

Application No.: A.26-03-012

Exhibit No.: SDG&E-06

Witness: A. Kwok

SUPPLEMENTAL TESTIMONY OF
ALTON KWOK
ON BEHALF OF SAN DIEGO GAS & ELECTRIC COMPANY
CHANGE LOGS AND RESPONSES TO SUPPLEMENTAL
TESTIMONY QUESTIONS



BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

September 30, 2026

**SUPPLEMENTAL TESTIMONY OF ALTON KWOK: CHANGE LOGS AND
RESPONSES TO SUPPLEMENTAL TESTIMONY QUESTIONS**

I. PURPOSE

Pursuant to Administrative Law Judge (ALJ) Kao's Ruling Directing Submission of Corrections and Supplemental Information from All Business Plan Applicants, dated September 2, 2026, San Diego Gas & Electric Company (SDG&E) hereby submits this Supplemental Testimony.¹ The exhibit includes: (a) portfolio-level summaries of changes reflected in the updated testimony, including budget, Total System Benefits (TSB), and cost-effectiveness impacts (Tables X-1 and X-2); (b) a summary identifying the locations of all testimony revisions (Table X-3); and (c) additional responses to the ALJ's Questions 1 and 2. These updates are intended to provide transparency regarding the revisions made and their corresponding impacts on the portfolio.

**II. PORTFOLIO LEVEL SUMMARIES OF CHANGES AND SUMMARY OF
TESTIMONY REVISIONS**

Table X-1: Summary of Budget and TSB Impacts

Segment	Original Budget	Revised Budget	Budget % Change	Original TSB	Revised TSB	TSB % Change
2028-2031 Portfolio						
Resource Acquisition	\$210,937,609	\$210,937,609	0.00%	\$318,368,478	\$322,410,740	1.27%
Market Support	\$35,111,167	\$35,111,167	0.00%	\$5,756,523	\$5,840,082	1.45%
Equity	\$926,434	\$926,434	0.00%	\$0	\$0	0.00%
EM&V	\$11,071,904	\$11,071,904	0.00%	\$0	\$0	0.00%
Total Portfolio Excluding C&S	\$258,047,113	\$258,047,113	0.00%	\$324,125,001	\$328,250,822	1.27%

¹ On September 9, 2026, pursuant to Rule 11.6 of the California Public Utilities Commission (Commission) Rules of Practice and Procedure, Inland Regional Energy Network (I-REN) requested an extension of time to submit Corrections and Supplemental Testimony on the Ruling. Specifically, the request sought a combined due date for all submittals to September 30, 2026. If granted, Corrections would be due on September 30, 2026, and Supplemental Testimony on September 30, 2026. On September 9, 2026, ALJ Kao granted the extension request. As such, SDG&E's Supplemental Testimony are timely filed/served.

Codes & Standards (C&S)	\$18,750,484	\$18,750,484	0.00%	\$729,707,415	\$729,707,418	0.00%
Total Portfolio Including C&S	\$276,797,597	\$276,797,597	0.00%	\$1,053,832,416	\$1,057,958,240	0.39%
2032-2035 Portfolio						
Resource Acquisition	\$222,949,685	\$222,949,685	0.00%	\$359,004,435	\$363,377,429	1.22%
Market Support	\$35,818,455	\$35,818,455	0.00%	\$6,593,833	\$6,680,971	1.32%
Equity	\$923,415	\$923,415	0.00%	\$0	\$0	0.00%
EM&V	\$11,493,174	\$11,493,174	0.00%	\$0	\$0	0.00%
Total Portfolio Excluding C&S	\$271,184,729	\$271,184,729	0.00%	\$365,598,269	\$370,058,400	1.22%
Codes & Standards (C&S)	\$16,144,620	\$16,144,620	0.00%	\$718,873,555	\$718,873,557	0.00%
Total Portfolio Including C&S	\$287,329,350	\$287,329,350	0.00%	\$1,084,471,824	\$1,088,931,957	0.41%
2028-2035 Total						
Resource Acquisition	\$433,887,294	\$433,887,294	0.00%	\$677,372,914	\$685,788,169	1.24%
Market Support	\$70,929,622	\$70,929,622	0.00%	\$12,350,356	\$12,521,053	1.38%
Equity	\$1,849,849	\$1,849,849	0.00%	\$0	\$0	0.00%
EM&V	\$22,565,078	\$22,565,078	0.00%	\$0	\$0	0.00%
Total Portfolio Excluding C&S	\$529,231,842	\$529,231,842	0.00%	\$689,723,270	\$698,309,222	1.24%
Codes & Standards (C&S)	\$34,895,105	\$34,895,105	0.00%	\$1,448,580,970	\$1,448,580,976	0.00%
Total Portfolio Including C&S	\$564,126,947	\$564,126,947	0.00%	\$2,138,304,240	\$2,146,890,198	0.40%

Note: 2032-2035 portfolio forecasts did not include CET calculations and the high-level methodology used was not revised based on the small impact to 2028-2031. ED Portfolio Oversight budget excluded.

Table X-2: Summary of Cost Effectiveness Impacts

Segment	Original TRC	Revised TRC	TRC % Change	PAC % Change	RIM % Change	SCT-Base % Change	SCT-High % Change
2028-2031 Portfolio							
Resource Acquisition	1.35	1.37	1.21%	1.20%	1.26%	-2.17%	-2.53%
Market Support	0.21	0.21	1.33%	1.33%	1.19%	-2.37%	-2.59%
Equity	0.00	0.00	0.00%	0.00%	0.00%	0.00%	0.00%
EM&V	0.00	0.00	0.00%	0.00%	0.00%	0.00%	0.00%
Total Portfolio Excluding C&S	1.17	1.19	1.23%	1.22%	1.26%	-2.18%	-2.54%
Codes & Standards (C&S)	1.74	1.74	0.00%	0.00%	0.00%	0.00%	0.00%
Total Portfolio Including C&S	1.51	1.52	0.37%	0.30%	0.40%	-0.63%	-0.74%

Note: 2032-2035 portfolio forecasts did not include CET calculations and did not have a cost-effectiveness showing

Table X-3: Summary of Testimony Update Locations

Document (Testimony or Excel)	Exhibit	Chapter	Page/Sheet	Table, Figure, or Line Number	Summary of Change
Testimony	1A	2	Page AK-2-3 – AK-2-4	Table AK-2	Replace values using CE benefits, CE costs, or CE ratios
Testimony	1A	2	Page AK-2-5	Table AK-4	Replace Total System Benefit Forecast and Percent of TSB Goal Values
Testimony	1A	3	Page AK-3-2	18	Replace TSB Commercial percent
Testimony	1A	5	Page AK-5-1	16-17	Replace Total System Benefit and %'s Values

Document (Testimony or Excel)	Exhibit	Chapter	Page/Sheet	Table, Figure, or Line Number	Summary of Change
Testimony	1A	5	Page AK-5-2	1-2	Replace Total System Benefit and % of goal Values
Program Cards	2A	n/a	All	All	Replace TSB and Cost Effectiveness (TRC and PAC Test Ratios)
Excel/Testimony Workpapers	4A	n/a	2 Rates Rev-IOU Only	All	Replace values using CE benefits, CE costs, or CE ratios
Excel/Testimony Workpapers	4A	n/a	4.1 Program Budget 2028-2031	All	Replace values using CE benefits, CE costs, or CE ratios
Excel/Testimony Workpapers	4A	n/a	4.2 Sector Seg Budget 2032-2035	All	Replace values using CE benefits, CE costs, or CE ratios
Excel/Testimony Workpapers	4A	n/a	4.3 TSB and C&S Targets	All	Replace Total System Benefit and % of goal Values
Excel/Testimony Workpapers	4A	n/a	Budget Filing Data	All	Replace values using CE benefits, CE costs, or CE ratios
Excel/Testimony Workpapers	4A	n/a	10 Indicators & Metrics	Rows 1, 42, 75, 96, 110, 125, 136	Replace Forecast values 2028-2035
Excel/Testimony Workpapers	4A	n/a	11 Program Card	All	Replace TSB and Cost Effectiveness (TRC and PAC Test Ratios)

III. RESPONSES TO QUESTIONS SET FORTH IN RULING

1. Does your business plan application consider the impact of the California Air Resources Board's (CARB) potential new rules on Clean Space and Water Heater Standards, or other regional standards? If not, how would your business plan application need to be adjusted if CARB's current proposal is adopted, effective in 2030?

CARB's anticipated Clean Space and Water Heater Standards would gradually limit manufacturers' sales of greenhouse gas emitting space and water heating equipment beginning around 2030. For SDG&E specifically, budget flexibility is limited because the portfolio was intentionally optimized to balance Total System Benefit (TSB) performance with customer affordability considerations. The TSB goals noted from the 2025 Potential and Goals (P&G) study already have Clean Space and Water Heater Standards (also known as Zero Emission Appliance Standard (ZEAS)), where "[t]he ZEAS 2030 framework reflects the best available information as of the timeframe in which the draft potential study was conducted"² SDG&E's business plan inherently accounts for it as it is part of the TSB calculations. As other stakeholders noted in the 2025 P&G study, it is premature to assume that these anticipated standards will necessitate changes to TSB goals or the proposed budgets because any resulting changes to savings potential and TSB targets should first be evaluated through the Commission's P&G process and with the next P&G study in 2027.

In addition, investor owned utility (IOU) portfolios already include programs that promote heat pump space heating and water heating technologies. As a result, the primary uncertainty is not whether these measures are available through existing portfolios, but rather the extent to which CARB's standards may influence customer adoption of those measures. The

² 2025 Potential & Goals Study, pg. 15.

1 magnitude of any resulting change in participation remains uncertain and should be evaluated
2 through future P&G analyses rather than assumed in advance.

3 The next P&G decision is expected in Summer 2027 and will establish TSB goals for
4 2028-2039. Notably, due to uncertainty surrounding the rollout and timing of CARB policies,
5 the 2027 P&G study workplan is planning to exclude CARB's Clean Space and Water Heater
6 standards from the base case scenario.³ Given the timing of the CARB rulemaking and
7 associated analyses, it is unlikely that any impacts from the standards would be incorporated into
8 the P&G decision in time to affect the Cycle 2 True Up Advice Letter (TUAL) filings due in
9 September 2027. It may be possible for updated assumptions regarding the impacts of the
10 CARB standards to be reflected in a subsequent P&G study and associated goal-setting process,
11 which could then inform the Cycle 2 MCAL filings due in September 2029.

12 Accordingly, SDG&E does not believe there is sufficient information at present to
13 conclude that additional budget flexibility or a new budget-adjustment process is needed. The
14 Commission adopted four-year budget authorizations to provide long-term planning certainty
15 and encourage efficient use of authorized funds. Given the uncertainty surrounding the ultimate
16 impact of CARB's anticipated standards, it would be premature to assume that additional Energy
17 Efficiency (EE) funding will be necessary. IOU PAs should first evaluate opportunities to
18 reprioritize activities, optimize portfolio performance, and manage within existing budget
19 authorizations, particularly in light of ongoing customer affordability concerns.

20 To the extent the Commission ultimately determines that budget modifications are
21 necessary following the adoption of updated goals, any such consideration should be limited to

³ Guidehouse, *2027 California Energy Efficiency Potential and Goals Study Draft Workplan*, August 2026, pg 17.

1 IOU PAs, as they are the only PAs with Commission-established TSB goals and requirements to
2 prioritize cost-effectiveness.

3 **2. Provide a third-party solicitation schedule and timeline from 2028 to**
4 **2031. Use the solicitation schedule posted to the California Energy**
5 **Efficiency Coordinating Committee website, available at**
6 **<https://www.caeccc.org/market-rate-ee-r25-04-101>, for reference and**
7 **required fields.**

8 SDG&E currently does not have any active solicitations. As noted in Exhibit 1 of its
9 Application filing, there are no planned solicitations for the timeline indicated. This was an
10 effort from SDG&E to minimize rate impacts and administrative costs by maintaining a
11 streamlined portfolio, extending successful third-party programs, and limiting new procurements
12 to situations where they are necessary. This approach promotes market continuity, reduces
13 customer disruption, supports consistent program participation, and preserves progress toward
14 portfolio goals. While a limited budget has been allocated to support potential procurement
15 activities, SDG&E may reallocate uncommitted funds to support solicitation efforts if warranted.

16 This concludes the prepared supplemental testimony.

1 **IV. WITNESS QUALIFICATIONS**

2 My name is Alton Kwok. I am the Project & Program Management Manager at SDG&E.
3 My business address is 8335 Century Park Court, San Diego, California 92123-1257.

4 In my current position, I am responsible for leading the team that manages and
5 administers SDG&E's Energy Efficiency portfolio and other customer program portfolios. The
6 purpose of my direct testimony is to sponsor and testify in support of updated data within Exhibit
7 SDG&E-01A, SDG&E's 2028-2035 Business Plan Application; Exhibit SDG&E-02A, Program
8 Cards; Exhibit SDG&E-04A, Testimony Workpapers; and Exhibit SDG&E-06, Supplemental
9 Testimony and Change Log

10 I hold a Bachelor of Arts and a Bachelor of Science from the University of California,
11 San Diego, a Master of Science in Project Management from the University of Wisconsin-
12 Platteville, and a Master of Public Administration from San Diego State University. From 2020
13 through 2023, I served as the Permitting and Continuous Improvement Manager at SDG&E. I
14 have also held various positions at SDG&E, including Business Controls Supervisor, Continuous
15 Improvement Supervisor, and Project Manager.

16 I have worked at SDG&E for more than 17 years and have served in my current position
17 for approximately three years and two months.

18 I have previously testified before this Commission.