# BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of San Diego Gas & Electric Company (U 902 M) for Authorization to Recover Costs of Several Catastrophic Events Recorded in Its Catastrophic Expense Memorandum Account (CEMA).

A.22-10-021 (Filed October 31, 2022)

# MOTION OF SAN DIEGO GAS & ELECTRIC COMPANY TO REQUEST EVIDENTIARY HEARINGS

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July 25, 2023

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### MOTION OF SAN DIEGO GAS & ELECTRIC COMPANY TO REQUEST EVIDENTIARY HEARINGS

Pursuant to the February 28, 2023 Assigned Commissioner's Scoping Memo and Ruling (Ruling), San Diego Gas & Electric Company (SDG&E) respectfully files this Motion to request that the Commission convene evidentiary hearings in this proceeding to adduce further facts relevant to a factual dispute in this proceeding, namely, whether certain costs for which SDG&E has sought recovery in this proceeding were previously recovered by SDG&E in its general rate case (GRC), as alleged by the Office of Public Advocates at the California Public Utilities Commission (Cal Advocates). This factual dispute became known when, in the June 30, 2023 testimony from the Cal Advocates, it alleged (in pertinent part) that:

Cal Advocates disagrees with SDG&E's determination that overhead costs associated with the non-labor portion of the capital work is incremental. Cal Advocates considers overheads already recovered in rates as part of SDG&E's General Rate Case's (GRC's) previously authorized funding levels and should not be considered incremental.<sup>1</sup>

Premised on this factual claim, which SDG&E finds to be incorrect, Cal Advocates recommends a downwards adjustment of \$2.071 million to SDG&E's incremental capital cost request in this proceeding.

<sup>&</sup>lt;sup>1</sup> Cal Advocates at 10.

SDG&E strongly disagrees with this claim and, accordingly, moves to request evidentiary hearings of Cal Advocates witness knowledgeable about all of the facts that Cal Advocates considered in reaching this recommendation. SDG&E's responses to the Ruling's further questions about this Motion<sup>2</sup> are as follows:

#### **Identify and describe:**

#### (i) The Material Issues of Disputed Fact.

SDG&E disputes the fact alleged by Cal Advocates, and any other bases (if any) on which Cal Advocates support that fact, that SDG&E previously recovered any costs for which it sought recovery in this proceeding.

#### (ii) The Evidence SDG&E Proposes to Introduce at the Request Hearing.

SDG&E proposes to introduce any evidence from Cal Advocates that support or refute its claim of "double-counting." SDG&E may explore in cross-examination topics including, but not limited to, all of the potential sources of SDG&E's alleged prior recovery of costs sought for recovery in the instant proceeding; the relevance of other investor-owned utilities' approach to the determination of "incremental" costs in this proceeding; the granularity with which Cal Advocates considered the incrementality of various costs that comprise Cal Advocates' recommended \$2.071 million adjustment.

#### (iii) The Proposed Schedule for Conducting the Hearing.

The Ruling states that evidentiary hearings will be conducted on August 28-29, 2023.

SDG&E expects that it can conduct its cross-examination of Cal Advocates' witness and address the factual matters mentioned above within four hours. Due to various personnel matters,

SDG&E respectfully requests that evidentiary hearings not occur on August 28, 2023 and instead

<sup>&</sup>lt;sup>2</sup> See Ruling at 3.

take place on August 29, 2023. SDG&E is also willing and available to conduct its cross-

examination during the week of August 14, 2023, preferably beginning on August 15, 2023.

**Justification for Evidentiary Hearing** 

SDG&E is compelled to request evidentiary hearings because Cal Advocates has

submitted a recommendation to the Commission for the Commission, based on Cal Advocates'

testimony, to disallow \$2.071 million of SDG&E's requested and legitimately incurred,

incremental CEMA-related costs. SDG&E is, in fact, entitled to recover said costs, and SDG&E

should be offered a full opportunity, in accordance with principles of due process, to establish

that Cal Advocates' recommendation lacks support and is incorrect. SDG&E has no other

opportunity other than through evidentiary hearings and rigorous cross-examination of Cal

Advocates' expert witnesses to establish the factual basis, if any, for its recommendation and

thereby enable the Commission to reach a fair and just outcome on this disputed matter.

SDG&E appreciates the Commission's consideration of this Motion.

Respectfully submitted,

/s/ Paul A. Szymanski

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