

**SAN DIEGO GAS & ELECTRIC COMPANY'S  
NOTICE OF RATE INCREASE  
FOR DEMAND RESPONSE PROGRAMS  
APPLICATION NO. A.17-01-XXX**

On January 17, 2017, San Diego Gas & Electric Company (SDG&E<sup>®</sup>) filed an application with the California Public Utilities Commission (CPUC) requesting approval to increase rates for Demand Response (DR) Programs. If approved, these programs would be implemented over a five-year program cycle of 2018-2022. This proposal will include a CPUC mid-cycle review in 2020 to modify the programs and/or budget if necessary. SDG&E is requesting the authority to spend up to \$97.94 million during the 2018-2022 program cycle to design and implement a portfolio of DR programs.<sup>1</sup> SDG&E is also requesting that the funds spent, up to the maximum approved by the CPUC, be recorded to existing regulatory accounts and recovered annually in electric distribution rates starting January 1, 2018.

Demand response programs motivate electric customers through financial incentives to reduce their electric usage during high-demand periods and/or shift electric usage to other periods when electric demand is lower. Reducing peak electric loads helps improve reliability of the electric system and helps keep costs down by limiting the need to purchase electricity when prices spike.

*(Continued inside)*

<sup>1</sup> Revenue Requirement excludes Franchise Fees and Uncollectible (FF&U)

**SAN DIEGO GAS & ELECTRIC®  
DEMAND RESPONSE PROGRAMS -  
ILLUSTRATIVE ELECTRIC BUNDLED RATE INCREASE  
2018**

Customer Class	Current Rates (1/1/2017) ¢/kWh	Proposed Rate ¢/kWh	Increase ¢	Increase %
(a)	(b)	(c)	(d)	(e)
Residential	24.896	24.921	0.025	0.10%
Small Commercial	23.399	23.425	0.026	0.11%
Med & Lg Commercial/ Industrial	19.374	19.392	0.018	0.09%
Agriculture	17.389	17.411	0.022	0.13%
Street Lighting	19.565	19.589	0.024	0.12%
System Total	24.896	24.921	0.025	0.10%

**SAN DIEGO GAS & ELECTRIC  
DEMAND RESPONSE PROGRAMS -  
ILLUSTRATIVE ELECTRIC BUNDLED RATE IMPACT  
2019**

Customer Class	Current Rates (1/1/2017) ¢/kWh	Proposed Rate ¢/kWh	Increase ¢	Increase %
(a)	(b)	(c)	(d)	(e)
Residential	24.896	24.904	0.008	0.03%
Small Commercial	23.399	23.407	0.008	0.03%
Med & Lg Commercial/ Industrial	19.374	19.379	0.005	0.03%
Agriculture	17.389	17.396	0.007	0.04%
Street Lighting	19.565	19.573	0.008	0.04%
System Total	21.783	21.789	0.006	0.03%

**SAN DIEGO GAS & ELECTRIC  
DEMAND RESPONSE PROGRAMS -  
ILLUSTRATIVE ELECTRIC BUNDLED RATE IMPACT  
2020**

Customer Class	Current Rates (1/1/2017) ¢/kWh	Proposed Rate ¢/kWh	Increase ¢	Increase %
(a)	(b)	(c)	(d)	(e)
Residential	24.896	24.901	0.005	0.02%
Small Commercial	23.399	23.405	0.006	0.03%
Med & Lg Commercial/ Industrial	19.374	19.377	0.003	0.02%
Agriculture	17.389	17.394	0.005	0.03%
Street Lighting	19.565	19.571	0.006	0.03%
System Total	21.783	21.788	0.005	0.02%

**SAN DIEGO GAS & ELECTRIC  
DEMAND RESPONSE PROGRAMS -  
ILLUSTRATIVE ELECTRIC BUNDLED RATE IMPACT  
2021**

Customer Class	Current Rates (1/1/2017) ¢/kWh	Proposed Rate ¢/kWh	Increase ¢	Increase %
(a)	(b)	(c)	(d)	(e)
Residential	24.896	24.903	0.007	0.03%
Small Commercial	23.399	23.407	0.008	0.03%
Med & Lg Commercial/ Industrial	19.374	19.379	0.005	0.03%
Agriculture	17.389	17.395	0.006	0.03%
Street Lighting	19.565	19.573	0.008	0.04%
System Total	21.783	21.789	0.006	0.03%

**SAN DIEGO GAS & ELECTRIC  
DEMAND RESPONSE PROGRAMS -  
ILLUSTRATIVE ELECTRIC BUNDLED RATE IMPACT  
2022**

Customer Class	Current Rates (1/1/2017) ¢/kWh	Proposed Rate ¢/kWh	Increase ¢	Increase %
( a )	( b )	( c )	( d )	( e )
Residential	24.896	24.904	0.008	0.03%
Small Commercial	23.399	23.407	0.008	0.03%
Med & Lg Commercial/ Industrial	19.374	19.379	0.005	0.03%
Agriculture	17.389	17.395	0.006	0.03%
Street Lighting	19.565	19.573	0.008	0.04%
System Total	21.783	21.789	0.006	0.03%

**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: G. Anderson, 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.                      104 N. Johnson Ave.      644 W. Mission Ave.  
Chula Vista, CA 91910    El Cajon, CA 92020      Escondido, CA 92025

2405 E. Plaza Blvd.      336 Euclid Ave.              2604-B S. El Camino Real  
National City, CA 91950    San Diego, CA 92114      Carlsbad, CA 92008

440 Beech St.  
San Diego, CA 92101

Copies of this application will be 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).

**THE CPUC'S 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 may be held where utilities, consumer advocacy groups, and other entities which have been given official status as "parties" will present their testimony and may be subject to cross-examination by other parties. These evidentiary hearings are open to the public, but only those who are parties may participate. The hearings and documents submitted in the proceeding become part of the formal record that the Judge relies upon when writing a proposed decision to present to the Commissioners for their consideration.

After considering all proposals and evidence presented during the formal hearing process, the Judge will issue a proposed decision determining whether to adopt SDG&E's request, modify it, or deny it. Any of the CPUC's Commissioners may sponsor an alternate decision. The proposed decision and any alternate decisions will be discussed and voted upon at a scheduled Commission Voting Meeting.

The Office of Ratepayer Advocates (ORA) may review this application. 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).

## STAY INFORMED

If you would like to follow this proceeding, or any other issue before the CPUC, you may use the CPUC's free subscription service. Sign up at:

<http://subscribecpuc.cpuc.ca.gov/>.

If you would like to learn how you can participate in the proceeding, have informal comments, or have questions about the CPUC's processes, you may access the CPUC's Public Advisor's webpage at <http://consumers.cpuc.ca.gov/pao/>. You may also contact the Public Advisor as follows:

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

Write: Public Advisor's Office

505 Van Ness Avenue, San Francisco, CA 94102

Call: Toll free 1-866-849-8390

TTY toll free 1-866-836-7825

Please reference SDG&E Application No. A.17-01-XXX in any communications you have with the CPUC regarding this matter. All public comments will become part of the public correspondence file for this proceeding and be made available for review for the assigned Judge, the Commissioners, and appropriate CPUC staff.

