

**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 its 2027
Electric Procurement Revenue Requirement
Forecasts, 2027 Electric Sales Forecast, and GHG-
Related Forecasts

Application 26-05-009

**RESPONSE OF THE DIRECT ACCESS CUSTOMER COALITION
TO THE 2027 ERRA FORECAST APPLICATION OF
SAN DIEGO GAS AND ELECTRIC COMPANY**

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June 19, 2026

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Pursuant to Rule 2.6 of the Commission’s Rules of Practice and Procedure, the Direct Access Customer Coalition (“DACC”)¹ submits this response to the Application of San Diego Gas and Electric Company (“SDG&E”) filed on May 15, 2026, in the above-captioned docket (“Application”) and noticed in the Commission’s Daily Calendar on May 20, 2026. Therefore, this response is timely filed.

The primary interest of DACC in the proceeding is the calculation and rate treatment of costs that are charged to Direct Access (“DA”) customers. This includes, but is not limited to, the calculation of the revenue requirements and rates for the Power Charge Indifference Amount (“PCIA”), the Competition Transition Charge (“CTC”), and the Cost Allocation Mechanism (“CAM”).

I. CALCULATION OF THE PCIA AND CTC MUST COMPORT WITH RECENT DECISIONS.

The PCIA mechanism has undergone a series of changes in recent years. The Commission’s decision (“D.”) 23-06-006² (a) established a new market price benchmark (“MPB”)

¹ DACC is a regulatory advocacy group comprised of educational, governmental, commercial and industrial customers that utilize direct access for all or a portion of their electrical energy requirements.

² *Decision Addressing Greenhouse Gas-Free Resources, Long-Term Renewable Transactions, Energy Index Calculations, And Energy Service Providers’ Data Access*, June 13, 2023.

and an allocation mechanism to address the incremental value of greenhouse gas-free ("GHG-free") power of large hydroelectric energy resources above fossil fuel resources, and (b) revised the calculation of the Energy Index MPB to improve accuracy and transparency. Furthermore, decision D.25-06-049 was issued in Docket R.25-02-005, which implemented revisions to the methodology the Commission uses when calculating the Resource Adequacy Market Price Benchmark ("RA MPB") utilized in calculating the PCIA.

Additionally, briefing is under way in Track 2 of R.25-02-005, whose schedule suggests a resolution of the PCIA treatment of Renewable Energy Certificates ("RECs") generated prior to 2019 but banked for subsequent compliance purposes. DACC is interested in ensuring that the calculations in the PG&E Application are conducted properly and are consistent with D. 23-06-006, D.25-06-049, the likely decision concluding R.25-02-005 Track 2, as well as prior related decisions.

II. ALL CAM AND OTHER RATES CHARGED TO DA CUSTOMERS MUST BE VERIFIED

The CAM rate was authorized in D.06-07-029, with the calculation methodology set in D.07-09-044. In D.10-12-035, the Commission adopted a settlement which established a non-bypassable charge that utilized the CAM approved to recover the net capacity costs of combined heat and power ("CHP") and New System Generation resources. Several subsequent decisions have expanded the scope of CAM and the obligations of departing load to pay the CAM.

As DA customers are required to pay this charge, DACC must therefore review SDG&E's CAM rate calculations to verify that SDG&E has implemented this charge in a fair and equitable manner consistent with the enabling decisions.

III. PROPOSED CATEGORIZATION, NEED FOR HEARINGS, ISSUES TO BE CONSIDERED, AND PROPOSED SCHEDULE

A. Categorization

DACC concurs with SDG&E that this proceeding be categorized as ratesetting.

B. There May Be a Need for Hearings

DACC believes that hearings may be required.

C. Schedule

DACC has no objections to proposed procedural schedule contained in the SDG&E
ERRA Application.

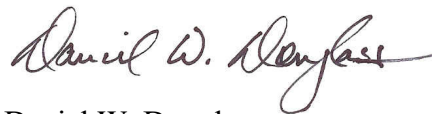
IV. REQUEST FOR PARTY STATUS

Pursuant to Rule 1.4 of the Commission's Rules, DACC requests active party status in this proceeding. The interests of DACC are not represented by any party to this proceeding, and their comments herein are directly relevant to the issues raised by the Application.

V. CONCLUSION

DACC thanks the Commission for its attention to this response to the SDG&E ERRA
Application.

Respectfully submitted,



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