

Proceeding No.: A.26-05-XXX  
Exhibit No.: SDGE-6  
Witness: James Simmerman

**PREPARED DIRECT TESTIMONY OF**  
**JAMES SIMMERMAN**  
**ON BEHALF OF**  
**SAN DIEGO GAS & ELECTRIC COMPANY**

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**



**May 15, 2026**

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1 **III. 2027 ELECTRIC SALES FORECAST**

2 SDG&E requests that the Commission approve SDG&E’s 2027 Electric Sales Forecast as  
3 presented in this testimony. Table JS-1 below sets forth the forecast of energy sales for SDG&E’s  
4 electric customers.

5 **TABLE JS-1:**  
6 **SDG&E PROPOSED 2027<sup>1</sup>**

Sector	Proposed 2027 (GWh)
Residential	5,702
Small Commercial	1,716
Medium Commercial	2,994
Large Commercial/Industrial	6,655
Agricultural	375
Lighting	78
<b>Total</b>	<b>17,519</b>

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8 **IV. ELECTRIC SALES FORECAST DRIVERS**

9 The 2027 overall system Electric Sales Forecast is presented in the table above. The section  
10 below provides a summary of the methodology that forms the basis of the 2027 electric energy  
11 forecast for the San Diego Gas & Electric Company (“SDG&E”) service territory.

12 SDG&E uses a combination of econometric and statistically adjusted end-use models  
13 (“SAE”) to develop its forecast of electric customers and sales. In general, the forecasting models  
14 incorporate assumptions related to demographic and macroeconomic concepts, weather, energy  
15 prices, building and appliance standards and saturations, energy efficiency programs, building  
16 electrification, along with other drivers of electricity consumption. Furthermore, adjustments are

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<sup>1</sup> Note that the total amount reflected in the table may not sum up due to rounding.

1 made to integrate other load modifiers like electric vehicles and behind the meter solar and battery  
2 storage.

3 Electricity consumption is modeled in the following sectors and categories: Residential,  
4 Small/Medium/Large Commercial combined, Agriculture, and Street Lighting.

5 The residential class electric sales are modeled as the product of daily per-customer-usage  
6 and the number of customers. Usage per customer is modeled using the residential SAE model and  
7 incorporates equipment efficiency and saturation trends along with billing days, real electric prices,  
8 weather, seasonal and economic and demographic inputs to forecast energy sales. Residential sales  
9 are adjusted to account for energy efficiency & standards impacts, building electrification, electric  
10 vehicle load, and self-served load (like solar and battery storage).

11 Combined Small/Medium/Large non-residential electric sales are modeled as the product of  
12 daily per-customer-usage and the number of customers. Usage per customer is modeled using the  
13 commercial SAE model and incorporates equipment efficiency and saturation trends along with  
14 billing days, real electric prices, weather, seasonal and economic and demographic inputs to  
15 forecast energy sales. Combined Small/Medium/Large commercial sales are adjusted to account for  
16 energy efficiency & standards impacts, electric vehicle load, and self-served load (from both solar  
17 and non-solar). The combined commercial sales are then disaggregated into individual rate classes  
18 as described in section VI. A of this testimony.

19 Agriculture class electric sales are forecasted as an individual sector based primarily on  
20 customer counts and recent energy usage trends. An econometric model was used to forecast the  
21 agriculture class on a usage per customer basis using an estimation period of 2017 through 2025.  
22 The model was fitted using monthly binary variables and historical rain data. Solar was included  
23 for the estimation of agriculture consumption and was later subtracted off the forecast to determine  
24 reported sales.

1 Street lighting class electric sales are forecasted as an individual sector based primarily on  
2 customer counts and recent energy usage trends. A three-year average (2023-2025) usage per  
3 customer was applied to forecasted customers to come up with a lighting sales forecast.

4 The economic assumptions are based on a blend of the latest available forecasts from Global  
5 Insight, Inc. (December 2025 Regional forecast for San Diego) and Moody’s Economy.com  
6 (December 2025 Regional Forecast for San Diego).

## 7 **V. SALES FORECAST MEET AND CONFER EFFORTS AND WORKSHOP**

### 8 **A. Sales Forecast Workshop**

9 D.22-03-003 directed SDG&E to hold an all-party workshop no later than March 31 of each  
10 year to work with stakeholders and to consider any input they may propose prior to filing its annual  
11 sales forecast with the Commission for the upcoming year.<sup>2</sup> In preparation for filing its ERRR  
12 forecast application (which includes the annual sales forecast), SDG&E held an all-party workshop  
13 on March 10, 2026. Participants to the workshop included San Diego Community Power  
14 (“SDCP”), Clean Energy Alliance (“CEA”), Keyes and Fox LLP,, New Gen Strategies, and The  
15 Public Advocates Office at the California Public Utilities Commission (“Cal Advocates”). The  
16 agenda included SDG&E’s proposed 2027 sales forecast, a description of SDG&E’s forecast  
17 methodology, and how the sales forecast is used to establish the rate schedule level forecast.

### 18 **B. Departing Load Meet and Confer Efforts**

19 D.19-06-026 adopted a meet-and-confer requirement whereby: (a) A meeting between load-  
20 serving entities (“LSEs”) that anticipate load migration shall occur reasonably in advance of the  
21 filing deadline for initial year ahead forecasts; and (b) in each LSE’s initial year ahead forecast

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<sup>2</sup> D.22-03-003 at OP 4.

1 filing, each LSE shall describe the dates of meetings with other LSEs to discuss load migration, any  
2 agreements, and any continued areas of disagreement.<sup>3</sup>

3 Additionally, in OP 1 of D.20-03-019, the Commission ordered SDG&E to report in each  
4 regulatory filing its meet-and-confer activities and information exchange with Community Choice  
5 Aggregators in SDG&E’s service territory, if the regulatory filing involves a departing load  
6 forecast.<sup>4</sup>

7 SDG&E held a meet-and-confer meeting regarding load forecasting on March 17, 2026.  
8 SDG&E invited numerous entities to participate in that meet-and-confer meeting. Attendees to the  
9 meeting included representatives for SDCP, CEA, Pacific CEA, Calpine, Calpine PowerAmerica,  
10 Shell Energy North America (“SENA”), New Gen Strategies, Keyes and Fox LLP, University of  
11 California Office of the President (“UCOP”) and CalCCA. The items addressed at the meet-and-  
12 confer meeting included: (1) an overview of the meet-and-confer requirement; (2) an overview of  
13 SDG&E’s proposed 2027 overall system sales forecast; (3) an overview of SDG&E’s process to  
14 determine bundled sales; (4) an overview of the data request process to coordinate CCA’s annual  
15 sales forecasts; and (5) an overview of regulatory proceedings and schedules. The parties have  
16 reached agreement on the process by which the non-investor-owned utility (“IOU”) LSEs are to  
17 provide forecast data to SDG&E as well as the templates to be used to submit their data.  
18 Information provided by the non-IOU LSEs to SDG&E includes 2027 monthly energy sales, peak  
19 demand and customer forecast data.

## 20 VI. MONTHLY RATE SCHEDULE FORECAST

21 This section describes the process to turn SDG&E’s 2027 Electric Sales Forecast, completed  
22 at the customer class level, into SDG&E’s rate schedule forecast. This process was previously

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<sup>3</sup> D.19-06-026 at OP 14.

<sup>4</sup> D.20-03-019 at OP 1.

1 presented in a joint workshop during SDG&E's Application for Approval of its 2019 Electric Sales  
2 Forecast.<sup>5</sup>

3 **A. SDG&E's Rate Schedule Process**

4 SDG&E's process for the development of forecasted rate design determinants from the 2027  
5 Electric Sales Forecast involves 2 steps as illustrated in Figure 1 below:

6 **Figure 1**  
7 **Developing Forecasted Rate Design Determinants from the Electric Sales Forecast**



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9 As depicted above, the process begins with the mapping of customer class sales to individual  
10 rate schedules. The SAE model for the commercial class combines the Small, Medium, and Large  
11 Commercial classes. A historical ratio is applied to the combined Commercial Class forecast to  
12 develop the individual Small, Medium, and Large Commercial class forecasts.

13 SDG&E's monthly historical billing-cycle data are then used to further break out the  
14 customer class sales forecast into rate schedule seasonal sales for use in the rate design process.

15 SDG&E creates monthly rate schedule billing determinants on a net and delivered basis by  
16 adding back excess generation on a monthly and hourly basis, respectively. A comparison of the  
17 forecasted sales concepts is shown in Table JS-2.

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<sup>5</sup> See D.18-11-035.

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**TABLE JS-2:  
COMPARISON OF NET AND DELIVERED SALES (GWh)**

<b>Forecast Basis</b>	<b>TY 2027</b>
<b>Net Sales</b>	<b>17,519</b>
<i>Hourly Delivered Sales Adjustment</i>	<i>+2,129</i>
<b>Delivered Sales</b>	<b>19,649</b>

**VII. SUMMARY AND CONCLUSION**

SDG&E requests that the Commission approves SDG&E’s 2027 Electric Sales Forecast, as presented in this testimony.

This concludes my prepared direct testimony.

1 **VIII. QUALIFICATIONS**

2 My name is James Simmerman. My business address is 8306 Century Park Court, San  
3 Diego, California, 92123. I have been employed in the Electric Forecasting Department of San  
4 Diego Gas & Electric since September 2022. In my current role as a Data Science and Business  
5 Intelligence Senior II in Electric Forecasting, my primary responsibilities include developing and  
6 coordinating forecasts of customer growth and electric energy usage. I have previously served the  
7 roles of Project Manager II and Principal Business and Economic Advisory in the Electric  
8 Forecasting Department.

9 I received a Bachelor of Science degree in Business Administration with an emphasis in  
10 Finance and Business Economics from the University of Arizona in 2008.

11 I have previously submitted testimony before the California Public Utilities Commission.