

Application No.: A.25-05-XXX
Exhibit No.: SDGE-5
Witness: Sheri Miller

PREPARED DIRECT TESTIMONY OF
SHERI MILLER
ON BEHALF OF
SAN DIEGO GAS & ELECTRIC COMPANY

****REDACTED - PUBLIC VERSION****

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



May 15, 2025

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ATTACHMENT C - FORECASTED 2025 YEAR END BALANCE OF PABA (**Confidential**)

**PREPARED DIRECT TESTIMONY OF
SHERI MILLER
ON BEHALF OF SAN DIEGO GAS & ELECTRIC COMPANY**

I. PURPOSE AND OVERVIEW

This testimony describes the process of forecasting San Diego Gas & Electric Company's ("SDG&E") Power Charge Indifference Adjustment ("PCIA") costs in the 2026 Energy Resource Recovery Account ("ERRA") Forecast. The PCIA cost is equivalent to the utility's total portfolio costs, less its market value and its sales revenues, in a given year. Additional regulatory history of the PCIA is provided in SDG&E witness Erica Wissman's testimony.

The forecasted PCIA costs are calculated using the modeled forecast costs and volumes provided by SDG&E witness Mr. Elias, and the final PCIA costs presented in this testimony are used by SDG&E witness Ms. Felan in her testimony describing the 2026 balancing account revenue requirements. This PCIA testimony also supports SDG&E witness Ms. Wissman's development of customer rates in her testimony.

II. PCIA-ELIGIBLE COSTS

California Public Utilities Commission's ("CPUC" or "Commission") Decision ("D.") 18-10-019 directed the Investor-Owned Utilities ("IOUs") to record above-market costs of PCIA-eligible resources to the Portfolio Allocation Balancing Account ("PABA"). The primary inputs included in the above-market cost calculations are 1) the monthly resource costs, 2) net revenues received from the California Independent System Operator ("CAISO") for the PCIA resource's energy and ancillary services sold to CAISO, net of CAISO charges, 3) the market value of the renewable energy credits ("RECs") and resource adequacy ("RA") associated with the PCIA resources that SDG&E expects to use for its own compliance, and 4) any revenues forecasted to be received from sales or allocations contracts.

1 The monthly resource cost includes both contract costs and costs related to Utility-Owned
2 Generation (“UOG”). The UOG operation and maintenance (“O&M”) and capital-related
3 expenses for the Palomar, Miramar, Cuyamaca, Desert Star, and Ramona Solar resources were
4 approved for recovery through the Non-Fuel Generation Balancing Account (“NGBA”)
5 mechanism in the General Rate Case (“GRC”) decision, D.19-09-051. Since above-market costs
6 are required to be recovered through the PCIA mechanism, the above-market costs for these
7 resources are recovered in PABA, and the market value of the compliance instruments that
8 SDG&E expects to use for its own compliance is recovered through NGBA.

9 In addition, SDG&E’s Modified Cost Allocation Mechanism (“MCAM”) was approved by
10 D.22-05-015. The resources subject to MCAM cost recovery follow the decision’s requirements
11 to recover MCAM costs using PCIA cost recovery in PABA vintage 2019,¹ with the exception of
12 costs that are required to be recovered in the MCAM balancing account (“MCAMBA”)² or are
13 subject to a Cost Allocation Mechanism (“CAM”) via the Local Generating Balancing Account
14 (“LGBA”).³ The PABA cost recovery treatment includes credits to PABA for the market value of
15 any MCAM resources that are forecasted to be used for SDG&E’s resource adequacy compliance
16 requirements, using the same process that is used for other resources recovered in PABA.

17 The forecasted actual costs, generation volumes and the CAISO net revenues are provided
18 by SDG&E’s witness Mr. Elias. Each of the PCIA-eligible resources is identified as belonging to
19 a specific year, called the resource’s “vintage,” which corresponds to the year in which the
20 contract was executed or the year in which the UOG resource commenced operations. In most
21 situations, the costs, generation, CAISO net revenues, sales revenues, and market value of

¹ Per D.22-05-015, Ordering Paragraph (“OP”) 4.

² *Id.* at OP 2.

³ *Id.* at OP 10.

attributes are assigned the vintage of the generating resource, unless they are required to have a different cost recovery per another CPUC decision. In addition, D.20-05-006 ordered a “non-vintaged” subaccount to be established in PABA for the purpose of allocating certain costs to all PCIA-eligible customers without limiting recovery to the timeline of the resource vintage. This subaccount has been included in PABA.

III. PCIA BENCHMARKS

Pursuant to D.22-01-023, Energy Division issues updated PCIA market price benchmarks (“MPB”) in the beginning of October. This May filing of the 2026 ERRF Forecast uses the latest available benchmarks to calculate PCIA, shown in Table 1 below, that were received from Energy Division on November 5, 2024. In October of 2025, Energy Division will issue new benchmarks, and SDG&E will submit an updated 2026 ERRF Forecast in its October Update incorporating the new benchmarks, and Table 1 below will be updated accordingly.

Table 1 – 2025 SDG&E Forecast Adders

Energy Index On-Peak	\$41.54 (\$/MWh)
Energy Index Off-Peak	\$47.84 (\$/MWh)
System RA	\$40.31 (\$/kW-month)
Local RA	\$9.99 (\$/kW-month)
Flexible RA	\$16.97 (\$/kW-month)
Renewable Portfolio Standard (“RPS”) adder – REC	\$71.24 (\$/MWh)

D.23-06-006 requires SDG&E to calculate a factor to be multiplied by the Commission-provided energy benchmarks, as described in Appendix B of the decision. The factor is a measure of the difference between a three-year historical average of actual energy revenues received for PCIA resources and the actual average CAISO SP15 day ahead market prices. In accordance with D.23-06-006, SDG&E has completed its calculation of its weighting factors to be used in its 2026

ERRA Forecast filing, using historical data from the last three full years (2022, 2023, and 2024). This calculation is provided in the file “CONFIDENTIAL SDG&E 2026 ERRA Forecast Energy Index calculation workpaper”.

SDG&E then used the issued on-peak and off-peak forecast energy indexes together with the updated energy factor to calculate the forecasted weighted average price of the energy component of the contract attributes. This price is then multiplied by the forecasted hourly generation for each resource to calculate the expected market value of the PCIA resource generation in 2026. This expected market value represents the amount of CAISO revenue that SDG&E expects to receive for its PCIA resources, including contracted resources and UOG. This amount is presented in Ms. Felan’s testimony in Table 8 “PABA revenue requirement,” labeled “Supply ISO Revenues.” The actual CAISO revenues will be recorded in PABA each month when they are received by SDG&E, and the revenue will partially offset the costs of the PCIA resources.

IV. RESOURCE ADEQUACY AND THE RA BENCHMARKS

To calculate the forecast market value of the RA attributes of the resources, each resource is assigned to one of the Local, Flex, or System RA categories, based on the RA category that the resource most commonly serves. Pursuant to D.18-10-019, if a resource serves more than one category, Local is assigned first if applicable, then Flex, and then System. The most updated monthly net qualifying capacity (“NQC”) listing is obtained from the CAISO website, and an average monthly NQC value for each resource is calculated. The resource’s NQC value is then multiplied by the assigned RA benchmark to calculate the forecasted market value of the RA for 2026. Adjustments are made for RA forecasted to be sold during the year. Additional adjustments are made to account for the amount of RA actually expected to be needed for compliance after taking departed load into consideration, if necessary. The resulting forecast

1 market value for contract resources is then included in the ERRA revenue requirement as an
2 expense, as it represents the value of the RA attributes which SDG&E retained to use for the RA
3 compliance obligations on behalf of its bundled customers. The market value associated with
4 UOG resources is excluded from ERRA because the UOG costs are recovered in NGBA, and were
5 previously approved for recovery in D.24-12-074, which approved SDG&E's 2024 GRC
6 Application (A.22-05-016).

7 D.22-06-050 adopted a 24-hour slice of day ("SOD") approach to RA program
8 requirements. At the time of this May filing, no changes to the PCIA RA methodology for SOD
9 have been approved by the Commission. SDG&E is therefore making no such changes to the
10 PCIA methodology for RA in this filing, and the methodology is consistent with prior years'
11 filings.

12 On February 26, 2025, the Commission issued Rulemaking ("R.") 25-02-005 to reform the
13 ERRA and the PCIA policies and processes. The first track of the rulemaking will primarily
14 address proposals to potentially change the MPB calculation of RA. The timing of this
15 rulemaking is intended to enable Energy Division to incorporate any approved changes in the RA
16 MPB methodology in its updated benchmarks to be issued in October 2025. SDG&E's October
17 Update filing of its PCIA testimony and forecasted 2026 revenue requirement will reflect any such
18 approved changes.

19 **V. RPS AND THE REC BENCHMARK**

20 To calculate the forecasted market value of the REC attributes of the resources, the
21 applicable REC benchmark is applied to the 2026 forecasted generation expected to provide the
22 required compliance instruments for SDG&E's bundled customers. The resulting forecasted
23 market value for contract resources is then included in the ERRA revenue requirement as an
24 expense, as it represents the value of the REC attributes which SDG&E is forecasting to retain to

1 use for the Renewable Portfolio Standard (“RPS”) compliance obligations on behalf of its bundled
2 customers. As with the RA value discussed above, the market value associated with RECs from
3 UOG generation is excluded from ERRA and recovered in NGBA. The total of the REC and RA
4 market values for contracts is included in Ms. Felan’s testimony in Table 1 labeled “ERRA
5 Revenue Requirement,” on line 3 “non-CTC contract costs,” and also mentioned in Ms.
6 Wissman’s testimony as part of the “up-to-market” energy procurement costs recovered in ERRA.

7 At the time of this filing, SDG&E believes it has sufficient RECs available to fulfill 100%
8 of its 2026 RPS obligation.

9 **VI. VOLUNTARY ALLOCATIONS OF REC ATTRIBUTES**

10 Pursuant to D.21-05-030, D.22-01-004, and its approved Advice Letters (“AL”) 4121-E
11 and 4257-E, SDG&E includes forecasted RPS allocations in this 2026 forecast application. These
12 allocations include short-term and long-term RPS contracts with the Load-Serving Entities
13 (“LSE”) in SDG&E’s territory that voluntarily elected to receive PCIA RPS allocations.

14 In addition, this forecast also assumes that SDG&E will take 100% of its own REC
15 allocations in 2026. Forecasts of allocations are based upon the forecasted generation of resources
16 in the allocation pool, multiplied by the percentage of load and elections for each LSE contract,
17 and applying the 2025 forecasted RPS MPB. Forecasted allocation revenues are reflected in the
18 PABA revenue requirement in this filing. Pursuant to D.22-11-021, any forecasted generation in
19 excess of SDG&E’s retained RPS that is not sold or allocated to any other LSE will not be
20 included in the market value expense forecasted in ERRA.

21 **VII. MARKET OFFER OF REC ATTRIBUTES**

22 Pursuant to D.21-05-030 and approved advice letters 3983-E, 4117-E, 4126-E, 4188-E,
23 4249-E, 4250-E, SDG&E has implemented its PCIA market offer process for RPS products that
24 were not previously allocated as part of the PCIA voluntary allocation process. SDG&E has

1 executed sales contracts for market offers, which will be active in 2026. Accordingly, SDG&E has
2 included the associated forecasted revenues in this filing, which are reflected in the PABA revenue
3 requirement.

4 **VIII. GREEN TARIFF SHARED RENEWABLES**

5 A history of Senate Bill (“SB”) 43, which was intended to expand access to renewable
6 energy to ratepayers, is provided in Ms. Wissman’s testimony. Until August 2022, SDG&E
7 provided its bundled customers with the option to purchase 100% renewable energy through the
8 Green Tariff Shared Renewables (“GTSR”) program, branded at SDG&E as EcoChoice. The
9 EcoChoice option enabled customers to purchase renewable energy from contracted solar
10 resources that have been dedicated to the program, which included Midway Solar and Wister
11 Solar. The costs for these resources were to be recovered in the Green Tariff Shared Renewable
12 Balancing Account (“GTSRBA”).

13 On August 25, 2022, the CPUC issued a Ruling that granted SDG&E’s request for
14 authorization to temporarily suspend its EcoChoice program.⁴ This order suspended the
15 EcoChoice option to new participants and directed SDG&E to quickly disenroll customers from
16 the EcoChoice program. Because there will be no EcoChoice participation in 2026, no contract
17 costs for GTSRBA are included in this 2026 ERRa forecast. The two dedicated resources
18 mentioned above are instead included in the standard PCIA cost allocation process.

19 SB 43 codified in Public Utilities Code Section 2833(t) states,

20 A participating utility shall, in the event of participant customer attrition or other
21 causes that reduce customer participation or electrical demand below generation
22 levels, apply the excess generation from the eligible renewable energy resources
23 procured through the utility’s green tariff shared renewables program to the utility’s
24 renewable portfolio standard procurement obligations or bank the excess generation

⁴ A.22-05-023, Administrative Law Judge’s Ruling Granting Request for Green Tariff Suspension (August 25, 2022) at OP 1.

1 for future use to benefit all customers in accordance with the renewables portfolio
2 standard banking and procurement rules approved by the commission.

3 Pursuant to this mandate, SDG&E has included the forecasted generation from both of its green
4 tariff dedicated generators in the cost recovery mechanism used for its RPS eligible contracts,
5 namely ERRA and PABA, through the PCIA process.

6 **IX. SALES OF RESOURCE ADEQUACY**

7 Pursuant to D.22-05-015, SDG&E has signed bilateral sales agreements with LSEs in its
8 territory to sell resource adequacy from resources subject to MCAM cost recovery. D.23-12-014
9 further refined this directive by ordering the IOUs to revise the methodology of calculating the
10 amount of MCAM RA that was to be sold to each LSE, effectively raising the amount of RA
11 available for sale with delivery beginning on January 1, 2025. On April 2, 2024, SDG&E filed
12 AL 4421-E with amendments to its original MCAM RA sales contracts. The MCAM volumes
13 that are estimated to be sold for 2026 delivery pursuant to these decisions are removed from the
14 vintage 2019 capacity volumes in the calculation of the PCIA indifference amount. The sales
15 revenues are forecasted for cost recovery according to the MCAM methodology.

16 SDG&E will also hold solicitations to sell 2026 resource adequacy from non-MCAM
17 contracts, and as Mr. Elias states in his testimony, SDG&E is not held to any particular
18 methodology in determining the 2026 forecasted sales quantities. For this May filing, SDG&E
19 retained a monthly MW buffer in addition to its compliance requirement, to ensure that it would
20 have sufficient RA to meet its obligations and still have enough to cover unforeseen outages.
21 SDG&E will offer the remaining 2026 RA for sale, and for this filing assumes that it will sell 50%
22 in non-peak months, and 100% in peak months. The estimated RA sales revenues from PCIA-
23 eligible resources are incorporated into the PCIA calculation/PABA in the corresponding vintages,
24 and the estimated RA sales revenues from CAM-eligible resources are included in the LGBA
25 revenue requirement.

1 The RA sales revenues included in this May filing are subject to several assumptions as
2 described above and in Mr. Elias's testimony. The actual bilateral contracts that may be signed to
3 sell 2026 RA may be affected by the current market, weather, and other environmental factors, and
4 therefore the actual revenues may be different than in this filing. In addition, this forecast does not
5 take into consideration the fact that RA sourced from renewable resources may sell at a discount
6 due to the reliability of solar and wind, and RA sourced from energy storage units may also sell at
7 a discount because they are not 24-hour resources.

8 **X. MONTHLY ACCOUNTING FOR REC AND RA MARKET VALUES, AND**
9 **ANNUAL TRUE-UP**

10 Accruals for the estimated REC and RA market values of PCIA eligible resources are
11 recorded monthly to PABA and ERRRA by SDG&E's Settlements & Systems group as part of the
12 monthly accounting close process. Pursuant to D.19-10-001, these amounts will be adjusted when
13 the final 2025 benchmarks are received from Energy Division later this year. The October Update
14 filing of my testimony will include a true-up of the REC and RA market values recorded during
15 January-August 2025, to reflect the updated benchmarks. This true-up will be included in the
16 October Update of the forecasted PABA year-end balance in my testimony.

17 **XI. OTHER COSTS RECOVERED IN PABA**

18 As SDG&E's witness Mr. Elias describes in his testimony, this forecast of the 2026 PABA
19 revenue requirement includes the natural gas fuel costs and associated Greenhouse Gas ("GHG")
20 expenses for PCIA-eligible conventional resources. These costs are included in the PCIA as part
21 of the above-market cost calculation of the gas-fired resources in their respective vintages.

22 In addition, SDG&E includes the 2025 PABA year-end forecasted balance of \$14.204
23 million in its 2026 Indifference Amount, pursuant to D.19-10-001 which authorized the PABA
24 prior year-end balance recovery through that mechanism. The 2025 PABA forecasted year-end
25 balance is calculated using three months of actual data and nine months of forecasted data. It is

presented in Attachment C to my testimony, and mentioned by SDG&E's witnesses Ms. Wissman and Ms. Felan.

XII. SUMMARY

A summary of the total 2026 forecasted PCIA above market cost (without franchise fees and uncollectibles) is shown in Table 2 below. The CAISO revenues, fuel, GHG costs, and total PABA revenue requirement shown below are also referenced in Ms. Felan's testimony.

Table 2 – 2026 PCIA Forecast Summary

	PCIA Components	2026 Forecast (in millions)
1.	PCIA contract costs	
2.	PCIA UOG costs	\$223
3.	Generation fuel cost	
4.	Direct GHG costs	
5.	Less VAMO REC market offer sales	
6.	Less RA sales	
7.	Less VAMO REC allocations	
8.	Less contract PCIA REC market value	(\$116)
9.	Less contract PCIA RA market value + buffer	(\$146)
10.	Less UOG PCIA RA market value	(\$127)
11.	Less CAISO supply revenues	
12.	= Total Indifference Amount revenue requirement	

This concludes my prepared direct testimony.

1 **XIII. QUALIFICATIONS**

2 My name is Sheri Miller. My business address is 8315 Century Park Court, San Diego,
3 CA 92123. I am employed by SDG&E as a Principal Settlement Advisor in the Settlements &
4 Systems group in the Energy Supply organization. My responsibilities include writing and
5 reviewing ERRA witness testimony and advising on regulatory and legislative matters that impact
6 SDG&E's energy and gas procurement settlements and cost recovery processes.

7 I joined SDG&E in October 2000, and since that time, I have held various positions at
8 SDG&E including Senior Accountant, Principal Accountant, and Settlements Manager. I have
9 experience with many aspects of SDG&E's accounting processes, including approving the gas and
10 electric commodity invoices and overseeing the reporting processes.

11 I received a Bachelor of Science degree in Accounting and a Masters of Business
12 Administration from National University. I am also a Certified Public Accountant licensed in the
13 state of California.

14 I have previously testified before the California Public Utilities Commission.

ATTACHMENT A

DECLARATION OF SHERI MILLER

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

**DECLARATION
OF SHERI MILLER**

A.25-05-xxx

**Application of San Diego Gas & Electric Company (U 902-E)
for Approval of Its 2026 Electric Procurement Revenue Requirement Forecast, 2026
Electric Sales Forecast, and GHG-Related Forecasts**

I, Sheri Miller, declare as follows:

1. I am a Principal Settlements Advisor for San Diego Gas & Electric Company (“SDG&E”). I included my Updated Prepared Direct Testimony (“Testimony”) in support of SDG&E’s May 15, 2025 filing Application for Approval of its 2026 Electric Procurement Revenue Requirement Forecasts, 2026 Electric Sales Forecast, and GHG-Related Forecasts (“Application”). Additionally, as a Principal Settlements Advisor, 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. This Declaration is meant to apply to my testimony and workpapers, and also certain duplicate tabs in Ms. Wissman’s workpapers. 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 procedure adopted in D.08-04-023, I am addressing each of the following five features of Ordering Paragraph 2 of 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 is allowed confidential treatment in accordance with the Matrix, as follows:

Location of Protected Information	Matrix Reference	Reason for Confidentiality and Timing
Amounts highlighted in yellow in Table 2 of testimony named “2026 PCIA Forecast Summary”	II.B.1	Generation Cost Forecasts of Utility Retained Generation, confidential for three years
	II.B.4	Generation Cost Forecast of Non-QF Bilateral Contracts; confidential for three years
Cells highlighted in yellow in Attachment C “Forecasted 2025 Year End PABA Balances”	II.B.1	Generation Cost Forecasts of Utility Retained Generation, confidential for three years
	II.B.3	Generation Cost Forecast of QF Contracts; confidential for three years
	II.B.4	Generation Cost Forecast of Non-QF Bilateral Contracts; confidential for three years
	IV.A	Forecast of IOU Generation Resources; confidential for three years
	IV.F	Forecast of Post-1/1/2003 Bilateral Contracts; confidential for three years
	XI	Detail of monthly variable cost on energy and utility operation (ERRA filings)

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-D. Accordingly, SDG&E seeks confidential treatment of this data under those provisions, as applicable.

Location of Protected Information	Matrix Reference	Reason for Confidentiality and Timing
Cells highlighted in yellow in the spreadsheet named “CONFIDENTIAL 2026 Fcst update filing PCIA workpapers.xlsx”, tab ‘Utility Owned Generation’	IV.A	Forecast of IOU Generation Resources; confidential for three years
Cells highlighted in yellow in the spreadsheet named “CONFIDENTIAL 2026 Fcst update filing PCIA workpapers.xlsx”, tab ‘Workpaper IOU TPS’	II.B.I	Generation Cost Forecasts of Utility Retained Generation, confidential for three years
Cells highlighted in yellow in the spreadsheet named “CONFIDENTIAL 2026 Fcst update filing PCIA workpapers.xlsx”, tab ‘Indifference Amount Calc’	II.B.I	Generation Cost Forecasts of Utility Retained Generation, confidential for three years
Cells highlighted in yellow in the spreadsheet named “CONFIDENTIAL SDG&E 2026 ERRA Forecast Energy Index calculation workpaper”, tabs ‘Weight calculation’ and ‘volumes and revenues’.	XI	Detail of monthly variable cost on energy and utility operation (ERRA filings)

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.

5. SDG&E 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 15th day of May 2025, in San Diego, California.

Sheri Miller

Sheri Miller
Principal Settlements Advisor
San Diego Gas & Electric Company

ATTACHMENT B

**DECLARATION OF AARON FRANZ
CONFIDENTIALITY OF CERTAIN DATA/DOCUMENTS
PURSUANT TO D.16-08-024, *et al.***

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

**DECLARATION OF AARON FRANZ
REGARDING CONFIDENTIALITY OF CERTAIN DATA/DOCUMENTS
PURSUANT TO D.16-08-024, *et al.***

I, Aaron Franz, do declare as follows:

1. I am the Manager of the Settlements & Systems department for San Diego Gas & Electric Company (“SDG&E”). I have been delegated authority to sign this declaration by Adam Pierce, Vice President of Energy Procurement & Rates. I have reviewed Sheri Miller’s Updated Prepared Direct Testimony (“Testimony”) in support of the update filing of SDG&E’s “Application of San Diego Gas & Electric Company (U 902-E) for Approval of its 2026 Electric Procurement Revenue Requirement Forecast, 2026 Electric Sales Forecast, and GHG-Related Forecasts” (“Application”). I am personally 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 my personal knowledge and/or information and belief.

2. I hereby provide this Declaration in accordance with Decisions (“D.”) 14-10-003, D.16-08-024, D.17-05-035, and D.17-09-023 to demonstrate that the confidential information (“Protected Information”) provided in the Testimony is within the scope of data protected as confidential under applicable law.

3. In accordance with the legal authority described herein, the Protected Information should be protected from public disclosure.

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

Executed this 15th day of May, 2025, at San Diego.



Aaron Franz
Manager, Settlements & Systems

ATTACHMENT A

SDG&E Request for Confidentiality on the following information in its Application for Approval of Its 2026 Electric Procurement Revenue Requirement Forecasts and GHG- Related Forecasts

Location of Protected Information	Legal Authority	Narrative Justification
Table 2, line 4: Direct GHG Costs	D.14-10-033; D.16-08-024; D.17-05-035; D.17-09-023; Public Utilities Code Section 454.5(g). California Code of Regulations, Title 17, Section 95914(c)(1)	GHG emissions forecasts: Providing these forecasts to market participants would allow them to know SDG&E's forecasted GHG obligation, thereby compromising SDG&E's contractual bargaining power such that customer costs are likely to rise. Thus, the release of this non-public confidential information will unjustifiably allow market participants to use this information to the disadvantage of SDG&E's customers.

ATTACHMENT C

FORECASTED 2025 YEAR END BALANCE OF PABA

CONFIDENTIAL

SAN DIEGO GAS & ELECTRIC ATTACHMENT C FORECASTED 2025 YEAR END PORTFOLIO ALLOCATION BALANCING ACCOUNT (PABA) BALANCES (THOUSANDS OF DOLLARS)																										
Line No.	Item:	Mar 2022	Mar 2023	Mar 2024	Mar 2025	Mar 2026	Mar 2027	Mar 2028	Mar 2029	Mar 2030	Mar 2031	Mar 2032	Mar 2033	Mar 2034	Mar 2035	Mar 2036	Mar 2037	Mar 2038	Mar 2039	Mar 2040	Mar 2041	Mar 2042	Mar 2043	Mar 2044	Total	
Recorded Balances from January through March 2025 (a)																										
1	Beginning Balances	(673)	(1,260)	(14,948)	10,170	10,331	(39,383)	(21,333)	(44,778)	31,658	84,734	48,985	(2,766)	1,51	12,051	(7,423)	8,493	(49,367)	(42,419)	18,615	(146,838)	(41,354)				(202,380)
2	Portfolio Costs	(83)	0	25,657	6,735	5,403	(1,124)	1,933	(906.6)	3,366	25,571	13,120	508	36	(166)	0	(10,065)	(162)	(11,733)	0	3,107	0				71,049
3	Brown Power Market Value	0	0	0	0	0	0	0	3,093.7	1,360	0	0	0	0	0	0	6,250	0	0	0	0	0				10,719
4	Injured REC Market Value	0	0	(871)	(1,733)	(1,191)	0	0	(2,963.8)	(2,776)	(9,731)	(3,471)	(193)	0	(128)	0	(1370)	(135)	0	0	0	0				(24,946)
5	Injured PRA Market Value	0	0	(11,137)	(1,656)	(11)	0	(30)	(2,107.4)	(1,323)	(451)	(2,147)	(4)	(6)	0	0	(243)	0	0	0	(2,580)	0				(8,353)
6	PCIA Elated Customer Revenue	0	48	(11,137)	0	0	0	(567)	8,446.4	(13,880)	(9,155)	(5,730)	(5,861)	(379)	6,408	(5,864)	10,095	8,613	(1,027)	7,683	(9,875)	(12,386)				(2,488)
7	GRDMA Amortization	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				3,519
8	O&M and Capital Costs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,740	0	14,020	0				15,759
9	Interest	(8)	(9)	2,047	304	671	(4,208)	104	(453.2)	300	327	520	(81)	11	187	(135)	136	(500)	(545)	274	(1,602)	(562)				(1,965)
10	Transfers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				0
11	activity Jan through March	(97)	39	15,694	4,070	1,231	17,585	1,501	5,089	(3,033)	7,160	2,232	(5,377)	(339)	6,302	(5,999)	4,212	7,816	(11,553)	7,958	3,070	(12,958)				62,564
12	Balances as of March 31, 2025	(769)	(1,241)	0	(59,254)	14,240	(21,814)	(19,892)	(39,623)	29,585	91,895	49,257	(8,403)	812	18,353	(13,428)	12,711	(42,151)	(53,378)	26,573	(143,767)	(54,312)				(139,426)
Forecasted April through December 2025 (b)																										
15	Portfolio Costs	1,204	0	98,480	26,095	18,871	74,404	7,407	9,445	61,283	99,688	58,100	2,556	1,93	237	0	952	(206)	20,543	0	95,608	0				573,380
16	Brown Power Market Value	(834)	-	(19,524)	(11,179)	(12,532)	(94,275)	(273)	(985)	(30,137)	(73,488)	(18,859)	(17,35)	(462)	(1,834)	-	(1,421)	(624)	(9,147)	-	(28,206)	-				(312,121)
17	Injured REC Market Value	-	-	(2,174)	(5,253)	(4,539)	-	-	(3,760)	(12,018)	(32,109)	(34,037)	(776)	-	(587)	-	(2,531)	(54)	(70)	-	(1,562)	-				(105,597)
18	Injured PRA Market Value	-	-	(31,215)	(6,775)	(832)	(81,922)	(2,173)	(4,767)	(4,433)	(11,291)	(5,985)	(891)	(29)	(23)	-	(1,259)	-	(22,497)	-	(6,344)	-				(180,503)
19	PCIA Elated Customer Revenue	(1,932)	-	(238,193)	(14,879)	(5,079)	532,113	(25,871)	31,711	(76,503)	89,909	14,542	4,421	(3,359)	11,536	-	55,724	5,143	61,530	-	(311,007)	-				129,806
20	GRDMA Amortization																									15,837
21	O&M and Capital Costs																									35,333
22	Interest	(42)	(35)	(4,522)	171	263	5,107	(861)	(812)	(23)	3,450	1,434	(105)	(10)	550	(289)	917	(1,217)	(596)	625	(7,063)	(1,324)				(2,573)
23	Forecasted April through December 2025 Activity	(1,604)	(35)	(187,149)	(11,661)	(3,845)	435,427	(21,783)	24,833	(61,691)	76,160	13,254	3,470	(2,727)	9,879	(289)	45,981	2,942	52,702	625	(226,718)	(1,324)				153,631
Year-End 2025 Forecast (c = a + b)																										
26	Portfolio Costs	1,115	0	124,106	32,789	24,274	73,280	9,401	8,539	74,450	125,258	69,219	3,064	1,93	71	0	(3,514)	(368)	8,810	0	96,715	0				844,408
27	Brown Power Market Value	(834)	0	(19,524)	(11,179)	(12,532)	(94,275)	(273)	2,115	(23,777)	(73,488)	(18,859)	(17,35)	(462)	(1,834)	0	(1,631)	(624)	(9,147)	0	(28,206)	0				(301,403)
28	Injured REC Market Value	0	0	(2,985)	(6,588)	(5,728)	0	0	(2,744)	(14,734)	(41,839)	(37,508)	(975)	0	(714)	0	(4,501)	(289)	(70)	0	(1,562)	0				(130,213)
29	Injured PRA Market Value	0	0	(31,276)	(6,775)	(833)	(81,922)	(2,209)	(6,875)	(5,816)	(11,742)	(8,132)	(895)	(85)	(23)	0	(1,502)	0	(22,497)	0	(6,344)	0				(189,456)
30	PCIA Elated Customer Revenue	(1,932)	-	(240,330)	(16,539)	(8,730)	535,015	(26,439)	40,150	(30,394)	89,754	14,542	4,421	(3,359)	11,536	-	55,724	5,143	61,530	-	(311,007)	-				127,300
31	GRDMA Amortization																									19,356
32	O&M and Capital Costs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				15,152
33	Interest	(43)	(44)	(4,476)	476	934	896	(757)	(1,271)	278	4,376	2,014	(186)	0	737	(423)	1,053	(1,171)	(1,141)	900	(8,662)	(1,885)				(4,598)
34	Transfers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				0
35	Total 2025 actual & forecast activity	(1,701)	5	(191,454)	(7,730)	(2,594)	452,395	(30,283)	23,922	(64,394)	83,320	15,546	(2,167)	(3,066)	16,161	(6,289)	50,133	10,759	41,144	6,563	(223,648)	(14,262)				216,995
36	Total 2025 annual & forecast activity	(673)	(1,260)	0	(14,948)	10,170	(39,383)	(21,333)	(44,778)	31,658	84,734	48,985	(2,766)	1,51	12,051	(7,423)	8,493	(49,367)	(42,419)	18,615	(146,838)	(41,354)				(202,380)
37	Beginning balance	(2,374)	(1,275)	0	(256,403)	2,378	8,317	413,612	(41,796)	(33,326)	98,054	62,512	(4,333)	(1,315)	28,232	(13,717)	59,632	(39,208)	(1,276)	27,198	(370,485)	(55,536)				14,204
38	Total Year-End Balance Forecast																									(53,069)