

Application No.: A.25-05-012~~XXX~~
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Witness: Jimmy Elias

UPDATED ~~PREPARED~~ DIRECT TESTIMONY OF
JIMMY ELIAS
ON BEHALF OF
SAN DIEGO GAS & ELECTRIC COMPANY

*****PUBLIC VERSION*****

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



May-October 145, 2025

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**UPDATED PREPARED DIRECT TESTIMONY OF
JIMMY ELIAS
ON BEHALF OF SAN DIEGO GAS & ELECTRIC COMPANY**

I. INTRODUCTION

This updated testimony describes the resources San Diego Gas & Electric Company (“SDG&E”) expects to use in calendar year 2026 to provide electric commodity service to its bundled service customers; provides a forecast of the procurement costs that SDG&E expects to record in 2026 to the Energy Resources Recovery Account (“ERRA”), Transition Cost Balancing Account (“TCBA”), Portfolio Allocation Balancing Account (“PABA”), and Local Generation Balancing Account (“LGBA”); provides a 2026 forecast of SDG&E’s San Onofre Generating Station (“SONGS”) Unit 1 Offsite Spent Fuel Storage Costs; provides a forecast of 2026 total greenhouse gas (“GHG”) costs; and provides a 2026 forecast of Tree Mortality Non-Bypassable Charge (“TMNBC”) costs. SDG&E witness Ms. Felan uses my forecast of ERRA, Competition Transition Charge (“CTC”) and Local Generation (“LG”) in developing 2026 revenue requirements for each element. In addition, this testimony provides information that supports SDG&E witness Ms. Wissman’s development of the GHG allowance revenue return allocation for non-residential and residential customers, as well as rates for the Green Tariff Shared Renewables (“GTSR”) program and the Power Charge Indifference Adjustment (“PCIA”). SDG&E witness Ms. Miller uses the forecasted costs and volumes provided in this testimony to calculate PCIA costs to discuss PCIA treatment and related issues.

A. Summary of Testimony

Section II provides a forecast of the energy requirements that will be required to serve SDG&E’s bundled customer load for 2026, as well as forecasts of the supply resources that SDG&E expects to utilize to meet that load in calendar year 2026. The supply resources for the forecasts include: (1) conventional generation resources that are under contract for 2026; (2)

1 generation resources owned by SDG&E; (3) renewable generation resources that are under
2 contract for 2026; and (4) Qualifying Facilities (“QFs”) under the Public Utility Regulatory
3 Policies Act (“PURPA”) that are under contract for 2026.

4 Section III quantifies the costs associated with the resources described in Section II,
5 along with other electric procurement costs that are recorded in ERRA, such as market
6 purchases, California Independent System Operator (“CAISO”) charges and portfolio hedging
7 costs. These costs are summarized in Attachment A.

8 Section IV provides a forecast of the 2026 SONGS Unit 1 Offsite Spent Fuel Storage
9 Costs associated with SDG&E’s 20% minority ownership interest in SONGS.

10 Section V provides a forecast of the 2026 GHG emissions and associated costs, both
11 direct and indirect, incurred in connection with SDG&E’s compliance with California’s cap-and-
12 trade program. This testimony also provides a forecast of GHG allowance auction revenues.

13 Section VI provides a forecast of the 2026 TMNBC costs.

14 Section VII provides a summary of SDG&E’s meet-and-confer activities with
15 Community Choice Aggregators in SDG&E’s service territory.

16 Finally, this testimony refers to the following attachments:

17 Attachment A: SDG&E 2026 ERRA and LG Expenses (CONFIDENTIAL)

18 Attachment B: SDG&E 2026 Generation Portfolio Delivery Volumes (CONFIDENTIAL)

19 Attachment C: SDG&E 2026 Renewable Resource Detail

20 Attachment D: SDG&E 2026 CTC Qualifying Facility Detail (CONFIDENTIAL)

21 Attachment E: SDG&E Greenhouse Gas Detail (CONFIDENTIAL)

1 **II. 2026 FORECAST OF ENERGY REQUIREMENTS AND SUPPLY RESOURCES**

2 **A. Energy Requirements Forecast**

3 The sales forecast utilized in this filing was developed internally by SDG&E witness Mr.
4 Simmerman. This forecast includes the projected load departure of Community Choice
5 Aggregators (“CCA”) Clean Energy Alliance (“CEA”), and San Diego Community Power
6 (“SDCP”). Using this forecast and adjusting for direct access load, SDG&E projects that the
7 energy requirements for SDG&E’s bundled load for 2026 will be [REDACTED] gigawatt hours (“GWh”).
8 The 2026 forecast is [REDACTED] GWh or [REDACTED] less than SDG&E’s forecasted bundled energy for 2025
9 ([REDACTED] GWh).

10 **B. Supply Resource Forecast**

11 After determining the amount of energy that SDG&E’s bundled load customers will
12 require in 2026, SDG&E developed a forecast of the supply that will meet that demand. To
13 quantify the generation associated with the supply resources, I used the PLEXOS production cost
14 modeling software. Inputs to this model include the characteristics of the various generation
15 resources, including capacity, heat rate, operating constraints, both fixed and variable Operating
16 and Maintenance (“O&M”) costs, and other factors that impact each plant’s dispatch and
17 generation costs. The natural gas and electric market price forecasts used are were from Ascend
18 Analytics’ most recent CAISO market intelligence report derived using a recent (March 3, 2025)
19 assessment of 2026 market prices. The model simulates a least-cost dispatch of SDG&E’s
20 resource portfolio for every hour of 2026 to serve load. The supply resources fall into the
21 following four categories, each of which is addressed in the next four subsections.

22 **1. SDG&E-Contracted Conventional Generation**

- 23 • SDG&E has multiple conventional generation resources under contract in
24 its 2026 resource portfolio. These resources are available under a variety

1 of contractual arrangements, including tolling contracts, fixed energy
2 contracts, and contracts for ~~r~~Resource ~~a~~Adequacy only. The largest of the
3 tolling and fixed energy contracts are:

- 4 • the Carlsbad Energy Center Power Purchase Agreement (“PPA”) for the
5 output of a 528 MW simple cycle combustion turbine unit;
- 6 • the Pio Pico Energy Center PPA for the output of a 336 MW simple cycle
7 combustion turbine unit;
- 8 • the Orange Grove PPA for the output of two 48 MW simple cycle combustion
9 turbine units;
- 10 • the El Cajon Energy Center PPA for the output of a 48 MW simple cycle
11 combustion turbine unit; and
- 12 • the Escondido Energy Center PPA for the output of a 48 MW simple cycle
13 combustion turbine unit.

14 The forecasted generation for these contracts is detailed in Attachment B and is
15 summarized in Table 1 below

Table 1: Generation (GWh)			
	2026	2025	Difference
El Cajon Energy Center			
Orange Grove			
Escondido Energy Center			
Pio Pico			
Carlsbad Energy Center			
Total			

1

Table 1: Generation (GWh)			
	2026	2025	Difference
El Cajon Energy Center			
Orange Grove			
Escondido Energy Center			
Pio Pico			
Carlsbad Energy Center			
Total			

2

3 SDG&E also enters into additional contracts each year to meet its California Public
4 Utilities Commission (“Commission” or “CPUC”) Resource Adequacy (“RA”) requirements.²
5 Under its RA contracts, SDG&E shows this capacity as meeting its RA obligation, but SDG&E
6 does not have rights to the energy or ancillary services from these units. For the 2024 ERRR
7 Forecast proceeding, SDG&E was directed in Decision (“D.”) 23-12-021 by the CPUC to use
8 2023 average of actual RA sales as a basis for forecasting 2024 sales.³ However, for the 2026
9 forecast, SDG&E is not held to this methodology.⁴ For 2026, SDG&E calculates Modified Cost
10 Allocation Mechanism (“MCAM”) sales separately from non-MCAM sales. Per D.23-12-014,

¹ Table sums may not total due to rounding.

² California Public Utilities Code Section 380 established the Resource Adequacy program to provide enough resources to the CAISO to ensure the safe and reliable operation of the grid in real time and to provide appropriate incentives for the siting and construction of new resources needed for reliability in the future.

³ D.23-12-021 at Ordering Paragraph (“OP”) 10.

⁴ *Id.*

1 MCAM sales are based on contractual amounts, which were amended per advice letter (“AL”)
2 4516-E in September 2024. For non-MCAM sales, SDG&E determined its total monthly position
3 using the CAISO published ~~2025-2026~~ monthly Net Qualifying Capacity (“NQC”) of each
4 resource in SDG&E’s RA portfolio. To determine the capacity necessary to retain for
5 compliance, SDG&E used monthly CEC/CPUC issued compliance requirements for the most
6 constrained hour by month in 202~~65~~,⁵ applied a 1~~87~~% Planning Reserve Margin (“PRM”),⁶ and
7 included a monthly buffer⁷ to determine its required monthly compliance MW’s. Any remaining
8 excess capacity was assumed to be offered for sale to the market, with any amounts not sold
9 classified as unsold. SDG&E assumed it would further sell ~~2550~~% of this excess RA in Q1, Q2,
10 and Q4, while 100% would be assumed in Q3. For 2026, SDG&E forecasts average monthly
11 MCAM and non-MCAM sales of [REDACTED] MW and [REDACTED] MW⁸ of RA capacity, respectively.
12 Rulemaking (“R.”) 20-05-003⁹ established the cost recovery mechanism for the resources in

⁵ 202~~65~~ Coincident Peak Forecast used to determine most constrained hour.

⁶ 1~~87~~% PRM approved in D.2~~54~~-06-0~~4804~~ at OP ~~65~~.

⁷ Q1: [REDACTED] buffer, Q2: [REDACTED] buffer, Q3: [REDACTED] buffer, ~~Oct~~Q4: [REDACTED] buffer,
Nov: [REDACTED] buffer, Dec: [REDACTED] buffer

⁸ ~~Expected to change for October update based on upcoming solicitations and market conditions~~

⁹ A successor docket to R.16-02-007, this proceeding addressed ongoing oversight of the Integrated Resource Plan (“IRP”) planning process and the procurement necessary to achieve the goals set by the Legislature in Senate Bill (“SB”) 350 and SB 100, as well as by the Commission in R.16-02-007.

1 compliance with D.19-11-016,¹⁰ while D.21-03-056¹¹ establishes the cost recovery mechanism
2 for resources as a result of procurement in R.20-11-003.¹²

3 **2. SDG&E-Owned Dispatchable Generation**

4 SDG&E owns several generation facilities, which it uses to meet its bundled customer
5 load, including the following:

- 6 • the Palomar Energy Center (“Palomar”), a 588 MW combined cycle
7 power plant;
- 8 • the Desert Star Energy Center (“Desert Star”), a 485 MW combined cycle
9 power plant;
- 10 • the Miramar Energy Facility (“Miramar I and II”), consisting of two 48
11 MW simple cycle combustion turbine units;
- 12 • the Battery Storage facilities, consisting of El Cajon at 7.5 MW, Top Gun
13 at 30 MW, Fallbrook at 40 MW, Escondido at 30 MW, Melrose at 20
14 MW, Pala-Gomez at 10 MW, Clairemont at 9 MW, Boulevard at 10 MW,
15 Elliott at 10 MW, Paradise at 10 MW, Fallbrook 2 at 29.6 MW, Kearny
16 (“Kearny South and North”), consisting of two 10 MW facilities, Westside
17 Canal at 131 MW, Westside Canal 2 at 100 MW, and Santee at 10 MW;

¹⁰ The IRP proceeding, R.16-02-007, issued D.19-11-016, requiring 3,300 MW of procurement by all load-serving entities (“LSEs”) within the CAISO for purposes of long-term statewide planning. The decision required at least 50% of the resources to come online by August 1, 2021, 75% by August 1, 2022, and 100% by August 1, 2023.

¹¹ Electric Reliability proceeding directed the investor-owned utilities (“IOUs”) to procure additional resources for the summers of 2021 - 2023; procurement was expanded to include 2024 - 2025 in D.23-06-029.

¹² During August 2020, the Commission instituted the Emergency Reliability Rulemaking Order as a result of extreme heat storms experienced in California.

- the Cuyamaca Peak Energy Plant, consisting of a 45 MW simple cycle combustion turbine.

These units are dispatched by the CAISO for generation and ancillary services (“A/S”) awards based on economic merit.¹³ The forecasted generation for these plants for 2026 is detailed in Attachment B and is summarized in Table 2 below:

Table 2: Generation (GWh)			
	2026	2025	Difference
Palomar			
Desert Star			
Miramar			
Battery Storage			
Cuyamaca			
Total			

Table 2: Generation (GWh)			
	2026	2025	Difference
Palomar			
Desert Star			
Miramar			
Battery Storage			
Cuyamaca			
Total			

3. Renewable Energy Contracts

The 2026 forecast of renewable energy supply from CPUC-approved contracts is 6,417,474 GWh, which includes 613,574 GWh of Renewable Energy Credit (“REC”) quantities¹⁴ that are delivered to SDG&E in conjunction with existing non-renewable imports.

¹³ SDG&E’s dispatch model considered only generation dispatched for energy and not for A/S because the CAISO co-optimizes market awards between energy and A/S based on the opportunity cost of capacity. Thus, the economic benefit (and ERRRA contribution) of using energy for generation is equivalent to using capacity for A/S.

¹⁴ Renewable Energy Credits represent the green attribute of renewable generation and, while they can be purchased independent of physical delivery of generation from the source, they must accompany a delivery of “tagged” physical power to be imported into California.

1 This forecast represents an ~~increase~~decrease of ~~545398~~ GWh from the 2025 forecast
2 (6,019GWh). The forecasted generation associated with SDG&E’s monthly renewable contracts
3 is set forth in Attachment C.

4 For 2026, SDG&E forecasts it will receive ~~2,359897~~ GWh of bundled renewable energy
5 under 52 contracts with facilities that generate electricity using wind, solar, biogas, and non-
6 pumped hydro technologies. This number considers forecasted RPS sales for 2026 in the amount
7 of ~~4,0574,577~~ GWh. Forecasted sales represent a reduction of renewable energy credits to
8 maintain an equivalent RPS compliance position considering CCA load departure and voluntary
9 allocations of RPS resources as designated in R.18-07-003.¹⁵ These sales volumes are estimates
10 only and do not represent specific current or future agreements with counterparties. The
11 forecasted generation for projects that are currently online and operating is based on recent
12 years’ generation, and for those projects that will come online or have recently come online and
13 are expected to continue operations in 2026, are derived from generation profiles based on
14 historical data for similar technologies.¹⁶ The forecasted energy mix from these renewable
15 resources is shown in Table 3 below:

¹⁵ Based on R.17-06-026 the amount of RPS sales is subject to change.

¹⁶ SDG&E did not include renewable energy quantities or costs associated with the Sustainable Communities Photovoltaic program because costs for this program are not charged to ERRRA.

Table 3: Generation (GWh)			
	2026	2025	Difference
Solar	2,901	3,333	(432)
Wind	1,795	1,831	(36)
Wind RECs	574	628	(54)
Biogas	193	217	(25)
Other	11	9	1
RPS Sales	(4,577)	(3,872)	(705)
Total	897	2,147	(1,251)

Table 3: Generation (GWh)			
	2026	2025	Difference
Solar	3,628	3,333	295
Wind	1,973	1,831	142
Wind RECs	613	628	(15)
Biogas	192	217	(25)
Other	11	9	1
RPS Sales	(4,057)	(3,872)	(186)
Total	2,359	2,147	212

4. Competitive Transition Charge (“CTC”) Contracts

In 2026, SDG&E will have approximately 2 MW of CTC capacity under contract, with one QF.¹⁷

SDG&E’s CTC contracts include a combination of must-take and dispatchable resources. For must-take resources, SDG&E is obligated to pay the contract price for all delivered QF generation and schedule it into the CAISO market; SDG&E has no such obligation with dispatchable resources. The forecast of CTC energy supply for 2026 is [REDACTED]. The forecasted generation for these plants is detailed in Attachment D.

¹⁷ The actual number of active QF contracts is over 50, but many of these QF resources only serve on-site load and do not deliver net energy to SDG&E. As a result, these are not included in the production cost model analysis. The one QF referenced above delivers net energy to SDG&E and thus is included in SDG&E’s model.

1 **III. 2026 FORECAST OF ERRA EXPENSES**

2 To quantify the costs associated with the supply resources described in Section II, the
3 production cost model also tracks the costs of the economic dispatch. Electric procurement
4 expenses incurred by SDG&E to serve its bundled load are also recorded to the ERRA. These
5 expenses include, among other items, costs and revenues for energy and capacity cleared through
6 the CAISO market, power purchase contract costs, generation fuel costs, market energy purchase
7 costs, CAISO charges, brokerage fees, battery storage optimization costs, and hedging costs.

8 SDG&E expects to incur \$~~278~~412 million of ERRA costs in 2026,¹⁸ as reflected in
9 Attachment A. This forecast is \$~~11~~23 million ~~less~~more than the \$389 million forecasted for
10 2025.

11 The above-market costs of all generation resources that are eligible for cost recovery
12 through PCIA rates are recovered in PABA. SDG&E’s 2026 PABA cost forecast is \$~~(205)~~30
13 million.¹⁹ This compares with a forecast of \$(72) million for 2025 filed in the 2025 ERRA
14 forecast proceeding.

15 The cost forecasts for specific ERRA items are discussed in greater detail below.

16 **A. ISO Load Charges**

17 The CAISO supplies and sells to SDG&E the energy and A/S necessary to meet
18 SDG&E’s bundled load requirement. Based on forecasted prices for energy and A/S, SDG&E
19 forecasts \$ [REDACTED] of ISO load charges for 2026. This cost includes the indirect GHG

¹⁸ This amount does not include Franchise Fees and Uncollectible (“FF&U”), nor do any of the other figures in my testimony.

¹⁹ In D.07-01-025, the Commission adopted the PCIA methodology for CCA customers. AL 3318-E, effective January 1, 2019, established the PABA to record the “above-market” costs and revenues associated with all PCIA eligible resources by vintage subaccounts.

1 costs embedded in the market price of energy. GHG quantities and costs are presented in
2 Section V.

3 **B. ISO Supply Revenues**

4 In the CAISO market, all generation from SDG&E’s resource portfolio is sold to the
5 CAISO. Based on the market price benchmark for energy, SDG&E forecasts revenues totaling
6 \$ [REDACTED] for generation sold in 2026.

7 **C. Contracted Energy Purchases**

8 **1. Purchased Power Contracts**

9 SDG&E’s forecast of total costs for non-renewable power purchase and capacity
10 contracts in 2026 is \$ [REDACTED]. These costs cover capacity payments and variable
11 generation costs for facilities with which SDG&E has contracts. The largest components in this
12 category are midterm reliability procurement projects totaling [REDACTED].^{20,21} This
13 category also includes \$ [REDACTED] of RA sale transactions to maintain SDG&E’s RA
14 compliance position considering CCA load departure in 2026.

15 **2. Renewable Energy Contracts**

16 SDG&E’s renewable energy contracts usually contain only an energy payment and no
17 capacity payment. For 2026, SDG&E’s renewable energy portfolio will include a cost for all the
18 renewable power delivered based on contract prices and the RECs described in Section II under
19 “Renewable Energy Contracts.” All costs associated with these contracts are forecasted to be

²⁰ Resolution E-5277 was approved July 13, 2023 allowing SDG&E to count the utility-owned Westside Canal Energy Storage Project towards its midterm reliability procurement requirements pursuant to D.21-06-035 and modify the project’s cost recovery mechanism to PCIA vintage 2021.

²¹ AL 4096-E which included three projects: Edward Sanborn, Bottleneck, and Cald was approved January 2023. AL 4189-E which included projects: Yellow Pine Solar Hybrid, Daggett Storage and Nova Power Bank Storage was approved August 2023. AL 4299-E which included one project: Edward Sanborn BESS was approved March 2024.

1 ~~\$367-271~~ million for 2026 and are booked to ERRR with above market costs booked to PABA.
2 This includes ~~\$284-219~~ million of REC sales to maintain an equivalent RPS compliance position
3 considering CCA load departure and allocations according to the VAMO process outlined in
4 R.18-07-003. Attachment C details the renewable projects by technology type, their costs, and
5 forecasted energy deliveries.

6 Customers who opt into the Green Tariff Shared Renewables (“GTSR”) program, which
7 consists of both a Green Tariff (“GT”) component and an Enhanced Community Renewables
8 (“ECR”) component, pay a subset of the renewable costs.²² On August 25, 2022, the CPUC
9 issued a ruling that suspended the GT program; as a result, the estimated GT customer usage in
10 2026 is 0 GWh.²³ The Interim Pool Sales for 2026 are forecast to be zero because forecasted
11 customer usage is lower than the forecasted generation from the Midway and Wister solar
12 projects. The estimated GT charges include the cost of local solar²⁴ of \$ [REDACTED], Grid
13 Management Charges (“GMC”) of ~~\$1-4991-685~~/MWh and Western Renewable Energy
14 Generation Information System (“WREGIS”) costs of \$0.00400/MWh. The estimated total
15 energy procurement cost of GT in 2026 is \$0. On September 27, 2024, SDG&E filed a Tier 2
16 AL to close its ECR program.²⁵ Therefore, as discussed in the testimony of SDG&E witness Ms.
17 Wissman, SDG&E is not providing illustrative ECR rates in this Application.

²² D.15-01-051 authorizing the GTSR program was approved on January 29, 2015. The GT and ECR components are two separate rate offerings under the GTSR Program accessing different pools of solar resources and with different terms.

²³ GT and ECR usage forecasts were developed using average consumption estimates for each customer class in conjunction with program enrollment targets.

²⁴ Cost of local solar is an average price of projects built specifically to serve the GT component (GT Dedicated Procurement Projects).

²⁵ AL 4522-E, approved on October 27, 2024.

1 **3. Competitive Transition Charge (“CTC”) Contracts**

2 SDG&E’s CTC contracts consist of dispatchable capacity or firm capacity PURPA
3 contracts. These contracts include provisions for both energy and capacity payments. The
4 energy payments for QFs that are under firm capacity PURPA contracts are forecasted using
5 SDG&E’s Short-Run Avoided Cost (“SRAC”) formula.²⁶ For the dispatchable contracts,
6 SDG&E pays fuel, variable O&M and capacity payments. These contracts, whether PURPA or
7 dispatchable, are considered CTC contracts and the ERRA expenses are based on CAISO
8 revenues. This method was approved in D.24-12-040, and full details are discussed in the
9 testimony of SDG&E witness Ms. Felan. Any costs, including capacity payments, greater than
10 the market price benchmark are booked to the TCBA. For the purposes of ERRA accounting,
11 ERRA expenses for CTC contracts are recorded on Line 7 of Attachment A, “Contract Costs
12 (CTC up to market),” and are forecasted to be ██████████ in 2026. Attachment D details the
13 breakdown of all the units discussed in this section and shows the associated costs, both ERRA
14 and TCBA, and the forecasted energy deliveries. These costs include the indirect GHG cost
15 embedded in the market price that flows through the SDG&E SRAC formula. GHG quantities
16 and costs are presented in Section IV of this testimony.

17 **D. Generation Fuel**

18 **1. Palomar, Desert Star, Miramar and Cuyamaca (Fuel Expenses**
19 **Recovered through ERRA)**

20 For 2026, the ERRA expense for generation fuel purchased by SDG&E for Palomar,
21 Miramar I & II, Desert Star and Cuyamaca is forecasted to be \$ ██████████.²⁷ These

²⁶ The derivation of the SRAC price for QF contracts is posted monthly on an SDG&E website:
<http://www2.sdge.com/SRAC/>.

²⁷ Capital and non-fuel operating costs for these plants are recovered in the Non-Fuel Generation
Balancing Account (“NGBA”) as required by D.05-08-005, Resolution E-3896 and D.07-11-046.

1 forecasted expenses include in lieu of gas fees for Palomar, which are also recovered in ERRRA.
2 These costs are calculated based on SDG&E's forecasted fuel usage for this plant and the
3 applicable tariffs, Schedule GP-SUR²⁸ and Schedule EG.²⁹

4 **E. Local Generation**

5 As previously noted, SDG&E has entered into contracts for generation resources which
6 specifically provide local RA for the SDG&E system, and has additionally procured several
7 energy storage units that it owns. Because these contract costs and energy storage unit costs are
8 allocated to both bundled and unbundled customers, the costs are accounted for in a separate
9 Local Generating Balancing Account. The Carlsbad Energy Center, El Cajon Energy Storage,
10 Top Gun Energy Storage, Fallbrook Energy Storage, Escondido Energy Center, Escondido
11 Energy Storage, Melrose Energy Storage, Pala-Gomez Creek Energy Storage, Pio Pico,
12 Grossmont, a portion of Sentinel Energy Center, Clairemont, Boulevard, Elliot, Paradise,
13 Santee, Westside Canal Storage 2, and Fallbrook Energy Storage 2 contracts are included in this
14 balancing account and are expected to cost \$ [REDACTED], net of supply ISO revenue.
15 Attachment A details the breakdown of local generation expenses.

16 **F. Integrated Resource Planning and Electric Reliability Procurement Tracks**

17 The IRP proceeding, R.16-02-007, issued D.19-11-016, requiring 3,300 MW of
18 procurement by all LSEs within the CAISO for purposes of long-term statewide planning. The
19 decision required at least 50% of the resources to come online by August 1, 2021, 75% by
20 August 1, 2022, and 100% by August 1, 2023. The Commission determined that SDG&E is
21 responsible for 292.9 MW of incremental procurement beyond the State's existing portfolio of

²⁸ Customer-procured Gas Franchise Fee Surcharge.

²⁹ Natural Gas Intrastate Transportation Service for Electric Generation Customers.

1 resources. SDG&E may also be responsible for incremental procurement of LSEs in its service
2 territory that fail to procure, whether by choice or by consequence, their allocation of the total
3 procurement need identified. This “on-behalf-of” procurement is additive to the IOU
4 procurement for its own share of the identified need. In D.19-11-016, the Commission ordered
5 cost recovery for this “backstop” procurement through a MCAM mechanism. Until the
6 Commission adopted the cost recovery for procurement undertaken in D.19-11-016, SDG&E
7 requested that the Commission authorize SDG&E to establish a new memorandum account, the
8 Resource Adequacy Procurement Memorandum Account (“RAPMA”), to track and record costs
9 related to the procurement of incremental RA capacity required by D.19-11-016 and related
10 administrative costs.³⁰ Resolution E-5241, approving SDG&E’s rate implementation plan to
11 recover procurement costs associated with MCAM, was issued January 2023. Therefore, this
12 2026 forecast does not have any forecasted dollars in RAPMA.

13 The Integrated Resource Plan (R.20-05-003) issued Decision D.21-06-035 requiring all
14 LSEs in the CAISO to procure a total of at least 11,500 MW of NQC. The decision requires
15 2,000 MW by 2023, an additional 6,000 MW by 2024, an additional 1,500 MW by 2025, and an
16 additional 2,000 MW by 2026. The Commission determined that SDG&E is responsible for 361
17 MW of incremental procurement beyond the State’s existing portfolio of resources. Due to
18 updated load departure forecasts since the decision, SDG&E filed advice letter 3967-E
19 requesting an adjustment to the capacity requirements to ensure both SDG&E and SDCP’s
20 respective obligations more accurately account for expected load migration. SDG&E and SDCP
21 mutually agreed and requested Commission approval to increase SDG&E’s total procurement
22 obligation by 114.3 MW and correspondingly decrease SDCP’s obligation by the same amount.

³⁰ Advice Letter 3707-E.

1 SDG&E’s new procurement requirement would be 475.3 MW. Any procurement resulting from
2 the Commission’s Order must be requested via advice letter outlining details of the resource and
3 cost recovery methods. SDG&E requested approval for four advice letters, AL 4096-E, AL
4 4189-E, AL 4299-E, and AL 4182-E. AL 4096-E which included three projects: Edward
5 Sanborn, Bottleneck, and Cald was approved January 2023. AL 4189-E which included four
6 projects: Yellow Pine Solar Hybrid, Luna Valley Solar, Daggett Storage and Nova Power Bank
7 Storage was approved August 2023. AL 4299-E which included one project: Edward Sanborn
8 Battery Energy Storage System (“BESS”) was approved March 2024. AL 4182-E included one
9 project: Westside Canal Storage Project and was approved in March 2023. LSEs were not given
10 the opportunity to opt out of this procurement, and procurement costs as a result of this decision
11 are allocated to bundled customers through PCIA. However, the IOUs are designated as
12 backstop procurers in the event an LSE fails to reach its targets, and any backstop procurement
13 costs SDG&E incurs for deficient LSEs are authorized to be recovered through the MCAM cost
14 recovery mechanism.

15 In the Electric Reliability proceeding (R.20-11-003), D.21-03-056 directed the IOUs
16 within the CAISO to procure additional resource capacity for the summers of 2021 and 2022. In
17 subsequent decisions (D.21-12-015 and D.23-06-029), the IOUs were directed to procure
18 additional resource capacity for the summers of 2022, 2023, 2024, 2025. These decisions
19 authorized the IOUs to seek CAM cost recovery for any resulting procurement. SDG&E
20 requested approval for advice letter 4290-E, which included two projects: Fallbrook Energy
21 Storage 2, and Santee BESS, advice letter 4556-E, which included Westside Canal Storage 2,
22 advice letter 3992-E, which included four projects: Clairemont, Paradise, Boulevard, and Elliot,
23 and advice letter 3913-E, which included three projects: Pala-Gomez, Melrose, and Westside

1 Canal Storage Project. AL 4290-E was approved December 2023, AL 4556-E was approved
2 November 22, 2024, AL 3992-E was approved June 2022, and AL 3913-E was approved
3 February 2022. Westside Canal Storage Project was later adjusted in AL 4182-E to comply with
4 IRP procurement as mentioned above.

5 **G. CAISO Related Costs**

6 SDG&E forecasts the miscellaneous CAISO costs to be \$ [REDACTED] in 2026. SDG&E
7 also forecasts the cost of the Federal Energy Regulatory Commission (“FERC”) Fees and
8 Western Renewable Energy Generation Information System to be \$ [REDACTED] in 2026.

9 **H. Hedging Costs & Financial Transactions**

10 SDG&E’s resource portfolio has substantial exposure to gas price volatility because of
11 fuel requirements for its gas-fired resources, as well as the gas price-based pricing formula for its
12 QF contracts. To manage this exposure, SDG&E engages in hedging activity, consistent with its
13 CPUC-approved procurement plan,³¹ and it will book the resulting hedging costs and any
14 realized gains and losses from hedge transactions to ERRA consistent with its CPUC-approved
15 hedge plan. The estimate of hedging costs for 2026 is \$ [REDACTED], calculated as the mark-to-
16 market profit/loss of hedges already in place. The profit/loss of these and future hedges placed
17 will rise and fall with market prices. Therefore, the final cost or savings will not be known until
18 the settlement process has been completed for the hedging transactions. SDG&E’s hedging costs
19 were as of ~~September~~March 13, 2025.

20 SDG&E may also trade short-term financial power products to hedge its long or short
21 position against potentially volatile CAISO market clearing prices. SDG&E does not include a

³¹ SDG&E’s 2014 Long-Term Procurement Plan (October 3, 2014), Appendix B: Electric and Gas Hedging Strategy, *available at* <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M147/K780/147780628.PDF> .

1 forecast of net cost or benefit from these power hedges due to the unpredictability of market
2 prices relative to the price of the hedges.

3 **I. Convergence Bids**

4 SDG&E uses convergence bids³² to hedge certain operational risks in the day-to-day
5 management of its portfolio. It is not possible to forecast the gains or losses associated with
6 potential convergence bidding activity because of the unpredictable relationship between day-
7 ahead and real-time prices. Therefore, SDG&E did not forecast an ERRA revenue/charge for
8 convergence bids.

9 **J. Congestion Revenue Rights (“CRRs”)**

10 Market participants, including SDG&E, were allocated CRRs by the CAISO for which
11 they can nominate source and sink P-nodes³³ to match those in their portfolio. If congestion
12 arises between the source and sink P-nodes, the CAISO will pay the market participant holding
13 the CRR the congestion charges to offset the congestion costs incurred. SDG&E expects its
14 CRRs to generate revenues from the CAISO to offset congestion costs incurred within its
15 portfolio. However, expected revenues were not included in the 2026 ERRA forecast because
16 SDG&E assumed congestion-free clearing prices to develop forecasts for load requirement costs
17 and generation revenues. A forecast of CRR revenues would have required SDG&E to forecast

³² A convergence bid (also known as a virtual bid) is not backed by any physical generation or load and is thus completely financial. Convergence bidding allows market participants to arbitrage expected price differences between the Day-Ahead and Real-Time markets. Using convergence bids, market participants can sell (buy) energy in the Day-Ahead market, with the explicit requirement to buy (sell) that energy back in the Real-Time market, without intending to physically consume or produce energy in Real-Time. Convergence bids that clear the Day-Ahead market will either earn (or lose) the difference between the Day-Ahead and Real-Time market prices at a specified node multiplied by the megawatt volume of their bids.

³³ The source and the sink are the two ends of a path for which congestion may occur. The CRR represents the difference in the Marginal Cost of Congestion component of the Locational Marginal Prices for the Nodal Prices of the source and sink.

1 offsetting market-congestion prices at various P-nodes over the 2026 period. Since there are no
2 forward market prices for congestion, there does not exist a strong basis to perform this forecast
3 without introducing complexity and additional uncertainty into the forecast.

4 Market participants, including SDG&E, are offered the ability to purchase CRRs through
5 an auction process. SDG&E may elect to participate in the annual and monthly auction
6 processes to procure the incremental CRRs. Since the incremental CRRs volumes cannot be
7 forecasted, the incremental CRR costs and revenues also cannot be forecasted.

8 **K. Inter-Scheduling Coordinator Trades (“IST”)**

9 In the CAISO market, SDG&E may transact ISTs³⁴ bilaterally with counterparties to
10 hedge long or short positions. Under an IST purchase, SDG&E pays the counterparty the
11 contracted energy price and in return receives payment from the CAISO based on the market
12 clearing price. Under an IST sale, SDG&E receives payment from the counterparty based on the
13 contracted energy price and in return pays the market clearing price to the CAISO. For IST
14 purchases and sales, the payment to, or revenue from, the counterparty is largely offset by the
15 respective credit from, or payment to, the CAISO. Because ISTs are used as a hedge against
16 unknown market prices, SDG&E does not include a forecast of the net cost or benefit from these
17 transactions.

18 **IV. SONGS UNIT 1 OFFSITE SPENT FUEL STORAGE COSTS**

19 **A. Background**

20 SONGS Unit 1 ceased operation on November 30, 1992. Defueling was completed on
21 March 6, 1993. On July 18, 2005, SDG&E submitted AL 1709-E, which removed SONGS Unit

³⁴ ISTs are financial bilateral transactions which allow SDG&E to hedge long or short price positions in the market.

1 1 shutdown O&M expense from the revenue requirement pursuant to D.04-07-022. Southern
2 California Edison Company (“SCE”), the majority owner of SONGS, has decommissioned the
3 Unit 1 facility, and as of 2010, most of the Unit 1 structures and equipment have been removed
4 and disposed of.

5 Spent fuel assemblies from SONGS Unit 1 have been stored since 1972 at the General
6 Electric-Hitachi spent fuel storage facility located in Morris, Illinois. There are 270 spent fuel
7 assemblies from SONGS Unit 1 currently in storage at that facility. Because there are no other
8 facilities currently available in the U.S. for the commercial storage of spent nuclear fuel, those
9 270 assemblies are expected to remain at the Morris facility until they are accepted for ultimate
10 disposal by the U.S. Department of Energy. Pursuant to the terms of the storage contract with
11 General Electric-Hitachi, payments are made monthly by SCE, which in turn bills SDG&E for its
12 20% ownership share.

13 **B. 2026 Forecast**

14 SDG&E estimates its 2026 SONGS Unit 1 offsite spent fuel storage expense to be \$0. On
15 February 28, 2022, SDG&E filed A.22-02-016 which requested retaining the Department of
16 Energy (“DOE”) Spent Fuel Litigation Proceeds in its Unit 1 Non-Qualified Nuclear
17 Decommissioning Trust (“NQNDT”), and to use these proceeds to fund GE-Hitachi spent fuel
18 storage expenses and suspend recovery of these charges through ERRAs. On August 5, 2024, the
19 Commission issued its Final Decision granting SDG&E authorization to deposit DOE litigation
20 proceeds in its Unit 1 NQNDT and to use the proceeds to pay for the costs of the spent fuel at the
21 GE-Hitachi facility. SDG&E will start paying for GE-Hitachi facility Unit 1 spent fuel costs
22 from its Unit 1 NQNDT beginning in 2025.³⁵

³⁵ D.24-08-001, Conclusions of Law (“COL”) 12.

1 **V. 2026 FORECAST OF GHG COSTS**

2 In this section, my testimony describes the cost forecast for GHG compliance obligations
3 under the California Air Resources Board (“CARB”) cap-and-trade program. The cap-and-trade
4 program provides that compliance obligations in the electricity sector are applicable to “first
5 deliverers of electricity.”³⁶ Generally, first deliverers of electricity in 2026 are electricity
6 generators inside California that emit more than 25,000 metric tons (“MT”) of GHG, and
7 importers of electricity from outside of California. SDG&E is the first deliverer for its utility-
8 owned generation, for generation it purchases under third-party tolling agreements in California,
9 and for its imports of electricity into California. The cost of allowances and offsets is a direct
10 GHG cost. In Section V.A below, this testimony addresses the direct GHG compliance costs
11 associated with SDG&E utility-owned generation plants, procurement of electricity from third
12 parties under tolling agreements, and electricity imports attributed to SDG&E.

13 SDG&E customers also face a second type of GHG compliance cost – indirect costs.
14 Indirect costs are costs embedded in market electricity prices, or costs that SDG&E incurs from
15 third parties under contracts. The party selling the power is responsible for the GHG allowance
16 acquisition, but it implicitly charges SDG&E for the cost of acquiring allowances. In Section
17 V.B below, indirect GHG costs are addressed. Section V.C describes the calculation of both
18 direct and indirect 2026 GHG costs. Finally, Section V.D discusses the 2026 allowance auction
19 revenues and the allocations of those revenues.

³⁶ CARB, Article 5: California Cap on Greenhouse Gas Emissions and Market-based Compliance Mechanisms, at 60, Section 95811(b), *available at* <https://ww2.arb.ca.gov/sites/default/files/barcu/regact/2018/capandtrade18/ct18fro.pdf>,

1 **A. Direct GHG Emissions**

2 Each first deliverer of electricity within California must surrender to CARB one
3 allowance or offset for each MT of carbon dioxide emissions or its equivalent (CO₂e). Under
4 CARB’s first deliverer approach, SDG&E will have a direct compliance obligation for GHG
5 emissions from burning natural gas at facilities in its portfolio, including carbon dioxide,
6 methane, and nitrous oxide. SDG&E’s expected direct GHG compliance costs were forecasted
7 using the same production simulation model results that produced the ERRAs discussed
8 above. The amount of fuel needed for each natural gas fired plant is provided as an output based
9 on the expected operation of the plant, including fuel associated with starts. The fuel volume is
10 then multiplied by an emissions factor of 0.05307 MT of CO₂e per MMBtu to calculate direct
11 emissions obligations for each plant.³⁷ The forecast of GHG emissions from SDG&E facilities
12 in 2026 is included in Table 4 below.

13 Similarly, the estimated emissions for tolling agreements are estimated by multiplying the
14 forecast of MMBtu of natural gas burned from the production simulation by the emission factor
15 of 0.05307 MT of CO₂e per MMBtu. Table 4 below provides the forecast of GHG emissions
16 from generators that are under tolling agreements with SDG&E in 2026.

17 In addition, SDG&E imports out-of-state electricity to a delivery point inside California,
18 and it is thus responsible for the GHG emissions attributed to generation of that electricity.

19 There are three categories of GHG emissions associated with imports.

³⁷ CARB’s Mandatory Reporting Regulations requires use of emission factors from federal regulations - 40 Code of Federal Regulations (“C.F.R.”) Section 98. For pipeline natural gas, there are three components – CO₂, CH₄, and NO₂. Using Tables C-1 and C-2 from 40 C.F.R. Subpart C, Section 98 we calculate an overall emissions rate of 0.05307 MT/MMBtu. SDG&E’s portfolio of GHG emitting resources uses only natural gas, not other fuels.

1 First, there are imports from “specified sources” (*i.e.*, imports where the source of the
2 power is known), which consist of either a specific plant or an asset-controlling supplier.³⁸
3 Accordingly, power from SDG&E’s Desert Star combined-cycle generation plant in Nevada, for
4 example, is included on the same basis as SDG&E’s other utility-owned facilities—multiplying
5 the forecast of MMBtu of natural gas burned from the production simulation by the emission
6 factor of 0.05307 MT of CO₂e per MMBtu.

7 Second, imported power from “unspecified sources” is multiplied by an estimated
8 transmission loss factor of 1.02³⁹ to estimate the MWh related to emitting generation from
9 unspecified electricity imports. The quantity is multiplied by the CARB default emission rate,
10 which is 0.428 metric tons of CO₂e per MWh. For any market purchases of energy, 2.5% of the
11 total purchased power is considered to be an unspecified power import with direct GHG
12 emissions.

13 The emissions of imported power are shown in Table 4 below. Monthly emissions for all
14 categories are summarized in Attachment E.

15 **B. Indirect GHG Emissions**

16 In addition to the direct GHG costs described above, the cap-and-trade program results in
17 GHG compliance costs being embedded in the market price of electricity procured in the
18 wholesale market and from third parties. The cost to purchase electricity from the wholesale
19 market, as well as from suppliers under contracts that include market-based prices, will have
20 these embedded costs of compliance with the cap-and-trade program built into the electricity

³⁸ SDG&E currently does not have any contracts with asset-controlling suppliers such as the Bonneville Power Administration or Powerex. CARB assigns an emissions factor based on the entire portfolio for these suppliers.

³⁹ Transmission losses on SDG&E’s system are measured at approximately 2% of load requirement.

1 price. The compliance instrument will be procured by the first deliverer, rather than by SDG&E,
2 as purchaser. SDG&E’s expected indirect GHG compliance costs are based on an assumption
3 that all power sold by SDG&E-controlled assets are used by SDG&E customers, up to the level
4 of the forecasted SDG&E load.⁴⁰ If the total CAISO market purchases exceed the MWh from
5 SDG&E-controlled generation, then the assumption is that SDG&E entered into market
6 purchases to cover this difference. To estimate the GHG emissions embedded in these net
7 CAISO market purchases, SDG&E used the CARB’s default emissions rate, which is 0.428 MT
8 per MWh, and considers 97.5% of the total purchased energy to contain indirect GHG emissions
9 after multiplying by an estimated transmission loss factor of 1.02. The rest is considered as
10 imported power with direct GHG emissions as described earlier.

11 In addition to market purchases, contracts with some Combined Heat and Power (“CHP”)
12 facilities are included as indirect costs. Specific CHP contracts require payments based on a
13 market electricity price (with embedded GHG costs), or a fixed heat rate with the GHG cost
14 based on the contract heat rate; or in other cases, a reimbursement of GHG expenditures incurred
15 by the CHP facility associated with sales to SDG&E. These contracts represent a second source
16 of indirect GHG costs in that the CHP owner acquires GHG compliance instruments.

17 Contractual GHG costs do not provide a good estimate of actual GHG costs.
18 Accordingly, determining actual GHG costs is difficult because it requires knowledge of
19 confidential counterparty data and the choice of method used to split the GHG emissions
20 between electricity production and useful thermal energy. For simplicity, SDG&E estimates

⁴⁰ In fact, however, the generation is bid into the CAISO market and dispatched by CAISO to meet statewide needs. The simplifying assumption is used to calculate net CAISO market purchases – all CAISO purchases less all resources that are forecasted to successfully bid into the CAISO market by SDG&E, including imports. However, SDG&E does make an adjustment for expected sales of renewable energy beyond regulatory requirements.

1 GHG costs associated with CHP on the assumption that the CHP units, on average, are as
2 efficient as unspecified power, assigning a 0.428 MT per MWh emissions rate to all purchases of
3 power from CHP facilities.

4 Finally, SDG&E forecasts REC sales to maintain an equivalent RPS compliance position
5 considering CCA load departure in 2026 and allocations according to R.18-07-003. REC sales
6 remove the GHG-free attribute of the renewable resource generation. To estimate the GHG
7 emissions of the unbundled renewable generation, SDG&E treats this the same as imported
8 power from unspecified sources. The GHG emissions from indirect sources are summarized on
9 an annual basis in Table 4 below and monthly in Attachment E.

Table 4: 2026 GHG Total Emissions Forecast

Resource	Fuel (000 MMBtu)	GHG (000 Metric Tons)
Palomar - UOG		
Desert Star - UOG - Out of State		
Pio Pico - PPA		
Carlsbad Energy Center - PPA		
Miramar - UOG		
Yuma - PPA Out of State		
Fuel-Based		
	Generation (GWh)	GHG (000 Metric Tons)
Imports		
Total Direct Emissions		

Resource	Generation (GWh)	GHG (000 Metric Tons)
Net Market Purchases		
Unbundled RPS after REC Sales		
CHP (CP Kelco)		
Total Indirect Emissions		
Total Forecasted Emissions		

1

Table 4: 2026 GHG Total Emissions Forecast		
Resource	Fuel (000 MMBtu)	GHG (000 Metric Tons)
Palomar - UOG		
Desert Star - UOG - Out of State		
Pio Pico - PPA		
Carlsbad Energy Center - PPA		
Miramar - UOG		
Yuma - PPA Out of State		
Fuel-Based		
	Generation (GWh)	GHG (000 Metric Tons)
Imports		
Total Direct Emissions		

Resource	Generation (GWh)	GHG (000 Metric Tons)
Net Market Purchases		
Unbundled RPS after REC Sales		
CHP (CP Kelco)		
Total Indirect Emissions		
Total Forecasted Emissions		

C. 2026 GHG Costs

The proxy for the 2026 GHG emissions price is calculated as \$33.533.6/MT. This figure was derived using a recent (~~September~~March 15, 2025) assessment of 2026 GHG market prices based on the forward prices on the Intercontinental Exchange (“ICE”), consistent with the forecasted natural gas and electricity prices associated with the forecast of emissions in Table 4 above. The GHG cost forecast multiplies the expected emissions, both direct and indirect, by the forecasted proxy GHG price resulting in forecasted GHG costs for 2026 of \$, with of direct GHG costs in LGBA, of direct GHG costs in PABA, and of indirect GHG costs.

1 **D. 2026 Allowance Auction Revenues**

2 The CARB allocates cap-and-trade allowances to SDG&E for 2026. SDG&E is required
3 to place all these allowances for sale in CARB’s 2026 quarterly auctions. The forecast of
4 allowance revenues was developed by multiplying the total number of allowances allocated to
5 SDG&E for consignment by a forecast price for the allowances.⁴¹

6 The total allowances that will be allocated to SDG&E for 2026 are expected to be
7 6,208,750 MT. SDG&E’s Forecast 2026 Allocated Allowances (MT) represents the SDG&E
8 allocation as established in Table 9-4 of the Cap-and-Trade regulation. This new quantity is
9 reflected in the forecast column within Appendix G template D-1. The allowance price is the
10 same proxy price as used in the calculation of GHG costs, which is ~~\$33.6~~33.5/MT. The
11 allowance auction revenue forecast is the allowances allocated multiplied by the allowance price,
12 which totals ~~\$208.5~~207.8 million.

13 A portion of the allowance auction revenue is reserved for clean energy and energy
14 efficiency projects initiated by the Solar on Multifamily Affordable Housing (“SOMAH”)
15 Program.^{42, 43} This program provides financial incentives for installation of solar energy systems
16 on multifamily affordable housing properties, as specified in the statute. For 2026, the funding

⁴¹ It was assumed that all allowances are sold in the auction process, which is consistent with the assumption that the market-clearing price is above the price floor.

⁴² D.17-12-022, OP 4, at 69, states that the IOUs “each shall reserve 10% of the proceeds from the sale of greenhouse gas allowances defined in Public Utilities Code Section 748.5 through its annual Energy Resource Recover Account (ERRA) proceedings for use in the Solar on Multifamily Affordable Housing Program, starting with its ongoing 2018 ERRA forecast proceeding.”

⁴³ On May 13, 2022, SCE filed a Petition for Modification of D.17-12-022 (issued in R.14-07-002) seeking to change the allocation to 10%, not to exceed \$1 million statewide. On September 15, 2022, the Commission adopted D.22-09-009, which modified D.17-12-022 and D.20-04-012, changing the funding requirements for the SOMAH program. The IOUs are now required to set aside 10% or their proportionate share of \$100 million, whichever is less, of the proceeds from the sale of GHG allowances.

1 amount is ~~\$612.0~~ million, which is the lesser of 10% of SDG&E’s total forecasted allowance
2 revenue amount or SDG&E’s proportionate stateside share of \$100 million.⁴⁴ Any true-ups for
3 allowance revenues set aside for clean energy and energy efficiency projects are addressed in the
4 testimony of SDG&E witness Ms. Felan.

5 D.18-06-027 (issued on June 22, 2018), adopted new programs to promote the
6 installation of renewable generation among residential customers in disadvantaged communities
7 (“DACs”) including the Single-family Solar Homes (“DAC-SASH”).⁴⁵ SDG&E ~~shall currently~~
8 ~~funds~~ this program first through available GHG allowance revenues proceeds and if such funds
9 are exhausted, the program will be funded through public purpose programs (“PPP”) funds.⁴⁶
10 SDG&E recognizes the GHG funding change coming out of AB 1207 impacts how the DAC-GT
11 and DAC-SASH programs will be funded. SDG&E awaits instruction from the Commission on
12 how to incorporate this change in 2026 budget plans. SDG&E estimates the DAC-SASH
13 program funding for 2026 to be \$1.12 million.

14 **VI. 2026 FORECAST OF TMNBC COSTS**

15 The cost forecast for tree mortality-related procurement costs for 2026 is \$ [REDACTED]
16 [REDACTED].⁴⁷ The TMNBC costs will be recovered through the PPP charge, as addressed in the
17 testimony of SDG&E witness Ms. Wissman.

18 This concludes my updated direct testimony.

⁴⁴ D.20-04-012, issued on April 23, 2020, continues authorization of allocation of funds to the SOMAH program through June 30, 2026.

⁴⁵ D.18-06-027 at OP 1.

⁴⁶ D.18-06-027 at OP 8.

⁴⁷ Per D.18-12-003, SDG&E filed Advice Letter 3343-E requesting approval to establish TMNBCBA as directed by Resolution E-4770 and Resolution E-4805.

1 **VII. QUALIFICATIONS**

2 My name is Jimmy Elias. My business address is 8315 Century Park Court, San Diego,
3 CA 92123. I joined SDG&E in July 2015 and my current title is Senior Resource Planner in the
4 Electric & Fuel Procurement Department. My responsibilities include running computer models
5 that forecast energy needs for both physical and financial operational needs.

6 I received a B.S. in Finance from San Diego State University in San Diego, CA.

7 I have previously testified before the California Public Utilities Commission.

ATTACHMENT A

(CONFIDENTIAL)

SDG&E 2026 ERRATA AND LG EXPENSES

ATTACHMENT A

PRIVILEGED AND CONFIDENTIAL PURSUANT TO P.U.C. CODE 583, 454.5(g), GO 66-C and D.06-06-066 as needed

EXPENSES (\$)		2026
ISO Load Charges (Energy & A/S Costs)		
ISO Charging cost for Modified CAM resources		
ISO Supply Revenues		
ISO Supply Revenues for Modified CAM resources		
Contract Costs (non-CTC)		
Contract Costs (CTC up to market)		
Generation Fuel		
CAISO Misc Costs		
Hedging Costs & Financial Transactions		
Contract Costs - CHP Costs (AB1613)		
Customer Incentives - SPP, DR.20/20		
Rewards/Penalties - Palomar Energy Ctr		
WREGIS Costs		
ISO CRRs Costs		
ISO Convergence Bidding Costs		
Purchased Tradable Renewable Energy Credits (TRECs)		
Sales Tradable Renewable Energy Credits (TRECs)		
Net Surplus Compensation Costs (AB920)		
Authorized Disallowances		
Greenhouse Gas & Carrying Costs		
Total ERRR/PABA Balancing Account Expenses		
PABA Portion of ERRR Expenses		
Line 4 Contract Costs (non-CTC)		
El Cajon Energy Center Peaker Costs		
Orange Grove Peaker Costs		
Olivenhain Hydro		
Other RA Capacity Costs (RA RFO, DRAM)		
Cald BESS LLC		
Ormat Bottleneck		
Westside Canal Storage		
Edwards Sanborn Hybrid Storage		
Dagget Power Bank Storage		
Yellow Pine Solar III Storage		
Starlight Hybrid		
Edward-Sanborn BESS		
Nova Power Bank Storage		
Modified CAM PABA portion contract costs		
Modified CAM PABA portion RA Sales		
RA Sales		
REC Sales		
CFD Revenues		
Renewable Energy		
Line 4 Total		
Line 6 Generation Fuel		
Palomar		
Desert Star		
Miramar		
Miramar 2		
Cuyamaca		
Line 6 Total		
In Lieu Gas Fees		
Palomar		
Line 8 Hedging Costs & Financial Transactions		
Hedging Costs		
Broker Fees		
Line 8 Total		
LG Expenses		
Carlsbad Energy Center		
El Cajon Energy Storage		
Top Gun Energy Storage		
Fallbrook Energy Storage		
Escondido Energy Center		
Escondido Energy Storage		
Melrose Energy Storage		
Pala-Gomez Creek Storage		
Pio Pico		
Grossmont		
Sentinel Energy Center RA		
Clairemont		
Boulevard		
Elliot		
Paradise Substation		
Santee BESS		
Fallbrook Energy Storage 2		
Westside Canal Storage 2		
LG Revenue		
LG RA sales revenue		
CAM portion of Modified CAM contracts		
Emissions		
Total LG Expense		

ATTACHMENT B

(CONFIDENTIAL)

SDG&E 2026 GENERATION PORTFOLIO DELIVERY VOLUMES

ATTACHMENT B - SDG&E 2026 GENERATION PORTFOLIO DELIVERY VOLUMES (GWh)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2026
CTC													
Non-CTC QF													
TOTAL													
Renewable - Bio Gas	16.7	15.1	16.6	16.0	13.3	16.2	16.7	16.6	16.2	16.6	16.1	16.6	192.6
Renewable - Other	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	2.1
Renewable - Solar	181.8	120.3	153.3	121.9	204.9	337.0	356.3	348.9	315.3	300.3	205.7	191.2	2,836.8
Renewable - Wind	142.2	118.8	172.2	154.8	204.0	205.9	153.6	129.1	128.8	120.6	141.3	123.9	1,795.2
Renewable - Wind REC	32.0	35.1	48.2	71.4	66.3	66.6	55.0	40.8	53.7	39.5	34.4	31.2	574.1
Midway-Green Tariff-EcoChoice	4.2	3.3	3.9	2.2	4.1	7.6	8.1	8.1	7.1	6.8	4.7	4.4	64.6
Renewable - RPS Sales	(328.2)	(275.8)	(336.3)	(308.1)	(392.7)	(494.8)	(472.8)	(447.2)	(439.6)	(408.8)	(347.4)	(325.2)	(4,577.0)
TOTAL NON-CTC RENEWABLE	48.9	17.0	57.9	58.4	100.2	138.6	117.1	96.4	81.6	75.1	54.9	42.4	888.5
Miramar													
Miramar 2													
Cuyamaca													
Palomar													
Desert Star													
Grossmont													
El Cajon Energy Center													
Orange Grove													
Escondido Energy Center													
Pio Pico													
Carlsbad Energy Center													
Johanna Energy Storage													
Kearny Energy Storage North													
Kearny Energy Storage South													
Valley Center Energy Storage													
El Cajon Energy Storage													
Top Gun Energy Storage													
Escondido Energy Storage													
Fallbrook Energy Storage													
Miguel Energy Storage													
Sagebrush Storage													
Melrose Storage													
Pala-Gomez Storage													
Westside Canal Storage													
Clairemont													
Boulevard													
Elliot													
Paradise Substation													
Borrego Advanced Energy Storage													
Cald BESS LLC													
Ormat Bottleneck													
Santee BESS													
Fallbrook Energy Storage 2													
Edward-Sanborn BESS													
Bright Canyon Hybrid													
Dagget Power Bank Storage													
Yellow Pine Solar III Storage													
Starlight Hybrid													
Nova Power Bank Storage													
Westside Canal Storage 2													
TOTAL GENERATION													

ATTACHMENT B - SDG&E 2026 GENERATION PORTFOLIO DELIVERY VOLUMES (GWh)

	1	2	3	4	5	6	7	8	9	10	11	12	
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2026
CTC													
Non-CTC QF													
TOTAL													
Renewable - Bio Gas	16.7	15.1	16.4	16.2	13.3	16.1	16.6	16.7	16.2	16.7	15.9	16.7	192.5
Renewable - Other	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	2.1
Renewable - Solar	205.2	236.7	278.6	327.0	376.4	377.5	362.0	344.5	312.1	295.1	233.7	196.2	3,545.0
Renewable - Wind	151.2	146.7	210.6	198.3	242.9	213.4	155.0	129.2	129.2	120.7	148.4	127.1	1,972.6
Renewable - Wind REC	70.0	66.1	48.9	55.0	46.1	42.1	31.9	32.0	35.1	48.2	71.4	66.3	613.0
Midway-Green Tariff-EcoChoice	4.9	6.0	7.0	7.6	8.3	8.5	8.3	8.2	7.2	6.8	5.6	4.6	83.0
Renewable - RPS Sales	(279.8)	(306.9)	(358.2)	(377.5)	(431.1)	(412.5)	(361.4)	(337.8)	(324.1)	(311.3)	(300.2)	(256.3)	(4,057.2)
TOTAL NON-CTC RENEWABLE	168.4	163.8	203.4	226.8	256.1	245.3	212.6	192.9	175.7	176.3	174.9	154.8	2,351.0
Miramar													
Miramar 2													
Cuyamaca													
Palomar													
Desert Star													
Grossmont													
El Cajon Energy Center													
Orange Grove													
Escondido Energy Center													
Pie-Pie													
Carlsbad Energy Center													
Johanna Energy Storage													
Kearny Energy Storage North													
Kearny Energy Storage South													
Valley Center Energy Storage													
El Cajon Energy Storage													
Top Gun Energy Storage													
Escondido Energy Storage													
Fallbrook Energy Storage													
Miguel Energy Storage													
Sagebrush Storage													
Melrose Storage													
Pala-Gomez Storage													
Westside Canal Storage													
Clairemont													
Boulevard													
Elliot													
Paradise Substation													
Borrego Advanced Energy Storage													
Cald BESS LLC													
Ormat Bottleneck													
Santee BESS													
Fallbrook Energy Storage 2													
Edward-Sanborn BESS													
Nova Power Bank Storage													
Westside Canal Storage 2													
TOTAL GENERATION													

ATTACHMENT C

SDG&E 2026 RENEWABLE RESOURCE DETAIL

ATTACHMENT C - SDG&E 2026 RENEWABLE RESOURCE DETAIL

Power Purchase Deliveries (GWh)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2026
BIO GAS													
MM San Diego LLC- Miramar Landfill	2.6	2.4	2.5	2.5	2.6	2.6	2.6	2.5	2.5	2.6	2.4	2.5	30.5
MM San Diego LLC - North City	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	6.3
Sycamore Energy	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	4.0
HL Power	13.2	11.9	13.2	12.8	9.8	12.8	13.2	13.2	12.8	13.2	12.8	13.2	151.8
Subtotal	16.7	15.1	16.6	16.0	13.3	16.2	16.7	16.6	16.2	16.6	16.1	16.6	192.6
OTHER													
Small Hydro	0.7	0.6	0.6	0.8	0.9	0.9	1.0	1.0	1.0	1.0	1.0	1.0	10.5
Subtotal	0.7	0.6	0.6	0.8	0.9	0.9	1.0	1.0	1.0	1.0	1.0	1.0	10.5
SOLAR													
NRG Borrego Solar	2.7	1.1	1.8	1.7	3.4	6.6	6.9	6.6	5.6	5.2	3.2	3.1	47.9
Sol Orchard	1.6	1.8	2.2	2.8	2.9	3.1	3.1	2.9	2.5	2.3	1.9	1.6	28.8
Solar Energy Project	0.2	0.2	0.3	0.4	0.4	0.4	0.4	0.4	0.3	0.3	0.3	0.2	3.9
NLP Valley Center Solar	0.3	0.3	0.4	0.5	0.5	0.6	0.6	0.5	0.4	0.4	0.3	0.2	4.9
NLP Granger A82	0.4	0.4	0.5	0.7	0.7	0.7	0.8	0.7	0.5	0.5	0.4	0.3	6.5
Arlington Valley Solar	19.3	18.3	18.2	11.3	20.8	35.3	36.1	33.4	31.2	29.1	20.2	18.2	291.5
Calipatria	2.2	2.1	2.0	1.2	2.2	4.3	4.5	4.3	3.7	3.1	2.3	2.0	33.6
Campo Verde	18.8	5.4	7.4	4.8	11.7	25.9	29.1	31.0	29.4	29.8	20.3	20.3	233.8
Catalina Solar	16.1	17.6	22.4	26.0	27.2	25.9	25.7	25.4	23.6	22.9	18.4	15.4	266.5
Centinela Solar1	11.9	4.8	7.2	6.3	13.4	25.0	26.4	25.9	23.0	21.8	13.9	13.8	193.3
Centinela Solar2	10.0	4.1	6.1	5.3	11.1	20.8	22.0	21.6	19.2	18.1	11.5	11.4	161.0
Desert Green	0.6	0.8	0.8	1.2	0.9	0.9	1.1	1.0	1.0	0.9	0.8	0.6	10.6
Imperial Valley Solar I	16.9	5.9	8.8	8.4	18.4	33.3	38.0	36.2	31.6	30.5	19.4	19.4	266.7
Midway Solar	2.7	2.6	3.1	1.7	2.9	5.1	4.8	5.0	4.0	3.9	2.9	2.5	41.3
Maricopa West Solar	2.1	2.9	4.0	5.0	5.6	6.0	5.9	5.5	4.6	3.4	2.4	1.8	49.3
TallBear Seville	3.0	2.9	3.3	1.8	3.0	6.1	6.3	5.7	5.2	4.6	3.1	3.0	47.9
SolarGen 2	18.9	16.1	18.7	11.1	20.9	39.5	40.8	39.4	33.8	29.4	19.4	17.7	305.5
Cascade SunEdison	2.8	3.5	4.7	5.7	6.3	6.2	5.8	5.2	4.6	4.2	3.2	2.6	54.7
Csolar IV South	14.3	4.3	5.9	3.8	9.6	20.9	23.8	25.5	24.2	24.5	16.1	16.8	189.6
Csolar IV West	16.1	6.7	10.8	9.4	20.0	38.2	39.7	38.6	33.6	30.8	18.6	18.3	280.8
Wister Solar Project	1.5	0.7	0.8	0.5	1.2	2.5	3.2	3.1	3.1	2.9	1.8	1.9	23.3
Bright Canyon Solar	7.9	6.4	11.0	7.6	8.9	10.0	10.5	10.4	10.4	12.0	9.7	7.3	112.0
Yellow Pine Solar	-	-	-	-	-	-	-	-	-	-	-	-	-
Starlight Solar	-	-	-	-	3.6	4.0	3.6	3.5	3.4	4.0	3.1	2.2	27.4
Luna Valley Solar	15.8	14.7	16.9	7.3	13.5	23.4	25.2	25.2	23.5	22.8	17.2	15.0	220.5
Subtotal	186.0	123.6	157.2	124.1	209.0	344.6	364.4	357.0	322.4	307.1	210.4	195.6	2,901.4
WIND													
Rim Rock (TREC)	32.0	35.1	48.2	71.4	66.3	66.6	55.0	40.8	53.7	39.5	34.4	31.2	574.1
Coram Energy	1.9	1.4	-	-	-	-	-	-	-	-	-	-	3.3
Energia Sierra Juarez	39.5	31.5	43.2	31.1	44.0	42.0	29.9	25.3	29.6	27.4	37.8	33.7	414.9
Energia Sierra Juarez 2	29.3	25.1	30.0	20.8	27.7	28.1	21.2	19.2	21.8	21.8	30.7	27.4	303.1
Manzana Wind	20.4	15.4	25.1	32.9	36.5	34.0	28.9	22.6	17.3	19.5	20.1	16.9	289.7
Ocotillo Express	25.5	27.2	47.3	41.8	60.3	65.0	45.3	38.2	41.7	30.9	28.4	22.0	473.6
Pacific Wind	25.6	18.3	26.6	28.2	35.4	36.9	28.2	23.9	18.5	21.0	24.2	23.8	310.6
Subtotal	174.3	153.9	220.4	226.2	270.3	272.5	208.6	169.9	182.5	160.0	175.6	155.2	2,369.4
RPS SALES													
Subtotal	(328.2)	(275.8)	(336.3)	(308.1)	(392.7)	(494.8)	(472.8)	(447.2)	(439.6)	(408.8)	(347.4)	(325.2)	(4,577.0)
Total Power Purchase Costs (\$000)													
Biogas	\$ 111	\$ 102	\$ 111	\$ 92	\$ 111	\$ 108	\$ 178	\$ 174	\$ 170	\$ 169	\$ 106	\$ 111	\$ 1,542
Other	\$ 156	\$ 63	\$ 41	\$ 47	\$ 87	\$ 99	\$ 119	\$ 133	\$ 122	\$ 83	\$ 78	\$ 110	\$ 1,139
Solar	\$ 18,653	\$ 12,191	\$ 15,248	\$ 12,391	\$ 19,729	\$ 34,422	\$ 47,655	\$ 46,938	\$ 41,808	\$ 40,389	\$ 20,610	\$ 19,698	\$ 329,732
Wind	\$ 13,207	\$ 10,837	\$ 16,115	\$ 14,801	\$ 19,462	\$ 19,882	\$ 15,632	\$ 13,123	\$ 13,023	\$ 12,196	\$ 12,858	\$ 11,379	\$ 172,517
Wind (REC)	\$ 1,410	\$ 1,543	\$ 2,119	\$ 3,142	\$ 2,918	\$ 2,929	\$ 2,421	\$ 1,796	\$ 2,361	\$ 1,736	\$ 1,513	\$ 1,375	\$ 25,262
RPS Sales	\$(14,930)	\$(11,694)	\$(15,438)	\$(13,708)	\$(18,925)	\$(25,232)	\$(23,867)	\$(22,281)	\$(21,816)	\$(19,907)	\$(16,116)	\$(14,740)	\$(218,654)
Subtotal	\$ 18,607	\$ 13,042	\$ 18,197	\$ 16,766	\$ 23,381	\$ 32,207	\$ 42,138	\$ 39,882	\$ 35,670	\$ 34,666	\$ 19,049	\$ 17,932	\$ 311,538

ATTACHMENT C - SDG&E 2026 RENEWABLE RESOURCE DETAIL

Power Purchase Deliveries (GWh)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2026
BIO GAS													
MM San Diego LLC- Miramar Landfill	2.6	2.4	2.3	2.6	2.6	2.6	2.5	2.6	2.5	2.6	2.3	2.7	30.4
MM San Diego LLC - North City	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	6.3
Sycamore Energy	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	4.0
HL Power	13.2	11.9	13.2	12.8	9.8	12.8	13.2	13.2	12.8	13.2	12.8	13.2	151.8
Subtotal	16.7	15.1	16.4	16.2	13.3	16.1	16.6	16.7	16.2	16.7	15.9	16.7	192.5
OTHER													
Small Hydro	0.7	0.6	0.6	0.8	0.9	0.9	1.0	1.0	1.0	1.0	1.0	1.0	10.5
Subtotal	0.7	0.6	0.6	0.8	0.9	0.9	1.0	1.0	1.0	1.0	1.0	1.0	10.5
SOLAR													
NRG Borrego Solar	3.6	4.0	5.0	6.4	7.3	7.8	7.2	6.6	5.7	5.2	4.1	3.3	66.3
Sol Orchard	1.6	1.8	2.2	2.8	2.9	3.1	3.1	2.9	2.5	2.3	1.9	1.6	28.8
Solar Energy Project	0.2	0.2	0.3	0.4	0.4	0.4	0.4	0.4	0.3	0.3	0.3	0.2	3.9
NLP Valley Center Solar	0.3	0.3	0.4	0.5	0.5	0.6	0.6	0.5	0.4	0.4	0.3	0.2	4.9
NLP Granger A82	0.4	0.4	0.5	0.7	0.7	0.7	0.8	0.7	0.5	0.5	0.4	0.3	6.5
Arlington Valley Solar	19.9	22.7	24.5	32.0	38.2	39.1	37.0	33.4	31.2	29.1	22.2	18.5	347.8
Calipatria	2.3	2.6	2.8	3.5	4.3	4.7	4.5	4.3	3.7	3.1	2.6	2.0	40.4
Campo Verde	22.8	25.4	26.9	28.5	31.5	31.6	30.5	31.1	29.7	29.9	25.6	21.8	335.3
Catalina_Solar	16.1	17.6	22.4	26.0	27.2	25.9	25.7	25.4	23.6	22.9	18.4	15.4	266.5
Centinela Solar1	15.7	18.5	20.8	23.9	28.5	29.6	27.7	26.0	23.3	22.0	17.5	14.8	268.3
Centinela Solar2	13.0	15.4	17.6	20.2	23.9	24.7	23.0	21.7	19.4	18.2	14.4	12.2	223.7
Desert Green	0.6	0.8	0.8	1.2	0.9	0.9	1.1	1.0	1.0	0.9	0.8	0.6	10.6
Imperial Valley Solar I	20.4	23.9	29.2	36.7	42.2	39.6	39.9	36.3	32.0	30.6	24.5	20.9	376.1
Midway Solar	2.8	3.3	4.3	5.2	5.7	5.7	4.9	5.0	4.0	3.9	3.2	2.6	50.6
Maricopa West Solar	2.1	2.9	4.0	5.0	5.6	6.0	5.9	5.5	4.6	3.4	2.4	1.8	49.3
TallBear Seville	3.1	3.6	4.4	5.3	5.7	6.7	6.3	5.7	5.2	4.6	3.5	3.0	57.2
SolarGen 2	20.3	25.8	31.0	37.3	43.9	44.4	41.2	39.4	33.8	29.4	21.1	18.0	385.5
Cascade SunEdison	2.8	3.5	4.7	5.7	6.3	6.2	5.8	5.2	4.6	4.2	3.2	2.6	54.7
Csolar IV South	19.1	21.4	22.8	23.7	26.4	25.7	25.1	25.6	24.4	24.6	20.8	18.2	277.8
Csolar IV West	20.9	24.8	30.3	36.4	43.8	45.0	41.7	38.8	34.0	30.9	23.4	19.7	389.7
Wister Solar Project	2.1	2.7	2.7	2.4	2.6	2.8	3.4	3.2	3.1	2.9	2.4	2.1	32.4
Bright Canyon Solar	3.9	3.3	5.7	5.1	5.2	5.1	5.3	5.2	5.2	6.0	4.9	3.7	58.6
Yellow Pine Solar													-
Starlight Solar	-	-	-	-	3.9	4.0	3.6	3.5	3.4	4.0	3.1	2.2	27.9
Luna Valley Solar	16.0	17.5	22.3	25.9	27.1	25.7	25.5	25.2	23.5	22.8	18.3	15.3	265.2
Subtotal	210.1	242.7	285.6	334.6	384.7	386.0	370.3	352.6	319.2	301.9	239.3	200.9	3,628.0
WIND													
Rim Rock (TREC)	70.0	66.1	48.9	55.0	46.1	42.1	31.9	32.0	35.1	48.2	71.4	66.3	613.0
Coram Energy	1.9	-	-	-	-	-	-	-	-	-	-	-	1.9
Energia Sierra Juarez	43.0	42.2	55.2	42.9	54.8	44.0	30.3	25.3	29.7	27.4	40.2	34.8	469.8
Energia Sierra Juarez 2	32.0	33.5	39.5	29.3	35.4	29.9	21.7	19.2	21.9	21.8	32.8	28.1	345.2
Manzana Wind	20.4	15.4	25.1	32.9	36.5	34.0	28.9	22.6	17.3	19.5	20.1	16.9	289.7
Ocotillo Express	27.9	35.8	61.0	55.9	73.2	67.6	45.7	38.2	41.8	30.9	30.5	23.0	531.5
Pacific Wind	25.9	19.8	29.7	37.3	42.9	37.9	28.5	23.9	18.5	21.0	24.7	24.2	334.4
Subtotal	221.2	212.7	259.5	253.3	289.0	255.5	186.9	161.2	164.2	168.8	219.8	193.4	2,585.7
RPS SALES													
Subtotal	(279.8)	(306.9)	(358.2)	(377.5)	(431.1)	(412.5)	(361.4)	(337.8)	(324.1)	(311.3)	(300.2)	(256.3)	(4,057.2)
Total Power Purchase Costs (\$000)													
Biogas	\$ 111	\$ 101	\$ 110	\$ 108	\$ 110	\$ 101	\$ 174	\$ 178	\$ 171	\$ 173	\$ 101	\$ 106	\$ 1,544
Other	\$ 156	\$ 63	\$ 41	\$ 47	\$ 87	\$ 99	\$ 119	\$ 133	\$ 122	\$ 83	\$ 78	\$ 110	\$ 1,139
Solar	\$ 21,199	\$ 24,978	\$ 28,398	\$ 33,783	\$ 37,856	\$ 38,350	\$ 48,769	\$ 46,107	\$ 41,331	\$ 39,542	\$ 23,703	\$ 20,190	\$ 404,204
Wind	\$ 14,019	\$ 13,314	\$ 19,648	\$ 19,015	\$ 23,267	\$ 20,566	\$ 15,801	\$ 13,126	\$ 13,069	\$ 12,206	\$ 13,514	\$ 11,690	\$ 189,235
Wind (REC)	\$ 3,081	\$ 2,906	\$ 2,153	\$ 2,419	\$ 2,029	\$ 1,852	\$ 1,403	\$ 1,410	\$ 1,543	\$ 2,119	\$ 3,142	\$ 2,918	\$ 26,973
RPS Sales	\$(19,622)	\$(21,513)	\$(25,088)	\$(26,443)	\$(30,181)	\$(28,876)	\$(25,295)	\$(23,646)	\$(22,690)	\$(21,810)	\$(21,056)	\$(17,978)	\$(284,200)
Subtotal	\$ 18,944	\$ 19,850	\$ 25,261	\$ 28,929	\$ 33,168	\$ 32,090	\$ 40,972	\$ 37,307	\$ 33,545	\$ 32,312	\$ 19,481	\$ 17,036	\$ 338,896

Attachment D

ATTACHMENT D - SDG&E 2026 CTC DETAIL

CTC - Dispatchable (GWh)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2026
Goal Line	[REDACTED]												[REDACTED]
CTC QF - SRAC Priced (GWh)	[REDACTED]												[REDACTED]
Aggregation of Hydro Units (SO1)	[REDACTED]												[REDACTED]
Subtotal	[REDACTED]												[REDACTED]
ERRA Expenses (\$000)	[REDACTED]												[REDACTED]
CTC (up to market)	[REDACTED]												[REDACTED]
TCBA Expenses (\$000)	[REDACTED]												[REDACTED]
CTC (above market)	[REDACTED]												[REDACTED]

ATTACHMENT D - SDG&E 2026 CTC DETAIL

CTC - Dispatchable (GWh)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2026
Goal Line	[REDACTED]												[REDACTED]
CTC QF - SRAC Priced (GWh)	[REDACTED]												[REDACTED]
Aggregation of Hydro Units (SO1)	[REDACTED]												[REDACTED]
Subtotal	[REDACTED]												[REDACTED]
ERRA Expenses (\$000)	[REDACTED]												[REDACTED]
CTC (up to market)	[REDACTED]												[REDACTED]
TCBA Expenses (\$000)	[REDACTED]												[REDACTED]
CTC (above market)	[REDACTED]												[REDACTED]

ATTACHMENT E

(CONFIDENTIAL)

SDG&E GREENHOUSE GAS DETAIL

Attachment E

PRIVILEGED AND CONFIDENTIAL PURSUANT TO P.U.C. CODE 583, 454.5(g), GO 66-C and D.06-06-066 as needed

ATTACHMENT E - SDG&E 2026 GREENHOUSE GAS (GHG) DETAIL

2026 Direct Emissions (MT)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2026
California UOG Plants	[REDACTED]												[REDACTED]
California Tolling Generators	[REDACTED]												[REDACTED]
Specified Imports	[REDACTED]												[REDACTED]
Unspecified Imports (Market Purchases)	[REDACTED]												[REDACTED]
Total Direct Emissions	[REDACTED]												[REDACTED]
2026 Indirect Emissions (MT)	[REDACTED]												[REDACTED]
Unspecified Imports (Market Purchases)	[REDACTED]												[REDACTED]
Unbundled RPS after REC Sales	[REDACTED]												[REDACTED]
CHP	[REDACTED]												[REDACTED]
Total Indirect Emission	[REDACTED]												[REDACTED]
2026 Total Forecasted Emission	[REDACTED]												[REDACTED]

PRIVILEGED AND CONFIDENTIAL PURSUANT TO P.U.C. CODE 583, 454.5(g), GO 66-C and D.06-06-066 as needed

ATTACHMENT E - SDG&E 2026 GREENHOUSE GAS (GHG) DETAIL

2026 Direct Emissions (MT)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2026
California UOG Plants	[REDACTED]												[REDACTED]
California Tolling Generators	[REDACTED]												[REDACTED]
Specified Imports	[REDACTED]												[REDACTED]
Unspecified Imports (Market Purchases)	[REDACTED]												[REDACTED]
Total Direct Emissions	[REDACTED]												[REDACTED]
2026 Indirect Emissions (MT)	[REDACTED]												[REDACTED]
Unspecified Imports (Market Purchases)	[REDACTED]												[REDACTED]
Unbundled RPS after REC Sales	[REDACTED]												[REDACTED]
CHP	[REDACTED]												[REDACTED]
Total Indirect Emissions	[REDACTED]												[REDACTED]
2026 Total Forecasted Emissions	[REDACTED]												[REDACTED]

ATTACHMENT F

DECLARATION OF JIMMY ELIAS

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

**DECLARATION
OF JIMMY ELIAS**

A.25-05-012

**Application of San Diego Gas & Electric Company (U 902-E)
for Approval of Its 2026 Electric Procurement Revenue Requirement Forecasts and GHG-
Related Forecasts**

I, Jimmy Elias, declare as follows:

1. I am a Senior Resource Planner for San Diego Gas & Electric Company (“SDG&E”). I sponsored my Updated Prepared Direct Testimony (“Testimony”) in support of SDG&E’s October 14, 2025 Update to Application for Approval of its 2026 Electric Procurement Revenue Requirement Forecasts and GHG-Related Forecasts (“Application”). Additionally, as the Senior Resource Planner, I am thoroughly familiar with the facts and representations in this declaration, and if called upon to testify I could and would testify to the following based upon personal knowledge.

2. I am providing this Declaration to demonstrate that the confidential information (“Protected Information”) in support of the referenced Application falls within the scope of data provided confidential treatment in the IOU Matrix (“Matrix”) attached to the Commission’s Decision (“D.”) 06-06-066 (the Phase I Confidentiality decision). Pursuant to the procedure adopted in D.08-04-023, I am addressing each of the following five features of Ordering Paragraph 2 of D.06-06-066:

- that the material constitutes a particular type of data listed in the Matrix;
- the category or categories in the Matrix the data correspond to;
- that SDG&E is complying with the limitations on confidentiality specified in the Matrix for that type of data;
- that the information is not already public; and

- that the data cannot be aggregated, redacted, summarized, masked, or otherwise protected in a way that allows partial disclosure.

3. The Protected Information contained in my Testimony constitutes material, market sensitive, electric procurement-related information that is within the scope of Section 454.5(g) of the Public Utilities Code.¹ As such, the Protected Information is allowed confidential treatment in accordance with the Matrix, as follows:

Location of Protected Information (designated in Yellow Highlight)	Matrix Reference	Reason for Confidentiality and Timing
JE-3	V.C	LSE Total Energy Forecast – Bundled Customer; confidential for the front three years
JE-4 Table 1	IV.F	Forecast of Post-1/1/2003 Bilateral Contracts; confidential for three years
JE-5	VI.A	Utility Bundled Net Open Position for Capacity; confidential for the front three years
JE-6	VI.A VII.B	Utility Bundled Net Open Position for Capacity; confidential for the front three years Contracts and power purchase agreements between utilities and non-affiliated third parties
JE-7 Table 2	IV.A	Forecast of IOU Generation Resources; confidential for three years
JE-9	IV.B	Forecast of Qualifying Facility Generation; confidential for three years
JE-10	II.B.1 II.B.3 II.B.4 IV.J	Generation Cost Forecasts of Utility Retained Generation, confidential for three years, Generation Cost Forecasts of QF Contracts, confidential for three years, Generation Cost Forecasts of Non-QF Bilateral Contracts, confidential for three years, Forecast of Wholesale Market Purchases; confidential for the front three years
JE-11, JE-12	II.A.2	Utility Electric Price Forecasts; confidential for three years,

¹ In addition to the details addressed herein, SDG&E believes that the information being furnished in my Testimony is governed by Public Utilities Code Section 583 and General Order 66-D. Accordingly, SDG&E seeks confidential treatment of this data under those provisions, as applicable.

Location of Protected Information (designated in Yellow Highlight)	Matrix Reference	Reason for Confidentiality and Timing
JE-12	II.B.3	Generation Cost Forecast of QF Contracts; confidential for three years
JE-13, JE-14	II.B.1 II.B.4	Generation Cost Forecasts of Utility Retained Generation, confidential for three years, Generation Cost Forecasts of Non-QF Bilateral Contracts, confidential for three years,
JE-16, JE-17	I.A.4	Long-term Fuel (gas) Buying and Hedging; confidential for three years
JE-25 Table 4	Justification for confidentiality provided in Declaration of Chris Summers	GHG emissions forecast: Providing these forecasts to market participants would allow them to know SDG&E's GHG forecasted GHG obligation, thereby compromising SDG&E's contractual bargaining power such that customer costs are likely to rise. Thus, the release of this non-public confidential information will unjustifiably allow market participants to use this information to the disadvantage of SDG&E's customers.
JE-25, JE-27	II.B.4	Generation Cost Forecasts of Non-QF Bilateral Contracts, confidential for three years
Attachment A - SDG&E 2026 ERRR and LG Expenses	XI	Monthly Procurement Costs; confidential for three years
Attachment B - SDG&E 2026 Generation Portfolio Delivery Volumes <ul style="list-style-type: none"> • CTC and non-CTC QF generation data • UOG and non-UOG gas, pumped hydro storage, and battery storage generation data 	IV.A IV.E IV.B IV.F	Forecast of IOU Generation Resources; confidential for three years Forecast of Pre-1/1/2003 Bilateral Contracts; confidential for three years Forecast of Qualifying Facility Generation; confidential for three years Forecast of Post-1/1/2003 Bilateral Contracts; confidential for three years

Location of Protected Information (designated in Yellow Highlight)	Matrix Reference	Reason for Confidentiality and Timing
Attachment D - SDG&E 2026 CTC Qualifying Facility (QF) Detail <ul style="list-style-type: none"> • CTC QF dispatchable and non-dispatchable data • Long-Term Power Purchase CTC data • TCBA Expenses data 	IV.E IV.B II.B.4 II.B.3	Forecast of Pre-1/1/2003 Bilateral Contracts; confidential for three years Forecast of Qualifying Facility Generation; confidential for three years Generation Cost Forecast of Non-QF Bilateral Contracts; confidential for three years Generation Cost Forecast of QF Contracts; confidential for three years
Attachment E - SDG&E Greenhouse Gas (GHG) Detail	Justification for confidentiality provided in Declaration of Chris Summers	GHG emissions forecasts: Providing these forecasts to market participants would allow them to know SDG&E's GHG forecasted GHG obligation, thereby compromising SDG&E's contractual bargaining power such that customer costs are likely to rise. Thus, the release of this non-public confidential information will unjustifiably allow market participants to use this information to the disadvantage of SDG&E's customers.

4. I am not aware of any instances where the Protected Information has been disclosed to the public. To my knowledge, no party, including SDG&E, has publicly revealed any of the Protected Information.

5. SDG&E will comply with the limitations on confidentiality specified in the Matrix for the Protected Information.

6. The Protected Information cannot be provided in a form that is aggregated, partially redacted, or summarized, masked, or otherwise protected in a manner that would allow further disclosure of the data while still protecting confidential information.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 14th day of October, 2025, at San Diego, California.

/s/ Jimmy Elias
 Jimmy Elias
 Senior Resource Planner
 San Diego Gas & Electric Company

ATTACHMENT G

**DECLARATION OF CHRIS SUMMERS REGARDING
CONFIDENTIALITY OF CERTAIN DATA/DOCUMENTS
PURSUANT TO D.16-08-024, *et al.***

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

**DECLARATION OF CHRIS SUMMERS
REGARDING CONFIDENTIALITY OF CERTAIN DATA/DOCUMENTS
PURSUANT TO D.16-08-024, *et al.***

I, Chris Summers do declare as follows:

1. I am the Director of Origination, Energy Supply, & Dispatch in the Energy Procurement Department for San Diego Gas & Electric Company (“SDG&E”). I have been delegated authority to sign this declaration by Adam Pierce, Vice President of Energy Procurement & Rates. I have reviewed Jimmy Elias’s Updated Prepared Direct Testimony (“Testimony”) in support of SDG&E’s October 14, 2025 Application for Approval of Its Updated 2026 Electric Procurement Revenue Requirement Forecasts and GHG-Related Forecasts (“Application”). I am personally familiar with the facts and representations in this Declaration and, if called upon to testify, I could and would testify to the following based upon my personal knowledge and/or information and belief.

2. I hereby provide this Declaration in accordance with Decisions (“D.”) 16-08-024, D.17-05-035, and D.17-09-023 to demonstrate that the confidential information (“Protected Information”) provided in the Testimony is within the scope of data protected as confidential under applicable law.

3. In accordance with the legal authority described herein, the Protected Information should be protected from public disclosure.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct to the best of my knowledge.

Executed this 14th day of October 2025, in San Diego.

/s/ Chris Summers
Chris Summers
Director of Origination, Energy Supply & Dispatch

ATTACHMENT A

SDG&E Request for Confidentiality on the following information in its Updated Application for Approval of Its 2026 Electric Procurement Revenue Requirement Forecasts and GHG-Related Forecasts

Location of Protected Information (designated in Yellow Highlight)	Legal Authority	Narrative Justification
JE-25 Table 4, and Attachment E - SDG&E Greenhouse Gas (GHG) Detail Application Attachment G, Template D-2: Forecasted Emissions and Costs	D.14-10-033; D.16-08-024; D.17-05-035; D.17-09-023; Public Utilities Code Section 454.5(g).	The information does not expressly fall within any category of the IOU Matrix applicable to electric procurement information, but is market-sensitive information in that providing these GHG emissions forecasts to market participants would allow them to know SDG&E's forecasted GHG obligation, thereby compromising SDG&E's contractual bargaining power such that customer costs are likely to rise. Thus, the release of this non-public confidential information will unjustifiably allow market participants to use this information to the disadvantage of SDG&E's customers.