

SAN DIEGO GAS & ELECTRIC COMPANY
NOTICE OF FILING OF ANNUAL EARNINGS
ASSESSMENT PROCEEDING
APPLICATION NO. A.02-05-005

On May 1, 2002, San Diego Gas & Electric Company (SDG&E) filed an application with the California Public Utilities Commission (CPUC) requesting approval of approximately \$7.852 million in shareholder incentives related to the performance of Demand-Side Management (DSM) programs in 1997, Low-Income Energy Efficiency (LIEE) programs in 2000 and 2001 and for Energy Efficiency (EE) programs in 2001. SDG&E is also requesting approval to recover approximately \$0.467 million in 2001 demand reduction program (DRP) expenditures. These programs are CPUC-authorized activities helping customers to use energy more efficiently or to reduce system demand through voluntary reduction of electric usage. Approval of the shareholder award and DRP expenditures will not result in a rate increase.

The shareholder incentive award is based upon CPUC-approved formulas that determine shareholder awards and penalties depending upon the performance of SDG&E's DSM, LIEE and EE programs in promoting energy savings. SDG&E is requesting that any award amount and DRP expenditure amount approved by the Commission be recovered from existing regulatory accounts commencing January 1, 2003. This would not result in a change to gas or electric rates. Therefore, if the requested award and recovery of expenditures is approved by the Commission, there would be no impact on customers' monthly bills.

THE CPUC MAY HOLD EVIDENTIARY HEARINGS

The CPUC may hold evidentiary hearings on this application. At the hearings, SDG&E, the CPUC's independent Office of Ratepayer Advocates (ORA) and other interested parties give testimony. Parties may offer proposals to the CPUC that differ from those SDG&E presents.

After considering all evidence presented, the CPUC will issue a decision on this application. The actual award approved by the CPUC may be different from that originally requested by SDG&E.

EVIDENTIARY HEARINGS ARE OPEN TO THE PUBLIC

If you wish to participate in the evidentiary hearings and need advice on how to do so; if you would like to receive information on the location and schedule of the evidentiary hearings; or if you would like to submit written comments, please write to the CPUC's Public Advisor at the following address:

Public Advisor, California Public Utilities Commission
320 West 4th Street, Suite 500, Los Angeles, CA 90013
e-mail: public.advisor.la@cpuc.ca.gov

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Mention that you are writing about Application No. A.02-05-005. The Public Advisor will give your letter to the Commissioners, ORA staff, and the Administrative Law Judge assigned to the case. Your letter will become part of the formal correspondence file. If you have a question or need further information, please state in your letter that you would like a response. Otherwise, no reply will be sent.

FOR FURTHER INFORMATION

For further information, or to request a copy of the application and attachments, you may write to:

Joy C. Yamagata, Regulatory Manager for San Diego Gas & Electric Company, 8315 Century Park Court, San Diego, CA 92123-1550.

A copy of this application may also be inspected at the Sempra Energy headquarters located at 101 Ash Street, San Diego, CA 92101, or at the following SDG&E business offices:

436 H Street
Chula Vista, CA 91910

1720 Euclid Avenue
San Diego, CA 92105

104 North Johnson Avenue
El Cajon, CA 92020

5971 University Avenue #310
San Diego, CA 92115

320 W. Mission Avenue
Escondido, CA 92025

3910 Vista Way
Suite 105
Oceanside, CA 92054

2405 Plaza Boulevard
National City, CA 91950

2nd and Ash Street
San Diego, CA 92101

30673 Old Highway 80
Pine Valley, CA 91962

4340 Genesee Avenue #103
San Diego, CA 92117

662 Camino De Los Mares
San Clemente, CA 92673

The application may also be inspected at the CPUC offices located in San Diego at 1350 Front Street, Room 4006, San Diego, CA 92101; in Los Angeles at 320 West 4th Street, Suite 500, Los Angeles, CA 90013; and in San Francisco at 505 Van Ness Avenue, San Francisco, CA 94102.

Copies of this insert will be available for viewing and printing on the SDG&E Web site at www.sdge.com/tariff/inserts.



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U-0205 0230002 1,350M

Project History

PROJECT SPECIFICATIONS

Size: 3.5x7"

Colors: Black(SDGE)

CLIENT REVISIONS

Proofed By	Date
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Revision 1:

Revision 2:

Revision 3:

Additional charges for any Revisions listed below:

PROOFING LOG (viadesign internal use only)

Proofed By	Date
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Proof 1: Kara 5-6-02

Proof 2: First Layout. Marc 5-7-02

Proof 3: Addition of application number

Proof 4:

Proof 5:

Proof 6:

Proof 7:

Proof 8:

Proof 9:

Proof 10: