**DATA REQUEST**

**Q1**. In response to the following question from SDAP DR-05: Please list all SDG&E rate schedules for which the DISTRIBUTION rates are time varying. (This list should include AL-TOU, because 61% of distribution demand charges are peak-related), as well as other similar rate schedules, SDG&E responded:

**SDG&E Response:**

The following rate schedules have a time-varying component in currently effective base distribution rates for either demand charge, volumetric, or dynamic pricing rate components:

* Schedule AL-TOU (on-peak demand charges)
* Schedule AL-TOU2 (TOU demand charge with Super Off-Peak period exemption and on-peak demand charges)
* Schedule DG-R (volumetric)
* Schedule A6-TOU (on-peak demand charges)
* Schedule VGI (dynamic rates)
* Schedule GIR (dynamic rates)
* Schedule PA-T-1 (TOU demand charges with Super Off-Peak period exemption)
* Schedule TOU-PA2 (TOU demand charge with Super Off-Peak period exemption)
* Schedule EV-TOU (volumetric)
* Schedule EV-TOU2 (volumetric)
* Schedule EV-TOU5 (volumetric)

1. Please identify which, if any, of the above-listed rate schedules SDG&E considers to be cost based.
2. For any of the above-listed rate schedules that are not cost-based, please identify in what respect or feature they differ from a correct basis in cost causation.
3. For any of the above-listed rate schedules that are not cost-based, please identify SDG&E’s purpose in providing the rate.

**SDG&E Response:**

a) Cost-based rate schedules would be purely designed and implemented based on SDG&E’s General Rate Case Phase 2 marginal distribution cost studies. SDG&E currently has no rate schedules that are purely cost-based. Instead, schedules reflect varying degrees of cost-based ratemaking within their structure.

b) SDG&E objects to the faulty premise of the question, which assumes a “correct” versus “incorrect” method of ratemaking. SDG&E is required to charges rates that are established by the Commission under a “just and reasonable” standard, in accordance with California Public Utilities Code Sections 451 and 454, among others. SDG&E also objects to this question to the extent it seeks information that is public and equally available to SDAP, as SDG&E’s rates are established in CPUC proceedings, and its tariffs are published in accordance with law. Additionally, SDG&E strives to balance the Commission’s 12 Rate Design Principles (RDP) adopted in D.15-07-001, two of which state that rates should be based on marginal cost and cost-causation principles.

c) SDG&E is required to charges rates that are established by the Commission under a “just and reasonable” standard, in accordance with California Public Utilities Code Sections 451 and 454, among others. SDG&E’s rates are established through public proceedings and published in accordance with law.