

**Application No.:** 15-08-027  
**Exhibit No.:** NEET West-15  
**Witness:** Michael Sheehan  
**ALJ:** Colette E. Kersten

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

In the Matter of the Application of NEXTERA  
ENERGY TRANSMISSION WEST, LLC for a  
Certificate of Public Convenience and Necessity  
for the Suncrest Dynamic Reactive Power Support  
Project.

A.15-08-027  
(Filed August 31, 2015)

**EXHIBIT NEET WEST-15**

**California Unions for Reliable Energy Responses to NextEra Energy  
Transmission West, LLC Data Requests Set One (June 21, 2017)**

**PUBLIC VERSION**

**July 18, 2017**

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

In the Matter of the Application of  
NEXTERA ENERGY TRANSMISSION  
WEST, LLC for a Certificate of Public  
Convenience and Necessity for the Suncrest  
Dynamic Reactive Power Support Project.

Application 15-08-027  
(Filed August 31, 2015)

**CURE'S RESPONSE TO NEET WEST'S FIRST SET OF DATA REQUESTS**

**PUBLIC VERSION**

June 21, 2017

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Reliable Energy

**CURE'S RESPONSE TO NEET WEST'S FIRST SET OF DATA REQUESTS**  
**Suncrest Dynamic Reactive Power Support Project - A.15-08-027**

**PUBLIC VERSION**

**Request 1:**

Provide a description of the employer and qualifications of David Marcus, witness for CURE.

**CURE Response:**

Mr. Marcus is an economic analyst and consultant on energy, utility, and electricity issues. He is self-employed. Mr. Marcus' curriculum vitae, describing his qualifications, is attached.

**Request 2:**

Provide all Communications between CURE (or any individual or entity included in the definition of CURE) and SDG&E (or any individual or entity included in the definition of SDG&E) relating to the proceeding.

**CURE Response:**

CURE objects to this request as vague, overbroad, seeks documents or information that are readily or more accessible to NEET West from NEET West's own files, and not likely to lead to the discovery of admissible evidence, in accordance with Rule 10.1 of the Commission's Rules of Practice and Procedure. CURE also objects to this Request to the extent that it seeks information protected from disclosure by the attorney-client privilege, deliberative process privilege, attorney work product doctrine, or any other applicable privilege, and on the grounds that it seeks the disclosure of private, confidential, and proprietary business information.

Between Mr. Marcus and SDG&E: None

Between CURE and SDG&E: CURE's communications with SDG&E include service and document transmission emails exchanged between counsel for all Parties to the proceeding, CURE's April 21, 2017 First Set of Data Requests to SDG&E, and meet and confer emails between counsel for CURE and counsel for SDG&E related to CURE's First Set of Data Requests to SDG&E.

**Request 3:**

Regarding the statement in the CURE Opening Testimony on page 1, lines 20-22: “It is thus quite possible, or even likely, that, had environmental considerations been taken into account, they would have swayed the decision.”

- a. Explain the basis for the statement quoted above.
- b. Why is it likely that environmental considerations would have swayed the decision?
- c. Provide all Documents reviewed by Mr. Marcus in connection with the statement quoted above.
- d. Provide all analyses, calculations, and workpapers prepared by Mr. Marcus in connection with or in support of the statement quoted above.

**CURE Response:**

- a. The narrowness of the competition, as described by the CAISO, means that it could have been swayed by any additional considerations that were not part of the original CAISO evaluation. Since environmental considerations were not part of the CAISO's analysis, they could have swayed the CAISO decision if they had been.
- b. See response to 3a.
- c. CAISO's decision analysis in its Suncrest Reactive Power Project Sponsor Selection Report (“Selection Report”), as cited in Mr. Marcus’ direct testimony and provided with it as Attachment B.
- d. None.

**Request 4:**

Regarding the statement in the CURE Opening Testimony on page 4, lines 8-10: “Thus, if one of the proposals is environmentally superior to the other, there can be no overriding non-environmental reason to reject that proposal and choose the other one.”

- a. Explain the basis for the statement quoted above.
- b. Provide all Documents reviewed by Mr. Marcus in connection with the statement quoted above.
- c. Provide all analyses, calculations, and workpapers prepared by Mr. Marcus in connection with or in support of the statement quoted above.

**CURE Response:**

- a. The narrowness of the competition, as described by the CAISO, means that there was no overriding reason why the CAISO felt a strong need to pick one bidder over the other. Thus there was no overriding reason not to reverse the original decision if environmental considerations so merited.
- b. CAISO's decision analysis contained in its Selection Report, as cited in direct testimony and provided with it as Attachment B.
- c. None

**Request 5:**

Regarding the statement in the CURE Opening Testimony on page 4, footnote 25: “NEET West’s 2014 cost bid proposal to CAISO predated SB 350 and thus presumably did not account for prevailing wage, whereas SDG&E’s proposal did include prevailing wage.”

- a. Define the term prevailing wage as used in the CURE Opening Testimony.
- b. Explain the basis for the statement quoted above.
- c. Provide all Documents reviewed by Mr. Marcus in connection with the statement quoted above.

**CURE Response:**

CURE objects to this Request on the grounds that it seeks the disclosure of private, confidential, and proprietary business information, and to the extent that it seeks information protected from disclosure by the attorney-client privilege, deliberative process privilege, attorney work product doctrine, or any other applicable privilege.

- a. See Marcus Testimony, p. 4, fn. 25. Prevailing wage is a requirement enacted by Senate Bill 350 (Clean Energy and Pollution Reduction Act of 2015) (“SB 350”). That bill created a requirement that all construction of transmission line projects in California must compensate workers at the prevailing wage. The term “prevailing wage” refers to the wages determined by the Director of the Department of Industrial Relations pursuant Labor Code § 1770 and required by Labor Code § 1771.
- b. The basis for saying that NEET West did not account for prevailing wage is that there was no reason at the time for NEET West to do so, coupled with Mr. Marcus’ assumption that the NEET West bid did not include factors it did not need to

include. The basis for saying that SDG&E did include prevailing wage is the existence of labor agreements between SDG&E and its represented workers under which SDG&E pays prevailing wages. The basis for the preceding sentence regarding existing labor agreements is advice of counsel.

c. See response to 3(a), and CURE's January 11, 2017 Comments on the Draft EIR for the Suncrest Project, pp. 12-13.

**Request 6:**

Regarding the statement in the CURE Opening Testimony on page 5, line 24 through page 6, line 2: "Moreover, some of the arguments presented against the environmentally superior alternative rely on inaccurate representations of the facts surrounding the Project."

- a. Identify with specificity all "inaccurate representations" that are being referenced in the statement quoted above, including citations to any testimony or Documents.
- b. For any "inaccurate representations" identified in your response to (a), provide all Documents reviewed by Mr. Marcus.

**CURE Response:**

a. See the testimony of Mr. Marcus, pp. 6:4-12:3. Mr. Marcus specifically disputes any representations that delay of the project due to selection of the environmentally superior alternative is a reason to reject the environmentally preferred alternative (Marcus testimony, pp. 6:4-7:15), that the CPUC would be second-guessing the CAISO if it selects the environmentally preferred alternative (Marcus testimony, pp. 7:20-8:10), that the project purpose cannot be met if the environmentally superior alternative is chosen (Marcus testimony, p. 8:15-23), that selecting the environmentally superior alternative would result in reduced reliability (Marcus testimony, pp. 8:27-9:10), and that the environmentally superior alternative would necessarily cost more than the NEET-proposed alternative (Marcus testimony, pp. 9:15-12:3).

b. The documents reviewed by Mr. Marcus are the ones cited in the footnotes to pp. 6-12 of his testimony. These documents are in the possession of NEET West.

**Request 7:**

Regarding the statement in the CURE Opening Testimony on page 8, lines 18-19: ". . . the CAISO has the fallback option of using SDG&E to build the environmentally superior alternative."

a. Does CURE support construction of the environmentally superior alternative by NEET West?

b. Explain your answer to (a).

**CURE Response:**

CURE objects to this Request as not relevant to the subject matter involved in this proceeding because it is not itself admissible in evidence nor does it appear reasonably calculated to lead to the discovery of admissible evidence, in accordance with Rule 10.1 of the Commission's Rules of Practice and Procedure. CURE objects to this Request on the grounds that it seeks the disclosure of private, confidential, and proprietary business information, and to the extent that it seeks information protected from disclosure by the attorney-client privilege, deliberative process privilege, attorney work product doctrine, or any other applicable privilege.

CURE specifically objects to this request to the extent it is not the Applicant or project sponsor in this proceeding (A.15-08-027). As outlined in the Commission's Scoping Memo, the relevant factual issues in this certificate of public convenience and necessity (CPCN) proceeding are: (1) need for the Suncrest Project; (2) whether the Suncrest Project will have significant effect on the environment; (3) whether the Suncrest Project and/or project alternative is in compliance with the CPUC's Electro Magnetic Field (EMF) mitigation policies; (4) the maximum prudent and reasonable cost of the Suncrest Project; and (5) whether the Suncrest Project comports with federal, state and CPUC rules governing safety, reliability, and competition. Whether CURE does or does not support NEET West's construction of the Project or a Project alternative is not at issue in this Proceeding, and is irrelevant to the Commission's determination of these issues.

Notwithstanding these objections, CURE responds that it cannot state that it supports construction of the environmentally superior alternative by NEET West because CURE lacks the underlying information supporting the assertions by NEET West and SDG&E that additional costs would be associated with NEET West's construction of this alternative.

**Request 8:**

Regarding the statement in the CURE Opening Testimony on page 9, lines 15-16: "NEET West may argue that selecting the environmentally superior alternative could lead to increased Project costs. This may or may not be accurate." Please identify whether Mr. Marcus believes that selecting the environmentally superior alternative will or will not lead to increased Project costs.

**CURE Response:**

As qualified by Mr. Marcus' statement, it is unclear. It would certainly reduce project costs by avoiding the \$5 million estimated incremental cost of converting from overhead to underground transmission. It would also reduce costs by avoiding the costs of overhead transmission. It would potentially increase costs by whatever amounts were required to deal with security and space concerns at the Suncrest substation.

**Request 9:**

Regarding the statement in the CURE Opening Testimony on page 10, lines 8-11: "Whatever hope the CAISO originally had, when it chose NEET West over SDG&E, of saving money by not having to pay the full contingency amount and the full cap price is therefore gone for the NEET West proposal."

- a. Explain the basis for the statement quoted above.
- b. Provide all Documents reviewed by Mr. Marcus in connection with the statement quoted above.
- c. Provide all analyses, calculations, and workpapers prepared by Mr. Marcus in connection with or in support of the statement quoted above.

**CURE Response:**

a. Costs are currently running at least \$ [REDACTED] above those in the original bid, consisting of \$5 million for the incremental cost of undergrounding and \$ [REDACTED] for overruns as of April 2017 identified in the most recent monthly report to the CAISO that was provided in response to discovery (p. NW-00000268). That is \$ [REDACTED] more than the contingency allowance in the original bid. Since the total bid to the CAISO was under \$43 million, the only way the ultimate cost to the CAISO could be less than the original bid is if prices for the \$ [REDACTED] of items not already over bid came in \$ [REDACTED] below bid. There is no reason to suppose such a thing could happen.

b. see April 2017 Project status report to the CAISO, Attachment F to Marcus Testimony, and provided by NEET West in RESPONSE TO CURE-NEET WEST-SUNCREST-001 QUESTION 5 ("April 2017 Status Report").

c. See response to 9a. There are no workpapers.

**Request 10:**

Regarding the statement in the CURE Opening Testimony on page 10, lines 14-15: “First, interconnection costs are considered by NEET West as costs that do not fall under the cost cap.” Please identify which entity will incur the interconnection costs referenced in that statement.

**CURE Response:**

Ratepayers. If the costs are borne by NEET West, and as such are not subject to the cost cap, they will be passed by NEET West to the CAISO, and thence to the TAC, and thence to California ratepayers. There are already over \$ [REDACTED] of such costs. (April 2017 Status Report, p. 00000268 in the NEET West response to CURE data request set 1, question 5.) If they are borne by SDG&E, they will be included in SDG&E's TO filings at FERC, and the FERC-approved TRR will be charged to the CAISO, and thus to the TAC, and thus to California ratepayers.

**Request 11:**

Regarding the statement in the CURE Opening Testimony on page 10, line 15-16: “Second, there will be incremental O&M costs to SDG&E for the inevitably needed coordination between SDG&E and NEET West.”

- a. Identify, itemize, and quantify the incremental O&M costs to SDG&E referenced in the statement quoted above.
- b. Provide all Documents reviewed by Mr. Marcus in connection with the statement quoted above.
- c. Provide all analyses, calculations, and workpapers prepared by Mr. Marcus in connection with or in support of the statement quoted above.

**CURE Response:**

- a. Mr. Marcus does not know what those costs will be.
- b. None, other than Mr. Marcus' general knowledge as a consultant involved in each of SDG&E's TO filings for at least the last six years of the fact that SDG&E includes all of its transmission O&M costs in its FERC TO filings and the resultant TRR.
- c. None.

**Request 12:**

Regarding the statement in the CURE Opening Testimony on page 10, footnote 56: “These known overruns alone will increase the cost of the Project by more than [REDACTED] million.”

- a. Identify and itemize the known overruns referenced in this statement.
- b. Explain how the overruns identified in your answer to (a) “will increase the cost of the Project....”
- c. Provide all Documents reviewed by Mr. Marcus in connection with the statement quoted above.
- d. Provide all analyses, calculations, and workpapers prepared by Mr. Marcus in connection with or in support of the statement quoted above.

**CURE Response:**

- a. See the 1st, 2nd, 5th, 6th, and 7th lines of the table in the April 2017 Status Report, p. 00000268 in the NEET West response to CURE data request set 1, question 5.
- b. The cost of the project is the sum of each of its cost components. The items identified in response to (a) are components of the project cost. The larger they are, the larger the project cost.
- c. See April 2017 Status Report.
- d. The analysis and calculations consisted of subtracting the forecasted cost from the actual cost to date for each of the line items in the April 2017 project status report, and then summing those lines for which the result was a positive number. There were no workpapers.

**Request 13:**

Regarding the statement in the CURE Opening Testimony on page 10, line 19 through page 11, line 4 regarding prevailing wages.

- a. Explain Mr. Marcus’s understanding of whether NEET West intends to pay prevailing wages.
- b. Provide all Documents reviewed by Mr. Marcus in connection with his statements regarding prevailing wages.

c. Provide all analyses, calculations, and workpapers prepared by Mr. Marcus in connection with or in support of his statements regarding prevailing wages.

**CURE Response:**

a. Mr. Marcus's understanding is that under current California law, NEET will be required to pay prevailing wage.

b. See response to Question 5(a).

c. None

**Request 14:**

Regarding the statement in the CURE Opening Testimony on page 11, lines 9-11: “Finally, SDG&E has recently identified the possibility of new technology that could be installed at the existing Suncrest substation that would be cheaper and electrically superior to the original SDG&E proposal.”

a. Identify and describe the new technology referenced in the statement quoted above.

b. Identify and describe the original SDG&E proposal referenced in the statement quoted above.

c. Identify and itemize the costs of the new technology referenced in the statement quoted above.

d. Identify and itemize the costs of the original SDG&E proposal referenced in the statement quoted above.

e. Explain why the new technology referenced in the statement quoted above would be cheaper than the original SDG&E proposal referenced in the statement quoted above.

f. Explain why the new technology referenced in this statement would be electrically superior to the original SDG&E proposal referenced in the statement quoted above.

g. Provide all Documents reviewed by Mr. Marcus in connection with the statement quoted above.

h. Provide all analyses, calculations, and workpapers prepared by Mr. Marcus in connection with or in support of the statement quoted above.

**CURE Response:**

- a. See SDG&E Responses to ORA Data Request No. 1, Response to Question 2.
- b. See the response to 14a.
- c. Unknown
- d. Unknown
- e. See the response to 14a. The cited document indicates the new technology would be cheaper because of a new hybrid SVC technology with superior performance characteristics that will meet the CAISO requirements of the project.
- f. See the response to 14a. The cited document indicates the new technology would be electrically superior because of a new hybrid SVC technology with superior performance characteristics that will meet the CAISO requirements of the project.
- g. None other than the cited SDG&E data response. See the response to 14a.
- h. None

**Request 15:**

Regarding the statement in the CURE Opening Testimony on page 11, line 18 through page 12, line 1: “. . . it is now possible that a SDG&E-built project at the Suncrest substation would end up being less costly than a NEET West-built project with an underground transmission line.”

- a. Describe the SDG&E-built project at the Suncrest substation referenced in the statement quoted above, including all components thereof.
- b. Identify and itemize the costs of the SDG&E-built project at the Suncrest substation referenced in the statement quoted above.
- c. Did CURE request the confidential attachment containing SDG&E’s costs that SDG&E provided in response to the first data request of the Office of Ratepayer Advocates to SDG&E in this proceeding?
- d. If your answer to (c) above is no, explain why not.
- e. Did CURE receive the confidential attachment referenced in (c) above?

f. If your answer to (e) above is no, explain why not.

g. Explain why the SDG&E-built project at the Suncrest substation would be less costly than a NEET West-built project with an underground transmission line.

h. Provide all Documents reviewed by Mr. Marcus in connection with the statement quoted above.

i. Provide all analyses, calculations, and workpapers prepared by Mr. Marcus in connection with or in support of the statement quoted above.

**CURE Response:**

a. See the potential project described in the data response cited in response to DR 14a.

b. Unknown

c. Yes

d. N/A

e. No

f. SDG&E refused to provide it.

g. If a SDG&E-built project at Suncrest were cheaper than a NEET West-built project with an underground transmission line, it would be cheaper because it would not have CPCN costs of at least \$[confidential million], it would avoid the \$5 million incremental cost of changing from an overhead transmission line to an underground line, it would avoid the unknown cost of building an overhead transmission line, it would avoid any costs involved with integrating operations with another party at Suncrest, and it would obtain any cost savings associated with new technology as described in the SDG&E data response cited in response to DR 14a.

h. NEET West testimony in this case (re \$5 million incremental cost), CAISO project selection report (re CPCN avoidance), SDG&E data response cited in DR 14a (re cheaper technology), and NEET West's April project status report to the CAISO (re CPCN costs to date). Each of those documents was provided with Mr. Marcus's direct testimony, except for NEET West's own testimony, which it already has.

i. None

**California Unions for Reliable Energy  
Documents Produced in Response to  
NEET West's Data Request No. 1**

## RESUME

DAVID I. MARCUS  
1541 Juanita Way  
Berkeley, CA 94702-1136

April 2014

### Employment

#### Self-employed, March 1981 - Present

Consultant on energy and electricity issues. Clients have included Imperial Irrigation District, the cities of Albuquerque and Boulder, the Rural Electrification Administration (REA), BPA, EPA, the Attorney Generals of California and New Mexico, the California Public Utilities Commission, alternative energy and cogeneration developers, environmental groups, labor unions, other energy consultants, and the Navajo Nation. Projects have included economic analyses of utility resource options and power contracts, utility restructuring, utility bankruptcy, coal and nuclear power plants, non-utility cogeneration plants, and offshore oil and hydroelectric projects. Experienced user of production cost models to evaluate utility economics. Very familiar with western U.S. grid (WSCC) electric resources and transmission systems and their operation and economics. Have also performed EIR/EIS reviews and need analyses of proposed coal, gas and hydro powerplants, transmission lines, substations, and coal mines. Have presented expert testimony before FERC, the California Energy Commission, the Public Utility Commissions of California, New Mexico, and Colorado, the Interstate Commerce Commission, and the U.S. Congress.

#### Environmental Defense Fund (EDF), October 1983 - April 1985

Economic analyst, employed half time at EDF's Berkeley, CA office. Analyzed nuclear power plant economics and coal plant sulfur emissions in New York state, using ELFIN model. Wrote critique of Federal coal leasing proposals for New Mexico and analysis of southwest U.S. markets for proposed New Mexico coal-fired power plants.

#### California Energy Commission (CEC), January 1980 - February 1981

Advisor to Commissioner. Wrote "California Electricity Needs," Chapter 1 of Electricity Tomorrow, part of the CEC's 1980 Biennial Report. Testified before California PUC and coauthored CEC staff brief on alternatives to the proposed 2500 megawatt Allen-Warner Valley coal project.

#### CEC, October 1977 - December 1979

Worked for CEC's Policy and Program Evaluation Office. Analyzed supply-side alternatives to the proposed Sundesert nuclear power plant and the proposed Point Concepcion LNG terminal. Was the CEC's technical expert in PG&E et. al. vs. CEC lawsuit, in which the U.S. Supreme Court ultimately upheld the CEC's authority to regulate nuclear powerplant siting.

**Energy and Resources Group, U.C. Berkeley, Summer 1976**

**Developed a computer program to estimate the number of fatalities in the first month after a major meltdown accident at a nuclear power plant.**

**Federal Energy Agency (FEA), April- May 1976**

**Consultant on North Slope Crude. Where To? How?, a study by FEA's San Francisco office on the disposition of Alaskan oil.**

**Angeles Chapter, Sierra Club, September 1974 - August 1975**

**Reviewed EIRs and EISs. Chaired EIR Subcommittee of the Conservation Committee of the Angeles Chapter, January - August 1975.**

**Bechtel Power Corporation (BPC), June 1973 - April 1974**

**Planning and Scheduling Engineer at BPC's Norwalk, California office. Worked on construction planning for the Vogtle nuclear power plant (in Georgia).**

**Education**

**Energy and Resources Group, U.C. Berkeley, 1975 - 1977**

**M.A. in Energy and Resources. Two year master's degree program, with course work ranging from economics to engineering, law to public policy. Master's thesis on the causes of the 1972-77 boom in the price of yellowcake (uranium ore). Fully supported by scholarship from National Science Foundation.**

**University of California, San Diego, 1969 - 1973**

**B.A. in Mathematics. Graduated with honors. Junior year abroad at Trinity College, Dublin, Ireland.**

**Professional Publications**

**"Rate Making for Sales of Power to Public Utilities," with Michael D. Yokell, in Public Utilities Fortnightly, August 2, 1984.**

## Christina Caro

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**From:** Trial, Allen [ATrial@semprautilities.com]  
**Sent:** Thursday, May 04, 2017 2:11 PM  
**To:** Christina Caro  
**Subject:** RE: Suncrest SVC Proceeding

Christina,

SDG&E disagrees with CURE's interpretation of SDG&E's 3/31/2017 email service which makes no mention of an NDA. Further, the need to execute an NDA is unsubstantiated as SDG&E does not intend to provide its confidential information to CURE at this time. None of the information in the referenced confidential attachments is relevant to any of the issues being addressed in NEET West's application. Instead, the confidential information pertains to SDG&E, and was provided to ORA data requests 01, without waiving SDG&E's objections, under P.U. Code Sections 583, 309.5 and 314, and not pursuant to ORA's general party status in this proceeding. Rule 10.1 (Discovery from Parties) specifically excludes any limitations to the rights of the Commission or its staff under P.U. Code Sections 309.5 and 314.

As an intervenor, SDG&E has yet to submit any facts, law or testimony in this proceeding constituting grounds for discovery from parties of SDG&E's confidential and proprietary information. If any of the confidential attachments are raised by SDG&E in this proceeding, we would then be willing to reconsider the appropriate means to provide CURE access to any relevant portions of the confidential information.

Regards,  
Allen

Allen K. Trial  
Senior Counsel  
Sempra Utilities  
8330 Century Park Court, CP32A  
San Diego, CA 92123  
Office No.: 858-654-1804  
Fax No.: 619-699-5027  
Email: ATrial@semprautilities.com

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**From:** Christina Caro [mailto:ccaro@adamsbroadwell.com]  
**Sent:** Thursday, May 4, 2017 12:30 PM  
**To:** Trial, Allen <ATrial@semprautilities.com>  
**Subject:** [EXTERNAL] RE: Suncrest SVC Proceeding

Allen:

SDG&E's 3/31/2017 email service of its responses to ORA's 1<sup>st</sup> set of data request stated that an NDA is necessary to obtain copies of SDG&E's confidential responses to ORA. CURE requests copies of all confidential responses provided to ORA. Accordingly, attached is my signature on SDG&E's NDA. Please forward copies of SDG&E's confidential responses to ORA.

\*\*\*\*\*

From 3/31/2017

Parties,

SDG&E's narrative responses and non-confidential attachments to ORA's data request #1 are attached. Confidential attachments referenced in the response are subject to a non-disclosure agreement and have only been provided to ORA. If you would like access to these attachments, please contact Wendy Johnson ([WJohnson@semprautilities.com](mailto:WJohnson@semprautilities.com)) to determine the appropriate next steps.

**Stacie Atkinson**

Regulatory Case Analyst | SDG&E  
8330 Century Park Court, CP32F  
San Diego, CA 92123  
Office: (858) 654-6471  
Mobile: (760) 518-1097

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Thanks. Christina

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**From:** Trial, Allen [<mailto:ATrial@semprautilities.com>]

**Sent:** Tuesday, May 02, 2017 3:34 PM

**To:** Christina Caro

**Subject:** RE: Suncrest SVC Proceeding

Christina,

SDG&E disagrees with CURE's position that the requested information pertaining to SDG&E's proposal to CAISO for the SVC project is relevant to the subject matter involved in this proceeding because none of the information in is itself admissible in evidence nor does it appear reasonably calculated to lead to the discovery of admissible evidence, in accordance with Rule 10.1 of the Commission's Rules of Practice and Procedure. SDG&E also objects to this Request on the grounds that it seeks the disclosure of private, confidential and proprietary business information. SDG&E specifically objects to this request to the extent SDG&E is not the Applicant or project sponsor with the burden of proof in this proceeding (A.15-08-027). Pursuant to Sections 1001, 1002, 1003.5 and 1004 et seq. of the California Public Utilities Code (P.U. Code) and General Order (GO) 131-D, any substation modification projects constructed by SDG&E within the existing substation boundaries, do not require additional permitting or cost review by this Commission nor discretionary permits or approvals by local governments.

As outlined in the Commission's Scoping Memo, the relevant factual issues in this certificate of public convenience and necessity (CPCN) proceeding are: (1) need for the Suncrest Project; (2) whether the Suncrest Project will have significant effect on the environment; (3) whether the Suncrest Project and/or project alternative is in compliance with the CPUC's Electro Magnetic Field (EMF) mitigation policies; (4) the maximum prudent and reasonable cost of the Suncrest Project; and (5) whether the Suncrest Project comports with federal, state and CPUC rules governing safety, reliability, and competition. Accordingly, SDG&E's cost estimates for constructing their proposed design of a SVC facility within the Suncrest Project provides no relevant information regarding these factual permitting, siting and environmental issues pertaining to NEET West's proposed project. This application is not the appropriate forum to review and reconsider information regarding the CAISO's competitive solicitation process or SDG&E's CPCN as authorized in D.08-12-058. This proceeding is limited by the applicant's stated request for the Commission to consider: 1) granting NEET West a CPCN authorizing the construction of the Suncrest SVC Project; 2) certifying an EIR in accordance with CEQA; 3) granting the exemptions requested in Section VIII of the Application; and 4) granting such other and further relief as the CPUC deems proper.

SDG&E will produce information to CURE only to the extent that it is relevant or material to the subject matter of Application 15-08-027. At this time an NDA appears unnecessary.

Regards,  
Allen

Allen K. Trial  
Senior Counsel  
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**From:** Christina Caro [<mailto:ccaro@adamsbroadwell.com>]  
**Sent:** Friday, April 28, 2017 5:36 PM  
**To:** Trial, Allen <[ATrial@semprautilities.com](mailto:ATrial@semprautilities.com)>  
**Subject:** [EXTERNAL] RE: Suncrest SVC Proceeding

Allen:

Thank you for forwarding the NDA. I made one proposed clerical revision in the attached, in Par. 3(d), to correct what appears to be a mistake in reference to the subsequent paragraph re resolution procedures (i.e. changing reference from "Paragraph 11" to "Paragraph 10").

With regard to discoverability, all of the data requests included in CURE's April 21, 2017 First Set Of Data Requests By California Unions For Reliable Energy to SDG&E ("Data Requests") seek information and/or documents that are relevant to the subject matter involved in this proceeding, as defined in Commission Rule 10.1, and are within the scope of issues identified in the Assigned Commissioner's Scoping Ruling issued on 2/24/2017 ("Scoping Ruling"), including but not limited to:

- Information related to the feasibility / infeasibility of Project alternatives (Issue 2.a., see e.g. Data Requests Nos. 1, 3, 4, 5(c));
- Cost, including maximum prudent and reasonable cost of the proposed project and environmentally superior alternative, if approved (Issue 5, see e.g. Data Requests Nos. 1, 2, 3, 5, 6).

CURE intends to use the information and documents produced in response to its Data Requests to evaluate, and possibly present testimony, on some or all of the issues identified in the Scoping Ruling as issues for evidentiary hearing.

Information sought in data requests does not itself have to be admissible in evidence. See Commission Rule 10.1. The information sought in CURE's Data Requests is either itself admissible in evidence or appears reasonably calculated to lead to the discovery of evidence that will be admissible in this proceeding. See Commission Rule 10.1, P.U. Code 1701.

Please provide a final version of the NDA for our signatures on Monday, May 1, and advise us of the date of production for SDG&E's responses.

Thank you. Christina

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**From:** Trial, Allen [<mailto:ATrial@semprautilities.com>]  
**Sent:** Tuesday, April 25, 2017 12:36 PM  
**To:** Christina Caro  
**Subject:** RE: Suncrest SVC Proceeding

Hi Christina,

SDG&E will produce the information or documents to CURE only to the extent that it is relevant or material to the subject matter of Application 15-08-027. If it is CURE's position that the information requested is discoverable, then please confirm and explain the basis of why you believe this information is within scope and relevant to the subject matter involved in the pending CPCN proceeding under the California Public Utilities Commission ("Commission or CPUC") Rules of Practice and Procedure, Statutes, and the applicable Assigned Commissioner's Scoping Ruling issued on 2/24/2017. SDG&E will consider your request provided you establish an appropriate foundation that the information is itself admissible in evidence.

In addition, SDG&E uses a standardized NDA form among all parties in Regulatory proceedings for sharing confidential materials, which is attached to this email for your review should SDG&E approve your request to receive any confidential and proprietary information. We request a response no later than close of business on Thursday, April 27, 2017.

Regards,

Allen

Allen K. Trial  
Senior Counsel  
Sempra Utilities  
8330 Century Park Court, CP32A  
San Diego, CA 92123  
Office No.: 858-654-1804  
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Email: [ATrial@semprautilities.com](mailto:ATrial@semprautilities.com)

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**From:** Christina Caro [<mailto:ccaro@adamsbroadwell.com>]  
**Sent:** Friday, April 14, 2017 5:44 PM  
**To:** Trial, Allen <[ATrial@semprautilities.com](mailto:ATrial@semprautilities.com)>  
**Subject:** [EXTERNAL] Suncrest SVC Proceeding

Hi Allen:

We are looking at some issues which require information from SDG&E. We can put together data requests, but I thought it might be worth seeing if SDG&E would be willing provide some documents or info informally rather than using a formal request. Let me know what you/SDG&E would prefer. A few of the documents / information we are looking for include:

- SDG&E's bid proposal to CAISO for the SVC project.
- Documents / calculations of SDG&E's expectation for annual O&M expenses and O&M cap for the SVC project.
- Documents related to any future planned expansion at the Suncrest substation (since NEET West appears to allege that putting the SVC facility on the Suncrest property could interfere with future expansion).
- any analysis SDG&E performed of the following revenue requirement components of its proposed project at the Suncrest substation: Depreciation rate, Capital structure, Cost of debt, Return on equity, Income tax obligation, A&G expenses, including expenses for FERC TO cases, Taxes other than income taxes (e.g., property taxes, employment taxes), Any other cost category affecting revenue requirements.
- SDG&E's current expectation of the revenue requirement for this project that would be included in the CAISO TAC if SDG&E is selected to replace NEET West as project sponsor after the conclusion of this case

Let me know if you are able to get us this information. Alternatively, I can put together a data request early next week.  
Thanks. Christina

Christina M. Caro  
Adams Broadwell Joseph & Cardozo  
601 Gateway Blvd., Suite 1000  
South San Francisco, CA 94080  
Tel: (650) 589-1660  
Fax: (650) 589-5062  
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**Appendix A**

**Declaration of Tracy Davis Supporting Confidential Designation**



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

In the Matter of the Application of NEXTERA ENERGY TRANSMISSION WEST, LLC for a Certificate of Public Convenience and Necessity for the Suncrest Dynamic Reactive Power Support Project.

**A.15-08-027**

**DECLARATION SUPPORTING  
CONFIDENTIAL DESIGNATION  
ON BEHALF OF  
NEXTERA ENERGY TRANSMISSION WEST, LLC**

1. I, Tracy Davis, am Senior Attorney of NextEra Energy Transmission, LLC, the parent company of NextEra Energy Transmission West, LLC (“NEET West”), the applicant in this proceeding. My business office is located at:

NextEra Energy Transmission West, LLC  
5920 West William Cannon Drive, Building 2  
Austin, Texas 78749

2. I have been delegated authority to sign this declaration by Michael Sheehan, Vice President of NEET West.
3. NEET West is producing the documents identified in paragraph 4 of this declaration to the California Public Utilities Commission (“CPUC”) or departments within the CPUC in connection with: Docket No. A.15-08-27: In the Matter of the Application of NEXTERA ENERGY TRANSMISSION WEST, LLC for a Certificate of Public Convenience and Necessity for the Suncrest Dynamic Reactive Power Support Project (“Application”).

4. Title and description of documents (collectively referred to as “Confidential Exhibits”):
  - a. Exhibit NEET West-13C – Rebuttal Testimony of Michael Sheehan on Behalf of NextEra Energy Transmission West, LLC – CONFIDENTIAL VERSION
  - b. Exhibit NEET West-14C – Rebuttal Testimony of Daniel Mayers on Behalf of NextEra Energy Transmission West, LLC – CONFIDENTIAL VERSION
  - c. Exhibit NEET West-15C – California Unions for Reliable Energy Responses to NextEra Energy Transmission West, LLC Data Requests Set One (June 21, 2017) – CONFIDENTIAL VERSION
  - d. Exhibit NEET West-16C – NEET West’s Revised Application Submitted October 17, 2014 to the CAISO and produced on May 4, 2017 as part of Second Supplement to Response to California Unions for Reliable Energy Data Requests Set One (Bates page NW-00000105 only) – CONFIDENTIAL VERSION
  
5. NEET West’s Confidential Exhibits contain confidential information that, based on my information and belief, has not been publicly disclosed. This information is of economic value to NEET West’s competitors, because it discloses confidential cost information and commercially sensitive information regarding NEET West’s bid to the CAISO for the Suncrest SVC Project. Potential competitors, counterparties, and suppliers might be able to use this information to gain a competitive advantage in future transactions involving NEET West or its affiliates. NEET West does not disclose this information in this format to other parties or agencies without assurance that it will be protected from disclosure. Thus, NEET West has made reasonable efforts under the circumstances to maintain the secrecy of the information. NEET West’s Confidential Exhibits have been marked as confidential, and the basis for confidential treatment and where the confidential information is located on the documents are identified on the following chart. NEET West also is designating the Confidential Exhibits as “Protected Materials” in accordance with the Protective Order adopted in Docket No. A.15-08-027:

Check	Basis for Confidential Treatment	Where Confidential Information is located on the documents
<input type="checkbox"/>	<p>Customer-specific data, which may include demand, loads, names, addresses, and billing data</p> <p>(Protected under PUC § 8380; Civ. Code §§ 1798 <i>et seq.</i>; Govt. Code § 6254; Public Util. Code § 8380; Decisions (D.) 14-05-016, 04-08-055, 06-12-029; and General Order (G.O.) 77-M)</p>	
<input type="checkbox"/>	<p>Personal information that identifies or describes an individual (including employees), which may include home address or phone number; SSN, driver's license, or passport numbers; education; financial matters; medical or employment history (not including job titles); and statements attributed to the individual</p> <p>(Protected under Civ. Code §§ 1798 <i>et seq.</i> and G.O. 66-C)</p>	
<input type="checkbox"/>	<p>Physical facility, cyber-security sensitive, or critical energy infrastructure data, including without limitation critical energy infrastructure information (CEII) as defined by the regulations of the Federal Energy Regulatory Commission at 18 C.F.R. § 388.113</p> <p>(Protected under Govt. Code § 6254(k), (ab); 6 U.S.C. § 131; and 6 CFR §29.2)</p>	
<input type="checkbox"/>	<p>Accident reports</p> <p>(Protected under PUC § 315 and G.O. 66-C, 2.1)</p>	
<input checked="" type="checkbox"/>	<p>Commercial records that, if revealed, would place NEET West at an unfair business disadvantage, including market-sensitive data; business plans and strategies; long-term fuel buying and hedging plans; price, load, or demand forecasts; power purchase agreements within three years of execution; and internal financial information</p> <p>(Protected under Govt. Code §§ 6254, 6276.44; Evid. Code § 1060; Civ. Code § 3426 <i>et seq.</i>; and G.O. 66-C, 2.2 (b))</p>	<p>Exhibits NEET West-13C, -14C, -15C, and -16C reveal trade secrets that are protected under Govt. Code §§ 6254, 6276.44; Evid. Code § 1060; Civ. Code § 3426 <i>et seq.</i>; and G.O. 66-C, 2.2 (b)</p>



Proprietary and trade secret information or other intellectual property

(Protected under Civ. Code § 3426 *et seq.*; and Govt. Code § 6254.15)

Exhibits NEET West-13C, -14C, -15C, and -16C reveal trade secrets that are protected under Govt. Code §§ 6254, 6276.44; Evid. Code § 1060; Civ. Code § 3426 *et seq.*; and G.O. 66-C, 2.2 (b)



Corporate financial records

(Protected under Govt. Code § 6254.15)



Third-Party information subject to non-disclosure or confidentiality agreements

(*See, e.g.*, D.11-01-036)

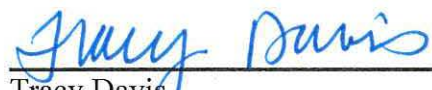


Other basis: Information regarding the location, character, or ownership of a cultural or paleontological resource.

(Protected under 16 U.S.C. § 470w-3 (National Historic Preservation Act); 16 U.S.C. § 470hh (Archaeological Resources Protection Act); 16 U.S.C. § 470aaa-8 (Paleontological Resources Preservation Act); Govt. Code § 6254(k); and CEQA Guidelines § 15120(d))

6. The importance of maintaining the confidentiality of this information outweighs any public interest in disclosure of this information. This information should be exempt from the public disclosure requirements under the Public Records Act and should be withheld from disclosure.
7. I declare under penalty of perjury that the foregoing is true, correct, and complete to the best of my knowledge.

8. Executed on this 17<sup>th</sup> day of July, 2017 at Austin, Texas.



Tracy Davis

Senior Attorney

NextEra Energy Transmission West, LLC