

Company: San Diego Gas & Electric Company (U 902 M)  
Proceeding: 2028 General Rate Case  
Application: A.26-06-\_\_\_\_  
Exhibit: SDGE-12

**PREPARED DIRECT TESTIMONY OF SABRINA BUTLER**  
**(CUSTOMER SERVICES)**

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



**June 2026**

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## SUMMARY

<b>CUSTOMER SERVICES (In 2025 \$)</b>			
<b>Categories of Management</b>	<b>2025 Adjusted-Recorded (000s)</b>	<b>TY2028 Estimated (000s)</b>	<b>Change (000s)</b>
Total Non-Shared Services	83,159	84,503	1,344
Total Shared Services (Incurred)	0	0	0
<b>Total O&amp;M</b>	<b>83,159</b>	<b>84,503</b>	<b>1,344</b>

### Summary of Requests

- SDG&E’s Customer Services request of \$84,503,000 reflects essential funding required to operate the business, with a focus on improving customer experience while maintaining safety, affordability, and compliance.
- **Forecast Methodology**
  - Most workpapers use base year forecast, as costs recorded in base year (BY 2025) are the most accurate forecast method for anticipated costs in TY 2028.
  - The Customer Programs workpaper leverages a three-year average forecast methodology because the most recent recorded year (BY 2025) isn’t representative of “normal” ongoing costs, and the underlying activities are more volatile and policy dependent.
- **Business Optimization and Affordability**
  - As part of SDG&E’s business optimization and affordability efforts, the managed services transition for billing and credit & collections generates savings (28.9 Full-Time Equivalents (FTEs)) to offset the following incremental staffing requests.
    - As the energy landscape becomes increasingly complex, SDG&E is requesting five incremental Account Executive positions and one incremental Analyst position to enhance strategic engagement with large business customers.
    - To meet gas and electric metering compliance workload and safety critical metering training, SDG&E is requesting 7.2 incremental

FTEs in Customer Field Operations and an incremental instructor in Customer Field Support Services.

- As a result of realized efficiencies from technology deployment and process improvements, Customer Call Center costs are expected to remain flat.
- SDG&E is requesting updates to Schedule CCA for costs to serve Community Choice Aggregators (CCAs).
- SDG&E is requesting reasonableness review of 16 regulatory accounts.
- SDG&E is requesting to update SDG&E's uncollectible rate to be set at 0.564%.
- SDG&E is requesting the sale of "Power Your Drive" assets to be exempt from the Public Utilities Code Section 851 Individual Advice Letter Requirements.

**SDG&E DIRECT TESTIMONY OF SABRINA BUTLER  
(CUSTOMER SERVICES)**

**I. INTRODUCTION**

**A. Summary of Customer Services Costs and Activities**

My testimony supports Test Year (TY) 2028 forecasts for operations and maintenance (O&M) costs for non-shared services associated with the Customer Services area for SDG&E. Table SB-1 summarizes my sponsored costs.

**TABLE SB-1  
Test Year 2028 Summary of Total Costs**

<b>CUSTOMER SERVICES (in 2025\$)</b>			
<b>O&amp;M</b>	<b>2025 Adjusted-Recorded (000s)</b>	<b>TY2028 Estimated (000s)</b>	<b>Change (000s)*</b>
Customer Services	83,159	84,503	1,344
Total Non-Shared Services	83,159	84,503	1,344

\*Change is due to an adjustment in connection with the compensation modernization initiative. Please refer to the Compensation & Benefits testimony, Ex. SCG-16/SDGE-20.

Customer Services is where SDG&E’s commitment to its customers comes to life every day. The team provides essential support to customers across a variety of touchpoints, including customer-facing engagement, program offerings, customer field operations, digital channels, privacy practices, and billing and credit management. In an era of rapidly evolving technology and rising customer expectations, excellence in customer service is no longer about simply helping customers, it is about anticipating their needs, removing friction, and delivering seamless, personalized experiences at every interaction.

Heightened customer expectations continue to be driven by rapid technological innovation. This shift requires not just better service, but smarter, more personalized engagement and greater convenience. Meeting these expectations isn’t optional; it is foundational to achieving excellence in customer service. Leveraging key technologies will be critical to delivering high-quality customer service, powering new solutions that streamline operations, addressing affordability challenges and delivering experiences that redefine how customers engage with SDG&E. Whether it’s real-time micro-notifications, seamless digital payments, accelerated service timelines, or keeping our communities safe, SDG&E is building a foundation and culture where every employee has a part in enhancing customer experience.

1           **B.     Organization of Testimony**

2           My testimony is organized as follows:

- 3           •     Introduction
- 4           •     Affordability & Efficiency
- 5           •     Non-Shared Operations & Maintenance (O&M) Costs
  - 6           ○     Customer Engagement, Customer Care and Customer Programs
    - 7           ▪     Customer Engagement
    - 8           ▪     Customer Care
    - 9           ▪     Customer Programs
  - 10          ○     Customer Service Field and Metering Operations
    - 11          ▪     Customer Field Operations
    - 12          ▪     Customer Field Supervision & Operations Support
    - 13          ▪     Customer Field Support Services
    - 14          ▪     Metering Operations
  - 15          ○     Customer Operations and Customer Services Support
    - 16          ▪     Customer Operations
    - 17          ▪     Customer Services Support
- 18          •     Uncollectible Rate
- 19          •     Power Your Drive Assets
- 20          •     Community Choice Aggregation Support
- 21          •     Reasonableness Review of Regulatory Accounts
- 22          •     Conclusion

23           **C.     Support To and From Other Chapters**

24           My testimony also references the testimony and workpapers of several other chapters,  
25 either in support of their testimony or in support of mine. This includes:

- 26          •     Information Technology (IT) capital costs for systems and technology that  
27          support Customer Services (Exhibit (Ex.) SCG-10/SDGE-14).

- Regulatory account proposals are sponsored by SDG&E Regulatory Accounts testimony (Ex. SDGE-26); however, this testimony sponsors the reasonableness of costs recorded.
- Forecasted electric meter growth is covered in the Electric Customer Forecast testimony (Ex. SDGE-25).
- Forecasted gas meter growth is covered in the Escalation & Gas Customer Forecast testimony (Ex. SCG-20/SDGE-24).
- Capital costs for meters associated with planned and routine meter change and regulators required for the underset regulator remediation program are discussed in the Gas Distribution testimony (Ex. SDGE-04).
- Costs associated with company fleet vehicles used by the Customer Services Field workforce are covered in the Operations Support testimony (Ex. SDGE-16).
- Miscellaneous revenues associated with Community Choice Aggregation fees are addressed in the Miscellaneous Revenues testimony (Ex. SDGE-31).
- Costs associated with independent privacy audit are addressed in the Compliance testimony (Ex. SCG-30/SDGE-36).

## II. AFFORDABILITY & EFFICIENCY

SDG&E’s TY 2028 Customer Services forecast reflects a sustained and demonstrable focus on affordability through the targeted use of technology, operational efficiencies, and disciplined cost management. The forecast does not assume discretionary service expansion or generalized growth. Rather, it incorporates realized efficiencies, avoided costs, and structural changes that limit upward pressure on rates while maintaining safe, reliable, and compliant service.

### **Technology Driven Efficiencies**

SDG&E has implemented targeted technology solutions that reduce manual workload and suppress growth in operating costs. Expanded digital self-service capabilities – including enhanced Interactive Voice Response (IVR), chatbot functionality, My Energy Center tools, and customer notifications – have shifted routine customer interactions away from live agents. These changes are reflected in reduced handling times, improved digital containment, and the ability to serve growing customer needs without proportional staffing increases. Increased adoption of paperless billing and electronic communications has also reduced printing, postage, and vendor costs. These recurring efficiencies are embedded in the TY 2028 forecast. SDG&E has also

implemented technology automation to streamline processing, reducing manual handling of medical baseline program applications.

Additionally, SDG&E has realized tangible value and efficiencies from prior IT investments. The 2024 GRC decision includes a compliance requirement to provide the ratepayer benefits arising from authorized funding in Decision (D.) 24-12-074.<sup>1</sup> IT capital costs for all systems and technology supporting Customer Services are found in Ex. SCG-10/SDGE-14. Forecasted capital costs associated with CIS Regulatory and Enhancements are captured in Table SB-2 and represent a subset of the total capital costs requested in WP D09030 - Customer Care & Billing. As shown in Table SB-2 below, SDG&E is reducing future IT capital cost requests as a result of the CIS enhancements authorized in the 2024 GRC. These enhancements enabled operational improvements and technology-driven efficiencies that lower the ongoing IT capital costs required to support Customer Services, thereby delivering direct benefits to ratepayers.

**TABLE SB-2**  
**Summary of Forecasted Capital Costs and Reductions**

<b>CIS Regulatory and Enhancements (in 2025\$)</b>						
<b>Capital</b>	<b>2026 (000s)</b>	<b>2027 (000s)</b>	<b>2028 (000s)</b>	<b>2029 (000s)</b>	<b>2030 (000s)</b>	<b>2031 (000s)</b>
Labor	3,194	2,521	2,181	2,225	2,289	2,343
Non-Labor	15,139	15,766	14,593	14,603	14,664	14,757
Total	18,333	18,287	16,774	16,828	16,953	17,100
Reduction from 2024 Authorized Costs (\$23.768M)	-22.9%	-23.1%	-29.4%	-29.2%	-28.7%	-28.1%

**Operational Efficiencies**

SDG&E’s operational efficiency efforts extend across Customer Care and Customer Service Field and Meter Operations. Within Customer Care, SDG&E has implemented targeted process improvements, including streamlined call flows, consolidation of agent scripts, elimination of low value tasks, and enhanced escalation practices. Collectively, these changes

<sup>1</sup> D.24-12-074 at 685 (“SDG&E shall show benefits of these enhancements in its next GRC application, either lowering O&M costs or lowering future capital costs resulting from CIS enhancements.”).

1 have reduced average handle times, improved speed of answer, and lowered the total staff hours  
2 required per customer contact, while enhancing the customer experience delivered.

3       Affordability efforts also extend to Customer Service Field and Metering Operations.  
4 The Company is implementing operational efficiencies that streamline customer visits and  
5 improve workforce utilization. Centralized training, quality assurance, and analytics further  
6 reduce rework and drive consistent execution across field activities.

7       These improvements are supported by an established continuous improvement  
8 framework using analytics and performance reporting to drive sustained productivity and cost  
9 control, rather than service expansion. As a result, unit costs in several areas have stabilized or  
10 declined despite increasing regulatory complexity and customer expectations.

### 11       **Disciplined Cost Management**

12       As part of disciplined cost management, SDG&E has transitioned select billing, credit  
13 and collections, and payment services activities to a managed service provider. This approach  
14 reduces overall O&M costs, improves scalability and maintains appropriate service quality and  
15 oversight.

16       Importantly, efficiencies have enabled the Company to redeploy existing staff from  
17 lower-value, transactional activities to higher-priority work without increasing overall  
18 headcount. This reallocation underscores SDG&E's focus on maximizing internal efficiency and  
19 aligning its workforce to evolving customer needs before seeking incremental funding.

### 20       **Reasonableness of the Forecast**

21       The efficiencies described above are not aspirational. They are currently in place and  
22 reflected in the TY 2028 forecast through reduced unit costs, avoided staffing increases in some  
23 areas, or lower non-labor expenses. Where incremental funding is requested, it is narrowly  
24 targeted to workload growth, compliance obligations, or operational necessity, not discretionary  
25 enhancements.

26       Accordingly, SDG&E's Customer Services forecast reflects a reasonable and balanced  
27 approach that prioritizes affordability, demonstrates cost discipline, and incorporates measurable  
28 efficiency gains consistent with Commission expectations.

## 29       **III. NON-SHARED O&M COSTS**

30       “Non-Shared Services” are activities that are performed by a utility solely for its own  
31 benefit. Corporate Center provides certain services to the utilities and other subsidiaries. For

1 purposes of this general rate case, SDG&E treats costs for services received from Corporate  
 2 Center as Non-Shared Services costs. Table SB-3 summarizes the total non-shared O&M  
 3 forecasts for the listed cost categories.

4 **TABLE SB-3**  
 5 **Non-Shared O&M Summary of Costs**

<b>CUSTOMER SERVICES (in 2025\$)</b>			
<b>Categories of Management</b>	<b>2025 Adjusted-Recorded (000s)</b>	<b>TY2028 Estimated (000s)</b>	<b>Change (000s)</b>
A. Customer Engagement, Customer Care, and Customer Programs	28,833	31,886	3,053
B. Customer Service Field and Metering Operations	33,674	35,168	1,494
C. Customer Operations and Customer Services Support	20,651	17,449	-3,202
<b>Total Non-Shared Services</b>	<b>83,159</b>	<b>84,503</b>	<b>1,344</b>

6 **A. Customer Engagement, Customer Care, and Customer Programs**

7 **TABLE SB-4**  
 8 **Customer Engagement, Customer Care, and Customer Programs O&M**

<b>CUSTOMER SERVICES (in 2025\$)</b>			
<b>A. Customer Engagement, Customer Care, and Customer Programs</b>	<b>2025 Adjusted-Recorded (000s)</b>	<b>TY2028 Estimated (000s)</b>	<b>Change (000s)</b>
1. Customer Engagement	4,543	5,540	997
2. Customer Care	19,480	20,209	729
3. Customer Programs	4,810	6,137	1,327
<b>Total</b>	<b>28,833</b>	<b>31,886</b>	<b>3,053</b>

9 **1. Customer Engagement**

10 **TABLE SB-5**  
 11 **Customer Engagement O&M**

<b>CUSTOMER SERVICES (in 2025\$)</b>			
<b>A. Customer Engagement, Customer Care, and Customer Programs</b>	<b>2025 Adjusted-Recorded (000s)</b>	<b>TY2028 Estimated (000s)</b>	<b>Change (000s)</b>
1. Customer Engagement	4,543	5,540	997
<b>Total</b>	<b>4,543</b>	<b>5,540</b>	<b>997*</b>

12 \*\$206,000 of the total change amount is due to an adjustment in connection with the compensation modernization  
 13 initiative. Please refer to the Compensation & Benefits testimony, Ex. SCG-16/SDGE-20.

1  
2 **a. Description of Costs and Underlying Activities**

3 The Customer Engagement cost category includes labor and non-labor expenses that  
4 support direct service to residential and business customers. These services are delivered  
5 through the Business Services, Planned Outage Coordination, Stakeholder Engagement and  
6 Community Outreach, Customer Experience, and Continuous Improvement and Analytics teams.  
7 Descriptions of these services are provided below.

8 Business Services

9 Business Services provides specialized, customer-focused support that helps SDG&E's  
10 business customers navigate complex energy needs. The team provides education, expertise, and  
11 analysis on electric and gas rates, tariff services, program offerings, resiliency initiatives, and  
12 regulatory and legislative requirements and impacts. Through proactive outreach and  
13 personalized engagement, Business Services informs and prepares customers, particularly during  
14 critical events such as Public Safety Power Shutoffs (PSPS), emergency curtailments, and other  
15 outages.

16 To meet the diverse needs of SDG&E's customer base, Business Services operates  
17 through four core functions: Major Accounts, Business Analysts, Infrastructure Advisors and  
18 Customer Energy Specialists.

19 *Major Accounts*

20 The Major Accounts team provides account management for SDG&E's largest and most  
21 complex commercial, industrial, and (local & federal) governmental customers. In BY 2025, the  
22 600 customers directly managed by an Account Executive (AE), encompasses ~51,000  
23 underlying business accounts and ~62,000 electric and gas meters. Together these customers  
24 account for more than half of all SDG&E's business customers' electric usage, over three-  
25 quarters of total business gas usage, and over one-third of total billed amounts across all SDG&E  
26 business customers. Each AE manages an average of 51 customers and 4,700 meters (both  
27 electric and gas) and serves as their primary point of contact for strategic energy guidance.

28 AEs support large customers with inquiries related to rates and billing, infrastructure and  
29 project planning, regulatory updates, resiliency and PSPS preparedness, and advanced energy  
30 initiatives such as distributed generation, third-party energy providers, and sustainability  
31 initiatives. AEs are assigned by market segment to develop industry-specific expertise and

1 deliver tailored solutions aligned with customer operational needs. This high-touch model  
2 allows SDG&E's largest customers to receive timely, accurate, and actionable information to  
3 maintain reliability, manage cost, and achieve their energy objectives.

#### 4 *Business Analysts*

5 Business Analysts support the Account Executives and the approximately 600 assigned  
6 customers (with ~51,000 accounts, and ~62,000 meters), by providing customer-specific rate and  
7 tariff support that are not available through self-service or online tools. Each analyst supports an  
8 average of 200 customers and 21,000 meters (both electric and gas). Their work includes  
9 preparing customized rate comparisons, explaining applicable rates and tariffs, resolving billing  
10 discrepancies through coordination with internal departments and helping customers understand  
11 account options, credit obligations, and payment arrangements.

12 Business Analysts also support customer affordability by educating customers about  
13 available rate options that align with their operating needs and by explaining the impacts of new  
14 rates and tariff changes as they are implemented. As customers increasingly deploy new  
15 technologies, Business Analysts, in coordination with Account Executives, help explain how  
16 applicable tariff provisions and regulatory policies apply to non-residential customers under a  
17 wide range of operating and usage conditions.

18 Assigned customers typically have multiple accounts across different rate classes,  
19 resulting in complex account structures and billing arrangements. As rate designs, tariffs, and  
20 customer configurations continue to increase in complexity, Business Analysts play a critical  
21 role in supporting complex billing, customer understanding, and effective account management  
22 for large non-residential customers.

#### 23 *Infrastructure Advisors*

24 Infrastructure Advisors support the Account Executive and approximately 600 assigned  
25 customers for infrastructure-related activities. They coordinate service upgrades, relocations,  
26 and customer-requested maintenance outages; support with integrating technologies such as  
27 pulse meters for energy management systems; and guide customers through utility requirements  
28 and documentation. Infrastructure Advisors also monitor unplanned outage alerts and provide  
29 proactive support to customers when gas and/or electric services are impacted. Through this  
30 technical guidance and personalized coordination, they help customers navigate complex  
31 infrastructure processes efficiently and in compliance with SDG&E standards.

1 *Customer Energy Specialists*

2 Customer Energy Specialists support ~1.5 million residential customers with ~2.2 million  
3 electric and gas meters and ~135,000 business customers with ~155,000 electric and gas meters  
4 that are not assigned to an Account Executive by providing personalized assistance for escalated  
5 issues that go beyond the scope of the Customer Care Center (CCC). These specialists operate in  
6 a hybrid model, providing customer support through virtual consultations and in-person site  
7 visits, resolving over 3,000 tickets in 2025. These specialists resolve a variety of issues  
8 including complex billing and metering concerns; conduct site visits to address high usage or  
9 bills, safety issues, and infrastructure questions; educate customers on rate options and energy-  
10 saving strategies; and support outreach campaigns for PSPS and compliance-related safety  
11 programs.

12 Small business customers often have limited resources and energy knowledge. By  
13 providing clear, actionable information and hands-on support, Customer Energy Specialists help  
14 these customers manage their energy use efficiently, safely, and cost-effectively.

15 Pursuant to the Settlement on Customer Services Information adopted in D.24-12-047,  
16 SDG&E developed a one-time customer insight research effort for small business customers<sup>2</sup>  
17 SDG&E began this research effort in August 2025 and surveyed a sample size of approximately  
18 30,000 small business customers. Some key takeaways from the survey were that the majority of  
19 the respondents find it at least somewhat easy to both understand and make payment on their  
20 SDG&E bill and were aware that SDG&E offers flexible payment plans for past-due accounts.  
21 Building on these insights, Business Services will continue to enhance and expand its support for  
22 small business customers by leveraging customer feedback, targeted outreach, and the hands-on  
23 assistance provided by Customer Energy Specialists to deliver clear information, practical  
24 solutions, and personalized assistance that helps small business customers manage energy costs  
25 and operations with confidence. The results of this study are attached to this testimony as  
26 Appendix B.

27 Planned Outage Coordination

28 The Planned Outage Coordination team manages all scheduled outages across SDG&E's  
29 service territory, informing and preparing customers. In BY 2025, the team coordinated

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<sup>2</sup> *Id.*, Appendix C, Attachment A at 2.

1 approximately 6,400 planned outages, impacting over 350,000 customers. The team oversees  
2 customer notifications, with all impacted customers receiving automated voice, text, and email  
3 notifications at least six days prior to the outage with direct mail used when other channels are  
4 unavailable. These outage notifications provide key outage details to help customers plan  
5 appropriately. The team also responds to customer inquiries throughout the planned outage  
6 process. For outages with unique complexities or critical impacts, the team provides enhanced  
7 planning, coordination, and communication to minimize disruption and maintain safety.

#### 8 Stakeholder Engagement and Community Outreach

9 A key component of this team’s work is collaboration with over 200 Community-Based  
10 Organizations (CBOs), which are small, grassroots agencies serving customers with access and  
11 functional needs. These include multicultural, multilingual, limited-income, senior, and limited-  
12 English proficiency (LEP) populations in communities of concern. These CBOs act as trusted  
13 partners and communication channels, helping amplify SDG&E’s programs and emergency  
14 preparedness information. SDG&E engages with CBOs year-round through presentations,  
15 events, and direct outreach to support vulnerable customers and help increase preparedness for a  
16 variety of emergencies. In 2025, SDG&E conducted over 3,000 outreach activities to support  
17 vulnerable populations and increase emergency preparedness.

18 The Stakeholder Engagement and Community Outreach team also provides proactive  
19 education to residential customers, business customers, and key customer segments such as tribal  
20 communities through events, presentations, outreach materials, and one-on-one consultations.  
21 Topics include gas and electric rates, customer assistance programs, energy management tools,  
22 PSPS preparedness, and wildfire safety. There is also focus on improving accessibility across all  
23 customer touchpoints, including communications, facilities, and digital tools, to better support  
24 customers with disabilities such as hearing, vision, mobility, and cognitive impairments. These  
25 efforts generate outreach that is inclusive, culturally sensitive, and effective in reaching various  
26 segments of SDG&E’s customer base.

#### 27 Customer Experience

28 The Customer Experience team advances SDG&E’s “Customer First” focus by  
29 improving the end-to-end customer journey across channels and transactions. The team  
30 evaluates customer experiences holistically, identifying friction points, root causes, and  
31 opportunities to streamline processes, improve communications, and reduce customer effort.

1 The team systematically integrates Voice of Customer insights (e.g., feedback from  
2 surveys, complaints, call drivers, digital analytics, and customer comments) with operational and  
3 customer experience data to identify pain points, quantify impacts, and develop prioritized  
4 recommendations. These recommendations are translated into actionable change plans and  
5 executed in partnership with operations, customer service, and IT organizations so that  
6 improvements are implemented effectively and sustained over time. As customer expectations  
7 evolve and interactions become more complex, this function plays a critical role in delivering  
8 clear, consistent, and reliable experiences across all touchpoints, while improving transparency  
9 and building customer trust.

10 To enable enterprise alignment and accelerate cross-functional delivery, SDG&E  
11 established an Executive Customer Experience Council comprised of senior leaders across  
12 operations, customer service, and IT. The Council provides visibility to customer experience  
13 enhancement opportunities, alignment on solutions, removes barriers to execution, and tracks  
14 outcomes delivering high-impact improvements consistently across the company.

15 Examples of customer experience improvements delivered through this approach include:  
16 (1) implementing advance notifications for routine field-work to improve customer awareness  
17 while also enhancing employee and customer safety, (2) improving the new-service energization  
18 experience, resulting in an approximately 20 percent increase in customer satisfaction, and (3)  
19 enhancing the order verification process for customer reported outages to streamline the  
20 customer process, create resource efficiencies and improve safety.

21 For additional details regarding enabling technology and related investments, please refer  
22 to SDG&E IT Testimony Section IV.D (Ex. SCG-10/SDGE-14) and/or IT workpapers (Ex.  
23 SDGE-14-CWP, WP # B09030-Customer Experience).

#### 24 Continuous Improvement and Analytics

25 The Continuous Improvement and Analytics (CI&A) team is responsible for driving  
26 operational efficiency through disciplined, data-driven process improvement across Customer  
27 Services. Led by a Lean Six Sigma Black Belt, the team applies structured continuous  
28 improvement methodologies, including Kaizen workshops, to identify root causes of  
29 inefficiencies, simplify workflows, reduce rework, and improve performance across  
30 customer-facing and operational processes.

1 CI&A partners closely with customer service, operations, and IT teams to analyze  
2 end-to-end processes, prioritize high-impact improvement opportunities, and support execution  
3 of recommended changes. The team focuses on high-volume and high-cost activities where  
4 process inefficiencies drive avoidable work, customer friction, or operational complexity.  
5 Through facilitation of Kaizen workshops and ongoing performance analysis, CI&A helps  
6 business leaders align on practical solutions that improve efficiency while maintaining service  
7 quality, safety, and compliance.

8 In addition to facilitation and execution support, CI&A provides advanced analytics and  
9 performance insights that enable fact-based decision-making. The team monitors operational  
10 trends, identifies systemic issues, and develops dashboards and reporting that support  
11 management oversight, accountability, and sustained performance improvement. These analytics  
12 capabilities help confirm that process changes deliver measurable results and are embedded into  
13 day-to-day operations.

14 Recent CI&A efforts have supported improvements across multiple functions, including  
15 Customer Service Field and the Customer Care Center. These initiatives have reduced cycle  
16 times, eliminated manual effort, and improved consistency in service delivery, contributing to  
17 operational efficiency and cost control.

18 CI&A also supports business optimization through digital enablement and automation,  
19 working with IT and operational teams to streamline processes, reduce manual handoffs, and  
20 improve data quality. Enabling technologies that support these efforts are addressed in SDG&E  
21 IT Testimony Section IV.D (Ex. SCG-10/SDGE-14) and/or IT workpapers (Ex. SDGE-14-CWP,  
22 WP # D09030-Customer Care & Billing).

23 The estimated expenses for Customer Engagement are outlined in my workpaper (Ex.  
24 SDGE-12-WP 100007.000).

#### 25 **b. Forecast Method**

26 The forecast method for labor and non-labor for this cost category is base year because  
27 the last recorded year, 2025, accurately reflects the expense level required to sustain current  
28 operations. This is consistent with the methodology used in the last GRC. However, it is  
29 important to recognize that future expenditures cannot remain static given the rapid evolution of  
30 customer expectations and industry standards.

1 Customer expectations continue to evolve resulting in the need for more personalized  
2 engagement, digital convenience, and proactive communication. These expectations are not  
3 aspirational; they are becoming baseline requirements across the utility sector. To address these  
4 needs, SDG&E must invest strategically in people and technology: skilled personnel to deliver  
5 proactive, high-quality, customer-focused interactions, and advanced platforms to enable  
6 automation, personalization, and real-time responsiveness.

7 While the base year provides a sound foundation, incremental strategic investments are  
8 essential to maintain compliance, exceed evolving customer expectations, manage the growing  
9 complexity of customer interactions, and ensure operational resilience. These investments will  
10 allow SDG&E to modernize customer-facing functions by shifting more activity to digital  
11 channels and reducing manual workload. Additional staffing and technology capabilities are  
12 also needed to manage growing interaction complexity, maintain compliance obligations, and  
13 support resilient operations during both routine and high impact events. These investments will  
14 improve service quality, reduce long-term operational pressures, and support a reliable, modern  
15 customer experience.

16 Base Year non-labor costs consist of routine office expenses, such as supplies, employee  
17 cell phones, mileage, and expense reimbursements. These costs are forecast to remain  
18 unchanged; therefore, SDG&E is not requesting incremental non-labor funding.

19 **c. Cost Drivers**

20 The labor cost drivers in this forecast are primarily driven by California's rapidly  
21 evolving energy landscape, including state climate policies, electrification mandates, and a  
22 growing focus on affordability and equity. As customers navigate these changes, many,  
23 particularly low- and moderate-income households and small businesses increasingly seek  
24 assistance understanding bill impacts, accessing available savings programs, and avoiding  
25 unintended cost burdens. Responding to these customer drivers requires a strong customer  
26 engagement team equipped to provide clear guidance, personalized support, and timely issue  
27 resolution.

28 Dedicated Customer Experience resources are required to continuously evaluate  
29 end-to-end journeys, absorb and analyze customer feedback, and coordinate enterprise-wide  
30 changes that prevent these inefficiencies from becoming embedded in operations. Large  
31 commercial and industrial customers similarly face complex and evolving compliance and

1 decarbonization obligations that require deeper, more technical engagement and dedicated  
2 account management. In parallel, ongoing system upgrades and resiliency investments increase  
3 the need for a centralized planned outage team to proactively coordinate communications and  
4 mitigate disruption, especially for customers and communities who are most sensitive to service  
5 interruptions. Heightened public interest in energy affordability, reliability, and community  
6 impacts also necessitates continued stakeholder and community outreach to ensure transparent,  
7 accessible communication and build trust across diverse customer populations. Supporting this  
8 environment requires continued investment in upskilling customer-facing personnel and  
9 expanding analytical and communications capabilities so teams can deliver both  
10 affordability-focused support and high-value strategic service alongside essential transactional  
11 activities.

12 Lastly, the CIA enables Customer Services to absorb workload growth and complexity  
13 without proportional increases in staffing, making it a necessary cost containment capability  
14 rather than a discretionary enhancement.

15 **d. Incremental Labor Requests**

16 1. Business Services- Major Accounts

17 SDG&E is requesting \$791,000 in incremental labor above the BY 2025 for the Business  
18 Account Management team to fund five Account Executive (AE) positions and one Business  
19 Analyst. This increase is necessary to address the growing complexity of large business  
20 customers' energy needs and their expectations for proactive, personalized, and strategic  
21 engagement. These customers represent the majority of SDG&E's non-residential energy usage  
22 and require tailored solutions to manage sophisticated operations, navigate regulatory changes,  
23 and achieve sustainability goals.

24 The way customers receive electric service has become increasingly complex due to the  
25 rapid growth of Load Service Entities (LSEs) in the region over the last 4-5 years. The market is  
26 now highly decentralized, with nearly 80% of customers in our service territory receiving electric  
27 commodity service from third-party providers. As a result, evaluating the impacts of SDG&E  
28 specific rate changes on customer bills has become more nuanced, and complex, as the presence  
29 of third-party commodity providers makes it more difficult to form a holistic view of total  
30 customer costs.

1 At the same time, California’s decarbonization policies<sup>3</sup> are accelerating timelines for  
2 building electrification, fleet conversion, and large-load development by establishing mandatory  
3 energization targets and faster interconnection processes. These initiatives require customers to  
4 make significant infrastructure and operational changes, often under compressed schedules. As a  
5 result, the AE role must evolve from a transactional point of contact to a strategic facilitator,  
6 helping customers understand and navigate utility processes, connecting them with the right  
7 internal experts, and adopt new technologies that support their goals.

8 Currently, each AE manages approximately 51 large business customers, many with  
9 complex utility configurations. This is well above the utility industry average (peer IOUs  
10 typically assign 25-35 customers per AE depending on account complexity) and makes it  
11 increasingly challenging for account managers to proactively provide the high-touch, strategic  
12 engagement customers require to navigate electrification, infrastructure planning and resilience  
13 initiatives. The requested AE positions are necessary to right-size portfolio loads, enable deeper  
14 customer engagement and verify customers receive expert guidance on rate analysis,  
15 infrastructure and resiliency planning, and advance energy strategies aligned with California’s  
16 policy objectives.

## 17 2. Business Services- Business Analysts

18 Separately, each Business Analyst supports approximately 200 large business customers,  
19 and the increasing complexity of customer billing and rate structures has driven a substantial rise  
20 in analytical workload. Business Analysts perform customer-specific rate and tariff evaluations,  
21 multi-scenario forecasting, and billing reconciliations that underpin customer decision-making  
22 and maintain compliance with Commission expectations for rate accuracy, transparency and  
23 customer bill clarity. This work has expanded not because of AE staffing levels, but because  
24 customer accounts have grown significantly more complex, requiring detailed analysis regardless  
25 of AE portfolio size.

26 While analytical tools and automation support straight-forward tasks, the work performed  
27 by Business Analysts requires professional judgment and customer-specific interaction and

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<sup>3</sup> California’s decarbonization policies include: Senate Bill (SB) 410 (Becker, 2023), *available at:*  
[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202320240SB410](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB410); Assembly Bill  
(AB) 50 (Wood, 2023), *available at:*  
[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202320240AB50](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB50); and the  
CPUC’s Energization Decision (D.24-09-020) and related clean energy legislation.

1 interpretation that cannot be fully automated without increasing the risk of errors,  
2 non-compliance, and a poor customer experience. Business Analysts evaluate how  
3 Commission-approved tariffs apply to individual customer circumstances, resolve discrepancies  
4 across systems and service arrangements, and support customers with complex account  
5 structures involving multiple rate classes, technologies, and third-party commodity providers.  
6 This work frequently requires case-specific analysis and explanation when tariff provisions  
7 overlap, customer usage patterns change, or system data is inconsistent.

8         The requested addition of one Business Analyst is therefore necessary to maintain  
9 analytical accuracy, meet customer expectations for timely and reliable support, and continuing  
10 to meet compliance with Commission-approved tariffs as customer configurations and regulatory  
11 requirements continue to increase in complexity, even absent changes to the Account Executive  
12 team.

13         Although both roles serve business customers, the business needs for each is distinct. AE  
14 positions address customer-facing capacity constraints and strategic engagement, while the  
15 analyst position addresses technical, analytical and compliance related workload. Each role  
16 supports different operational needs.

17         These positions are a prudent investment to maintain compliance, meet evolving  
18 customer expectations, mitigate risk, and deliver excellent customer service. These incremental  
19 positions align SDG&E's account management ratios with peer utilities, so that SDG&E can  
20 meet expanding analytical and advisory requirements and address workload pressures that cannot  
21 be absorbed through additional efficiencies without compromising service outcomes. Expanding  
22 the team allows SDG&E to deliver the personalized, strategic engagement that large business  
23 customers expect while supporting Commission objectives related to electrification, reliability,  
24 and customer service and helping to avoid downstream costs associated with service failures,  
25 project delays, and complaint escalation.

#### 26         Summary

27         SDG&E forecasts that it can continue to effectively support evolving customer  
28 expectations and regulatory obligations across Customer Engagement by maintaining a strong  
29 foundation of base year resources while making targeted, strategic investments where workload  
30 complexity and customer needs are increasing. This approach supports proactive, personalized  
31 engagement for large and small business customers; timely, coordinated communications for

planned outages and high-impact events; and transparent, accessible outreach for diverse and vulnerable communities. In addition, SDG&E’s incremental labor requests are narrowly tailored to address demonstrated workload and complexity for large business customer engagement and associated analytical/compliance needs. In parallel, Customer Experience and CI&A provide enterprise-wide insights, process improvements, and analytics that reduce customer effort, mitigate repeat contacts, and help absorb growth and complexity without proportional increases in staffing. As a result, SDG&E’s Customer Engagement forecast is designed to sustain reliable service, strengthen trust, and improve efficiency while managing costs prudently over the forecast period.

**2. Customer Care**

**TABLE SB-6  
Customer Care O&M**

<b>CUSTOMER SERVICES (in 2025\$)</b>			
<b>A. Customer Engagement, Customer Care, and Customer Programs</b>	<b>2025 Adjusted-Recorded (000s)</b>	<b>TY2028 Estimated (000s)</b>	<b>Change (000s)</b>
2. Customer Care			
<b>Labor</b>	<b>17,976</b>	<b>18,705</b>	<b>729*</b>
<b>Non-Labor</b>	<b>1,504</b>	<b>1,504</b>	<b>0</b>
<b>Total</b>	<b>19,480</b>	<b>20,209</b>	<b>729*</b>

\*All \$729,000 of the total change amount is due to an adjustment in connection with the compensation modernization initiative. Please refer to the Compensation & Benefits testimony, Ex. SCG-16/SDGE-20.

**a. Description of Costs and Underlying Activities**

The Customer Care team provides direct customer support for residential and business customers through its team of Energy Service Specialists, Customer Care Support and Quality Assistance and Training teams. Descriptions of these services are provided below.

Energy Service Specialists (ESS)

SDG&E Energy Service Specialists (ESS) support more than 1.3 million customer contacts annually through phone, email, and chat, delivering personalized support for customers who prefer live assistance for complex billing matters, applicable pricing plan choices, energy assistance programs, energy and bill-reduction tools, and other non-routine transactions.

In addition, ESSs perform critical public safety and reliability functions, serving as the first point of contact for gas odor reports, electric safety concerns, outage inquiries, and emergency related communications, and coordinating closely with operations and field response

1 teams. The ESSs also play a key role in complying with required customer protections, language  
2 access, and service standards, and maintaining records for Commission reporting.

3 SDG&E's ESSs provide accessible customer support in English and Spanish, offer  
4 services for customers who are hearing impaired through text telephone (TTY), and deliver  
5 language assistance in more than 240 additional languages through Language Line Services.  
6 ESS's respond to emergency calls 24 hours per day, 365 days per year, through multiple toll-free  
7 telephone numbers.

8 Additionally, customer expectations have evolved, with an increased emphasis on timely,  
9 proactive, and personalized communication. ESSs deliver an enhanced customer experience  
10 through proactive outbound calls to provide timely, personalized support, including: providing  
11 support and information on available assistance programs, proactive outreach to repeat callers to  
12 ensure their questions were resolved, preparedness information and supplemental notifications  
13 for weather events including wildfire season and Public Safety Power Shut-offs, direct follow-up  
14 on questions arising during field visits and outage support during significant events. These  
15 proactive efforts improve the customer experience, reduce customer effort, prevent repeat  
16 contacts escalations, and verify customers receive the guidance and resources they need.

17 Effective Supervision is also essential to a positive customer experience in that ESSs  
18 deliver safe, accurate, and consistent customer support by providing real-time coaching,  
19 managing escalations, monitoring adherence to procedures and regulatory mandates, and  
20 reinforcing required customer protections and emergency response protocols. SDG&E staffs this  
21 function at an approximate ratio of one supervisor for every 15 ESSs, which is within industry  
22 standards and supports effective oversight while maintaining a prudent, cost-conscious  
23 management structure.

#### 24 Customer Care Support

25 SDG&E's Customer Care Center Support team provides the operational foundation  
26 necessary to sustain safe, reliable, and compliant customer care operations at scale. The team is  
27 responsible for developing and maintaining policies and procedures, overseeing core customer  
28 care systems, and adhering to regulatory, performance, and service quality standards. These  
29 functions are essential to maintaining continuity and operational control across a high-volume,  
30 multi-channel customer contact environment.

1 The Customer Care Center Support team investigates and resolves system and process  
2 issues, tests and implements technology enhancements, manages enterprise knowledge resources,  
3 and provides help-desk support to internal staff and external partners. In addition, the team  
4 monitors real-time operations including contact queues, staffing levels, schedule adherence, and  
5 system performance to protect service levels, operational risk, and providing uninterrupted  
6 customer support. The team also manages workforce management processes end-to-end,  
7 including forecasting, scheduling, timekeeping, and capacity modeling, and produces actionable  
8 reporting to support operational planning, compliance oversight, and Commission reporting  
9 requirements.

10 Through close coordination with cross-functional stakeholders and facilities teams, the  
11 Customer Care Center Support team ensures that Energy Service Specialists have the tools,  
12 systems access, equipment, and safe working environment required to perform their duties  
13 effectively. The team is staffed at an approximate support ratio of 1 to 17, reflecting a  
14 deliberately lean and appropriately scaled model that is sufficient to support effective operational  
15 oversight, quality management, and compliance responsibilities. This right-sized staffing  
16 approach limits fixed labor costs embedded in rates while preserving the planning, forecasting,  
17 real-time monitoring, and compliance capabilities necessary to support a large-scale customer  
18 care operation in a regulated utility environment, providing direct and ongoing benefits to  
19 customers.

#### 20 Quality Assistance (QA) and Training

21 The QA and Training Team supports safe, consistent, and compliant customer  
22 interactions across the Customer Care Center by evaluating customer contacts across all service  
23 channels and monitoring communication quality, technical accuracy, safety compliance, and  
24 adherence to company procedures. The team conducts quality observations, performs required  
25 gas safety audits, mandated compliance audits including Arrearage Management Plans (AMP),  
26 Benefits Program Offering, and Community Choice Aggregation,<sup>4</sup> identifies performance and

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<sup>4</sup> D.20-06-003 at 21-26 (requiring utilities to enroll customers in applicable assistance programs and offer payment plans prior to disconnection); Resolution (Res.) E-5114 (December 17, 2020), approving SDG&E's AMP, and associated cost recovery, including for CCA customers; D.23-08-049, Ordering Paragraph (OP) 3 at 36 (extending AMP and directing continued implementation).

1 risk trends, and provides targeted coaching and actionable feedback to agents and supervisors to  
2 support continuous improvement and customer protection.

3 In parallel, the Training function designs, develops, and delivers virtual and classroom  
4 training programs that support new-hire readiness, ongoing skill development, and departmental  
5 preparedness. Trainers assess learning needs, facilitate technical and non-technical instruction,  
6 develop instructional materials, and evaluate training effectiveness, while partnering with  
7 leadership to implement training initiatives aligned with business objectives, safety requirements,  
8 and service standards. Together, quality assurance and training activities strengthen workforce  
9 capability, promote customer safety, and ensure consistent, high-quality service delivery across  
10 the Customer Care Center.

11 SDG&E leverages prior technology investments, including automated monitoring and  
12 analytics tools, to support the volume, scope, and consistency of quality reviews while  
13 maintaining existing staffing levels. The technology enables auditors to quickly locate and  
14 prioritize calls, increasing voice audits by 23% (from nearly 4,000 in 2024 to nearly 5,000 in  
15 2025) while significantly reducing review time. These efficiencies also create capacity to  
16 expand into additional channels, such as chat. As a result, QA now delivers faster insights,  
17 broader coverage, and more impactful coaching across the customer experience. These tools  
18 enable efficient analysis of customer interactions, targeted risk-based audits, and timely  
19 identification of compliance, safety, and customer experience trends, strengthening governance,  
20 risk management, and regulatory compliance. QA and Training staffing reflects an approximate  
21 ratio of one QA or training employee per 21 agents, representing a deliberately lean and  
22 appropriately scaled structure that is sufficient to support effective oversight, quality  
23 performance, and compliance responsibilities within a regulated utility environment. SDG&E  
24 estimated expenses for the Customer Care Center are outlined in my workpaper (Ex. SDGE-12-  
25 WP 100000.000).

#### 26 **b. Forecast Method**

27 The forecast methodology for this cost category is base year because the most recent  
28 recorded year, BY 2025, accurately reflects the level of activity, resource requirements, and costs  
29 necessary to support and sustain current Customer Care Center operations. This approach is  
30 consistent with the forecast methodology adopted in the prior GRC and reflects a stable  
31 operating environment.

1 BY 2025 reflects current operating conditions following sustained changes in customer  
 2 communication preferences and service delivery channels. These conditions include the  
 3 continued use of traditional phone contacts alongside increased adoption of Interactive Voice  
 4 Response (IVR), web, mobile, and other digital self-service options. Base Year results also  
 5 incorporate the effects of ongoing operational improvements, including enhanced ESS training  
 6 focused on effective call handling, sustained service-level performance, and the use of  
 7 standardized call scripting. Together, these factors define the scope, efficiency, and maturity of  
 8 Customer Care Center operations.

9 Alternative forecast methodologies, such as multi-year historical averages, do not  
 10 adequately reflect current or expected operating conditions because they predate significant  
 11 technology investments and shifts toward self-service and digital channels. Reliance on earlier  
 12 years would overrepresent traditional call volumes and fail to capture the current composition of  
 13 customer contacts, in which automated channels absorb a growing share of routine transactions  
 14 while ESSs increasingly address more complex and sensitive issues. As a result, older historical  
 15 data is not representative of current operations or expected future activity levels. BY 2025  
 16 provides a more stable and reasonable basis for forecasting.

17 To forecast ESS-supported and self-service transaction volumes, the Company applied  
 18 the base year ratio of transactions per electric meter to projected electric meter counts over the  
 19 forecast period. This methodology establishes a direct relationship between expected customer  
 20 growth and forecasted customer contacts while anchoring the forecast in observed, recorded  
 21 performance. The calls-per-meter ratio is held constant, reflecting the offsetting effects of  
 22 customer growth and continued self-service adoption.

23 Table SB-7 presents historical ESS call volumes, electric meter counts, and calls per  
 24 meter, along with the resulting forecast for the forward years.

25 **TABLE SB-7**  
**ESS Historical Call Volume and Forecast**

Year	Total ESS Calls	Electric Meters	Calls Per Meter
2021	1,450,943	1,489,921	0.97
2022	1,166,516	1,500,046	0.78
2023	1,219,111	1,510,986	0.81
2024	1,229,233	1,525,434	0.81
2025	1,305,060	1,540,506	0.85

2026 (FCT)	1,317,382	1,555,051	0.85
2027 (FCT)	1,329,115	1,568,900	0.85
2028 (FCT)	1,340,252	1,582,047	0.85
2029 (FCT)	1,350,767	1,594,459	0.85
2030 (FCT)	1,361,075	1,606,626	0.85
2031 (FCT)	1,371,312	1,618,710	0.85

Table SB-8 presents historical and forecasted total customer contacts and transactions by channel from 2021 through Test Year (TY) 2031, including both agent-assisted (ESS-supported) and self-service interactions. As shown, total customer contacts increase over the period, driven by customer and meter growth, with most of the incremental demand occurring through self-service web, mobile, chatbot and IVR channels. While self-service transactions continue to expand and absorb most growth in overall contacts, ESS-supported call volumes remain relatively stable with modest increases. This trend reflects the evolving role of the ESS in supporting customers with more complex, sensitive or safety-related issues that are not solely addressable through automated channels.

**TABLE SB-8**  
**Total Customer Contacts and Transactions 2021-2031**

Year	ESS Supported Contacts			Self-Service Contacts			Total Contacts
	ESS Calls	ESS Emails	ESS Chats <sup>5</sup>	Web & Mobile <sup>6</sup>	Contained IVR Calls <sup>7</sup>	Chatbot	
2021	1,450,943	15,085	22,378	10,948,869	553,637	-	12,990,912
2022	1,166,516	8,857	22,457	12,891,236	591,976	-	14,681,042
2023	1,219,111	6,909	17,029	11,333,291	628,407	-	13,204,747
2024	1,229,233	7,855	16,676	15,375,436	700,229	197,000	17,526,429
2025	1,305,060	7,045	8,607	16,591,299	801,206	209,000	18,922,217

<sup>5</sup> ESS Handled Chat represents chat interactions handled by an Energy Services Specialist (ESS). Beginning in 2024, a customer-facing chatbot was deployed to assist customers with frequently asked questions (FAQs), enabling certain inquiries to be resolved without escalation to a live agent. As a result, some customer contacts that previously would have been handled by an ESS are now resolved through automated self-service channels.

<sup>6</sup> Web & Mobile contacts include self-service transactions completed via SDG&E's website or mobile app, such as service requests, customer move-in/move-out transactions, and billing or payment activities.

<sup>7</sup> Contained IVR Calls represent customer interactions that were fully self-served and contained within the Interactive Voice Response (IVR) system, without escalation to a live customer service agent. This is a change from the IVR data shared in the prior GRC, which was based on transactions rather than fully contained interactions.

2026 (FCST)	1,317,382	7,112	8,688	16,747,954	808,771	210,973	19,100,880
2027 (FCST)	1,329,115	7,175	8,766	16,897,110	815,974	212,852	19,270,992
2028 (FCST)	1,340,252	7,235	8,839	17,038,701	822,811	214,636	19,432,474
2029 (FCST)	1,350,767	7,292	8,908	17,172,376	829,267	216,320	19,584,930
2030 (FCST)	1,361,075	7,347	8,976	17,303,418	835,595	217,971	19,734,382
2031 (FCST)	1,371,312	7,403	9,044	17,433,566	841,880	219,610	19,882,815

1           The base year forecast methodology is also used for the Customer Care Center  
2 Operations non-labor because recorded costs accurately reflect the expense level associated with  
3 current departmental activities. These non-labor expenses primarily include:

- 4           • Language Line services which enable ESSs to assist customers in more than 240  
5 languages, and TTY services that support customers who are deaf, hard of hearing, or  
6 speech-disabled;<sup>8</sup>
- 7           • Authorized Payment Location (APL) Management-which provides customers in  
8 person payment options throughout the service territory;<sup>9</sup>
- 9           • Managed Service Provider, which supports certain basic transactional call types,  
10 allowing ESSs to focus on more complex customer interactions while providing  
11 greater operational flexibility during periods of elevated call volume; and
- 12          • SDG&E Employee-related expenses such as office supplies, office furniture, and  
13 headsets.

14           Collectively, these non-labor resources support regulatory and accessibility requirements,  
15 enhance customer service and enable SDG&E to manage customer volumes prudently without  
16 permanently increasing staffing levels. Recovery of these costs is reasonable and benefits  
17 customers by supporting safe, equitable, and cost-effective delivery of essential utility services.

<sup>8</sup> TTY/relay access is required under California Public Utilities Code (Pub. Util. Code) Section (§) 2881 and is provided through CPUC-administered telecommunications relay programs, including CRS/711.

<sup>9</sup> SDG&E’s continued use of Alternate Payment Locations (APLs) is consistent with Advice Letter (AL) 4447-E-A / 3304-G-A (effective July 8, 2024), which identifies APLs as a convenient in-person option for customer payments and ID verification. The AL notes that APLs are geographically accessible to former branch offices, provide receipts, and post payments within one hour.

**c. Cost Drivers**

Effective Customer Support

To provide effective customer support and meet established service level standards, SDG&E must maintain adequate staffing to support 1.3 million ESS-handled customer contacts anticipated in TY2028. SDG&E’s targets a 60-second Average Speed to Answer (ASA) with a service level of 70%, so that most customers are answered quickly and consistently, rather than relying solely on an ASA which can mask real-time spikes in customer wait times. Additionally, SDG&E’s goal is an Average Handle Time (AHT) of 45 seconds or less to provide effective responses to customer needs, while balancing cost efficiency of staffing. Maintaining current ESS staffing levels is necessary to meet these performance expectations while providing timely response to safety- and reliability-related customer calls. Table SB-9 highlights key factors used to determine ESS staffing levels needed to meet these service levels.

**Table SB-9  
Key Factors Used to Determine FTE Requirements**

<b>Metric</b>	<b>Target / Value</b>	<b>Unit</b>	<b>Description</b>
Average Handle Time (AHT)	455	seconds/call	Talk + Hold + After-Call Work
Target ASA	60	seconds	Average Speed of Answer target
Service Level	70	% of calls	Percentage of calls answered within 60 seconds (ASA target)
Shrinkage	30%	% of paid time	Time off, vacation, training, breaks, unplanned absence
Max Occupancy	80%	% utilization	Cap to prevent agent burnout
Yearly Call Volume	1,340,252	calls/year	Forecasted Volume for TY2028
Operating Hours	24	hours/day	Hours of operation (7am – 8pm) + 24/7 for Emergency calls

The requested staffing level reflects real-world capacity reductions associated with required training, coaching, meetings, and other off-phone activities, as well as the need to manage normal call volume volatility and unplanned demand spikes. Maintaining sufficient staffing prevents sustained high occupancy levels that can destabilize queues, increase customer wait times, and lead to higher abandonment rates, repeat contacts, and customer complaints. Adequate staffing also enables the prompt handling of emergency-related and complex customer issues, supporting customer safety, service reliability, and regulatory compliance.

Customer Care Center Support staffing is required to maintain stable and compliant day-to-day operations, including policy and procedure management, system support and testing,

1 knowledge management, and real-time monitoring of queues and staffing. SDG&E manages  
2 these functions through a lean support staffing model of approximately one support employee  
3 per 17 agents, which is within industry standards and designed to control fixed labor costs and  
4 minimize rate impacts. This staffing level preserves essential workforce management,  
5 forecasting, reporting, and compliance capabilities that are necessary to sustain efficient,  
6 high-volume customer care operations.

7 Effective Quality Assurance (QA) and Training functions are also necessary to monitor  
8 and improve agent performance and compliance across all customer contact channels. These  
9 activities include quality evaluations, gas safety audits, targeted coaching, and the development  
10 and delivery of training for new hires and ongoing skill enhancement. SDG&E offsets cost  
11 pressures by leveraging automated monitoring and analytics tools and maintaining a lean QA and  
12 training staffing ratio of approximately one QA or training employee per 21 agents. This  
13 approach controls labor costs while protecting safety, quality, and regulatory compliance.

#### 14 Increasing Volumes of Customer Interactions

15 SDG&E forecasts an approximately three percent increase from BY 2025 to TY 2028 in  
16 ESS-handled customer interactions, driven primarily by forecasted electric meter growth, as  
17 reflected in the Electric Customer Forecast testimony (Ex. SDGE-25). This forecasted increase  
18 in interaction volume is reflected in the ESS workload forecast (see Table SB-8); however, it  
19 does not result in a corresponding increase in staffing levels. SDG&E anticipates managing this  
20 growth within existing staffing levels through continued improvements in call handling  
21 efficiency, as described in the Continuous Improvement and Analytics section, and through the  
22 use of prior technology investments.

#### 23 Self-Service

24 SDG&E continues to expand self-service capabilities to improve customer experience  
25 and manage overall customer contact volumes effectively. These efforts are intended to resolve  
26 a greater share of routine customer inquiries through digital and automated channels, reducing  
27 time to resolution and reserving live agent support for more complex, sensitive, or safety-related  
28 customer needs.

29 Self-service enhancements are supported by targeted technology investments addressed  
30 in SDG&E's IT Testimony (Section IV.D; Ex. SCG-10/SDGE-14, Workpaper D09030 –  
31 Customer Care & Billing). These investments are designed to increase automation, improve

1 containment, and enhance the effectiveness of customer self-service journeys across web,  
 2 mobile, IVR, and chatbot platforms.

3 As reflected in Table SB-8, self-service transactions are expected to grow by  
 4 approximately three percent from BY 2025 to TY 2028, absorbing the majority of incremental  
 5 customer contact growth. While self-service channels mitigate volume increases, ESS-supported  
 6 calls remain necessary to address complex billing issues, safety-related concerns, and customer  
 7 hardship situations that cannot be fully resolved through automated channels. This dynamic  
 8 supports stable ESS staffing levels while enabling SDG&E to manage growth efficiently and  
 9 prudently.

10 Summary

11 SDG&E forecasts that it can continue to effectively support customer needs across the  
 12 Customer Care Center while maintaining existing staffing levels through disciplined workforce  
 13 planning, operational controls, leveraging prior technology investments, ongoing improvements  
 14 in call handling efficiency, and expanded self-service capabilities. This approach enables  
 15 SDG&E to meet established service level, safety, and compliance requirements without  
 16 incremental staffing increases, despite modest growth in overall customer contacts. In addition,  
 17 base-year non-labor costs provide scalable resources that help SDG&E manage demand. As a  
 18 result, forecasted Customer Care Center costs are expected to remain flat over the forecast  
 19 period, with the exception of the compensation modernization adjustment, which is addressed  
 20 separately in the Compensation & Benefits testimony (Ex. SCG-16/SDGE-20).

21 **3. Customer Programs**

22 **TABLE SB-10**  
 23 **Customer Programs & Natural Gas Appliance Testing O&M**

<b>CUSTOMER SERVICES (in 2025\$)</b>			
<b>A. Customer Engagement, Customer Care, and Customer Programs</b>	<b>2025 Adjusted-Recorded (000s)</b>	<b>TY2028 Estimated (000s)</b>	<b>Change (000s)</b>
3. Customer Programs	4,334	5,488	1,154*
Natural Gas Appliance Testing	476	649	173
<b>Total</b>	<b>4,810</b>	<b>6,137</b>	<b>1,327*</b>

24 \*\$118,000 of the total change amount is due to an adjustment in connection with the compensation modernization  
 25 initiative. Please refer to the Compensation & Benefits testimony, Ex. SCG-16/SDGE-20.  
 26

1 **a. Description of Costs and Underlying Activities**

2 SDG&E offers a diverse suite of program offerings that focus on advancing  
3 transportation electrification through innovative programs and support initiatives, supporting  
4 vulnerable customers with customer assistance programs, and support programs that help  
5 California residents and businesses adopt clean and efficient energy technologies that lower  
6 greenhouse gas emissions. By employing a customer-centric approach, SDG&E listens,  
7 understands, and responds to customers' requests, concerns, and feedback, and helps customers  
8 make informed energy choices that best suit their energy goals. SDG&E strives every day to  
9 deliver positive, value-added customer service and experiences for its customers.

10 Customer Programs costs consist of Transportation Electrification (TE) initiatives,  
11 Customer Assistance Programs (CAP) that are outside of, and distinct from, customer assistance  
12 program and associated costs addressed in SDG&E's Low Income Application (Application (A.)  
13 26-01-010), and specific activities that are funded through the General Rate Case rather than  
14 other proceedings. These programs support TY 2028 forecasts for O&M costs for non-shared  
15 services. Table SB-3 summarizes these sponsored O&M costs.

16 Transportation Electrification initiatives primarily consist of incremental programs to  
17 incentivize the electric vehicle (EV) market, including the Power Your Drive (PYD), Low  
18 Carbon Fuel Standard (LCFS), and Transportation Electrification Framework (TEF) programs.  
19 The base business funding requested in this chapter includes the core level of SDG&E staffing  
20 necessary for supporting ongoing state and regional electric planning efforts to ensure a smooth  
21 clean energy transition in the transportation sector and enabling EV adoption through ongoing  
22 administration, operations, and maintenance of transportation electrification programs.

23 In addition to TE programs and initiatives, SDG&E also administers and supports a  
24 variety of other customer programs, initiatives, and rates. While most of these costs are covered  
25 in other proceedings, SDG&E requests funding for certain costs for programs and services  
26 delivered to income-qualified customers and customers with a disability. The primary activities  
27 and functions covered for which SDG&E requests funding in this application are provided  
28 below.

1                   **Transportation Electrification Programs and Initiatives**

2                   *TE Programs:* As ratepayer-funded programs<sup>10</sup> ramp down, some capital and balanced  
3 labor will shift to O&M as labor is transitioned to new TE programs. Meanwhile, SDG&E will  
4 incur ongoing costs related to its owned, networked electric vehicle supply equipment (*i.e.*, EV  
5 chargers) and the decommissioning of PYD sites per customer request. As SDG&E shifts TE  
6 programs<sup>11</sup>, labor may fluctuate year to year pending CPUC approval of LCFS Implementation  
7 Plans that propose new programs. SDG&E’s request for TE program costs within this  
8 application represent only those costs necessary to maintain a base level of staffing resources to  
9 support its ongoing operations and administration of TE programs and initiatives.

10                  *TE Analytics and Planning:* SDG&E maintains staff that are not funded through  
11 incremental Commission approvals to perform in-depth analysis of market forces to develop  
12 data-driven strategies that support Clean Transportation initiatives through in-depth study and  
13 forecasting of EV adoption, customer charging behaviors, and EV load increases. These data  
14 analytics inform the California Energy Commission Integrated Energy Policy Report (IEPR) and  
15 the electric distribution planning process. These planning activities are complemented by  
16 SDG&E’s collaboration on zero emission vehicle (ZEV) infrastructure planning with regional  
17 governments and non-profit organizations, including the San Diego Accelerate to Zero  
18 Emissions (A2Z) initiative,<sup>12</sup> a partnership aiming to develop and implement an EV and  
19 Transportation Electrification Strategy for the San Diego region.

20                   **Customer Assistance Programs**

21                  *Natural Gas Appliance Testing (NGAT):* NGAT is a safety protocol within the CPUC-  
22 approved ESA Programs, designed to identify potentially hazardous conditions caused by natural  
23 gas appliances with the installation of air infiltration measures during energy efficiency  
24 improvements. The NGAT is performed only in dwelling units that receive ESA  
25 infiltration-reduction measures, such as caulking or weather stripping, and that contain at least  
26 one natural gas appliance affecting the living space. NGAT is not a standalone inspection but a  
27 required step in the ESA Program service delivery process to safely install energy-saving

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<sup>10</sup> SDG&E AL 4233-E/E-A (effective November 30, 2023) and Res. E-5300 (November 30, 2023).

<sup>11</sup> See SDG&E ALs 4794-E (dated January 30, 2026) and 4795-E (dated January 30, 2026).

<sup>12</sup> The Accelerate to Zero Emissions Strategy website, *available at:*  
<http://a2zsandiego.com/static/zero/index.html>.

1 measures.<sup>13</sup> These ESA NGAT services are delivered by qualified third-party contractors.  
2 CPUC directives order SDG&E to charge the costs for the ESA NGAT to base rates rather than  
3 to the Public Purpose Program (PPP) funds.<sup>14</sup>

4 *Medical Baseline (MBL) Program:* The MBL Program, per the Pub. Util. Code §  
5 739(c)(1), requires energy utilities to provide customers with specified medical conditions or  
6 who rely on life-support equipment an additional quantity of electricity and gas at the lowest, or  
7 baseline, rate to meet their medical needs. For year-end 2023, 2024 and 2025, the MBL Program  
8 assisted 67,530, 63,178 and 64,220 customers respectively. Costs for operating this program  
9 primarily include program administration, processing customer applications and renewals,  
10 marketing and outreach, information technology, customer satisfaction surveys, and eligibility  
11 studies.

12 *Low Income Home Energy Assistance Program (LIHEAP):* This is a federally funded  
13 assistance program administered by the state that provides bill payment assistance and home  
14 weatherization services to income-qualified customers. Consistent with the Pub. Util. Code §§  
15 739.1 and 327, which direct investor-owned utilities to coordinate customer assistance programs  
16 with LIHEAP, SDG&E works with contracted LIHEAP agencies so that payments are received  
17 and applied correctly to customers' bills. In 2023, 2024 and 2025, LIHEAP assisted 8,691,  
18 7,183 and 5,424 customers respectively, assisting with approximately \$9.0 million, \$8.0 million,  
19 and \$5.5 million respectively. Although the LIHEAP program is funded externally, SDG&E's  
20 costs support customer outreach and administration of this program and are not recovered  
21 elsewhere.

22 *Economic Development Rate (EDR):* The EDR is a CPUC-approved public purpose  
23 program (D.19-07-003) designed to retain, attract, and expand businesses in SDG&E's service  
24 territory by offering a 12% discount on electric bills for up to five years.<sup>15</sup> To enroll, customers  
25 must complete an EDR interest form. Costs for running this program are related to program  
26 management, processing enrollments, outreach, and program materials. SDG&E program

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<sup>13</sup> California Statewide Energy Savings Assistance Program, *2021-2026 Policy and Procedures Manual (Version 1.4)* (April 18, 2025), Chapter 10 at 46, available at: <https://pda.energydataweb.com/#!/documents/4144/view>.

<sup>14</sup> D.05-04-052 at 68, and OP 18 at 103-104; D.08-11-031, OP 65 at 231.

<sup>15</sup> See D.19-07-003 at 1-2.

1 administration costs are funded by GRC O&M while the actual EDR discount is funded by the  
2 Public Purpose Programs.

### 3 **Other Customer Program Activities**

4 *Base Services Charge – Deed Restricted Affordable Housing Activities:* In 2024,  
5 Resolution E-5355 approved SDG&E’s additional activities related to the implementation of the  
6 Base Services Charge (BSC).<sup>16</sup> In the Resolution, the Commission approved three years of costs  
7 related to the initial BSC implementation, for activities in 2025 through 2027, not addressed in  
8 D.24-05-028. SDG&E requests recovery of the incremental costs for these activities, as further  
9 discussed in the Cost Drivers section below, beginning in TY 2028.

10 *Self-Generation Incentive Program (SGIP):*<sup>17</sup> The Center for Sustainable Energy (CSE) is  
11 the Program Administrator (PA) for the SDG&E service territory, and SDG&E acts as the fiscal  
12 agent for the funds. SDG&E’s primary responsibility is to verify ratepayer funds are being  
13 collected in compliance with the program requirements, receiving state funds for the Greenhouse  
14 Gas Reduction Fund (GGRF) budgets, tracking costs across several budget categories, and  
15 paying monthly invoices from CSE. SDG&E’s costs support fiscal administration of this  
16 program ordered by the CPUC.<sup>18</sup> SDG&E fiscal administration is funded by GRC O&M while  
17 SGIP rebates and CSE administration is funded by the Public Purpose Programs.

18 *Other TE Activities:* SDG&E must implement ongoing CPUC-mandated initiatives and  
19 reporting activities related to transportation electrification that are not funded through  
20 incremental programs, such as the Plug-In Electric Vehicle Submetering Protocol and the Annual  
21 Transportation Electrification Programs and Initiatives Compliance Report that is required—but  
22 not funded—by Commission decisions.

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<sup>16</sup> BSC is also known as the Income Graduated Fixed Charge. Pursuant to Res. E-5355 (December 19, 2024), SDG&E filed for its costs related to DRAH in SDG&E AL 4492-E, with modifications to the DRAH data and program management budget request in AL 4492-E-A (effective December 19, 2024).

<sup>17</sup> SGIP was established in D.01-03-073 in response to AB 970 (Ducheny, 2000), *available at:* [https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=199920000AB970](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=199920000AB970). AB 970 directed the Commission to provide incentives for distributed generation resources to reduce peak energy demand. Since 2001, the Legislature has refined and extended the SGIP several times. Over the intervening years, the SGIP’s focus has transitioned from peak-reduction to greenhouse gas (GHG) reductions.

<sup>18</sup> See D.25-12-003, OPs 1-10 at 61-64.

1 The estimated expenses for Customer Programs are outlined in my workpaper (Ex.  
2 SDGE-12-WP 100002.000).

3 **b. Forecast Method**

4 SDG&E forecasts Customer Programs labor and non-labor expenses using a three-year  
5 historical average because recorded costs for this workgroup are materially influenced by the  
6 timing of program lifecycle transitions and Commission-driven implementation schedules,  
7 particularly within Transportation Electrification and other customer program activities. BY  
8 2025 is not representative of ongoing cost levels because it reflects atypical timing effects  
9 associated with program ramp-downs and ramp-ups, shifting funding sources between balanced  
10 programs and base O&M, and year-specific obligations (e.g., end-of-contract administration and  
11 post-contract customer elections related to Power Your Drive sites, including ongoing  
12 operations, charger fees, and decommissioning activities). A three-year average provides a more  
13 stable and reasonable basis for forecasting by capturing normal year-to-year variability in  
14 workload and non-labor obligations while avoiding over-reliance on any single year that may be  
15 unusually high or low due to timing. Accordingly, use of the three-year average better reflects  
16 expected ongoing Customer Programs activities during the TY 2028 forecast period.

17 **c. Cost Drivers**

18 The drivers for Customer Programs costs support a three-year average forecast  
19 methodology because these activities are highly sensitive to changes in policy and regulatory  
20 conditions. As discussed further below, SDG&E incurs ongoing operations and maintenance  
21 costs related to its end-of-contract obligations for its Power Your Drive programs which are  
22 inherently unpredictable. Accordingly, the BY 2025 does not represent ongoing and anticipated  
23 costs while a three-year historical average represents a conservative approach to forecasting  
24 these costs that account for ongoing variability.

25 **Policy Drivers**

26 Electric vehicle adoption is expected to grow in upcoming years, in response to state  
27 policies that accelerate the adoption of zero-emission vehicles. California has established several  
28 critical policy goals to accelerate the adoption of zero-emission electric vehicles (ZEVs) and  
29 increase access to charging stations. Under Executive Orders N-79-20 and N-27-25, all  
30 passenger vehicle sales in California are to be zero-emission by 2035, medium and heavy-duty  
31 vehicle sales are required to be zero-emission by 2045, and drayage trucks by 2035, where

1 feasible.<sup>19</sup> State policy also calls for 250,000 public and shared EV chargers in California by  
2 2025.<sup>20</sup> The California Energy Commission (CEC) projects that more than 1.2 million chargers  
3 will be required by 2030 to meet demand, with more than 7 million passenger EVs on the road  
4 by 2030, and more than 15 million EVs by 2035.<sup>21</sup> State law further requires that the transition  
5 to ZEVs be equitable, with increased access to transportation electrification in underserved  
6 communities.<sup>22</sup> State ZEV adoption goals are likely to continue, requiring ongoing commitment  
7 from electric utilities. The pace of transportation electrification in California is increasing, as is  
8 the volume of Commission mandates on the SDG&E Clean Transportation function within the  
9 Transportation Electrification Policies and Initiatives Rulemaking proceeding, R.23-12-008.  
10 Conversely, state<sup>23</sup> and federal<sup>24</sup> policies during the Trump administration have curtailed policy  
11 drivers for electrification, and it is unclear what direction a future federal administration may  
12 take on transportation electrification during the GRC cycle.

### 13 **Ongoing Program Obligations**

14 Cost drivers also include ongoing customer program obligations that are not covered in  
15 balanced programs. While some costs may be clearly identifiable, a considerable portion of  
16 costs depend on customer decisions that are beyond SDG&E's control.

17 Transportation Electrification Programs: SDG&E has a portfolio of programs that end  
18 enrollment at different stages, and several programs include SDG&E ownership of EV supply  
19 equipment (EVSE or charging equipment). SDG&E has ongoing operations and maintenance  
20 obligations that extend post-construction and beyond the end of contract term, depending on the

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<sup>19</sup> See Executive Order N-79-20 and N-27-25.

<sup>20</sup> See Executive Order B-48-18.

<sup>21</sup> See AB 2127 (Ting, 2018), available at:  
[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201720180AB2127](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB2127), and  
California Public Resource Code (Pub. Res. Code) § 25229.

<sup>22</sup> See SB 350 (De León, 2015), available at:  
[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201520160SB350](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201520160SB350), and Pub. Util.  
Code § 740.12(a)(1)(C).

<sup>23</sup> California Air Resources Board (CARB), *Letter to EPA re: Request for a Waiver, Pursuant to Clean  
Air Act Section 209(b) and 209(e)(2)* (January 13, 2025), available at:  
<https://www.epa.gov/system/files/documents/2025-01/ca-acf-carb-withdrawal-ltr-2025-1-13.pdf>.

<sup>24</sup> Congressional Research Service, *IRA Tax Credit Repeal in the FY2025 Reconciliation Law: Part 2*,  
(December 12, 2025). FY2025 Reconciliation Law—also called the One Big Beautiful Bill Act—  
repeals several federal clean-energy tax credits, including EV incentives.

1 customer's choice, for approximately 294 sites, including 3,318 ports, for its PYD 1.0, PYD for  
2 Schools, SB 350 Priority Review Projects, and Vehicle-to-Grid Pilot programs.

- 3 • *Post-Construction Aftercare*: Aftercare includes verifying the customer  
4 compliance with contract obligations – e.g., adhering to load management plans,  
5 ensuring that they have not removed equipment or moved, facilitating relocations  
6 of equipment at customer's expense, assigning contractual obligations to new  
7 tenants, etc.
- 8 • *Post-Contract Obligations*: At the end of contract terms, customers must decide  
9 whether they want to keep or remove the equipment, and the costs associated with  
10 either option will a) depend on each customer individually and b) vary from site-  
11 to-site. If the customer elects to keep the equipment, SDG&E may sell that  
12 equipment to the customer (subject to Commission approval pursuant to PU Code  
13 Section 851). If the customer elects to have the equipment removed, SDG&E  
14 must decommission the site. These costs are unpredictable and place additional  
15 upward cost pressures on non-labor funding until the program participation period  
16 closes.
- 17 • *Networked Charger Fees*: SDG&E must retain a third-party electric vehicle  
18 service provider (EVSP) to conduct billing, network connectivity, software  
19 updates, station monitoring, remote diagnostics, and access to customer support  
20 for SDG&E's network of EV chargers installed under its programs.

21 Transportation Electrification Staffing and Support: SDG&E's customers encompass a  
22 wide range of market segments with varying levels of sophistication, energy knowledge, and  
23 know-how. While many SDG&E programs are funded through incremental Commission  
24 decisions, SDG&E must maintain its existing core staffing to implement base activities through  
25 the GRC cycle. As SDG&E's Power Your Drive (PYD) programs gradually reach completion,  
26 labor resources will increasingly shift to programs funded through Low Carbon Fuel Standard  
27 holdback revenues<sup>25</sup> and other Commission-mandated programs.<sup>26</sup> Therefore, SDG&E is not  
28 requesting to expand the labor within this workgroup through this GRC application. SDG&E  
29 proposes maintaining O&M funding for labor to continue to administer its current portfolio of  
30 Customer Programs, conduct data analytics and forecasting related to EV adoption and load  
31 growth, and respond to ongoing regulatory proceedings and requirements. Finally, SDG&E

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<sup>25</sup> See SDG&E AL 3785-E-A (effective November 17, 2022), 4525-E (effective November 1, 2024), and 4602-E (effective March 2, 2025).

<sup>26</sup> See D.25-12-005.

1 proposes maintaining O&M funding for ongoing program administration, employee expenses,  
2 managed services, and marketing, education, and outreach (ME&O).

3 Natural Gas Appliance Testing (NGAT): In D.21-06-015, the Commission revised the  
4 ESA Program goals to provide more comprehensive home treatments and an increased focus on  
5 health, comfort, and safety. This policy shift increases the emphasis on installing energy-saving  
6 measures that require NGAT testing, reinforcing the role of NGAT in ensuring customer safety  
7 throughout the ESA measure installation process. On January 16, 2026, SDG&E filed its Low-  
8 Income Application (A.26-01-010) for program cycle 2028-2033 seeking recovery of NGAT-  
9 related costs through PPP as part of the ESA program budget. SDG&E proposes to fully  
10 incorporate the NGAT as a measure within the ESA program portfolio, aligning its oversight,  
11 execution, and funding with the program under a single proceeding. This proposal would  
12 transfer NGAT costs from the GRC, where they are currently requested, tracked and funded, to  
13 the ESA Program Portfolio Budget for approval in this proceeding and its successors. The Low-  
14 Income application is being reviewed concurrently with SDG&E's GRC for TY 2028 and a  
15 CPUC final decision is expected by June 2027.<sup>27</sup>

16 Medical Baseline (MBL): The MBL Eligible Population Study, adopted under  
17 D.23-08-049,<sup>28</sup> provides a statewide estimate of customers eligible for the MBL program. It  
18 makes sure utilities accurately identify medically vulnerable customers who depend on  
19 additional energy for health and safety. The study's results will guide program planning,  
20 outreach, and enrollment targets to support equitable access and compliance. Based on  
21 forthcoming results, SDG&E anticipates higher enrollment targets over the next five years,  
22 requiring expanded program capacity and outreach. This includes increased marketing and  
23 education efforts, customer engagement, and processing capacity for higher application volumes.

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<sup>27</sup> SDG&E has requested recovery of NGAT-related costs in both its Low-Income application and in this its GRC application. SDG&E recognizes that depending on the Commission's determination in the Low-Income proceeding, recovery through the GRC may be precluded based on the language adopted in that decision. Should the Low-Income application decision authorize NGAT cost recovery as part of the ESA Program budget, funded through PPP, be approved, SDG&E will amend its GRC testimony to remove the NGAT funding request from this GRC application. Conversely, if the Low-Income application decision declines to authorize NGAT recovery under the ESA Program budget, funded through PPP, but permits such recovery through the GRC, SDG&E will maintain its current GRC testimony and proceed with the non-labor NGAT funding request included herein.

<sup>28</sup> See D.23-08-049 at 1.

1 While the study forecasts enrollment growth, SDG&E plans to implement expanded digitization  
2 and automation of the MBL application processes to further reduce manual inefficiencies,  
3 enhance customer accessibility, and maintain program quality. These improvements are  
4 expected to drive efficiency gains however; they will not fully offset the incremental labor  
5 required to support increased enrollment volumes, ongoing customer support, and statutory  
6 program obligations. Existing staff will continue supporting essential marketing and outreach to  
7 ensure eligible customers are informed. Non-labor costs will include expanded outreach  
8 campaigns and managed services to support automation and secure data systems. Inflationary  
9 pressures on technology and operational resources, combined with growing outreach needs,  
10 support continuing the proposed three-year average funding methodology.

11 Base Service Charge (BSC): Lastly, SDG&E is seeking cost recovery for its discrete,  
12 new incremental costs related to ongoing efforts to support the BSC. Specifically, in the BSC  
13 proceeding, SDG&E sought costs to support the incremental activities related to determining  
14 eligibility of customers to be placed in Tier 2 of the new rate because of their status of residing in  
15 a deed restricted affordable housing (DRAH) unit per the decision. Starting in TY 2028,  
16 SDG&E will continue the work of supporting the DRAH data and program management with  
17 renewing the two vendor contracts and manually handling the paper DRAH self-attestation  
18 forms, and general troubleshooting (handling incomplete or inaccurate forms, etc.).

### 19 **EV Data Analytics and Forecasting**

20 SDG&E's non-labor costs vary year-to-year to address the broad range of activities  
21 needed to support Customer Programs and compliance activities. Some costs are shifting  
22 increasingly to support data needs, including a) the acquisition and analysis of data to enhance  
23 bottom-up forecasting of EV adoption to support statewide inputs and assumptions in support of  
24 grid planning and b) storage and maintenance of data on the Amazon Web Services cloud.  
25 These costs include subscriptions and mandated customer notifications for data obtained from  
26 the Department of Motor Vehicles.<sup>29</sup> These activities support ongoing forecasting and planning

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<sup>29</sup> California Vehicle Code Section 1808.23.

1 efforts, including in support of the Integrated Energy Policy Report<sup>30</sup> and Transportation  
2 Electrification Proactive Planning.<sup>31</sup>

3 Summary

4 SDG&E’s Customer Programs forecast reflects a conservative, evidence-based approach  
5 that aligns requested base O&M funding with the expected level of ongoing work required to  
6 administer Commission-approved programs, meet statutory obligations, and fulfill continuing  
7 reporting, compliance, and customer support requirements during the GRC cycle. SDG&E uses  
8 a three-year historical average to address documented timing effects and program lifecycle  
9 transitions, particularly within Transportation Electrification so that the forecast neither  
10 over-weights an atypical year nor understates known, recurring obligations. Customer Programs  
11 costs are driven by (1) continued administration of Transportation Electrification initiatives, (2)  
12 implementation and support of customer assistance programs such as Medical Baseline and  
13 LIHEAP coordination, and (3) discrete Commission-directed activities funded through the GRC.  
14 In addition, SDG&E’s forecast recognizes non-labor variability associated with third-party  
15 services, customer decisions, and data acquisition/hosting needed to support EV forecasting and  
16 statewide planning inputs. Overall, this forecast is designed to provide sufficient resources to  
17 sustain required program operations, protect customer safety and access, and support  
18 affordability and clean transportation policy objectives, while managing costs prudently and  
19 avoiding duplication of funding requested in other proceedings.

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<sup>30</sup> SB 1389 requires the Energy Commission to prepare a biennial integrated energy report. The report contains an integrated assessment of major energy trends and issues facing California’s electricity, natural gas, and transportation fuel sectors. The report provides policy recommendations to conserve resources, protect the environment, ensure reliable, secure, and diverse energy supplies, enhance the state’s economy, and protect public health and safety. *See* SB 1389 (Bowen, 2002), *available at*: [https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=200120020SB1389](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=200120020SB1389).

<sup>31</sup> *See* Rulemaking (R.) 23-12-008, *Administrative Law Judge’s Ruling Requesting Comment on Transportation Electrification Proactive Planning Modeling Inputs and Assumptions* (October 1, 2025).

**B. Customer Service Field and Metering Operations**

**TABLE SB-11  
Customer Service Field and Metering Operations O&M**

<b>CUSTOMER SERVICES (in 2025\$)</b>			
<b>A. Customer Service Field and Metering Operations</b>	<b>2025 Adjusted-Recorded (000s)</b>	<b>TY2028 Estimated (000s)</b>	<b>Change (000s)</b>
1. Customer Field Operations	22,998	23,939	941
2. Customer Field Supervision & Operations Support	3,834	3,982	148
3. Customer Field Support Services	3,171	3,431	260
4. Metering Operations	3,671	3,816	145
<b>Total</b>	<b>33,674</b>	<b>35,168</b>	<b>1,494</b>

**1. Customer Field Operations**

**TABLE SB-12  
O&M Summary for Customer Field Operations**

<b>CUSTOMER SERVICES (in 2025\$)</b>			
<b>B. Customer Service Field and Metering Operations</b>	<b>2025 Adjusted-Recorded (000s)</b>	<b>TY2028 Estimated (000s)</b>	<b>Change (000s)</b>
1. Customer Field Operations	22,998	23,939	941
<b>Total</b>	<b>22,998</b>	<b>23,939</b>	<b>941</b>

**a. Description of Costs and Underlying Activities**

The Customer Field Operations (CFO) cost category consists of labor and non-labor expenses for field technicians to provide service at customer premises. In Base Year 2025, CFO field crews worked approximately 240,000 work orders, underscoring the scale of these operations and the essential role they play in meeting customer needs. The following sections will provide additional details on Customer Service Field, Electric Metering Operations, and Electric Vehicle Technician activities and costs.

Customer Service Field

Customer Service Field (CSF) activities are primarily related to gas service. SDG&E performs work in accordance with Pub. Util. Code § 963. Customer-generated work orders include requests to establish or remove gas and electric service, light gas pilots, check gas appliances, shut off and restore gas service for fumigation, investigate the potential causes of high bills, respond to emergency incidents, investigate potential gas leaks, and other services.

1 Company generated work includes meter, module, and regulator changes; other meter work  
 2 necessary to maintain company assets, mandated compliance work, and collecting customer  
 3 payments for delinquent bills. Non-labor costs include items such as uniform expenses, small  
 4 tools, and miscellaneous supplies used on the job.

5 Electric Metering Operations (EMO)

6 Electric Metering Operations (EMO) is responsible for SDG&E’s electric meter field  
 7 activities, including wiring instrument transformers and test switches; setting, testing, removing,  
 8 and replacing meters; investigating and resolving metering issues; and reading and verifying  
 9 electric meters. These activities support SDG&E’s obligation of accurate measurement and  
 10 billing for all electric customers, consistent with Commission requirements and general statutory  
 11 Public Utilities Code accuracy standards.

12 EMO performs annual and biennial testing of electric meters in accordance with  
 13 Commission-adopted metering accuracy and performance standards. In D.98-12-080, the CPUC  
 14 adopted permanent standards for electric metering equipment and meter performance to be used  
 15 in California’s Direct Access market, based on recommendations of the Permanent Standards  
 16 Working Group. Table SB-13 summarizes the required electric meter maintenance and testing  
 17 schedule performed by EMO.

18 **TABLE SB-13**  
 19 **Minimum Meter Maintenance and Testing Schedule**

<b>Maintenance and Testing Frequency</b>	<b>Customer Maintenance and Testing Criteria</b>
One Year Interval	Customer’s annual usage of 2 million kWh or higher
Two Year Interval	Customer’s annual usage between 720,000 and 2 million kWh
Annual Statistical Sample Plan	Non-residential customer’s annual usage less than 720,000 kWh
Residential Meters	Either a formal sampling plan performed annually or tests done upon request and removal, where applicable
Direct Current (DC) Meters	Either a formal sampling plan performed annually or tests done upon request and removal, where applicable

20  
 21 Although D.98-12-080 does not explicitly require applying these Direct Access standards  
 22 to bundled (utility service) customers, consistent with the CPUC’s stance to uphold equal  
 23 treatment and protect against undue discrimination between bundled and unbundled customers,  
 24 SDG&E’s policy is to apply the same metering standards to all electric meters in its service

1 territory. This approach provides a single, consistent set of testing and accuracy requirements,  
2 supports system integrity, and avoids any potential disparate treatment among customer groups.

### 3 Electric Vehicle Equipment Technicians

4 Electric Vehicle Equipment Technicians are responsible for the installation, inspection,  
5 testing, maintenance, troubleshooting, and repair of over 3,000 company-owned electric vehicle  
6 (EV) charging equipment and its associated electrical systems. This role is critical for the safe,  
7 reliable, and continuous operation of EV infrastructure that directly supports fleet readiness and  
8 daily operations.

9 Technicians perform preventive maintenance to minimize equipment downtime, diagnose  
10 electrical and mechanical issues, and complete repairs in compliance with electrical codes, safety  
11 standards, and manufacturer specifications. They are also responsible for verifying proper  
12 equipment functionality, coordinating outages or repairs as needed, and documenting work  
13 performed to support compliance and asset tracking.

14 In addition, Electric Vehicle Equipment Technicians support system upgrades, new  
15 charger installations, and evolving EV technologies, working closely with supervisors,  
16 operations staff, and vendors. Their expertise result in chargers remaining available, safe to use,  
17 and capable of meeting operational demands, directly contributing to operational efficiency,  
18 safety, and the successful transition to electric vehicle infrastructure.

### 19 **b. Forecast Method**

20 The forecast method used for this cost category is the base year, consistent with the last  
21 GRC request. SDG&E selected the base year because it is the most recent year that accurately  
22 reflects the expense level associated with current departmental activity. CFO departmental  
23 activity and related costs are primarily driven by work order volumes, which in turn are  
24 influenced by external factors such as customer growth, infrastructure conditions, weather,  
25 economic trends, customer turnover, natural gas and electric prices, appliance and equipment  
26 choices, emergency incidents such as fires and earthquakes, and changes in applicable laws and  
27 regulations.

28 To forecast TY 2028 expenses as accurately as possible, SDG&E utilized 2025 as the  
29 base year for most order types, excluding incremental funding requests discussed in Section d  
30 below. A description of each order type is provided in Supplemental Workpaper 100003.000  
31 Customer Field Operation at page 73. Historical volumes by order type for 2021 through BY

1 2025, as well as estimated volumes for 2026 through TY 2028, along with those order types that  
2 used alternative forecasting methods, are included in the workpapers.

3 As explained in the Escalation & Gas Customer Forecast testimony (Ex. SCG-20/SDGE-  
4 24), SDG&E's gas meter forecast is expected to increase by approximately 1.0% from 919,722  
5 in BY 2025 to 928,689 in TY 2028. Similarly, as explained in the Electric Customer Forecast  
6 testimony (Ex. SDGE-25), the number of electric meters is expected to grow by 2.7% over the  
7 same period from 1,540,506 in the BY 2025 to 1,582,047 in TY 2028. In nearly all cases, CFO  
8 work order volumes are forecasted on a per-active-meter basis by order type. The TY 2028  
9 forecasted order volumes for each order type are calculated by multiplying the forecasted  
10 number of orders per meter by the projected number of meters in TY 2028.

11 Alternative forecast methodologies were evaluated but determined to be less appropriate  
12 for this cost category. Historical averaging methodologies would dampen meaningful changes in  
13 workload driven by customer growth and evolving operational requirements, while linear trend  
14 analyses assume a level of predictability that does not align with the variability inherent in CFO  
15 activities. A zero-based approach was also not appropriate because CFO functions represent  
16 ongoing, recurring operational activities rather than discrete or newly established programs.  
17 Therefore, the base year methodology provides the most reasonable, transparent, and defensible  
18 forecast of TY 2028 CFO costs.

### 19 c. Cost Drivers

20 CFO is driven by SDG&E's obligation to provide safe and reliable gas and electric  
21 service and respond to customer-generated and company-generated orders within required  
22 timeframes such as service establishment/removal, leak investigations, appliance checks,  
23 emergency response, wiring instrument transformers and test switches, setting new meters,  
24 testing, removing and changing meters, investigating and troubleshooting metering problems,  
25 reading and verifying meters. and other safety related field activities.

26 In addition to work order volumes and customer growth, CFO field technician costs are  
27 influenced by several operational factors. These include the time required to travel to customer  
28 premises (drive time), the time needed to complete each type of work order (onsite time), and  
29 non-job time such as start-of-day and end-of-day activities, breaks, and other non-order tasks.  
30 Additional cost drivers include safety meetings, training requirements, and vacation and sick  
31 time.



1 Training time encompasses skills training, operator qualification, compliance, and tools  
 2 training. SDG&E’s vacation and sick time factors were applied to compute forecasted FTEs by  
 3 year. The 2025 base year average non-job time factor was used to determine forecasted non-job  
 4 time per FTE because base year is most indicative of a normal year. Training time was also  
 5 calculated using the 2025 base-year average, as it aligns with the workload forecast.

6 Table SB-15 summarizes the applicable non-work factors used to determine the total  
 7 number of FTEs required to complete the forecasted order volumes.

8 **TABLE SB-15**  
 9 **Factors Used to Determine FTE Requirements**

<b>Base-Year Field Utilization Rates Used in Forecast</b>	<b>CSF</b>	<b>EMO</b>
Job Time (drive time and onsite time)	52.5%	53.8%
Non-Job Time (e.g., start and end of day, breaks, non-order work, etc.)	<b>47.5%</b>	<b>46.2%</b>
<b>Total Availability for Production</b>	100.0%	100.0%
Training Factor (meetings & training)	<b>6.5%</b>	<b>18.5%</b>
Vacation & Sick Factor	<b>16.5%</b>	<b>16.5%</b>

10 To compute total labor expense for CFO, SDG&E applied a blended wage rate that  
 11 reflects the various CFO job classifications. In addition to labor costs, an associated 2025 base  
 12 year average non-labor expense per FTE was included to account for small tools, uniforms, and  
 13 miscellaneous supplies. This non-labor expense per FTE is appropriate because the number of  
 14 FTEs directly determines the quantity of these items required to support field technicians. These  
 15 combined calculations form the basis for the total labor and non-labor expense forecast for TY  
 16 2028.  
 17

18 Summary of Customer Field Operations Costs

19 SDG&E’s TY 2028 funding request of \$23,939,000 for the Customer Field Operations  
 20 cost category represents an increase of \$941,000 to BY 2025 adjusted-recorded costs and  
 21 consists of the elements summarized in Table-SB-16 below:

**TABLE SB-16**

**Changes in Customer Field Operations TY 2028 Estimated Expenses**

Customer Field Operations (100003)	TY 2028 Estimated In 2025 \$ (000s)		
Activity	Labor	Non-Labor	Total
BY 2025 Adjusted Recorded Costs	\$ 21,329	\$ 1,669	\$ 22,998
Meter/Customer Growth - Applied to all order types across the board	\$ 404	\$ -	\$ 404
Incremental Gas Meter Compliance Orders (CSF Code 1 Changeouts)	\$ 1,222	\$ -	\$ 1,222
Incremental Electric Meter Compliance Orders (EMO Testing Program)	\$ 976	\$ -	\$ 976
Electric Vehicle Charging Station Maintenance		\$ 129	\$ 129
Elimination of legacy SM 1.0 failure-based work (gas modules)	\$ (246)	\$ -	\$ (246)
Elimination of legacy SM 1.0 failure-based work (electric meters)	\$ (1,360)	\$ -	\$ (1,360)
Elimination of legacy SM 1.0 non-communicating meter work	\$ (184)	\$ -	\$ (184)
TY 2028 Adjusted Recorded Costs	\$ 22,141	\$ 1,798	\$ 23,939
Incremental BY to TY	\$ 812	\$ 129	\$ 941

As shown in Table SB-16 above, SDG&E anticipates a change in Customer Field Operations (specifically for CSF and EMO) workload beginning in mid-2027 that reflects the anticipated elimination of legacy Smart Meter (SM) 1.0 failure-based work, assuming Commission approval of SDG&E’s separate SM 2.0 application. This GRC does not seek authorization or recovery of SM 2.0 program costs. The SM 2.0 replacement program is fully addressed in A.25-12-012. Rather, this GRC reflects the operational impact on Customer Field Operations of no longer performing legacy SM 1.0 failure-based work once meters are replaced under that separate proceeding.

Consistent with this anticipated transition, SDG&E removes certain categories of previously authorized SM 1.0 failure-based field activities from the TY 2028 forecast. As reflected in Table SB-16, approximately \$1.8 million of labor costs previously associated with SM 1.0 failure-based work, including reactive gas module replacements, electric meter failures, and field reads due to non-communication, are removed from the TY 2028 forecast.

These reductions (~\$1.8M) reflect the planned cessation of legacy failure-driven work, not the addition of new SM 2.0 activities. These reductions partially offset incremental increases

1 associated with customer meter growth and ongoing gas and electric meter compliance  
2 obligations as described further below.

3 **d. Incremental Labor Requests**

4 SDG&E’s incremental funding requests for Customer Field Operations are described  
5 below.

6 **Gas Meter Compliance Orders**

7 SDG&E is requesting \$1,222,000 in incremental labor costs associated with compliance-  
8 driven removal of gas meters that have tested outside allowable accuracy tolerances, consistent  
9 with General Order (GO) 58A and the Commission’s Meter Performance Control Program  
10 requirements.<sup>32</sup> These costs represent the incremental labor costs required to remove the existing  
11 gas meter during a single coordinated field visit performed in conjunction with the SM 2.0  
12 deployment.

13 SDG&E’s Meter Performance Program is governed by GO 58A, which establishes  
14 testing, statistical sampling, and removal requirements for gas meters that exceed accuracy  
15 thresholds. Under the Commission guidance, once a meter population exceeds defined error  
16 tolerances, the meters must be removed from service and replaced within prescribed timelines.  
17 Beginning in 2020, several SDG&E gas meter control groups began approaching or exceeding  
18 these limits, resulting in an identified population of approximately 119,000 meters requiring  
19 replacement to maintain compliance.

20 Recognizing the magnitude of this compliance obligation and the upcoming Smart Meter  
21 Replacement Program<sup>33</sup>, SDG&E sought and obtained Commission approval in Res. G-3587 to  
22 temporarily defer immediate meter removals and, instead, apply a 2% meter calibration factor for  
23 meters operating between 2% and 3% fast. This deviation was approved to avoid unnecessary  
24 and duplicative field visits, given SDG&E’s planned smart meter replacement program.

25 Consistent with that authorization, SDG&E now proposes to complete the required  
26 compliance work at the same time SM 2.0 field crews deploy new gas modules, which sit atop  
27 the gas meter. This approach allows customers to receive one coordinated visit, rather than two

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<sup>32</sup> Res. G-3587 (August 4, 2022) at 4 n. 5.

<sup>33</sup> A.25-12-012, Application of SDG&E For Approval of SM 2.0 Proposal (December 18, 2025).

1 separate visits (i.e., one to remove the non-compliant gas meter and a second to later replace the  
2 SM 1.0 gas module) thereby minimizing customer disruption and reducing overall costs.

3       Importantly, the costs requested in this GRC are limited exclusively to the incremental  
4 labor costs associated with removing and replacing the mechanical gas meters required for GO  
5 58A compliance. The costs to install SM 2.0 gas modules and its supporting infrastructure are  
6 not included in this request and are instead addressed separately in SDG&E's Smart Meter  
7 Replacement Program, as directed by D.24-12-074.

8       By coordinating compliance-driven meter removals with the SM 2.0 deployment,  
9 SDG&E fulfills its regulatory obligations under GO 58A while exercising prudent cost  
10 management, avoiding duplicative field work, and limiting impacts on customers. The  
11 incremental costs requested herein reflect the most efficient and least cost means of meeting  
12 these requirements.

### 13       **Electric Meter Compliance Orders**

14       SDG&E is requesting \$976,000 in labor to perform Electric Meter Compliance orders in  
15 support of periodic field testing of electric meters to ensure continued accuracy throughout each  
16 meter's service life. This program addresses the standards and guidelines for electric metering  
17 and meter data outlined in the Direct Access Standard for Metering and Meter Data  
18 (DASMMD), approved by D.98-12-080, as well as SDG&E's Tariff Electric Rules 18, Meter  
19 Tests and Adjustment of Bills, and 25 Direct Access Rules. Meters are selected for testing based  
20 on annual consumption levels, statistically valid random sampling, and customer-initiated  
21 inquiries.

22       In recent years, SDG&E has continued to perform this compliance work; however, as  
23 smart meters deployed approximately 20 years ago (between 2009 and 2011) begin to reach the  
24 end of their useful life, meter failures have increased, driving additional work, particularly the  
25 replacement of meters exhibiting operational concerns. This prioritization is necessary because  
26 meter failures can create significant downstream customer impacts, including the risk of  
27 estimated billing when meters are not replaced promptly. As a result, while the compliance  
28 program remains active and essential, fewer resources are available for broader, planned  
29 compliance testing. The funding requested in this application will support SDG&E's ability to  
30 meet compliance requirements while responding to evolving field conditions and maintaining  
31 accurate customer billing.

1           Sample Testing

2           SDG&E performs annual random sample testing of residential and small commercial  
3 meters to verify that meters remain within the accuracy thresholds established in SDG&E’s  
4 electric tariffs. Meters are grouped by type and service application to provide statistical  
5 representation across the broader population. These tests provide confidence that meter  
6 performance remains consistent and reliable over time.

7           Consumption-Based Testing

8           For higher-usage customers, SDG&E conducts compliance testing consistent with the  
9 Direct Access Standards for Metering and Meter Data (DASMMD), Section D-III, Meter  
10 Maintenance and Testing Schedule. Meters recording between 720,000 and 2,000,000 kWh  
11 annually are tested every other year, while meters exceeding 2,000,000 kWh are tested annually.  
12 This testing ensures early identification of high-load meter degradation and mitigates the risk of  
13 billing inaccuracies for customers with substantial energy usage. Lower-usage customers are  
14 evaluated through the sample-testing program described above.

15           Customer-Requested Testing

16           Field testing is also initiated in response to customer concerns regarding meter accuracy.  
17 During these investigations, technicians perform an on-site accuracy test and may extract  
18 diagnostic information, interval data, and recorded events directly from the meter’s optical port.  
19 SDG&E also reviews remotely collected interval history to assess usage trends. Any meter  
20 found outside the Rule 18 accuracy standard of  $\pm 2\%$  is removed from service, and Billing  
21 Services evaluates historical consumption for potential rebilling adjustments.

22           **Electric Vehicle Charging Station Maintenance**

23           This request is for replacement parts and components, supporting five active electric  
24 vehicle (EV) capital projects, with one project scheduled to sunset during the 2026–2027  
25 timeframe. The projected incremental increase of \$129,000 reflects anticipated additional  
26 maintenance costs associated with DC fast charging (DCFC) infrastructure. Cost projections are  
27 based primarily on historical service order data, adjusted for the current and anticipated number  
28 of supported capital projects, and reflect a continuation of observed maintenance trends rather  
29 than expansion of scope.



1                                   **a.       Description of Costs and Underlying Activities**

2           Customer Field Supervision & Operations Support provides district leadership and day-  
3 to-day operational support, including EMO Scheduling, Behavior-Based Safety (BBS)  
4 facilitation, and Meter Access functions.

5                   Field Supervision

6           Organizationally, CFO field employees report to field supervisors. Similar to field  
7 technicians; supervisors are geographically dispersed across SDG&E’s five operating districts.  
8 Field supervisors are responsible for monitoring and coaching employees, conducting safety and  
9 job observations, coordinating with dispatch and other departments to resolve field issues,  
10 responding to emergency incidents to provide on-site leadership, and managing overall  
11 performance of CFO employees within each district.

12                   Operational Coordination

13           Operational Coordinators provide administrative support to field leadership and  
14 employees including, but not limited to, departmental reports, systems data entry, monitoring and  
15 periodic reporting of departmental training requirements, processing of employee travel requests  
16 and reimbursements, maintaining department files and timekeeping, and vacation scheduling for  
17 district employees.

18                   EMO Scheduling

19           EMO Schedulers manage work assignments and provide overall support to EMO  
20 technicians in the field. They analyze forecasted and existing workloads against resource  
21 availability, applying resource management strategies, policies, procedures, software, and  
22 business rules to optimize utilization of company and contract resources. Schedulers are  
23 accountable for adhering to schedules, addressing resource and workload issues, and taking  
24 corrective action as necessary to maintain project timelines and prevent critical issues from being  
25 overlooked.

26                   Behavior-Based Safety (BBS)

27           BBS is a proactive approach to safety and health management that focuses on reducing  
28 at-risk behaviors, which are a frequent cause of injuries. The program emphasizes observation,  
29 feedback, and positive interventions to promote safe work habits for all CSF and EMO field  
30 employees. Each CFO team is supported by a dedicated BBS facilitator who oversees the

1 program's day-to-day activities and helps drive consistent leadership, engagement and  
2 improvement.

### 3 Meter Access

4 The Meter Access team manages work orders flagged by field technicians due to issues  
5 with safe access to customer premises. They work directly with customers to secure immediate  
6 access and develop long-term solutions. Additionally, the team addresses metering equipment  
7 identified as non-compliant by field technicians.

#### 8 **b. Forecast Method**

9 The forecast method used for this cost category is the base year, consistent with the last  
10 GRC request. SDG&E selected 2025 as the base year because it is the most recent year that  
11 accurately reflects the expense level associated with current departmental activity.

12 Alternative forecast methods were evaluated but determined to be inappropriate for this  
13 cost category. Supervision and operations support costs do not scale directly with meter counts,  
14 customer growth, or discrete workload drivers in a predictable or linear manner. Supervisory  
15 staffing is driven primarily by geographic coverage, safety oversight requirements, regulatory  
16 compliance, and the need to maintain effective span of control across diverse field activities,  
17 rather than by incremental changes in transaction volumes. As a result, an activity-based or  
18 growth-driven forecast would not reasonably reflect the underlying cost drivers for this function.  
19 Similarly, a zero-based approach would not provide additional analytical value given the stable  
20 and ongoing nature of these responsibilities.

21 The estimated number of field supervisors in TY 2028 is therefore based on geographic  
22 areas served by each operating base, the variety of work performed, and the conditions  
23 encountered at customer premises. This approach also reflects the expectation that supervisors  
24 spend as much time as possible in the field conducting safety and job observations, coaching  
25 employees, and managing performance.

26 Non-labor expenses for this cost category include cell phones, office supplies, and other  
27 miscellaneous items. The non-labor cost estimate is based on the 2025 base year level of non-  
28 labor expense as they are expected to remain generally stable over the forecast period and are not  
29 driven by changes in workload volumes.

1 **c. Cost Drivers**

2 Costs in this category are driven by the staffing and support resources necessary to  
3 provide mandatory supervision, scheduling/coordination, and safe-access resolution for  
4 Customer Field Operations activities. The requested \$3,834,000 in O&M is needed because it  
5 supports core supervisory coverage and operational controls required to: maintain safe work  
6 practices through routine field observations and coaching; provide leadership during emergency  
7 incidents and escalations; confirm work is scheduled and completed efficiently across multiple  
8 districts; and resolve customer premise access issues that would otherwise delay required work  
9 and increase repeat visits. Accordingly, the principal cost drivers are the number of supervisors,  
10 operational coordinators, field analysts, and meter access employees and associated non-labor  
11 expenses needed to support day-to-day field execution.

12 Summary

13 Customer Field Supervision & Operations Support provides the supervisory coverage and  
14 operational controls necessary to execute Customer Field Operations work safely, efficiently,  
15 and in compliance with applicable requirements across SDG&E's five operating districts. This  
16 function supports core field execution through direct field supervision and emergency leadership,  
17 centralized scheduling and coordination for Electric Metering Operations, Behavior-Based  
18 Safety (BBS) facilitation to reinforce safe work practices, and Meter Access resolution to address  
19 unsafe or non-compliant premise conditions that can otherwise delay required work and increase  
20 repeat visits.

21 Consistent with the forecast method and cost drivers described above, supervisory and  
22 operations support costs are driven primarily by geographic coverage, required safety oversight,  
23 and maintaining an appropriate span of control over diverse field activities, not by incremental  
24 meter counts or transaction volumes. Accordingly, SDG&E forecasts these costs using Base  
25 Year 2025 as the most representative level of ongoing activity, with non-labor expenses expected  
26 to remain generally stable over the GRC cycle. This testimony therefore requests funding to  
27 maintain baseline leadership and support resources needed to sustain safe field execution,  
28 schedule adherence, timely issue escalation, and efficient completion of required work.



1 projects; and work order volumes. Work order volumes, in turn, are influenced by external  
 2 factors such as customer growth, infrastructure failures, weather conditions, economic trends,  
 3 customer turnover, natural gas and electric prices, customer appliance and equipment choices,  
 4 emergency incidents such as fires and earthquakes, and changes in applicable laws and  
 5 regulations.

6 **c. Cost Drivers**

7 Costs in this category represent base business support necessary to ensure Customer Field  
 8 Operations work is performed safely, accurately, and in compliance with applicable  
 9 requirements. The primary drivers are the ongoing need to train and qualify new employees and  
 10 maintain workforce proficiency as work practices, equipment, and standards evolve; provide  
 11 dedicated instructors for electric technician training, including EMTA classes, for safety-critical  
 12 and revenue-impacting metering work, validate field work quality through inspections, audits,  
 13 and corrective coaching to reduce rework and repeat visits, perform required safety, compliance,  
 14 and regulatory support and provide operational support and continuous improvement through  
 15 analytics and workload management. These activities are ongoing and foundational to delivering  
 16 safe and reliable utility field service.

17 **Summary of Customer Field Operations Support Costs**

18 SDG&E’s TY2028 funding request of \$3,431,000 for the Customer Field Operations  
 19 Support cost category represents an increase of \$131,000 to BY 2025 adjusted-recorded costs  
 20 and consists of the elements summarized in Table SB-19 below:

21 **TABLE SB-19**  
 22 **Summary of TY 2028 Incremental O&M Expenses for Customer Field Support Services**

Customer Field Support Services (in 2025 \$000s)	Labor	Non-Labor	Total	FTE
a. EMO Instructor	\$131	\$0	\$131	0.9
<b>Total</b>	<b>\$131</b>	<b>\$0</b>	<b>\$131</b>	<b>0.9</b>

23 **d. Incremental Labor Request**

24 *EMO Instructor*

25 Electric Metering Operations (EMO) is responsible for electric meter field related  
 26 activities for residential and commercial customers. Most of these field activities are related to  
 27 wiring instrument transformers and test switches, setting new meters, testing, removing and

1 changing meters, investigating and troubleshooting metering problems, resolving communication  
2 or configuration problems, performing specialized meter reads and verifying meters. Working  
3 on energized meter equipment involves electrical hazards such as energized equipment exposure,  
4 arc flash risk, and potential impact to revenue and system reliability that requires precise  
5 knowledge. The EMO Instructor validates that the training incorporates proper safety  
6 procedures, including lockout/tagout and hazard recognition, while providing the specialized  
7 instruction needed to accurately test, calibrate, install, and troubleshoot meters. This role  
8 develops, implements, and delivers all training programs for both self-contained and  
9 instrument-rated metering across secondary (<600V) and primary (>600V) voltage levels to  
10 ensure this safety-critical, revenue-impacting work is performed consistently and competently.  
11 Without dedicated instructional oversight, training becomes informal, inconsistent, and  
12 dependent on an informal process, increasing the risk of inaccurate billing, rework, safety  
13 incidents, and system disturbances. By establishing standardized curriculum, documentation,  
14 and performance assessments that support uniform competency and adherence to proper  
15 lockout/tagout, hazard recognition, and metering procedures, this instructor improves quality,  
16 reduces rework, ensures consistent and safe field performance, and directly supports operational  
17 reliability, workforce safety, and compliance.

#### 18 Summary

19 Customer Field Support Services provides centralized capabilities that help Customer  
20 Field Operations perform field work safely, consistently, and in compliance with applicable  
21 requirements. The TY 2028 forecast relies on Base Year 2025 recorded activity as a reasonable  
22 foundation for these ongoing functions, including technical and compliance training, quality  
23 assurance inspections, safety and regulatory support, field strategy/analytics, and technical  
24 advisory services that support adherence to SDG&E service standards. Because these activities  
25 are largely driven by required workforce readiness, safety oversight, and the need to maintain  
26 consistent work quality across a geographically dispersed field organization, they do not scale in  
27 a simple linear relationship to meter growth or work-order counts. In addition, the TY 2028  
28 request includes a discrete incremental element to support specialized Electric Meter Operations  
29 training through an EMO Instructor, which is intended to standardize curriculum and  
30 competency assessment for safety-critical metering work and to support consistent execution as  
31 equipment, procedures, and compliance requirements evolve. Overall, this forecast is designed

1 to sustain support functions that promote safe field execution, reduce avoidable rework, and  
 2 provide auditable training and quality controls during the GRC cycle.

3 **4. Metering Operations**

4 **TABLE SB-20**  
 5 **O&M Summary for Metering Operations**

<b>CUSTOMER SERVICES (in 2025\$)</b>			
<b>B. Customer Service Field and Metering Operations</b>	<b>2025 Adjusted-Recorded (000s)</b>	<b>TY2028 Estimated (000s)</b>	<b>Change (000s)</b>
4. Metering Operations	3,671	3,816	145*
<b>Total</b>	<b>3,671</b>	<b>3,816</b>	<b>145*</b>

6 \*All \$145,000 of the total change amount is due to an adjustment in connection with the compensation  
 7 modernization initiative. Please refer to the Compensation & Benefits testimony, Ex. SCG-16/SDGE-20.  
 8

9 **a. Description of Costs and Underlying Activities**

10 Metering Operations performs essential functions required to maintain accurate billing  
 11 and compliance with Commission approved metering standards. Metering Operations is  
 12 responsible for operating and supporting SDG&E’s advanced metering systems, investigating  
 13 customer and system identified issues, validating meter data, and operating metering equipment  
 14 and processes safely and accurately for approximately 2.4 million meters.

15 Metering Operations is structured into four primary functional areas: Data Operations,  
 16 Electric Metering Engineering, Electric Meter Shop, and Electric Instrument Shop, each of  
 17 which addresses a specific operational, technical, or compliance need. The sections below  
 18 describe how these functions collectively support safe field operations, reliable data collection,  
 19 engineering oversight, and the sustained accuracy required to support billing, customer inquiries,  
 20 and regulatory obligations.

21 **Data Operations**

22 Data Operations is a core operational support function within Metering Operations  
 23 responsible for the end-to-end handling of meter data for electric and gas service across  
 24 SDG&E’s service territory. The team’s role is operational in nature and focused on verifying  
 25 that meter data is complete, accurate, timely, and suitable for billing, customer service, and  
 26 regulatory use.

27 The group is responsible for the daily collection, validation, and processing of meter  
 28 reads, as well as monitoring meter communications and identifying data exceptions. This

1 includes investigating missing or anomalous reads, validating usage data, and resolving issues  
2 that could otherwise affect billing accuracy or customer inquiries. These activities occur  
3 continuously and require close coordination with field operations, engineering, information  
4 technology, customer operations, and vendor partners.

5 Data Operations provides around-the-clock monitoring and operational support to  
6 maintain continuity of meter data flows and to promptly address issues as they arise. The team  
7 also supports data needs associated with customer programs, EV infrastructure, and emerging  
8 operational requirements, ensuring that metering data remains reliable as business and regulatory  
9 demands evolve.

### 10 **Electric Metering Engineering (EME)**

11 EME supports safe, accurate, and reliable metering by focusing on meter functionality  
12 and maintenance. The team develops engineering solutions for metering issues across  
13 production, operations, and maintenance environments, establishes metering standards and  
14 specifications, and designs specialized metering solutions for applications such as power  
15 generation and net metering.

16 EME also manages metering software applications, meter configurations, and devices  
17 used for programming and reading meters. Responsibilities include documenting standards,  
18 operating procedures, and training materials, as well as providing engineering training to  
19 Metering Field Technicians.

20 The team conducts meter investigations, addresses malfunctions and high-bill complaints  
21 requiring engineering expertise, and provides technical support to internal and external  
22 stakeholders, including Regulatory, Transmission and Distribution Engineering, Service  
23 Standards, Major Projects, Billing, and Customer Generation. EME also monitors industry  
24 trends and best practices through workshops, conferences, and training.

25 To support continuous improvement, the EME team monitors industry trends, emerging  
26 technologies, and best practices by participating in workshops, conferences, and ongoing  
27 technical training. The team also provides technical expertise for metering-related regulatory  
28 activities. Current regulatory work includes the Microgrid OIR Track 2 effort related to Meter  
29 Socket Adapters, which is evaluating both isolation and non-isolation categories. EME  
30 additionally contributes to discussions involving Station Power and Energy Storage (SPES)  
31 requirements for co-located sites, which intersect with interconnection activities and billing

1 processes—particularly where separate Resource IDs are used for thermal generation and new  
2 Battery Energy Storage Systems (BESS). These represent the primary regulatory areas in which  
3 the team is currently engaged.

#### 4 **Electric Meter Shop**

5 The Electric Meter Shop tests and configures electric meters prior to installation,  
6 processes meter reading files from removed meters, analyzes meters removed due to failure  
7 conditions, and manages warranty returns and replacements. The shop retires defective meters in  
8 compliance with e-waste standards, delivers meters and related equipment throughout the service  
9 territory, and performs network device testing, gas module processing and retirement, specialty  
10 meter testing, and other logistical tasks. Typically, the shop processes over 20,000 electric  
11 meters annually.

#### 12 **Electric Instrument Shop**

13 The Electric Instrument Shop is responsible for purchasing, calibrating, and repairing  
14 tools and equipment for EMO and district field employees—over 4,000 items in total. The shop  
15 calibrates EMO meter field testing devices monthly, tests EV charging stations prior to  
16 installation, and performs accuracy testing on instrument transformers (CT/PT). It provides  
17 support to multiple groups, including EMO, SDG&E Operating Districts, EME, Major Projects,  
18 Cathodic Protection, Skills Training, EROC, Weld Inspectors, and Trouble.

#### 19 **b. Forecast Method**

20 The forecasted TY 2028 expenses for Metering Operations are based on the base year and  
21 consistent with the last GRC request. SDG&E selected 2025 as the base year because it is the  
22 most recent year that accurately reflects the expense level associated with current departmental  
23 activity.

24 Metering Operations departmental activity and related costs are primarily driven by  
25 projects and work order volumes. Time-of-Use (TOU) billing continues to require interval data  
26 validation, editing, and field work for customers, increasing the time needed to generate accurate  
27 customer bills. Finally, work order volumes are influenced by external factors such as  
28 infrastructure failures, customer growth, weather conditions, and emergency incidents.

29 The forecasted TY 2028 expenses for Metering Operations are based on the base year and  
30 are consistent with the approach used in the prior GRC. SDG&E selected BY 2025 because it is  
31 the most recent recorded year and best reflects the current operating environment, scope of

1 services, and resource requirements necessary to sustain Metering Operations ongoing  
2 responsibilities.

3 BY 2025 is representative of Metering Operations because it reflects the staffing model,  
4 tools, systems, and workflows used to operate and support SDG&E's advanced metering systems  
5 and related functions, including Data Operations, Electric Metering Engineering, the Electric  
6 Meter Shop, and the Electric Instrument Shop. BY 2025 also reflects the current level of effort  
7 required to maintain accurate billing outcomes, including increased interval data validation and  
8 editing needs following the TOU transition, ongoing investigation and resolution of customer-  
9 and system-identified issues, and support for projects and work orders influenced by external  
10 factors such as infrastructure failures, customer growth, weather conditions, and emergency  
11 incidents.

12 Alternative forecast methods were evaluated but determined to be less appropriate for  
13 Metering Operations. Multi-year averaging would blend years with differing project timing,  
14 system conditions, and evolving interval-data processes, reducing representativeness of current  
15 operations. Linear trending is not appropriate because Metering Operations workload is driven  
16 by non-linear factors such as project timing, work order volumes, and incident-driven activity. A  
17 zero-based approach was not utilized because Metering Operations functions are ongoing,  
18 recurring operational activities required to sustain metering accuracy, safety, and compliance,  
19 and rebuilding the forecast would not provide additional analytical value relative to the recorded  
20 base year.

### 21 c. Cost Drivers

22 Costs associated with Data Operations, Electric Metering Engineering, the Electric Meter  
23 Shop, and the Electric Instrument Shop are necessary to operate meters safely, accurately, and  
24 reliably across the service territory.

25 Data Operations requires staffing to manage the advanced metering network, provide  
26 24/7 system monitoring and application support, and perform meter data troubleshooting and  
27 validation. The group also supports Clean Transportation activities. Labor includes both  
28 internal personnel and contract support, and non-labor costs cover essential items such as  
29 communication tools for after-hours support, travel, training, e-waste disposal, and calibration  
30 equipment needed to maintain field and Meter Shop.

1 Electric Metering Engineering costs are driven by the need to evaluate and approve new  
2 metering hardware, firmware, and configurations, particularly as technology evolves or  
3 equipment becomes obsolete. The team supports major interconnection projects, such as battery  
4 storage, solar installations, and emerging initiatives, and provides ongoing O&M support  
5 throughout the service territory. Communication expenses and field travel are necessary to  
6 perform these responsibilities.

7 Electric Meter Shop expenses reflect the work of testing and configuring meters before  
8 installation, processing and evaluating removed meters, managing warranty returns, ensuring  
9 environmentally compliant retirement and disposal, delivering equipment across the territory,  
10 and supporting both electric and gas module processing. The shop manages more than 20,000  
11 meters annually, including specialty and network devices.

12 Electric Instrument Shop costs support the calibration, repair, and maintenance of more  
13 than 4,000 tools used by field personnel. The shop conducts monthly calibration of EMO testing  
14 equipment, tests EV charging stations prior to deployment, and performs accuracy testing of CTs  
15 and PTs used for large commercial services. It provides critical support to multiple operational  
16 departments across the company. In summary, these costs collectively make sure that metering  
17 systems, tools, and equipment remain accurate, safe, compliant, and fully operational - protecting  
18 customers, supporting field crews, and providing the reliability of the utility's measurement  
19 systems.

#### 20 Summary

21 Metering Operations performs critical, safety-sensitive and compliance-driven work that  
22 enables accurate customer billing and supports adherence to Commission-approved metering  
23 standards. Metering Operations operates and supports SDG&E's advanced metering systems,  
24 investigates and resolves meter and usage-data issues, and helps provide safe, reliable operation  
25 of approximately 2.4 million meters across the service territory.

26 Metering Operations responsibilities are delivered through four integrated functional  
27 areas, Data Operations, Electric Metering Engineering, Electric Meter Shop, and Electric  
28 Instrument Shop, that sustain end-to-end metering performance from data acquisition and  
29 validation to engineering standards, meter testing/configuration, and instrument calibration.  
30 Ensuring meter and usage data are complete and accurate is foundational to billing accuracy and  
31 helps reduce downstream workload for Customer Service Operations by preventing avoidable

1 exceptions, billing adjustments, and customer inquiries. Primary cost and workload drivers  
 2 include the labor required to provide continuous monitoring, investigations, and field/shop  
 3 support, as well as non-labor expenses for tools, training, travel, calibration equipment, and  
 4 compliant disposal activities. TY 2028 expenses are forecast using BY 2025, which best reflects  
 5 current workload and operating conditions influenced by project and work order volumes,  
 6 interval-data validation needs following the TOU transition, customer growth, system conditions,  
 7 and incident-driven activity.

8 **C. Customer Operations and Customer Services Support**

9 **TABLE SB-21**  
 10 **Customer Operations and Customer Services Support O&M**

<b>CUSTOMER SERVICES (in 2025\$)</b>			
<b>C. Customer Operations and Customer Services Support</b>	<b>2025 Adjusted-Recorded (000s)</b>	<b>TY2028 Estimated (000s)</b>	<b>Change (000s)</b>
1. Customer Operations	8,947	7,118	-1,829
Meter Revenue Protection	348	362	14
Postage	5,598	3,911	-1,687
2. Customer Services Support	5,758	6,058	300
<b>Total</b>	<b>20,651</b>	<b>17,449</b>	<b>-3,202</b>

11 **1. Customer Operations**

12 **TABLE SB-22**  
 13 **Forecast for Customer Operations, Meter Revenue Protection, and Postage**

<b>CUSTOMER SERVICES (in 2025\$)</b>			
<b>C. Customer Operations and Customer Services Support</b>	<b>2025 Adjusted-Recorded (000s)</b>	<b>TY2028 Estimated (000s)</b>	<b>Change (000s)</b>
1. Customer Operations	8,947	7,118	-1,829
Meter Revenue Protection	348	362	14
Postage	5,598	3,911	-1,687
<b>Total</b>	<b>14,893</b>	<b>11,391</b>	<b>-3,502*</b>

15 \*\$88,000 of the total change amount is due to adjustments in connection with the compensation modernization  
 16 initiative. Please refer to the Compensation & Benefits testimony, Ex. SCG-16/SDGE-20.

17 **a. Description of Costs and Underlying Activities**

18 **Customer Operations**

19 Customer Operations costs consist of labor and non-labor expenses to provide billing,  
 20 credit and collections, payment services, and remittance processing to SDG&E's residential and

1 business customers, including costs to develop and maintain policies and procedures, create and  
2 deliver training, and perform audits and quality assurance checks related to these services.

3 Descriptions of these services are provided below.

#### 4 Customer Billing

5 SDG&E issues more than 20 million bills each year for approximately 1.7 million  
6 customer accounts. Billing expenses cover the cost of calculating customer bills, maintaining  
7 accurate customer account information, issuing special bills that require manual calculations,  
8 resolving billing exceptions, addressing customer bill inquiries, and ensuring bills are prepared in  
9 accordance with applicable tariffs, statutes, customer contracts and other agreements. Customer

10 Billing activities generally fall into two categories:

- 11 1. Exception Processing: Work items created for failed validations prior to the  
12 billing system creating a customer bill (e.g., high gas consumption).
- 13 2. Corrective Billing: Work items created to change a billing period that has already  
14 been fully processed in the billing system (e.g., customer calling in for a back-  
15 dated change of account).

16 All bills are subject to an automated validation process to confirm overall accuracy and  
17 alignment with historical usage patterns before being issued to the customer. Most billing  
18 statements successfully pass the validations and are automatically issued. However, a small  
19 percentage of bills, less than one percent, fail one or more of the validations and require further  
20 review. Like the bill validation process, completed field service orders are also validated to  
21 ensure the accuracy of customer account data. The orders that fail the validations cannot be  
22 routinely processed and must be handled manually for resolution.

23 Another area of responsibility is the verification of all billing attributes and management  
24 of the initial billing setup process associated with customer accounts. These responsibilities  
25 include updating and maintaining billing attributes, such as rates and baseline codes, and  
26 performing billing setup tasks for both routine accounts and specialized contract agreements and  
27 programs such as Net Energy Metering, Virtual Net Metering, Electric Vehicles, Critical Peak  
28 Pricing, Direct Access, Community Choice Aggregation, Core Aggregation Transportation, and  
29 Group Billing. Billing for a subset of large Commercial and Industrial (C&I) and other  
30 specialized customers includes calculations for distributed generation, monthly gas imbalance  
31 charges, and various special contract arrangements. Processing bills for these customers is  
32 complex, beginning with the validation of measurement data and subsequently proceeding into

1 bill calculations. Due to the unique nature of each arrangement, the billing process involves  
2 manual intervention to ensure full regulatory and tariff compliance.

### 3 Credit and Collections

4 Credit and Collections activities encompass credit office functions, including:

- 5 • Daily review of pending service disconnections to ensure compliance with  
6 Commission <sup>34</sup>
- 7 • Collection of delinquent customer accounts and final bills
- 8 • Skip tracing (i.e., research to locate a customer after a service disconnection and  
9 the final bill becomes delinquent)
- 10 • Bankruptcy processing
- 11 • Customer refund processing

12 Additional responsibilities include offering payment arrangement and extension options,  
13 as well as developing and implementing strategies to minimize arrearages and uncollectible  
14 expenses for the benefit of all customers.

### 15 Payment Services

16 Payment Services is responsible for overseeing payment processing for all services  
17 provided by SDG&E. This includes timely receiving of customer payments into SDG&E bank  
18 accounts, accurately recorded in SDG&E's general ledger, and correctly applied to SDG&E  
19 customer accounts. Payment Services performs daily reconciliation across all payment sources,  
20 investigates and resolves payment discrepancies and misapplications, and manages exception  
21 payments. Exception payments are defined as payments that cannot be automatically posted in  
22 the Customer Information System upon receipt, including payments with incorrect SDG&E  
23 account numbers or payments returned for insufficient funds. These payments require daily  
24 review to support timely posting to customer accounts and accurate customer account balances.

25 In addition, Payment Services validates that customer payments are properly directed to  
26 SDG&E's electric service providers (ESPs) that submit electric generation charges through the  
27 utility distribution company (UDC) consolidated bill, in accordance with Rule 25<sup>35</sup> and Rule

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<sup>34</sup> Pursuant to R.18-07-005, Order Instituting Rulemaking to Consider New Approaches to Disconnections and Reconnections to Improve Energy Access and Contain Costs (July 12, 2018), as implemented through D.20-06-003 and subsequent Commission decisions.

<sup>35</sup> SDG&E Electric Rule 25 at Section L.1.a, *available at*: [https://www.sdge.com/sites/default/files/elec\\_elec-rules\\_erule25.pdf](https://www.sdge.com/sites/default/files/elec_elec-rules_erule25.pdf) ("The UDC is required under

1 27.<sup>36</sup> Payment Services also conducts bi-annual reviews of outstanding refund checks for  
2 escheatment in accordance with California unclaimed property laws.

3 Remittance Processing

4 Remittance Processing includes expenses for paper forms and envelopes for customer  
5 bills, notices, letters and other correspondence, and vendor fees for electronic bill delivery to  
6 customers' home banking websites.

7 **Meter Revenue Protection**

8 Meter Revenue Protection investigates leads associated with potential customer energy  
9 theft and, more importantly, remediates any related employee and public safety issues. Bypasses  
10 or unauthorized attachments create unsafe conditions for SDG&E crews as well as public safety  
11 officers and first responders. The first priority when encountering these conditions is corrective  
12 action to address safety hazards. Unauthorized attachments are not standard and violate the  
13 electrical code and local building ordinances. These connections present the potential for fire,  
14 electrical shock or even the risk of electrocution to SDG&E service technicians, law  
15 enforcement, firefighters, city or county officials, occupants of the residence, and/or the  
16 surrounding community.

17 Additionally, Meter Revenue Protection supports credit investigations, which typically  
18 arise when a new customer attempts to initiate service at a premise immediately following  
19 disconnection for non-payment; field visits are performed to confirm a change in residency and  
20 customer identification. In 2025, the Meter Revenue Protection team investigated over 2,300  
21 leads, addressing critical safety issues and mitigating an estimated \$7 million in unbilled energy,  
22 which contributes to improved affordability for all.<sup>37</sup>

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D.97-05-039 to pay the ESP the amounts paid to the UDC for ESP charges only after the payment is received.”).

<sup>36</sup> SDG&E Electric Rule 27 at Section P.1.b.3, *available at*:  
[https://www.sdge.com/sites/default/files/elec\\_elec-rules\\_erule27\\_0.pdf](https://www.sdge.com/sites/default/files/elec_elec-rules_erule27_0.pdf) (“The Utility shall process customer payments and transfer amounts paid toward CCA charges to the CCA when the payments are received pursuant to the provisions set forth in Section R.”).

<sup>37</sup> In accordance with SDG&E Electric Rule 11 and Gas Rule 11.

1           **Postage**

2           Postage includes the expense for mailing customer bills, notices, letters and other  
3 correspondence through the United States Postal Service (USPS).

4                           **b.       Forecast Method**

5           The base year forecast method was used for TY 2028 for this cost category, consistent  
6 with the approach taken in the previous GRC. The most recent recorded year accurately reflects  
7 the current expense levels associated with these activities. A multi-year forecast methodology  
8 (e.g., a historical average) is not appropriate for Customer Operations because these costs are  
9 driven by current transaction volumes, customer channel mix (paper versus electronic), and the  
10 current operating model; older years can embed conditions that are no longer representative (e.g.,  
11 different paperless adoption levels and different work allocation between internal staff and  
12 service providers). In addition, historical averaging would dilute the effect of documented,  
13 forward-looking operating model changes that are already reflected in recorded costs and would  
14 therefore risk overstating the expense level required to sustain current operations. Although the  
15 underlying activities for Customer Operations, Meter Revenue Protection, and Postage have not  
16 changed significantly in recent years, the related costs, business conditions, and operating  
17 models have continued to evolve. For these reasons, the base year methodology provides a  
18 reasonable and appropriate foundation for forecasting future expenditures.

19                           **c       Cost Drivers**

20           Customer Operations, Meter Revenue Protection, and Postage costs represent base  
21 business expenditures necessary to operate SDG&E's core customer billing, payment, credit and  
22 collections, and customer notice functions, and to protect customers and the public through  
23 revenue protection activities. These costs support the Company's ability to issue accurate and  
24 timely bills, receive and correctly apply payments, manage credit and collections activities  
25 consistent with customer protections, maintain required internal controls and auditability, and  
26 provide required written customer communications delivered through appropriate channels (mail  
27 and electronic delivery). The primary cost drivers for this cost category are (1) the volume and  
28 complexity of customer transactions (including billing exceptions, corrective billing, payment  
29 exceptions, refunds, bankruptcies, and related research), (2) regulatory and compliance  
30 obligations requiring documented procedures, training, quality assurance, and audit support to  
31 ensure billing accuracy and customer protections, and (3) customer growth and customer channel

1 preferences, which influence remittance processing volumes, electronic bill presentment costs,  
2 and postage/mail volumes for required notices and correspondence.

3         Within this base business framework, the \$3,502,000 forecasted reduction in costs  
4 between BY 2025 and TY 2028 reflects disciplined cost containment and efficiencies achieved  
5 through changes in how services are delivered, not a reduction in service levels or customer  
6 support. These savings are driven by the following:

7         **Transition to a Managed Service Provider:** The transition of select billing, credit and  
8 collections, and payment services activities to a managed service provider with appropriate  
9 oversight from SDG&E beginning in 2026 is expected to reduce annual labor costs by  
10 \$2,688,000 and increase annual non-labor costs by \$1,009,000, resulting in a net cost reduction  
11 of \$1,679,000 in TY 2028 relative to BY 2025. SDG&E continues to adapt how it operates to  
12 meet rising customer expectations and address challenges such as energy affordability that affect  
13 families and businesses. By transitioning certain Customer Operations functions to a managed  
14 service provider, SDG&E is working to reduce costs and improve scalability while streamlining  
15 operations, increasing efficiency, and enhancing the quality and consistency of customer service.  
16 Partnering with external experts also allows SDG&E to leverage new technologies and  
17 capabilities that are expected, over the long-term, to improve processes and deliver better service  
18 to SDG&E's customers.

19         **Remittance Processing (Forms and Envelopes):** The TY 2028 forecast reflects a  
20 reduction of \$203,000 in non-labor costs due to increased paperless billing adoption. These costs  
21 are driven by the volume of paper forms and envelopes, which is impacted by customer growth  
22 and choice of billing and payment channels.

23         **Remittance Processing (Vendor Fees):** The TY 2028 forecast reflects a reduction of  
24 \$21,000 in non-labor costs due to an expected decrease in the number of electronic bills  
25 delivered to customers' home banking websites. These costs are driven by the volume of  
26 electronic bills delivered, which is impacted by customer growth and choice of billing and  
27 payment channels.

28         **Postage:** The TY 2028 forecast reflects a reduction of \$1,687,000 in postage costs due to  
29 increased paperless billing adoption. Postage costs are driven by USPS postage rates and the  
30 volume of mailed items, which is impacted by customer growth and choice of billing and  
31 payment channels.

SDG&E’s Customer Operations, Meter Revenue Protection, and Postage forecast reflects the base business resources required to provide accurate and timely billing, properly receive and apply customer payments, administer credit and collections activities consistent with customer protections, and deliver required customer notices, while maintaining appropriate internal controls, auditability, and tariff compliance. Consistent with the forecast method, SDG&E relies on the most recent recorded year as a reasonable foundation for these ongoing activities and recognizes that transaction volumes and complexity remain key drivers of workload. Within this framework, the TY 2028 forecast incorporates measurable cost containment and delivery efficiencies including the transition of select activities to a managed service provider with SDG&E oversight, increased adoption of paperless billing, and associated reductions in remittance processing and postage without reducing required services or weakening customer protections. In addition, Meter Revenue Protection continues to prioritize safety by remediating hazardous conditions associated with energy theft and unauthorized attachments while supporting affordability by mitigating unbilled energy. Overall, SDG&E’s Customer Operations forecast is designed to sustain compliance, accuracy, and customer protections while reducing cost pressures, where supported by documented operational changes over the GRC cycle.

**2. Customer Services Support**

**TABLE SB-23  
Customer Services Support O&M**

<b>CUSTOMER SERVICES (in 2025\$)</b>			
<b>C. Customer Operations and Customer Services Support</b>	<b>2025 Adjusted-Recorded (000s)</b>	<b>TY2028 Estimated (000s)</b>	<b>Change (000s)</b>
2. Customer Services Support	5,758	6,058	300*
<b>Total</b>	<b>5,758</b>	<b>6,058</b>	<b>300*</b>

\*\$191,000 of the total change amount is due to an adjustment in connection with the compensation modernization initiative. Please refer to the Compensation & Benefits testimony, Ex. SCG-16/SDGE-20.

**a. Description of Costs and Underlying Activities**

**Customer Services Support**

Customer Services Support is responsible for implementing and managing the Customer Services Project and Program Management, Customer Operations Support, and Risk and Compliance functions. Customer Services Support also includes the implementation and administration of SDG&E’s Digital Services and SDG&E’s Customer Choice programs.

1            Project and Program Management

2            The Project and Program Management team provides leadership and governance for  
3            SDG&E’s most complex, high-impact customer initiatives. The team applies standardized  
4            project management methodologies, rigorous controls, and transparent reporting to support  
5            projects that are delivered on schedule and on budget. By coordinating cross-functional  
6            resources and driving organizational alignment, the team enhances operational efficiency,  
7            mitigates risk, and supports regulatory and business objectives. Through this structured, data-  
8            driven approach, the team enables SDG&E to execute major capital, technology, and customer-  
9            facing projects with consistency, accountability, and measurable value.

10           Customer Operations Support

11           Customer Operations Support is composed of two specialized teams: data analysts and  
12           business analysts. Together, they deliver data insights, business analysis, and operational  
13           support with a focus on Customer Services operations and strategy related to billing, credit,  
14           payment services, and customer choice. They collaborate cross-functionally with multiple  
15           departments including Customer Pricing, Accounting & Finance, Regulatory, IT, and Legal to  
16           support regulatory compliance and provide technical and subject matter expertise. The team also  
17           supports strategic initiatives such as increasing paperless billing adoption and reducing customer  
18           arrearages, helping improve affordability for all customers.

19           The Data Analyst team is responsible for designing, developing, and maintaining  
20           enterprise reporting tools and dashboards that support operations and strategy, as well as  
21           regulatory requirements. The team provides timely, accurate, and defensible data in response to  
22           internal business needs, regulatory reporting, and internal and external data requests and audits.  
23           In addition, the team enables reporting automation, workflow management, and process  
24           optimization solutions that reduce manual effort, improve data quality, and enhance operational  
25           efficiency. Through close collaboration with cross-functional partners, the Data Analyst team  
26           serves as a trusted source of data expertise and delivers executive-level insights that support  
27           informed decision-making across the organization.

28           The Business Analyst team serves as the central business liaison between IT, Regulatory,  
29           Compliance, and operational teams, verifying system functionality and daily operations are  
30           compliant, effective, and aligned with regulatory requirements. The team leads business and  
31           system requirements development and process documentation to translate regulatory and

1 operational needs to actionable solutions. Through close coordination with internal stakeholders,  
2 the team strengthens regulatory readiness, mitigates operational risk, and enables sustainable,  
3 scalable operations.

#### 4 Risk and Compliance Management

5 The Risk and Compliance Management function includes SDG&E's Office of Customer  
6 Privacy (OCP) and Customer Services Tariff Policy and Compliance teams. These teams  
7 support company operations by translating complex compliance obligations into actionable work  
8 activities and managing controls to promote and sustain compliance and reduce risk. The OCP is  
9 responsible for SDG&E privacy practices, governance, risk, compliance, and operational  
10 activities and controls specific to customer and consumer information. It develops, implements,  
11 and manages training and engagement for customer privacy and related compliance activities. It  
12 conducts privacy impact assessments, facilitates privacy incident follow-up, and participates in  
13 evaluation, design, and implementation and operation of privacy controls. The Customer  
14 Services Tariff Policy and Compliance team guides the department through maintaining  
15 compliance with its tariffs and related regulatory obligations. It fields inquiries from employees  
16 regarding tariff compliance matters and provides expert guidance on tariff interpretation. It  
17 oversees the compliance frameworks for Customer Services, facilitates discussions of  
18 compliance risk across Customer Services, and provides metrics to executive leadership.

#### 19 SDG&E Digital Services

20 SDG&E's Digital Services team is responsible for the development, implementation, and  
21 ongoing management of the company's enterprise digital strategy. These responsibilities include  
22 oversight of SDG&E's external digital platforms, including SDGE.com and the Outage Map;  
23 customer-facing mobile applications such as Alerts by SDG&E; select internal mobile  
24 applications; and the My Energy Center billing and account management platform.

25 The team applies data-informed practices, human-centered design principles to support  
26 system reliability, accessibility, performance, and operational efficiency across these platforms.  
27 Digital Services activities are conducted in accordance with applicable regulatory requirements  
28 and are intended to support consistent, transparent, and reliable digital interactions for SDG&E  
29 customers.

1            SDG&E Customer Choice

2            SDG&E’s Customer Choice group performs a wide variety of functions to enroll  
3 customers in choice programs, provide operational support to Load Serving Entities (LSEs), and  
4 educate customers seeking these alternate energy services. Nearly 80% of customers within  
5 SDG&E’s service territory now receive their electric commodity supply from third-party  
6 providers, underscoring the critical role this team plays in supporting California’s continued  
7 transition to customer choice and ensuring a seamless customer experience. Customer Choice  
8 staff interfaces with all LSEs in the region, including electric and gas Energy Service Providers  
9 (ESPs) and two local Community Choice Aggregators (CCAs) to provide internal and external  
10 education, and proactive communication regarding the applicability and operations of the choice  
11 programs. The team routinely works with the LSEs on requests for data, planning, reporting, and  
12 resolution of key issues, as well as daily operations including customer service and system and  
13 technology support interfacing between the LSE’s and SDG&E’s Customer Operations and IT  
14 functions, among others. In addition, this staff is responsible for Customer Choice policy  
15 support and compliance, as well as ESP contract management administration. The Customer  
16 Choice team also manages operations related to Gas Choice for C&I Noncore Gas  
17 Transportation, and Core Aggregation Transportation (CAT) Programs including natural gas  
18 balancing as well as education and proactive communication about natural gas programs and  
19 natural gas curtailment events.

20                            **b.      Forecast Method**

21            A base year forecast method was utilized for TY 2028 for this cost category because the  
22 last recorded year accurately reflects the expense level associated with current activity and is  
23 consistent with the forecast method leveraged in the prior GRC. This method is most appropriate  
24 because most activities within Customer Services Support are ongoing business that have not  
25 changed in recent years. In addition, the Customer Choice function reached steady state when  
26 the last grouping of Community Choice Aggregation customers completed mass enrollment in  
27 2024. A multi-year forecast methodology (e.g., a historical average) may be less reflective of  
28 Customer Services Support’s test-year operating conditions because older years can include  
29 non-recurring transition activities and different operating conditions (e.g., elevated  
30 implementation effort and customer enrollment activity associated with CCA mass enrollment)  
31 that are not expected to persist in steady state. For these reasons, relying on a historical average

1 could obscure the steady-state cost level associated with today’s project governance, operational  
2 support, and risk/compliance functions.

3 **c Cost Drivers**

4 Customer Services Support costs are driven by the ongoing workload required to provide  
5 project and program governance, risk/compliance and tariff policy support, and customer privacy  
6 governance for Customer Services initiatives that cut across multiple operational teams. Key  
7 drivers include: (1) the scope and cadence of Commission-directed and customer-facing  
8 initiatives that require structured project management, stakeholder coordination, requirements  
9 definition, implementation planning, testing support, and readiness reporting; (2) continuing  
10 compliance obligations that require documented controls, training, monitoring, and audit support  
11 to facilitate adherence to applicable tariffs, statutes, and Commission decisions; (3) customer  
12 privacy requirements that require privacy impact assessments, privacy incident response  
13 coordination, and the design and operation of privacy controls for customer and consumer  
14 information across systems and processes; and (4) the scale and complexity of Customer Choice  
15 operations, including ongoing coordination with Load Serving Entities and CCAs for data  
16 exchanges, issue resolution, and compliance support, as well as related policy support and  
17 contract administration. These activities support regulatory readiness, help manage operational  
18 and compliance risk, and support consistent and transparent implementation of customer-facing  
19 changes.

20 **Independent Privacy Audit Costs**

21 The TY 2028 forecast reflects an incremental request increase of \$58,000 over BY 2025  
22 to fund the required Privacy and Security audits necessary to maintain compliance with the  
23 Smart Grid Privacy Rules under CPUC Decisions D.11-07-056 and D.12-08-045 (described in  
24 SDG&E’s Rule 33), a regulatory mandate designed to protect customer energy usage data.  
25 These audits are conducted before every General Rate Case and the final report provided in  
26 SDG&E’s filing. The report for this filing can be found in the Compliance testimony of (Ex.  
27 SCG-30/SDGE-36), Appendix D. These mandated audits are essential to:

- 28 • **Adhere to state privacy and security standards** for advanced metering  
29 infrastructure and related systems and practices that process customer energy  
30 usage data.
- 31 • **Identify and mitigate residual privacy risks**, maintain trust, and reduce  
32 exposure to regulatory penalties.

- **Support transparency and accountability** through documented assessments aligned with the rules.

The associated costs cover specialized labor, tools, and processes required to perform these audits effectively and maintain compliance with CPUC directives, safeguarding both customer data and organizational reputation.

#### **Community Choice Aggregation Bi-Annual Audit Costs**

The TY 2028 forecast reflects an incremental request increase of \$51,000 over BY 2025 to fund the required Community Choice Aggregation Code of Conduct audits. Per D.12-12-036, the Commission oversees bi-annual independent audits to ensure compliance with the rules adopted in the CCA Code of Conduct decision. Appendix A part 23 of that Decision specifies that “Audits of non-marketing electrical corporations shall be at ratepayers’ expense.” The audit conducted in 2022 cost \$154,000 for the three-year period 2020 through 2022, and no change to that cost for this forecast is anticipated. No violations were found that would alter the funding source of the audit.

#### **IV. UNCOLLECTIBLE RATE**

I am requesting that SDG&E’s uncollectible rate for Test Year 2028 be set at 0.564%. This reflects the 10-year rolling average (2016 - 2025) methodology as authorized in the TY 2019 GRC per D.19-09-051 and maintained in the TY 2024 GRC per D.24-12-074. The volatility and cyclical nature of the uncollectible rate are influenced by macroeconomic, microeconomic, and regional economic conditions; economic disruptions related to the COVID-19 pandemic; regulatory decisions affecting disconnection practices; and the seasonality of energy bills (with hotter summers increasing electric bills due to air conditioning, and colder winters increasing natural gas bills due to heating). The precise incremental impact attributable to each independent variable is difficult to quantify and correlate to changes in the uncollectible rate. The COVID-19 pandemic significantly affected customers’ ability to pay their bills. In addition, the COVID-19 disconnection moratorium contributed to substantial growth in customer arrearage balances, resulting in uncollectible rates above historical levels. However, pursuant to D.20-06-003, SDG&E established the Residential Uncollectible Balancing Account (RUBA) to balance uncollectible costs net of revenue collected from residential customers who have been in arrears, and debt forgiveness from the Arrearage Management Payment (AMP) plan. RUBA is part of the Annual Account Update filing and is trued-up on an annual basis, refunding any

overcollections or collecting any necessary additional funding. SDG&E continues to support the annual true-up of the uncollectible 10-year rolling average mechanism. The Table SB-24 below displays the historical uncollectible rate from 2016 -2025.

**Table SB-24  
SDG&E Uncollectible Data 2016 - 2025**

<b>Recorded Uncollectible Expense: 2016 - 2025</b>			
<b>Year</b>	<b>Recorded Uncollectible Expense (a)</b>	<b>Sales Revenue (b)</b>	<b>Uncollectible Rate (a) / (b)</b>
2016	\$ 6,427,130	\$ 3,737,413,809	0.172%
2017	\$ 6,500,662	\$ 3,984,777,398	0.163%
2018	\$ 7,815,235	\$ 4,233,059,153	0.185%
2019	\$ 6,121,705	\$ 4,172,249,811	0.147%
2020	\$ 10,236,392	\$ 4,299,420,991	0.238%
2021	\$ 21,090,548	\$ 4,443,082,421	0.475%
2022	\$ 23,492,693	\$ 4,821,993,741	0.487%
2023	\$ 141,088,125	\$ 5,064,197,218	2.786%
2024	\$ 14,079,719	\$ 4,219,341,111	0.334%
2025	\$ 7,620,015	\$ 4,348,378,264	0.175%
<b>10 Year Average</b>	<b>\$ 244,472,224</b>	<b>\$ 43,323,913,917</b>	<b>0.564%</b>

As shown in Table SB-24, SDG&E requests adoption of an uncollectible rate of 0.564% based on the 10-year average methodology. SDG&E will update the uncollectible rate each year by re-calculating the 10-year average on a rolling basis in the post-test year advice letter, to be effective January 1 the following year.

**V. SDG&E REQUESTS THE SALE OF POWER YOUR DRIVE ASSETS TO BE EXEMPT FROM THE PUC SECTION 851 INDIVIDUAL ADVICE LETTER REQUIREMENTS**

As SDG&E’s transportation electrification (TE) portfolio transitions from initial market development pilots to mature, long running programs, SDG&E anticipates the orderly conclusion of certain early Commission approved initiatives, including the Power Your Drive Pilot, formerly known as the Vehicle Grid Integration (VGI) Program, which the Commission approved in D.16-01-045. Launched to accelerate early adoption of electric vehicles and charging infrastructure, Power Your Drive authorized SDG&E to install electric vehicle supply equipment (EVSE) and associated behind the meter infrastructure at customer sites. The

1 Commission approved program structure contemplated a defined participation period, generally  
2 ten years, after which SDG&E’s ongoing ownership of site-specific charging equipment would  
3 no longer be necessary.

4 As the original Power Your Drive Pilot installations approach the end of their authorized  
5 participation periods, SDG&E expects that EVSE and associated behind the meter infrastructure  
6 will be transferred, sold, or otherwise conveyed at hundreds of individual customer sites.  
7 Consistent with the governing program terms, customers may elect to retain the equipment under  
8 standardized transfer agreements or request removal and decommissioning. The assets at issue  
9 are highly site specific, were installed at customer request, and serve no broader system or  
10 operational purpose once the applicable program term concludes. The anticipated transactions  
11 will occur in high volume, at a low cost, will generally involve assets with de minimis net book  
12 value, and will not adversely affect SDG&E’s ability to serve remaining customers or the  
13 interests of ratepayers.

14 Requiring SDG&E to seek individualized approval under Pub. Util. Code § 851 for each  
15 site level EVSE or infrastructure sale and transfer would be unduly burdensome and  
16 administratively inefficient relative to the routine, low risk nature of these transactions. The  
17 Commission has long recognized that transaction by transaction Section 851 review is  
18 unnecessary where assets are transferred in large numbers, at minimal value, and without  
19 material ratepayer or operational impacts. For example, in D.02-10-008, the Commission  
20 exempted customer specific electric meter sales from individual Section 851 approval pursuant  
21 to Pub. Util. Code § 853(b), finding that such filings would be “unduly cumbersome” and  
22 uneconomic, and instead required periodic advice letter reporting. The contemplated EVSE and  
23 behind the meter infrastructure transfers arising from the conclusion of Commission approved  
24 TE programs are directly analogous.

25 Accordingly, SDG&E requests Commission authorization in this General Rate Case to  
26 permit the sale or transfer of EVSE and associated behind the meter infrastructure resulting from  
27 the conclusion of Commission approved transportation electrification programs<sup>38</sup> to proceed

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<sup>38</sup> Commission-approved Power Your Drive (PYD) transportation electrification programs include the Power Your Drive Pilot (formerly the Vehicle Grid Integration Program) authorized in D. 16-01-045; Priority Review Projects authorized in D.18-01-024; Power Your Drive for Fleets authorized in D.19-08-026; Power Your Drive for Schools and Parks authorized in D.19-11-017; and the Power Your Drive Extension authorized in D.21-04-014.

1 without individual Section 851 applications, subject instead to an annual Tier 1 advice letter  
2 reporting the sales or transfers in the applicable time period. Additionally, SDG&E will apply  
3 any payments received from program customers to first offset the remaining netbook value of the  
4 underlying assets.

## 5 **VI. COMMUNITY CHOICE AGGREGATION SUPPORT**

6 This testimony requests changes to the fees related to services that SDG&E provides to  
7 its third-party energy service providers (ESPs), specifically the regional Community Choice  
8 Aggregators (CCAs) that operate within SDG&E's service territory. These fees are contained in  
9 Appendix C.<sup>39</sup> The forecast for the revenue collected through these fees is presented in the  
10 Miscellaneous Revenues testimony (Ex. SDGE-31). D.04-12-046 prescribes that SDG&E may  
11 only initiate changes to the fees charged to CCAs as part of a general rate case.<sup>40</sup>

12 Assembly Bill (AB) 117 permits cities, counties, and Joint Power Authorities whose  
13 governing boards decide to act as CCAs to purchase and sell electricity on behalf of retail end  
14 use customers within their jurisdictional areas. State law and Commission precedent require  
15 SDG&E to recover all costs specifically attributable to CCAs from CCA customers so that  
16 SDG&E's bundled service customers remain indifferent to the load departing to CCA service  
17 and do not subsidize CCA customers. Therefore, SDG&E is required to charge CCAs for all of  
18 SDG&E's reasonable costs of notices, billing, metering, collections, customer communication,  
19 and other services provided to a CCA.

20 Since the filing date of SDG&E's last GRC application, the state of SDG&E's customer  
21 choice market has continued its steady growth; CCA enrollment grew from less than 15% of  
22 customers to more than 50% of customers between December 2021 and December 2022. The  
23 CCA customer base has since increased to 80%. As of April 2026, SDG&E has two active  
24 CCAs which serve a total of 1.2 million customers. SDG&E established the fees in Schedule  
25 CCA in 2005, and with two<sup>41</sup> exceptions the fees charged to CCAs for SDG&E's services have  
26 not been updated since established. Because of the growth of the CCAs in the region and the

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<sup>39</sup> Other schedules that assess fees for SDG&E's role as the billing agent include Schedule DA for Direct Access and Schedule G-CBS for gas choice. SDG&E is not updating those fees as part of this GRC.

<sup>40</sup> D.04-12-046 at 23 ("We will not consider changes to CCA tariffs between general rate cases or, where general rate cases are deferred, more than every three years.").

<sup>41</sup> See SDG&E AL 4000-E (effective May 9, 2022) and AL 4288-E (effective October 26, 2023).

necessary learning that has happened to determine time and effort necessary to serve the regional CCAs, SDG&E has amassed additional information regarding the actual costs to perform the services required, and those costs are reflected in the request below.

The current CCA service fees are contained in SDG&E’s Rate Schedule CCA – Transportation of Electric Power for Community Choice Aggregation Customers (Schedule CCA). Table (SB-25) below provides a summary of the proposed changes and number of CCA service fees for the 2028 test year, and Table (SB-26) describes the type of change made to each.

**Table SB-25  
CCA Service Fee Count Changes**

<b>Category</b>	<b>Number of Fees</b>	<b>Net Change</b>
<b>Current CCA Fees</b>	32	-
<b>Eliminated Fees</b>	2	(2)
<b>Consolidated Fees</b>	7 consolidated to 1	(6)
<b>New Fees Proposed</b>	0	-
<b>Proposed CCA Fees</b>	<b>24</b>	<b>(8)</b>

**Table SB-26  
Evaluation of Proposed CCA Fees**

<b>Update Type</b>	<b>Number of Fees</b>
No Change	2
Updated	17
Redefined/Renamed	5
<b>Proposed CCA Fees</b>	<b>24</b>

**A. Calculation of Proposed Fees**

SDG&E’s fees currently contained in Schedule CCA have not been comprehensively reviewed since 2005, with the limited exceptions noted above. To develop updated fees for the test year, SDG&E evaluated the costs incurred to provide CCA-related services following the conclusion of the most recent mass enrollment phase in March 2024. This review encompassed activities such as customer notifications, billing, metering, collections, and customer communications, as well as other incremental services.

For each activity, SDG&E identified the functions performed, the time required to complete those functions, and the labor classifications involved. Applicable labor rates, inclusive of standard labor loaders, were applied to the estimated processing times. Non-labor costs were also assessed on a unit basis and include items such as postage, printing, envelopes, telecommunications, and other vendor-related expenses.

1 The Schedule CCA fees were recalculated using the original 2005 workpapers as a  
2 structural foundation. Supporting workpapers for each fee are included in Appendix C. The  
3 Appendix contains a summary identifying existing fees, any proposed restructuring, updated fee  
4 levels, and associated variances. It also includes 23 individual workpapers supporting each fee,  
5 along with underlying data inputs such as labor and overhead rates, error rates, and material  
6 costs. A forecast of Miscellaneous Revenue associated with these fees is also provided.

7 As part of this update, SDG&E removed cost components related to Equipment and  
8 Computers and Occupancy that were included in the original 2005 methodology. These costs  
9 were previously applied as a percentage of labor but are no longer appropriate due to changes in  
10 organizational structure and cost recovery practices. Specifically, current staff support multiple  
11 programs (including Direct Access and Gas Choice), and these shared costs cannot be reasonably  
12 isolated to CCA activities. Additionally, such costs are recovered through the GRC and  
13 therefore have been excluded to avoid duplication.

14 Each fee is calculated by applying an activity-based costing approach. Labor costs are  
15 derived by multiplying the time required to perform each activity by the corresponding labor  
16 rate, and then summing across all activities required to deliver the service. Non-labor costs are  
17 estimated on a per-unit basis and incorporated as applicable. The sum of labor and non-labor  
18 components results in the proposed fee for each service.

19 As an illustrative example, Fee #11 (CCA Service Request, or CCASR) reflects the  
20 average cost to process a service request on a per-account basis. The calculation includes both  
21 (1) labor associated with exception processing and (2) the cost of providing a confirmation letter  
22 to the customer.

23 First, total monthly request volumes and associated error rates are derived from historical  
24 data (see “2025 Error Processing” tab). Second, the time required to resolve exceptions is based  
25 on observed processing times from a historical Business Process Exception Management  
26 (BPEM) study. Total labor hours are calculated by applying the error rate to total volumes and  
27 multiplying by the time per exception. These hours are then allocated across all requests to  
28 determine an average labor time per account, which is converted to a cost using the applicable  
29 fully loaded labor rate.

1 Finally, the per-account labor cost is combined with the unit cost of the confirmation  
2 letter, which includes materials, postage, and handling. The sum of these components results in  
3 the total CCASR cost per account.

4 As a result of the recalculation of all existing fees from the 2005 schedule, SDG&E  
5 submits the following changes to the fees found in Schedule CCA.

6 **B. CCA Service Fee Description of Changes**

7 CCA Service Fees – No Changes

8 Table SB-27 shows two CCA Service Fees where SDG&E is proposing no changes. The  
9 rationale for leaving these fees at the current rate is detailed below.

10 **Table SB-27**  
11 **CCA Service Fees – No Changes**

Fee No.	Fee Description	Current Fee	2025 Volume	Proposed Fee
25	CCA Late Payment	1.5%	0	1.5%
29	Special Services Request	Time & Materials	0	Time & Materials

12 *CCA Late Payment*

13 CCAs are responsible for paying their monthly fees and are considered past due 30 days  
14 after the date the bill to the CCA is rendered<sup>42</sup>. SDG&E charges 1.5%, which is the industry  
15 standard for late payments. This percentage has not changed and remains applicable to the fees  
16 and services described herein.

17 *Special Services Request*

18 This fee is applicable to a CCA requesting specialized services, including but not limited  
19 to, Non-standard Phase In Service, Specialized Service, and Boundary Metering.<sup>43</sup> Fees  
20 associated with special services are charged as Time & Materials (T&M) and will continue to be  
21 charged at T&M rates as necessary.

22 CCA Service Fees – Updated Fees

23 SDG&E proposes to update 17 fees, which includes 4 fee reductions and 11 fee increases.  
24 The updates are a result of increased labor and material costs, operational efficiencies gained,  
25 and a better understanding of the actual services that are required but not adequately captured in

<sup>42</sup> SDG&E Electric Rule 27, Section Q.9.

<sup>43</sup> *Id.*, Section E.

the fees today. The changes are shown in Table SB-28 below and described in the following subsections. The “Primary Driver” column represents the main factor of the fee change, but it should be noted that a fee may change due to multiple factors described within the subsection for each change below.

**Table SB-28**  
**CCA Service Fees – Proposed Fee Changes**

Fee No.	Fee Description	Current Fee	2025 Volume	Proposed Fee	Variance (\$)	Variance (%)	Primary Driver
6	IVR Opt Out	\$0.46	0	\$0.84	\$0.38	82%	Increased materials cost
7	Internet Opt Out	\$0.43	0	\$0.83	\$0.40	92%	Increased materials cost
8	Reply Card Opt Out	\$1.26	0	\$1.70	\$0.44	35%	Increased labor, increased materials cost
9	Customer Contact Opt Out	\$0.43	0	\$1.34	\$0.91	211%	Increased labor, increased materials cost
11	CCA Service Request (CCASR)	\$1.12	8,475	\$0.91	\$(0.21)	-19%	Decreased labor, decreased materials
12	CCASR Without Confirmation Letter	\$0.69	81	\$0.45	\$(0.24)	-35%	Decreased labor, decreased materials
13	New Customer	\$1.05	319,949	\$1.41	\$0.36	34%	Decreased labor, increased materials
14	Customer Reentry	\$0.56	6,081	\$0.84	\$0.28	49%	Increased labor, increased materials
15	Consolidated Utility Billing	\$0.22	14,315,502	\$0.25	\$0.03	13%	Decreased labor, increased cost of working capital
17	Additional Page	\$0.25	0	\$0.19	\$(0.06)	-25%	Decreased materials
18	Extra Days to Process Billing	\$5 / request + \$0.04 / acct per day	127 requests / 40,963 accounts	\$23.78 / request + \$0.04 / acct per day	\$18.78	376%	Increased labor, increased materials cost
23	Account Analysis – Routine	\$15	0	\$23.78	\$8.78	59%	Increased labor, increased materials cost
24	Account Analysis - Complex	\$57	0	\$115.77	\$58.77	103%	Increased labor, increased materials cost
26	CCA Return Payment	\$4.00	0	\$9.89	\$5.89	147%	Increased labor, increased materials cost, increased bank charge
30	Consulting & Other Customized Services	\$90 / hour	0	Time & Materials	N/A	N/A	Variation in time/labor for requested service
32	Interval Data Access – Monthly	% share of \$125	12	% share of \$206	\$81	64%	Increased vendor cost
32	Interval Data Access – per query	\$1.26	748	\$1.23	\$(0.03)	-2%	Decrease based on process efficiencies

1 **Fee changes primarily based on vendor or material costs**

2 The following fees are updated based on SDG&E's costs for vendor support or materials.  
3 Costs are directly attributable to the CCA activity specified and are a pass-through, reflecting  
4 true cost to SDG&E for CCA services.

- 5 • #6 IVR Opt Out: increased telecommunications, postage & handling
- 6 • #7 Internet Opt Out: increased postage & handling
- 7 • #11 CCASR: increased postage & handling
- 8 • #13 New Customer: increased postage & handling
- 9 • #14 Customer Reentry: increased postage & handling
- 10 • #15 Consolidated Utility Billing: increased cost of working capital
- 11 • #17 Additional bill page: decreased materials cost
- 12 • #26 CCA Return Payment: increased materials cost, increased vendor costs
- 13 • #32 Interval Data Access: increased monthly vendor costs, decreased activity  
14 cost based on efficiencies

15 **Fee changes primarily based on labor costs**

16 For the fees where SDG&E employee labor is used to directly implement and manage the  
17 CCA program, the following fees are updated based on labor costs. As noted above, the fees in  
18 Schedule CCA have not been updated since 2005 and an increase in labor based on salaries from  
19 20 years ago is to be expected. Other activities have seen efficiency gains and a reduction in  
20 time spent on certain processes that previously involved more manual intervention; these fees  
21 have their labor increases offset by a decrease in time spent on certain tasks. The following fees  
22 are updated with changing labor costs as the primary driver.

- 23 • #8 Reply card opt-out: increase in hourly rate
- 24 • #9 Customer contact opt-out: increase in hourly rate
- 25 • #12 CCASR without confirmation letter: increase in hourly rate, increased time  
26 spent on task
- 27 • #18 Extra days to process billing: increase in hourly rate, increased time spent on  
28 task
- 29 • #23 Account analysis – routine: increase in hourly rate, increased time spent on  
30 task

- #24 Account analysis – complex: increase in hourly rate, increase in time spent on task
- #30 Consulting & Other Customized Services

CCA Service Fees – Consolidated Fees

SDG&E proposes to consolidate seven existing fees into one fee as detailed in Table SB-29. The seven fees listed are all related to either mass enrollment or unenrollment of customers into CCA service. SDG&E recommends this consolidation in order to simplify the tariff; consolidating these seven separate fees into a single fee is warranted since the activities described below will vary depending on the size of the CCA, whether it is a new CCA or expansion of an existing CCA, and the number of system exceptions related to enrolling or unenrolling customers that may occur.

**Table SB-29  
CCA Fees – Consolidated Fees**

Fee No.	Fee Description	Current Fee	2025 Volume	Consolidated Fee Name	Proposed Fee
2	Customer Notification – Standard Notification	\$0.51	0	Mass Enrollment & Project Reversion Fee	Time & Materials
3	Customer Notification – Customized Notification	Time & Materials	0		
4	Customer Notification – Bill Insert Notification	\$4,320 per request \$524 per bill run \$0.30 per account	0		
5	Mass Enrollment	\$3,600	0		
27	Voluntary Termination of Service	Time & Materials	0		
28	Involuntary Termination of Service	Time & Materials	0		
31	Standard Phase-In Service	\$2,160 + Mass Enrollment Fee	0		

*Mass Enrollment & Project Reversion Project Fee*

SDG&E proposes to consolidate existing mass enrollment and termination related fees into a single new fee, the Mass Enrollment & Project Reversion project fee. SDG&E’s current fees are a mix of fixed costs and T&M costs. The new fee will be charged on a T&M basis and

1 include the cost of pre-enrollment work such as billing and exception activities needed to enroll  
 2 or unenroll CCA accounts during either mass enrollment or mass reversion events. SDG&E is  
 3 also required to offer services related to notifying customers of their impending CCA enrollment.  
 4 To date, neither of SDG&E’s CCAs have opted for this service, choosing to perform this action  
 5 themselves. Nonetheless, SDG&E is required by D.05-12-041 to offer “a cost-based service that  
 6 permits CCAs to include their customers notices in utility bills or, at the CCA’s option, a similar  
 7 mailing.”<sup>44</sup> Those services, at the CCA’s option, should be included in any mass enrollment  
 8 project at a cost that is based on the rates for the future period of time where this activity may  
 9 occur.

10 CCA Service Fees – Redefined and Renamed Fees

11 SDG&E’s original CCA schedule was established in 2005, and several of the fees reflect  
 12 outdated services and technology. For example, the old names of these fees – “IDR Accounts”  
 13 or “Load Profile” accounts reflect an outdated method of identifying SDG&E meters. SDG&E  
 14 recommends reclassifying these tasks under a similar structure to the existing “account analysis”  
 15 task. For each of the fees listed below, SDG&E is recommending an update to the name and  
 16 definition of each, along with the updated fee. Because each of these fees is describing a  
 17 different or new service, a “variance” column is not provided in the Table SB-30 below as a  
 18 comparison between the previous service and the updated service being proposed is not equal  
 19 comparison. New definitions for these renamed fees are provided in the descriptions below.

20 **Table SB-30**  
 21 **CCA Fees – Renamed/Redefined Fees**

Fee No.	Previous Name	Previous Cost*	Updated Name	Updated Definition	Proposed Fee
1	CCA Establishment	\$70 - \$90 per hour	System Setup & EDI Testing	Services provided to establish a new CCA or expand an existing CCA in SDG&E service territory	Time & Materials
19	Rebill – IDR Account	\$9 per meter per month	Routine Rebill	Basic service level provided for CCA Operations staff to perform a rebill at the request of the CCA	\$31.71
20	Rebill – Load Profile Account	\$3 per meter per month	Complex Rebill	Service level provided for rebilling accounts at the request of the CCA when additional review including IT or Analytics resources must be involved	\$86.62
21	Resend File or Report	\$19	Resend File: Routine	Basic service level provided for CCA Operations staff to resend	\$21.65

<sup>44</sup> D.05-12-041 at 22.

				an existing file or report at the request of the CCA	
22	Retrieval of Account Information	\$3	Create or Resend File: Complex	Service level provided for CCA Operations staff to develop a new report at the request of the CCA or to update and resend an existing report using IT or Analytics staff.	\$53.99
* An accurate comparison cannot be drawn between previous cost and proposed fee as the scope of services in the new definition is not the same, so a variance is not presented in this table.					

1 *System Setup & EDI Testing*

2 SDG&E proposes a new System Setup and EDI Testing fee, which replaces the  
3 eliminated Service Establishment Fee (a fixed \$/hour fee.). This new fee includes the services  
4 encompassed by the service establishment fee system (e.g., company name change, banking  
5 information, billing information, etc.) and adds services related to EDI testing. Precedent for a  
6 single T&M fee that encompasses both system setup and EDI testing was established in SCE’s  
7 most recent GRC decision<sup>45</sup> and was an uncontested fee. SDG&E has already completed  
8 activities related to system setup for both existing CCAs in its service territory. When the  
9 original service establishment fee was set, SDG&E had a different billing system. The new  
10 system completes the process for both system setup and EDI testing with more automation. Any  
11 new CCA would incur costs related to the system setup services within the fee, and any CCA  
12 expansion or changes in system functionality include necessary EDI testing. As the level of  
13 work will vary based on changes required and upon the specific CCA’s compatibility with  
14 SDG&E system, the fee is established as T&M.

15 *Routine Rebill*

16 SDG&E may perform rebills at the request of the CCA. A “routine” task is defined as a  
17 task that one individual can produce and complete via interface with SDG&E’s billing system  
18 without additional resources. Time varies depending on the nature of the request but has been  
19 determined here based on an average handle time representing hours currently needed for this  
20 process.

21 *Complex Rebill*

22 A “complex” task is defined as a task where multiple individuals and systems are used as  
23 resources for completion of the rebill. The additional labor and system usage warrant additional

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<sup>45</sup> D.25-09-030 at 472.

1 cost. Time varies depending on the nature of the request but has been determined here based on  
2 an average handle time representing hours currently needed for this process.

3 *Resend File: Routine*

4 SDG&E proposes to combine the work associated with the “Resend File or Report” and  
5 the “Retrieval of Account Information” into one task that represents the function of resending  
6 information – whether it’s account information or a report. Routine work is identified as the  
7 work that one individual can handle directly for a report or file that exists.

8 *Resend File: Complex*

9 A “complex” task is defined as a task where that individual needs to request additional  
10 resources or assistance from other teams of functions for completion. The additional labor and  
11 system usage warrant additional cost. Complexity is associated with the time and resources  
12 needed to create new reports or to revise reports that exist that are updated at the request of the  
13 CCA. Time varies depending on the nature of the request but has been determined here based on  
14 an average handle time representing hours currently needed for this process.

15 **Table SB-31**

16 CCA Service Fees – Eliminated Fees

Current Fee No.	Fee Description	Rational
16	EDI Van Charge	No longer used
10	Bill Insert Opt Out	No longer offered

17 *EDI Van Charge*

18 The EDI VAN Charge represents SDG&E’s cost to transmit data in EDI formatting  
19 through a “Value-Added Network” (VAN). A VAN is a third-party network service provider  
20 that acts as an intermediary between business exchanging EDI documents. SDG&E has  
21 eliminated the use of a VAN for CCA-related transactions; therefore this fee is no longer  
22 required.

23 *Bill Insert Opt Out*

24 SDG&E is removing the option of a bill insert as a method by which a CCA can elect to  
25 have SDG&E perform the opt out process. To date, none of SDG&E’s active CCAs have  
26 requested that SDG&E perform any kind of opt-out process on their behalf. A bill insert as a  
27 method of opt out notification is not required by Rule 27 and would be infeasible to implement if

1 requested as SDG&E is unable to send a bill insert exclusively to a specific city with its current  
2 mailing capabilities.

### 3 **C. CCA Service Fee Updates to Miscellaneous Revenue Forecast**

4 The Miscellaneous Revenue chapter presents TY 2028 forecast revenues for both CCA  
5 and DA service fees.<sup>46</sup> Based on the updates to CCA fees presented in my testimony, the  
6 forecast uses the actual counts of fees assessed in 2025 for fees currently in use. For fees not  
7 currently in use, SDG&E is forecasting based on the number of service accounts and historical  
8 averages from active CCA work. For the two currently active CCAs, SDG&E's total proposal  
9 results in an incremental increase of \$493,229 annually, or a 14% increase.<sup>47</sup> Considering that  
10 the fees have not otherwise increased since 2005, this request is wholly reasonable and should be  
11 granted by the Commission.

## 12 **VII. REASONABLENESS REVIEW OF REGULATORY ACCOUNTS**

13 SDG&E maintains regulatory accounts to track costs that are driven by Commission  
14 direction, statutory requirements, or evolving policy implementation where the timing and  
15 magnitude of costs cannot be forecast with precision at the time of a general rate case. The  
16 Company seeks reasonableness review of the regulatory accounts discussed below to confirm  
17 that recorded costs were incremental, necessary, and authorized. SDG&E identifies costs  
18 recorded in the respective accounts and, where accounts are no longer needed, SDG&E proposes  
19 closure. This approach reflects disciplined cost tracking, transparency, and alignment with  
20 Commission expectations. SDG&E provides additional details on the disposition of account  
21 balances in its Regulatory Accounts testimony (Ex. SDGE-26).

### 22 **A. Net Energy Metering Aggregation Memorandum Account (NEMAMA)**

23 The purpose of the NEMAMA is to track the costs associated with the Net Energy  
24 Metering Aggregation Program (NEM Aggregation). Pursuant to Pub. Util. Code § 2827(h)(4),  
25 an eligible customer-generator with multiple meters may elect to aggregate the electrical load of  
26 the meters located on the property as provided by the statute. The NEMAMA includes  
27 incremental O&M costs to support NEM Aggregation such as billing-related fees, operation and

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<sup>46</sup> Fees assessed to Direct Access providers under Schedule DA will remain unchanged.

<sup>47</sup> Ex. SDGE-31, *Prepared Direct Testimony of Donald M. Scott (Miscellaneous Revenue)* (June 2026), at Table DS-2 presents a TY2028 forecast of \$4,047,000 which includes \$3,985,000 for fees from Schedule CCA.

1 maintenance, and administrative and general expenses that would otherwise not be incurred  
 2 absent the aggregation option, offset by the authorized one-time set-up fee and monthly fees  
 3 charged to NEM Aggregation accounts. SDG&E continues to track these amounts consistent  
 4 with the applicable authorization and internal accounting controls. Accordingly, the NEMAMA  
 5 amounts were prudently incurred, comply with Pub. Util. Code § 2827(h)(4), and should be  
 6 found reasonable for recovery. Table SB-32 shows the over collected balance in this  
 7 memorandum account as of December 31, 2025. For additional account details see SDG&E’s  
 8 Regulatory Accounts testimony (Ex. SDGE-26).

9 **Table SB-32**  
 10 **Net Energy Metering Aggregation Memorandum Account (NEMAMA)**

	O&M (000s)	Accrued Interest (000s)	NEM Aggregation Fees (000s)	Ending Balance (000s)
December 31, 2025				
Electric	\$2,152	\$(443)	\$(5,667)	\$(3,957)

11 **B. Net Billing Tariff Memorandum Account (NBTMA)**

12 Pursuant to D.22-12-056 at OP 12(a), the NBTMA records incremental costs to  
 13 implement and administer the Net Billing Tariff (NBT) – the successor to NEM 2.0 – including  
 14 necessary system enhancements, marketing, education, and outreach as well as data collection  
 15 and administrative support for the required third-party tariff evaluation. The NBT, also known  
 16 as the Solar Billing Plan, is a fundamentally new and more complex tariff structure compared to  
 17 prior NEM tariffs. It replaces volumetric net energy metering with an export compensation  
 18 framework based on time-varying hourly values (the Avoided Cost Calculator) and requires  
 19 customers to take service on a new electrification TOU rate (SDG&E’s EV-TOU-5). This major  
 20 redesign of solar billing necessitated extensive net-new systems development, including new  
 21 billing formulas and IT system changes, to calculate export credits in dollars (instead of netting  
 22 kWh) and to manage monthly billing with annual true-ups for solar customers. The NBT  
 23 implementation also involved new customer bill designs and tools to display solar export credits,  
 24 development of Solar Billing Plan Aggregation functionality (Phase 2) to serve customers with  
 25 multiple meters or multi-tenant properties, and coordination with Community Choice  
 26 Aggregators for proper bill coordination. Marketing, education, and outreach efforts  
 27 accompanied the rollout to educate customers and stakeholders about the new tariff’s features,

1 and initial work was completed to enable data tracking for the Commission’s mandated third-  
2 party evaluation of the tariff’s performance.

3           SDG&E implemented the NBT in phases, meeting all regulatory deadlines. Phase 1 (core  
4 NBT for individual customers) went live in December 2023, delivering the new solar billing plan  
5 as required by D.22-12-056. Phase 2 introduced Net Billing Tariff Aggregation by February  
6 2025, extending the tariff to customers with aggregated or multi-meter arrangements. In mid-  
7 2025, the Commission adopted Res. E-5374, which approved SDG&E’s Virtual Net Billing  
8 Tariff (VNBT) for multi-tenant properties with modifications, to take effect by September 2026.  
9 SDG&E began preparatory business and IT readiness activities in 2025 for timely  
10 implementation of the VNBT in line with that resolution. Throughout these phases, SDG&E  
11 exercised prudent project management: the NBT implementation was executed under SDG&E’s  
12 standard project controls and governance. A dedicated cross-functional project team (including  
13 Billing, IT, Customer Service, and Rates personnel) managed the work under regular  
14 management oversight, including monthly director-level reviews of scope, schedule, and  
15 spending. SDG&E’s IT organization followed its established estimation and change control  
16 protocols, developing detailed cost estimates and tracking actual expenditures against those  
17 plans. Each milestone – from requirements gathering and system design to testing, training, and  
18 deployment – was carefully planned, reviewed, and approved in accordance with internal  
19 governance processes. This rigorous oversight ensured that the expenses in recorded costs were  
20 necessary, incremental, and efficiently incurred. Importantly, none of these NBT  
21 implementation expenses were funded through base rates; each activity was net-new work  
22 required to comply with D.22-12-056 and subsequent Commission orders. SDG&E’s prudent  
23 management is evidenced by the on-time delivery of the NBT and NBT Aggregation, the  
24 successful launch of a highly complex new billing construct, and the containment of costs within  
25 internal project estimates.

26           Based on the foregoing, the recorded NBTMA costs were prudently incurred and  
27 reasonable considering the significant scope of work authorized. They are in full compliance  
28 with D.22-12-056 and the additional requirements of Res. E-5374, and SDG&E requests that the  
29 Commission approve recovery of these costs. Table SB-33 shows the under-collected balance in  
30 this memorandum account as of December 31, 2025. For additional account details see  
31 SDG&E’s Regulatory Accounts testimony (Ex. SDGE-26).

**Table SB-33**  
**Net Billing Tariff Memorandum Account (NBTMA)**

	O&M (000s)	Capital Revenue Requirement (000s)	Accrued Interest (000s)	Ending Balance (000s)
December 31, 2025				
Electric	\$1,854	\$7,123	\$337	\$9,313

**C. Real Time Pricing Memorandum Account (RTPMA)**

The RTPMA tracks incremental O&M and capital related costs associated with the implementation of the Dynamic Export Rate Pilot, including marketing, education, and outreach activities, pursuant to D.23-11-006 at OP 3. Upon Commission review of the reasonableness of implementation costs recorded in the RTPMA, costs approved by the Commission will be included in Public Purpose Programs (PPP) rates allocated via an equal cents per kilowatt-hour (kWh) rate for all customer classes. The Settlement Agreement associated with D.23-11-006 included cost tracking and recovery through the RTPMA with no cap on recovery, and the Commission found that provision reasonable based on the full record, consistent with law, and in the public interest.<sup>48</sup> SDG&E recorded only incremental pilot implementation costs that were necessary to meet the Commission-authorized scope, were subject to internal project controls, and were tracked consistent with the applicable ordering paragraphs. Accordingly, the RTPMA amounts were prudently incurred, comply with D.23-11-006, and should be found reasonable for recovery. Table SB-34 shows the under-collected balance in this memorandum account as of December 31, 2025. For additional account details see SDG&E’s Regulatory Accounts testimony (Ex. SDGE-26).

**Table SB-34**  
**Real Time Pricing Memorandum Account (RTPMA)**

	O&M (000s)	Capital Revenue Requirement (000s)	Accrued Interest (000s)	Ending Balance (000s)
December 31, 2025				
Electric	\$344	\$511	\$28	\$883

<sup>48</sup> D.23-11-006 at 28.

1           **D.     Residential Disconnection Protections Memorandum Account (RDPMA)**

2           The purpose of the RDPMA is to track the incremental costs associated with  
3 implementing the customer protections and other requirements set forth in D.20-06-003. In  
4 addition, pursuant to D.22-11-033, SDG&E records incremental recertification, administrative,  
5 and implementation costs associated with the Medical Baseline (MBL) program in the RDPMA.  
6 D.23-08-049, at OP 4, authorizes funding for an evaluation study of the Arrearage Management  
7 Payment (AMP) Program to inform the Commission’s consideration of whether to modify,  
8 extend, or discontinue the AMP Program. Furthermore, OP 5 of D.23-08-049 authorizes  
9 SDG&E to record expenses for a statewide study of the MBL-eligible population in the  
10 RDPMA. The final MBL study report will propose: (a) new enrollment goals for the next five  
11 years for the MBL program and medical discounts on non-tiered rates; and (b) recommendations  
12 regarding the frequency of future updates to the MBL study, the process for developing those  
13 updates, and the process for establishing subsequent enrollment goals.

14           The RDPMA also records incremental costs authorized under D.25-06-012, which  
15 implements SB 1142 and requires electric and gas utilities to restore service to disconnected  
16 customers who agree to specified payment arrangements.

17           SDG&E’s recorded residential disconnection protection costs consist of SDG&E’s share  
18 of the statewide study of the MBL eligible population and incremental internal labor supporting  
19 the AMP evaluation and the MBL study, as authorized by D.23-08-049 (OPs 4–5) and recorded  
20 in the RDPMA consistent with D.20-06-003 and D.22-11-033. These amounts were incremental  
21 to base operations, were tracked in accordance with the Commission’s directives (including  
22 applicable ordering paragraphs), and reflect necessary efforts to implement and evaluate  
23 Commission-authorized customer protection programs. Accordingly, the RDPMA amounts were  
24 prudently incurred, comply with the applicable Commission authorizations, and should be found  
25 reasonable for recovery. Table SB-35 shows the under-collected balance in this memorandum  
26 account as of December 31, 2025. For additional account details see SDG&E’s Regulatory  
27 Accounts testimony (Ex. SDGE-26).

**Table SB-35**  
**Residential Disconnection Protections Memorandum Account (RDPMA) Balance**

December 31, 2025	O&M (000s)	Accrued Interest (000s)	Ending Balance (000s)
Electric	\$19	\$1	\$20
Gas	\$16	\$1	\$17

**E. California Consumer Privacy Act Memorandum Account (CCPAMA)**

Pursuant to D.19-09-026, the CCPAMA tracks SDG&E’s incremental costs to implement and manage compliance with the California Consumer Privacy Act (CCPA) and the California Privacy Rights Act (CPRA), consistent with the Commission’s authorization for memorandum account treatment and later reasonableness review. While all CCPA implementation costs were addressed in SDG&E’s prior GRC; because CPRA requirements were enacted after those forecasts, no base-rate funding was provided for CPRA compliance. Accordingly, SDG&E has recorded only incremental labor and related expenses necessary to comply with CPRA requirements, including processing consumer requests (e.g., data correction), inventorying personal information, and providing consumers options to limit sharing of Sensitive Personal Information.

Following approval of the California Privacy Protection Agency’s regulations in November 2025, SDG&E has incurred and expects to incur additional incremental costs to design and implement compliance measures, including website cookie management, required cybersecurity audit support, privacy risk assessments, controls governing automated decision-making technology (as applicable), and enhanced controls to minimize the collection, use, and storage of Sensitive Personal Information. These activities reflect prudent compliance planning and implementation steps that are necessary to meet new regulatory obligations and are tracked to ensure only incremental, compliance-driven costs are recorded in the CCPAMA for later Commission reasonableness review. Table SB-36 shows the under-collected balance in this memorandum account as of December 31, 2025. For additional account details see SDG&E’s Regulatory Accounts testimony (Ex. SDGE-26).

**Table SB-36**  
**California Consumer Privacy Act Memorandum Account (CCPAMA)**

December 31, 2025	O&M (000s)	Accrued Interest (000s)	Ending Balance (000s)
Electric	\$311	\$35	\$346
Gas	\$191	\$15	\$206

**F. Emergency Customer Protections Memorandum Account (ECPMA)**

Pursuant to D.18-08-004 and Resolutions M-4833 and M-4835, the purpose of the ECPMA is to record the incremental costs and waived charges incurred by SDG&E associated with providing emergency customer protections. When the Governor of California declares a state of emergency due to a disaster that affects utility service for residential or small business customers, the Utility’s emergency customer protection obligations are triggered in accordance with the Commission’s directives.

Due to the 2024 winter storms, the Governor issued an Emergency Proclamation which activated statewide protections through February 4, 2025. As described in SDG&E AL 4615-E / 3407-G, SDG&E closed customer accounts and waived the respective bill for the affected period for all 143 customers who indicated that their home had been destroyed by the storms, in accordance with the Emergency Disaster Relief Program. SDG&E’s process included validating eligibility and calculating waived charges consistent with D.18-08-004 and Resolutions M-4833 and M-4835, and applying adjustments through established billing controls. This resulted in total waived electric and gas charges of \$21,949 and \$7,233,<sup>49</sup> respectively, across all impacted customer accounts. Accordingly, the ECPMA amounts were prudently incurred, comply with the Commission’s authorizations and applicable ordering paragraphs, and should be found reasonable for recovery. Table SB-37 shows the under-collected balance in this memorandum account as of December 31, 2025. For additional account details see SDG&E’s Regulatory Accounts testimony (Ex. SDGE-26).

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<sup>49</sup> A small amount of accrued interest on these charges has resulted in a slightly higher ending balance in this account.

**Table SB-37**  
**Emergency Customer Protection Memorandum Account (ECPMA)**

December 31, 2025	Waived Charges (000s)	Accrued Interest (000s)	Ending Balance (000s)
Electric	\$22	\$1	\$23
Gas	\$7	\$1	\$8

**G. Income-Graduated Fixed Charge Memorandum Account (IGFCMA)**

The IGFCMA is authorized to record the actual incremental implementation costs of implementing income-graduated fixed charges and to recover such costs through a future GRC or other Commission-designated proceeding, pursuant to D.24-05-028.

The Commission approved a total of \$12.31 million to support IGFC implementation activities, including billing system modifications, customer rates tool updates, customer support and contact center enhancements, program and product management, marketing, education and outreach, and income verification and Deed-Restricted Affordable Housing (DRAH) assignment activities.

Through December 31, 2025, SDG&E incurred \$7.09 million of the \$12.31 million authorized, reflecting disciplined cost management and the Company’s focus on limiting expenditures to only those incremental, implementation-specific activities necessary to execute the Commission-directed work.

SDG&E undertook preparatory business and IT readiness activities in 2025 to support timely implementation of the Income-Graduated Fixed Charge consistent with Commission direction. The resulting incurred costs were tied to discrete implementation requirements and were managed through SDG&E’s existing internal planning, budgeting, and oversight processes to help ensure the expenditures were reasonable, necessary, and incremental to base operations.

The costs recorded to date reflect those incremental expenditures necessary to successfully design, build, test, and launch the Income-Graduated Fixed Charge program. Consistent with Res. E-5355, certain implementation-related activities, most notably income verification and Deed Restricted Affordable Housing (DRAH) assignment functions will continue beyond initial implementation. As a result, SDG&E expects to incur limited trailing costs through 2027 associated with ongoing DRAH data maintenance, verification updates, and related program support activities. Although the IGFCMA reflects a net credit (over-collection)

1 balance as of December 31, 2025, this balance represents a snapshot in time and driven by the  
 2 timing of accounting treatment associated with capitalized software costs. Specifically, certain  
 3 self-developed software deductions recorded in this memorandum account generated near-term  
 4 tax benefits and a negative capital revenue requirement, which reduces the account balance in the  
 5 early years.

6 As the associated software assets are placed in service and the related capitalization and  
 7 revenue requirement impacts fully take effect over time, the IGFCMA balance is expected to  
 8 transition from a credit to an undercollection by the end of 2027. This timing difference does not  
 9 reflect a reduction in underlying costs or scope, but rather the normal progression of accounting  
 10 treatment for capitalized implementation costs.

11 Based on the nature of the activities performed, the controls applied to track  
 12 expenditures, and the limitation of incurred amounts to incremental implementation costs, the  
 13 IGFCMA amounts recorded were reasonably incurred and are consistent with D.24.05-028 and  
 14 Res. E-5355. Table SB-38 shows the IGFCMA balance as of December 31, 2025. For additional  
 15 account detail, see SDG&E’s Regulatory Accounts testimony (Ex. SDGE-26).

16 **Table SB-38**  
 17 **Income-Graduated Fixed Charge Memorandum Account (IGFCMA)**

	O&M (000s)	Capital Revenue Requirement (000s)	Accrued Interest (000s)	Ending Balance (000s)
December 31, 2025				
Electric	\$2,241	\$(2,399)	\$36	\$(123)

18  
 19 **H. Percentage of Income Payment Plan Memorandum Account (PIPPMA)**

20 Pursuant to D.21-10-012 at OP 9 and OP 11, the purpose of the PIPPMA is to record all  
 21 administrative costs associated with the Percentage of Income Payment Plan (PIPP) pilot.  
 22 Pursuant to D.21-10-012, at page 66, specific administrative costs are not authorized in this  
 23 decision but rather, utilities will record all incremental administrative costs of the PIPP pilot in  
 24 the PIPPMA, subject to a reasonableness review by the Commission. Incremental administrative  
 25 costs of the PIPP pilot are costs incurred solely for the purpose of implementing the PIPP pilot  
 26 and do not include costs that would have been incurred in the course of administering the CARE  
 27 program or other existing responsibilities of the utilities or Community Choice Aggregators  
 28 (CCAs). Additionally, third party facilitator and evaluation contractor costs are considered

1 recoverable administrator costs and SDG&E will pay its share based on its proportional share of  
2 the pilot participation cap.

3 SDG&E filed AL 3941-E/3058-G, which established the implementation plan and the  
4 PIPP regulatory accounts for tracking incremental administrative expenses. The implementation  
5 activities outlined in the advice letter include customer enrollment, income verification, billing  
6 IT system changes, reporting, coordination with CCAs, and marketing and outreach.

7 The PIPP Pilot IT costs supported the design, development, testing, and implementation  
8 of necessary end-to-end billing system enhancements required to administer the PIPP program in  
9 a compliant and reliable manner. These enhancements enable SDG&E to determine customer  
10 and program eligibility, accurately enroll eligible customers, consistently apply approved  
11 program rules, and calculate and bill charges correctly. The IT scope also included capabilities  
12 to support financial remittance and reconciliation with CCAs, providing accurate settlement and  
13 appropriate financial controls. In addition, the costs supported required reporting functionality to  
14 facilitate operational oversight, program monitoring, and regulatory review. Beyond initial  
15 development, the IT costs covered post deployment system enhancements and stabilization to  
16 ensure the solution operated as intended, minimized billing risk, and provided a stable platform  
17 for customer service and ongoing program administration.

18 SDG&E recorded \$5,146,907 of IT capital costs, \$554,605 in labor O&M costs, and  
19 \$146,955 in non-labor O&M costs supporting PIPP pilot implementation, administration,  
20 marketing and outreach, compliance, accounting, regulatory reporting, and evaluation,  
21 measurement, and verification (EM&V). These activities were incremental to existing  
22 operations and necessary to design, launch, and operate the pilot consistent with D.21-10-012,  
23 including OPs 9 and 11, and SDG&E's Commission-approved implementation plan (*see* AL  
24 3941-E/3058-G). SDG&E recorded only incremental administrative costs incurred solely for the  
25 purpose of implementing the PIPP pilot (and excluded costs that would have been incurred to  
26 administer CARE or other existing utility responsibilities), consistent with the decision's  
27 directives. The costs were incurred under SDG&E's standard project governance, accounting,  
28 and vendor management controls (including scope oversight, change control, and expenditure  
29 tracking) to support accurate eligibility determinations, correct billing, settlement with CCAs,  
30 and required reporting. Accordingly, the PIPPMA amounts were prudently incurred, comply  
31 with D.21-10-012 and the applicable ordering paragraphs, and should be found reasonable for

1 recovery. Table SB-439 shows the under-collected balance in this memorandum account as of  
 2 December 31, 2025.

3 **Table SB-39**  
 4 **Percentage of Income Payment Plan Memorandum Account (PIPPMA)**

December 31, 2025	O&M (000s)	Capital Revenue Requirement (000s)	Accrued Interest (000s)	Ending Balance (000s)
Electric	\$512	\$2,554	\$186	\$3,252
Gas	\$189	\$1,216	\$85	\$1,490

5  
 6 **I. Plug-In Electric Vehicle Submetering Protocol Memorandum Account**  
 7 **(SPMA)**

8 Pursuant to D.22-08-024 and Res. E-5274, the SPMA records the incremental costs  
 9 associated with implementing the submetering protocol for customers with plug-in electric  
 10 vehicles and customer-owned submeters. The SPMA is recorded on SDG&E’s financial  
 11 statements and captures all incremental capital and O&M costs incurred to implement the  
 12 protocol. Consistent with Commission authorization, costs recorded in the SPMA are subject to  
 13 reasonableness review before any recovery is authorized.

14 SDG&E has completed the required billing system upgrades in accordance with the scope  
 15 and schedule outlined in its Commission-approved implementation plan. As described in  
 16 SDG&E AL 4114-E, the implementation scope included program management, interim manual  
 17 billing support enabled by temporary IT modifications, and long-term billing system  
 18 enhancements necessary to support the full submetering customer lifecycle. These  
 19 enhancements enabled secure data integration with Electric Vehicle Submetering Provider Meter  
 20 Data Management Agents (MDMAs), enrollment and usage data validation, subtractive billing  
 21 calculations, customer billing statement updates, and related customer service and reporting  
 22 system upgrades.

23 Through 2025, SDG&E recorded \$5.3 million in total capital expenditures for  
 24 development and deployment of the Submetering Protocol software system, which is below the  
 25 \$6.07 million authorized in Res. E-5274. In addition, SDG&E recorded incremental O&M costs  
 26 associated with implementation support and applied applicable software tax credits.

27 Based on the foregoing, the costs recorded by SDG&E comply with D.22-08-024 and  
 28 Res. E-5274, are reasonable, and should be approved by the Commission. Upon conclusion of

1 the TY 2028 GRC proceeding, SDG&E proposes to close the SPMA because the implementation  
 2 is complete. Table SB-40 shows the under-collected balance in this memorandum account as of  
 3 December 31, 2025.

4 **Table SB-40**  
 5 **Submetering Protocol Memorandum Account (SPMA)**

	O&M (000s)	Capital Revenue Requirement (000s)	Accrued Interest (000s)	Ending Balance (000s)
December 31, 2025				
Electric	\$193	\$283	\$16	\$492

6  
 7 **J. Adaptive Streetlight Implementation Memorandum Account (ASLIMA)**

8 Pursuant to D.17-08-030, at OP 26, the purpose of the ASLIMA is to record incremental  
 9 capital-related and O&M expenses associated with implementing the Dimmable Streetlight and  
 10 Ancillary Device rate options. The ASLIMA will also record the authorized up-front  
 11 participation payment from customers and monthly start-up service fees for each rate option.  
 12 SDG&E recorded the incremental expenses associated with implementing these rate options  
 13 consistent with OPs 26 and 27 and tracked associated customer payments as required. The  
 14 recorded amounts were necessary to implement the Commission-authorized offerings and were  
 15 subject to SDG&E’s standard accounting and project controls. Accordingly, the ASLIMA  
 16 amounts were prudently incurred, comply with D.17-08-030 and the applicable ordering  
 17 paragraphs, and should be found reasonable for recovery. SDG&E proposes recovery of  
 18 recorded amounts and subsequent closure of the ASLIMA because the implementation is  
 19 complete. Table SB-41 shows the under-collected balance in this memorandum account as of  
 20 December 31, 2025.

21 **Table SB-41**  
 22 **Adaptive Streetlight Implementation Memorandum Account (ASLIMA)**

	Capital Revenue Requirement (000s)	Accrued Interest (000s)	Participation Fees (000s)	Ending Balance (000s)
December 31, 2025				
Electric	\$4,727	\$789	\$(8)	\$5,509



1 The LDBA was opened in May 2020 via Energy Division approval of SDG&E AL 3480-  
 2 E-A. The Commission granted SDG&E an extension of time to complete program deployment  
 3 by December 31, 2025.<sup>50</sup>

4 Based on the foregoing, the amounts recorded in the LDBA were incurred to implement  
 5 the Commission-authorized Schools Pilot Program and Parks and Beaches Pilot Program, were  
 6 tracked consistent with D.19-11-017 and applicable ordering paragraphs and reflect incremental  
 7 program costs. Accordingly, the LDBA amounts were prudently incurred in compliance with  
 8 D.19-11-017. Upon conclusion of the TY 2028 GRC proceeding, SDG&E proposes to close the  
 9 LDBA because the pilots will be finalized by 2027. Table SB-43 shows the over-collected  
 10 balance in this balancing account as of December 31, 2025.

11 **Table SB-43**  
 12 **Light-Duty Electric Vehicle Balancing Account (LDBA)**

	O&M (000s)	Capital Revenue Requirement (000s)	Accrued Interest (000s)	Authorized (000s)	Ending Balance (000s)
December 31, 2025					
Electric	\$2,775	\$5,018	\$(657)	\$(13,073)	\$(5,938)

13 **M. Vehicle to Grid Balancing Account (V2GBA)**

14 The V2GBA is a one-way, interest-bearing balancing account recorded on SDG&E’s  
 15 financial statements. The purpose of the V2GBA is to track the Commission-authorized revenue  
 16 requirement and incremental costs associated with implementation of the Vehicle-to-Grid  
 17 Electric School Bus Pilot (V2G Pilot) authorized in D.19-08-026. Pursuant to that Decision, the  
 18 Commission approved \$2.087 million, inclusive of applicable loaders and escalation, for  
 19 recovery through the V2GBA.

20 Consistent with D.19-08-026, the authorized implementation period encompassed pilot  
 21 set-up activities, installation and commissioning of V2G-enabling infrastructure, a one-year data  
 22 collection and operational evaluation period, and pilot close-out. The V2GBA was opened in  
 23 September 2019 following Energy Division approval of AL 3765-E, and SDG&E recorded only  
 24 those incremental costs incurred to implement the Commission-approved pilot.

<sup>50</sup> See D.25-12-005, at Conclusions of Law (COL) 10. See also Letters from Executive Director Rachel Peterson re: *Request for Extension of Time to Comply with Decision 19-11-017* (dated September 19, 2024) and *Clarification to April 25, 2025 Extension of Time to Comply with Decision 19-11-017* (dated June 16, 2025).

1 The V2G Pilot completed construction in July 2021 and became fully operational in July  
 2 2022. Final implementation, operating, and evaluation costs were incurred within the authorized  
 3 scope and tracked in accordance with the cost categories and ordering paragraphs established in  
 4 D.19-08-026. Actual pilot costs totaled approximately \$1.21 million, materially below the  
 5 Commission-authorized costs. As a result, the V2GBA has an over-collected balance, reflecting  
 6 cost discipline, third-party grant reimbursement, and efficiencies achieved during  
 7 implementation, rather than any deviation from the Commission-approved pilot scope.

8 Based on the foregoing, the costs recorded in the V2GBA were incremental, reasonable,  
 9 and incurred to implement the Commission-authorized V2G Pilot and were tracked consistent  
 10 with D.19-08-026 and applicable Energy Division approvals. Upon conclusion of the TY 2028  
 11 GRC proceeding, SDG&E proposes to close the V2GBA because the pilot is complete. Table  
 12 SB-44 shows the over-collected balance in this balancing account as of December 31, 2025.

13 **Table SB-44**  
 14 **Vehicle to Grid Balancing Account (V2GBA)**

	O&M (000s)	Capital Revenue Requirement (000s)	Accrued Interest (000s)	Authorized (000s)	Ending Balance (000s)
December 31, 2025					
Electric	\$162	\$531	\$(125)	\$(1,676)	\$(1,108)

15  
 16 **N. Near-Term Priority Transportation Electrification Balancing Account**  
 17 **(NTPBA)**

18 Pursuant to D.21-07-028, at OP 2, the NTPBA is a one-way balancing account which  
 19 records the costs associated with transportation electrification (TE) investments in a near-term  
 20 priority area. Each near-term priority program proposal must have an estimated cost that does  
 21 not exceed \$20 million which will be recorded in a subaccount of the NTPBA for each near-term  
 22 priority program. Resolution E-5300 authorizes to implement a Transportation Electrification  
 23 Advisory Services (TEAS) program to support medium-and heavy-duty fleet vehicle customers,  
 24 with a program cap of \$16.78 million via NTPBA subaccount.<sup>51</sup>

<sup>51</sup> See D.25-12-005, COL 10. See also Letter granting SDG&E's Rule 16.6 Request for Extension of Time to Comply with Decision 21-04-014 Approving Application 19-10-012 (dated January 27, 2026).

1 Based on the foregoing, the costs recorded by SDG&E comply with D.21-07-028. Upon  
 2 conclusion of the TY 2028 GRC proceeding, SDG&E proposes to close the NTPBA because all  
 3 costs will be finalized by 2027. Table SB-45 shows the over-collected balance in this balancing  
 4 account as of December 31, 2025.

5 **Table SB-45**  
 6 **Near-Term Priority Transportation Electrification Balancing Account (NTPBA)**

	O&M (000s)	Accrued Interest (000s)	Authorized (000s)	Ending Balance (000s)
December 31, 2025				
Electric	\$3,635	\$(359)	\$(10,910)	\$(7,635)

7  
 8 **VIII. CONCLUSION**

9 In closing, SDG&E’s TY 2028 Customer Services request reflects a reasonable and  
 10 disciplined forecast of the total resources needed to safely and reliably serve customers while  
 11 advancing Commission priorities for affordability, customer experience, and compliance. The  
 12 forecast is anchored in recent recorded experience, using base year methods where appropriate,  
 13 and incorporates demonstrated efficiencies from technology investments, process improvements,  
 14 and targeted use of managed services to mitigate unnecessary cost growth. This request supports  
 15 both base business funding required to sustain day-to-day operations and targeted incremental  
 16 funding where documented workload drivers and operational requirements necessitate additional  
 17 resources. To the extent incremental funding is requested, it is narrowly tailored and supported  
 18 by those documented drivers and requirements. The request also sustains Customer Care Center  
 19 performance through critical operational support, quality assurance, and training functions, and  
 20 maintains effective field and meter operations that streamline work and protect service levels.  
 21 Accordingly, SDG&E respectfully requests that the Commission approve this request so SDG&E  
 22 can continue providing timely, accurate, and accessible customer support; meet evolving  
 23 regulatory obligations; and maintain a strong safety and control environment grounded in  
 24 ongoing operational discipline.

1 **IX. WITNESS QUALIFICATIONS**

2 My name is Sabrina Kealoha Butler and my business address is 8330 Century Park Ct.,  
3 San Diego, California 92123. I am currently the Director of Customer Services for SDG&E. In  
4 this capacity, I provide strategic leadership and oversight for all customer operations, including  
5 billing, credit and collections, customer choice programs such as CCA, Direct Access, and Gas  
6 Choice, as well as customer support initiatives. Additionally, I am responsible for overseeing the  
7 comprehensive planning and execution of all aspects of the Smart Meter 2.0 Project.

8 I have more than 30 years of experience in utility customer service operations, regulatory  
9 compliance, strategic planning, process optimization, digital engagement, and data analytics. I  
10 have been employed by SDG&E since 2015 and have held roles with increasing responsibility in  
11 project management and delivery, specifically Time-of-Use, Customer Privacy and Community  
12 Choice Aggregation. I graduated from the Georgia Institute of Technology with a Bachelor of  
13 Science degree in Management.

14 I have previously testified before the Commission.

**APPENDIX A – Glossary of Terms**

<b>ACRONYM</b>	<b>DEFINITION</b>
<b>AB</b>	Assembly Bill
<b>AE</b>	Account Executive
<b>AHT</b>	Average Handle Time
<b>AMI</b>	Advanced Metering Infrastructure
<b>AMP</b>	Arrearage Management Program
<b>APL</b>	Authorized Payment Location
<b>ASA</b>	Average Speed of Answer
<b>ALIMA</b>	Adaptive Streetlight Implementation Memorandum Account
<b>BBS</b>	Behavior-Based Safety
<b>BESS</b>	Battery Energy Storage System
<b>BSC</b>	Base Services Charge
<b>BY</b>	Base Year
<b>CAP</b>	Customer Assistance Program(s)
<b>CCA</b>	Community Choice Aggregation
<b>CEC</b>	California Energy Commission
<b>CBOs</b>	Community-Based Organizations
<b>CCC</b>	Customer Care Center
<b>CCPAMA</b>	California Consumer Privacy Act Memorandum Account
<b>CE</b>	Collection Engine
<b>CI&amp;A</b>	Continuous Improvement and Analytics
<b>CIS</b>	Customer Information System
<b>CPUC</b>	California Public Utilities Commission
<b>CSE</b>	Center for Sustainable Energy
<b>CSF</b>	Customer Service Field
<b>CT/PT</b>	Current Transformer / Potential Transformer
<b>D.</b>	Decision
<b>DASMMD</b>	Direct Access Standards for Metering and Meter Data
<b>DC</b>	Direct Current
<b>DCFC</b>	Direct Current Fast Charging
<b>DRAH</b>	Deed Restricted Affordable Housing
<b>ECPMA</b>	Emergency Customer Protections Memorandum Account
<b>EDR</b>	Economic Development Rate
<b>EME</b>	Electric Metering Engineering

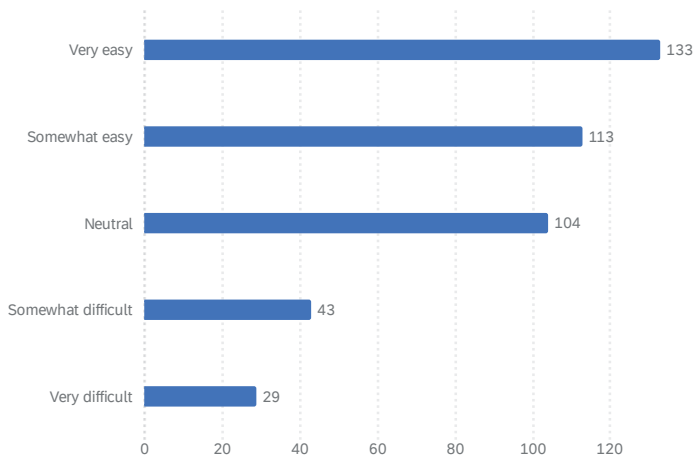
<b>EMO</b>	Electric Metering Operations
<b>ESA</b>	Energy Savings Assistance
<b>ESS</b>	Energy Service Specialist(s)
<b>EV</b>	Electric Vehicle
<b>EVSE</b>	Electric Vehicle Supply Equipment
<b>EVSP</b>	Electric Vehicle Service Provider
<b>FCT / FCST</b>	Forecast
<b>FTE</b>	Full-Time Equivalent
<b>GGRF</b>	Greenhouse Gas Reduction Fund
<b>GO</b>	General Order
<b>GRC</b>	General Rate Case
<b>IDR</b>	Interval Data Recorder
<b>IEPR</b>	Integrated Energy Policy Report
<b>IGFCMA</b>	Income-Graduated Fixed Charge Memorandum Account
<b>IOU</b>	Investor-Owned Utility
<b>IT</b>	Information Technology
<b>IVR</b>	Interactive Voice Response
<b>kWh</b>	Kilowatt-hour
<b>LCFS</b>	Low Carbon Fuel Standard
<b>LDBA</b>	Light-Duty Electric Vehicle Balancing Account
<b>LEP</b>	Limited-English Proficiency
<b>LIHEAP</b>	Low Income Home Energy Assistance Program
<b>MBL</b>	Medical Baseline
<b>MDMS</b>	Meter Data Management System
<b>ME&amp;O</b>	Marketing, Education, and Outreach
<b>MV90</b>	MV-90 (meter data collection/management system; referenced as legacy)
<b>NBTMA</b>	Net Billing Tariff Memorandum Account
<b>NEMAMA</b>	Net Energy Metering Aggregation Memorandum Account
<b>NGAT</b>	Natural Gas Appliance Testing
<b>NTPBA</b>	Near-Term Priority Transportation Electrification Balancing Account
<b>O&amp;M</b>	Operations and Maintenance
<b>OIR</b>	Order Instituting Rulemaking
<b>PA</b>	Program Administrator

<b>PIPPMA</b>	Percentage of Income Payment Plan Memorandum Account
<b>PPP</b>	Public Purpose Program(s)
<b>PSPS</b>	Public Safety Power Shutoff(s)
<b>PU Code</b>	Public Utilities Code
<b>PYD</b>	Power Your Drive
<b>QA</b>	Quality Assurance
<b>RDPMA</b>	Residential Disconnections Protections Memorandum Account
<b>RTPMA</b>	Real Time Pricing Memorandum Account
<b>SB</b>	(Witness) Sabrina Butler
<b>SCG</b>	Southern California Gas Company
<b>SDG&amp;E</b>	San Diego Gas & Electric Company
<b>SGIP</b>	Self-Generation Incentive Program
<b>SM</b>	Smart Meter
<b>SM2MA</b>	Smart Meter 2.0 Memorandum Account
<b>SPES</b>	Station Power and Energy Storage
<b>SPMA</b>	Plug-in Electric Vehicle Submetering Protocol Memorandum Account
<b>TE</b>	Transportation Electrification
<b>TEF</b>	Transportation Electrification Framework
<b>TOU</b>	Time-of-Use
<b>TTY</b>	Text Telephone
<b>TY</b>	Test Year
<b>WP</b>	Workpaper
<b>ZEV</b>	Zero Emission Vehicle(s)

## **APPENDIX B – 2025 Small Business Survey**



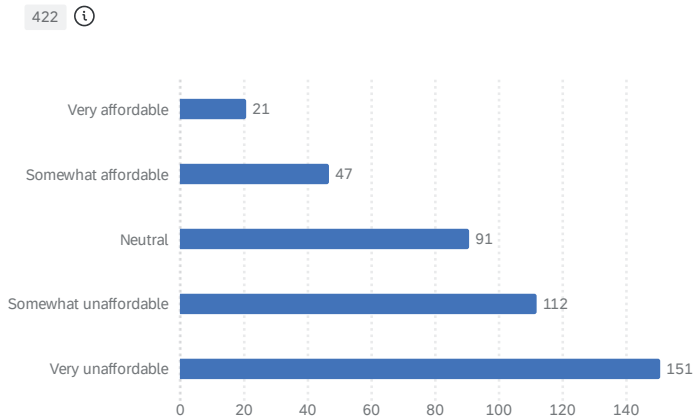
## Q1. How easy is it to understand your SDG&E bill? 422 ⓘ



## Q1. Metrics 422 ⓘ

	Count	Count
Very easy	32%	133
Somewhat easy	27%	113
Neutral	25%	104
Somewhat difficult	10%	43
Very difficult	7%	29

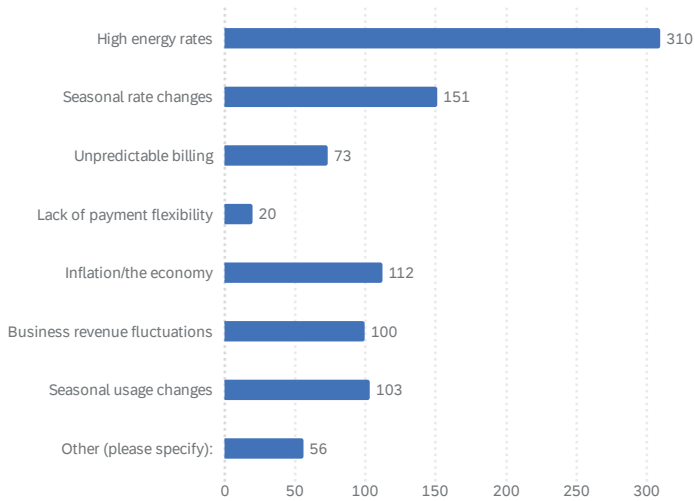
## Q2. How would you rate the overall affordability of your monthly SDG&E bill? 422 ⓘ



## Q2. Metrics 422 ⓘ

	Count	Count
Very affordable	5%	21
Somewhat affordable	11%	47
Neutral	22%	91
Somewhat unaffordable	27%	112
Very unaffordable	36%	151

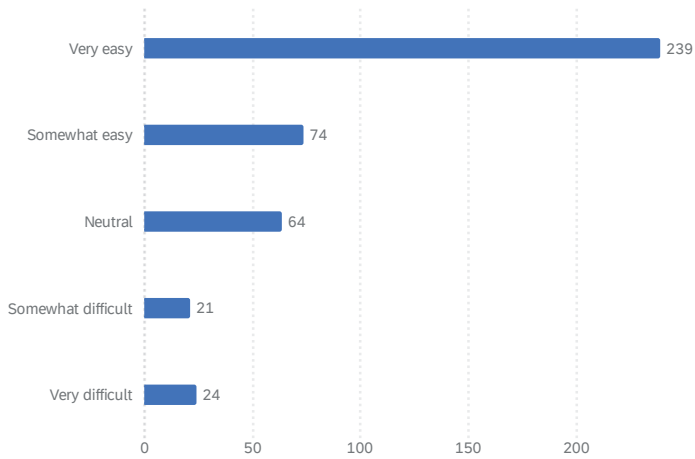
Q3. What factors most impact your ability to afford your energy bill? (Select all that apply). 422 ⓘ



Q3. Metrics 422 ⓘ

	Count	Count
High energy rates	73%	310
Seasonal rate changes	36%	151
Unpredictable billing	17%	73
Lack of payment flexibility	5%	20
Inflation/the economy	27%	112
Business revenue fluctuations	24%	100
Seasonal usage changes	24%	103
Other (please specify):	13%	56

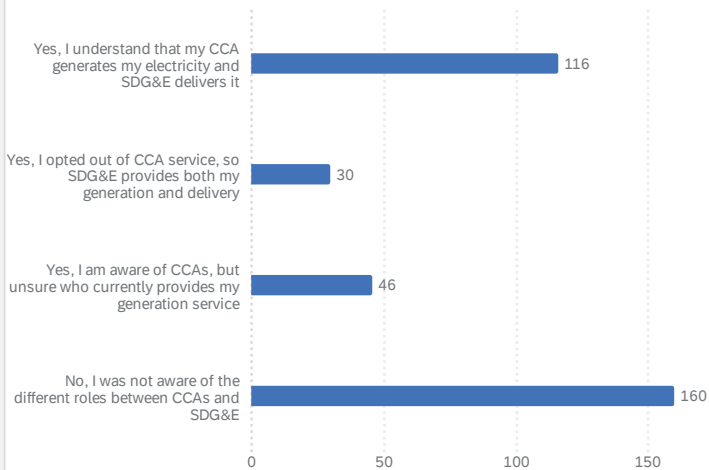
Q4. How easy is it to make a payment on your SDG&E bill? 422 ⓘ



Q4 Metrics 422 ⓘ

	Count	Count
Very easy	57%	239
Somewhat easy	18%	74
Neutral	15%	64
Somewhat difficult	5%	21
Very difficult	6%	24

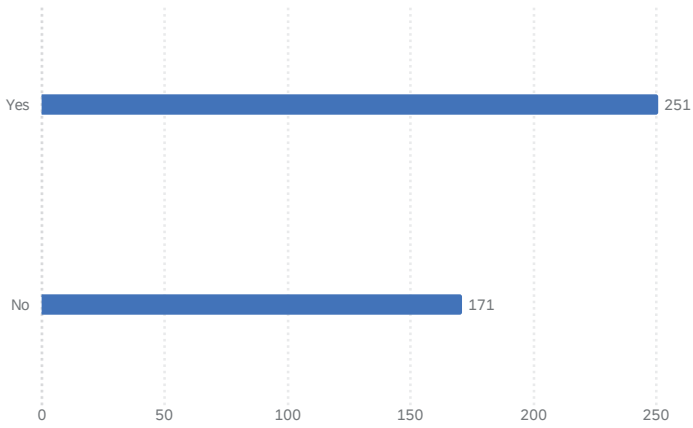
Q5. Were you aware of who provides your electricity generation service and how it relates to SDG&E and your local Community Choice Aggregator (CCA)? 352 ⓘ



Q5. Metrics 352 ⓘ

	Count	Count
Yes, I understand that my CCA generates my electricity and SDG&E delivers it	33%	116
Yes, I opted out of CCA service, so SDG&E provides both my generation and delivery	9%	30
Yes, I am aware of CCAs, but unsure who currently provides my generation service	13%	46
No, I was not aware of the different roles between CCAs and SDG&E	45%	160

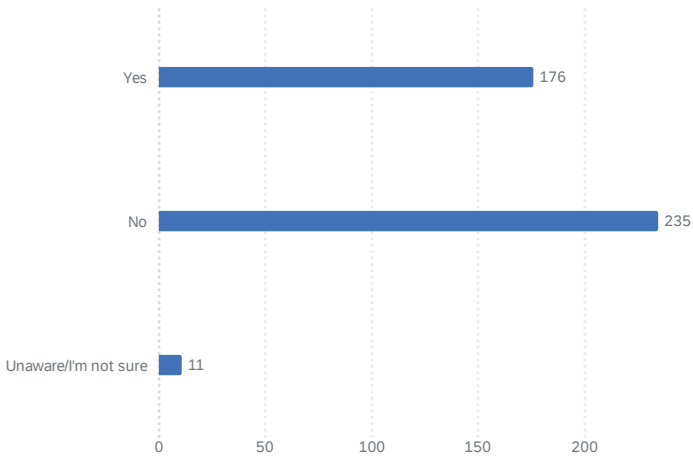
Q6. Were you aware that SDG&E offers flexible payment plans for past-due accounts? 422 ⓘ



Q6. Metrics 422 ⓘ

	Count	Count
Yes	59%	251
No	41%	171

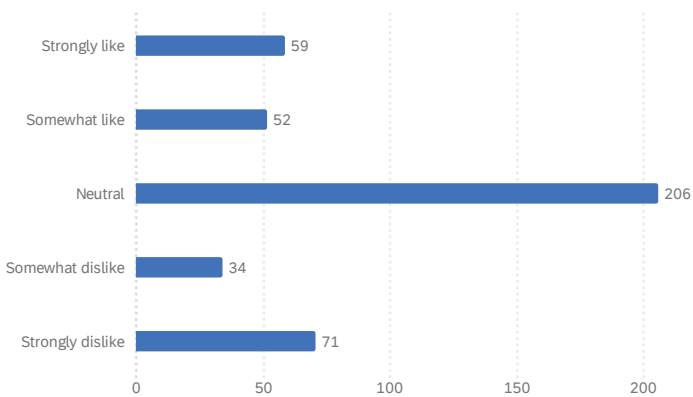
Q7. Are you currently enrolled in Autopay? 422 ⓘ



Q7. Metrics 422 ⓘ

	Count	Count
Yes	42%	176
No	56%	235
Unaware/I'm not sure	3%	11

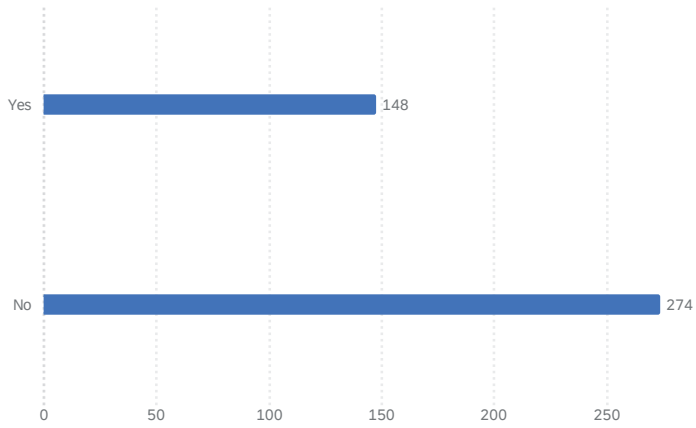
Q8. SDG&E recently introduced the option to pay by credit card (with a \$1.50 fee) and other options (Google, Apple Pay, Venmo etc.). How do you feel about this option? 422 ⓘ



Q8. Metrics 422 ⓘ

	Count	Count
Strongly like	14%	59
Somewhat like	12%	52
Neutral	49%	206
Somewhat dislike	8%	34
Strongly dislike	17%	71

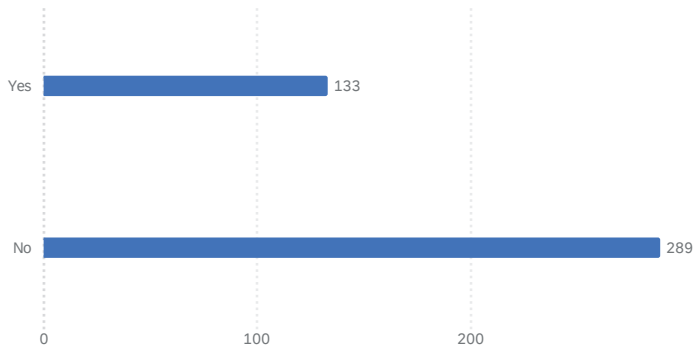
Q9. Have you visited SDGE.com to explore the best rate plan for your business? 422 ⓘ



Q9. Metrics 422 ⓘ

	Count	Count
Yes	35%	148
No	65%	274

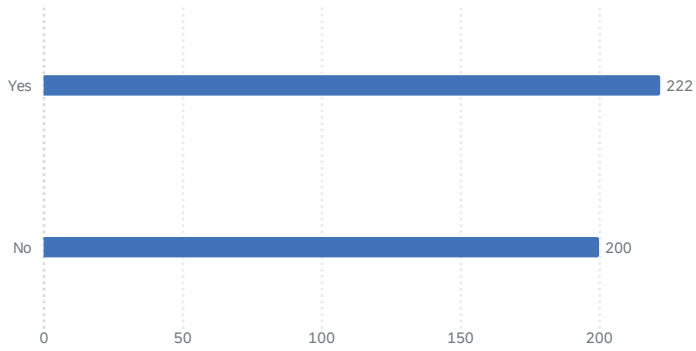
Q10. Have you logged into My Energy Center to review or edit your current rate plan? 422 ⓘ



Q10. Metrics 422 ⓘ

	Count	Count
Yes	32%	133
No	68%	289

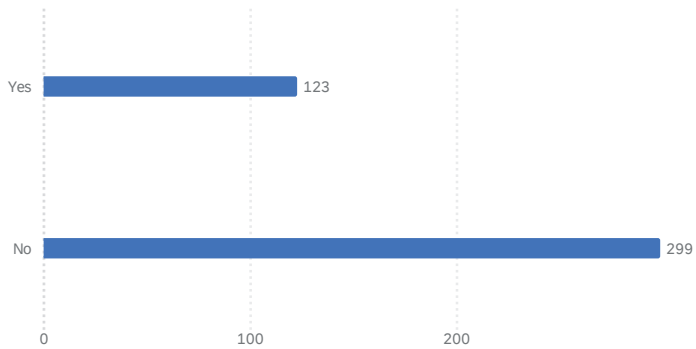
Q11. Were you aware you could update your notification preferences for power interruptions in My Energy Center? 422 ⓘ



Q11. Metrics 422 ⓘ

	Count	Count
Yes	53%	222
No	47%	200

Q12. Have you researched SDGE.com on ways to save as a small business customer? 422 ⓘ



Q12. Metrics 422 ⓘ

	Count	Count
Yes	29%	123
No	71%	299

**APPENDIX C – SCHEDULE CCA FEES**

WP: Telecomm								
No.	Service Fee	Unit	Apply to	Current Fee	New Fee Name	Proposed Fee	Variance (\$)	% Change
<b>CCA Service Establishment</b>								
1	CCA Establishment	\$ per hour	CCA	\$79-\$90	System Setup & EDI Testing	Time & Materials		
<b>Customer Notification (Optional Services)</b>								
2	Standard Notification	\$ per account	CCA	\$0.51	Mass Enrollment & Project Reversion	Time & Materials	N/A	N/A
3	Customized Notification	\$ per event + \$ per account	CCA	Time & Materials				
4	Bill Insert Notification	\$ per request \$ per bill run \$ per account	CCA	\$4,320 \$524 \$0.30				
<b>Mass Enrollment</b>								
5	Mass Enrollment	\$ per event	CCA	\$3,600				
<b>Opt Out Services</b>								
6	IVRU Opt-out	\$ per account	CCA	\$0.46	IVRU Opt-out	\$ 0.84	\$ 0.38	82%
7	Internet Opt-out	\$ per account	CCA	\$0.43	Internet Opt-out	\$ 0.83	\$ 0.40	92%
8	Reply Card Opt-out	\$ per account	CCA	\$1.26	Reply Card Opt-out	\$ 1.70	\$ 0.44	35%
9	Customer Contact Opt-out	\$ per account	CCA	\$0.43	Customer Contact Opt-out	\$ 1.34	\$ 0.91	211%
10	Bill Insert Opt-out	\$ per account	CCA	\$1.62	Bill Insert Opt-out	ELIMINATE	N/A	N/A
<b>CCASR</b>								
11	CCA Service Request (CCASR)	\$ per account	CCA	\$1.12	CCA Service Request (CCASR)	\$ 0.91	\$ (0.21)	-19%
12	CCASR without Confirmation Letter	\$ per account	CCA	\$0.69	CCASR without Confirmation Letter	\$ 0.45	\$ (0.24)	-35%
13	New Customer	\$ per account	CCA	\$1.05	New Customer	\$ 1.41	\$ 0.36	34%
14	Customer Re-entry	\$ per account	Customer	\$0.56	Customer Re-entry	\$ 0.84	\$ 0.28	49%
<b>Consolidated Bill Ready Billing Services</b>								
15	Consolidated Utility Billing	\$ per account	CCA	\$0.22	Consolidated Utility Billing	\$ 0.25	\$ 0.03	11%
16	EDI VAN Charge	\$ per account	CCA	\$0.06	Eliminate	ELIMINATE	N/A	N/A
17	Additional Bill Page	\$ per page	CCA	\$0.25	Additional Bill Page	\$ 0.19	\$ (0.06)	-25%
<b>Other Billing Services</b>								
18	Extra Days to Process Billing	\$ per request \$ per account per day	CCA	\$5 \$0.04	Extra Days to Process Billing	\$ 23.78 \$ 0.04	\$ 18.78 \$ 0.00	376% -
19	Rebill - IDR Account	\$ per meter per month of rebill	CCA	\$9	Routine Rebill	\$ 31.71		N/A
20	Rebill - Load Profile Account	\$ per meter per month of rebill	CCA	\$3	Complex Rebill	\$ 86.82		N/A
21	Resend File or Report	\$ per event	CCA	\$19	Resend File - Routine	\$ 21.65		14%
22	Retrieval of Account Information	\$ per account	CCA	\$3	Resend File - Complex	\$ 53.99		N/A
23	Account Analysis - Routine	\$ per account	CCA	\$15	Account Analysis - Routine	\$ 23.78	\$ 8.78	59%
24	Account Analysis - Complex	\$ per account	CCA	\$57	Account Analysis - Complex	\$ 115.77	\$ 58.77	103%
25	CCA Late Payment	% of balance	CCA	1.5%	CCA Late Payment	1.5%		-
26	CCA Return Payment	\$ per event	CCA	\$4	CCA Return Payment	\$ 9.89	\$ 5.89	147%
<b>CCA Termination of Service</b>								
27	Voluntary Termination of Service	\$ per event	CCA	Time & Materials	Mass Enrollment & Project Reversion	Time & Materials		N/A
28	Involuntary Service Change or Termination of Service	\$ per event	CCA	Time & Materials				
<b>Miscellaneous</b>								
29	Special Services Request	\$ per event	CCA	Time & Materials	Special Services Request	Time & Materials		N/A
30	Consulting and Other Customized Services	\$ per hour	CCA	\$90	Consulting and Other Customized Services	Time & Materials		
31	Standard Phase-in Service	\$ per phase	CCA	\$2,160, plus Mass Enrollment fee #5	Mass Enrollment & Project Reversion	Time & Materials		N/A
32	Interval data Access	\$ per month	CCA	\$ 125.90	Interval data Access	\$ 206.13	\$ 80.23	64%
	Monthly Storage	(% share of total)	CCA		Monthly Storage			
	Data Query	\$ per query	CCA	\$ 1.26	Data Query	\$ 1.23	\$ (0.03)	-2%

**2025 #1: System Setup & EDI Testing**

<b>Line No.</b>	<b>Cost Component</b>	<b>Amount</b>	<b>Methodology</b>	<b>Ref.</b>	<b>Line No.</b>
1					1
2	System Setup	Time & Materials	N/A		2
3					3
4	EDI Testing	Time & Materials	N/A		4
5					5
6	Total	Time & Materials	N/A		6

**2025 #2, 3, 4, 5, 27, 28 Mass Enrollment & Project Reversion**

<b>Line No.</b>	<b>Cost Component</b>	<b>Amount</b>	<b>Methodology</b>	<b>Ref.</b>	<b>Line No.</b>
1					1
2	Standard or Custom Notification	Time & Materials	N/A		2
3					3
4	Mass Enrollment	Time & Materials	N/A		4
5					5
6	Voluntary or Involuntary Termination of Service	Time & Materials	N/A		6
7					7
8	Standard Phase In Servie	Time & Materials	N/A		8

**2025 #29: Special Services Request**

<b>Line No.</b>	<b>Cost Component</b>	<b>Amount</b>	<b>Methodology</b>	<b>Ref.</b>	<b>Line No.</b>
1					1
2	Special Services Request	Time & Materials	N/A		2

**2025 #30 Consulting & Other Customized Services**

<b>Line No.</b>	<b>Cost Component</b>	<b>Amount</b>	<b>Methodology</b>	<b>Ref.</b>	<b>Line No.</b>
1					1
2	Consulting and Other Customized Services	Time & Materials	N/A		2

**2025 #6: IVR Opt Out**

Line No.	Cost Component	Amount	Methodology	Ref.	Line No.
1					1
2	Estimated Call Handle Time	0.33	Average IVR Handle Time 2025		2
3					3
4	Telecommunication Cost per minute	\$ 0.03	Telecomm WP		4
5					5
6	Cost per Call	\$ 0.01	The product of lines 2 and 4		6
7					7
8	Confirmation letter	\$ 0.83	Workpaper: Letter, Postage, Handling		8
9					9
10	Total	\$ <u>0.84</u>	Sum of lines 6 and 8		10

**2025 #8: Reply Card Opt Out**

Line No.	Cost Component	Amount	Methodology	Ref.	Line No.
1					1
2	Labor	\$	0.55 Work paper 8.1: Labor		2
3					3
4	Other	\$	0.33 Work paper 8.2: Other Costs		4
5					5
6	Confirmation Letter	\$	0.83 Workpaper: Letter, Postage, Handling		6
7					7
8	Total	<u>\$</u>	<u>1.70</u> The sum of lines 2 to 6		8

**Work paper 8.1: Labor**

Line No.	Cost Component	Amount	Notes	Ref.	Line No.
1					1
2	Associate I Hourly Rate	\$	42.07 Labor & OH 2025		2
3					3
4	To process one post card		0.01 25 seconds		4
5					5
6	Direct labor	\$	0.29 The product of lines 3 and 5		6
7					7
8	Labor overheads	\$	0.25 Labor & OH 2025		8
9					9
10	Total labor for CCA Specialist	<u>\$</u>	<u>0.55</u> The sum of lines 7 and 9		10

**Work paper 8.2: Other Costs**

Line No.	Cost Component	Amount	References	Ref.	Line No.
1					1
2	Postage		\$0.33 Return postage (per USPS)		2
3					3
4	Total	<u>\$</u>	<u>0.33</u> The sum of lines 1 through 2		4

**2025 #9: Customer Contact Opt Out**

Line No.	Cost Component	Amount	Methodology	Ref.	Line No.
1					1
2	Labor	\$	1.31 Work paper 7.1: Labor		2
3					3
4	Other Costs	\$	0.03 Telecommunications Charge		4
5					5
6	Total per minute charge	<u>\$</u>	<u>1.34</u> The sum of lines 2 through 4		6

**Work paper 9.1: Labor**

Line No.	Cost Component	Amount	Notes	Ref.	Line No.
1					1
2	Associate I Hourly Rate	\$	42.07 Labor & OH 2025		2
3					3
4	Estimated Call Time		0.02 One minute		4
5					5
6	Direct labor	\$	0.70 The product of lines 2 and 4		6
7					7
8	Labor overheads	\$	0.61 Labor & OH 2025		8
9					9
10	Total labor	<u>\$</u>	<u>1.31</u> The sum of lines 6 and 8		10

**Work paper 9.2: Telecommunications Costs**

Line No.	Cost Component	Amount	Notes	Ref.	Line No.
1					1
2	Telecommunications charge	<u>\$</u>	<u>0.03</u> Cost per minute		2

**2025 #11: CCASR**

Line No.	Cost Component	Amount	Methodology	Ref.	Line No.
1					1
2	Labor	\$ 0.08	Work paper 11.1: Exception Processing		2
3					3
4	Confirmation letter	\$ 0.83	Workpaper: Letter, Postage, Handling		4
5					5
6	Total with Confirmation Letter	<u>\$ 0.91</u>	The sum of lines 2 and 4		6

**Work paper 11.1: Exception Processing**

Line No.	Cost Component	Amount	Notes	Ref.	Line No.
1					1
2	Analyst II Hourly Rate	\$ 50.96	Labor & OH 2025		2
3					3
4	Productive hours per year - 1 FTE	1,775			4
5					5
6	Hours per month -accounts without errors	0	Estimated time required to process accounts without errors		6
7					7
8	Requests Received	706	Estimated Monthly based on 2025 Actual		8
9					9
10	Percent of accounts with errors	0.5%	Based on 2025 Actuals		10
11					11
12	Accounts with errors per month	4	The product of lines 8 and 10		12
13					13
14	Hours per error account	0.16	10 minutes		14
15					15
16	Hours required to work errors	1	The product of line 12 and 14		16
17					17
18	Total labor hours per month	1	The sum of lines 6 and 18		18
19					19
20	Total labor hours per account	0.001	Line 18 divided by line 8		20
21					21
22	Direct labor	\$ 0.04	The product of line 2 and line 20		22
23					23
24	Labor overheads	\$ 0.04	Labor & OH 2025		24
25					25
26	Total labor	<u>\$ 0.08</u>	The sum of lines 24 and 26		26

**2025 #12: CCASR w/o Confirmation**

Line No.	Cost Component	Amount	Methodology	Ref.	Line No.
1					1
2	Labor	\$ 0.45	Work paper 11.1: Exception Processing		2
3					3
4	Total without Confirmation Letter	<u>\$ 0.45</u>	Line 2		4

**Work paper 11.1: Exception Processing**

Line No.	Cost Component	Amount	Notes	Ref.	Line No.
1					1
2	Analyst II Hourly Rate	\$ 50.96	Labor & OH 2025		2
3					3
4	Productive hours per year - 1 FTE	1,775			4
5					5
6	Hours per month -accounts without errors	0	Estimated time required to process accounts without errors		6
7					7
8	Errors Processed	15	Estimated Monthly based on 2025 Actual		8
9					9
10	Percent of accounts with errors	4%	Based on 2025 Actuals		10
11					11
12	Accounts with errors per month	1	The product of lines 8 and 10		12
13					13
14	Hours per error account	0.12	7 minutes		14
15					15
16	Hours required to work errors	0	The product of line 12 and 14		16
17					17
18	Total labor hours per month	0	The sum of lines 6 and 18		18
19					19
20	Total labor hours per account	0.005	Line 18 divided by line 8		20
21					21
22	Direct labor	\$ 0.24	The product of line 2 and line 20		22
23					23
24	Labor overheads	\$ 0.21	Labor & OH 2025		24
25					25
26	Total labor	<u>\$ 0.45</u>	The sum of lines 24 and 26		26

**2025 #13: New Customer**

Line No.	Cost Component	Amount	Methodology	Ref.	Line No.
1					1
2	Labor	\$	0.58 Work paper 13.1: Validation and Set-up		2
3					3
4	Confirmation Letter	\$	0.83 Workpaper: Letter, Postage, Handling		4
5					5
6	Total	\$	<u>1.41</u> Sum of lines 2 and 4		6

**Work paper 13.1: Validation and Set-up**

Line No.	Cost Component	Amount	Notes	Ref.	Line No.
1					1
2	Analyst II Hourly Rate	\$	50.96 Labor & OH 2025		2
3					3
4	Productive hours per year - 1 FTE		1,775		4
5					5
6	Hours per month - accounts without		0 Estimated time required to process accounts		6
7					7
8	Requests Received		26,336 Estimated Monthly based on 2025 Actual		8
9					9
10	Percent of accounts with errors		1% Based on 2025 Actuals		10
11					11
12	Accounts with errors per month		282 The product of lines 8 and 10		12
13					13
14	Hours per error account		0.57 34 minutes		14
15					15
16	Hours required to work errors		160.62 The product of lines 12 and 14		16
17					17
18	Total labor hours per month		160.62 The sum of lines 6 and 16		18
19					19
20	Total labor hours per account		0.006 Line 18 divided by line 8		20
21					21
22	Direct labor	\$	0.31 The product of lines 2 and 20		22
23					23
24	Labor overheads	\$	0.27 Labor & OH 2025		24
25					25
26	Total labor Amount	\$	<u>0.58</u> The sum of lines 22 and 24		26

**2025 #14: Customer Reentry**

Line No.	Cost Component	Amount	Methodology	Ref.	Line No.
1					1
2	Labor		\$0.01 AL 4000-E		2
3					3
4	Confirmation Letter	\$	0.83 Workpaper: Letter, Postage, Handling		4
5					5
6	Total	\$	0.84 The sum of lines 2 and 4		6

**2025 #15: Consolidated Utility Billing**

Line No.	Cost Component	Amount	Methodology	Ref.	Line No
1					1
2	Labor	\$	0.03 Work paper 15.1: Labor		2
3					3
4	Other costs	\$	0.22 Work paper 15.2: Cost of Working Capital		4
5					5
6	Subtotal	\$	0.25 The sum of lines 2 through 6		6

**Work paper 15.1: Labor**

Line No.	Cost Component	Amount	Notes	Ref.	Line No
1					1
2	Blended Hourly Senior I/Manager (40/20)	\$	62.02 Labor & OH 2025		2
3					3
4	Productive hours per year - 1 FTE		1,775 Estimated time required to process accounts without errors		4
5					5
6	Hours per month -accounts without errors		0		6
7					7
8	Accounts billed per month	1,192,959			8
9					9
10	Percent of accounts with errors		0.1% Based on 2025 Actuals		10
11					11
12	Accounts with errors per month		832 The product of lines 9 and 11		12
13					13
14	Hours per error account		0.3 21 minutes		14
15					15
16	Hours required to work errors		288 The product of lines 13 and 15		16
17					17
18	Total labor hours per month		288 The sum of lines 6 and 17		18
19					19
20	Total labor hours per account		0.0002 Line 19 divided by line 9		20
21					21
22	Direct labor	\$	0.01 The product of line 2 and line 21		22
23					23
24	Labor overheads	\$	0.01 Attachment A: Costing Rates -Non-Metering		24
25					25
26	Total labor	\$	0.03 The sum of lines 24 and 26		26

**Work paper 15.2: Value of Funds**

Line No.	Cost Component	Amount	Notes	Ref.	Line No
1					1
2	Average bill amount	\$	204.00 Average SDGE bill per R1 Report		2
3					3
4	Value of Funds		7.41% Before tax weighted average cost of capital		4
5					5
6	Value of funds lost -365 days	\$	15.12 The product of lines 2 and 4		6
7					7
8	Value of funds lost -one day	\$	0.04 Line 6 divided by 365 days in a year		8
9					9
10	Cost of 5 days' loss of funds	\$	0.21 Product of line 8 and 5 days		10
11					11
12	Subtotal	\$	0.21		12
13					13
14	Customer Account EDI Addendum	\$	0.01		14
15					15
16	Total Charge	\$	0.22 Sum of lines 12 and 14		16

**2025 #17: Additional Bill Page**

<b>Line No.</b>	<b>Cost Component</b>	<b>Amount</b>	<b>Notes</b>	<b>Ref.</b>	<b>Line No.</b>
1					1
2	Extra Bill Page	<u>\$0.19</u>	Workpaper: Letter, Postage, Handling		2

**2025 #18: Extra Days to Process Bill**

Line No.	Cost Component	Amount	Methodology	Ref.	Line No.
1					1
2	Labor	\$ 23.78	Work paper 18.1: Labor		2
3					3
4	Other	\$ -			4
5					5
6	Total	<u>\$ 23.78</u>	The sum of lines 2 and 4		6

**Work paper 18.1: Labor**

Line No.	Cost Component	Amount	Notes	Ref.	Line No.
1					1
2	Analyst II Hourly Rate	\$ 50.96	Labor & OH 2025		2
3					3
4	Approximate time to process the request	0.25	Fifteen minutes per request		4
5					5
6	Direct labor	\$ 12.74	The product of lines 3 and 6		6
7					7
8	Labor overheads	\$ 11.04	Labor & OH 2025		8
9					9
10	Total labor	<u>\$ 23.78</u>	The sum of lines 7 and 11		10

**Work paper 15.2: Value of Funds**

Line No.	Cost Component	Amount	Notes	Ref.	Line No.
1					1
2	Average bill amount	\$ 204.00	Average SDGE bill per R1 Report		2
3					3
4	Value of Funds	7.41%	Before tax weighted average cost of capital		4
5					5
6	Value of funds lost -365 days	\$ 15.12	The product of lines 2 and 4		6
7					7
8	Value of funds lost -one day	<u>\$ 0.04</u>	Line 6 divided by 365 days in a year		8

**2025 #19: Routine Rebill**

Line No.	Cost Component	Amount	Methodology	Ref.	Line No.
1					1
2	Labor	\$ 31.71	Work paper 19.1: Labor		2
3					3
4	Other	\$ -	Other Costs		4
5					5
6	Total	<u>\$31.71</u>	The sum of lines 2 and 4		6

**Work paper 19.1: Labor**

Line No.	Cost Component	Amount	Notes	Ref.	Line No.
1					1
2	Analyst II Hourly Rate	\$ 50.96	Labor & OH 2025		2
3					3
4	Approximate time to review and correct	0.33	20 minutes		4
5					5
6	Direct labor	\$ 16.99	The product of lines 2 and 4		6
7					7
8	Labor overheads	\$ 14.72	Labor & OH 2025		8
9					9
10	Total labor	<u>\$ 31.71</u>	The sum of lines 6 and 8		10

**2025 #20: Complex Rebill**

Line No.	Cost Component	Amount	Methodology	Ref.	Line No.
1					1
2	Labor	\$ 86.82	Work paper 20.1: Labor		2
3					3
4	Other	\$ -			4
5					5
6	Total	<u>\$86.82</u>	The sum of lines 2 and 4		6

**Work paper 20.1: Labor**

Line No.	Cost Component	Amount	Notes	Ref.	Line No.
1					1
2	Blended Hourly Senior I/Manager (40/20)	\$ 62.02	Labor & OH 2025		2
3					3
4	Approximate time required to review and correct	0.75	45 minutes		4
5					5
6	Direct labor	\$ 46.51	The product of lines 2 and 4		6
7					7
8	Labor overheads	\$ 40.31	Labor & OH 2025		8
9					9
10	Total labor	<u>\$ 86.82</u>	The sum of lines 6 and 8		10

**2025 #21: Resend File Routine**

Line No.	Cost Component	Amount	Methodology	Ref.	Line No.
1					1
2	Labor	\$ 21.65	Work paper 21.1: Labor		2
3					3
4	Other	\$ -			4
5					5
6	Total	<u>\$ 21.65</u>	The sum of lines 2 and 4		6

**Work paper 21.1: Labor**

Line No.	Cost Component	Amount	Notes	Ref.	Line No.
1					1
2	Associate II Hourly Rate	\$ 46.39	Labor & OH 2025		2
3					3
4	Time needed to review and respond to request	0.25	15 minutes		4
5					5
6	Direct labor	\$ 11.60	The product of lines 3 and 5		6
7					7
8	Labor overheads	\$ 10.05	Labor & OH 2025		8
9					9
10	Total labor	<u>\$ 21.65</u>	The sum of lines 7 and 9		10

**2025 #22 Resend File Complex**

Line No.	Cost Component	Amount	Methodology	Ref.	Line No.
1					1
2	Labor	\$ 53.99	Work paper 38.1: Labor		2
3					3
4	Other	\$ -			4
5					5
6	Total	<u>\$ 53.99</u>	The sum of lines 2 and 4		6

**Work paper 22.1: Labor**

Line No.	Cost Component	Amount	Notes	Ref.	Line No.
1					1
2	Blended Hourly Rate Analyst II/Manager (40/20)	\$ 57.85	Labor & OH 2025		2
3					3
4	Approximate hours to review and respond to request		0.50 30 minutes		4
5					5
6	Direct labor	\$ 28.93	The product of lines 3 and 5		6
7					7
8	Labor overheads	\$ 25.07	Labor & OH 2025		8
9					9
10	Total labor	<u>\$ 53.99</u>	The sum of lines 8 and 10		10

**2025 #23 Account Analysis Routine**

Line No.	Cost Component	Amount	Methodology	Ref.	Line No.
1					1
2	Labor	\$ 23.78	Work paper 22.1: Labor		2
3					3
4	Other	\$ -			4
5					5
6	Total	<u>\$ 23.78</u>	The sum of lines 2 and 4		6

**Work paper 23.1: Labor**

Line No.	Cost Component	Amount	Notes	Ref.	Line No.
1					1
2					2
3	Analyst II Hourly Rate	\$ 50.96	Labor & OH 2025	Rhonie	3
4					4
5	Approximate hour amount required to process request		0.25 15 minutes		5
6					6
7	Direct labor	\$ 12.74	The product of lines 3 and 5		7
8					8
9	Labor overheads	\$ 11.04	Labor & OH 2025		9
10					10
11	Total labor	<u>\$ 23.78</u>	The sum of lines 9 and 11		11

**2025 #24: Account Analysis Complex**

Line No.	Cost Component	Amount	Methodology	Ref.	Line No.
1					1
2	Labor	\$ 115.77	Work paper 22.1: Labor		2
3					3
4	Other	\$ -			4
5					5
6	Total	<u>\$ 115.77</u>	The sum of lines 2 and 4		6

**Work paper 23.1: Labor**

Line No.	Cost Component	Amount	Notes	Ref.	Line No.
1					1
2	Blended Hourly Senior I/Manager (40/20)	\$ 62.02	Labor & OH 2025		2
3					3
4	Hourly Rate		1 60 minutes		4
5					5
6	Direct labor	\$ 62.02	The product of lines 3 and 5		6
7					7
8	Labor overheads	\$ 53.75	Labor & OH 2025		8
9					9
10	Total labor	<u>\$ 115.77</u>	The sum of lines 6 and 8		10

**2025 #25: CCA Late Payment**

Line No.	Cost Component	Amount	Methodology	Ref.	Line No.
1					1
2		<u>1.50%</u>	Commercial standard rate		2

**2025 #26: CCA Return Payment**

Line No.	Cost Component	Amount	Methodology	Ref.	Line No.
1					1
2	Labor	\$	2.89 Work paper 40.1: Labor		2
3					3
4	Other	\$	7.00 Work paper 40.2: Other Costs		4
5					5
6	Total	<u>\$</u>	<u>9.89</u> The sum of lines 2 and 4		6

**Work paper 26.1: Labor**

Line No.	Cost Component	Amount	Notes	Ref.	Line No.
1					1
2	Associate II Hourly Rate	\$	46.39 Labor & OH 2025		2
3					3
4	Exception Handling		0.03 2 minutes		4
5					5
6	Direct labor	\$	1.55 The product of lines 2 and 4		6
7					7
8	Labor overheads	\$	1.34 Labor & OH 2025		8
9					9
10	Total labor	<u>\$</u>	<u>2.89</u> The sum of lines 6 and 8		10

**Work paper 26.2: Other Costs**

Line No.	Cost Component	Amount	Notes	Ref.	Line No.
1					1
2	Bank charge	\$	7.00 B of A Charges		2
3					3
4	Total	<u>\$</u>	<u>7.00</u> The sum of line 2		4

**2025 #27.1 Data Access - Cost Per Query**

Line No.	Cost Component	Amount	Methodology	Ref.	Line No.
1					1
2	Data Processing	0.44	AWS hourly rate based on the number of Data Processing Units		2
3					3
4	Data Processing Units	20			4
5					5
6	Time (Minutes)	0.140	Average time per query - 2025 actual		6
7					7
8	Total	<u>\$ 1.23</u>	Product of lines 2, 4 and 6		8

**2025 #27.2 Data Access - Monthly Storage & Account Maintenance**

Line No.	Cost Component	Amount	Methodology	Ref.	Line No.
			<b>Work paper 27.2: Other Costs</b>		
1					1
2	Storage (Monthly)	\$ 56.04	2025 average monthly cost		2
3					3
4	% share	75%	share attributed to CCA data		4
5					5
6	Monthly Storage Cost	\$ 42.03	The product of lines 2 and 4		6
7					7
8	Account Maintenance (Monthly)	\$ 410.25	Account charges associated with the operations of the AWS account		8
9					9
10	% share	40%	% of all users		10
11					11
12	Account Maintenance Cost	\$ 164.10	The product of lines 2 and 4		12
13					13
14	Total Monthly Cost	<u>\$ 206.13</u>	The sum of lines 6 and 12		14

Labor & Overhead 2025

Payband	Rate	Title Examples
Anchor Annual Pay	\$87,500.00	Grade 06
Anchor Hourly Rate	\$42.07	Associate I
Anchor Annual Pay	\$96,500.00	Grade 07
Anchor Hourly Rate	\$46.39	Associate II
Anchor Annual Pay	\$106,000.00	Grade 08
Anchor Hourly Rate	\$50.96	Analyst II
Anchor Annual Pay	\$119,000.00	Grade 09
Anchor Hourly Rate	\$57.21	Senior I
Anchor Annual Pay	\$133,500.00	Grade 10
Anchor Hourly Rate	\$64.18	Senior II
Anchor Annual Pay	\$149,000.00	Grade 11
Anchor Hourly Rate	\$71.63	Manager

Blended Hourly Rates 40+20 hour		
Analyst II	\$57.85	67%
Manager		33%
Senior I	\$62.02	67%
Manager		33%

Blended Hourly Rates 30+30 hour		
Analyst II	\$61.30	50%
Manager		50%
Senior I	\$64.42	50%
Manager		50%

San Diego Gas & Electric  
Planning Overhead Rates

Overhead Description	Loading Base Description	2025 Avg
<b>Core Loaders</b>		
Payroll Tax	Company Lbr	7.16%
ICP	Company Lbr (non-union) ST & ST portion of OT	26.79%
Pension and Benefits	Company Lbr ST & ST portion of OT	27.01%
Worker's Compensation	Company Lbr ST & ST portion of OT	0.65%
Vacation and Sick	Company Lbr ST & ST portion of OT	16.12%
PLPD Overhead	Company Lbr ST & ST portion of OT	8.93%
Union Contract - Labor	Union Labor	0.00%
		<b>86.66%</b>
<b>Purchase &amp; Warehouse</b>		
Purchasing	Purchased Materials, Services, Warehouse Issuances, & Contract Costs	0.91%
Warehouse	Warehouse Issuances	12.92%
Exempt Materials - Electric	Warehouse Issuances	9.85%
Exempt Materials - Gas	Warehouse Issuances	35.90%
Exempt Materials - Common	Warehouse Issuances	16.21%
		<b>0.91%</b>

2023-2025 Error Processing	Year <i>*mass enrollment year</i>	Actual Count (#)	Error Code	AHT <i>(2023 BPEM study)</i>	Weighted AHT	Error Rate (#)	Error Rate (%)	Weighted Avg Error Rate (%)	Notes
CCASR <i>(Opt Out)</i>									CD01 use for drop failures upon opt-out. This number increases during mass enrollment period.
	2025	8475 24%	2025 CD01 2025 CD04 Total		10 min	5 82 87	1.03%	1%	
	2024*	15731 45%	2024 CD01 2024 CD04 Total		9	13 53 66	0.42%		
	2023*	11059 31%	2023 CD01 2023 CD04 Total	5 10	9	4 24 28	0.25%		
CCASR w/out confirmation <i>(Opt-in after OO)</i>									CE01 & CE04 use for enrollment failures upon opt-in after opt-out. This number increases during mass enrollment period.
	2025	4606 1%	2025 CE01 2025 CE04 Total		7 min	106 77 183	3.97%	11%	
	2024*	120217 30%	2024 CE01 2024 CE04 Total		5	12135 1016 13151	10.94%		
	2023*	273340 69%	2023 CE01 2023 CE04 Total	5 10	5	28883 1740 30623	11.20%		
New Customer <i>(Move In)</i>									CT15 use for a Move In cancel and reinstate. CT14 use for failure to enroll at meter set
	2025	316,031 36%	2025 CT14 2025 CT15 Total		34 min	68 1579 1647	0.52%	1%	
	2024*	302,073 35%	2024 CT14 2024 CT15 Total		35	19 3244 3263	1.08%		
	2023*	249,868 29%	2023 CT14 2023 CT15 Total	15 35	35	12 4372 4384	1.75%		
Consolidated Billing <i>(Inbound 810 CCA Charges)</i>									CT04 Inbound 810 errors CT02 Outbound 867 errors, which results in delayed inbound 810
	2025	14,315,502 36%	2025 CT04 2025 CT02 Total		21 min	9319 4508 13827	0.10%	0.1%	
	2024*	13,767,174 35%	2024 CT04 2024 CT02 Total		21	4332 2269 6601	0.05%		
	2023*	11,416,145 29%	2023 CT04 2023 CT02 Total	25 12	20	4505 2625 7130	0.06%		

### Monterey Park Cost Sheet

Form	Quantity	Price	
Letter Remit 17 Treated	1	\$0.02	<i>Paper</i>
Envelope	Quantity	Price	
101-386-I	1	\$0.03	<i>Outbound envelope</i>
101-486-B	1	\$0.02	<i>Remittance Envelope</i>
Postage		Price	
Notice Blended Rate	1	\$0.61	<i>Postage</i>
Handling		Price	
Cost Per Item	1	\$0.17	<i>Loaded cost of handling</i>
<b>Total Cost</b>		<b>\$0.80</b>	

**WP: Letter, Postage & Handling**

<b>Line No.</b>	<b>Cost Component</b>	<b>Amount</b>	<b>Methodology</b>	<b>Ref.</b>	<b>Line No.</b>
1					1
2	Handling Charge		<b>\$0.17</b> Monterey Park Cost Sheet		2
3					3
4	Stationary		<b>\$0.05</b> Monterey Park Cost Sheet		4
5					5
6	Postage		<b>\$0.61</b> Monterey Park Cost Sheet		6
7					7
8	Total	<b>\$</b>	<b><u>0.83</u></b> Sum of lines 2 through 6		8

WP: Telecomm  
 All Departments  
 2025 YTD

Call Center		Actuals												Actual Dec YTD
Cost Center	Vendor Name	25-Jan	25-Feb	25-Mar	25-Apr	25-May	25-Jun	25-Jul	25-Aug	25-Sep	25-Oct	25-Nov	25-Dec	
2100-0019	AWS	97,772	140,157	(116,011)	66,883	(63,610)	-	122,431	64,536	123,353	69,053	(25,879)	89,578	568,263
2100-4210	AWS	2,369	1,966	2,260	3,115	4,690	3,722	5,874	5,808	1,627	3,461	3,735	3,968	42,594
Total		100,142	142,123	(113,751)	69,998	(58,920)	3,722	128,305	70,344	124,980	72,514	(22,144)	93,546	610,857

Call Volume 620,279  
 Total Mins 18,640,806

1,922,805 **2,543,084** Total IVR Calls

**Cost X Call 0.24**  
**Cost X Min 0.033**

**WP: Telecomm**

Line No.	Cost Component	Amount	Methodology	Ref.	Line No.
1					1
2	Telecommunications Cost Per Minute	<b>\$0.03</b>	Telecomm Cost Sheet		2
3					3
4	Total	<u><b>\$ 0.03</b></u>	Sum of lines 2 through 6		4

FORECAST							
	Estimated Volume	Current Schedule	Basis	Old Rate	New Schedule	New Item Total	% change
<b>CEA</b>						<b>\$ 819,199.44</b>	<b>14%</b>
11 - CCASR (Opt Out)	2,512	\$ 1.12	2025 Actual	\$ 1.12	\$ 0.91	\$ 2,274.70	-19%
12 - CCASR without Confirmation Letter	16	\$ 0.69	2025 Actual	\$ 0.69	\$ 0.45	\$ 7.16	-35%
13 - New Customer	58,432	\$ 1.05	2025 Actual	\$ 1.05	\$ 1.41	\$ 82,193.24	37%
15 - Consolidated Utility Billing	2,982,000	\$ 0.22	2025 Actual	\$ 0.22	\$ 0.25	\$ 730,655.63	11%
18 - Extra Days to Process Billing (per account)	1,795	\$ 0.04	2025 Actual	\$ 0.04	\$ 0.04	\$ 74.34	4%
18 - Extra Days to Process Billing (per request)	23	\$ 5.00	2025 Actual	\$ 5.00	\$ 23.78	\$ 546.97	376%
32 - Interval Data Access	12	\$ 125.90	2025 Actual	\$ 25.17	\$ 41.23	\$ 494.71	-36%
32 - Interval Data Access	1,060	\$ 1.26	2025 Actual	\$ 1.26	\$ 1.23	\$ 1,305.92	N/A
Account Analysis Routine	14		Estimated Average	N/A*	\$ 23.78	\$ 332.94	N/A
Account Analysis Complex	8		Estimated Average	N/A*	\$ 115.77	\$ 926.12	N/A
Rebill Routine	3		Estimated Average	N/A*	\$ 31.71	\$ 95.12	N/A
Rebill Complex	2		Estimated Average	N/A*	\$ 86.82	\$ 173.65	N/A
Resend File Routine	3		Estimated Average	N/A*	\$ 21.65	\$ 64.95	N/A
Resend File Complex	1		Estimated Average	N/A*	\$ 53.99	\$ 53.99	N/A
<b>SDCP</b>						<b>\$ 3,165,419.43</b>	<b>14%</b>
11 - CCASR (Opt Out)	5,963	\$ 1.12	2025 Actual	\$ 1.12	\$ 0.91	\$ 5,399.70	-19%
12 - CCASR without Confirmation Letter	65	\$ 0.69	2025 Actual	\$ 0.69	\$ 0.45	\$ 29.09	-35%
13 - New Customer	261,517	\$ 1.05	2025 Actual	\$ 1.05	\$ 1.41	\$ 367,862.28	38%
15 - Consolidated Utility Billing	11,333,502	\$ 0.22	2025 Actual	\$ 0.22	\$ 0.25	\$ 2,776,957.44	11%
18 - Extra Days to Process Billing (per account)	39,168	\$ 0.04	2025 Actual	\$ 0.04	\$ 0.04	\$ 1,622.13	4%
18 - Extra Days to Process Billing (per request)	104	\$ 5.00	2025 Actual	\$ 5.00	\$ 23.78	\$ 2,473.25	376%
32 - Interval Data Access	12	\$ 125.90	2025 Actual	\$ 100.72	\$ 164.90	\$ 1,978.85	19%
32 - Interval Data Access	1,060	\$ 1.26	2025 Actual	\$ 1.26	\$ 1.23	\$ 1,305.92	N/A
Account Analysis Routine	74		Estimated Average	N/A*	\$ 23.78	\$ 1,759.81	N/A
Account Analysis Complex	39		Estimated Average	N/A*	\$ 115.77	\$ 4,514.84	N/A
Rebill Routine	15		Estimated Average	N/A*	\$ 31.71	\$ 475.62	N/A
Rebill Complex	7		Estimated Average	N/A*	\$ 86.82	\$ 607.77	N/A
Resend File Routine	15		Estimated Average	N/A*	\$ 21.65	\$ 324.75	N/A
Resend File Complex	2		Estimated Average	N/A*	\$ 53.99	\$ 107.99	N/A
<b>Annual Totals</b>						<b>\$ 3,984,618.87</b>	<b>14%</b>

\*N/A rates are those not charged in 2025

Historical	2025 Count	2025 Charges
<b>Total</b>	<b>14,685,845</b>	<b>\$ 3,491,389</b>
<b>CEA</b>	<b>3,045,149</b>	<b>\$ 720,029</b>
11 - CCASR (Opt Out)	2,512	\$ 2,813
12 - CCASR without Confirmation Letter	16	\$ 11
13 - New Customer	58,432	\$ 60,199
15 - Consolidated Utility Billing	2,982,000	\$ 656,040
18 - Extra Days to Process Billing (per account)	1,795	\$ 72
18 - Extra Days to Process Billing (per request)	23	\$ 115
32 - Interval Data Access	371	\$ 779
5 - Mass Enrollment	-	\$ -
<b>SDCP</b>	<b>11,640,696</b>	<b>\$ 2,771,360</b>
11 - CCASR (Opt Out)	5,963	\$ 6,679
12 - CCASR without Confirmation Letter	65	\$ 45
13 - New Customer	261,517	\$ 267,520
15 - Consolidated Utility Billing	11,333,502	\$ 2,493,370
18 - Extra Days to Process Billing (per account)	39,168	\$ 1,567
18 - Extra Days to Process Billing (per request)	104	\$ 520
32 - Interval Data Access	377	\$ 1,660
5 - Mass Enrollment	-	\$ -