1. Please explain the methodology that SDG&E uses to allocate net revenues/energy

sales/sales for resale (of excess capacity) across customer classes. Please explain at

which point in the process the revenue is credited back to customers, and if it is

based on EPMC or some other weighting factor.

**Response:**

Currently, net revenues, energy sales, and sales for resale of excess capacity for Power Charge Indifference Amount (PCIA) eligible generation resources are netted against “up to market” commodity costs in Energy Resource Recovery Account (ERRA) and “above market” costs in the Portfolio Allocation Balancing Account (PABA). PABA. The net costs are allocated through the PICA methodology by contract vintage, then allocated to PABA to be paid by all customers based on their vintage or ~~in~~ ERRA to be paid by Bundled customers. The net costs are allocated to customer classes on an Equal Percent Marginal Cost EPMC basis. The PCIA phase 2 working groups are currently reviewing and defining this methodology going forward. Additionally, the net costs for local generation resources which are Cost Allocation Methodology (CAM) eligible are allocated to the customer classes based on the 12-month coincident peak demand methodology, pursuant to D.08-09-012 and D.06-07-029. SDG&E’s current Local Generation Charge (LGC)/ Cost Allocation Mechanism (CAM) customer class revenue allocation was determined in the settlement adopted in D.17-08-030.

2. Please provide the capacity costs in the contracts for the following:

a. 300 MW from Pio Pico (D.14-02-016)

b. 500 MW from Carlsbad Energy Center (D.15-05-051)

c. 88 MW of storage from DR contracts (D.18-05-024)

**Response:**

SDG&E objects to this request pursuant to Rule 10.1 of the Commission’s Rules of Practice and Procedure on the grounds that it seeks the production of information that is neither relevant to the subject matter involved in the pending proceeding nor is likely reasonably calculated to lead to the discovery of admissible evidence.

3. Does SDG&E have capacity contract prices to offer CCAs? If yes, please provide

any level of detail possible (average price, such as $/mW, etc.)

**Response:**

The PCIA Phase 2 working group 3 is currently developing the methodology for allocation or sale of contracts to departed load customers, such as CCA’s. The goal of this process is for IOU’s to be able to offer contracts or contract attributes/ benefits to CCAs. The process and methodology are not yet complete.

4. Please provide for each year for the past 5 years, average capacity prices for the

capacity purchased by SDG&E

a. For current peak periods

b. For current off-peak periods

c. For current super off-peak periods

**Response:**

SDG&E does not procure capacity by TOU period.

5. In calculating the top 100 LOLE, does SDG&E include the load of the Agriculture

class, or any other interruptible customer class?

a. If not, please explain the methodology by which they are excluded.

b. If so, please explain the rationale.

**Response:**

In calculating the top 100 hour Loss of Load Expectation (LOLE), SDG&E includes all customer class load. The LOLE analysis is performed in order to allocate marginal capacity costs to customer classes based on their hourly usage in the hours when capacity is most needed. Since interruptible customers represent a minimal portion of SDG&E’s load, they would have minimal effect on this calculation. Therefore, they remain included in this calculation.

6. Please provide for each class for the past 10 years

a. # of new actual customers

b. # of newly installed final line transformers for new customers (not

replacement)

c. Total number of customers

d. Total number of final line transformers

**SDG&E Response:**

1. The table below provides the number of new meter installations installed by SDG&E for the most recent ten years, 2010-2019. The new meter installation data is used as the basis for the number of new actual customers. SDG&E does not track the new meter installation data by non-residential customer class which is the reason the meter data provided was aggregated for non-residential customers.



1. SDG&E does not track the number of newly installed final line transformers for each customer class.
2. The table below provides the total number of SDG&E customers for the most recent ten years, 2010-2019.



1. SDG&E does not track the number of final line transformers for each customer class.