

SDG&E Proceedings Involving Residential Rate Design Issues *

| Residential Rate Design Issues | Proposed Proceeding |
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| <ul style="list-style-type: none"> a) Time-of-Use (TOU) period changes. b) Baseline allowance reductions. c) Move recovery of California Solar Initiative (CSI) and Self Generation Incentive Program (SGIP) costs from distribution to Public Purpose Programs (PPP) rate component. | SDG&E Rate Design Window, A.14-01-027 (filed on January 31, 2014, effective January, 2015) |
| <ul style="list-style-type: none"> a) 4-tiered rate proposal for non-California Alternate Rates for Energy (CARE), with revised tier differentials. b) Revisions to CARE discount consistent with Assembly Bill (AB) 327. c) How should future revenue requirement changes be allocated to each tier prior to the issuance of a Phase 1 decision? | Phase 2 of R.12-06-013, effective summer 2014 |
| <ul style="list-style-type: none"> a) Residential rate structure for 2015 and a year-by-year glide path to 2018. May include revisions to tiered rate structure, further transitioning of effective CARE discount within the 30-35% range, fixed charge, default and opt-in TOU rates, analysis by season and geographic region, and Family Electric Rate Assistance (FERA) and medical baseline program changes that may result from tier consolidation. b) Greenhouse Gas costs in rates. c) Impacts of rate design changes on and coordination with other Commission demand-side management programs. d) Customer education and outreach plan, and bill simplification. e) Formulaic approach to reduce tier differentials and to escalate fixed charges in the future. | Phase 1 of R.12-06-013, effective January 2015 and thereafter |
| CARE rate restructuring | Subsequent Phase of R.12-06-013 |
| Net Energy Metering (NEM)-related rate design issues. | An appropriate CPUC proceeding dedicated to evaluating the NEM program post-AB 327. |

* The information set forth herein is based on current information and analysis, but is subject to change as circumstances may warrant in the future.