



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

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Application of San Diego Gas & Electric
Company (U902M) for Approval of Smart Meter
2.0 Proposal.

Application 25-12-012
(Filed December 18, 2025)

[PUBLIC]

**UTILITY CONSUMERS' ACTION NETWORK
THE UTILITY REFORM NETWORK
SMALL BUSINESS UTILITY ADVOCATES**

JOINT MOTION TO DIRECT SDG&E TO FILE SUPPLEMENTAL TESTIMONY

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October 6, 2026

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STATE OF CALIFORNIA**

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I. Introduction and Relief Requested.

Pursuant to Rule 11.1 of the Commission's Rules of Practice and Procedure, the Utility Consumers' Action Network (UCAN), The Utility Reform Network (TURN) and Small Business Utility Advocates (SBUA) (together, the Joint Movants) move for a ruling directing San Diego Gas & Electric Company (SDG&E) to serve supplemental testimony comparing, on a common cost basis and over a common horizon, the Smart Meter 2.0 program proposed in the Application with the alternative that SDG&E's incumbent Smart Meter 1.0 vendor offered to SDG&E in May and June 2025 and that SDG&E received, declined to evaluate, and omitted from the Application. The Joint Movants ask that the ruling set the scope of the supplemental testimony as described in Section V and Appendix B and set a schedule that places the comparison and the parties' responses in the evidentiary record before the record closes. A separate motion, filed concurrently, asks that the time for responses to this motion be shortened to seven days.

The motion asks for a sequence this proceeding has already followed once. On June 4, 2026, the assigned Administrative Law Judge granted SDG&E's own motion for leave to file supplemental testimony, finding that "SDG&E's Application should have included this

supplemental testimony" and that the omission "prejudiced both the Parties and Commission's ability to timely process this Application," and set a schedule for the parties to respond.¹ The comparison requested here concerns an alternative SDG&E solicited and priced before it filed, and the inputs required to prepare it are in SDG&E's files. Ordering it now, rather than leaving the omission to be addressed in the decision, is the only course that permits the Commission to decide Scoping Issue 2(e) on a record that contains the analysis the issue requires.

The stakes are not procedural. As Section III explains, the record already indicates that two choices embedded in the Application — which vendor's platform to run the meters on, and how fast to replace meters that are still working — are each likely to be worth tens of millions of dollars to ratepayers, and the Application resolves both without analysis. The supplemental testimony would put SDG&E's own numbers on both choices before the Commission decides.

II. Background.

SDG&E filed the Application on December 18, 2025, seeking approval of approximately \$825 million in expenditures during 2024–2031 to replace its Smart Meter 1.0 (SM 1.0) system with a Smart Meter 2.0 (SM 2.0) system supplied by a new vendor.² The Application followed the Commission's denial, in Decision (D.) 24-12-074, of SDG&E's prior request to begin the replacement in its general rate case, where the Commission found that SDG&E had "not provided a comprehensive cost-benefit analysis comparing various replacement strategies," that such a comparison "is essential to ensure that ratepayers are not unduly burdened with unnecessary costs," and that a renewed request should assess "long-term viability, the potential

¹ Administrative Law Judge's Ruling Granting Motion to File Supplemental Testimony (June 4, 2026) at 2 and Ordering Paragraphs 2–3.

² Scoping Memo and Ruling (August 18, 2026) at 1–2.

for stranded assets, and whether a competitive procurement process would have yielded a better outcome."³

In 2025 SDG&E conducted two solicitations. In March 2025 it issued a request for proposals (RFP) for an AMI 2.0 system, to which two vendors responded.⁴ Separately, it issued a request for quotation (RFQ) to its incumbent SM 1.0 vendor for continued supply and support of the SM 1.0 system. The incumbent vendor responded to the RFQ on May 5, 2025 with a proposal and completed pricing sheet, declined to submit an RFP bid by letter of May 12, 2025, stating that its RFQ response and accompanying materials should be sufficient for consideration in the RFP evaluation, and on June 10, 2025 answered SDG&E's follow-up questions with a revised alternative (its "Scenario 2") under which SDG&E would transition to the incumbent's current-generation devices and hosted head-end and meter-data-management services on a schedule and at a price the incumbent specified.⁵ Those documents were produced to the parties as Protected Materials in response to Cal Advocates' Data Request 003, Question 30.b.

SDG&E has confirmed that it "did not consider, evaluate, score, or compare the incumbent vendor's RFQ response as part of its formal evaluation of AMI 2.0 alternatives," because "[t]he RFQ and the AMI 2.0 RFP were conducted as separate and independent solicitations with distinct objectives."⁶ The Application contains no comparison of the SM 2.0

³ D.24-12-074 at 674–675 and Finding of Fact 317 at 1010; see also Finding of Fact 316 at 1010 and Ordering Paragraph 51 at 1100.

⁴ Ex. SDG&E-03 (Thai/Baugh) at DT/BB-28 to DT/BB-36.

⁵ SDG&E Response to CalAdv-SDGE-DR-003, Q30.b and attachments (Protected Materials) (UCAN-01, Att. SG-7, Item C05 at 183, and Items C09–C10 at 260–275); Q30.c (id., Item C05 at 183).

Note that discovery responses are cited to the testimony attachments in which they are reproduced: Attachments SG-6 (public) and SG-7 (Protected Materials) to the Prepared Direct Testimony of Samuel Golding on behalf of the Utility Consumers' Action Network (September 25, 2026) (UCAN-01), and Attachment D to the Prepared Testimony of Matt Sheriff on behalf of The Utility Reform Network and Small Business Utility Advocates (September 25, 2026) (TURN-SBUA-01).

⁶ SDG&E Response to CalAdv-SDGE-DR-003, Q30.c (UCAN-01, Att. SG-7, Item C05 at 183).

program with the incumbent's alternative. SDG&E has also stated that it "has not prepared, and is not aware of, any separate comprehensive quantitative cost analysis comparing alternative deployment timing, deployment sequencing, deployment phasing, or sourcing strategies" to its plan,⁷ that "[a] detailed scenario analysis will occur as part of detailed deployment planning prior to initial deployment,"⁸ and that, as of September 16, 2026, it "remains engaged in contract negotiations and has not executed a final master service agreement for the proposed SM 2.0 hardware and software solution."⁹

The Scoping Memo and Ruling of August 18, 2026 placed within the scope of this proceeding whether the Application "contains sufficient information to permit meaningful review" (Issue 1); whether SDG&E "demonstrates that its proposed SM 2.0 replacement strategy, including timing, sequencing, network typology, and consideration of repair/remediation or life-extension alternatives, represents the least-cost, most reasonable approach for ratepayers" (Issue 2(e)); whether SDG&E "supports its failure forecasts and key assumptions that drive the proposed scope, timing, sequencing, and prioritization of replacement" (Issue 2(f)); and whether SDG&E "should consider a phased deployment approach" (Issue 2(i)).¹⁰

In prepared direct testimony served September 25, 2026, three intervenors addressed the omission. TURN and SBUA presented an indicative present-value comparison of the

⁷ SDG&E Response to UCAN-SDGE-DR-02, Q3 (UCAN-01, Att. SG-7, Item C02 at 50); see also SDG&E Response to CalAdv-SDGE-DR-005, Q22.b (SDG&E "did not assess alternative scenarios such as a smaller pilot, slower or phased deployment") (id., Item C01 at 30).

⁸ SDG&E Response to CalAdv-SDGE-DR-004, Q4.a (UCAN-01, Att. SG-6, Item P01 at 9; TURN-SBUA-01, Att. D at 36).

⁹ SDG&E Response to SBUA TURN-SDGE-DR-001, Q5.a (September 16, 2026) (TURN-SBUA-01, Att. D at 51); see also SDG&E Reply to Mission:data Motion to Compel (September 10, 2026) at 2 ("the final vendor selection has not been made").

¹⁰ Scoping Memo and Ruling at 4–5.

incumbent's alternative with the SM 2.0 program, built from the incumbent's pricing sheet and SDG&E's own workpapers, and recommended as their primary recommendation that the Commission direct SDG&E to file supplemental testimony on the topics listed in Attachment A to their testimony before ruling on mass deployment.¹¹ Cal Advocates found that SDG&E "had at least one option to extend its current SM 1.0 functionality through 2045 ... yet SDG&E fails to demonstrate any consideration of that option," and recommended denial.¹² UCAN found that the Application does not meet the standard D.24-12-074 set, presented a present-value model of alternative deployment paces on SDG&E's own inputs, and recommended a phased authorization with a Commission checkpoint.¹³

III. Why the Comparison is Likely to Matter to Ratepayers.

The Application proposes to replace every SM 1.0 electric meter and gas module in SDG&E's territory on a four-year schedule beginning in 2027 — based on a forecast that SM 1.0 devices will fail in rapidly growing numbers from 2027 onward — using a new vendor's meters, a new vendor's head-end and meter-data systems, and a new cellular network.

Two decisions are folded into that plan without being rigorously examined. The first is the choice of platform: whether to move 1.6 million meters and 950,000 gas modules onto a new vendor's systems, or to keep running them on the incumbent's systems while the meters, modules, and components of that system are modernized. The second is the pace and method of replacement: whether to remove working meters on an accelerated and fixed schedule, or to replace them as they fail, or to accelerate the replacement of the approximately 403,000 meters

¹¹ TURN-SBUA-01 at 36–38 and Attachment A.

¹² Prepared Testimony of the Public Advocates Office on SDG&E's Smart Meter 2.0 Application (September 25, 2026) (CA-01) at 4–5 and 3-12 to 3-15.

¹³ UCAN-01, Sections III and IV and Attachment SG-2.

with a known capacitor defect, which is causing that population to fail more frequently, while replacing the remaining approximately 1.2 million meters as they fail at a lower rate over time.¹⁴

As described in TURN and SBUA's testimony, SDG&E omitted consideration of the incumbent vendor's proposal to replace SM 1.0 meters and gas modules as they reach the end of their lives with its own next-generation, AMI 2.0-capable cellular devices, or at a pace SDG&E would set, while modernizing components of their AMI system to support enablement of 2.0 functionality over the near-term. The proposal carried a number of apparent advantages compared to the Application, including avoidance of system upgrade costs that would otherwise be required by migrating to a different vendor as SDG&E has proposed doing,¹⁵ minimization of stranded asset costs,¹⁶ enhanced warranties and other measures to strengthen vendor accountability,¹⁷ flexibility to incorporate other vendors meters,¹⁸ flexibility regarding the device deployment schedule to maximize the existing fleets useful life,¹⁹ and active management

¹⁴ SDG&E Response to CalAdv-SDGE-DR-005, Q28.g (497,381 meters installed with the known capacitor defect, of which 403,401 remained in service on June 23, 2026) (UCAN-01, Att. SG-7, Item C01 at 39–40); UCAN-01 at 35 and 57. The Application replaces 1,634,498 electric meters in total (UCAN-01 at 49; Ex. SDG&E-03, Chapter 3 Workpaper 1, notes A29–A30), leaving approximately 1.23 million outside the defect cohort.

¹⁵ TURN-SBUA-01 at 17 (the proposal "includes migration of the existing head-end and meter data management systems to a hosted cloud environment"), 24 (migration "without additional software licensing fees"; existing perpetual licenses carried forward) and 40–42 (the new head-end system and the integration built around it are specific to the selected vendor, are "the largest part of foundational technology," and would not have been required under the incumbent's proposal).

¹⁶ TURN-SBUA-01 at 22 (\$118 million of undepreciated SM 1.0 investment at May 31, 2026) and 40–41 (the vendor-specific head-end is "the part a decision to extend the existing system would strand"); SDG&E Response to SBUA-SDGE-DR-003, Q6.b–c and Table 6-1 (UCAN-01, Att. SG-6, Item P02 at 22; TURN-SBUA-01, Att. D at 83); UCAN-01 at 87.

¹⁷ TURN-SBUA-01 at 21–22 (a different product line "backed by a twenty-year warranty and service levels carrying performance credits") and 24 (twenty-year extended warranty; credits on legacy devices and on AMI 2.0 readiness); D.24-12-074 at 674 (vendor accountability).

¹⁸ TURN-SBUA-01 at 18 (the incumbent's hosted head-end "would therefore have accepted meters from both RFP respondents" using a communication method it supports) and 41.

¹⁹ TURN-SBUA-01 at 16–17 (replacement "as they reach end of life ... at a pace SDG&E would set") and 25; see also UCAN-01 at 26 (manufacturer design life of twenty years) and 87.

failures — and that a purely failure-paced replacement is lower still, by \$35 million to \$128 million.²³

In brief, UCAN has demonstrated that, even assuming the platform is replaced as SDG&E proposes, extending the deployment so that replacement is failure-led, with allowances for accelerating replacement of the defect-cohort meters, would save ratepayers a substantial amount, while TURN and SBUA have demonstrated that still greater savings may be achievable if the platform is not replaced entirely but migrated to AMI 2.0 functionality, as the incumbent vendor proposed to do.

What this indicates is that SDG&E has put forward the maximum-cost option for ratepayers — a new platform, and a new fleet of meters deployed at the fastest pace — rather than the least-cost option, and has done so without comparing it to the alternatives on either dimension. The supplemental testimony called for in this motion would require SDG&E to make that comparison on the record.

IV. The Ruling Requested is Necessary and Within the Presiding Officer's Authority.

A. The record cannot support a finding on Scoping Issue 2(e) without the comparison.

Scoping Issue 2(e) asks whether SDG&E has demonstrated that its replacement strategy, including "consideration of ... life-extension alternatives," is "the least-cost, most reasonable approach for ratepayers." SDG&E bears the burden of proof on that issue. The only priced life-extension alternative in SDG&E's possession is the one its incumbent vendor offered, and SDG&E has stated that it did not evaluate it. The intervenors' comparisons are indicative; TURN

²³ UCAN-01 at 6–7 and 49–50 and Attachment SG-2, Table 3.

and SBUA expressly "do not ask the Commission to accept those figures as findings."²⁴ A comparison prepared by SDG&E, tested in discovery and answered in responsive testimony, is the evidence the issue requires. Without it the Commission will be asked either to approve a program whose least-cost showing rests on the absence of the alternative, or to deny it and send SDG&E back for a third attempt, with the delay costs SDG&E itself describes.²⁵

B. The omission is of the kind the June 4, 2026 ruling found should have been in the Application, and the remedy is the same.

The assigned ALJ has already found in this proceeding that testimony SDG&E omitted from its Application and later sought to add "should have included" at filing, that the omission "prejudiced both the Parties and Commission's ability to timely process this Application," and that the prejudice to other parties was mitigated by a schedule allowing responsive testimony.²⁶ The comparison requested here was identified as missing by the Commission in D.24-12-074 a year before the Application was filed, and by every intervenor on September 25, 2026. It is narrower than the June 2026 supplemental testimony in that it concerns a single alternative SDG&E has already solicited and priced; it is more consequential in that it bears on the whole of the device-replacement request rather than on a discrete chapter. Rule 13.8 permits the presiding officer to require prepared testimony, and the Scoping Memo contemplates that the schedule may be adjusted for supplemental testimony.²⁷

²⁴ TURN-SBUA-01 at 38.

²⁵ Ex. SDG&E-03 at DT/BB-36 to DT/BB-39 and Table 3-10 at DT/BB-37 (delay comparison in escalated nominal dollars).

²⁶ Ruling of June 4, 2026 at 2.

²⁷ Scoping Memo and Ruling at 6–7 and n.5.

C. Ordering the comparison now avoids greater delay later.

If the comparison is not in the record, the Commission's choices at decision are to find the showing insufficient and deny, as Cal Advocates recommends, or to approve without the analysis D.24-12-074 required. Denial would place any replacement program a year or more further out; D.24-12-074 issued in December 2024, and the Application followed in December 2025. Approval without the comparison would expose the decision to the same deficiency the Commission identified in 2024. A ruling now, with SDG&E's filing due about thirty days later and responses thirty days after that, places the comparison in the record with, at most, one added hearing day and a modest adjustment to the briefing schedule, within the twenty-one-month schedule the Scoping Memo adopted.

D. SDG&E is not prejudiced.

The analysis can be prepared from documents in SDG&E's files; SDG&E represented in its own May 18, 2026 motion that supplemental testimony is not prejudicial where the proceeding's stage permits a response.²⁸ SDG&E remains in negotiations and has not executed a master service agreement, so no contractual commitment is disturbed by a comparison. The ruling requested does not prejudge the result: SDG&E may continue to recommend its proposal and explain the basis for rejecting the alternative.

E. SDG&E has the inputs, and the schedule allows for the confirmations it would need.

The comparison does not require SDG&E to develop information it lacks. Every input is already in its possession: the incumbent's proposal, pricing sheet and June 10, 2025 follow-up;

²⁸ Motion of San Diego Gas & Electric Company (U 902 M) for Leave to Serve Supplemental Testimony (May 18, 2026) at 1 ("given the early stages of this proceeding, SDG&E does not believe any party will be prejudiced by the requested relief"); Ruling of June 4, 2026 at 1.

the selected vendor's bid, bid-improvement pricing and draft agreement; SDG&E's own unit costs for installation, removal and program management; its workpapers for the head-end, meter-data, network and software-subscription costs; its failure forecast and the actual failure data behind it; and the revenue-requirement model that produced the Application's figures. Nor is a higher standard of certainty being asked of SDG&E than it applied to its own proposal. SDG&E has explained that the Application's cost estimates "were developed through an evaluation of non-binding RFP responses and other available information to arrive at a single forecast value for each cost category," that it maintains no ranges around them and assigns them no estimate class, and that assumptions in its benefit analysis "represent expert-informed planning estimates" drawn from subject-matter expertise rather than a separate dataset.²⁹ A comparison prepared to that same standard — non-binding vendor pricing, SDG&E's own unit costs and judgment where contracts do not yet exist, and a single forecast value for each category with the basis stated — is what the Joint Movants ask for, and SDG&E can produce it from its files in the thirty days proposed.

Two confirmations would improve the comparison, and both fit within that period. The first is a check with the incumbent vendor on whether its 2025 pricing and terms remain available or what has changed; SDG&E conducted the original follow-up exchange with the incumbent in about five weeks in 2025, and a confirmation or refreshed quotation on an existing proposal is a smaller task.³⁰ The second is a check with cellular carriers on the connectivity rates

²⁹ SDG&E Response to SBUA-SDGE-DR-003, Q4(a)–(b) (no ranges; no AACE International estimate class; estimates from "non-binding RFP responses and other available information") (UCAN-01, Att. SG-6, Item P02 at 19; TURN-SBUA-01, Att. D at 80); SDG&E Response to CalAdv-SDGE-DR-008, Q4.a ("expert-informed planning estimates") (UCAN-01, Att. SG-6, Item P12 at 169).

³⁰ Incumbent proposal dated May 5, 2025; SDG&E follow-up questions answered June 10, 2025 (SDG&E Response to CalAdv-SDGE-DR-003, Q30.b (Protected Materials) (UCAN-01, Att. SG-7, Items C09–C10 at 260–275)).

SDG&E has assumed, which rest on a vendor quotation; SDG&E already purchases cellular backhaul service for the SM 1.0 network, and a fleet-scale rate inquiry to its existing carriers, or a confirmation of the vendor-quoted rate, is a routine procurement step.³¹ Neither requires a new solicitation. If either confirmation cannot be completed in the period, SDG&E can say so and state the assumption it used, exactly as it did for the costs in the Application that no executed contract supports. The proposed schedule, with SDG&E's filing about thirty days after the ruling and responses thirty days later, therefore accommodates both confirmations while keeping the proceeding within the twenty-one-month schedule the Scoping Memo adopted.

V. Scope of the Supplemental Testimony.

The Joint Movants ask that the ruling direct SDG&E to serve supplemental testimony, with workpapers in native electronic format with formulas intact, addressing the matters set out in Appendix B to this motion. In summary, the supplemental testimony would compare four options — the Application; the incumbent vendor's hosted transition; the selected vendor's devices on the incumbent's hosted platform, if the incumbent's offer permits it; and a foundational-only SM 2.0 program — each at more than one pace of replacement and on a stated common basis; document the current status of each option's pricing and of SDG&E's contract negotiations; disclose the volume and forecast inputs SDG&E supplied to each vendor; address connectivity costs; produce the related consultant deliverables; and state the basis for SDG&E's recommendation, including the topics identified in Attachment A to TURN-SBUA-01. Appendix B states each element in the specificity a ruling would require, so that the comparison SDG&E serves can be tested against it.

³¹ SDG&E Response to CalAdv-SDGE-DR-003, Q6.d (recurring cellular costs under SM 1.0 and SM 2.0) (UCAN-01, Att. SG-7, Item C05 at 143); SDG&E Response to SBUA-SDGE-DR-002, Q4.b (per-endpoint connectivity rates from the selected vendor's quotation) (id., Item C07 at 237–238); CA-01 at 2-5 to 2-6.

VI. Proposed Schedule.

The Joint Movants propose, and defer to the presiding officer on, the following: SDG&E to serve the supplemental testimony and workpapers within 30 days of the ruling; parties to conduct discovery on the supplemental testimony with responses due within 10 days of each request; intervenors to serve responsive testimony 30 days after SDG&E's service; SDG&E to serve reply testimony limited to the supplemental subject 14 days thereafter; and one additional hearing day on the supplemental subject, with the December 7–9, 2026 hearings on the existing record proceeding as scheduled or, at the presiding officer's election, consolidated with the added day. The Joint Movants do not object to a corresponding adjustment of the briefing dates. *[If the ruling issues by late October: SDG&E filing late November; responsive testimony early January 2027; added hearing day late January 2027; opening briefs from February 18 to about March 4, 2027.]*

VII. Conclusion.

The Joint Movants respectfully request that the presiding officer issue a ruling (1) directing SDG&E to serve supplemental testimony and native workpapers on the scope set out in Section V and Appendix B; and (2) adopting the schedule in Section VI or such other schedule as places the supplemental testimony and the parties' responses in the record before the record closes.

Dated: October 6, 2026

Respectfully submitted,

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APPENDIX A
BEFORE THE PUBLIC UTILITIES COMMISSION OF THE
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Application of San Diego Gas & Electric
Company (U 902 M) for Approval of Smart
Meter 2.0 Proposal.

Application 25-12-012
(Filed December 18,
2025)

**[PROPOSED] ADMINISTRATIVE LAW JUDGE'S RULING GRANTING JOINT
MOTION
TO DIRECT SDG&E TO FILE SUPPLEMENTAL TESTIMONY**

This Ruling grants the Joint Motion of the Utility Consumers' Action Network, The Utility Reform Network and Small Business Utility Advocates to Direct San Diego Gas & Electric Company (SDG&E) to File Supplemental Testimony (Joint Motion), filed October __, 2026.

Scoping Issue 2(e) asks whether SDG&E demonstrates that its proposed SM 2.0 replacement strategy, including consideration of life-extension alternatives, represents the least-cost, most reasonable approach for ratepayers. SDG&E has stated in discovery that it did not evaluate the alternative its incumbent vendor offered in May and June 2025, and the Application contains no comparison of that alternative with the proposed program. SDG&E possesses the information required to prepare the comparison. Good cause exists to require it so that the Commission may decide Issue 2(e) on a complete record.

IT IS RULED that:

1. The Joint Motion is granted.
2. SDG&E shall serve supplemental testimony, with workpapers in native electronic format with formulas intact, on or before _____, 2026, addressing the matters set out in Appendix B to the Joint Motion.

3. Parties may serve responsive testimony on or before _____, 2027. SDG&E may serve reply testimony limited to the subject of its supplemental testimony on or before _____, 2027.
4. Data requests directed to the supplemental testimony shall be answered within ten days.
5. An additional day of evidentiary hearing on the supplemental testimony is set for _____, 2027. The schedule for opening and reply briefs is revised as follows:
_____.

Dated _____, 2026, at San Francisco, California.

/s/ PATRICK PETERSEN
Patrick Petersen
Administrative Law Judge

APPENDIX B

Scope of the Supplemental Testimony Requested

The Joint Movants ask that the ruling direct SDG&E to serve supplemental testimony, with workpapers in native electronic format with formulas intact, that:

1. **Compares four options on a common basis.** (a) The SM 2.0 program as proposed in the Application; (b) the incumbent vendor's hosted transition as set out in its June 10, 2025 follow-up response; (c) a configuration using the selected vendor's meters and gas modules on the incumbent vendor's hosted head-end and meter-data-management platform, if the incumbent's offer permits it, or a statement of why it does not; and (d) a foundational-only SM 2.0 program excluding the NextGen capabilities³² — all assuming a Q4 2027 decision in this proceeding.
2. **Prices each option at more than one pace of replacement.** For options (a) through (c), the Application's schedule; replacement as devices fail, with the defect cohort replaced proactively in the geographic areas where it is concentrated; replacement as devices fail without a proactive sweep — each on SDG&E's failure forecast and on a path that follows the trend of SDG&E's actual failures — and the pace that SDG&E would select.
3. **States the common basis.** For every option and pace: the same device scope (the meters and modules the Application replaces); the same installation-labor rule (in-house crews to capacity, contractor labor above it) and the same removal,

³² Options (b) through (d) are those identified in TURN-SBUA-01, Attachment A, item 1. Option (c) responds to the incumbent's statement, in its June 10, 2025 response, regarding the devices that may count toward its platform conditions (Protected Materials).

program-management, deployment-management, overhead, AFUDC, escalation, contingency and return-on-rate-base treatment; the same depreciation lives and the same horizon (through 2045, with the post-2045 tail of any asset stated separately); the recurring platform, connectivity, software-as-a-service and maintenance charges each option carries after 2031 on both sides; the undepreciated SM 1.0 investment retired early under each schedule; and present values at SDG&E's authorized cost of capital with the discounting convention stated. Any cost that one option avoids and another incurs is to be identified as such rather than omitted.

4. **Documents the status of each option's pricing.** Whether the incumbent's RFQ and Scenario 2 pricing remains available or has been renewed, and on what terms, or SDG&E's documented inquiry and the incumbent's reply; the selected vendor's current pricing and the volume-tier, re-pricing and termination provisions of the draft agreement; and the status of contract execution.
5. **Discloses the inputs supplied to each vendor.** Whether SDG&E supplied its SM 1.0 failure forecast or replacement-volume schedule to the incumbent vendor for its Scenario 2 schedule, the basis of that schedule as SDG&E understands it, and what volume schedule each RFP bidder priced, including the June 27, 2025 bid-improvement schedule.
6. **Addresses the communications question.** The connectivity charges each option would carry (carrier, service category, per-endpoint rate, term and escalation), any quotation SDG&E obtained directly from a carrier, and any preference SDG&E communicated to vendors for a communications technology.

7. **Produces the related consultant deliverables.** The failure re-forecast and deployment-scenario deliverables identified in SDG&E's consultant statements of work, to the extent they inform the comparison.³³
8. **States the basis for SDG&E's recommendation.** If SDG&E continues to recommend the SM 2.0 program as proposed, the reasons, with reference to the comparison, for rejecting each alternative, and the treatment of the following topics identified in Attachment A to TURN-SBUA-01 (items 2 through 5):
 - The decision to transition away from the incumbent: the costs and risks of changing vendors, including integration, parallel operations, retraining and stranded investments; the evaluation criteria, scoring, rankings and selection of RFP respondents; the roles and work products of the procurement advisors SDG&E engaged, including West Monroe; the accuracy of testimony describing the incumbent's proposal and its decision not to submit an RFP bid; and any independent evaluation of the incumbent's RFQ response.
 - The exclusion of the incumbent's proposal from consideration: whether the incumbent's proposed capabilities were assessed against the RFP requirements; the procurement rules or other grounds for excluding a nonconforming submission; who made and approved the exclusion decision; and communications with the incumbent about the RFQ's purpose, evaluation and relationship to the RFP.

³³ UCAN-01, Section IV (consultant statements of work for the failure re-forecast and deployment scenarios); UCAN-SDGE-DR-03, Q3 (served September 28, 2026).

- Alternatives and potential cost savings: using another vendor's meters while retaining the incumbent's head-end system; the treatment of existing software licenses and maintenance payments if SDG&E continued with the incumbent; the potential overlap between the incumbent's cloud-migration offer and the \$27.6 million legacy information-technology forecast; the availability and cost of comparable NextGen capabilities from the incumbent; and the integration of the incumbent's platform with SDG&E's distribution management systems, including any work already under way.
- Vendor performance and ratepayer protections: the incumbent's historical performance problems, disputes, recoveries and resulting ratepayer credits; and a comparison of the incumbent's offered warranty with the proposed SM 2.0 warranties, performance guarantees and remedies.