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December 9, 2011

ADVICE LETTER 2312-E-A
(U 902-E)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

**SUBJECT: PARTIAL SUPPLEMENTAL - REVISIONS TO THE DWR POWER CHARGE AND
DWR BOND CHARGE PURSUANT TO DECISION 11-12-005**

PURPOSE

In accordance with Ordering Paragraphs (OP) 1a. and 1c. of California Public Utilities Commission (Commission) Decision (D.) 11-12-005, SDG&E hereby revises its Schedule EECC, Electric Energy Commodity Cost and Schedule DWR-BC the Department of Water Resources Bond charge, to reflect the 2012 Department of Water Resources (DWR) power charge remittance rate based on SDG&E's allocation of the DWR revenue requirement adopted by D.11-12-005.

The table that illustrates the allocation of 2012 DWR revenue requirement to SDG&E and the remittance rate calculation as reference in Appendix A in D.11-12-005, was inadvertently not filed in the original filing.¹ This partial supplemental is being filed to include the table herein as Attachment B.

BACKGROUND

D.11-12-005 adopts DWR's requested 2012 Power Charges, and accordingly allocates a Power Charge to SDG&E's customers of 4.083 cents per kilowatt hour (kWh), to be effective January 1, 2012, as shown on Attachment B.

In compliance with OP 1c. of D.11-12-005, the 2012 DWR Bond Charge rate is increasing to \$.00513 per kWh from \$.00505 per kWh.

Prior to the end of this year, SDG&E intends to file an advice letter to consolidate all of its electric rate adjustments authorized to become effective January 1, 2012, including implementation of the revised DWR revenue requirement, which include the revised DWR power charge and DWR bond charge pursuant to D.11-12-005.

This filing will not create any deviations from SDG&E's tariffs, cause withdrawal of service from any present customers, or impose any more or less restrictive conditions.

¹ AL 2312-E, filed on December 7, 2011.

EFFECTIVE DATE

SDG&E believes that this filing is subject to Energy Division disposition and should be classified as Tier 1 (effective pending disposition) pursuant to GO 96-B. SDG&E respectfully requests that this filing become effective on January 1, 2012, subject to review by the Commission's Energy Division.

PROTEST

Anyone may protest this advice letter to the Commission. The protest must state the grounds upon which it is based, including such items as financial and service impacts, and should be submitted expeditiously. The protest must be made in writing and received no later than December 29, 2011, which is within 20 days of the date this advice letter was filed with the CPUC. There is no restriction on who may file a protest. The address for mailing or delivering a protest to the Commission is:

CPUC Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102

Copies of the protest should also be sent via e-mail to the attention of both Honesto Gatchallian (jnj@cpuc.ca.gov) and Maria Salinas (mas@cpuc.ca.gov) of the Energy Division. It is also requested that a copy of the protest also be sent via both e-mail and facsimile to the address shown below on the same date it is mailed or delivered to the Commission.

Attn: Megan Caulson
Regulatory Tariff Manager
8330 Century Park Court, Room 32C
San Diego, CA 92123-1548
Facsimile No. (858) 654-1879
E-mail: mcaulson@semprautilities.com

NOTICE

A copy of this filing has been served on the utilities and interested parties shown on the attached list, including interested parties in R.11-03-006, by either providing them a copy electronically or by mailing them a copy hereof properly stamped and addressed.

Address changes should be directed to SDG&E Tariffs by facsimile at (858) 654-1879 or by e-mail at SDG&ETariffs@semprautilities.com.

CLAY FABER
Director — Regulatory Affairs

Enclosures
(cc list enclosed)

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY

ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No. **SAN DIEGO GAS & ELECTRIC (U 902)**

Utility type:

ELC

GAS

PLC

HEAT

WATER

Contact Person: Christina Sondrini

Phone #: (858) 636-5736

E-mail: csondrini@semprautilities.com

EXPLANATION OF UTILITY TYPE

ELC = Electric

GAS = Gas

PLC = Pipeline

HEAT = Heat

WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: 2312-E-A

Subject of AL: Partial Supplemental - Revisions to the DWR Power Charge and DWR Bond Charge

Pursuant to Decision 11-12-005

Keywords (choose from CPUC listing): Compliance

AL filing type: Monthly Quarterly Annual One-Time Other

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:

D.11-12-005

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL

N/A

Summarize differences between the AL and the prior withdrawn or rejected AL¹:

N/A

Does AL request confidential treatment? If so, provide explanation:

N/A

Resolution Required? Yes No

Tier Designation: 1 2 3

Requested effective date: 1/1/2012

No. of tariff sheets: 0

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: N/A

Service affected and changes proposed¹: N/A

Pending advice letters that revise the same tariff sheets: N/A

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division

Attention: Tariff Unit

505 Van Ness Ave.,

San Francisco, CA 94102

mas@cpuc.ca.gov and jnj@cpuc.ca.gov

San Diego Gas & Electric

Attention: Megan Caulson

8330 Century Park Ct, Room 32C

San Diego, CA 92123

mcaulson@semprautilities.com

¹ Discuss in AL if more space is needed.

General Order No. 96-B
ADVICE LETTER FILING MAILING LIST

cc: (w/enclosures)

Public Utilities Commission

DRA

S. Cauchois
R. Pocta
W. Scott

Energy Division

P. Clanon
S. Gallagher
H. Gatchalian
D. Lafrenz
M. Salinas

CA. Energy Commission

F. DeLeon
R. Tavares

Alcantar & Kahl LLP

K. Cameron

American Energy Institute

C. King

APS Energy Services

J. Schenk

BP Energy Company

J. Zaiontz

Barkovich & Yap, Inc.

B. Barkovich

Bartle Wells Associates

R. Schmidt

Braun & Blaising, P.C.

S. Blaising

California Energy Markets

S. O'Donnell
C. Sweet

California Farm Bureau Federation

K. Mills

California Wind Energy

N. Rader

Children's Hospital & Health Center

T. Jacoby

City of Chula Vista

M. Meacham

City of Poway

R. Willcox

City of San Diego

J. Cervantes
G. Lonergan
M. Valerio

Commerce Energy Group

V. Gan

CP Kelco

A. Friedl

Davis Wright Tremaine, LLP

E. O'Neill
J. Pau

Dept. of General Services

H. Nanjo
M. Clark

Douglass & Liddell

D. Douglass
D. Liddell
G. Klatt

Duke Energy North America

M. Gillette

Dynergy, Inc.

J. Paul

Ellison Schneider & Harris LLP

E. Janssen

Energy Policy Initiatives Center (USD)

S. Anders

Energy Price Solutions

A. Scott

Energy Strategies, Inc.

K. Campbell

M. Scanlan

Goodin, MacBride, Squeri, Ritchie & Day

B. Cragg

J. Heather Patrick

J. Squeri

Goodrich Aerostructures Group

M. Harrington

Hanna and Morton LLP

N. Pedersen

Itsa-North America

L. Belew

J.B.S. Energy

J. Nahigian

Luce, Forward, Hamilton & Scripps LLP

J. Leslie

Manatt, Phelps & Phillips LLP

D. Huard

R. Keen

Matthew V. Brady & Associates

M. Brady

Modesto Irrigation District

C. Mayer

Morrison & Foerster LLP

P. Hanschen

MRW & Associates

D. Richardson

Pacific Gas & Electric Co.

J. Clark

M. Huffman

S. Lawrie

E. Lucha

Pacific Utility Audit, Inc.

E. Kelly

San Diego Regional Energy Office

S. Freedman

J. Porter

School Project for Utility Rate Reduction

M. Rochman

Shute, Mihaly & Weinberger LLP

O. Armi

Solar Turbines

F. Chiang

Sutherland Asbill & Brennan LLP

K. McCrea

Southern California Edison Co.

M. Alexander
K. Cini
K. Gansecki
H. Romero

TransCanada

R. Hunter
D. White

TURN

M. Florio
M. Hawiger

UCAN

M. Shames

U.S. Dept. of the Navy

K. Davoodi

N. Furuta

L. DeLacruz

Utility Specialists, Southwest, Inc.

D. Koser

Western Manufactured Housing

Communities Association

S. Dey

White & Case LLP

L. Cottle

Interested Parties In:

R.11-03-006

ATTACHMENT B
San Diego Gas & Electric Company
Advice Letter No. 2312-E-A
Allocation of 2012 DWR Revenue Requirement to SDG&E and Remittance Rate Calculation (ref. D.11-12-005 Appendix A)
(Dollars in millions)

Line	Description	SDG&E	Reference
1	Allocation Percentages	10.30%	Decision 05-06-060
2			
3	2004-2010 Expenses	4,163	Actuals
4	2004-2010 Revenues	4,365	Actuals
5	Amount to be collected from /(returned to) the IOU USBA	\$ (202)	Line 3 - Line 4
6			
7	2011 Expenses	264	actuals through Aug-11 then projected
8	2011 Revenues	189	actuals through Aug-11 then projected
9	Amount to be collected from /(returned to) the IOU USBA	\$ 75	Line 7 - Line 8
10			
11	Balancing Calculation		
12	December 31, 2012 Projected PCA Balance: Desired Allocation	10	
13	January 1, 2004 Starting PCA Balance: Desired Allocation	171	
14	Amount to be collected from /(returned to) the IOU USBA	\$ (161)	Line 12 - Line 13
15			
16	Fixed Transfer Payments	256	
17	2004-2011 True-up	(127)	Line 5 + Line 9
18	Starting and Ending balance True-up	(161)	Line 14
19	Cumulative True-up to be collected from/(returned to) IOU USBA	\$ (32)	Subtotal
20			
21	2012 Revenue Requirement Determination		
22	Avoidable Costs	66	2012RptRR
23	Net Non-Avoidable Costs	48	2012RptRR
24	Indifference/Acceleration Payment	(12)	
25	Gas Collateral Cost	2	2012RptRR
26	Administrative and General	2	2012RptRR
27	Other Non-Allocated Costs	-	2012RptRR
28	Surplus Revenue	-	2012RptRR
29	Interest Earnings on Fund Balance	(0)	2012RptRR
30	Balancing Transfer between IOUs [(+) is pmt, (-) is receipt]	(32)	Line 19
		\$ 74	

Rate Calculation Table: ***** 2012 RR -- 10-17-2011 Filing (with Aug-11 Actuals) *****
Based on 2012 calendar year costs (not including any return of any power account balances)

1	Revenue Requirement Allocated to IOU's Customers	\$ 74
2	DWR Delivered Energy (GWh)	1,818
3	Calendar Year Remittance Rates	40.83

Payment Calculation Table: ***** 2012 RR -- 10-17-2011 Filing (with Aug-11 Actuals) *****

1	Net Allocation	74
2	Remittances paid by IOU	74
3	Total Cash Payments made to IOU customers (line 1 - line 2)	-