

SAN DIEGO GAS & ELECTRIC COMPANY
NOTIFICATION OF APPLICATION FOR ERRA FORECAST
AND NOTICE OF POTENTIAL IMPACT ON ELECTRIC RATES
APPLICATION NO. A.11-09-022

On September 30, 2011, San Diego Gas & Electric Company (SDG&E®) filed an application with the California Public Utilities Commission (CPUC) for approval of its forecasted electric procurement revenue requirement for 2012, referred to as SDG&E's 2012 Energy Resource Recovery Account (ERRA) Forecast Application (ERRA Application). SDG&E requested approval of a forecasted 2012 ERRA revenue requirement of \$886.5 million and a 2012 Competition Transition Charge Revenue Requirement of \$66.1 million, an increase from 2011 levels. These revenue requirements cover the costs of acquiring power for retail customers, including costs to purchase power under contracts with various power suppliers, California Independent System Operator charges and collateral requirements associated with electric procurement, as well as the cost responsibility of Direct Access (DA) customers and Community Choice Aggregation customers for above-market costs associated with the California Department of Water Resources power costs.

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 1.8%, or \$1.47. A typical monthly electric bill could increase from \$81.21 to \$82.68. For DA, the Utility Distribution Company (UDC) rate impacts on a class average basis are presented below. The percentages shown do not necessarily reflect the changes that you may see on your bill. Changes in individual bills will also depend on how much electricity each customer uses.

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**San Diego Gas & Electric Company – Electric Department
Illustrative Electric Bundled Rate Impact
(UDC And Commodity)**

	09/01/11 Class Average Rates	Class Average Rates Reflecting Proposed Revenue Changes	Total Rate Change	Percentage Rate Change
	(¢/kWh)	(¢/kWh)	(¢/kWh)	%
Residential	18.440	19.164	0.724	3.93%
Small Commercial	17.789	18.573	0.784	4.41%
Medium and Large C&I*	13.915	14.687	0.772	5.55%
Agricultural	17.351	18.098	0.747	4.31%
Lighting	15.365	15.893	0.528	3.44%
System Total	15.992	16.742	0.750	4.69%

**San Diego Gas & Electric Company – Electric Department
Illustrative Electric UDC Rate Impact**

	09/01/11 Class Average Rates	Class Average Rates Reflecting Proposed Revenue Changes	Total Rate Change	Percentage Rate Change
	(¢/kWh)	(¢/kWh)	(¢/kWh)	%
Residential	11.873	11.885	0.012	0.10%
Small Commercial	10.713	10.729	0.016	0.15%
Medium and Large C&I*	6.870	6.884	0.014	0.20%
Agricultural	10.591	10.604	0.013	0.12%
Lighting	10.500	10.500	0.000	0.00%
System Total	9.168	9.181	0.013	0.14%

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

The application and related exhibits are also available electronically on SDG&E's website at www.sdge.com/regulatory/cpuc.shtml

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

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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 those SDG&E requests, actual rates 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 or by e-mail at public.advisor.la@cpuc.ca.gov. When writing to the PAO, please refer to A.11-09-022 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, state that your comments are regarding Application No. A.11-09-022.

