

APPENDIX E
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SAN DIEGO GAS AND ELECTRIC COMPANY
SUMMARY OF ADOPTED MARGINAL COSTS
Test Year 1989

MARGINAL ENERGY COSTS *	(\$/KWH)
Generation	2.8903
Transmission	2.9574
Distribution:	
Primary	3.0505
Secondary	3.1115

* Includes variable O&M and adj. for revenue related
tax factor (weighted avg franchise fee differential)

MARGINAL DEMAND COSTS	(\$/KW/YEAR)
Generation	74.70
Transmission	22.37
Distribution	87.09

MARGINAL CUSTOMER COSTS	(\$/CUSTOMER/YEAR)
Residential	95.17
General Service	160.93
General Service-Demand Metered	532.08
Large Time-of-Use (AL)	3140.76
Very Large Time-of-Use	13495.03
Agricultural	572.78

(\$/LAMP/YEAR)

Streetlighting 4.92

27. G.O. 156 establishes goals for SDG&E's W/MBE program and verification of W/MBEs.

28. D.87-12-066 ordered Edison to encourage W/MBE joint ventures and provide technical assistance in meeting financing and insurance requirements at competitive rates.

29. SDG&E and DRA agree on the principles to be used in preparing SDG&E's 1990 and 1991 attrition filings.

30. SDG&E's current attrition mechanism adjusts estimated plant additions for changes in escalation factors.

31. DRA excludes non-recurring and hazardous waste projects from the four-year average of plant additions used to estimate plant additions for attrition.

32. The integrated voice and data network project excluded from DRA's average of plant additions for attrition is expected to reoccur in attrition years 1990 and 1991.

33. PG&E's and Edison's adopted attrition methodology does not adjust estimated plant additions for changes in escalation rates.

34. Edison's budget for 1990 nuclear plant additions has been subject to review by DRA.

35. SDG&E's nuclear O&M expenses for 1989 and 1990 were adopted in D.87-12-066, Edison's 1988 general rate case decision.

36. All parties agreed to use DRA's marginal energy cost estimates.

37. There is no disagreement with the use of DRA's marginal demand cost methodology.

38. SDG&E agreed to the following UCAN recommendations: (1) no contingency factor for TSM costs, (2) 4% for purchasing and warehousing transformer costs, and (3) a weighted average of single-family and multi-family units for customers on schedule DR.

39. DRA's weighting of single-family and multi-family units is based on test period housing stock.