

Company: San Diego Gas & Electric Company (U 902 M)
Proceeding: 2024 General Rate Case
Application: A.22-05-015-016
Exhibit: SDG&E-43-R-E

REVISED

**PREPARED DIRECT TESTIMONY OF
JASON KUPFERSMID
(REGULATORY ACCOUNTS)**

ERRATA

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



August 2022 May 2023

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Appendix B – Chart of Test Year 2024 Regulatory Account Proposals

~~SDG&E 2024 GRC Testimony Revision Long – August 2022~~

SUMMARY

- Propose regulatory account closure:
 - CTBA – Clean Transportation Balancing Account
 - CCAPMA – Community Choice Aggregation Procurement Memorandum Account
 - CGBMA – Core Gas Balancing Memorandum Account
 - CISBA – Customer Information Systems Balancing Account
 - DBSDMA – Dairy Biomethane Solicitation Development Memorandum Account
 - DACRSMA – Direct Access Cost Responsibility Surcharge Memorandum Account
 - DGSMA – Distributed Generation Statistics Memorandum Account
 - DIMA – Distribution Interconnection Memorandum Account
 - EDTCMA – El Dorado Transition Cost Memorandum Account
 - EVIMA – Electric Vehicle Infrastructure Memorandum Account
 - FHPMA – Fire Hazard Prevention Memorandum Account
 - L1600RAMA – Line 1600 Records Audit Memorandum Account
 - NEMMA – Net Energy Metering Memorandum Account
 - OPBA – Overhead Pools Balancing Account
 - PSRMA – Pipeline Safety and Reliability Memorandum Account
 - RRMA – Rate Reform Memorandum Account
 - TEIBA – Tax Equity Investment Balancing Account
 - TSOBA - Transition, Stabilization, and Organizational Change Management Balancing Account
 - VGIBA – Vehicle Grid Integration Balancing Account
 - VGIMA – Vehicle Grid Integration Memorandum Account
 - WCPMA – Wildfire Consumer Protections Memorandum Account
 - WGFMA – Working Group Facilitator Memorandum Account
- Continue the ratemaking treatment of regulatory accounts:
 - ACCUMA – Avoided Cost Calculator Update Memorandum Account

- CCPAMA – California Consumer Privacy Act Memorandum Account
- ECPMA – Emergency Customer Protections Memorandum Account
- FRMMA – Fire Risk Mitigation Memorandum Account
- HPWBA – Higher-Power Interim Rate Waiver Balancing Account
- ICLNBMA – Integration Capacity Analysis and Locational Net Benefit Memorandum Account
- LIPBA – Liability Insurance Premiums Balancing Account
- NERBA (excluding NGLAP subaccount) – New Environmental Regulation Balancing Account
- NGLAPMA – Natural Gas Leak Abatement Program Memorandum Account
- PBA – Pension Balancing Account
- PBOPBA – Post Retirement Benefits Other Than Pensions Balancing Account
- RDPMA – Residential Disconnect Protections Memorandum Account
- R20BA – Rule 20 Balancing Account
- SECCBA – Safety Enhancement Capital Cost Balancing Account
- SEEBA – Safety Enhancement Expense Balancing Account
- TCPMA – Third-Party Claims Memorandum Account
- WMPMA – Wildfire Mitigation Plan Memorandum Account
- Modification of existing regulatory accounts:
 - TIMPBA – Transmission Integrity Management Program Balancing Account and DIMPBA – Distribution Integrity Management Program Balancing Account
 - TTBA – Tree Trimming Balancing Account
- Propose to create a new regulatory account:
 - EVIBA – Electric Vehicle Infrastructure Balancing Account
 - FIMPBA – Facilities Integrity Management Program Balancing Account
 - GSEPBA – Gas Safety Enhancement Programs Balancing Account
 - HBRBA – Hydrogen Build-Ready Balancing Account
 - LMBA – Locate and Mark Balancing Account

- LPCMA – Litigated Project Costs Memorandum Account
- RDDBA – Research, Development & Demonstration Balancing Account
- T2CMA - Track 2 Costs Memorandum Account
- WMPBA – Wildfire Mitigation Plan Balancing Account
- Informational:
 - MMBA – Master Meter Balancing Account
 - NERBA (NGLAP subaccount) and NGLAPBA – New Environmental Regulation Balancing Account and Natural Gas Leak Abatement Program Balancing Account
 - OCMA – Officer Compensation Memorandum Account
 - SONGSBA – SONGS O&M Balancing Account and MMMA - Marine Mitigation Memorandum Account
 - TMA – Tax Memorandum Account
 - GRRMA – Gas Rules & Regulations Memorandum Account

1 **ERRATA REVISED PREPARED DIRECT TESTIMONY OF**
2 **JASON KUPFERSMID**
3 **(REGULATORY ACCOUNTS)**

4 **I. INTRODUCTION**

5 The purpose of my prepared direct testimony is to identify the San Diego Gas & Electric
6 Company (SDG&E or Company) regulatory accounts that are associated with the Test Year
7 (TY) 2024 General Rate Case (GRC) and to present SDG&E's proposal for each account. My
8 testimony: (1) presents accounts to be closed/eliminated and addresses their balance disposition;
9 (2) requests the continuation and/or modification of existing regulatory accounts; (3) proposes
10 the creation of a new balancing account; and (4) includes information on other regulatory
11 accounts.

12 **II. REGULATORY ACCOUNTS**

13 **A. Closure of Accounts**

14 SDG&E proposes to close all of the regulatory accounts listed in this section. Each
15 account is either: (1) a non-interest bearing tracking account that is not recorded on SDG&E's
16 financial statements; or (2) an interest-bearing balancing or memorandum accounts that is
17 recorded on SDG&E's financial statements. As part of the account description that follows, I
18 indicate whether the account is for the gas and/or electric segment and whether there is a balance
19 remaining on the account. If there is a balance remaining, I include the account to which
20 SDG&E proposes the balance will transfer. I also present the Quarter 1 2022¹ (Q1 2022)
21 recorded balance for each account, if any. When the TY 2024 GRC proceeding concludes,
22 SDG&E will transfer to a fixed regulatory account either the actual December 31, 2023 year-end
23 balance² or a 2023 year-end forecasted balance³ for inclusion in the next available rate change. If
24 a residual balance remains in the balancing/memorandum account, it will be transferred to the
25 fixed regulatory account(s) prior to closing the account.

¹ March 31, 2022 is the most current available quarter-end accounting record at the time of this instant application filing.

² In the event the GRC Decision is issued on or after January 1, 2024.

³ In the event the GRC Decision is issued before January 1, 2024.

1 **1. Clean Transportation Balancing Account (CTBA)**

2 The CTBA is an electric balancing account established to record SDG&E’s authorized
3 revenue requirement and costs associated with SDG&E’s Priority Review Projects as approved
4 in Decision (D.) 18-01-024 and its Residential Charging Program as approved in D.18-05-040.
5 D.18-01-024 and D.18-05-040 approve seven projects to expand infrastructure and benefits for
6 the region and set aside funding for evaluation of the projects upon their completion. Details of
7 costs that are currently in the CTBA are discussed in the Clean Transportation testimony of
8 Jennifer L. Reynolds (Ex. SDG&E-21). SDG&E proposes to transfer the CTBA balance to the
9 Electric Distribution Fixed Cost Account (EDFCA) and to close the CTBA thereafter. The Q1
10 2022 overcollected balance is (\$10.693) million.

11 **2. Community Choice Aggregation Procurement Memorandum Account**
12 **(CCAPMA)**

13 The electric CCAPMA is a tracking account only and amounts included in the CCAPMA
14 are not recorded to the financial statements of the Company. The account was created by the
15 Commission as part of the process of determining how best to move customers from the
16 Company to Community Choice Aggregator (CCA) service and how to track and apportion risks
17 between SDG&E and CCA for power purchase liabilities.⁴ The purpose of this account is to
18 track any costs incurred by CCAs for power purchases in the event the CCAs’ cut-over date is
19 delayed due to the acts or omissions on the Utility.⁵ No activity has been recorded in this
20 account since inception, future activity is not expected, and the balance is \$0. Therefore, SDG&E
21 proposes to close the CCAPMA.

22 **3. Core Gas Balancing Memorandum Account (CGBMA)**

23 The gas CGBMA is an interest-bearing memorandum account recorded on SDG&E’s
24 financial statements. The purpose of the CGBMA was to record costs to build the Advanced
25 Metering Infrastructure (AMI) data aggregation system, including a function to automate
26 scheduled quantity trading with a review of recorded expenditures in this GRC.⁶ The AMI data
27 aggregation system is currently operational and no activity has been recorded in this account

⁴ D.05-12-041 at 34-35.

⁵ *Id.* at Conclusion of Law (COL) 29.

⁶ D.19-08-002 at 2, COL 10, Ordering Paragraph (OP) 8.

1 since inception, future activity is not expected, and the balance is \$0. Therefore, SDG&E
2 proposes to close the CGBMA.

3 **4. Customer Information Systems Balancing Account (CISBA)**

4 The electric and gas CISBAs are interest-bearing balancing accounts recorded on
5 SDG&E's financial statements. Pursuant to the Customer Information System (CIS) replacement
6 program settlement agreement approved in D.18-08-008, the CISBA records SDG&E's
7 authorized revenue requirement and costs associated with the CIS replacement project. Details
8 of CISBA costs are discussed in the Customer Information System Placement Policy testimony
9 of Therese C. Sacco (Ex. SDG&E-16) and Rate Base testimony of Steven. P. Dais (Ex. SDG&E-
10 35). SDG&E proposes to transfer the electric CISBA balance to the Electric Distribution Fixed
11 Cost Account (EDFCA) and the gas CISBA balance to the Core Fixed Cost Account (CFCA)
12 and Noncore Fixed Cost Account (NFCA);⁷ and to close the CISBA thereafter. The Q1 2022
13 undercollected balance is \$7.571 million.

14 **5. Dairy Biomethane Solicitation Development Memorandum Account** 15 **(DBSDMA)**

16 The gas DBSDMA is an interest-bearing account recorded on SDG&E's financial
17 statements. Pursuant to D.17-12-004, the DBSDMA was created for the purpose of recording
18 expenditures for the solicitation of dairy biomethane projects.⁸ No activity has been recorded in
19 this account since inception, future activity is not expected, and the balance is \$0. Therefore,
20 SDG&E proposes to close the DBSDMA.

21 **6. Direct Access Cost Responsibility Surcharge Memorandum Account** 22 **(DACRSMA)**

23 The electric DACRSMA is a tracking account only, not recorded to the financial
24 statements of the Company. The purpose of the account is to track the difference between the
25 revenues from the establishment of the Direct Access Cost Responsibility Surcharge (DA-CRS)
26 on applicable DA customers pursuant to D.02-11-022, D.02-12-045, D.03-07-030, and
27 D.06-07-030 and their CRS obligation. No activity has been recorded in this account since

⁷ The cost allocation between Core and NonCore customers is derived from the Triennial Cost Allocation Proceeding (TCAP) based on the adopted gas demand forecast.

⁸ D.17-12-004 at OP 4.

1 inception, future activity is not expected, and the balance is \$0. Therefore, SDG&E proposes to
2 close the DACRSMA.

3 **7. Distributed Generation Statistics Memorandum Account (DGSMA)**

4 The electric DGSMA is an interest-bearing memorandum account that is recorded to the
5 financial statements of the Company. The purpose of the account is to record the incremental
6 costs associated with complying with Resolution E-5030 (the Resolution), dated October 24,
7 2019, which authorizes the Utilities – SDG&E, Pacific Gas and Electric Company (PG&E), and
8 SCE – to maintain and expand the California Distributed Generation Statistics (DG Stats)
9 website. The Resolution states that SDG&E must cease booking costs into the DGSMA after the
10 effective date of the rates established by its test year 2022 GRC.⁹ Details of the DGSMA costs
11 are discussed in the Electric Distribution O&M testimony of Tyson Swetek (Ex. SDG&E-12).
12 SDG&E proposes to transfer the electric DGSMA balance to the Electric Distribution Fixed Cost
13 Account (EDFCA); and to close the DGSMA thereafter. The Q1 2022 undercollected balance is
14 \$0.083 million.

15 **8. Distribution Interconnection Memorandum Account (DIMA)**

16 The electric DIMA is a tracking account only and is not recorded to the financial
17 statements of the Company. The DIMA was established pursuant to D.16-06-052, which created
18 a five-year pilot program that limits developers’ financial responsibility for the costs of grid-
19 interactive distributed energy resources projects. The purpose of the account was to track
20 eligible interconnection costs that fell above or below 25% of the utility cost estimate, therefore
21 spreading the risk of inaccurate cost estimates between the developers and utility shareholders.¹⁰
22 No activity has been recorded in this account since inception, future activity is not expected, and
23 the balance is \$0. Therefore, SDG&E proposes to close the DIMA.

24 **9. El Dorado Transition Cost Memorandum Account (EDTCMA)**

25 The electric EDTCMA is an interest-bearing memorandum account recorded to the
26 financial statements of the Company. The purpose of EDTCMA is to record the incremental
27 operations and maintenance costs associated with integrating the El Dorado power plant into
28 SDG&E’s business and security systems prior to taking ownership of the plant in October

⁹ Resolution E-5030 at OP 1.

¹⁰ D.16-06-052 at 34.

1 2011.¹¹ D.07-11-046 approves SDG&E’s request to exercise its option to purchase the El Dorado
2 power plant and its proposed cost recovery related to owning and operating the plant. No activity
3 has been recorded in this account since inception, future activity is not expected, and the balance
4 is \$0. Therefore, SDG&E proposes to close the EDTCMA.

5 **10. Electric Vehicle Infrastructure Memorandum Account (EVIMA)**

6 The electric EVIMA is an interest-bearing memorandum account recorded on SDG&E’s
7 financial statements. The purpose of the account is to record the incremental costs associated
8 with the new Electric Vehicle (EV) Infrastructure Rule.¹² Details of the EVIMA costs are
9 discussed in the Clean Transportation testimony of Jennifer L. Reynolds (Ex. SDG&E-21). No
10 activity has been recorded in this account since inception, future activity is ~~not~~ expected to be
11 recorded in the account, and the balance is \$0. SDG&E proposes to ~~close~~ continue this account.

12 **11. Fire Hazard Prevention Memorandum Account (FHPMA)**

13 The electric FHPMA is an interest-bearing memorandum account recorded to the
14 financial statements of the Company. The purpose of the FHPMA is to record all costs associated
15 with the implementation of regulations and requirements adopted in Rulemaking (R.) 15-05-006
16 that have not been previously authorized for recovery in SDG&E’s GRC or any other regulatory
17 proceedings. These costs may include: (1) expenses associated with increasing trim clearance of
18 vegetation (interim revisions to General Order (GO) 95); (2) expenses associated with increased
19 maintenance and inspection/patrolling requirements to all electric transmission and distribution
20 utility lines and communication infrastructure providers’ (CIP) facilities located on poles owned
21 by SDG&E (changes to GO 165); (3) expenses incurred in design, construction, and maintenance
22 of facilities to mitigate fire hazard in high speed wind areas; and (4) any other expenses incurred
23 in implementing this order. No activity has been recorded in this account since the prior GRC,
24 future activity is not expected, and the balance is \$0. Therefore, SDG&E proposes to close the
25 FHPMA.

26 **12. Line 1600 Records Audit Memorandum Account (L1600RAMA)**

27 The gas L1600RAMA is an interest-bearing account recorded on SDG&E’s financial
28 statements. The purpose of the L1600RAMA is to record costs associated with the audit of gas

¹¹ SDG&E Advice Letter (AL) 2213-E-A, approved September 7, 2011 and effective August 9, 2011.

¹² Assembly Bill (AB) 841 at Section 3.

1 pipeline Line 1600 records.¹³ Details of the L1600RAMA costs are discussed in the Pipeline
2 Safety Enhancement Plan (PSEP) testimony of Norm Kohls (Ex. SDG&E-08). When the TY
3 2024 GRC proceeding concludes, SDG&E proposes to transfer the December 31, 2023
4 L1600RAMA balance to the CFCA and NFCA, and to close the L1600RAMA thereafter. The
5 Q1 2022 undercollected balance is \$0.137 million.

6 **13. Net Energy Metering Memorandum Account (NEMMA)**

7 The electric NEMMA is an interest-bearing account recorded on SDG&E's financial
8 statements. The purpose of the NEMMA is to record interconnection costs that customer-
9 generators (net energy metered customers) do not pay as a result of their eligibility under Public
10 Utilities Code Section 2827.¹⁴ No activity has been recorded in this account since inception,
11 future activity is not expected, and the balance is \$0. Therefore, SDG&E proposes to close the
12 NEMMA.

13 **14. Overhead Pools Balancing Account (OPBA)**

14 The electric OPBA is a one-way non-interest bearing balancing account not recorded on
15 SDG&E's financial statements.¹⁵ The four overhead capital pools that are covered by this
16 balancing account are the Local Engineering Electric Distribution pool; Local Engineering –
17 Substation pool; the Department Overhead pool and the Contract Administration pool. When the
18 TY 2024 GRC proceeding concludes, SDG&E proposes to close the OPBA. In addition, SDG&E
19 will file a tier 2 advice letter at the conclusion of the GRC period to further address the
20 disposition of this account. For further discussion of the OPBA, please refer to the Electric
21 Distribution Capital testimony of Oliva Reyes (Ex. SDG&E-11).

22 **15. Pipeline Safety and Reliability Memorandum Account (PSRMA)**

23 The gas PSRMA is an interest-bearing memorandum account recorded on SDG&E's
24 financial statements. The purpose of the PSRMA is to record the incremental costs associated
25 with compliance with the Commission's directives in R.11-02-019, which include the escalated
26 direct and incremental overhead costs of implementing its proposed PSEP, as well as costs

¹³ D.18-06-028 at OP 12.

¹⁴ D.02-03-057 at 11 – 12.

¹⁵ D.19-09-051 at OP 17.

1 associated with the review of records and interim safety measures.¹⁶ When the TY 2024 GRC
2 proceeding concludes, SDG&E proposes to transfer the December 31, 2023 PSRMA balance to
3 the CFCA and NFCA, and to close the PSRMA thereafter. The Q1 2022 undercollected balance
4 is \$543.

5 **16. Rate Reform Memorandum Account (RRMA)**

6 The electric RRMA is an interest-bearing memorandum account recorded on SDG&E's
7 financial statements. The purpose of the electric RRMA is to record costs associated with the
8 implementation of residential time-of-use rates.¹⁷ A summary of costs recorded in the RRMA is
9 presented for review in the Customer Services – Information testimony of Sandra Baule (Ex.
10 SDG&E-19). When the TY 2024 GRC proceeding concludes, SDG&E proposes to transfer the
11 December 31, 2023 RRMA balance to the EDFCA; and to close the RRMA thereafter. The Q1
12 2022 undercollected balance is \$72.251 million, of which \$32.483 million is expected to be
13 recovered from other third parties.

14 **17. Tax Equity Investment Balancing Account (TEIBA)**

15 The electric TEIBA is an interest-bearing balancing account that is recorded to the
16 financial statements of the Company. The purpose of this account is to record the difference
17 between the authorized net revenue requirement in rates and the actual net revenue requirement
18 for Commission-approved tax equity investment projects.¹⁸ D.11-07-002 approved the Rim
19 Rock wind tax equity investment project; however, SDG&E entered into litigation regarding the
20 terms of project and, pursuant to a settlement, SDG&E was relieved of its obligation to make a
21 tax equity investment.¹⁹ No activity has been recorded in this account since inception, future
22 activity is not expected, and the balance is \$0. Therefore, SDG&E proposes to close the TEIBA.

23 **18. Transition, Stabilization, and Organizational Change Management** 24 **Balancing Account (TSOBA)**

25 The TSOBA Electric and TSOBA Gas are two-way interest-bearing balancing accounts
26 recorded on SDG&E's financial statements. The purpose of these TSOBA accounts is to record
27 SDG&E's authorized revenue requirement and incremental costs for its Transition, Stabilization,

¹⁶ D.12-04-021 at OP 3.

¹⁷ See D.15-07-001 at OP 12.

¹⁸ SDG&E AL 2339-E, approved May 17, 2012 and effective March 23, 2012.

¹⁹ See D.16-07-006, Decision Grating Petition for Modification, issued July 20, 2016.

1 and Organizational Change Management (OCM) costs associated with SDG&E’s CIS
2 Replacement Program.²⁰ Details of the TSOBA costs are discussed in the Customer Information
3 System Replacement Policy testimony of Therese C. Sacco (Ex. SDG&E-16). When the TY
4 2024 GRC proceeding concludes, SDG&E proposes to transfer the December 31, 2023 TSOBA
5 Electric balance to the Electric Distribution Fixed Cost Account (EDFCA) and the TSOBA Gas
6 balance to the CFCA and NFCA; and to close the TSOBA thereafter. The Q1 2022
7 undercollected balances are \$19.606 million for electric and \$10.557 million for gas.

8 **19. Vehicle Grid Integration Balancing Account (VGIBA)**

9 The electric VGIBA is a one-way interest-bearing balancing account recorded on
10 SDG&E’s financial statements. The purpose of this account is to record the authorized revenue
11 requirement and actual incremental costs from implementing the 2016 VGI Pilot Program.²¹
12 Details of the VGIBA costs are discussed in the Clean Transportation testimony of Jennifer L.
13 Reynolds (Ex. SDG&E-21). When the TY 2024 GRC proceeding concludes, SDG&E proposes
14 to transfer the December 31, 2023 VGIBA electric undercollected balance to the EDFCA for
15 inclusion in the next available rate change, and to close the VGIBA thereafter. The Q1 2022
16 undercollected balance is \$6.511 million.

17 **20. Vehicle Grid Integration Memorandum Account (VGIMA)**

18 The electric VGIMA is an interest-bearing memorandum account recorded on SDG&E’s
19 financial statements. The purpose of the VGIMA is to record long term operations and
20 maintenance (O&M) expenses and offsetting participation payments received from site hosts for
21 the 2016 VGI Pilot Program.²² Details of the VGIMA costs are discussed in the Customer
22 Services – Information testimony of Sandra Baule (Ex. SDG&E-19) and Clean Transportation
23 testimony of Jennifer L. Reynolds (Ex. SDG&E-21). When the TY 2024 GRC proceeding
24 concludes, SDG&E proposes to transfer the December 31, 2023 VGIMA electric undercollected
25 balance to the EDFCA for inclusion in the next available rate change, and to close the VGIMA
26 thereafter. The Q1 2022 undercollected balance is \$7.384 million.

²⁰ D.18-08-008, Attachment A at Section 2.3.2.

²¹ D.16-01-045 at 158 and OP 3(d).

²² *Id.*, COL 32 and OP 3(g).

1 **21. Wildfire Consumer Protections Memorandum Account (WCPMA)**

2 The electric and gas WCPMAs are interest-bearing memorandum accounts recorded on
3 SDG&E’s financial statements. The purpose of these accounts is to record the incremental costs
4 and waived charges incurred by SDG&E associated with providing emergency customer
5 protections as a result of the December 2017 Lilac Fire.²³ Details of the WCPMA costs are
6 discussed in the Customer Services – Office Operations testimony of Sandra Baule (Ex.
7 SDG&E-18). SDG&E proposes to transfer the electric WCPMA balance to the EDFCA and the
8 gas WCPMA balance to the CFCA and NFCA, and to close the WCPMAs thereafter. The Q1
9 2022 undercollected balances are \$0.008 million for electric and \$0.003 million for gas.

10 **22. Working Group Facilitator Memorandum Account (WGFMA)**

11 The electric WGFMA is an interest-bearing memorandum account recorded on SDG&E’s
12 financial statements. The purpose of this account is to record costs associated with the
13 facilitator’s work to organize and facilitate the interagency VGI Working Group.²⁴ The costs
14 recorded in the WGFMA are discussed in the Clean Transportation testimony of Jennifer L.
15 Reynolds (Ex. SDG&E-21). Upon Commission approval, SDG&E proposes to transfer the
16 electric WGFMA balance to the EDFCA and to close the WGFMA thereafter. The Q1 2022
17 undercollected balance is \$0.037 million.

18 **B. Continuation of Ratemaking Treatment**

19 SDG&E is proposing a continuation of ratemaking treatment for each of the regulatory
20 accounts in this section. Each account is either: (1) a non-interest bearing tracking account that
21 is not recorded on SDG&E’s financial statements; or (2) an interest-bearing balancing or
22 memorandum accounts that is recorded on SDG&E’s financial statements. As part of the account
23 description that follows, I indicate whether the account is for the gas and/or electric segment and
24 the Q1 2022 recorded balance for each account. SDG&E requests the continuation of these
25 regulatory accounts and authorization to transfer or amortize the December 31, 2023 balance.
26 When the TY 2024 GRC proceeding concludes, SDG&E proposes to include in the next

²³ See SDG&E AL 3177-E/2465-G at 3, approved February 21, 2018 and effective December 7, 2017.

²⁴ See R.18-12-006, Assigned Commissioner’s Scoping Memo and Ruling (May 2, 2019) at OP 7, available at <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M285/K712/285712622.PDF>.

1 available rate change, either the actual December 31, 2023 year-end balance²⁵ or a 2023 year-end
2 forecasted balance.²⁶

3 **1. Avoided Cost Calculator Update Memorandum Account (ACCUMA)**

4 The electric and gas ACCUMA are interest-bearing memorandum accounts recorded on
5 SDG&E's financial statements. The purpose of this account is to track the costs allocated to the
6 utilities for contractors hired by the Commission to perform annual Avoided Cost Calculator
7 updates and to provide technical assistance or research for the purpose of the advancing future
8 refinement of cost-effective methods.²⁷ Details of the ACCUMA costs are discussed in the
9 Customer Services – Information testimony of Sandra Baule (Ex. SDG&E-19). When the TY
10 2024 GRC proceeding concludes, SDG&E proposes to transfer the December 31, 2023
11 ACCUMA electric undercollected balance to the EDFCA and ACCUMA gas undercollected
12 balance to CFCA and NFCA for inclusion in the next available rate change. In addition, SDG&E
13 proposes to continue current ratemaking treatment of the Avoided Cost Calculator costs allocated
14 to SDG&E. The Q1 2022 undercollected balances are \$0.105 million for electric and \$0.035
15 million for gas.

16 **2. California Consumer Privacy Act Memorandum Account (CCPAMA)**

17 The electric and gas CCPAMA are interest-bearing memorandum accounts recorded on
18 SDG&E's financial statements. The purpose of this account is to record the incremental costs
19 associated with complying with consumer privacy obligations as required by AB 375 and the
20 California Privacy Rights Act of 2020.²⁸ Details of CCPAMA costs are discussed in the
21 Customer Services – Office Operations testimony of Sandra Baule (Ex. SDG&E-18). When the
22 TY 2024 GRC proceeding concludes, SDG&E proposes to transfer the December 31, 2023
23 CCPAMA electric undercollected balance to the EDFCA and CCPAMA gas undercollected
24 balance to CFCA and NFCA for inclusion in the next available rate change. In addition,
25 SDG&E proposes to continue current ratemaking treatment of consumer privacy obligation

²⁵ In the event the GRC Decision is issued on or after January 1, 2024.

²⁶ In the event the GRC Decision is issued before January 1, 2024.

²⁷ D.16-06-007 at OP 8.

²⁸ D.19-09-026 at OP 1.

1 costs. The Q1 2022 undercollected balances are \$2.427 million for electric and \$1.244 million
2 for gas.

3 **3. Emergency Customer Protections Memorandum Account (ECPMA)**

4 The electric and gas ECPMA are interest-bearing memorandum accounts recorded on
5 SDG&E's financial statements. The purpose of this account is to record the incremental costs
6 and waived charges incurred by SDG&E associated with providing the residential and non-
7 residential emergency customer protections.²⁹ Details of the ECPMA costs are discussed in the
8 Customer Services – Office Operations testimony of Sandra Baule (Ex. SDG&E-18). When the
9 TY 2024 GRC proceeding concludes, SDG&E proposes to transfer the December 31, 2023
10 ECPMA electric undercollected balance to the EDFCA and ECPMA gas undercollected balance
11 to CFCA and NFCA for inclusion in the next available rate change. In addition, SDG&E
12 proposes to continue current ratemaking treatment of emergency customer protections costs.
13 The Q1 2022 undercollected balances are \$0.026 million for electric and \$0.003 million for gas.

14 **4. Fire Risk Mitigation Memorandum Account (FRMMA)**

15 The electric FRMMA is an interest-bearing memorandum account recorded on SDG&E's
16 financial statements. The purpose of the FRMMA is to record costs associated with fire risk
17 mitigation work that is not otherwise covered in SDG&E's authorized revenue requirements or
18 in an approved Wildfire Mitigation Plan. Once costs are included in a Wildfire Mitigation Plan,
19 these costs are transferred to the WMPMA. The account does not include costs recorded to other
20 memorandum accounts, such as SDG&E's Catastrophic Event Memorandum Account (CEMA),
21 Fire Hazard Prevention Memorandum Account (FHPMA), Wildfire Mitigation Plan
22 Memorandum Account (WMPMA), or other cost recovery mechanisms. For further details on
23 costs, please refer to the Wildfire Mitigation and Vegetation Management testimony of Jonathan
24 T. Woldemariam (Ex. SDG&E-13). SDG&E proposes to continue this account.

25 **5. High-Power Interim Rate Waiver Balancing Account (HPWBA)**

26 The electric HPWBA is a two-way, interest-bearing balancing account recorded on
27 SDG&E's financial statements. The purpose of this account is to record any revenue shortfall or
28 surplus from the EV-HP interim rate waiver.³⁰ Details of the HPWBA costs are discussed in the

²⁹ See D.18-08-004 at OP 3 and COLs 6, 8, and 13; *see also* Res. M-4833 and M-4835.

³⁰ D.20-12-023 at 29.

1 Clean Transportation testimony of Jennifer L. Reynolds (Ex. SDG&E-21). SDG&E requests the
2 continuation of this account. Furthermore, this account and any additional subsidy incurred
3 subsequent to Q1 2022 will be handled in the GRC Phase 2 application.³¹ The Q1 2022
4 undercollected balance is \$2.044 million.

5 **6. Integration Capacity Analysis and Locational Net Benefit**
6 **Memorandum Account (ICLNBMA)**

7 The electric ICLNBMA is an interest-bearing memorandum account recorded on
8 SDG&E's financial statements. The purpose of this account is to record incremental costs
9 associated with the implementation of the Integration Capacity Analysis (ICA) and Locational
10 Net Benefit Analysis (LNBA) methodologies, Grid Needs Assessments (GNA), Distribution
11 Deferral Opportunity Report (DDOR), and Data Access Portal.³² The ICLNBMA consists of
12 three subaccounts: 1) the ICA Subaccount, 2) the LNBA Subaccount, and 3) the GNA, DDOR
13 and Data Access Portal Subaccount. Further discussion is included in the Electric Distribution
14 O&M testimony of Tyson Swetek (Ex. SDG&E-12). When the TY 2024 GRC proceeding
15 concludes, SDG&E proposes to transfer the December 31, 2023 ICLNBMA undercollected
16 balance to the EDFCA for inclusion in the next available rate change. SDG&E proposes to
17 continue this account. The Q1 2022 undercollected balance is \$0.889 million.

18 **7. Liability Insurance Premiums Balancing Account (LIPBA)**

19 The electric and gas LIPBAs are two-way interest-bearing balancing accounts recorded
20 on SDG&E's financial statements. The purpose of this account is to balance the difference
21 between the authorized revenue requirement related to liability insurance premiums (LIP)
22 charged to SDG&E from Corporate Center and the actual expenses incurred and charged to
23 SDG&E.³³

24 Pursuant to the TY 2019 GRC Decision, a Tier 2 advice letter was filed for recovery of
25 liability insurance premiums that were anticipated by the TY 2019 GRC Decision, but could not

³¹ *Id.* at 29-31. (“In D.20-04-009, we provided that any revenue shortfalls from the interim rate waiver will be allocated and recovered from the M/L C&I class as a whole . . . We direct SDG&E to track any revenue shortfall or surplus from the interim rate waiver in a two-way balancing account and report on and address any shortfall or surplus in its next GRC Phase 2 application.”).

³² D.17-09-026 at OP 19; D.18-02-004 at OP 2(n).

³³ D.19-09-051 at OP 8(c).

1 be accurately forecasted as part of that application.³⁴ Therefore, to ensure the costs were properly
2 tracked, SDG&E established two sub-accounts: 1) under limits subaccount and 2) over limits
3 sub-account. The under limits sub-account records the difference between the authorized revenue
4 requirement and the actual expenses for the same insurance coverage requested in the GRC. The
5 over limits sub-account records the difference between the authorized revenue requirement and
6 the actual expenses for additional liability insurance coverage not requested in the GRC.

7 The authorized electric LIP revenue requirement, excluding the electric transmission
8 component which is subject to FERC, and the related actual LIP expenses recorded in the LIPBA
9 are adjusted for related LIP costs capitalized in ratebase and inter-company LIP costs (i.e., for
10 shared services) billed to and charged from SDG&E's affiliate companies. In addition, the
11 LIPBA records an adjustment for the difference in LIP costs embedded in authorized and actual
12 depreciation along with the related return and taxes.

13 Details of the LIPBA costs are discussed in the Corporate Center – Insurance testimony
14 of Dennis Gaughan (Ex. SDG&E-28). When the TY 2024 GRC proceeding concludes, SDG&E
15 proposes to transfer the December 31, 2023 LIPBA electric undercollected balance to the
16 EDFCA and LIPBA gas undercollected balance to CFCA and NFCA for inclusion in the next
17 available rate change. In addition, SDG&E proposes to continue current ratemaking treatment of
18 emergency customer protections costs. The Q1 2022 undercollected balances are \$104.734
19 million for electric and \$3.203 million for gas.

20 **8. New Environmental Regulation Balancing Account (NERBA**
21 **excluding NGLAP subaccount)**

22 The electric and gas NERBA are two-way, interest-bearing balancing accounts recorded
23 on SDG&E's financial statements. The NERBA was established for environmental costs
24 associated with SDG&E's electric business and gas business.³⁵ Its purpose is to balance the
25 difference between actual and authorized incremental costs associated with certain new and
26 proposed federal and state environmental regulations.

27 The electric NERBA consists of three subaccounts: 1) Polychlorinated biphenyls (PCB)
28 Subaccount; 2) Assembly Bill 32 Administration Fees Subaccount; and 3) Municipal Separate

³⁴ D.19-09-051 at 534-535; *see also* SDG&E AL 3638-E/2922-G, approved February 2, 2021 and effective December 9, 2020.

³⁵ D.13-05-010 at 95 and 239.

1 Storm Sewer System (MS4) Compliance Subaccount.³⁶ Details of costs included in these
2 subaccounts are discussed in the Environmental Services and SONGS testimony of Brittany Syz
3 (Ex. SDG&E-24). The disposition of the electric NERBA subaccount balances are incorporated
4 in customer rates in connection with SDG&E’s annual regulatory accounts update advice letter
5 filing.³⁷

6 The gas NERBA consists of five subaccounts: (1) Subpart W Subaccount; (2) AB 32
7 Administration Fees Subaccount; (3) Leak Detection and Repair (LDAR) Subaccount; (4) MS4
8 Compliance Subaccount, and (5) Natural Gas Leak Abatement Program (NGLAP) Subaccount.³⁸
9 Further discussion on the NGLAP Subaccount is included in the “Information on Other
10 Regulatory Accounts” section below and in the Gas System Staff and Technology testimony of
11 Wallace Rawls (Ex. SDG&E-05). Details of costs included in the other NERBA subaccounts
12 listed above are discussed in the Environmental Services and SONGS testimony of Brittany Syz
13 (Ex. SDG&E-24). The disposition of the gas NERBA balance is incorporated into customer
14 rates in connection with SDG&E’s annual regulatory account update advice letter filing and the
15 revenue requirement and disposition for the NGLAP Subaccount is to be determined in a
16 separate Tier 3 advice letter process in compliance with D.17-06-015.

17 SDG&E proposes to continue the ratemaking treatment for electric and gas NERBA-
18 related costs since, as described by Brittany Syz (Ex. SDG&E-24), there continues to be
19 uncertainty of the amount of costs expected to be incurred by SDG&E during the TY 2024 GRC
20 cycle.

21 **9. Natural Gas Leak Abatement Program Memorandum Account** 22 **(NGLAPMA)**

23 The gas NGLAPMA is an interest-bearing account recorded on SDG&E’s financial
24 statements. This account records the incremental administrative costs associated with the
25 implementation of the Natural Gas Leak Abatement Program (NGLAP).³⁹ Details of the costs
26 requested for recovery in this TY 2024 GRC are described in the Gas System Staff and

³⁶ D.16-06-054 at 23 and OP 8.

³⁷ See Disposition section of Preliminary Statement for electric NERBA, available at https://www.sdge.com/sites/default/files/elec_elec-prelim_nerba.pdf.

³⁸ D.16-06-054 at 23 and OP 8; D.17-06-015 at OP 7; *see also* SDG&E AL 2593-G approved September 6, 2017 and effective July 17, 2017.

³⁹ D.17-06-015 at OP 8.

1 Technology testimony of Wallace Rawls (Ex. SDG&E-05). When the TY 2024 GRC
2 proceeding concludes, SDG&E proposes to transfer the December 31, 2023 gas NGLAPMA
3 undercollected balance to the CFCA and NFCA for inclusion in the next available rate change.
4 SDG&E proposes to continue this account. The Q1 2022 undercollected balance is \$0.735
5 million.

6 **10. Pension Balancing Accounts (PBA) and Post-Retirement Benefits**
7 **Other Than Pensions Balancing Accounts (PBOPBA)**

8 The electric and gas PBA and PBOPBA are two-way, interest-bearing balancing accounts
9 recorded on SDG&E's financial statements. The purpose of the PBA is to balance the difference
10 between the forecasted and actual contributions to SDG&E's pension fund. The purpose of the
11 PBOPBA is to balance the annual PBOP costs embedded in authorized rates with the lesser of
12 (1) the PBOP costs calculated in accordance with Accounting Standards Codification 715 or (2)
13 actual tax-deductible contributions to the PBOP trust. Forecasted pension and PBOP costs are
14 discussed in the Corporate Center – Pension & PBOPs testimony of Peter H. Andersen (Ex.
15 SCG-26/SDG&E-30).

16 These accounts consist of both O&M and capital components. The SDG&E O&M
17 component includes pension/PBOP costs adjusted for costs capitalized to utility rate base and
18 intercompany pension/PBOP costs billed by or charged to SDG&E's affiliate companies. The
19 capital component reflects pension/PBOP costs recovered through depreciation, including the
20 return associated with the unamortized balance of pension/PBOP costs capitalized to utility rate
21 base.

22 In 2008, SDG&E and SoCalGas filed a Petition for Modification of their TY 2008 GRC
23 decision (D.08-07-046) to accelerate recovery of increased contributions to their pension and
24 PBOP Trusts that were required due to declines in pension fund values and the rising costs of
25 other benefits. In D.09-09-011, the Commission approved this request giving SDG&E and
26 SoCalGas the authorization to annually amortize their PBA and PBOPBA balances as part of the
27 annual regulatory account update advice letter filing. SDG&E proposes to continue this
28 ratemaking treatment and annual recovery process for both the PBA and PBOPBA. Detailed
29 workpapers, which include recorded information and forecast information based on the latest
30 actuarial studies, are included in connection with the annual regulatory account update advice
31 letter filing.

1 **11. Residential Disconnect Protections Memorandum Accounts**
2 **(RDPMA)**

3 The electric and gas RDPMA are interest-bearing memorandum accounts recorded on
4 SDG&E’s financial statements. The purpose of this account is to record the incremental costs
5 associated with implementing the customer protections required by D.20-06-003.⁴⁰ Details of
6 the RDPMA costs are discussed in the Customer Services – Office Operations testimony of
7 Sandra Baule (Ex. SDG&E-18). When the TY 2024 GRC proceeding concludes, SDG&E
8 proposes to transfer the December 31, 2023 RDPMA electric undercollected balance to the
9 EDFCA and RDPMA gas undercollected balance to CFCA and NFCA for inclusion in the next
10 available rate change. In addition, SDG&E proposes to continue current ratemaking treatment of
11 customer protection costs as required by D.20-06-003. The Q1 2022 undercollected balances are
12 \$0.448 million for electric and \$0.274 million for gas.

13 **12. Rule 20 Balancing Account (R20BA)**

14 The electric R20BA was created pursuant to D.21-06-013 as a one-way, non-interest
15 bearing balancing account that is not recorded on SDG&E’s financial statements.⁴¹ The purpose
16 of the R20BA is to track the difference between the actual and authorized capital expenditures
17 and expenses associated with completing overhead to underground conversion projects
18 consistent with the Rule 20 Program. Detail and review of the historic and forecasted costs and
19 funding request associated with applicable Rule 20 programs are discussed in the Electric
20 Distribution Capital testimony of Oliva Reyes (Ex. SDG&E-11). SDG&E proposes to continue
21 this account.

22 **13. Safety Enhancement Capital Cost Balancing Account (SECCBA)**

23 The gas SECCBA is an interest-bearing balancing account recorded on SDG&E’s
24 financial statements. The SECCBA records the capital-related costs on capital assets associated
25 with SDG&E’s PSEP.⁴² SDG&E began recording costs effective June 12, 2014, the date of the

⁴⁰ D.20-06-003 at OP 95.

⁴¹ D.21-06-013 at 28. The R20BA consists of subaccounts for Rule 20A, 20B, 20C, and 20D projects.

⁴² See D.14-06-007, as modified by D.15-12-020 at OP 2.

1 2013 TCAP decision. Additionally, the SECCBA consists of two subaccounts for PSEP costs:⁴³

- 2 • PSEP Phase 1A Subaccount – records PSEP activity associated with Phase 1A
- 3 • PSEP Phase 1B Subaccount – records PSEP activity associated with Phase 1B

4 The PSEP Phase 1A Subaccount is a two-way balancing account mechanism subject to
5 reasonableness review and 50% interim recovery; the PSEP Phase 1B Subaccount is a one-way
6 balancing account mechanism. There are no costs related to PSEP Phase 1B.

7 In this TY 2024 GRC application, SDG&E is requesting to recover costs related to
8 completed projects that have not been reviewed in the previous reasonableness review (RR),
9 2016 and 2018, as well as the training costs from the projects approved in the previous
10 proceedings. Reviewed capital additions in this proceeding are being included in the TY 2024
11 rate base and capital related costs associated with these projects will no longer be balanced. For
12 further details on costs and reasonableness review, please refer to the Pipeline Safety and
13 Enhancement Program Testimony by Norm Kohls (Ex. SDG&E-08). SDG&E requests
14 continuation of this account to capture costs related to L1600 which are not completed and are
15 not included in the reasonableness review contained within this TY 2024 GRC application.

16 The balance in the Phase 1A Subaccount associated with these costs is \$ 51.8 million
17 undercollected as of December 31, 2021. This balance consists of \$115.4 million of capital-
18 related costs and \$2 million of interest, offset by \$65.6 million of 50% interim recovery (e.g.,
19 amortization). SDG&E will continue to balance the on-going capital-related costs associated
20 with the capital additions described in Exhibit SDGE-08, as well as continue with the annual
21 50% interim recovery on this balance for the years 2022 and 2023.

22 **Table JK-1**
23 **San Diego Gas & Electric**
24 **Estimated 2022 and 2023 SECCBA Balances**
25 **\$ in Millions**

Year	Beginning Balance	On-going Capital-Related Costs	Amortization	Interest	Ending Balance
2022	51.8	23.4	(22.9)	0.1	52.4
2023	52.4	22.9	(23.3)	0.1	52.1

⁴³ D.19-03-025 at OP 14.

1 As shown in Table JK-1 above, SDG&E estimates amortization of \$22.9 million and
2 \$23.3 million, respectively. After taking into account the on-going capital-related costs and
3 future amortization, SDG&E estimates the ending balance as of December 31, 2023, associated
4 with the assets being reviewed in this TY 2024 GRC to be \$52.1 million undercollected.
5 SDG&E requests to amortize the actual ending balance associated with these assets as of
6 December 31, 2023 in customers' gas transportation rates. Since these assets placed into service
7 through December 31, 2021 are proposed for inclusion in rate base as part of SDG&E's TY 2024
8 GRC, SDG&E will discontinue recording in the SECCBA the capital-related costs associated
9 with these assets upon implementation of the TY 2024 GRC Decision to avoid double recovery.
10 Capital-related costs associated with assets placed into service for Line 1600, which have not
11 been reviewed in this GRC will continue to be recorded in the SECCBA and SDG&E will seek
12 recovery of these costs in a future GRC or other applicable proceeding designated by the
13 Commission.

14 **14. Safety Enhancement Expense Balancing Account (SEEBA)**

15 The gas SEEBA is an interest-bearing balancing account recorded on SDG&E's financial
16 statements. The SEEBA records incremental O&M costs associated with SDG&E's PSEP.⁴⁴
17 SDG&E began recording costs effective June 12, 2014, the date of the 2013 TCAP decision.
18 Additionally, the SEEBA consists of two subaccounts for PSEP costs:⁴⁵

- 19 • PSEP Phase 1A Subaccount – records PSEP activity associated with Phase 1A;
- 20 and
- 21 • PSEP Phase 1B Subaccount – records PSEP activity associated with Phase 1B.

22 The PSEP Phase 1A Subaccount is a two-way balancing account mechanism subject to
23 reasonableness review and 50% interim recovery; PSEP Phase 1B Subaccount is a one-way
24 balancing account mechanism. There are no costs related to PSEP Phase 1B.

25 In this TY 2024 GRC application, SDG&E is requesting to recover O&M costs related to
26 completed projects that have not been reviewed in the previous RR, 2016 and 2018, as well as
27 the training costs from the projects approved in the previous proceedings. For further details on
28 costs and reasonableness review, please refer to the Pipeline Safety Enhancement Plan (PSEP)

⁴⁴ See D.14-06-007, as modified by D.15-12-020 at OP 2.

⁴⁵ D.19-03-025 at OP 15.

1 Testimony by Norm Kohls (Ex. SDG&E-08). SDG&E requests continuation of this account to
2 capture costs related to L1600 which are not completed and are not included in the
3 reasonableness review contained within the TY 2024 GRC application. O&M costs not
4 recovered via the 50% interim mechanism and requested for collection here in the TY 2024 GRC
5 Reasonableness Review are \$0.2 million as of Q1 2022. SDGE will continue with the annual
6 50% interim recovery on this balance for the years 2022 and 2023. SDG&E estimates the ending
7 balance as of December 31, 2023 associated with the O&M costs being reviewed in this TY
8 2024 GRC to be \$0.05 million undercollected. SDG&E requests to amortize the actual ending
9 balance associated with these assets as of December 31, 2023 in customers' gas transportation
10 rates.

11 **15. Third-Party Claims Memorandum Account (TCPMA)**

12 The electric and gas TCPMA is an interest-bearing tracking-only account that is not
13 recorded on SDG&E's financial statements. The purpose of this account is to record the
14 difference between the authorized revenue requirement in D.19-09-051, TY 2019 General Rate
15 Case, and the actual third-party claim expenses and recoveries. SDG&E proposes to continue
16 this account.

17 **16. Wildfire Mitigation Plan Memorandum Account (WMPMA)**

18 The electric and Gas WMPMA is an interesting-bearing memorandum account recorded
19 to SDG&E's financial statements. The Wildfire Mitigation Plan Memorandum Account
20 (WMPMA) was established pursuant to D.19-05-039 Public Utilities Code Section 8386.4(a), as
21 modified by AB 1054. This account records costs incurred to implement SDG&E's Commission-
22 approved Wildfire Mitigation Plan and its balance reflects those costs net of revenue requirement
23 authorized in SDG&E's GRC or other proceedings deemed appropriate by the Commission.⁴⁶
24 The account does not include costs recorded to other memorandum accounts, such as SDG&E's
25 Catastrophic Event Memorandum Account (CEMA), Fire Hazard Prevention Memorandum
26 Account (FHPMA), Fire Risk Mitigation Memorandum Account (FRMMA), or other cost
27 recovery mechanisms. For further details on costs and reasonableness review, please refer to the
28 Wildfire Mitigation and Vegetation Management testimony of Jonathan T. Woldemariam (Ex.

⁴⁶ D.19-05-039 at OPs 13 and 14.

1 SDG&E-13). SDG&E proposes to continue WMPMA to allow for reasonableness reviews to
2 occur.

3 **C. Modifications to Existing Regulatory Accounts**

4 In this section, two regulatory accounts are listed with SDG&E's proposed modifications
5 for consideration.

6 **1. Transmission Integrity Management Program Balancing Account** 7 **(TIMPBA) and Post-2011 Distribution Integrity Management** 8 **Program Balancing Account (DIMPBA)**

9 The gas TIMPBA and DIMPBA are two-way, interest-bearing balancing accounts
10 recorded on SDG&E's financial statements. The purpose of the gas TIMPBA and gas DIMPBA
11 is to balance the difference between actual and authorized costs in each account.⁴⁷ These
12 accounts consist of both O&M and capital-related costs. The capital-related component reflects
13 TIMP/DIMP costs recovered through depreciation, return, and taxes associated with capitalized
14 TIMP/DIMP costs. Details of the TIMP and DIMP costs are discussed in the Gas Integrity
15 Management Programs testimony of Amy Kitson and Travis Sera (Ex. SDG&E-09). A
16 modification to the calculation of integrity management program (IMP)-related revenue
17 requirement in the post-test years is discussed in the Post-Test Year Ratemaking testimony of
18 Khai Nguyen (Ex. SCG-40).

19 In D.19-09-051, the Commission approved the cost recovery mechanism proposed by
20 SDG&E, which included a 35% threshold to differentiate filing a Tier 3 Advice Letter or
21 separate reasonableness review application to request recovery of an undercollected balance in
22 the respective balancing account. The threshold is calculated by multiplying 35% by the total
23 O&M and imputed capital expenditures authorized for the entire GRC cycle. For overspending
24 up to the 35% threshold, SDG&E must file a Tier 3 Advice Letter to seek recovery of the
25 undercollected balance associated with expenditures up to the 35% threshold. For overspending
26 greater than or equal to the 35% threshold, SDG&Es must file a separate reasonableness review
27 application to request recovery. If SDG&E has not overspent in excess of its total authorized
28 O&M and imputed capital expenditures for the GRC cycle, but an undercollection exists in the
29 balancing account due to compounding of the actual capital revenue requirements recorded to the
30 balancing account, SDG&E will incorporate the undercollected balance in its annual regulatory

⁴⁷ D.13-05-010 at 387-388 and 392-393.

1 account update filing advice letter for recovery in the following year’s gas transportation rates.
2 If a net overcollection exists at the end of the GRC cycle, SDG&E requests to refund the balance
3 in customers’ gas transportation rates in connection with its annual regulatory account update
4 filing. SDG&E requests to continue this cost recovery mechanism for the TY 2024 GRC cycle.

5 **2. Tree Trimming Balancing Account (TTBA)**

6 The electric TTBA is an interest-bearing two-way balancing account, effective January 1,
7 2019, that is recorded on SDG&E’s financial statements.⁴⁸ The purpose of the TTBA is to record
8 certain actual tree trimming costs and associated authorized revenues. SDG&E proposes to
9 continue the TTBA for TY 2024 GRC cycle as well as modify the title to “Vegetation
10 Management Balancing Account” to be consistent with other IOUs. SDG&E also proposes to
11 include costs related to pole brushing in the balancing account which are currently being
12 captured in WMPMA. For further details on modifications to the TTBA, please refer to the
13 Wildfire Mitigation and Vegetation Management testimony of Jonathan T. Woldemariam (Ex.
14 SDG&E-13).

15 **D. New Regulatory Accounts Proposed in the TY 2024 GRC**

16 The following sections discusses nine regulatory accounts proposed by SDG&E in the
17 TY 2024 GRC.

18 **1. Electric Vehicle Infrastructure Balancing Account (EVIBA)**

19 SDG&E proposes to create the electric EVIBA as a two-way interest-bearing balancing
20 account recorded on SDG&E’s financial statements. The purpose of this account is to record the
21 difference between the authorized revenue requirement to be adopted in this TY 2024 GRC and
22 actual expenses incurred associated with implementing the new EV Infrastructure Rule as
23 discussed in the Clean Transportation testimony of Jennifer L. Reynolds (Ex. SDG&E-21).
24 SDG&E proposes to amortize the balance in the EVIBA in customer rates in connection with the
25 annual regulatory account update advice letter filing.

26 **2. Facilities Integrity Management Program Balancing Account**
27 **(FIMPBA)**

28 SDG&E proposes to create the gas FIMPBA as a two-way interest-bearing balancing
29 account recorded on SDG&E’s financial statements. The purpose of the FIMPBA is to record

⁴⁸ D.19-09-051 at OP 8(b).

1 the difference between the authorized revenue requirement to be adopted in this TY 2024 GRC
2 and actual expenses incurred associated with the Facilities Integrity Management Program as
3 discussed in the Gas Integrity Management Programs testimony of Amy Kitson and Travis Sera
4 (Ex. SDG&E-09) and Post-Test Year Ratemaking testimony of Khai Nguyen (Ex. SCG-40).
5 SDG&E proposes to amortize the balance in the FIMPBA using the same cost recovery
6 mechanism with a 35% threshold as described above for the TIMPBA and DIMPBA and
7 approved in D.19-09-051.

8 **3. Gas Safety Enhancement Programs Balancing Account (GSEPBA)**

9 SDG&E proposes to create the gas GSEPBA as a two-way, interest-bearing balancing
10 account recorded on SDG&E's financial statements. The purpose of this account is to record the
11 difference between the authorized revenue requirement to be adopted in this TY 2024 GRC and
12 actual expenses associated with new gas rules and regulations that are not recovered in any other
13 regulatory accounts and are incurred as of January 1, 2024, as sponsored in the Gas Integrity
14 Management Programs testimony of Amy Kitson and Travis Sera (Ex. SDG&E-09) and Post-
15 Test Year Ratemaking testimony of Melanie Hancock (Ex. SDG&E-45). SDG&E proposes to
16 amortize the balance in the GSEPBA using the same cost recovery mechanism with a 35%
17 threshold as described above for the TIMPBA and DIMPBA and approved in D.19-09-051.

18 As discussed in Ex. SDG&E-09, certain regulations which SDG&E is monitoring are
19 expected to become effective mid-GRC cycle, requiring SDG&E to perform additional work that
20 cannot be forecasted as part of this GRC. SDG&E requests to establish new subaccounts under
21 the GSEPBA through the submission of a Tier 2 advice letter filing. A Tier 2 advice letter filing
22 is reasonable because it will allow SDG&E to track incremental costs incurred as a result of new
23 gas rules and regulations in a timely manner as the new regulations become effective mid-GRC
24 cycle, requiring the utilities to commence additional work prior to the start of SDG&E's next
25 GRC cycle.

26 **4. Hydrogen Build-Ready Balancing Account (HBRBA)**

27 SDG&E proposes to create the electric HBRBA as a two-way interest-bearing balancing
28 account recorded on SDG&E's financial statements. The purpose of this account is to record the
29 difference between the authorized revenue requirement to be adopted in this TY 2024 GRC and
30 actual expenses incurred associated with the Hydrogen Build Ready Infrastructure program, as
31 discussed in the Clean Energy Innovations testimony of Fernando Valero (Ex. SDG&E-15).

1 SDG&E proposes to amortize the balance in the HBRBA in customer rates in connection with
2 the annual regulatory account update advice letter filing.

3 **5. Locate and Mark Balancing Account (LMBA)**

4 SDG&E proposes to create electric and gas LMBAs as two-way, interest-bearing
5 balancing accounts recorded on SDG&E's financial statements. The purpose of the LMBA is to
6 record the difference between the authorized revenue requirement to be adopted in this TY 2024
7 GRC and actual expenses incurred as discussed in the Gas Distribution testimony of L. Patrick
8 Kinsella (Ex. SDG&E-04). SDG&E proposes to amortize the balance in the LMBA in customer
9 rates in connection with the annual regulatory account update advice letter filing.

10 **6. Litigated Project Costs Memorandum Account (LPCMA)**

11 SDG&E proposes to create the electric and gas LPCMA as interest-bearing memorandum
12 accounts recorded on SDG&E's financial statements. The purpose of the LPCMA is to record
13 the capital-related costs associated with projects that are intended to qualify as a collectible
14 project to be recovered from third-party customers (e.g., Contributions in Aid of Construction
15 from a local governmental entity) instead of ratepayers, but later are deemed by a court to be
16 non-collectible from third-party customers. Such a situation may arise in the context of utility
17 disputes with public entities over who should pay for the relocation of utility facilities
18 necessitated by municipal or other public entity projects, such as water, sewer or transit projects.
19 For instance, while the utility may argue in a litigated proceeding that the public entity should
20 bear the relocation costs, courts may rule otherwise.

21 If a court rules that a utility must bear the costs of the activity – effectively deeming the
22 costs as non-collectible – SDG&E will record to the LPCMA any historical capital-related costs
23 (i.e., depreciation, return, and taxes) based on the timing of when the project went into service,
24 no earlier than the effective date of SDG&E's TY 2024 GRC Decision. For example, if a court
25 rules a project is non-collectible in late 2024 and it had gone into service in 2023, capital-related
26 costs would be recorded to the LPCMA as of January 1, 2024, or the effective date of the TY
27 2024 GRC.

28 Memorandum account treatment for these costs is reasonable and just as it will allow
29 SDG&E the opportunity to litigate, where appropriate, whether the third-party customer should
30 bear the costs at issue, while preserving the ability to later seek recovery of the incremental
31 capital-related costs from ratepayers associated with projects that can no longer be collected

1 from a third-party customer, if the litigation proves unsuccessful. The costs to be recorded in
2 this memorandum account meet the definition of incremental cost because these projects would
3 not have been forecasted as part of ratepayer-funded capital projects in a prior GRC since these
4 projects would have initially been considered collectible from a third-party customer. The
5 memorandum account will only track the capital-related costs until the project can be included in
6 rate base in a future GRC. Furthermore, the memo account allows the CPUC the opportunity to
7 review and provide approval of the costs prior to inclusion in customers' electric and gas
8 rates. Any costs recorded to the LPCMA will be subject to a reasonableness review in a future
9 GRC application or other applicable proceeding.

10 Additional information related to the project costs eligible for recordation in the LPCMA
11 is discussed in the Electric Distribution Capital testimony of Oliva Reyes (Ex. SDG&E-11), the
12 Gas Distribution testimony of L. Patrick Kinsella (Ex. SDG&E-04), and the Gas Transmission
13 Operations & Construction Testimony of Rick Chiapa and Steve Hruby (Ex. SDG&E-06).

14 **7. Research, Development, and Demonstration Balancing Account** 15 **(RDDBA)**

16 SDG&E proposes to create the electric RDDBA as a one-way interest-bearing balancing
17 account recorded on SDG&E's financial statements. The purpose of this account is to record the
18 difference between the authorized revenue requirement to be adopted in this TY 2024 GRC and
19 actual expenses incurred associated with the RD&D program, called the Innovation Technology
20 Development program, as discussed in the Clean Energy Innovations testimony of Fernando
21 Valero (Ex. SDG&E-15). Any over or undercollected balance at the end of each year within the
22 GRC cycle will be carried over to the following year. For any unspent RD&D funds at the end
23 of the current GRC cycle, SDG&E will propose in its next GRC proceeding to return the unspent
24 funds in rates to customers. Overspent funds may not be recovered from ratepayers and
25 shareholders will absorb the balance in the event actuals expenses exceed authorized levels.

26 **8. Track 2 Costs Memorandum Account (T2CMA)**

27 SDG&E proposes to create the electric T2CMA as an interest-bearing memorandum
28 account recorded on SDG&E's financial statements. The purpose of the T2CMA is to record
29 SDG&E's compliance costs for 2022-2023 related to the Cross Function Work Management
30 Enhancement program. Memorandum account treatment for these costs is reasonable and just as
31 it will allow SDG&E the opportunity to seek recovery of the costs associated with implementing

1 the new requirements directed in the Track 2 Decision prior to the effective date of its next GRC
2 application. For further discussion, please refer to the Electric Distribution O&M testimony of
3 Tyson Swetek (Ex. SDG&E-12). SDG&E proposes to amortize the balance in the T2CMA in
4 customer rates in connection with the annual regulatory account update advice letter filing.

5 **9. Wildfire Mitigation Plan Balancing Account (WMPBA)**

6 SDG&E proposes to create electric and gas WMPBAs as two-way interest-bearing
7 balancing accounts recorded on SDG&E's financial statements. The purpose of the WMPBA is
8 to record costs incurred to implement SDG&E's Commission-approved Wildfire Mitigation Plan
9 and its balance reflects those costs net of revenue requirement authorized in this TY 2024 GRC
10 as discussed in the Wildfire Mitigation and Vegetation Management testimony of Jonathan T.
11 Woldemariam (EX. SDG&E-13). SDG&E proposes to amortize the balance in the WMPBA in
12 customer rates in connection with the annual regulatory account update advice letter filing.

13 **E. Information on Other Regulatory Accounts**

14 The following section discusses five regulatory accounts for informational purposes.

15 **1. Master Meter Balancing Account (MMBA)**

16 The electric and gas MMBA record the incremental costs associated with the conversion
17 of master-metered service at mobile home parks to direct utility service as part of a three-year
18 pilot program authorized by the Commission in D.14-03-021. Since all "to the meter" (TTM)
19 assets placed into service through December 31, 2021 have been included in rate base as part of
20 SDG&E's TY 2024 GRC, SDG&E will discontinue recording in the MMBA the capital-related
21 costs associated with these assets upon implementation of the TY 2024 GRC Decision to avoid
22 double recovery. Capital-related costs associated with TTM assets placed in service after
23 December 31, 2021 will continue to be balanced in the MMBA.

24 **2. New Environmental Regulation Balancing Account (NERBA –** 25 **NGLAP Subaccount) and Natural Gas Leak Abatement Program** 26 **Balancing Account (NGLAPBA)**

27 The NERBA–NGLAP Subaccount is an interest-bearing two-way balancing account
28 recorded on SDG&E's financial statements. The NERBA-NGLAP Subaccount was established
29 to record the difference between actual incremental costs and corresponding authorized revenue
30 requirement associated with the implementation of the Best Practices of the NGLAP.⁴⁹

⁴⁹ D.17-06-015 at OP 7.

1 The NGLAPBA is an interest bearing one-way balancing account recorded on SDG&E's
2 financial statements. The NGLAPBA was established to record the difference between actual
3 incremental costs and corresponding authorized revenue requirement associated with
4 Commission-approved Pilot Projects and Research and Development (R&D) activities associated
5 with the Natural Gas Leak Abatement Program.⁵⁰ Per OP 12 of D.17-06-015, the revenue
6 requirement and disposition of the NERBA–NGLAP Subaccount and NGLAPBA is to be
7 determined in a separate Tier 3 Advice Letter filing until ratemaking amounts and treatment are
8 reviewed and established in the Company's next general rate case or other gas ratemaking
9 proceeding. On September 29, 2021, however, SDG&E filed a letter requesting that the
10 Commission allow the utilities to continue to file Tier 3 Advice Letters until the following TY
11 2028 GRC applications, rather than include the revenue requirements in the TY 2024 GRC
12 filings. The letter requesting an extension of time to comply with OP 12 of D.17-06-015 until
13 TY 2028 GRC was granted on November 18, 2021. Details of the NERBA – NGLAP
14 Subaccount and NGLAPBA are discussed in the Gas System Staff and Technology testimony of
15 Wallace Rawls (Ex. SDG&E-05).

16 **3. Officer Compensation Memorandum Account (OCMA)**

17 The electric and gas OCMA's were created as memorandum accounts and do not post to
18 SDG&E's financial statements. Pursuant to Senate Bill 901, Public Utilities Code Section 706,
19 and Resolution E-4963, the OCMA were established to track compensation for SDG&E officers
20 to be paid solely by shareholders.⁵¹ The OCMA's are to be closed at the direction of the
21 Commission.⁵² Absent any orders from the Commission, SDG&E will continue to use the
22 OCMA's to track compensation for its officers.

23 **4. SONGS O&M Balancing Account (SONGSBA) and Marine** 24 **Mitigation Memorandum Account (MMMA)**

25 The electric SONGSBA is a two-way, interest-bearing balancing account recorded on
26 SDG&E's financial statements. The electric MMMA is an interest-bearing memorandum

⁵⁰ *Id.* at OP 9.

⁵¹ Resolution E-4963 at OP 1 and 2.

⁵² SDG&E AL 3324-E/2728-G, approved January 29, 2019 and effective January 1, 2019; *see also* Resolution E-4963 at 10, Appendix A, *Sample Preliminary Statement for Officer Compensation Memorandum Account (OCMA)*.

1 account recorded to SDG&E's financial statements. The purpose of the electric SONGSBA is to
2 record the difference between the SDG&E's authorized O&M cost and the actual costs billed by
3 SCE. The purpose of the electric MMMA is to track costs associated with Marine Mitigation
4 Projects between January 1, 2015 and the effective date of rates adopted for SDG&E as a party
5 to SCE's 2015 GRC A.16-09-001. SDG&E owns a 20% interest in SONGS.⁵³ As the 20%
6 minority owner, SDG&E is responsible for its 20% ownership share of all expenses for SONGS,
7 including the Workers' Compensation costs that are recorded in SONGSBA and the Marine
8 Mitigation Project expenses recorded in MMMA. SCE bills SDG&E for SDG&E's
9 proportionate share of these actual costs incurred by SCE, plus any applicable contractual
10 overhead. SDG&E is authorized to continue recording Workers' Compensation costs and
11 revenue requirement in its SONGS Balancing Account and implement its revenue requirement
12 and ratemaking concurrently with its GRC.⁵⁴ It is a Commission-approved practice for SDG&E
13 to submit intervenor testimony and seek to establish and recover its 20% portion of SONGS
14 costs in rates in SCE's GRC.⁵⁵ Accordingly, SDG&E's request seeking continued treatment of
15 its SONGSBA and MMMA was approved in SCE's TY 2021 GRC.⁵⁶ Discussion is included in
16 the Environmental Services and San Onofre Nuclear Generating Station (SONGS) testimony of
17 Brittany Syz (Ex. SDG&E-24).

18 **5. Tax Memorandum Account (TMA)**

19 The electric and gas TMAs were created pursuant to D.16-06-054 as interest-bearing
20 memorandum accounts that are not recorded on SDG&E's financial statements. The purpose of
21 the TMA is to track revenue differences resulting from the income tax expense approved in
22 SDG&E's TY 2019 GRC and actual tax expense incurred during the TY 2019 GRC period of
23 January 1, 2019 through December 31, 2023. Details and proposals related to the TMA are
24 discussed in the Tax testimony of Ragan Reeves (Ex. SDG&E-37).

⁵³ D.06-11-026 at 12-13.

⁵⁴ D.19-05-020 at OP 6.

⁵⁵ D.21-08-036 at 553.

⁵⁶ See D.19-05-020 at OP 12. See also D.17-12-016 at OP 2.

1 **6. Gas Rules & Regulations Memorandum Account (GRRMA)**

2 SDG&E currently has an application, A.22-05-005, pending with the Commission to
3 request creation of the GRRMA. The GRRMA is proposed to be an interest-bearing
4 memorandum account that will track the 2021-2023 incremental revenue requirement associated
5 with certain amendments by the Pipeline and Hazardous Materials Safety Administration
6 (“PHMSA”) to (1) 49 C.F.R. Parts 191, 192, Pipeline Safety: Safety of Gas Transmission and
7 Gathering Pipelines and (2) 49 C.F.R. Parts 192, 195, Pipeline Safety: Valve Installation and
8 Minimum Rupture Detection Standards. This TY 2024 GRC includes forecasted capital
9 expenditures that are proposed to be tracked in the GRRMA for the years 2022-2023.⁵⁷ If the
10 Commission approves creation of the GRRMA and the 2022-2023 capital expenditure forecast is
11 approved in the TY 2024 GRC, SDG&E will discontinue recording revenue requirement in the
12 GRRMA as of December 31, 2023 to avoid double recovery. SDG&E will seek recovery of the
13 balance in the GRRMA in a future GRC, or other applicable proceeding.

14 **III. CONCLUSION**

15 The ratemaking treatment for the regulatory accounts discussed above is reasonable and
16 should be adopted as proposed, subject to any necessary Commission determination of the
17 underlying programs as sponsored by the various witnesses referenced throughout this testimony.

18 This concludes my prepared revised direct testimony.

⁵⁷ Exhibit SDG&E-09-CWP-R.

1 **IV. WITNESS QUALIFICATIONS**

2 My name is Jason Kupfersmid. I am employed by SDG&E, as the Regulatory Accounts
3 Supervisor in the Assistant Controllers Department. My business address is 8326 Century Park
4 Court, San Diego, California 92123. My current responsibilities include supervising the process
5 for the development, implementation, and analysis of regulatory balancing, tracking, and
6 memorandum accounts. I began my current position in March 2022.

7 I earned a Bachelor of Science in Business Administration, Accounting degree from the
8 University of Nevada, Las Vegas in 2002. I also earned a Masters of Accountancy from Walsh
9 College in 2013. I am a licensed Certified Public Accountant in the State of Michigan.
10 Previously, I served as Technical Staff Manager, Utilities Regulatory Accountant for the State of
11 Nevada Attorney General Office Bureau of Consumer Protection; with Deloitte as an Audit
12 Senior and UHY Advisors as a Staff Accountant in the public accounting field.

13 I have not previously testified before the California Public Utilities Commission.

APPENDIX A
GLOSSARY OF TERMS

APPENDIX A – GLOSSARY OF TERMS

ACRONYM	DEFINITION
AB	Assembly Bill
ACCUMA	Avoided Cost Calculator Update Memorandum Account
AL	Advice Letter
AMI	Advanced Metering Infrastructure
CTBA	Clean Transportation Balancing Account
CCA	Community Choice Aggregator
CCAPMA	Community Choice Aggregation Procurement Memorandum Account
CCPAMA	California Consumer Privacy Act Memorandum Account
CFCA	Core Fixed Cost Account
CGBMA	Core Gas Balancing Memorandum Account
CIP	Communication Infrastructure Providers
CIS	Customer Information System
CISBA	Customer Information Systems Balancing Account
COL	Conclusions of Law
CPUC	California Public Utilities Commission
CRS	Cost Responsibility Surcharge
(D.)	Decision
DA	Direct Access
DA-CRS	Direct Access Cost Responsibility Surcharge
DACRSMA	Direct Access Cost Responsibility Surcharge Memorandum Account
DBSDMA	Dairy Biomethane Solicitation Development Memorandum Account
DDOR	Distribution Deferral Opportunity Report
DG	Distributed Generation
DGSMA	Distributed Generation Statistics Memorandum Account
DIMA	Distribution Interconnection Memorandum Account
DIMPBA	Distribution Integrity Management Program Balancing Account
ECPMA	Emergency Customer Protections Memorandum Account
ED	Electric Distribution
EDFCA	Electric Distribution Fixed Cost Account
EDTCMA	El Dorado Transition Cost Memorandum Account
EV	Electric Vehicle
EVIBA	Electric Vehicle Infrastructure Balancing Account
EVIMA	Electric Vehicle Infrastructure Memorandum Account
FERC	Federal Energy Regulatory Commission
FHPMA	Fire Hazard Prevention Memorandum Account
FIMPBA	Facilities Integrity Management Program Balancing Account
FRMMA	Fire Risk Mitigation Memorandum Account
GNA	Grid Needs Assessments
GO	General Order

ACRONYM	DEFINITION
GRC	General Rate Case
GRRMA	Gas Rules & Regulations Memorandum Account
GSEPBA	Gas Safety Enhancement Programs Balancing Account
HBRBA	Hydrogen Build-Ready Balancing Account
HPWBA	Higher-Power Interim Rate Waiver Balancing Account
ICA	Integration Capacity Analysis
ICLNBMA	Integration Capacity Analysis and Locational Net Benefit Memorandum Account
IMP	Integrity Management Program
IOU	Investor Owned Utility
L1600RAMA	Line 1600 Records Audit Memorandum Account
LDAR	Leak Detection and Repair
LIP	Liability Insurance Premiums
LIPBA	Liability Insurance Premiums Balancing Account
LMBA	Locate and Mark Balancing Account
LNBA	Locational Net Benefit Analysis
LPCMA	Litigated Project Costs Memorandum Account
MMBA	Master Meter Balancing Account
MMMA	Marine Mitigation Memorandum Account
MS4	Municipal Separate Storm Sewer System
NERBA	New Environmental Regulation Balancing Account
NFCA	Noncore Fixed Cost Account
NGLAP	Natural Gas Leak Abatement Program
NGLAPBA	Natural Gas Leak Abatement Program Balancing Account
NGLAPMA	Natural Gas Leak Abatement Program Memorandum Account
O&M	Operations and Maintenance
OCM	Organizational Change Management
OCMA	Officer Compensation Memorandum Account
OP	Ordering Paragraph
OPBA	Overhead Pools Balancing Account
PBA	Pension Balancing Account
PBOP	Post-Retirement Benefits Other than Pensions
PCB	Polychlorinated Biphenyls
PG&E	Pacific Gas & Electric
PSEP	Pipeline Safety Enhancement Plan
PSRMA	Pipeline Safety and Reliability Memorandum Account
R&D	Research & Development
R20BA	Rule 20 Balancing Account
RR	Reasonableness Review
RD&D	Research, Development & Demonstration
RDDBA	Research, Development & Demonstration Balancing Account
RDPMA	Residential Disconnect Protections Memorandum Account
RRMA	Rate Reform Memorandum Account
SCE	Southern California Edison Company

ACRONYM	DEFINITION
SCG	Southern California Gas
SDG&E	San Diego Gas & Electric Company
SECCBA	Safety Enhancement Capital Cost Balancing Account
SEEBA	Safety Enhancement Expense Balancing Account
SONGS	San Onofre Nuclear Generating Station
SONGSBA	San Onofre Nuclear Generating Station Balancing Account
T2CMA	Track 2 Costs Memorandum Account
TCAP	Triennial Cost Allocation Proceeding
TCPMA	Third-Party Claims Memorandum Account
TEIBA	Tax Equity Investment Balancing Account
TIMPBA	Transmission Integrity Management Program Balancing Account
TMA	Tax Memorandum Account
TSOBA	Transition, Stabilization, and Organizational Change Management Balancing Account
TTBA	Tree Trimming Balancing Account
TTM	To The Meter
TY	Test Year
VGI	Vehicle Grid Integration
VGIBA	Vehicle Grid Integration Balancing Account
VGIMA	Vehicle Grid Integration Memorandum Account
WCPMA	Wildfire Consumer Protections Memorandum Account
WGFMA	Working Group Facilitator Memorandum Account
WMPBA	Wildfire Mitigation Plan Balancing Account
WMPMA	Wildfire Mitigation Plan Memorandum Account

APPENDIX B

CHART OF TEST YEAR 2024 REGULATORY ACCOUNT PROPOSALS

APPENDIX B - Chart of Test Year 2024 Regulatory Account Proposals

Line	Regulatory Account (SDG&E)	Balancing/Memo	1 or 2-Way	Electric and/or Gas	Proposal	Sponsoring Witness
1	ACCUMA	Memo	N/A	E & G	Continue	Sandra Baule – Cust Svcs Info (Ex. SDG&E-19)
2	CCAPMA	Memo	N/A	E	Close	N/A
3	CCPAMA	Memo	N/A	E & G	Continue	Sandra Baule - Cust Svcs Ops (Ex. SDG&E-18)
4	CGBMA	Memo	N/A	G	Close	N/A
5	CISBA	Balancing	2-Way	E & G	Close	Therese C. Sacco - Envision Policy (Ex. SDG&E-16); Steven P. Dais - Rate Base (Ex. SDG&E-35)
6	CTBA	Balancing	1-Way	E	Close	Jennifer L. Reynolds – Clean Trans. Policy & Initiatives (Ex. SDG&E-21)
7	DACRSMA	Memo	N/A	E	Close	N/A
8	DBSDMA	Memo	N/A	G	Close	N/A
9	DGSMA	Memo	N/A	E	Close	Tyson Swetek – Elec Dist O&M (Ex. SDG&E-12)
10	DIMA	Memo	N/A	E	Close	N/A
11	DIMPBA	Balancing	2-Way	G	Continue & Modify	Amy Kitson and Travis Sera – Gas Integrity Programs TIMP/DIMP/FIMP (Ex. SDG&E-09)
12	ECPMA	Memo	N/A	E & G	Continue	Sandra Baule - Cust Svcs Ops (Ex. SDG&E-18)
13	EDTCMA	Memo	N/A	E	Close	N/A
14	EVIBA	Balancing	2-Way	E	Create	Jennifer L. Reynolds – Clean Trans. Policy & Initiatives (Ex. SDG&E-21)
15	EVIMA	Memo	N/A	E	Close	Jennifer L. Reynolds – Clean Trans. Policy & Initiatives (Ex. SDG&E-21)
16	FIMPBA	Balancing	2-Way	G	Create	Amy Kitson and Travis Sera – Gas Integrity Programs TIMP/DIMP/FIMP (Ex. SDG&E-09)

Line	Regulatory Account (SDG&E)	Balancing/ Memo	1 or 2-Way	Electric and/or Gas	Proposal	Sponsoring Witness
17	FHPMA	Memo	N/A	E	Close	N/A
18	FRMMA	Memo	N/A	E	Continue	Jonathan T. Woldemariam – Wildfire Mitigation/Veg Management (Ex. SDG&E-13)
19	GRRMA	Memo	N/A	G	Informational	Amy Kitson and Travis Sera – Gas Integrity Management Programs TIMP/DIMP/FIMP (Ex. SDG&E-09)
20	GSEPBA	Balancing	2-Way	G	Create	Amy Kitson and Travis Sera – Gas Integrity Programs TIMP/DIMP/FIMP (Ex. SDG&E-09)
21	HBRBA	Balancing	2-Way	E	Create	Fernando Valero – Clean Energy Innovations (Ex. SDG&E-15)
22	HPWBA	Balancing	2-Way	E	Continue	Jennifer L. Reynolds – Clean Trans. Policy & Initiatives (Ex. SDG&E-21)
23	ICLNBMA	Memo	N/A	E	Continue	Tyson Swetek – Elec Dist O&M (Ex. SDG&E-12)
24	L1600RAMA	Memo	N/A	G	Close	Norm Kohls – PSEP (Ex. SDG&E-08)
25	LIPBA	Balancing	2-Way	E & G	Continue	Dennis Gaughan – Corp Ctr Insurance (Ex. SDG&E-28)
26	LMBA	Balancing	2-Way	E & G	Create	L. Patrick Kinsella – Gas Dist (Ex. SDG&E-04)
27	LPCMA	Memo	N/A	E & G	Create	Oliva Reyes – Elec Dist Capital (Ex. SDG&E-11) L. Patrick Kinsella – Gas Dist (Ex. SDG&E-04) Rick Chiapa and Steve Hruby (Ex. SDG&E-06)
28	MMBA	Balancing	2-Way	E & G	Informational	N/A
29	MMMA	Memo	N/A	E	Informational	Brittany Syz – Environ Svcs (Ex. SDG&E-24)
30	NEMMA	Memo	N/A	E	Close	N/A
31	NERBA (excluding NGLAP subaccount)	Balancing	2-Way	E & G	Continue	Brittany Syz – Environ Svcs (Ex. SDG&E-24)

Line	Regulatory Account (SDG&E)	Balancing/Memo	1 or 2-Way	Electric and/or Gas	Proposal	Sponsoring Witness
32	NERBA (NGLAP subaccount)	Balancing	2-Way	G	Informational	Wallace Rawls – Gas Systems Staff and Tech (Ex. SDG&E-05)
33	NGLAPBA	Balancing	1-Way	G	Informational	Wallace Rawls – Gas Systems Staff and Tech (Ex. SDG&E-05)
34	NGLAPMA	Memo	N/A	G	Continue	Wallace Rawls – Gas Systems Staff and Tech (Ex. SDG&E-05)
35	OCMA	Memo	N/A	E & G	Informational	N/A
36	OPBA	Balancing	1-Way	E	Close	Oliva Reyes – Elec Dist Capital (Ex. SDG&E-11)
37	PBA	Balancing	2-Way	E & G	Continue	Peter H. Andersen – Corp Ctr Pension & PBOPs (Ex. SCG-26/SDG&E-30)
38	PBOPBA	Balancing	2-Way	E & G	Continue	Peter H. Andersen – Corp Ctr Pension & PBOPs (Ex. SCG-26/SDG&E-30)
39	PSRMA	Memo	N/A	G	Close	N/A
40	R20BA	Balancing	1-Way	E	Continue	Oliva Reyes – Elec Dist Capital (Ex. SDG&E-11)
41	RDDBA	Balancing	1-Way	E	Create	Fernando Valero – Clean Energy Innovations (Ex. SDG&E-15)
42	RDPMA	Memo	N/A	E & G	Continue	Sandra Baule - Cust Svcs Ops (Ex. SDG&E-18)
43	RRMA	Memo	N/A	E	Close	Sandra Baule – Cust Svcs Info (Ex. SDG&E-19)
44	SECCBA	Balancing	2-Way	G	Continue	Norm Kohls – PSEP (Ex. SDG&E-08)
45	SEEBA	Balancing	2-Way	G	Continue	Norm Kohls – PSEP (Ex. SDG&E-08)
46	SONGSBA	Balancing	2-Way	E	Informational	Brittany Syz – Environ Svcs (Ex. SDG&E-24)
47	T2CMA	Memo	N/A	E	Create	Tyson Swetek – Elec Dist O&M (Ex. SDG&E-12)
48	TCPMA	Memo	N/A	E & G	Continue	N/A
49	TEIBA	Balancing	N/A	E	Close	N/A
50	TIMPBA	Memo	2-Way	G	Continue & Modify	Amy Kitson and Travis Sera – Gas Integrity Programs TIMP/DIMP/FIMP (Ex. SDG&E-09)

Line	Regulatory Account (SDG&E)	Balancing/Memo	1 or 2-Way	Electric and/or Gas	Proposal	Sponsoring Witness
51	TMA	Memo	2-Way	E & G	Informational	Ragan Reeves – Tax (Ex. SDG&E-37)
52	TSOBA	Balancing	2-Way	E & G	Transfer & Close	Therese C. Sacco - Envision Policy (Ex. SDG&E-16)
53	TTBA	Balancing	2-Way	E	Modify & Continue	Jonathan T. Woldemariam – Wildfire Mitigation/Veg Management (Ex. SDG&E-13)
54	VGIBA	Balancing	1-Way	E	Close	Jennifer L. Reynolds – Clean Trans. Policy & Initiatives (Ex. SDG&E-21)
55	VGIMA	Memo	N/A	E	Close	Jennifer L. Reynolds – Clean Trans. Policy & Initiatives (Ex. SDG&E-21)
56	WCPMA	Memo	N/A	E & G	Transfer & Close	Sandra Baule - Cust Svcs Ops (Ex. SDG&E-18)
57	WGFMA	Memo	N/A	E	Close	Jennifer L. Reynolds – Clean Trans. Policy & Initiatives (Ex. SDG&E-21)
58	WMPBA	Balancing	2-Way	E & G	Create	Jonathan T. Woldemariam – Wildfire Mitigation/Veg Management (Ex. SDG&E-13)
59	WMPMA	Memo	N/A	E & G	Continue	Jonathan T. Woldemariam – Wildfire Mitigation/Veg Management (Ex. SDG&E-13)