Para más detalles, llame al 1-800-311-7343

# NOTIFICATION OF SAN DIEGO GAS & ELECTRIC COMPANY'S REQUEST TO DECREASE ELECTRIC RATES FOR ITS EXPEDITED ENERGY RESOURCE RECOVERY ACCOUNT TRIGGER MECHANISM APPLICATION NO. A.19-12-001

On December 5, 2019, San Diego Gas & Electric Company (SDG&E®) filed its Expedited Energy Resource Recovery Account (ERRA) Trigger Application with the California Public Utilities Commission (CPUC) for approval to decrease electric rates. The ERRA was established by the CPUC to compare the utility's fuel and purchased power revenues against its costs.

#### **SUMMARY**

Each year SDG&E forecasts its revenues for the following year in the ERRA account. SDG&E does not earn a rate of return on these costs and only recovers actual costs. If the actual costs are lower than those forecasted, then SDG&E returns the additional revenue to customers via a rate reduction.

Assembly Bill (AB) 57 requires utilities to stay within 5% of their prior year's generation revenues. SDG&E's balance exceeded the 5% trigger as of October 31, 2019. Listed below is a rate impact for the forecasted over-collected balance as of December 2019 of \$138 million. These impacts assume the new rates will begin on March 1, 2020, to be returned over a 10-month period ending December 31, 2020.

### HOW WILL THIS APPLICATION IMPACT ELECTRIC RATES?

If the CPUC approves SDG&E's request, a typical non-CARE residential customer living in the inland climate zone and using 400 kilowatt-hours per month could see a monthly winter bill decrease of \$4.34, or 4.0%. A typical monthly electric bill could decrease from \$111.96 to \$107.60. Decreases in individual bills will also depend on how much electricity each customer uses.

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

| Customer<br>Class                    | Class<br>Average<br>Rates<br>Effective<br>06/01/19 <sup>3</sup><br>(¢/kWh) | Class Average Rates Reflecting \$165.600 Million <sup>4</sup> Decrease (¢/kWh) | Total Rate<br>Decrease<br>(¢/kWh) | Percentage<br>Rate<br>Decrease<br>(%) |
|--------------------------------------|--|--|-----------------------------------|---------------------------------------|
| Residential                          | 27.368   | 26.184   | 1.184                             | 4.33%                                 |
| Small Commercial                     | 25.305   | 24.305   | 1.000                             | 3.95%                                 |
| Medium and Large<br>C&I <sup>5</sup> | 23.045   | 21.854   | 1.191                             | 5.17%                                 |
| Agricultural                         | 17.625   | 16.782   | 0.843                             | 4.78%                                 |
| Lighting                             | 22.239   | 21.461   | 0.778                             | 3.50%                                 |
| System Total                         | 24.596   | 23.447   | 1.149                             | 4.67%                                 |

<sup>&</sup>lt;sup>1</sup> UDC rates include Department of Water Resources (DWR) Bond Charge.

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

### FOR FURTHER INFORMATION

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

| 436 H St.               | 440 Beech St.       | 336 Euclid Ave.     |
|-------------------------|---------------------|---------------------|
| Chula Vista, CA 91910   | San Diego, CA 92101 | San Diego, CA 92114 |
| 2405 E. Plaza Blvd.     | 104 N. Johnson Ave. | 644 W. Mission Ave. |
| National City, CA 91950 | El Cajon, CA 92020  | Escondido, CA 92025 |

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

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

### **CPUC PROCESS**

This application will be assigned to an Administrative Law Judge (Judge) who will determine how to receive evidence and other related documents necessary for the CPUC to establish a record upon which to base its decision. Evidentiary Hearings (EHs) may be held where parties of record will present their testimony and may be subject to cross-examination by other parties. These EHs are open to the public, but only those who are parties of record can participate.

After considering all proposals and evidence presented during the formal hearing process, the Judge will issue a proposed decision which may adopt SDG&E's proposals, modify or deny them. Any CPUC Commissioner may sponsor an alternate decision. The proposed decision, and any alternate decisions, will be discussed and voted upon at a scheduled CPUC Voting Meeting.

The Public Advocates Office (Cal PA) may review this application. Cal PA is the independent consumer advocate within the CPUC with a legislative mandate to represent investor-owned utility customers to obtain the lowest possible rate for service consistent with reliable and safe service levels. Cal PA has a multidisciplinary staff with expertise in economics, finance, accounting and engineering. For more information about Cal PA, please call (415) 703-1584, email PublicAdvocatesOffice@CPUC.ca.gov or visit Cal PA's website at PublicAdvocates.CPUC.ca.gov.

### STAY INFORMED

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

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

<sup>&</sup>lt;sup>2</sup> Commodity rates include DWR Power Charge credit.

<sup>3</sup> Rates effective 6/1/19 per Advice Letter (AL) 3377-E.

<sup>&</sup>lt;sup>4</sup> \$138 million plus Franchise Fees & Uncollectibles amortized over 10 months.

<sup>&</sup>lt;sup>5</sup> C&I stands for Commercial and Industrial.

Email: Public.Advisor@CPUC.ca.gov

Mail: CPUC

Public Advisor's Office 505 Van Ness Ave.

San Francisco, CA 94102

Call: 1-866-849-8390 (toll-free) or 1-415-703-2074

TTY 1-866-836-7825 (toll-free) or 1-415-703-5282

Please reference SDG&E's 2019 Expedited ERRA Trigger Application No. A.19-12-001 in any communications you have with the CPUC regarding this matter. All public comments will become part of the public correspondence file for this proceeding and made available for review for the assigned Judge, the Commissioners and appropriate CPUC staff.

