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The Hon. Debbie-Ann Reese, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

**Re: San Diego Gas & Electric Company, 2026 Annual RSBA Rate Revision,
Docket No. ER26-____-000**

Dear Secretary Reese:

Pursuant to Section 35.13 of the Federal Energy Regulatory Commission’s (“FERC” or “Commission”) regulations,¹ San Diego Gas & Electric Company (“SDG&E”) submits revisions to its Transmission Owner (“TO”) Tariff, FERC Electric Tariff Volume No. 11, pertaining to SDG&E’s Reliability Services (“RS”) Revenue Requirement and related Rate Schedules (“RS Filing”).²

SDG&E respectfully requests that the Commission accept the proposed RS Filing to become effective January 1, 2026. The proposed effective date is consistent with Section 4 of Appendix VI to SDG&E’s TO Tariff. That Section requires SDG&E to file its annual RS rates in December—the month prior to when the RS rates are proposed to go into effect—to use the recorded balance in the RS Balancing Account (“RSBA”) as of November 30 of that year.

I. DESCRIPTION OF RSBA REVISION

Consistent with its TO Tariff, SDG&E records RS Costs in its RSBA. The RSBA ensures that SDG&E does not over-collect or under-collect RS Costs that the CAISO assesses SDG&E. Each year, SDG&E determines an RS Revenue Requirement—including the RSBA and a forecast of RS costs for the applicable service year—and develops rates to collect that amount. SDG&E bills RS rates to all End-Use Customers and its single Wholesale Customer serving load in SDG&E’s service area.

¹ 18 CFR §35.13.

² FERC Electric Tariff, Original Volume 11, Appendix V and Appendix VII. The capitalized terms have the meaning ascribed to them herein or in SDG&E’s TO Tariff.

II. PROPOSED RS REVENUE REQUIREMENT AND RATES

A. 2026 Reliability Service Costs

SDG&E's proposed 2026 RS Revenue Requirement is \$848,000, an increase of \$669,000 as compared to its currently-effective 2025 RS Revenue Requirement of \$179,000. Statement BK, Exhibit No. SD-0004 calculates the 2026 RS Revenue Requirement of \$848,000.

In Exhibit No. SD-0001, Ms. Huang explains and quantifies the components of SDG&E's 2026 RS forecasted costs. The forecasted Exceptional Dispatch costs are \$460,000 for 2025, an increase of \$305,000 compared to the 2025 forecast of \$155,000.

In Exhibit No. SD-0003, Ms. Aquino describes how the 2026 forecast costs and the RSBA balance through November 30, 2025, are used to develop the RS Revenue Requirement. Ms. Aquino also describes the allocation of the RS Revenue Requirement to SDG&E's single wholesale customer and explains how RS costs (or refunds of overcollections) are allocated to SDG&E's retail customer classes.

Exhibit No. SD-0004, Cost of Service Statements, includes the following Statements: AH, BB, BD, BG, BH, BK and BL.

B. Revised TO Tariff

SDG&E proposes to revise the following sections of its TO Tariff, provided in clean and redlined formats:

- Appendix V: Revised to reflect the 2026 Reliability Services Revenue Requirement.
- Appendix VII: Summary of Reliability Services Retail and Wholesale Transmission Rates revised to reflect 2026 rates.

III. DOCUMENTS SUBMITTED

The documents submitted with this electronic filing are this transmittal letter and the following documents:

1. Attachment No. 1, Clean Revised TO tariff sheets;
2. Attachment No. 2, Redline Revised TO tariff sheets;
3. Exhibit No. SD-0001, Testimony of Huang Lin;
4. Exhibit No. SD-0002, RS Costs Forecast;
5. Exhibit No. SD-0003, Testimony of Tiffany Aquino; and
6. Exhibit No. SD-0004, Cost Statements.

IV. REQUEST FOR WAIVER AND OTHER FILING REQUIREMENTS

SDG&E believes that the information contained in this filing provides a sufficient basis for the Commission to accept it and conforms both to general rules of applicability and to SDG&E-applicable Commission orders. Nonetheless, to the extent deemed necessary, SDG&E requests that the Commission grant any and all waivers necessary to permit the proposed rates in this RS Filing to become effective on January 1, 2026. SDG&E expressly requests that the Commission waive the 60-day notice requirement, as the Commission has done with respect to prior RS Filings, to permit SDG&E to comply with its TO Tariff requirement that SDG&E file annual RS rates in December; the month prior to when RS Rates are proposed to go into effect.³

V. SERVICE

Electronic copies are being served on Docket No. ER25-270 service list. Electronic copies are also being served on the California Public Utilities Commission and the CAISO.

VI. CORRESPONDENCE

SDG&E requests that all correspondence, pleadings, and other communications concerning this filing be served upon the following individuals:

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VII. CONCLUSION

SDG&E respectfully requests that the Commission accept and approve SDG&E's proposed RSBA rate changes, effective January 1, 2026.

Respectfully submitted,

/s/ Ross R. Fulton

Ross R. Fulton
Attorney For
SAN DIEGO GAS & ELECTRIC COMPANY

³ See *Central Hudson Gas & Electric Corporation, et al.*, 60 FERC ¶ 61,106, reh'g denied, 61 FERC ¶ 61,089 (1992), and *Prior Notice and Filing Requirements Under Part II of the Federal Power Act*, 64 FERC ¶ 61,139, clarified, 65 FERC ¶ 61,081 (1993).