

Application: A.19-10-012

Exhibit No.: SDG&E-12

Witness: Mark Lien

PREPARED SUPPLEMENTAL TESTIMONY OF
MARK LIEN
ON BEHALF OF SAN DIEGO GAS & ELECTRIC COMPANY
REVENUE REQUIREMENT



BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

NOVEMBER 2, 2020

TABLE OF CONTENTS

I.	OVERVIEW AND PURPOSE.....	1
II.	REVENUE REQUIREMENT UPDATE	1

1 **PREPARED SUPPLEMENTAL TESTIMONY OF**
2 **MARK LIEN**
3 **REVENUE REQUIREMENT**

4 **I. OVERVIEW AND PURPOSE**

5 The purpose of my prepared supplemental testimony is to update the prepared rebuttal
6 testimony, previously sponsored by Casey Butler in this proceeding, to reflect a change in asset
7 category as a result of a recent Federal Energy Regulatory Commission (“FERC”) audit. I am
8 adopting the prepared testimony by Mr. Butler in this proceeding and I understand my
9 qualifications have been served on the parties.

10 **II. REVENUE REQUIREMENT UPDATE**

11 On July 30, 2020, the FERC Division of Audits and Accounting issued an audit report of
12 SDG&E covering the period January 1, 2016 through February 4, 2020. The report included a
13 finding related to electric vehicle (“EV”) chargers whereby SDG&E had improperly accounted
14 for EV charging station distribution assets in FERC Account 398 – Miscellaneous Equipment.
15 As a result of this finding and the audit report’s recommendations, we are revising EV charging
16 station cost estimates for the Application’s revenue requirement to Account 371 – Installations
17 on Customers' Premises. The two FERC accounts have identical characteristics with the
18 exception of Account 398 having a split between distribution and transmission while Account
19 371 is allocated only to distribution.

20 This change in accounting assignment results in a negligible decrease of approximately
21 \$16 K to SDG&E’s illustrative revenue requirement submitted in my adopted rebuttal
22 testimony.¹ The tables below compare the forecasted revenue requirement summary from my

¹ Prepared Rebuttal Testimony of Casey W. Butler on behalf of SDG&E (June 19, 2020) at CWB-2, Revised Table 5-4.

1 rebuttal testimony with a revised version updated to reflect the use of FERC Account 371 per the
2 audit recommendation:

3 **Revised² Table 5-4, served June 19, 2020³**
4 (In Millions)

	2021	2022	2023	2024	2025	2026-2084	Total
CPUC	\$1.0	\$7.5	\$10.9	\$8.5	\$6.4	\$88.7	\$123.0
FERC	0.0	0.2	0.3	0.3	0.3	1.6	2.7
Revenue Requirement	\$1.0	\$7.7	\$11.2	\$8.8	\$6.7	\$90.3	\$125.7

5 **Revised Table 5-4, served [November X, 2020]**
6 (In Millions)
7

	2021	2022	2023	2024	2025	2026-2084	Total
CPUC	\$1.0	\$7.7	\$11.2	\$8.8	\$6.7	\$90.3	\$125.7
FERC	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue Requirement	\$1.0	\$7.7	\$11.2	\$8.8	\$6.7	\$90.3	\$125.7

8
9 This completes my supplemental testimony.
10

² The rebuttal testimony revised Table 5-4 in the prepared direct testimony (October 28, 2020) at CWB-6, Table 5-4.

³ Prepared Rebuttal Testimony of Casey W. Butler on behalf of SDG&E (June 19, 2020) at CWB-2, Table 5-4.

1 **STATEMENT OF QUALIFICATIONS**

2 My name is Mark Lien. I am adopting the Prepared Direct and Prepared Rebuttal
3 Testimonies of Casey Butler served previously in this proceeding. My business address is 8330
4 Century Park Court, San Diego, California 92123. I am employed by SDG&E as
5 a Principal Business Analyst in the Financial & Strategic Analysis group. I am responsible
6 for completing financial analysis and the development of revenue requirements for SDG&E
7 projects and programs. I have held this position since June of 2019. Prior to this position, I was
8 the Principal Business Analyst for Capital and Operational Planning at SDG&E for about a year
9 and a half. In that position, I was the lead planner responsible for reporting and budgeting
10 SDG&E’s consolidated capital spend. I have been employed by SDG&E and/or
11 Sempra Energy since July 2015. In addition to the positions that I have listed above, I have
12 served as a Principal Financial Analyst in Sempra Energy’s Strategic Planning and Analysis
13 department where I was responsible for leading Sempra Energy's 5 Year Planning process, which
14 included the modeling, consolidation, and analysis of Sempra's corporate wide long-range plan
15 used for strategic decision making. Additionally, this position acted as an advisor to senior
16 management for business issues impacting corporate financial performance.

17 I received a Bachelor of Arts in Interdisciplinary Studies with an emphasis in
18 International Business and Economics from the University of California,
19 Berkeley in December of 2002. I am a licensed CPA in the state of California.

20 I have not previously testified before the California Public Utilities Commission.
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