

Application: A.19-10-\_\_\_\_\_

Exhibit No.: SDG&E-\_\_\_\_\_

Witness: Jenny Phan\_\_\_\_\_

**PREPARED DIRECT TESTIMONY OF**  
**JENNY PHAN**  
**ON BEHALF OF SAN DIEGO GAS & ELECTRIC COMPANY**  
**CHAPTER 6 – REGULATORY ACCOUNTS**



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

**OCTOBER 28, 2019**

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**PREPARED DIRECT TESTIMONY OF  
JENNY PHAN  
CHAPTER 6 – REGULATORY ACCOUNTS**

**I. INTRODUCTION**

My prepared direct testimony describes San Diego Gas & Electric Company’s (“SDG&E”) cost recovery mechanism for the Power Your Drive Extension Program (“PYD Extension Program” or “Program”). SDG&E requests authority to establish a new Power Your Drive 2 Balancing Account (“PYD2BA”) to record revenues, costs associated with SDG&E’s PYD Extension Program as well as participation payments received from site hosts, as described in the testimony<sup>1</sup> of Randy Schimka and the testimony of John Black.

**II. COST RECOVERY**

SDG&E proposes a two-way interest bearing balancing account to record the authorized revenue requirement, actual incremental costs associated with the PYD Extension Program, which will provide approximately 2,000 electric vehicle charging ports, and participation payments received from site hosts. SDG&E’s incremental costs for this Program include: (1) capital-related costs (*e.g.*, depreciation expense, authorized return on investment, and taxes); (2) operations and maintenance (“O&M”) costs associated with initial deployment; (3) costs incurred to qualify vendors if SDG&E is ordered to qualify additional vendors; (4) costs incurred to collect, integrate, validate, analyze and otherwise make useful data from charging stations not owned by SDG&E if ordered to provide data at the charging station level rather than the utility meter level; (5) costs incurred to meet other regulatory requirements; and (6) other on-going O&M costs necessary to maintain the ports in good condition until a future General Rate Case (“GRC”). As

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<sup>1</sup> “Testimony” as used herein refers to the prepared direct testimony served in support of this application.

1 | noted in the testimony of Jennifer Montanez, SDG&E proposes to recover costs allocated to the  
2 | CPUC jurisdiction through distribution rates. Costs, properly allocated to the Federal Energy  
3 | Regulatory Commission (“FERC”) jurisdiction, will be recovered through transmission rates.  
4 | Details of the revenue requirement are included in the testimony of Casey Butler.

5 |         A two-way balancing account is reasonable because it allows the utility to track actual  
6 | costs to an amount authorized for recovery by the California Public Utilities Commission  
7 | (“Commission” or “CPUC”), thereby ensuring that ratepayers are charged for only actual costs  
8 | and refunded any overcollections. In turn, the utility does not make or lose money due to  
9 | uncertainties in the scope of the work.

10 |         The disposition of the PYD2BA balance will be addressed in SDG&E’s Tier 2 Advice  
11 | Letter submission for its Annual Regulatory Account Balance Update, or other applicable  
12 | proceeding as directed by the Commission. However, during the installation period (estimated to  
13 | be completed in 2023), any over/under-collection in the PYD2BA will be carried forward to the  
14 | following year. SDG&E proposes to utilize the PYD2BA until a time when the costs associated  
15 | with the electric vehicle charging ports described in this instant application are incorporated into  
16 | SDG&E’s base business and addressed in its GRC proceeding, at which time SDG&E will  
17 | propose to close the PYD2BA.

18 |         This concludes my prepared direct testimony.

1 **III. STATEMENT OF QUALIFICATIONS**

2 My name is Jenny Phan. My business address is 8330 Century Park Court, San Diego,  
3 California 92123. I am employed by SDG&E, as the Principal Regulatory Accounts Advisor in  
4 the Regulatory Accounts Department. My current responsibilities include the development,  
5 implementation, and analysis of regulatory balancing and memorandum accounts. I assumed my  
6 current position in November 2014.

7 I graduated from the University of Quebec in Montreal in 1996 with a Bachelor of  
8 Science degree in Accounting. I have been a Chartered Professional Accountant from Canada  
9 since 2001.

10 I have been employed by SDG&E and Sempra Energy since April 2005. In addition to  
11 my current role in Regulatory Accounts, I have held various positions with increasing  
12 responsibility including a Senior Accountant II position in the Accounting Operations  
13 department at SDG&E and a Senior Trust Accountant position in the Compensation and Benefits  
14 department at Sempra Energy. Prior to joining SDG&E and Sempra Energy, I worked for large  
15 companies in Canada preparing monthly and annual financial statements, regulatory reports and  
16 accounting analysis.

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