

1 SAN FRANCISCO, CALIFORNIA, JUNE 22, 2012 -

2 9:00 A.M.

3 * * * * *

4 ROBERT SPARKS

5 resumed the stand and testified further
6 as follows:

7 ADMINISTRATIVE LAW JUDGE YACKNIN: On
8 the record.

9 Good morning. We're here to resume
10 the cross-examination of Mr. Sparks. Good
11 morning, Mr. Sparks.

12 THE WITNESS: Good morning.

13 ALJ YACKNIN: And please remember you
14 are still under oath. And we will turn back
15 to Ms. Morey's continued cross-examination.

16 MS. MOREY: Thank you.

17 CROSS-EXAMINATION (resumed)

18 BY MS. MOREY:

19 Q Good morning, Mr. Sparks.

20 A Good morning.

21 Q So yesterday we were talking about,
22 you had mentioned transmission planning
23 standards that you said required evaluating a
24 2.5 percent margin on top of the one-in-ten
25 load forecast. Do you remember that?

26 A Yes.

27 Q But those transmission planning
28 standards, they don't require the CAISO to

1 carry any operating reserves for ten years
2 out, do they?

3 A No. The two and a half percent
4 reactive margin criteria is to ensure there's
5 enough reactive power margin. There are many
6 ways to ensure you have that. One way is to
7 ensure there's enough local generation, and
8 that is, in most local capacity LCR areas
9 that's typically the mitigation.

10 Q But there are other alternatives
11 such as transmission alternatives?

12 A Yes. In general, there are other
13 alternatives. In the San Diego in this
14 instance there were none that we had any
15 certainty about.

16 Q And the transmission planning
17 standards, they don't require the regulated
18 utilities in California to disregard their
19 statutory requirements to fill unmet
20 electricity demands first with energy
21 efficiency and then demand reduction
22 measures, do they?

23 MS. SANDERS: Your Honor, I object. I
24 think that calls for a legal conclusion.

25 ALJ YACKNIN: I will allow the
26 question.

27 THE WITNESS: The ISO analysis is based
28 on our judgment of what is dependable

1 resources in the planning horizon, and that's
2 the basis of our analysis.

3 MS. MOREY: Q And in this instance by
4 our judgment you mean the CAISO's specific
5 judgment?

6 A The California ISO, yes.

7 Q Okay. Do you think that if over
8 the next few years California's expected
9 additional energy efficiency or demand
10 response programs are not yielding the
11 benefits that are expected that the
12 California ISO and the Commission could work
13 together to address any potential reliability
14 problems in a, you know, in a short timeframe
15 if necessary?

16 A In the particular instance of the
17 problem we're trying to solve here, the
18 once-through cooling compliance is the year
19 2017. This process would not be wrapped up
20 before 2013, and we still need to get these
21 generation projects constructed and in
22 service. There's not enough -- not much
23 wiggle room, if you will. There's not much
24 excess time in that schedule to meet those
25 timelines.

26 Q Are you familiar with events in
27 2006 that related to heat storms in Southern
28 California the results of which led the

1 Commission to approve, well, approve five but
2 within one year have four peaking power
3 plants built within Southern California
4 within a one-year timeframe?

5 A Generally. I guess I didn't
6 realize it was 2006. I thought that was
7 2002, but --

8 Q Okay. Well, just to try to jog
9 your memory. I think they were located in
10 Southern California in Stanton, California,
11 in Norwalk, California, in Rancho Cucamonga,
12 California, and in Mira Loma, or sorry, Mira
13 Loma Substation in Ontario, California. Does
14 that jog your recollection of whether those
15 plants were built in the 2006 to 2007
16 timeframe?

17 A Is the fifth one at McGrath?

18 Q I don't know. But I just looked at
19 the four that were built.

20 A I am mostly aware of the one that
21 didn't get built, but I think it's the same
22 set, yes.

23 Q Okay.

24 ALJ YACKNIN: Wait a minute. I want to
25 make sure that -- I mean the question is
26 assuming facts not in evidence. So are you
27 attesting to the facts that she has in her
28 question?

1 THE WITNESS: I'm vaguely familiar with
2 what she's referring to, but no, I'm not
3 attesting to the facts.

4 ALJ YACKNIN: So we don't have absolute
5 facts, but go ahead and ask a question.

6 MS. MOREY: Well, your Honor, there is
7 a Commission decision which has findings of
8 fact that summarize that. Would you like me
9 to put that in the record?

10 ALJ YACKNIN: No. I'd like you to cite
11 to it, though.

12 MS. MOREY: That's why I wasn't going
13 to go too much into try to get the facts from
14 the witness.

15 ALJ YACKNIN: That's fine.

16 MS. MOREY: I just wanted to understand
17 his familiarity with the facts.

18 ALJ YACKNIN: Do you want to give me
19 the citation?

20 MS. MOREY: Yes. It is Decision
21 09-03-031.

22 ALJ YACKNIN: Thank you.

23 MS. MOREY: That and that decision
24 actually is a decision that approves, well,
25 allocated the cost recovery mechanism, and
26 it's from 2009, obviously. But the findings
27 of fact summarize --

28 ALJ YACKNIN: That's fine. I don't

1 need you to go into it. If you are talking
2 about facts that are identified in a
3 decision, that's fine. Your question didn't
4 reference any source for your asserted facts,
5 and I need to know what you're talking about.

6 MS. MOREY: Okay.

7 ALJ YACKNIN: Go ahead.

8 MS. MOREY: Q And were you involved at
9 the CAISO in any of the activities that led
10 to having those power plants approved and
11 built within a one-year timeframe?

12 A No, I was not.

13 MS. MOREY: All right. I think that's
14 all, your Honor. Thank you.

15 ALJ YACKNIN: Thank you.

16 Redirect?

17 MS. SANDERS: Can I take the two
18 minutes?

19 ALJ YACKNIN: Off the record.

20 (Off the record)

21 ALJ YACKNIN: Back on the record.

22 There's no redirect from the ISO; is
23 that correct?

24 MS. SANDERS: Yes.

25 ALJ YACKNIN: Thank you.

26 EXAMINATION

27 BY ALJ YACKNIN:

28 Q I do have a few questions, Mr.

1 Sparks. And I'm trying to read my notes
2 here. So I hope I can get to them. Just to
3 clarify a few questions I had about your
4 testimony.

5 First of all, in Exhibit 9, your
6 table, page 7, the first line San Diego and
7 the second line IV San Diego. Are there just
8 some numbers that are sort of in the wrong
9 box that should be moved over to the next
10 box?

11 A Yes. My printout, I think, must be
12 the same as yours. I think in converting
13 from the Word, Microsoft Word to PDF there
14 was some -- some translation problems or
15 something. I wasn't sure if that showed up
16 in everyone's copy or that might just be
17 mine.

18 Q Well, I think the only copies I got
19 were -- I won't mention. I believe I only
20 used the electronically served one. So what
21 I took the liberty of doing, but please
22 clarify for the record, actually, I did not
23 do this to the face of the record of the
24 formal filed record, and I'm not going to do
25 it now, but for the record, your testimony
26 would be that the first line should read 2883
27 under trajectory, 2859 under environmentally
28 constrained; is that right?

1 A That's correct.

2 Q And in the second line is 3291
3 under trajectory and 3104 under
4 environmentally constrained; is that right?

5 A Yes.

6 Q Okay. Thank you. I made that
7 leap, but I wanted to make sure it wasn't in
8 error.

9 And I have a question here that
10 might have been established in
11 cross-examination, but I'm going to just look
12 at this for a second. I'm comparing the
13 table in Exhibit 9, page 7, to the table in
14 Exhibit 10, page 3, and looking at the
15 line -- I see that in Exhibit 9 the line San
16 Diego shows the LCR of 2883, 2859, and 2900,
17 and 2856, and those numbers don't look the
18 same to me. And how do those compare? What
19 do they mean since they're apparently
20 different from the first line of the table in
21 Exhibit 10?

22 A Yeah. Exhibit 10 supersedes
23 Exhibit 9 in respect to those San Diego
24 numbers, and then actually the bottom three
25 rows of the table on page 3 of Exhibit 10
26 supersedes pretty much the top two rows, but
27 the reason for the --

28 Q I'm just talking about the very

1 first line there.

2 A Yeah. The reason for the
3 discrepancy of the numbers, we went back and
4 worked with the engineers, was in the
5 accounting of the NQC numbers versus the what
6 we refer to as nameplate capacity or Pmax in
7 the model itself. And there's, NQC numbers
8 are -- they vary from year to year. In some
9 cases if they're intermittent resources, and
10 sometimes their models don't get updated from
11 year to year.

12 But as you'll see, they're fairly
13 small differences, I believe. In fact, it's
14 just the base case has the biggest
15 difference. And so there was just some
16 accounting errors, I suppose, on page 7. But
17 since it was superseded by Exhibit 10, bother
18 to go back and send an errata or anything.

19 Q I don't need any explanation of why
20 it's -- no apologies necessary. I'm just
21 trying to understand the differences because
22 I see that the first number 2883 is the same
23 and the last number 5856 is the same. The
24 other two numbers for the environmentally
25 constrained and ISO base are, as you said,
26 slightly different, but you're saying that's
27 just an accounting error?

28 A Yes.

1 Q Okay. Thank you.

2 In Exhibit 9, page 9, in your
3 answer, the first paragraph, the answer to
4 the first question, it says that -- or you
5 say that the ISO study transmission options
6 to increase transmission capability between
7 the SCE and SDG&E systems, further reduce
8 local generation needs in San Diego. And
9 then you say, however, the scope of upgrades
10 needed to meet a 650 to 950 megawatt need was
11 essentially a new 500 kV line.]

12 I'm not sure if that's an
13 explanation or just a statement. I would
14 like the explanation.

15 So given that it would require a
16 500 kV line, the "however" suggests to me
17 that you don't -- therefore, you don't
18 recommend it because, fill in the blank, you
19 don't recommend curing this with a 500 kV
20 line because you have just gotten through
21 Sunrise and you don't feel like going through
22 that again, or what?

23 A Something along those lines. But
24 it is more not because we don't feel like it,
25 it is more because the feasibility of getting
26 it permitted and built and even the cost
27 effectiveness of it is somewhat doubtful at
28 this point.

1 Q What is the biggest limiting factor
2 in building a new 500 kV line? Is it
3 Commission approval?

4 A Yes.

5 Q This Commission's approval?

6 A Yes.

7 Q And maybe the biggest problem with
8 maybe getting those PPTAs is this
9 Commission's approval?

10 A Yes.

11 Q I get to choose? Okay. Thank you.
12 Thanks for the explanation.

13 I didn't need to go there, but I
14 did want to understand what the point is
15 pretty much saying. You're giving it to the
16 Commission. Commission, you went through
17 Sunrise; do you want to go through that
18 again, right?

19 A Yes. Actually, going back further
20 is the Valley Rainbow line, going back
21 further in time.

22 Q Thank you.

23 And Exhibit 27, page 14, I just did
24 not understand this testimony. I am reading
25 it to see if I do now better after having
26 heard a lot of the examination. But I am
27 looking at, in particular, lines 1 through
28 14, including the summary there, 8 through

1 14. I just don't quite understand what
2 you're saying here. If you could just
3 embellish or instruct me.

4 A Yeah. Let me make sure I don't
5 start talking about something that's not on
6 line with this.

7 Essentially, the point we're making
8 is that it gets to the idea that where the
9 generation is located can affect how much
10 power needs to be imported into the area.
11 And so to set a fixed import limit and say
12 that no matter where you put the generation
13 inside that area the import limit is constant
14 is not an accurate approach.

15 Q Is that what you're saying DRA is
16 doing?

17 A What I'm saying is that the ISO
18 doesn't do that, and so when someone tries to
19 take the ISO analysis and infer that there's
20 an import limit associated with it and then
21 go and perform a spreadsheet analysis and
22 come to conclusions, that's a flawed
23 analysis.

24 Q Would it be an accurate analysis if
25 the backed out numbers were geographically
26 allocated consistent with the ISO's analysis?

27 A Sometimes -- it is not really as
28 much evidence in this case as in the LTPP,

1 which is going on in parallel, but we provide
2 effectiveness factors for the generation when
3 the constraint is a thermal constraint. But
4 in San Diego's situation it is a voltage
5 constraint primarily. And so the geography
6 is difficult to define. It is more
7 electrical. It is more an electrical
8 property as opposed to geographic property.
9 So it would be difficult to draw a map.

10 You could do it through a bunch of
11 studies and based on a certain set of
12 assumptions. But as you heard, there's all
13 kinds of differing assumptions. So the
14 analysis would change every time the
15 assumptions change.

16 Q In the backing out of the number,
17 is that analysis flawed under all
18 circumstances, under all scenarios?

19 A Well, within a certain degree of
20 error, it is. There may be relevance to it.
21 So I wouldn't say -- there are some
22 situations -- for small incremental changes
23 it is probably reasonable.

24 I think, just remembering back,
25 that the other issue is that, if I remember
26 correctly, the other part was the
27 G-minus-one/N-minus-one versus the
28 N-minus-one-minus-one analysis, and how you

1 account for that generator being out was
2 another problem that we didn't think DRA was
3 characterizing properly. Because the bottom
4 line is how much LCR do you need. And if I
5 remember, the assertion was that the ISO had
6 essentially testified that Sunrise would
7 provide a certain amount of benefits, and
8 then in this analysis we were being
9 inconsistent. We were pointing out that
10 actually we were getting more benefits out of
11 Sunrise in our analysis at this point than
12 when we testified for Sunrise. And the way
13 we measure that is how much the LCR is
14 reduced, everything being taken into account.
15 It seemed like they weren't taking into
16 account the largest generator, the
17 600 megawatts.

18 Q Okay.

19 I have another question, but I do at
20 this point want to mention to all parties,
21 this is extremely difficult stuff for me.
22 And I'm looking forward to the most explicit,
23 clear, explanatory briefs that I've ever
24 seen. And one way to get that there is to,
25 on these subjects, leave out the vituperative
26 phrases "How crazy is he? He's so crazy that
27 he thinks an N-minus-one-minus-one," that
28 distracts me. I would just like the

1 explanation without the whatever, and vice
2 versa. I appreciate that briefs are going to
3 be passionate, but I need to understand this
4 difficult subject matter.

5 Okay. One more question, I think.
6 I don't promise, but one more area for you,
7 Mr. Sparks.

8 This might be really -- again, I
9 tried to reduce things. That last topic, I
10 don't know how I can reduce it to simple
11 terms. But this one I am trying to.

12 I am looking at Exhibit 9, page 4,
13 the bottom. It says that the 2016 LCR study
14 establishes a local capacity need of 150
15 megawatts as the minimum capacity, minimum
16 local capacity needed. I am looking down at
17 lines 27. So 150, you need to have that in
18 SDG&E's -- I'm sorry. That is the sub area.
19 That is what I am mixing up.

20 A Exhibit 9. Which page?

21 Q Page 4. The 150 you are referring
22 to is not the San Diego local area? It is
23 the sub area, Encina sub area. Okay. That's
24 my mistake, then.

25 Let me not follow up there.

26 But in general, I'm wondering, it
27 seems to me since you are saying that we need
28 to replace -- that we need to maintain -- if

1 we maintain the status quo, we're good,
2 right? Right this minute we have
3 everything -- today's snapshot has adequate
4 local capacity?

5 A For 2013?

6 Q Right this minute, today.

7 A Yes.

8 Q And if you take out --

9 A I remembered that we are missing a
10 couple of nuclear power plants right now.
11 But things are not completely fine. But
12 absent that, you would be in good shape.

13 Q But we still have local capacity?

14 A We think we're going to be okay.
15 But there will be some pleas on the radio I
16 believe all summer.

17 Q Okay. With that caveat, not just
18 that caveat, but assuming things are exactly
19 as they were six months ago, we have
20 sufficient local -- we have sufficient
21 generation to meet our LCR, right, or we are
22 meeting our LCR in a variety of ways?

23 A Yes.

24 Q Cumulative ways. And so do we have
25 more than enough?

26 A I think with energizing Sunrise and
27 having the nuclear plants available, I think
28 there may be a surplus. But again, we are

1 preparing for complying with the once-through
2 cooling policies.

3 Q I understand that. I am trying to
4 understand or sort of not exactly this minute
5 snapshot. So then, it occurs to me when I
6 look at the general recommendations, that
7 there's -- I hope it is not merely
8 coincidental that the OTC -- excuse me --
9 that the LCR need that the ISO tells me that
10 we need to maintain is exactly equal to the
11 status quo? It seems like -- I look at some
12 of this evidence, and one take on it is
13 there's been a lot of technical analysis to
14 basically say we need to maintain the
15 megawatts represented by Encina. That seems
16 to be the bottom line at the end of this
17 testimony, very technical ways of saying we
18 need -- if Encina goes away, please give us
19 those megawatts back.

20 Is that mere coincidence, or is it
21 that the status quo is considered optimum and
22 we want to maintain it?

23 A Well, I wouldn't say we set out
24 doing an analysis with a target in mind,
25 trying to put our thumb on the scale so we
26 get the answer we wanted. That certainly is
27 not what we did.

28 Is it a coincidence? I don't think

1 it is a coincidence either because we try and
2 build the amount of resources that we need.
3 And to the extent we lose them, we need to
4 replace them.

5 The load continues to grow, and we
6 have been very aggressive with energy
7 efficiency over the years and yet the load
8 still continues to grow. So I believe we
9 need to keep spending that money on energy
10 efficiency, and the load will continue to
11 grow.

12 If we don't continue to spend that
13 money on energy efficiency, there might be
14 some sort of bounce back. That is not my
15 expertise. But I don't think it is
16 coincidence.

17 Through processes like this we only
18 invest in the amount of resources that we
19 need.]

20 And it's no coincidence that they
21 need to be replaced when they're retired.

22 ALJ YACKNIN: Okay. Thank you.

23 We will go, yeah, I guess in this
24 direction.

25 Ms. Morey.

26 MS. MOREY: Thanks, your Honor.

27 CROSS-EXAMINATION (resumed)

28 BY MS. MOREY:

1 Q On that last question I just wanted
2 to -- or that last area of questioning about
3 the status quo I just wanted to clarify that
4 in your testimony in the table in Exhibit 10
5 on page 3 some of the results of the
6 scenarios that the CAISO looked at, they
7 actually showed that there would be less than
8 the full amount of Encina that would be
9 retired to meet the LCR in 2020. So is it
10 possible that in some situations you don't
11 even need to maintain the full status quo but
12 just part of it?

13 A Yes. These needs, to the extent
14 that they're less than the amount that's
15 represented by Encina today, then you could
16 repower less of Encina and still be okay. As
17 opposed to all five units, you could repower
18 three units, four units.

19 Q Okay.

20 A As an example.

21 Q Thank you.

22 And then when you were talking
23 about on Exhibit 9, page 9, the question and
24 answer at the top, and your Honor asked you
25 about upgrades needed to meet -- the sentence
26 saying that, discussing the scope of upgrades
27 needed to meet a 650 megawatt to 950 megawatt
28 need.

1 A Exhibit 9?

2 Q Yes. Page 9.

3 A Okay.

4 Q Are you there?

5 A Yeah, I'm on page 9.

6 Q And so your answer about needing
7 essentially a new 500 kilovolt line, that was
8 based on the CAISO's initial results that
9 showed a need of 650 megawatts to 950
10 megawatts for the local capacity requirements
11 in 2021. But those numbers are reduced as a
12 result of the correction on the assumption
13 about the impact of the Category C
14 contingencies.

15 So given that the results are now
16 lower, has the CAISO gone back to see if
17 other transmission alternatives might be able
18 to meet that lower need?

19 A We haven't performed an analysis,
20 but going back and looking at Table 3, some
21 of the numbers are in the range of 650 to 950
22 megawatts.

23 Q Do you mean Table 3 of Exhibit 10?

24 A I'm sorry. Did I say Table 3?
25 Page 3. Yeah, I'm sorry. The table we were
26 just looking at on page 3.

27 Q Of Exhibit 10?

28 A Of Exhibit 10. Some of the need

1 amounts are still within that range. And so
2 this testimony still appears to be relevant.

3 Q But just to be clear, by some of
4 those numbers, you're only referring to the
5 bottom three rows of that table, not because
6 the top three rows have been superseded?

7 A Yes.

8 Q Or the top two rows?

9 A The top two rows. I'm just
10 referring to the bottom three rows, yes.

11 Q But some of the results might be
12 less than requiring a 500 kilovolt line?

13 A Yes. Some of the results are less
14 than the 650 to 950 megawatt range. Possibly
15 a 230 kV line could be another solution. But
16 to be honest with you, a 230 kV line is not
17 much easier to permit than a 500 kV line.

18 MS. MOREY: That's all. Thank you.

19 CROSS-EXAMINATION

20 BY MS. BEHLES:

21 Q Just a couple of questions. You
22 were asked some questions about import limits
23 and lines. And just to be clear, physical
24 lines, you can calculate the physical limits
25 on a line if you know the kilovolts, the
26 amps, and the power factor; is that right?

27 A You can calculate the rating of a
28 particular transmission line, and then you

1 would have the amount that that line can be
2 operated at. But in a network system where
3 you have multiple lines in parallel, that
4 information is only mildly indicative of what
5 the import limit is.

6 Q But I just wanted to establish that
7 there is a physical characteristic of the
8 line that you can calculate to figure out the
9 rating of the line?

10 A Yes. You can calculate the rating
11 of that transmission line. I wouldn't want
12 to mistake it for an import limit, though.

13 Q And you determined the imports
14 based on your power flow analysis; is that
15 right?

16 A Power system analysis. We do power
17 flow, stability, voltage stability analysis.

18 Q And in this proceeding you did
19 power flow analysis?

20 A And stability and voltage stability
21 as well.

22 Q Is the voltage -- are the other
23 studies reflected in your power flow analysis
24 in this proceeding?

25 A Yes. They are in the base work in
26 the transmission plan report and then carried
27 over into this testimony in the other
28 evidence.

1 Q Okay. And referring back to your
2 table on page 3 in Exhibit 10, I just want to
3 be clear that, you know, if you look at the
4 bottom row of that table, those numbers are
5 assuming a one-in-ten load with only Path 44
6 importing into the San Diego area and a 2.5
7 percent margin; is that correct?

8 A Well, after the contingency there
9 is -- that would be one way to describe
10 what's going on, but these numbers represent
11 how much local generation capacity is needed
12 before the contingency because the
13 contingency can happen instantaneously and --
14 well, it is an overlapping outage, but it can
15 happen within a half hour. So you need to be
16 able to bring those resources up.

17 So essentially we're importing
18 through all the lines available into San
19 Diego. And then we always have to protect
20 against this contingency to be in compliance
21 with the reliability standards, the
22 transmission planning standards, and these
23 are the needs that are required. So I think
24 it's somewhat oversimplifying to say we're
25 only importing from Path 44 and we've added 2
26 and a half percent load to the analysis.
27 That's the end -- that's the final step of
28 the analysis, but there's a process you go

1 through. You know, first you need to make
2 sure, are the generators are deliverable, you
3 can ramp them up, bring them on, they're
4 running. There's more to it than that.

5 Q Okay. And just so I'm clear. But
6 these numbers come from a contingency that's
7 assuming a one-in-ten year and only Path 44
8 is bringing in megawatts into the San Diego
9 area at that time?

10 MS. SANDERS: Your Honor, I object. I
11 allowed the last question. I know this is
12 complicated stuff, but this doesn't really
13 have anything to do with the questions that
14 you asked Mr. Sparks.

15 ALJ YACKNIN: I'm going to overrule
16 because I need to understand myself, and in
17 fact, I'm even going to jump in but let you
18 continue when I'm done jumping in.

19 I understand or appreciate, may not
20 understand it completely, but I appreciate
21 that it's not that simple and that there's
22 lots of steps before having gotten to here, a
23 bit more complex perhaps than a simplistic
24 addition and subtraction calculation of one
25 in ten, Path 44, 2.5 before getting to here.

26 But I had been understanding that
27 after doing all of that, this is a number,
28 this LCR is a number, and add that snapshot

1 postcontingency. That is why we say, okay,
2 we need this before in case all these things
3 happen including the assumptions that these
4 power plants are all going to be powering up
5 and coming in and all these other steps
6 before we get there. But every contingency
7 has a whole picture more than just these
8 three items, but this is the number. It is
9 the number, right, after all this?

10 THE WITNESS: Yes. That is the
11 conclusion of the analysis.

12 ALJ YACKNIN: Okay. I don't know if
13 that was what Ms. Behles was after, but in
14 any event, in my struggle to understand, I'm
15 going to permit you to continue, Ms. Behles.

16 MS. BEHLES: Okay.

17 Q And I'm asking similar questions as
18 what your Honor just asked.

19 So I just want to be clear that
20 this snapshot that you've reflected here with
21 this LCR number, in this snapshot there's --
22 first of all, there's four pathways into the
23 San Diego area, four general import pathways
24 in the San Diego area; is that right?

25 A It depends on where you draw the
26 cut plane, but you could say there's
27 basically two as well, Imperial Valley and
28 San Onofre. And those are both essentially

1 nodes that you must import. All power must
2 go through either San Onofre or Imperial
3 Valley Substation.

4 Q Okay. So in this scenario is
5 Sunrise importing into San Diego?

6 A Yes.

7 Q In this final snapshot?

8 A Well, again, the part that I want
9 to make sure is clear is that after the
10 contingency, the system is hanging on by a
11 thread and operators are scrambling to put
12 the system back. It's not a -- on a
13 temporary basis it's okay, but it's not a
14 sustainable operating condition.

15 And so to say that we built this
16 case, took out the lines and then did all the
17 analysis from there is not an accurate
18 characterization of the analysis or even the
19 way we need to think about it. Part of the
20 analysis is building the case, making sure
21 that the system is in a secure state before
22 the contingency and after the contingency.
23 And these are the local capacity needs to
24 ensure both and all other possible
25 contingencies as well that are within the
26 standards.

27 Q Okay. And I'm just trying to get a
28 view of what this snapshot is at the end.

1 And I understand that you did an analysis to
2 come up with this number, but I'm just trying
3 to understand what's happening at the end of
4 your analysis.

5 ALJ YACKNIN: I think we need to
6 clarify what the end is, I guess, because is
7 it the moment of the contingency before it's
8 been cured? I guess you're sort of -- you
9 know, or is it after it's all been fixed?

10 MS. BEHLES: Q After it's -- first of
11 all, if we meet this LCR number, is it
12 assumed that the contingencies will be fixed,
13 essentially?

14 A There will be enough resources to
15 continue to reliably serve the load before
16 and after the contingency and all other
17 contingencies as well. This just happens to
18 be the worst one, the binding constraint,
19 binding contingency, but there are several
20 others that are in the same ballpark of being
21 a concern in terms of continuing to meet the
22 reliability.

23 ALJ YACKNIN: We're focusing on --

24 THE WITNESS: This most binding.

25 ALJ YACKNIN: -- the N-1-1.

26 MS. BEHLES: Q So at that -- you know,
27 at this instance to come up with this LCR
28 number, are you assuming that any megawatts

1 are coming over the Sunrise line?

2 A After this N-1-1 with Sunrise being
3 one of the forced transmission line outages,
4 there's no power flowing on Sunrise.

5 Q And what about the SWPL?

6 A The Imperial Valley or actually the
7 ECO Miguel segment of SWPL is the other
8 transmission line forced out. And so again,
9 after the contingency there's no power
10 flowing on that line either.

11 Q Okay. And how about from the CFE
12 system?

13 A With both of those lines being
14 forced out, there is a protective system,
15 which I think Mr. Strack talked about
16 already, that senses overloads on that line
17 and opens up that line to protect it.

18 Q So there's no power coming in
19 through that line under the contingency N-1-1
20 scenario?

21 A That path through CFE has been
22 opened up, and so CFE is now hanging off the
23 Imperial Valley bus and is no longer
24 connected to Tijuana or Otay Mesa bus.

25 MS. BEHLES: Okay. Thank you. That
26 helps. I just wanted to clear that up.

27 ALJ YACKNIN: Mr. Szymanski.

28 MR. SZYMANSKI: No thank you. No

1 further questions right now, your Honor.

2 ALJ YACKNIN: Any redirect, Ms.
3 Sanders?

4 MS. SANDERS: I don't think so. No,
5 your Honor.

6 ALJ YACKNIN: Thank you very much, Mr.
7 Sparks. Appreciate your testimony. You are
8 excused.

9 Okay. Does the ISO wish to move --
10 assuming the ISO is moving the admission and
11 receipt of Exhibits 9, 10, and 27, are there
12 any objections?

13 (No response)

14 ALJ YACKNIN: There being none, those
15 exhibits are received.

16 (Exhibit No. 9, 10, and 27 were
17 received into evidence.)

18 ALJ YACKNIN: You also have Exhibits 41
19 and 42. Does CEJA wish to move those into
20 evidence?

21 MS. BEHLES: Yes, I'd like to move
22 those into evidence.

23 ALJ YACKNIN: Are there any objections?

24 MR. SZYMANSKI: No.

25 MS. SANDERS: No objections, your
26 Honor.

27 ALJ YACKNIN: They are received.

28 (Exhibit No. 41 and 42 were received
into evidence.)

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ALJ YACKNIN: I also have received from DRA a document. It has a cover sheet, but it contains pages from the California energy demand 2012 2022 final forecast, and I have previously reserved Exhibit 34 for --

MS. MOREY: I'm sorry. That's 34?

ALJ YACKNIN: 34, for the -- to in essence supplement portions of the information contained in the forecast or to provide further information from that. And this looks to be it.

I'm going to go off the record to allow the parties, other parties to take a look and consider whether there's any objections.

Off the record.

(Off the record)

ALJ YACKNIN: Back on the record.

We were discussing off the record whether this Exhibit 34 is sufficient for the purposes for which it was reserved, and to recap, this exhibit was reserved in response to cross-examination or redirect examination of Mr. Anderson in which he cited to the recently adopted final CEC report of June 13, and he cited to or made reference to bottom line figures that had been revised as from

1 the draft.

2 And I requested that DRA and CEJA or
3 anybody supplement this or provide further
4 pages from the final June 13 report to
5 indicate revisions to line items that fed
6 that ultimate conclusion as it had been
7 revised. CEJA and DRA jointly put together
8 these pages here, which are pages 58, a table
9 entitled Form 1.4, SDG&E Planning Area, a
10 table entitled Table A-8, Residential,
11 Nonresidential. Several pages here. This is
12 a little bit confusing.

13 Let me ask one clarification. Are
14 there revisions in each of these pages?

15 MS. BEHLES: So the pages reflect the
16 low, the mid, and the high forecast. And the
17 beginning page shows the demand forecast.
18 And then the two pages afterwards show the
19 energy efficiency assumptions for that
20 forecast.

21 ALJ YACKNIN: And --

22 MS. BEHLES: And the first page in the
23 exhibit shows the overall numbers.

24 ALJ YACKNIN: And are these revised
25 from the draft?

26 MS. MOREY: I don't know, your Honor,
27 that we've had a chance to actually analyze
28 them. I mean as you know, the approval was

1 just issued June 13th, the Wednesday before
2 the hearings started. And actually, DRA and
3 CEJA objected that Mr. Anderson is
4 introducing the higher number in part because
5 it requires continuing to move the picture
6 about, you know, we've got the snapshot.
7 We've got all his testimony. And, you know,
8 we think to introduce --

9 ALJ YACKNIN: Let's get back to, we can
10 leave it at you were not able to -- you have
11 not reviewed the document.

12 MS. BEHLES: We reviewed these tables
13 and thought that it would provide a fuller
14 picture.

15 ALJ YACKNIN: I appreciate that.

16 MS. BEHLES: But we haven't done a
17 comparison.

18 MR. SZYMANSKI: Your Honor, if I may
19 just add one comment, which is, we're
20 reviewing these excerpted pages right now and
21 appreciate that, you know, counsel for CEJA
22 and DRA have had limited time to assemble
23 this excerpt. And just based on a first
24 quick peak, we noted that we see at four,
25 page captioned as Form 1.4. It's essentially
26 the fourth page in on the document. And we
27 would feel that there's an additional Form
28 1.5 that's not in this excerpt that should be

1 included as part of the excerpt.

2 ALJ YACKNIN: Is that the high demand?

3 MR. SZYMANSKI: No. It's a mid demand
4 case. And it shows additional over the
5 planning horizon for years, well, 2011
6 through 2022. It has several columns
7 including 1 and 2 with a 1 in 5 multiplier
8 plus one-in-ten temperatures and one-in-ten
9 multiplier. So it gives a broader array of
10 information that was contained in this same
11 report from which this excerpt was derived.

12 So I guess we would recommend that
13 we have a little bit more opportunity somehow
14 to review the entire report, and maybe we can
15 work off line with CEJA and DRA to assemble a
16 representative excerpt for you. But we're
17 open to other ideas as well.

18 ALJ YACKNIN: I'll tell you what. At
19 this point I think I will simply not admit
20 the exhibit, and we will just leave the
21 record with a final number without any of the
22 underlying information and leave it as the
23 fact that we have not been able to examine
24 it.

25 I'm not interested in litigating,
26 going through this, or I think that the need
27 to then understand these very complicated
28 tables will require hearing time at least for

1 me, and we don't want to do that.

2 So I will not admit what's been
3 marked for identification as Exhibit 34.

4 Yes.

5 MS. MOREY: Your Honor, I just want to
6 note for the record that although Mr.
7 Anderson was talking about the final mid
8 number, there is also a final low demand
9 number and a final that is not reflected in
10 his testimony. And so one possibility would
11 be to just admit this page which gives the
12 number.

13 ALJ YACKNIN: I will go off the record
14 and let the parties negotiate that.

15 Off the record.

16 (Off the record)]

17 ALJ YACKNIN: Back on the record.

18 While we were off the record
19 Ms. Morey tentatively or raised the
20 possibility of limiting what's been marked
21 for identification as Exhibit 31 to the very
22 first table, Table 3-1, SDG&E planning area
23 forecast comparison. And I believe the other
24 parties are amenable to that. So I will
25 limit the document to that one table. And I
26 will strike on the face of the document,
27 because of the way it's put together, the
28 Form 1.4 that is on the back. That will be

1 stricken from the record. And it will be
2 admitted in this form.

3 And I will note for the record,
4 while we were off, DRA's objection renewed
5 objection while we were off the record to any
6 of the information from the June 13 final
7 report from being admitted into the record
8 because of the lack of ability to study it
9 and litigate it in this proceeding.

10 MS. BEHLES: Just for the record, CEJA
11 supports DRA's objection.

12 ALJ YACKNIN: So in that modified form,
13 Exhibit 34 is admitted.

14 (Exhibit No. 34 was received into
15 evidence.)

16
17 ALJ YACKNIN: We will next take the
18 testimony of Mr. Spencer. And we will go off
19 the record to accommodate that.

20 Off the record.

21 (Off the record)

22 ALJ YACKNIN: Back on the record.

23 (Recess taken)

24 ALJ YACKNIN: On the record.

25 DRA, would you call your witness.

26 MS. MOREY: DRA calls Mr. Peter Spencer
27 to the witness stand.

28 PETER SPENCER, called as a witness
by CPUC Division of Ratepayer

1 Advocates, having been sworn, testified
2 as follows:

3 ALJ YACKNIN: Please have a seat.

4 DIRECT EXAMINATION

5 BY MS. MOREY:

6 Q Good morning, Mr. Spencer.

7 A Good morning.

8 Q Would you please state your full
9 name for the record.

10 A Yes. Peter Spencer, S-p-e-n-c-e-r.

11 Q And can you please tell us your
12 position within the Division of Ratepayer
13 Advocates.

14 A Yes. I am a senior analyst in the
15 energy, planning and procurement section of
16 the Division of Ratepayer Advocates.

17 Q And you are sponsoring Exhibits 16
18 and portions of Exhibit 18 in this
19 proceeding?

20 A Yes.

21 Q And Exhibit 16 is the supplemental
22 testimony of Peter Spencer on behalf of DRA,
23 dated May 18th, 2012; is that right?

24 A Correct.

25 Q Was Exhibit 16 prepared by you or
26 at your direction?

27 A Yes, it was.

28 Q And are the facts contained in

1 Exhibit 16 true and correct to the best of
2 your knowledge?

3 A Yes.

4 MS. MOREY: Your Honor, the witness is
5 available for cross-examination.

6 ALJ YACKNIN: Does CEJA have any
7 cross-examination?

8 MS. BEHLES: No.

9 ALJ YACKNIN: Mr. Szymanski.

10 MS. SANDERS: I might have a few
11 questions after Mr. Szymanski.

12 ALJ YACKNIN: We will reserve that for
13 you.

14 CROSS-EXAMINATION

15 BY MR. SZYMANSKI:

16 Q Good morning, Mr. Spencer.

17 A Good morning.

18 Q I'm Paul Szymanski. And I
19 represent SDG&E in this proceeding.

20 I have what I expect to be just a
21 few questions for you. And they relate to
22 the topic of distributed generation, which I
23 might refer to as DG. And in particular,
24 some of my questions are associated with the
25 document marked in this case as Exhibit 33,
26 and has the sheet Attachment Q, which I
27 believe was an attachment to DRA testimony
28 that was submitted previously in this

1 proceeding. Are you familiar with --

2 MS. MOREY: Your Honor, I just want to
3 be clear. I have Exhibit 33 as a different
4 document, but I might be wrong.

5 ALJ YACKNIN: Off the record.

6 (Off the record)

7 ALJ YACKNIN: Back on the record.

8 We have identified in fact the
9 evidence that Mr. Szymanski is referring to
10 is Tab Q of what's been marked for
11 identification as Exhibit 18.

12 Please proceed.

13 MR. SZYMANSKI: Thank you, your Honor
14 and Ms. Morey, for helping clarify that for
15 me.

16 Q Do you have that document in front
17 of you, sir?

18 A Yes, I do.

19 Q And would you please turn to page 3
20 of that document.

21 A Okay. I'm there.

22 Q Great. And that page contains a
23 table which is captioned Table ES-2, Proposed
24 Regional DG Targets by 2020. Do you see that
25 table there?

26 A Yes, I do.

27 Q Thank you.

28 Now, has the CPUC adopted any

1 specific regional targets regarding the
2 deployment of DG?

3 A Not to my knowledge.

4 Q If the Commission does develop such
5 goals or targets, do you expect that the
6 Commission will factor in cost effectiveness
7 in determining those targets?

8 A I'm not specifically working on
9 distributed generation for the Commission or
10 DRA, but in general we look at cost
11 effectiveness. So the question you're
12 asking, I would assume that would be a
13 factor.

14 Q Are you aware if the Commission is
15 undertaking any cost effectiveness analysis
16 with respect to DG?

17 A I am not aware of that. They may
18 be, but I'm not aware.

19 Q Is DRA looking at cost
20 effectiveness of DG in developing any
21 recommendations regarding DG?

22 MS. MOREY: Objection, your Honor. It
23 is just a little vague as to what proceeding
24 or where --

25 ALJ YACKNIN: Why don't you clarify
26 whether you're asking --

27 MR. SZYMANSKI: Q In any proceeding
28 underway at the PUC right now is DRA in the

1 process of developing or making
2 recommendations regarding the cost of
3 incorporating the cost effectiveness of DG in
4 its recommendations of specific goals for DG?

5 A We may be. We have a team that
6 works on distributed generation. I'm not
7 part of that team. So I'm not aware of
8 exactly what they're working on. They may or
9 may not be.

10 Q So, with that, SDG&E has no further
11 questions.

12 MS. MOREY: Your Honor -- sorry.

13 ALJ YACKNIN: Ms. Sanders.

14 MS. SANDERS: Yes. Thank you, your
15 Honor. I actually do have a few questions on
16 a different topic. I didn't know whether we
17 would have the same issue or not.

18 CROSS-EXAMINATION

19 BY MS. SANDERS:

20 Q Mr. Spencer, good morning. I am
21 Judi Sanders from the California ISO.

22 A Good morning.

23 Q I just have a few questions on page
24 5 of your testimony.

25 A Just one moment. I'm looking at
26 page 5.

27 Q In the paragraph at the top of the
28 page there, the final sentence, and I am

1 paraphrasing here, but as I understand it,
2 you're saying that it is DRA's recommendation
3 that if the Commission approves -- finds
4 local capacity deficiency in this case that
5 exceeds -- approves the PPAs but finds a
6 higher local capacity deficiency for San
7 Diego, that that issue should be addressed in
8 the LTPP case? Is that what you're saying
9 there?

10 A Yes. I'm saying that we agree the
11 PPTAs belong in this Application hearing, but
12 we question looking at the full implications
13 of need in the LCR, belong more rightfully in
14 the LTPP process where other parties are
15 involved and more testimony is being offered
16 on that issue.

17 Q Local capacity needs for San Diego,
18 is that correct?

19 A Local capacity needs for San Diego
20 belong in LTPP process, in my opinion.

21 Q Okay. Are you familiar with what's
22 going on in the LTPP case right now?

23 A Yes, I am.

24 Q Have you reviewed the testimony of
25 the ISO in that case?

26 A Yes, I have.

27 Q And isn't it correct, then, that
28 what's going on in Track 1, this is the 2012

1 LTPP case, is that the Commission is going to
2 review the local capacity needs for Southern
3 California Edison basically for the L.A.
4 Basin and the Big Creek/Ventura area,
5 correct?

6 A That is part of it. I believe
7 there's more to it than just that.

8 Q Well, okay. Thank you.

9 I'm referring to, I believe it is,
10 Track 1 of the LTPP case.

11 A Yes. Track 1 also includes other
12 issues such as CAM that are to be addressed
13 for all IOUs, is my understanding, in the
14 LTPP 2012 process.

15 Q Thank you. Yes. So is it your
16 recommendation that there should be
17 additional testimony in the LTPP case about
18 the San Diego local capacity needs?

19 A Yes, it would make sense to me
20 because there's more information being
21 offered in the LTPP process regarding LCR
22 study performed by CAISO that would inform a
23 decision on additional need for San Diego.

24 Q What more information is being
25 provided by the ISO in the LTPP case about
26 local area needs?

27 A I believe Mr. Sparks referenced
28 some effectiveness numbers that are included

1 in testimony for the SCE filing that were not
2 included in this case, and I'm not aware of
3 all the information, but I know further
4 information which won't be supplied until the
5 Monday filing of comments by the parties.
6 There are also many other parties, so I can
7 assume there will be other information and
8 additional time for studies to be evaluated
9 further.

10 Q Well, just so we're clear, I think
11 Mr. Sparks explained that the effectiveness
12 factor issue is unique to the Edison area
13 because of the differences, why the
14 contingencies arise, correct? I believe he
15 testified that the effectiveness factors
16 didn't have really anything to do with San
17 Diego, correct?

18 A I believe that's true. I don't
19 know if it will be litigated in the 2012 LTPP
20 as far as its relationship to other issues or
21 not. I was using that as an example of a
22 variety of issues that may come into play in
23 the LTPP process.

24 Q Okay. But I believe you told me
25 that you reviewed the testimony filed by the
26 CAISO?

27 A Yes, I did.

28 Q Isn't it true that Mr. Sparks is

1 describing the same once-through cooling
2 study that was performed by the ISO that was
3 described in this case for the San Diego
4 area, correct?

5 A Yes.

6 Q So it's hasn't -- besides the
7 differences in system design that may come up
8 between Edison and San Diego, the ISO hasn't
9 presented any new information about local
10 area needs in the LTPP case because we're
11 talking about the same study, isn't that
12 correct?

13 ALJ YACKNIN: Well, I don't think we
14 need Mr. Spencer to testify to what the ISO's
15 testimony is.

16 MS. SANDERS: Okay. Thank you.

17 Q Then you had along those lines, at
18 the bottom of page 5, you state that one of
19 the things that's going on in the LTPP case,
20 and this is the last paragraph, is that some
21 of the standardized assumptions will be
22 updated.

23 Is that a fair characterization of
24 that paragraph in your testimony?

25 A Yes, it is.

26 Q Do you know whether the California
27 ISO used updated planning assumptions in
28 their once-through cooling study? -- in our

1 once-through cooling study?

2 A I wouldn't believe so. I was
3 referring to updated planning assumptions
4 that are being updated in the 2012 LTPP
5 process.

6 Q Correct.

7 A So they would not be included in
8 the OTC study.

9 Q Correct. And the planning
10 assumptions -- would you agree with me that
11 the planning assumptions are being updated in
12 the LTPP case for the purpose of determining
13 system needs, correct?

14 MS. MOREY: Objection, your Honor.
15 Calls for a legal conclusion.

16 ALJ YACKNIN: In any event, do you have
17 the scoping memo in that proceeding?

18 MS. SANDERS: I don't have it with me.

19 MS. MOREY: I may have a copy.

20 ALJ YACKNIN: I'm not sure -- if you're
21 suggesting -- you are trying to suggest
22 that -- I am not sure what you are trying to
23 suggest, actually. What I'm hearing, the
24 point, the gist of what you're trying to
25 elicit is that regardless of whether LCR is
26 or isn't at issue, the LCR for 2012 to 2022
27 is or isn't at issue in the 2012 LTPP the ISO
28 has not presented its LCR study in the 2012

1 LTPP?

2 MS. SANDERS: Well, no.

3 ALJ YACKNIN: Or is not intending to --

4 MS. SANDERS: Well, I guess what I am
5 trying to say is for San Diego the ISO hasn't
6 presented evidence. That's been presented
7 here. I don't want to testify, but, yes,
8 that is what I was trying to point out.

9 ALJ YACKNIN: And we don't need
10 testimony I don't think to do that.

11 MS. SANDERS: Okay.

12 ALJ YACKNIN: What you have presented
13 here -- what you presented there I don't
14 know, but I will say that's that judge's
15 problem, not mine.

16 MS. SANDERS: Fair enough. Then that's
17 all I have for Mr. Spencer. Thank you.

18 ALJ YACKNIN: Okay. I have no
19 questions.

20 Redirect?

21 MS. MOREY: Yes. Could I just have
22 one minute with the witness, please?

23 ALJ YACKNIN: Off the record.

24 (Off the record)

25 ALJ YACKNIN: On the record.

26 Ms. Morey.

27 REDIRECT EXAMINATION

28 BY MS. MOREY:

1 Q Mr. Spencer, SDG&E's attorney asked
2 you earlier if the CPUC had adopted specific
3 regional targets for DG, and your answer was
4 no. But are there other ways in which the
5 Commission is seeking to incentivize
6 additional distributed generation in
7 California?

8 A Yes. There are many programs at
9 the Commission that incentivize solar
10 programs and different forms of distributed
11 generation. There are a variety of programs
12 that have been funded by the Commission in
13 support of different types of distributed
14 generation.

15 Q And your testimony, the Attachment
16 Q, related to the Governor's plan to create
17 even more incentives and goals for
18 distributed generation; is that right?

19 A Yes. I believe it is above and
20 beyond what we are currently doing.

21 Q And then the CAISO attorney was
22 asking you some questions about the CAISO's
23 submission of the CAISO's OTC 2021 LCR
24 studies in the 2012 LTPP and asking about
25 your conclusion that if there is any
26 additional deficiency that might be occurring
27 in San Diego in 2021 beyond the three PPTAs,
28 that that be pushed into the 2012 LTPP.

1 Can you just explain a little
2 further what is the basis of your
3 recommendation?

4 A Yes. The OTC study by the CAISO
5 was looking at transmission reliability
6 issues and translating that to the planning
7 issues that the Commission has not been
8 thoroughly vetted. And it is my
9 understanding that will continue in the LTPP
10 process to determine how exactly to take that
11 document and use that to define how we will
12 procure resources, which is the function of
13 the Commission.

14 The CAISO did their job, and now it
15 is up to the Commission to do their job. And
16 that will be a large part of the continuing
17 process in the LTPP.

18 So I don't know that we have all
19 the information yet to come to a conclusion
20 for San Diego.

21 MS. MOREY: That's all, your Honor.
22 Thank you.

23 ALJ YACKNIN: Anything further for the
24 this witness?

25 MR. SZYMANSKI: Nothing further.

26 ALJ YACKNIN: There being none,
27 Mr. Spencer, thank you very much for your
28 testimony. You are excused.

1 THE WITNESS: Thank you, and you're
2 welcome.

3 ALJ YACKNIN: We can move the admission
4 of Exhibit 16. Are there any objections to
5 its receipt?

6 (No response)

7 ALJ YACKNIN: There being none, it is
8 received.

9 (Exhibit No. 16 was received into
10 evidence.)

11 ALJ YACKNIN: Would DRA call its next
12 witness.

13 MS. MOREY: Yes. DRA calls
14 Mr. Ghazzagh to the stand.

15 FARZAD GHAZZAGH, called as a witness
16 by CPUC Division of Ratepayer
17 Advocates, having been sworn, testified
18 as follows:

18 ALJ YACKNIN: Please be seated.

19 DIRECT EXAMINATION

20 BY MS. MOREY:

21 Q Good morning, Mr. Ghazzagh.

22 A Good morning.

23 Q Can you please state your name and
24 spell it for the court reporter, please.

25 A Farzad Ghazzagh, F-a-r-z-a-d,
26 G-h-a-z-z-a-g-h. Too many Z's.

27 Q Can you tell us your position with
28 DRA?

1 A I am a utilities engineer in the
2 energy procurement and planning branch in
3 DRA.

4 Q And you are sponsoring today
5 portions of Exhibits 4 and 4-C, which are
6 DRA's direct testimony, the public version,
7 and DRA's direct testimony, the confidential
8 version, from September 23rd, 2011; is that
9 right?

10 A That's correct.

11 Q And you are also sponsoring
12 Exhibit 15, which is the supplemental
13 testimony of Farzad Ghazzagh on May 18th,
14 2012?

15 A Yes.

16 Q And you are sponsoring portions of
17 Exhibit 18 which are the attachments to your
18 May 18th supplemental testimony; is that
19 right?

20 A Yes.

21 Q And were the portions of Exhibit 4
22 and Exhibit 11 prepared by you or at your
23 direction?

24 A Yes.

25 Q Do you have any corrections to make
26 to your testimony?

27 A Yes, I do. Exhibit 18, I
28 believe --

1 Q Eleven, I think. 18 are the
2 attachments. Eleven is your testimony.

3 A Exhibit 11, on page 14 --

4 ALJ YACKNIN: Off the record.

5 (Off the record)

6 ALJ YACKNIN: On the record.

7 That would be Exhibit 15 you have
8 corrections to, Mr. Ghazzagh?

9 THE WITNESS: Yes. That's the
10 supplemental testimony filed on May 18th,
11 2012.

12 On page 14, line 22, in the middle
13 of the sentence, where it says LTPP
14 standardized planning assumption, that should
15 be taken out. It should be replaced with
16 "the joint IOU scenario.

17 MS. MOREY: Q Would you remove on line
18 23 the remainder of that sentence as well?

19 A Yes. Yes, that's correct.

20 Q Do you have any other corrections
21 to make to your testimony?

22 A No, I don't.

23 Q Are the facts contained in your
24 testimony true and correct to the best of
25 your knowledge?

26 A Yes.

27 MS. MOREY: Your Honor, the witness is
28 available for cross-examination.

1 ALJ YACKNIN: Okay. One minute,
2 please.

3 Does CEJA have any
4 cross-examination?

5 MS. BEHLES: No.

6 ALJ YACKNIN: Who would like to
7 proceed?

8 MS. SANDERS: Your Honor, I have no
9 cross-examination.

10 ALJ YACKNIN: Mr. Szymanski.

11 MR. SZYMANSKI: Yes. Thank you, Judge
12 Yacknin.

13 CROSS-EXAMINATION

14 BY MR. SZYMANSKI:

15 Q Good morning, Mr. Ghazzagh.

16 A Good morning, Mr. Szymanski.

17 Q I have got the Z issue also. Too
18 many consonants. The ratio of consonants to
19 vowels is very high.

20 I would like to turn your attention
21 briefly to see the document marked as
22 Exhibit 15.

23 A Okay.

24 Q And if I could, would you please
25 turn to page 15 of that document.

26 On the first full sentence on that
27 page you will see the text that says SDG&E is
28 also expected to file an updated ex ante

1 forecast on June 1st, 2012.

2 A Yes.

3 Q I would like to show you a
4 document.

5 (Document handed to the witness)

6 ALJ YACKNIN: I have here a document.
7 The cover sheet indicates it is an executive
8 summary of the 2011 SDG&E measurement and
9 evaluation load impacts report, dated June 1,
10 2012, of SDG&E. It is marked for
11 identification as Exhibit 43.

12 (Exhibit No. 43 was marked for
13 identification.)

14 MS. MOREY: Your Honor, DRA would like
15 to make an objection to the introduction of
16 this document.

17 ALJ YACKNIN: It hasn't been moved into
18 evidence yet. So we will wait for that.

19 Please proceed.

20 MR. SZYMANSKI: Thank you.

21 Q Mr. Ghazzagh, do you believe the
22 Commission should consider the latest
23 information regarding demand response
24 performance?

25 ALJ YACKNIN: I am going to not allow
26 that question. That's overly broad and
27 vague. Can you be more specific.

28 MR. SZYMANSKI: Well, I think it's --

1 ALJ YACKNIN: I will explain my ruling
2 in context of this exhibit and in context of
3 the testimony and evidence that we have taken
4 so far. I guess I would ask you to define
5 best evidence or most recent evidence,
6 because, for example, the Energy Commission
7 report is one sort of evidence, the best
8 evidence or the most recent evidence, and
9 what SDG&E just thought of yesterday in its
10 offices is also most recent evidence. It is
11 more recent than what it was thinking a week
12 before but it has less authority. And so I'm
13 concerned that that question is not
14 informative in terms of laying foundation for
15 this exhibit.

16 So why don't you ask something more
17 specific that would be relevant to laying
18 foundation for this exhibit.

19 MR. SZYMANSKI: First of all, your
20 Honor, I will note that Mr. Ghazzagh's own
21 testimony references this document, which
22 wasn't developed at the time he prepared his
23 testimony. He didn't have any updates to his
24 testimony as of this morning. And I think
25 it's important for the completeness of the
26 record to have the documents that he
27 references in his testimony that would make
28 the record complete.

1 ALJ YACKNIN: Why don't we go to -- why
2 don't you approach it that way. Let's go to
3 the document and show the foundation or the
4 relevance of this document to that document
5 in that way. But I am not amenable to -- I
6 will not accept as foundation for this
7 document the implicit premise that it is the
8 best, most recent information or best
9 information, as you put it.

10 So, please proceed.]

11 MR. SZYMANSKI: Well, my basis again is
12 that Mr. Ghazzagh's own testimony references
13 this document which he didn't attach among
14 the many documents that were attached to
15 DRA's exhibits. And now we are completing
16 the record for the benefit --

17 ALJ YACKNIN: Very good. I have not
18 objected to the admission of this document.
19 I have not objected -- excuse me. I have not
20 ruled denying the admission of this document.
21 I have not ruled denying questioning on this
22 document. I have ruled that you may not --
23 that the witness does to need to answer your
24 prior question. Please proceed.

25 MS. MOREY: Your Honor, if I may.

26 ALJ YACKNIN: No. We're ready to move
27 on.

28 MS. MOREY: To clarify the record,

1 though?

2 ALJ YACKNIN: No. Please proceed.

3 Mr. Szymanski, surely that question
4 was not the extent of your cross-examination
5 with respect to what's been marked for
6 identification as Exhibit 43?

7 MR. SZYMANSKI: Well, your Honor.

8 ALJ YACKNIN: Please proceed. I'm not
9 going to revisit my ruling. If you have no
10 further cross-examination, that's fine.

11 MR. SZYMANSKI: May I have a minute off
12 the record, please?

13 ALJ YACKNIN: Yes.

14 (Off the record)

15 ALJ YACKNIN: On the record.

16 Please proceed, Mr. Szymanski.

17 MR. SZYMANSKI: Q So with the document
18 that's just been marked as Exhibit 43, would
19 you please turn to page 9?

20 ALJ YACKNIN: Mr. Ghazzagh, are you
21 familiar with this document?

22 THE WITNESS: No, I'm not.

23 MS. MOREY: Your Honor, DRA would
24 object to this whole line of questioning
25 because --

26 ALJ YACKNIN: I haven't heard a
27 question yet.

28 MS. MOREY: Okay. Just want to make

1 sure that --

2 MR. SZYMANSKI: Q Mr. Ghazzagh, the
3 table is entitled ex-ante portfolio forecast
4 1 in 2 weather year. Are you familiar with
5 tables that similarly have had this caption?
6 I think I said page 9.

7 A I have a table on page 10. Is that
8 the one you're referring to? Are you talking
9 about the same document?

10 ALJ YACKNIN: I see. At the end of the
11 document there are tables that restart page
12 numbering.

13 MR. SZYMANSKI: Q I'm sorry. So after
14 the first 40 pages or so of text then there
15 are tables, and I should have been more
16 specific, and I apologize, Mr. Ghazzagh.
17 Towards the end of the document there's
18 several pages of tables, and the first nine
19 pages in after that first eight pages there
20 is a page 9 that's entitled Ex Ante Portfolio
21 Forecast One-in-Two Weather Year. Do you see
22 that there?

23 A Yes.

24 Q My question is, have you seen
25 tables that are similarly captioned in this
26 fashion from SDG&E in the past?

27 A I'm not sure. I may have seen
28 something similar to it but maybe not

1 identical.

2 Q Are you familiar with the term "ex
3 ante"?

4 A Yes.

5 Q And what does that term mean?

6 A It means after you have records to
7 estimate what it is in this case.

8 Q And do you understand that this
9 table would contain for various demand
10 response programs expected or forecasted
11 performance data for those various programs
12 over a period of 12 months?

13 MS. MOREY: Objection, your Honor. The
14 witness already has said that he's not
15 familiar with the document. He hasn't had a
16 chance to review it, and DRA would object to
17 San Diego trying to have the document
18 admitted through this manner when it's dated
19 June 1st. There's no SDG&E witness
20 sponsoring it, and yet there could have been
21 because they could have attached it to their
22 testimony which was served June 8.

23 ALJ YACKNIN: I'm concerned as well,
24 but right now, Mr. Ghazzagh, I'd like you to
25 respond to the question with this
26 modification.

27 Mr. Ghazzagh, looking at this table,
28 do you understand this table to be

1 representing to show what Mr. Szymanski has
2 said?

3 THE WITNESS: A 12-month forecast, is
4 that what he was asking?

5 ALJ YACKNIN: That it represents --
6 does this table purport to show, right, the
7 forecast one in ex ante, one portfolio
8 forecast one in year weather year, and are
9 you able to interpret the table? Assuming it
10 to be what it says it is, are you able to
11 interpret it?

12 THE WITNESS: I'm not sure what you
13 mean by "interpreting." I can see what
14 the --

15 ALJ YACKNIN: Can you explain it? Can
16 you understand what it's trying to say?

17 THE WITNESS: It basically means that
18 in this assumption for demand response, the
19 12-month forecast, if we go to the highest
20 number, the month of September, you have 170
21 megawatts of demand response on an ex ante
22 basis.

23 ALJ YACKNIN: So that's what this
24 document says.

25 Okay. Please proceed.

26 MR. SZYMANSKI: Yes. And thank you,
27 your Honor.

28 Q I was going to move to the totals

1 for the year 2020. And the year 2020 is in
2 the planning horizon for this instant
3 proceeding, isn't it?

4 A That's correct.

5 Q And so the demand response numbers
6 that are reflected in this table that SDG&E
7 has developed would reflect SDG&E's
8 assessment of the performance of those
9 programs for that year in these various
10 months; is that right?

11 MS. MOREY: Objection.

12 ALJ YACKNIN: That's your testimony,
13 Mr. Szymanski. That's not --

14 MR. SZYMANSKI: I'm establishing
15 whether --

16 ALJ YACKNIN: No. What you've stated
17 is, this is SDG&E's information. Mr.
18 Ghazzagh cannot testify to whether this is
19 SDG&E's information. You're representing it
20 to be so. Let's move on.

21 MR. SZYMANSKI: I am not asking him to
22 testify as to SDG&E's representations. I'm
23 asking Mr. Ghazzagh to understand --

24 ALJ YACKNIN: You need to restate the
25 question. You need to restate the question.

26 MR. SZYMANSKI: Q Let's take a look at
27 the month of July on this page and the total
28 number of demand response savings that are

1 represented there. And considering that
2 number 147, is that number higher or lower
3 than what DRA's number is for estimated for
4 the month of July in 2020?

5 MS. MOREY: Objection, your Honor, also
6 that Counsel is asking about a different
7 demand forecast. He's asking the witness to
8 compare different --

9 ALJ YACKNIN: I'm not going to permit
10 this line of cross on this document. I am
11 not able to discern any purpose of it other
12 than to put into evidence SDG&E's June 1
13 report through this witness, and that's not
14 permissible.

15 MR. SZYMANSKI: May I understand why,
16 your Honor, it's not permissible?

17 ALJ YACKNIN: Because this witness is
18 not competent to testify to the veracity of
19 this evidence.

20 MR. SZYMANSKI: Well, I'm not asking
21 him to attest to the veracity nor testify on
22 SDG&E's behalf. I'm asking him an opinion
23 about one figure that appears in the table
24 that represents what SDG&E's best estimate is
25 as of now for its aggregate demand response
26 programs in the year 2020. I think that's
27 squarely within the scope of this case.

28 ALJ YACKNIN: Mr. Ghazzagh, do you

1 understand this document to be SDG&E's best
2 estimate of the information it puts forward?
3 Do you have any opinion as to what this
4 represents with respect to SDG&E's opinion?

5 THE WITNESS: I understand that this is
6 SDG&E's proposed numbers and hasn't been gone
7 through LTPP process, as I mention in my
8 testimony. I read over it. It says DRA
9 recommends using 302 number, megawatt number
10 until the Commission adopts a new planning
11 assumption for DR.

12 ALJ YACKNIN: Can you show me where you
13 are citing from?

14 THE WITNESS: I'm sorry. At Exhibit
15 15, page 15, middle of line 5 until the end
16 of the paragraph. Should I read it or?

17 ALJ YACKNIN: No. I see it.

18 THE WITNESS: Basically what we are
19 saying is that it should be adopted by the
20 Commission, not just proposed by San Diego
21 and then use those numbers.

22 ALJ YACKNIN: Okay.

23 MR. SZYMANSKI: SDG&E feels that if Mr.
24 Ghazzagh feels --

25 ALJ YACKNIN: You did not ask for
26 permission to speak, and I have not granted
27 it.

28 Okay. Mr. Ghazzagh, do you

1 recognize, do you understand Exhibit 43 to be
2 the filing that you referred to here on page
3 15?

4 THE WITNESS: I'm not hundred percent
5 sure this is the document that we're
6 referring to in our testimony.

7 ALJ YACKNIN: Okay. Proceed, Mr.
8 Szymanski.

9 MR. SZYMANSKI: Well, your Honor, it
10 appears that the witness has no opinion of
11 the last -- on the last question I
12 answered -- asked him regarding the
13 importance of the 147 number and how that
14 compares with DRA's demand, expected demand
15 response for SDG&E for that year.

16 MS. MOREY: Objection to the extent it
17 mischaracterizes the testimony.

18 MR. SZYMANSKI: I'm asking Mr. Ghazzagh
19 to compare this number with DRA's similar
20 testimony.

21 ALJ YACKNIN: Okay. So --

22 MS. MOREY: Your Honor --

23 ALJ YACKNIN: Let's go ahead. So this
24 number -- let's go ahead. I'll allow that
25 question.

26 How does the number that Mr.
27 Szymanski has pointed to compare to a number
28 in your testimony, and if it is not

1 comparable, please explain why.

2 MS. MOREY: Your Honor, for
3 clarification, can Mr. Szymanski direct the
4 witness to which number specifically he's
5 asking for a comparison to?

6 ALJ YACKNIN: Do you have the question
7 in mind, Mr. Ghazzagh? Do you have the
8 number in mind?

9 THE WITNESS: I have a number.

10 MR. SZYMANSKI: I can try to restate
11 the question in another way.

12 Q Mr. Ghazzagh, has DRA developed a
13 projected demand response savings numbers for
14 SDG&E for the year 2020?

15 A We used the number that was used in
16 the LTPP, and it's 302. We didn't further
17 develop another forecast.

18 Q And when was that forecast of 302
19 developed?

20 A I'm not sure what the date was. It
21 was used in the 2010 LTPP.

22 Q And when was the data derived that
23 was used in that forecast?

24 A I don't know.

25 Q Would it have been before the
26 filing that you made in that proceeding?

27 A Probably is.

28 Q Would it have been in the year

1 2010?

2 A I will have to go back and see when
3 the date was on the filing of report on 2010
4 LTPP by DRA, but it's probably beginning of
5 2010.

6 Q Could it have been 2009?

7 A It could have been.

8 Q Could it have been 2008?

9 A I don't think so, but I'm not sure.

10 Q What was the source of the data
11 that you used for developing your forecast?

12 MS. MOREY: Objection, your Honor,
13 vague. What do mean by your forecast?

14 MR. SZYMANSKI: Q The forecast that
15 you're referencing here, Mr. Ghazzagh, that
16 present, that developed the savings numbers
17 of 302.

18 MS. MOREY: Objection, your Honor,
19 asked and answered. I think he just went
20 through that.

21 ALJ YACKNIN: I think no. It misstates
22 facts not in evidence. It misstates his
23 testimony. He said he used the -- that DRA
24 did not develop the number, that they used
25 the number from elsewhere.

26 MR. SZYMANSKI: Q Okay. Mr. Ghazzagh,
27 what was the source of the data that you used
28 to develop that 302 figure?

1 MS. MOREY: Objection, your Honor,
2 asked and answered, and it's in his
3 testimony.

4 ALJ YACKNIN: Go ahead and answer.
5 What's the source of the 302 figure?

6 THE WITNESS: The number was from the
7 trajectory case in the 2010 LTPP proceeding.

8 MR. SZYMANSKI: Your Honor, each of my
9 questions here has been objected to by Ms.
10 Morey. We allowed many questions from Ms.
11 Morey where she is laying foundation and
12 asking questions about documents that were
13 either before her or that she presented at an
14 SDG&E witness. I don't see how this line of
15 questioning should at all be objectionable
16 since DRA used the same examination
17 techniques this week.

18 ALJ YACKNIN: The objection, the
19 pending objection is being -- is prompted by
20 this document which is on its face improper,
21 an improper addition to SDG&E's direct
22 testimony. It's not proper cross-examination
23 to the extent that it's being offered for the
24 truth of the matter asserted.

25 If you're not offering it for the
26 truth of the matter that it's asserting, I'm
27 interested in going and letting you do that
28 limited cross, but the concern here is that

1 it's improper cross-examination, and I'm not
2 going to permit it for that purpose.

3 MR. SZYMANSKI: Well, I need to
4 respond, your Honor. SDG&E is doing
5 cross-examination, first of all, as I started
6 with exhibit that has been marked as Exhibit
7 15. I'm examining Mr. Ghazzagh about
8 representations he's made here of fact. I'm
9 further asking about the vintage of the data
10 that he has used to develop these
11 representations. And I'm going to compare
12 that with the vintage of the data of the
13 document that he also referred to in the same
14 paragraph. And so we can compare the
15 relative values and merits of these different
16 documents. I think this perfectly
17 appropriate here, and I don't really
18 understand what the impropriety is of it.

19 ALJ YACKNIN: I regret that, but I will
20 not allow this document to be used or
21 introduced for the purpose of the truth of
22 the matter asserted.

23 MR. SZYMANSKI: And why?

24 ALJ YACKNIN: I have ruled, Mr.
25 Szymanski. Let's move on.

26 MR. SZYMANSKI: Q Okay. Let's look at
27 document number -- Exhibit No. 15. Did you,
28 Mr. Ghazzagh, develop that figure of 302?

1 A No, I did not. I mentioned we took
2 that from the LTPP trajectory case.

3 Q Was it developed -- what entity
4 developed that number? Was it ISO? Was it
5 CEC, DRA? Can you tell me who developed that
6 figure?

7 A I believe it was done by the IOUs.

8 Q And did you say IOUs plural?

9 A The document I'm looking at has San
10 Diego's title on it. So it was developed by
11 San Diego.

12 Q Were there other IOUs involved in
13 the development of that figure?

14 A I'm not sure if other IOUs had
15 input to San Diego's numbers on that.

16 Q I thought you said two questions
17 ago that the IOUs developed that number?

18 A The whole trajectory case was
19 developed by IOUs, and this filing that was
20 done by San Diego was part of that.

21 Q What's the date of that filing that
22 you're referencing?

23 A July 1st, 2011. This is prepared
24 Track 1 testimony of San Diego Gas and
25 Electric Company in Rulemaking 10-05-006.

26 Q So is DRA adopting SDG&E's data as
27 its own recommendation?

28 A What we are recommending here is a

1 range of possibilities and --

2 Q Could you answer the question yes
3 or no?

4 A No.

5 ALJ YACKNIN: Go ahead and explain your
6 answer.

7 THE WITNESS: We are developing a range
8 of possibilities. And on the low side we
9 used -- I used the 302 number for DR using
10 San Diego's number since it was conservative
11 on the high need case. And for the low need
12 case we used a different number.

13 MR. SZYMANSKI: Q And what was the
14 basis for using a different number?

15 A DRA low need case of 592 megawatts
16 was based on UCAN's testimony.

17 Q And when you say DRA's number, you
18 mean your number; is that correct?

19 A That's the number I used for the
20 low need case.

21 Q So you accepted DRA's -- pardon
22 me -- UCAN's number for that purpose?

23 A We used this -- I used this number
24 as a high supply side of the bracket.

25 Q And what was the vintage of that
26 data? When was it developed?

27 A Well, the filing of UCAN, I
28 believe, was filed in 2011 for this case.

1 Q Do you know when that data was
2 developed?

3 A No, I don't.

4 Q Do you know what purpose it was
5 developed for?

6 MS. MOREY: Objection, your Honor. San
7 Diego could have cross-examined UCAN's
8 witness on this issue.

9 ALJ YACKNIN: This cross-examination is
10 going to Mr. Ghazzagh's credibility. Please
11 proceed.

12 THE WITNESS: Is there a question
13 pending or -- I'm sorry.

14 MR. SZYMANSKI: Q Do you know when
15 UCAN developed the data that you adopted in
16 your testimony?

17 A No, I don't.

18 Q Was it developed based on inputs
19 from the California Energy Commission?

20 A I don't know.

21 Q Do you know if UCAN developed the
22 information -- I'll start over.

23 Do you know what methodology UCAN
24 used in developing that data?

25 A The only thing I remember was that
26 it was an AMI enabled estimate. So it was on
27 the higher side based on the AMI proceeding.

28 Q And based on that knowledge that

1 you just explained, you felt it suitable to
2 include that data in your testimony?

3 A Again, we are trying to set
4 brackets on the high side and the low side,
5 and I thought this would be a good number to
6 use on the high side of the supply side.

7 Q Could that data have been developed
8 prior to 2010?

9 A Could be.

10 Q Do you think it's important to use
11 current data for your estimates?

12 A If it's been vetted through the
13 proceedings and other parties have had chance
14 to make input to it, yes. But if not, no, I
15 don't think it should be.

16 Q Are we vetting the validity of the
17 data here in this proceeding?

18 A The process usually goes through
19 the LTPP process. And this is not, you know,
20 this is a PPTA process. So I'm not sure if
21 it can.

22 Q Mr. Ghazzagh, have you read the
23 scoping memos in this case?

24 A Yes.

25 Q Is this only a PPTA processes?

26 A It's a PPTA process combined with
27 2010 LTPP, which doesn't -- I don't believe
28 it includes 2012 LTPP.

1 Q A moment ago you said it was a PPTA
2 process and not an LTPP process; is that
3 correct?

4 A A moment ago, I'm not sure. This
5 proceeding deals with the PPTA contracts
6 mainly.

7 Q So basically, do you know the
8 vintage of the data that you've included in
9 your recommendations, Mr. Ghazzagh, when it
10 was developed, by whom, or for what purpose?

11 ALJ YACKNIN: I think some of that is
12 asked and answered, certainly with regard to
13 the 302 number. I think with regard to the
14 high end number. Is there another number you
15 want to explore?

16 MR. SZYMANSKI: Q Mr. Ghazzagh, did
17 you develop the demand response
18 recommendations in this case?

19 A What do you mean by
20 recommendations?

21 Q Did you develop the forecast for
22 the resource plan of the expected or
23 recommended amount of demand response that
24 should be part of SDG&E's resource plan?

25 A No.

26 Q And who did that recommendation for
27 DRA?

28 A Demand response?

1 asserted. I did give leeway earlier in the
2 proceeding to the revised showing of SDG&E in
3 large part on the basis of your very
4 persuasive argument that no one was
5 prejudiced because it had been available to
6 the parties early so that it could be vetted
7 in this proceeding like all prepared
8 testimony has had the opportunity to be
9 vetted in this proceeding that's been marked
10 for identification. Exhibit 43 does not
11 share those attributes. So I don't have that
12 extenuating circumstance to allow it. So,
13 no, your motion is denied.

14 Do you have anything else?

15 MR. SZYMANSKI: May I have a moment off
16 the record, please?

17 ALJ YACKNIN: Yes, but not to discuss
18 this matter with me.

19 Off the record.

20 (Off the record)

21 ALJ YACKNIN: On the record.

22 Mr. Szymanski.

23 MR. SZYMANSKI: Your Honor, I have no
24 further questions of Mr. Ghazzagh.

25 I do hear your ruling on Exhibit 43,
26 but with all due respect, I disagree. I
27 think that we should include the most recent
28 evidence, and it is the evidence that

1 Mr. Ghazzagh himself referred to in his own
2 testimony. And it should be viewed as part
3 of the record of this case, especially in
4 light of his testimony that he's not aware of
5 when the data was developed that he included
6 in his testimony, which my examination
7 attempted to show that should be based -- the
8 Commission's decision with respect to demand
9 response should be based on information for
10 which the vintage can be ascertained on the
11 record and which SDG&E has tried to develop
12 here and inform the Commission of what in its
13 view is the most recent and valuable evidence
14 to the Commission in its assessment of demand
15 response issues as they relate to SDG&E's
16 resource need.

17 So with that, then, thank you for
18 indulging me in those comments.

19 ALJ YACKNIN: No, I will not be taking
20 responsive argument.

21 I note your objection and your
22 continuing objection to my ruling. And I do
23 note that you have conducted
24 cross-examination and elicited evidence
25 regarding the credibility of DRA's numbers,
26 and you have agreed to brief that issue and
27 make argument based on what you have
28 elicited. But my ruling stands. Thank you,

1 Mr. Szymanski.

2 MR. SZYMANSKI: Thank you, Judge
3 Yacknin.

4 ALJ YACKNIN: Ms. Sanders, do you have
5 cross-examination?

6 MS. SANDERS: I do not. Thank you.

7 ALJ YACKNIN: Do we have redirect?

8 MS. MOREY: No, your Honor.

9 ALJ YACKNIN: I believe in the
10 identification of exhibits that Mr. Ghazzagh
11 is sponsoring we omitted an exhibit that I
12 requested DRA to prepare that had been marked
13 for identification as Exhibit 28. And it is
14 titled Table FG-1 Expanded.

15 I believe DRA previously served this
16 on all parties, and it contains DRA low-need
17 and DRA high-need scenarios for San Diego
18 area LCR broken out for years 2013 through
19 2020.

20 But as previously requested, was
21 this also prepared by you or under your
22 direction, Mr. Ghazzagh?

23 THE WITNESS: Yes.

24 ALJ YACKNIN: And with this, are there
25 any objections to the receipt into evidence
26 of Exhibits 5 -- excuse me -- 4 -- let me
27 back up for a minute.

28 Ms. Morey, I think you stated

1 earlier that the redactions in Exhibit 4-C --
2 no, in Exhibit 4 -- are derivative of SDG&E's
3 motion, which I recently granted, to seal
4 portions of the evidentiary record. And is
5 it on that basis that you move for
6 confidential treatment of Exhibit 4-C?

7 MS. MOREY: Yes, your Honor.

8 ALJ YACKNIN: With that, are there any
9 objections to the receipt into evidence of
10 Exhibits 4, 4-C, 15, 18 and 28?

11 (No response)

12 ALJ YACKNIN: There being none, these
13 are received.

14 (Exhibit Nos. 4, 4-C, 15, 18 and 28
15 were received into evidence.)

16 ALJ YACKNIN: Did I get them all?

17 MS. MOREY: Yes, your Honor.

18 ALJ YACKNIN: With that -- again, it is
19 clear Exhibit 43 is not received. With that,
20 we have nothing further for this witness.

21 Mr. Ghazzagh, I thank you very much
22 for your testimony. You are excused.

23 That concludes the taking of
24 evidence in this proceeding.

25 We have a briefing schedule already
26 set by the scoping memo. Did we amend that,
27 or are the dates staying the same? Are
28 concurrent opening briefs due June 21? No, I

1 don't think so. That's the wrong scoping
2 memo.

3 MS. MOREY: We would not like to change
4 anything unless we discuss it.

5 MS. SANDERS: I just didn't know what
6 they were.

7 ALJ YACKNIN: Off the record.

8 (Off the record)

9 ALJ YACKNIN: Back on the record.

10 Opening briefs, pursuant to the
11 scoping memo, amended scoping memo, are due
12 on July 13. Reply briefs are due on July 27.
13 And absent further ruling, this matter will
14 be submitted upon the filing of reply briefs
15 on July 27th.

16 Is there anything further?

17 (No response)

18 ALJ YACKNIN: There being none, we are
19 adjourned.

20 (Whereupon, at the hour of
21 11:30 a.m., this matter was submitted
22 upon the filing of reply briefs on
23 July 27th, 2012.)

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