



SDG&E TPR Stakeholder Meeting

2026 – Cycle 2





Welcome

Agenda

Item
Welcome, Agenda & Logistics
TPR Process Project Spreadsheet Data Quality and Management
AACE Class – Project Cost Estimate Maturity (Field #48)
Cost-Benefit Analysis Field Utilization (Field #66)
Allowance for Funds Used During Construction (AFUDC)
Supply Chain Constraints and Advance Procurement
Projects with Major Cost Discrepancies (Original vs. Current)
HFTD Undergrounding (Row 118)
Direct Buried Cable Replacement Initiative
Break (if needed)
Data Centers
FERC Order 881 (Row 331)
Generator Interconnection and Work Requested by Others Projects
Customer Financed Projects
Vine Substation 230kV Expansion (Row 355)
Miguel-Sycamore Canyon 230kV Loop-in Suncrest (Row 328)
Betterment
Golden Pacific Powerlink (GPP) Project (Row 190)
Wrap-Up

Virtual Meeting Logistics

Meeting Agreements

- No confidential information will be discussed.
- Please be mindful that others in this virtual meeting may also have questions.
- Mute your line if you are not speaking.
- AI recording bots are not permitted and will be removed from the meeting.

Engaging in Discussion

- SDG&E SMEs will present and then take live questions.
- Please raise your hand (icon) and wait to be called on.
- When asking questions, please state your name and organization.
- Detailed questions that cannot be addressed in the meeting should be addressed via stakeholder questions and comments due on October 12.

Important

- SDG&E welcomes stakeholder ideas and feedback on how to improve this meeting in written comments.

SDG&E TPR Process – Remaining Schedule

Event	Date
Stakeholder Meeting	September 29
Stakeholders' questions and comments related to Stakeholder Meeting	October 12
Written responses to questions and comments related to Stakeholder Meeting	November 2
Last day for Stakeholders to submit project-specific, follow-up questions to SDG&E	November 6
Written responses from SDG&E to Stakeholder project-specific follow-up questions	November 23
Last day for Stakeholders to submit comments to SDG&E. There is no expectation of written responses.	December 4



TPR Process Project Spreadsheet Data Quality and Management

Brandon Pate

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 process changes and improvements since the last cycle.

Enhanced internal QC processes to strengthen data quality, improve review efficiency, and increase visibility of findings through centralized automation and reporting solutions, including:

- Continuous enhancement of the review process to improve efficiency and data accuracy.
 - Including additional review to identify incongruent operational and financial data
- Automated tracking of findings and resolution progress to support timely follow-up and reduce the risk of issues being overlooked.
- Continuous enhancement of automation tools through macro optimization, error flagging capabilities, and process improvements to increase reliability and data accuracy.
- Continuous enhancement of the Power Apps solution to improve data validation, user experience, and overall quality control effectiveness.

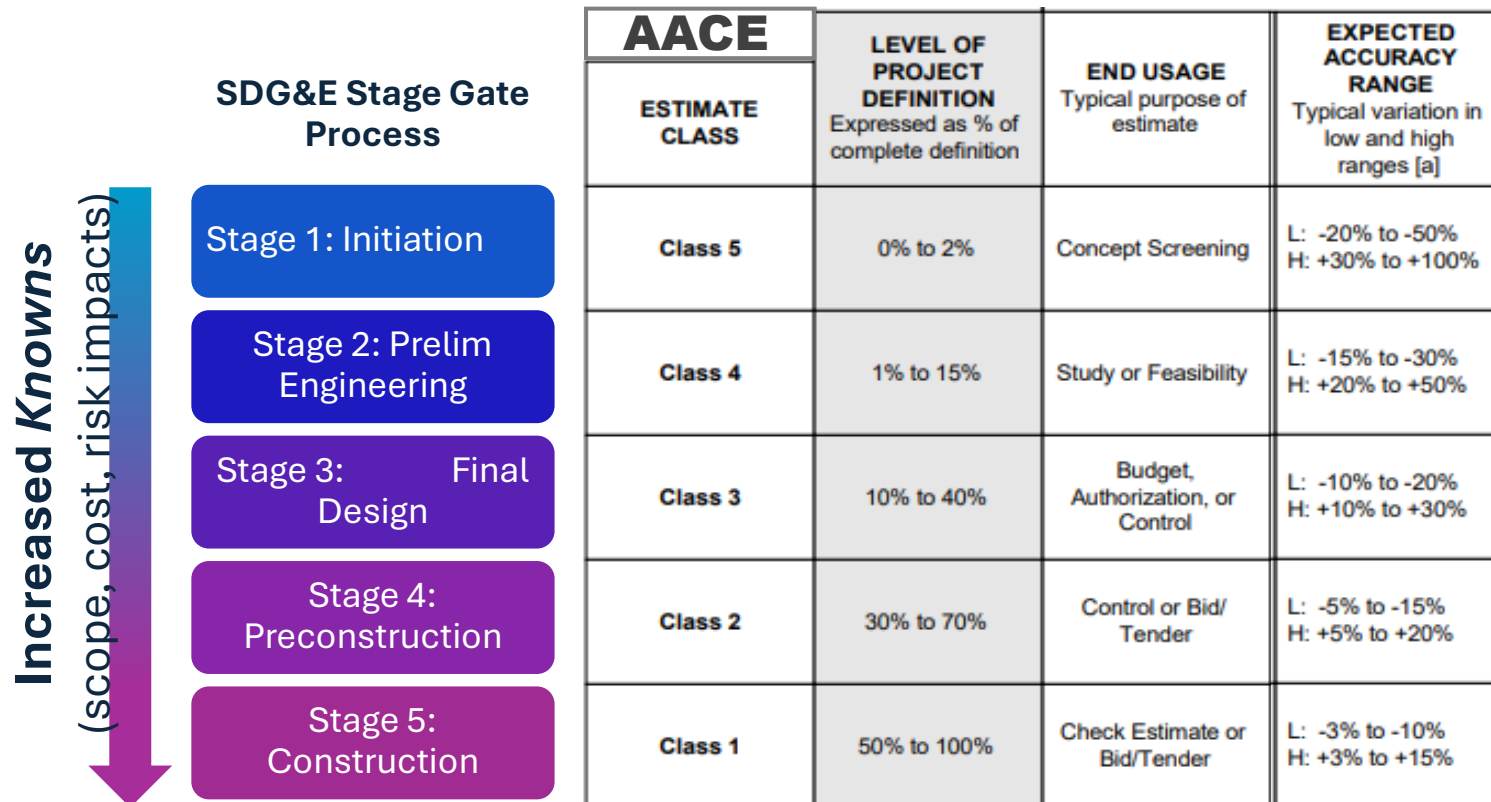


AACE Class – Project Cost Estimate Maturity (Field #48)

Brandon Pate

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

Please provide any updates in SDG&E's "initial framework" discussed in SDG&E's response to ED-SDGE_TPRJULY2026-001, data request 01-11.



- SDG&E has established a baseline framework that provides general guidelines for project managers to identify the appropriate AACE classification of their projects
- The alignment of SDG&E common project stages to AACE classification parameters gives a starting point that covers the majority of projects
- While most projects will fall into this alignment, there may be extenuating circumstances for a project in future TPR submittals where its AACE classification is different from its aligned project stage



Cost-Benefit Analysis Field Utilization (Field #66)

John Anderson

Cost-Benefit Analysis Field Utilization (Field #66)

Please provide any updates on SDG&E's Cost Benefit Analysis methodology.

- SDG&E has no updates to report regarding its Cost Benefit Analysis (CBA) methodology. The Company continues to use the same CBA framework and approach communicated in previous presentations. No modifications, enhancements, or methodological changes have been made since the last update.



Allowance for Funds Used During Construction (AFUDC)

Adam Currey

Allowance for Funds Used During Construction (AFUDC)

Provide any general and/or specific policy updates since the March 27, 2026 Stakeholder Meeting.

- **No policy updates** pertaining to AFUDC since the Stakeholder Meeting have occurred.
- Details relating to AFUDC pause and project suspension as documented in SDG&E's August TPR response to Energy Division's data request are summarized below:
 - AFUDC eligible capital projects **idle** for a period of six months or more have AFUDC loading automatically suspended.
 - Loading is only restored during the same month as true construction charges are posted to the project. Accounting adjustments, cost transfers, and corrections are not considered true construction activity.
 - The automatic pause is a stopgap to prevent continued AFUDC accrual in a scenario in which the project manager may not notify accounting of the suspension on a timely basis.
 - AFUDC eligible capital projects **suspended** have AFUDC debt and equity charging fully discontinued during the suspension period.
 - Interest costs incurred on suspended projects are expensed to FERC Account 431.



Supply Chain Constraints and Advance Procurement

Dan Monroe

Supply Chain Constraints and Advance Procurement

- a) Please provide an update on any supply chain issues for transformers, circuit breakers, and other critical transmission-related infrastructure, since the March 27, 2026 Stakeholder Meeting.**

Constraints for large power transformers, high-voltage circuit breakers, and other equipment continue to pose schedule and cost risks, driven by high demand, limited manufacturing capacity, and extended lead times for key components (e.g., bushings for transformers). The situation remains unchanged from the previous update. SDG&E continues to closely monitor tariff developments, geopolitical events, and other market factors that could impact supply chain stability.

- b) Please provide an update on SDG&E's advance procurement of transformers and circuit breakers, both for emergency inventory and known projects.**

Major equipment has been secured for known projects.

- c) Please describe any updates to procurement strategies to help mitigate long-lead equipment.**

There have been no changes to procurement strategies since the previous update.

- d) Has SDG&E considered reviewing its qualification process to allow newer or alternative MFGRs?**

Quality, Apparatus Engineering, and Procurement continuously evaluate the global market for new manufacturers and capacity expansion opportunities with existing manufacturers. SDG&E's qualification process remains unchanged, and we will continue to adhere to applicable industry standards, federal requirements, and other applicable obligations.

- e) Does the Department of Energy's "Foreign Entity of Concern" (FEOC) policies influence existing supply chain constraints?**

FEOC policies are generally not viewed as a driver of current transmission equipment shortages and long lead times. The more significant factors are high global demand, limited manufacturing capacity, long lead times for parts, and shortages of skilled labor.



Projects with Major Cost Discrepancies (Original vs. Current)

Jennifer Ebner

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.

■ HATS Release 5 (Row 187)

- Cost Variance: Please refer to SDGE RESPONSE ED-SDGE-TPRJULY2026-001 question 01-59 a) that references original projected cost being associated with pre-construction costs only and current total projected in July 2026 TPR including future HATS work releases that have since been moved to a placeholder work order instead of release 5.
- Project Overview:
 - Release 5 of the Helicopter Access for Transmission Structures (HATS) program facilitates ongoing compliance and safe and efficient inspection, maintenance, and operations of the transmission system by addressing helicopter access constraints. These facilities are generally located in steep, rugged, and mountainous terrain without road access. The program involves installation of two types of helicopter landing facilities used for intermittent landing of company or authorized contractor helicopters:
 - Tower Staging Access Pad (TSAP) which is a level, bare ground area cleared and maintained of vegetation for helicopter landing and staging areas
 - Helicopter Landing Platform (Platform or HLP) - engineered structural steel located adjacent to transmission structures
 - Release 5 includes a total of 17 structures: 11 TSAPs and 6 HLPs

Projects with Major Cost Discrepancies (Original vs. Current)

- HATS Release 5 (Row 187) Continued

- Example of Tower Staging Access Pad (TSAP)



- Example of Helicopter Landing Platform (HLP)



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.

■ IV Sub Short Circuit Mitigation (Row 342)

- Cost Variance: Please refer to SDGE RESPONSE ED-SDGE-TPRJULY2026-001 question 01-30 a) that references original projected cost being associated with initial work order authorization for preliminary engineering compared to full project estimate at completion in July TPR.
- Project Overview: CAISO approved project for a reliability solution to address short circuit concerns at Imperial Valley (IV) Substation based on existing 230kV circuit breakers that are projected to exceed ratings under short circuit conditions in 2035.

Key components for revised scope approved in 2025-2026 CAISO TPP include:

- Installing two sets of 20-Ohm Current Limiting Reactors (CLRs) in series with 230 kV buses, one on each side of the bus
- Both CLRs will be operated normally closed
- Rearrange 230kV transmission lines and move TL23061, TL23045/TL23046, and TL23043/IID owned S-Line to the west bus
- Preserve 63kA Circuit Breakers

Main differences between current & previously approved CAISO scope changes include:

- TL23045/TL23046 to be relocated to the west bus instead of TL23066
- Upsized to 20-Ohm reactors vs 10-Ohm reactors

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.

■ BORDER-SAN YSIDRO SUBSTATION (Row 338)

- Cost Variance: Please refer to SDGE RESPONSE ED-SDGE_TPRJAN2026-002/Question 02-20 and SDGE RESPONSE ED-SDGE-TPRJULY2026-00/Question 01-15 Row 338 that references original projected cost being associated with initial work order authorization for preliminary engineering compared to full project estimate at completion in the July 2026 TPR.
- Project Overview:
 - Project is currently on hold as noted in SDGE RESPONSE ED-SDGE-TPRJULY2026-001/Question 01-17 Row 338 based on updated load forecasts for the area.
 - Project originated as part of the Electrification Capital Plan to ensure SDGE is meeting the growing load demands of the area. Scope included a new substation and ~ 2 miles of underground transmission lines to mitigate overload conditions and ensure reliability of SDG&E electrical system.

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.

■ Pacific Beach - Rose Canyon Electrification (Row 339)

- Cost Variance: The variance between the original and current projected total cost values are due to the original cost only representing the initial funding for preliminary engineering analysis and land evaluations compared to the total estimate at completion FERC project cost.
- Project Overview:
 - Project is currently on hold as noted in SDGE RESPONSE ED-SDGE-TPRJULY2026-001/Question 01-17 Row 339 based on updated load forecasts for the area.
 - Project was originated to increase overall capacity in the Pacific Beach - Rose Canyon load pocket to meet expected loads per the 10+ year forecast at that time.

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.

- **Oceanside Area Sub: Electrification (aka Del Oro Substation) (Row 337)**
 - Cost Variance: The variance between the original and current projected total cost values are due to the original cost only representing the preliminary phase for Oceanside Load Pocket engineering feasibility study, environmental surveys and diligence report, land research, market analysis & land acquisition, and identifying alternatives to meet the objective of the project compared to the total estimate at completion FERC project cost.
 - Project Overview: Oceanside load pocket consists of Cannon, Oceanside, San Luis Rey, and Stuart substations. Based on 2025 distribution planning forecasts, this load pocket will reach 85% in 2028 and 100% in 2036 of current capacity. In order to mitigate forecasted overload for load pocket electrification and maintain reliability, the project scope will include a new 69/12kV greenfield standard profile substation. The project will install new 12kV distribution circuits and loop in of transmission. The land for the greenfield substation was purchased in May 2026. The project has transitioned from an in-fill exemption to a Permit to Construction (PTC) CPUC GO131E filing requirement.

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.

- **New Downtown 69/12KV Substation (Row 303)**

- Cost Variance: The variance between the original and current projected total cost values are due to the original cost only representing the initial funding for preliminary engineering analysis compared to the total estimate at completion FERC project cost.
- Project Overview: Install new 69/12kV substation to serve Downtown San Diego and neighboring communities to support forecasted load growth, capacity, and system reliability. Substation will be fully enclosed with major components housed inside a building. Initial build-out includes three 40 MVA transformer banks. Install new 12kV distribution circuits and loop in 69kV as needed. The project will have a Permit to Construction (PTC) CPUC GO131E filing requirement.



HFTD Undergrounding (Row 118)

Jennifer Ebner

HFTD Undergrounding (Row 118)

Please provide an overview of the current project status, including key metrics, milestones, remaining work required to meet the expected in-service date of November 2026.

- Per SDG&E RESPONSE ED-SDGE-TPRJULY2026-001 the HFTD Undergrounding program remains in construction and is expected to complete all construction activities by the end of 2026. Most 2026 expenditures are associated with projects that began construction in 2025 and are scheduled to be fully completed in 2026, including cable installation, overhead line removals, and paving repairs.
- 2026 work includes four carry-over projects from 2025 totaling approximately 2.8 miles of underground cable to be installed and energized and associated overhead line removals.
- Note: the HFTD undergrounding program is primarily distribution related expenditures. The expenditures reflected in TPR are for the FERC related transmission costs for communication equipment jurisdictional split between CPUC and FERC.



Direct Buried Cable Replacement Initiative

Vinh Huynh

Direct Buried Cable Replacement Initiative

Please update the previously enumerated 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.

- The Direct Buried Cable Replacements are comprised of the following projects:
 - Row 98: TL615/TL659
 - Row 178: TL611
 - Row 182: TL690
 - Row 183: TL628
 - Row 184: TL698
 - Row 185: TL697
 - Row 186: TL667
 - Row 187: TL673
 - Row 189: TL691
- Total direct-buried footage identified: ~109,000 feet
- Total replaced: ~47,000 feet, with an additional 28,000 feet on track to complete this year, totaling ~75,000 feet or 70%.
- Various remaining projects are in the planning, design, and construction phases.



Break
Resume at 10:35am



Data Centers
Mehrdad Majidi

Data Centers

- a) If SDG&E currently has data center projects in its territory (either in the approval process, currently under construction, in some other in-progress status, or have been completed), are there any planned or currently underway transmission upgrades needed to interconnect them?**

SDG&E does not currently have any data center projects in the approval process, under construction, in progress, or completed. To date, all data center requests received by SDG&E remain in the study phase. Because these requests are preliminary in nature and customers are not required to move forward following completion of the study process, SDG&E cannot determine whether any of these projects will ultimately proceed to agreement execution, construction, or operation.

- b) Please describe any current or pending projects or upgrades to serve loads of 50MW or above.**

SDG&E currently has no current or pending system upgrades or infrastructure projects required to serve data center loads of 50 MW or greater. All data center requests received by SDG&E remain in the study phase and have not advanced to a stage requiring construction or system upgrades.



FERC Order 881 (Row 331)
Elliot Brown

FERC Order 881 (Row 331)

Please provide additional detail on the Transmission Facilities Rating (TFR) solution as briefly described in ED-SDGE_TPRJULY2026-001, data request 01-37

QUESTION 01-37 Row 331 - FERC Order 881

- a) Explain if SDG&E is currently in compliance with FERC 881 and CAISO Implementation Plans and provide details of SDG&E's plans to become compliant with FERC 881.
- b) Provide detailed project description, project scope, estimate and milestone schedule FERC Order 881 implementation.

RESPONSE 01-37

- a) SDG&E's plan for FERC 881 compliance is centered on completing the Transmission Facility Ratings (TFR) solution, including ambient-adjusted and seasonal fallback ratings, data validation, and ICCP mapping, then integrating those ratings through Monarch, WebLineR, and ultimately CAISO. Most of the core functionality is already in progress, but the final Monarch-to-WebLineR integration timeline is still being confirmed.
- b) FERC 881 is focused on providing ambient-adjusted and seasonal transmission line ratings to CAISO. The effort includes development of the TFR platform, rating calculations, system integrations, and testing required to meet the CAISO/FERC implementation schedule.

FERC Order 881 (Row 331)

Compliance Deadline: October 15, 2027

- Ambient-adjusted ratings for near-term service – **Complete**
- Hourly updates with 240-hour look-ahead – **Complete**
- Seasonal ratings for longer-term horizons – **Partially Complete**
 - Ratings calculated; database export in progress
- Emergency ratings for contingency and real-time use – **Partially Complete**
 - Substation jumpers use IEEE 738 emergency calculation; line segments pending
 - Next step: Daily generated preload
- Methodologies filed and posted for market participants – **Partially Complete**
 - Working with TED and SED to add AAR methodology to standards
- Dynamic line ratings (DLR) – **Not Mandated (NOPR Pending)**
 - Exploring DLR; wind, solar flux, and precipitation data available in NBM
 - Unlike AARs, DLRs are based not only on forecasted ambient air temperatures and the presence or absence of solar heating, but also on other weather conditions such as wind, cloud cover, solar heating intensity, precipitation, and transmission line conditions such as tension or sag.



**Generator Interconnection and Work Requested by
Others Projects**
Chris Markham

Generator Interconnection and Work Requested by Others Projects (Rows 193, 195, 196, 198, 200, 201, 202, 210, 211)

Please provide additional detail on the 100% pass-through costs for the following projects, including examples of the “utility-owned network upgrade[s]” and “relocation work” cited in response to ED-SDGE_TPRJULY2026-001, data request 01-18.

Generation Interconnection Network Upgrades:

1	2	26	65	
Row No	Project Name(s)	Utility Unique ID #1 (Most Specific)	Percentage and Value (\$000) of Work Requested by Others Passed onto Ratepayers	Pass-through cost details
193	Q1171 MCFARLAND SOLAR	NA	100.00% \$10,563	SDG&E has a shared ownership of the network upgrades (76.22%) at the Hoodoo Wash 500kV switchyard in Arizona required for McFarland Solar generator interconnection. Upgrades included 500kV breakers and switches, two double circuit 500kV structures, and related 500kV transmission line work.
195	Q1673 NIGHTHAWK ENERGY STORAGE	2021-2393	100.00% \$1,187	Reliability network upgrades required for Nighthawk battery energy storage system (BESS) generator interconnection project include protection and control upgrades at Sycamore Canyon substation including relay/RAS equipment, installation of 138kV potential transformers, and fiber, communications, & RTU integration.
196	Q1532 KETTLE SOLAR ONE	2019-0227	100.00% \$11,751	Network upgrades required for Kettle Solar One generator interconnection project includes new 138kV Carrizo Gorge switchyard and TL13844 loop-in to new switchyard.
198	Q1670 PEREGRINE	2021-2091	100.00% \$1,458	Reliability network upgrades required for Peregrine BESS generator interconnection project include installation of one 230kV circuit breaker, two 230kV disconnect switches, associated foundations, structures, and relaying at the point of interconnection (POI) at existing Silvergate substation.

Generator Interconnection and Work Requested by Others Projects (Rows 193, 195, 196, 198, 199, 200, 201, 202, 210, 211)

Please provide additional detail on the 100% pass-through costs for the following projects, including examples of the “utility-owned network upgrade[s]” and “relocation work” cited in response to ED-SDGE_TPRJULY2026-001, data request 01-18.

Generation Interconnection Network Upgrades Cont’d:

1	2	26	65	
Row No	Project Name(s)	Utility Unique ID #1 (Most Specific)	Percentage and Value (\$000) of Work Requested by Others Passed onto Ratepayers	Pass-through cost details
199	Q1810 EAST FIELD ENERGY CNTR	2024-3985	100.00% \$4,749	Reliability network upgrades required for East Field Energy Center (BESS) generator interconnection project include two 230kV circuit breakers, four 230kV disconnect switches, and associated foundations, structures, and relay/RAS equipment at Otay Mesa substation.
200	Q2166 UMBRIEL	2023-3247	100.00% \$115,493	Network upgrades required for Umbriel Solar generator interconnection project include new 500kV Glamis switchyard and loop-in of North Gila-Imperial Valley 500kV transmission line. This is a Build-Own-Transfer (BOT) project where interconnection customer builds and temporarily owns interconnection facilities and then transfers them to SDG&E.
201	Q1806 Captiva Energy Storage	2021-2462	100.00% \$26,232	Since the July 2026 TPR, SDG&E was notified in July that Captiva Energy Storage project is withdrawn from CAISO queue. Data field 65 will be updated to “NA NA” since ratepayers will not be responsible for any expenditures due to cancellation.
202	Q1665 Kingsley Solar	2025-4218	100.00% \$3,685	Since the July 2026 TPR, SDG&E was notified in August that the Kingsley Solar project is withdrawn from CAISO queue. Data field 65 will be updated to “NA NA” since ratepayers will not be responsible for any expenditures due to cancellation.

Generator Interconnection and Work Requested by Others Projects (Rows 193, 195, 196, 198, 199, 200, 201, 202, 210, 211)

Please provide additional detail on the 100% pass-through costs for the following projects, including examples of the “utility-owned network upgrade[s]” and “relocation work” cited in response to ED-SDGE_TPRJULY2026-001, data request 01-18.

Customer Relocation Work – Internally Funded:

1	2	26	65	
Row No	Project Name(s)	Utility Unique ID #1 (Most Specific)	Percentage and Value (\$000) of Work Requested by Others Passed onto Ratepayers	Pass-through cost details
210	TL683 COLE GRADE ROAD	2016-0001-A	100.00% \$1,757	County of San Diego Cole Grade Road widening project required transmission facilities in franchise to be relocated based on Franchise Agreement.
211	TL634 JUNIPER ST CRP	2021-2096	100.00% \$1,519	City of Escondido Safe Routes to School Juniper Street Improvement project required transmission and distribution facilities in franchise to be relocated based on Franchise Agreement.



Customer Financed Projects

Chris Markham

Customer Financed Projects

a) What projects have had or are receiving customer financing?

Generator interconnection projects are required to post Interconnection Financial Security (IFS) for the PTO Interconnection Facilities (PTO IF), Interconnection Customer Interconnection Facilities (IC IF), and Network Upgrades (NU) in accordance with the applicable CAISO Interconnection Tariff. Reconciliation costs for project costs begin once a project achieves its in-service date, consistent with CAISO Tariff requirements.

b) For any of the projects that are receiving customer financing, what are the financing amounts and what is going to be refunded?

IFS are not reflected in the financial forecasting system of record or within TPR. PTO IF and IC IF payments are reflected in the financial forecasting system of record and net to zero within the individual work orders. Interconnection Customers (IC) are billed on a monthly basis for cost of Interconnection Facilities SDG&E builds and owns on behalf of interconnection customers. Refundable amounts for upgrades are determined in accordance with the CAISO Interconnection Tariff.

c) Please describe how SDG&E represents financing in the TPR PS. Please identify the financing models employed (e.g., partial customer payment without payback, full payment with full refund over X years with (or without) interest, etc.

See response a and b – capital expenditures shown in TPR are the net costs of all project related work orders and inclusive of the PTO IF and IC IF payments. Cost cap based on per MW for Reliability Network Upgrades (RNU) CAISO GIDAP is represented in Data Field 55 and if exceeded, IC is responsible for any costs beyond the cap.

d) Please describe any adjustments to the projected final cost fields that are impacted by the application of customer financing, and how stakeholders can use the data provided by SDG&E to assess the total amounts to go into ratebase.

Network upgrade scopes of work are recoverable through rate base, less the CAISO determined criteria for any financial responsibility due from the Interconnection Customer.

e) Provide an overview of SDG&E's overall amount of current project financing (\$), and how much of the current project financing is expected to be refunded to customers.

See response a & b). SDG&E assumes “customers” is intended to mean “ generation interconnection customers”. Interconnection Financial Securities will be released after outstanding costs incurred by SDG&E have been reconciled and paid. If a project is cancelled, the IFS may be applied to offset expenditures incurred by SDG&E, with any remaining balance returned to customers.

f) Walk through both generator and load interconnection projects that receive financing treatments.

All transmission connected generator interconnection projects are managed through the CAISO interconnection tariff process and follow the tariff requirements for their interconnection related to financial requirements.



Vine Substation 230kV Expansion (Row 355)

Chris Markham

Vine Substation 230kV Expansion (Row 355)

a) Provide detailed project descriptions, project scopes, estimates and milestone schedule for each substation and T-Line associated with the Vine Substation 230kV Expansion.

- As noted in SDG&E RESPONSE ED-SDGE-TPRJULY2026-001/Question 01-31, this project addresses the thermal overload of Old Town 230/69kV banks and TL604 Old Town – Vine 69 kV line; specifically, the scope required at Vine substation as described in the California Independent System Operator’s (CAISO) 2024-25 Transmission Plan. Old Town 230/69 kV banks are one of the main sources to San Diego Downtown area and the reliability assessment showed that the P1 and P4 outages of either of these banks could overload the remaining one in the near term and long-term planning horizons. Additionally, TL604 could overload for P1 and P3 outages that include any of the Silvergate 230/69kV banks.
- Project Scope includes: 1) Expand existing Vine 69/12kV substation to a 230/69/12kV substation, 2) Loop existing TL23029 (Old Town –Silvergate) into Vine substation, 3) Install two new 230/69kV transformers at expanded Vine substation, 4) Land purchase adjacent to Vine substation.
- Project current projected total cost is ~\$600M.
- Project is in initial planning phase, and schedule is still being finalized; High level placeholder milestone years include land acquisition - 2025, engineering and design completion - 2031, issue for construction - 2031, construction start - 2032, and in-service - 2034 and are subject to change. CAISO targeted in-service date is 2037.

b) Provide an explanation of the overall Downtown Reliability Reinforcement project, as it relates to the Vine Substation 230kV Expansion and other associated projects.

- The overall Downtown Reliability Reinforcement project was approved in the CAISO 2024-25 Transmission Plan as a reliability transmission solution to address the thermal overload of Old Town 230/69 kV banks and TL604 Old Town – Vine 69 kV line.
- In addition to the scope of the Vine Substation 230kV expansion (outlined above), the overall Downtown Reliability Reinforcement project also includes energization of the Silvergate 230/69kV spare bank and upgrade of Sampson 69kV circuit breakers.



Miguel-Sycamore Canyon 230kV Loop-in Suncrest (Row 328)

Chris Markham

Miguel-Sycamore Canyon 230kV Loop-in Suncrest (Row 328)

Describe the current development status and regulatory timeline for the project. Include updates on the current major activities like permitting, construction start, major milestones, potential critical path items like environmental permitting and right-of-way negotiations, and in-service date. Please include a discussion on the “progressive EPC contract with open book pricing process” cited in ED-SDGE_TPRJULY2026-001, data request 01-16.

- Project is in design with completion of 30% design milestone anticipated in Q4 2026. CPUC PTC Application (A.26-05-005) was deemed complete on June 4, 2026. CPUC’s Notice of Preparation and Scoping as part of CEQA review started August 21, 2026 and is targeted to be completed October 5, 2026; CPUC has communicated a Q3 2027 target date for the Draft EIR Publication.
- CPUC’s project webpage can be accessed at the link below:
- San Diego Gas & Electric Company (SDG&E) Suncrest 230 Kilovolt (kV) Loop-In Project:
<https://ia.cpuc.ca.gov/environment/info/ecorp/suncrest/>
- Construction start is targeted for early Q1 2028; regulatory, environmental permitting activities, and land rights negotiations (including right-of-way acquisition) are considered critical path and must be completed prior to construction start. The target in-service date is Q2 2031 based on an early Q1 2028 construction start.
- The progressive EPC contract was executed in April 2026 and is currently in Phase 1, which includes design, engineering, and early procurement activities. One of the main goals of Phase 1 is to get to a Phase 2 (Construction) Fixed Price, which is accomplished through the “Open Book Pricing Process (OBPP).” Under the OBPP, the EPC Contractor will develop and refine their initial Phase 2 estimate as design matures, and project risks materialize or are retired. The OBPP enables full transparency and review by SDG&E of the refinement of the Phase 2 Fixed Price, which will be finalized and incorporated into the EPC contract prior to SDG&E issuing a Notice to Proceed (NTP) for Phase 2.



Betterment
Brandon Pate

Betterment: Facilities installed or work performed by SDG&E or SDG&E's customers on behalf of SDG&E to serve future customers in addition to required project scope.

SDG&E interprets "betterment" as facilities or capabilities added beyond those necessary to meet the identified project need or approved project scope. As projects advance through development and construction, designs may be updated to reflect changes in engineering standards, specifications, safety requirements, or reliability considerations; however, SDG&E does not generally add transmission facilities beyond those required to meet the project's identified objectives.

a) Does SDG&E add betterment scope to transmission projects? If so, please answer the following questions.

SDG&E does not generally include "betterment" scope, as defined above, in transmission projects.

b) How does betterment work? How does SDG&E determine which projects receive betterment scope and which do not?

There is no separate process for identifying or assigning betterment scope. Transmission projects are designed based on the requirements needed to meet the underlying project need.

c) Please list the projects in the TPR PS that include betterment scope. For each of these projects, how much of the total cost is associated with betterments? Is there a way to identify projects in the TPR PS that include betterment scope?

SDG&E does not maintain a separate category of transmission projects that include betterment scope and is not aware of any projects in the current TPR Project Summary that are identified as containing betterment facilities.

d) If SDG&E constructs betterment facilities, how does SDG&E track whether the betterment facilities are actually utilized?

Not Applicable

e) Can betterment facilities be approved without CPUC approval? If yes, what percentage of betterment projects do not receive CPUC approval. If not, what type of CPUC approval do betterment facilities require?

Because SDG&E does not separately identify or track betterment facilities, SDG&E does not maintain information regarding a percentage of betterment projects that do or do not receive CPUC approval.

f) Is betterment recovered through SDG&E's GRC or the TAC?

Cost recovery is determined based on the voltage of the project. Projects below 69 kV are recovered through SDG&E's CPUC jurisdictional rates and projects 69 kV and above are recovered through FERC jurisdictional rates. All projects 200kV and greater will be included in SDG&E's High Voltage Base Transmission Revenue Requirement (HVBTRR) and recovered through TAC.



Golden Pacific Powerlink (GPP) Project (Row 190)

Melinda Keesee

Golden Pacific Powerlink (GPP) Project

CPUC and Stakeholders:

- **Describe the current development status and regulatory timeline for the Golden Pacific Powerlink. Include the current anticipated timeframe for environmental review, permitting, construction start, major milestones, potential critical path items like right-of-way negotiation, and in-service date (noting the target of 2032 for operation).**
 - The Project is in the early project development phase, including surveying, fielding, records review, initial engineering, and environmental assessment. Environmental review is expected to continue into 2029. SDG&E still anticipates submitting its Certificate of Public Convenience and Necessity application at the CPUC toward the end of this year. Depending on the permitting schedule established by the regulator, major milestones, such as construction and right-of-way negotiations, may shift. However, SDG&E’s current goal is to start construction by Q3 2029. The in-service date remains January 2032.
- **Provide a description of the Preferred Preliminary Routing Corridor and any alternatives considered (Imperial Valley West Alternative, Motezuma Grade Alternative, and South Mountain Alternative).**
 - The description of SDG&E’s proposed routing corridor and any alternatives are under development and will be included in the application for a CPCN and accompanying Applicant Prepared Administrative Draft EIR.
 - GPP website: <https://goldenpacificpowerlink.com/>
- **Describe the status of FERC Incentive requests for the Golden Pacific Powerlink. In the description, please include supporting details to SDG&E’s claim that “the CWIP incentive will lower the overall cost of GPP to customers by about \$155 million” in the Request for Approval of Transmission Rate Incentives.**
 - The approximately \$155 million customer benefit cited in SDG&E’s Request for Approval of Transmission Rate Incentives represents the estimated Allowance for Funds Used During Construction (AFUDC) that would be capitalized into the Golden Pacific Powerlink (GPP) project under traditional ratemaking treatment (i.e., without the FERC CWIP incentive). AFUDC is a standard regulatory accounting mechanism that recognizes the financing costs associated with utility investments while they are under construction and not yet in service.
 - The estimated \$155 million reflects the financing costs incurred on the project’s cumulative construction expenditures through the 2032 in-service date, calculated using SDG&E’s approved financing rate (weighted average cost of capital). Under traditional treatment, these costs are capitalized as part of the project’s plant cost, increasing both the plant balance and rate base once the project enters service. Under the FERC CWIP incentive, these financing costs are recovered during construction rather than capitalized as AFUDC. As a result, they are not added to the project’s plant cost upon entering service, resulting in a lower plant balance, lower rate base, and lower associated revenue requirement over the life of the asset.
 - The annual average CWIP balances and corresponding annual AFUDC amounts supporting this estimate are as follows:

AFUDC Summary	2025	2026	2027	2028	2029	2030	2031	2032
Avg CWIP Balance	\$0.1	\$10.2	\$41.5	\$106.1	\$263.5	\$631.2	\$1,049.1	\$0
AFUDC	\$0.0	\$0.8	\$3.1	\$8.0	\$20.0	\$47.3	\$75.7	\$0
AFUDC to Include in Service								\$154.9

Golden Pacific Powerlink (GPP) Project

Clark Family Farm:

- 1. Please clarify the relationship between the existing transmission corridor in the De Luz Heights Road / Harris Trail area and the preliminary Golden Pacific routing, including whether SDG&E is evaluating a new/separate 500-kV right-of-way, paralleling existing infrastructure, expanding an existing corridor, or another configuration.**
 - a) SDG&E is considering expanding the existing transmission corridor where the new transmission line is proposed to parallel existing infrastructure. In areas where existing infrastructure departs from the proposed alignments or does not exist, new 500 kV right-of-way would be pursued.
- 2. Please clarify the relationship between the publicly referenced 600-foot study corridor and the approximately 2,000-foot study corridor discussed at the August 25 Fallbrook Open House, including what each represents in the current routing and engineering process.**
 - a) The field surveying corridor was initiated with a 600' width for purposes of conducting engineering and environmental field surveys that are used for continued refinement and design of the project. The notifications provided to residents within a 2000' corridor was intended to widely notify community members who may be affected by the project due to potential proximity. SDG&E anticipates more fielding notifications to be sent based on specific environmental study corridor requirements, and due to the fielding and on-going feedback, route adjustments require amended survey corridors.
- 3. Please describe the current planning assumptions, if any, for the eventual permanent right-of-way width, structure footprint, access roads, grading areas, vegetation-management areas, temporary workspaces, and easement requirements.**
 - a) Right-of-way – 200' except for 250' on CPEN
 - b) Structure footprint – depends on the structure type but within the ROW
 - c) Access Roads – existing access roads will be used to the extent possible, and helicopter sites will be placed where traditional access is unavailable.
 - d) Vegetation Management – Within the ROW and focused on the structures (10-30') and access roads, walking path

Golden Pacific Powerlink (GPP) Project

Clark Family Farm:

- 4. Please identify who maintains or controls the current Golden Pacific routing GIS / engineering data, when parcel-level GIS or engineering information is expected to become available, and how affected property owners may obtain that information.**
 - a) SDG&E is currently developing the route, parcel-level, and engineering data. Parcel-level routing and engineering information will be made publicly available when the application is submitted later this year. Notifications will be sent to owners within the survey corridor for purposes of conducting engineering and environmental field surveys to continue to refine and design the project. Affected property owners will be notified once the State determines the final route.
- 5. Please explain how material changes to the study corridor or proposed alignment are tracked and when/how landowners are notified if the project footprint moves toward, adjoins, or enters their property.**
 - a) SDG&E maintains the evolving data that supports the routing and siting process. Project development information, including the route map and any changes are shown on the project website and more detailed information will be made available when SDG&E files its application at the CPUC before the end of this year. During this early outreach process, notifications have been sent to any potentially impacted parcel owners along the proposed route and feasible alternatives that SDG&E has also described on its public website and at its in-person open houses.



Feedback & Discussion of Next Steps

Kris Bourbois



Thank you