

SAN DIEGO GAS & ELECTRIC COMPANY
NOTICE OF PUBLIC MEETINGS
REGARDING PROPOSED RATE CHANGES
APPLICATION NO. 07-01-047

The California Public Utilities Commission (Commission) is reviewing a request by San Diego Gas & Electric Company (SDG&E®) to change certain electric rates for our customers. To justify its request, SDG&E has presented an electric rate design proposal in a formal Commission proceeding, called a "General Rate Case, Phase 2" application. SDG&E filed the initial application on January 31, 2007 and filed a supplement on May 11, 2007. In this application, various interested parties may participate and present their own testimony and legal arguments addressing SDG&E's request. The Commission's independent Division of Ratepayer Advocates will make a detailed examination and present its report to the Commission. The Commission must then determine reasonable electric rates for SDG&E in 2008. The Commission will hold Public Participation Hearings on SDG&E's application. The purpose of Public Participation Hearings is to allow the company, the interested parties and especially the Commission to hear directly from customers about electric rates.

The General Rate Case, Phase 2 application proposes no changes to total revenue collected by SDG&E because revenue increases were requested and are being considered in SDG&E's Phase 1 General Rate Case Application, A.06-12-009, filed December 8, 2006. The current application, however, proposes new revenue allocations and rate design that change how we allocate costs among our electric customers. Electric 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. Changes to both electric distribution and electric energy rates are requested in this application. This application requests no changes to gas rates.

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SDG&E'S REQUEST

If the Commission approves SDG&E's request, a typical residential customer living in the inland climate zone and using 500 kWh per month will see a monthly summer bill increase beginning in January 2008 of 7.6%, or \$5.33. A typical monthly electric bill will increase from \$70.49 to \$75.82. The percentages shown do not necessarily reflect the changes that you may see in your bill. Changes in individual bills will depend on how much energy each customer uses. Note that the typical monthly bill impacts communicated earlier this year with the January 31, 2007 filing changed as a result of the May 11, 2007 supplemental filing.

The following chart shows the electric rates changes SDG&E is requesting for 2008.

Proposed Electric Rate Change

Customer Class	Proposed Revenue Change (\$000)	Percentage Revenue Change	Proposed Average Rate Change (cents/kWh)	Percentage Rate Change
Residential	101,155	8.0%	1.32	8.0%
Small Commercial	12,928	3.7%	0.61	3.6%
Med. & Large Commercial/Industrial	(17,792)	-1.5%	(0.30)	-2.2%
Agriculture	633	4.6%	0.68	4.3%
Lighting	2,315	13.8%	2.11	13.8%
System Total	99,239	3.5%	0.49	3.3%

The system total increase reflects the revenue requirement increase requested by SDG&E in A.06-12-009, SDG&E's General Rate Case Phase 1 Application. The typical monthly residential electric bill may be further impacted by SDG&E's proposed gradual removal of residential electric rate caps in GRC Phase 2. The residential rate caps were put in place in 2001 during the California energy crisis. The typical monthly non-residential electric bill may be further impacted by SDG&E's time-sensitive rate proposals in GRC Phase 2. Time-sensitive rates charge more during periods of high electric usage and less during periods of low

electric usage. The Commission may adopt rates that differ from SDG&E's request.

PUBLIC PARTICIPATION HEARINGS

The Public Participation Hearings are scheduled for the times and places listed below. Customer Service representatives from SDG&E will be present at each site to assist with individual customer billing and service concerns. These hearings will be conducted by a Commission Administrative Law Judge, or Commissioner, with oral comments accepted from the public on the record.

The following locations are wheelchair-accessible. If you need interpreters for language or for the hard of hearing, please contact the Public Advisor's Office at the following numbers at least five working days in advance of the meeting date:

Telephone: (415) 703-2074. Toll-free: 1-866-849-8390.

TTY toll-free: 1-866-836-7825. Regular TTY (415) 703-5282.

A member of the Commission's Public Advisor's Office will be at all meetings to assist you. If you would like more advice on how to participate at these public meetings, or if you would like to submit written comments about the application, please contact:

Public Advisor

California Public Utilities Commission

320 West Fourth St., Suite 500

Los Angeles, CA 90013

Or via e-mail to Public.advisor.la@cpuc.ca.gov

You can obtain more information about this application from SDG&E by writing to Kathleen Cordova, Regulatory Affairs Department, San Diego Gas & Electric Company, 8330 Century Park Court, San Diego, CA 92123-1530.

You may also view a copy of the application on SDG&E's Web site:

http://www.sdge.com/regulatory/tariff/cpuc_openProceedings.shtml or at SDG&E's business offices.

(Continued on back)

Copies of this insert will be available for viewing and printing on the SDG&E Web site at www.sdge.com/tariff/inserts. Se llevarán a cabo audiencias públicas respecto a una propuesta de aumento de tarifas. Si desea mayor información acerca de estas audiencias, por favor llame a SDG&E al 1-800-311-7343.

HEARING DATES, TIMES & LOCATIONS

Carlsbad

Wednesday, September 5, 2007

1:30 p.m.

The Safety Center Conference Room
2560 Orion Way
Carlsbad, CA

El Cajon

Wednesday, September 5, 2007

7 p.m.

El Cajon Community Center
195 East Douglas Ave., East Room
El Cajon, CA

San Diego

Thursday, September 6, 2007

2 p.m. and 7 p.m.

Al Bahr Shriners Center, Upstairs
5440 Kearny Mesa Rd.
San Diego, CA



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