NOTIFICATION OF SAN DIEGO GAS & ELECTRIC COMPANY'S REQUEST TO INCREASE RATES FOR COSTS RELATED TO THE WILDFIRE EXPENSE MEMORANDUM ACCOUNT APPLICATION FILING NO. A.15-09-010

On September 25, 2015, San Diego Gas & Electric Company (SDG&E[®]) filed its Wildfire Expense Memorandum Account (WEMA) Application with the California Public Utilities Commission (CPUC), seeking approval to increase certain electric rates for SDG&E customers. The WEMA is a holding account that records all costs of third-party claims paid by SDG&E stemming from damage by wildfires. This Application does not impact gas rates.

SDG&E proposes to increase rates by \$379 million to recover costs incurred from the 2007 Southern California wildfires. The costs associated with the wildfires were recorded to the WEMA. Specifically, SDG&E is seeking to recover costs associated with legal fees incurred to resolve third-party damage claims from three wildfires (Witch, Guejito, and Rice Fires). The total amount of this increase is subject to change depending on Commission approval.

In its Application, SDG&E proposes rate impact scenarios reflecting six-, eight- or ten-year repayment schedule periods. SDG&E recommends the CPUC adopt the proposed six-year repayment period to shorten the amount of time ratepayers would be impacted. SDG&E has requested the changes proposed in this Application to become effective immediately upon CPUC approval. If approved as filed, SDG&E customers would see the changes described here.

ESTIMATED IMPACT OF THIS REQUEST ON ELECTRIC RATES

The dollar amounts and percentages shown below do not necessarily reflect the exact changes you may see in your bill. Changes in individual bills will depend on how much energy each customer uses.

Table 1 below shows a comparison of current class average rates to proposed rates for a repayment period of six-years.

Table 1: Class Average Rate Increase under Six-Year Period

	Class Average Rates Reflecting Current Effective ¹	Class Average Rates Reflecting Proposed Six-Year Amortization	Total Rate Increase	Percentage Rate Increase
Customer Class	(¢/kWh)	(¢/kWh)	(¢/kWh)	(%)
Residential	22.651	23.048	0.397	1.75%
Small Commercial	24.653	25.075	0.422	1.71%
Medium and Large C&I ²	19.529	19.756	0.227	1.16%
Agricultural	17.642	17.911	0.269	1.52%
Lighting	18.062	18.271	0.209	1.16%
System Total	21.154	21.464	0.310	1.47%

¹ Rates effective 9/1/15 per Advice Letter 2783-E.

² C&I is the abbreviation for Commercial & Industrial.

If the CPUC approves SDG&E's request and a six-year repayment schedule, a typical residential customer with basic service living in the inland climate zone and using 500 kWh per month could see a monthly summer bill increase of \$1.67, or 1.6%, from a current monthly bill of \$106.72 to \$108.39 in the first year of implementation.

Table 2 below shows a comparison of current class average rates to proposed rates for a repayment period of eight-years.

Table 2: Class Average Rate Increase under Eight-Year Period

Customer Class	Class Average Rates Reflecting Current Effective ¹ (¢/kWh)	Class Average Rates Reflecting Proposed Eight-Year Amortization (¢/kWh)	Total Rate Increase (¢/kWh)	Percentage Rate Increase (%)
Residential	22.651	22.948	0.297	1.31%
Small Commercial	24.653	24.970	0.317	1.29%
Medium and Large C&I ²	19.529	19.699	0.170	0.87%
Agricultural	17.642	17.844	0.202	1.14%
Lighting	18.062	18.219	0.157	0.87%
System Total	21.154	21.387	0.233	1.10%

¹Rates effective 9/1/15 per Advice Letter 2783-E.

² C&I is the abbreviation for Commercial & Industrial.

Under an eight-year repayment schedule, a typical residential customer with basic service living in the inland climate zone and using 500 kWh per month could see a monthly summer bill increase of \$1.25, or 1.2%, from a current monthly bill of \$106.72 to \$107.97 in the first year of implementation.

Table 3 below shows a comparison of current class average rates to proposed rates for a repayment period of ten-years.

Table 3: Class Average Rate Increase under Ten-Year Period

Customer Class	Class Average Rates Reflecting Current Effective ¹ (¢/kWh)	Class Average Reflecting Proposed Ten-Year Amortization (¢/kWh)	Total Rate Increase (¢/kWh)	Percentage Rate Increase (%)
Residential	22.651	22.889	0.238	1.05%
Small Commercial	24.653	24.907	0.254	1.03%
Medium and Large C&I ²	19.529	19.665	0.136	0.70%
Agricultural	17.642	17.803	0.161	0.91%
Lighting	18.062	18.188	0.126	0.70%
System Total	21.154	21.340	0.186	0.88%

¹Rates effective 9/1/15 per Advice Letter 2783-E.

² C&I is the abbreviation for Commercial & Industrial.

Under a ten-year repayment schedule, a typical residential customer with basic service living in the inland climate zone and using 500 kWh per month could see a monthly summer bill increase of \$1.00, or 0.9%, from a current monthly bill of \$106.72 to \$107.72 in the first year of implementation.

FOR FURTHER INFORMATION

You may request additional information or obtain a copy of the Application and related exhibits by writing to: Shivani Ballesteros, Regulatory Case Manager, San Diego Gas & Electric Company, 8330 Century Park Court, San Diego, CA 92123. SDG&E will provide a copy of the Application, including testimony, upon request. A copy of the Application and any amendments may also be reviewed at the SDG&E business offices listed below:

436 H St.	104 N. Johnson Ave.	644 W. Mission Ave.
Chula Vista, CA 91910	El Cajon, CA 92020	Escondido, CA 92025
2405 E. Plaza Blvd.	336 Euclid Ave.	2604-B S. El Camino Real
National City, CA 91950	San Diego, CA 92114	Carlsbad, CA 92008
440 Reech St		

440 Beech St. San Diego, CA 92101

Copies of this Application are available on the SDG&E website at http://www.sdge.com/proceedings.

Copies of this insert will be available for viewing and printing on the SDG&E website at www.sdge.com/regulatory-notices.

CPUC PROCESS

This Application will be assigned to an Administrative Law Judge (Judge) who will determine how to receive evidence and other related documents, necessary for the CPUC to establish a record upon which to base its decision. Evidentiary hearings may be held where parties of record will present their testimony and may be subject to crossexamination by other parties. These evidentiary hearings are open to the public, but only those who are parties of record can participate.

After considering all proposals and evidence presented during the formal hearing process, the assigned Judge will issue a proposed decision which may adopt SDG&E's proposal, modify (Continued on back) it or deny it. Any CPUC Commissioner may sponsor an alternate decision. The proposed decision, and any alternate decisions, will be discussed and voted upon at a scheduled CPUC Voting Meeting.

The Office of Ratepayer Advocates (ORA) may review this Application. ORA is the independent consumer advocate within the CPUC with a legislative mandate to represent investor-owned utility customers to obtain the lowest possible rate for service consistent with reliable and safe service levels. ORA has a multi-disciplinary staff with expertise in economics, finance, accounting and engineering. For more information about ORA, please call (415) 703-1584, e-mail ora@cpuc.ca.gov or visit ORA's website at www.ora.ca.gov.

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If you would like to learn how you can participate in the proceeding, or if you have informal comments about the Application, or questions about the CPUC processes, you may access the CPUC's Public Advisor's Office (PAO) web page at www.cpuc.ca.gov/puc and click on "Public Advisor" from the CPUC Information Menu. You may also contact the PAO as follows:

Email: public.advisor@cpuc.ca.gov

- Mail: CPUC Public Advisor's Office, Room 2103 505 Van Ness Avenue San Francisco, CA 94102
- Call: 1-866-849-8390 (toll-free) or 1-415-703-2074 TTY 1-866-836-7825 (toll-free) or 1-415-703-5282

Please reference SDG&E Application No.15-09-010 in any communications you have with the Commission regarding this matter. All public comments will become part of the public correspondence file for this proceeding and made available for review for the assigned Judge, the Commissioners, and appropriate CPUC staff.



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