

**SAN DIEGO GAS & ELECTRIC COMPANY  
NOTIFICATION OF APPLICATION FOR  
EXPEDITED ERRA TRIGGER AND NOTICE  
OF POTENTIAL IMPACT ON ELECTRIC RATES  
APPLICATION NO. A.12-10-017**

On October 26, 2012, San Diego Gas & Electric Company (SDG&E®) filed its Expedited Energy Resource Recovery Account (ERRA) Trigger Application with the California Public Utilities Commission (CPUC) for approval to increase certain rates. The ERRA was established by the CPUC to record the utility's fuel and purchased power revenues against recorded costs, excluding costs and revenues related to the California Department of Water Resources.

Assembly Bill (AB) 57 mandated a trigger threshold for the balance in the ERRA of 5% of the electric utility's recorded generation revenues for the prior calendar year. Under the provisions of the trigger mechanism, SDG&E is required to file an expedited application to address the ERRA balance when it reaches an under or overcollection of 4%, and is projected to exceed the 5% trigger. SDG&E's balance exceeded the 5% trigger for the months of August and September 2012. Accordingly, SDG&E's Expedited ERRA Trigger Application seeks approval to collect the most current ERRA balance available prior to implementation and amortize that balance over 12 months. The following reflects the rate impacts of collecting an approximate \$96 million undercollection in the ERRA as of December 31, 2012 (approximately 60 days after the filing of this Application). These impacts assume that the new rates will begin on January 1, 2013 and will be amortized over a 12-month period through December 31, 2013.

*(Continued inside)*

ILLUSTRATIVE IMPACT ON ELECTRIC RATES AND BILLS

If the CPUC approves SDG&E's request, a typical non-CARE residential customer living in the inland climate zone and using 500 kilowatt-hours per month could see a monthly summer bill increase of 1.3%, or \$1.06. A typical monthly electric bill could increase from \$82.81 to \$83.87. Changes in individual bills will also depend on how much electricity each customer uses.

San Diego Gas & Electric Company  
Electric Department  
Illustrative Electric Bundled Rate Impact

	09/01/12 Class Average Rates	Class Average Rates Reflecting Proposed Revenue Changes	Total Rate Change	Percentage Rate Change
	(¢/kWh)	(¢/kWh)	(¢/kWh)	%
Residential	18.324	18.854	0.530	2.89%
Small Commercial	18.001	18.571	0.570	3.17%
Medium & Large C&I*	14.305	14.868	0.563	3.94%
Agricultural	17.509	18.054	0.545	3.11%
Lighting	14.868	15.260	0.392	2.64%
System Total	16.154	16.702	0.548	3.39%

\* C&I stands for Commercial and Industrial

FOR FURTHER INFORMATION

You may request additional information or obtain a copy of the application and related exhibits by writing to: Jamie York, San Diego Gas & Electric Company, 8330 Century Park Court, CP32D, San Diego, CA 92123. SDG&E's application and related exhibits may also be inspected at the CPUC office located at 505 Van Ness Ave., San Francisco, CA 94102. Additionally, a copy of the application and related exhibits may be inspected at the following SDG&E business offices:

436 H St. Chula Vista, CA 91910	336 Euclid Ave. San Diego, CA 92114
2405 E. Plaza Blvd. National City, CA 91950	644 W. Mission Ave. Escondido, CA 92025
440 Beech St. San Diego, CA 92101	2604 S. El Camino Real Carlsbad, CA 92008
104 N. Johnson Ave. El Cajon, CA 92020	

The application and related exhibits are also available electronically on SDG&E's website at <http://sdge.com/proceedings>. The application is also available at the CPUC's Central Files Office to review at 505 Van Ness Avenue, San Francisco, CA daily between the hours of 8:00 a.m. to noon.

Copies of this bill insert will be available for viewing and printing on the SDG&E website at <http://sdge.com/regulatory-notice>.

## EVIDENTIARY HEARINGS

Evidentiary Hearings (EHs) may be held whereby parties of record will present their testimony and are subject to cross-examination before an Administrative Law Judge (ALJ). These EHs are open to the public, but only those who are parties of record can present evidence or cross-examine witnesses during the evidentiary hearings. After considering all evidence presented during the formal hearing process, the assigned ALJ will issue a proposed decision. Because the CPUC's approvals may differ from SDG&E's proposals, the actual rates adopted by the CPUC may differ from what is described in this notice.

## CPUC PROCESS

If you wish to provide public comment regarding this application filing, you can write to the CPUC's Public Advisor's Office (PAO), 505 Van Ness Ave., San Francisco, CA 94102, and/or by phone 866-849-8390 or by e-mail to [public.advisor@cpuc.ca.gov](mailto:public.advisor@cpuc.ca.gov). When writing to the PAO, please refer to A.12-10-017 in your correspondence. All public comments received by the Public Advisor's Office will be forwarded to the Commissioners and the assigned ALJ for review, and become part of the formal correspondence file for public comment. In your letter, please state that your comments are regarding Application No. A.12-10-017.

