

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



FILED

10/02/26

02:55 PM

A2605009

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

A.26-05-009

**OPENING BRIEF OF SAN DIEGO COMMUNITY POWER
AND CLEAN ENERGY ALLIANCE**

PUBLIC VERSION

Alissa Greenwald
Nikhil Vijaykar
Tim Lindl
Keyes & Fox LLP
580 California Street, 12th Floor
San Francisco, CA 94104
Telephone: (913) 302-5567
E-mail: agreenwald@keyesfox.com
nvijaykar@keyesfox.com
tlindl@keyesfox.com

October 2, 2026

*Counsel for San Diego Community Power and
Clean Energy Alliance*

SUBJECT MATTER INDEX

I. BURDEN OF PROOF AND LEGAL STANDARD.....	4
II. BACKGROUND	6
III. SCOPING ITEMS 2(b) AND 5: THE COMMISSION SHOULD REQUIRE SDG&E TO FORECAST SOLD RA BY APPLYING ITS RECENT HISTORICAL SALES PERCENTAGE TO FORECASTED EXCESS RA.	12
A. SDG&E’s Forecast Improperly Disregards the Relationship Between Available Excess RA and RA Sales.	14
1. SDG&E Forecasts More Available Excess RA in 2027 than During the Period Underlying its Forecast.....	14
2. SDG&E’s Historical Sales Data Shows a Positive Correlation Between Available Excess RA and RA Sales.....	15
3. SDG&E Has Not Met its Burden to Justify Disregarding the Relationship Between Excess RA Availability and RA Sales.....	16
B. The SD CCAs’ Proposal Appropriately Reflects Recent Market Conditions and SDG&E’s 2027 Excess RA Availability.	19
IV. SCOPING ITEMS 2(b) AND 5: THE COMMISSION SHOULD ORDER SDG&E TO INCLUDE RA BUFFER QUANTITIES IN ITS FORECAST OF RETAINED RA.	20
A. SDG&E’s RA Buffer Amounts are Forecast RA Under D.19-10-001.	21
B. SDG&E Must Classify the RA Buffer Based on its Expected Use When 2027 Rates are Established.....	22
C. The Commission Should Require SDG&E to Include Anticipated 2027 Buffer Amounts in Forecast Retained RA.....	24
V. UNCONTESTED ISSUES	25
A. The Commission Should Approve SDG&E’s Implementation of the SD CCAs’ Recommended PCIA Normalizing Factor.	25
B. The SD CCAs Request No Further Commission Relief Regarding SDG&E’s Proposed MCAM Rates or its Treatment of the GRCMA Balance.	26
VI. CONCLUSION.....	27

TABLE OF AUTHORITIES

Cases

<i>Alabama Elec. Co-op., Inc. v. F.E.R.C.</i> , 684 F.2d 20 (D.C. Cir. 1982).....	5
<i>K N Energy, Inc. v. F.E.R.C.</i> , 968 F.2d 1295, 1300 (D.C. Cir. 1992)	5
<i>So. Cal. Edison Authorized to Increase Rates for California Intrastate Electric Services</i> , 75 CPUC 641 (1973)	5
<i>The Utility Reform Network v. Pub. Util. Comm’n</i> , 223 Cal. App. 4th 945 (Feb. 5, 2014).....	4

Statutes

Cal. Pub. Util. Code § 451	4, 5
Cal. Pub. Util. Code § 1757	4

Commission Decisions

D.09-03-025	4
D.11-12-018	8, 12
D.12-11-051	4
D.15-07-001	5
D.18-10-019	6, 10, 12
D.19-10-001	passim
D.20-05-027	4

Commission Rules of Practice and Procedure

Rule 13.12	1
------------------	---

SUMMARY OF RECOMMENDATIONS

- The Commission¹ should order SDG&E to forecast 2027 Sold RA by applying a recent historical sales percentage to its forecasted quantities of Excess RA. This methodology properly accounts for both recent market conditions and the larger quantity of Excess RA SDG&E will make available to the market in 2027, relative to 2025 and 2026.
- The Commission should order SDG&E to include anticipated RA buffer quantities in its forecast of Retained RA. Doing so aligns with the Commission's guidance in D.19-10-001 and properly reflects the anticipated use of that capacity at the time rates are set.
- The Commission should approve SDG&E's normalizing adjustment to the generation revenue allocation factor for each PCIA vintage. This adjustment will alleviate disparities between departed load PCIA rates and bundled commodity rates, as well as cost shifts between customer classes.

¹ Acronyms and defined terms used in this Summary of Recommendations are defined in the body of this Brief.

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

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

A.26-05-009

**OPENING BRIEF OF SAN DIEGO COMMUNITY POWER
AND CLEAN ENERGY ALLIANCE**

In accordance with Rule 13.12 of the Rules of Practice and Procedure of the California Public Utilities Commission (“Commission”), San Diego Community Power² (“SDCP”) and Clean Energy Alliance³ (“CEA”) (together, the “SD CCAs”) hereby submit this Opening Brief regarding the *Application of San Diego Gas & Electric Company* (“SDG&E”) (U 902-E) for Approval of its 2027 Electric Procurement Revenue Requirement Forecasts, 2027 Electric Sales Forecast, and GHG-Related Forecasts submitted on May 15, 2026 (“Application”).⁴

In the Energy Resource Recovery Account (“ERRA”) Forecast proceeding, SDG&E must properly forecast and account for the Power Charge Indifference Adjustment (“PCIA”)-eligible resource adequacy (“RA”) it will sell (“Sold RA”), use for compliance (“Retained RA”), and offer for sale but not sell (“Unsold RA”) during the forecast year. Forecast Sold RA and Forecast Retained RA receive value in the Indifference Amount calculation, while Forecast Unsold RA receives zero value. Thus, all else equal, when SDG&E understates the RA it reasonably expects

² SDCP is the Community Choice Aggregator (“CCA”) for the cities of Chula Vista, Encinitas, Imperial Beach, La Mesa, National City, and San Diego, and the unincorporated areas of San Diego County.

³ CEA is the CCA for the cities of Carlsbad, Del Mar, Solana Beach, Escondido, San Marcos, Oceanside, and Vista.

⁴ Application (“A.”) 26-05-009, *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* (May 15, 2026) (“Application”).

to sell or retain for bundled customer use, it overstates Unsold RA and thereby inflates the Indifference Amount and the resulting PCIA rates that bundled and unbundled customers pay.

SDG&E's 2027 RA forecast inflates PCIA rates in two related ways. First, SDG&E's forecast of **Sold RA** does not reasonably reflect the RA SDG&E should expect to sell in 2027. SDG&E forecasts non-Modified Cost Allocation Mechanism ("MCAM") Sold RA by assuming that its 2027 sales will equal actual RA sales during a twelve-month historic period (April 2025 through March 2026). Resting entirely on this historic sales data, SDG&E therefore forecasts only 380 megawatts ("MW") of total Sold RA in 2027, even though in 2027 it expects to offer its largest quantity of PCIA-eligible Excess RA to the market since 2022.⁵ The mismatch between SDG&E's historic sales data and the significant increase in the RA SDG&E will make available for sale implies that SDG&E will successfully sell only **25 percent** of its available Excess RA—a marked decrease from 2025, in which it sold 38% of its available Excess RA. Importantly, SDG&E's approach assumes the utility will have [REDACTED]

[REDACTED]

This approach is facially unreasonable. Nothing in the record supports the assumption that SDG&E—a utility whose RA sales performance has been consistently deficient—will somehow perform dramatically worse in 2027. The Commission should therefore require SDG&E to forecast Sold RA by applying the percentage of Excess RA it sold in the most recent twelve-month period prior to the October Update to its forecasted 2027 Excess RA volumes. This approach reflects current market conditions while allowing forecasted sales to appropriately track the quantity of Excess RA SDG&E will actually offer.

⁵ Excess RA is the quantity of RA remaining after SDG&E subtracts the RA it will retain for bundled customer compliance use.

The second way in which SDG&E's 2027 RA Forecast improperly inflates PCIA rates relates to SDG&E's **Retained RA** calculation. SDG&E improperly excludes from Forecast Retained RA the RA capacity it holds as a "buffer" against uncertainty in meeting its bundled customer compliance obligations. This treatment conflicts with the Commission's guidance in Decision ("D.") 19-10-001, which defined Forecast Retained RA to include RA retained for investor-owned utility ("IOU") use and RA that is neither offered for sale nor forecasted to be offered for sale.⁶ [REDACTED]

[REDACTED] Capacity held for that purpose is, by definition, retained for IOU use and not forecasted to be offered for sale within the meaning of D.19-10-001. SDG&E's exclusion of that capacity also departs, without adequate justification, from the approach used in its 2025 and 2026 ERRA Forecast proceedings. The Commission should therefore require SDG&E to include anticipated RA buffer quantities in Forecast Retained RA and provide customers the associated upfront value of the resources it will hold, at least initially, for its own use.

Finally, SDG&E and the SD CCAs have resolved the remaining issues the SD CCAs initially raised in this proceeding. Those issues concern SDG&E's allocation of the PCIA revenue requirement among customer classes, its proposed MCAM rates, and its inclusion of the General Rate Case Memorandum Account ("GRCMA") revenue requirement in its proposed PCIA rates. As discussed below, the SD CCAs seek no further relief regarding SDG&E's MCAM rates or the treatment of its GRCMA balance. The SD CCAs respectfully request that the Commission: (1) require SDG&E to forecast Sold RA by applying a recent historical sales percentage to forecasted Excess RA; (2) require SDG&E to include anticipated RA buffer quantities in Forecast Retained

⁶ Decision ("D.") 19-10-001, Attachment B, Table II, Footnote 33 (Oct. 17, 2019).

RA; and (3) approve SDG&E's uncontested normalizing adjustment to the generation revenue allocation factor for each PCIA vintage.

I. BURDEN OF PROOF AND LEGAL STANDARD

The magnitude of the impact of SDG&E's Application requires cautious and careful consideration under the applicable standards of proof. SDG&E, as the applicant, bears the burden of establishing the reasonableness of all aspects of its Application,⁷ and that burden of proof generally is measured based upon a preponderance of the evidence.⁸ That means the Commission should not grant the relief SDG&E requests unless a preponderance of record evidence demonstrates SDG&E has affirmatively satisfied its burden of proof with respect to that request.

The Scoping Ruling categorized this proceeding as ratesetting.⁹ The Commission has previously determined that Section 1757 of the Public Utilities Code applies to ratesetting proceedings,¹⁰ meaning that the final decision must be "supported by the findings," and those findings must be "supported by substantial evidence in light of the whole record," *i.e.*, they must be based on the record or inferences reasonably drawn from the record.¹¹ Accordingly, the Commission cannot grant the relief requested in SDG&E's Application without substantial evidence to support the rates requested.¹² California courts will overturn Commission decisions

⁷ D.12-12-030, p. 42 (Dec. 28, 2012); Cal. Pub. Util. Code § 451 (requiring that rates be "just and reasonable").

⁸ D.12-11-051, p. 9 (Dec. 10, 2012); D.09-03-025, p. 8 (Mar. 17, 2009).

⁹ A.26-05-009, *Assigned Commissioner's Scoping Memo and Ruling*, p. 6 (Jul. 22, 2026).

¹⁰ Cal. Pub. Util. Code § 1757; *see, e.g.*, D.20-05-027, pp. 5-6 (May 8, 2020) (stating "As an initial matter, SDG&E cites to the wrong statute, because Public Utilities Code section 1757.1 does not set forth the applicable standards for a ratesetting proceeding like this one. Rather, section 1757 provides the appropriate standard and requires a finding as to whether the Commission's findings are not supported by substantial evidence in light of the whole record").

¹¹ *See, e.g.*, D.20-05-027 at 6.

¹² Cal. Pub. Util. Code § 1757(a)(4); *see, e.g.*, *The Utility Reform Network v. Pub. Util. Comm'n*, 223 Cal. App. 4th 945, 958-59 (Feb. 5, 2014).

that lack substantial evidence.¹³ The Commission, therefore, must reject the components of SDG&E's Application that are unsupported by substantial evidence.

In addition, pursuant to Public Utilities Code Section 451:

All charges demanded or received by any public utility, or by any two or more public utilities, for any product or commodity furnished or to be furnished or any service rendered or to be rendered shall be just and reasonable. Every unjust or unreasonable charge demanded or received for such product or commodity or service is unlawful.¹⁴

This foundational "just and reasonable" statutory requirement is applicable to all rates and charges, including those that will be established by this ERRRA Forecast proceeding. Commission precedent supports cost-causation principles in setting "just and reasonable" rates, whereby customers are responsible for the costs incurred on their behalf.¹⁵ Further, SDG&E's proposed PCIA rates must be reasonable and comply with all applicable rules, regulations, resolutions, and decisions for all customer classes.¹⁶

SDG&E's Application does not satisfy these standards. SDG&E has not established by a preponderance of the evidence that its Sold RA and Retained RA forecasts reasonably project the value of its PCIA-eligible RA or that the resulting PCIA rates are just and reasonable. In assuming that Sold RA will remain static despite greater forecasted Excess RA availability and by excluding

¹³ Cal. Pub. Util. Code § 1757(a)(4); *see, e.g., The Utility Reform Network v. Pub. Util. Comm'n*, 223 Cal. App. 4th 945, 958-59 (Feb. 5, 2014).

¹⁴ Cal. Pub. Util. Code § 451.

¹⁵ Rulemaking ("R.") 12-06-013, p. 2 (July 13, 2015) (citing *K N Energy, Inc. v. F.E.R.C.*, 968 F.2d 1295, 1300 (D.C. Cir. 1992) ("[I]t has been traditionally required that all approved rates reflect to some degree the costs actually caused by the customer who must pay them."); *Alabama Elec. Co-op., Inc. v. F.E.R.C.*, 684 F.2d 20, 27 (D.C. Cir. 1982) ("[I]t has come to be well established that electrical rates should be based on the costs of providing service to the utility's customers, plus a just and fair return on equity."); *So. Cal. Edison Authorized to Increase Rates for California Intrastate Electric Services*, 75 CPUC 641 (1973) (recognizing the desirability of each group's bearing its fair share of the cost of service, as such share is measured by the cost of service study); D.15-07-001 at 2, Footnote 3 (Jul. 13, 2015).

¹⁶ *See, e.g.,* A.21-06-001, *Assigned Commissioner's Scoping Memo and Ruling*, p. 3 (Aug. 11, 2021); A.20-07-004 et al., *Assigned Commissioner's Amended Scoping Memo and Ruling, and Notice of Consolidation*, pp. 5-6 (Nov. 12, 2020).

RA buffer quantities from Forecast Retained RA, SDG&E overstates Unsold RA and thereby inflates the Indifference Amount. The Commission should reject SDG&E's unsupported Sold RA forecast and unreasonable Retained RA forecast, and adopt the SD CCAs' corresponding corrections as discussed below.

II. BACKGROUND

Community Choice Aggregator ("CCA") customers receive generation services from their local CCA, and receive transmission, distribution, billing, and other services from the incumbent, for-profit utility.¹⁷ CCA customers pay CCA-specific generation rates, which are partially influenced by local mandates to procure and maintain clean electricity portfolios that in many cases exceed state requirements for renewable generation.¹⁸ CCA and other unbundled customers are subject to several nonbypassable charges ("NBCs"), including PCIA rates to recover above market costs of the utility's PCIA-eligible resources, as well as the Local Generation Charge ("LGC") rate to recover Cost Allocation Mechanism ("CAM") costs.¹⁹

The Commission adopted the PCIA to ensure that when customers of IOUs depart from bundled service and receive their electricity from a non-IOU provider, such as a CCA, "those customers remain responsible for costs previously incurred on their behalf by the IOUs — but only those costs."²⁰ The PCIA is the tool the Commission adopted "intend[ing] to equalize cost sharing" between bundled and unbundled customers.²¹ This is a two-way street.²² Departed load is

¹⁷ Exh. CCA-01 at 3:15-17.

¹⁸ *Id.* at 3:17-19.

¹⁹ *Id.* at 3:19-23.

²⁰ See R.17-06-026, *Scoping Memo and Ruling of Assigned Commissioner*, p. 2 (Sept. 25, 2017); D.18-10-019, p. 3 (Oct. 11, 2018).

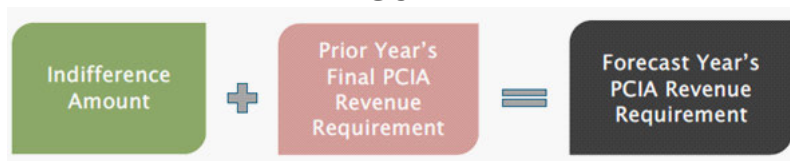
²¹ See D.18-10-019 at 3.

²² Exh. CCA-01 at 4:6.

responsible for those unavoidable portfolio resource costs that the IOU incurred on its behalf, but those customers are also entitled to a credit or allocation of the benefits from that portfolio.²³

The PCIA revenue requirement is derived from two sources in each utility's ERRA Forecast case.²⁴ The first is the Indifference Amount forecasted for the year *for which* rates are being set, *i.e.*, the Indifference Amount forecasted for 2027 in the instant proceeding.²⁵ The second is the final PCIA revenue requirement for the year *in which* rates are being set, *i.e.*, the final 2026 PCIA revenue requirement in the instant proceeding, which is derived from the balance in the Portfolio Allocation Balancing Account ("PABA") SDG&E anticipates seeing at the end of the year.²⁶ This relationship is demonstrated in Figure 1 below.

FIGURE 1



SDG&E updates the Indifference Amount annually in each year's ERRA Forecast proceeding.²⁷ The Indifference Amount is the difference between the forecasted cost of SDG&E's supply portfolio and the forecasted market value of SDG&E's supply portfolio,²⁸ as demonstrated in Figure 2.

²³ *Id.* at 4:6-8.

²⁴ *See id.* at 4:9-10.

²⁵ *Id.* at 4:10-12.

²⁶ *Id.* at 4:12-15.

²⁷ *Id.* at 4:18-19.

²⁸ *Id.* at 4:19 – 5:1-2.

FIGURE 2



The forecasted Utility Portfolio Cost includes:²⁹

- (i) the cost for Utility-Owned Generation (“UOG”) (*i.e.*, the capital investment recovery and fixed maintenance costs the Commission sets in a General Rate Case (“GRC”)),
- (ii) the cost of purchased power, such as that from power purchase agreements (“PPAs”),
- (iii) fuel costs for UOG and PPAs with tolling agreements, and
- (iv) California Independent System Operator grid charges and revenues, net of any sales.³⁰

The forecasted Utility Portfolio Value is derived from total eligible resource output (quantities) multiplied by the Market Price Benchmarks (“MPBs”).³¹ MPBs are an administratively determined set of proxy values that are intended to estimate the market value of SDG&E’s resource portfolio (prices).³² Utility Portfolio Value consists of three principal components: Energy Value, Renewable Portfolio Standard (“RPS”) Value, and RA Value.³³

- Energy Value is the estimated financial value, measured in dollars, that is attributed to the non-RPS energy component of a utility portfolio for a given year.³⁴
- RPS Value is the estimated financial value, measured in dollars, that is attributed to the renewable energy component of a utility portfolio for a given year above and beyond the Energy Value.³⁵

²⁹ *Id.* at 5:5-13.

³⁰ *Id.* at 5:12-13 (citing D.11-12-018, pp. 8-9 (Dec. 1, 2011)).

³¹ *Id.* at 5:14-15.

³² *Id.* at 5:15-17 (citing D.19-10-001, p. 6 (Oct. 10, 2019) (“Market Value is the estimated financial value, measured in dollars, that is attributed to a utility portfolio of energy resources for the purpose of calculating the Power Charge Indifference Adjustment for a given year.”)).

³³ *Id.* at 5:17-19.

³⁴ *Id.* at 6:1-3.

³⁵ *Id.* at 6:4-6.

- RA Value is the estimated financial value, measured in dollars, that is attributed to the resource adequacy component of a utility portfolio for a given year.³⁶

MPBs are estimates of the value per unit (not total portfolio value) associated with the three principal sources of value in utility portfolios (non-RPS energy, RPS, and RA capacity).³⁷ Each MPB must be multiplied by the relevant portfolio volume as part of the overall calculation of Portfolio Market Value:³⁸

- Energy Index is the MPB that reflects the estimated market value of each unit of energy in a utility portfolio, in \$/MWh. It is sometimes referred to as “Brown Power Index,” “Brown Power component,” “Brown Power Adder,” or “Brown Power benchmark.”³⁹
- RPS Adder is the MPB that reflects the estimated incremental value of each unit of RPS-eligible energy in \$/MWh.⁴⁰
- RA Adder is the MPB that reflects the estimated value of each unit of capacity in a utility portfolio that can be used to satisfy RA obligations, in \$/kW-month.⁴¹

The forecast Utility Portfolio Value calculation is shown in Figure 3 below:

Figure 3



The forward-looking, forecasted ingredients of Utility Portfolio Cost and Utility Portfolio Value constitute the Indifference Amount portion of the PCIA revenue requirement.⁴²

³⁶ *Id.* at 6:7-9.

³⁷ *Id.* at 6:10-12.

³⁸ *Id.* at 6:12-13.

³⁹ *Id.* at 6:14-17.

⁴⁰ *Id.* at 6:18-19.

⁴¹ *Id.* at 6:20-22.

⁴² *Id.* at 7:3-4.

The second Forecast PCIA revenue requirement ingredient is the true-up from the prior year's PCIA.⁴³ This captures the difference between what SDG&E predicted would happen in the prior year and the reality of what happened.⁴⁴ It modifies the forecasted PCIA revenue requirement to reflect, among other things, actual revenues received for products sold from the portfolio and to reflect a zero-dollar value for products left unsold from the portfolio.⁴⁵ The revenue requirement modification also updates the proxy market values (prices) for products the utilities used to serve bundled customers, changing the *forecast* energy, RPS, and RA MPBs to *final* energy, RPS, and RA MPBs.⁴⁶ This “true-up” relies on the same methodology used for the forecast and determines the final portfolio value, as shown in Figure 4 below:⁴⁷

Figure 4



Prior to D.18-10-019, the PCIA rate was set only on a forecast basis with no after-the-fact adjustment to the forecasted PCIA revenue requirement for unbundled customers.⁴⁸ Decision 18-10-019 approved such an adjustment via the PABA, a rolling balancing account tracking the

⁴³ *Id.* at 7:5-6.

⁴⁴ *Id.* at 7:6-7.

⁴⁵ *Id.* at 7:7-10.

⁴⁶ *Id.* at 7:10-12.

⁴⁷ See *id.* at Footnote 14 (explaining that because the true-up for 2026 occurs during 2026, this true-up is developed using (1) actual values that are available to date and (2) a forecast of actual values for the remainder of the year. SDG&E’s Application includes an estimate of the 2026 year-end PABA balance comprising a combination of actual entries from January through March 2026 and a projection of activity from April through December 2026. SDG&E’s October Update should include an estimate of the 2026 year-end PABA balance comprising a combination of actual entries from January through August 2026 and a projection of activity from September through December 2026. The final December 31, 2026, advice letter implementing rates for 2027 will include actual entries).

⁴⁸ *Id.* at 8:3-4.

difference between costs and revenues.⁴⁹ The PABA is used to determine the difference between the forecasted PCIA revenue requirement and the actual costs and revenues SDG&E realizes during the year related to its PCIA-eligible resource portfolio.⁵⁰

To summarize, SDG&E's PCIA rates for 2027 will be set in this proceeding based on two components: (1) the forecasted Indifference Amount, *i.e.*, the difference between the forecasted cost of SDG&E's generation portfolio in 2027 and the forecasted market value of SDG&E's generation portfolio in 2027; and (2) the final 2026 PCIA revenue requirement based on the year-end balance in the PABA, also referred to as the 2026 "True-Up Amount" (capturing the under- or over-collection in 2026).⁵¹ The 2027 Indifference Amount and the final 2026 PCIA revenue requirement are added together to form the 2027 PCIA revenue requirement recovered through rates from bundled and unbundled customers (SDG&E calls this the PABA revenue requirement).⁵²

To determine PCIA cost responsibility, each generation resource and departing customer is assigned a "vintage."⁵³ A distinct portfolio of generation resources is identified for each vintage year based on when a commitment to procure each resource was made.⁵⁴ Customers are assigned to vintage years according to the date they departed bundled IOU service.⁵⁵ Customers continuing to receive bundled service from the IOU are included in the latest vintage (e.g., vintage 2027 in the current Application).⁵⁶ Each vintage is assigned both a separate Indifference Amount and a separate final 2026 revenue requirement, and customers are responsible for the cumulative

⁴⁹ *Id.* at 8:5-6.

⁵⁰ *Id.* at 8:6-9.

⁵¹ *Id.* at 8:10-15.

⁵² *Id.* at 8:15-18.

⁵³ *Id.* at 9:1.

⁵⁴ *Id.* at 9:1-3.

⁵⁵ *Id.* at 9:3-4.

⁵⁶ *Id.* at 9:4-6.

Indifference Amount for years prior to and including their vintage.⁵⁷ The overall PABA revenue requirement is allocated among both bundled and unbundled customers based on the customers' vintage and their rate class.⁵⁸ SDG&E uses generation revenue allocation factors based on its most recently approved GRC to allocate costs among rate classes.⁵⁹ The end result is a \$/kWh PCIA rate for each class within each vintage of customer.⁶⁰

III. SCOPING ITEMS 2(b) AND 5: THE COMMISSION SHOULD REQUIRE SDG&E TO FORECAST SOLD RA BY APPLYING ITS RECENT HISTORICAL SALES PERCENTAGE TO FORECASTED EXCESS RA.

Scoping Items 2(b) and 5 relate to the reasonableness of SDG&E's 2027 PABA revenue requirement and proposed vintage PCIA rates, respectively.⁶¹ As described above, SDG&E's forecast of Sold RA must reasonably estimate the RA capacity from PCIA-eligible resources that SDG&E will sell in 2027. Forecast Sold RA receives value in the Indifference Amount calculation and therefore reduces the costs recovered from bundled and unbundled customers. In the instant proceeding, SDG&E's proposed forecast understates the RA sales it can reasonably expect in 2027 and, as a result, inflates the PCIA rates paid by bundled and unbundled customers.

The impacts of SDG&E's proposal are particularly concerning due to SDG&E's historical pattern of suboptimal RA sales practices.⁶² Indeed, SDG&E's historical sales results show that it is not maximizing RA sales for the benefit of customers, particularly in high demand summer months.⁶³ The ERRA Forecast proceeding is not the venue in which the Commission can address the adequacy of SDG&E's actual RA sales practices. However, in this ERRA Forecast proceeding,

⁵⁷ *Id.* at 9:6-9 (citing D.11-12-018 at 9).

⁵⁸ *Id.* at 9:10-11.

⁵⁹ *Id.* at 9:11-13 (citing D.18-10-019 at 122, Ordering Paragraph ("OP") 4).

⁶⁰ *Id.* at 9:13-14.

⁶¹ Scoping Ruling at 3.

⁶² *See* Exh. CCA-01 at 18:17-20.

⁶³ *Id.* at 18:20-21 – 19:1.

the Commission can and should ensure that SDG&E's RA sales forecast is as accurate as possible to mitigate the compounding consequences that poor sales practices and a flawed forecast will have on PCIA rates.

SDG&E's 2027 forecast of PCIA-eligible RA sales includes an estimate of sales from both MCAM and non-MCAM resources.⁶⁴ The SD CCAs contest SDG&E's forecast of RA sales from non-MCAM resources. In prior ERRA Forecast proceedings, SDG&E forecasted non-MCAM RA sales by calculating its available Excess RA after accounting for bundled-customer compliance needs, planning reserves, and RA buffer quantities, and then applying an assumed sales percentage to that remaining capacity.⁶⁵

In this proceeding, however, SDG&E has abandoned that approach. Instead, SDG&E assumes that its 2027 non-MCAM Forecast Sold RA will equal actual sales with delivery from April 2025 through March 2026.⁶⁶ That approach produces an average forecast non-MCAM RA sales volume of [REDACTED] from PCIA-eligible resources, and a total 2027 Forecast Sold RA quantity of only 380 MW.⁶⁷ This forecast is strikingly low when compared against the 1,524 MW of Excess RA SDG&E forecasts as available in 2027, the entirety of which it expects to offer to the market.⁶⁸ By assuming its RA sales will not grow, while the Excess RA volumes it offers to the market grow significantly, SDG&E's forecast therefore assumes that it will sell only 25 percent of its forecasted Excess RA and that it will have a monthly average of over 1,100 MW of Unsold

⁶⁴ See *id.* at 13:5-7.

⁶⁵ *Id.* at 15:10-14 – 16:1-3.

⁶⁶ *Id.* at 16:4-6.

⁶⁷ *Id.* at 14:1-4.

⁶⁸ See Exh. SDGE-08 at SM/JC-5:15-16.

RA in each month of 2027.⁶⁹ [REDACTED]

[REDACTED].⁷⁰

Ultimately, SDG&E's forecast is unreasonable because it treats sales during the twelve months from April 2025 through March 2026 as determinative of its 2027 sales forecast without accounting for the greater quantity of Excess RA it expects to offer to the market in 2027. As discussed below, SDG&E's historical RA sales results demonstrate a positive relationship between available Excess RA and RA sales, and SDG&E has not shown that current market conditions justify an assumption that the additional RA it will offer in 2027 will generate no additional sales. Moreover, SDG&E's poor historical sales results suggest the utility should reasonably be challenged by all San Diego customers to get *better*, not *worse*, at selling RA in 2027, particularly if the Commission adopts modifications to its Bundled Procurement Plan that improve its RA sales practices. The SD CCAs' proposal corrects each of these deficiencies and produces a more reasonable 2027 forecast of Sold RA.

A. SDG&E's Forecast Improperly Disregards the Relationship Between Available Excess RA and RA Sales.

1. SDG&E Forecasts More Available Excess RA in 2027 than During the Period Underlying its Forecast.

SDG&E forecasts 1,524 MW of PCIA-eligible Excess RA for 2027 and has confirmed it will offer all of that capacity to the market.⁷¹ This quantity exceeds the PCIA-eligible Excess RA available in 2025 and forecasted for 2026—the years underlying SDG&E's sales forecast—which totaled 1,228 MW and 1,437 MW, respectively.⁷² Yet, by holding Forecast Sold RA constant at

⁶⁹ Exh. CCA-01 at 18:13-16, Table 2.

⁷⁰ *Id.*

⁷¹ *See id.* at Table 1; Exh. SDGE-08 at SM/JC-5:15-16.

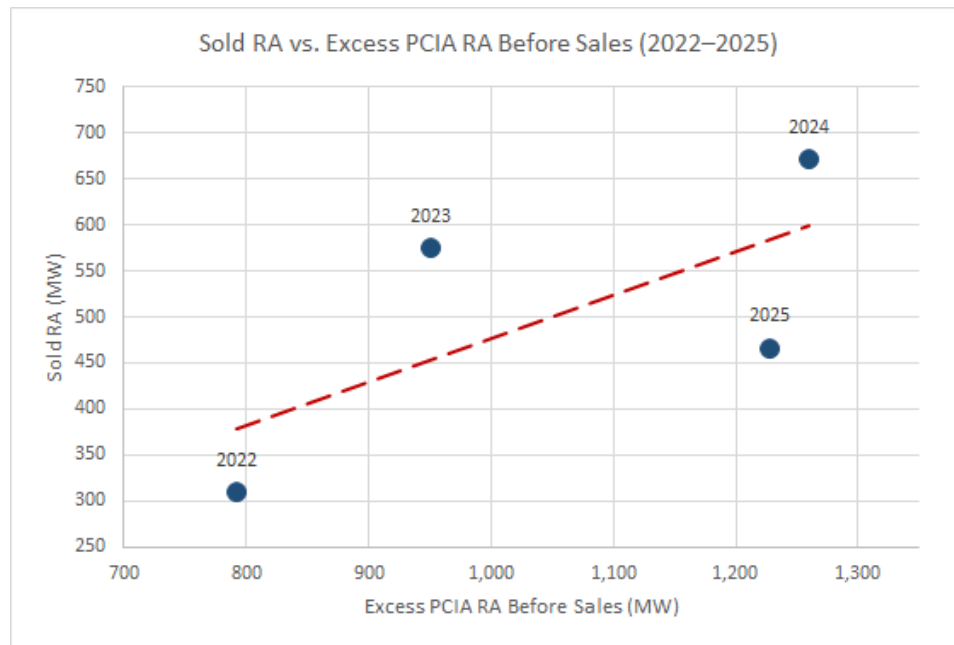
⁷² Exh. CCA-01 at Table 1.

the level of the immediately preceding twelve months, SDG&E's forecast gives no effect to that increase. The result is an implied 2027 sales rate of only 25 percent—lower than SDG&E's approximately 38 percent sales rate in 2025, the weakest year on which it relies.

2. SDG&E's Historical Sales Data Shows a Positive Correlation Between Available Excess RA and RA Sales.

SDG&E's failure to account for the forecasted increase in Excess RA is material because SDG&E's historical sales data shows that the quantity of Excess RA available is a meaningful predictor of the quantity of RA it sells. As shown in Figure 5, SDG&E's annual RA sales figures from 2022 through 2025 reflect a positive relationship between the amount of Excess RA it had available and the quantity of RA it sold. Each blue data point in Figure 5 represents SDG&E's annual amount of PCIA-eligible Excess RA and corresponding Sold RA. The red trend line illustrates the linear correlation derived from those annual data points. Figure 5 thus shows that, across the 2022-2025 period, greater quantities of Excess RA generally corresponded with greater quantities of Sold RA.

FIGURE 5⁷³



This correlation makes intuitive sense—the more excess RA SDG&E has to offer, the more it should sell, all else equal (*i.e.*, without making any assumptions about SDG&E’s sales performance improving or declining). SDG&E’s proposed methodology disregards this relationship entirely.

3. SDG&E Has Not Met its Burden to Justify Disregarding the Relationship Between Excess RA Availability and RA Sales.

SDG&E bears the burden of establishing the reasonableness of its 2027 RA sales forecast, including its assumption that 2027 RA sales will not grow despite a material increase in the Excess RA volumes it will offer to the market.⁷⁴ Here, SDG&E has failed to meet that burden. SDG&E’s justification for its proposed 2027 RA sales forecast rests on a two-step premise. First, SDG&E contends that implementation of the Commission’s Slice-of-Day framework caused RA market

⁷³ Derived from Exh. CCA-01 Table 1.

⁷⁴ See *supra*, Footnote 7.

conditions to change in 2025, resulting in weaker demand for RA.⁷⁵ Second, SDG&E contends that the actual RA sales delivered from April 2025 through March 2026 reflect those stabilized market conditions and therefore provide the appropriate basis for forecasting its 2027 RA sales.⁷⁶ SDG&E thus assumes that its 2027 RA sales should remain static at the level reflected in that twelve-month period. Neither step supports SDG&E's proposed forecast.

As an initial matter, the SD CCAs strongly disagree with SDG&E's assertions that its low 2025 Sold RA volumes reflect *only* changed market conditions. SDG&E's own RA sales data demonstrates a historical pattern of suboptimal RA sales performance, illustrating that from 2022-2024, SDG&E sold an average of only 50 percent of its available Excess RA.⁷⁷ This historical pattern indicates that SDG&E's own RA sales practices play an impactful role in its RA sales performance, notwithstanding actual RA market conditions.

Setting aside the overarching impact of SDG&E's own RA sales practices, the SD CCAs do not dispute that Slice-of-Day implementation coincided with a change in the RA market in 2025.⁷⁸ In 2025, SDG&E sold 465 MW, or approximately 38 percent, of its 1,228 MW available Excess RA.⁷⁹ As a result, it is reasonable to consider actual recent RA sales data in developing a forecast of 2027 RA sales.⁸⁰ But SDG&E has not shown that this market shift will eliminate the

⁷⁵ Exh. SDGE-08 at SM/JC-4:10-11. Note that SDG&E supports its position by comparing forecasted and actual RA sales revenues and asserting that actual revenues have consistently fallen below forecasted revenues. But the **revenue** variances SDG&E identifies may result from changes in RA prices, changes in sales volumes, or both. Because SDG&E does not separate the price and volume effects, its revenue-based analysis does not show the extent to which actual RA sales volumes fell below forecasted sales volumes, if at all. Actual historic MW sales **volumes** provide the appropriate basis for evaluating that forecast.

⁷⁶ *Id.* at SM/JC-3:8-21, 4:10-11.

⁷⁷ *See* Exh. CCA-01 at 18:17-20, Table 1.

⁷⁸ Note, however, that the SD CCAs dispute SDG&E's claims surrounding the timing and causes of these market changes, which are not consistent with the SD CCAs' experience.

⁷⁹ *See* Exh. CCA-01 at Table 1.

⁸⁰ *Id.* at 18:1-7.

positive correlation between Excess RA and the RA SDG&E will ultimately sell, and as a result, SDG&E has not demonstrated that it is reasonable to hold forecasted 2027 RA sales static at the level of actuals from April 2025 through March 2026.

In fact, SDG&E's own updated actual sales data indicates that this relationship remains steady in a post-Slice-of-Day market environment. Figure 6 below compares the twelve months of historical PCIA-eligible RA sales data upon which SDG&E relies with updated rolling twelve-month actual PCIA-eligible RA sales data. More specifically, Figure 6 illustrates [REDACTED]

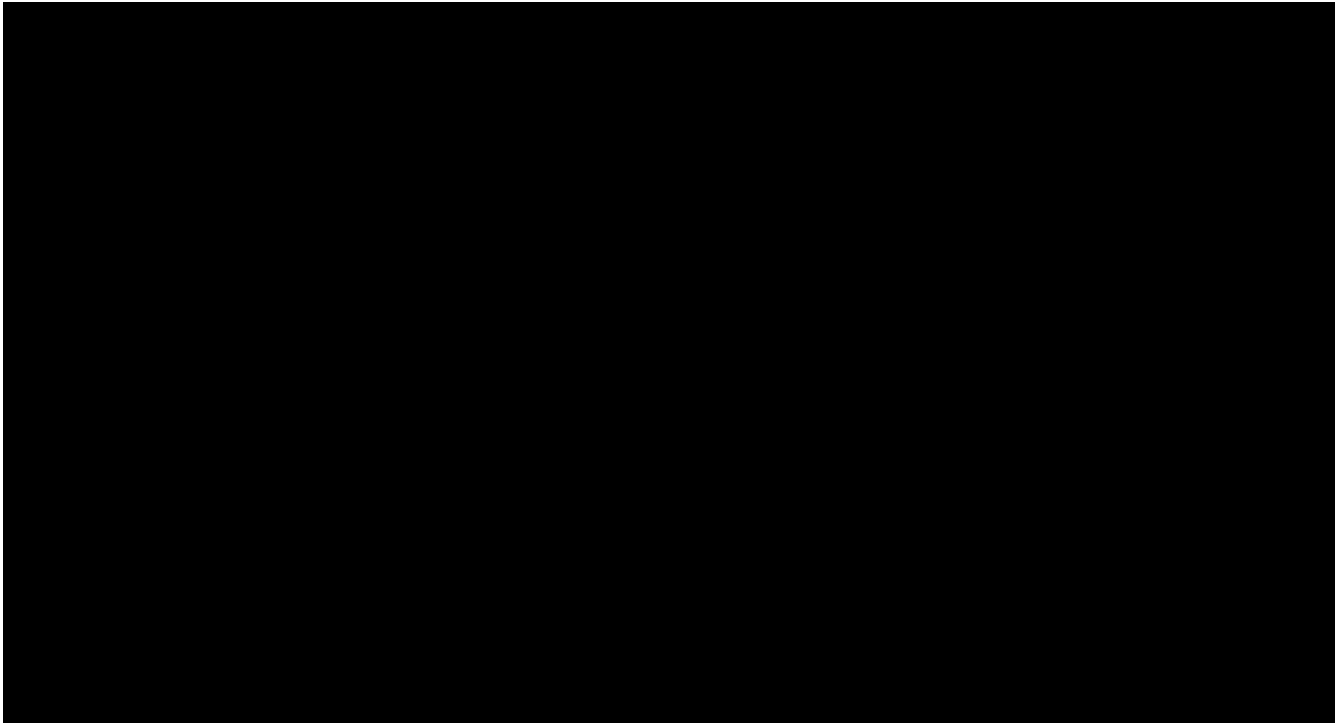


[REDACTED].⁸² Incorporating those updated actuals would bring SDG&E's forecast into close proximity to the SD CCAs' recommended Sold RA forecast and confirms that SDG&E's selected twelve-month period is not dispositive of the market conditions it can reasonably expect in 2027.

⁸¹ Exh. CCA-02 at SDG&E Response to SD CCA DR 7.09 and Attachment "Confidential SDCP CEA SDGE DR7 Q7.09.xlsx."

⁸² *Id.*

CONFIDENTIAL FIGURE 6



In sum, even accepting that Slice-of-Day implementation coincided with a change in the RA market in 2025, SDG&E has not demonstrated that those conditions will persist through 2027 such that they eliminate the positive correlation between Excess RA availability and RA sales. The Commission should therefore reject SDG&E's proposal to hold forecasted 2027 RA sales at the prior twelve-month level.

B. The SD CCAs' Proposal Appropriately Reflects Recent Market Conditions and SDG&E's 2027 Excess RA Availability.

To formulate a more reasonable forecast of 2027 RA sales, the Commission should direct SDG&E to forecast Sold RA by applying the percentage of Excess PCIA-eligible RA sold during the most recent twelve months to the projected Excess PCIA-eligible RA capacity available in 2027.⁸³ This approach incorporates SDG&E's most recent sales experience—thereby accounting

⁸³ Exh. CCA-01 at 18:1-3.

for current market conditions—while also recognizing that sales vary with the quantity of Excess RA available. Importantly, this methodology does not assume that SDG&E will sell all of its Excess RA, nor does it assume, without support, that sales will remain fixed at 380 MW. Updating SDG&E’s forecast based on this methodology, prior to incorporation of updated sales data in the October Update, would increase SDG&E’s average Forecast Sold RA to 571 MW and align SDG&E’s forecast for constrained summer months with more reasonable expectations.⁸⁴ To further ensure the accuracy of SDG&E’s RA sales forecast, the Commission should direct SDG&E to update its Forecast Sold RA quantities based on the most current actual sales volumes following its October Update.⁸⁵

IV. SCOPING ITEMS 2(b) AND 5: THE COMMISSION SHOULD ORDER SDG&E TO INCLUDE RA BUFFER QUANTITIES IN ITS FORECAST OF RETAINED RA.

SDG&E must also forecast Retained RA based on a reasonable estimate of the PCIA-eligible RA capacity it anticipates retaining for its own compliance use in 2027. Like Forecast Sold RA, Forecast Retained RA receives value in the Indifference Amount calculation and therefore has a direct impact on the PCIA rates that bundled and unbundled customers pay.

[REDACTED]

[REDACTED]⁸⁶ A “buffer” is Excess RA held back from the market in a given RA solicitation to hedge against uncertainties and ensure SDG&E’s ability to meet its RA compliance obligations on behalf of its bundled customers.⁸⁷ [REDACTED]

[REDACTED]

⁸⁴ *Id.* at 19:11-19.

⁸⁵ *Id.* at 20:2-5.

⁸⁶ *See* Exh. CCA-02C at SDG&E Response to SD CCA DR 5.01.

⁸⁷ Exh. CCA-01 at 20:9-11.

In the 2027 ERRA Forecast, SDG&E has implemented a new methodology to determine Forecast Retained RA, which is built on the premise that Retained RA is equal to its RA compliance obligation without accounting for any anticipated buffer quantities.⁸⁹ This approach is inconsistent with the Commission’s guidance in D.19-10-001 and improperly deprives customers of the value of resources that SDG&E will, at least initially, hold for its own use. Accordingly, the Commission should require SDG&E to update its Forecast Retained RA to properly reflect anticipated 2027 RA buffer quantities.

A. SDG&E’s RA Buffer Amounts are Forecast RA Under D.19-10-001.

In D.19-10-001, the Commission established the framework that SDG&E must use to calculate Forecast RA Value in this ERRA Forecast proceeding.⁹⁰ Under that framework, PCIA-eligible RA is classified as Forecast Retained RA, Forecast Sold RA, or Forecast Unsold RA.⁹¹ Forecast Retained RA includes both the IOU’s RA allocation and “amounts retained for IOU use.”⁹² The Commission further explained that the amount of RA retained for IOU use is the amount of RA not offered for sale or forecasted to be offered for sale.⁹³ Forecast Retained RA is valued using the applicable RA Adder Market Price Benchmark and credited to the PCIA.⁹⁴ These classifications are forward-looking inputs used to establish Forecast RA Value and the

⁸⁸ Exh. CCA-02C at SDG&E Response to SD CCA DR 3.19.

⁸⁹ Exh. CCA-01 at 20:7-9, 22:3-5, Attachment B at SDG&E Response to SD CCA DR 3.16; *see also* Exh. SDGE-5 at SM-4:20 – SM-5:5.

⁹⁰ D.19-10-001 at OP 2.

⁹¹ *Id.* at Attachment B, Table II.

⁹² *Id.*

⁹³ *Id.* at Attachment B, Table II, Footnote 33.

⁹⁴ *Id.* at Attachment B, Table II; *see also* Exh. CCA-01 at 11:17-18.

corresponding 2027 PCIA rates in this proceeding. The PABA true-up process subsequently reconciles the forecast with actual RA use and sales during the year.⁹⁵

An RA buffer falls squarely within the Commission's definition of Forecast Retained RA. SDG&E withholds buffer capacity from the market to manage uncertainty and ensure that it can satisfy its bundled customer RA compliance obligations.⁹⁶ Capacity SDG&E expects to withhold from its solicitations for that purpose is retained for SDG&E's use, rather than offered for sale, and should therefore be included in Forecast Retained RA. This ensures that customers properly receive the upfront value for resources that SDG&E holds, at least initially, for its own use.

Notably, this interpretation is the approach the Commission approved in SDG&E's 2025 and 2026 ERRA Forecast proceedings, and it is consistent with Southern California Edison Company's approach to forecasting Retained RA in its ERRA Forecast proceedings.⁹⁷ In each of those proceedings, the utility included anticipated buffer capacity in Forecast Retained RA.⁹⁸ That approach reflects the established, Commission-approved application of D.19-10-001—*i.e.*, that capacity an IOU anticipates withholding to manage compliance risk is considered retained for IOU use at the time the forecast is established.

B. SDG&E Must Classify the RA Buffer Based on its Expected Use When 2027 Rates are Established.

As noted above, [REDACTED]

[REDACTED]⁹⁹ SDG&E nevertheless contends that buffer capacity is merely a temporary operational designation rather than Retained RA for

⁹⁵ Exh. CCA-01 at 22:21 – 23:1-2.

⁹⁶ *Id.* at 20:9-11.

⁹⁷ *See Id.* at 21:6-21 – 22:1-2.

⁹⁸ *Id.*

⁹⁹ Exh. SD CCA-02C at SDG&E Response to SD CCA DR 3.19.

ratemaking purposes.¹⁰⁰ It argues that the relevant inquiry is the “ultimate disposition” of the buffer, and that buffer capacity withheld from an initial solicitation may later be offered through another channel after SDG&E determines that the capacity is no longer necessary to manage compliance risk.¹⁰¹ But SDG&E’s position improperly substitutes that potential future operational decision for the forecast classification required when rates are established, and thereby violates D.19-10-001.

Decision 19-10-001 does not create a separate category for a “temporary” compliance buffer. Rather, it requires SDG&E to classify the capacity as Retained, Sold, or Unsold in developing Forecast RA Value. Where SDG&E expects to withhold capacity to protect against uncertainty in meeting its bundled customer compliance obligations, SDG&E expects to retain that capacity for its own use for at least some period of time. Those buffer volumes are therefore Forecast Retained RA. To the extent any buffer is “temporary” and ultimately offered and/or sold to the market as SDG&E claims, those facts would be relevant to the treatment of the buffer in the **true-up**, not in the **forecast**.

SDG&E has not justified its departure from the express requirements of D.19-10-001 or from its own prior, Commission-approved practice. SDG&E’s decision to exclude RA buffer quantities from Forecast Retained RA instead rests on an unsupported assumption that every buffer volume it holds back from its 2027 solicitations will later be released and offered for sale.¹⁰² [REDACTED]

[REDACTED]

[REDACTED]

¹⁰⁰ See *id.*

¹⁰¹ See *id.*

¹⁰² Exh. SDGE-08 at SM/JC-5:15-18.

[REDACTED]¹⁰³ Although SDG&E states generally that it expects to make RA not used for compliance available to the market in 2027,¹⁰⁴ it acknowledges that [REDACTED]

[REDACTED]¹⁰⁵ Thus, at the time 2027 rates are established, the known and operative use of that capacity is as a buffer for bundled customer compliance, and pursuant to D.19-10-001, SDG&E should classify those buffer volumes as Forecast Retained RA.

C. The Commission Should Require SDG&E to Include Anticipated 2027 Buffer Amounts in Forecast Retained RA.

For the reasons discussed above, The Commission should require SDG&E to update its Forecast Retained RA quantities to reflect the RA buffer amounts it will utilize during 2027. Specifically, the Commission should direct SDG&E to revise its Forecast Retained RA quantities to include [REDACTED]

[REDACTED]¹⁰⁶ That treatment properly reflects the capacity SDG&E anticipates withholding from the market to manage uncertainty and to meet its bundled customer RA compliance obligation. If SDG&E subsequently releases or sells any portion of that buffer capacity, the PABA true-up process will reconcile the difference between forecasted and actual disposition. SDG&E's speculation as to subsequent sales efforts therefore provides no basis to deny customers the upfront value of the capacity SDG&E will withhold from its solicitations in 2027.

¹⁰³ See Exh. CCA-02 at SDG&E Response to SD CCA DR 3.19.

¹⁰⁴ Exh. SDGE-08 at SM/JC-5:15-16.

¹⁰⁵ Exh. CCA-02C at SDG&E Response to SD CCA DR 3.19.

¹⁰⁶ *Id.*

V. UNCONTESTED ISSUES

A. The Commission Should Approve SDG&E's Implementation of the SD CCAs' Recommended PCIA Normalizing Factor.

In testimony, the SD CCAs raised a concern that SDG&E's application of a single set of generation revenue allocation factors across PCIA vintages can produce disparities between departed load PCIA rates and bundled commodity rates and result in cost shifts among vintages.¹⁰⁷ Although those factors are based on the bundled customer commodity revenue allocation, each PCIA vintage has a distinct customer-class sales mix.¹⁰⁸ Applying the same factors across vintages, while calculating rates using vintage-specific class sales, can therefore distort class-specific PCIA rates.¹⁰⁹

To correct these disparities, the SD CCAs recommended a vintage-specific normalizing adjustment to align each vintage's allocation factors with its corresponding sales mix while preserving each vintage's total PCIA revenue requirement.¹¹⁰ In rebuttal testimony, SDG&E agreed to implement that recommendation and expressed its intention to revise its PCIA rate calculation accordingly in the October Update.¹¹¹ The SD CCAs then reviewed SDG&E's rebuttal workpapers, including its revised vintage-specific allocation factors and resulting PCIA rates, and confirmed that SDG&E correctly implemented the recommended normalizing adjustment.

Following that review, the SD CCAs recommended one minor refinement. Rather than tying the normalizing factor to the most recent PCIA vintage, the SD CCAs recommended that SDG&E calculate the normalizing factor based on the bundled sales forecast. SDG&E agreed to

¹⁰⁷ Exh. CCA-01 at 24:11-16.

¹⁰⁸ *Id.* at 25:3-6.

¹⁰⁹ *Id.* at 25:8-12.

¹¹⁰ *Id.* at 30:3-8.

¹¹¹ A.26-05-009, Exh. SDGE-09: *Prepared Rebuttal Testimony of Mindy Guardado on Behalf of San Diego Gas & Electric Company*, pp. MG-2:12-22 – 3:1-4 (Sept. 9, 2026).

adopt that refinement. Assuming that SDG&E will properly implement this recommendation and the subsequent refinement in its October Update, this issue is resolved and the SD CCAs respectfully request that the Commission approve SDG&E's revised PCIA rate calculation and implementation of the vintage-specific normalizing adjustment.

B. The SD CCAs Request No Further Commission Relief Regarding SDG&E's Proposed MCAM Rates or its Treatment of the GRCMA Balance.

In testimony, the SD CCAs further recommended that SDG&E calculate and implement a distinct Medium Commercial Class MCAM rate, rather than presenting the applicable MCAM rate in a manner that does not separately reflect that customer class.¹¹² In rebuttal testimony, SDG&E opposed that recommendation largely because separating the historical inputs necessary to calculate a Medium Commercial MCAM rate would present operational challenges and risk inaccuracies.¹¹³ Following the submission of testimony, SDG&E and SD CCAs teams met to discuss the recommendation and the implementation considerations associated with it. The SD CCAs maintain that SDG&E should calculate and implement a Medium Commercial MCAM rate to promote consistent tariff presentation across customer classes. However, after conferring with SDG&E to better understand the time investment and operational challenges associated with this recommendation, the SD CCAs agree that pursuing implementation in this expedited ERRA Forecast proceeding would exacerbate those challenges. The SD CCAs therefore withdraw this issue without prejudice and may raise the recommendation in a future, non-expedited proceeding for the Commission's consideration.

Finally, the SD CCAs identified that SDG&E's initial 2027 PCIA rate calculation included approximately \$29 million of GRCMA amortization, notwithstanding SDG&E's representation

¹¹² Exh. CCA-01 at 34:3-6.

¹¹³ See Exh. SDGE-09 at MG-3 – MG-6.

that the GRCMA would roll off from rates effective August 1, 2026.¹¹⁴ SDG&E has confirmed that it has since removed the GRCMA revenue requirement from rates and that the October Update will reflect the August 2026 roll-off.¹¹⁵ This issue is therefore resolved, and no further Commission action is required.

VI. CONCLUSION

For the reasons described herein, the SD CCAs respectfully request that the Commission: (1) require SDG&E to forecast Sold RA by applying a recent historical sales percentage to forecasted Excess RA; (2) require SDG&E to include anticipated RA buffer quantities in Forecast Retained RA; and (3) approve SDG&E's normalizing adjustment to the generation revenue allocation factor for each PCIA vintage.

October 2, 2026

Respectfully submitted,

/s/ Alissa Greenwald

Alissa Greenwald

Nikhil Vijaykar

Tim Lindl

Keyes & Fox LLP

580 California Street, 12th Floor

San Francisco, CA 94104

Telephone: (913) 302-5567

E-mail: agreenwald@keyesfox.com

nvijaykar@keyesfox.com

tlindl@keyesfox.com

*On behalf of San Diego Community Power
and Clean Energy Alliance*

¹¹⁴ Exh. CCA-01 at 34: 15-20.

¹¹⁵ Exh. SDGE-09 at MG-7:2-13.