

Smart Pricing Program

*Customer Outreach and Education Quarterly
Briefing - Monday, March 4, 2013*



SDG&E Business Overview

- 4,100 square miles in San Diego and southern Orange counties
- Serving 3.5 million electric and gas consumers
- 1.4 million electric and 850,000 natural gas meters
- 5,000 employees



Smart Pricing Program Foundation

Transforming to Meet Customers' Changing Needs



Smart Meter

SDG&E's implementation of the Smart Meter program allows customers real-time access to detailed energy information.



Smart Grid

To ensure Smart Meters meet their potential in providing real-time energy data, Smart Grid technology becomes essential.



Smart Solutions

Through the implementation of the Smart Meter program and the development of Smart Grid technology, SDG&E provides customers new solutions - programs, services and tools - giving them more control over their energy use.



Smart Pricing

SDG&E will introduce new pricing plan options to better meet customer needs, providing benefits based on when they use energy.

Customer Overview

Small Business & Agricultural Customers

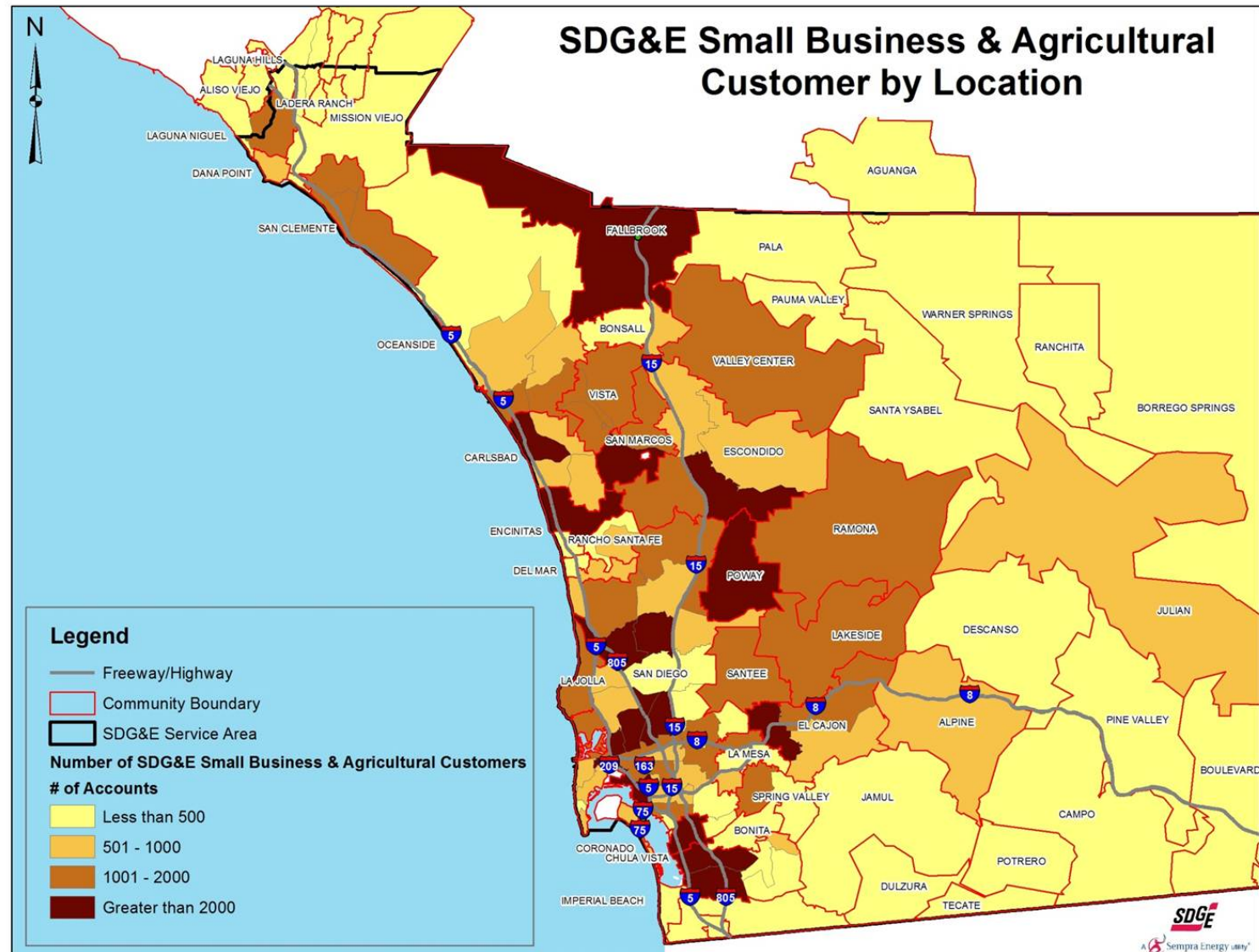
Key Statistics

Small Business (< 20kW)	Total Small Business	Small Agricultural (< 20kW)	Total Ag	Total All
Total Electric Meters	115,118	Total Electric Meters	3,388	118,506
Total Accounts	113,853	Total Accounts	3,302	117,155
Total Customers	64,787	Total Customers	2,519	67,306
Assigned Accounts*	16,477	Assigned Accounts*	394	16,871
Smart Meters Installed	114,117	Smart Meters Installed	3,184	117,301
12 Months of Smart Meter Data	95,858	12 Months of Smart Meter Data	2,675	98,533

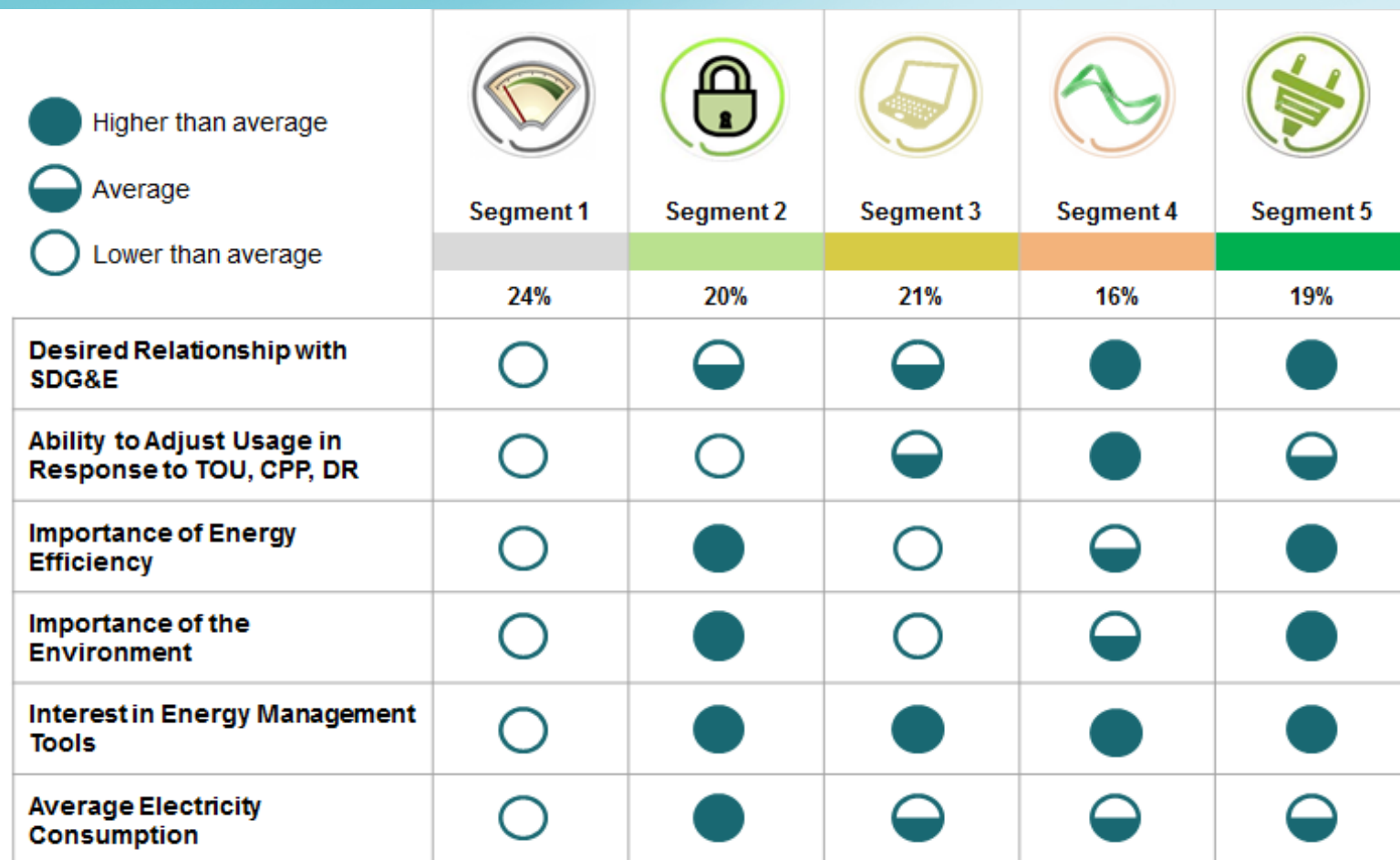
*Assigned Accounts are associated with large C&I customers who have a designated Account Executive to assist them with managing their energy use .

Note: Data as of January 2013

Small Business & Agricultural Customers By Location



Small Business & Agricultural Customers By Segment



Source: SDG&E Small Business Segmentation Study, July 2011

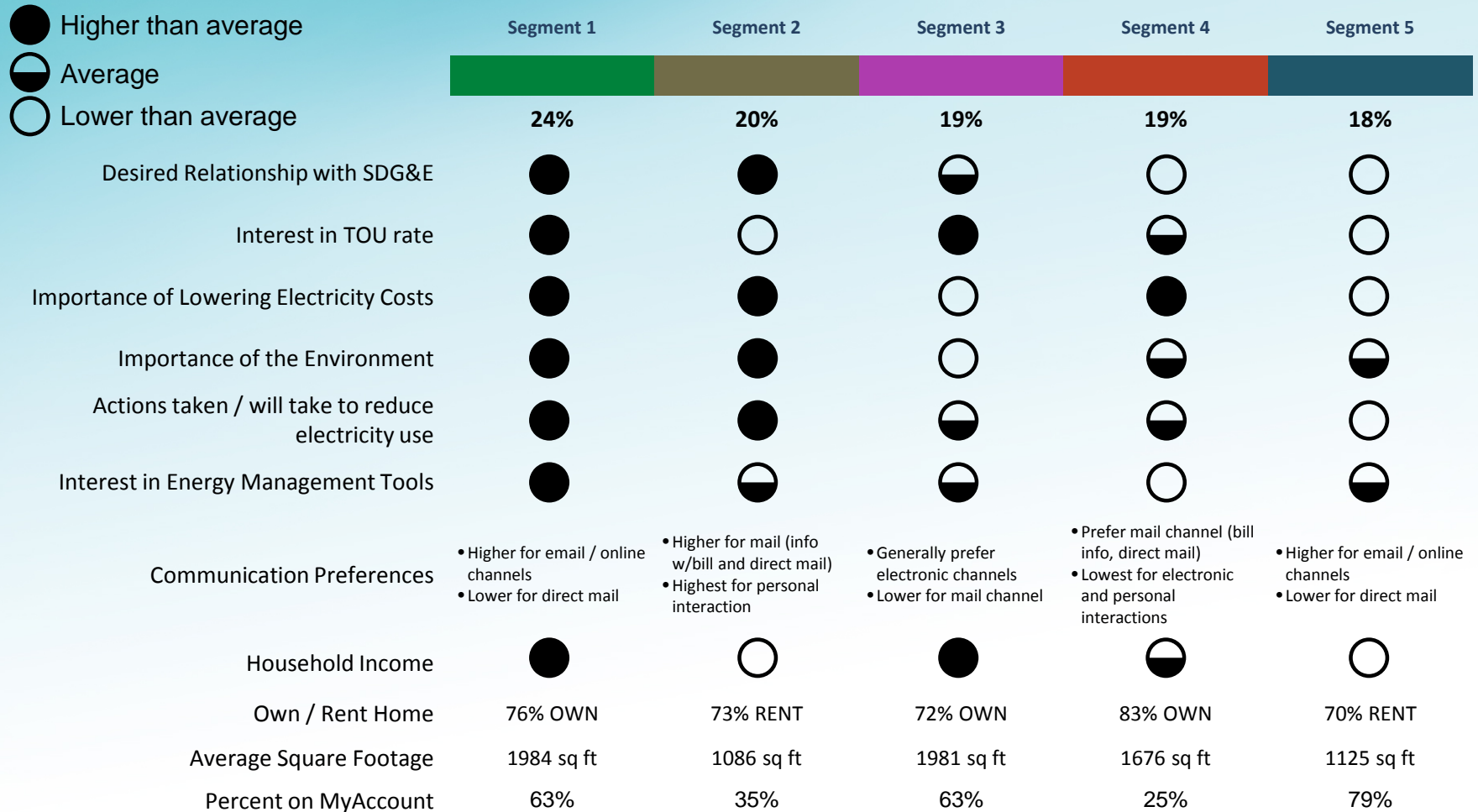
Residential Customers

Key Statistics

Residential	Total
Total Electric Meters	1,237,084
Total CARE (DRLI) Accounts	292,254
Smart Meters Installed	1,232,237
12 Months of Smart Meter Data	1,230,387

Note: Data as of January 2013

Residential Customers By Segment



Smart Pricing Program Overview

Small Business

- Objective: Ensure a **positive transition experience** for all small business and agricultural customers transitioning to new pricing plans beginning November 2014
- Strategy: Act as a trusted energy advisor by promoting the **best pricing option** that meets each business' needs

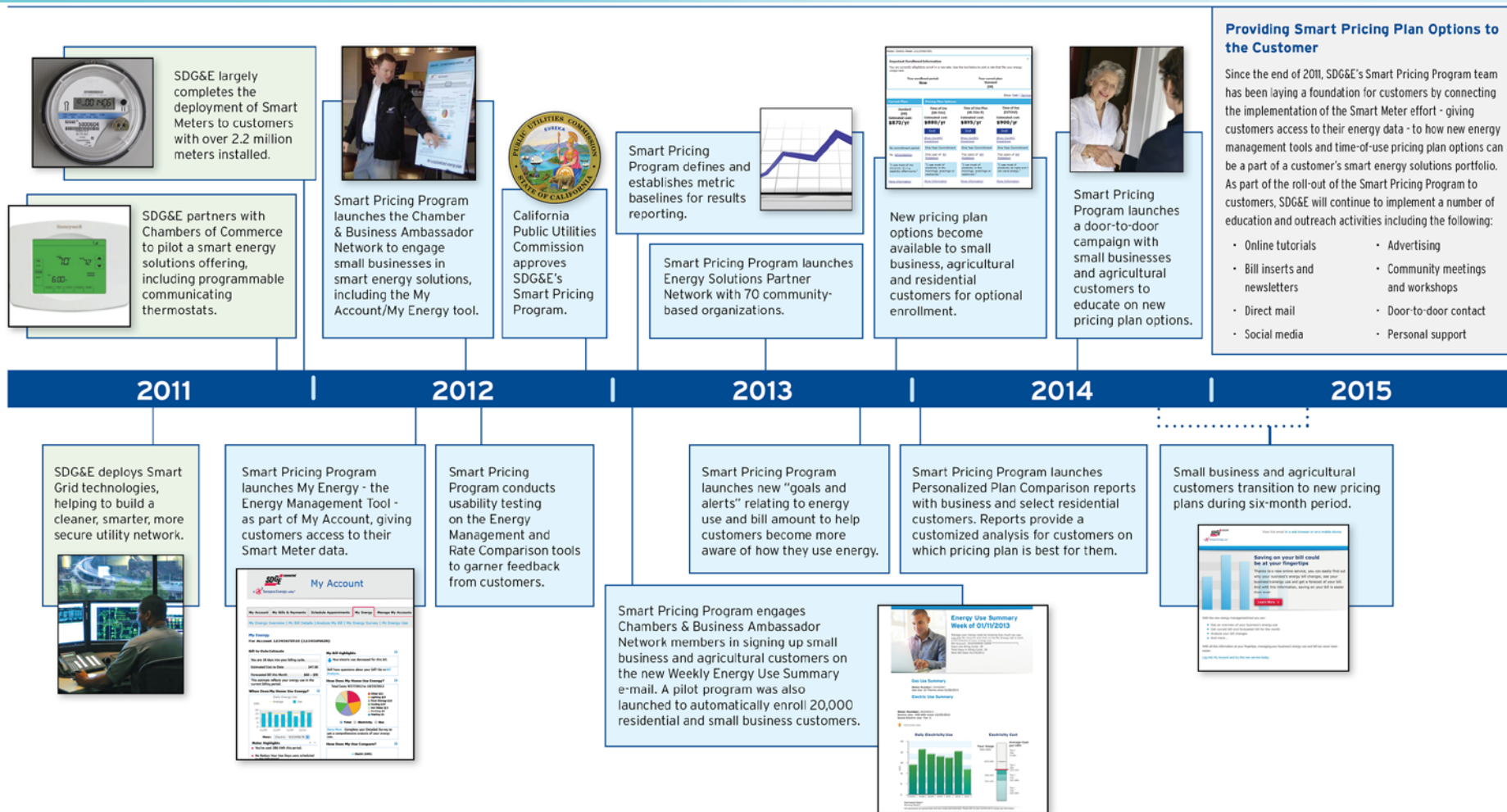
Residential

- Objective: **Encourage at least 4% of residential customers** to sign up for new pricing plans by end of 2015
- Strategy: Promote new pricing plans to customers that are **most engaged & likely to benefit**

Smart Energy Solutions



Customer Outreach and Education Activities-At-A-Glance



Metrics with Target Goals

#	Metric	Target Audience	Baseline Results	Target Results
1	Customers are aware of time-varying pricing and critical peak pricing rates.	Small Business and Agricultural Customers	Q2 2013	Q2 2014
2	Customers are aware of receiving information about new technologies that can help them manage energy use on time-varying or critical pricing tariffs.	Small Business and Agricultural Customers	Q2 2013	Q2 2014
3	Percent of small commercial customers (whose bills are likely to be increased by the largest percentage based on previous year's usage) that SDG&E customer service representatives that have directly contacted.	Defaulted Small Business and Agricultural Customers	N/A	Q2 2015
4	Customers were provided with information to make an informed decision regarding their participation in a time-varying rate.	Enrolled Small Business and Agricultural Customers	Q1 2014	Q4 2014
5	Customers understood how their monthly bill was affected by their participation on a time-varying and critical peak pricing rate.	Enrolled Small Business and Agricultural Customers	Q1 2014	Q4 2014
6/18	Customers knew they may need to manage their electricity use differently on Reduce Your Use (Critical Peak Pricing) event days or on time-varying rates. Customers understand that the reduction of the peak is dependent on customer actions on very few specific days and times.	Small Business and Agricultural Customers	Q2 2013	Q4 2014
7/16	SDG&E information and tools were informative in helping customers participate in time-varying and critical peak pricing rates. Small commercial customers agree or disagree that SDG&E tools and information enabled them to understand how their bill was impacted by the TOU rate.	Enrolled Small Business and Agricultural Customers	Q1 2014	Q4 2014

Enrolled = Small Business and Agricultural customers that have selected to optionally enroll in a new pricing plan

Defaulted = Small Business customers that have defaulted to Time of Use Plus and Agricultural customers that have defaulted to Time of Use

Metrics with Target Goals Continued

#	Metric	Target Audience	Baseline Results	Target Results
8	Customers (they or someone in their company) knew that a Reduce Your Use event was coming	Small Business and Agricultural Customers on Time of Use Plus	Q2 2013	Q4 2014
10	Percent of escalated customer complaints received of all Business Service Agreements.	Defaulted Small Business and Agricultural Customers	N/A	Q4 2014
11	Customers understand what bill protection means.	Small Business and Agricultural Customers	Q1 2014	Q4 2014
12	Customers understand that there is bill protection for the first year they are on a critical peak pricing rate.	Small Business and Agricultural Customers	Q1 2014	Q4 2014
13	Customers on time-of-day rates understand that their rate increases during certain hours of the day.	Enrolled Small Business and Agricultural Customers	Q1 2014	Q4 2015
14	Small commercial and agricultural customers understand that time of day rates are their new applicable rate and they cannot opt-out to return to their previous rate.	Defaulted Small Business and Agricultural Customers	Q1 2015	Q2 2015
15	Small commercial customers understand that if they opt-out of a critical peak pricing tariff, they will be on a time-of-day rate.	Defaulted Small Business and Agricultural Customers	Q1 2015	Q2 2015
17	Customers understand that there are peak hours during the day when demand for electricity is the greatest and the cost of providing electricity is more expensive.	Enrolled Small Business and Agricultural Customers	Q1 2014	Q4 2014
19	Customers understand that by taking action during these few specific days they can help reduce overall system costs and constraints in supplying energy (e.g. reduce the need to build or maintain rarely used power plants, reduce the risk of power interruptions etc.)	Small Business and Agricultural Customers	Q1 2014	Q4 2014

Enrolled = Small Business and Agricultural customers that have selected to optionally enroll in a new pricing plan

Defaulted = Small Business customers that have defaulted to Time of Use Plus and Agricultural customers that have defaulted to Time of Use

Tracking Metrics

#	Metric	Approach	Results Available
9	Percent increase in frequency of visits to customers' online accounts by all eligible Business Service Agreements.	In support of Metrics #2, #5, #13, #17, this metric will be utilized to track increased usage of online tools. Additional channels will also be made available for customers to obtain information.	Q2 2013

Next Steps

- Final Outreach and Education Plan will be filed March 27, 2013
- Next Quarterly Briefing in June 2013 at SDG&E's Energy Innovation Center
- Metrics
 - Establish baseline values (where applicable)
 - Determine target goals after baseline is established (where applicable)
 - Report on metrics during quarterly meetings
- Other Items

Appendix

Smart Pricing Program Regulatory Timeline

- Draft Outreach & Education Plan submitted to CPUC & Interested Parties
Monday **February 11, 2013** (within 45 days of issuance of decision)
- **First quarterly meeting** scheduled for **March 4, 2013** (within 30 days of issuance of draft plan)
- **Final Outreach & Education Plan** to be filed by **March 27, 2013** (within 90 days of issuance of decision)

Small Business & Agricultural Customers Pricing Options

Standard

- **Current** plan (flat rate) will be available until in Nov. 2014
- Cost for electricity remains the **same** throughout time of day

Time of Use

- **Optional** plan for small business and agricultural customers (Beginning Nov. 2013)
- **Default** plan for **agricultural** customers (Beginning Nov. 2014)
- Cost for electricity differs during the **time of day**
- Does not have Bill Protection

Time of Use Plus

- **Optional** plan for small business and agricultural customers (Beginning Nov. 2013)
- **Default** plan for **small business** customers (Beginning Nov. 2014)
- Cost for electricity differs during the **time of day**
- **And** an additional charge per kWh on Reduce Your Use days from 11 a.m. – 6 p.m.
- Bill Protection for first 12 months

Residential Customers

Pricing Options

Standard

- **Current** plan for most residential customers
- Cost for electricity remains the **same** throughout time of day

Time of Use

- **Optional** plan for residential customers (Beginning Nov. 2013)
- Cost for electricity differs during the **time of day**
- Does not have Bill Protection

Time of Use Plus

- **Optional** plan for residential customers (Beginning Nov. 2013)
- Cost for electricity differs during the **time of day**
- **And** an additional charge per kWh on Reduce Your Use days from 11 a.m. – 6 p.m.
- Bill Protection for first 12 months

Outreach & Education Plan Overview

Key Communication & Outreach Tactics

Communication Tactics

- Mass Media Advertising
- Online Advertising
- Website enhancements
- Videos
- Social Media
- Targeted Communication
- Bill Package
- Energy Innovation Center (demos and information brochures)
- Personalized Plan Comparison

Outreach Tactics

- Dedicated Small Business Service Advisors
- Business & Community Collaboratives
- Educational Events & Workshops
- Door-to-Door Engagement
- Quarterly Interested Parties Briefing

Partner Highlights

Partnership Promotions Highlights

Event Article: Alpine

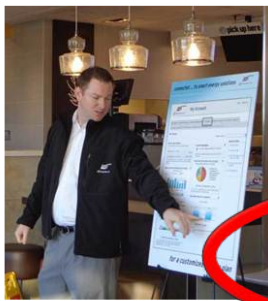
SDG&E's My Account saving customers money



Our Members

Front row: Christine Romero – Southern Indian Health Council, Nancy Kennedy – Kennedy Marketing, Ambassador Carol Morrison – Alpine Historical Society, Ambassador Sallie Brown – Mary Kay Cosmetics

Back row: Ambassador Pene Manale – Manale Media, Ambassador Ben Everhart – Comfort Keepers and Tyler Smittle – Ayres Lodge Alpine



Our Speaker

Brian Freye from San Diego Gas & Electric spoke on San Diego Gas & Electric's new "My Account" program at the new Alpine McDonalds Restaurant.

SDG&E's My Account saving customers money

ALPINE ---- Smart Meters are literally paying off for many San Diego Gas & Electric Co. customers, including members of the Alpine Mountain Empire Chamber of Commerce! Chamber members and guests explored "SDG&E ---- Smart Energy Solutions" at the Chamber's monthly Hot Topics Business Networking Breakfast on Jan. 8. It was at the new McDonald's restaurant at 2959 Alpine Blvd., a Chamber member.

Brian Freye, a project advisor for SDG&E ---- also a Chamber member, explained how the company's new electricity-monitoring Smart Meters are providing residents and businesses with new ways to save money through the company's free "My Account" program. "It's all online," Freye told the crowd. "As a result of that, we can now provide tools for you to see how you're using electricity. You can see exactly what your bill will be."

Chamber member Linda Dean, Life & Stress Management coach, was already a believer. Dean told the crowd she was shocked to discover she saved about \$300 last year by using SDG&E's "Reduce Your Use" plan. "I didn't realize it was going to be that much of a savings," Dean said later. "I think it's really important for SDG&E to let consumers know what's available for savings. I thought he (Freye) did a great job."

As part of his My Account presentation, Freye explained that SDG&E customers who sign up can track, review and analyze their energy use hourly, weekly or monthly. That allows customers to manage their energy use by turning off lights, adjusting thermostats or using appliances outside peak hours on hot days, for instance, he said.

"How much of a savings is it to use fans?" asked Sharon Haven of the Alpine Education Foundation, another Chamber member. Freye said it only costs about eight cents to use a fan for three or four hours and more than a dollar an hour to use air conditioning.

Answering questions, he and the group also discussed other money saving My Account methods as well as electricity costs for swimming pool pumps, television sets and other items. The Chamber's meetings always include a round of brief introductions and updates. Gail Ramer of Assemblyman Brian Jones' office brought everyone up to date about his activities and pending legislation to repeal the unpopular new state \$150 fire prevention fee on dwellings in wildfire prone areas. "It's (fee) not right. It's not ethical. It's not constitutional," Ramer said. "We're going to do everything we can to repeal it." For more information about SDG&E's My Account program, call 1-800-411-73443 or visit www.sdge.com. Call (619) 445-2722 for more information about the Chamber, its members and activities.

Partnership Promotions Highlights

E- Blast: San Diego North Chamber

San Diego
North
Chamber of Commerce
www.sdncc.com


This Weeks Update

San Diego North Chamber of Commerce
Building Vibrant Communities Through Stronger Commerce

In This Issue

- Business For Breakfast
- Regional Connect Mixer
- State of the Region
- Career Fair
- Chamber Travel Info Meeting
- 2013 Employment Poster
- Healthcare Reform
- SDNCC Golf Tournament
- 8 Question Survey

Partner of the Week


A Sempra Energy utility™
Saving money on your energy bill this holiday season is just a few clicks away!
click [Here](#) for more information
*This is a paid advertisement

Business for Breakfast, December 11

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USINESS4

REAKFAST



Networking breakfast and business presentation

Be a Powerful Communicator
Taking Communication to the Next Level
Presenter: [Les Thomas \(bio\)](#)

Quick Links

- [Member Benefits](#)
- [Board of Directors](#)
- [Jobs](#)
- [Welcome New Members](#)
- [Membership Directory](#)
- [San Diego Women's Week](#)
- [Chamber Annual Report](#)
- [Community Impact Report](#)

Remaining 2012 Committee Meetings

(Open to all SDNCC Members)

Partnership Promotions Highlights

E-Newsletter: Dana Point



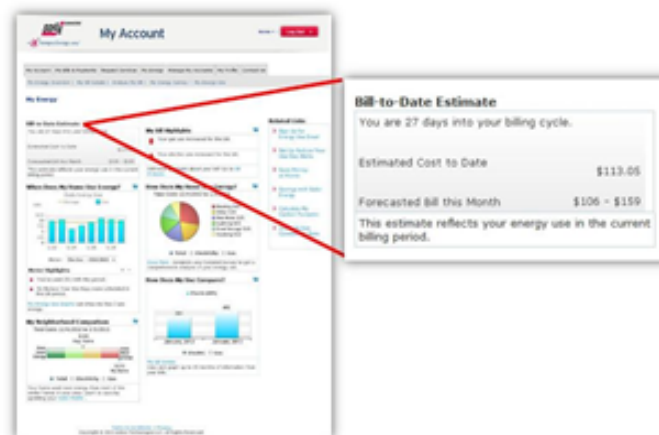
The Chamber Compass

Your weekly guide to the news & happenings of Dana Point
February 5, 2013

Take the Mystery Out of Your Monthly SDG&E Bill

Shop Local & Special Offers

Take the Mystery Out of Your Monthly SDG&E Bill



There's more to My Account than paying your bill online. SDG&E now offers a bill-to-date tool that can help you make informed decisions about your energy use.

Get a quick view of your cost-to-date and forecasted bill for the month.

Simply visit [SDG&E's website](http://sdge.com) and click on the My Energy tab for this and other tools to help you save money and energy. If you are not enrolled in My Account, it's a FREE one-stop-shop for your customized energy information in a secure, online portal! To become a my account member, just follow these easy steps:

- Go to sdge.com/ MyAccount
- Use your 10 or 11-digit account number from your SDG&E bill
- Enter the 5-digit zip code of your billing address
- Choose your own user name and password

Just one more way that SDG&E is connecting its customers to smart energy solutions