

**SAN DIEGO GAS & ELECTRIC COMPANY
NOTIFICATION OF APPLICATION FOR EXPEDITED ERRA
TRIGGER AND NOTICE OF POTENTIAL IMPACT ON
ELECTRIC RATES**

APPLICATION NO. 12-04-003

On April 9, 2012, San Diego Gas & Electric Company (SDG&E®) filed its Expedited Energy Resource Recovery Account (ERRA) Trigger Application (Expedited 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. Accordingly, SDG&E's Expedited ERRA Trigger Application seeks approval to collect an approximate \$53 million undercollection in the ERRA to be amortized over 12 months from July 1, 2012 through June 30, 2013.

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 0.7%, or \$0.59. A typical monthly electric bill could increase from \$81.32 to \$81.91. 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**

	03/01/12 Class Average Rates (¢/kWh)	Class Average Rates Reflecting Proposed Revenue Changes (¢/kWh)	Total Rate Change (¢/kWh)	Percentage Rate Change %
Residential	17.591	17.882	0.291	1.65%
Small Commercial	17.020	17.334	0.314	1.84%
Medium and Large C&I*	13.626	13.936	0.310	2.28%
Agricultural	16.537	16.837	0.300	1.81%
Lighting	14.634	14.850	0.216	1.48%
System Total	15.429	15.731	0.302	1.96%

*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 E. 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 <http://sdge.com/proceedings>.

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 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 phone: 866-849-8390 or by e-mail at public.advisor.la@cpuc.ca.gov. When writing to the PAO, please refer to A.12-04-003 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.12-04-003.