

Company: San Diego Gas & Electric Company (U 902 M)
Proceeding: 2024 General Rate Case
Application: A.22-05-015/-016 (cons.)
Exhibit: SDG&E-221

**REBUTTAL TESTIMONY
OF CHRISTOPHER FARETTA
(CLEAN TRANSPORTATION)**

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



May 2023

TABLE OF CONTENTS

I. SUMMARY OF DIFFERENCES1

II. INTRODUCTION1

 A. Cal Advocates2

 B. Federal Executive Agencies.....2

 C. TURN.....2

 D. UCAN3

III. REBUTTAL TO PARTIES’ CAPITAL PROPOSALS3

 A. Vehicle Grid Integration Balancing Account (VGIBA)3

 1. Cal Advocates3

 B. Electric Vehicle Infrastructure Rule Balancing Account (EVIBA).....4

 1. CAL ADVOCATES4

 2. Federal Executive Agencies.....5

 3. TURN.....6

 C. 00903H Clean Transportation Product Team 2023-20247

 1. UCAN7

IV. CONCLUSION.....8

V. WITNESS QUALIFICATIONS9

APPENDICES

APPENDIX A – GLOSSARY OF TERMS

APPENDIX B – DATA REQUEST RESPONSES

**REBUTTAL TESTIMONY OF
CHRISTOPHER FARETTA
(CLEAN TRANSPORTATION)**

I. SUMMARY OF DIFFERENCES

TOTAL O&M – Constant 2021 (\$000)			
	Base Year 2021	Test Year 2024	Change
SDG&E	3,300	4,831	1,531
CAL ADVOCATES	3,300	4,831	1,531

TOTAL CAPITAL - Constant 2021 (\$000)		
	2024	Difference
SDG&E	20,000	-
CAL ADVOCATES	7,580	(12,420)

II. INTRODUCTION

This rebuttal testimony adopts the direct testimony of Jennifer Reynolds supporting San Diego Gas & Electric Company’s (SDG&E) Clean Transportation base business initiatives.¹ The forecasts contained in that direct testimony, performed at the project level, are based on sound estimates of revenue requirements at the time of testimony preparation.

This rebuttal testimony addresses the following testimony from other parties:

- The Public Advocates Office of the California Public Utilities Commission (Cal Advocates) as submitted by M. Waterworth (Ex. CA-11 (Waterworth)) dated March 27, 2023;
- The Federal Executive Agencies (FEA), as submitted by Ralph C. Smith, CPA (Ex. FEA-01) dated March 27, 2023;
- The Utility Reform Network (TURN), as submitted by Robert Finkelstein (Ex. TURN-15 (Finkelstein)), dated March 27, 2023; and
- The Utility Consumer’s Action Network (UCAN), as submitted by Dr. Eric Charles Woychik (Ex. UCAN (Woychik)), dated March 27, 2023.

¹ Prepared Direct Testimony of Jennifer L. Reynolds (May 2022), Ex. SDG&E-21, adopted by Christopher Faretta.

1 No parties objected to the business justification for SDG&E's proposed Clean
2 Transportation operations and maintenance (O&M) costs.² Below is a summary of the parties'
3 position.

4 **A. Cal Advocates**

- 5 • Cal Advocates does not oppose SDG&E's Clean Transportation
6 O&M forecast.
- 7 • Cal Advocates opposes closure of the of the Clean Transportation
8 Vehicle Grid Integration Balancing Account (VGIBA) based on its
9 understanding of a change in recovery from \$45 million to \$76.5
10 million and recommends that the account be audited to address the
11 authority to change and the reasonableness of SDG&E's request to
12 recover an additional \$3.5 million due to unforeseen costs.
- 13 • Cal Advocates does not oppose the creation of the new two-way
14 Electric Vehicle Infrastructure Rule Balancing Account (EVIBA)
15 but opposes the requested funding level of \$20 million and instead
16 recommends \$7.58 million.

17 **B. Federal Executive Agencies**

18 FEA recommends that costs, that are not known or readily estimated at this time, for the
19 Electric Vehicle Infrastructure Rule continue to be tracked in the Electric Vehicle Infrastructure
20 Memorandum Account (EVIMA) so they can later be reviewed for reasonableness in lieu of
21 establishing the EVIBA.

22 **C. TURN**

23 TURN recommends that the Commission reject the rate recovery proposal for the new
24 EVIBA and instead require an application supported by evidence should the utility seek to
25 recover any under-collection associated with the underlying program.

² As a preliminary matter, the absence of a response to any particular issue in this rebuttal testimony does not imply or constitute agreement by SDG&E with the proposal or contention made by these or other parties.

1 **D. UCAN**

2 UCAN lists 11 information technology (IT) assets that will be outmoded, obsolete, and
3 stranded within this General Rate Case (GRC) period including 00903H Clean Transportation
4 Product Team 2023-2024.

5 **III. REBUTTAL TO PARTIES’ CAPITAL PROPOSALS**

TOTAL CAPITAL - Constant 2021 (\$000)		
	2024	Difference
SDG&E	20,000	-
CAL ADVOCATES	7,580	(12,420)

6
7 **A. Vehicle Grid Integration Balancing Account (VGIBA)**

8 **1. Cal Advocates**

9 Cal Advocates opposes closure of the VGIBA, a one-way balancing account with an
10 approved program budget of \$45 million “that records the authorized revenue requirement and
11 actual incremental costs from implementing the 2016 Vehicle Grid Integration Pilot Program as
12 approved by D.16-01-045.”³ Cal Advocates asserts that SDG&E, in its Advice Letter 3762-E
13 Attachment A, expects a total revenue requirement of approximately \$76.5 million for the
14 VGIBA and has requested an additional \$3.5 million for unforeseen American Disabilities Act
15 (ADA) regulation changes. Cal Advocates goes on to recommend:

16 Given this change in recovery from \$45 million to \$76.5 million and
17 SDG&E’s request for an additional \$3.5 million, Cal Advocates opposes
18 closure of this account. Cal Advocates recommends an audit of this
19 account to address the authority to change a previously-authorized
20 Commission determination, and the reasonableness of including \$3.5
21 million due to unforeseen costs.⁴

22 But Cal Advocates misunderstands SDG&E’s request for cost recovery—demonstrating
23 that an audit of the VGIBA is unnecessary and unwarranted.

24 SDG&E is not exceeding its “previously-authorized” VGI start up budget cap. Cal
25 Advocates is conflating the total VGI revenue requirement of \$76.5 million with the \$45 million
26 VGI start up budget authorized in D.16-01-045. As stated in direct testimony, SDG&E requests

³ Ex. SDG&E-21 (Reynolds) at JLR-13 and JLR-15.

⁴ Ex. CA-11 (Waterworth) at 14.

1 to recover \$48.5 million recorded to the VGIBA. This consists of the approved \$45 million
2 budget plus the \$3.5 million incremental costs attributable to the changes in ADA regulations.⁵

3 The \$76.5 million figure is the associated revenue requirement for the \$45 million
4 approved budget.⁶ It does not represent a change in the authorized recovery amount. The
5 justification for recovery is detailed in SDG&E's direct testimony and a detailed cost breakdown
6 of \$3.5 million for incremental unforeseen ADA costs has been provided to Cal Advocates in
7 their discovery requests.⁷

8 SDG&E recommends that its requested \$3.5 million increase in budget be addressed for
9 reasonableness in this proceeding and adopted. SDG&E also recommends the Commission
10 allow SDG&E to close the VGIBA and transfer the under-collected balance to the Electric
11 Distribution Fixed Cost Account (EDFCA) for inclusion in rates, as discussed in the Regulatory
12 Accounts testimony (Ex. SDG&E-43-R).

13 **B. Electric Vehicle Infrastructure Rule Balancing Account (EVIBA)**

14 **1. CAL ADVOCATES**

15 Cal Advocates does not oppose the creation of the two-way EVIBA. But it does takes
16 issue with SDG&E's requested \$20 million funding level and recommends a funding level of
17 \$7.580 million based on a sum of 2022 and 2023 revenue requirement for the EVIMA as
18 estimated in Advice Letter 3908-E.⁸ Cal Advocates states that:

19 Although this Advice Letter pertains to the years 2022 and 2023, it acts as
20 a better guideline for future funding considering the present uncertainties
21 and lack of any sites built.⁹

22 Cal Advocates conflates SDG&E's direct capital cost request of \$20 million with the
23 revenue requirement previously forecasted in the advice letter, which established the EVIMA for
24 years 2022 and 2023. SDG&E's EVIBA balance forecasted for 2024 uses the same California
25 Energy Commission (CEC) forecast, as directed by Assembly Bill (AB) 2127, of electric vehicle

⁵ Ex. SDG&E-21 (Reynolds) at JLR-15.

⁶ The revenue requirement for the \$45 million budget approved in D.16-01-045 was approved in Advice Letter 2877-E and subsequently updated to \$76.5 million in approved Advice Letter 3762-E.

⁷ PAO-SDGE-045-LMW, Question 5, and PAO-SDGE-060-LMW, Question 1, attached as Appendix B.

⁸ Ex. CA-11 (Waterworth) at 9 and 11.

⁹ *Id.* at 11.

1 chargers needed to meet state GHG emissions goals.¹⁰ The forecasted revenue requirement in
2 Advice Letter 3908-E for the EVIMA was for illustrative purposes and assumed that SDG&E
3 would fulfill 100 percent of the demand estimated by the CEC charger forecast.¹¹ SDG&E’s \$20
4 million GRC capital forecast for Test Year 2024 uses the same CEC forecast but assumes that it
5 would only fulfill 45% of the demand.

6 Yet although Cal Advocates’ funding proposal conflates these concepts, SDG&E
7 recognizes that the program’s nascency makes it difficult to accurately project how many sites
8 will be constructed each year. SDG&E thus finds it reasonable to accept Cal Advocates’ EVIBA
9 proposal to establish the EVIBA two-way balancing account with a \$7.58 million funding level.
10 Most importantly, given the difficulty in projecting the results from a brand-new Electric Vehicle
11 (EV) Infrastructure Rule, SDG&E agrees with Cal Advocates that the EVIBA be created as a
12 two-way balancing account, ensuring that SDG&E can receive the funding necessary to comply
13 with Resolution E-5167 and help achieve state emission goals. The two-way balancing account
14 provides the flexibility such that any over-collected balance can be returned to ratepayers while
15 ensuring that SDG&E can recover any under-collection should new site intake be greater,
16 supporting the EV Infrastructure Rule’s goals.

17 **2. Federal Executive Agencies**

18 FEA does not explicitly oppose SDG&E’s request to establish the EVIBA. It instead
19 recommends that:

20 As this is a new optional program in which the Company stated the costs
21 are not readily known at this time, FEA recommends that these costs
22 continue to be tracked in a memorandum account so that they later can be
23 reviewed for reasonableness.¹²

24 SDG&E disagrees with this request. As approved in Advice Letter 3705-E (and later
25 modified in Advice Letter 3908-E pursuant to Commission Resolution E-5167) establishing the
26 EV Infrastructure Rule and associated Memorandum Account:

27 Pursuant to AB 841, upon Commission approval of the EV Infrastructure
28 Rule, the incremental operation and maintenance costs (“O&M”) and
29 capital-related costs (*i.e.* depreciation, taxes, and return) shall be recorded
30 in a memorandum account and recovered in a future SDG&E GRC.

¹⁰ Assembly Bill (AB) 2127 (2018), codified in Public Resources Code Section 25229.

¹¹ Advice Letter 3908-E, approved and effective December 6, 2021.

¹² Ex. FEA-01 (Smith) at 48.

1 Subsequent costs shall be recovered through periodic GRC proceedings.
2 In those proceedings, the costs shall be treated in a manner identical to
3 costs incurred for other necessary distribution infrastructure.¹³

4 The Commission has thus already explicitly approved closing this memorandum account
5 once costs can be recovered through a GRC proceeding such as this. It is therefore appropriate
6 for SDG&E establish the EVIBA and close the EVIMA now.

7 3. TURN

8 TURN takes issue with “SDG&E proposals for balancing accounts (and at least one
9 memorandum account) with any undercollected balance recovered through the utility’s annual
10 regulatory accounts update advice letter.”¹⁴ This includes SDG&E’s request to establish the
11 EVIBA. TURN states that “Permitting account balances to be recovered in this manner makes
12 the forecast adopted in this GRC a far less meaningful exercise, as the utility would be permitted
13 to recovery whatever it spends without any further reasonableness review, no matter how much
14 its actual expenditures exceed the amount authorized here.”¹⁵ TURN instead recommends
15 requiring an application should the utility seek to recover any under-collection associated with
16 the underlying program.¹⁶

17 SDG&E disagrees with TURN’s assertion that an application should be required for
18 recovering any under-collection of funds. As discussed in the rebuttal testimony of SDG&E
19 Regulatory Accounts witness, Jason Kupfersmid,¹⁷ utilizing a two-way balancing account
20 “provides the greatest transparency and accurate level of revenue needed for SDG&E to provide
21 safe and reliable service at a reasonable cost,” and that utilizing “balancing accounts to provide
22 for revenue needed for SDG&E to maintain safe and reliable service does not weaken the
23 Commission’s ability to scrutinize and review the recorded balances in the respective
24 account(s).”¹⁸

¹³ Advice Letter 3705-E at 4 (citation omitted), approved and effective October 7, 2021.

¹⁴ Ex. TURN-15 (Finkelstein) at 24.

¹⁵ Ex, TURN-15 (Finkelstein) at 25.

¹⁶ *Id.*

¹⁷ Ex. SDG&E-243 (Kupfersmid) at JK-3.

¹⁸ *Id.* at JK-19.

1 Moreover, as discussed in Bruce Folkmann’s rebuttal testimony (Ex. SDG&E-201), the
2 Commission often uses two-way balancing accounts where costs are difficult to predict and
3 subject to variables beyond the applicant’s control, such as with a relatively new program.¹⁹
4 This is precisely the situation here. The EVIBA would be established in support of a new
5 Commission rule where it is unknown how many customers will utilize the program. The
6 EVIBA and the underlying EV Infrastructure Rule is in direct support of the State’s and the
7 Commission’s support of accelerating transportation electrification adoption to meet GHG
8 emissions goals. Under-collected costs in the EVIBA would be indicative of faster vehicle
9 electrification and the furtherance of state goals. Any overcollection would be returned to
10 ratepayers. The Commission should thus adopt Cal Advocates’ position to establish a two-way
11 balancing account.

12 **C. 00903H Clean Transportation Product Team 2023-2024**

13 **1. UCAN**

14 UCAN contends that 11 IT assets that will be outmoded, obsolete, and stranded
15 within this GRC period—including 00903H Clean Transportation Product Team 2023-
16 2024 (which is requested in SDG&E’s direct testimony Ex. SDG&E-25
17 (Gordon/Ballard/Exon)).²⁰

18 As discussed in the Clean Transportation direct testimony (Ex. SDG&E-21 (Reynolds)),
19 the Clean Transportation IT Product Team designs and deploys new software applications to
20 support its business activities and the implementation of Commission-approved EV
21 Infrastructure programs. The software applications include the:

- 22 • Customer Relationship Management application, which is used to record
23 data elements and documents that are required for regulatory compliance
24 reports; and
- 25 • EV Charging Station Operations application used for ongoing charging
26 station maintenance and service, and the on-campus and fleet charging
27 application.

¹⁹ Ex. SDG&E-201 (Folkmann) at BAF-6 (citing D.19-09-051 at 155 and 695 (establishing a two-way balancing account for Southern California Gas Company work related to the Storage Integrity Management Program, because the federal regulations driving that program are dynamic and subject to change)).

²⁰ Ex. UCAN (Woychik) at 280-281.

1 These tools and the IT teams that support them are not funded through any incremental
2 EV programs and must continue until SDG&E is no longer required to maintain its chargers,
3 implement EV infrastructure programs, provide charging controls for its employees and fleet, or
4 submit compliance reports to the Commission. For any of these scenarios, SDG&E expects the
5 need for the IT Product Team beyond this GRC cycle.

6 **IV. CONCLUSION**

7 Cal Advocates' proposal to establish EVIBA as a two-way balancing account with a
8 \$7.58 million funding level should be adopted. Otherwise, Cal Advocates, FEA, TURN, and
9 UCAN have failed to show valid proposals or to provide superior recommendations that should
10 be adopted by the Commission to reduce SDG&E's capital funding level, recover reasonable
11 costs, or for treatment of SDG&E's regulatory accounts.

12 This concludes my prepared rebuttal testimony.

1 **V. WITNESS QUALIFICATIONS**

2 My name is Christopher Faretta. I assumed sponsorship of this area from Jennifer L.
3 Reynolds. My business address is 8690 Balboa Ave, San Diego, California, 92123. My title is
4 Clean Transportation Programs Manager. In this role, which I have held since March 2019, I am
5 primarily responsible for managing the CPUC-approved EV infrastructure programs. Prior to
6 this role, I held positions in SDG&E's Fleet Services and Corporate Real Estate departments
7 with the most recent position being Land Services Manager. I have worked for SDG&E for 17
8 years.

9 I received a Bachelor of Science degree in Finance from California State University,
10 Northridge and an MBA from the Yale School of Management.

11 I have not previously testified before the Commission.

APPENDIX A
GLOSSARY OF TERMS

ACRONYM	DEFINITION
EV	Electric Vehicle
EVIBA	Electric Vehicle Infrastructure Rule Balancing Account
EVIMA	Electric Vehicle Infrastructure Rule Memorandum Account
VGIBA	Vehicle Grid Integration Balancing Account

APPENDIX B
DATA REQUEST RESPONSES

Data Request Number: PAO-SDGE-045-LMW

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Publish To: Public Advocates Office

Date Received: 8/24/2022

Date Responded: 9/8/2022

5. On page JLR-15 (lines 10-17) of the Clean Transportation Testimony, SDG&E requests to recover \$3,500,000 in PYD Pilot overspend attributable to ADA regulation changes.
- a. Please provide all related calculations used to determine the \$3,500,000 amount.

SDG&E Response 5:

The following is a summary of the components comprising the \$3.5 million PYD Pilot costs related to ADA regulation changes.

Project Type	Count	Site EV-ADA Cost	EV-ADA Construction Cost	Electrical Design Cost	Civil Design Cost	QA/QC Design Cost
Commercial Facilities	33	\$ 358,070	\$ 278,816	\$ 7,637	\$ 70,937	\$ 680
Hospitals	6	\$ 135,240	\$ 116,629	\$ 2,401	\$ 15,998	\$ 213
Insufficient Data	54	\$ 13,520	\$ -	\$ 3,309	\$ 10,169	\$ 43
New MUD	19	\$ 80,859	\$ 56,311	\$ 2,757	\$ 21,238	\$ 553
Office Buildings	108	\$ 1,579,829	\$ 1,279,899	\$ 22,465	\$ 274,234	\$ 3,230
Post 1991 MUD	53	\$ 196,590	\$ 127,606	\$ 5,098	\$ 63,206	\$ 680
Pre 1991 MUD	72	\$ 44,470	\$ -	\$ 4,512	\$ 39,958	\$ -
Pre 1991 MUD with ADA	1	\$ 25,046	\$ 16,671	\$ 420	\$ 7,827	\$ 128
Public Facilities	75	\$ 651,145	\$ 508,319	\$ 12,754	\$ 128,372	\$ 1,700
Grand Total	421	\$ 3,084,769	\$ 2,384,251	\$ 61,353	\$ 631,941	\$ 7,225

\$ 3,229,754 Add in Indirect cost of 4.7%

\$ 230,000 Estimated Internal Labor

\$ 3,459,754 Total PYD Cost Associated with EV-ADA

SDG&E used the following approach to derive the \$3.5 million:

- Use a ranking system to correlate EV-ADA construction cost recovery as a percentage of total construction cost and correlate the amount of time spent on QA/QC if applicable. The ranking consists of the EV-ADA improvements as follows:
 - Zero
 - No ADA improvements or construction cost.
 - Low
 - Job is inside a parking garage.

Data Request Number: PAO-SDGE-045-LMW

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Publish To: Public Advocates Office

Date Received: 8/24/2022

Date Responded: 9/8/2022

- Existing conditions are compliant with ADA codes.
- One standard ADA van stall and one standard ADA stall.
- No additional ADA improvements.
- Medium
 - All requirements for Low ADA construction ranking above.
 - Replace existing ramp truncated dome, sidewalk and/or zero curb.
 - No additional ADA improvements.
- High
 - All requirements for Medium ADA construction ranking above.
 - Any modification and/or redesigns of existing stalls, sidewalks, curb ramps, path of travel, truncated domes, landscape, grading, curbs resulting in a new design.
- NA
 - Not data available to determine EV-ADA construction ranking.
- EV-ADA construction cost were then estimated as a percentage of total construction cost that was allocated to ADA improvements. These percentages are directly related to the rankings of ADA Construction.

Data Request Number: PAO-SDGE-060-LMW

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Publish To: Public Advocates Office

Date Received: 8/31/2022

Date Responded: 9/15/2022

1. On pgs. JLR-13 to JLR 15 of Testimony, SDG&E provides a description and rationale for asking for recovery of an estimated \$3.5 million overspend in the Vehicle Grid Integration Balancing Account (VGIBA) one-way balancing account. Additionally, SDG&E discusses closing this account (after submitting a final report to the Commission in April 2021) and requesting the Commission authorized budget of \$45 million and the \$3.5 million budget overspend be transferred to the Electric Distribution Fixed Cost Account for inclusion in rates. Based on these pages, and the information contained therein, please answer/provide the following:
 - a. Why is the \$3.5 million an estimate?

SDG&E Response 1a:

The \$3.5 million is an estimate because the ADA improvement costs were one component of the overall construction and design bids and were not scoped or tracked separately.

- b. Please provide the support for how the \$3.5 million was determined clearly indicating the request is for the ADA requirement changes. If only a portion of the estimate is for these changes, please provide a description of the other amounts.

SDG&E Response 1b:

Please see SDG&E's response to Question 5 of PAO-SDGE-045-LMW, posted to the GRC portal on September 8, 2022.

- c. What is the current balance in the VGIBA. Please provide any proof as to the accuracy of this balance.

SDG&E Response 1c:

The balance in the VGIBA is \$8,218,012 as of July 31, 2022. See attachment PAO-SDGE-060-LMW Question 1c – Attachment.

Data Request Number: PAO-SDGE-060-LMW

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Publish To: Public Advocates Office

Date Received: 8/31/2022

Date Responded: 9/15/2022

SDG&E's response to question 1 -continued

- d. Has the account been audited? If yes, by what party? If no, then why not?

SDG&E Response 1d:

The VGIBA has not specifically been audited. SDG&E's financial statements are audited by Deloitte. PricewaterhouseCoopers, however, completed an assessment of the PYD Pilot Program. See response below to Question 1e.

- e. When SDG&E issued the final PYD report to the Commission documenting exceeding the budget, did the Commission make any comment. If yes, please provide any commentary or direction the Commission gave.

SDG&E Response 1e:

SDG&E filed PricewaterhouseCoopers' assessment of the PYD Pilot Program with the Commission on January 31, 2022. SDG&E is not aware of any comments from the Commission on either the assessment by PricewaterhouseCoopers or the PYD Pilot Program final report (submitted to the Commission in April 2021).

- f. Has SDG&E collected anything in rates for the PYD Pilot as it appears SDG&E requests to recover \$48.5 million recorded to the VGIBA, which consists of the approved \$45 million budget plus the \$3.5 million incremental costs attributable to the changes in ADA regulations. If yes, how much did SDG&E collect. If no, was the balancing account unfunded and subject to review prior to any recovery in rates?

SDG&E Response 1f:

This program was included in rates starting in January 2017. SDG&E has collected \$35.6 million in rates through July 2022.

Data Request Number: PAO-SDGE-060-LMW

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Publish To: Public Advocates Office

Date Received: 8/31/2022

Date Responded: 9/15/2022

SDG&E's response to question 1 -continued

- g. SDG&E describes the overspend “plus the \$3.5 million incremental costs attributable to the changes in ADA regulations”. Does SDG&E have any proof the costs are clearly incremental to what was already collected in rate and what guidelines, or benchmarks did SDG&E use to establish incrementality?

SDG&E Response 1g:

Please refer to the responses to Questions 1b and 1f above.

- h. “The VGIBA is a one-way interest-bearing balancing account that records the authorized revenue requirement.” How much (if any) is the authorized revenue requirement per year? And how much (if any) has SDG&E collected since inception to date?

SDG&E Response 1h:

The authorized revenue has fluctuated over the years and has averaged approximately \$7 million/year. SDG&E has collected \$35.6 million in rates since inception through July 2022.

- i. Is SDG&E still collecting any revenue requirement? If yes, and the account is closed where is that funding removed from this current application?

SDG&E Response 1i:

SDG&E has proposed in this GRC (Exhibit 43, page JK-8 lines 13-16) to transfer the VGIBA balance to the Electric Distribution Fixed Cost Account (EDFCA) and to close the account thereafter. The remaining capital will be added to base business and collected through the GRC going forward.

Data Request Number: PAO-SDGE-060-LMW

Proceeding Name: A2205015_016 - SoCalGas and SDGE 2024 GRC

Publish To: Public Advocates Office

Date Received: 8/31/2022

Date Responded: 9/15/2022

SDG&E's response to question 1 -continued

- j. Did the PYD Report identify any deficiencies in the way SDG&E recorded the costs that may have averted the overspend? If yes, what are the deficiencies and how did those deficiencies impact control over the budget?

SDG&E Response 1j:

SDG&E objects to this request on the grounds that it is vague, particularly with respect to the term “deficiencies”. Subject to and without waiving the foregoing objection, SDG&E responds as follows:

Please refer to the “Compliance Filing of San Diego Gas & Electric Company (U 902 E) of Independent Audit Report Pursuant to Decision 21-04-014” filed with the Commission on January 31, 2022.¹

¹ The Compliance Filing is available on the CPUC's website containing documents for A.19-10-012: <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M445/K599/445599617.PDF>.

San Diego Gas & Electric
 Vehicle Grid Integration Balancing Account (VGIBA) - Electric
 Under / (Over) Collection
 Account # 1150658 / (2190281)

Category	Text	2022												Total	
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
Revenues:	Beginning Balance	5,206,757	5,648,027	6,081,462	6,510,860	6,944,796	7,374,734	7,802,068	8,218,012	8,218,012	8,218,012	8,218,012	8,218,012	8,218,012	5,206,757
	VGIBA Electric Authorized Revenue	(608,568)	(608,568)	(608,568)	(608,568)	(608,568)	(608,568)	(608,568)	(608,568)	(608,568)	(608,568)	(608,568)	(608,568)	(608,568)	(4,259,976)
Total Revenues		(608,568)	(608,568)	(608,568)	(608,568)	(608,568)	(608,568)	(608,568)	(608,568)	(608,568)	(608,568)	(608,568)	(608,568)	(608,568)	(4,259,976)
O&M Costs:	VGIBA O&M														-
Capital Related Costs:	VGIBA E Depreciation	557,624	557,800	557,800	557,800	556,810	556,810	556,810	556,810	556,810	556,810	556,810	556,810	556,810	3,901,453
	VGIBA E Return	290,723	287,459	284,211	280,962	277,717	274,475	271,233	274,475	274,475	274,475	274,475	274,475	274,475	1,966,781
	VGIBA E Tax	124,632	119,740	124,941	123,940	122,519	121,520	120,521	121,520	121,520	121,520	121,520	121,520	121,520	857,813
	VGIBA E Property Tax	76,271	76,271	69,912	76,271	76,271	76,271	76,271	76,271	76,271	76,271	76,271	76,271	76,271	520,076
	VGIBA Software Development														-
Total Costs		1,049,250	1,041,270	1,036,864	1,038,973	1,033,317	1,029,076	1,017,373							7,246,122
Net Cost / (Revenue)		440,682	432,702	428,296	430,405	424,749	420,508	408,805							2,986,146
Interest	VGIBA Interest	588	733	1,102	3,531	5,189	6,826	7,139							25,108
Net Activity	Net Activity	441,270	433,435	429,398	433,936	429,938	427,334	415,944							3,011,254
Ending Balance	Ending Balance	5,648,027	6,081,462	6,510,860	6,944,796	7,374,734	7,802,068	8,218,012	8,218,012	8,218,012	8,218,012	8,218,012	8,218,012	8,218,012	8,218,012
		5,648,027	6,081,462	6,510,860	6,944,796	7,374,734	7,802,068	8,218,012	8,218,012	8,218,012	8,218,012	8,218,012	8,218,012	8,218,012	8,218,012
1150658	B/A UNDER - VGIBA	5,648,027	6,081,462	6,510,860	6,944,796	7,374,734	7,802,068	8,218,012							
2190281	B/A OVER - VGIBA														
Net	Net	5,648,027	6,081,462	6,510,860	6,944,796	7,374,734	7,802,068	8,218,012							
Check	Check														
Calculated Interest	Calculated Interest	588	733	1,102	3,531	5,189	6,826	7,139							
Interest Check	Interest Check														

*Capital Related Costs are on a one-month lag
 ** Interest applied to average monthly balance as follows: ((Beg. Bal.+(Current Month Adjustment/2))*(Int.Rate/(12)))
 O&M Code: VG0, VG1

Authorized Revenue	
Yearly	(7,302,816)
Monthly	(608,568)