

Application No.: A.14-05-
Exhibit No.: _____
Witness: Sheri S. Miller
Date: May 30, 2014

SAN DIEGO GAS & ELECTRIC COMPANY
PREPARED DIRECT TESTIMONY OF
SHERI S. MILLER

****REDACTED AND PUBLIC****

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

May 30, 2014



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1 Commission find that the amounts transferred from IEMA to ERRA in 2013 are in compliance
2 with Commission directives; and further, my testimony describes the status of prior filings
3 pertaining to the MRTUMA. The direct testimony of SDG&E witness Sally Chen contains
4 descriptions of the electric procurement and commodity expenses recorded to the ERRA and
5 TCBA during the Record Period.

6 **II. ERRA**

7 Pursuant to Decision (“D.”) 02-10-062 and D.02-12-074, the purpose of the ERRA is to
8 provide full recovery of SDG&E’s energy procurement costs associated with serving SDG&E’s
9 bundled service customers. SDG&E’s ERRA revenue requirement also includes the full
10 recovery of California Independent System Operator (“CAISO”) energy and ancillary services
11 load charges and supply revenues, contract costs, generation fuel costs, CAISO-related costs,
12 hedging costs and previously approved equity rebalancing costs related to the financial statement
13 consolidation under Accounting Standards Codification 810 (“ASC 810”),² of the Otay Mesa
14 Energy Center (“OMEC”) to serve SDG&E’s bundled service customers.³ The ERRA includes
15 revenues from SDG&E’s Electric Energy Commodity Cost (“EECC”) rate schedule adjusted to
16 exclude California Department of Water Resources (“DWR”) revenues for energy provided by
17 CDWR to SDG&E customers; non-fuel generation revenues allocated to the NGBA; and other
18 Commission approved transfers.

19 On a monthly basis, the ERRA compares the energy procurement costs described above
20 with the revenue from Schedule EECC (excluding CDWR, NGBA revenue and other transfers).
21 Interest is applied to any over- or undercollection balance at the three-month Commercial Paper

² ASC 810, effective January 1, 2010, amended Financial Accounting Standards Board (“FASB”) Interpretation No. 46 (R).

³ The equity rebalancing costs are included in the approved ERRA tariff in section 5(t), effective December 27, 2013.

1 rate. SDG&E's adopted ERRR tariff describes the entries that are made to the account on a
2 monthly basis.⁴

3 The ERRR balance as of December 31, 2013 was a \$417.1 million undercollection.
4 Attachment A summarizes the monthly accounting entries recorded to the ERRR from January 1
5 through December 31, 2013 used to calculate the balance. Attachment A consists of three
6 schedules: the Total ERRR schedule (A1), the main ERRR schedule (A2), and the ERRR GHG
7 sub-account (A3). The main ERRR and the GHG sub-account schedules represent a pro forma
8 view of the 2012 and 2013 direct and indirect GHG costs temporarily deferred from recovery in
9 rates per D.12-12-033.⁵

10 During 2013, GHG direct costs incurred were booked to Other Assets, and no GHG
11 direct costs were booked to ERRR (neither main ERRR nor the ERRR GHG sub-account);
12 however, GHG indirect costs of [REDACTED] were incurred by SDG&E during 2013 as part of
13 the cost of certain power contracts. The total of those power contract costs, including indirect
14 GHG costs, was booked to ERRR. In this Application, SDG&E presents the 2013 indirect GHG
15 costs and associated interest in the ERRR GHG sub-account pro forma schedule in Attachment
16 A3; and seeks confirmation that the booked GHG indirect costs incurred in 2013 as part of the
17 cost of procuring power were appropriate and reasonable. The 2013 activity in SDG&E's ERRR
18 as detailed in Attachment A is summarized in Table 1 below – under/(over) collection:

⁴ The monthly entries are described in the approved ERRR tariff in section 5, effective December 27, 2013.

⁵ In D.12-04-046 and Advice Letter (“AL”) 2387-E, the Commission granted SDG&E authority to recover costs associated with the Cap-and-Trade Program through its ERRR. Subsequently, in OP 20 of D.12-12-033 in the Commission’s GHG Rulemaking 11-03-012 (“GHG OIR”), SDG&E was “ordered to defer including in rates all GHG costs and revenues, including accrued interest, until all necessary implementation details are finalized.”

Table 1

December 31, 2012 ERRA Balance ⁶	\$213,551,717
Revenue	\$(878,484,421)
Expenses	\$1,080,764,311
Other - net ⁷	\$887,235
Interest	\$347,626
December 31, 2013 ERRA Balance	\$417,066,468
GHG Sub-Account Schedule	(\$69,951,284)
Main ERRA Balance	\$347,115,184
Net SONGS Costs ⁸	(\$121,932,690)
December 31, 2013 ERRA Balance Net of GHG costs and Net SONGS Costs	\$225,182,494

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Ordering Paragraph (“OP”) 19 of D.02-12-074 directed Pacific Gas & Electric Company (“PG&E”), Southern California Edison Company (“SCE”) and SDG&E to file a monthly report with the Commission’s Energy Division to include a summary of activity in the ERRA balancing account and to also submit original source documents pertaining to such activities. D.07-04-020 modified this requirement to allow SDG&E to provide only a breakdown of costs recorded to the ERRA in the monthly filings and make the supporting documentation available to Commission staff and interested parties upon request. The modified reporting requirement was effective with

⁶ The 2013 beginning balance is referenced in schedule A1.

⁷ The “Other-net” category includes FERC refunds settlement payments, transfers from other regulatory accounts, and carrying costs related to hedging.

⁸ In D.14-02-022, the Commission deferred determination of the reasonableness of net SONGS costs to the pending SONGS Investigation (I.)12-10-013 (SONGS OII). For this reason, SDG&E does not ask for a compliance review of such costs in this Application; those costs are presented in Table 1 for reference purposes only.

1 the April 2007 report. SDG&E submitted the monthly reports to the Energy Division and
2 interested parties for all twelve months of 2013.

3 **III. TCBA**

4 In SDG&E's 2005 ERRR compliance review proceeding, the Commission authorized the
5 review of SDG&E's TCBA in future ERRR review proceedings.⁹ The annual ERRR review is
6 the appropriate forum to review the TCBA since the costs that are recorded in the TCBA
7 generally relate to the above-market portion of certain Qualifying Facilities ("QFs") and
8 purchase power costs eligible for recovery under AB 1890.

9 The TCBA records the eligible above-market power costs and the revenues received from
10 SDG&E's Competition Transition Charge ("CTC") rate. For 2013, the market benchmarks of
11 \$42.71 and \$49.47/MWh¹⁰ were used to calculate the above-market portion of AB 1890-eligible
12 transition costs. On a monthly basis, the TCBA compares the above-market power costs with the
13 revenue from the CTC rate component. Interest is applied to any over- or undercollection
14 balance at the three-month Commercial Paper rate.

15 The balance in the TCBA as of December 31, 2013 was a \$9.2 million undercollection.¹¹
16 Attachment B provides a monthly summary of the entries to the TCBA during 2013. Table 2
17 below summarizes the 2013 activity and shows the calculation of the undercollection.

⁹ The 2005 ERRR Compliance proceeding was approved by D.06-12-019.

¹⁰ The market benchmark of \$42.71/MWh was authorized in D.12-07-006, which approved SDG&E's 2012 ERRR Revenue Requirement Forecast proceeding, A.11-09-022. \$49.47/MWh was authorized in D.13-10-053, which approved SDG&E's 2013 ERRR Revenue Requirement Forecast proceeding, A.12-10-002.

¹¹ The forecasted 2013 year-end undercollected balance of \$11.3 million was approved in AL 2532-E on December 20, 2013, for amortization in rates effective January 1, 2014.

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Table 2

December 31, 2012 TCBA Balance ¹²	\$10,403,011
Revenue	\$(56,849,214)
Expenses	\$55,591,403
Interest	\$17,004
December 31, 2013 TCBA Balance	\$9,162,204

2 **IV. LGBA**

3 The LGBA was authorized by D.13-03-029 and established in AL 2499-E with an
4 effective date of July 31, 2013. The purpose of the LGBA is to record the revenues and costs of
5 generation where the Commission has determined that the resource is subject to a Cost
6 Allocation Mechanism (“CAM”).

7 [REDACTED] the transfer of the Sutter
8 Energy Center Memo Account balance and related interest per Commission Resolution E-4471¹³
9 and AL 2354-E.¹⁴ [REDACTED]

10 [REDACTED] which provides a monthly
11 summary of the accounting entries recorded to the LGBA during 2013.

¹² SDG&E’s December 31, 2012 TCBA balance is pending approval in A.13-05-016.

¹³ On March 22, 2012 the Commission directed SDG&E to enter into a power purchase agreement that would permit Calpine Sutter to remain online and in operation through the end of 2012 at price below the California ISO’s Capacity Procurement Mechanism tariff rate.

¹⁴ AL 2354-E was approved on May 25, 2012.

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Table 3

December 31, 2012 LGBA Balance	\$0
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

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SDG&E requests confirmation that transactions recorded in the LGBA are in compliance with Commission directives. However, although there is an outstanding undercollection, SDG&E is not at this time requesting rate recovery of this undercollection but will pursue recovery in the future.¹⁶

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V. NERBA

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The NERBA records the operating and maintenance (“O&M”) costs and capital related costs associated with certain new and proposed federal and state environmental programs.

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Specifically, the NERBA records actual costs against revenue requirements for administrative fees charged by the California Air Resources Board (“CARB”) which are authorized recoverable by CARB under AB32. During 2013, SDG&E transferred the balance from the Environmental Fee Memorandum Account (“EFMA”) to NERBA¹⁷ and continued recording applicable transactions through the end of 2013 presented in Attachment D.

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¹⁵ [REDACTED]

¹⁶ LGBA’s Preliminary Statement, approved in Advice Letter 2499-E, states that the balance in the LGBA will be addressed in the Company’s Energy Resource Recovery Account proceeding or in another proceeding deemed appropriate by the Commission.

¹⁷ The EFMA balance was transferred to NERBA per AL 2496-E.

1 At this time, SDG&E requests confirmation that the transactions recorded in the NERBA
2 are in compliance with Commission directives. SDG&E is not at this time requesting rate
3 recovery of the \$695,581 undercollection, but will pursue recovery in the future.¹⁸

4 **VI. IEMA**

5 Pursuant to D.04-12-048 and D.05-07-039, the purpose of the IEMA is to record third
6 party costs associated with the use of Independent Evaluators (“IEs”) in the utility’s long-term
7 procurement activities and Renewables Portfolio Standard (“RPS”) programs. Interest is applied
8 to any over- or undercollection balance at the three-month Commercial Paper rate.

9 On June 1, 2011, SDG&E filed A.11-06-003 (2010 ERRA Compliance Application).
10 With respect to cost recovery, A.11-06-003 sought authority to recover the IEMA activity for
11 2010 in the amount of \$0.5 million. At the time of this filing, a decision in A.11-06-003 to
12 approve the 2010 IEMA transactions has not been issued.

13 On June 1, 2012, SDG&E filed A.12-06-003 (2011 ERRA Compliance Application)
14 requesting recovery of the IEMA 2011 activity of \$0.6 million undercollection. This application
15 was approved in D.13-07-031 on July 25, 2013, and subsequently the \$0.6 million
16 undercollection was transferred to ERRA in August of 2013 as shown in line 46 of
17 Attachment A1 and also in Attachment E.

18 D.11-10-029, which approved Phase I of SDG&E’s 2009 ERRA Compliance Filing,
19 granted authority for SDG&E to update its IEMA tariff disposition to allow it to transfer the
20 balance in the IEMA to the ERRA on an annual basis. In compliance with D.11-10-029,
21 SDG&E transferred the IEMA 2013 activity undercollection balance of \$0.5 million as shown in

¹⁸ Pursuant to NERBA’s Preliminary Statement, approved in Advice Letter 2496-E, the balance in the NERBA will be addressed in the SDG&E’s Energy Resource Recovery Account proceeding or in a separate application.

1 line 46 of Attachment A1 and also in Attachment E. The transfers from IEMA to ERRA are also
2 included in the “Other-net” category of Table 1.

3 In this Application, SDG&E is requesting that the amounts transferred from IEMA to
4 ERRA in 2013 be reviewed for compliance with Commission directives.

5 **VII. MRTUMA**

6 The purpose of the MRTUMA is to record the incremental O&M and capital-related
7 costs associated with implementing the CAISO’s MRTU initiative. With respect to recovery of
8 MRTU-related costs, SDG&E’s approved MRTUMA tariff reads

9 Recovery of the MRTUMA shall be addressed in the annual ERRA
10 Reasonableness proceeding, or other proceeding determined by the Commission.
11 The balance in the MRTUMA shall be transferred to the Non-fuel Generation
12 Balancing Account (NGBA) upon Commission approval.

13 Currently, SDG&E presents the status of the 2010 MRTUMA related costs which are
14 pending awaiting approval to be transferred to the NGBA. A decision in SDG&E’s MRTU Cost
15 Recovery Application A.12-01-014 is pending before the Commission.

16 **VIII. IN-LIEU GAS FRANCHISE FEES**

17 Consistent with SDG&E’s prior ERRA Compliance filings,¹⁹ SDG&E is seeking the
18 Commission’s review and approval of entries in the ERRA for in-lieu gas franchise fees. These
19 entries include costs and annual true-up entries for in-lieu gas franchise fees related to the
20 Palomar Energy Center (“Palomar”), Miramar Energy Facility (“Miramar”), Cuyamaca Peak
21 Energy Plant (“Cuyamaca”) formerly known as the CalPeak El Cajon Energy Facility or
22 (“ECEP”), as well as certain tolling agreements such as Otay Mesa Energy Center (“OMEC”).
23 Amounts recorded in ERRA for in-lieu franchise fees are displayed in Table 4.

¹⁹ See, e.g., 2011 ERRA Compliance filing A.12-06-003, Prepared Direct Testimony of Amanda D. Jenison at ADJ 7-12.

1 Section 5(d) of SDG&E’s ERRA Tariff permits monthly entries of “electric generation
 2 fuel and fuel-related expenses, including in lieu payments payable to communities where
 3 SDG&E is transporting its own gas through its own gas transmission or distribution system, or
 4 both, for purposes of generating electricity or for use in its own operations.”²⁰ These entries are
 5 authorized to achieve the stated purpose of ERRA which, pursuant to SDG&E’s Tariff, is “to
 6 provide full recovery of the Utility’s energy procurement costs associated with fuel and
 7 purchased power, Utility Retained Generation (“URG”), ISO related costs and costs associated
 8 with its residual net short procurement requirements to serve its bundled service customers.”²¹

9 In SDG&E’s 2011 ERRA Compliance Application, SDG&E maintained that its in-lieu
 10 fee payments to the City of San Diego for the Miramar facility are reasonable and consistent with
 11 both the rate treatment accorded to similar purchases of Palomar and Miramar and consistent
 12 with Section 5(d) of SDG&E’s ERRA Tariff. Specifically, SDG&E’s 2011 ERRA Compliance
 13 Application was approved in D.13-07-031, which granted SDG&E approval of its entries,
 14 including confirmation that its treatment of in-lieu fees with respect to Miramar and OMEC are
 15 appropriate.

16 **Table 4**

Facility	2012	2013
Palomar	\$889,702	\$1,155,848
Miramar	\$175,335	\$188,124
Cuyamaca	\$18,728	\$19,894
OMEC	\$996,227	\$1,140,909

²⁰ SDG&E Balancing Accounts: Energy Resource Recovery Account (ERRA) Tariff, secs.1 (“Purpose”) & 5(d) (“Accounting Procedures”) (effective December 27, 2013) (“ERRA Tariff”). *See also* Advice Letter 2549-E.

²¹ ERRA Tariff at sec. 1 (“Purpose”).

1 **IX. AUDIT OF ENERGY RESOURCE RECOVERY ACCOUNT**

2 As ordered in D.10-02-018 OP 4, “San Diego Gas & Electric Company shall conduct and
3 complete an audit of its Energy Resource Recovery Account at least once every four years with
4 the first audit to be for the 2009 or 2010 record year.” Accordingly, Sempra Energy Audit
5 Services conducted an audit of the ERRA for record year 2013. The audit was completed on
6 April 17, 2014. No business controls issues or corrective actions were identified by the auditors.

7 **X. CONCLUSION**

- 8
- 9 • As directed in D.02-10-062 and D.02-12-074, SDG&E seeks approval of the
10 entries and calculations in its ERRA for the period January 1, 2013 through
11 December 31, 2013 and requests that the Commission find these entries and
12 calculations appropriate, correctly stated and recoverable.
 - 13 • As directed in D.06-12-019, SDG&E seeks approval of the entries recorded to the
14 TCBA for the period January 1, 2013 through December 31, 2013 and requests
15 that the Commission find these entries and calculations appropriate, correctly
16 stated and recoverable in accordance with applicable Commission policy and
17 decisions.
 - 18 • In accordance with D.13-03-029 and AL 2499-E, SDG&E seeks approval of the
19 entries recorded to the LGBA for the period January 1, 2013 through
20 December 31, 2013, and requests that the Commission find these entries and
21 calculations appropriate, and correctly stated in accordance with applicable
Commission policy and decisions.

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- SDG&E requests that the Commission find the entries in the NERBA to be appropriate, and correctly stated in accordance with applicable Commission policy and decisions.
- SDG&E requests that the Commission find the balance transfers to ERRA of 2013 IEMA activity to be in compliance with Commission directives.

SDG&E has made the entries to the aforementioned regulatory accounts in accordance with its adopted tariffs and in compliance with relevant Commission decisions.

This concludes my prepared direct testimony.

1 **XI. QUALIFICATIONS OF SHERI S. MILLER**

2 My name is Sheri S. Miller. I am employed by SDG&E as a Principal Accountant in the
3 Regulatory Accounts Department. My business address is 8330 Century Park Court, San Diego,
4 CA 92123. My current responsibilities include the development, implementation and analysis of
5 regulatory balancing and memorandum accounts. I assumed my current position in July of 2013.

6 I have been employed by SDG&E since October of 2000. In addition to my current role
7 in Regulatory Accounts, I have worked in three other departments at SDG&E in positions of
8 increasing responsibility. From December 2009 to July 2013, I was employed in the Regulatory
9 Reporting group and prepared filings of financial data to the CPUC and FERC, and also closed
10 and analyzed the balancing accounts each month. Prior to that, I worked in various SDG&E
11 accounting groups preparing monthly financial statements, analysis, and cost allocations.

12 I received a Bachelor of Science degree in Accounting from National University in 1999.
13 I also received a Masters of Business Administration with an emphasis in Finance from National
14 University in 2003. I received a CPA designation in California in 2007 and have maintained
15 active CPA status.

16
17 I have previously testified before the Commission.

Attachment A

SSM-A

San Diego Gas & Electric Company
Energy Resource Recovery Account
For the period January 1, 2013 - December 31, 2013

Attachment A1 - Total ERRA 2013

Attachment A1 - Total ERRA 2013

Line #	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	TOTAL
1 Beginning Balance under/(over)	\$ 213,551,717	\$ 226,608,790	\$ 235,254,818	\$ 251,690,907	\$ 269,882,282	\$ 288,331,685	\$ 297,647,308	\$ 313,863,759	\$ 326,430,791	\$ 335,052,254	\$ 342,575,196	\$ 354,400,548	
2 REVENUES													
3 EECR Revenue (Less DWR Revenue)	(99,123,989)	(95,519,270)	(88,096,845)	(87,224,395)	(99,382,600)	(111,969,173)	(128,569,339)	(122,049,726)	(147,270,925)	(113,604,753)	(94,670,697)	(92,182,504)	
4 Peak Time Rebate (PTR) Incentive Payments	(9)	(529)	679	(14)	(17)	(32)	71	(94)	1,230,442	74,676	283	8	
5 Net Energy Metering - Net Surplus Compensation Pmts	15,739	21,153	15,953	18,844	14,624	18,017	17,005	22,591	25,517	25,483	35,559	23,724	
6 Total ERRA Balancing Account Revenues including FF&U	(99,108,348)	(95,498,646)	(88,082,014)	(87,205,556)	(99,367,993)	(111,951,186)	(128,562,282)	(122,027,231)	(146,014,966)	(113,604,594)	(94,634,855)	(92,156,772)	
7													
8													
9 Less: FF&U factor (1.011808 effective 5/1/09)	1,156,797	1,114,729	1,028,129	1,017,926	1,159,815	1,306,702	1,500,430	1,424,345	1,772,031	1,366,944	1,139,121	1,109,182	
10 Less: FF&U factor for Peak Time Rebate Payments	1	6	(8)	-	-	-	(1)	1	(14,805)	(899)	(3)	-	
11 Less: FF&U factor for Net Energy Metering	(184)	(247)	(186)	(220)	(171)	(210)	(198)	(264)	(307)	(426)	(426)	(285)	
12 Total for FF&U	1,156,814	1,114,488	1,027,935	1,017,706	1,159,644	1,306,492	1,500,231	1,424,082	1,756,919	1,365,738	1,138,690	1,108,897	
13 Subtotal ERRA Revenues w/o FF&U	(97,951,734)	(94,384,158)	(87,054,079)	(86,187,850)	(98,208,349)	(110,644,696)	(127,052,031)	(120,603,149)	(144,258,047)	(112,138,856)	(93,496,165)	(91,049,675)	
14													
15 Less Transfer to NGBA	33,434,497	31,081,107	29,063,584	26,317,471	26,096,584	26,650,747	32,953,630	30,790,238	39,994,846	32,704,392	31,385,938	31,124,033	
16 Less Transfer - GRC/GIA									2,070,560	2,070,560	2,070,560	2,070,560	
17 Less Transfer to EFMA		117,590	58,795	58,795	58,795	58,795	58,795	58,795	58,795	58,795	58,795	58,795	
18 Transfer (FERA) to BBA	(3,040)	(2,918)	(3,310)	(3,227)	(3,410)	(2,821)	5,511	(6,365)	(2,259)	(3,433)	(2,459)	(2,539)	
19 Net Revenues to Balancing Account	\$ (64,520,277)	\$ (63,198,379)	\$ (57,935,010)	\$ (59,814,811)	\$ (70,058,380)	\$ (81,937,975)	\$ (94,034,095)	\$ (89,780,481)	\$ (102,148,105)	\$ (77,308,552)	\$ (59,983,331)	\$ (57,799,026)	\$ (878,484,421)
20 EXPENSES													
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35 Total Balancing Account Expenses	\$ 77,735,119	\$ 71,599,447	\$ 74,332,387	\$ 76,264,508	\$ 86,475,104	\$ 91,226,973	\$ 110,222,989	\$ 101,674,273	\$ 110,742,834	\$ 84,807,513	\$ 71,774,692	\$ 119,908,484	\$ 1,080,764,311
36 MISCELLANEOUS													
37 Supplier Refunds				(293,944)									(293,944)
38 EPA Payment on SO2 Allowance													
39 Carry Cost Related to Hedging Margin Dep - Broker													
40 Carry Cost Related to Hedging Margin Dep - Computed	5,507	4,180	4,221	3,570	2,770	2,211	2,078	2,194	1,713	1,394	2,058	1,901	33,696
41 Adjustments													
Total Miscellaneous	5,507	4,180	4,221	(290,374)	2,770	2,211	2,078	2,194	1,713	1,394	2,058	1,901	(260,248)
42 Net Current Month Under / (Over) Collection	\$ 13,220,349	\$ 8,415,248	\$ 16,401,598	\$ 18,159,323	\$ 18,421,494	\$ 9,291,209	\$ 16,190,972	\$ 11,915,986	\$ 8,598,442	\$ 7,500,355	\$ 11,793,409	\$ 62,111,259	
43 Interest Rate	0.20%	0.16%	0.17%	0.15%	0.12%	0.10%	0.10%	0.11%	0.09%	0.08%	0.11%	0.09%	
44 Interest (Current Month)	36,694	30,810	34,491	32,052	27,909	24,414	25,479	29,317	23,020	22,587	31,943	28,908	347,626
45													
46 Transfers From Other Regulatory Accounts	-	-	-	-	-	-	-	621,730	-	-	-	525,753	1,147,483
47 Current Month Balance With Interest & Transfers	\$ 13,257,043	\$ 8,446,058	\$ 16,436,089	\$ 18,191,375	\$ 18,449,403	\$ 9,315,624	\$ 16,216,451	\$ 12,567,032	\$ 8,621,464	\$ 7,522,942	\$ 11,825,351	\$ 62,665,922	
48 Balance With Interest & Transfers under/(over)	\$ 226,808,760	\$ 235,254,818	\$ 251,690,907	\$ 269,882,282	\$ 288,331,685	\$ 297,647,308	\$ 313,863,759	\$ 326,430,792	\$ 335,052,254	\$ 342,575,196	\$ 354,400,548	\$ 417,066,468	\$ 417,066,468

Notes:

Line 46: Transfers from IEMA \$621,730 and \$525,251.

San Diego Gas & Electric Company
Energy Resource Recovery Account - Main ERRA
For the period January 1, 2013 - December 31, 2013

Attachment A2 - ERRA Main 2013

Attachment A2 - ERRA Main 2013

Line #	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	TOTAL
1 Beginning Balance under/(over)	\$ 155,909,856	\$ 168,540,900	\$ 173,224,619	\$ 187,446,301	\$ 202,382,089	\$ 271,953,090	\$ 229,844,000	\$ 245,499,747	\$ 258,060,513	\$ 265,637,196	\$ 273,155,510	\$ 284,877,494	\$ 155,909,856
2 REVENUES													
3 EERC Revenue (Less DWR Revenue)	(99,123,989)	(95,519,276)	(88,096,645)	(87,224,386)	(99,382,600)	(111,969,173)	(126,569,338)	(122,049,728)	(147,270,925)	(113,604,753)	(94,670,697)	(92,182,504)	
4 Peak Time Rebate (PTR) Incentive Payments	(96)	(529)	678	(14)	(17)	(32)	71	(84)	1,230,442	74,676	293		
5 Net Energy Metering - Net Surplus Compensation Pmts	15,739	21,153	15,953	18,844	14,624	18,017	17,005	22,591	25,517	25,483	35,559	23,724	
6 Total ERRA Balancing Account Revenues including FF&U	(99,108,348)	(95,498,646)	(88,082,014)	(87,205,556)	(99,387,993)	(111,951,188)	(126,552,262)	(122,027,231)	(146,014,966)	(113,504,594)	(94,634,855)	(92,158,772)	
7													
8													
9 Less: FF&U factor (1.011808 effective 5/1/09)	1,156,797	1,114,729	1,026,129	1,017,926	1,159,815	1,306,702	1,500,430	1,424,345	1,772,031	1,366,944	1,139,121	1,109,182	
10 Less: FF&U factor for Peak Time Rebate Payments	1	6	(8)	-	-	-	(1)	1	(14,805)	(899)	(3)	-	
11 Less: FF&U factor for Net Energy Metering	(184)	(247)	(186)	(220)	(171)	(210)	(199)	(284)	(307)	(307)	(426)	(285)	
12 Total for FF&U	1,156,614	1,114,488	1,027,935	1,017,706	1,159,644	1,306,492	1,500,231	1,424,062	1,756,919	1,365,738	1,138,690	1,108,897	
13 Subtotal ERRA Revenues w/o FF&U	(97,951,734)	(94,384,158)	(87,054,079)	(86,187,850)	(98,208,349)	(110,644,696)	(127,052,031)	(120,603,149)	(144,258,047)	(112,138,856)	(93,496,165)	(91,049,875)	
14													
15 Less Transfer to NGBA	33,434,497	31,081,107	29,063,584	26,317,471	28,096,584	28,650,747	32,953,630	30,790,238	39,964,848	32,704,382	31,395,939	31,124,033	
16 Less Transfer - GSCMA									2,070,560	2,070,560	2,070,560	2,070,560	
17 Less Transfer to EFMA		117,590	58,795	58,795	58,795	58,795	58,795	58,795	58,795	58,795	58,795	58,795	
18 Transfer (FERA) to BBA	(3,040)	(2,918)	(3,310)	(3,227)	(3,410)	(2,821)	5,511	(6,365)	(2,259)	(3,433)	(2,459)	(2,539)	
19 Net Revenues to Balancing Account	\$ (64,520,277)	\$ (63,188,379)	\$ (57,935,010)	\$ (59,814,811)	\$ (70,056,380)	\$ (81,937,975)	\$ (94,034,095)	\$ (89,760,481)	\$ (102,148,105)	\$ (77,308,552)	\$ (59,983,331)	\$ (57,799,026)	\$ (678,484,421)
20 EXPENSES													
21													
22													
23													
24													
25													
26													
27													
28													
29													
30													
31													
32													
33													
34													
35 Total Balancing Account Expenses	\$ 77,735,119	\$ 71,599,446	\$ 74,332,388	\$ 78,264,508	\$ 88,475,104	\$ 91,226,972	\$ 110,222,989	\$ 101,674,273	\$ 110,742,834	\$ 84,807,513	\$ 71,774,682	\$ 119,908,484	\$ 1,080,764,311
36 MISCELLANEOUS													
37 Supplier Refunds				(293,944)									(293,944)
38 EPA Payment on SO2 Allowance													
39 Carry Cost Related to Hedging Margin Dep - Broker													
40 Carry Cost Related to Hedging Margin Dep - Computed	5,507	4,180	4,221	3,570	2,770	2,211	2,078	2,194	1,713	1,394	2,058	1,801	33,696
41 Adjustments													
42 Total Miscellaneous	5,507	4,180	4,221	(290,374)	2,770	2,211	2,078	2,194	1,713	1,394	2,058	1,801	(260,248)
43 Net Current Month Under / (Over) Collection	\$ 13,220,349	\$ 8,415,246	\$ 16,401,599	\$ 18,159,323	\$ 18,421,494	\$ 9,291,209	\$ 16,190,972	\$ 11,915,986	\$ 8,598,442	\$ 7,500,355	\$ 11,793,409	\$ 62,111,259	\$ 202,019,642
44 Interest Rate	0.20%	0.16%	0.17%	0.15%	0.12%	0.10%	0.10%	0.11%	0.09%	0.08%	0.11%	0.09%	
45 Interest (Current Month)	36,694	30,812	34,490	32,052	27,909	24,414	25,479	29,317	23,020	22,587	31,943	28,908	347,626
46													
47 Transfers From Other Regulatory Accounts	-	-	-	-	-	-	-	621,730	-	-	-	-	529,763
48 Current Month Balance With Interest & Transfers	\$ 12,631,044	\$ 4,683,719	\$ 14,221,692	\$ 14,915,788	\$ 15,591,001	\$ 11,890,910	\$ 15,655,747	\$ 12,560,766	\$ 7,576,683	\$ 7,518,314	\$ 11,721,984	\$ 62,237,690	
49 Balance With Interest & Transfers under/(over)	\$ 168,540,900	\$ 173,224,619	\$ 187,446,301	\$ 202,382,089	\$ 217,953,090	\$ 229,844,000	\$ 245,499,747	\$ 258,060,813	\$ 265,637,196	\$ 273,155,510	\$ 284,877,494	\$ 347,115,184	\$ 347,115,184

Notes:

Line 46: Transfers from IEMA \$621,730 and \$595,281.

San Diego Gas & Electric
 Energy Resource Recovery Account (ERRA) GHG Sub-Account
 For the period January 1, 2013 - December 31, 2013

Attachment A3 - ERRA GHG Sub-Account 2013

Attachment A3 - ERRA GHG Sub-Account 2013

Line #	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	TOTAL 2013
1 Beginning Balance under/(over)	57,641,861	58,267,860	62,030,199	64,244,606	67,520,193	70,378,595	67,803,308	68,364,012	68,370,279	69,415,058	69,419,686	69,523,054	
2													
3													
4													
5													
6													
7													
8													
9 Balance With Interest & Transfers under/(over)	58,267,860	62,030,199	64,244,606	67,520,193	70,378,595	67,803,308	68,364,012	68,370,279	69,415,058	69,419,686	69,523,054	69,951,284	69,951,284

Attachment B

SSM-B

San Diego Gas & Electric
 Transition Cost Balancing Account (TCBA)
 For the period January 1, 2013 - December 31, 2013

Attachment B - TCBA 2013

Attachment B - TCBA 2013

Under / (Over) Collection	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Total
Beginning Balance Under/(Over)	\$ 10,403,011	\$ 9,237,073	\$ 8,747,177	\$ 8,571,992	\$ 9,328,748	\$ 14,128,055	\$ 17,260,008	\$ 19,433,053	\$ 20,894,724	\$ 21,686,975	\$ 20,255,263	\$ 20,370,992	\$ 10,403,011
CTC Revenue	(3,840,439)	(3,834,134)	(3,537,729)	(3,534,819)	(4,572,591)	(5,502,696)	(6,644,678)	(6,067,302)	(6,981,710)	(5,118,730)	(3,644,826)	(3,569,560)	(56,849,214)
CTC Costs	2,672,865	3,343,038	3,361,318	4,290,456	9,370,725	8,633,341	8,816,194	7,527,125	7,772,363	3,685,620	3,758,692	(7,640,335)	55,591,403
Under/(Over) collection	\$ (1,167,575)	\$ (491,096)	\$ (176,412)	\$ 755,637	\$ 4,798,134	\$ 3,130,644	\$ 2,171,516	\$ 1,459,823	\$ 790,653	\$ (1,433,110)	\$ 113,867	\$ (11,209,895)	\$ (1,257,811)
Current Month under/(over) collection before interest	\$ (1,167,575)	\$ (491,096)	\$ (176,412)	\$ 755,637	\$ 4,798,134	\$ 3,130,644	\$ 2,171,516	\$ 1,459,823	\$ 790,653	\$ (1,433,110)	\$ 113,867	\$ (11,209,895)	\$ (1,257,811)
Interest Rate	0.20%	0.16%	0.17%	0.15%	0.12%	0.10%	0.10%	0.11%	0.09%	0.08%	0.11%	0.09%	
Interest (Current Month)	\$ 1,637	\$ 1,199	\$ 1,227	\$ 1,119	\$ 1,173	\$ 1,308	\$ 1,529	\$ 1,848	\$ 1,597	\$ 1,398	\$ 1,862	\$ 1,107	17,004
Current Month with interest	\$ (1,165,938)	\$ (489,897)	\$ (175,185)	\$ 756,756	\$ 4,799,307	\$ 3,131,952	\$ 2,173,045	\$ 1,461,671	\$ 792,250	\$ (1,431,712)	\$ 115,729	\$ (11,208,788)	\$ (1,240,807)
Cumulative Balance with Interest	\$ 9,237,073	\$ 8,747,177	\$ 8,571,992	\$ 9,328,748	\$ 14,128,055	\$ 17,260,008	\$ 19,433,053	\$ 20,894,724	\$ 21,686,975	\$ 20,255,263	\$ 20,370,992	\$ 9,162,204	\$ 9,162,204

Attachment C

SSM-C

San Diego Gas and Electric
Local Generation Balancing Account (LGBA)
For the period January 1, 2013 - December 31, 2013

Attachment C - LGBA 2013

Attachment C - LGBA 2013

	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	TOTAL 2013
Beginning Balance								\$ -					
[REDACTED]													
CUMMULATIVE BALANCE WITH INTEREST	-	-	-	-	-	-	-						

Attachment D

SSM-D

San Diego Gas & Electric
New Environmental Regulatory Balancing Account (NERBA) - Electric
For the period January 1, 2013 - December 31, 2013

Attachment D - NERBA 2013

Attachment D - NERBA 2013

Year 2013	Beginning Balance	Authorized Revenue	Authorized Amortizations	Recorded Expenses	Current Month Activity	Interest Rate	Twelve Months Per Year	Interest Amount	Total Monthly Activity	Ending Balance
January 2013										
February										
March										
April										
2012 PPA (a)	-	(24,996)		-	(24,996)			(24)	(25,020)	(25,020)
2013 PPA (b)	(25,020)	(8,668)		-	(8,668)			(16)	(8,684)	(33,704)
May	(33,704)	(2,167)		-	(2,167)	0.12%	12	(3)	(2,170)	(35,874)
June	(35,874)	(2,167)		-	(2,167)	0.10%	12	(3)	(2,170)	(38,044)
July	(38,044)	(2,167)		-	(2,167)	0.10%	12	(3)	(2,170)	(40,214)
August	(40,214)	(2,167)		221,164	218,997	0.11%	12	6	219,003	178,789
PPA (d)	178,789	42,332		(221,164)	(178,832)			43	(178,789)	-
September	-	-		-	-			-	-	-
Trsfr from EFMA	-	-	(529,155)	1,397,979	868,824			2,960	871,784	871,784
October	871,784	-	(58,795)	-	(58,795)	0.08%	12	56	(58,739)	813,045
November	813,045	-	(58,795)	-	(58,795)	0.11%	12	72	(58,723)	754,322
PPA (e)	754,322	-	117,590	-	117,590			10	117,600	871,922
December	871,922	-	-	-	-	0.09%	12	65	65	871,987
Trsfr from EFMA (f)	871,987	-	(176,385)	-	(176,385)			(21)	(176,406)	695,581
Total		-	(705,540)	1,397,979	692,439			3,142	695,581	

(a) GRC retroactive adjustment for 01/01/2012-12/31/2012.

(b) GRC retroactive adjustment for 01/01/2013-4/30/2013.

(c) Not used - N/A

(d) To reverse 2012-2013 revenue requirement and activity. AB32 fees were recorded in EFMA.

(e) To transfer October and November EFMA amortization error recorded in NERBA.

(f) Transfer annual balance from EFMA to NERBA per Advice Letters 2496-E/2205-G.

Attachment E

SSM-E

**San Diego Gas and Electric
Independent Evaluator Memorandum Account (IEMA)
For the period January 1, 2013 - December 31, 2013**

Attachment E - IEMA 2013

Attachment E - IEMA 2013

MONTHS	TOTAL MONTHLY EXPENSES	UNDER/(OVER) COLLECTION	PRIOR MONTH BALANCE	ADJUSTMENT	INTEREST BASE	INTEREST RATE	INTEREST (EXP) INC	ACCOUNT BALANCE
DECEMBER 2012			1,127,688					1,127,688
JANUARY 2013	(58,968)	(58,968)	1,127,688		1,098,204	0.20%	183	1,068,903
FEBRUARY	48,781	48,781	1,068,903		1,093,294	0.16%	146	1,117,830
MARCH	125,762	125,762	1,117,830		1,180,711	0.17%	167	1,243,759
APRIL	(12,356)	(12,356)	1,243,759		1,237,581	0.15%	155	1,231,558
MAY	16,350	16,350	1,231,558		1,239,733	0.12%	124	1,248,032
JUNE	108,147	108,147	1,248,032		1,302,106	0.10%	109	1,356,288
JULY	(47,126)	(47,126)	1,356,288		1,332,725	0.10%	111	1,309,273
AUGUST (1)	108,248	108,248	1,309,273		1,363,397	0.11%	125	1,417,646
Balance Transfer		-	1,417,646	(621,730)		0.00%		795,916
SEPTEMBER	31,299	31,299	795,916		811,566	0.09%	61	827,276
OCTOBER	4,454	4,454	827,276		829,503	0.08%	55	831,785
NOVEMBER	48,816	48,816	831,785		856,193	0.11%	78	880,679
DECEMBER	150,960	150,960	880,679		956,159	0.09%	72	1,031,711
DECEMBER ADJ (2)				(525,753)		0.00%		505,958
TOTAL 2013	524,367	524,367		(1,147,483)	13,301,171		1,386	

(1) Per AL 2512-E transfer 2011 IEMA activity to ERRRA in August 2013.

(2) Per AL 2304-E transfer 2013 IEMA activity to ERRRA in December 2013.

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

**DECLARATION
OF SHERI S. MILLER**

A.14-05-XXX

Application of San Diego Gas & Electric Company (U 902-E) for Approval of: (i) Contract Administration, Least Cost Dispatch and Power Procurement Activities in 2013, (ii) Costs Related to those Activities Recorded to the Energy Resource Recovery Account and Transition Cost Balancing Account in 2013 and (iii) Costs Recorded in Related Regulatory Accounts in 2013

I, Sheri S. Miller, do declare as follows:

1. I am a Principal Accountant for San Diego Gas & Electric Company (“SDG&E”) in the Regulatory Accounts Department. I have included my Direct Testimony (“Testimony”) in support of SDG&E’s Application for Approval of: (i) Contract Administration, Least Cost Dispatch and Power Procurement Activities, and (ii) Costs Related to those Activities Recorded to the Energy Resource Recovery Account, incurred during the Record Period January 1, 2013 through December 31, 2013, and (iii) the Entries Recorded in Related Regulatory Accounts. Additionally, as the Principal Accountant, I am thoroughly familiar with the facts and representations in this declaration and if called upon to testify I could and would testify to the following based upon personal knowledge.

2. I am providing this Declaration to demonstrate that the confidential information (“Protected Information”) in support of the referenced Application falls within the scope of data provided confidential treatment in the IOU Matrix (“Matrix”) attached to the Commission’s Decision D.06-06-066 (the Phase I Confidentiality

decision). Pursuant to the procedures adopted in D.08-04-023, I am addressing each of the following five features of Ordering Paragraph 2 in D.06-06-066:

- that the material constitutes a particular type of data listed in the Matrix;
- the category or categories in the Matrix the data correspond to;
- that SDG&E is complying with the limitations on confidentiality specified in the Matrix for that type of data;
- that the information is not already public; and
- that the data cannot be aggregated, redacted, summarized, masked or otherwise protected in a way that allows partial disclosure.

3. The Protected Information contained in my Testimony constitutes material, market sensitive, electric procurement-related information that is within the scope of Section 454.5(g) of the Public Utilities Code.¹ As such, the Protected Information provided by SDG&E is allowed confidential treatment in accordance with Appendix 1 – IOU Matrix in D.06-06-066.

Confidential Information	Matrix Reference	Reason for Confidentiality
SSM-3, 6 and 7; Attachment A1 – A3; and Attachment C	XI	Monthly Procurement Costs; Confidential for 3 years.

4. I am not aware of any instances where the Protected Information has been disclosed to the public. To my knowledge, no party, including SDG&E, has publicly revealed any of the Protected Information.

¹ In addition to the details addressed herein, SDG&E believes that the information being furnished in my Testimony is governed by Public Utilities Code Section 583 and General Order 66-C. Accordingly, SDG&E seeks confidential treatment of such data under those provisions, as applicable.

5. I will comply with the limitations on confidentiality specified in the Matrix for the Protected Information.

6. The Protected Information cannot be provided in a form that is aggregated, partially redacted, or summarized, masked or otherwise protected in a manner that would allow further disclosure of the data while still protecting confidential information.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 29th day of May, 2014, at San Diego, California.



Sheri S. Miller
Sheri S. Miller
Principal Accountant
San Diego Gas & Electric Company