SAN DIEGO GAS & ELECTRIC COMPANY

NOTIFICATION OF APPLICATION FOR EXPEDITED ERRA TRIGGER AND NOTICE OF POTENTIAL IMPACT ON ELECTRIC RATES APPLICATION NO. A.13-04-017

On April 30, 2013, 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 (DWR).

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, excluding revenues collected for DWR. Under the CPUC's provisions of the trigger mechanism, SDG&E is required to file an expedited application to address the ERRA balance when it reaches an undercollection or overcollection of 4% and is projected to exceed the 5% trigger. SDG&E's balance exceeded the 5% trigger for the months of February and March 2013. Accordingly, SDG&E's Expedited ERRA Trigger Application seeks approval to collect the latest recorded monthly ERRA balance (excluding Greenhouse Gas compliance costs) known at the time of implementing the final decision and adding the best estimate of the balancing account's activity through the implementation date. For illustrative purposes, SDG&E provides the following rate impacts reflecting the collection of the currently forecasted undercollected balance for August 31, 2013, of \$108.5 million. These impacts assume that the new rates will begin with SDG&E's next anticipated rate change, currently expected on September 1, 2013, to be amortized over a 12-month period ending August 31, 2014.

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 1.4%, or \$1.20. A typical monthly electric bill <u>could</u> increase from \$84.38 to \$85.58. 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

Customer Class	01/01/13 Class Average Rates (¢/kWh)	Class Average Rates Reflecting Proposed Revenue Changes (C/kWh)	Total Rate Change (¢/kWh)	Percentage Rate Change %
Residential	18.322	18.919	0.597	3.26%
Small Commercial	18.158	18.800	0.642	3.54%
Medium and				
Large C&I*	14.474	15.108	0.634	4.38%
Agricultural	17.653	18.266	0.613	3.47%
Lighting	14.920	15.362	0.442	2.96%
System Total	16.269	16.886	0.617	3.79%

^{*}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.

Copies of the application and related exhibits may be reviewed at the following SDG&E business offices:

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. National City, CA 91950	336 Euclid Ave.	

440 Beech St. San Diego, CA 92101

The application and related exhibits are also available electronically on SDG&E's website at http://sdge.com/proceedings. The application and related exhibits are also available to review at the CPUC's Central Files Office 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-notices.

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 at 866-849-8390 or by e-mail to public.advisor@cpuc.ca.gov. When writing to the PAO, please refer to A.13-04-017 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 correspondence file for public comment.

