

Application No.: A.18-06-  
Exhibit No.: \_\_\_\_\_  
Witness: Khoang T. Ngo  
Date: June 1, 2018

**SAN DIEGO GAS & ELECTRIC COMPANY  
PREPARED DIRECT TESTIMONY OF  
KHOANG T. NGO**

**PUBLIC VERSION**

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

June 1, 2018



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## ACRONYM GLOSSARY

AB	Assembly Bill
AL	Advice Letter
ASC 810	Accounting Standards Codification 810
CAISO	California Independent System Operator
CTC	Competition Transition Charge
CAM	Cost Allocation Mechanism
CARB	California Air Resources Board
Cal.P.U.C	California Public Utilities Code
CHP	Combined Heat & Power
CPUC	California Public Utilities Commission
CUYAMACA	Cuyamaca Peak Energy Plant
D	Decision
DESERT STAR	Desert Star Energy Center
ECC	Escondido Energy Center
ECR	Enhanced Community Renewables
ECRME&OMA	Enhanced Community Renewable ME&O Memorandum Account
ERRA	Energy Resource Recovery Account
EECC	Electric Energy Commodity Cost
FASB	Financial Accounting Standards Board
FOF	Finding of Fact
FF&U	Franchise fee and uncollectible
GT	Green Tariff
GHG	Greenhouse Gas
GHGACMA	GHG Administrative Costs Memorandum Account
GHGCOEMA	GHG Customer Outreach and Education Memorandum Account
GTSRBA	Green Tariff Shared Renewable Balancing Account
GHGRBA	GHG Revenue Balancing Account
IE	Independent Evaluators
IEMA	Independent Evaluator Memorandum Account
LCMA	Litigation Cost Memorandum Account
LG	Local Generation
LGBA	Local Generating Balancing Account
OMEC	Otay Mesa Energy Center
MIRAMAR I	Miramar Energy Facility I
MIRAMAR II	Miramar Energy Facility II
MWh	Megawatt hour
NERBA	New Environmental Regulatory Balancing Account
NGBA	Non-Fuel Generation Balancing Account
PALOMAR	Palomar Energy Center
PG&E	Pacific Gas & Electric Company
PPEC	Pio Pico Energy Center
QFs	Qualifying Facilities

RPS	Renewables Portfolio Standard
RPSCMA	Renewable Portfolio Standard Cost Memorandum Account
SCE	Southern California Edison Company
SDG&E	San Diego Gas & Electric Company
SONGS	San Onofre Nuclear Generating Station
TCBA	Transition Cost Balancing Account
UCSD	University of California San Diego

1   **PREPARED DIRECT TESTIMONY OF**

2   **KHOANG T. NGO**

3   **ON BEHALF OF SDG&E**

4 **I.           INTRODUCTION**

5               The purpose of my testimony is to address the recorded transactions and related cost  
6 recovery for San Diego Gas & Electric Company’s (“SDG&E”) Energy Resource Recovery  
7 Account (“ERRA”), Transition Cost Balancing Account (“TCBA”), and Local Generating  
8 Balancing Account (“LGBA”) during the record period of January 1, 2017 through  
9 December 31, 2017 (“Record Period”). The direct testimony of SDG&E witness Daniel Sullivan  
10 describes SDG&E’s electric procurement and commodity expenses recorded to ERRA, TCBA  
11 and LGBA during the 2017 Record Period.

12             My testimony also addresses entries recorded to seven other ERRA-related accounts: the  
13 Assembly Bill (“AB”) 32 electric subaccount of the New Environmental Regulatory Balancing  
14 Account (“NERBA”), the Independent Evaluator Memorandum Account (“IEMA”), the  
15 Litigation Cost Memorandum Account (“LCMA”), the Green Tariff Marketing Education &  
16 Outreach Memorandum Account (“GTME&OMA”), the Green Tariff Share Renewables  
17 Administrative Cost Memorandum Account (“GTSRACMA”), the Enhanced Community  
18 Renewable ME&O Memorandum Account (“ECRME&OMA”), and the Renewable Portfolio  
19 Standard Cost Memorandum Account (“RPSCMA”).

20             Based on my testimony regarding recorded transactions, related cost recovery, and  
21 balancing account entries associated with these accounts, SDG&E requests that the Commission  
22 find that:

- 1           • Transactions recorded to SDG&E’s ERRA during 2017 (Attachment A), TCBA  
2           during 2017 (Attachment B) and LGBA during 2017 (Attachment C) were in  
3           compliance with the California Public Utilities Commission (“Commission”)  
4           directives and are recoverable;
- 5           • Transactions recorded in NERBA (Attachment D) associated with AB 32  
6           administrative fees were in compliance with Commission directives;
- 7           • The amounts transferred from IEMA (Attachment E) to ERRA in 2017 were in  
8           compliance with Commission directives; and
- 9           • Transactions recorded in the LCMA (Attachment F) during 2017 were in  
10          compliance with Commission directives.
- 11          • Transactions recorded in the GTME&OMA (Attachment G) during 2017 were in  
12          compliance with Commission directives.
- 13          • Transactions recorded in the GTSRACMA (Attachment H) during 2017 were in  
14          compliance with Commission directives.
- 15          • Transactions recorded in the ECRME&OMA (Attachment I) during 2017 were in  
16          compliance with Commission directives.
- 17          • Transactions recorded in the RPSCMA (Attachment J) during 2017, were in  
18          compliance with Commission directives.
- 19          • With regard to the LGBA, for which the 2017 activity resulted in an  
20          undercollection of █████ million, SDG&E will seek cost recovery of this amount  
21          in its ERRA Forecast Application for 2020, which will be filed on  
22          April 15, 2019.

- 1           • As to the AB 32 costs in NERBA, for which the 2017 balance is an  
2           undercollection of \$0.049 million, SDG&E is not requesting authorization to  
3           include the balance at this time because we are anticipating fluctuations in future  
4           year expenses which may offset the undercollection.

5           Furthermore, my testimony provides a comparison of 2017 ERRA forecast versus actual  
6 costs as well as comparison of 2017 versus 2016 recorded costs with explanations for variances  
7 10% or greater. This information is provided herein to facilitate analysis of the ERRA activity  
8 during 2017 and is found in Attachments K and L.

## 9   **II.   ERRA**

10           Pursuant to Decision (“D.”) 02-10-062 and D.02-12-074, the purpose of the ERRA is to  
11 provide full recovery of SDG&E’s energy procurement costs associated with serving SDG&E’s  
12 bundled service customers. SDG&E’s ERRA revenue requirement also includes the full  
13 recovery of California Independent System Operator (“CAISO”) costs charged to SDG&E, such  
14 as energy and ancillary services load charges, CAISO revenues from utility generation and  
15 supply contracts, contract costs, generation fuel costs, CAISO-related costs, hedging costs and  
16 previously approved equity rebalancing costs related to the financial statement consolidation  
17 under Accounting Standards Codification 810 (“ASC 810”)<sup>1</sup> of the Otay Mesa Energy Center  
18 (“OMEC”) to serve SDG&E’s bundled service customers.<sup>2</sup> ERRA includes revenues from  
19 SDG&E’s Electric Energy Commodity Cost (“EECC”) rate schedules (commodity revenue)

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<sup>1</sup> ASC 810, effective January 1, 2010, and available at <https://www.iasplus.com/en-us/standards/fasb/broad-transactions/asc810> amended Financial Accounting Standards Board (“FASB”) Interpretation No. 46 (R), available at [http://www.fasb.org/jsp/FASB/Document\\_C/DocumentPage?cid=1175801627792&acceptedDisclaimer=true](http://www.fasb.org/jsp/FASB/Document_C/DocumentPage?cid=1175801627792&acceptedDisclaimer=true).

<sup>2</sup> The equity rebalancing costs are included in the approved ERRA tariff in section 5(m) available at [http://regarchive.sdge.com/tm2/ssi/inc\\_elec\\_prelim.html](http://regarchive.sdge.com/tm2/ssi/inc_elec_prelim.html).



1 adjusted to exclude non-fuel generation revenues allocated to the NGBA and other Commission-  
2 approved regulatory accounts.

3 On a monthly basis, ERRA compares the energy procurement costs described above with  
4 the commodity revenue (excluding NGBA and other revenues). Interest is applied to any over-  
5 or undercollection balance at the three-month Commercial Paper rate. SDG&E's adopted ERRA  
6 tariff describes the entries that are made to the account on a monthly basis.<sup>3</sup>

7 The ERRA balance as of December 31, 2017 was an undercollection of approximately  
8 \$51.3 million. Attachment A summarizes the monthly accounting entries recorded to ERRA  
9 from January 1 through December 31, 2017 used to calculate the balance.

10 The 2017 activity in SDG&E's ERRA, as detailed in Attachment A, is summarized in  
11 Table 1 below:

12 **Table 1**

	Under/(Over) Collection
December 31, 2016 ERRA Balance <sup>4</sup>	\$25,373,183
Revenue	\$(1,287,181,269)
Expenses	\$1,314,487,126
Other - net <sup>5</sup>	(\$2,283,349)
Interest	\$873,535
December 31, 2017 ERRA Balance	\$51,269,226

13  
<sup>3</sup> The monthly entries are described in the approved ERRA tariff in section 5.

<sup>4</sup> The 2017 beginning balance is referenced in Schedule A.

<sup>5</sup> The "Other-net" category includes supplier refunds, transfers from other regulatory accounts, and carrying costs related to hedging.

1           **A.     GHG Sub-Account**

2           The greenhouse gas (“GHG”) sub-account was established within ERRA pursuant to  
3 D.12-12-033 and D.13-10-053 to record the procurement-related GHG costs during the time that  
4 recovery of these costs was temporarily deferred. As of January 1, 2017, the balance in the  
5 ERRA GHG sub-account was zero, because all of the 2015 vintage year emission expense was  
6 previously transferred from the ERRA GHG sub-account to the main ERRA schedule.

7           **B.     Monthly ERRA Report**

8           Ordering Paragraph (“OP”) 19 of D.02-12-074 directed Pacific Gas & Electric Company  
9 (“PG&E”), Southern California Edison Company (“SCE”) and SDG&E to file a monthly report  
10 with the Commission’s Energy Division that summarizes monthly activity in the ERRA  
11 balancing account. The utilities were also directed to submit original source documents  
12 pertaining to such activities. D.07-04-020 at Finding of Fact 1 modified this requirement to  
13 allow SDG&E to provide only a breakdown of costs recorded to ERRA in the monthly filings  
14 and make the supporting documentation available to Commission staff and interested parties  
15 upon request. The modified reporting requirement was effective with the April 2007 report.  
16 SDG&E submitted the monthly reports to Energy Division and interested parties for all twelve  
17 months of 2017.

18           In summary, SDG&E requests that the Commission find the entries and calculations in its  
19 ERRA to be appropriate, correctly stated and recoverable.

20           **III.   TCBA**

21           In SDG&E’s 2005 ERRA compliance review proceeding, the Commission authorized the  
22 review of SDG&E’s TCBA in future ERRA review proceedings.<sup>6</sup> The annual ERRA review is

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<sup>6</sup> The 2005 ERRA Compliance proceeding was approved by D.06-12-019.

1 the appropriate forum to review the TCBA since the costs that are recorded in the TCBA  
2 generally relate to the above-market portion of certain Qualifying Facilities (“QFs”) and  
3 purchase power costs eligible for recovery under AB 1890.

4 The TCBA records the eligible above-market power costs and the revenues received from  
5 SDG&E’s Competition Transition Charge (“CTC”) rate. For 2017, the market benchmark of  
6 \$48.78/MWh<sup>7</sup> was used to calculate the above-market portion of AB 1890-eligible transition  
7 costs. On a monthly basis, the TCBA compares the above-market power costs with the revenue  
8 from the CTC rate component. Interest is applied to any over- or undercollection balance at the  
9 three-month Commercial Paper rate.

10 The balance in the TCBA as of December 31, 2017 was a \$(1.76) million over  
11 collection.<sup>8</sup> Attachment B provides a monthly summary of the entries to the TCBA during 2017.  
12 Table 2 below summarizes the 2017 activity and shows the calculation of the over collection.

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<sup>7</sup> The market benchmark of \$48.78/MWh was authorized in D.16-12-053, which approved SDG&E’s 2017 ERRRA Revenue Requirement Forecast proceeding, A.16-04-018.

<sup>8</sup> The forecasted 2017 year-end undercollected balance of \$5.4 million was approved in AL 3137-E on December 20, 2017 for amortization in rates effective January 1, 2018.

1

**Table 2**

	Under/(Over) Collection
December 31, 2016 TCBA Balance	\$3,335,977
Revenue	\$(29,926,617)
Expenses	\$24,829,524
Interest	\$(595)
December 31, 2017 TCBA Balance	\$(1,761,711)

2           In this Application, SDG&E requests that the Commission find the entries and calculations  
3 recorded in the TCBA to be appropriate, correctly stated and recoverable.

4 **IV.   LGBA**

5           The LGBA was authorized by D.13-03-029. The purpose of the LGBA is to record the  
6 revenues and costs of generating contracts where the Commission has determined that the  
7 resource is subject to the cost allocation mechanism (“CAM”). In 2017, the contracts included in  
8 the LGBA were Escondido Energy Center (“EEC”), Pio Pico Energy Center (“PPEC”), CP  
9 Kelco Combined Heat & Power (“CHP”) (effective June 1, 2017) and the Grossmont Hospital  
10 CHP. Also included were the SDG&E-owned Escondido Energy and El Cajon Energy Storage  
11 Facilities.<sup>9</sup>

12           The LGBA tariff states that “The balance in the LGBA will be addressed in the  
13 Company’s ERRA proceeding or in another proceeding deemed appropriate by the

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<sup>9</sup> Per D.13-03-029, and established in Advice Letter (“AL”) 2499-E fuel costs for EEC, El Cajon Energy Storage Facility, Escondido Energy Storage Facility (in AL 2924-E), PPEC (in D.14-02-016), CP Kelco CHP (in AL 2897-E) and the Grossmont Hospital CHP (in D.10-12-035) are to be recorded to the LGBA.

1 Commission.”<sup>10</sup> Accordingly, SDG&E requests confirmation that transactions recorded in 2017  
2 in the LGBA are in compliance with Commission directives.

3 [REDACTED]  
4 as shown in Table 3 below, as well as in Attachment C, which provides a monthly summary of  
5 the accounting entries recorded to the LGBA during 2017.

6 **Table 3**

	Under/(Over) Collection
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

7 In summary, SDG&E requests confirmation that (a) its transactions recorded in 2017 in  
8 the LGBA are in compliance with Commission directives and are recoverable; and (b) SDG&E  
9 shall request recovery of the undercollected 2017 recorded activity of [REDACTED] million in its 2020  
10 ERRRA Forecast Application.

11 **V. NERBA**

12 The AB 32 electric subaccount in NERBA, as approved by the Commission’s D.13-05-  
13 010 in the SDG&E’s 2012 General Rate Case (“GRC”), records actual costs against revenue

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<sup>10</sup> See Cal. P.U.C. Sheet No. 23615-E, Preliminary Statement, No. 5.

1 requirements for administrative fees charged by the California Air Resources Board (“CARB”)  
2 which are authorized recoverable by CARB under AB 32. As of January 1, 2017, the beginning  
3 balance in the AB 32 electric subaccount in NERBA was a \$(0.370) million overcollection.  
4 Revenues in 2017 were \$0.033 million, expenses totaled \$0.388 million, and interest revenue of  
5 approximately two thousand dollars was booked in 2017 as shown in Attachment D. The  
6 resulting activity in the AB 32 electric subaccount in NERBA as of December 31, 2017 was  
7 approximately a \$0.049 million undercollection. SDG&E is not requesting authorization to  
8 include the balance of \$0.049 million undercollection in rates at this time because (1) we are  
9 experiencing fluctuations in expenses which may offset the undercollection, and (2) the AB 32  
10 electric NERBA activity in 2017 was minimal.

11           Additionally, SDG&E requests confirmation that the transactions recorded in the AB 32  
12 electric subaccount in NERBA are appropriate and correctly stated in accordance with  
13 Commission directives.

#### 14 **VI. IEMA**

15           Pursuant to D.04-12-048 and D.05-07-039, the purpose of the IEMA is to record third  
16 party costs associated with the use of Independent Evaluators (“IEs”) in the utility’s long-term  
17 procurement activities and Renewables Portfolio Standard (“RPS”) programs. Interest is applied  
18 to any over- or undercollection balance at the three-month Commercial Paper rate.

19           D.11-10-029,<sup>11</sup> which approved Phase 1 of SDG&E’s 2009 ERRAs Compliance Filing,  
20 granted authority for SDG&E to update its IEMA tariff disposition to allow it to transfer the  
21 balance in the IEMA to ERRAs on an annual basis.<sup>12</sup> In compliance with D.11-10-029, SDG&E

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<sup>11</sup> D.11-10-029 was issued on October 24, 2011.

<sup>12</sup> D.11-10-029 was implemented in AL 2304-E, which was approved on January 12, 2012 and effective November 17, 2011.

1 transferred the IEMA 2017 undercollection balance of \$0.3 million as shown in line 59 of  
2 Attachment A as well as in Attachment E. The transfers from IEMA to ERRA are also included  
3 in the “Other-net” category of Table 1.

4 In this Proceeding, SDG&E requests that the Commission find the amounts transferred  
5 from IEMA to ERRA in 2017 to be in compliance with Commission directives.

## 6 **VII. LCMA**

7 Pursuant to Resolution E-3893, the LCMA was established in 2004 to record the  
8 litigation costs associated with refunds resulting from the energy price crisis in October 2000  
9 through January 2001. The LCMA tracks the difference between incurred litigation costs and  
10 settlement proceeds received.

11 Per the LCMA Preliminary Statement, the account is subject to review in the ERRA  
12 proceeding; thus, SDG&E is presenting the transactions recorded during 2017 for review in  
13 Attachment F.

14 At this time, SDG&E is not requesting recovery of the December 31, 2017  
15 undercollected balance as there are still a few pending litigation cases, and the appropriate  
16 vehicle for requesting recovery is through a separate filing. SDG&E requests that the  
17 Commission review SDG&E’s 2017 LCMA transactions. As of January 1, 2017, the beginning  
18 balance in the LCMA was an undercollection of approximately \$0.014 million. Litigation  
19 revenues in 2017 were \$(0.033) million, expenses totaled \$0.062 million, and interest of  
20 approximately three hundred dollars was booked in 2017. Thus, the balance in the LCMA as of  
21 December 31, 2017 was an undercollection of \$0.043 million. Once SDG&E has closed all  
22 LCMA related litigation, SDG&E will evaluate and execute next steps.

1 **VIII. GTME&OMA**

2 Pursuant to D.15-01-051, the purpose of the GTME&OMA is to record the difference  
3 between the revenues collected through the GT-ME&O Charge and the initial and ongoing  
4 incremental ME&O costs incurred to implement the Green Tariff Shared Renewables Program  
5 (“GTSRP”). The GTSRP consists of both a Green Tariff option and an Enhanced Community  
6 Renewables option. ME&O costs for the Green Tariff option are recorded in the GTME&OMA.

7 In 2017, the GTME&OMA had current activity and interest of \$0.26 million, and the  
8 ending balance was \$0.26 million as shown in Attachment G. SDG&E requests confirmation  
9 that the transactions recorded in the GTME&OMA are appropriate and correctly stated in  
10 accordance with Commission directives.

11 **IX. GTSRACMA**

12 Pursuant to D.15-01-051, the purpose of the GTSRACMA is to record the difference  
13 between the revenues collected through the GTSR Administrative Charge and the initial and  
14 ongoing incremental administrative costs incurred to implement the GTSRP.

15 In 2017, the GTSRACMA had current activity and interest of \$0.4 million, and the  
16 ending balance was \$2.1 million, as shown in Attachment H. SDG&E requests confirmation that  
17 the transactions recorded in the GTSRACMA are appropriate and correctly stated in accordance  
18 with Commission directives.

19 **X. ECRME&OMA**

20 Pursuant to D.15-01-051, the purpose of the ECRME&OMA is to record the difference  
21 between the revenues collected through the ECR-ME&O Charge and the initial and ongoing  
22 incremental ME&O costs incurred to implement the GTSRP. The GTSRP consists of both a



1 Green Tariff option and an Enhanced Community Renewables option. ME&O costs for the  
2 Enhanced Community Renewables option are recorded in the ECRME&OMA.

3 In 2017, the ECRME&OMA had current activity and interest of one hundred and forty-  
4 four dollars, and the ending balance was also \$0.003 million as shown in Attachment I. SDG&E  
5 requests confirmation that the transactions recorded in the ECRME&OMA are appropriate and  
6 correctly stated in accordance with Commission directives.

#### 7 **XI. RPSCMA**

8 In compliance with D.06-10-050, SDG&E established the RPSCMA to record certain  
9 consulting work associated with the renewable portfolio standard program. Pursuant to  
10 D.14-05-002, the RPSCMA was modified in Advice Letter 2607-E<sup>13</sup> to extend the time for  
11 recording costs. Interest is applied to any over- or undercollection balance at the three-month  
12 commercial paper rate.

13 In 2017, SDG&E incurred approximately four hundred dollars in interest which was  
14 booked to RPSCMA, and the ending balance is \$0.04 million as shown in Attachment J.  
15 SDG&E is requesting confirmation that the transactions recorded in the RPSCMA are  
16 appropriate and correctly stated in accordance with Commission directives.

#### 17 **XII. AUDIT OF ENERGY RESOURCE RECOVERY ACCOUNT**

18 As ordered in D.10-02-018, OP 4, “San Diego Gas & Electric Company shall conduct  
19 and complete an audit of its Energy Resource Recovery Account at least once every four years  
20 with the first audit to be for the 2009 or 2010 record year.” Accordingly, Sempra Energy Audit  
21 Services conducted an audit of the ERRA for record year 2017.

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<sup>13</sup> Approved June 5, 2014, effective May 23, 2014.

1 **XIII. CONCLUSION**

- 2           • As directed in D.02-10-062 and D.02-12-074, SDG&E seeks approval of the  
3 entries and calculations in its ERRA for the period January 1, 2017 through  
4 December 31, 2017 and requests that the Commission find these entries and  
5 calculations appropriate, correctly stated and recoverable.
- 6           • As directed in D.06-12-019, SDG&E seeks approval of the entries recorded to the  
7 TCBA for the period January 1, 2017 through December 31, 2017 and requests  
8 that the Commission find these entries and calculations appropriate, correctly  
9 stated and recoverable in accordance with applicable Commission policy and  
10 decisions.
- 11          • In accordance with D.13-03-029 and AL 2499-E, SDG&E seeks approval of the  
12 entries recorded to the LGBA for the period January 1, 2017 through  
13 December 31, 2017, and requests that the Commission find these entries and  
14 calculations appropriate, correctly stated and recoverable in accordance with  
15 applicable Commission policy and decisions. SDG&E is not requesting cost  
16 recovery of the undercollected 2017 recorded activity of [REDACTED] million at this time,  
17 but will include the request for recovery in its 2020 ERRA Forecast Application  
18 for recovery, which will be filed on April 15, 2019.
- 19          • SDG&E requests that the Commission find the entries in the AB 32 electric  
20 subaccount in NERBA to be appropriate and correctly stated. SDG&E is not  
21 requesting authorization to include the balance of \$0.049 million undercollection  
22 in rates at this time.

- 1 • SDG&E requests that the Commission find the balance transfer to ERRA of 2017  
2 IEMA activity in compliance with Commission directives.
- 3 • SDG&E requests that the Commission find the entries in the LCMA for 2017 to be  
4 appropriate and correctly stated in accordance with Commission directives.
- 5 • SDG&E requests that the Commission find the entries in the GTME&OMA as of  
6 December 31, 2017 to be appropriate and correctly stated in accordance with  
7 Commission directives.
- 8 • SDG&E requests that the Commission find the entries in the GTSRACMA as of  
9 December 31, 2017 to be appropriate and correctly stated in accordance with  
10 Commission directives.
- 11 • SDG&E requests that the Commission find the entries in the ECRME&OMA as of  
12 December 31, 2017 to be appropriate and correctly stated in accordance with  
13 Commission directives.
- 14 • SDG&E requests that the Commission find the entries in the RPSCMA as of  
15 December 31, 2017 to be appropriate and correctly stated in accordance with  
16 Commission directives.

17 SDG&E has made the entries to the previously discussed regulatory accounts in accordance with  
18 its adopted tariffs and in compliance with relevant Commission decisions.

19 This concludes my prepared direct testimony.

20

1 **XIV. QUALIFICATIONS**

2 My name is Khoang T. Ngo. I am employed by SDG&E as the Senior Energy  
3 Administrator in the Settlements & Systems Department. My business address is 8315 Century  
4 Park Court, San Diego, California 92123. My current responsibilities include handling the  
5 payment, recovery, and regulatory reporting processes for SDG&E's procurement activities. I  
6 began working in Settlements & Systems as a Senior Energy Administrator in November 2013.

7 I have been employed by SDG&E since January of 2000. In addition to my current role  
8 in Settlements & Systems, I have worked in two other departments at SDG&E in positions of  
9 increasing responsibility. From January 2000 to August 2006, I was employed in the Cost  
10 Accounting group where I was primarily responsible for the accounting related to Electric  
11 Transmission assets, preparation of FERC Forms, and involvement with the monthly close  
12 functions of the transmission FERC accounts. From August 2006 to September 2013, I worked  
13 in the Electric Transmission Planning group. My responsibilities included managing the  
14 generator interconnection contracts, interconnection financial security deposits, CAISO study  
15 agreements and reconciling engineering interconnection and network reliability costs.

16 I graduated from University of California San Diego ("UCSD") with a Bachelor of  
17 Science in Biochemistry, minoring in Economics with a Professional Certification in Accounting  
18 also from UCSD. I also attended the Alliant International University where I received a Master  
19 of Finance.

20 I have previously testified before this Commission.

## **Attachment A: ERRA - Summary**

**REDACTED VERSION**

Line #	Tariff Ref.	Notes	Jan 2017	PPA1	Feb 2017	Mar 2017	Apr 2017	May 2017	Jun 2017	Jul 2017	Aug 2017	Sep 2017	Oct 2017	Nov 2017	Dec 2017	Total
1		Beginning Balance Under/(Over)														
2		<b>REVENUES</b>														
3	5A	3	(99,402,535)		(90,985,670)	(96,935,104)	(90,325,294)	(115,852,425)	(148,100,753)	(173,152,745)	(179,802,352)	(204,010,933)	(162,378,923)	(135,248,427)	(107,400,200)	(1,603,595,361)
4	5B		(160,199)		(154,263)	(345,522)	(505,971)	(562,379)	(675,863)	(616,057)	(610,794)	(857,190)	(706,596)	(611,653)	(670,699)	(6,477,186)
5	5C		317		403	135	(407)	22	35	2	(5)	295,052	28,328	92	9	323,983
6	5D		1,244,940		800,930	945,118	1,124,613	1,619,591	1,860,705	3,683,294	3,871,656	3,569,707	1,865,704	2,312,674	2,423,389	25,322,321
7		<b>Total ERRA Revenues including FF&amp;U</b>	(98,317,477)	-	(90,338,600)	(96,335,373)	(89,707,059)	(114,795,191)	(146,915,876)	(170,085,506)	(176,541,495)	(201,003,364)	(161,191,487)	(133,547,314)	(105,647,501)	(1,584,426,243)
9		Less: FF&U on Commodity Revenue	1,192,758	-	1,091,762	1,163,150	1,083,837	1,390,144	1,777,101	2,077,706	2,157,497	2,447,982	1,948,428	1,622,882	1,288,724	19,241,971
10		Less: FF&U on PCIA	1,922	-	1,851	4,146	6,071	6,748	8,110	7,392	7,329	10,286	8,479	7,339	8,048	77,721
11		Less: FF&U on PTR Credit	(4)	-	(5)	(2)	5	-	-	-	-	(3,540)	(340)	(1)	-	(3,887)
12		Less: FF&U on NEM	(14,938)	-	(9,611)	(11,341)	(13,495)	(19,434)	(22,327)	(44,197)	(46,457)	(42,834)	(22,387)	(27,750)	(29,079)	(303,850)
13		<b>Total FF&amp;U</b>	1,179,738	-	1,083,997	1,155,954	1,076,419	1,377,458	1,762,883	2,040,902	2,118,369	2,411,893	1,934,180	1,602,470	1,267,693	19,011,955
15		<b>Subtotal ERRA Revenues without FF&amp;U</b>	(97,137,739)	-	(89,254,603)	(95,179,419)	(88,630,640)	(113,417,733)	(145,152,993)	(168,044,604)	(174,423,126)	(198,591,471)	(159,257,307)	(131,944,844)	(104,379,808)	(1,565,414,288)
17		Less: NGBA Revenue	23,057,733		20,475,509	21,332,657	19,985,718	19,929,324	21,505,749	24,859,628	25,450,430	26,294,949	22,804,318	21,848,314	21,643,485	269,187,814
18		Less: MMMA Revenue	187,352		166,371	173,336	162,391	161,933	174,742	201,993	206,794	213,656	185,293	177,525	175,861	2,187,247
19		Less: GRCMA Revenue	423,508		423,508	423,508	423,508	423,508	423,508	423,508	423,508	423,508	423,508	423,508	423,508	5,082,091
20		DRGBA Revenue	-	138,000	138,000	138,000	138,000	138,000	138,000	138,000	138,000	138,000	138,000	138,000	138,000	1,656,000
21		GRC 2016 Franchise Fee Revenue													119,866	119,866
22		<b>Net Revenues Booked to ERRA</b>	(73,469,146)	138,000	(68,051,215)	(73,111,918)	(67,921,023)	(92,764,968)	(122,910,994)	(142,421,475)	(148,204,394)	(171,521,358)	(135,706,188)	(109,357,497)	(81,879,093)	(1,287,181,269)
24		<b>EXPENSES</b>														
25																
26																
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41																
42																
43																
44		<b>MISCELLANEOUS</b>														
45	5q	Supplier Refunds														-
46	5r	Carrying Cost Related to Hedging Margin Deposit - Computed	24,600		26,473	24,545	26,485	27,145	27,266	31,037	32,321	31,544	30,129	29,283	32,884	343,712
47	5s	Authorized Disallowances				(17,891)										(17,891)
48	5d	Otay Mesa In-Lieu Franchise Fees														-
49	5d	Cuyamaca In-Lieu Franchise Fees														-
50	5t	2013/2014 True-up - O&M														-
51	5t	SONGS Settlement: DOE Refund						(44,799)	(284)							(45,083)
52		Energy Crisis Settlement - Aquila & CAL Party Refund										(2,857,983)				(2,857,983)
53		<b>Net Current Month Under/ (Over) Collection</b>	25,095,416	138,000	15,822,185	26,189,552	26,499,218	18,998,560	(8,259,162)	(9,900,733)	(7,743,816)	(40,620,729)	(18,444,833)	(13,256,418)	10,211,372	24,728,612
55		Interest Rate	0.74%	0.74%	0.80%	0.77%	0.87%	0.92%	0.95%	1.10%	1.17%	1.18%	1.18%	1.21%	1.28%	
56	5u	Monthly Interest Calculation	23,385	43	39,027	51,068	76,837	98,752	106,302	114,860	113,680	90,984	62,033	47,690	48,875	873,535
57	5t	Transfers To/From Other Regulatory Accounts														-
58		Rounding														-
59		Current Month Activity with Interest & Transfers	25,118,801	138,043	15,861,212	26,240,620	26,576,055	19,097,312	(8,152,860)	(9,785,873)	(7,630,136)	(40,529,745)	(18,382,801)	(13,208,728)	10,260,247	25,602,147
59		IEMA Transfer													293,896	293,896
60																25,896,043
61		<b>Account Balance with Interest &amp; Transfers</b>	50,491,984	50,630,027	66,491,239	92,731,859	119,307,913.67	138,405,225.85	130,252,365	120,466,492	112,836,356	72,306,611	53,923,810.823	40,715,083	51,269,226	51,269,226
62																
63		<b>Calculated Trigger Percentage</b>	3.1%	3.5%	4.6%	6.4%	8.3%	9.6%	9.0%	8.3%	7.8%	5.0%	3.7%	2.8%	3.6%	
64	1	Prior Year Generation Revenue	1,632,357,445	1,443,000,000	1,443,000,000	1,443,000,000	1,443,000,000	1,443,000,000	1,443,000,000	1,443,000,000	1,443,000,000	1,443,000,000	1,443,000,000	1,443,000,000	1,443,000,000	1,443,000,000
65		Threshold Percentage	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
66	2	Threshold Amount	81,617,872	72,150,000	72,150,000	72,150,000	72,150,000	72,150,000	72,150,000	72,150,000	72,150,000	72,150,000	72,150,000	72,150,000	72,150,000	72,150,000

## **Attachment B: Transition Cost Balancing Account - Summary**

**San Diego Gas & Electric**  
**Transition Cost Balancing Account (TCBA) - Electric**  
Under / (Over) Collection  
Account # 1150318 / (2190020)

	<u>Jan-17</u>	<u>Feb-17</u>	<u>Mar-17</u>	<u>Apr-17</u>	<u>May-17</u>	<u>Jun-17</u>	<u>Jul-17</u>	<u>Aug-17</u>	<u>Sep-17</u>	<u>Oct-17</u>	<u>Nov-17</u>	<u>Dec-17</u>	<b>Total</b>
<b>Beginning Balance</b>	\$ 3,335,977	\$ 1,193,035	\$ (986,338)	\$ (3,663,664)	\$ (5,714,053)	\$ (4,429,794)	\$ (1,674,783)	\$ 205,210	\$ 2,996,324	\$ 4,850,833	\$ 2,644,060	\$ 299,517	\$ 3,335,977
<b>Revenue</b>													
Gross CTC Revenue (PS 5a)	(2,617,722)	(2,374,482)	(2,408,909)	(2,225,103)	(2,209,193)	(2,424,004)	(2,720,143)	(2,796,978)	(3,039,691)	(2,562,241)	(2,435,269)	(2,478,817)	(30,292,552)
Less FF&U	31,411	28,492	28,905	26,700	26,509	29,086	32,640	33,562	36,474	30,745	29,221	29,744	363,489
GRC 2016 CTC Revenue Adjustment (1)												2,446	2,446
<b>Net CTC Revenue</b>	(2,586,311)	(2,345,990)	(2,380,004)	(2,198,403)	(2,182,684)	(2,394,918)	(2,687,503)	(2,763,416)	(3,003,217)	(2,531,496)	(2,406,048)	(2,446,627)	(29,926,617)
<b>Cost of Electricity</b>	441,973	166,548	(295,831)	151,412	3,470,830	5,152,344	4,568,169	5,552,970	4,853,870	321,040	60,022	386,177	24,829,524
<b>Total Costs</b>	441,973	166,548	(295,831)	151,412	3,470,830	5,152,344	4,568,169	5,552,970	4,853,870	321,040	60,022	386,177	24,829,524
<b>Current Month Activity</b>	(2,144,338)	(2,179,442)	(2,675,835)	(2,046,991)	1,288,146	2,757,426	1,880,666	2,789,554	1,850,653	(2,210,456)	(2,346,026)	(2,060,450)	(5,097,093)
<b>Interest Rate:</b>	0.74%	0.80%	0.77%	0.87%	0.92%	0.95%	1.10%	1.17%	1.18%	1.18%	1.21%	1.28%	
<b>Current Month Interest** (PS 5c)</b>	1,396	69	(1,491)	(3,398)	(3,887)	(2,415)	(673)	1,560	3,856	3,683	1,483	(779)	(596)
<b>Current Activity and Interest</b>	(2,142,942)	(2,179,373)	(2,677,326)	(2,050,389)	1,284,259	2,755,011	1,879,993	2,791,114	1,854,509	(2,206,773)	(2,344,543)	(2,061,229)	(5,097,689)
<b>Rounding/Transfer</b>												1	1
<b>Ending Balance</b>	\$ 1,193,035	\$ (986,338)	\$ (3,663,664)	\$ (5,714,053)	\$ (4,429,794)	\$ (1,674,783)	\$ 205,210	\$ 2,996,324	\$ 4,850,833	\$ 2,644,060	\$ 299,517	\$ (1,761,711)	\$ (1,761,711)

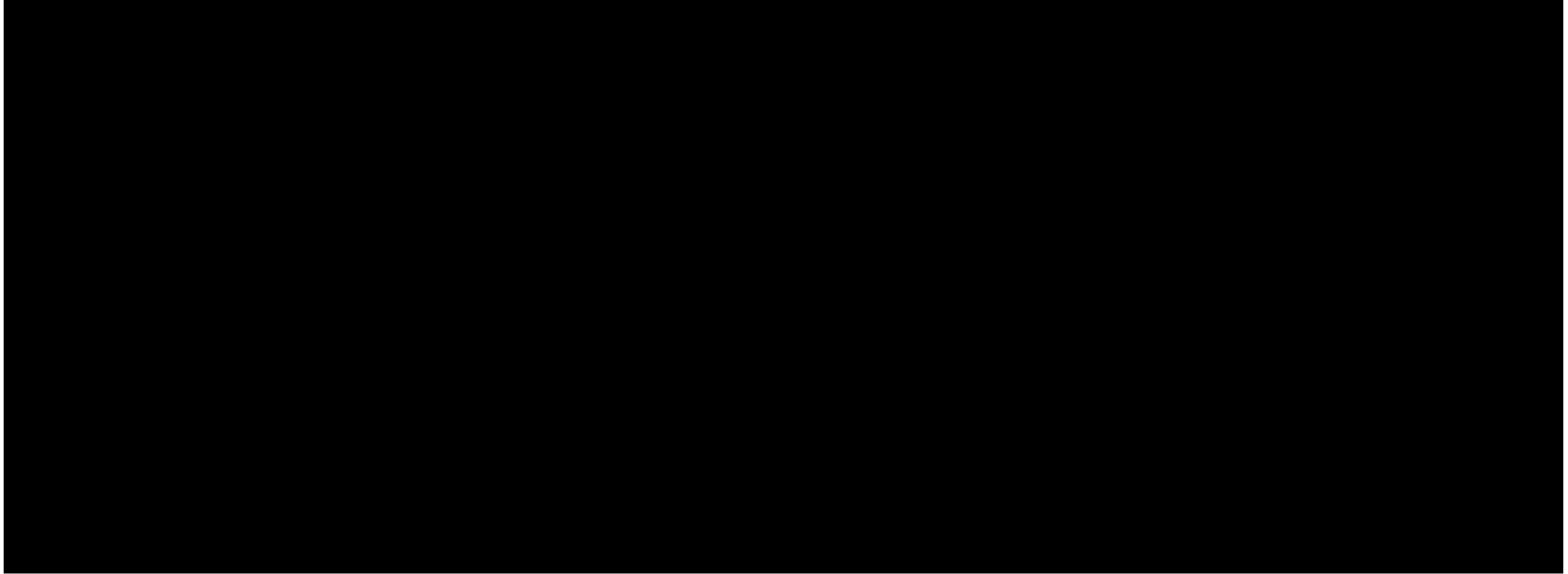


**Attachment C: Local Generation Balancing Account (LGBA) -  
Summary**

San Diego Gas & Electric  
Local Generation Balancing Account (LGBA) - Summary  
Under / (Over) Collection  
Account # 1150595 / (2190239)

REDACTED VERSION

Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	PPA	Jul-17	Aug-17	Sep-17	PPA/2	Oct-17	Nov-17	Dec-17	Total
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**Attachment D: New Environmental Regulatory Balancing Account  
(NERBA) - Electric AB32 Subaccount - Summary**

**San Diego Gas & Electric**  
**New Environmental Regulatory Balancing Account (NERBA) - Electric AB32 Subaccount**  
Under / (Over) Collection  
Account # 1150597 / (2190242)

	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Total
<b>Beginning Balance</b>	\$ (369,517)	\$ (367,019)	\$ (364,538)	\$ (362,046)	\$ (359,582)	\$ (357,132)	\$ (354,689)	\$ (352,288)	\$ (349,905)	\$ 40,986	\$ 43,753	\$ 46,523	\$ (369,517)
<b>Revenue</b>													
Authorized Revenue (PS 4c/d)	(26,750)	(26,750)	(26,750)	(26,750)	(26,750)	(26,750)	(26,750)	(26,750)	(26,750)	(26,750)	(26,750)	(26,750)	(321,000)
Amortization	29,475	29,475	29,475	29,475	29,475	29,475	29,475	29,475	29,475	29,475	29,475	29,469	353,694
<b>Total Revenues</b>	2,725	2,725	2,725	2,725	2,725	2,725	2,725	2,725	2,725	2,725	2,725	2,719	32,694
<b>O&amp;M (PS 4b)</b>													-
<b>Recorded Expenses PS 1</b>													
AB32	-	-	-	-	-	-	-	-	388,318	-	-	-	388,318
	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Costs</b>	-	-	-	-	-	-	-	-	388,318	-	-	-	388,318
<b>Current Month Activity</b>	2,725	2,725	2,725	2,725	2,725	2,725	2,725	2,725	391,043	2,725	2,725	2,719	421,012
<b>Interest Rate:</b>	0.74%	0.80%	0.77%	0.87%	0.92%	0.95%	1.10%	1.17%	1.18%	1.18%	1.21%	1.28%	
<b>Current Month Interest**</b>	(227)	(244)	(233)	(261)	(275)	(282)	(324)	(342)	(152)	42	45	51	(2,202)
<b>Current Activity and Interest</b>	2,498	2,481	2,492	2,464	2,450	2,443	2,401	2,383	390,891	2,767	2,770	2,770	418,810
<b>Rounding/Transfer (PS 5)</b>													-
<b>Ending Balance</b>	(367,019)	(364,538)	(362,046)	(359,582)	(357,132)	(354,689)	(352,288)	(349,905)	40,986	43,753	46,523	49,293	49,293

**Attachment E: Independent Evaluator Memorandum Account (IEMA)  
– Electric - Summary**

**San Diego Gas & Electric**  
**Independent Evaluator Memorandum Account (IEMA) - Electric**  
Under / (Over) Collection  
Account # 1150510 / (2190179)

	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Total
<b>Beginning Balance</b>	\$ -	\$ 9,630	\$ 41,335	\$ 110,383	\$ 126,558	\$ 136,114	\$ 213,272	\$ 217,606	\$ 218,328	\$ 237,008	\$ 226,746	\$ 265,584	\$ -
<b>Revenue</b>													
Authorized Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortization	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>O&amp;M (PS 3a)</b>	9,627	31,687	68,999	16,089	9,455	77,020	4,137	510	18,456	(10,490)	38,590	28,014	292,094
<b>Total Costs</b>	9,627	31,687	68,999	16,089	9,455	77,020	4,137	510	18,456	(10,490)	38,590	28,014	292,094
<b>Current Month Activity</b>	9,627	31,687	68,999	16,089	9,455	77,020	4,137	510	18,456	(10,490)	38,590	28,014	292,094
<b>Interest Rate:</b>	0.74%	0.80%	0.77%	0.87%	0.92%	0.95%	1.10%	1.17%	1.18%	1.18%	1.21%	1.28%	
<b>Current Month Interest** (PS 3b)</b>	3	17	49	86	101	138	197	212	224	228	248	298	1,801
<b>Current Activity and Interest</b>	9,630	31,704	69,048	16,175	9,556	77,158	4,334	722	18,680	(10,262)	38,838	28,312	293,895
<b>Rounding/Transfer ERRA Transfer (PS 4a) *</b>		1										(293,896)	1 (293,896)
<b>Ending Balance</b>	9,630	41,335	110,383	126,558	136,114	213,272	217,606	218,328	237,008	226,746	265,584	-	-

**Attachment F: Litigation Cost Memorandum Account (LCMA) –  
Electric - Summary**

**San Diego Gas & Electric**  
**Litigation Cost Memorandum Account (LCMA) - Electric**  
Under / (Over) Collection  
Account # 1150476 / (2190156)

	<u>Jan-17</u>	<u>Feb-17</u>	<u>Mar-17</u>	<u>Apr-17</u>	<u>May-17</u>	<u>Jun-17</u>	<u>Jul-17</u>	<u>Aug-17</u>	<u>Sep-17</u>	<u>Oct-17</u>	<u>Nov-17</u>	<u>Dec-17</u>	<u>Total</u>
<b>Beginning Balance</b>	\$ 14,341	\$ 15,220	\$ 15,230	\$ 15,240	\$ 17,670	\$ 26,425	\$ 29,147	\$ 29,174	\$ 33,304	\$ 33,337	\$ 13,964	\$ 43,319	\$ 14,341
<b>Revenue</b>													
Authorized Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Settlement Proceeds (PS 4a)	-	-	-	-	-	-	-	-	-	(33,337)	-	-	(33,337)
Amortization	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	-	-	-	-	-	-	-	-	-	(33,337)	-	-	(33,337)
<b>O&amp;M</b>													
Litigation Expenses (PS 4b)	870	0	0	2,418	8,738	2,700	0	4,100	0	13,941	29,326	51	62,144
<b>Total Costs</b>	870	-	-	2,418	8,738	2,700	-	4,100	-	13,941	29,326	51	62,144
<b>Current Month Activity</b>	870	-	-	2,418	8,738	2,700	-	4,100	-	(19,396)	29,326	51	28,807
<b>Interest Rate:</b>	0.74%	0.80%	0.77%	0.87%	0.92%	0.95%	1.10%	1.17%	1.18%	1.18%	1.21%	1.28%	
<b>Current Month Interest** (PS 4c)</b>	9	10	10	12	17	22	27	30	33	23	29	46	268
<b>Current Activity and Interest</b>	879	10	10	2,430	8,755	2,722	27	4,130	33	(19,373)	29,355	97	29,075
<b>Rounding/Transfer</b>													-
<b>Ending Balance</b>	15,220	15,230	15,240	17,670	26,425	29,147	29,174	33,304	33,337	13,964	43,319	43,416	43,416

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**Attachment G: Green Tariff Marketing Education & Outreach  
Memorandum Account (GTME&OMA) – Electric - Summary**

**San Diego Gas & Electric**  
**Green Tariff Marketing Education & Outreach Memorandum Account (GTME&OMA) - Electric**  
Under / (Over) Collection  
Account # 1150646 / (2190274)

	<u>Jan-17</u>	<u>Feb-17</u>	<u>Mar-17</u>	<u>Apr-17</u>	<u>May-17</u>	<u>Jun-17</u>	<u>Jul-17</u>	<u>Aug-17</u>	<u>Sep-17</u>	<u>Oct-17</u>	<u>Nov-17</u>	<u>Dec-17</u>	<u>Total</u>
<b>Beginning Balance</b>	\$ 88,599	\$ 83,552	\$ 90,756	\$ 104,971	\$ 145,747	\$ 152,417	\$ 161,300	\$ 162,841	\$ 179,663	\$ 192,506	\$ 193,304	\$ 224,242	\$ 88,599
<b>Revenue</b>													
YM-GT Mktng Cost	(14)	(19)	(24)	(33)	(95)	(423)	(585)	(749)	(709)	(695)	(740)	(1,103)	(5,189)
YE-GT Term Mktng Cost										(19)	(12)	(5)	(36)
<b>Sub-Total Revenues</b>	(14)	(19)	(24)	(33)	(95)	(423)	(585)	(749)	(709)	(714)	(752)	(1,108)	(5,225)
FF&U ON GHG CREDIT					1	5	7	9	9	9	9	13	62
<b>TOTAL REVENUES</b>	(14)	(19)	(24)	(33)	(94)	(418)	(578)	(740)	(700)	(705)	(743)	(1,095)	(5,163)
<b>O&amp;M (PS 4a)</b>	(5,086)	7,165	14,176	40,718	6,650	9,177	1,971	17,395	13,360	1,313	31,471	33,960	172,270
<b>Total Costs</b>	(5,086)	7,165	14,176	40,718	6,650	9,177	1,971	17,395	13,360	1,313	31,471	33,960	172,270
<b>Current Month Activity</b>	(5,100)	7,146	14,152	40,685	6,556	8,759	1,393	16,655	12,660	608	30,728	32,865	167,107
<b>Interest Rate:</b>	0.74%	0.80%	0.77%	0.87%	0.92%	0.95%	1.10%	1.17%	1.18%	1.18%	1.21%	1.28%	
<b>Current Month Interest**</b>	53	58	63	91	114	124	148	167	183	190	210	257	1,658
<b>Current Activity and Interest</b>	(5,047)	7,204	14,215	40,776	6,670	8,883	1,541	16,822	12,843	798	30,938	33,122	168,765
<b>Rounding/Transfer</b>													-
<b>Ending Balance</b>	83,552	90,756	104,971	145,747	152,417	161,300	162,841	179,663	192,506	193,304	224,242	257,364	257,364

**Attachment H: Green Tariff Share Renewables Administrative Cost  
Memorandum Account (GTSRACMA) - Electric Summary**

**San Diego Gas & Electric**  
**Green Tariff Share Renewables Administrative Cost Memorandum Account (GTSRACMA) - Electric Summary**  
Under / (Over) Collection  
Account# 1150645 / (2190273)

	<u>Jan-17</u>	<u>Feb-17</u>	<u>Mar-17</u>	<u>Apr-17</u>	<u>May-17</u>	<u>Jun-17</u>	<u>Jul-17</u>	<u>Aug-17</u>	<u>Sep-17</u>	<u>Oct-17</u>	<u>Nov-17</u>	<u>Dec-17</u>	<u>Total</u>
<b>Beginning Balance</b>	\$ 1,694,263	\$ 1,719,085	\$ 1,782,204	\$ 1,935,844	\$ 1,933,694	\$ 1,992,665	\$ 2,082,373	\$ 2,089,361	\$ 2,100,656	\$ 2,094,060	\$ 2,093,295	\$ 2,091,341	\$ 1,694,263
<b>Revenue</b>													
<b>GT</b>	(47)	(65)	(51)	(89)	(192)	(1,366)	(1,936)	(2,466)	(2,334)	(2,348)	(2,473)	(3,624)	(16,991)
<b>ECR</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Sub-Total Revenues</b>	(47)	(65)	(51)	(89)	(192)	(1,366)	(1,936)	(2,466)	(2,334)	(2,348)	(2,473)	(3,624)	(16,991)
<b>FF&amp;U ON GHG CREDIT</b>					6	16	23	30	28	28	30	43	204
<b>Total Revenues</b>	(47)	(65)	(51)	(89)	(186)	(1,350)	(1,913)	(2,436)	(2,306)	(2,320)	(2,443)	(3,581)	(16,787)
<b>O&amp;M (PS 5)</b>	23,816	62,017	152,499	(3,464)	57,652	89,446	6,989	11,690	(6,352)	(502)	(1,620)	10,592	402,763
<b>Total Costs</b>	23,816	62,017	152,499	(3,464)	57,652	89,446	6,989	11,690	(6,352)	(502)	(1,620)	10,592	402,763
<b>Current Month Activity</b>	23,769	61,952	152,448	(3,553)	57,466	88,096	5,076	9,254	(8,658)	(2,822)	(4,063)	7,011	385,976
<b>Interest Rate:</b>	0.74%	0.80%	0.77%	0.87%	0.92%	0.95%	1.10%	1.17%	1.18%	1.18%	1.21%	1.28%	
<b>Current Month Interest**</b>	1,053	1,167	1,192	1,403	1,505	1,612	1,912	2,041	2,062	2,057	2,109	2,235	20,348
<b>Current Activity and Interest</b>	24,822	63,119	153,640	(2,150)	58,971	89,708	6,988	11,295	(6,596)	(765)	(1,954)	9,246	406,324
<b>Rounding/Transfer (PS 5)</b>													-
<b>Ending Balance</b>	\$ 1,719,085	\$ 1,782,204	\$ 1,935,844	\$ 1,933,694	\$ 1,992,665	\$ 2,082,373	\$ 2,089,361	\$ 2,100,656	\$ 2,094,060	\$ 2,093,295	\$ 2,091,341	\$ 2,100,587	\$ 2,100,587

**Attachment I: Enhanced Community Renewable Marketing, Education  
& Outreach Memorandum Account (ECRME&OMA) – Electric Summary**

**San Diego Gas & Electric**  
**Enhanced Community Renewable Marketing, Education & Outreach Memorandum Account (ECRME&OMA) - Electric**  
 Under / (Over) Collection  
 Account # 1150644 / (2190272)

	<u>Jan-17</u>	<u>PPA</u>	<u>Feb-17</u>	<u>Mar-17</u>	<u>Apr-17</u>	<u>May-17</u>	<u>Jun-17</u>	<u>Jul-17</u>	<u>Aug-17</u>	<u>Sep-17</u>	<u>Oct-17</u>	<u>Nov-17</u>	<u>Dec-17</u>	<u>Total</u>
<b>Beginning Balance</b>	\$ 2,722	\$ 2,724	\$ 2,975	\$ 2,840	\$ 2,842	\$ 2,844	\$ 2,846	\$ 2,848	\$ 2,851	\$ 2,854	\$ 2,857	\$ 2,860	\$ 2,863	\$ 2,722
<b>Revenue</b>														
<b>Total Revenues</b>	-		-	-	-	-	-	-	-	-	-	-	-	-
<b>O&amp;M (PS 4a)</b>	-	251	(137)	-	-	-	-	-	-	-	-	-	-	114
<b>Total Costs</b>	-	251	(137)	-	-	-	-	-	-	-	-	-	-	114
<b>Current Month Activity</b>	-	251	(137)	-	-	-	-	-	-	-	-	-	-	114
<b>Interest Rate:</b>	0.74%		0.80%	0.77%	0.87%	0.92%	0.95%	1.10%	1.17%	1.18%	1.18%	1.21%	1.28%	
<b>Current Month Interest**</b>	2		2	2	2	2	2	3	3	3	3	3	3	30
<b>Current Activity and Interest</b>	2	251	(135)	2	2	2	2	3	3	3	3	3	3	144
<b>Rounding/Transfer</b>														-
<b>Ending Balance</b>	2,724	2,975	2,840	2,842	2,844	2,846	2,848	2,851	2,854	2,857	2,860	2,863	2,866	2,866

**Attachment J: Renewable Portfolio Standard Cost Memorandum  
Account (RPSCMA) – Electric Summary**

**San Diego Gas & Electric**  
**Renewable Portfolio Standard Cost Memorandum Account (RPSCMA) - Electric**  
Under / (Over) Collection  
Account# 1150615 / 2190252

	<u>Jan-17</u>	<u>Feb-17</u>	<u>Mar-17</u>	<u>Apr-17</u>	<u>May-17</u>	<u>Jun-17</u>	<u>Jul-17</u>	<u>Aug-17</u>	<u>Sep-17</u>	<u>Oct-17</u>	<u>Nov-17</u>	<u>Dec-17</u>	<u>Total</u>
<b>Beginning Balance</b>	\$ 40,791	\$ 40,816	\$ 40,843	\$ 40,869	\$ 40,899	\$ 40,930	\$ 40,962	\$ 41,000	\$ 41,040	\$ 41,080	\$ 41,120	\$ 41,161	\$ 40,791
<b>Revenue</b>													
Authorized Revenue													-
Amortization	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>O&amp;M (PS 3a)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Costs</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Current Month Activity</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Interest Rate (3c):</b>	0.74%	0.80%	0.77%	0.87%	0.92%	0.95%	1.10%	1.17%	1.18%	1.18%	1.21%	1.28%	
<b>Current Month Interest**</b>	25	27	26	30	31	32	38	40	40	40	41	44	414
<b>Current Activity and Interest</b>	25	27	26	30	31	32	38	40	40	40	41	44	414
<b>Rounding/Transfer (3b)</b>													-
<b>Ending Balance</b>	40,816	40,843	40,869	40,899	40,930	40,962	41,000	41,040	41,080	41,120	41,161	41,205	41,205



**Attachment K: 2017 ERRR Forecast vs Actual Variance Analysis**

**Attachment K - 2017 ERRA Forecast vs Actual Variance Analysis**

**REDACTED VERSION**

CONFIDENTIAL/PRIVILEGED INFORMATION PURSUANT TO APPLICABLE PROVISIONS OF D.06-06-066,  
GENERAL ORDER 66-D & PUC CODE SECTIONS 583 & 454.5(G)

Thousands of Dollars (without FF&U)

No.	Component	2017 Forecast	2017 Recorded	Difference	Variance
1	Load ISO Charges & Supply ISO Revenues		\$ 207,711		
2	Contract Costs (non-CTC)		922,781		
3	Contract Costs (CTC up to Market)		42,222		
4	Generation Fuel		112,604		
5	Net Supply ISO Revenues		1,077,606		
6	Equity Rebalancing Costs		11,654		
7	CAISO Misc. Costs		(40,935)		
8	Hedging Costs		24,800		
9	Greenhouse Gas & Carrying Costs		33,652		
	<b>Total ERRA Expenses</b>	\$ 1,340,912	\$ 1,314,487	\$ (26,424)	

- 1 **Load ISO Charges & Supply ISO Revenues** - Lower load was offset by higher electric price for load and lower generation/supply revenue..
- 2 **Contract Costs (non-CTC)** - Solar and Wind prices were over-estimated in the forecast.
- 3 **Contract Costs (CTC up to Market)** - Generation was higher than forecasted.
- 4 **Generation Fuel** - Natural gas fuel prices were lower than forecast by 18%, and UOG units ran less than forecasted.
- 7 **CAISO Misc. Costs** - CRR and Convergence Bidding costs are not included in the forecast, therefore recorded values (typically negative) are lower than forecast.
- 8 **Hedging Costs** - Due to lower derivative losses.

**Attachment L: Energy Resource Recovery Account (ERRA) 2017 vs  
2016 Recorded Variance Analysis**

REDACTED VERSION

Attachment L - 2017 vs 2016 Recorded Variance Analysis							
CONFIDENTIAL/PRIVILEGED INFORMATION PURSUANT TO APPLICABLE PROVISIONS OF D.06-06-066, GENERAL ORDER 66-C & PUC CODE SECTIONS 583 & 454.5(G)							
San Diego Gas & Electric Company Energy Resource Recovery Account (ERRA) 2017 vs 2016 Recorded Variance Analysis							
Line #	Description	iff Iter	Column 1 Total 2017	Column 2 Total 2016	Column 3 =Col.(1)-Col (2) Difference	Column 3a = Col.(3)/Col.(2) Variance %	Column 4 Explanation > 10% Change or \$1 million
1	ERRA beginning balance		\$ 25,373,183	\$ -			
2	<b>REVENUES</b>						
3	EECC Revenue (Less DWR Revenue)	5A	(1,603,595,361)	(1,447,488,589)	(156,106,772)	10.8%	The system average commodity rate increased by approximately 10% from 1/1/16 to 3/1/17 (2016 ERRRA Forecast Implementation to 2017 ERRRA Forecast Implementation), the 2017 increased revenues collected due to increase in rate.
4	Power Charge Indifference (PCIA) Revenue	5B	(6,477,186)	(2,307,633)	(4,169,553)	180.7%	The Power Charge Indifference Adjustment was lower in 2016 compared to 2017 due to the DWR-Power charge credit, which lowered the PCIA rate in 2016.
5	Peak Time Rebate (PTR) Incentive Payments	5C	323,983	102,609	221,374	215.7%	Peak Time Rebate Energy Incentive Payments were lower in 2016 due to lower usage by the customers.
6	Net Energy Metering - Net Surplus Compensation Pmts	5D	25,322,321	13,295,782	12,026,539	90.5%	Net Energy Metering compensation payments were higher in 2017 due to higher customer enrollment and activity.
7	Total ERRRA Revenues including FF&U		(1,584,426,243)	(1,436,397,831)	(148,028,412)		
8							
9	Less: FF&U factor (1.012179) for EECC	5A	19,241,971	17,575,524	1,666,447		
10	Less: FF&U factor for Power Charge Indifference Revenue	5B	77,721	27,959	49,762		
11	Less: FF&U factor for Peak Time Rebate Payments	5C	(3,887)	(1,261)	(2,626)		
12	Less: FF&U factor for Net Energy Metering	5D	(303,850)	(161,814)	(142,036)		
13	Total FF&U		19,011,955	17,440,408	1,571,547		
14							
15	Subtotal ERRRA Revenues without FF&U		(1,565,414,288)	(1,418,957,423)	(146,456,865)		
16							
17	Less: Transfer to NGBA	5t	269,187,814	261,207,709	7,980,105	3.1%	Due to a lower NGBA revenue requirement for 2016.
18	Less: Transfer to GRCMA	5t	5,082,091	2,117,540	2,964,551	140.0%	The previous GRC amortization ended in 2016. A new higher GRC amortization began in 2017.
19	Less: Transfer to DRGBA	5t	1,656,000	-	1,656,000	#DIV/0!	Amortization that was included in rates as of January 1, 2017. There was no amortization in 2016 relating to DRGBA.
20	Less: Transfer to MMMA	5t	2,187,247	995,578	1,191,669	119.7%	Lower revenues were transferred to MMMA in 2016.
21	Less: GRC 2016 Franchise Fee Refund	5t	119,866	-	119,866	#DIV/0!	This adjustment is due to an incorrect rate being applied in billing relating to the 2016 GRC implementation
22							
23	Net Revenues Booked to ERRRA		\$ (1,287,181,269)	\$ (1,154,636,596)	\$ (132,544,674)		
24							
25	<b>EXPENSES</b>						
26	Contract Costs (CTC up-to-market) - PGE	5a	-	-	-	-	
27	Contract Costs (CTC up-to-market) - QFs & YCA	5b	42,221,530	39,700,452	2,521,078	6.4%	Due to higher payments to CoGen counterparties for energy and capacity.
28	Contract Costs (Non-CTC)	5c	922,780,709	896,540,971	26,239,738	2.9%	Due to increased purchased power agreement costs and offset by higher sales for resale in 2017.
29	Generation Fuel & In-Lieu Payment	5d	112,603,588	95,600,059	17,003,529	17.8%	Due to higher fuel costs and more conventional generation in 2017 (with new generation Pico Pico Energy Center online 06/01/2017)
30	Other ISO Related Costs	5e	(605)	49	(654)	-130.7%	Due to refunds from CAISO in 2017.
31	ISO Supply & Load Costs	5f	207,711,418	162,411,339	45,300,080	27.9%	Due to lower CAISO supply revenues and higher CAISO load costs in 2017.
32	Hedging Costs & Financial Transactions	5i	24,799,937	36,395,253	(11,595,316)	-31.9%	Due to lower losses in gas price derivative hedging activities in 2017.
33	Rounding		(6)	(6)	6	-	
34	Customer Incentives - SPP, DR, 20/20		-	-	-	-	
35	Rewards/Penalties - Palomar Energy Ctr	5k	-	-	-	-	
36	WREGIS Costs	5l	2,208,363	3,267,206	(1,058,843)	-32.4%	Decrease due to a larger number of GHG RECs retired in 2016 for GHG compliance.
37	ISO CRRs Costs	5g	(43,051,551)	(31,495,245)	(11,556,306)	36.7%	Due to higher revenues from CAISO in 2017 resulting from higher CRR value/higher quantity of CRRs settling with CAISO for electric congestion.
38	ISO Convergence Bidding Costs	5e	(91,632)	(359,844)	268,212	-74.5%	Due to lower revenues from CAISO for convergence bidding related items.
39	Rebalancing Costs (OMEC)	5m	11,653,608	12,183,318	(529,710)	-4.3%	Due to lower cost associated with Variable Interest Entity (VIE) impact of Otay Consolidation in 2017
40	Purchased Tradable Renewable Energy Credits (TREC)	5n	-	-	-	-	
41	Sales Tradable Renewable Energy Credits (TREC)	5n	-	-	-	-	
42	Net Surplus Compensation Costs (AB920)		-	-	-	-	
43	Authorized Disallowances	5s	-	-	-	-	
44	Greenhouse Gas & Carrying Costs	5p	-	-	-	-	
45	Total Balancing Account Expenses		\$ 1,314,487,126	\$ 1,248,409,179	\$ 66,077,945		
46							
47	<b>MISCELLANEOUS</b>						
48	Supplier Refunds	5q	(2,857,983)	(77,022)	(2,780,961)	3610.6%	Refunds related to the Energy Crisis Settlement (Aquila & CAL Party) cases were settled in 2017.
49	Adjustments for In-Lieu Franchise Fees and O&M true-ups related to SONGS settlement items	5d, 1		(831,266)	831,266	100%	In 2016 one-time adjustments were made for In-Lieu fees and also O&M SONGS related items.
50	Carrying Cost Related to Hedging Margin Deposit - Computed	5i	343,712	266,964	76,748	28.7%	Carrying costs were higher in 2017 primarily due to higher average account balances and higher 3-month Commercial Paper borrowing rates.
51	SONGS Settlement: Trust reimbursement	1	(45,083)	(27,439,126)	27,394,043	-99.8%	Significantly lower SONGS Trust reimbursements pursuant to D. 14-11-040.
52	Authorized Disallowances	5s	(17,891)	-	(17,891)	#DIV/0!	Pursuant to D.17-03-016 - 2015 ERRRA Compliance
53	Energy Crisis Settlement - Aquila & CAL Party Refund		-	-	-	#DIV/0!	
54							
55	Total Miscellaneous		\$ (2,577,245)	\$ (28,080,449)	\$ 25,503,205		
56							
57	Net Current Month Under/ (Over) Collection		\$ 24,728,612	\$ 65,692,134	\$ (40,963,524)		
58							
59	Interest Rate						
60	Interest	5u	873,535	274,373	599,162	218.4%	The interest rates were higher in 2017 and there were higher average balances during 2017.
61							
62	Transfer from IEMA	5t	293,896	503,462	(209,566)	-41.6%	Transfer balance from IEMA to ERRRA per AL 2304-E. IEMA is excluded from the total interest calculation because interest is calculated on the balance within the memo account prior to transfer.
63	Transfer from DPBA	5t	-	(15,825,091)	15,825,091	100.0%	The balance of the DPBA account was transferred to ERRRA at the end of 2016.
64	Transfer from RPSCMA	5t	-	-	-	-	
65	True-up of SONGS Settlement items	1	-	-	-	-	
66	Activity with Interest & Transfers		\$ 25,896,043	\$ 50,644,878	\$ (40,364,362)		
67	ERRRA ending balance		\$ 51,269,226	\$ 25,373,183			