

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**



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Application of SAN DIEGO GAS & ELECTRIC
COMPANY (U 902-E) for Approval of its 2017 Electric
Procurement Revenue Requirement Forecasts and GHG-
Related Forecasts

Application 16-04-018
(Filed April 15, 2016)

**SAN DIEGO GAS & ELECTRIC COMPANY (U 902 E)
PROOF OF RULE 3.2 COMPLIANCE**

Christopher M. Lyons
San Diego Gas & Electric Company
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Attorney for:
SAN DIEGO GAS & ELECTRIC COMPANY

May 27, 2016

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Application of SAN DIEGO GAS & ELECTRIC
COMPANY (U 902-E) for Approval of its 2017 Electric
Procurement Revenue Requirement Forecasts and GHG-
Related Forecasts

Application 16-04-018
(Filed April 15, 2016)

**SAN DIEGO GAS & ELECTRIC COMPANY (U 902 E)
PROOF OF RULE 3.2 COMPLIANCE**

Pursuant to Rule 3.2 of the Commission’s Rules of Practices and Procedures, San Diego Gas & Electric Company (SDG&E) hereby submits evidence of its compliance with Rule 3.2, as follows:

1. **Attachment A**, which contains SDG&E’s proof of service of the *Notice of Availability of Application of San Diego Gas & Electric Company (U 902-E) for Approval of its 2017 Electric Procurement Revenue Requirement Forecasts and GHG-Related Forecasts, Application No. 16-04-018*, on the applicable state, county and municipal government agencies in accordance with Rule 3.2(b);
2. **Attachment B**, which contains SDG&E’s proof of posting of the *Notice of Availability of Application of San Diego Gas & Electric Company (U 902-E) for Approval of its 2017 Electric Procurement Revenue Requirement Forecasts and GHG-Related Forecasts, Application No. 16-04-018* for public viewing at SDG&E's business offices;
3. **Attachment C**, which contains SDG&E’s proof of newspaper publications of the *Notice of Availability of Application of San Diego Gas & Electric Company (U 902-E) for Approval of its 2017 Electric Procurement Revenue Requirement Forecasts and GHG-Related Forecasts, Application No. 16-04-018* in accordance with Rule 3.2(c); and

4. **Attachment D**, which contains SDG&E's *Notice of San Diego Gas & Electric Company's Request to Increase Electric Rates for 2017 ERRR Forecast Application No. A.16-04-018* in accordance with Rule 3.2(d), as well as a Declaration demonstrating SDG&E's timely compliance with Rule 3.2(d).

Respectfully submitted this 27th day of May, 2016.

/s/ Christopher M. Lyons _____

San Diego Gas & Electric Company
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San Diego, CA 92123
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Attorney for:
SAN DIEGO GAS & ELECTRIC COMPANY

ATTACHMENT A

Proof of Service on Applicable State, County and
Municipal Government Agencies

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Application of San Diego Gas & Electric)
Company (U 902-E) for Approval of its 2017)
Electric Procurement Revenue Requirement) Application No.16-04-018
Forecasts and HGH-Related Forecasts.)

**NOTICE OF AVAILABILITY
APPLICATION OF SAN DIEGO GAS & ELECTRIC
COMPANY (U 902-E) FOR APPROVAL OF ITS 2017 ELECTRIC PROCUREMENT REVENUE
REQUIREMENT FORECASTS AND GHG-RELATED FORECASTS**

Pursuant to Rule 3.2(b) of the Commission's Rules of Practice and Procedure, San Diego Gas & Electric Company (U 902-E) ("SDG&E") hereby gives notice of the *for the approval of its 2017 forecast of (1) the Energy Resource Recovery Account (ERRA) revenue requirement, which includes greenhouse gas (GHG) costs; (2) the Competition Transition Charge (CTC) revenue requirement; (3) the Local Generation (LG) revenue requirement; (4) the San Onofre Nuclear Generating Station (SONGS) Unit 1 Offsite Spent Fuel Storage Cost revenue requirement; and (5) the GHG allowance revenue and return allocations (Application).*

In this Application, SDG&E also requests approval to recover undercollected balances recorded to the (1) Local Generating Balancing Account (LGBA) and (2) the Market Redesign and Technology Upgrade Memorandum Account (MRTUMA). SDG&E also requests approval for its proposed 2017 (1) Local Generation Charge (LGC) rates; (2) vintage Power Charge Indifference Adjustment (PCIA) rates; (3) rate components for the Green Tariff Shared Renewables Program. SDG&E respectfully requests that the Commission approve the forecasts and proposals in this Application for recovery in rates beginning January 1, 2017.

<http://www.sdge.com/regulatory-filing/17611/sdge-2017-erra-forecast>

All requests should be directed to:

Kellen Gill
Regulatory Case Administrator
San Diego Gas & Electric Company
8330 Century Park Court, CP32-D
San Diego, CA 92123
619.696.2972
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Christopher M. Lyons
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Facsimile: 619.699.5027
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April 19, 2016

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

CERTIFICATE OF SERVICE

I hereby certify that a copy of the **NOTICE OF AVAILABILITY OF THE APPLICATION OF SAN DIEGO GAS & ELECTRIC'S FOR APPROVAL OF ITS 2017 ELECTRIC PROCUREMENT REVENUE REQUIREMENT FORECASTS AND GHG-RELATED FORECASTS** has been served on the cities, counties and government agencies as called out in Rule 3.2(b).

Dated at San Diego, California this 19th day of April 2016.

A handwritten signature in cursive script, reading "Martha Cendejas", is written over a horizontal line.

Martha Cendejas

State of California
Attorney General's Office
P.O. Box 944255
Sacramento, CA 94244-2550

Naval Facilities Engineering
Command
Navy Rate Intervention
1314 Harwood Street SE
Washing Navy Yard, DC 20374

City of Carlsbad
Attn. City Attorney
1200 Carlsbad Village Drive
Carlsbad, CA 92008-19589

City of Chula Vista
Attn. City Attorney
276 Fourth Ave
Chula Vista, Ca 91910-2631

City of Dana Point
Attn. City Attorney
33282 Golden Lantern
Dana Point, CA 92629

City of Del Mar
Attn. City Clerk
1050 Camino Del Mar
Del Mar, CA 92014

City of Encinitas
Attn. City Attorney
505 S. Vulcan Ave.
Encinitas, CA 92024

City of Escondido
Attn. City Attorney
201 N. Broadway
Escondido, CA 92025

City of Imperial Beach
Attn. City Clerk
825 Imperial Beach Blvd
Imperial Beach, CA 92032

City of Laguna Beach
Attn. City Clerk
505 Forest Ave
Laguna Beach, CA 92651

State of California
Attn. Director Dept of General
Services
PO Box 989052
West Sacramento, CA 95798-9052

Alpine County
Attn. County Clerk
99 Water Street, P.O. Box 158
Markleeville, CA 96120

City of Carlsbad
Attn. Office of the County Clerk
1200 Carlsbad Village Drive
Carlsbad, CA 92008-19589

City of Coronado
Attn. Office of the City Clerk
1825 Strand Way
Coronado, CA 92118

City of Dana Point
Attn. City Clerk
33282 Golden Lantern
Dana Point, CA 92629

City of El Cajon
Attn. City Clerk
200 Civic Way
El Cajon, CA 92020

City of Encinitas
Attn. City Clerk
505 S. Vulcan Ave.
Encinitas, CA 92024

City of Fallbrook
Chamber of Commerce
Attn. City Clerk
111 S. Main Avenue
Fallbrook, CA 92028

City of Imperial Beach
Attn. City Attorney
825 Imperial Beach Blvd
Imperial Beach, CA 92032

City of Laguna Beach
Attn. City Attorney
505 Forest Ave
Laguna Beach, CA 92651

Department of U.S. Administration
General Services Administration
300 N. Los Angeles St. #3108
Los Angeles, CA 90012

Borrego Springs Chamber of
Commerce Attn. City Clerk
786 Palm Canyon Dr
PO Box 420
Borrego Springs CA 92004-0420

City of Chula Vista
Attn: Office of the City Clerk
276 Fourth Avenue
Chula Vista, California 91910-2631

City of Coronado
Attn. City Attorney
1825 Strand Way
Coronado, CA 92118

City of Del Mar
Attn. City Attorney
1050 Camino Del Mar
Del Mar, CA 92014

City of El Cajon
Attn. City Attorney
200 Civic Way
El Cajon, CA 92020

City of Escondido
Attn. City Clerk
201 N. Broadway
Escondido, CA 92025

City of Fallbrook
Chamber of Commerce
Attn. City Attorney
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Fallbrook, CA 92028

Julian Chamber of Commerce
P.O. Box 1866
2129 Main Street
Julian, CA

City of Laguna Niguel
Attn. City Attorney
30111 Crown Valley Parkway
Laguna Niguel, California 92677

City of Laguna Niguel
Attn. City Clerk
30111 Crown Valley Parkway
Laguna Niguel, California 92677

City of Lakeside
Attn. City Clerk
9924 Vine Street
Lakeside CA 92040

City of La Mesa
Attn. City Attorney
8130 Allison Avenue
La Mesa, CA 91941

City of La Mesa
Attn. City Clerk
8130 Allison Avenue
La Mesa, CA 91941

City of Lemon Grove
Attn. City Clerk
3232 Main St.
Lemon Grove, CA 92045

City of Lemon Grove
Attn. City Attorney
3232 Main St.
Lemon Grove, CA 92045

City of Mission Viejo
Attn: City Clerk
200 Civic Center
Mission Viejo, CA 92691

City of Mission Viejo
Attn: City Attorney
200 Civic Center
Mission Viejo, CA 92691

City of National City
Attn. City Clerk
1243 National City Blvd
National City, CA 92050

City of National City
Attn. City Attorney
1243 National City Blvd
National City, CA 92050

City of Oceanside
Attn. City Clerk
300 N. Coast Highway
Oceanside, CA 92054-2885

City of Oceanside
Attn. City Attorney
300 N. Coast Highway
Oceanside, CA 92054-2885

County of Orange
Attn. County Counsel
P.O. Box 1379
Santa Ana, CA 92702

County of Orange
Attn. County Clerk
12 Civic Center Plaza, Room 101
Santa Ana, CA 92701

City of Poway
Attn. City Clerk
P.O. Box 789
Poway, CA 92064

City of Poway
Attn. City Attorney
P.O. Box 789
Poway, CA 92064

City of Ramona
Attn. City Clerk
960 Main Street
Ramona, CA 92065

City of Ramona
Attn. City Attorney
960 Main Street
Ramona, CA 92065

City of San Diego
Attn. Mayor
202 C Street, 11th Floor
San Diego, CA 92101

City of San Clemente
Attn. City Clerk
100 Avenida Presidio
San Clemente, CA 92672

City of San Clemente
Attn. City Attorney
100 Avenida Presidio
San Clemente, CA 92672

County of San Diego
Attn. County Counsel
1600 Pacific Hwy
San Diego, CA 92101

County of San Diego
Attn. County Clerk
P.O. Box 121750
San Diego, CA 92101

City of San Diego
Attn. City Attorney
1200 Third Ave.
Suite 1620
San Diego, CA 92101

City of San Diego
Attn. City Clerk
202 C Street, 2nd Floor
San Diego, CA 92101

City of San Marcos
Attn. City Attorney
1 Civic Center Dr.
San Marcos, CA 92069

City of San Marcos
Attn. City Clerk
1 Civic Center Dr.
San Marcos, CA 92069

City of Santee
Attn. City Clerk
10601 Magnolia Avenue
Santee, CA 92071

City of Santee
Attn. City Attorney
10601 Magnolia Avenue
Santee, CA 92071

City of Solana Beach
Attn. City Attorney
635 S. Highway 101
Solana Beach, CA 92075

Spring Valley Chamber of
Commerce
Attn. City Clerk
3322 Sweetwater Springs Blvd,
Ste. 202
Spring Valley, CA 91977-3142

Valley Center Chamber of
Commerce
Attn. City Clerk
P.O. Box 8
Valley Center, CA 92082

City of Vista
Attn. City Attorney
200 Civic Center Drive, Bldg. K
Vista, CA 92084

City of Vista
Attn. City Clerk
200 Civic Center Drive
Vista, CA 92084

City of Aliso Viejo
12 Journey
Aliso Viejo, CA 92656

ATTACHMENT B

Proof of Posting in Applicable Business Offices



To: Mary Lou Rodriguez (SD 1225)

Date: April 19, 2016

From: Martha Cendejas

A.16-04-018

PUBLIC INSPECTION OF APPLICATION

Enclosed are copies of San Diego Gas & Electric Company's application (A.16-04-018). SDG&E's Approval of its 2017 Electric Procurement Revenue Requirement Forecasts and GHG-Related Forecasts. California Public Utilities Commission regulations require that this Application be available for public inspection at each of these offices until further notice. Please see that this Application continues to be made available upon request to members of the public. Please feel free to contact me if you have any questions.

436 H St. ✓
Chula Vista, CA 91910

440 Beech St.
San Diego, CA 92101

104 N Johnson Ave.
El Cajon, CA 92020

2405 E. Plaza Blvd.
National City, CA 91950

336 Euclid Ave.
San Diego, CA 92114

2604-B S El Camino Real
Carlsbad, CA 92008

644 W. Mission Ave.
Escondido, CA 92025

To indicate that you have received and made available the Application, please sign below and return this memorandum to *Martha Cendejas* at *CP-31-E*. Thank you for your assistance.

M. Rodriguez 4/26/16
Signature Date

MARYLOU RODRIGUEZ
Print Name



To: Mary Lou Rodriguez (SD 1225)

Date: April 19, 2016

From: Martha Cendejas

A.16-04-018

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MARYLOU RODRIGUEZ
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To: Mary Lou Rodriguez (SD 1225)

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From: Martha Cendejas

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Signature Date

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2604-B S El Camino Real
Carlsbad, CA 92008 ✓

644 W. Mission Ave.
Escondido, CA 92025

To indicate that you have received and made available the Application, please sign below and return this memorandum to *Martha Cendejas* at *CP-31-E*. Thank you for your assistance.

M. Rodriguez 4/26/16
Signature Date

MARYLOU RODRIGUEZ
Print Name

ATTACHMENT C

Proof of Newspaper Publications

NOTICE OF SAN DIEGO GAS & ELECTRIC COMPANY'S REQUEST TO INCREASE ELECTRIC RATES FOR 2017 ERRR FORECAST APPLICATION NO. A.16-04-018

On April 15, 2016, San Diego Gas & Electric Company (SDG&E) filed an application with the California Public Utilities Commission (CPUC) for approval to increase rates to purchase electricity for its customers in 2017. Additionally, this application addresses revenue requirement forecasts and greenhouse gas related forecasts. This is referred to as SDG&E's 2017 Energy Resource Recovery Account Forecast application (application). If approved, this application would result in an increase in overall revenue requirement and rates starting in 2017.

SDG&E is requesting \$1,293,667,785 for 2017. If the request is approved, SDG&E's 2017 revenue requirement will increase by \$1,471,590 compared to the current revenue requirement of \$1,292,196,195.

The total revenue requirement is comprised of five components: Energy Resource Recovery Account (ERRR); Competition Transition Charge (CTC); Local Generation (LG); and Greenhouse Gas (GHG) costs and allowance revenues. SDG&E is also seeking to recover costs associated with storing nuclear fuel that is no longer useful (also known as spent fuel) from San Onofre Nuclear Generating Station (SONGS) Unit 1. This cost was incurred through SDG&E's 20% ownership of SONGS Unit 1.

The ERRR primarily includes fuel costs needed to run generators to create electricity and contracts with third parties to purchase energy. The CTC allows SDG&E to recover costs for power plants and long-term power contracts approved by state regulators that have become unprofitable by the shift of consumers to competitors, due to the restructuring of the electric energy industry.

The LGC is a charge associated with entering into certain new contracts with power producers. These generation costs are needed to meet the electric system or local reliability needs. The LGC is a charge applicable to bundled, Direct Access (DA) and Community Choice Aggregation (CCA) customers¹.

Forecasted GHG costs, to comply with California's GHG emission reductions program, will be recovered through electric rates. Revenue from the sale of GHG allowances will be returned to some bundled and DA customers as credits on their bill. The GHG allowance revenue bill credits reduce the electric rate impacts of the GHG costs.

The costs are broken down as \$1,295,037,761 for the ERRR, \$22,662,099 for the CTC, \$60,255,215 for the LGC, \$1,035,459 for SONGS Unit 1 spent fuel storage, and (\$85,322,749) for GHG allowance revenues available to be returned to customers.

In addition, this application addresses the cost responsibility of DA customers and CCA customers that purchase electricity from another provider but transport it through SDG&E's electrical system.

The charts shown below illustrate the changes in rates that would result from CPUC approval of this application, compared to current rate levels.

This application is a forecast and is likely to change prior to including these costs in next year's electric rates. In addition, there is a balance of approximately \$5.7 M that is not included in the 2017 revenue requirement forecast above. This balance comes from a pending decision in the 2014 ERRR Compliance proceeding (A.15-06-002). The total 2017 revenue requirement forecast including this balance would be \$1,299,383,329. The outcome of the 2014 ERRR Compliance proceeding may impact rates in this proceeding. SDG&E expects to file an update to this application in November 2016.

ILLUSTRATIVE IMPACT ON ELECTRIC RATES AND BILLS

If the CPUC approves SDG&E's application, a typical non-CARE residential customer living in the inland climate zone and using 500 kilowatt-hours per month could see a monthly winter bill increase of 0.8%, or \$0.86, from a typical current monthly bill of \$104.49 to \$105.35.

The first table below provides illustrative bill changes for bundled customers, while the second table presents illustrative bill changes for DA customers. For DA customers who do not pay commodity, the Utility Distribution Company (UDC) rate changes 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.

SAN DIEGO GAS & ELECTRIC COMPANY'S ILLUSTRATIVE ELECTRIC BUNDLED RATE CHANGE (TOTAL RATES INCLUDE UDC¹ AND COMMODITY²)

Customer Class	Class Average Rates Effective 01/01/16 ³ (¢/kWh)	Class Average Rates Reflecting Proposed Revenue Change Per application (¢/kWh)	Total Rate Change (¢/kWh)	Percentage Rate Change (%)
Residential	22.442	22.166	(0.276)	-1.23
Small Commercial	22.322	22.486	0.164	0.73
Medium and Large C&I ⁴	18.626	18.772	0.146	0.78
Agricultural	16.421	16.594	0.173	1.05
Lighting	18.682	18.828	0.146	0.78
System Total	20.366	20.359	(0.0007)	-0.03

¹UDC rates include Department of Water Resources (DWR) Bond Charge.

²Commodity rates include DWR Power Charge credit.

³Rates effective 1/1/16 per Advice Letter (AL) 2840-E.

⁴C&I stands for Commercial and Industrial.

SAN DIEGO GAS & ELECTRIC COMPANY'S ILLUSTRATIVE ELECTRIC UDC¹ RATE CHANGE

Customer Class	Class Average Rates Effective 01/01/16 ³ (¢/kWh)	Class Average Rates Reflecting Proposed Revenue Change Per application (¢/kWh)	Total Rate Change (¢/kWh)	Percentage Rate Change (%)
Residential	12.624	12.433	(0.191)	-1.51
Small Commercial	13.405	13.646	0.241	1.80
Medium and Large C&I ⁴	9.086	9.313	0.227	2.50
Agricultural	8.398	8.640	0.242	2.88
Lighting	12.208	12.410	0.202	1.65
System Total	10.825	10.900	0.075	0.69

¹UDC rates include DWR Bond Charge.

²Rates effective 1/1/16 per AL 2840-E.

³C&I stands for Commercial and Industrial.

If the CPUC approves the pending balance in the 2014 ERRR Compliance proceeding, it would represent an additional \$5.7 million (approximately). The following two tables show bill changes for the combined total revenue requirement forecasted in this application, compared to current rates. The first table displays bill changes for bundled customers, while the second table demonstrates bill changes for DA customers. For DA customers who do not pay commodity, the UDC rate changes 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.

SAN DIEGO GAS & ELECTRIC COMPANY'S ILLUSTRATIVE ELECTRIC BUNDLED RATE CHANGE (TOTAL RATES INCLUDE UDC¹ AND COMMODITY²)

Customer Class	Class Average Rates Effective 01/01/16 ³ (¢/kWh)	Class Average Rates Reflecting Proposed Revenue Change Per application Including SDG&E's 2014 ERRR Compliance Proceeding (¢/kWh)	Total Rate Change (¢/kWh)	Percentage Rate Change (%)
Residential	22.442	22.197	(0.245)	-1.09
Small Commercial	22.322	22.518	0.196	0.88
Medium and Large C&I ⁴	18.626	18.797	0.171	0.92
Agricultural	16.421	16.621	0.200	1.22
Lighting	18.682	18.850	0.168	0.90
System Total	20.366	20.388	0.022	0.11

¹UDC rates include Department of Water Resources (DWR) Bond Charge.

²Commodity rates include DWR Power Charge credit.

³Rates effective 1/1/16 per Advice Letter (AL) 2840-E.

⁴C&I stands for Commercial and Industrial.

SAN DIEGO GAS & ELECTRIC COMPANY'S ILLUSTRATIVE ELECTRIC UDC¹ RATE CHANGE

Customer Class	Class Average Rates Effective 01/01/16 ³ (¢/kWh)	Class Average Rates Reflecting Proposed Revenue Change Per application Including SDG&E's 2014 ERRR Compliance Proceeding (¢/kWh)	Total Rate Change (¢/kWh)	Percentage Rate Change (%)
Residential	12.624	12.462	(0.162)	-1.28
Small Commercial	13.405	13.676	0.271	2.02
Medium and Large C&I ⁴	9.086	9.337	0.251	2.76
Agricultural	8.398	8.666	0.268	3.19
System Total	10.825	10.431	(0.394)	-3.64

¹ UDC rates include DWR Bond Charge.
² Rates effective 1/1/16 per AL 2840-E.
³ C&I stands for Commercial and Industrial.

If the CPUC approves the pending balance in the 2014 ERRAs proceeding, it would represent an additional \$5.7 million (approximately). The following two tables show bill changes for the combined total revenue requirement forecasted in this application, compared to current rates. The first table displays bill changes for bundled customers, while the second table demonstrates bill changes for DA customers. For DA customers who do not pay commodity, the UDC rate changes 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.

**SAN DIEGO GAS & ELECTRIC COMPANY'S ILLUSTRATIVE ELECTRIC BUNDLED RATE CHANGE
(TOTAL RATES INCLUDE UDC¹ AND COMMODITY²)**

Customer Class	Class Average Rates Effective 01/01/16 ³ (¢/kWh)	Class Average Rates Reflecting Proposed Revenue Change Per application Including SDG&E's 2014 ERRAs Proceeding (¢/kWh)	Total Rate Change (¢/kWh)	Percentage Rate Change (%)
Residential	22.442	22.197	(0.245)	-1.09
Small Commercial	22.322	22.518	0.196	0.88
Medium and Large C&I ⁴	18.626	18.797	0.171	0.92
Agricultural	16.421	16.621	0.200	1.22
Lighting	18.682	18.850	0.168	0.90
System Total	20.366	20.388	0.022	0.11

¹ UDC rates include Department of Water Resources (DWR) Bond Charge.
² Commodity rates include DWR Power Charge credit.
³ Rates effective 1/1/16 per Advice Letter (AL) 2840-E.
⁴ C&I stands for Commercial and Industrial.

SAN DIEGO GAS & ELECTRIC COMPANY'S ILLUSTRATIVE ELECTRIC UDC¹ RATE CHANGE

Customer Class	Class Average Rates Effective 01/01/16 ² (¢/kWh)	Class Average Rates Reflecting Proposed Revenue Change Per application Including SDG&E's 2014 ERRAs Proceeding (¢/kWh)	Total Rate Change (¢/kWh)	Percentage Rate Change (%)
Residential	12.624	12.462	(0.162)	-1.28
Small Commercial	13.405	13.676	0.271	2.02
Medium and Large C&I ³	9.086	9.337	0.251	2.76
Agricultural	8.398	8.666	0.268	3.19
Lighting	12.208	12.431	0.223	1.83
System Total	10.825	10.927	0.102	0.94

¹ UDC rates include DWR Bond Charge.
² Rates effective 1/1/16 per AL 2840-E.
³ C&I stands for Commercial and Industrial.

For further information on these proposals you may contact SDG&E's Customer Service line at 1-800-411-SDGE (7343).

FOR FURTHER INFORMATION

You may request additional information or obtain a copy of the application and related exhibits by writing to: Kellen Gill, San Diego Gas & Electric Company, 8330 Century Park Court, San Diego, CA 92123. SDG&E will provide a copy of this application upon request. SDG&E's application and attachments may be reviewed at the CPUC's Central Files Office by appointment. For more information, please contact them at ajcentralfilesid@cpuc.ca.gov or (415) 703-2045. A copy of this application may be reviewed 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-B 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.

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 cross-examination 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 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.

As a party of record, the Office of Ratepayer Advocates (ORA) will 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, email ora@cpuc.ca.gov or visit ORA's website at www.ora.ca.gov.

STAY INFORMED

If you would like to follow this proceeding, or any other issue before the CPUC, you may use the CPUC's free subscription service. Sign up at: <http://subscribe/cpuc.ca.gov/>.

If you would like to learn how you can participate in the proceeding, have informal comments about the application, or if you have questions about the CPUC processes, you may access the CPUC's Public Advisor's Office (PAO) webpage at <http://www.cpuc.ca.gov/pao/>. You may also contact the PAO as follows:

- Email: public.advisor@cpuc.ca.gov
- Mail: CPUC Public Advisor's Office 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's 2017 ERRAs Forecast Application No. A.16-04-018

in any communications you have with the CPUC 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.

¹ SDG&E currently has no CCA customers.

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DECLARATION

I am a resident of San Diego County, over the age of eighteen years and not a party to any or interested in the matter noticed.

The notice, of which the annexed is a printed copy appeared in the:

THE SAN DIEGO UNION TRIBUNE NORTH COUNTY

A newspaper of general circulation adjudicated for the City Oceanside and the City of Escondido, County of San Diego under the County Superior Court, Decree No. 171349, for the County of San Diego

On the following dates:

APRIL 27, 2016

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated at San Diego, California, this
20th day of May 2016


YOLANDA CÓRDOVA
 CNS#2873557

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Rev. 1/2014 Daily Journal Corporation, 915 East First Street, Los Angeles, CA 90012

Para mas detalles llame al 1-800-311-7343

NOTICE OF SAN DIEGO GAS & ELECTRIC COMPANY'S REQUEST TO INCREASE ELECTRIC RATES FOR 2017 ERRA FORECAST
 APPLICATION NO. A18-04-018

On April 15, 2016, San Diego Gas & Electric Company (SDG&E) filed an application with the California Public Utilities Commission (CPUC) for approval to increase rates to purchase electricity for its customers in 2017. Additionally, this application addresses revenue requirement forecasts and greenhouse gas related forecasts. This is referred to as SDG&E's 2017 Energy Resource Recovery Account Forecast Application (ERRA). If approved, the application would result in a increase in overall revenue requirement and rates starting in 2017.

SDG&E is requesting \$1,203,687,785 for 2017. If the request is approved, SDG&E's 2017 revenue requirement will increase by \$1,471,530 compared to the current revenue requirement of \$1,252,186,150.

The total revenue requirement is comprised of the components: Energy Resource Recovery Account (ERRA); Competition Transition Charge (CTC); Local Generation (LGC) and Greenhouse Gas (GHG) costs and allowance revenues. SDG&E is also seeking to recover costs associated with strapping nuclear fuel that is no longer usable (also known as spent fuel) from San Diego Nuclear Generating Station (SDNGS) Unit 1. This cost was incurred by SDG&E in 2016 ownership of SDNGS Unit 1.

The ERRA primarily includes fuel costs needed to run generators to create electricity and contracts with third parties to purchase energy. The CTC allows SDG&E to recover costs for power plants and long-term power contracts approved by state regulators that have become unprofitable by the shift of consumers to competitors, due to the restructuring of the electric energy industry.

The LGC is a charge associated with entering into certain new contracts with power producers. These generation costs are needed to meet the electric system or local reliability needs. The LGC is a charge applicable to bundled, Direct Access (DA) and Community Choice Aggregation (CCA) customers.

Forecasted GHG costs, to comply with California's GHG emission reductions program, will be recovered through electric rates. Revenue from the sale of GHG allowances will be returned to some bundled and DA customers as credits on their bill. The GHG allowance revenue will thereby reduce the electric rate impacts of the GHG costs.

The costs are broken down as \$1,203,687,785 for the ERRA, \$29,662,099 for the CTC, \$60,255,215 for the LGC, \$1,035,499 for SDNGS Unit 1 spent fuel storage, and (\$61,332,745) for GHG allowance revenues available to be returned to customers.

In addition, this application addresses the cost responsibility of DA customers and CCA customers that purchase electricity from another provider but transport it through SDG&E's electrical system.

The charts shown below illustrate the changes in rates that would result from CPUC approval of this application, compared to current rate levels.

This application is a forecast and is likely to change prior to including these costs in next year's electric rates. In addition, there is a balance of approximately \$1.7M that is not included in the 2017 revenue requirement forecast shown. This balance comes from the 2014 ERRA Compliance proceeding (A14-06-002). The total 2017 revenue requirement forecast including this balance would be \$1,205,383,326. The outcome of the 2014 ERRA Compliance proceeding may impact rates in this proceeding. SDG&E will update its application to reflect the 2014 ERRA Compliance proceeding.

ILLUSTRATIVE IMPACT ON ELECTRIC RATES AND BILLS

If the CPUC approves SDG&E's application, a typical non-C&I residential customer living in the shared climate zone and using 600 kilowatt-hour per month could see a monthly increase of current monthly bill of \$16.00.

The first table below provides illustrative bill changes for bundled customers, while the second table presents illustrative bill changes for DA customers. For DA customers who do not pay accordingly, the utility distribution company (UDC) may charge on a class average basis as 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.

SAN DIEGO GAS & ELECTRIC COMPANY'S ILLUSTRATIVE ELECTRIC UNBUNDLED RATE CHANGE
 (TOTAL RATES INCLUDE UDC* AND COMMODITY)

Customer Class	Class Average Rates Effective 1/1/16 (\$/kWh)	Class Average Rates Proposed Revenue Change Per application (\$/kWh)	Total Rate Change (\$/kWh)	Percentage Rate Change (%)
Residential	22.442	22.499	0.057	0.25
Small Commercial	18.226	18.272	0.046	0.25
Medium and Large C&I	18.226	18.272	0.046	0.25
Agricultural	18.226	18.272	0.046	0.25
Lighting	20.366	20.366	0.000	0.00
System Total	20.366	20.366	0.000	0.00

*UDC rates include Department of Water Resources (DWR) Bond Charge.
 *Commodity rates include DWR Power Charge credit.
 *Rates effective 1/1/16 per Advice Letter (AL) 2040-E.
 *C&I stands for Commercial and Industrial.

SAN DIEGO GAS & ELECTRIC COMPANY'S ILLUSTRATIVE ELECTRIC UDC* RATE CHANGE
 (TOTAL RATES INCLUDE UDC* AND COMMODITY)

Customer Class	Class Average Rates Effective 1/1/16 (\$/kWh)	Class Average Rates Proposed Revenue Change Per application (\$/kWh)	Total Rate Change (\$/kWh)	Percentage Rate Change (%)
Residential	12.224	12.233	0.009	0.07
Small Commercial	12.442	12.451	0.009	0.07
Medium and Large C&I	8.266	8.275	0.009	0.11
Agricultural	8.266	8.275	0.009	0.11
Lighting	12.208	12.217	0.009	0.07
System Total	12.208	12.217	0.009	0.07

*UDC rates include DWR Bond Charge.
 *Rates effective 1/1/16 per AL 2040-E.
 *C&I stands for Commercial and Industrial.

If the CPUC approves the pending balance in the 2014 ERRA Compliance proceeding, it would represent an additional \$5.7 million (approximately 0.5%) in the 2017 revenue requirement forecast. The following table shows bill changes for the combined total revenue requirement forecast in this application, compared to current rates. The first table displays bill changes for bundled customers, while the second table displays bill changes for DA customers. For customers who do not pay accordingly, the UDC may charge on a class average basis as 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.

SAN DIEGO GAS & ELECTRIC COMPANY'S ILLUSTRATIVE ELECTRIC UNBUNDLED RATE CHANGE
 (TOTAL RATES INCLUDE UDC* AND COMMODITY)

Customer Class	Class Average Rates Effective 1/1/16 (\$/kWh)	Class Average Rates Proposed Revenue Change Per application (\$/kWh)	Total Rate Change (\$/kWh)	Percentage Rate Change (%)
Residential	22.442	22.518	0.076	0.34
Small Commercial	18.226	18.302	0.076	0.42
Medium and Large C&I	18.226	18.302	0.076	0.42
Agricultural	18.226	18.302	0.076	0.42
Lighting	20.366	20.366	0.000	0.00
System Total	20.366	20.366	0.000	0.00

*UDC rates include Department of Water Resources (DWR) Bond Charge.
 *Commodity rates include DWR Power Charge credit.
 *Rates effective 1/1/16 per Advice Letter (AL) 2040-E.
 *C&I stands for Commercial and Industrial.

SAN DIEGO GAS & ELECTRIC COMPANY'S ILLUSTRATIVE ELECTRIC UDC* RATE CHANGE
 (TOTAL RATES INCLUDE UDC* AND COMMODITY)

Customer Class	Class Average Rates Effective 1/1/16 (\$/kWh)	Class Average Rates Proposed Revenue Change Per application (\$/kWh)	Total Rate Change (\$/kWh)	Percentage Rate Change (%)
Residential	12.224	12.233	0.009	0.07
Small Commercial	12.442	12.451	0.009	0.07
Medium and Large C&I	8.266	8.275	0.009	0.11
Agricultural	8.266	8.275	0.009	0.11
Lighting	12.208	12.217	0.009	0.07
System Total	12.208	12.217	0.009	0.07

*UDC rates include DWR Bond Charge.
 *Rates effective 1/1/16 per AL 2040-E.
 *C&I stands for Commercial and Industrial.

For further information on these proposals you may contact SDG&E's Customer Service line at 1-800-411-SDGE (7343).

FOR FURTHER INFORMATION
 You may request additional information or obtain a copy of this application and related exhibits by writing to: Helen Gill, San Diego Gas & Electric Company, 8330 Century Park East, Suite 200, San Diego, CA 92123. SDG&E will provide a copy of this application upon request. SDG&E's application and attachments may be reviewed at the CPUC's Central File Office by appointment. For more information, please contact them at applicants@cpuc.ca.gov or (415) 703-2045. A copy of this application may be reviewed at the following SDG&E business office:

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. 330 Euclid Ave. 2004-B S. El Camino Real
 National City, CA 91950 San Diego, CA 92114 Carlsbad, CA 92008
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 San Diego, CA 92101

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

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

CPUC PROCESS
 This application will be assigned to an Administrative Law Judge (ALJ) 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 cross-examination 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 ALJ will issue a proposed decision which may affect SDG&E's proposal, modify it or deny it. Any CPUC Commission may accept an alternate decision. The proposed decision, and any alternate decisions, will be discussed and voted upon at a scheduled CPUC Meeting.

As a party of record, the Office of Ratepayer Advocates (ORA) will 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 services 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) 703-1554, email ora@cpuc.ca.gov or visit ORA's website at www.ora.ca.gov.

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Office: Publications/Consumer Advocacy
 Mail: CPUC
 Public Advice Office
 503 Van Ness Avenue
 San Francisco, CA 94102
 Call: 1-866-833-7000 (toll-free) or 1-415-703-2074
 TTY: 1-866-833-7000 (toll-free) or 1-415-703-6332

Please reference SDG&E's 2017 ERRA Forecast Application No. A18-04-018.

In any communications you have with the CPUC regarding this matter, all public comments will become part of the public correspondence file for this proceeding and made available for review by the assigned ALJ, the Commission, and appropriate CPUC staff.

1 SDG&E currently has no CCA customers.

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DECLARATION

I am a resident of San Diego County, over the age of eighteen years and not a party to any or interested in the matter noticed. The notice, of which the annexed is a printed copy appeared in the:

SAN DIEGO UNION TRIBUNE

On the following dates:

APRIL 27, 2016

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated at San Diego, California, this

20th / of MAY 2016

YOLANDA CORDOVA

CNS#2873554

"The only Public Notice which is justifiable from the standpoint of true economy and the public interest, is that which reaches those who are affected by it"

Rev. 12/14 Daily Journal Corporation, 915 East First Street, Los Angeles, CA 90012

The application and related exhibits are also available electronically on SDG&E's website at www.sdge.com/equity/cpsc.html. Copies of this bill insert will be available for viewing and printing on the SDG&E website at www.sdge.com/billinsert/regulatory.html.

CPUC PROCESS
 This application will be assigned to an Administrative Law Judge (ALJ) 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 cross-examination by other parties. These evidentiary hearings are open to the public, but only those who are parties of record will use hearings are open to the public, but only those who are parties of record will use.

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 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.

As a party of record, the Office of Ratepayer Advocates (ORA) will review this application. ORA is the independent consumer advocate within the CPUC with a legislative mandate to represent able 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) 703-1384, email, ora@cpuc.ca.gov or visit ORA's website at www.ora.org.

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 Email: public.advisor@cpuc.ca.gov
 Mail: CPUC, Public Advisor's Office, 505 Van Ness Avenue, San Francisco, CA 94102
 Call: 1-866-849-8390 (toll-free) or 1-415-703-2074
 TTY: 1-866-839-7825 (toll-free) or 1-415-703-5282

Please reference SDG&E's 2017 ERA Forecast Application No. A-16-04-018 in any communications you have with the CPUC 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.

1 SDG&E currently has no CCA customers. CNS-2873554#

NOTICE OF SAN DIEGO GAS & ELECTRIC COMPANY'S REQUEST TO INCREASE ELECTRIC RATES FOR 2017 ERA FORECAST
 APPLICATION NO. A-16-04-018

On April 15, 2016, San Diego Gas & Electric Company (SDG&E) filed an application with the California Public Utilities Commission (CPUC) for approval to increase rates to purchase electricity for its customers in 2017. Additionally, this application addresses revenue requirement forecasts and greenhouse gas (GHG) costs and allowance revenues. SDG&E is also seeking to recover costs associated with storing nuclear fuel that is no longer useful (also known as spent fuel) from San Onofre Nuclear Generating Station (SONGS) Unit 1. This cost was incurred through SDG&E's 20% ownership of SONGS Unit 1.

SDG&E is requesting \$1,293,667,785 for 2017. If the request is approved, SDG&E's 2017 revenue requirement will increase by \$1,471,530 compared to the current revenue requirement of \$1,292,196,155.

The total revenue requirement is comprised of five components: Energy Resource Recovery Account (ERRA), Competition Transition Charge (CTC), Local Generation (LG), and Greenhouse Gas (GHG) costs and allowance revenues. SDG&E is also seeking to recover costs associated with storing nuclear fuel that is no longer useful (also known as spent fuel) from San Onofre Nuclear Generating Station (SONGS) Unit 1. This cost was incurred through SDG&E's 20% ownership of SONGS Unit 1.

The ERRA primarily includes fuel costs needed to run generators to create electricity and contracts with third parties to purchase energy. The CTC allows SDG&E to recover costs for power plants and long-term power contracts approved by state regulators that have become unprofitable by the shift of consumers to competitors, due to the restructuring of the electric energy industry.

The LG is a charge associated with entering into certain new contracts with power producers. These generation costs are needed to meet the electric system or local reliability needs. The LG is a charge applicable to bundled, Direct Access (DA) and Community Choice Aggregation (CCA) customers.

Forecasted GHG costs, to comply with California's GHG emission reductions program, will be recovered through electric rates. Revenue from the sale of GHG allowances will be returned to some bundled and DA customers as credits on their bill. The GHG allowance revenue bill credits reduce the electric rate impacts of the GHG costs.

The costs are broken down as \$1,295,037,761 for the ERRA, \$22,662,099 for the CTC, \$60,255,215 for the LG, \$1,035,459 for SONGS Unit 1 spent fuel storage, and (\$65,322,749) for GHG allowance revenues available to be returned to customers.

In addition, this application addresses the cost responsibility of DA customers and CCA customers that purchase electricity from another provider but transport it through SDG&E's electrical system. The charts shown below illustrate the changes in rates that would result from CPUC approval of this application, compared to current rate levels.

This application is a forecast and is likely to change prior to including these costs in next year's electric rates. In addition, there is a balance of approximately \$5.7 M that is not included in the 2017 revenue requirement forecast above. This balance comes from a pending decision in the 2014 ERA Compliance proceeding (A-15-06-002). The total 2017 revenue requirement forecast including this balance would be \$1,295,363,205. The outcome of the 2014 ERA Compliance proceeding may impact rates in this proceeding. SDG&E expects to file an update to this application in November 2016.

ILLUSTRATIVE IMPACT ON ELECTRIC RATES AND BILLS
 If the CPUC approves SDG&E's rates, a typical non-CARE residential customer living in the inland climate zone and using 500 kilowatt-hours per month could see a monthly winter bill increase of 0.8%, or \$0.86, from a typical current monthly bill of \$104.43 to \$105.35.

The first table below provides illustrative bill changes for bundled customers, while the second table presents illustrative changes for DA customers. For DA customers who do not pay commodity, the Utility Distribution Company (UDC) rate changes 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.

SAN DIEGO GAS & ELECTRIC COMPANY'S ILLUSTRATIVE ELECTRIC BUNDLED RATE CHANGE (TOTAL RATES INCLUDE UDC AND COMMODITY)

Customer Class	Class Average Rates Effective 01/01/16 ¹ (\$/kWh)	Class Average Rates Reflecting Proposed Revenue Change Per application (\$/kWh)	Total Rate Change (\$/kWh)	Percentage Rate Change (%)
Residential	22.442	22.166	(0.276)	-1.23
Small Commercial	22.322	22.486	0.164	0.73
Medium and Large C&I ²	18.626	18.772	0.146	0.78
Agricultural	16.421	16.594	0.173	1.05
Lighting	18.682	18.828	0.146	0.78
System Total	20.356	20.359	(0.0007)	-0.03

¹ UDC rates include Department of Water Resources (DWR) Bond Charge.
² Commodity rates include DWR Power Charge credit.
³ Rates effective 1/1/16 per Advice Letter (AL) 2840-E.
⁴ C&I stands for Commercial and Industrial.

SAN DIEGO GAS & ELECTRIC COMPANY'S ILLUSTRATIVE ELECTRIC UDC¹ RATE CHANGE (TOTAL RATES INCLUDE UDC¹ AND COMMODITY²)

Customer Class	Class Average Rates Effective 01/01/16 ¹ (\$/kWh)	Class Average Rates Reflecting Proposed Revenue Change Per application (\$/kWh)	Total Rate Change (\$/kWh)	Percentage Rate Change (%)
Residential	12.624	12.433	(0.191)	-1.51
Small Commercial	13.405	13.676	0.241	1.80
Medium and Large C&I ²	9.086	9.313	0.227	2.50
Agricultural	8.398	8.640	0.242	2.88
Lighting	12.208	12.410	0.202	1.65
System Total	10.825	10.900	0.075	0.69

¹ UDC rates include DWR Bond Charge.
² Rates effective 1/1/16 per AL 2840-E.
³ C&I stands for Commercial and Industrial.

If the CPUC approves the pending balance in the 2014 ERA Compliance proceeding, it would represent an additional \$5.7 million (approximately). The following two tables show bill changes for the combined total revenue requirement forecasted in this application, compared to current rates. The first table displays bill changes for bundled customers, while the second table demonstrates bill changes for DA customers. For DA customers who do not pay commodity, the UDC rate changes 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.

SAN DIEGO GAS & ELECTRIC COMPANY'S ILLUSTRATIVE ELECTRIC BUNDLED RATE CHANGE (TOTAL RATES INCLUDE UDC¹ AND COMMODITY²)

Customer Class	Class Average Rates Effective 01/01/16 ¹ (\$/kWh)	Class Average Rates Reflecting Proposed Revenue Change Per application Including SDG&E's 2014 ERA Compliance Proceeding (\$/kWh)	Total Rate Change (\$/kWh)	Percentage Rate Change (%)
Residential	22.442	22.197	(0.245)	-1.09
Small Commercial	22.322	22.576	0.186	0.83
Medium and Large C&I ²	18.626	18.797	0.171	0.92
Agricultural	16.421	16.621	0.200	1.22
Lighting	18.682	18.850	0.168	0.90
System Total	20.356	20.388	0.032	0.11

¹ UDC rates include Department of Water Resources (DWR) Bond Charge.
² Commodity rates include DWR Power Charge credit.
³ Rates effective 1/1/16 per Advice Letter (AL) 2840-E.
⁴ C&I stands for Commercial and Industrial.

SAN DIEGO GAS & ELECTRIC COMPANY'S ILLUSTRATIVE ELECTRIC UDC¹ RATE CHANGE (TOTAL RATES INCLUDE UDC¹ AND COMMODITY²)

Customer Class	Class Average Rates Effective 01/01/16 ¹ (\$/kWh)	Class Average Rates Reflecting Proposed Revenue Change Per application Including SDG&E's 2014 ERA Compliance Proceeding (\$/kWh)	Total Rate Change (\$/kWh)	Percentage Rate Change (%)
Residential	12.624	12.462	(0.162)	-1.28
Small Commercial	13.405	13.676	0.271	2.02
Medium and Large C&I ²	9.086	9.337	0.251	2.76
Agricultural	8.398	8.666	0.268	3.19
Lighting	12.208	12.431	0.223	1.83
System Total	10.825	10.927	0.102	0.94

¹ UDC rates include DWR Bond Charge.
² Rates effective 1/1/16 per AL 2840-E.
³ C&I stands for Commercial and Industrial.

For further information on these proposals you may contact SDG&E's Customer Service line at 1-800-415-SDGE (7474).

FOR FURTHER INFORMATION
 You may request additional information or obtain a copy of the application and related exhibits by writing to: Kellen Gill, San Diego Gas & Electric Company, 8330 Century Park Court, San Diego, CA 92123. SDG&E will provide a copy of this application upon request. SDG&E's application and attachments may be reviewed at the CPUC's Central Files Office by appointment. For more information, please contact them at sgcentralfiles@cpuc.ca.gov or (415) 703-2045. A copy of this application may be reviewed 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	395 Euclid Ave. San Diego, CA 92114	2604-B S. El Camino Real Carlsbad, CA 92008
440 Beech St. San Diego, CA 92101		



ATTACHMENT D

Notification of ERRA/GHG Forecasts Application and Notice of Potential Impact on Electric Rates

Para mas detalles llame al 1-800-311-7343

**NOTICE OF SAN DIEGO GAS & ELECTRIC COMPANY'S REQUEST
TO INCREASE ELECTRIC RATES FOR 2017 ERRR FORECAST
APPLICATION NO. A.16-04-018**

On April 15, 2016, San Diego Gas & Electric Company (SDG&E[®]) filed an application with the California Public Utilities Commission (CPUC) for approval to increase rates to purchase electricity for its customers in 2017. Additionally, this application addresses revenue requirement forecasts and greenhouse gas related forecasts. This is referred to as SDG&E's 2017 Energy Resource Recovery Account Forecast application (application). If approved, this application would result in an increase in overall revenue requirement and rates starting in 2017.

SDG&E is requesting \$1,293,667,785 for 2017. If the request is approved, SDG&E's 2017 revenue requirement will increase by \$1,471,590 compared to the current revenue requirement of \$1,292,196,195.

The total revenue requirement is comprised of five components: Energy Resource Recovery Account (ERRA); Competition Transition Charge (CTC); Local Generation (LG); and Greenhouse Gas (GHG) costs and allowance revenues. SDG&E is also seeking to recover costs associated with storing nuclear fuel that is no longer useful (also known as spent fuel) from San Onofre Nuclear Generating Station (SONGS) Unit 1. This cost was incurred through SDG&E's 20% ownership of SONGS Unit 1.

The ERRA primarily includes fuel costs needed to run generators to create electricity and contracts with third parties to purchase energy. The CTC allows SDG&E to recover costs for power plants and long-term power contracts approved by state regulators that have become unprofitable by the shift of consumers to competitors, due to the restructuring of the electric energy industry.

The LGC is a charge associated with entering into certain new contracts with power producers. These generation costs are needed to meet the electric system or local reliability needs. The LGC is a charge applicable to bundled, Direct Access (DA) and Community Choice Aggregation (CCA) customers¹.

Forecasted GHG costs, to comply with California's GHG emission reductions program, will be recovered through electric rates. Revenue from the sale of GHG allowances will be returned to some bundled and DA customers as credits on their bill. The GHG allowance revenue bill credits reduce the electric rate impacts of the GHG costs.

The costs are broken down as \$1,295,037,761 for the ERRA, \$22,662,099 for the CTC, \$60,255,215 for the LGC, \$1,035,459 for SONGS Unit 1 spent fuel storage, and (\$85,322,749) for GHG allowance revenues available to be returned to customers.

In addition, this application addresses the cost responsibility of DA customers and CCA customers that purchase electricity from another provider but transport it through SDG&E's electrical system.

The charts shown below illustrate the changes in rates that would result from CPUC approval of this application, compared to current rate levels.

¹ SDG&E currently has no CCA customers.

This application is a forecast and is likely to change prior to including these costs in next year's electric rates. In addition, there is a balance of approximately \$5.7 M that is not included in the 2017 revenue requirement forecast above. This balance comes from a pending decision in the 2014 ERRA Compliance proceeding (A.15-06-002). The total 2017 revenue requirement forecast including this balance would be \$1,299,383,329. The outcome of the 2014 ERRA Compliance proceeding may impact rates in this proceeding. SDG&E expects to file an update to this application in November 2016.

ILLUSTRATIVE IMPACT ON ELECTRIC RATES AND BILLS

If the CPUC approves SDG&E's application, a typical non-CARE residential customer living in the inland climate zone and using 500 kilowatt-hours per month could see a monthly winter bill increase of 0.8%, or \$0.86, from a typical current monthly bill of \$104.49 to \$105.35.

The first table below provides illustrative bill changes for bundled customers, while the second table presents illustrative bill changes for DA customers. For DA customers who do not pay commodity, the Utility Distribution Company (UDC) rate changes 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.

SAN DIEGO GAS & ELECTRIC COMPANY'S ILLUSTRATIVE ELECTRIC BUNDLED RATE CHANGE (TOTAL RATES INCLUDE UDC¹ AND COMMODITY²)

Customer Class	Class Average Rates Effective 01/01/16³ (¢/kWh)	Class Average Rates Reflecting Proposed Revenue Change Per application (¢/kWh)	Total Rate Change (¢/kWh)	Percentage Rate Change (%)
Residential Small	22.442	22.166	(0.276)	-1.23
Commercial Medium and Large C&I⁴	22.322	22.486	0.164	0.73
Agricultural	18.626	18.772	0.146	0.78
Lighting	16.421	16.594	0.173	1.05
System Total	18.682	18.828	0.146	0.78
	20.366	20.359	(0.0007)	-0.03

¹ UDC rates include Department of Water Resources (DWR) Bond Charge.

² Commodity rates include DWR Power Charge credit.

³ Rates effective 1/1/16 per Advice Letter (AL) 2840-E.

⁴ C&I stands for Commercial and Industrial.

SAN DIEGO GAS & ELECTRIC COMPANY'S ILLUSTRATIVE ELECTRIC UDC¹ RATE CHANGE

Customer Class	Class Average Rates Effective	Class Average Rates Reflecting Proposed	Total Rate Change	Percentage Rate Change (%)
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	01/01/16² (¢/kWh)	Revenue Change Per application (¢/kWh)	(¢/kWh)	
Residential	12.624	12.433	(0.191)	-1.51
Small				
Commercial	13.405	13.646	0.241	1.80
Medium and				
Large C&I³	9.086	9.313	0.227	2.50
Agricultural	8.398	8.640	0.242	2.88
Lighting	12.208	12.410	0.202	1.65
System Total	10.825	10.900	0.075	0.69

¹ UDC rates include DWR Bond Charge.

² Rates effective 1/1/16 per AL 2840-E.

³ C&I stands for Commercial and Industrial.

If the CPUC approves the pending balance in the 2014 ERRR Compliance proceeding, it would represent an additional \$5.7 million (approximately). The following two tables show bill changes for the combined total revenue requirement forecasted in this application, compared to current rates. The first table displays bill changes for bundled customers, while the second table demonstrates bill changes for DA customers. For DA customers who do not pay commodity, the UDC rate changes 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.

**SAN DIEGO GAS & ELECTRIC COMPANY'S ILLUSTRATIVE ELECTRIC
BUNDLED RATE CHANGE
(TOTAL RATES INCLUDE UDC¹ AND COMMODITY²)**

Customer Class	Class Average Rates Effective 01/01/16³ (¢/kWh)	Class Average Rates Reflecting Proposed Revenue Change Per application Including SDG&E's 2014 ERRR Compliance Proceeding (¢/kWh)	Total Rate Change (¢/kWh)	Percentage Rate Change (%)
Residential	22.442	22.197	(0.245)	-1.09
Small				
Commercial	22.322	22.518	0.196	0.88
Medium and				
Large C&I⁴	18.626	18.797	0.171	0.92
Agricultural	16.421	16.621	0.200	1.22
Lighting	18.682	18.850	0.168	0.90
System Total	20.366	20.388	0.022	0.11

¹ UDC rates include Department of Water Resources (DWR) Bond Charge.

² Commodity rates include DWR Power Charge credit.

³ Rates effective 1/1/16 per Advice Letter (AL) 2840-E.

⁴ C&I stands for Commercial and Industrial.

**SAN DIEGO GAS & ELECTRIC COMPANY'S ILLUSTRATIVE ELECTRIC UDC¹
RATE CHANGE**

Customer Class	Class Average Rates Effective 01/01/16² (¢/kWh)	Class Average Rates Reflecting Proposed Revenue Change Per application Including SDG&E's 2014 ERRRA Compliance Proceeding (¢/kWh)	Total Rate Change (¢/kWh)	Percentage Rate Change (%)
Residential Small	12.624	12.462	(0.162)	-1.28
Commercial Medium and Large C&I³	13.405	13.676	0.271	2.02
Agricultural	9.086	9.337	0.251	2.76
Lighting	8.398	8.666	0.268	3.19
System Total	12.208	12.431	0.223	1.83
	10.825	10.927	0.102	0.94

¹ UDC rates include DWR Bond Charge.

² Rates effective 1/1/16 per AL 2840-E.

³ C&I stands for Commercial and Industrial.

For further information on these proposals you may contact SDG&E's Customer Service line at 1-800-411-SDGE (7343).

FOR FURTHER INFORMATION

You may request additional information or obtain a copy of the application and related exhibits by writing to: Kellen Gill, San Diego Gas & Electric Company, 8330 Century Park Court, San Diego, CA 92123. SDG&E will provide a copy of this application upon request. SDG&E's application and attachments may be reviewed at the CPUC's Central Files Office by appointment. For more information, please contact them at aljcentralfilesid@cpuc.ca.gov or (415) 703-2045. A copy of this application may be reviewed at the following SDG&E business offices:

436 H St.
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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-B 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.

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 cross-examination 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 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.

As a party of record, the Office of Ratepayer Advocates (ORA) will 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, email ora@cpuc.ca.gov or visit ORA's website at www.ora.ca.gov.

STAY INFORMED

If you would like to follow this proceeding, or any other issue before the CPUC, you may use the CPUC's free subscription service. Sign up at: <http://subscribe.puc.ca.gov/>.

If you would like to learn how you can participate in the proceeding, have informal comments about the application, or if you have questions about the CPUC processes, you may access the CPUC's Public Advisor's Office (PAO) webpage at <http://www.cpuc.ca.gov/pao/>. You may also contact the PAO as follows:

Email: public.advisor@cpuc.ca.gov

Mail: CPUC
Public Advisor's Office
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's 2017 ERRRA Forecast Application No. A.16-04-018 in any communications you have with the CPUC 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.

DECLARATION

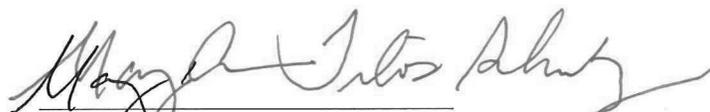
I, Mary Ann Tilos Schwartz, am a citizen of the United States residing in San Diego County, California, and am over the age of 18.

I am now, and at all times referred to below, have been employed by the San Diego Gas & Electric Company as Senior Creative Services & Branding Advisor in San Diego, California.

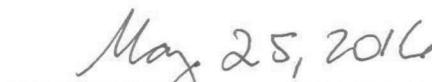
With regard to San Diego Gas & Electric Company's Application 16-04-018 before the California Public Utilities Commission, I was instructed to, and did supervise, the insertion and mailing of the Notices, attached hereto, to all known customers of the San Diego Gas & Electric Company other than "My Account Paperless" customers and other "Consolidated Accounts."

The insertion and mailing of the Notice to Customers of Proposed Changes commenced on Tuesday, April 26, 2016 with April Billing Cycle No. 16 and was completed on Tuesday, May 24, 2016, with May Billing Cycle No. 15.

I declare under penalty of perjury that the foregoing is true and correct.



Mary Ann Tilos Schwartz



(Date)