

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking on the Commission's
Own Motion to Conduct a Comprehensive
Examination of Investor Owned Electric Utilities'
Residential Rate Structures, the Transition to Time
Varying and Dynamic Rates, and Other Statutory
Obligations.

Rulemaking 12-06-013
(Filed June 21, 2012)

**COMMENTS OF SAN DIEGO GAS & ELECTRIC COMPANY (U902E)
ON ENERGY DIVISION STAFF PROPOSAL FOR RESIDENTIAL RATE REFORM**

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Dated: January 31, 2014

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Order Instituting Rulemaking on the Commission's Own Motion to Conduct a Comprehensive Examination of Investor Owned Electric Utilities' Residential Rate Structures, the Transition to Time Varying and Dynamic Rates, and Other Statutory Obligations.

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**COMMENTS OF SAN DIEGO GAS & ELECTRIC COMPANY (U902E)
ON ENERGY DIVISION STAFF PROPOSAL FOR RESIDENTIAL RATE REFORM**

Pursuant to the *Amended Scoping Memo and Ruling of Assigned Commissioner* (“Scoping Memo”) and electronic ruling of Administrative Law Judge (“ALJ”) Jeanne M. McKinney, sent on January 10, 2014, San Diego Gas & Electric Company (“SDG&E”) respectfully submits its Comments on Staff Proposal for Residential Rate Reform prepared by Energy Division (“ED Proposal”). SDG&E generally supports the findings and recommendations of the ED Proposal. SDG&E also agrees with Commissioner Peevey that “the ED Proposal will play an essential role in evaluating the rate change requests being considered in this proceeding,”¹ specifically with respect to rate design proposals for post-2014.

In order to maximize the usefulness of the ED Proposal in this proceeding, SDG&E suggests herein proposed corrections to the ED Proposal limited to perceived typographical errors, factual errors or mischaracterizations of a party position consistent with the Scoping Memo. The table below provides SDG&E's proposed corrections:

¹ Amended Scoping Memo and Ruling of Assigned Commissioner, issued on January 6, 2014, at p. 4.

Corrections on Staff Proposal for Residential Rate Reform in Compliance with R. 12-06-013 and AB 327 Issued January 3, 2014

Table	Page(s)	Location	Correction		Comments
2-1	4	Footnote 3	Sep-12	Sep-13	ED incorrectly identifies the effective date for the rates. The correct effective date should be September 2013.
2-1	4	Footnote 3	No Season	Annual Average	SDG&E's rates are seasonal. These rates should be identified as annual average rates.
2-1	4	SDG&E T3 Non-CARE	34.3	33.7	This value identified is incorrect and should be listed as 33.7.
2-1	4	SDG&E T4 Non-CARE	36.3	35.7	This value identified is incorrect and should be listed as 35.7.
2-2	8	Title	SDG&E 2012	SDG&E September 2013	ED incorrectly identifies the effective date for the rates. The correct effective date should be September 2013.
2-2	8	SDG&E 2003 Rates	1/6/2003	1/1/2003	ED incorrectly identifies the effective date for the rates. The correct effective date should be January 1, 2003.
2-2	8	SDG&E Current Rates Non-CARE Tier 3	34.3	33.7	The value identified is incorrect and should be listed as 33.7 and labeled as an annual average.
2-2	8	SDG&E Current Rates Non-CARE Tier 4	36.3	35.7	The value identified is incorrect and should be listed as 35.7 and labeled as an annual average.

2-2	8	SDG&E Current Rates Non- CARE Tier 5	36.3	35.7	The value identified is incorrect and should be listed as 35.7 and labeled as an annual average.
	22, 90	Footnotes 23 and 167			The ED says that SDG&E's CARE discount is only on commodity, but it is actually on the total rate. The following text should be deleted: "and CARE discounts to the commodity rate rather than the total rate."
4-6	72	SDG&E GHG Cost	0.00343	0.00340	The value identified is incorrect and should be listed as .00340.
5-1	73-74	SDG&E Tiered Rate Proposal - Flat Demand Charge	Flat Demand Charge	Customer Charge or Basic Service Fee	The ED identifies this as a flat demand charge, but it should be identified as a customer charge or basic service fee.
5-1	73-74	SDG&E Tiered Rate Proposal - Flat Demand Charge	38.24	38.42	The value identified is incorrect and should be listed as 38.42.
6-3	81	Title	Current Rates	September 2013 Rates	ED incorrectly identifies the effective date for the rates. The correct effective date should be September 2013.
6-3	81	SDG&E Tier 3 Non- CARE	34.3	33.7	The value identified is incorrect and should be listed as 33.7 and labeled as an annual average.
6-3	81	SDG&E Tier 4 Non- CARE	36.3	35.7	The value identified is incorrect and should be listed as 35.7 and labeled as an annual average.

6-3	81	SDG&E Tier 5 Non-CARE	36.3	35.7	The value identified is incorrect and should be listed as 35.7 and labeled as an annual average.
8-5	134	+7 kWh Max Demand	≤ 7	≥ 7	The greater than sign is facing the wrong direction in the table. The table should say " ≥ 7 ".
8-5	134	Sept 2012 Row	Missing all Credits	-15.6-16.4-13.9-11.7	The table is missing all current TOU rate credits. They should be listed as "-15.6, -16.4, -13.9, and -11.7". Also, the table does not show the tier 3 credit of -2¢.
8-5	134	Step 2, +7 kW Max D	23	23.07 rounds to 23.1	The rate is rounded incorrectly and should be listed as 23.1 cents per kwh.
8-5	134	Step 3, Win Mid Pk	13.2	13.3	The rate is rounded incorrectly and should be listed as 13.3 cents per kwh.
8-6	135	Sept 2012 Row	Missing all Credits	-7.6 -5.9 -6.5-4.8	The table is missing all current TOU rate credits. The credits should be listed as "-7.6, -5.9, -6.5, and -4.8".
8-6	135	+7 kWh Max Demand	≤ 7	≥ 7	The greater than sign is facing the wrong direction in the table. The table should say " ≥ 7 ".
8-6	135	Step 4, +7 kW	24	41.7	The value identified is incorrect and should be listed as 41.7.
8-8	137	Step 1, all except cust. Charge	16.8 15.6 14.4 14.2 13.4 12.4 -5.3 -3.7 -3.0 -1.4	16.9 15.8 14.5 13.6 12.8 11.8 - 5.5 -3.8 -2.4 -8 12.4	The values identified are incorrect. The rates and credits should be listed as: 16.9, 15.8, 14.5, 13.6, 12.8, 11.8, -5.5, -3.8, -2.4, -8, and 12.4.

8-8	137	Step 2, Win Mid Pk	10.7	10.6	The rate is rounded incorrectly and should be listed as 10.6 cents per kwh.
8-8	137	Step 2, Sum Base Cred t1	-2.7	-2.6	The credit is rounded incorrectly and should be listed as -2.6 cents per kwh.
8-8	137	Step 2, Win Base Cred t1	-0.3	-0.2	The credit is rounded incorrectly and should be listed as -0.2 cents per kwh.
8-8	137	Step 2, Avg Rate	13.0	13.4	The value identified is incorrect and should be listed as 13.4 cents per kWh.
8-8	137	Step 3, Win Mid Pk	8.9	8.8	The rate is rounded incorrectly and should be listed as 8.8 cents per kWh.
8-8	137	Step 3, Avg Rate	13.6	14.2	The value identified is incorrect and should be listed as 14.2 cents per kWh.
8-8	137	Step 4, Win On Pk	8.6	8.5	The rate is rounded incorrectly and should be listed as 8.5 cents per kWh.
8-8	137	Step 4, Avg Rate	13.8	14.6	The value identified is incorrect and should be listed as 14.6 cents per kWh.
8-8	137	Step 4, Cust Charge	30.7	24.59	The value identified is incorrect and should be listed as 24.59.
8-8	137	Step 5, Avg Rate	14.2	15.2	The value identified is incorrect and should be listed as 15.2 cents per kWh.

8-9	138	Step 2, +7 kW Max D	13	23.07	The value identified is incorrect and should be listed as 23.07.
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SDG&E appreciates the opportunity to submit these Comments on the ED Proposal. The ED Proposal will be an essential tool when developing post-2014 rate design proposals.

DATED at San Diego, California, on this 31st day of January, 2014.

Respectfully submitted,

By: /s/ Thomas R. Brill

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