

# SAN DIEGO GAS & ELECTRIC COMPANY

## NOTICE OF FILING OF ENERGY EFFICIENCY

### APPLICATION NO. A.08-07-023

On July 21, 2008, San Diego Gas & Electric Company (SDG&E®) filed a request for approval of its 2009-2011 energy efficiency 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 in D.04-09-060. SDG&E seeks approval of funding in the amounts of \$92.040 million, \$95.621 million and \$92.508 for 2009, 2010 and 2011, respectively.

If the Commission approves the 2009-2011 energy efficiency program budgets, SDG&E will adjust electric rates to reflect authorization of increased costs. Electric rates will decrease by \$8.2 million in 2009, will increase by \$9.3 million in 2010 and increase by \$6.6 million in 2011, as compared to present rates, to fully fund the 2009-2011 authorized energy efficiency programs. 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 tables below show the 2009 through 2011 electric rate impacts compared to present rates.

#### San Diego Gas & Electric - Energy Efficiency - Electric 2009 Proposed Class Average Total Rates

	Present Total	2009 Proposed	Change	
	Rate (¢/kWh)	Total Rate (¢/kWh)	(¢/kWh)	(%)
Residential	15.491	15.437	-0.054	-0.3%
Small Comm.	15.885	15.816	-0.069	-0.4%
Med. & Large C&I	13.486	13.437	-0.049	-0.4%
Agriculture	15.565	15.494	-0.071	-0.5%
Lighting	14.631	14.606	-0.025	-0.2%
System Total	14.445	14.392	-0.053	-0.4%

#### San Diego Gas & Electric - Energy Efficiency - Electric 2010 Proposed Class Average Total Rates

	Present Total	2010 Proposed	Change	
	Rate (¢/kWh)	Total Rate (¢/kWh)	(¢/kWh)	(%)
Residential	15.491	15.569	0.078	0.5%
Small Comm.	15.885	16.010	0.125	0.8%
Med. & Large C&I	13.486	13.566	0.080	0.6%
Agriculture	15.565	15.681	0.116	0.7%
Lighting	14.631	14.711	0.080	0.5%
System Total	14.445	14.529	0.084	0.6%

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

	Present Total	2011 Proposed	Change	
	Rate (¢/kWh)	Total Rate (¢/kWh)	(¢/kWh)	(%)
Residential	15.491	15.479	-0.012	-0.1%
Small Comm.	15.885	15.866	-0.019	-0.1%
Med. & Large C&I	13.486	13.474	-0.012	-0.1%
Agriculture	15.565	15.547	-0.018	-0.1%
Lighting	14.631	14.619	-0.012	-0.1%
System Total	14.445	14.432	-0.013	-0.1%

The monthly summer bill for a typical residential customer living in the inland climate zone using 500 kWh will change from \$70.61 at present rates to \$70.55 in 2009, \$70.64 in 2010 and \$70.62 in 2011. This represents a 0.02% increase over the three-year program period.

If the Commission approves the 2009-2011 energy efficiency program budgets, SDG&E will adjust gas rates to reflect authorization of increased costs. Gas rates will increase by \$1.569 million in 2009, \$2.001 million in 2010 and, \$1.626 million in 2011, as compared to present rates, to fully fund the 2009-2011 authorized energy efficiency programs. The tables below show the 2009 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 - 2009**

Customer Class	CARE Customers			Non-CARE Customers		
	2008	2009	% Change	2008	2009	% Change
(a)	¢/th (b)	¢/th (c)	% (d)	¢/th (e)	¢/th (f)	% (g)
<b>Core</b>						
Residential	2.448	2.578	5.3%	5.002	5.132	2.6%
Commercial/ Industrial	3.244	3.816	17.6%	5.798	6.370	9.9%
Natural Gas Vehicle	N/A	N/A	N/A	2.831	2.831	0.0%
<b>Noncore</b>						
Commercial/ Industrial	N/A	N/A	N/A	6.074	6.693	10.2%

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

Customer Class	CARE Customers			Non-CARE Customers		
	2008	2010	% Change	2008	2010	% Change
(a)	¢/th	¢/th	%	¢/th	¢/th	%
	(b)	(c)	(d)	(e)	(f)	(g)
<b><u>Core</u></b>						
Residential	2.448	2.613	6.7%	5.002	5.168	3.3%
Commercial/ Industrial	3.244	3.973	22.5%	5.798	6.528	12.6%
Natural Gas Vehicle	N/A	N/A	N/A	2.831	2.831	0.0%
<b><u>Noncore</u></b>						
Commercial/ Industrial	N/A	N/A	N/A	6.074	6.863	13.0%

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

Customer Class	CARE Customers			Non-CARE Customers		
	2008	2011	% Change	2008	2011	% Change
(a)	¢/th	¢/th	%	¢/th	¢/th	%
	(b)	(c)	(d)	(e)	(f)	(g)
<b><u>Core</u></b>						
Residential	2.448	2.582	5.5%	5.002	5.137	2.7%
Commercial/ Industrial	3.244	3.836	18.3%	5.798	6.391	10.2%
Natural Gas Vehicle	N/A	N/A	N/A	2.831	2.831	0.0%
<b><u>Noncore</u></b>						
Commercial/ Industrial	N/A	N/A	N/A	6.074	6.715	10.6%

The average monthly residential bill of 33 therms will change from \$47.13 at present rates to \$47.17 in 2009, \$47.18 in 2010 and \$47.17 in 2011. This represents a 0.10% increase over the three-year program period.

SDG&E requests that the proposed gas and electric rate and revenue requirements become effective on January 1, 2009, or as soon thereafter as possible.

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## 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 4th St., Suite 500, Los Angeles, CA 90013 or by e-mail to [public.advisor.la@cpuc.ca.gov](mailto: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 St.  
Chula Vista, CA 91910

2405 Plaza Blvd.  
National City, CA 91950

440 Beech St.  
San Diego, CA 92101

104 North Johnson Ave.  
El Cajon, CA 92020

336 Euclid Ave.  
Suite 502  
San Diego, CA 92102

320 West Mission Ave.  
Escondido, CA 92025

3485 Marron Rd.  
Oceanside, CA 92056

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

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

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