

SAN DIEGO GAS & ELECTRIC COMPANY
NOTICE OF ELECTRIC DEFAULT RATE
FOR CRITICAL PEAK PRICING
APPLICATION NO. A.05-01-017

On August 1, 2005, San Diego Gas & Electric Company (SDG&E) filed its Electric Default Rate for Critical Peak Pricing application (A.05-01-017) with the California Public Utilities Commission (CPUC or Commission), asking for approval to change certain rates for our customers. SDG&E filed this application as ordered by the CPUC in Decision 05-04-053.

The application proposes no changes to total revenue or new revenue allocations to rate classes, but does change the rate design for commercial and industrial Time-of-Use customers with a summer on-peak demand equal to or greater than 200 kW. Utility charges on your bill include revenues for transmission (the process of moving energy from one region to another), distribution (the process of delivering energy at the local level) and energy. Only energy rates are changed in this application.

EFFECT ON ELECTRIC RATES AND BILLS

If the Commission approves SDG&E's request, residential customers will not be affected. For commercial and industrial Time-of-Use customers with a summer on-peak demand equal to or greater than 200 kW, SDG&E estimates that bill impacts will range from a 10% decrease to a 10% increase depending on the amount and time of usage. SDG&E will work directly with the approximately 1,800 customers affected by the proposed changes to determine the impact on their individual bills. Customers will be able to choose to remain on their otherwise applicable TOU rate instead of moving to the default rate for critical peak pricing.

THE CPUC MAY HOLD EVIDENTIARY HEARINGS

Before acting on our application, the CPUC may hold hearings to examine evidence and hear testimony presented by SDG&E and any other interested parties, including the CPUC's Office of Ratepayer Advocates (ORA). If hearings are held, parties may offer proposals to the CPUC that differ from those we present. After considering all evidence presented, the CPUC will issue a decision. The CPUC may approve rates that differ from those we request. The actual rates may result in changes greater or less than those described in this notice.

**HEARINGS ARE OPEN TO THE PUBLIC - YOU ARE WELCOME
TO COMMENT AND TO PARTICIPATE IN THE HEARINGS**

If you wish to participate in the evidentiary hearings and need advice on how to do so, or if you would like information on the location and schedule of the hearings, please write to the CPUC's Public Advisor at the following address: Public Advisor, California Public Utilities Commission, 320 West 4th St., Suite 500, Los Angeles, CA 90013, or by e-mail to public.advisor.la@cpuc.ca.gov.

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If you cannot attend the evidentiary hearings, you may submit written comments to the CPUC at the above address. Make sure to include the application number (A.05-01-017) on your correspondence. The Public Advisor will give your letter to the Commissioners, ORA staff and the Administrative Law Judge assigned to the case, and it will become part of the formal correspondence file. If you have a question or need further information about participating, please state in your letter that you would like a response. Otherwise, no reply will be sent.

FOR FURTHER INFORMATION

Questions concerning this application may be directed to Lisa Browy, Regulatory Case Manager for SDG&E, 8330 Century Park Court CP32D, San Diego, CA 92123. SDG&E will provide a copy of the application, including attachments, upon request. The application is available electronically on SDG&E's Web site at http://www.sdge.com/regulatory/tariff/cpuc_openProceedings.shtml. A copy of the application and any amendments also may be inspected at the Sempra Energy headquarters, located at 101 Ash St., San Diego, CA 92101 or at the SDG&E business offices listed below:

436 H St. Chula Vista, CA 91910-4308	30763 Old Highway 80 Pine Valley, CA 91962-4401	662 Camino De Los Mares San Clemente, CA 92673-2827
2405 Plaza Blvd. National City, CA 91950-5101	104 N. Johnson Ave. El Cajon, CA 92020 2nd and Ash St. San Diego, CA 92101	3910 Vista Way, Ste. 105 Oceanside, CA 92054
336 Euclid Ave. Ste. 502 San Diego, CA 92113-3645	320 W. Mission Ave. Escondido, CA 92025	

SDG&E's application and attachments may also be inspected at the CPUC office located in Los Angeles at 320 West Fourth St., Suite 500, Los Angeles.

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



A  Sempra Energy utilitySM