

**Para más detalles llame al 1-800-311-7343**  
**SAN DIEGO GAS AND ELECTRIC COMPANY**  
**NOTICE OF APPLICATION FILING**  
**AFFECTING ELECTRIC RATES**  
**JOINT UTILITIES APPLICATION REQUESTING**  
**APPROVAL OF A NEW PORTFOLIO ALLOCATION**  
**METHODOLOGY, NO. A. 17-04-018**

**SUMMARY**

On April 25, 2017, San Diego Gas & Electric Company (SDG&E®) filed an application with the California Public Utilities Commission (CPUC) on behalf of itself, Pacific Gas and Electric Company (PG&E) and Southern California Edison Company (SCE) (Joint Utilities) for approval to put into effect the Portfolio Allocation Methodology (PAM). The application proposes a new methodology for electric generation costs and benefits to all customers. If approved, this application will not change the overall amount of revenues collected from SDG&E customers. However, this request will eventually impact rates for certain SDG&E customer classes. The timing and impact to rates have not been determined at this time.

**ABOUT THE APPLICATION**

The current methodology distributes the purchase costs of certain energy producing resources among all utility customers. This includes those who leave bundled service to receive electricity from an alternative provider (for example, an Electric Service Provider or a Community Choice Aggregator). These customers, known as departing load customers, currently pay these costs through a Power Charge Indifference Adjustment (PCIA) and a Competition Transition Charge (CTC) as part of their rates. Under PAM, the Joint Utilities propose that the current methodology for determining who is assigned these costs be replaced with a new methodology that would establish new Portfolio Allocation Charge (PAC) and CTC rates.

Under PAM, all departing load and bundled service customers will pay an equitable portion of the actual market costs of the utility's generation portfolio based on how much was purchased on their behalf. All of these customers will also be assigned an equitable portion of the benefits associated with these resources. PAM will allocate these costs based on actual market results to more effectively protect customers from cost increases or shifts as a result of departing load.

*(Continued inside)*

If the CPUC approves this application, electric rates for certain customer classes will be impacted. However, the overall amount of revenues collected from SDG&E customers for these generation resources will not change. The timing and magnitude of changes to certain customer classes are not currently known, as PAM is not expected to be implemented until 2019, at the earliest. Rate changes will be implemented through future ratemaking proceedings and detailed rate impacts will be noticed at that time.

## FOR FURTHER INFORMATION

For further information on these proposals you may contact SDG&E's Customer Service line at 1-800-411-SDGE (7343).

You may request additional information or obtain a copy of the application and related exhibits by writing to: D.Niehaus, San Diego Gas & Electric Company, 8330 Century Park Court, CP32D, San Diego, CA 92123. SDG&E's application and attachments may also be reviewed at the CPUC's Central Files Office in San Francisco, by appointment. For more information, please contact them at [aljcentralfilesid@cpuc.ca.gov](mailto:aljcentralfilesid@cpuc.ca.gov) or (415) 703-2045. A copy of this application may also be reviewed at the following SDG&E business offices:

436 H St. Chula Vista, CA 91910	440 Beech St. San Diego, CA 92101	336 Euclid Ave. San Diego, CA 92114
2405 E. Plaza Blvd. National City, CA 91950	104 N. Johnson Ave. El Cajon, CA 92020	644 W. Mission Ave. Escondido, CA 92025

Copies of this application are on the SDG&E website at [www.sdge.com/regulatory/cpuc.shtml](http://www.sdge.com/regulatory/cpuc.shtml).

Copies of this insert will be available for viewing and printing on the SDG&E website at [www.sdge.com/billinserts/regulatory.shtml](http://www.sdge.com/billinserts/regulatory.shtml).

## CPUC PROCESS

This application will be assigned to an Administrative Law Judge (Judge) who will determine how to receive evidence and other related documents necessary for the CPUC to establish a record upon which to base its decision. Evidentiary Hearings (EHs) may be held where parties of record will present their testimony and may be subject to cross-examination by other parties. These EHs are open to the public, but only those who are parties of record can participate.

After considering all proposals and evidence presented during the formal hearing process, the assigned Judge will issue a proposed decision, which may adopt the application as proposed, modify it, or deny it. Any CPUC Commissioner may sponsor an alternate decision. The proposed decision, and any alternate decisions, will be discussed and voted upon at a scheduled CPUC Voting Meeting.

The Office of Ratepayer Advocates (ORA) may review this application on behalf of SDGE's customers. ORA is the independent consumer advocate within the CPUC with a legislative mandate to represent investor-owned utility customers to obtain the lowest possible rate for service consistent with reliable and safe service levels. ORA has a multi-disciplinary staff with expertise in economics, finance, accounting, and engineering. For more information about ORA, please call (415) 703-1584, email [ora@cpuc.ca.gov](mailto:ora@cpuc.ca.gov) or visit ORA's website at [www.ora.ca.gov/](http://www.ora.ca.gov/).

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Email: [public.advisor@cpuc.ca.gov](mailto:public.advisor@cpuc.ca.gov)

Mail: CPUC  
Public Advisor's Office  
505 Van Ness Ave.  
San Francisco, CA 94102

Call: 1-866-849-8390 (toll-free) or 1-415-703-2074

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

Please reference the **Joint Utilities' PAM application number No. A.17-04-018** in any communications with the CPUC regarding this matter. All public comments will become part of the public correspondence file for this proceeding and made available for review to the assigned Judge, the Commissioners, and appropriate CPUC staff.



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