

SAN DIEGO GAS & ELECTRIC COMPANY

NOTICE OF APPLICATION TO INCREASE ELECTRIC RATES APPLICATION NO. 02-11-031

On November 14, 2002, San Diego Gas & Electric Company (SDG&E) filed an Application with the California Public Utilities Commission (CPUC) to request approval for recovery of its increased electric program costs for Low Income Energy Efficiency (LIEE) and the California Alternate Rates for Energy (CARE) programs. The LIEE and CARE programs are CPUC-authorized activities designed to assist low-income customers with their energy bills. The LIEE program provides home weatherization and energy efficiency services. The CARE program provides a 20% discount on gas and electric bills for income-qualified households.

In Decision 02-09-021, issued on September 5, 2002, the CPUC adopted 2002 CARE budgets for SDG&E and instructed SDG&E to file to adjust the electric component of its CARE rate in the next appropriate proceeding, which is this Revenue Allocation Proceeding (RAP). Similarly, on October 28, the Commission issued a draft decision on SDG&E's 2003 LIEE programs that recommends an increase in its program funding and orders SDG&E to consolidate the electric rate impacts with the RAP Application. If the Commission approves this application, SDG&E will increase its total electric Public Purpose Program (PPP) revenue requirement by \$31.9 million. SDG&E requests that the proposed increase to the electric PPP rate become effective no later than April 1, 2003.

HOW THIS WOULD IMPACT CUSTOMERS' ELECTRIC RATES

If the CPUC approves the proposed electric PPP rate increase, only small users (under 100kW) of electricity on SDG&E's system will see a rate increase. This application would increase SDG&E's system average electric rates by 1.37%. The residential increase will result in a typical customer's monthly electric bill to increase

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from \$72.68 to \$74.27, or \$1.59.* The impact on each customer and customer class could vary depending on the CPUC's final decision. Under SDG&E's proposal, there will be no increase to the bills of large users (over 100 kW) as theirs will be offset by existing balancing account over collections.

*The typical bill impact above applies to an inland, non-CARE customer's summer usage of 500 kilowatt-hours of electricity.

	Current Avg Total Rates (cents/kWh)	Proposed Avg Total Rates (cents/kWh)	Change (cents/kWh)	Change (%)
Residential	15.081	15.400	0.319	2.11%
Small Commercial	16.469	16.788	0.319	1.93%
Med. & Lg. C&I	12.446	12.517	0.071	0.57%
Agriculture	15.484	15.484	0.000	0.00%
System	13.909	14.100	0.191	1.37%

THE CPUC MAY HOLD EVIDENTIARY HEARINGS

Since the Commission has already determined the CARE and LIEE program budgets, SDG&E is requesting that the Commission approve SDG&E's Application without hearings. After considering this Application, the CPUC may approve rates that differ from those we request. You may submit written comments regarding SDG&E's Application by writing to the CPUC's Public Advisor at the following address: Public Advisor, California Public Utilities Commission, 320 West Fourth Street, Suite 500, Los Angeles, CA 90013 or e-mail public.advisor.la@cpuc.ca.gov. Make sure that you specify the application number, A.02-11-031 in your letter. The Public Advisor will give your comments to the Commissioners and the Administrative Law Judge assigned to the case. Your comments will become part of the formal correspondence file in this proceeding. Also, please indicate in your letter if you would like a response. Otherwise, none will be sent.

FOR FURTHER INFORMATION

You may obtain a copy of the application and related exhibits by writing to Margee Moore, Regulatory Case Manager for San Diego Gas & Electric Company, 8330 Century Park Court CP32, San Diego, CA 92123-1550.

A copy of this application may be inspected at the Sempra Energy headquarters located at 101 Ash Street, San Diego, CA 92101, or at the following SDG&E business offices:

436 H Street
Chula Vista, CA 91910

5971 University Avenue #310
San Diego, CA 92115

2405 Plaza Boulevard
National City, CA 91950

4340 Genesee Avenue #103
San Diego, CA 92117

1720 Euclid Avenue
San Diego, CA 92105

320 W. Mission Avenue
Escondido, CA 92025

2nd and Ash Street
San Diego, CA 92101

662 Camino De Los Mares
San Clemente, CA 92673

104 North Johnson Avenue
El Cajon, CA 92020

3910 Vista Way, Suite 105
Oceanside, CA 92054

30673 Old Highway 80
Pine Valley, CA 91962

The application may also be inspected at the CPUC offices located in San Diego at 1350 Front Street, Room 4006, San Diego, CA 92101; Los Angeles at 320 West Fourth Street, Suite 500, Los Angeles, CA 90013; and at 505 Van Ness Avenue, San Francisco, CA 94102. 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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