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THE FOLLOWING NUMBER: 858-654-1766; OR
E-MAIL: MCENDEJAS@SEMPRAUTILITIES.COM; OR VISIT OUR WEB SITE
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PARA UNA VERSIÓN EN ESPAÑOL DE ESTA CIRCULAR PUEDE LLAMAR AL
858-654-1766, MANDAR UN CORREO ELECTRÓNICO A
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**AMENDED APPLICATION OF
SAN DIEGO GAS & ELECTRIC COMPANY
NOTIFICATION OF FILING OF ENERGY EFFICIENCY PROGRAM
APPLICATION NO. A.08-07-023
REPLACES ORIGINAL FILED APPLICATION 08-07-023 FILED
JULY 21, 2008 IN ITS ENTIRETY**

On March 2, 2009, San Diego Gas & Electric Company (SDG&E®) filed an amended request for approval of its 2009-2011 energy efficiency (EE) programs and budgets. The proposed filing is designed to provide energy efficiency programs and services to all SDG&E customers, help reduce their gas and electric usage and achieve the utility's energy savings and demand reduction goals established by the CPUC. SDG&E, in its amended filing, presents a CPUC mandated program scenario that incorporates revisions in response to various CPUC directives. The amended filing also presents for CPUC review a program portfolio that incorporates the utility's preferred scenario. The presentation of a preferred scenario is permitted by CPUC ruling dated October 30, 2008, in Application 08-07-021 et al. The 3-year funding levels proposed by SDG&E for the mandated and preferred scenarios are \$514.097 million and \$321.619 million, respectively.

SDG&E will adjust electric rates to reflect increased costs approved by the CPUC. The increased costs for 2010 will also include a true-up of the authorized 2009 bridge funding revenue requirement adopted in D.08-10-027 offset by a portion of any available overcollections recorded in its balancing accounts for program years prior to 2009. The remaining balancing account overcollections will be used to

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reduce the increased costs for 2011. Under the mandated scenario, electric rates will increase by \$150.441 million in 2010 and increase by \$86.432 million in 2011, as compared to present rates. Electric rates will increase by \$32.262 million in 2010 and increase by \$27.343 million as compared to present rates under the preferred scenario. The proposed rates for electric were determined by dividing the proposed electric revenues by the forecast of annual electric sales adopted by the Commission, D. 08-02-034. The table below show the 2010 through 2011 mandated and preferred electric rate impacts compared to present rates.

**San Diego Gas & Electric
Energy Efficiency – Electric
2010 Proposed Class Average Total Rates**

	Present Total Rate (¢/kWh)	2010 Proposed Total Rate (¢/kWh)	Change (¢/kWh)	(%)
Residential	18.265			
Mandated		18.942	0.677	3.7%
Preferred		18.410	0.145	0.8%
Small Comm.	18.616			
Mandated		19.700	1.084	5.8%
Preferred		18.848	0.232	1.2%
Med. & Large C&I	15.344			
Mandated		16.038	0.694	4.5%
Preferred		15.493	0.149	1.0%
Agriculture	18.079			
Mandated		19.086	1.007	5.6%
Preferred		18.294	0.215	1.2%
Lighting	15.948			
Mandated		16.590	0.642	4.0%
Preferred		16.086	0.138	0.9%
System Total	16.726			
Mandated		17.455	0.729	4.4%
Preferred		16.883	0.157	0.9%

**San Diego Gas & Electric
Energy Efficiency – Electric
2011 Proposed Class Average Total Rates**

	Present Total Rate (¢/kWh)	2011 Proposed Total Rate (¢/kWh)	Change (¢/kWh)	(%)
Residential	18.265			
Mandated		18.654	0.389	2.1%
Preferred		18.388	0.123	0.7%
Small Comm.	18.616			
Mandated		19.239	0.623	3.3%
Preferred		18.813	0.197	1.1%
Med. & Large C&I	15.344			
Mandated		15.743	0.399	2.6%
Preferred		15.470	0.126	0.8%
Agriculture	18.079			
Mandated		18.657	0.578	3.2%
Preferred		18.262	0.183	1.0%
Lighting	15.948			
Mandated		16.317	0.369	2.3%
Preferred		16.065	0.117	0.7%
System Total	16.726			
Mandated		17.145	0.419	2.5%
Preferred		16.859	0.133	0.8%

The monthly summer bill for a typical residential customer living in the inland climate zone using 500 kWh will change from \$ 73.04 at present rates to \$73.78 in 2010, and \$73.47 in 2011 under the mandated scenario. Under the preferred scenario, the monthly summer bill will change from \$73.04 at present rates to \$73.20 in 2010, and \$73.18 in 2011.

SDG&E will adjust gas rates to reflect increased costs approved by the CPUC. Under the mandated scenario, gas rates will increase by \$14.251 million in 2010 and increase by \$8.630 million in 2011, as compared to present rates. Gas rates will increase by \$4.111 million in 2010 and increase by \$3.560 million in 2011 as compared to present rates under the preferred scenario. The tables on following pages show the 2010 through 2011 gas rate impacts compared to present rates for only the proposed Public Purpose Program (PPP) surcharge portion of the total bill.

**San Diego Gas & Electric
Energy Efficiency – Gas
PPP Surcharge Class Average Rate Changes
2010**

Customer Class (a)	CARE Customers			Non-CARE Customers		
	2009 ¢/th (b)	2010 ¢/th (c)	% Change % (d)	2009 ¢/th (e)	2010 ¢/th (f)	% Change % (g)
Core						
Residential	3.641			6.673		
Mandated		4.826	32.5%		7.858	17.8%
Preferred		3.983	9.4%		7.015	5.1%
Commercial/Industrial	4.959			7.992		
Mandated		10.145	104.6%		13.178	64.9%
Preferred		6.455	30.2%		9.488	18.7%
Natural Gas Vehicle	N/A			3.408		
Mandated		N/A	N/A		3.408	0.0%
Preferred		N/A	N/A		3.408	0.0%
Noncore						
Commercial/Industrial	N/A			8.283		
Mandated		N/A	N/A		13.762	66.1%
Preferred		N/A	N/A		9.864	19.1%

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**San Diego Gas & Electric
Energy Efficiency – Gas
PPP Surcharge Class Average Rate Changes
2011**

Customer Class (a)	CARE Customers			Non-CARE Customers		
	2009	2011	% Change	2009	2011	% Change
	¢/th (b)	¢/th (c)	% (d)	¢/th (e)	¢/th (f)	% (g)
Core						
Residential	3.641			6.673		
Mandated		4.359	19.7%		7.391	10.8%
Preferred		3.937	8.1%		6.969	4.4%
Commercial/Industrial	4.959			7.992		
Mandated		8.100	63.3%		11.132	39.3%
Preferred		6.255	26.1%		9.287	16.2%
Natural Gas Vehicle	N/A			3.408		
Mandated		N/A	N/A		3.408	0.0%
Preferred		N/A	N/A		3.408	0.0%
Noncore						
Commercial/Industrial	N/A			8.283		
Mandated		N/A	N/A		11.601	40.1%
Preferred		N/A	N/A		9.652	16.5%

The average monthly residential bill of 33 therms will change from \$44.59 at present rates to \$44.98 in 2010 and \$44.83 in 2011 under the mandated scenario. Under the preferred scenario, the monthly residential bill will change from \$44.59 at present rates to \$44.70 in 2010 and \$44.69 in 2011.

SDG&E requests that the proposed gas and electric rate and revenue requirements become effective on January 1, 2010, or as soon thereafter as possible.

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 CPUC will issue a decision. The CPUC 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 CPUC, you may write to the CPUC's Public Advisor's Office, 320 West 4th St., Suite 500, Los Angeles, CA 90013 or by 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.08-07-023.

FOR FURTHER INFORMATION

You may request additional information or obtain a copy of the application and related exhibits by writing to: J. Yamagata, Regulatory Manager for SDG&E, 8330 Century Park Court, San Diego, CA 92123. SDG&E will provide a copy of the application, including testimony, upon request. A copy of the application and any amendments also may be inspected at the SDG&E business offices listed below:

436 H Street
Chula Vista, CA 91910

2405 Plaza Boulevard
National City, CA 91950

440 Beech Street
San Diego, CA 92101

104 North Johnson Avenue
El Cajon, CA 92020

336 Euclid Avenue
Suite 502
San Diego, CA 92102

320 West Mission Avenue
Escondido, CA 92025

2604 El Camino Real
Suite B
Carlsbad, CA 92008

Copies of this application are available on the SDG&E Web site at www.sdge.com/regulatory/cpuc.shtml.

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

