

SAN DIEGO GAS & ELECTRIC COMPANY
NOTICE OF FILING OF DEMAND RESPONSE PROGRAM
APPLICATION NO. A.08-06-002

On June 2, 2008, San Diego Gas & Electric Company (SDG&E®) filed with the California Public Utilities Commission (CPUC or Commission) its request for authorization of demand response programs to be implemented over a three-year program cycle of 2009-2011. Demand Response programs encourage customers to reduce electricity use during peak or critical times. By doing this, customers can help manage their energy costs and help improve the reliability of the electric system. Reducing peak electric loads also helps keep costs down by limiting the need to purchase electricity when prices spike.

SDG&E is requesting approval of \$15.838 million, \$16.375 million and \$16.322 million in budgeted funds for 2009, 2010 and 2011, respectively, to fund its demand response programs. While the Commission may approve the amount requested by SDG&E in this application, or a different amount, the impact on rates will reflect SDG&E's actual expenditures. SDG&E is also requesting that the funding amounts approved by the Commission be recorded to existing regulatory accounts and recovered annually in electric distribution rates commencing January 1, 2010.

Electric rate impacts of SDG&E's proposal in years 2010, 2011 and 2012 as compared to present rates are shown in the tables inside.

(Continued inside)

San Diego Gas & Electric®
Demand Response Programs - Electric
Illustrative Electric Distribution Rate Impact
2010

Customer Class (a)	2008	2010	Change	
	¢/kWh (b)	¢/kWh (c)	¢ (d)	% (e)
Residential	5.290	5.277	-0.013	-0.2%
Small Commercial	4.450	4.440	-0.010	-0.2%
Med. & Large Commercial/Industrial	2.517	2.512	-0.005	-0.2%
Agriculture	4.413	4.403	-0.010	-0.2%
Street Lighting	6.867	6.860	-0.007	-0.1%
System Total	3.775	3.766	-0.009	-0.2%

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2011

Customer Class (a)	2008	2011	Change	
	¢/kWh (b)	¢/kWh (c)	¢ (d)	% (e)
Residential	5.290	5.281	-0.009	-0.2%
Small Commercial	4.450	4.443	-0.007	-0.2%
Med. & Large Commercial/Industrial	2.517	2.513	-0.004	-0.1%
Agriculture	4.413	4.406	-0.007	-0.2%
Street Lighting	6.867	6.862	-0.005	-0.1%
System Total	3.775	3.769	-0.006	-0.2%

**San Diego Gas & Electric
Demand Response Programs - Electric
Illustrative Electric Distribution Rate Impact
2012**

Customer Class (a)	2008	2012	Change	
	¢/kWh (b)	¢/kWh (c)	¢ (d)	% (e)
Residential	5.290	5.281	-0.009	-0.2%
Small Commercial	4.450	4.443	-0.007	-0.2%
Med. & Large Commercial/Industrial	2.517	2.513	-0.004	-0.2%
Agriculture	4.413	4.406	-0.007	-0.2%
Street Lighting	6.867	6.862	-0.005	-0.1%
System Total	3.775	3.769	-0.006	-0.2%

The monthly summer bill for a typical residential customer living in the inland climate zone using 500 kWh will change from \$70.58 at present rates to \$70.57 in 2010, \$70.57 in 2011 and \$70.57 in 2012, respectively. This represents a -0.01% resulting from the three-year program period.

THE CPUC MAY HOLD EVIDENTIARY HEARINGS

The CPUC may hold evidentiary hearings at which the parties of record present their proposals in testimony and are subject to cross-examination before an Administrative Law Judge. These hearings are open to the public, but only those who are parties of record can present evidence or cross-examine witnesses during the evidentiary hearings. After considering all evidence presented, the Commission will issue a decision. The Commission may approve expenditures that differ from those we request. The actual rates may result in changes greater or less than those described in this notice.

If you would like to participate in the hearings and need assistance, or if you would like to send comments to the Commission, you may write to the Commission's Public Advisor's Office, 320 West Fourth St., Suite 500,

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Los Angeles, CA 90013 or send an e-mail to public.advisor.la@cpuc.ca.gov. Any letters received from you will be circulated to each Commissioner and will become part of the formal correspondence file in this application. In your letter, state that your comments are regarding Application No. A.08-06-002.

FOR FURTHER INFORMATION

You may request additional information or obtain a copy of the application and related exhibits by writing to: J. Yamagata, San Diego Gas & Electric Company, 8330 Century Park Court, CP32D, San Diego, CA 92123. SDG&E's application and attachments may also be inspected at the CPUC office located at 505 Van Ness Ave., San Francisco, CA 94102. A copy of this application may be inspected at the following SDG&E business offices:

436 H St. Chula Vista, CA 91910	104 North Johnson Ave. El Cajon, CA 92020	320 West Mission Ave. Escondido, CA 92025
2405 Plaza Blvd. National City, CA 91950	336 Euclid Ave. Suite 502 San Diego, CA 92102	3485 Marron Rd. Oceanside, CA 92056
440 Beech St. San Diego, CA 92101		

The application is available electronically on SDG&E's Web site at www.sdge.com/regulatory/tariff/cpuc_openProceedings.shtml.

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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