



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

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Application of San Diego Gas & Electric Company
(U-902-M) for Approval of Electric and Natural Gas
Energy Efficiency Shareholder Earnings for Program
Year 2009

Application 11-06-

A1106031

**APPLICATION OF SAN DIEGO GAS & ELECTRIC COMPANY (U 902-M) FOR
APPROVAL OF ELECTRIC AND NATURAL GAS ENERGY EFFICIENCY
SHAREHOLDER EARNINGS FOR PROGRAM YEAR 2009**

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June 29, 2011

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**I.
INTRODUCTION**

In compliance the California Public Utilities Commission (“Commission” or “CPUC”) Rules of Practice and Procedure, specifically Rule 3.2 and the terms of Decision (“D.”) 10-12-049, San Diego Gas & Electric Company (“SDG&E”) hereby files its Application for Approval of Electric and Natural Gas Energy Efficiency Shareholder Earnings for Program Year 2009.

**II.
BACKGROUND**

On December 16, 2010, the Commission issued D 10-12-049 which approved and established the methodology and process for the determination of shareholder incentives associated with PY 2009. D.10-12-049 (at page 4) states:

“This decision, which concerns the final phase of the 2006-2006 period, adopts modifications to the incentive mechanism for purposes of calculating the 2006-2008 true-up. Further, we determine that this same mechanism should be applied to the 2009 program year, and establish a process by which incentives for the 2009 program year will be determined.”

Furthermore, D.10-12-049 (at page 62) determines how and when the 2009 earnings would be submitted by the utilities and addressed.

“To that end, the utilities shall file applications in which they calculate for energy efficiency incentives in 2009 pursuant to the modifications made to the incentive mechanism adopted herein. These applications shall be submitted to the Commission no later than June 30, 2011 to allow for consideration and disposition by December 31, 2011.”

A. Mechanism to be Applied to PY 2009 Shareholder Earnings Calculations

The decision also provides for the mechanism that should be used for the PY 2009 earnings calculations. The following is a brief outline of the mechanism (D.10-12-049 at page 63).

1. Minimum Performance Standard (“MPS”)

The MPS will not include the 2004-2005 goals and savings. The MPS will include the 2006-2008 net goals and 2009 gross goals, the 50% decay from 2006-2008, and verified C&S savings using 50% for pre-2006 and 100% post-2006 as directed in other Commission decisions. The utility must achieve at least 85% of the cumulative 2006-2009 Energy Efficiency Goals.

2. Performance Earnings Basis (“PEB”) and Earnings Rate

The PEB is calculated as the sum of 2/3 of the Total Resource Cost net benefits and 1/3 of the Program Administrator Cost net benefits. The earnings rate is 7%.

B. Requirements to be Included in the Application

The utilities shall provide the following with their applications in order to facilitate the Commission’s review of their incentive claims:

- a) The Microsoft Access ERT tool the utilities used to modify the 2009 *ex- ante* numbers to gross savings;
- b) The Risk Reward Spreadsheet template used to calculate the incentive amounts; and
- c) A document that describes the files or tables that were changed, and what specific changes were made.¹

III SUMMARY OF APPLICATION

In compliance with the requirements of Decision 10-12-049, SDG&E's EE Application requests the Commission to:

1. Approve SDG&E's corrections to Energy Division's Risk Reward Spreadsheet Template ("RRST") to reflect the correct 2006-2008 measure decay and the correction to SDG&E's 2006-2009 cumulative therm goal.
2. Approve SDG&E's cumulative savings calculations derived using the Energy Division's 2006-2008 Evaluation Report ERT Software Tool using *ex ante* input assumptions adjusted by *ex post* installation rates, inclusion of additional 50% of verified pre-2006 and 100% of post-2005 codes & standards advocacy work, update for PY 2006-2008 CFL purchases installed in PY 2009 and updates to PY 2006-2008 measure decay;
3. Approve the resulting earnings award of \$15,108,031;
4. Authorize SDG&E to record \$14,654,790 in rewards to its electric "Rewards and Penalties Balancing Account" ("RPBA") and \$453,241 will be to its gas RPBA; and

¹ The above information, as well as additional supporting documents, are contained in a CD-Rom provided with this Application.

5. Authorize SDG&E to recover balances in the RPBAAs as a twelve-month amortization in electric and gas rates in connection with SDG&E's applicable annual regulatory account balance update filings effective January 1 of the following year.

SDG&E's EE Application is supported by the testimony of one witness. Ms. Athena Besa, Customer Programs Policy and Support Manager, provides testimony describing the manner and method of SDG&E's compliance with D.10-12-049 in calculating SDG&E's 2009 EE earnings. The witness' prepared direct testimony is served concurrently herewith and incorporated in the Application by reference.

IV. STATUTORY AND PROCEDURAL REQUIREMENTS

A. Proposed Category, Issues to be Considered, Need for Hearings and Proposed Schedule

SDG&E proposes to categorize this Application as a "rate-setting" proceeding within the meaning of Rules 1.3(e) and 7.1. SDG&E proposes the following schedule:

Schedule

Filing of Application	June 29, 2011
Protests Due	July 29, 2011
Reply to Protests	Aug 12, 2011
Commission Issues Proposed Decision	September 15, 2011
Comments on Proposed Decision	October 13, 2011
Replies to Comments on Proposed Decision	October 24, 2011
Commission Issues Final Decision	November 2011

B. Statutory Authority – Rule 2.1

This Application is made pursuant to Sections 451, 701, 702 , 728, and 729 of the Public Utilities Code of the State of California; the Commission’s Rule of Practice and Procedure; and the other relevant prior decisions, orders, and resolutions of the Commission.

C. Legal Name, Place of Business/Incorporation – Rule 2.1(a)

Applicant’s legal name is San Diego Gas & Electric Company. SDG&E is a public utility corporation organized and existing under the laws of the State of California, with its principal place of business at 8830 Century Park Court, San Diego, California 92123.

D. Correspondence – Rule 2.1(b)

Correspondence or communications regarding this application should be addressed to:

Joy Yamagata
Regulatory Manager For:
San Diego Gas & Electric Company
8330 Century Park Court
San Diego, California 92123
Telephone: (858) 654-1755
Facsimile: (858) 654-1788
E-Mail: jyamagata@semprautilities.com

With a copy to:

Steven D. Patrick
Attorney For:
San Diego Gas & Electric Company
555 West 5th Street, Suite 1400
Los Angeles, CA 90013
Telephone: (213) 244-2954
Facsimile: (213) 629-9620
E-Mail: SDPatrick@semprautilities.com

E. Articles of Incorporation - Rule 16

SDG&E is incorporated under the laws of the State of California. A certified copy of the restated Articles of Incorporation, as last amended, currently in effect and certified by the California Secretary of State, was filed with the Commission on August 31, 2009 in connection with SDG&E Application No. 09-08-019, and is incorporated herein by reference.

F. Financial Statement, Balance Sheet, and Income Statement - Rule 3.2(a)(4)

Appendix A to this Application is SDG&E's Financial Statement, Balance Sheet and Income Statement as of March 31, 2011.

G. Rates – Rules 3.2(a)(2) and 3.2(a)(3)

The current and proposed rates that will result from this Application are described in Appendix B.

H. Property and Equipment – Rule 3.2(a)(4)

A general description of SDG&E's property and equipment was previously filed with the Commission on October 5, 2001, in connection with SDG&E's Application 01-10-005, and is being incorporated herein by reference. Appendix C to this Application is a statement of SDG&E's Original Costs and Depreciation Reserve applicable thereto as of March 31, 2011.

I. Summary of Earnings – Rules 3.2(a)(5)

Appendix D to this Application is a Summary of Earnings for SDG&E for the 3 months ended March 31, 2011.

J. Depreciation – Rule 3.2(7)

For financial statement purposes, depreciation of utility plant has been computed on a straight-line remaining life basis at rates based on the estimated useful lives of plant properties. For federal income tax accrual purposes, SDG&E generally computes depreciation using the straight-line method for tax property additions prior to 1954, and liberalized depreciation, which includes Class Life and Asset Depreciation Range Systems, on tax property additions after 1954 and prior to 1981. For financial reporting and rate-fixing purposes, “flow through accounting” has been adopted for such properties. For tax property additions in years 1981 through 1986, SDG&E has computed its tax depreciation using the Accelerated Cost Recovery System. For years after 1986, SDG&E has computed its tax depreciation using the Modified Accelerated Cost Recovery Systems and, since 1982, has normalized the effects of the depreciation differences in accordance with the Economic Recovery Tax Act of 1981 and the Tax Reform Act of 1986.

K. Proxy Statement – Rule 3.2(a)(8)

A copy of SDG&E’s most recent proxy statement, dated April 27, 2011, was mailed to the California Public Utilities Commission on May 4, 2011 and is incorporated herein by reference.

L. Pass Through of Costs – Rule 3.2(a)(10)

The changes that SDG&E seeks in this Application reflect estimated costs to SDG&E, and SDG&E proposes to pass through to customers only costs that SDG&E incurs for the services and commodities it furnishes.

M. Service and Notice – Rule 3.2(b)

SDG&E is serving this Application on all parties R.09-01-019. Within ten days of filing this application, SDG&E will mail notice of this Application to the State of California and to cities and counties within SDG&E's service territory and SDG&E will post the notice in its offices and publish the notice in newspapers of general circulation in each county in its service territory. In addition, SDG&E will include notices with the regular bills mailed to all customers affected by the proposed rate changes. The service list of state and government agencies is attached hereto as Appendix E.

**VI.
RELIEF REQUESTED**

For the reasons set forth in this Application and accompanying testimony, SDG&E respectfully asks the Commission to:

- 1) Consider this Application and grant all the relief requested herein.
- 2) Find that SDG&E's proposals are in conformance with the Commission directives and policies.
- 3) Grant other such relief as the Commission may deem necessary.

WHEREFORE, SDG&E respectfully requests the Commission grant its Application as filed.

Dated this 29th day of June, 2011.

Respectfully submitted,

/s/ Hal Snyder

Hal Snyder
Vice President
San Diego Gas & Electric Company

/s/ Steven D. Patrick

Steven D. Patrick
Attorney for
San Diego Gas & Electric Company

VERIFICATION

I am an officer of San Diego Gas & Electric Company, and am authorized to make this verification on its behalf. I am informed and believe that the matters stated in the foregoing Application are true and to my own knowledge, except as to matters which are therein stated on information and belief, and as to those matters I believe them to be true.

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

Executed this 29th day of June, 2011 at Los Angeles, California.

/s/ Hal Snyder

Hal Snyder

Vice President

San Diego Gas & Electric Company

Appendix A

SAN DIEGO GAS & ELECTRIC COMPANY
FINANCIAL STATEMENT
MARCH 31, 2011

(a) Amounts and Kinds of Stock Authorized:

Preferred Stock	1,375,000	shares	Par Value \$27,500,000
Preferred Stock	10,000,000	shares	Without Par Value
Preferred Stock	Amount of shares not specified		\$80,000,000
Common Stock	255,000,000	shares	Without Par Value

Amounts and Kinds of Stock Outstanding:

PREFERRED STOCK

5.0%	375,000	shares	\$7,500,000
4.50%	300,000	shares	6,000,000
4.40%	325,000	shares	6,500,000
4.60%	373,770	shares	7,475,400
\$1.70	1,400,000	shares	35,000,000
\$1.82	640,000	shares	16,000,000

COMMON STOCK

116,583,358	shares	291,458,395
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(b) Terms of Preferred Stock:

Full information as to this item is given in connection with Application Nos. 93-09-069, 04-01-009, 06-05-015 and 10-10-023 to which references are hereby made.

(c) Brief Description of Mortgage:

Full information as to this item is given in Application Nos. 08-07-029 and 10-10-023 to which references are hereby made.

(d) Number and Amount of Bonds Authorized and Issued:

<u>First Mortgage Bonds:</u>	<u>Nominal Date of Issue</u>	<u>Par Value Authorized and Issued</u>	<u>Outstanding</u>	<u>Interest Paid in 2010</u>
6.8% Series KK, due 2015	12-01-91	14,400,000	14,400,000	979,200
Var% Series OO, due 2027	12-01-92	250,000,000	150,000,000	7,612,500
5.85% Series RR, due 2021	06-29-93	60,000,000	60,000,000	3,510,000
2.539% Series VV, due 2034	06-17-04	43,615,000	43,615,000	2,562,368
2.539% Series WW, due 2034	06-17-04	40,000,000	40,000,000	2,349,987
2.516% Series XX, due 2034	06-17-04	35,000,000	35,000,000	2,056,239
2.832% Series YY, due 2034	06-17-04	24,000,000	24,000,000	1,409,993
2.832% Series ZZ, due 2034	06-17-04	33,650,000	33,650,000	1,976,927
2.8275% Series AAA, due 2039	06-17-04	75,000,000	75,000,000	179,199
5.35% Series BBB, due 2035	05-19-05	250,000,000	250,000,000	13,375,000
5.30% Series CCC, due 2015	11-17-05	250,000,000	250,000,000	13,250,000
6.00% Series DDD, due 2026	06-08-06	250,000,000	250,000,000	15,000,000
Var Series EEE, due 2018	09-21-06	161,240,000	161,240,000	382,603
6.125% Series FFF, due 2037	09-20-07	250,000,000	250,000,000	15,312,500
6.00% Series GGG, due 2039	05-14-09	300,000,000	300,000,000	18,000,000
5.35% Series HHH, due 2040	05-13-10	250,000,000	250,000,000	6,761,806
4.50% Series III, due 2040	08-15-10	500,000,000	500,000,000	0
 <u>Unsecured Bonds:</u>				
5.9% CPCFA96A, due 2014	06-01-96	129,820,000	129,820,000	7,659,380
5.3% CV96A, due 2021	08-02-96	38,900,000	38,900,000	2,061,700
5.5% CV96B, due 2021	11-21-96	60,000,000	60,000,000	3,300,000
4.9% CV97A, due 2023	10-31-97	25,000,000	25,000,000	1,225,000

**SAN DIEGO GAS & ELECTRIC COMPANY
FINANCIAL STATEMENT
MARCH 31, 2011**

<u>Other Indebtedness:</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Outstanding</u>	<u>Interest Paid 2010</u>
Commercial Paper & ST Bank Loans	Various	Various	Various	0	\$79,249

Amounts and Rates of Dividends Declared:

The amounts and rates of dividends during the past five fiscal years are as follows:

<u>Preferred Stock</u>	<u>Shares Outstanding 12-31-10</u>	<u>Dividends Declared</u>				
		2006	2007	2008	2009	2010
5.0%	375,000	\$375,000	\$375,000	\$375,000	\$375,000	\$375,000
4.50%	300,000	270,000	270,000	270,000	270,000	270,000
4.40%	325,000	286,000	286,000	286,000	286,000	286,000
4.60%	373,770	343,868	343,868	343,868	343,868	343,868
\$ 1.7625	0	1,145,625	969,375	242,344	0	0
\$ 1.70	1,400,000	2,380,000	2,380,000	2,380,000	2,380,000	2,380,000
\$ 1.82	640,000	1,164,800	1,164,800	1,164,800	1,164,800	1,164,800
	<u>3,413,770</u>	<u>\$5,965,293</u>	<u>\$5,789,043</u>	<u>\$5,062,012 [2]</u>	<u>\$4,819,668</u>	<u>\$4,819,668</u>

Common Stock

Amount	\$0	\$0	\$0	\$150,000,000 [1]	\$0
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A balance sheet and a statement of income and retained earnings of Applicant for the three months ended March 31, 2011 are attached hereto.

[1] San Diego Gas & Electric Company dividend to parent.

[2] Includes \$242,344 of interest expense related to redeemable preferred stock.

APPENDIX B

On June 29, 2011, San Diego Gas & Electric Company (“SDG&E”) filed a proposed application with the California Public Utilities Commission (CPUC) requesting approval of energy efficiency incentive earnings for program year 2009 achievements. CPUC Decision 10-12-049, directed utilities to file their requests consistent with the risk/reward mechanism as modified by the decision. SDG&E seeks approval of incentive earnings in the amount of \$15.108 million.

If the CPUC approves SDG&E’s request, SDG&E will adjust rates to reflect authorization of the incentive earnings. Electric rates will increase by \$14.655 million. Gas rates will increase by \$0.453 million. SDG&E requests that the amounts approved by the CPUC be recorded to existing regulatory accounts and recovered annually in electric distribution and gas transportation rates commencing January 1, 2012.

Electric rate impacts of SDG&E’s proposal as compared to present rates are shown in the table below.

San Diego Gas & Electric Proposed Electric Rate Increase 2012				
Customer Class	2011	2012	Change	
	¢/kWh	¢/kWh	¢	%
(a)	(b)	(c)	(d)	(e)
Residential	18.336	18.443	0.107	0.58%
Small Commercial	17.609	17.692	0.083	0.47%
Med & Lg Commercial/Industrial	13.913	13.956	0.043	0.31%
Agriculture	17.161	17.242	0.081	0.47%
Street Lighting	15.379	15.435	0.056	0.36%
System Total	15.931	16.003	0.072	0.45%

The monthly summer electric bill for a typical residential customer living in the inland climate zone using 500 kWh will change from \$80.99 at present rates to \$81.20 in 2012. This represents a 0.3% increase.

Gas rate impacts of SDG&E’s proposal as compared to present rates are shown in the table below.

**San Diego Gas & Electric
Proposed Gas Rate Increase
2012**

Customer Class	2011	2012	Change	
	¢/th	¢/th	¢	%
(a)	(b)	(c)	(d)	(e)
<u>Core</u>				
Residential	67.411	67.527	0.116	0.2
Commercial/Industrial	24.933	24.970	0.037	0.1
Natural Gas Vehicle	8.722	8.730	0.008	0.1
<u>Noncore</u>				
Commercial/Industrial	14.050	14.068	0.018	0.1

The average monthly residential gas bill of 33 therms will change from \$38.76 at present rates to \$38.80 in 2012. This represents a 0.1% increase.

Appendix C

SAN DIEGO GAS & ELECTRIC COMPANY
COST OF PROPERTY AND
DEPRECIATION RESERVE APPLICABLE THERETO
AS OF MARCH 31, 2011

<u>No.</u>	<u>Account</u>	<u>Original Cost</u>	<u>Reserve for Depreciation and Amortization</u>
ELECTRIC DEPARTMENT			
302	Franchises and Consents	\$ 222,841	\$ 202,900
303	Misc. Intangible Plant	28,081,719	26,572,541
	TOTAL INTANGIBLE PLANT	28,304,560	26,775,442
310.1	Land	14,526,518	46,518
310.2	Land Rights	0	0
311	Structures and Improvements	49,489,539	14,156,096
312	Boiler Plant Equipment	116,849,359	25,160,214
314	Turbogenerator Units	101,236,689	23,448,495
315	Accessory Electric Equipment	34,200,678	7,503,505
316	Miscellaneous Power Plant Equipment	19,528,080	3,429,692
	Steam Production Decommissioning	0	0
	TOTAL STEAM PRODUCTION	335,830,863	73,744,519
320.1	Land	0	0
320.2	Land Rights	283,677	283,677
321	Structures and Improvements	275,232,962	269,865,044
322	Boiler Plant Equipment	546,444,353	399,649,118
323	Turbogenerator Units	142,323,280	136,367,217
324	Accessory Electric Equipment	172,961,687	166,883,255
325	Miscellaneous Power Plant Equipment	309,518,572	227,806,161
107	ICIP CWIP	0	0
	TOTAL NUCLEAR PRODUCTION	1,446,764,531	1,200,854,472
340.1	Land	143,476	0
340.2	Land Rights	2,428	2,428
341	Structures and Improvements	17,010,097	1,958,025
342	Fuel Holders, Producers & Accessories	19,170,415	2,904,257
343	Prime Movers	51,569,644	6,799,230
344	Generators	208,426,863	26,945,165
345	Accessory Electric Equipment	18,163,152	2,000,702
346	Miscellaneous Power Plant Equipment	489,800	83,963
	TOTAL OTHER PRODUCTION	314,975,876	40,693,770
	TOTAL ELECTRIC PRODUCTION	2,097,571,270	1,315,292,761

<u>No.</u>	<u>Account</u>	<u>Original Cost</u>	<u>Reserve for Depreciation and Amortization</u>
350.1	Land	\$ 40,542,973	\$ 0
350.2	Land Rights	63,046,023	11,382,951
352	Structures and Improvements	101,011,125	31,982,029
353	Station Equipment	676,467,143	144,752,243
354	Towers and Fixtures	109,122,114	82,910,660
355	Poles and Fixtures	211,444,685	43,752,999
356	Overhead Conductors and Devices	276,608,911	162,797,155
357	Underground Conduit	133,594,115	19,642,695
358	Underground Conductors and Devices	117,242,093	21,931,969
359	Roads and Trails	28,557,289	6,128,303
	TOTAL TRANSMISSION	1,757,636,471	525,281,005
360.1	Land	16,176,228	0
360.2	Land Rights	72,476,710	30,923,588
361	Structures and Improvements	3,313,388	1,401,070
362	Station Equipment	360,142,146	74,102,196
364	Poles, Towers and Fixtures	476,833,150	207,208,553
365	Overhead Conductors and Devices	373,947,944	138,173,481
366	Underground Conduit	903,269,142	343,760,577
367	Underground Conductors and Devices	1,193,585,982	681,300,224
368.1	Line Transformers	460,630,357	77,608,080
368.2	Protective Devices and Capacitors	16,305,494	(7,165,012)
369.1	Services Overhead	114,562,248	121,628,048
369.2	Services Underground	295,280,165	196,471,194
370.1	Meters	184,551,266	(19,927,460)
370.2	Meter Installations	39,665,575	(26,264,191)
371	Installations on Customers' Premises	6,323,265	10,653,640
373.1	St. Lighting & Signal Sys.-Transformers	0	0
373.2	Street Lighting & Signal Systems	24,252,405	17,081,499
	TOTAL DISTRIBUTION PLANT	4,541,315,465	1,846,955,488
389.1	Land	7,511,040	0
389.2	Land Rights	0	0
390	Structures and Improvements	29,853,022	16,232,621
392.1	Transportation Equipment - Autos	0	49,884
392.2	Transportation Equipment - Trailers	58,146	(1,336)
393	Stores Equipment	19,150	16,584
394.1	Portable Tools	17,674,862	5,517,411
394.2	Shop Equipment	350,581	187,253
395	Laboratory Equipment	320,845	27,240
396	Power Operated Equipment	92,162	149,134
397	Communication Equipment	133,820,014	59,784,027
398	Miscellaneous Equipment	462,560	96,254
	TOTAL GENERAL PLANT	190,162,380	82,059,073
101	TOTAL ELECTRIC PLANT	8,614,990,146	3,796,363,769

<u>No.</u>	<u>Account</u>	<u>Original Cost</u>	<u>Reserve for Depreciation and Amortization</u>
GAS PLANT			
302	Franchises and Consents	\$ 86,104	\$ 86,104
303	Miscellaneous Intangible Plant	713,559	574,758
	TOTAL INTANGIBLE PLANT	799,663	660,862
360.1	Land	0	0
361	Structures and Improvements	43,992	43,992
362.1	Gas Holders	0	0
362.2	Liquefied Natural Gas Holders	0	0
363	Purification Equipment	0	0
363.1	Liquefaction Equipment	0	0
363.2	Vaporizing Equipment	0	0
363.3	Compressor Equipment	0	0
363.4	Measuring and Regulating Equipment	0	0
363.5	Other Equipment	0	0
363.6	LNG Distribution Storage Equipment	1,843,078	535,234
	TOTAL STORAGE PLANT	1,887,070	579,226
365.1	Land	4,649,144	0
365.2	Land Rights	2,217,185	1,154,198
366	Structures and Improvements	11,523,041	8,876,040
367	Mains	125,825,974	56,729,386
368	Compressor Station Equipment	73,107,045	50,739,238
369	Measuring and Regulating Equipment	17,590,374	13,338,709
371	Other Equipment	0	0
	TOTAL TRANSMISSION PLANT	234,912,763	130,837,570
374.1	Land	102,187	0
374.2	Land Rights	8,061,046	5,712,301
375	Structures and Improvements	43,447	61,253
376	Mains	533,711,505	304,377,368
378	Measuring & Regulating Station Equipment	12,740,199	6,322,196
380	Distribution Services	237,834,285	272,181,220
381	Meters and Regulators	128,133,055	31,568,754
382	Meter and Regulator Installations	82,367,663	22,792,821
385	Ind. Measuring & Regulating Station Equipm	1,516,811	941,114
386	Other Property On Customers' Premises	0	0
387	Other Equipment	5,274,409	4,661,279
	TOTAL DISTRIBUTION PLANT	1,009,784,607	648,618,306

<u>No.</u>	<u>Account</u>	<u>Original Cost</u>	<u>Reserve for Depreciation and Amortization</u>
392.1	Transportation Equipment - Autos	\$ 0	\$ 25,503
392.2	Transportation Equipment - Trailers	74,501	74,501
394.1	Portable Tools	7,105,929	2,832,210
394.2	Shop Equipment	84,181	26,205
395	Laboratory Equipment	283,094	180,310
396	Power Operated Equipment	162,284	62,205
397	Communication Equipment	1,751,741	1,111,237
398	Miscellaneous Equipment	269,875	111,060
	TOTAL GENERAL PLANT	9,731,605	4,423,231
101	TOTAL GAS PLANT	1,257,115,708	785,119,196

COMMON PLANT

303	Miscellaneous Intangible Plant	277,685,029	197,884,056
350.1	Land	0	0
360.1	Land	0	0
389.1	Land	5,612,511	0
389.2	Land Rights	1,080,961	27,275
390	Structures and Improvements	200,828,695	85,152,674
391.1	Office Furniture and Equipment - Other	26,309,764	15,221,349
391.2	Office Furniture and Equipment - Computer E	51,660,997	21,866,901
392.1	Transportation Equipment - Autos	33,942	(338,930)
392.2	Transportation Equipment - Trailers	33,369	(26,897)
393	Stores Equipment	133,501	24,457
394.1	Portable Tools	1,217,414	78,162
394.2	Shop Equipment	287,325	157,851
394.3	Garage Equipment	1,558,794	358,789
395	Laboratory Equipment	2,408,787	900,150
396	Power Operated Equipment	0	(192,979)
397	Communication Equipment	89,378,312	48,435,339
398	Miscellaneous Equipment	2,259,218	643,290
118.1	TOTAL COMMON PLANT	660,488,621	370,191,487
	TOTAL ELECTRIC PLANT	8,614,990,146	3,796,363,769
	TOTAL GAS PLANT	1,257,115,708	785,119,196
	TOTAL COMMON PLANT	660,488,621	370,191,487
101 & 118.1	TOTAL	10,532,594,475	4,951,674,451
101	PLANT IN SERV-SONGS FULLY RECOVER	\$ (1,164,131,236)	\$ (1,164,131,236)
101	PLANT IN SERV-ELECTRIC NON-RECON Common	\$ 0	\$ 0
118	PLANT IN SERV-COMMON NON-RECON Common - Transferred Asset Adjustment	\$ (17,525,963)	\$ (17,525,963)

<u>No.</u>	<u>Account</u>	<u>Original Cost</u>	<u>Reserve for Depreciation and Amortization</u>
101	Accrual for Retirements		
	Electric	\$ (4,182,260)	\$ (4,182,260)
	Gas	(112,002)	(112,002)
	TOTAL PLANT IN SERV-NON RECON ACC1	(4,294,262)	(4,294,262)
	Electric	0	0
	Gas	0	0
	TOTAL PLANT PURCHASED OR SOLD	0	0
105	Plant Held for Future Use		
	Electric	60,629,680	0
	Gas	0	0
	TOTAL PLANT HELD FOR FUTURE USE	60,629,680	0
107	Construction Work in Progress		
	Electric	1,070,129,536	
	Gas	9,990,930	
	Common	78,896,117	
	TOTAL CONSTRUCTION WORK IN PROGRESS	1,159,016,583	0
108	Accum. Depr SONGS Mitigation/Spent Fuel Disallowance		
	Electric	0	221,468
108	Accum. Depr SONGS SGRP Removal		
	Electric	0	0
108.5	Accumulated Nuclear Decommissioning		
	Electric	0	707,917,279
	TOTAL ACCUMULATED NUCLEAR DECOMMISSIONING	0	707,917,279
101.1	ELECTRIC CAPITAL LEASES	778,390,265	34,636,226
118.1	COMMON CAPITAL LEASE	26,058,321	7,670,248
		804,448,586	42,306,474
120	NUCLEAR FUEL FABRICATION	63,240,556	24,889,418
143	FAS 143 ASSETS - Legal Obligation	114,954,310	(597,436,959)
	FIN 47 ASSETS - Non-Legal Obligation	42,421,035	17,594,409
143	FAS 143 ASSETS - Legal Obligation	0	(1,224,380,349)
	TOTAL FAS 143	157,375,345	(1,804,222,900)
	UTILITY PLANT TOTAL	\$ 11,591,353,765	\$ 2,736,834,730

Appendix D

**SAN DIEGO GAS & ELECTRIC COMPANY
SUMMARY OF EARNINGS
THREE MONTHS ENDED MARCH 31, 2011
(DOLLARS IN MILLIONS)**

<u>Line No.</u>	<u>Item</u>	<u>Amount</u>
1	Operating Revenue	\$941
2	Operating Expenses	<u>848</u>
3	Net Operating Income	<u><u>\$93</u></u>
4	Weighted Average Rate Base	\$4,732
5	Rate of Return*	8.40%

*Authorized Cost of Capital

APPENDIX E

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
Attn. City Clerk
233 E. Mission Road
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

United States Government
General Services Administration
300 N. Los Angeles
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
Attn. City Attorney
233 E. Mission Road
Fallbrook, CA 92028

City of Julian
Attn. City Clerk
P.O. Box 1866
2129 Main Street
Julian, CA

City of Laguna Niguel
Attn. City Attorney
22781 La Paz Ste. B
Laguna Niguel, CA 92656

City of Laguna Niguel
Attn. City Clerk
22781 La Paz Ste. B
Laguna Niguel, CA 92656

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 Rancho San Diego - Jamul
Attn. City Clerk
3855 Avocado Blvd.
Suite 230
La Mesa, CA 91941

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

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

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

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

City of San Diego
Attn. City Manager
202 C Street
San Diego, CA 92101

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

City of San Marcos
Attn. City Attorney
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

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

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

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

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

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

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

Application of San Diego Gas & Electric Company
(U-902-M) for Approval of Electric and Natural Gas
Energy Efficiency Shareholder Earnings for Program
Year 2009

Application 11-06-

NOTICE OF AVAILABILITY

**APPLICATION OF SAN DIEGO GAS & ELECTRIC COMPANY (U 902-M) FOR
APPROVAL OF ELECTRIC AND NATURAL GAAS ENERGY EFFICIENCY
SHAREHOLDER EARNINGS FOR PROGRAM YEAR 2009**

STEVEN D. PATRICK

Attorney for

SAN DIEGO GAS & ELECTRIC OMPANY

555 West Fifth Street, Suite 1400

Los Angeles, CA 90013-1011

Phone: (213) 244-2954

Fax: (213) 629-9620

E-Mail: spatrick@sempra.com

June 29, 2011

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

Application of San Diego Gas & Electric Company
(U-902-M) for Approval of Electric and Natural Gas
Energy Efficiency Shareholder Earnings for Program
Year 2009

Application 11-06-

NOTICE OF AVAILABILITY

**APPLICATION OF SAN DIEGO GAS & ELECTRIC COMPANY (U 902-M) FOR
APPROVAL OF ELECTRIC AND NATURAL GAS ENERGY EFFICIENCY
SHAREHOLDER EARNINGS FOR PROGRAM YEAR 2009**

TO: All Parties of Record in R.09-01-019:

Pursuant to Rule 1.9 of the Rules of Practice and Procedure of the California Public Utilities Commission (“Commission”), San Diego Gas & Electric Company (“SDG&E”) hereby provides this Notice of Availability of: Application of San Diego Gas & Electric Company (U-902-M) for Approval of Electric and Natural Gas Energy Efficiency Shareholder Earnings for Program Year 2009, filed with the Commission and served via this e-mail to the official service lists on June 29, 2011, in the above-captioned docket. The referenced submittal can be found on SDG&E’s website at:

<http://www.sdge.com/regulatory/cpuc.shtml>

Pursuant to Rule 3.2(c) of the Commission's Rules of Practice and Procedure, you may receive a copy of the Application by directing your request in writing to:

Remedios (Mimi) P. Santos
Regulatory Case Analyst
Regulatory Affairs Information Group
San Diego Gas & Electric Company and Southern California Gas Company
8330 Century Park Court, CP31E
San Diego, CA 92123
Telephone Number: (858) 654-1852
Facsimile Number: (858) 654-1789
E-mail: rpsantos@semprautilities.com

DATED at Los Angeles, California, on this 29th day of June, 2011.

Respectfully submitted,

SAN DIEGO GAS & ELECTRIC COMPANY

By: /s/ Steven D. Patrick
Steven D. Patrick

Attorney for
San Diego Gas & Electric Company
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