

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



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Application of San Diego Gas & Electric Company (U 902-E) for Approval of: (i) Contract Administration, Least-Cost Dispatch and Power Procurement Activities in 2024, (ii) Costs Related to those Activities Recorded to the Energy Resource Recovery Account, Portfolio Allocation Balancing Account, Transition Cost Balancing Account, Local Generating Balancing Account, and Modified Cost Allocation Mechanism Balancing Account in 2024, and (iii) Costs Recorded in Related Regulatory Accounts in 2024.

Application 25-06-002
(Filed June 2, 2025)

JOINT REPORT RE MEET AND CONFER (RULE 13.9)

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February 23, 2026

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OF THE STATE OF CALIFORNIA**

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JOINT REPORT RE MEET AND CONFER (RULE 13.9)

Pursuant to Rule 13.9 of the California Public Utilities Commission’s (Commission) Rules of Practice and Procedure (Rules) and the Assigned Commissioner’s Scoping Memo and Ruling (dated October 14, 2025), San Diego Gas & Electric Company (SDG&E), the Public Advocates Office at the California Public Utilities Commission (Cal Advocates), and San Diego Community Power (SDCP) jointly with Clean Energy Alliance (CEA) (together, SD CCAs) (collectively, the Parties) jointly¹ file this report summarizing their meet and confer efforts and list of stipulated and disputed facts.

I. THE PARTIES’ MEET AND CONFER EFFORTS

Rule 13.9(a) states that “no later than 10 calendar days after the submission of rebuttal testimony the parties must meet and confer, in person or via remote participation to consider the following:”

- (1) Identifying and, if possible, informally resolving any anticipated motions;

¹ Pursuant to Rule 1.8(d), counsel for SDG&E certifies that she has been fully authorized by Cal Advocates, SDCP, and CEA to submit this joint motion on their behalf.

(2) Identifying the facts and issues in the case that are uncontested and may be the subject of stipulation;

(3) Identifying the facts and issues in the case that are in dispute;

(4) Determining whether the contested issues in the case can be narrowed; and

(5) Determining whether settlement is possible.

In addition, the Scoping Memo, Section 4 (Schedule) provides that the Parties must file a “Joint case management statement, identifying issues in dispute and whether the parties request hearings” by February 23, 2026.

On February 13, 2026, SDG&E served its prepared rebuttal testimony on the service list in this proceeding. Subsequently, on February 18, 2026, representatives of SDG&E, Cal Advocates, SDCP, and CEA met and conferred to address the issues as required by Rule 13.9 and the Scoping Memo. The Parties hereby summarize the results of their meet and confer efforts below.

A. Identifying and, if possible, Informally Resolving any Anticipated Motions

The Parties do not anticipate filing any additional motions in this proceeding, other than (1) a joint motion to move testimony and exhibits into the record, and (2) corresponding motion(s) to seal the evidentiary record pursuant to Rule 11.4 and/or Rule 11.5.

B. Identifying the Facts and Issues in the Case That Are Uncontested and May Be the Subject of Stipulation

The following issues have been raised in the course of the proceeding and are uncontested:

- **Scoping Issue 2:** Whether SDG&E administered and managed its contracts for resources in accordance with the contract provisions and otherwise applicable rules, including SOC 4. This includes Qualifying Facility (QF) and non-QF

generation contracts, power purchase agreement contracts; and other procurement contracts, such as those for Resource Adequacy (RA) or Renewables Portfolio Standard Resources.

- **Scoping Issue 4:** Whether SDG&E achieved least-cost dispatch of resources and whether SDG&E administered its demand response programs to minimize costs to its ratepayers according to SOC 4.
- **Scoping Issue 5:** Whether entries recorded in the following accounts are correctly stated and in compliance with Commission Directives:
 - c. Transition Cost Balancing Account
 - d. Local Generating Balancing Account
 - e. Modified Cost Allocation Mechanism Balancing Account
 - f. New Environmental Regulatory Balancing Account
 - g. Independent Evaluator Memorandum Account
 - h. Litigation Cost Memorandum Account
 - i. Green Tariff Marketing Education & Outreach Memorandum Account
 - j. Green Tariff Shared Renewables Administrative Cost Memorandum Account
 - k. Enhanced Community Renewable Marketing Education & Outreach Memorandum Account
 - l. Green Tariff Shared Renewable Balancing Account
 - m. Tree Mortality Non-Bypassable Charge Balancing Account
 - n. Disadvantaged Communities – Single Family Solar Homes Balancing Account
 - o. Disadvantaged Community-Green Tariff Balancing Account

- p. Community Solar Green Tariff Balancing Account
- **Scoping Issue 6:** Whether SDG&E’s Greenhouse Gas Compliance Instrument procurement was consistent with applicable standards and in compliance with SDG&E’s Commission-approved procurement plan.
- **Scoping Issue 7:** Whether the entries in SDG&E’s Greenhouse Gas Revenue Balancing Account and Greenhouse Gas-related entries in other ERRA sub-accounts are accurate, and whether SDG&E met its burden of proof regarding its claim for these entries.
- **Scoping Issue 8:** Whether SDG&E’s calculation of unrealized volumetric sales and unrealized revenues resulting from Public Safety Power Shutoff events in 2024 is correctly stated and in compliance with Commission directives.
- **Scoping Issue 9:** Whether there are any safety issues raised by this application.

C. Identifying the Facts and Issues in the Case That Are in Dispute

The following issues have been raised in the course of the proceeding and remain contested. The issues are identified below pursuant to the Scoping Memo issue they relate to:

For Cal Advocates:

- **Scoping Issue 1:** Whether SDG&E administered and managed its own generation resources prudently and in compliance with Standard of Conduct (SOC) 4 and other applicable rules and requirements. This includes but is not limited to the management of outages and associated fuel costs. Specifically:
 - Cal Advocates’ recommendation is to disallow cost recovery of \$28,310 in SDG&E’s ERRA Balancing Account for the Record Period due to a failure of SDG&E’s Continuous Emissions Monitoring System Data Acquisition and Handling System’s computer hard drive, and order

SDG&E to perform a Root Cause Analysis (RCA) as to why this failure occurred.² Any costs related to an RCA should be paid for by shareholders.

- SDG&E's Position: SDG&E disagrees that Cal Advocates' recommended disallowance is justified or that an RCA is necessary. Accordingly, this issue remains contested.

For SDCP and CEA:

- **Scoping Issue 3:** Whether SDG&E complied with its Bundled Procurement Plan (BPP). This includes whether it administered overall RA procurement consistent with its BPP, and whether SDG&E made a reasonable attempt to sell excess RA.

Specifically:

- The SD CCAs explained in testimony that pursuant to D.19-10-001, RA used for compliance and retained for investor-owned utility use should be classified as Retained RA and valued using the RA Adder Market Price Benchmark (MPB).³ The SD CCAs further explained that during its 2024 solicitations, SDG&E held excess RA back from the market as a buffer to ensure it was able to meet its RA compliance obligations for bundled customers,⁴ but that SDG&E classified these buffer amounts as Unsold RA and valued them at \$0 in the PABA.⁵ Accordingly, the SD CCAs

² *Cal Advocates Prepared Testimony on Application of San Diego Gas & Electric Company for Compliance Review of Utility Owned Generation Operations, Portfolio Allocation Balancing Account Entries, Energy Resource Recovery Account Entries, Economic Dispatch of Electric Resources, Utility Owned Generation Fuel Procurement, and Other Activities for the Period January 1 through December 31, 2024* (December 20, 2025), Chapter 1, at 1-4.

³ *Prepared Direct Testimony of Carlo Bencomo-Jasso on Behalf of San Diego Community Power and Clean Energy Alliance* (December 19, 2025) (Bencomo-Jasso Direct), at 8.

⁴ *Id.* at 9.

⁵ *Id.* at 12.

recommended that SDG&E reclassify these RA buffer amounts as Retained RA, utilizing the methodology it proposed in A.24-06-001.⁶

In rebuttal, SDG&E asserted that its RA accounting is accurate because while it did utilize a buffer during solicitations, it did make all excess RA available for sale at some point through the record year – if not through solicitations, then through subsequent broker-facilitated and bilateral processes.⁷ The SD CCAs have issued discovery to verify the accuracy of this claim. However, due to the quick turnaround between SDG&E’s rebuttal testimony and this report, the SD CCAs have not yet received the discovery responses needed to verify SDG&E’s claims and assess the validity of its arguments. Accordingly, this issue remains in dispute.

- **Scoping Issue 5:** Whether the entries recorded in the following accounts are correctly stated and in compliance with Commission directives: (a) the Energy Resource Recovery Accounts; (b) Portfolio Allocation Balancing Account.

Specifically:

- In testimony, the SD CCAs explained that they identified an error in SDG&E’s assignment of PCIA vintages to New Premises within its service territory in the Spring of 2025.⁸ This error prevented the proper allocation of vintage-specific PCIA cost responsibilities to impacted customers.⁹ Since that time, SDG&E has not been able to provide the SD

⁶ *Id.* at 14.

⁷ *Prepared Rebuttal Testimony of Sheri Miller and Josh Chasse on Behalf of San Diego Gas & Electric Company* (February 13, 2026), at SM/JC - 1.

⁸ Bencomo-Jasso Direct at 16.

⁹ *Id.*

CCAs with the information needed to validate its bill impact calculations and confirm that SDG&E has since applied the correct PCIA rates to these customers.¹⁰ Without being able to independently verify the accuracy of SDG&E's corrective measures, the SD CCAs requested that the Commission exercise additional oversight to ensure that this issue was properly remediated.¹¹ Moreover, the SD CCAs requested that SDG&E update its SAP billing system to automatically assign the correct PCIA vintages as soon as possible, but that if it has not done so by the completion of this proceeding, that the Commission order it to do so.¹²

In rebuttal, SDG&E asserted that additional oversight as to the billing corrections is unnecessary, and further claimed that it is on track to launch the updates to its SAP billing system during Q1 2026.¹³ The SD CCAs have since issued additional discovery regarding SDG&E's correction of this vintaging error and updates as to the status of its SAP billing system upgrade. However, due to the quick turnaround between the submission of SDG&E's rebuttal testimony and this report, the SD CCAs have not been able to fully assess the claims set forth in SDG&E's rebuttal. Accordingly, this issue remains in dispute.

D. Determining Whether the Contested Issues in the Case Can Be Narrowed

As reflected in a comparison of the issues identified in Sections I.B and I.C above, the Parties have narrowed the number of contested issues.

¹⁰ *Id.* at 18.

¹¹ *Id.* at 18-19.

¹² *Id.* at 19-20.

¹³ *See generally, Prepared Rebuttal Testimony of Sara Nordin* (February 13, 2026).

E. Determining Whether Settlement is Possible

The Parties have narrowed the number of contested issues and continue to discuss possible settlement. The Parties will inform the ALJ if any settlement is reached.

F. Evidentiary Hearings

SDG&E and Cal Advocates do not believe that evidentiary hearings are necessary.

At this time, the SD CCAs believe that hearings are necessary with regard to SDG&E's accounting of buffer RA amounts. Specifically, the SD CCAs anticipate that hearings will be necessary to further assess and develop the record as to whether: 1) SDG&E offered all excess RA to the market during the 2024 record year, and 2) whether SDG&E properly accounted for the RA amounts it retained for its own compliance use. As noted above, the SD CCAs have submitted discovery to determine whether these issues can be resolved through the admission of additional exhibits, rather than live hearings. If the SD CCAs determine that SDG&E's discovery responses are sufficient to waive hearings, the SD CCAs and SDG&E will notify the ALJ at the March 6 Status Conference. In the meantime, the SD CCAs respectfully request that this issue be set for hearing.

II. CONCLUSION

This concludes the Parties' joint report on meet and confer efforts. The Parties appreciate the Commission's time and effort in resolving this proceeding in an efficient manner.

Respectfully submitted,

/s/ Krista S. deBoer

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