

**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 authorization to: (1) issue Debt Securities in an aggregate principal amount up to \$2,583 million of debt capital, in addition to previously-authorized amounts; (2) issue Roll-Over Debt Securities in an aggregate principal amount up to \$1,348 million of debt capital, in addition to previously-authorized amounts; (3) include certain features in the Debt Securities or to enter into certain derivative transactions related to underlying debt in order to improve the terms and conditions of the debt portfolio and with the goal of lowering the cost of money for the benefit of ratepayers; (4) hedge planned issuances of Debt Securities; and (5) take all other necessary, related actions.

Application 26-03-____
(Filed March 13, 2026)

APPLICATION OF SAN DIEGO GAS & ELECTRIC COMPANY (U 902 M)

(PUBLIC VERSION)

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March 13, 2026

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Application of SAN DIEGO GAS & ELECTRIC COMPANY (U 902 M) for authorization to: (1) issue Debt Securities in an aggregate principal amount up to \$2,583 million of debt capital, in addition to previously-authorized amounts; (2) issue Roll-Over Debt Securities in an aggregate principal amount up to \$1,348 million of debt capital, in addition to previously-authorized amounts; (3) include certain features in the Debt Securities or to enter into certain derivative transactions related to underlying debt in order to improve the terms and conditions of the debt portfolio and with the goal of lowering the cost of money for the benefit of ratepayers; (4) hedge planned issuances of Debt Securities; and (5) take all other necessary, related actions.

Application 26-03-____
(Filed March 13, 2026)

APPLICATION OF SAN DIEGO GAS & ELECTRIC COMPANY (U 902 M)

Pursuant to §§ 816-830, and 851 of the California Public Utilities Code (“P.U. Code”) and Rules 2.1, *et seq.* and 3.5 of the Commission’s Rules of Practice and Procedure, San Diego Gas & Electric Company (“SDG&E” or “Applicant”) requests authorization from the Commission to:

1. Issue First Mortgage Bonds (“FMBs”), debentures, overseas indebtedness, foreign securities, long-term loans, accounts receivable financing, tax exempt debt securities in order to guarantee the obligations of others, variable-rate debt, and “fall-away” FMBs (collectively, “Debt Securities”) as further described in Section IV, in an aggregate principal amount of up to \$2,583 million of new debt capital, in addition to previously authorized amounts. SDG&E’s management or Board of Directors will determine the principal amount and the terms and conditions of each issue of Debt Securities according to market conditions at the time of sale;
2. Issue Roll-Over Debt Securities in an aggregate principal amount up to \$1,348 million of debt capital, in addition to previously authorized roll-over debt amounts;
3. Include certain features in SDG&E’s Debt Securities as further described in Section V or to enter into certain derivative transactions related to underlying debt in order to improve the terms and conditions of SDG&E’s debt portfolio and with the goal of lowering SDG&E’s cost of money for the benefit of

ratepayers;

4. Hedge, when appropriate, existing or planned issuances of Debt Securities within reasonable limits established by the Financing Rule; and
5. Take all other necessary and related actions (as described in Section XII).

The authorization requested in this Application (“A.”) is in addition to the unused authority previously granted by the Commission in Decisions (“D.”) D.22-12-011, D.10-10-023, D.06-05-015, D.04-01-009, D.93-09-069, D.92-03-049.

SDG&E requests that the Commission commence and conclude its review and determinations regarding this Application as soon as possible to enable SDG&E to maximize its opportunities to proceed with its capital investment plans in the most opportune circumstances and fund the expenditures approved by the Commission.

I. SUMMARY OF AUTHORITY SOUGHT

SDG&E is requesting additional long-term financing authority to continue to fund safety and reliability capital investments. SDG&E’s capital expenditures center around California’s regulatory priorities, including wildfire safety and the safety and reliability of our electric and gas infrastructure, along with technology and clean energy investments. SDG&E’s estimate of its long-term financing requirements for 2027 – 2029 is based on capital investment plans either approved in SDG&E’s 2024 General Rate Case¹ and other capital-related filings, or expected to be approved in future filings. SDG&E continues to make significant capital investments to reduce the risk of wildfires, strengthen community resiliency, and harden the electric grid by replacing wood poles with steel poles, undergrounding power lines and other measures. SDG&E’s capital plan also includes

¹ See D. 24-12-074, addressing the Test Year 2024 General Rate Cases of SDG&E and SoCalGas Companies (December 19, 2024).

investments in electric vehicle infrastructure, energy storage and grid modernization, in support of California’s clean energy goals.

In addition, SDG&E plans to make significant investments to support the integrity and modernization of our gas infrastructure, enhancements to emphasize safety in electric transmission and distribution, and in mitigation strategies for risks identified in the Risk Assessment Mitigation Phase (“RAMP”) proceeding.²

The investments outlined above are necessary for SDG&E to carry out its capital program focused on providing clean, safe, and reliable energy to SDG&E’s service territory, in an environmentally compliant manner. Capital investment projections are updated as part of SDG&E’s financial plan and are subject to substantial changes from year to year as business conditions and regulatory/legislative requirements evolve. In considering these capital spending estimates, it is important to emphasize that variability is inherent in financial planning and as conditions change the forecasts presented herein may change.

To fulfill the objectives discussed above, SDG&E requests herein authority to issue various kinds of long-term debt. These securities and their features are described below and are supported in further detail in Schedule III-A, attached hereto. Judicious use of long-term securities with the features described in this Application will allow SDG&E to raise, in a variety of capital-market settings, the funds necessary to serve its customers at the lowest cost and fund the expenditures approved by the Commission.

² A.25-05-013, Application of SDG&E to Submit Its 2025 RAMP Report (May 15, 2025). SDG&E’s first RAMP Report was addressed in Investigation (“I.”) 16-10-015, Order Instituting Investigation Into the November 2016 Submission of San Diego Gas & Electric Company's Risk Assessment and Mitigation Phase (October 27, 2016).

SDG&E respectfully requests that the Commission commence and conclude its review and determinations regarding this Application as soon as possible to enable SDG&E to maximize its opportunities to proceed with its capital investment plans in the most opportune circumstances.

II. BACKGROUND - REMAINING LONG-TERM DEBT AUTHORITY

As presented in Table 1 below, SDG&E’s currently remaining long-term debt financing authority was granted by D.22-12-011, which authorized the issuance of long-term debt capital up to \$4,100 million. Through the month ending [February 2026], SDG&E has utilized \$2,331 million of the long-term debt authority granted by D.22-12-011, leaving \$1,769 million of remaining authority. For reasons mentioned above, SDG&E anticipates issuing approximately \$1,100 million in new long-term debt in 2026 and \$2,750 million over the next three years (2027 through 2029); therefore, SDG&E will require an additional \$2,583 million of long-term debt financing authority that is incremental to the expected remaining authority by year-end 2026 of \$167 million.

Table 1

**2026 CPUC Long-Term Debt Application
Summary of Requested LT Debt Authority**
(\$ millions)

	2027-2029		
	New Debt	Roll-over Debt	Total
Remaining Debt Authority at December 31, 2025	\$1,267	\$502	\$1,769
Planned debt authority usage in 2026	1,100	0	\$1,100
On-hand authority for 2027-2029	\$167	\$502	\$669
Forecasted debt authority usage in 2027-2029	2,750	1,350	4,100
Potential refinancing of existing debt in 2027-2029	-	500	500
Authority needed 2027-2029	(2,583)	(1,348)	(3,931)
Authority Requested in this Application	2,583	1,348	\$3,931

As reflected in Table 1 above, SDG&E has \$502 million of existing remaining “roll-over” long-term debt authority for refinancing existing debt. SDG&E plans to use roll-over authority to replace \$1,350 million of long-term debt maturities in 2026 and 2028, from Series QQQ, DDD, and AAA. Additionally, SDG&E finds it prudent to seek additional roll-over authority. It is in the ratepayers’ best interest for SDG&E to be pre-positioned to act upon potential refinancing opportunities that could reduce SDG&E’s embedded cost of debt. Consequently, SDG&E requests a total of \$1,348 million of additional roll-over long-term debt authority in addition to the currently remaining roll-over authority noted above. This \$1,348 million of roll-over authority will be used for retirements or refinancing of securities previously issued and which SDG&E previously paid a fee; therefore, this amount is excluded from the fee calculation reflected in Schedule X, attached hereto. If SDG&E intends to use any of the additional roll-over authority it currently expects for potential refinancing opportunities of securities instead for capital expenditures, SDG&E will notify the Commission and pay the corresponding fee before making such use.

In summary, the financing authority requested by this Application is necessary to support SDG&E’s forecasted capital investments in 2027 through 2029, as discussed in Section I, including Commission-mandated initiatives, significantly exceeds the currently unused portion of the existing debt authorizations. SDG&E expects to issue new long-term debt over 2027 through 2029, as presented in Schedule III-A. As for years subsequent to 2029, SDG&E expects it will also have subsequent financing requirements. Additional information about the requested authorizations is provided below.

III. USE OF PROCEEDS

SDG&E intends to apply the net proceeds from the proposed debt capital financings for: (1) various SDG&E capital projects, (2) reimbursing SDG&E’s treasury for monies

expended or planned to be expended for the expansion and enhancement of its utility plant, and (3) potential contingencies such as unforeseen capital needs or financial market disruptions. Should there be a severe or unforeseen market dislocation, SDG&E could be forced to issue securities with short maturities which would then need to be refinanced in the near term, possibly within the 2027 through 2029 window, using additional authority. Without sufficient financing authorizations in place, SDG&E may be unable to efficiently refinance such maturing debt. Further detail on these uses is included in Schedules I and III-A.

IV. DESCRIPTION OF DEBT SECURITIES

The following describes the types of Debt Securities that may be issued. Optional features designed to enhance the terms and conditions of the Debt Securities are described in Section V of this Application. SDG&E is requesting all of the same types of Debt Securities requested in its previous long-term debt financing application, A.22-04-007, which was approved by the Commission in D.22-12-011.

In general, each series of Debt Securities is expected to have a maturity of between one (1) year and one hundred (100) years. With the exception of long-term loans and accounts-receivable financings (as discussed below), each issue of Debt Securities may be issued under an indenture or a supplement to an existing indenture to be delivered to the trustee for such issue. The indenture or supplemental indenture would set forth the terms and conditions of each issue of Debt Securities.

A. Secured Debt

Secured debt may be secured by a lien on property or through other credit-enhancement arrangements described in Section V, below. FMBs will be issued in accordance with SDG&E's trust indenture dated July 1, 1940, as amended and supplemented and which heretofore has been filed with the Commission. The supplemental indenture

delivered in connection with each new series of FMBs will be in a form consistent with supplemental indentures previously filed with the Commission.

Secured debt may be sold to either domestic or foreign investors. It may be sold to underwriters who in turn will offer the secured debt to investors, or it may be sold directly to investors either with or without the assistance of a private placement agent. Secured debt may be registered with the Securities and Exchange Commission (“SEC”), depending on the method of offering and sale, and may be listed on a stock exchange. In certain instances, SDG&E may enter into contractual agreements whereby a third party will provide appropriate credit facilities as security for a secured debt issue. “Sustainability, including Green or Social, or Sustainability-linked bonds” may also be used to finance the development of environmentally friendly projects. The cost of the credit facilities will be included in determining the issue’s overall cost.

B. Unsecured Debt (“Debentures”)

Debentures may be sold to either domestic or foreign investors. They may be sold to underwriters who in turn will offer the debentures to investors, or they may be sold directly to investors either with or without the assistance of a placement agent. They may also be sold as “green bonds” used to finance the development of environmentally friendly projects.

Debentures may be registered with the SEC and may be listed on a stock exchange.

Unsecured debt may be senior or subordinated.

C. Foreign Capital Markets

Debt Securities issued by SDG&E in foreign capital markets may be denominated in, or proceeds from their sale received in, United States (“U.S.”) dollars or in other currencies. International bond issuance is commonly separated into two categories, U.S.-pay and foreign-pay. The U.S.-pay international bond market consists primarily of Eurodollar bonds, which

are issued and traded outside of the U.S. and denominated in U.S. dollars. The foreign-pay, or simply foreign, bond market describes issues sold in a country outside of the U.S. in the local currency.

Certain circumstances may make international borrowing attractive to a U.S. utility. Competition among global investment banks may create low-cost offshore funding opportunities. Foreign bond markets may have a better appetite for a particular debt security than domestic markets. Finally, a domestic utility may find international markets more accessible during a time when domestic bond markets are not. To reduce or eliminate the risk of currency fluctuations, SDG&E may engage in currency swaps (defined below) or other arrangements.

D. Direct Long-Term Loans

SDG&E may enter into long-term loans, Debt Securities with a maturity of greater than one year, pursuant to a line of credit with banks, insurance companies, or other financial institutions. SDG&E may enter into loans when it finds that interest rates or other circumstances make it attractive to do so.

E. Accounts-Receiveable Financing

SDG&E may issue Debt Securities secured by a pledge, sale or assignment of its accounts receivable. SDG&E anticipates that the transactions would be structured to be a true sale for bankruptcy purposes, a sale for financial reporting, and debt for tax purposes although other structures may be developed using accounts receivable as security or collateral.

Because an accounts receivable financing would be an encumbrance on utility properties to the extent that accounts receivable are considered to be utility property, SDG&E requests authorization under P.U. Code § 851 to mortgage and encumber utility property.

F. Tax-Exempt Debt

SDG&E anticipates that from time to time the cost of SDG&E's Debt Securities may be reduced by placing such securities with one or more political subdivisions ("Authority") and unconditionally guaranteeing or otherwise securing such Authority's obligations in respect of its issuances of tax-exempt debt in connection with the financing of SDG&E's facilities. SDG&E anticipates having the ability to use the tax-exempt option whenever: (1) its facilities qualify for tax-exempt financing under federal law, either as eligible pollution control facilities or facilities that may be financed by tax-exempt revenue bonds under the "two-county" rule, and (2) it receives sufficient "volume cap," or tax-exempt borrowing authority, from the California Debt Limit Allocation Committee ("CDLAC"). Such tax-exempt financings may be structured substantially as follows:

1. An Authority would issue and sell one or more series of its bonds, notes, debentures or other securities ("Authority Bonds") to a group of underwriters who would ultimately market such Authority Bonds to investors. Concurrently with the sale and delivery of such Authority Bonds and in consideration for the proceeds of the Authority Bonds, SDG&E would enter into a loan agreement or other security agreement with the Authority, or would enter into an installment- sale agreement with the Authority pursuant to which the eligible facilities would be conveyed to the Authority in consideration for the proceeds of the Authority Bonds, and the eligible facilities would be reconveyed to SDG&E in consideration for its Debt Securities. The operation and control of such facilities would remain with SDG&E or the project operator at all times.
2. Concurrently with the sale and delivery of such Authority Bonds, SDG&E would issue and deliver to the Authority, in consideration of the Authority's obligations set forth in (2) above, SDG&E Debt Securities plus accrued interest (the terms and conditions of such indebtedness would be substantially consistent with the terms and conditions of such Authority Bonds) or would unconditionally guarantee or otherwise secure such Authority's obligations in respect of the Authority Bonds. All rights and title of such Authority in company Debt Securities would be assigned to a trustee under an indenture pursuant to which the Authority Bonds would have been issued as security for the purchasers of the Authority Bonds.

G. Variable-Rate Debt

SDG&E anticipates that from time to time the cost of SDG&E debt may be reduced by issuing variable-rate debt securities. A variable-rate Debt Security includes, but is not limited to, either Debt Securities bearing interest based on the Secured Overnight Financing Rate (“SOFR”), a generally accepted replacement for the London Interbank Offered Rate (“LIBOR”), which is being discontinued, or some other replacement interest rate. A variable-rate Debt Security may also be a Debt Security for which investors possess a series of periodic, mandatory put options that require SDG&E to repurchase all or a portion of the Debt Securities, and which may be coupled with a re-marketing obligation by SDG&E of the repurchased Debt Security.

Certain variable-rate Debt Securities require credit support, such as bank lines. These bank lines may be in the form of a short-term or long-term bank line agreement. Since these credit facilities are an integral part of the variable-rate debt issuance, such facilities (and any borrowing thereunder) should not be considered by the Commission to count against existing short-term debt authorizations.

H. “Fall-Away” Mortgage Bonds

SDG&E may issue debt that is initially secured and subsequently convertible into unsecured debt, known as “fall-away bonds.” These senior notes are initially secured under their indenture by collateral FMBs issued in equal principal amount under the existing 1940 first mortgage indenture and delivered to the fall-away indenture trustee. Subsequent to the redemption or maturity of all outstanding FMBs (other than the collateral FMBs held by the fall-away indenture trustee), the fall-away bonds will become unsecured general obligations of SDG&E. The fall-away bonds’ indenture will contain a negative pledge clause, which provides that the newly-unsecured obligations will be secured equally with any secured bonds

that may be issued in the future. SDG&E may also wish to issue debt that is initially unsecured and subsequently convertible into secured debt.

V. DEBT SECURITY ENHANCEMENTS

SDG&E hereby requests authorization to include certain features in its Debt Securities or enter into certain derivative transactions related to underlying debt. Such measures would be taken when appropriate to improve the terms and conditions of SDG&E's Debt Securities and to lower the overall cost of money for the benefit of the ratepayers. SDG&E is requesting the same types of security enhancements and related derivative transactions as requested in A.22-04-007 and approved by the Commission in D.22-12-011.

A. Put Options

SDG&E anticipates that from time to time the cost of its Debt Securities may be reduced by the inclusion of a put option. This feature grants to a Debt Security owner the right to require SDG&E to repurchase all or a portion of that holder's securities, commonly referred to as "putting" the security back to the company. Debt holders are willing to accept a lower interest rate in exchange for the protection against rising interest rates offered by the put option.

B. Call Options

SDG&E anticipates that from time to time it may retain the right to retire, fully or partially, a Debt Security before the scheduled maturity date. This is commonly referred to as "calling" the security. The chief benefit of such a feature is that it permits SDG&E, should market rates fall, to replace the bond issue with a lower-cost issue, thus producing a net benefit to ratepayers.

C. Sinking Funds

SDG&E anticipates that from time to time the cost of SDG&E Debt Securities may be

reduced by the use of a sinking fund. A sinking fund typically operates in one of two ways: (1) SDG&E may set aside a sum of money periodically so that at the maturity date of the bond issue there is a pool of cash available to redeem the issue, or (2) SDG&E may periodically redeem a specified portion of the bond issue. Typically, SDG&E would have the right to meet its sinking fund obligations in the latter fashion by either calling a certain number of bonds or purchasing the bonds in the open market.

D. Interest Rate Swaps

An interest rate swap is a contractual agreement between two parties to exchange a series of payments for a stated period. In a typical interest rate swap, one party pays the other fixed-rate interest while the other, in turn, pays floating rate interest, both payment obligations based on a notional principal amount (*i.e.*, no principal exchanged). Swaps are generally used to reduce either fixed-rate or floating-rate costs, or to convert fixed-rate borrowing to floating.

E. Caps and Collars

In order to reduce ratepayers' exposure to interest rate risk on variable-rate securities, SDG&E may negotiate some type of maximum rate, usually called a cap. In that case, even if variable rates increase above the cap (or "ceiling") rate, SDG&E would only pay the ceiling rate. In addition to the ceiling rate, sometimes a counterparty will desire a "floor" rate. In the event that the variable rate falls below the floor rate, SDG&E would pay the floor rate. The combination of a floor and a ceiling rate is called an interest-rate collar because SDG&E's interest expense is restricted to a band negotiated by SDG&E and the counterparty.

F. Currency Swaps

A currency swap is an arrangement in which one party agrees to make periodic payments in its domestic currency, based on either fixed or floating interest rates, to a counterparty, which in turn makes periodic payments to the first party in a different currency.

The payments are based on principal amounts that are exchanged at the initiation of the swap and re-exchanged at maturity. Currency swaps are useful in the management of exchange risk and will be used when necessary to hedge exposures created by Debt Securities denominated in foreign currencies.

G. Credit Enhancements

SDG&E may obtain credit enhancements for Debt Securities, such as letters of credit, standby bond purchase agreements, surety bonds or insurance policies, or other credit support arrangements. Such credit enhancements may be included to reduce interest costs or improve other credit terms; and the cost of such credit enhancements would be included in the cost of the Debt Securities.

VI. HEDGING THE ISSUANCE OF SECURITIES

Under certain circumstances, SDG&E may wish to hedge the issuance of Debt Securities. For instance, compliance with legal, regulatory, and administrative matters may preclude SDG&E from acting on a low-cost funding opportunity during a time of market volatility. Conversely, SDG&E may have an immediate need for funds, but it may be reluctant to fix its cost at prevailing interest rates. Issuance-hedging strategies grant the ability to enter financial markets at times when interest rates or other circumstances appear most favorable. SDG&E is requesting in this Application the same types of issuance-hedge techniques requested in A.22-04-007 and approved by the Commission in D.22-12-011.

A. “Price Today, Fund Later” Strategies

These hedges allow SDG&E to lock in today’s interest rate and issue securities at some later date.

1. Treasury Lock

This approach is used to lock in the Treasury component of SDG&E's borrowing cost. SDG&E's borrowing cost (*i.e.*, the interest rate paid on bonds) is comprised of two components: the yield on US Treasury bonds of comparable maturity plus the credit spread, the market's assessment of SDG&E's ability to service its debt over time. The Treasury lock approach is used to determine in advance the Treasury-yield component of the interest rate that SDG&E will pay on a future bond offering.

SDG&E can delay securities issuance and capture the current Treasury yield by entering into a Treasury lock. If interest rates rise during the hedge period, SDG&E will unwind the hedge at a profit; this will offset the higher coupon of the newly issued securities. If interest rates decline, SDG&E will unwind the hedge at a loss, but this will be offset by the lower cost of the newly issued securities.

2. Treasury Options

The purchase of Treasury put options is an alternative to the Treasury lock. In this transaction, SDG&E would purchase put options entitling it to sell Treasury securities of a maturity comparable to that of the contemplated security issuance at a specified yield (the "strike yield") at any time before the option's expiration date. If interest rates rise above the put's strike yield, SDG&E will exercise the put and the resulting profit offsets the increased cost of borrowing. If interest rates decline, SDG&E will let the option expire as worthless and issue securities at prevailing lower rates.

3. Interest Rate Swaps

A forward-starting interest rate swap allows SDG&E to delay a securities issuance and capture current yields. As the fixed-rate payer in an interest rate swap, SDG&E hedges its borrowing cost: if interest rates rise, unwinding the swap at a profit offsets higher borrowing

costs. Conversely, if rates decline, lower borrowing costs offset the loss caused by unwinding the swap.

B. “Fund Today, Price Later” Strategies

These hedges allow SDG&E to fund immediately and price the securities at some future date.

1. Long Hedge

This approach allows SDG&E to issue now and capture its current credit spread but leave the all-in cost of the securities issue open. SDG&E establishes a long hedge by issuing securities today and investing the proceeds in Treasury securities of a comparable maturity. If interest rates subsequently decline, the gain in the value of the Treasury portfolio will compensate SDG&E for the lost opportunity to finance at lower rates. On the other hand, if rates rise, the interest expense savings realized by issuing immediately will be offset by the decline in value of the Treasury portfolio. Thus, the Treasury component of SDG&E's effective borrowing cost will be determined by the Treasury rates prevailing when it chooses to unwind the hedge; the credit spread is determined at the time of issuance.

2. Treasury Options

The purchase of Treasury call options is an alternative to the long hedge. With this approach, SDG&E would issue securities today and purchase call options on Treasury securities of a comparable maturity. Such a call option allows the holder to purchase Treasury securities at a specified yield (the “strike yield”) any time before the expiration date. If rates decline below the strike yield, exercising the option produces a gain used to offset the interest cost of the securities issued today. If interest rates rise above the strike yield, the option will expire unexercised. In this case SDG&E benefits from the lower borrowing rate.

3. Interest Rate Swaps

A forward-starting interest rate swap allows SDG&E to issue securities immediately and benefit from a subsequent fall in interest rates. As the floating-rate payer in an interest rate swap, SDG&E hedges its borrowing cost: if interest rates decline, unwinding the swap at a profit will compensate SDG&E for the lost opportunity to finance at lower rates.

Conversely, if rates rise, the interest expense savings realized by issuing immediately will be offset by the loss caused by unwinding the swap.

VII. COMPLIANCE WITH THE FINANCING RULE

In D.12-06-015, the Commission adopted the Utility Long-Term Debt Financing Rule (the “Financing Rule”), replacing the Competitive Bidding Rule that had previously governed the issuance of Debt Securities.

In accordance with the Financing Rule, SDG&E intends to: (1) prudently issue debt consistent with market standards with the goal of achieving the lowest long-term cost of capital for ratepayers, (2) determine the financing term of its debt issues with due regard for its financial condition and requirements, (3) use its best efforts to encourage, assist, and include Women, Minority, Disabled Veteran-Owned Business Enterprises (“WMDVBEs”) in various types of underwriting roles on Debt Securities offerings, (4) utilize Debt Security Enhancements only in connection with Debt Securities financings, and (5) adhere to the Financing Rule’s restrictions on the use of swap and hedging transactions.

Additionally, SDG&E will comply with the debt-issuance reporting requirements defined in General Order 24-C, also established in D.12-06-015.

VIII. FEES

A fee of \$1,297,500 will be payable under P.U. Code § 1904(b) upon the Commission’s approval of the authorization requested in this Application. The calculation of

the fee is shown in Schedule X, attached hereto.

IX. STATUTORY AND PROCEDURAL REQUIREMENTS

A. Rule 2.1 (a) – (d)

This Application is filed pursuant to P.U. Code §§ 816-830 and 851 and complies with applicable orders of the Commission and the Commission’s Rules of Practice and Procedure. In accordance with Rule 2.1 (a) – (d) of the Commission’s Rules of Practice and Procedure, SDG&E provides the following information.

1. Rule 2.1 (a) – Legal Name

SDG&E is a corporation organized and existing under the laws of the State of California. SDG&E is engaged in the business of providing electric service in a portion of Orange County and electric and gas service in San Diego County. SDG&E’s principal place of business is 8330 Century Park Court, San Diego, California 92123. SDG&E’s attorney in this matter is E. Gregory Barnes.

2. Rule 2.1 (b) – Correspondence

Correspondence or communications regarding this Application should be addressed to:

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GBarnes@sdge.com

3. Rule 2.1 (c)

a. Proposed Category of Proceeding

SDG&E’s previous two long-term debt financing proceedings, A.22-04-007 and A.19-10-015 were categorized as “ratesetting” proceedings.³ SDG&E proposes that this proceeding also be categorized as a “ratesetting” proceeding.

b. Proposed Schedule and Issues to be Considered

SDG&E does not believe that approval of this Application will require hearings. The previous three long-term debt financing proceedings, A.22-04-007,⁴ A.19-10-015, and A.17-08-017, did not require testimony or evidentiary hearings. SDG&E has provided ample supporting information to create a record which the Commission may grant the relief requested, and this information is beyond that normally required by Rule 3.5 of the Commission’s Rules of Practice and Procedure, and P.U. Code §§ 816-830 and 851.

If, however, the Commission finds that a public hearing is necessary, Applicant requests that such hearing be conducted as soon as practicable. Applicant is prepared to proceed with any necessary hearing. Applicant proposes the following procedural schedule:

<u>ACTION</u>	<u>DATE</u>
Application filed	March 13, 2026
Protests filed, if any	30 days after notice of filing in Daily Calendar
ALJ Proposed Decision	September 2026

³ See, e.g., D.18-02-012, Findings of Fact (“FOF”) 2 at 19; D.20-04-015, FOF 1 at 17.

⁴ D.22-12-011, Ordering Paragraph (“OP”) 1 at 20-21, authorized SDG&E to issue up to \$3.05 billion in new debt securities, to issue roll-over debt securities of up to \$1.050 billion, to utilize certain features in debt securities or derivative transactions, and to hedge issuance of debt securities.

Comments on Proposed Decision

20 Days After Proposed Decision

Final Commission Decision

October 2026

The issues in this proceeding are whether Applicant should be authorized, pursuant to and consistent with P.U. Code §§ 816-830 and 851, to issue the securities described herein with the features described herein, and whether Applicant should be authorized, where appropriate to be exempt from the Commission's Competitive Bidding Rules. Applicant is unaware of any specific objections any party might raise to any of these issues.

4. Rule 2.1 (d) – Safety⁵

SDG&E is committed to safety. Based on current information, SDG&E's long-term debt financing application will not result in any adverse safety impacts on the facilities or operations of SDG&E. In addition, SDG&E will comply with all applicable current safety laws, rules and procedures, including SDG&E's internal policies. Therefore, SDG&E requests that the Commission act expeditiously on this Application.

B. Articles of Incorporation - Rule 2.2

A copy of SDG&E's Restated Articles of Incorporation as last amended, presently in effect and certified by the California Secretary of State, was filed with the Commission on September 10, 2014 in connection with SDG&E's application, A.14-09-008, and is incorporated herein by reference.

C. Description of Property and Equipment - Rule 3.5

SDG&E is in the business of generating, transmitting and distributing electric energy to San Diego County and part of Orange County. SDG&E also purchases, transmits and

⁵ D.16-01-017 amended Rule 2.1 to require all applications to include a detailed showing of relevant safety considerations. *Id.*, OP 1 at 6.

distributes natural gas to customers in San Diego County. SDG&E has electric transmission, distribution and service lines in San Diego, Orange and Imperial Counties. This includes a composite 92% ownership in the 500,000 volt Southwest Powerlink, including substations and transmission lines, which run through San Diego and Imperial Counties to the Palo Verde substation in Arizona. This also includes full ownership of the 500,000 volt Sunrise Powerlink, including substations and transmission lines, which run through San Diego and Imperial Counties to the Imperial Valley substation. Gas facilities consist of the Moreno gas compressor station in Riverside County and the Rainbow compressor station located in San Diego County. The gas is transmitted through high and low-pressure distribution mains and service lines.

A statement of Original Cost and Depreciation Reserve attributable thereto for the nine-month period ending September 30, 2025 is attached as Attachment A.

D. Balance Sheet, Income Statement and Financial Statement - Rule 2.3

Applicant's Balance Sheet, Income Statement and Financial Statement for the nine-month period ending September 30, 2025 are included with this Application as Attachment B.

E. Capitalization

Applicant's regulatory capitalization for the nine-month period ending September 30, 2025, is set forth in Attachment C.

F. Proxy Statement - Rule 3.5

A copy of the most recent proxy statement sent to all shareholders of SDG&E's parent company, Sempra, dated March 28, 2025, was provided to the Commission on April 7, 2025, and is incorporated herein by reference.

G. Service

This is a new application. No service list has been established. Accordingly, SDG&E will serve this Application, attachments, and schedules on parties to the service list for A.22-04-007.

X. ATTACHMENTS

Attachments A through C, described below, are a part of, and incorporated into, this Application:

Attachment A: SDG&E's Original Cost and Depreciation Reserve

Attachment B: SDG&E's Balance Sheet, Income Statement and Financial Statement

Attachment C: SDG&E's Regulatory Capitalization Schedule

XI. SCHEDULES

This Application is supported by Schedules I – XII, attached hereto. Schedule I is a three-year forecast of the Company's capital expenditures. Schedules II through VIII summarize additional financial information related to this Application as noted on the heading of each schedule. Schedule IX presents in pro-forma fashion how SDG&E's maximum requested long-term financing would affect the Company's capital structure. The resulting ratios reflect the hypothetical change assuming all the requested financing in this Application was issued in one day. This scenario is not representative of SDG&E's plan as shown in Schedule III-A, attached hereto. Schedule X provides a calculation of the application fee required by P.U. Code § 1904(b), and Schedule XI details SDG&E's long-term debt portfolio at December 31, 2025. Schedule XII summarizes SDG&E's current remaining CPUC financing authorities. The schedules follow the same format and content as those that have accompanied SDG&E's previous long-term financing applications. As in

previous applications, this Application reflects annual ranges of estimated capital expenditures to project SDG&E's financing needs.

XII. REQUESTED AUTHORIZATIONS

WHEREFORE, Applicant respectfully requests that the Commission issue its Order herein, providing specifically for the following:

1. To issue Debt Securities, in an aggregate principal amount of up to \$2,583 million of new debt capital, in addition to previously-authorized amounts. SDG&E's management or Board of Directors will determine the principal amount and the terms and conditions of each issue of Debt Securities according to market conditions at the time of sale;
2. To issue Roll-Over Debt Securities in an aggregate principal amount up to \$1,348 million of debt capital, in addition to previously-authorized Roll-over debt amounts;
3. To issue certain tax-exempt Debt Securities in order to guarantee the obligations of others;
4. To include certain features in SDG&E's Debt Securities or to enter into certain derivative transactions related to underlying debt in order to improve the terms and conditions of SDG&E's debt portfolio and with the goal of lowering SDG&E's cost of money for the benefit of ratepayers;
5. To hedge, when appropriate, planned issuances of Debt Securities within reasonable limits established by the new Financing Rule; and
6. To take all necessary and related actions, including but not limited to:
 - a. Specifically finding, as required by P.U. Code § 818, that in the opinion of the Commission, the money, property or labor to be procured or paid for by such issues is reasonably required for the purposes so specified, and that, except as otherwise permitted in the order in the case of bonds, notes, or other evidence of indebtedness, such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income.
 - b. Providing that the authority granted in such Order shall be effective upon payment of the fee prescribed in P.U. Code §§ 1904(b) and 1904.1, which is computed to be \$1,297,500.
 - c. Providing that if SDG&E intends to use any portion of the authority described in Section III that it currently expects to use for the potential

refinancing of securities previously issued instead for capital expenditures, it shall notify the Commission and pay the corresponding fee before making such use.

- d. Providing that the authority granted in such Order shall be in addition to the authority previously granted in D.22-12-011, D.20-04-015, D. 18-02-012, D.10-10-023, D.06-05-015, D.04-01-009, and D.93-09-069.
- e. Granting such additional authorizations as this Commission may deem appropriate.

Assuming the Commission approves the authorizations requested in this Application, SDG&E respectfully requests that the Commission incorporate the specific language set forth above in its Ordering Paragraphs. Based on SDG&E's experience, the specific language above will provide the necessary assurances to the Company's underwriters and outside counsel, who will rely on the Commission's Ordering Paragraphs to establish that SDG&E has in fact acquired the requisite regulatory authority to engage in the issuances of the Debt Securities addressed herein.

Lastly, SDG&E respectfully requests that the Commission commence and conclude its review and determinations regarding this Application as soon as possible to enable SDG&E to maximize its opportunities to proceed with its capital investment plans in the most opportune circumstances and fund the expenditures approved by the Commission.

Respectfully submitted,

/s/ E. Gregory Barnes

E. Gregory Barnes
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San Diego, CA 92123
Telephone: (858) 654-1583
E mail: GBarnes@sdge.com

Attorney for:
San Diego Gas & Electric Company

March 13, 2026

OFFICER VERIFICATION

Jawaad A. Malik declares the following:

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 OF SAN DIEGO GAS & ELECTRIC COMPANY (U 902 M)** are true 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 on March 13, 2026, at San Diego, California.

/s/ Jawaad A. Malik

Jawaad A. Malik
San Diego Gas & Electric Company
Senior Vice President, Strategy, Financial
Planning, Treasurer

Schedules

(Public Version)

- Schedule I - Construction Estimates - **Confidential**
- Schedule II – 2027-2029 Monthly Cash Flow Projections - **Confidential**
- Schedule III-A – Statement of Cash Requirements for the Years 2027, 2028, and 2029 - **Confidential**
- Schedule III-B – Amount and Percentage of Internal Funds Provided - **Confidential**
- Schedule IV – Statement of Unreimbursed Construction
- Schedule V – Fiscal Year 2025 Revenue Data
- Schedule VI – 2022 – 2025 Historical Financing Data
- Schedule VII – 2025 - 2026 Financing
- Schedule VIII – Short-Term Financing in Excess of CPUC Code § 823 © Allowance
- Schedule IX – Capital Ratios as of December 31, 2025 and Pro-forma – **Confidential**
- Schedule X – Computation of Fee
- Schedule XI – Debt Outstanding
- Schedule XII – Remaining CPUC Authorities

Schedule I

San Diego Gas & Electric Company
Construction Estimates
(\$ millions)

	2027	2028	2029
Elect Dist., Gas T&D, and Generation			
Electric Transmission			
Total Cash Required for Construction Expenditures			

Schedule II

**San Diego Gas & Electric Company
2027 Monthly Cash Flow Projections (\$ millions)**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	FY 2027
Cash (short-term debt) beginning balance													
Change in Free Cash Flow ¹													
Common Dividends ²													
Long Term Debt Issuances ²													
Long Term Debt Redemptions & Maturities ²													
Cash (short-term debt) ending balance													

¹Projections are based on current cash flow estimates and are subject to change.

²Common dividends and financings are subject to change.

Schedule II

**San Diego Gas & Electric Company
2028 Monthly Cash Flow Projections (\$ millions)**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	FY 2028
Cash (short-term debt) beginning balance	[REDACTED]												
Change in Free Cash Flow ¹													
Common Dividends ²													
Long Term Debt Issuances ²													
Long Term Debt Redemptions & Maturities ²													
Cash (short-term debt) ending balance													

¹Projections are based on current cash flow estimates and are subject to change.

²Common dividends and financings are subject to change.

Schedule II

**San Diego Gas & Electric Company
2029 Monthly Cash Flow Projections (\$ millions)**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	FY 2029
Cash (short-term debt) beginning balance	[REDACTED]												
Change in Free Cash Flow ¹													
Common Dividends ²													
Long Term Debt Issuances ²													
Long Term Debt Redemptions & Maturities ²													
Cash (short-term debt) ending balance	[REDACTED]												

¹Projections are based on current cash flow estimates and are subject to change.

²Common dividends and financings are subject to change.

Schedule IIIa

San Diego Gas & Electric Company Statement of Cash Requirements for the Years 2027, 2028 and 2029 (\$ millions)

	2027	2028	2029
Funds for construction (capital expenditures)			
Maturing long-term debt			
Beginning of year cash (short-term debt) balance			
Subtotal			
Less: Estimated cash from internal sources			
External funds required			
External funds provided & common dividends paid:			
Common dividends			
Preferred stock ¹			
Long-term debt issuances ¹			
End of year cash (short term debt) balance			

¹Amount ultimately raised will be a function of the Company's access to long-term capital markets at the time funds are required & the updated cash flow forecast at the time of issuance.

Schedule IIIb

San Diego Gas & Electric Company
Amount and Percentage of Internal Funds Provided
(\$ millions)

<u>Year</u>	<u>Internal Sources</u>	<u>Internal Sources as % Construction Expenditures</u>
2027		
2028		
2029		

Schedule IV

San Diego Gas & Electric Company Statement of Unreimbursed Construction

Net utility plant		\$ 21,322,931,056
Net proceeds from securities:		
Preferred stock	\$ -	
Common stock	(1,093,623,763)	
Premium on capital stock	(591,282,978)	
Long-term debt	<u>(9,800,000,000)</u>	
Total net proceeds		\$ (11,484,906,741)
Advances for construction		<u>(19,789,721)</u>
Total deductions		<u>(11,504,696,463)</u>
Unreimbursed construction as of December 31, 2025		<u>\$ 9,818,234,593</u>

Schedule V

San Diego Gas & Electric Company Fiscal Year 2025 Revenue Data¹ (\$ millions)

Company operating revenue	\$5,697
California operating revenue	\$5,697
California operating revenue % company	100%
Company net income before preferred dividend & call requirements	\$563

¹All figures above are 2025 actuals.

Schedule VI

San Diego Gas & Electric Company 2022 - 2025 Historical Financing Data

Date	Transaction	Principal amount (\$ million)
February 2022	Amortizing bonds semi-annual paydown	(\$17.0)
February 2022	Variable rate term loan	\$200.0
March 2022	Issued first-mortgage bond Series XXX	\$500.0
March 2022	Issued first-mortgage bond Series YYY	\$500.0
May 2022	Variable rate term loan	\$200.0
March 2023	Issued first-mortgage bond Series ZZZ	\$800.0
August 2023	Issued first-mortgage bond Series AAAA	\$600.0
September 2023	Maturity of Series NNN First Mortgage Bonds	(\$450.0)
February 2024	Payment for variable rate term loan	(\$400.0)
March 2024	Issued first-mortgage bond Series BBBB	\$600.0
March 2025	Issued first-mortgage bond Series CCCC	\$850.0
	Total	\$3,383.0

Schedule VII

San Diego Gas & Electric Company 2025-2026 Financing

Date	Transaction	Principal amount (\$ million)
-------------	--------------------	--------------------------------------

Actual:

March 2025

Issued first-mortgage bond Series CCCC

\$850

Forecast:



Schedule VIII

San Diego Gas & Electric Company
Short-Term Financing in Excess of CPUC Code §823 (c) Allowance
(\$ thousands)

	<u>December 31, 2025</u>
Common stock issued	\$1,093,624
Preferred and preference stock	-
Long-term debt (excluding capital leases)	<u>9,800,000</u>
Total capitalization at December 31, 2025	<u><u>10,893,624</u></u>
5% allowed by CPUC Code §823 (c)	544,681
Maximum anticipated amount of short-term debt	<u>2,044,681</u>
Total excess financing authority required	1,500,000
Current excess financing authority approved in decision D.23-10-008	<u>1,500,000</u>
Additional short-term financing authority requested in this application	<u><u>-</u></u>

Schedule IX

San Diego Gas & Electric Company
 Capital Ratios as of December 31, 2025 and Pro-forma
 (\$ thousands)

	12/31/25 Actual		¹ Pro-forma, remaining capacity to authorized equity ratio	
	\$	%	\$	%
Long-term Debt				
Long-term debt ²	\$9,800,000			
<i>Requested new long-term borrowing authority</i>				
<i>Currently remaining long-term borrowing authority</i>				
Less: After-tax loss on reacquired debt	(2,640)			
Total long-term debt	9,797,360	47.2%		
Preferred Equity				
Current balance	0			
<i>Additional Preferred Equity to achieve CPUC target:</i>				
Total preferred equity	-	0.0%		
Common Equity				
Common equity held by Sempra Corp. ²	10,939,000			
<i>Additional Common Equity to achieve proposed CPUC target:</i>				
Total common equity	10,939,000	52.8%		
Total Capitalization	20,736,360	100.0%		



¹The above pro forma ratios demonstrate how SDG&E's maximum requested and currently existing long-term debt authority would affect SDG&E's capital structure if it were all issued on December 31, 2025. Additionally, the pro forma assumes that additional common and preferred equity is added to balance out the resulting capital structure towards CPUC authorized targets of 52% common, 2.75% preferred and 45.25% long-term debt. The resulting ratios reflect a hypothetical case that assumes all of the requested debt authority is added in one day, along with additional preferred and common equity amounts, that would achieve SDG&E's CPUC authorized capital ratios.

² Excludes capital leases.

Schedule X

San Diego Gas & Electric Company Computation of Fee

Item	Amount	Rate	Fee
\$2,583 million of long-term borrowing authority	\$ 1,000,000	\$2 per thousand	\$ 2,000
	9,000,000	\$1 per thousand	9,000
	<u>2,573,000,000</u>	\$0.50 per thousand	<u>1,286,500</u>
	<u>\$ 2,583,000,000</u>	Total fee required	<u>\$ 1,297,500</u>

Schedule XI

San Diego Gas & Electric Debt Outstanding December 31, 2025

<u>No.</u>	<u>Type</u> ¹	<u>Bond</u>	<u>Maturity</u>	<u>Principal</u> <u>(\$ millions)</u>
1	FMB	Series BBB	May 2035	250.0
2	FMB	Series DDD	June 2026	250.0
3	FMB	Series FFF	September 2037	250.0
4	FMB	Series GGG	June 2039	300.0
5	FMB	Series HHH	May 2040	250.0
6	FMB	Series III	August 2040	500.0
7	FMB	Series LLL	November 2041	250.0
8	FMB	Series MMM	April 2042	250.0
9	FMB	Series QQQ	May 2026	500.0
10	FMB	Series RRR	June 2047	400.0
11	FMB	Series SSS	May 2048	400.0
12	FMB	Series TTT	June 2049	400.0
13	FMB	Series UUU	April 2050	400.0
14	FMB	Series VVV	October 2030	800.0
15	FMB	Series WWW	August 2051	750.0
16	FMB	Series YYY	March 2052	500.0
17	FMB	Series XXX	March 2032	500.0
18	FMB	Series ZZZ	March 2053	800.0
19	FMB	Series AAAA	August 2028	600.0
20	FMB	Series BBBB	April 2054	600.0
21	FMB	SERIES CCCC	April 2035	850.0
Total				9,800.0

¹ "FMB" = First Mortgage Bonds

Schedule XII
San Diego Gas & Electric Company

Remaining CPUC Authorities	Debt		Preferred	
	New	Roll-over	New	Roll-over
D.93-09-069	250.00	-	100.00	-
Bank loans	(37.17)	-	-	-
Series TT	(57.65)	-	-	-
Series UU	(16.70)	-	-	-
\$1.70 preferred	-	-	(35.00)	-
\$1.82 preferred	-	-	(16.64)	-
Series BBB (part)	(138.48)	-	-	-
Remaining authority	-	-	48.36	-
D.04-01-009	551.43	108.58	4.00	76.00
CV2004 (part)	-	(4.99)	-	-
Series BBB (part)	(111.52)	-	-	-
Series CCC	(250.00)	-	-	-
Series DDD (part)	(189.91)	-	-	-
Series EEE (part)	-	(103.59)	-	-
Remaining authority	-	-	4.00	76.00
D.06-05-015	800.00	-	200.00	-
Series DDD (part)	(60.09)	-	-	-
Series EEE (part)	(57.65)	-	-	-
Series FFF	(250.00)	-	-	-
Series GGG	(300.00)	-	-	-
Series HHH (part)	(132.26)	-	-	-
Remaining authority	-	-	200.00	-
D.10-10-023	800.00	-	150.00	-
Series JJJ (part)	(280.74)	-	-	-
Series LLL	(250.00)	-	-	-
Series MMM	(250.00)	-	-	-
Series NNN (part)	(19.26)	-	-	-
Remaining authority	-	-	150.00	-
D.20-04-015	2,300.00	730.00	-	-
Series VVV (part)	(784.57)	-	-	-
Series WWW (part)	(400.00)	-	-	-
2024 Term Loan	(200.00)	-	-	-
Series XXX (part)	-	(426.87)	-	-
Series YYY	(498.74)	(1.26)	-	-
2024 Term Loan	(200.00)	-	-	-
Series ZZZ (part)	(216.70)	-	-	-
Series BBBB (part)	-	(301.87)	-	-
Remaining authority	-	-	-	-
D.22-12-011	3,050.00	1,050.00	-	-
Series ZZZ (part)	(583.31)	-	-	-
Series AAAA	(600.00)	-	-	-
Series BBBB (part)	-	(298.13)	-	-
Series CCCC	(600.00)	(250.00)	-	-
Remaining authority	1,266.70	501.87	-	-
Total remaining authority, all decisions ⁽¹⁾	1,266.70	501.87	402.36	76.00

⁽¹⁾ Remaining Authority as of December 31, 2025

ATTACHMENT A

ORIGINAL COST AND DEPRECIATION RESERVE

SAN DIEGO GAS & ELECTRIC COMPANY
COST OF PROPERTY AND
DEPRECIATION RESERVE APPLICABLE THERETO
AS OF September 30, 2025

<u>No.</u>	<u>Account</u>	<u>Original Cost</u>	<u>Reserve for Depreciation and Amortization</u>
ELECTRIC DEPARTMENT			
302	Franchises and Consents	222,841.36	202,900.30
303	Misc. Intangible Plant	0.00	0.00
	TOTAL INTANGIBLE PLANT	222,841.36	202,900.30
310.1	Land	14,526,518.29	46,518.29
310.2	Land Rights	0.00	0.00
311	Structures and Improvements	93,784,499.58	72,457,800.42
312	Boiler Plant Equipment	167,461,654.28	129,657,196.03
312	Boiler Plant Equipment-top side depr adj	0.00	0.00
314	Turbogenerator Units	135,789,677.59	91,516,898.64
315	Accessory Electric Equipment	89,569,156.65	71,344,938.81
315.1	Computer Hardware	0.00	0.00
315.2	Computer Software	7,979,977.04	3,575,892.85
315.25	Cloud Computer Software	0.00	0.00
315.3	Communication Equipment	0.00	0.00
316	Miscellaneous Power Plant Equipment	82,568,509.34	35,825,018.61
	TOTAL STEAM PRODUCTION	591,679,992.77	404,424,263.64
338.01	Land	0.00	0.00
338.02	Land Rights	0.00	0.00
338.2	Structures and Improvements	0.00	0.00
338.4	Solar Panels	73,791,385.36	24,886,537.64
338.5	Collector System	162,767.62	44,647.15
338.6	Generator Step-up Transformers (GSU)	0.00	0.00
338.7	Inverters	4,346,998.99	2,520,023.85
338.8	Other Accessory Electrical Equipment	2,242,963.06	1,393,425.48
338.9	Computer Hardware	0.00	0.00
338.10	Computer Software	0.00	0.00
338.11	Communication Equipment	692,608.58	407,690.18
338.12	Miscellaneous Power Plant Equipment	1,032,971.42	525,405.64
	TOTAL SOLAR PRODUCTION	82,269,695.03	29,777,729.94
340.10	Land	224,368.91	0.00
340.20	Land Rights	2,427.96	2,427.96
341.00	Structures and Improvements	27,061,272.32	18,365,439.49
341.20	Structures and Improvements-Other	0.00	0.00
342.00	Fuel Holders, Producers & Accessories	21,651,513.75	14,563,270.73
342.20	Fuel Holders, Producers & Accessories-Other	0.00	0.00
343.00	Prime Movers	94,780,877.40	76,145,987.04

<u>No.</u>	<u>Account</u>	<u>Original Cost</u>	<u>Reserve for Depreciation and Amortization</u>
343.20	Prime Movers-Other	0.00	0.00
344.00	Generators	274,387,535.61	198,000,302.08
344.00	Generators - topside depr adj.	0.00	0.00
344.10	Inactive	0.00	0.00
344.20	Generators-Other	11,596,546.36	3,775,184.89
345.00	Accessory Electric Equipment	30,705,901.84	23,342,932.52
345.10	Computer Hardware	0.00	0.00
345.20	Computer Software	0.00	0.00
345.25	Comp Software (Cloud SaaS)	0.00	0.00
345.30	Communication Equipment	0.00	0.00
346.00	Miscellaneous Power Plant Equipment	91,856,225.84	42,240,774.22
346.20	Miscellaneous Power Plant Equipment-Other	0.00	0.00
	TOTAL OTHER PRODUCTION	<u>552,266,669.99</u>	<u>376,436,318.93</u>
	TOTAL ELECTRIC PRODUCTION	<u>1,226,216,357.79</u>	<u>810,638,312.51</u>
350.10	Land - Trans - future use	0.00	0.00
350.11	Land - Other	78,549,752.27	0.00
350.12	Land - SWPL	3,138,313.41	0.00
350.16	Land - SRPL	2,563,164.10	0.00
350.20	Land Rights - Trans (future)	0.00	0.00
350.21	Land Rights - Other	82,059,426.06	16,707,082.77
350.22	Land Rights - SWPL	18,638,712.99	6,842,336.19
350.26	Land Rights - SRPL	77,120,373.17	14,279,259.58
351.10	Trans. Computer Hardware	0.00	0.00
351.20	Trans. Computer Software	4,158,996.93	978,463.97
351.30	Trans. Communication Equipment	172,232,305.95	56,928,423.72
352.10	Structures and Improvements-Other	844,720,021.83	149,008,892.43
352.20	Structures and Improvements-SWPL	58,623,333.71	14,465,485.71
352.60	Structures and Improvements-SRPL	121,643,465.54	32,105,914.56
353.10	Station Equipment-Other	2,036,749,290.74	598,408,511.46
353.20	Station Equipment-SWPL	342,575,332.83	157,564,285.45
353.40	Station Equipment-CTC	1,420,392.88	739,076.17
353.60	Station Equipment-SRPL	167,989,686.58	58,118,760.22
354.10	Towers and Fixtures-Other	93,904,609.27	58,184,296.81
354.20	Towers and Fixtures-SWPL	66,826,455.22	73,262,627.72
354.60	Towers and Fixtures-SRPL	766,913,153.67	210,381,408.43
355.10	Poles and Fixtures-Other	1,344,612,384.87	309,035,434.67
355.20	Poles and Fixtures-SWPL	10,337,209.17	14,648,812.90
355.60	Poles and Fixtures-SRPL	3,343,703.96	1,647,012.65
356.10	Overhead Conductors and Devices-Other	871,779,687.37	216,982,217.44
356.20	Overhead Conductors and Devices-SWPL	46,894,303.14	72,669,835.48
356.60	Overhead Conductors and Devices-SRPL	173,822,884.90	58,431,647.92
357.00	Underground Conduit-Other	600,626,681.50	132,895,667.19
357.60	Underground Conduit-SRPL	80,541,402.53	21,379,046.40
358.00	Underground Conductors and Devices-Other	583,205,928.01	116,637,561.53
358.60	Underground Conductors and Devices-SRPL	126,452,463.41	35,553,807.76
359.10	Roads and Trails-Other	185,342,468.42	24,521,430.68
359.20	Roads and Trails-SWPL	5,744,009.36	3,408,279.66
359.60	Roads and Trails-SRPL	243,364,727.24	51,979,461.10
	TOTAL TRANSMISSION	<u>9,215,894,641.03</u>	<u>2,507,765,040.58</u>
360.1	Land	21,018,682.26	0.00

<u>No.</u>	<u>Account</u>	<u>Original Cost</u>	<u>Reserve for Depreciation and Amortization</u>
360.2	Land Rights	96,056,825.91	58,187,217.16
361	Structures and Improvements	20,213,419.39	4,970,749.89
362	Station Equipment	756,441,393.65	398,911,807.90
363.1	Computer Hardware	0.00	0.00
363.2	Computer Software	222,066,891.82	113,536,985.32
363.25	Comp Software (Cloud SaaS)	0.00	0.00
363.3	Communication Equipment	141,002,616.27	41,953,754.22
364	Poles, Towers and Fixtures	1,458,617,075.33	325,778,039.12
365	Overhead Conductors and Devices	1,711,318,094.96	320,007,157.05
366	Underground Conduit	2,282,144,066.74	768,688,566.03
367	Underground Conductors and Devices	2,579,564,067.91	1,191,285,743.66
367	Underground Conductors and Devices	(269.75)	(269.75)
368.1	Line Transformers	1,047,790,874.84	415,074,923.65
368.2	Protective Devices and Capacitors	50,623,223.02	33,442,831.93
369.1	Services Overhead	502,129,276.96	117,969,866.13
369.2	Services Underground	545,469,374.39	321,676,137.02
370.1	Meters	12,466,179.71	1,551,425.02
370.11	Meters-Electronic	225,376,821.09	183,308,868.85
370.2	Meter Installations	19,408,350.43	1,475,754.87
370.2	Meter Installations-Electronic	87,328,176.94	57,228,533.43
371	Installations on Customers' Premises	13,609,171.86	12,119,624.91
371.1	EV Charging Units	54,537,968.02	31,979,552.23
373.1	St. Lighting & Signal Sys.-Transformers	0.00	0.00
373.2	Street Lighting & Signal Systems	40,169,184.90	27,800,353.71
	TOTAL DISTRIBUTION PLANT	<u>11,887,351,466.65</u>	<u>4,426,947,622.35</u>
387.01	Land	4,831,367.94	0.00
387.02	Land Rights	352,231.25	23,481.72
387.10	Communication Equipment	0.00	0.00
387.11	Misc Energy Storage Equip	0.00	0.00
387.12	Asset Retirement Costs	0.00	0.00
387.20	Structures and Improvements	0.00	0.00
387.30	Energy Storage Equipment	1,043,112,487.94	273,172,121.26
387.30	Energy Storage Equipment	0.00	0.00
387.50	Collector System	0.00	0.00
387.60	Gen Step-up Transf (GSU)	0.00	0.00
387.70	Inverters	0.00	0.00
387.80	Computer Hardware	0.00	0.00
387.90	Computer Software	0.00	0.00
387.95	Comp Software (Cloud SaaS)	0.00	0.00
	TOTAL ENERGY STORAGE PLANT	<u>1,048,296,087.13</u>	<u>273,195,602.98</u>
389.1	Land	7,312,142.54	0.00
390	Structures and Improvements	45,330,343.57	33,867,901.74
392.1	Transportation Equipment - Autos	0.00	0.00
392.2	Transportation Equipment - Trailers	58,145.67	35,666.04
393	Stores Equipment	46,031.37	13,309.59
394.11	Portable Tools	44,617,322.66	17,783,526.13
394.2	Shop Equipment	30,644.48	4,891.95
395	Laboratory Equipment	5,675,983.59	2,657,279.27
396	Power Operated Equipment	0.00	56,972.74
397.10	Computer Hardware	0.01	(16,359.20)
397.20	Computer Software	48,818,658.44	9,755,223.56

<u>No.</u>	<u>Account</u>	<u>Original Cost</u>	<u>Reserve for Depreciation and Amortization</u>
397.25	Comp Software (Cloud SaaS)	0.00	0.00
397.30	Communication Equipment	220,008,004.26	144,291,205.47
397.60	Inactive	0.00	0.00
397.70	Inactive	21,144,948.17	542,557.08
398	Miscellaneous Equipment	3,129,641.60	2,009,735.44
	TOTAL GENERAL PLANT	396,171,866.36	211,001,909.80
101	TOTAL ELECTRIC PLANT	23,774,153,260.32	8,229,751,388.52
	GAS PLANT		
302	Franchises and Consents	86,104.20	86,104.20
303	Miscellaneous Intangible Plant	0.00	0.00
	TOTAL INTANGIBLE PLANT	86,104.20	86,104.20
360.1	Land	0.00	0.00
361	Structures and Improvements	0.00	0.00
362.1	Gas Holders	0.00	0.00
362.2	Liquefied Natural Gas Holders	0.00	0.00
363	Purification Equipment	0.00	0.00
363.1	Liquefaction Equipment	0.00	0.00
363.2	Vaporizing Equipment	0.00	0.00
363.3	Compressor Equipment	0.00	0.00
363.4	Measuring and Regulating Equipment	0.00	0.00
363.5	Other Equipment	0.00	0.00
363.6	LNG Distribution Storage Equipment	2,168,803.11	1,822,410.95
	TOTAL STORAGE PLANT	2,168,803.11	1,822,410.95
365.1	Land	4,649,143.75	0.00
365.2	Land Rights	3,493,178.35	1,957,822.12
366	Structures and Improvements	24,012,036.27	14,188,987.26
367	Mains	981,577,752.44	178,369,493.00
368	Compressor Station Equipment	145,582,651.76	88,515,003.40
369	Measuring and Regulating Equipment	31,058,087.34	22,043,371.15
371	Other Equipment	2,850,672.10	784,511.30
	TOTAL TRANSMISSION PLANT	1,193,223,522.01	305,859,188.23
374.1	Land	1,514,272.84	0.00
374.2	Land Rights	8,518,845.56	7,910,167.49
375	Structures and Improvements	43,446.91	61,253.10
376	Mains	1,933,542,321.20	563,107,953.04
376	Mains	0.00	0.00
376.60	GTSR Hydro Test Costs	19,253,031.66	511,870.92
378	Measuring & Regulating Station Equipment	21,298,625.47	11,909,005.20
380	Distribution Services	844,840,659.38	357,350,148.50
381	Meters and Regulators	105,818,630.94	39,838,844.83
381.01	Meters and Regulators-Electronic	118,652,300.83	75,691,970.74
382	Meter and Regulator Installations	160,794,875.83	49,830,544.10

<u>No.</u>	<u>Account</u>	<u>Original Cost</u>	<u>Reserve for Depreciation and Amortization</u>
382.01	Meter and Regulator Installations-Electronic	27,578,068.91	26,061,134.61
385	Ind. Measuring & Regulating Station Equipme	1,516,810.70	1,443,667.65
387.11	Other Equipment	993,722.26	918,692.54
387.12	Other Equipment-CNG Depreciable	8,910,372.92	5,226,144.64
387.13	Other Equipment-CNG Bal Account	658,196.33	658,196.33
	TOTAL DISTRIBUTION PLANT	3,253,934,181.74	1,140,519,593.68
392.1	Transportation Equipment - Autos	0.00	0.00
392.2	Transportation Equipment - Trailers	0.00	0.00
394.1	Portable Tools	28,759,358.13	8,140,160.79
394.2	Shop Equipment	18,459.73	(5,839.52)
395	Laboratory Equipment	0.00	0.00
396	Power Operated Equipment	0.00	0.00
397	Communication Equipment	2,331,509.48	1,712,839.10
398	Miscellaneous Equipment	1,160,607.66	287,424.11
	TOTAL GENERAL PLANT	32,269,935.00	10,134,584.49
101	TOTAL GAS PLANT	4,481,682,546.06	1,458,421,881.55
COMMON PLANT			
303	Miscellaneous Intangible Plant - Cloud	58,316,681.73	27,810,374.75
303	Miscellaneous Intangible Plant - Cloud	29,595,723.47	3,687,521.63
303	Miscellaneous Intangible Plant	1,129,611,216.89	643,784,161.34
350.1	Land	0.00	0.00
360.1	Land	0.00	0.00
389.11	Land	7,225,913.43	0.00
389.2	Land Rights	27,776.34	27,776.34
390	Structures and Improvements	703,523,600.93	259,835,227.97
391.1	Office Furniture and Equipment - Other	49,268,366.44	21,396,563.67
391.2	Office Furniture and Equipment - Computer E	128,060,439.06	88,711,671.43
392.1	Transportation Equipment - Autos	765,306.97	468,334.44
392.2	Transportation Equipment - Trailers	107,977.72	38,011.52
392.3	Transportation Equipment - Aviation	29,690,606.70	13,422,311.22
393	Stores Equipment	332,982.68	130,064.44
394.1	Portable Tools	1,503,266.67	902,029.70
394.2	Shop Equipment	136,283.14	100,871.76
394.3	Garage Equipment	1,801,884.51	583,053.03
395	Laboratory Equipment	2,391,445.88	1,210,575.72
396	Power Operated Equipment	0.00	0.00
397.1	Communication Equipment	0.00	0.00
397.3	Communication Equipment	561,619,004.34	229,642,383.88
397.3	Communication Equipment	0.00	0.00
398	Miscellaneous Equipment	3,282,153.93	1,319,107.37
118.1	TOTAL COMMON PLANT	2,707,260,630.83	1,293,070,040.21
	TOTAL ELECTRIC PLANT	23,774,153,260.32	8,229,751,388.52
	TOTAL GAS PLANT	4,481,682,546.06	1,458,421,881.55
	TOTAL COMMON PLANT	2,707,260,630.83	1,293,070,040.21
101 & 118.1	TOTAL	30,963,096,437.21	#####

<u>No.</u>	<u>Account</u>	<u>Original Cost</u>	<u>Reserve for Depreciation and Amortization</u>
101	PLANT IN SERV-CLOUD CONTRA Common	<u>(58,316,681.73)</u> (58,316,681.73)	<u>(27,810,374.74)</u> (27,810,374.74)
118	PLANT IN SERV-COMMON NON-RECON Common - Transferred Asset Adjustment	<u>0.00</u> 0.00	<u>0.00</u> 0.00
101	ACCRUAL FOR RETIREMENTS Electric Gas	<u>(81,952,907.31)</u> <u>(3,896,704.65)</u>	<u>(81,952,907.31)</u> <u>(3,896,704.65)</u>
	TOTAL PLANT IN SERV-ACCRUAL FOR RE	<u>(85,849,611.96)</u>	<u>(85,849,611.96)</u>
102	PLANT PURCHASED OR SOLD Electric Gas	<u>0.00</u> <u>0.00</u>	<u>0.00</u> <u>0.00</u>
	TOTAL PLANT PURCHASED OR SOLD	<u>0.00</u>	<u>0.00</u>
104	PLANT LEASED TO OTHERS Electric Gas	<u>112,194,000.02</u> <u>0.00</u>	<u>48,778,729.95</u> <u>0.00</u>
	TOTAL PLANT LEASED TO OTHERS	<u>112,194,000.02</u>	<u>48,778,729.95</u>
105	PLANT HELD FOR FUTURE USE Electric Gas	<u>0.00</u> <u>0.00</u>	<u>0.00</u> <u>0.00</u>
	TOTAL PLANT HELD FOR FUTURE USE	<u>0.00</u>	<u>0.00</u>
107	CONSTRUCTION WORK IN PROGRESS Electric Gas Common	<u>1,511,811,402.80</u> <u>312,200,237.23</u> <u>216,103,203.16</u>	<u>0.00</u>
	TOTAL CONSTRUCTION WORK IN PROGRESS	<u>2,040,114,843.19</u>	<u>0.00</u>
108.5	Thank you ACCUMULATED NUCLEAR DECOMMISSIONING Electric	<u>0.00</u>	<u>895,717,241.22</u>
	TOTAL ACCUMULATED NUCLEAR DECOMMISSIONING	<u>0.00</u>	<u>895,717,241.22</u>
101.1	ELECTRIC CAPITAL LEASES	<u>1,307,422,019.46</u>	<u>190,998,822.25</u>
118.1	COMMON CAPITAL LEASE	<u>126,294,507.33</u>	<u>61,916,504.22</u>
		<u>1,433,716,526.79</u>	<u>252,915,326.47</u>

<u>No.</u>	<u>Account</u>	<u>Original Cost</u>	<u>Reserve for Depreciation and Amortization</u>
143	FAS 143 ASSETS - Legal Obligation	26,850,658.54	(887,422,711.91)
	FIN 47 ASSETS - Non-Legal Obligation	233,056,731.44	69,989,260.38
143	FAS 143 ASSETS - COR - Legal Obligation	0.00	(2,669,656,686.24)
	TOTAL FAS 143	259,907,389.98	(3,487,090,137.77)
	UTILITY PLANT TOTAL	<u>34,664,862,903.50</u>	<u>8,577,904,483.45</u>

ATTACHMENT B

**BALANCE SHEET, INCOME STATEMENT
AND FINANCIAL STATEMENT**

**SAN DIEGO GAS & ELECTRIC COMPANY
BALANCE SHEET
ASSETS AND OTHER DEBITS
SEPTEMBER 2025**

1. UTILITY PLANT		2025
101	UTILITY PLANT IN SERVICE	\$ 31,277,488,872
102	UTILITY PLANT PURCHASED OR SOLD	-
104	UTILITY PLANT LEASED TO OTHERS	112,194,000
105	PLANT HELD FOR FUTURE USE	-
106	COMPLETED CONSTRUCTION NOT CLASSIFIED	-
107	CONSTRUCTION WORK IN PROGRESS	2,040,114,843
108	ACCUMULATED PROVISION FOR DEPRECIATION OF UTILITY PLANT	(9,229,495,622)
111	ACCUMULATED PROVISION FOR AMORTIZATION OF UTILITY PLANT	(1,418,851,829)
114	ELEC PLANT ACQUISITION ADJ	3,750,722
115	ACCUM PROVISION FOR AMORT OF ELECTRIC PLANT ACQUIS ADJ	(3,438,160)
118	OTHER UTILITY PLANT	2,710,540,884
119	ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF OTHER UTILITY PLANT	(620,912,131)
120	NUCLEAR FUEL - NET	-
	TOTAL NET UTILITY PLANT	\$ 24,871,391,579
2. OTHER PROPERTY AND INVESTMENTS		
121	NONUTILITY PROPERTY	\$ 13,398,464
122	ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION	(4,003,947)
158	NON-CURRENT PORTION OF ALLOWANCES	282,525,966
123	INVESTMENTS IN SUBSIDIARY COMPANIES	-
124	OTHER INVESTMENTS	-
125	SINKING FUNDS	-
128	OTHER SPECIAL FUNDS	896,625,951
175	LONG-TERM PORTION OF DERIVATIVE ASSETS	4,743,818
	TOTAL OTHER PROPERTY AND INVESTMENTS	\$ 1,193,290,252

**SAN DIEGO GAS & ELECTRIC COMPANY
BALANCE SHEET
ASSETS AND OTHER DEBITS
SEPTEMBER 2025**

3. CURRENT AND ACCRUED ASSETS		2025
131	CASH	\$ 27.00
132	INTEREST SPECIAL DEPOSITS	-
134	OTHER SPECIAL DEPOSITS	-
135	WORKING FUNDS	-
136	TEMPORARY CASH INVESTMENTS	-
141	NOTES RECEIVABLE	-
142	CUSTOMER ACCOUNTS RECEIVABLE	815,631,387
143	OTHER ACCOUNTS RECEIVABLE	119,790,823
144	ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS	(66,503,350)
145	NOTES RECEIVABLE FROM ASSOCIATED COMPANIES	-
146	ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES	12,925,287
151	FUEL STOCK	1,383,711
152	FUEL STOCK EXPENSE UNDISTRIBUTED	-
154	PLANT MATERIALS AND OPERATING SUPPLIES	271,295,784
156	OTHER MATERIALS AND SUPPLIES	-
158	ALLOWANCES	308,638,272
158	LESS: NON-CURRENT PORTION OF ALLOWANCES	(282,525,966)
163	STORES EXPENSE UNDISTRIBUTED	-
164	GAS STORED	410,559
165	PREPAYMENTS	164,485,055
171	INTEREST AND DIVIDENDS RECEIVABLE	2,431,388
173	ACCRUED UTILITY REVENUES	103,303,781
174	MISCELLANEOUS CURRENT AND ACCRUED ASSETS	14,006,310
175	DERIVATIVE INSTRUMENT ASSETS	30,368,952
175	LESS: LONG -TERM PORTION OF DERIVATIVE INSTRUMENT ASSETS	(4,743,818)
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 1,490,898,202
4. DEFERRED DEBITS		
181	UNAMORTIZED DEBT EXPENSE	\$ 64,957,626
182	UNRECOVERED PLANT AND OTHER REGULATORY ASSETS	5,097,831,304
183	PRELIMINARY SURVEY & INVESTIGATION CHARGES	4,337,071
184	CLEARING ACCOUNTS	2,819,806
185	TEMPORARY FACILITIES	678,103
186	MISCELLANEOUS DEFERRED DEBITS	323,200,912
188	RESEARCH AND DEVELOPMENT	-
189	UNAMORTIZED LOSS ON REACQUIRED DEBT	3,833,825
190	ACCUMULATED DEFERRED INCOME TAXES	565,830,153
	TOTAL DEFERRED DEBITS	\$ 6,063,488,800
	TOTAL ASSETS AND OTHER DEBITS	\$ 33,619,068,833

**SAN DIEGO GAS & ELECTRIC COMPANY
BALANCE SHEET
LIABILITIES AND OTHER CREDITS
SEPTEMBER 2025**

5. PROPRIETARY CAPITAL		2025
201	COMMON STOCK ISSUED	\$ 291,458,395
204	PREFERRED STOCK ISSUED	-
207	PREMIUM ON CAPITAL STOCK	591,282,978
210	GAIN ON RETIRED CAPITAL STOCK	-
211	MISCELLANEOUS PAID-IN CAPITAL	802,165,368
214	CAPITAL STOCK EXPENSE	(24,605,640)
216	UNAPPROPRIATED RETAINED EARNINGS	9,695,308,773
219	ACCUMULATED OTHER COMPREHENSIVE INCOME	(11,520,600)
TOTAL PROPRIETARY CAPITAL		\$ 11,344,089,274
6. LONG-TERM DEBT		
221	BONDS	\$ 9,800,000,000
223	ADVANCES FROM ASSOCIATED COMPANIES	-
224	OTHER LONG-TERM DEBT	-
225	UNAMORTIZED PREMIUM ON LONG-TERM DEBT	-
226	UNAMORTIZED DISCOUNT ON LONG-TERM DEBT	(33,680,104)
TOTAL LONG-TERM DEBT		\$ 9,766,319,896
7. OTHER NONCURRENT LIABILITIES		
227	OBLIGATIONS UNDER CAPITAL LEASES - NONCURRENT	\$ 2,117,408,614
228.2	ACCUMULATED PROVISION FOR INJURIES AND DAMAGES	15,463,797
228.3	ACCUMULATED PROVISION FOR PENSIONS AND BENEFITS	40,179,418
228.4	ACCUMULATED MISCELLANEOUS OPERATING PROVISIONS	475,943
244	LONG TERM PORTION OF DERIVATIVE LIABILITIES	217,826
230	ASSET RETIREMENT OBLIGATIONS	893,521,528
TOTAL OTHER NONCURRENT LIABILITIES		\$ 3,067,267,126

**SAN DIEGO GAS & ELECTRIC COMPANY
BALANCE SHEET
LIABILITIES AND OTHER CREDITS
SEPTEMBER 2025**

8. CURRENT AND ACCRUED LIABILITIES

		2025
231	NOTES PAYABLE	27,300,000
232	ACCOUNTS PAYABLE	886,201,615
233	NOTES PAYABLE TO ASSOCIATED COMPANIES	-
234	ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES	65,120,810
235	CUSTOMER DEPOSITS	26,349,308
236	TAXES ACCRUED	79,007,149
237	INTEREST ACCRUED	137,617,120
238	DIVIDENDS DECLARED	-
241	TAX COLLECTIONS PAYABLE	5,747,833
242	MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES	248,906,377
243	OBLIGATIONS UNDER CAPITAL LEASES - CURRENT	129,375,342
244	DERIVATIVE INSTRUMENT LIABILITIES	384,419
244	LESS: LONG-TERM PORTION OF DERIVATIVE LIABILITIES	(217,826)
245	DERIVATIVE INSTRUMENT LIABILITIES - HEDGES	-
		-
	TOTAL CURRENT AND ACCRUED LIABILITIES	\$ 1,605,792,147

9. DEFERRED CREDITS

252	CUSTOMER ADVANCES FOR CONSTRUCTION	\$ 60,262,996
253	OTHER DEFERRED CREDITS	558,633,504
254	OTHER REGULATORY LIABILITIES	3,057,113,639
255	ACCUMULATED DEFERRED INVESTMENT TAX CREDITS	231,816,521
257	UNAMORTIZED GAIN ON REACQUIRED DEBT	-
281	ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED	-
282	ACCUMULATED DEFERRED INCOME TAXES - PROPERTY	2,771,182,833
283	ACCUMULATED DEFERRED INCOME TAXES - OTHER	1,156,590,897
		1,156,590,897
	TOTAL DEFERRED CREDITS	\$ 7,835,600,390
	TOTAL LIABILITIES AND OTHER CREDITS	\$ 33,619,068,833

SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT OF INCOME AND RETAINED EARNINGS
SEPTEMBER 2025

1. UTILITY OPERATING INCOME

400	OPERATING REVENUES		\$ 4,469,210,187
401	OPERATING EXPENSES	\$ 2,067,942,119	
402	MAINTENANCE EXPENSES	229,038,120	
403-7	DEPRECIATION AND AMORTIZATION EXPENSES	964,431,511	
408.1	TAXES OTHER THAN INCOME TAXES	221,024,261	
409.1	INCOME TAXES	8,204,280	
410.1	PROVISION FOR DEFERRED INCOME TAXES	247,265,272	
411.1	PROVISION FOR DEFERRED INCOME TAXES - CREDIT	(187,286,342)	
411.4	INVESTMENT TAX CREDIT ADJUSTMENTS	(92,555,478)	
411.6	GAIN FROM DISPOSITION OF UTILITY PLANT	<u>-</u>	
	TOTAL OPERATING REVENUE DEDUCTIONS		<u>\$ 3,458,063,743</u>
	NET OPERATING INCOME		<u>\$ 1,011,146,444</u>

2. OTHER INCOME AND DEDUCTIONS

415	REVENUE FROM MERCHANDISING, JOBBING AND CONTRACT WORK	\$ -	
417	REVENUES OF NONUTILITY OPERATIONS	-	
417.1	EXPENSES OF NONUTILITY OPERATIONS	(6,069,833)	
418	NONOPERATING RENTAL INCOME	(1,037)	
418.1	EQUITY IN EARNINGS OF SUBSIDIARIES	-	
419	INTEREST AND DIVIDEND INCOME	82,764,999	
419.1	ALLOWANCE FOR OTHER FUNDS USED DURING CONSTRUCTION	60,514,479	
421	MISCELLANEOUS NONOPERATING INCOME	1,253,406	
421.1	GAIN ON DISPOSITION OF PROPERTY	<u>-</u>	
	TOTAL OTHER INCOME	<u>\$ 138,462,014</u>	
421.2	LOSS ON DISPOSITION OF PROPERTY	\$ -	
425	MISCELLANEOUS AMORTIZATION	187,536	
426	MISCELLANEOUS OTHER INCOME DEDUCTIONS	<u>17,897,740</u>	
	TOTAL OTHER INCOME DEDUCTIONS	<u>\$ 18,085,276</u>	
408.2	TAXES OTHER THAN INCOME TAXES	\$ 712,321	
409.2	INCOME TAXES	6,226,725	
410.2	PROVISION FOR DEFERRED INCOME TAXES	57,949,158	
411.2	PROVISION FOR DEFERRED INCOME TAXES - CREDIT	<u>(51,842,964)</u>	
	TOTAL TAXES ON OTHER INCOME AND DEDUCTIONS	<u>\$ 13,045,240</u>	
	TOTAL OTHER INCOME AND DEDUCTIONS		<u>\$ 107,331,498</u>
	INCOME BEFORE INTEREST CHARGES		1,118,477,942
	EXTRAORDINARY ITEMS AFTER TAXES		-
	NET INTEREST CHARGES*		<u>338,383,807</u>
	NET INCOME		<u>\$ 780,094,135</u>

*NET OF ALLOWANCE FOR BORROWED FUNDS USED DURING CONSTRUCTION, (\$21,826,192)

**SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT OF INCOME AND RETAINED EARNINGS
SEPTEMBER 2025**

3. RETAINED EARNINGS

RETAINED EARNINGS AT BEGINNING OF PERIOD, AS PREVIOUSLY REPORTED	\$ 8,915,214,637
NET INCOME (FROM PRECEDING PAGE)	780,094,135
DIVIDEND TO PARENT COMPANY	-
DIVIDENDS DECLARED - PREFERRED STOCK	-
DIVIDENDS DECLARED - COMMON STOCK	-
OTHER RETAINED EARNINGS ADJUSTMENTS	-
RETAINED EARNINGS AT END OF PERIOD	<u>\$ 9,695,308,772</u>

SAN DIEGO GAS & ELECTRIC COMPANY
SUMMARY OF EARNINGS
SEPTEMBER 2025
(\$ IN MILLIONS)

Line No.	Item	Amount
1	Operating Revenue	\$ 4,469
2	Operating Expenses	<u>3,458</u>
3	Net Operating Income	<u>\$ 1,011</u>
4	Weighted Average Rate Base	\$ 17,748
5	Rate of Return*	8.21%
	*Authorized Cost of Capital	

**SAN DIEGO GAS & ELECTRIC COMPANY
FINANCIAL STATEMENT
SEPTEMBER 2025**

(a) Amounts and Kinds of Stock Authorized:			
Common Stock	255,000,000	shares	Without Par Value
Amounts and Kinds of Stock Outstanding:			
Common Stock	116,583,358	shares	291,458,395

(b) Brief Description of Mortgage:

Full information as to this item is given in Decision Nos. 93-09-069, 04-01-009, 06-05-015, 08-07-029, 10-10-023, 12-03-005, 15-08-011, 18-02-012, 20-04-015, and 22-12-011 to which references are hereby made.

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

First Mortgage Bonds:	Nominal Date of	Par Value Authorized and	Outstanding	Interest Paid as of Q4' 2024
5.35% Series BBB, due 2035	05-19-05	250,000,000	250,000,000	13,375,000
6.00% Series DDD, due 2026	06-08-06	250,000,000	250,000,000	15,000,000
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	13,375,000
4.50% Series III, due 2040	08-26-10	500,000,000	500,000,000	22,500,000
3.95% Series LLL, due 2041	11-17-11	250,000,000	250,000,000	9,875,000
4.30% Series MMM, due 2042	03-22-12	250,000,000	250,000,000	10,750,000
2.50% Series QQQ, due 2026	05-19-16	500,000,000	500,000,000	12,500,000
3.75% Series RRR, due 2047	06-08-17	400,000,000	400,000,000	15,000,000
4.15% Series SSS, due 2048	05-17-18	400,000,000	400,000,000	16,600,000
4.10% Series TTT, due 2049	05-31-19	400,000,000	400,000,000	16,400,000
3.32% Series UUU, due 2050	04-07-20	400,000,000	400,000,000	13,280,000
1.70% Series VVV, due 2030	09-28-20	800,000,000	800,000,000	13,600,000
2.95% Series WWW, due 2051	08-13-21	750,000,000	750,000,000	22,125,000
3.00% Series XXX, due 2032	03-11-22	500,000,000	500,000,000	15,000,000
3.70% Series YYY, due 2052	03-11-22	500,000,000	500,000,000	18,500,000
5.35% Series ZZZ, due 2053	03-10-23	800,000,000	800,000,000	42,800,000
4.95% Series AAAA, due 2028	08-11-23	600,000,000	600,000,000	30,112,500
5.55% Series BBBB, due 2054	03-22-24	600,000,000	600,000,000	18,777,500
5.40% Series CCCC, due 2035	03-28-25	850,000,000	850,000,000	-
Total First Mortgage Bonds:		9,800,000,000	9,800,000,000	352,882,500

Total Bonds:				352,882,500
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TOTAL LONG-TERM DEBT		9,800,000,000	9,800,000,000	352,882,500
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SAN DIEGO GAS & ELECTRIC COMPANY
FINANCIAL STATEMENT
SEPTEMBER 2025

Other Indebtedness	Date of Issue	Date of Maturity	Interest Rate	Outstanding	Interest Paid as of Q4' 2024
Commercial Paper & ST Bank Loans	Various	Various	Various	27,300,000	\$8,190,027

Amounts and Rates of Dividends Declared:

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

Preferred Stock	Shares Outstanding	2021	2022	2023	2024	2025
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
Total	-	-	-	-	-	-

Common Stock	2021	2022	2023	2024	2025
Dividend to Parent [1]	300,000,000	100,000,000	100,000,000	225,000,000	

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

ATTACHMENT C

REGULATORY CAPITALIZATION SCHEDULE

ATTACHMENT C
SAN DIEGO GAS & ELECTRIC COMPANY TOTAL REGULATORY CAPITALIZATION
SEPTEMBER 2025
(\$ Millions)

No.	Interest %	Bond	Maturity	Principal (\$ millions)
1	5.350%	SERIES BBB	5/15/35	250.0
2	6.000%	SERIES DDD	6/1/26	250.0
3	6.125%	SERIES FFF	9/15/37	250.0
4	6.000%	SERIES GGG	6/1/39	300.0
5	5.350%	SERIES HHH	5/15/40	250.0
6	4.500%	SERIES III	8/15/40	500.0
7	3.950%	SERIES LLL	11/15/41	250.0
8	4.300%	SERIES MMM	4/1/42	250.0
9	2.500%	SERIES QQQ	5/15/26	500.0
10	3.750%	SERIES RRR	6/1/47	400.0
11	4.150%	SERIES SSS	5/15/48	400.0
12	4.100%	SERIES TTT	6/15/49	400.0
13	3.320%	SERIES UUU	4/15/50	400.0
14	1.700%	SERIES VVV	10/1/30	800.0
15	2.950%	SERIES WWW	8/15/51	750.0
16	3.000%	SERIES XXX	3/15/32	500.0
17	3.700%	SERIES YYY	3/15/52	500.0
18	5.350%	SERIES ZZZ	4/1/53	800.0
19	4.950%	SERIES AAAA	8/15/28	600.0
20	5.550%	SERIES BBBB	4/15/54	600.0
21	5.400%	SERIES CCCC	4/15/35	850.0
Total First Mortgage Bonds				9,800.0
TOTAL LT-DEBT BEFORE Unamortized discounts, issue expenses & losses on reacquired debt net of tax				9,800.0
Unamortized discounts				(33.7)
Unamortized issue expenses				(65.0)
Unamortized losses on reacquired debt net of tax				(2.8)
Total Unamortized Debt (less discounts, issue expenses & losses on reacquired debt net of tax)				(101.4)
TOTAL LT-DEBT NET of Unamortized discounts, issue expenses & losses on reacquired debt net of tax				9,698.6
Equity Capital				
Common Stock Equity				11,344.1
Total Equity				11,344.1
TOTAL REGULATORY CAPITALIZATION				21,042.7