

Application No.: A.22-05- XXX
Exhibit No.: _____
Witness: Scott D. Lewis

PREPARED DIRECT TESTIMONY OF
SCOTT D. LEWIS
ON BEHALF OF
SAN DIEGO GAS & ELECTRIC COMPANY

****UNREDACTED, CONFIDENTIAL VERSION****

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



May 31, 2022

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4 **PREPARED DIRECT TESTIMONY OF
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I. PURPOSE AND OVERVIEW

My testimony presents San Diego Gas & Electric Company’s (“SDG&E’s”) 2021¹ costs for greenhouse gas (“GHG”) compliance instruments used to satisfy its compliance obligations under the California Air Resources Board’s (“ARB”) cap-and-trade program pursuant to Assembly Bill (“AB”) 32. My testimony also includes SDG&E’s 2021 revenues related to the sale of its allowance allocation.² The purpose of this testimony is to present SDG&E’s 2021 emissions, costs and revenues in accordance with applicable decisions. The following sections describe the cap-and-trade program and detail SDG&E’s 2021 actual revenues and estimated emissions and costs. These emissions are a key input used in the calculations of SDG&E’s Direct GHG Emissions price and in customer rates, as further explained in the testimony of SDG&E witness Mr. O’Connell.³ These revenues are used to calculate SDG&E’s Climate Credit, which is further discussed in in the testimony of SDG&E witness Ms. Morien.

¹ The 2020 volumes and costs became final in September 2021 and were reported as part of SDG&E’s Updated 2022 ERRRA Forecast Filing (Application (“A.”) 21-04-010); thus the 2020 volumes and costs were not reported in the April 2021 testimony. The 2021 estimated emissions and costs reported in this testimony are subject to change due to emission verification for all of 2021. Additionally, this testimony does not include 2022 emissions, costs and revenues since only January and February estimates are available at this time. In the November 2022 update of this testimony, it will include estimated costs and revenues for January through September of 2022 and forecasts for October – December 2022, all of which are subject to change when actualized and/or verified.

² The 2021 emissions and costs are subject to change due to emission verification which will become final in August-September 2022. 2021 revenues, however, are now final.

³ SDG&E witness Mr. O’Connell provides a forecast of the 2023 GHG costs.

1 **II. BACKGROUND**

2 **A. AB 32 Background**

3 The Global Warming Solutions Act of 2006, also referred to as AB 32,⁴ establishes a goal
4 of reducing California’s GHG emissions to the 1990 level by 2020. The statute grants ARB
5 broad authority to regulate GHG emissions to reach this target. ARB’s Scoping Plan includes a
6 recommendation that California adopt a portfolio of emissions reduction measures, including a
7 California GHG cap-and-trade program.⁵

8 In October 2011, ARB released its Final Regulation Order, which was approved by its
9 Board and by the Office of Administrative Law (“OAL”) in December 2011.⁶ The ARB
10 regulations create a GHG emissions allowance cap-and-trade system, with compliance
11 obligations in the electricity sector applicable to “first deliverers of electricity”⁷ that emit more
12 than 25,000 Metric Tons (“MT”) of GHG. The regulation requires that first deliverers of
13 electricity, including investor-owned utilities (“IOUs”) such as SDG&E, obtain all the
14 compliance instruments required to meet their compliance obligations by November 1 of the year
15 following the end of a compliance period. Compliance instruments consist of allowances and
16 offsets. An allowance is a limited, tradable authorization to emit up to one MT of carbon dioxide
17 equivalent (“CO2e”) and an offset is a project that reduces GHG in sectors outside of those

⁴ AB 32, Stats. 2005-2006, Ch. 488 (Cal. 2006).

⁵ State of California Air Resources Board, *California Cap-and-Trade Program, Resolution 11-32* (October 20, 2011) at 3-4 available at: <https://www.arb.ca.gov/regact/2010/capandtrade10/res11-32.pdf>.

⁶ The ARB Final Regulation Order from December 2011 is codified at 17 California Code of Regulations section (“§”) 95800 *et seq.* and is also available at: <http://www.arb.ca.gov/regact/2010/capandtrade10/capandtrade10.htm>.

⁷ “First deliverers of electricity” is defined in § 95811(b) of ARB’s Final Regulation Order as electricity generators inside California and electricity importers.

1 covered in the cap-and-trade program.⁸ Section 95892(b) of ARB’s Final Regulation Order
2 establishes that IOUs are required to sell all their free allowances and acquire an amount equal to
3 their direct compliance obligations. There are also annual requirements to surrender at least 30%
4 of expected annual obligations each year by November 1 of the following year.

5 **B. GHG Actual Revenue**

6 The revenues discussed in my testimony result from the sale of allowances allocated to
7 SDG&E by ARB for the benefit of its ratepayers. ARB requires that the allowances that are
8 allocated annually to the IOUs be made available for sale at the ARB auctions. Allowances
9 given to the IOUs must all be consigned by the last auction of that year. Except for the
10 November 2012 auction, where ARB specified the amount that each IOU needed to auction, all
11 other amounts consigned at auctions are up to the discretion of each IOU, provided the entire
12 annual volume is consigned by the end of each year. Revenues are calculated by multiplying the
13 volume sold by the auction settlement price. The revenues presented in this testimony consist of
14 allowances sold in the 2021 May, August, and November auctions.

15 **C. GHG Estimated Emission Volumes**

16 The 2021 direct emissions will be the estimated/calculated GHG emissions for: (1)
17 SDG&E’s California utility-owned generation (“UOG”), (2) California generators with whom
18 SDG&E has contracts where SDG&E is responsible for GHG costs, (3) estimated emissions
19 associated with SDG&E imports of both specified electricity and unspecified electricity, and (4)
20 Renewable Portfolio Standard adjustment (“RPS Adjustment”). The RPS Adjustment, which is
21 an optional provision of the Cap-and-Trade regulation that reduces a compliance entity’s direct
22 compliance obligation, is calculated by multiplying the out-of-state renewable megawatt-hours

⁸ Refer to § 95801 of ARB’s Final Regulation Order for definitions.

1 (“MWh”) eligible for RPS adjustment by the ARB assigned unspecified emission factor. The
2 2021 direct volumes may change because they are subject to: (1) emission estimates and
3 emission reporting verification, (2) changing emission factors, and (3) contractual requirements
4 for reviewing tolling agreement emissions for potential reductions. If there are such changes,
5 they will be reflected in future testimony.

6 The 2021 indirect emissions are estimated emissions based on net purchases from the
7 California electricity market controlled by the California Independent System Operator
8 (“CAISO”) measured in MWh and multiplied by the ARB assigned unspecified emission factor.
9 Indirect emissions are not overseen by ARB. Indirect emissions are comprised of estimated
10 GHG emissions for which SDG&E was exposed because of purchasing power from third parties.
11 The 2021 indirect emissions within this testimony are those calculated in SDG&E’s 2021 ERRA
12 Forecast Application and will be updated in the updated 2023 ERRA Forecast testimony in
13 November 2022.

14 **D. GHG Cost Categories**

15 The costs outlined in my testimony are broken down into two categories of GHG costs:
16 direct costs and indirect costs. SDG&E defines direct costs of a given compliance year as the net
17 cost of procuring compliance instruments that can be used to satisfy SDG&E’s compliance year
18 obligation. SDG&E defines indirect costs of a given compliance year as the GHG compliance
19 costs embedded in the price of electricity delivered in that year, which are passed on from sellers.

20 Section III below addresses the carbon price for 2021. Section IV.A addresses direct
21 GHG emissions associated with SDG&E’s UOG plants, procurement of electricity from tolling
22 agreements, electricity imports attributed to SDG&E, and credits from SDG&E’s eligible RPS
23 Adjustment. Section IV.B addresses the approximate 2021 indirect GHG emissions for which
24 SDG&E paid as GHG costs embedded in electricity prices charged by third parties to SDG&E

1 proceeding.¹³ Accordingly, SDG&E is not including Attachment C (or supporting testimony
2 regarding methodologies) in this ERRA forecast application. Rather, SDG&E will comply with
3 D.19-04-016, OP 3, which directs the IOUs to demonstrate compliance with the revised D.15-01-
4 024 Attachment C in its ERRA compliance filings and not in its ERRA forecasts. SDG&E will
5 submit the GHG WAC compliance testimony for record year 2021 in its 2021 ERRA
6 Compliance testimony, which will be filed on June 1, 2022.

7 **B. Price for Indirect Emissions**

8 The embedded GHG costs for indirect emissions are estimated by using the average
9 CAISO GHG Allowance Price Indices, as listed in the table below.¹⁴ Indirect costs are estimated
10 since it is assumed that the GHG cost was passed on by all sources of power from market
11 purchases.

2021 CAISO GHG Prices	
Jan-Dec 2021	\$23.15

12
13 **IV. GHG COMPLIANCE COSTS**

14 **A. Direct Greenhouse Gas Emissions**

15 Under ARB’s cap-and-trade program, the “first deliverer of electricity” within California
16 must surrender one allowance or offset credit for each MT of GHG emissions. Accordingly,
17 SDG&E had direct compliance obligations for GHGs emitted from burning natural gas at its
18 UOG plants, namely, the Palomar Energy Center (“Palomar”) and Miramar Energy Facility I and
19 II (collectively, “Miramar”).¹⁵ SDG&E’s UOG GHG emission volumes are derived from

¹³ *Id.* at OP 3.

¹⁴ Annual CAISO prices are a straight average of public daily GHG prices published on CAISO’s OASIS website.

¹⁵ ARB’s Mandatory Reporting Regulation require use of emission factors from federal regulations – title 40, Code of Federal Regulation (“CFR”) Part 98 promulgated by U.S. EPA and published in the Federal Register on October 30, 2009, July 12, 2010, September 22, 2010, October 28, 2010,

Based on the above, SDG&E’s 2021 estimated direct compliance obligations are:

Jan-Dec 2021 Direct Compliance Obligations	Emissions Estimate (in MT)
California UOG Plants	
California Tolling Generators	
Specified Imports	
Unspecified Imports	
RPS Adjustment	
Total	

B. Indirect Greenhouse Gas Emissions

SDG&E, along with all other purchasers of wholesale electricity, is subject to indirect GHG compliance costs that generators incur and pass on to their buyers. This additional cost of GHG compliance is embedded in the market price of electricity procured in the wholesale market from third parties, thereby increasing SDG&E’s cost to purchase wholesale electricity, as well as from suppliers under contracts that include market-based prices. The cost of GHG affects both market purchases and contracts based on the price of energy (such as combined heat and power [“CHP”] facilities); because the price of energy changes in tandem with the change in the GHG allowance prices, sellers of electricity demand higher revenues to offset the costs related to their cap-and-trade obligations. The 2021 indirect GHG volumes are estimated, for both net market purchases and CHP contracts, as the MWh of electricity production multiplied by the ARB default rate for unspecified electricity of 0.428 MT/MWh. The forecasted 2021 MWh and emissions of SDG&E’s indirect purchases are as follows:

2021 Forecasted Indirect Volumes in MWh and MT	
Total INDIRECTS (MWh)	
Unspecified Emissions Factor (MT/MWh)	0.428
Total INDIRECTS (MT)	

1 **C. GHG Costs**

2 Using the prices from Section III above, the 2021 direct GHG costs are as follows:

3

2021 GHG Direct Cost Estimates	Emissions Estimate (in MT)	Direct GHG Emissions Price (in \$/MT)	Estimated Direct Cost
Jan-Dec 2021 (estimated actuals)			

4

5 Combining indirect volumes and the CAISO GHG allowance price indices,²¹ the 2021
6 estimated GHG indirect costs are as follows:

7

2021 Forecasted Indirect Volumes & Cost	
Total INDIRECTS (MT)	
CAISO GHG Price (Jan-Dec 2021) (\$/MT)	\$23.15
Total Indirect Cost	

8

8 Thus, the 2021 Direct and Indirect estimate blended cost is \$51.40 million (rounded).

9 **D. Education and Outreach Costs**

10 For 2023, the Detail of Outreach and Administrative Expense costs (Attachment G to the
11 Application) incorporates SDG&E’s proposal to retain the August and September Climate Credit
12 disbursement timing.²²

13 If SDG&E’s proposal in R.20-05-002 is approved, and in accordance with D.13-12-003,
14 SDG&E will maintain the three touchpoints with customers in April along with the distribution
15 months, August and September, including bill insert and email communications.

16 If SDG&E’s proposal in R.20-05-002 is not approved and SDG&E is required to revert to
17 the Climate Credit distribution months of April and October, SDG&E anticipates it will resume

²¹ Per D.14-10-033 at 25, indirect costs are calculated using a proxy price equal to the average of the published CAISO GHG index daily prices in OASIS.

²² The August and September distribution are pending Commission decision in R.20-05-002.

1 the twice a year Climate Credit recipient communication as originally directed in D.16-06-04.

2 The administrative costs are projected to be slightly less given one less touch point.

3 Therefore, the total cost projection of the expenses to be incurred in 2023 is \$81,000.00
4 for the required touchpoints stated above. SDG&E anticipates a cost of \$58,000.00 for
5 residential customers and \$23,000.00 small business customers

6 **V. ACTUAL AND ESTIMATED GHG REVENUES**

7 SDG&E received 6,732,862 MT of vintage 2021 allowances to sell at 2021 auctions.
8 SDG&E's annual allocated allowances are required to be consigned at that year's quarterly
9 auctions; however, SDG&E has full discretion on how to distribute its allowances across the four
10 quarterly auctions. The tables below show the volumes sold at each 2021 auction along with
11 associated revenues.

2021 GHG Revenues			
Auction	Settlement Price (\$/MT)	Sold Volume (MT)	Revenue
Feb-21	\$17.80		
May-21	\$18.80		
Aug-21	\$23.30		
Nov-21	\$28.26		
Total	\$24.04		

12
13 This concludes my prepared direct testimony.

1 **VI. QUALIFICATIONS**

2 My name is Scott D. Lewis. My business address is 8315 Century Park Court, San Diego,
3 CA 92123. I am employed by San Diego Gas & Electric as the Electric & Fuels Trading
4 Manager in the Energy Supply and Dispatch Department. My responsibilities include managing
5 the execution of SDG&E's GHG portfolio and also the day ahead and forward procurement of
6 electricity and natural gas that serves SDG&E's electric portfolio. I assumed my current position
7 in August 2014.

8 I have been employed by SDG&E in numerous positions including Senior Electric Fuels
9 Trader, Electricity Trader, Electricity Pre-scheduler, and Electric Real Time Operations. I have
10 been responsible for natural gas scheduling and trading, electricity scheduling and trading,
11 outage management and demand forecasting.

12 I hold a bachelor's degree in Business Administration with an emphasis in Finance from
13 California State University, Chico.

14 I have previously testified before the California Public Utilities Commission.

ATTACHMENT A

**DECLARATION OF CHRIS SUMMERS REGARDING
CONFIDENTIALITY OF CERTAIN DATA/DOCUMENTS
PURSUANT TO D.16-08-024, *et al.***

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

**DECLARATION OF CHRIS SUMMERS
REGARDING CONFIDENTIALITY OF CERTAIN DATA/DOCUMENTS
PURSUANT TO D.16-08-24, *et al.***

I, Chris Summers, do declare as follows:

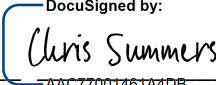
1. I am the Director of Origination, Energy Supply & Dispatch in the Electric and Fuel Procurement department for San Diego Gas & Electric Company (“SDG&E”). I have been delegated authority to sign this declaration by Estela de Llanos, Vice President of Energy Procurement and Sustainability. I have reviewed Scott Lewis’s Prepared Direct Testimony (“Testimony”) and Attachment G, the GHG Revenue and Reconciliation Application Form, in support of SDG&E’s “Application for approval of its 2023 Electric Procurement Revenue Requirement Forecasts and GHG Related-Forecasts (“Application”). I am personally familiar with the facts in this Declaration and, if called upon to testify, I could and would testify to the following based upon my personal knowledge and/or information and belief.

2. I hereby provide this Declaration in accordance with Decisions (“D.”) D.16-08-024, D.17-05-035 and D.17-09-023 to demonstrate that the confidential information (“Protected Information”) provided in Mr. Lewis’s Testimony and Attachment G are within the scope of data protected as confidential under applicable law.

3. In accordance with the legal citations and narrative justification described in Attachment A, the Protected Information should be protected from public disclosure.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct to the best of my knowledge.

Executed this 15th day of May 2022, at San Diego.

DocuSigned by:

AAC77001461A4DB...
Chris Summers
Director of Origination, Energy Supply & Dispatch

ATTACHMENT A

SDG&E Request for Confidentiality on the following information contained in Scott Lewis’s Testimony and Attachment G in support of SDG&E’s Application

Location of Protected Information	Legal Citations	Narrative Justification
<p>1. SDG&E Direct GHG prices and Direct GHG calculations</p> <p><i>(The 2021 Direct GHG price appears in Scott Lewis’s Testimony. The 2013 - 2020 Direct GHG calculations are utilized in tab “D-2” of Attachment G.</i></p>	<p>D.08-04-023</p> <p>D.14-10-033, D.16-08-024, D.17-05-035, D.17-09-023, Public Utilities Code Section 454.5(g)</p> <p>General Order (“GO”) 66-D</p> <p>17 CCR § 95914(c) (the “ARB Confidentiality Regulations”)</p> <p>The GHG Confidential Information Matrix in Attachment A of D.14-10-033 and revised in D.15-01-024</p> <p>The Matrix makes the following confidential: “Weighted Average Cost (WAC) of compliance instruments, and the calculation of WAC”</p> <p>Gov’t Code §§6254(k), 6254.7 (d), Evidence Code 1060, Civil Code §3426 et seq.</p>	<p>The Protected Information is entitled to confidential treatment under applicable law, including, but not limited to, the legal authority cited herein. The information does not expressly fall within any category of the IOU Matrix applicable to electric procurement information, but is market-sensitive information.</p> <p>Among other things, 17 CCR Section 95914(c)(1) of the Cap-and-Trade regulations prohibits disclosure of any auction-related information. Violation of Section 95914 may subject SDG&E to penalties by the California Air Resources Board.</p> <p>In addition, Attachments A, C & D of D.15-01-024 and Appendices A & B of D.15-10-032 require Auction-related information, forecasts of emissions intensity, forecasts of greenhouse gas (GHG) costs, GHG transactions, compliance instrument prices, weight average cost (“WAC”) and other GHG information to be kept confidential.</p> <p>Additionally, the Protected Information also includes trade secret information because SDG&E’s bidding/consignment strategies contain “commercial value,” which gives SDG&E “an opportunity to obtain a business advantage over competitors who do not know or use it.”</p> <p>Disclosure of this information would place SDG&E at an unfair business disadvantage relative to other Cap-and-Trade market participants and result in higher Cap-and-Trade compliance costs for SDG&E and its end-use ratepayers.</p>
<p>2. Historical/Recorded UOG Emissions</p>	<p>D.08-04-023</p> <p>D.14-10-033, D.16-08-024, D.17-05-035, D.17-09-023, Public Utilities Code Section 454.5(g)</p>	<p>The Protected Information is entitled to confidential treatment under applicable law, including, but not limited to, the legal authority cited herein. The information does not expressly fall within any category of the IOU Matrix applicable to electric procurement information, but is market-sensitive information.</p>

<p><i>(The 2021 Historical UOG Emissions appear in Scott Lewis’s Testimony. The 2013- 2020 Recorded UOG Emissions appear in Attachment G of this Application.)</i></p>	<p>General Order (“GO”) 66-D</p> <p>17 CCR § 95914(c) (the “ARB Confidentiality Regulations”)</p> <p>Annual GHG Emissions and Associated Costs in Template D-2 of D.14-10-033 and revised in D.15-01-024</p> <p>Template D-2 designates forecasted and recorded UOG emissions as confidential</p> <p>Gov’t Code §§6254(k), 6254.7 (d), Evidence Code 1060, Civil Code §3426 et seq.</p>	<p>Among other things, 17 CCR Section 95914(c)(1) of the Cap-and-Trade regulations prohibits disclosure of any auction-related information. Violation of Section 95914 may subject SDG&E to penalties by the California Air Resources Board.</p> <p>In addition, Attachments A, C & D of D.15-01-024 and Appendices A & B of D.15-10-032 require Auction-related information, forecasts of emissions intensity, forecasts of greenhouse gas (GHG) costs, GHG transactions, compliance instrument prices, weight average cost (“WAC”) and other GHG information to be kept confidential.</p> <p>Additionally, the Protected Information also includes trade secret information because SDG&E’s bidding/consignment strategies contain “commercial value,” which gives SDG&E “an opportunity to obtain a business advantage over competitors who do not know or use it.”</p> <p>Disclosure of this information would place SDG&E at an unfair business disadvantage relative to other Cap-and-Trade market participants and result in higher Cap-and-Trade compliance costs for SDG&E and its end-use ratepayers.</p>
<p>3.</p> <p><i>Historical/Recorded California Tolling Agreement Emissions</i></p> <p><i>(The 2021 Tolling Agreement Emissions appear in Scott Lewis’s Testimony. The 2013- 2020 Tolling Agreement Emissions appear in Attachment G of this Application.)</i></p>	<p>D.08-04-023</p> <p>D.14-10-033, D.16-08-024, D.17-05-035, D.17-09-023, Public Utilities Code Section 454.5(g)</p> <p>General Order (“GO”) 66-D</p> <p>17 CCR § 95914(c) (the “ARB Confidentiality Regulations”)</p> <p>Annual GHG Emissions and Associated Costs in Template D-2 of D.14-10-033 and revised in D.15-01-024</p> <p>Template D-2 designates forecasted and recorded Tolling Agreements emissions as confidential</p> <p>Gov’t Code §§6254(k), 6254.7 (d), Evidence Code 1060, Civil Code §3426 et seq.</p>	<p>The Protected Information is entitled to confidential treatment under applicable law, including, but not limited to, the legal authority cited herein. The information does not expressly fall within any category of the IOU Matrix applicable to electric procurement information, but is market-sensitive information.</p> <p>Among other things, 17 CCR Section 95914(c)(1) of the Cap-and-Trade regulations prohibits disclosure of any auction-related information. Violation of Section 95914 may subject SDG&E to penalties by the California Air Resources Board.</p> <p>In addition, Attachments A, C & D of D.15-01-024 and Appendices A & B of D.15-10-032 require Auction-related information, forecasts of emissions intensity, forecasts of greenhouse gas (GHG) costs, GHG transactions, compliance instrument prices, weight average cost (“WAC”) and other GHG information to be kept confidential.</p> <p>Additionally, the Protected Information also includes trade secret information because SDG&E’s bidding/consignment strategies contain “commercial value,” which gives SDG&E “an opportunity to obtain a business advantage over competitors who do not know or use it.”</p> <p>Disclosure of this information would place SDG&E at an unfair business disadvantage relative to other Cap-and-Trade market participants and result in higher Cap-and-Trade compliance costs for SDG&E and its end-use ratepayers.</p>

<p>4. Historical/Recorded Specified Imported MWh and calculated Emissions</p> <p><i>(The 2021 Specified Imported MWh and calculated Emissions appear in Scott Lewis’s Testimony. The 2013- 2020 Recorded Specified Imported Emissions appear in Attachment G of this Application.)</i></p>	<p>D.08-04-023</p> <p>D.14-10-033, D.16-08-024, D.17-05-035, D.17-09-023, Public Utilities Code Section 454.5(g)</p> <p>General Order (“GO”) 66-D</p> <p>17 CCR § 95914(c) (the “ARB Confidentiality Regulations”)</p> <p>Annual GHG Emissions and Associated Costs in Template D-2 of D.14-10-033 and revised in D.15-01-024</p> <p>Template D-2 designates forecasted and recorded Energy Imports (Specified) emissions as confidential. Knowledge of the MWh makes discovery of the emissions possible, thus the MWh are also confidential.</p> <p>Gov’t Code §§6254(k), 6254.7 (d), Evidence Code 1060, Civil Code §3426 et seq.</p>	<p>The Protected Information is entitled to confidential treatment under applicable law, including, but not limited to, the legal authority cited herein. The information does not expressly fall within any category of the IOU Matrix applicable to electric procurement information, but is market-sensitive information.</p> <p>Among other things, 17 CCR Section 95914(c)(1) of the Cap-and-Trade regulations prohibits disclosure of any auction-related information. Violation of Section 95914 may subject SDG&E to penalties by the California Air Resources Board.</p> <p>In addition, Attachments A, C & D of D.15-01-024 and Appendices A & B of D.15-10-032 require Auction-related information, forecasts of emissions intensity, forecasts of greenhouse gas (GHG) costs, GHG transactions, compliance instrument prices, weight average cost (“WAC”) and other GHG information to be kept confidential.</p> <p>Additionally, the Protected Information also includes trade secret information because SDG&E’s bidding/consignment strategies contain “commercial value,” which gives SDG&E “an opportunity to obtain a business advantage over competitors who do not know or use it.”</p> <p>Disclosure of this information would place SDG&E at an unfair business disadvantage relative to other Cap-and-Trade market participants and result in higher Cap-and-Trade compliance costs for SDG&E and its end-use ratepayers.</p>
<p>5. Historical/Recorded Unspecified Imported MWh and calculated Emissions</p> <p><i>(The 2021 Unspecified</i></p>	<p>D.08-04-023</p> <p>D.14-10-033, D.16-08-024, D.17-05-035, D.17-09-023, Public Utilities Code Section 454.5(g)</p> <p>General Order (“GO”) 66-D</p> <p>17 CCR § 95914(c) (the “ARB Confidentiality Regulations”)</p> <p>Annual GHG Emissions and Associated Costs in Template D-2 of D.14-10-</p>	<p>The Protected Information is entitled to confidential treatment under applicable law, including, but not limited to, the legal authority cited herein. The information does not expressly fall within any category of the IOU Matrix applicable to electric procurement information, but is market-sensitive information.</p> <p>Among other things, 17 CCR Section 95914(c)(1) of the Cap-and-Trade regulations prohibits disclosure of any auction-related information. Violation of Section 95914 may subject SDG&E to penalties by the California Air Resources Board.</p> <p>In addition, Attachments A, C & D of D.15-01-024 and Appendices A & B of D.15-10-032 require Auction-related information, forecasts of emissions intensity, forecasts of greenhouse gas (GHG) costs, GHG transactions, compliance instrument prices, weight average cost (“WAC”) and other GHG information to be kept confidential.</p> <p>Additionally, the Protected Information also includes trade secret information because SDG&E’s bidding/consignment</p>

<p><i>Imported MWh and calculated Emissions appear in Scott Lewis’s Testimony. The 2013- 2020 Unspecified Imported Emissions appear in Attachment G of this Application.)</i></p>	<p>033 and revised in D.15-01-024</p> <p>Template D-2 designates forecasted and recorded Energy Imports (Unspecified) emissions as confidential. Knowledge of the MWh makes discovery of the emissions possible, thus the MWh are also confidential.</p> <p>Gov’t Code §§6254(k), 6254.7 (d), Evidence Code 1060, Civil Code §3426 et seq.</p>	<p>strategies contain “commercial value,” which gives SDG&E “an opportunity to obtain a business advantage over competitors who do not know or use it.”</p> <p>Disclosure of this information would place SDG&E at an unfair business disadvantage relative to other Cap-and-Trade market participants and result in higher Cap-and-Trade compliance costs for SDG&E and its end-use ratepayers.</p>
<p>6. <i>Historical RPS Adjustment eligible MWh and calculated Emissions</i></p> <p><i>(The RPS Adjustment eligible MWh and calculated Emissions for 2021 appear in Scott Lewis’s Testimony. The 2013- 2020 RPS Adjustment Emissions appear in Attachment G of this Application.)</i></p>	<p>D.08-04-023</p> <p>D.14-10-033, D.16-08-024, D.17-05-035, D.17-09-023, Public Utilities Code Section 454.5(g)</p> <p>General Order (“GO”) 66-D</p> <p>17 CCR § 95914(c) (the “ARB Confidentiality Regulations”)</p> <p>Annual GHG Emissions and Associated Costs in Template D-2 of D.14-10-033 and revised in D.15-01-024</p> <p>Template D-2 designates forecasted and recorded Energy Imports (Unspecified) emissions, which includes any applicable RPS Adjustments as confidential. Knowledge of the MWh makes discovery of the emissions possible, thus the MWh are also confidential.</p> <p>Gov’t Code §§6254(k), 6254.7 (d), Evidence Code 1060, Civil Code §3426 et seq.</p>	<p>The Protected Information is entitled to confidential treatment under applicable law, including, but not limited to, the legal authority cited herein. The information does not expressly fall within any category of the IOU Matrix applicable to electric procurement information, but is market-sensitive information.</p> <p>Among other things, 17 CCR Section 95914(c)(1) of the Cap-and-Trade regulations prohibits disclosure of any auction-related information. Violation of Section 95914 may subject SDG&E to penalties by the California Air Resources Board.</p> <p>In addition, Attachments A, C & D of D.15-01-024 and Appendices A & B of D.15-10-032 require Auction-related information, forecasts of emissions intensity, forecasts of greenhouse gas (GHG) costs, GHG transactions, compliance instrument prices, weight average cost (“WAC”) and other GHG information to be kept confidential.</p> <p>Additionally, the Protected Information also includes trade secret information because SDG&E’s bidding/consignment strategies contain “commercial value,” which gives SDG&E “an opportunity to obtain a business advantage over competitors who do not know or use it.”</p> <p>Disclosure of this information would place SDG&E at an unfair business disadvantage relative to other Cap-and-Trade market participants and result in higher Cap-and-Trade compliance costs for SDG&E and its end-use ratepayers.</p>

<p>7. Total Direct Compliance Obligation</p> <p><i>(The 2021 Total Direct Compliance Obligation appears in Scott Lewis’s Testimony. The 2013- 2020 Total Direct Compliance Obligation appear in Attachment G of this Application.)</i></p>	<p>D.08-04-023</p> <p>D.14-10-033, D.16-08-024, D.17-05-035, D.17-09-023, Public Utilities Code Section 454.5(g)</p> <p>General Order (“GO”) 66-D</p> <p>17 CCR § 95914(c) (the “ARB Confidentiality Regulations”)</p> <p>Annual GHG Emissions and Associated Costs in Template D-2 of D.14-10-033 and revised in D.15-01-024</p> <p>Template D-2 designates forecasted and recorded Direct GHG Emissions Subtotal as confidential.</p> <p>Gov’t Code §§6254(k), 6254.7 (d), Evidence Code 1060, Civil Code §3426 et seq.</p>	<p>The Protected Information is entitled to confidential treatment under applicable law, including, but not limited to, the legal authority cited herein. The information does not expressly fall within any category of the IOU Matrix applicable to electric procurement information, but is market-sensitive information.</p> <p>Among other things, 17 CCR Section 95914(c)(1) of the Cap-and-Trade regulations prohibits disclosure of any auction-related information. Violation of Section 95914 may subject SDG&E to penalties by the California Air Resources Board.</p> <p>In addition, Attachments A, C & D of D.15-01-024 and Appendices A & B of D.15-10-032 require Auction-related information, forecasts of emissions intensity, forecasts of greenhouse gas (GHG) costs, GHG transactions, compliance instrument prices, weight average cost (“WAC”) and other GHG information to be kept confidential.</p> <p>Additionally, the Protected Information also includes trade secret information because SDG&E’s bidding/consignment strategies contain “commercial value,” which gives SDG&E “an opportunity to obtain a business advantage over competitors who do not know or use it.”</p> <p>Disclosure of this information would place SDG&E at an unfair business disadvantage relative to other Cap-and-Trade market participants and result in higher Cap-and-Trade compliance costs for SDG&E and its end-use ratepayers.</p>
<p>8. Indirect Purchases in MWh and calculated Emissions</p> <p><i>(The 2021 forecasted Indirect Purchase MWhs and calculated Emissions appear in Scott Lewis’s Testimony. The 2013-2019 final and 2020 forecasted Indirect Emission calculations appear in</i></p>	<p>D.08-04-023</p> <p>D.14-10-033, D.16-08-024, D.17-05-035, D.17-09-023, Public Utilities Code Section 454.5(g)</p> <p>General Order (“GO”) 66-D</p> <p>17 CCR § 95914(c) (the “ARB Confidentiality Regulations”)</p> <p>Annual GHG Emissions and Associated Costs in Template D-2 of D.14-10-033 and revised in D.15-01-024</p> <p>Template D-2 designates forecasted and recorded</p>	<p>The Protected Information is entitled to confidential treatment under applicable law, including, but not limited to, the legal authority cited herein. The information does not expressly fall within any category of the IOU Matrix applicable to electric procurement information, but is market-sensitive information.</p> <p>Among other things, 17 CCR Section 95914(c)(1) of the Cap-and-Trade regulations prohibits disclosure of any auction-related information. Violation of Section 95914 may subject SDG&E to penalties by the California Air Resources Board.</p> <p>In addition, Attachments A, C & D of D.15-01-024 and Appendices A & B of D.15-10-032 require Auction-related information, forecasts of emissions intensity, forecasts of greenhouse gas (GHG) costs, GHG transactions, compliance instrument prices, weight average cost (“WAC”) and other GHG information to be kept confidential.</p> <p>Additionally, the Protected Information also includes trade secret information because SDG&E’s bidding/consignment strategies contain “commercial value,” which gives SDG&E “an opportunity to obtain a business advantage over competitors who do not know or use it.”</p>

<p><i>Attachment G of this Application.)</i></p>	<p>Indirect GHG Emissions as confidential. Knowledge of the MWh makes discovery of the emissions possible, thus, the MWh are also confidential.</p> <p>Gov't Code §§6254(k), 6254.7 (d), Evidence Code 1060, Civil Code §3426 et seq.</p>	<p>Disclosure of this information would place SDG&E at an unfair business disadvantage relative to other Cap-and-Trade market participants and result in higher Cap-and-Trade compliance costs for SDG&E and its end-use ratepayers.</p>
<p>9. Direct GHG Costs</p> <p><i>(The 2021 Direct GHG Costs appear in Scott Lewis's Testimony. The 2013 – 2019 final and 2020 estimated Direct GHG Costs appear in Attachment G of this Application.)</i></p>	<p>D.08-04-023</p> <p>D.14-10-033, D.16-08-024, D.17-05-035, D.17-09-023, Public Utilities Code Section 454.5(g)</p> <p>General Order (“GO”) 66-D</p> <p>17 CCR § 95914(c) (the “ARB Confidentiality Regulations”)</p> <p>Annual GHG Emissions and Associated Costs in Template D-2 of D.14-10-033 and revised in D.15-01-024</p> <p>Template D-2 designates forecasted and recorded Direct GHG Costs as confidential.</p> <p>Gov't Code §§6254(k), 6254.7 (d), Evidence Code 1060, Civil Code §3426 et seq.</p>	<p>The Protected Information is entitled to confidential treatment under applicable law, including, but not limited to, the legal authority cited herein. The information does not expressly fall within any category of the IOU Matrix applicable to electric procurement information, but is market-sensitive information.</p> <p>Among other things, 17 CCR Section 95914(c)(1) of the Cap-and-Trade regulations prohibits disclosure of any auction-related information. Violation of Section 95914 may subject SDG&E to penalties by the California Air Resources Board.</p> <p>In addition, Attachments A, C & D of D.15-01-024 and Appendices A & B of D.15-10-032 require Auction-related information, forecasts of emissions intensity, forecasts of greenhouse gas (GHG) costs, GHG transactions, compliance instrument prices, weight average cost (“WAC”) and other GHG information to be kept confidential.</p> <p>Additionally, the Protected Information also includes trade secret information because SDG&E's bidding/consignment strategies contain “commercial value,” which gives SDG&E “an opportunity to obtain a business advantage over competitors who do not know or use it.”</p> <p>Disclosure of this information would place SDG&E at an unfair business disadvantage relative to other Cap-and-Trade market participants and result in higher Cap-and-Trade compliance costs for SDG&E and its end-use ratepayers.</p>
<p>10. Estimated Indirect GHG Costs</p>	<p>D.08-04-023</p> <p>D.14-10-033, D.16-08-024, D.17-05-035, D.17-09-023, Public Utilities Code Section 454.5(g)</p> <p>General Order (“GO”) 66-D</p>	<p>The Protected Information is entitled to confidential treatment under applicable law, including, but not limited to, the legal authority cited herein. The information does not expressly fall within any category of the IOU Matrix applicable to electric procurement information, but is market-sensitive information.</p> <p>Among other things, 17 CCR Section 95914(c)(1) of the Cap-and-Trade regulations prohibits disclosure of any auction-related information. Violation of Section 95914 may subject SDG&E to penalties by the California Air Resources Board.</p> <p>In addition, Attachments A, C & D of D.15-01-024 and Appendices A & B of D.15-10-032 require Auction-related</p>

<p><i>(The 2021 estimated Indirect GHG Costs appear in Scott Lewis’s Testimony. The 2013 - 2020 estimated Indirect GHG Costs appear in Attachment G of this Application.)</i></p>	<p>17 CCR § 95914(c) (the “ARB Confidentiality Regulations”)</p> <p>Annual GHG Emissions and Associated Costs in Template D-2 of D.14-10-033 and revised in D.15-01-024</p> <p>Template D-2 designates forecasted and recorded Indirect GHG Costs as confidential.</p> <p>Gov’t Code §§6254(k), 6254.7 (d), Evidence Code 1060, Civil Code §3426 et seq.</p>	<p>information, forecasts of emissions intensity, forecasts of greenhouse gas (GHG) costs, GHG transactions, compliance instrument prices, weight average cost (“WAC”) and other GHG information to be kept confidential.</p> <p>Additionally, the Protected Information also includes trade secret information because SDG&E’s bidding/consignment strategies contain “commercial value,” which gives SDG&E “an opportunity to obtain a business advantage over competitors who do not know or use it.”</p> <p>Disclosure of this information would place SDG&E at an unfair business disadvantage relative to other Cap-and-Trade market participants and result in higher Cap-and-Trade compliance costs for SDG&E and its end-use ratepayers.</p>
<p>11. GHG Quarterly Auction Revenue</p> <p><i>(The 2021 GHG Quarterly Auction Revenues appear in Scott Lewis’s Testimony. The 2013 - 2020 actual GHG Quarterly Auction Revenues appear in Attachment G of this Application.)</i></p>	<p>D.08-04-023</p> <p>D.14-10-033, D.16-08-024, D.17-05-035, D.17-09-023, Public Utilities Code Section 454.5(g)</p> <p>General Order (“GO”) 66-D</p> <p>17 CCR § 95914(c) (the “ARB Confidentiality Regulations”)</p> <p>1a. of Attachment A of D.14-10-033 and revised in D.15-01-024</p> <p>1a. makes the following confidential: “AB 32 GHG auction participation.” Although Annual Auction Revenues are public, Quarterly Auction Revenues must be confidential since public auction settlement prices and Quarterly Auction Revenues would reveal SDG&E’s quarterly auction participation as a consigner</p> <p>Gov’t Code §§6254(k),</p>	<p>The Protected Information is entitled to confidential treatment under applicable law, including, but not limited to, the legal authority cited herein. The information does not expressly fall within any category of the IOU Matrix applicable to electric procurement information, but is market-sensitive information.</p> <p>Among other things, 17 CCR Section 95914(c)(1) of the Cap-and-Trade regulations prohibits disclosure of any auction-related information. Violation of Section 95914 may subject SDG&E to penalties by the California Air Resources Board.</p> <p>In addition, Attachments A, C & D of D.15-01-024 and Appendices A & B of D.15-10-032 require Auction-related information, forecasts of emissions intensity, forecasts of greenhouse gas (GHG) costs, GHG transactions, compliance instrument prices, weight average cost (“WAC”) and other GHG information to be kept confidential.</p> <p>Additionally, the Protected Information also includes trade secret information because SDG&E’s bidding/consignment strategies contain “commercial value,” which gives SDG&E “an opportunity to obtain a business advantage over competitors who do not know or use it.”</p> <p>Disclosure of this information would place SDG&E at an unfair business disadvantage relative to other Cap-and-Trade market participants and result in higher Cap-and-Trade compliance costs for SDG&E and its end-use ratepayers.</p>

	6254.7 (d), Evidence Code 1060, Civil Code §3426 et seq.	
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