

UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION

City and County of San Francisco

v.

Pacific Gas & Electric Company

Pacific Gas & Electric Company

Docket No. EL15-3-002

Docket Nos. ER15-702-002  
ER15-703-002  
ER15-704-005  
ER15-705-002  
ER15-735-002

(Consolidated)

**SUMMARY OF REBUTTAL TESTIMONY OF ROD MASLOWSKI**

The Rebuttal Testimony of Rod Maslowski on behalf of the City and County of San Francisco will show that:

1. Mr. Maslowki responds to PGE’s testimony concerning the proper basis for determining what facilities constitute Intervening Facilities under Section 212(h) of the Federal Power Act (“FPA”), 16 U.S.C. § 824(h), and PG&E’s Wholesale Distribution Tariff (“WDT”). Mr. Maslowski states that Intervening Facilities should be determined based on the WDT. (Ex. SF-152, at 3:25-18.) He disagrees that this determination should be guided by five “principles” that PG&E describes in its testimony but that are not based on the FPA, Commission decisions, or the WDT. He is also concerned that under these so-called principles PG&E would retain an inordinate amount of discretion to decide whether the City’s application for service under the WDT satisfied the Intervening Facilities requirement in a given case. (*Id.* at 4:8-23.)

2. One of PG&E’s principles is that Intervening Facilities must extend to PG&E’s common facilities. No such requirement is contained in the WDT. Instead, the wires listed in the WDT as adequate Intervening Facilities connect to a PG&E wire dedicated to the

Distribution Customer which in turn will be connected to PG&E's common facilities. (*Id.* at 6:1-14.)

3. Mr. Maslowski also discusses PG&E's second principle, which is that "PG&E does not build out its distribution facilities to meet another utility's end-use customer." This statement is contradicted by the WDT, which requires PG&E to expand or modify its distribution system when necessary to provide distribution service. (*Id.* at 6:15-7:3.)

4. The third principle fares no better. As Mr. Maslowski testifies, PG&E contends that Direct Assignment Facilities should be "rare." Direct Assignment Facilities are PG&E-owned facilities that are paid for and dedicated to a particular customer. Contrary to PG&E's testimony, nothing in its WDT suggests that the use of Direct Assignment Facilities should be limited. In fact, PG&E's other wholesale customers regularly use Direct Assignment Facilities. (*Id.* at 7:4-17.)

5. Mr. Maslowski also disputes PG&E's fourth principle, which is that the "WDT meter should be set on the PG&E side of the point of delivery as close as possible to the point of delivery, where technically feasible and practical." The WDT does not require meters to be installed on the PG&E side of a point of delivery, and it is industry practice to install meters close to the point of delivery but only to the extent practical in light of other considerations such as installing meters in secure locations. (*Id.* at 8:1-18.)

6. PG&E's fifth principle provides that PG&E's Greenbook is not the appropriate reference for obligations associated with Intervening Facilities. Mr. Maslowski agrees with PG&E that it is the WDT and not the Greenbook that is the appropriate reference. Mr. Maslowski's point is that it is reasonable for the parties to assume that the City's existing facilities comply with the Greenbook, which PG&E has not disagreed with. (*Id.* at 8:19-10:13.)

7. Mr. Maslowski then addresses the issue of whether a service-entrance conductor qualifies as the "Conductor, Wire, or Service Drop" for underground secondary service points of delivery. Despite the clear language of the WDT, PG&E maintains that a service entrance

conductor will never qualify as an Intervening Facility. It is worth noting that Commission Trial Staff agrees with the City on this point. (*Id.* at 11:20-13:23.)

8. Mr. Maslowski also expresses some concern about certain diagrams PG&E provided to the City showing certain common configurations. These diagrams were intended to provide more detail concerning PG&E's application of the Intervening Facilities requirements. Recently, in response to a City data request, PG&E substantially undermined the value of the diagrams by indicating that they do not control the order or proximity of facilities. (*Id.* at 10:7-13.)

9. He then turns his attention to the City's efforts to demonstrate to PG&E that it owns or controls Intervening Facilities. While the City has shown that it owns or controls Intervening Facilities at 80 primary points of delivery and all of its secondary points of delivery with bus ducts, other than stipulating that the City owns or controls Intervening Facilities at six primary points of delivery, PG&E has unreasonably rejected the City's evidence. (*Id.* at 17:30-18:27.)

10. Mr. Maslowski then turns his attention to the parties' dispute over the appropriate Reserved Capacity for San Francisco's points of delivery that are transitioning to WDT service. Mr. Maslowski objects to PG&E's insistence that, if PG&E accepts the City's reasonable proposals for such Reserved Capacity, the City may be required to pay for studies to determine the adequacy of PG&E's system to accommodate the City's proposed numbers. He suggests as a compromise that without further studies, the Reserved Capacity be set at the historic peak load in the past five years. (*Id.* at 22:1-23:19.)

11. The parties also have a dispute over the power factor bandwidth that applies in the case of the existing points of delivery. While PG&E agrees that the City can only be required to maintain a power factor "within the same range as the Distribution Provider in the same area," PG&E suggests that the City will need to pay for studies to determine the power factor on a particular circuit. These studies should not be necessary, as PG&E should regularly monitor or track data on power factors, which is very important system parameter. (*Id.* at 25:3-26:17.)

12. In the remainder of his testimony, Mr. Maslowski addresses a number of other issues including PG&E's improper suggestions that: (a) PG&E will require the City to own dedicated transformers in all cases where the City's point of delivery will be served by a dedicated transformer; (b) the City's existing disconnect switches and protective devices may not meet the requirements of the WDT; and (c) where the City converts from a secondary to primary service, PG&E will require the City to relocate the meter to the high-side of the City-owned transformer. (*Id.* at 27:1-30:24.)

13. Mr. Maslowski next responds to PG&E's testimony on the just and reasonableness of the Wholesale Distribution Interconnection Agreement ("WDT IA") and provides further support of the mark ups attached to Mr. Maslowski's February 2 testimony. (*Id.* at 31:1-32:8.)

14. Mr. Maslowski concludes his testimony with a discussion of the City's recent effort to install a new service with Intervening Facilities. As Mr. Maslowski explains, PG&E is deviating from its own diagrams in determining whether Intervening Facilities are sufficient or appropriate. (*Id.* at 33:1-35:25.)

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**REBUTTAL TESTIMONY OF ROD MASLOWSKI**

**INTRODUCTION AND SCOPE OF TESTIMONY**

1

2 **Q. ARE YOU THE SAME ROD MASLOWSKI WHO SUBMITTED DIRECT**  
3 **TESTIMONY IN THIS PROCEEDING ON FEBRUARY 2, 2016?**

4 A. Yes.

5 **Q. ARE YOU SPONSORING ANY EXHIBITS IN CONNECTION WITH THIS**  
6 **TESTIMONY?**

7 A. Yes, I am sponsoring the following exhibits to my testimony:

8 Ex. SF-153 – PG&E Response to Data Request No. CCSF-PGE-121

9 Ex. SF-154 – Excerpt of Western Area Power Administration WDT SA

10 Ex. SF-155 – PG&E Responses to Data Request Nos. CCSF-PGE-107, -109, -110

11 Ex. SF-156 – PG&E Response to Data Request No. CCSF-PGE-81

12 Ex. SF-157 – PG&E Responses to Data Request Nos. CCSF-PGE-36, -37, -38,  
13 -81, -82

14 Ex. SF-158 – PG&E Responses to Data Request Nos. CCSF-PGE-48, -49, -50,  
15 -51

16 Ex. SF-159 – PG&E Response to Data Request No. CCSF-PGE-132

17 Ex. SF-160 – PG&E Response to Data Request No. CCSF-PGE-140

- 1           Ex. SF-161 – Protected San Francisco Response to Data Request
- 2                               No. PGE-CCSF-7, Attachment 3
- 3           Ex. SF-162 – Protected San Francisco Response to Data Request
- 4                               No. PGE-CCSF-7, Attachment 1
- 5           Ex. SF-163 – Protected Letter from John E. Sullivan, Eng’g Servs.
- 6                               Co., to Matt        Sullivan, Sierra Elec. Co., NorCal Waste
- 7                               Systems/Pier 96 (Jan. 31, 2001)
- 8           Ex. SF-164 – PG&E Response to Data Request No. CCSF-PGE-88
- 9           Ex. SF-165 – PG&E Response to Data Request No. CCSF-PGE-209
- 10          Ex. SF-166 – PG&E Response to Data Request No. CCSF-PGE-176
- 11          Ex. SF-167 – PG&E Response to Data Request No. CCSF-PGE-175
- 12          Ex. SF-168 – PG&E Response to Data Request No. CCSF-PGE-156
- 13          Ex. SF-169 – PG&E Response to Data Request No. CCSF-PGE-178
- 14          Ex. SF-170 – Protected San Francisco Response to Data Request
- 15                               No. PGE-CCSF-1, Attachment 4
- 16          Ex. SF-171 – San Francisco Response to PG&E’s Data Request
- 17                               No. PGE-CCSF-58
- 18          Ex. SF-172 – Protected Letter (Mar. 11, 2016)
- 19          Ex. SF-173 – Protected Drawing
- 20          Ex. SF-174 – Protected Single-Line Diagram
- 21          Ex. SF-175 – Protected Email 1 (Feb. 4, 2016)
- 22          Ex. SF-176 – Protected Email 2 (Feb. 8, 2016)
- 23          Ex. SF-177 – Protected Email 3 (Feb. 11, 2016)
- 24          Ex. SF-178 – Protected Photo

25   **Q. PLEASE SUMMARIZE THE REMAINING AREAS OF DISAGREEMENT**  
26   **BETWEEN THE PARTIES THAT YOUR REBUTTAL TESTIMONY WILL**  
27   **ADDRESS.**

28   My testimony will address remaining areas of disagreement between PG&E and San  
29   Francisco on Intervening Facilities and on issues related to PG&E’s proposed

1 Wholesale Distribution Tariff Interconnection Agreement (“WDT IA”) and  
2 Wholesale Distribution Tariff Service Agreement (“WDT SA”).

3 In particular, my testimony first addresses PG&E witness Robert Malahowski’s  
4 five “principles” with regard to Intervening Facilities and the role of the Greenbook  
5 and certain California Public Utilities Commission (“CPUC”) rules in the context of  
6 wholesale distribution connections. I will also address the parties’ disagreement on  
7 the Intervening Facilities required for secondary-level voltage points of delivery.

8 In addition, the parties do not agree on whether or not San Francisco has provided  
9 adequate evidence of ownership or control of Intervening Facilities for certain  
10 points of delivery. I will address this issue.

11 Finally, disagreements remain on how PG&E has proposed to handle Reserved  
12 Capacity, Power Factor, dedicated transformers, disconnect switches, metering in  
13 the case of conversions from secondary to primary service, and certain provisions in  
14 the WDT IA. I will address the factual components of these issues; it is my  
15 understanding that San Francisco’s brief will address the legality of the parties’  
16 respective positions.

17 My testimony also includes a brief description of the technical details in a recent  
18 dispute between San Francisco and PG&E regarding the service facilities required  
19 to serve a point of delivery at the Port of San Francisco.

20 **INTERVENING FACILITIES**

21 **Q. PLEASE DESCRIBE THE RESPECTIVE POSITIONS OF SAN**  
22 **FRANCISCO AND PG&E REGARDING THE BASIS FOR DETERMINING**  
23 **SUFFICIENT INTERVENING FACILITIES UNDER THE WHOLESALE**  
24 **DISTRIBUTION TARIFF.**

25 A. It is San Francisco’s position that determination of the necessary Intervening  
26 Facilities should be grounded in PG&E’s Wholesale Distribution Tariff (“WDT”),  
27 which was recently revised to identify the specific facilities required for most types  
28 of interconnection. Ex. SF-42, at 9:14-26.

1           Conversely, PG&E’s witness, Mr. Malahowski, has testified that the WDT  
2 provides only “examples” of required Intervening Facilities. Mr. Malahowski states  
3 that PG&E will deviate from those requirements and instead determine what  
4 Intervening Facilities are required based on five “principles” that are not grounded  
5 in the Federal Power Act (“FPA”), Commission precedent, or the WDT.

6 **A.     The FPA, Commission Decisions, and the WDT Should Determine the Scope**  
7 **of Intervening Facilities, Not Mr. Malahowski’s Five “Principles.”**

8 **Q.     MR. MALAHOWSKI PRESENTED FIVE “PRINCIPLES” ON PAGES 4-6**  
9 **OF HIS TESTIMONY (EX. PGE-20) TO DETERMINE THE APPROPRIATE**  
10 **SCOPE OF INTERVENING FACILITIES. IN YOUR FORTY-PLUS YEARS**  
11 **IN THE UTILITIES BUSINESS, HAVE YOU PREVIOUSLY**  
12 **ENCOUNTERED THESE PRINCIPLES?**

13 A. No, I have not. Based on PG&E Response to Data Request No. CCSF-PGE-121  
14 (Ex. SF-153), these principles were apparently recently developed by Mr.  
15 Malahowski, purportedly based on his utility experience.

16 **Q.     DO YOU AGREE THAT MR. MALAHOWSKI’S “PRINCIPLES” SHOULD**  
17 **GUIDE DETERMINATION OF THE REQUISITE INTERVENING**  
18 **FACILITIES?**

19 A. No. Mr. Malahowski’s “principles” are not based on the FPA, Commission  
20 decisions, or the WDT, which should guide determination of what Intervening  
21 Facilities are required. They are even, in certain respects, contrary to these.  
22 Moreover, the principles outlined by Mr. Malahowski give PG&E an inappropriate  
23 amount of discretion.

24 **Q.     WHAT DO YOU MEAN WHEN YOU SAY MR. MALAHOWSKI’S**  
25 **“PRINCIPLES” ARE INCONSISTENT WITH THE FPA, COMMISSION**  
26 **DECISIONS, AND THE WDT?**

27 A. As I explained in my direct testimony, Section 14.2 of PG&E’s WDT lays out the  
28 requirements for Intervening Facilities in some detail, includes a table of different  
29 service levels and physical interconnection scenarios, and identifies the specific



1 Intervening Facilities that must be owned or controlled by the Distribution  
2 Customer for each scenario. Ex. SF-42, at 10:18-11:8.

3 Section 14.2 was developed as part of a lengthy settlement negotiation in Docket  
4 No. ER13-1188-000, among a number of parties including San Francisco. In Docket  
5 No. ER13-1188-000, the parties were able to reach settlement on a revised WDT  
6 that included the Section 14.2 language in question. San Francisco technical staff  
7 considered the wording of that provision very carefully, and its agreement to the  
8 settlement was premised, in part, on its understanding that the parties had reached  
9 agreement on Intervening Facilities that would be required under the Tariff.  
10 Footnote \*\* includes details designed to provide certainty about the type of wire  
11 that would be required in particular configurations. The settlement was accepted by  
12 the Commission less than a year ago, pursuant to a settlement reached by PG&E,  
13 San Francisco, and a number of the other parties in Docket No. ER13-1188-000.  
14 Section 14.2 contains no mention of Mr. Malahowski’s “principles,” and in  
15 important respects is inconsistent with them. Further, neither the FPA nor  
16 Commission decisions support Mr. Malahowski’s “principles.”

17 **Q. DO YOU AGREE WITH ANY OF THE MALAHOWSKI “PRINCIPLES”?**

18 A. I only agree with his fifth “principle.” In addition, because the first “principle” is  
19 less relevant to San Francisco’s application, except with respect to grandfathering,  
20 which is discussed elsewhere, I will limit my discussion of the first principle to the  
21 footnote below. The rest of the principles I will discuss in the order in which they  
22 appear in Mr. Malahowski’s testimony; Mr. Malahowski did not number them.<sup>1</sup>

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<sup>1</sup> Mr. Malahowski’s first “principle” is that “facilities used to provide service/deliver energy directly to a WDT customer’s end-use customer cannot be PG&E-owned facilities.” Ex. PGE-20, at 4:23-27. This statement ignores grandfathering. It also contains subtle but potentially important differences from the language of the law. As to Intervening Facilities, the FPA states that the Distribution Customer must “utilize transmission or distribution facilities that it owns or controls to deliver all such electric energy to such electric consumer.” 16 U.S.C. § 824k(h)(2)(B). Thus, the FPA does not state that the Intervening Facilities must be the facilities that provide service/deliver energy directly to the end-use customer, only that the Intervening Facilities must deliver all the electric energy to the relevant end-use customers.

1 **Q. WHAT IS MR. MALAHOWSKI'S SECOND "PRINCIPLE?"**

2 A. Mr. Malahowski states that Intervening Facilities must extend to PG&E's common  
3 facilities. Ex. PGE-20, at 4:28-5:6.

4 **Q. DO YOU AGREE?**

5 A. No. The WDT does not contain a requirement for Intervening Facilities to extend to  
6 PG&E's common system. To the contrary, the wires listed in the plain language of  
7 WDT Section 14.2.1, footnote \*\* do not typically extend to PG&E's common  
8 facilities, but are instead connected to a PG&E wire that in turn connects to PG&E's  
9 common facilities. Ex. PGE-7, at 29. As an example, wire requirements for  
10 Overhead Secondary Service are described in footnote \*\* as "the wire between the  
11 pole and the weatherhead." The pole referenced in the footnote must be owned by  
12 San Francisco as a required Intervening Facility, so there must be a PG&E wire  
13 which extends from the PG&E common facilities to this pole that in turn connects to  
14 the San Francisco wire from the pole to the weatherhead.

15 **Q. MR. MALAHOWSKI'S SECOND "PRINCIPLE" ALSO STATES THAT**  
16 **"PG&E DOES NOT BUILD OUT ITS DISTRIBUTION SYSTEM TO MEET**  
17 **ANOTHER UTILITY'S END-USE CUSTOMER." EX. PGE-20, AT 4:28-4:29.**  
18 **DO YOU AGREE WITH THIS?**

19 A. No. This statement is explicitly contrary to the language in PG&E's WDT, which  
20 requires PG&E to expand or modify its distribution system as necessary to provide  
21 distribution service under the Tariff.<sup>2</sup> Thus, PG&E must extend its system to meet

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<sup>2</sup> Section 12.6:

In cases where the Distribution Provider determines that its Distribution Facilities are not capable of providing Distribution Service without (1) degrading or impairing the reliability of service to Native Load Customers, or other Distribution Customers taking Distribution Service, or (2) interfering with the Distribution Provider's ability to meet prior firm contractual commitments to others, *the Distribution Provider will be obligated to expand or upgrade its Distribution Facilities* pursuant to the terms of Section 13.4.

Ex. PGE-7, at 22 (emphasis added).

Section 13.4:

If the Distribution Provider determines that it cannot accommodate a Completed Application for Distribution Service because of insufficient capability on its

1 the Distribution Customer’s needs. Of course, except in the case of a point of  
2 delivery that is grandfathered, PG&E does not need to provide the Intervening  
3 Facilities themselves.

4 **Q. WHAT IS MR. MALAHOWSKI’S THIRD “PRINCIPLE”**

5 A. Mr. Malahowski contends that Direct Assignment Facilities should be “rare.” Ex.  
6 PGE-20, at 5:7-14. Direct Assignment Facilities are PG&E-owned facilities that are  
7 dedicated to a specific San Francisco point of delivery and serve no other PG&E  
8 customer. WDT § 2.11 (Ex. PGE-7, at 5). The cost of these facilities is borne by San  
9 Francisco, as is addressed in the rebuttal testimony of Ms. Meal.

10 **Q. DO YOU AGREE THAT DIRECT ASSIGNMENT FACILITIES SHOULD BE**  
11 **RARE?**

12 A. No. There is no such language in the WDT, and this “principle” is inconsistent with  
13 PG&E’s practice with its other WDT customers. Several sections of the WDT  
14 provide for Direct Assignment Facilities and contain no suggestion that these should  
15 be limited.<sup>3</sup> Further, four of PG&E’s WDT SAs with other WDT customers show  
16 extensive use of Direct Assignment Facilities.<sup>4</sup> And, even Mr. Malahowski’s own  
17 diagrams explicitly provide for Direct Assignment Facilities.<sup>5</sup>

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Transmission System or Distribution Facilities, the Distribution Provider will use due diligence to expand or modify its Distribution System to provide the requested Distribution Service, provided the Distribution Customer agrees to compensate the Distribution Provider for such costs pursuant to the terms of Section 23. The Distribution Provider will conform to Good Utility Practice in determining the need for new facilities and in the design and construction of such facilities. The obligation applies only to those facilities that the Distribution Provider has the right to expand or modify.

*Id.* at 26.

<sup>3</sup> See, e.g., WDT §§ 2.11, 16.3, 16.4, 21 (Ex. PGE-7, at 5, 42-44, 49); Schedule WD-1, §§ 2, 3 (Ex. PG&E-7, at 52-53); Pro-Forma Form of Service Agreement for Wholesale Distribution Service § 4.0 (Ex. PGE-7, at 54); Pro-Forma Specifications For Distribution Service §§ 6.4, 9.2, 10.2 (Ex. PGE-7, at 57-61).

<sup>4</sup> For example, the WDT SAs with utilities in Lathrop and Shelter Cove, California each identify several thousand feet of PG&E-owned Direct Assignment Facilities conductors and, for Lathrop, a 12.5 MVA transformer, switches, and several capacitors. PG&E’s WDT SA with Port of Oakland identifies Direct Assignment Facilities charges for the substation and transformers serving the Port of Oakland. PG&E’s WDT SA with Western Area Power Administration includes Tables 1 – 8 that include service diagrams referenced as identifying Direct Assignment Facilities. Many of these diagrams suggest PG&E owns facilities dedicated to serving the Western end-use customers, including for each of the 95 points of

1 **Q. DO YOU AGREE WITH MR. MALAHOWSKI’S FOURTH “PRINCIPLE”**  
2 **THAT “[T]HE WDT METER SHOULD BE SET ON THE PG&E SIDE OF**  
3 **THE POINT OF DELIVERY AND AS CLOSE AS POSSIBLE TO THE**  
4 **POINT OF DELIVERY, WHERE TECHNICALLY FEASIBLE AND**  
5 **PRACTICAL”?** EX. PGE-20, AT 5:15-17.

6 A. WDT Section 20.1 (Ex. PGE-7, at 48) provides that a meter should be installed “at  
7 each point of delivery,” and I agree that, all else being equal, it is appropriate to  
8 have the meter as close as practical to the point of delivery. However, I do not  
9 agree that the meter should be on PG&E’s side of the point of delivery (there is  
10 nothing in Section 20 of the WDT that requires this), and all else is not equal in the  
11 case of many San Francisco points of delivery. It is industry practice to install  
12 metering in secure, out-of-the-way locations which, for secondary services,  
13 generally means on the customer switchboard on the customer side of the point of  
14 delivery in an electrical room. Since many of San Francisco’s points of delivery  
15 will continue to be small secondary-level voltage points of delivery, requiring  
16 meters to be at or near the point of delivery could result in meters and meter  
17 enclosures, which can often be quite large, located under the street, in the public  
18 sidewalk, in the middle of parking lots, or at other undesirable locations.

19 **Q MR. MALAHOWSKI’S FIFTH “PRINCIPLE” PROVIDES THAT THE**  
20 **“GREENBOOK IS NOT THE APPROPRIATE REFERENCE FOR**  
21 **OBLIGATIONS ASSOCIATED WITH INTERVENING FACILITIES**  
22 **UNDER WDT SERVICE.” EX. PGE-20, AT 6:1-3. DO YOU AGREE?**

23 A. Yes. As I have testified repeatedly, I believe that the parties should follow the  
24 Intervening Facility requirements set forth in the WDT.

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delivery identified as receiving the Primary Plus WDT rate and for 116 points of delivery identified as receiving the primary rate even though the delivery voltage to the meter is at secondary. Ex. SF-154.

<sup>5</sup> Ex. SF-49.

1 **Q. WHAT DO YOU BELIEVE IS THE APPROPRIATE ROLE OF THE**  
2 **GREENBOOK WITH RESPECT TO THE ISSUE OF INTERVENING**  
3 **FACILITIES?**

4 A. PG&E and San Francisco agree that the Greenbook requirements applied to  
5 interconnections undertaken pursuant to the 1987 IA. Ex. PGE-20, at 21:14-18. In  
6 light of this, my point has been that it is reasonable to assume that San Francisco's  
7 points of delivery connected pursuant to the 1987 IA and its predecessor agreements  
8 comply with the Greenbook requirements. PG&E appears to agree with this at least  
9 with respect to primary-level voltage points of delivery and secondary-level voltage  
10 points of delivery connected with bus ducts. *See* Ex. SF-155, PG&E Responses to  
11 Data Request Nos. CCSF-PGE-107, -109, -110.

12 **Q. DO YOU HAVE ANY OTHER THOUGHTS ABOUT THE ROLE OF THE**  
13 **GREENBOOK?**

14 A. Yes. I agree with Mr. Malahowski's testimony that PG&E's Greenbook provides  
15 "technical guidance for safe interconnections to PG&E's distribution system." Ex.  
16 PGE-20, at 5:20-6:3. The Greenbook is an important reference for both PG&E and  
17 Distribution Customers planning for and processing interconnection requests and  
18 undertaking the necessary construction.

19 I also agree with PG&E's statement that it "considers the Greenbook an essential  
20 reference to establish technical requirements for *all* interconnections to PG&E's  
21 distribution system." Ex. SF-156, PG&E Response to Data Request No. CCSF-  
22 PGE-81 (emphasis added). At the same time, PG&E has said that the Greenbook is  
23 designed to address the interconnection of retail customers only. Ex. PGE-20, at  
24 21:14-17. Thus, I am concerned that PG&E is poised to apply the Greenbook  
25 requirements to Wholesale Distribution Service when this meets PG&E's objectives  
26 but not to do so when it does not.

27 This leaves San Francisco and other Wholesale Distribution Customers in an  
28 uncertain position and allows PG&E undue discretion to design the requirements for  
29 each new interconnection. I believe PG&E should work with the City to determine  
30 and clarify in advance what aspects of the Greenbook will continue to apply and the

1 technical details of interconnections pursuant to the WDT. For retail service,  
2 PG&E's Greenbook provides consistent interconnection information for all  
3 customers. Where PG&E seeks to require different equipment for wholesale  
4 customers than it requires for retail customers, it should be required to make these  
5 different requirements available in a manner that is consistent and transparent, and  
6 any differences should be technically justified or authorized by PG&E's WDT.

7 San Francisco has sought more clarity from PG&E on its views of the detailed  
8 interconnection requirements in the case of Wholesale Distribution  
9 interconnections, but aside from providing diagrams, which I discuss further in my  
10 testimony, PG&E has not provided clear responses. *See* Ex. SF-157, PG&E  
11 Responses to Data Request Nos. CCSF-PGE-36, -37, -38, -81, -82.

12 Further, PG&E has undermined the value of the diagrams by indicating that  
13 certain key attributes such as order and proximity are not meant to be determinative.

14 **Q. WHAT CONCERNS YOU ABOUT MR. MALAHOWSKI'S STATEMENT**  
15 **REGARDING THE ROLE OF THE CPUC RULES IN THE WDT?**

16 A. As in the case of the Greenbook, PG&E appears to want the option to apply CPUC  
17 rules when it suits PG&E, but reject them in other instances. As with the  
18 Greenbook, I believe CPUC rules do provide helpful technical guidance for certain  
19 matters, but are inapplicable with respect to others. I also think it is necessary to be  
20 clear upfront about whether, when, and how the CPUC rules will apply.

21 Mr. Malahowski testifies that the CPUC rules simply do not apply in the WDT  
22 context, Ex. PGE-20, at 5:18-20, and as a general matter I agree. But in response to  
23 San Francisco's data requests, Mr. Malahowski states that PG&E intends to use  
24 CPUC Electric Rule Nos. 2, 15, and 16 in particular, to make various determinations  
25 related to San Francisco's WDT interconnections. Ex. SF-158, PG&E Responses to  
26 Data Request Nos. CCSF-PGE-48, -49, -50, -51. I agree that in the circumstances  
27 described in these particular data responses CPUC Electric Rule Nos. 2, 15, and 16,  
28 could provide helpful technical guidance. However, these rules preclude retail  
29 customers from owning some of the types of facilities that are listed as Intervening

1 Facilities in WDT, Section 14.2.1, and obviously that prohibition is inappropriate in  
2 the case of a WDT Distribution Customer.

3 Moreover, Mr. Malahowski also testifies that “PG&E sees no reason why, under  
4 the FERC-jurisdictional WDT, the Intervening Facilities and the requirement that a  
5 WDT customer own or control and maintain such facilities should not be analogous  
6 to the CPUC requirements” for PG&E ownership of facilities, and cites specifically  
7 to CPUC Rule No. 16. Ex. PGE-20, at 10:19-22. I do not agree with Mr.  
8 Malahowski that the CPUC rules describing the equipment that should be owned by  
9 PG&E in the context of retail interconnections has any relevance for determining  
10 the appropriate scope of Intervening Facilities for purposes of the WDT. The scope  
11 of Intervening Facilities is appropriately determined with reference to the FPA,  
12 Commission decisions, and the WDT.

13 **Q. DO YOU AGREE WITH MR. MALAHOWSKI’S SUGGESTION THAT**  
14 **OWNING THE FACILITIES LISTED IN CPUC RULE NO. 16 IS**  
15 **REQUIRED TO BE A “REAL” WHOLESALE UTILITY ENTITLED TO**  
16 **SERVICE PURSUANT TO THE WDT? EX. PGE-20, AT 9:5-10:22.**

17 **A.** No, I do not. San Francisco owns and operates the Hetch Hetchy system, a non-  
18 FERC-jurisdictional water and power project consisting on the power side of three  
19 reservoirs and three hydroelectric generating plants in Tuolumne County, California  
20 and two transmission lines extending about 200 miles from those plants to two  
21 PG&E substations in Alameda and Stanislaus Counties, California. San Francisco  
22 also owns various substations and distribution facilities both within and outside of  
23 the City’s boundaries. There is no question that San Francisco is a real utility.

24 The WDT exists precisely to address the possibility that one utility may not own  
25 all the distribution facilities it needs to access its customers, and thus may require  
26 access to the distribution facilities of another utility to deliver power to its  
27 customers.

1   **Q. DO YOU HAVE ANY OTHER CONCERNS WITH MR. MALAHOWSKI’S**  
2   **“PRINCIPLES”?**

3   A. Yes, Mr. Malahowski qualifies three of the principles, with words like to the extent  
4   “practical” and “feasible.” This qualification does not remedy the fundamental flaws  
5   of the principles and illustrates that even PG&E seems to understand the principles  
6   should not apply in many situations. However, PG&E appears to assign to itself the  
7   role of deciding what is practical and feasible in any particular case. Thus, the  
8   qualification heightens the uncertainty that San Francisco will face in attempting to  
9   determine what facilities it must own or control to receive service.

10   **Q. DO YOU AGREE WITH MR. MALAHOWSKI’S TESTIMONY, ON PAGES**  
11   **13-16, THAT FACILITIES THAT ARE USUALLY OWNED BY END-USE**  
12   **CUSTOMERS CANNOT BE INTERVENING FACILITIES?**

13   A. No. Whether facilities are *usually* owned by the end-use customer is not relevant.  
14   The question here is whether *San Francisco*, a municipal utility eligible to receive  
15   service under PG&E’s WDT, owns or controls the Intervening Facilities that it is  
16   required to own or control pursuant to WDT Section 14.2.1. Consistent with the  
17   testimony of FERC Staff witness An Jou Jo Hsiung, if San Francisco can show that  
18   it owns or controls an Intervening Facility, then the requirements of the FPA and  
19   WDT Section 14.2 are met. Ex. SF-9, at 10:1-11.

20   **B.     The WDT Should Determine the “Conductor, Wire, or Service Drop” that**  
21   **Qualifies as the Required Intervening Facility for Underground**  
22   **Secondary-Level Voltage Points of Delivery.**

23   **Q. PLEASE DESCRIBE THE RESPECTIVE POSITIONS OF SAN**  
24   **FRANCISCO, STAFF, AND PG&E REGARDING THE “CONDUCTOR,**  
25   **WIRE, OR SERVICE DROP” THAT QUALIFIES AS THE REQUIRED**  
26   **INTERVENING FACILITY FOR UNDERGROUND SECONDARY-LEVEL**  
27   **VOLTAGE POINTS OF DELIVERY.**

28   A. Based on the table set forth in Section 14.2.1 of the WDT (Ex. PGE-7, at 28), San  
29   Francisco maintains that the service entrance conductor qualifies as the “Conductor,



1 Wire, or Service Drop” for underground secondary-level voltage points of delivery.  
2 Ex. SF-42, at 17:3-21:18. Similarly, Staff testified that “if CCSF owns or controls a  
3 service entrance conductor and provides sufficient documentation in accordance  
4 with PG&E’s WDT, then yes, I believe CCSF’s service entrance conductors should  
5 qualify as Intervening Facilities under the WDT.” Ex. S-9, at 10:7-11. San Francisco  
6 agrees with Staff that it is necessary for San Francisco to demonstrate ownership or  
7 control of the service entrance conductor; thus it appears that San Francisco and  
8 Staff are in agreement on this point.

9 PG&E in contrast maintains that the service entrance conductor will never qualify  
10 as the “Conductor, Wire, or Service Drop” for secondary-level voltage points of  
11 delivery, despite being listed as an example of Intervening Facilities in its WDT. Ex.  
12 SF-159, PG&E Response to Data Request No. CCSF-PGE-132.

13 **Q. HOW DOES PG&E ATTEMPT TO SUPPORT ITS POSITION?**

14 A. Mr. Malahowski tries to overcome the plain language in WDT Section 14.2.1  
15 footnote \*\* by referring to his principles and arguing that the examples in footnote  
16 \*\* are neither exhaustive nor comprehensive. Ex. PGE-20, at 12:5-6. I have  
17 discussed my problems with Mr. Malahowski’s “principles” earlier in this rebuttal  
18 testimony, and my direct testimony sets forth San Francisco’s concern about  
19 PG&E’s attempt to create uncertainty where WDT Section 14.2.1 had attempted to  
20 provide clarity. (I understand that San Francisco’s briefs will address the legal  
21 problems with PG&E’s approach.)

22 Mr. Malahowski also suggests that a service entrance conductor does not deliver  
23 power; it only receives it. Ex. PGE-20, at 14:1-4.

24 **Q. DO YOU AGREE WITH MR. MALAHOWSKI’S DISTINCTION BETWEEN**  
25 **RECEIVING POWER AND DELIVERING IT?**

26 A. No. There is no technical distinction between delivering power versus receiving it.  
27 In the case of any two connecting facilities on a radial distribution system, a facility  
28 upstream of another facility (for purposes of this example, facility A) could be  
29 characterized as delivering power to the downstream facility (facility B) and facility  
30 B could be characterized as receiving power from facility A. However, facility B

1 could be characterized as delivering power to a facility downstream of it (facility C)  
2 and facility C could be characterized as receiving power from facility B—almost  
3 like a daisy chain. A service entrance conductor receives power from the service  
4 lateral and delivers power to an end-use customer’s facilities. It is no different in  
5 this regard from the service lateral that Mr. Malahowski states may appropriately be  
6 considered the Intervening Facility conductor required for underground secondary-  
7 level voltage points of delivery and which also receives power from facilities  
8 directly upstream. Ex. PGE-20, at 14:25-27. Put another way, if San Francisco  
9 owns or controls the service entrance conductor, San Francisco will use the service  
10 entrance conductor to deliver to the end-use customer all the power used by the end-  
11 use customer.

12 PG&E also suggests that a service entrance conductor is a “de minimis” piece of  
13 equipment rather like a meter, which the Commission found in the *Palm Springs*  
14 case was insufficient by itself to meet the Intervening Facility requirement. Ex. SF-  
15 160, PG&E Response to Data Request No. CCSF-PGE-140. I will let the attorneys  
16 address the legal aspects of this question on brief. I note, however, that a service  
17 entrance conductor is a very different type of equipment from a meter and that,  
18 unlike a meter, its function is without question to deliver all the power used by a  
19 customer from the service lateral to the ultimate consumer’s facilities. If the service  
20 entrance conductor was removed, there would be no power delivered to the end-use  
21 customer. In contrast, a meter is only to measure the power that is delivered and  
22 delivery could still take place without the meter.

23 **Q. PLEASE DESCRIBE THE RESPECTIVE POSITIONS OF SAN**  
24 **FRANCISCO, STAFF, AND PG&E REGARDING THE CONDUCTOR**  
25 **THAT QUALIFIES AS THE REQUIRED INTERVENING FACILITY FOR**  
26 **UNDERGROUND SECONDARY-LEVEL VOLTAGE POINTS OF**  
27 **DELIVERY THAT HAVE A BUS DUCT.**

28 A. San Francisco maintains that the bus duct qualifies as the Intervening Facility  
29 conductor for underground secondary-level voltage points of delivery. Ex. SF-42, at  
30 22:1-15. Staff likewise testified that “if CCSF owns or controls a bus duct and

1 provides sufficient documentation in accordance with PG&E’s WDT, then yes, I  
2 believe CCSF’s bus ducts should qualify as Intervening Facilities under the WDT.”  
3 Ex. S-9, at 11:7-10. San Francisco and Staff appear to be in agreement on this point  
4 as San Francisco also believes it must demonstrate ownership or control of the bus  
5 ducts in question. PG&E, in contrast, maintains that it is not aware of any  
6 circumstance in which the bus duct will qualify as such. Ex. PGE-20, at 16:3-8.

7 **Q. WHAT IS THE BASIS FOR SAN FRANCISCO’S POSITION?**

8 A. San Francisco’s position is set forth in my direct testimony. Ex. SF-42, at 21:19-  
9 22:15. As an initial matter, I should clarify that in a bus duct application, there is  
10 still a service entrance conductor delivering power to the end-use customer. Thus,  
11 consistent with the table in WDT Section 14.2.1, the service entrance conductor  
12 alone qualifies as the required Intervening Facility for underground secondary-level  
13 voltage points of delivery even if there is bus duct used for the service lateral.

14 Moreover, as my direct testimony explains (Ex. SF-42, at 21:21-23), PG&E  
15 mandates in its Greenbook the use of a bus duct instead of a service conductor in  
16 certain circumstances.<sup>6</sup> As a result, in those circumstances, there is no other service  
17 lateral facilities that San Francisco could own—the bus duct itself is the service  
18 lateral. Mr. Malahowski testified that “to be clear, ownership or control of the  
19 service lateral by the WDT customer meets its Intervening Facilities obligations for  
20 owning or controlling conductor.” Ex. PGE-20, at 14:25-27. Thus, where a bus duct  
21 serves as the service lateral, and the Distribution Customer can demonstrate  
22 ownership or control of the bus duct, this should certainly be sufficient to meet the  
23 Distribution Customer’s obligation to own or control an Intervening Facility  
24 conductor even if, as Mr. Malahowski contends, the service lateral rather than the  
25 service entrance conductor should be the required Intervening Facility conductor.

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<sup>6</sup> Whether or not the Greenbook dictates interconnection requirements under the WDT is beside the point (PG&E has provided inconsistent responses on this matter). All parties agree that under the 1987 IA and for most connections within San Francisco the Greenbook applied or applies. Thus, there will be existing buildings where the conductor connecting PG&E’s facilities to the service entrance conductor will be a bus duct.

1 **Q. HOW DOES PG&E ATTEMPT TO SUPPORT ITS POSITION?**

2 A. Mr. Malahowski does not address my point that the bus duct is the service lateral in  
3 cases where it is used. Rather, Mr. Malahowski uses the same flawed arguments  
4 with respect to bus ducts that he uses with respect to the service entrance  
5 conductor—i.e., that the bus duct “receives” energy instead of “delivering” energy  
6 and that the end-use customer generally owns the bus duct. I will not restate here all  
7 the problems with these arguments. However, Mr. Malahowski’s position on bus  
8 ducts illustrates the flaws in his attempt to distinguish between equipment that  
9 delivers power and equipment that receives it. A bus duct “receives” and “delivers”  
10 energy in exactly the same way a service lateral would. It should therefore satisfy  
11 the Intervening Facilities requirement, even as these are defined by PG&E.

12 **Q. MR. MALAHOWSKI STATES THAT PG&E REMAINS WILLING TO**  
13 **REVIEW ANY CONFIGURATION THE CITY WISHES TO PRESENT ON**  
14 **A CASE-BY-CASE BASIS. EX. PGE-20, AT 16:5-6. DOES THIS**  
15 **ALLEVIATE YOUR CONCERNS ABOUT THIS ISSUE?**

16 A. Not at all. PG&E’s statement that it is willing to review a configuration on a case-  
17 by-case basis is of no comfort in the face of a categorical statement that “PG&E is  
18 not aware of any circumstance where CCSF ownership or control of a bus duct is  
19 sufficient to meet the requirements of an Intervening Facility under the WDT.” Ex.  
20 PGE-20, at 16:3-6. Given this, it is unclear what a case-by-case review would  
21 accomplish.

22 **Q. DO YOU HAVE OTHER CONCERNS REGARDING PG&E’S CHANGING**  
23 **POSITIONS ABOUT THE APPROPRIATE CONFIGURATION FOR**  
24 **INTERCONNECTIONS AND INTERVENING FACILITIES UNDER THE**  
25 **WDT?**

26 A. Yes. PG&E provided diagrams with common configurations to provide more detail  
27 about how it intends to apply the WDT Intervening Facility requirements. Ex. PGE-  
28 20, at 16:19-21; Ex. PGE-23. Although, as set forth in my direct testimony, I  
29 disagree with some of the details of some of the diagrams, Ex. SF-42, at 13:2-26:4, I  
30 agree that at a minimum such diagrams are necessary, particularly given PG&E’s

1 failure to be clear and consistent about the ongoing role of the Greenbook and  
2 technical requirements in the CPUC rules. However, PG&E has once again  
3 provided itself with undue discretion to deviate from its own diagrams. In Ex. SF-  
4 153, PG&E Response to Data Request No. CCSF-PGE-121.c, PG&E states:

5           These drawing are intended to provide a general depiction  
6           of interconnection requirements under the WHOLESale  
7           DISTRIBUTION TARIFF by showing Direct Assignment  
8           Facilities and INTERVENING FACILITIES for those  
9           scenarios. *The diagrams are not intended to reflect the*  
10           *specific details that may be present at any given location.*  
11           *Nor is there any sort of scale, order, or proximity of*  
12           *various facilities that are depicted that should be assumed*  
13           *when referring to these drawings.* In most circumstances, a  
14           review of the desired service site will be required to  
15           determine exact interconnection requirements, and CCSF  
16           will be responsible for determining the details of any  
17           service facilities beyond the point of common coupling that  
18           are required to serve its customer.

19           Emphasis added.

20           By giving itself broad discretion to deviate from its diagrams with regard to scale,  
21           order, and proximity, PG&E has significantly undermined the value of the diagrams  
22           in reducing uncertainty. At a minimum, San Francisco and other Wholesale  
23           Distribution Customers require certainty with respect to the order in which, and on  
24           which side of the point of delivery, the equipment should be installed.

25           **C. PG&E Has Inappropriately Rejected San Francisco’s Evidence of**  
26           **Ownership or Control of Intervening Facilities**

27           **Q. WHAT TYPE OF EVIDENCE HAS SAN FRANCISCO PROVIDED TO**  
28           **PG&E TO DEMONSTRATE THAT IT OWNS OR CONTROLS**  
29           **INTERVENING FACILITIES FOR SOME OF ITS POINTS OF DELIVERY?**

30           A. In its initial application, San Francisco did not provide to PG&E evidence that it  
31           owns or controls Intervening Facilities for any of its points of delivery, because it is  
32           the City’s position that all its points of delivery previously served under the 1987 IA  
33           are appropriately grandfathered. Since then, in my direct testimony I demonstrated

1 that there is an adequate basis to conclude that San Francisco owns or controls  
2 Intervening Facilities for its primary-level points of delivery, which are over 80  
3 delivery points. Ex. SF-56; Ex. SF-42, at 28:6-29:19. I also demonstrated that there  
4 is an adequate basis to conclude that San Francisco owns or controls Intervening  
5 Facilities for its secondary-level voltage points of delivery with bus ducts. Ex. SF-  
6 42, at 29:20-30:21.

7 Further, in response to a PG&E data request, San Francisco provided additional  
8 documentation. Documents produced included examples of leases, maintenance  
9 records, and single line engineering drawings. See Ex. SF-119, San Francisco  
10 Response to Data Request No. PGE-CCSF-8.

11 **Q. HAS PG&E ACCEPTED THAT SAN FRANCISCO OWNS OR CONTROLS**  
12 **THE NECESSARY INTERVENING FACILITIES FOR ANY POINTS OF**  
13 **DELIVERY?**

14 A. To resolve a discovery dispute, PG&E stipulated that “[o]n a non precedential basis,  
15 PG&E will not challenge San Francisco’s demonstration of ownership or control of  
16 sufficient Intervening Facilities at . . . Six Points of Delivery and determines that  
17 they are eligible to receive service under PG&E’s Wholesale Distribution Tariff.”<sup>7</sup>

18 However, in a recent discovery response, PG&E has rejected San Francisco’s  
19 evidence that it owns or controls Intervening Facilities with respect to *all* points of  
20 delivery at issue in the WDT, *including* the six delivery points which are the subject  
21 of the stipulation. See Ex. SF-124, PG&E Response to Data Request No. CCSF-  
22 PGE-124, Attachment 1. While San Francisco acknowledges that it is possible that  
23 PG&E simply made a mistake with regard to these six delivery points, San  
24 Francisco is deeply concerned that PG&E has ignored the requirements for  
25 documentation in the WDT (WDT §§ 14.2.2, 14.2.3, Ex. PGE-7, at 29-30) and will  
26 continue to summarily dismiss San Francisco’s evidence of ownership or control of  
27 Intervening Facilities.

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<sup>7</sup> Ex. SF-118, at 2, Joint Stipulation of the City and County of San Francisco and Pacific Gas and Electric Company Regarding Certain Issues Relating to Ownership or Control of Intervening Facilities.

1           By way of example, PG&E continues to deny that the City has demonstrated that  
2 it owns or controls the Intervening Facilities at its Recycling Center located on Pier  
3 96. San Francisco provided evidence that points of delivery which are located on  
4 Port property, including the one that serves the Recycling Center, are under the  
5 management and control of the Port of San Francisco, a Department of the City and  
6 County of San Francisco.<sup>8</sup> The City produced a representative lease which shows  
7 that the Port owns or controls all fixtures, improvements, and/or alterations made by  
8 Port tenants to utilities located on Port property, per Section 14.2.3 of the WDT.<sup>9</sup>  
9 Section 14.2.3 states, in relevant part, that an applicant may demonstrate bona fide  
10 control of facilities through the production of a lease, which shows that the applicant  
11 has “the right to perform, or compel the performance of, all actions and functions  
12 necessary to delivery energy to its customer(s) and ensure the facilities are operated,  
13 maintained, and repaired in accordance with . . . Good Utility Practice.” Ex. PGE-7,  
14 at 30.

15           The City also provided PG&E with an engineering diagram, which clearly shows  
16 that the Protective Device, Disconnect, 2500 kVA Transformer and Conductor at

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<sup>8</sup> See Ex. SF-55. This information was originally produced to PG&E in September 2015. *Id.*

<sup>9</sup> See Lease and Berthing Agreement No. L15786 between the City and County of San Francisco Operating by and through the San Francisco Port Commission and California Sealift Terminals, Inc., Piers 50 and 96 (Ex. SF-161, excerpt from San Francisco Response to Data Request No. PGE-CCSF-7, Attachment 3). Section 12 addresses Utilities and Services, and Section 13 addresses Improvements and Alterations. As Attachment 1 to San Francisco Response to Data Request No. PGE-CCSF-7 (Ex. SF-162) explained, the California Sealift lease is representative and the language in Sections 12 and 13 are included in all the leases:

All of the SPIDs which are located on Port property are under the management and control of the Port of San Francisco, a Department of the City and County of San Francisco. See, CCSF PGE Drs Set 2, Exh 2-99-final-Intervening Facilities-redacted, footnote 5. Port property runs from Islais Creek to Hyde Street Pier and includes SPIDs in this document with Pier addresses and addresses on Amador and Illinois Streets. In addition, the Port owns or controls all fixtures, improvements and/or alterations made by Port tenants to utilities located on Port property as set forth in leases and licenses. Attached is a representative lease and berthing agreement between the City and County of San Francisco Operating by and through the San Francisco Port Commission and California Sealift Terminals, Inc. for property located on Piers 50 and 96. Section 12 addresses Utilities and Services, Section 13 addresses Improvements and Alterations.

1 the Recycling Center are beyond the PG&E meter and therefore, in accordance with  
2 the standard Port lease, owned or controlled by the City.<sup>10</sup> Finally, the City  
3 provided PG&E with a letter from 2001, which demonstrates the City’s oversight on  
4 the installation of a protective device for the transformer at the Recycling Center.<sup>11</sup>  
5 Nonetheless, PG&E found that “CCSF did not provide sufficient documentation to  
6 support its claim that it owns or controls intervening facilities at this point of  
7 delivery.” Ex. SF-124, PG&E Response to Data Request No. CCSF-PGE-124,  
8 Attachment 1.

9 **Q. WHAT EXPLANATION HAS PG&E GIVEN FOR REJECTING THIS**  
10 **EVIDENCE?**

11 A. Mr. Malahowski simply asserts that “PG&E does not agree that CCSF has  
12 sufficiently demonstrated that it owns or controls the required Intervening Facilities,  
13 as CCSF claims.” Ex. PGE-20, at 12:15-19; *see also* PGE-5, at 19:14-25.

14 In the case of primary-level points of delivery, PG&E and San Francisco agree on  
15 the facilities required and that the equipment required as the Intervening Facilities  
16 under the WDT is same equipment San Francisco or its customers had to own under  
17 the 1987 IA. Ex. SF-164, PG&E Response to Data Request No. CCSF-PGE-88.<sup>12</sup>  
18 Nonetheless, PG&E refuses to accept that the rational conclusion from this fact is  
19 that San Francisco owns or controls the requisite Intervening Facilities in the case of  
20 primary service level voltage points of delivery that were being served under the  
21 1987 IA. *See* Ex. SF-153, PG&E Response to Data Request No. CCSF-  
22 PGE-121.c, .h.

23 PG&E does not claim that PG&E owns the facilities in question, but instead  
24 suggests there might be a question about whether San Francisco owns or sufficiently  
25 controls the facilities. *Id.*

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<sup>10</sup> *See* Ex. SF-55, Pier 96 EJR Construction Diagram.

<sup>11</sup> Ex. SF-163, Letter from John E. Sullivan, Eng’g Servs. Co., to Matt Sullivan, Sierra Elec. Co., NorCal Waste Systems/Pier 96 (Jan. 31, 2001).

<sup>12</sup> In a discovery response, PG&E now suggests that there might have to be changes to the metering or equipment ordering. Ex. SF-165, PG&E Response to Data Request No. CCSF-PGE-209. I disagree.



1           However, under Section 14.2.3 a Distribution Customer can demonstrate control  
2 of Intervening Facilities if it can show it has “the right to use the capacity of the  
3 facilities needed to deliver electric energy to [its] customer(s).” Ex. PGE-7, at 30.  
4 San Francisco has been safely and reliably serving the electric needs of the  
5 customers it served under the 1987 IA, in some cases for over fifty years. This  
6 history alone should be adequate evidence that, at a minimum, San Francisco has  
7 the requisite control.

8           There is no question, for example, that the City owns the buildings and the  
9 fixtures at the Port. Nonetheless, PG&E refuses to accept that the City owns  
10 Intervening Facilities—even when the City produced the type of documentation  
11 called for in the WDT as with the example of the Recycling Center described above.

12 **Q.   WHAT CONCLUSION HAVE YOU DRAWN ABOUT PG&E’S**  
13 **WILLINGNESS TO ACCEPT EVIDENCE THAT THE CITY OWNS OR**  
14 **CONTROLS INTERVENING FACILITIES?**

15 A.   It seems to me that PG&E is unwilling to accept evidence that is consistent with the  
16 requirements of the WDT.

17 **Q.   DO YOU HAVE ANY SUGGESTIONS ON NEXT STEPS TO RESOLVE**  
18 **WHETHER OR NOT SAN FRANCISCO OWNS OR CONTROLS**  
19 **ADEQUATE INTERVENING FACILITIES AT PARTICULAR**  
20 **LOCATIONS?**

21 A.   Yes. The parties disagree on the scope of grandfathering, and the Intervening  
22 Facilities that are required for underground secondary service level points of  
23 delivery, yet these matters will determine the points of delivery for which  
24 Intervening Facilities are needed, and the extent of the facilities required.  
25 Therefore, San Francisco should be given a reasonable period of time after the  
26 Commission’s order is issued in this matter, to compile and provide to PG&E any  
27 necessary additional evidence of ownership or control of Intervening Facilities.

**RESERVED CAPACITY**

1  
2 **Q. PLEASE SUMMARIZE THE STATUS OF THE PARTIES' RESPECTIVE**  
3 **POSITIONS ON THE APPROPRIATE RESERVED CAPACITY FOR SAN**  
4 **FRANCISCO'S POINTS OF DELIVERY THAT ARE TRANSITIONING**  
5 **FROM THE 1987 IA TO SERVICE UNDER THE WDT.**

6 A. In the unexecuted WDT SA, PG&E used annual maximum demand values for a  
7 single year—October 2012–September 2013—as a proxy for Reserved Capacity.  
8 Ex. PGE-5, at 17:6-11. Those numbers were provided by San Francisco, but without  
9 knowing the use to which they would be put. My direct testimony details the  
10 problems with PG&E's use of those numbers and, for points of delivery with  
11 demand meters, proposes alternative numbers. Ex. SF-42, at 50:5-53:11.

12 Since one year is not a representative sample, for points of delivery with demand  
13 meters, I proposed using the historical peak demand to establish an appropriate  
14 Reserved Capacity. Ex. SF-42, at 51:16-53:6. PG&E has agreed to accept my  
15 alternate numbers for points of delivery with demand meters, but only if San  
16 Francisco would pay for any required studies to determine the adequacy of PG&E's  
17 system to accommodate the increased Reserved Capacity values. Ex. PGE-5, at  
18 17:24-27; Ex. SF-166, PG&E Response to Data Request No. CCSF-PGE-176.

19 For points of delivery without demand meters, I recommended a process to  
20 address unusual load growth and for assigning a Reserved Capacity value when a  
21 demand meter is installed, in lieu of attempting to arbitrarily assume a demand  
22 number. PG&E rejected this proposal. Ex. SF-167, PG&E Response to Data  
23 Request No. CCSF-PGE-175. Commission Staff did not address Reserved Capacity  
24 in its testimony.

25 **Q. DO YOU BELIEVE THAT A STUDY IS NEEDED TO CONFIRM THE**  
26 **RESERVED CAPACITY NUMBERS YOU PROPOSE FOR POINTS OF**  
27 **DELIVERY WITH DEMAND METERS?**

28 No. In explaining why PG&E did not initially require a system impact study, Mr.  
29 Hailemichael himself stated that “[i]n recognition of the fact that PG&E has been

1 serving many of CCSF's existing loads for years, PG&E agreed to transition those  
2 loads to WDT service without the need for new studies that would be required to  
3 establish PG&E's ability to serve the Reserved Capacity of these loads." Ex. PGE-5,  
4 at 17:3-6.

5 My point is similar to that of Mr. Hailemichael. In light of PG&E's ongoing  
6 service, I do not believe that a study is needed to establish that PG&E's facilities are  
7 capable of serving San Francisco's existing loads, and I do not think it is fair to  
8 impose on San Francisco the expense of a study and the risk of further expenses for  
9 system upgrades to accommodate its historical loads.

10 Fundamentally, then, PG&E and the City disagree on how to characterize San  
11 Francisco's existing load; PG&E has used maximum annual demand for one year  
12 (2012-2013), and I have used the actual peak demand over a period of years.

13 **Q. CAN YOU PROPOSE A COMPROMISE?**

14 Yes. In the interest of moving ahead, I propose that, instead of the possibility of a  
15 study as suggested by Mr. Hailemichael, the Reserved Capacity for points of  
16 delivery with demand meters be set at the historical peak load in the past five years.  
17 This approach is a reasonable compromise between the positions of the parties, as it  
18 is reasonable to believe that PG&E's system is adequate to serve the more recent  
19 peak demands without having to study the system.

20 **Q. WHAT ABOUT THE 1400 USAGE-METERED POINTS OF DELIVERY**  
21 **THAT DO NOT HAVE A RECORDED DEMAND?**

22 A. I still believe that the approach I suggested in my direct testimony is best. Since  
23 PG&E rejected that suggestion, I offer the following additional explanation for why  
24 PG&E's proposed Reserved Capacity numbers for points of delivery without  
25 demand meters is flawed.

26 For the approximately 1400 usage-metered points of delivery that do not have a  
27 recorded demand, PG&E appears to have taken the annual kWh usage for 2013 and  
28 assumed a load factor of 65%. This approach uses a significantly overstated load  
29 factor and results in an understated demand. The 65% load factor figure is  
30 approximately San Francisco's average annual system load factor, but it includes

1 transmission-level loads that are not part of the WDT application and have  
2 significantly higher load factors. At a minimum, PG&E should take out the  
3 transmission-level loads in calculating the average load factor.

4 **Q. ARE THERE CIRCUMSTANCES WHERE IT IS APPROPRIATE FOR**  
5 **PG&E TO REQUIRE SAN FRANCISCO TO PAY FOR STUDIES, AND**  
6 **POTENTIALLY FOR SYSTEM UPGRADES?**

7 A. Yes. When San Francisco applies for service at a new point of delivery, PG&E may  
8 in some cases need to study the adequacy of its system for the requested load. Also,  
9 San Francisco's mark-ups of the WDT IA allow PG&E to require San Francisco to  
10 pay for a study if PG&E determines that San Francisco's load at a point of delivery  
11 has consistently and materially exceeded the Reserved Capacity set forth in a  
12 WDT SA.

13 **POWER FACTOR**

14 **Q. PLEASE SUMMARIZE THE STATUS OF THE PARTIES' RESPECTIVE**  
15 **POSITIONS ON POWER FACTOR.**

16 A. While San Francisco and PG&E agree on the power factor bandwidth that applies in  
17 the case of existing points of delivery, they disagree on the power factor bandwidth  
18 that should apply in the case of a new point of delivery. However, I believe that  
19 some progress has been made (as I will explain below).

20 The unexecuted WDT SA filed by PG&E specifies that the bandwidth for new  
21 points of delivery should be 0.95 lagging to 0.95 leading. I testified that a power  
22 factor bandwidth of 0.85 lagging to 0.85 leading is reasonable for San Francisco's  
23 new points of delivery, because many of San Francisco's service connections are  
24 small loads deeply embedded within PG&E's distribution system. Ex. SF-42, at  
25 58:1-12. Mr. Malahowski objects to this proposal. Ex. PGE-20, at 24:1-4. Staff  
26 testified that a 0.95 lagging to 0.95 leading bandwidth is reasonable, because it is  
27 equivalent to what PG&E requires of its other WDT customers, and because Mr.  
28 Malahowski testified PG&E would be willing to examine power factor requirements  
29 on a case-by-case basis for small loads. Ex. S-9, at 15:7-22.

1 **Q. DO YOU HAVE ANY THOUGHTS ON HOW TO RESOLVE THE**  
2 **DISAGREEMENT?**

3 A. My proposal attempted to give effect to WDT language that provides that “the  
4 Distribution Customer is required to maintain a power factor within the same range  
5 as the Distribution Provider in the same area pursuant to Good Utility Practices.”  
6 WDT § 20.4, Ex. PGE-7, at 49 (emphasis added). As I stated in my testimony, in  
7 response to Data Request No. CCSF-PGE-33, PG&E stated that it could not readily  
8 provide the power factor for each electric circuit carrying San Francisco load, but  
9 also indicated that the peak power factors for 24 of its distribution feeders ranged  
10 from 0.81 to 0.996. Ex. SF-71.

11 In response to Data Request No. CCSF-PGE-156 (Ex. SF-168), PG&E defined  
12 the “same area” language in WDT Section 20.3 as follows:

13 Ideally, the ‘same area’ for purposes of power factor will  
14 be the same section of the distribution feeder that is  
15 providing the service (e.g. main line or branch line). It is  
16 acceptable to PG&E if CCSF maintains a power factor that  
17 is in the same range as the distribution feeder itself.

18 I agree with PG&E’s description of the “same area” for the purposes of the  
19 applicable power factor bandwidth.

20 **Q. HOW DOES PG&E INTEND TO DETERMINE THE POWER FACTOR IN**  
21 **THE “SAME AREA”?**

22 A. In the response to Data Request No. CCSF-PGE-156 (Ex. SF-168), PG&E stated  
23 that

24 [f]or three phase loads, CCSF can request a study to  
25 determine the power factor on the particular circuit on  
26 which a POINT OF DELIVERY is located and PG&E  
27 expects to provide CCSF with either the power factor at the  
28 substation feeder outlet, or at the point of service. CCSF  
29 then determines what is needed to maintain the power  
30 factor in the same range, but in no event does CCSF need  
31 to provide a power factor better than 0.95 lagging to 0.95  
32 leading.

1 In discovery, PG&E clarifies that it will expect San Francisco to pay for the costs of  
2 any necessary studies, which can be expensive. Ex. SF-169, PG&E Response to  
3 Data Request No. CCSF-PGE-178.

4 **Q. IS THIS APPROACH ACCEPTABLE?**

5 A. It represents some progress. I am pleased that PG&E is now giving effect to the  
6 language of the WDT that does not allow PG&E to impose a power factor  
7 bandwidth more stringent than PG&E's power factor bandwidth in the area.  
8 However, I believe that San Francisco will prefer to receive information on the  
9 power factor near the point of delivery in all cases, since the power factor for the  
10 feeder at the substation will usually be higher than that on the relevant distribution  
11 feeder at the point of delivery.

12 Also, I think it is inappropriate for PG&E to require San Francisco to pay the  
13 substantial costs associated with any studies necessary to determine the power factor  
14 that should apply consistent with the plain language of the WDT. It is inconsistent  
15 with Good Utility Practice for PG&E not to monitor or readily track data on power  
16 factor, a very important system parameter, and instead require an expensive and  
17 lengthy study just to provide the information to San Francisco.

18 **Q. DO YOU HAVE ANY COMMENTS ON STAFF'S TESTIMONY WITH**  
19 **REGARD TO THE POWER FACTOR?**

20 A. San Francisco appreciates Staff's expectation that PG&E will work with San  
21 Francisco to address the need for a less stringent power factor bandwidth on a case-  
22 by-case basis. Based on PG&E's testimony, San Francisco has the same hope.

23 **OTHER ISSUES**

24 **Q. DO YOU HAVE ADDITIONAL COMMENTS OR CONCERNS ABOUT MR.**  
25 **MALAHOWSKI'S TESTIMONY?**

26 A. Yes. I would like to address three further topics: a) Dedicated Transformers; b)  
27 Disconnects and Protective Devices; and c) Metering in the Case of Service Level  
28 Conversions.

1    **A.     Dedicated Transformers**

2    **Q.   DO YOU HAVE CONCERNS ABOUT MR. MALAHOWSKI'S**  
3    **STATEMENT ABOUT DEDICATED TRANSFORMERS?**

4    A.   Yes.  I am concerned about Mr. Malahowski's suggestion that PG&E will require  
5    San Francisco to own or control the transformer in all cases where a San Francisco  
6    point of delivery is served by a dedicated transformer, except possibly in the case of  
7    a service to an existing building where there is already a dedicated PG&E  
8    transformer serving that location.  Ex. PGE-20, at 18:7-11; *see also id.* at 19:27-33.  
9    This requirement is contrary to the WDT.  As I discuss further below, PG&E now  
10   appears to limit this requirement to new points of delivery.

11   **Q.   WHAT IS A DEDICATED TRANSFORMER?**

12   A.   A dedicated transformer is one that is used solely to serve a particular customer or  
13   point of delivery.

14   **Q.   IS THE OUTCOME SUGGESTED BY MR. MALAHOWSKI REQUIRED BY**  
15   **THE WDT?**

16   A.   To the contrary, the WDT expressly contemplates that there will be dedicated  
17   transformers that are not owned by the Distribution Customer in WDT Section  
18   14.2.1 footnote \* and Schedule WD-1 (Ex. PGE-7, at 28, 53).

19        In fact, PG&E has not required its other Wholesale Distribution Customers to  
20   own all dedicated transformers.  There are over 200 points of delivery served under  
21   the Western Area Power Administration WDT SA that appear to utilize a dedicated  
22   transformer owned by PG&E.

23   **Q.   WHY IS MR. MALAHOWSKI'S SUGGESTION ALSO A PRACTICAL**  
24   **PROBLEM?**

25   A.   Although PG&E appears to be limiting the requirement that San Francisco own all  
26   dedicated transformers to San Francisco customers with new connections, this could  
27   still be a problem.  Most of San Francisco's points of delivery serve relatively small  
28   loads, and San Francisco will likely continue to require points of delivery serving  
29   relatively small loads in the future.  However, a dedicated transformer may be

1 required to serve even a small load, depending on its location and the PG&E  
2 facilities in the area. In fact, using data provided by PG&E in discovery, San  
3 Francisco determined approximately 900 of San Francisco's approximately 2000  
4 existing metered points of delivery are served by dedicated transformers.<sup>13</sup> A  
5 requirement that San Francisco own all dedicated transformers at either new or  
6 existing locations would impose unreasonable additional costs on San Francisco.

7 **Q. PLEASE EXPLAIN.**

8 A. Let me use the example of a point of delivery serving a small load with an  
9 underground connection that requires a dedicated transformer. If San Francisco  
10 owns the transformer, PG&E will require protective devices and metering on the  
11 high side of the transformer. Conversely, if PG&E owns the transformer, PG&E  
12 would likely rely on protection that is already in place at the high side of the  
13 transformer, and the protective device and metering that San Francisco would have  
14 to install at the low side of the transformer would be significantly less expensive.  
15 Thus, because PG&E proposes to require San Francisco to own the dedicated  
16 transformer, the project could be significantly more expensive—potentially tens of  
17 thousands of dollars more expensive. The additional equipment could be  
18 unreasonable, technically and economically, in light of the size of the San Francisco  
19 loads in question. Of course, there will be some new connections, where a primary  
20 service is appropriate, including primary protection and metering and a San  
21 Francisco-owned transformer. In these cases, San Francisco intends to make that  
22 installation.

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<sup>13</sup> See Ex. SF-170, San Francisco Response to Data Request No. PGE-CCSF-1, Attachment 4.



1 **Q. ARE YOUR CONCERNS AMELIORATED BY THE FACT MR.**  
2 **MALAHOWSKI INDICATES PG&E MAY NOT REQUIRE SAN**  
3 **FRANCISCO TO OWN A DEDICATED TRANSFORMER IN THE CASE**  
4 **OF AN EXISTING BUILDING WHERE THERE IS ALREADY A PG&E-**  
5 **OWNED DEDICATED TRANSFORMER?**

6 A. A PG&E data response suggests that PG&E will not require San Francisco to own  
7 dedicated transformers in the case of existing buildings. Ex. SF-150, PG&E  
8 Response to Data Request No. CCSF-PGE-208. If this is true in all circumstances,  
9 my concerns would be ameliorated for existing buildings, but I am still concerned  
10 about any such requirement in new buildings.

11 **B. Disconnects and Protective Devices**

12 **Q. MR. MALAHOWSKI STATES THAT “JUST BECAUSE CCSF HAS SOME**  
13 **TYPE OF DISCONNECT OR PROTECTIVE DEVICE SOMEWHERE IN**  
14 **THE SERVICE, [THAT DOES NOT MEAN] THAT CCSF HAS IN FACT**  
15 **MET THE REQUIREMENTS OF THE WDT. IN PRACTICE, IT MAY BE**  
16 **NECESSARY FOR CCSF TO INSTALL LARGER AND MORE COMPLEX**  
17 **DEVICES TO ENSURE THAT THE DEDICATED FACILITIES MEET**  
18 **STANDARDS THAT WOULD BE EXPECTED OF ANY UTILITY.”**  
19 **EX. PGE-20, AT 20:27-32. DO YOU AGREE?**

20 A. While I understand that there may be exceptional cases, there are also common,  
21 typical primary and secondary service connections for which the application of  
22 disconnect switches and protective devices should be standard. I believe that San  
23 Francisco should be able to expect certainty and consistency in PG&E’s  
24 requirements for its new or modified points of delivery. The diagrams provided by  
25 PG&E reflect both the disconnect switches and protective devices for typical  
26 primary and secondary services. San Francisco should be able to rely on these  
27 diagrams, and PG&E should not be allowed to arbitrarily impose different  
28 requirements for each new or modified service point.

1    **C.     Metering in the Case of Service Level Conversions**

2    **Q.   MR. HAILEMICHAEL STATED THAT “WHERE THE CCSF ELECTS TO**  
3       **CONVERT FROM SECONDARY TO PRIMARY SERVICE,” THE METER**  
4       **LOCATION MAY NEED TO BE ADDRESSED. DO YOU AGREE WITH**  
5       **THIS STATEMENT?**

6    A.   I have some concerns.  Initially, Mr. Hailemichael testified that PG&E would  
7       always require a meter at the high side of a San Francisco-owned transformer in the  
8       case of a conversion from secondary service to primary service, and I had  
9       significant concerns about that.  In the case of a San Francisco-owned transformer, a  
10      point of delivery would be taking primary service without a conversion and, as Mr.  
11      Hailemichael testified, the meter would be on the high side of the transformer.

12      However, San Francisco’s concern related to having to put a meter at the high  
13      side of a PG&E-owned transformer in the case of a conversion.  Such a requirement  
14      would be inappropriate and is inconsistent with PG&E’s practice with other  
15      customers.  In a data response, PG&E now states that the meter may remain at the  
16      low side of the PG&E-owned transformer in the case of a conversion but might have  
17      to be moved to be closer to the point of delivery.  Ex. SF-165, PG&E Response to  
18      Data Request No. CCSF-PGE-209.  My concerns about PG&E’s view that the meter  
19      must be at the point of delivery are set forth above and will not be repeated here.  I  
20      note also that an adjustment for losses is always available and appropriate if the  
21      meter is not located at the point of delivery.

22      I am in agreement with Mr. Hailemichael’s statement that conversion of an  
23      existing point of delivery from secondary to primary service will only be undertaken  
24      at San Francisco’s request.

1

**WDT IA**

2 **Q. PG&E ATTACHED A WDT SA AND A WDT IA TO ITS ANSWERING**  
3 **TESTIMONY AS EXHIBITS PGE-9 AND PGE-8. DO THESE**  
4 **AGREEMENTS REFLECT ANY CHANGES IN RESPONSE TO YOUR**  
5 **TESTIMONY?**

6 A. No. Even though there are areas where PG&E has agreed with my proposed changes  
7 (*see, e.g.*, Ex. PGE-5, 24:21-23), no modifications are reflected in the PG&E  
8 exhibits. Instead, the exhibits attached to PG&E’s testimony are exactly the same as  
9 the agreements PG&E filed on December 22, 2014. My testimony below does not  
10 attempt to document those areas of agreement, but instead addresses areas where,  
11 based on PG&E’s testimony, disagreements may remain. Also, there are other  
12 changes that I proposed in my testimony and the attached mark-ups that PG&E did  
13 not address at all. Rather, Mr. Hailemichael merely testified that PG&E need only  
14 show that the agreements are just and reasonable, without offering any evidence to  
15 demonstrate that they are. Ex. PGE-5, at 25:8-10. I understand that San Francisco  
16 will address this assertion in its briefs, so this testimony responds only to factual  
17 assertions made by Mr. Hailemichael.

18 **Q. DID STAFF ADDRESS ANY OF THE ISSUES BETWEEN PG&E AND SAN**  
19 **FRANCISCO REGARDING THE WDT IA?**

20 A. No.

21 **Q. MR. HAILEMICHAEL TESTIFIED THAT PG&E IS WILLING TO**  
22 **INCLUDE IN THE WDT IA LIMITED REQUIREMENTS FOR**  
23 **GENERATOR INTERCONNECTIONS MODELED AFTER THE HUNTERS**  
24 **POINT WDT IA. EX. PGE-5, AT 23:2-5. DO YOU HAVE A RESPONSE?**

25 A. I encourage PG&E to review the mark-up of the WDT IA attached to my testimony,  
26 which is very similar to a mark-up San Francisco provided to PG&E as far back as  
27 October 15, 2015. San Francisco’s proposal with respect to generator  
28 interconnections is modeled after the Hunters Point WDT IA and other PG&E WDT

1 IAs. PG&E has never provided proposed language to San Francisco in response to  
2 San Francisco's proposal.

3 **Q. PLEASE RESPOND TO MR. HAILEMICHAEL'S DISCUSSION OF**  
4 **PROTECTIVE DEVICES.**

5 A. Mr. Hailemichael's testimony (Ex. PGE-5, at 23:20-24:3) argues that if one party  
6 adjusts its protective devices, the other party must make corresponding changes. I  
7 agree, and my mark-ups to the WDT IA preserve this obligation. However, Mr.  
8 Hailemichael does not address the change I made to the WDT IA provision on  
9 protective devices, which relates to the allocation of costs. As I noted in my direct  
10 testimony, a party should not bear the costs of adjustments or modifications made  
11 primarily for the benefit of the other party or its customers. Mr. Hailemichael's  
12 testimony does not explain why it should.

13 **Q. PLEASE RESPOND TO MR. HAILEMICHAEL'S DISCUSSION OF**  
14 **WHETHER PG&E SHOULD SHOULDER THE COSTS FROM**  
15 **MODIFICATIONS TO DIRECT ASSIGNMENT FACILITIES THAT ARE**  
16 **INITIATED BY PG&E.**

17 A. Mr. Hailemichael agrees, with reservations. To resolve this issue it would be very  
18 helpful for PG&E to provide to San Francisco the particular language PG&E can  
19 agree to.

20 **Q. PLEASE RESPOND TO MR. HAILEMICHAEL'S TESTIMONY ON THE**  
21 **REQUIREMENTS FOR PROVIDING FIVE YEAR MONTHLY LOAD**  
22 **FORECASTS.**

23 A. Mr. Hailemichael states that PG&E forwarded to San Francisco a proposal for load  
24 forecasting on December 21, 2015 and that San Francisco never responded. I  
25 provided a response in my February 2, 2016 testimony, which set out an alternative  
26 proposal and proposed specific language. San Francisco's response to PG&E's  
27 Data Request No. PGE-CCSF-58 (Ex. SF-171) provides a further explanation for  
28 San Francisco's position.

1                   **IN PRACTICE, PG&E IS NOT HONORING ITS DIAGRAMS**

2       **Q. DID THE CITY HAVE A DISPUTE WITH PG&E CONCERNING THE**  
3       **SERVICE FACILITIES REQUIRED TO SERVE A POINT OF DELIVERY**  
4       **AT THE PORT OF SAN FRANCISCO?**

5       A. Yes. The details are set forth in the testimony of Ms. Hale. My testimony describes  
6       the technical details of the dispute.

7       **Q. PLEASE CONTINUE.**

8       A. San Francisco and PG&E disagreed over the location of the service facilities that the  
9       City intended to install to serve that point of delivery. In processing San  
10      Francisco’s application, PG&E first had indicated that service would be provided by  
11      a dedicated secondary line from its common system. PG&E subsequently advised  
12      San Francisco that PG&E needed to install a dedicated PG&E transformer and  
13      provide the City with an overhead service line extending from PG&E’s common  
14      system to San Francisco’s service pole. Ex. SF-172. Regardless of PG&E’s service  
15      plan, San Francisco had always intended to set a service pole for the PG&E  
16      dedicated service line, and to extend its service drop to the end-use customer-owned  
17      weatherhead on the premises. These are exactly the types of facilities that are  
18      depicted in Ex. PGE-23, Diagram 12.

19      **Q. DID THE CITY FOLLOW DIAGRAM 12 IN DESIGNING ITS**  
20      **INTERVENING FACILITIES?**

21      A. Yes. The drawing and single-line diagram the City submitted with its application  
22      showed that the City’s service drop would be installed at the customer-owned  
23      weatherhead on the premises and the meter located on the customer’s main  
24      switchboard. Exs. SF-173, 174.

25      **Q. DID PG&E APPROVE THE CITY’S DESIGN?**

26      A. No. While PG&E accepted the service pole, PG&E informed the City that even  
27      though Ex. PGE-23, Diagram 12 shows the PG&E metering placed after the point of  
28      delivery (otherwise known as the point of common coupling or PCC), this  
29      configuration “won’t work because PG&E metering must be as close to the PCC as

1 possible and practical. In this case, it should be located on the CCSF pole, off the  
2 weather head. From there, CCSF can bill its customer per its own internal standards  
3 and metering.” Ex. SF-175. . PG&E also generally disavowed its own diagrams that  
4 San Francisco believed were intended to accurately depict requirements for San  
5 Francisco’s Intervening Facilities. Rather, PG&E made it clear that it would make a  
6 case-by-case determination on whether the City’s proposed design was in  
7 compliance with PG&E’s requirements:

8           The purpose of the powerpoint deck [Ex. SF-49] is  
9           primarily to identify what facilities are required in  
10           particular circumstances, and to clarify the required  
11           demarcation between PG&E and CCSF facilities. *The*  
12           *drawings themselves were not intended to depict the*  
13           *definitive placement of the facilities, the relative distances*  
14           *between various facilities, or to suggest prohibited vs.*  
15           *permissive arrangements.* Moreover, as I think that both  
16           parties have discussed and acknowledged previously, the  
17           powerpoint drawings do not represent an exhaustive or  
18           complete reflection of all possible or preferred approaches.

19 Ex. SF-176 (emphasis added).

20 **Q. IS THIS TROUBLING FOR SAN FRANCISCO?**

21 A. Yes, very. San Francisco’s initial design showed that its service pole would be  
22 located very close to the end-use customer’s electrical room. Under these  
23 circumstances, as depicted in PG&E Diagram 12, it was both reasonable and  
24 practical from an engineering standpoint for San Francisco to install its meter at the  
25 customer facilities on the load side of the weatherhead. But PG&E would not agree  
26 to this. Rather, PG&E mandated that the City install the meter near the service pole.  
27 In order to do this, San Francisco had to install a custom-designed meter cabinet in  
28 the sidewalk near the service pole. San Francisco agreed to comply with PG&E’s  
29 demands under protest, because San Francisco needed to meet its customer’s service  
30 schedule. Ex. SF-177.

31 **Q. WHAT IS WRONG WITH THAT TYPE OF METER PLACEMENT?**

32 A. A number of things. As you can see in the attached photograph, this completely  
33 unnecessary cabinet is large and unsightly. Ex. SF-178. It is less secure and reliable

1 than a meter in the electrical room and required the City to incur unnecessary costs  
2 and schedule delays.

3 **Q. ARE THERE ANY TECHNICAL JUSTIFICATIONS FOR THIS METER**  
4 **PLACEMENT?**

5 A. No. There is no justification for this configuration from an engineering perspective.  
6 Metering located away from the PCC is an accepted practice. While there would be  
7 some loss of electricity between the PCC and the meter if it were placed at the  
8 weatherhead, the process for adjusting for losses resulting from this arrangement is  
9 well understood.

10 **Q. WHAT ABOUT ON A GOING-FORWARD BASIS? HOW WILL THE**  
11 **CITY KNOW WHAT DESIGNS ARE ACCEPTABLE?**

12 A. The City will have no certainty. In response to a City data request, PG&E stated  
13 that the City cannot rely on any of the diagrams contained in Ex. PGE-23 to: “(i)  
14 establish definitive required placement of CCSF service facilities and  
15 INTERVENING FACILITIES; (ii) establish the relative distances between various  
16 facilities; (iii) determine whether a particular arrangement would be accepted by  
17 PG&E; or (iv) determine whether a particular arrangement would be prohibited by  
18 PG&E.” Ex. SF-153, PG&E Response to Data Request No. CCSF-PGE-121.  
19 PG&E also made it clear that it would be solely up to PG&E to determine whether a  
20 meter placement was “as close to the point of change of ownership and common  
21 coupling as is practical” even though PG&E acknowledged that it did not expect  
22 that the meter be “immediately adjacent to this point.” *Id.*

23 **Q. WHY IS THAT A PROBLEM?**

24 A. As I have mentioned previously, the purpose of a tariff is to create certainty. If the  
25 applicant complies with the tariff requirements, it is entitled to service.

26 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

27 A. Yes it does.

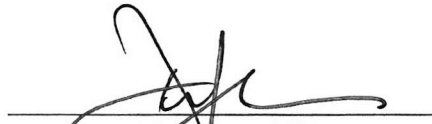
**AFFIDAVIT**

State of California )  
 ) ss:  
County of Alameda )

Rod Maslowski, being first duly sworn, deposes and says that he is the same Rod Maslowski whose testimony on behalf of the City and County of San Francisco accompanies this affidavit; that he has read the foregoing questions and answers constituting that testimony, and that if asked such questions his answers in response would be as shown; that the facts set forth therein are true and correct to the best of his knowledge, information and belief; and that he does adopt the same as his sworn testimony in this proceeding.

  
Rod Maslowski

Subscribed and sworn to before me, the undersigned notary public, this 08 the day of April, 2016.

  
Notary Public

My Commission expires: 05/23/2019

