



**FILED**

08/07/20  
04:59 PM

ALJ/SJP/ES2/smt 8/7/2020

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

Application of Southern California  
Edison Company (U338E) for  
Authority to Increase its Authorized  
Revenues for Electric Service in 2021,  
among other things, and to Reflect that  
Increase in Rates.

Application 19-08-013

**E-MAIL RULING GRANTING, IN PART, MOTION TO STRIKE  
PORTIONS OF UPDATE TESTIMONY**

Dated August 7, 2020, at San Francisco, California.

/s/ SOPHIA PARK

Sophia J. Park  
Administrative Law Judge

/s/ EHREN SEYBERT

Ehren D. Seybert  
Administrative Law Judge

**From:** Park, Sophia <[sophia.park@cpuc.ca.gov](mailto:sophia.park@cpuc.ca.gov)>

**Sent:** Friday, August 7, 2020 4:09 PM

**To:** [VidhyaPrabhakaran@dwt.com](mailto:VidhyaPrabhakaran@dwt.com); [NWhang@CleanPowerAlliance.org](mailto:NWhang@CleanPowerAlliance.org); [Russell.Archer@SCE.com](mailto:Russell.Archer@SCE.com); [SLCohen@SDGE.com](mailto:SLCohen@SDGE.com); [TGondai@NAAC.org](mailto:TGondai@NAAC.org); [AGraf@AdamsBroadwell.com](mailto:AGraf@AdamsBroadwell.com); Peleo, Marion <[marion.peleo@cpuc.ca.gov](mailto:marion.peleo@cpuc.ca.gov)>; [ETorres@turn.org](mailto:ETorres@turn.org); [Jennifer@UtilityAdvocates.org](mailto:Jennifer@UtilityAdvocates.org); [bellis@buchalter.com](mailto:bellis@buchalter.com); [Mary.Gandesbery@pge.com](mailto:Mary.Gandesbery@pge.com); [BCragg@GoodinMacBride.com](mailto:BCragg@GoodinMacBride.com); [JArmstrong@GoodinMacBride.com](mailto:JArmstrong@GoodinMacBride.com); [MariaBrowne@dwt.com](mailto:MariaBrowne@dwt.com); [Susannah@VoteSolar.org](mailto:Susannah@VoteSolar.org); [service@cforat.org](mailto:service@cforat.org); [bolhasso@westcoastadvisors.com](mailto:bolhasso@westcoastadvisors.com); [Blaising@BraunLegal.com](mailto:Blaising@BraunLegal.com); [annafero@dwt.com](mailto:annafero@dwt.com); [RegRelCPUCCases@pge.com](mailto:RegRelCPUCCases@pge.com); Walwyn, Christine <[Christine.Walwyn@cpuc.ca.gov](mailto:Christine.Walwyn@cpuc.ca.gov)>; [davidhuang@dwt.com](mailto:davidhuang@dwt.com); Cheng, Franz <[franz.cheng@cpuc.ca.gov](mailto:franz.cheng@cpuc.ca.gov)>; Regnier, Justin <[Justin.Regnier@cpuc.ca.gov](mailto:Justin.Regnier@cpuc.ca.gov)>; [ppatterson2@nyc.rr.com](mailto:ppatterson2@nyc.rr.com); [prachi@nationaldiversitycoalition.org](mailto:prachi@nationaldiversitycoalition.org); [regulatory@braunlegal.com](mailto:regulatory@braunlegal.com); [Robertearle.sf@gmail.com](mailto:Robertearle.sf@gmail.com); [SRRd@pge.com](mailto:SRRd@pge.com); [mrw@mrwassoc.com](mailto:mrw@mrwassoc.com); [dwtcpucdockets@dwt.com](mailto:dwtcpucdockets@dwt.com); [Gregg.Orrill@ubs.com](mailto:Gregg.Orrill@ubs.com); [Gregory.Reiss@CentenusLP.com](mailto:Gregory.Reiss@CentenusLP.com); [AM@MadisonAvelp.com](mailto:AM@MadisonAvelp.com); [RUmoff@seia.org](mailto:RUmoff@seia.org); [CPUCdockets@EQ-research.com](mailto:CPUCdockets@EQ-research.com); [MBrubaker@consultbai.com](mailto:MBrubaker@consultbai.com); [mbrubaker@consultbai.com](mailto:mbrubaker@consultbai.com); [ASteinberg@SempraUtilities.com](mailto:ASteinberg@SempraUtilities.com); [CSong@CleanPowerAlliance.org](mailto:CSong@CleanPowerAlliance.org); Au, Jenny <[jenny.au@cpuc.ca.gov](mailto:jenny.au@cpuc.ca.gov)>; Krannawitter, Laura L. <[laura.krannawitter@cpuc.ca.gov](mailto:laura.krannawitter@cpuc.ca.gov)>; [JimTomlinson@dwt.com](mailto:JimTomlinson@dwt.com); [HuntPT@outlook.com](mailto:HuntPT@outlook.com); [Douglass@EnergyAttorney.com](mailto:Douglass@EnergyAttorney.com); [Allison.bahen@EdisonIntl.com](mailto:Allison.bahen@EdisonIntl.com); [Case.Admin@sce.com](mailto:Case.Admin@sce.com); [scegrc@sce.com](mailto:scegrc@sce.com); [derek.matsushima@edisonintl.com](mailto:derek.matsushima@edisonintl.com); [Fadia.Khoury@sce.com](mailto:Fadia.Khoury@sce.com); [Gustavo.gomez@edisonintl.com](mailto:Gustavo.gomez@edisonintl.com); [Katherine.L.Hernandez@sce.com](mailto:Katherine.L.Hernandez@sce.com); [sam.ramraj@edisonintl.com](mailto:sam.ramraj@edisonintl.com); [Vanessa.ruiz@sce.com](mailto:Vanessa.ruiz@sce.com); [DCheng@TURN.org](mailto:DCheng@TURN.org); [CentralFiles@SempraUtilities.com](mailto:CentralFiles@SempraUtilities.com); [CManzuk@SempraUtilities.com](mailto:CManzuk@SempraUtilities.com); [JYork@SempraUtilities.com](mailto:JYork@SempraUtilities.com); [JMcCawley@sdge.com](mailto:JMcCawley@sdge.com); [NJasso@SempraUtilities.com](mailto:NJasso@SempraUtilities.com); [Sue.Mara@RTOadvisors.com](mailto:Sue.Mara@RTOadvisors.com); [RKoss@AdamsBroadwell.com](mailto:RKoss@AdamsBroadwell.com); Abramson, Alexander J. <[Alexander.Abramson@cpuc.ca.gov](mailto:Alexander.Abramson@cpuc.ca.gov)>; Durvasula, Anand <[Anand.Durvasula@cpuc.ca.gov](mailto:Anand.Durvasula@cpuc.ca.gov)>; Madarasz, Anna "Tess" <[Anna.Madarasz@cpuc.ca.gov](mailto:Anna.Madarasz@cpuc.ca.gov)>; Yang, Anna <[Anna.Yang@cpuc.ca.gov](mailto:Anna.Yang@cpuc.ca.gov)>; Herbert, Annalissa <[Annalissa.Herbert@cpuc.ca.gov](mailto:Annalissa.Herbert@cpuc.ca.gov)>; Chitadje, Charlotte <[charlotte.chitadje@cpuc.ca.gov](mailto:charlotte.chitadje@cpuc.ca.gov)>; Syriani, Christina <[Christina.Syriani@cpuc.ca.gov](mailto:Christina.Syriani@cpuc.ca.gov)>; Natile, Christine

<[Christine.Nutile@cpuc.ca.gov](mailto:Christine.Nutile@cpuc.ca.gov)>; Parkes, Christopher  
<[christopher.parkes@cpuc.ca.gov](mailto:christopher.parkes@cpuc.ca.gov)>; Seybert, Ehren  
<[ehren.seybert@cpuc.ca.gov](mailto:ehren.seybert@cpuc.ca.gov)>; Donovan, James <[James.Donovan@cpuc.ca.gov](mailto:James.Donovan@cpuc.ca.gov)>;  
Martin, Laura A. <[laura.martin@cpuc.ca.gov](mailto:laura.martin@cpuc.ca.gov)>; Tesfai, Leuwam  
<[leuwam.tesfai@cpuc.ca.gov](mailto:leuwam.tesfai@cpuc.ca.gov)>; Hutton, Marc <[Marc.Hutton@cpuc.ca.gov](mailto:Marc.Hutton@cpuc.ca.gov)>;  
Ghadessi, Maryam <[maryam.ghadessi@cpuc.ca.gov](mailto:maryam.ghadessi@cpuc.ca.gov)>; Ghaffarian, Pouneh  
<[pouneh.ghaffarian@cpuc.ca.gov](mailto:pouneh.ghaffarian@cpuc.ca.gov)>; Li, Pui-Wa <[Pui-Wa.Li@cpuc.ca.gov](mailto:Pui-Wa.Li@cpuc.ca.gov)>; White,  
Richard <[Richard.White@cpuc.ca.gov](mailto:Richard.White@cpuc.ca.gov)>; Pocta, Robert M.  
<[robert.pocta@cpuc.ca.gov](mailto:robert.pocta@cpuc.ca.gov)>; Shek, Selina <[selina.shek@cpuc.ca.gov](mailto:selina.shek@cpuc.ca.gov)>; Park,  
Sophia <[sophia.park@cpuc.ca.gov](mailto:sophia.park@cpuc.ca.gov)>; Burns, Truman L.  
<[truman.burns@cpuc.ca.gov](mailto:truman.burns@cpuc.ca.gov)>; Baldwin, Vanessa  
<[vanessa.baldwin@cpuc.ca.gov](mailto:vanessa.baldwin@cpuc.ca.gov)>; Lasko, Yakov <[yakov.lasko@cpuc.ca.gov](mailto:yakov.lasko@cpuc.ca.gov)>;  
[hayley@turn.org](mailto:hayley@turn.org); [KMorsony@turn.org](mailto:KMorsony@turn.org); [marcel@turn.org](mailto:marcel@turn.org); [bfinkelstein@turn.org](mailto:bfinkelstein@turn.org);  
[legalassistant@turn.org](mailto:legalassistant@turn.org); [James@UtilityAdvocates.org](mailto:James@UtilityAdvocates.org); [gregory.holisko@pge.com](mailto:gregory.holisko@pge.com);  
[Lrafii@buchalter.com](mailto:Lrafii@buchalter.com); [MAlcantar@Buchalter.com](mailto:MAlcantar@Buchalter.com); [MCade@Buchalter.com](mailto:MCade@Buchalter.com); [Ek-Info@Buchalter.com](mailto:Ek-Info@Buchalter.com);  
[KCameron@Buchalter.com](mailto:KCameron@Buchalter.com); [RyanAppel@dwt.com](mailto:RyanAppel@dwt.com);  
[jcdt@pge.com](mailto:jcdt@pge.com); [Cathy@BarkovichAndYap.com](mailto:Cathy@BarkovichAndYap.com); [ed@votesolar.org](mailto:ed@votesolar.org);  
[CESA\\_Regulatory@StorageAlliance.org](mailto:CESA_Regulatory@StorageAlliance.org); [cmkehrein@ems-ca.com](mailto:cmkehrein@ems-ca.com); Dunton,  
Drucilla "Dru" <[Drucilla.Dunton@cpuc.ca.gov](mailto:Drucilla.Dunton@cpuc.ca.gov)>  
Cc: ALJ Docket Office <[ALJ\\_Docket\\_Office@cpuc.ca.gov](mailto:ALJ_Docket_Office@cpuc.ca.gov)>; ALJ\_Support ID  
<[alj\\_supportid@cpuc.ca.gov](mailto:alj_supportid@cpuc.ca.gov)>; ALJ Process <[alj\\_process@cpuc.ca.gov](mailto:alj_process@cpuc.ca.gov)>  
**Subject:** A.19-08-013 – E-mail Ruling Granting, in Part, Motion to Strike Portions  
of Update Testimony

On July 24, 2020, Southern California Edison Company (SCE) served its update testimony for this case designated as Exhibit SCE-52.

On July 30, 2020, The Utility Reform Network (TURN) filed a motion to strike portions of the update testimony related to: (1) an updated uncollectibles rate and associated expense forecast, and (2) a cost entry that reflects the impacts of a settlement agreement between SCE and certain Community Choice Aggregators (CCAs) concerning certain fees charged to CCAs, which has not yet been submitted to the Commission for approval.

On August 6, 2020, SCE filed a response to the motion to strike. SCE opposes TURN's motion to strike with respect to the updated uncollectibles rate and

expense factor but agrees that it is appropriate to remove the CCA settlement update. On August 6, 2020, SCE served amended update testimony designated as Exhibit SCE-52A, which replaced and superseded Exhibit SCE-52. Among other things, Exhibit SCE-52A removed the update associated with the CCA settlement.

#### Uncollectibles Expense Update

After SCE served its direct and rebuttal testimony in this General Rate Case (GRC), the Commission issued Decision (D.) 20-06-003, which ordered SCE to implement a new Arrearage Management Plan (AMP). SCE's update testimony includes updates related to SCE's uncollectibles expense forecast based on the forecasted impact of the AMP during the 2021 GRC period.

The Energy Utility Rate Case Plan (RCP) limits the scope of any update testimony in a GRC to a few specified categories. One of these categories is testimony to update "[k]nown changes due to governmental action such as changes in tax rates, postage rates, or assessed valuation." (D.07-07-004, Appendix A at A-36.) SCE argues that its update testimony on the uncollectibles expense factor fits squarely within this RCP criteria for update testimony. (SCE Response at 1.) TURN argues that this updated forecast goes "beyond the appropriate bounds of update testimony and place[s] other parties at a disadvantage in terms of having a reasonable opportunity to review or respond to SCE's request." (TURN Motion at 1.)

We find that SCE's updated uncollectibles forecast is not based on known changes due to governmental action such as those for tax rates, postage rates, or assessed valuation. Rather, the updated forecast is dependent on new calculations, forecasts, and assumptions. (See Exhibit SCE-52A at 19-20.) The impact of the AMP on the uncollectibles forecast is not readily known and is subject to controversy due to the underlying calculations and assumptions that are needed to develop the forecast. Therefore, we find that this testimony is beyond the appropriate scope of update testimony as set forth in the RCP and grant TURN's motion to strike the portions of SCE's update testimony related to the updated uncollectibles rate and expense factor.

Furthermore, D.20-06-003 authorized utilities to establish a two-way balancing account for uncollectible costs and stated that costs associated with the AMP should be addressed in each utility's *next* GRC. (D.20-06-003 at 109 & 113.) As recognized by SCE, "the establishment of a two-way balancing account will ensure SCE's eventual recovery in rates of the actual costs of residential customer uncollectibles during this GRC period." (Exhibit SCE-52A at 18.)

### CCA Settlement Update

SCE has already removed the portions of its update testimony related to the CCA settlement, and therefore, TURN's motion to strike the portions of the update testimony related to the CCA settlement is denied as moot.

### **IT IS RULED:**

1. The Utility Reform Network's motion to strike the portions of Southern California Edison Company's update testimony related to residential uncollectibles expenses (Section VI of Exhibit SCE-52A and all associated references and errata) is granted.
2. The Utility Reform Network's motion to strike the portions of Southern California Edison Company's (SCE's) update testimony related to a settlement agreement between SCE and certain Community Choice Aggregators is denied as moot.

THE DOCKET OFFICE SHALL FORMALLY FILE THIS RULING.

**Sophia J. Park**

Administrative Law Judge  
California Public Utilities Commission  
[sophia.park@cpuc.ca.gov](mailto:sophia.park@cpuc.ca.gov)

**Ehren D. Seybert**

Administrative Law Judge  
California Public Utilities Commission  
[ehren.seybert@cpuc.ca.gov](mailto:ehren.seybert@cpuc.ca.gov)