.

**Profits Recorded (\$000)**

2012	2013	2014	2015	2016	5 YR AVG
323	316	350	406	124	304

2017	2018	2019
-171	156	132

**C) Summary of Results (Profit)**

Line	Miscellaneous Revenue	Total (000's)	Actual
1	2016 Recorded	124	
2	2017 Estimated	(171)	
3	2018 Estimated	156	
4	2019 Test Year	132	

**SAN DIEGO GAS & ELECTRIC COMPANY  
MISCELLANEOUS REVENUES  
FERC ACCOUNT 495 SHARED ASSETS**

**A) Description**

Revenue reflects the use of SDG&E assets, primarily computer hardware and software and communication equipment by Southern California Gas Company, Sempra Energy Corporate Center, and/or unregulated affiliates.

**B) Forecast Methodology**

The forecast of the 2019 charges is based on the RO model.

**Recorded (\$000)**

2012	2013	2014	2015	2016	5 YR AVG
2,066	3,493	2,641	2,188	1,581	2,394

2017	2018	2019
1,751	1,419	1,482

**C) Summary of Results**

Line	Miscellaneous Revenue	Total (000's)
1	2016 Recorded	1,581
2	2017 Estimated	1,751
3	2018 Estimated	1,419
4	2019 Test Year	1,482