

**Proposed Topics from the CPUC and Stakeholders for SDG&E TPR Process  
March 27, 2026 Stakeholder Meeting**

**TPR Process Project Spreadsheet Data Quality and Management**

Please provide an update on SDG&E's process for compiling and validating the TPR Project Spreadsheet, noting any changes and improvements since the last cycle. Please provide any process changes made based on the issues identified during the September 26, 2025 Stakeholder Meeting, including: when the data was pulled vs. the deadline to submit, any subsequent or early data pulls done, and any changes related to receiving information in parallel from the various teams to prevent delays in reviewing and validating data, consistency of capture period used for Field 56 ("Current Projected Total or Actual Final Cost (\$000) data).

Please provide an update on improvements to the TPR Project Spreadsheet and when those improvements will be implemented, i.e. color coding of data changes since the last cycle including the clear identification of new projects that have been added to the TPR Project Spreadsheet.

Please provide an update on SDG&E's validation process for project and cost data in the TPR Project Spreadsheet. The following are examples of data quality issues from the January 2026 TPR Project Spreadsheet, discovered as part of the associated data request responses to SDGE\_TPRJAN2026-002:

- SDG&E RESPONSE 02-02 - Row 35: [Programmatic] CAST Security Upgrades
  - Identification of an inadvertent typo
- SDG&E RESPONSE 02-03 - Row 185: TL651 BOUNDARY ST RELOCATION
  - Mistakenly included incorrect placeholder amounts
- SDG&E RESPONSE 02-18 - Row No 302 - Smart Meter 2.0
  - Inadvertently excluded IT software component of project
- SDG&E RESPONSE 02-22 - Line 318 Miguel BK 82 Expansion
  - Unique ID #2 incorrectly applied to two projects
- SDG&E RESPONSE 02-24 - Line 325 SOCRE (South Orange County Reliability Enhancement)
  - Incorrect project status applied

**Utility Prioritization Ranking (Field #25)**

Please provide any updates in the prioritization process, if any, since the July 2025 Project Spreadsheet submittal. In SDG&E's response to ED-SDGE\_TPRJULY2025-002, data request 02-02 on November 3, 2025, it was stated that "overall electric capital prioritization efforts are currently conducted twice annually generally in Q1 and Q3 to account for the addition of new budgets and any changes to existing budget criteria". Has a "prioritization effort" been conducted

since the July 2025 Project Spreadsheet submittal and if so, does the January 2025 Project Spreadsheet submittal reflect any changes as a result?

### **AACE Class – Project Cost Estimate Maturity (Field #48)**

Please provide any updates in SDG&E’s efforts towards “alignment from other engineering disciplines in this method of cost estimating, and standardize across the organization using progressively more accurate Class estimates as the projects mature” according to SDG&E’s response to ED-SDGE\_TPRJULY2025-002, data request 02-03. Please provide any updates on any timelines, if any, for “finalizing this methodology” according to the same.

How does SDG&E plan to mitigate any circumstances that will prevent meeting the goals of “following AACE classifications by the end of 2026”, and “submit[ting] AACE classifications by the January 2027 Process Cycle” according to SDG&E’s response to ED-SDGE\_TPRJAN2026-002?

In response to DR 02-01 SDG&E makes reference to existing cost estimating practice, please provide details about the existing cost estimating practices, and provide an example of that cost estimating for both a transmission project and a substation project.

### **Cost-Benefit Analysis Field Utilization (Field #66)**

Please explain, with a side-by-side before/after comparison, each Field 66 methodology change used in the January 2026 TPR cycle, including: (1) the transmission reliability change from customer-outage consequences to transmission resiliency/loss-of-redundancy; (2) the wildfire risk changes from fixed annual risk reduction to asset failure curves and from coarse to granular asset-to-wildfire consequence mapping; (3) the addition of capacity risk-reduction benefits for transmission capacity projects; (4) the service-life/depreciation change for electronic security monitoring components under Section C391.2; and (5) the direct-buried cable restoration-time/consequence-of-failure correction. For each change, please identify the prior method, revised method, effective date, governance/approval basis, all affected projects/programs, whether the change was applied portfolio-wide or selectively, and the isolated quantitative effect on each flagged project’s Field 66 value.

### **SCADA, Telecommunications, EMS and Automation-related Infrastructure (Multiple Projects)**

Please provide any updates on SDG&E’s progress in modernizing its communications infrastructure to support these types of projects. What is SDG&E’s progress in moving from leasing third-party communications infrastructure to owned infrastructure?

## **Allowance for Funds Used During Construction (AFUDC)**

SDG&E provided its “Capitalization Policy – AFUDC” in response to Data Request ED-SDGE\_TPRJan2026-001 and responded to other AFUDC-related questions in ED-SDGE\_TPRJan2026-002 through ED-SDGE\_TPRJan2026-007.

- Please provide an overview of SDG&E’s “Suspended Projects” manual process, including how the \$250,000 actual work order charge threshold was established. If applicable, please use a project that is currently “suspended” to illustrate the process.
  - Please explain whether these projects are marked “On Hold” in the “Project Status” column in the TPR PS. If not, please explain how these projects can be identified.
  - Please explain how SDG&E determines if some or all of the actual charges will be outdated or obsolete when a project is reactivated.
  - Please explain what is meant by the statement at page 2 of 3 of the “Capitalization Policy – AFUDC” “[I]nterest costs incurred during such periods is a holding cost, not an acquisition.”
  - Please explain the circumstances under which construction is suspended at the request of a customer and explain why a customer will reimburse the utility for any AFUDC loaded during the suspension.
  - Please explain SDG&E’s process for determining that a project has a greater than or less than 50% likelihood of resumption. If a report is prepared, please provide an example.
  - For “Suspended Projects” subsequently cancelled, please explain how SDG&E expenses these costs (e.g., provide FERC Account), including whether the treatment is above or below the line.
- Please provide an overview of SDG&E’s “Idle Projects” automatic process.
  - Please provide the date SDG&E’s “Idle Projects” automatic process was implemented.
  - Please explain whether SDG&E has an actual work order charge threshold similar to the \$250,000 for “Suspended Projects” for its “Idle Projects” automatic process. If it does, please explain why and how the threshold was set.
  - Please explain whether these projects are marked “On Hold” in the “Project Status” column in the TPR PS. If not, please explain how these projects can be identified.
  - Please confirm that, once AFUDC loading will be automatically suspended and no additional charges will be booked to the work order until direct charges for construction resume. See page 2 of 3 of “Capitalization Policy – AFUDC”, wherein SDG&E indicates “when an AFUDC eligible capital project has been idle for a period of six months or more... then AFUDC loading will be automatically

suspended. Any cost adjustment activity (such as accounting adjustments or cost transfers or corrections) is not to be considered true construction activity. ... AFUDC will only be restored during the same month as true construction charges are posted to the project.” This statement appears to conflict with what SDG&E indicates in its response to ED-SDGE\_TPRJan2026-001-06 where it indicates “Idle Projects – Capital work orders in CWIP will automatically have AFUDC discontinued when a period of 6 or more months of charging inactivity occurs. AFUDC is automatically restarted when project charging activities resumes.” (emphasis added). Please confirm that “project charging activities” are only those activities representing “true construction costs.” If not, please explain why these two statements appear to conflict.

- Please explain whether SDG&E has a process for determining that a project has a greater than or less than 50% likelihood of resumption, similar to the “Suspended Projects”. If not, why not. If yes, please provide an example of any report that is prepared.
- For “Idle Projects” subsequently cancelled, please explain how SDG&E expenses these costs (e.g., provide FERC Account), including whether the treatment is above or below the line.
- Please provide a list of all work orders that are “Suspended” as of January 31, 2026.
- Please provide a list of all work orders that are “Idle” as of January 31, 2026.
- Please explain whether SDG&E ever applies AFUDC retroactively and, if so, under what circumstances.
- For Row #256: TL698 W2S PROJECT, please provide an overview of the accounting adjustments made to correct for the early energization of this project. Please include the amounts of AFUDC and capital project taxes assessed and added to the project as a result of this error correction. Please include any adjustments to the return on ratebase and depreciation components, if applicable.

### **Supply Chain Constraints and Advance Procurement**

- Please explain whether SDG&E is encountering any supply chain issues for transformers, circuit breakers, and other critical transmission-related infrastructure. If it is, please explain them and describe SDG&E’s plans to address.
- Please provide an update on SDG&E’s advance procurement of transformers and circuit breakers, both for emergency inventory and known projects.
- Please describe how new or proposed tariffs are affecting the cost and availability of transformers, circuit breakers, and other critical transmission-related infrastructure.

### **“Umbriel IV Remote End” 500 kV Switchyard Project (Row 175)**

Please provide any updates on the Umbriel IV project, including design, permitting, construction, and energization. Please explain the changes and provide a breakdown of the new projected cost of \$118 million (vs. the previous \$183 million) cost by major components and funding responsibility, noting which costs are borne by the interconnecting generator versus network upgrades. Please describe the anticipated generation (in MW) from the Umbriel Solar facility that will be supported by this project.

Please also describe project risks and contingency plans if the associated project is delayed or downsized. Please describe the planned “Build-Own-Transfer” structure discussed in SDG&E response to ED-SDGE\_TPRJAN2026-002.

### **HATS Release 4 (Row 163)**

- Please provide a summary of the HATS program including the number of releases, project scope, overall estimate, estimated duration of the program, approximate number of Helicopter Landing Platforms (HLP) and Tower Staging Access Pads (TSAPs) to be constructed by year, and budgeted costs versus actual costs by year.
- Please provide the project scope and milestone schedule for HATS Release 4
- Please explain the drivers of cost increases (both for HATS 4 and other releases, generally) and the integration of this program with objectives of SDG&E’s WMP

### **Projects with Major Cost Discrepancies (Original vs. Current)**

Please explain the reasons for the significant cost differences between the original and current values for the following projects. Please describe whether these differences reflect phasing, accounting treatment, scope changes, or other factors, and support your explanation with relevant context. For the non-programmatic projects, please provide a project overview with key project components including a discussion of the project drivers and main objectives.

- Miguel-Sycamore Canyon 230kV Loop-in Suncrest
- [Programmatic] ELEC TRANS SMALL RELIABILITY - HFTD
- BORDER-SAN YSIDRO SUBSTATION
- Pacific Beach - Rose Canyon Electrification
- [Programmatic] Transmission Substation Responsive Asset Replacement
- Oceanside Area Sub: Electrification
- Miguel Short Circuit Mitigation
- Valley Center System Improvement

### **Direct Buried Cable Replacement Initiative**

Please update the following projects in the TPR spreadsheet that are part of SDG&E's direct buried cable replacement program and provide a progress update, including the total footage replaced to date and the remaining footage. Please also provide any direct-buried cable replacement projects not listed below:

- TL615 TL659 Direct Buried Cable Replacement (Cabrillo Point Loma)
- TL611 Direct Buried Cable Replacement (Old Town Point Loma)
- TL690 Direct Buried Cable Replacement (Oceanside Oceanside Tap)
- TL628 Direct Buried Cable Replacement (Rancho Del Rey & H St.)
- TL698 Direct Buried Cable Replacement (Avocado Sub Getaway)
- TL697 Direct Buried Cable Replacement (Oceanside Sub Getaway)
- TL667 Direct Buried Cable Replacement (El Camino Real)
- TL673 Direct Buried Cable Replacement (Rose Canyon La Jolla)

#### **[Programmatic] Transmission Failing Cable Replacement (Row 188)**

Please provide additional information on SDG&E's "continuing risk assessment" of its cables within this program described in SDG&E's response to ED-SDGE\_TPRJAN2026-002. Please include assessment criteria, methodology, types of testing or statistical sampling used, etc. Include comparisons between original estimated life and current estimated remaining life, where differences exist.

Please provide a subject matter expert with direct program knowledge to discuss and explain this topic.

#### **Miguel BK 82 Expansion (Row 318)**

- Please provide the detailed project scope, estimate, load growth drivers, and milestone schedule for this project. Provide a technical description of the Miguel Bank 82 Expansion project, including voltage, MVA rating and configuration of Miguel Bank 82.
- Clarify what equipment at Miguel Substation is being expanded or added.
- Please provide a breakdown of the current projected cost of \$191 million, and explain why the reduction in the Miguel-Sycamore Canyon 230kV Loop-in Suncrest project is less than this amount.
- Please provide an overview of this and the Miguel-Sycamore Canyon 230kV Loop-in Suncrest project, what they share in common from a system and planning perspective, and the drivers for their separation according to SDG&E's response to ED-SDGE\_TPRJAN2026-002
- This project was represented as a new project in the SDG&E transmittal "San Diego Gas and Electric Company's Transmission Project Review Process January 2026 Transmittal

Letter” as part of the January 2026 PS transmittal letter. However, it is not; rather it has been carved out of the aforementioned Miguel-Sycamore Canyon project. Are there any other projects that were carved out or are the 22 other “new” projects in fact, new?

- Please provide the details of the “Non-wires - Large Scale Energy Alternative” evaluation listed in the TPR PS, field 15a: “Alternative Solutions and Costs – Solutions”.

### **Golden Pacific Powerlink (GPP) Project (Row 190)**

- The Golden Pacific Powerlink is a 500kV transmission line, extending from Imperial Valley to North of SONGS. The GPP is a component of the CAISO-approved “Imperial Valley–North of SONGS 500 kV Line and Substation”, in its 2022-2023 Transmission Plan. This (whole) project was competitively bid, also in accordance with the 2022-2023 Transmission Plan, and subsequently awarded to Horizon West Transmission, who later exercised their right to assign the construction, financing, and ownership of the transmission component (GPP) to SDG&E.
- Describe the current development status and regulatory timeline for the Golden Pacific Powerlink. Include SDG&E’s plans for community engagement and route selection, the expected filing year of the Certificate of Public Convenience and Necessity (CPCN) application with the CPUC (noting the intent to file in 2026), and the anticipated timeframe for environmental review, permitting, construction start, and in-service date (noting the target of 2032 for operation).
- Please provide examples of how this project will leverage SDG&E’s wildlife mitigation program.
- Please provide other alternatives considered in addition to the Golden Pacific Powerlink Project.
- Please provide SDG& E’s current cost per mile to build 500kV transmission infrastructure.
- Please provide project scope and estimates for terminal ends of the Golden Pacific Powerlink Project
- Please provide the project scope and estimates for the OH line portion of the Golden Pacific Powerlink Project.
- Please explain if the HATS Program will provide benefits for the construction of the Golden Pacific Powerlink Project and if so, list those benefits.
- Please explain SDG&E’s current cost estimate of \$1.3 - \$2.2 billion.
  - a. Please provide Horizon West’s portion and SDG&E’s portion of the estimate.
- How does SDG&E’s estimate compare to the CAISO TPP estimate and Horizon West’s estimate? Please explain any differences.
- Please explain how SDG&E will honor the cost containment provisions in Horizon West’s proposal.

## **Corrective Maintenance Programs**

Beginning with the January 2026 TPR Cycle, SDG&E has begun reporting Data Field 56 – Current Projected Total or Actual Final Cost for all projects, even if under \$1M, that are under a Programmatic Umbrella. This resulted in two related programs totaling over \$1B to now be fully documented in the TPR Project Spreadsheet:

### **Row No 106 – [Programmatic] Transmission CMP Non HFTD**

- DF 56 – Current Projected Total or Actual Final Cost: \$780,122K
- DF 27b – Total Number of Projects under Parent Work Order: 1054 (26 child projects in the PS greater than \$1M)

### **Row No 133 – [Programmatic] Transmission CMP HFTD**

- DF 56 – Current Projected Total or Actual Final Cost: \$237,747K
- DF 27b – Total Number of Projects under Parent Work Order: 378 (5 child projects in the PS greater than \$1M)

Please provide a focused, non-confidential, programmatic explanation of the scope and operating model for SDG&E's transmission CMP program portfolios in Non-HFTD vs HFTD areas. The objective is to understand (1) what CMP issues are evaluated and remediated, (2) SDG&E's delivery capacity and workload management for CMP portfolios composed of many subprojects, and (3) the prioritization and governance used to develop the annual workplan and multi-year outlook for these programs.