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)

## PROOF OF RULE 3.2 COMPLIANCE OF SUPPLEMENTAL FILING OF SAN DIEGO GAS & ELECTRIC COMPANY (U 902E) FOR PHASE 1 RATE CHANGE PROPOSALS

Thomas R. Brill Attorney for: SAN DIEGO GAS AND ELECTRIC COMPANY 8330 Century Park Ct. San Diego, CA 92123-1530 Telephone: (858) 654-1601 Facsimile: (858) 654-1586 E-mail: TBrill@semprautilities.com

April 10, 2014

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)

## PROOF OF RULE 3.2 COMPLIANCE OF SUPPLEMENTAL FILING OF SAN DIEGO GAS & ELECTRIC COMPANY (U 902E) FOR PHASE 1 RATE CHANGE PROPOSALS

Pursuant to Rule 3.2 of the Commission's Rules of Practices and Procedures, San

Diego Gas & Electric Company (SDG&E) hereby submits evidence of its compliance with

Rule 3.2, as follows:

1. Attachment A, which contains SDG&E's proof of service of the Notice of Availability

for Supplemental Filing of San Diego Gas & Electric Company (U 902E) for Phase 1 Rate Change Proposals, Rulemaking 12-06-013, on the applicable state, county and municipal government agencies in accordance with Rule 3.2(b);

- Attachment B, which contains SDG&E's proof of posting of the Notice of Availability of Supplemental Filing of San Diego Gas & Electric Company (U 902E) for Phase 1 Rate Change Proposals, Rulemaking 12-06-013 for public viewing at SDG&E's business offices;
- 3. Attachment C, which contains SDG&E's proof of newspaper publications of the *Notice* of Availability of Supplemental Filing of San Diego Gas & Electric Company (U 902E)

*for Phase 1 Rate Change Proposals, Rulemaking 12-06-013* in accordance with Rule 3.2(c); and

 Attachment D, which contains SDG&E's Notification of Supplemental Filing of San Diego Gas & Electric Company (U 902E) for Phase 1 Rate Change Proposals,

Rulemaking 12-06-013, in accordance with Rule 3.2(d), as well as a Declaration

demonstrating SDG&E's timely compliance with Rule 3.2(d).

Respectfully submitted this 10th day of April 2014.

Respectfully submitted,

By: <u>/s/ Thomas R. Brill</u> Thomas R. Brill Attorney for: SAN DIEGO GAS & ELECTRIC COMPANY 8330 Century Park Ct. San Diego, CA 92123-1530 Telephone: (858) 654-1601 Facsimile: (858) 654-1586 E-mail: <u>TBrill@semprautilities.com</u>

# ATTACHMENT A

Proof of Service on Applicable State, County and Municipal Government Agencies

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)

## NOTICE OF AVAILABILITY

## Supplemental Filing of San Diego Gas & Electric Company (U 902 E) for Phase 1 Rate Change Proposals

Pursuant to PUC Code §454, the Commission's Rules of Practice and Procedure Rule 2.1-2.3 and 3.2, the Assigned Commissioner's Ruling (ACR) issued in Rulemaking 12-06-013 on October 25, 2013, and Assembly Bill 327 (AB 327), San Diego Gas & Electric Company (U 902-E) (SDG&E) submits this *Supplemental Filing for Phase 1 Rate Change Proposals*. The Rate Change Proposals set forth herein are designed to comply with the guidance provided in the ACR as well as AB 327, consistent with the Rate Design Principles that were previously adopted in this proceeding SDG&E's proposals for post-2014 rates, including proposed rates for January 1, 2015 implementation as well as a roadmap for rate design changes through 2018, are set forth in this supplemental filing. Consistent with the ACR, SDG&E also presents responses to the questions posed in the ACR as attachments to the testimony that is being submitted with this supplemental filing. SDG&E proposes the following:

- To transition from its current 4-tiered structure to a 2-tiered structure beginning in 2015;
- Rate design changes that would gradually move the two tiers closer together from 2015-2018 until a 20% tier differential is reached;
- Default time-of-use (TOU) pricing for residential customers to be implemented in 2018 on an un-tiered basis with a baseline credit (under circumstances that provide customer education, and one year of bill protection during which the total amount paid by the residential customer for electric service will not exceed the amount that would have been paid by the residential customers under that customer's previous rate schedule), with the choice for customers to opt out of a tiered rate option presented as a flat rate with a baseline credit;
- A Monthly Service (MSF) that would be introduced beginning January 2015 to replace the minimum bill charge that currently exists that will gradually increase over time until it reaches \$10 per residential customer account per month for non-California Alternate Rates for Energy (CARE) customers, when it will be adjusted by no more than the annual increase in the Consumer Price Index (CPI);
- Adoption of a MSF for CARE customers, but at a discounted rate from the monthly service fee charged to non-CARE customers beginning in 2015 (the monthly service fee for CARE customers will be gradually phased in until it reaches \$5 per residential customer account per month and will be adjusted by the annual percentage increase in CPI thereafter);
- To increase the minimum bill charge for master metered customers beginning in 2015, with no changes for CARE customers with the exception of an annual CPI adjustment that will be implemented beginning in 2016 for both non-CARE and CARE master metered customers;

- To offer the CARE discount as a line item beginning in 2015 to gradually reduce the effective CARE discount percentage until the effective discount reaches 34% for residential CARE and 35% for both small commercial and medium and large Commercial and Industrial CARE customers;
- Optional TOU rates for residential customers beginning in 2015 with a demand differentiated monthly service fee that takes into account the size of a customer's non-coincident demand, or individual customer demand, rather than the flat monthly service fee described above;
- An experimental TOU pilot to study the impact of shorter on peak periods; and
- To provide assistance for medical baseline customers through a transparent subsidy separate from the rates to mitigate potential impacts on the medical baseline program.

Consistent with the ACR, SDG&E presents illustrative rates based on two scenarios; (a) no additional revenue requirement change, and (b) revenue requirements increased by 2.1% per year. The proposals SDG&E is making have ben car4efully designed to comply with the requirements of AB 327, guidance provided in the ACR, and the Rate Design Principles that were previously adopted in this proceeding. The filing and testimony can be found on the following sites:

http://sdge.com/proceedings.

http://sdge.com/regulatory-notices.

A copy of the documents described above will be provided immediately upon the written request of the party receiving this notice. All requests should be directed to:

Jamie York Regulatory Case Administrator San Diego Gas & Electric Company 8330 Century Park Court, CP32D San Diego, CA 92123 Phone: 858-654-1739 E-Mail: JYork@semprautilities.com

> Thomas R. Brill Attorney for SAN DIEGO GAS & ELECTRIC COMPANY 8330 Century Park Court, CP32E San Diego, CA 92123 858-654-1601(Telephone) <u>TBrill@semprautilities.com</u>

February 28, 2014

## **CERTIFICATE OF SERVICE**

I hereby certify that a copy of the NOTICE OF AVAILABILITY OF THE SUPPLEMENTAL FILING OF SAN DIEGO GAS AND ELECTRIC COMPANY (U902M) FOR PHASE 1 RATE CHANGE PROPOSALS have been served on the city, counties and government offices as described in Rule 3.2 of the Commission's Rules of Practice and Procedure..

Dated at San, Diego, California this 28th day of February 2014. /Billie Overturf

State of California Attorney General's Office P.O. Box 944255 Sacramento, CA 94244-2550

Naval Facilities Engineering Command Navy Rate Intervention 1314 Harwood Street SE Washing Navy Yard, DC 20374

City of Carlsbad Attn. City Attorney 1200 Carlsbad Village Drive Carlsbad, CA 92008-19589

City of Chula Vista Attn. City Attorney 276 Fourth Ave Chula Vista, Ca 91910-2631

City of Dana Point Attn. City Attorney 33282 Golden Lantern Dana Point, CA 92629

City of Del Mar Attn. City Clerk 1050 Camino Del Mar Del Mar, CA 92014

City of Encinitas Attn. City Attorney 505 S. Vulcan Ave. Encinitas, CA 92024

City of Escondido Attn. City Attorney 201 N. Broadway Escondido, CA 92025

City of Imperial Beach Attn. City Clerk 825 Imperial Beach Blvd Imperial Beach, CA 92032

City of Laguna Beach Attn. City Clerk 505 Forest Ave Laguna Beach, CA 92651 State of California Attn. Director Dept of General Services PO Box 989052 West Sacramento, CA 95798-9052

Alpine County Attn. County Clerk 99 Water Street, P.O. Box 158 Markleeville, CA 96120

City of Carlsbad Attn. Office of the County Clerk 1200 Carlsbad Village Drive Carlsbad, CA 92008-19589

City of Coronado Attn. Office of the City Clerk 1825 Strand Way Coronado, CA 92118

City of Dana Point Attn. City Clerk 33282 Golden Lantern Dana Point, CA 92629

City of El Cajon Attn. City Clerk 200 Civic Way El Cajon, CA 92020

City of Encinitas Attn. City Clerk 505 S. Vulcan Ave. Encinitas, CA 92024

City of Fallbrook Attn. City Clerk 233 E. Mission Road Fallbrook, CA 92028

City of Imperial Beach Attn. City Attorney 825 Imperial Beach Blvd Imperial Beach, CA 92032

City of Laguna Beach Attn. City Attorney 505 Forest Ave Laguna Beach, CA 92651 United States Government General Services Administration 300 N. Los Angeles Los Angeles, CA 90012

Borrego Springs Chamber of Commerce Attn. City Clerk 786 Palm Canyon Dr PO Box 420 Borrego Springs CA 92004-0420

City of Chula Vista Attn: Office of the City Clerk 276 Fourth Avenue Chula Vista, California 91910-2631

City of Coronado Attn. City Attorney 1825 Strand Way Coronado, CA 92118

City of Del Mar Attn. City Attorney 1050 Camino Del Mar Del Mar, CA 92014

City of El Cajon Attn. City Attorney 200 Civic Way El Cajon, CA 92020

City of Escondido Attn. City Clerk 201 N. Broadway Escondido, CA 92025

City of Fallbrook Attn. City Attorney 233 E. Mission Road Fallbrook, CA 92028

Julian Chamber of Commerce P.O. Box 1866 2129 Main Street Julian, CA

City of Laguna Niguel Attn. City Attorney 30111 Crown Valley Parkway Laguna Niguel, California 92677 City of Laguna Niguel Attn. City Clerk 30111 Crown Valley Parkway Laguna Niguel, California 92677

City of La Mesa Attn. City Clerk 8130 Allison Avenue La Mesa, CA 91941

City of Mission Viejo Attn: City Clerk 200 Civic Center Mission Viejo, CA 92691

City of National City Attn. City Attorney 1243 National City Blvd National City, CA 92050

County of Orange Attn. County Counsel P.O. Box 1379 Santa Ana, CA 92702

City of Poway Attn. City Attorney P.O. Box 789 Poway, CA 92064

City of Rancho San Diego - Jamul Attn. City Clerk 3855 Avocado Blvd. Suite 230 La Mesa, CA 91941

City of San Diego Attn. Mayor 202 C Street, 11<sup>th</sup> Floor San Diego, CA 92101

County of San Diego Attn. County Counsel 1600 Pacific Hwy San Diego, CA 92101

City of San Marcos Attn. City Attorney 1 Civic Center Dr. San Marcos, CA 92069 City of Lakeside Attn. City Clerk 9924 Vine Street Lakeside CA 92040

City of Lemon Grove Attn. City Clerk 3232 Main St. Lemon Grove, CA 92045

City of Mission Viejo Attn: City Attorney 200 Civic Center Mission Viejo, CA 92691

City of Oceanside Attn. City Clerk 300 N. Coast Highway Oceanside, CA 92054-2885

County of Orange Attn. County Clerk 12 Civic Center Plaza, Room 101 Santa Ana, CA 92701

City of Ramona Attn. City Clerk 960 Main Street Ramona, CA 92065

City of San Clemente Attn. City Clerk 100 Avenida Presidio San Clemente, CA 92672

County of San Diego Attn. County Clerk P.O. Box 121750 San Diego, CA 92101

City of San Diego Attn. City Clerk 202 C Street, 2<sup>nd</sup> Floor San Diego, CA 92101

City of Santee Attn. City Clerk 10601 Magnolia Avenue Santee, CA 92071 City of La Mesa Attn. City Attorney 8130 Allison Avenue La Mesa, CA 91941

City of Lemon Grove Attn. City Attorney 3232 Main St. Lemon Grove, CA 92045

City of National City Attn. City Clerk 1243 National City Blvd National City, CA 92050

City of Oceanside Attn. City Attorney 300 N. Coast Highway Oceanside, CA 92054-2885

City of Poway Attn. City Clerk P.O. Box 789 Poway, CA 92064

City of Ramona Attn. City Attorney 960 Main Street Ramona, CA 92065

City of San Clemente Attn. City Attorney 100 Avenida Presidio San Clemente, CA 92672

City of San Diego Attn. City Attorney 1200 Third Ave. Suite 1620 San Diego, CA 92101

City of San Marcos Attn. City Clerk 1 Civic Center Dr. San Marcos, CA 92069

City of Santee Attn. City Attorney 10601 Magnolia Avenue Santee, CA 92071 City of Solana Beach Attn. City Attorney 635 S. Highway 101 Solana Beach, CA 92075

City of Vista Attn. City Attorney 200 Civic Center Drive, Bldg. K Vista, CA 92084 Spring Valley Chamber of Commerce Attn. City Clerk 3322 Sweetwater Springs Blvd, Ste. 202 Spring Valley, CA 91977-3142

City of Vista Attn. City Clerk 200 Civic Center Drive Vista, CA 92084 Valley Center Chamber of Commerce Attn. City Clerk P.O. Box 8 Valley Center, CA 92082

City of Aliso Viejo 12 Journey Aliso Viejo, CA 92656

# ATTACHMENT B

Proof of Posting in Applicable Business Offices



Date: March 3, 2014

From: **Billie** Overturf R.12-06-013

## PUBLIC INSPECTION OF SUPPLEMENTAL FILING

Enclosed are copies of San Diego Gas & Electric Company's Supplemental Filing in R.12-06-013; California Public Utilities Commission Rulemaking, 12-06-013 for Phase 1 Rate Change Proposals. California Public Utilities Commission regulations require that this filing be available for public inspection at each of these offices until further notice. Please see that this filing continues to be made available upon request to members of the public. Please feel free to contact me if you have any questions.

436 H St. Chula Vista, CA 91910

2405 E. Plaza Blvd. National City, CA 91950 440 Beech St. San Diego, CA 92101

336 Euclid Ave. 2 San Diego, CA 92102

Escondido CA 92025

644 W Mission Ave

104 N Johnson Ave. El Cajon, CA 92020

2604 S El Camino Real Carlsbad, CA 92008

<u>M.Rodrigues</u> 3/5/14 Signature Date <u>MaryLoy Rodriguez</u> Prindvame



Date: March 3, 2014

From: **Billie** Overturf

## R.12-06-013

## PUBLIC INSPECTION OF SUPPLEMENTAL FILING

Enclosed are copies of San Diego Gas & Electric Company's Supplemental Filing in R.12-06-013; California Public Utilities Commission Rulemaking, 12-06-013 for Phase 1 Rate Change Proposals. California Public Utilities Commission regulations require that this filing be available for public inspection at each of these offices until further notice. Please see that this filing continues to be made available upon request to members of the public. Please feel free to contact me if you have any questions.

436 H St. Chula Vista, CA 91910

2405 E. Plaza Blvd. National City, CA 91950

440 Beech St. San Diego, CA 92101

336 Euclid Ave. 2 San Diego, CA 92102 2604 S El Camino Real

Carlsbad, CA 92008

104 N Johnson Ave.

El Cajon, CA 92020

644 W Mission Ave Escondido CA 92025

<u>M. Rodrigvez</u> 3/5/14 Signature Date <u>Moryloy Rodrigvez</u> Print Name



Date: March 3, 2014

R.12-06-013

From: **Billie** Overturf

## PUBLIC INSPECTION OF SUPPLEMENTAL FILING

Enclosed are copies of San Diego Gas & Electric Company's Supplemental Filing in R.12-06-013; California Public Utilities Commission Rulemaking, 12-06-013 for Phase 1 Rate Change Proposals. California Public Utilities Commission regulations require that this filing be available for public inspection at each of these offices until further notice. Please see that this filing continues to be made available upon request to members of the public. Please feel free to contact me if you have any questions.

436 H St. Chula Vista, CA 91910

2405 E. Plaza Blvd. National City, CA 91950 → 440 Beech St. San Diego, CA 92101

336 Euclid Ave. 2 San Diego, CA 92102 2604 S El Camino Real

Carlsbad, CA 92008

104 N Johnson Ave.

El Cajon, CA 92020

644 W Mission Ave Escondido CA 92025

<u>M. Rodriguez</u> 315/14 Signature Date <u>Marylou Rodrigvez</u> Print Name



Date: March 3, 2014

R.12-06-013

From: Billie Overturf

## PUBLIC INSPECTION OF SUPPLEMENTAL FILING

Enclosed are copies of San Diego Gas & Electric Company's Supplemental Filing in R.12-06-013; California Public Utilities Commission Rulemaking, 12-06-013 for Phase 1 Rate Change Proposals. California Public Utilities Commission regulations require that this filing be available for public inspection at each of these offices until further notice. Please see that this filing continues to be made available upon request to members of the public. Please feel free to contact me if you have any questions.

436 H St. Chula Vista, CA 91910

2405 E. Plaza Blvd. National City, CA 91950 440 Beech St. San Diego, CA 92101

336 Euclid Ave. 2 San Diego, CA 92102

644 W Mission Ave Escondido CA 92025

104 N Johnson Ave. El Cajon, CA 92020

2604 S El Camino Real Carlsbad, CA 92008

MRodriguez 3/5/14 Signature Date <u>MaryLou Rodriguez</u> Print Name



Date: March 3, 2014

R.12-06-013

From: Billie Overturf

## PUBLIC INSPECTION OF SUPPLEMENTAL FILING

Enclosed are copies of San Diego Gas & Electric Company's Supplemental Filing in R.12-06-013; California Public Utilities Commission Rulemaking, 12-06-013 for Phase 1 Rate Change Proposals. California Public Utilities Commission regulations require that this filing be available for public inspection at each of these offices until further notice. Please see that this filing continues to be made available upon request to members of the public. Please feel free to contact me if you have any questions.

436 H St. Chula Vista, CA 91910

2405 E. Plaza Blvd. National City, CA 91950 440 Beech St. San Diego, CA 92101

336 Euclid Ave. 2 San Diego, CA 92102 2604 S El Camino Real

104 N Johnson Ave.

El Cajon, CA 92020

Carlsbad, CA 92008

644 W Mission Ave Escondido CA 92025

<u>3/1</u>5/14 Date MRodrigvez/ Signature MARJLOU RODRIEVEZ

Print Name



Date: March 3, 2014

R.12-06-013

From: Billie Overturf

## PUBLIC INSPECTION OF SUPPLEMENTAL FILING

Enclosed are copies of San Diego Gas & Electric Company's Supplemental Filing in R.12-06-013; *California Public Utilities Commission Rulemaking, 12-06-013 for Phase 1 Rate Change Proposals.* California Public Utilities Commission regulations require that this filing be available for public inspection at each of these offices until further notice. Please see that this filing continues to be made available upon request to members of the public. Please feel free to contact me if you have any questions.

436 H St. Chula Vista, CA 91910

2405 E. Plaza Blvd. National City, CA 91950 440 Beech St. San Diego, CA 92101

336 Euclid Ave. 2 San Diego, CA 92102 2604 S El Camino Real Carlsbad, CA 92008

\_104 N Johnson Ave.

El Cajon, CA 92020

644 W Mission Ave Escondido CA 92025

MRodrigvez 3/5/14 Signature Date

MARYLOU RODRIGUEZ Print Name



Date: March 3, 2014

From: Billie Overturf

## R.12-06-013

## PUBLIC INSPECTION OF SUPPLEMENTAL FILING

Enclosed are copies of San Diego Gas & Electric Company's Supplemental Filing in R.12-06-013; *California Public Utilities Commission Rulemaking, 12-06-013 for Phase 1 Rate Change Proposals.* California Public Utilities Commission regulations require that this filing be available for public inspection at each of these offices until further notice. Please see that this filing continues to be made available upon request to members of the public. Please feel free to contact me if you have any questions.

436 H St. Chula Vista, CA 91910

2405 E. Plaza Blvd. National City, CA 91950 440 Beech St. San Diego, CA 92101

336 Euclid Ave. 2

El Cajon, CA 92020

2604 S El Camino Real Carlsbad, CA 92008

104 N Johnson Ave.

644 W Mission Ave Escondido CA 92025

San Diego, CA 92102

<u>M.Bodrigveg</u> 3/5/14 Signature Date

MARYLOU RODRIGUEZ

# ATTACHMENT C

# Proof of Newspaper Publications

## AFFIDAVIT OF PUBLICATION

) ss.

## STATE OF CALIFORNIA, )

County of Orange

I am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years, and not a party to or interested in the above entitled matter. I am the principal clerk of The Orange County Register, a newspaper of general circulation, published in the city of Santa Ana, County of Orange, and which newspaper has been adjudged to be a newspaper of general circulation by the Superior Court of the County of Orange, State of California, under the date of November 19, 1905, Case No. A-21046, that the notice, of which the annexed is a true printed copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

March 7, 2014

"I certify (or declare) under the penalty of perjury under the laws of the State of California that the foregoing is true and correct":

Executed at Santa Ana, Orange County, California, on

Date: March 7, 2014

Bater

Signature

The Orange County Register 625 N. Grand Ave. Santa Ana, CA 92701 (714) 796-2209



## **PROOF OF PUBLICATION**

#### Para mas detailes llame at 1-800-311-7343

## SAN DIEGO GAS & ELECTRIC COMPANY NOTIFICATION OF FILING FOR RESIDENTIAL RATE CHANGES AND POTENTIAL IMPACT ON ELECTRIC RATES PHASE 1 OF RULEMAKING 12-06-013

On February 28, 2014, San Diego Gas & Electric Company (SDG&E<sup>®</sup>) filed a request with the California Public Utilities Commission (CPUC) for changes to residential rates starting January 1, 2015 and a roadmap for rates through December 31, 2018. SDG&E's request complies with a ruling from the CPUC inviting electric utilities to file proposals that will better align rates with the actual costs of providing electric service as indicated by Assembly Bill (AB) 327. As a result, some customers will see increases in their monthly bill and others will see decreases. This proposal will not change the amount of total revenues collected by SDG&E, which is determined in other proceedings.

#### SDG&E's filing proposes the following default rates for 2015-2018:

	-				
Rate Design Element	Current	2015	2016	2017	2018
Default Rate Structure	4-tiers	2-tiers	2-tiers	2-tiers	Non-tiered TOU with Baseline Credit (1)
Monthly Service Fee - Non-CARE	N/A	\$5.00	\$7.50	\$10.00	\$10.00 + CPI
Monthly Service Fee - CARE	N/A	\$2.50	\$3.75	\$5.00	\$5.00 + CPI
Residential CARE Discount (2)	39%	38%	36%	34%	34%

SCG&E proposes an optional tiered rate with a 20% difference between the upper and lower tier that customers can opt into as an aftermative to the default TOU rate.
 CARE discount is provided only to those customers who meet the required CARE program qualifications. This filing Is not proposing amendments to the qualifications of the CARE program.

#### Non-CARE Residential Rate Proposals

Non-CARE Residential Rate Proposals SDG&E is proposing to transition from its current 4-tiered structure to a 2-tiered structure beginning in 2015. A 2-tiered system is simpler and better reflects costs. During the 2015 to 2018 period, SDG&E will be gradually bringing the rates for the 2-tiers closer together. In 2018, SDG&E is proposing to employ default time-of-use (TOU) pricing for residential customers, with the choice for customers to opt out to a 2-tiered rate. TOU is a rate that prices electricity based on the time of day and the season in which it is used. TOU rates charge lower rates during a utility's off-peak demand periods and higher rates during peak demand periods. Additionally, SDG&E is proposing optional non-tiered TOU offerings beginning in 2015.

Beginning in 2015, SDG&E will also be charging a monthly service fee to replace the minimum bill charge of \$0.17 per day that currently exists. The monthly service fee will gradually increase over time until it reaches \$10 per residential customer account per month. Once \$10 per month has been reached it will be adjusted by no more than the annual increase in the Consumer Price Index (CPI). The monthly service fee will recover costs that would otherwise have been collected through the charge per kWh which will be reducing the rate by an equivalent amount. Customers may not necessarily see their bills increase by the monthly service fee, but rather will see it as a separate line item on their bill. The monthly service fee will roce and the increase the revenues collected by SDG&E; the utility still will recover only the approved amount of revenue. This changes how the revenue amount is collected.

Low-Income Programs Proposals The California Alternate Rates for Energy (CARE) program provides a monthly discount on energy bills for income-qualified households. AB 327 specifies that the CARE discount should be between 30% and 35%. SDG&E's current discount is above 35%. To comply with the new law SDG&E proposes to gradually reduce the CARE discount percentage by the schedule provided in the table above for residential CARE customers until the discount reaches 34%. SDG&E will show the CARE discount separately on customers' bills. SDG&E will also offer CARE customers a reduced monthly service fee further described below.

In addition to residential CARE, the CARE program provides a monthly discount on energy bills for qualified non-residential customers, such as non-profit group living facilities, migrant farm worker housing centers, and privately owned employee housing. Non-residential CARE is also referred to as Expanded CARE. SDG&E's discount for non-residential CARE is above 35%, To comply with the new law, and the reach a 35% discount level by 2018, SDG&E proposes to gradually reduce the CARE discount percentage as follows:

3% per year for small commercial CARE customers, and 4% per year for medium/large commercial and industrial CARE customers.

Similar to the non-CARE proposals, SDG&E will be charging a monthly service fee for residential CARE customers, but at a discounted rate. The service charge for CARE customers will be \$2.50 per month and increase in 2017 to \$5 per residential customer account per month as shown in the chart above. Thereafter, the monthly service fee will be adjusted by the annual percentage increase in CPI.

SDG&E's proposed changes to non-CARE and CARE rates will affect the medical baseline and Family Electric Rate Assistance (FERA) programs. These programs will be affected since they are tied to the current tiered structure. To lessen the impacts on medical baseline customers, SDG&E proposes a transition path for the reduction in rate subsidies for non-CARE medical baseline customers so they will pay equivalent non-CARE rates by 2018. Non-CARE medical baseline customers will continue to receive additional baseline.

ILLUSTRATIVE IMPACT ON ELECTRIC RATES AND BILLS If the CPUC approves SDG&E's request, a typical non-CARE residential customer living in the inland climate zone and using 500 kilowatt-hours per month could see a monthly summer bill increase of 9.1%, or \$8.39, from a current monthly bill of \$91.93 to \$100.32.

As seen in the table below, a typical CARE residential customer living in the inland climate zone and using 500 kilowatt-hours per month could see a monthly summer bill increase of 7.3%, or \$4.21, from a current monthly bill of \$57.92 to \$62.13.

The table below illustrates SDG&E's current and 2015 proposed rates for non-CARE residential customers. As shown in the table, SDG&E is proposing in 2015 to move the Tier 1 rate up to Tier 2 levels (Tier 1 rate is the same as the Tier 2 rate) and to consolidate Tiers 3 and 4 (Tier 3 rate is the same as the Tier 4 rate).

Usage	Current Rate	Proposed	Change	% Change
Monthly Fee (\$/month)		\$5.00		
Tier 1 rate (c/kWh): Up to 100% of baseline	15.396	17.778	2,382	15.5%
Tier 2 rate (#/kWh): 101%-130% of Baseline	17.778	17.778	0.000	0.0%
Tier 3 rate (#/kWh): 131%-200% of Baseline	34.881	27.550	(7,331)	-21.0%
Tier 4 rate (#/kWh): Above 200% of Baseline	36.881	27.550	(9.001)	-24.4%

Note: Summer rates presenter

#### FOR FURTHER INFORMATION

You may request additional information or obtain a copy of the filing and related exhibits by writing to: Jamie York, San Diego Gas & Electric Company, 8330 Century Park Court, CP32D, San Diego, CA 92123. SDG&E's filing and related exhibits may also be inspected at the CPUC office located at 505 Van Ness Ave., San Francisco, CA 94102. Additionally, a copy of the filing and related exhibits may be inspected at the following SDG&E business offices:

644 W. Mission Ave. Escondido, CA 92025

2604 S. El Camino Real Carlsbad, CA 92008

436 H St.	104 N. Johnson Ave.
Chula Vista, CA 91910	El Cajon, CA 92020
2405 E. Plaza Blvd.	336 Euclid Ave.
National City, CA 91950	San Diego, CA 92114

440 Beech St. San Diego, CA 92101

The filing and related exhibits are also available electronically on SDG&E's website at http://www.sdge.com/proceedings.

Copies of this bill insert will be available for viewing and printing on the SDG&E website at http://www.sdge.com/regulatory-notices.

#### CPUC PROCESS

CPUC PROCESS This filing has been assigned to two Administrative Law Judges (judges) 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 (EHs) may be held where parties of record will present their testimony and may be subject to cross-examination by other parties. These EHs are open to the public, but only those who are parties of record can participate. After considering all proposals and all evidence presented during the formal hearing process, the assigned judges will issue a proposed decision determining whether to adopt all or part of SDG&E's request, modify it, or deny it. The CPUC commissioners may sponsor an alternate decision and the issue will be decided at a scheduled Commission Voting Meeting.

#### STAY INFORMED

STAY INFORMED The CPUC offers a free Subscription Service which is available on the CPUC website at <u>www.cpuc.ca.gov</u> which allows you to follow this proceeding. If you would like to learn how you can participate in the proceeding, or if you have informal comments or questions about the CPUC process, you may contact the CPUC's Public. Advisor's Office (PAO) at the address noted below. When writing, please reference proceeding Phase 2 of R.12-06-013. All written correspondence and emails are provided to the Commissioners and the assigned judge for this proceeding to review.

CPUC Public Advisor's Office 505 Van Ness Avenue San Francisco, CA 94102 Write<sup>.</sup>

Email: <u>public.advisor@cpuc.ca.gov</u> Phone: 866-849-8390 or 415-703-2074 TTY: 866-836-7825 or 415-703-5282

CN \$259584

## California Newspaper Service Bureau®

Public Notice Advertising Since 1934 Tel 1-800-788-7840 ° Fax 1-800-540-1089 Local Offices and Representatives in: Los Angeles, Santa Ana, San Diego, Riverside/San Bernardino, Palmdale, Ventura, San Francisco, Oakland, San Jose, Santa Rosa, Sacramento Special Services Available in Phoenix, Las Vegas and Denver

## DECLARATION

I am a resident of San Diego County, over the age of eighteen years and not a party to any or interested in the matter noticed.

The notice, of which the annexed is a printed copy appeared in the:

## **UT- SAN DIEGO**

On the following dates:

March 7, 2014

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated at San Diego, California, this

11th	day of	March	2014

YOLANDA CÓRDOVA

"The only Public Notice which is justifiable from the standpoint of true economy and the public interest, is that which reaches those who are affected by it"

Rev. 05/04 Daily Journal Corporation, 915 East First Street, Los Angeles, CA 90012 Cns#2595841

Para mas						
SAN DIEG NOTIFICATION OF FILING FO	O GAS & R RESIDE	ELECT	RIC CO RATE C	MPANY	S AND P	OTENTIAL
PHASE	I OF RUL	EMAKI	NG 12-6	6-013		
On February 28, 2014, San Diego ( California Public Utilities Commission 1, 2015 and a roadmap for rales 4 with a ruiking from the CPUC inviting with the actual costs of providing el	Gas & Elec	tric Cor	npany (	SDG&E	b) filed a re lial rates st	quest with the arting January
1, 2015 and a roadmap for rales t with a ruling from the CPUC inviting	hrough De electric u	combe tilities to	r 31, 20 5 file pro	18. SD posals	G&E's req hat will be	uest complies tter align rates .
This proposal will not change the determined in other proceedings.	amount o	f total r	evenue	s collect	ed by SD	G&E, which is
SDG&E's filing proposes the follow						C. C
Default Rate Structure	4-tiers	2-tiers	2-tiers	2-tiers	Non-tien	ed TOU with e Credit (1)
Monthly Service Fee - Non-CARE Monthly Service Fee - CARE Residential CARE Discount (2)	N/A N/A	\$5.00 \$2.50	\$7.50	\$10.00 \$5.00. · 34%	510.	00 + CPI 10 + CPI
	39% .	38%	36%	· 34%		34%
(2) CARE discoupt is provided (	optinto as only to th	an aite ose cu	mative t stomers	othede whom	fault TOU left the re	rate. equired CARE
program qualifications. This f the CARE program	iling is not	l propos	ing am	andmen	is to the q	ualifications of
Non-CARE Residential Rate Proc	iosals from its r	unent	1. tiorart	etovrtu	n to a 2-ti	iered starcture
SDG&E is proposing to transition beginning in 2015, A 2-tiered syst to 2018 period. SDG&E will be in	lem is sim	pler an	d better the fate	reflects	costs. Di 2-tiers c	uring the 2015 loser together.
to 2018 period, SDG&E will be gr in 2018, SDG&E will be gr in 2018, SDG&E is proposing to customers, with the choice for custo electricity based on the time of day	employ d omers to o	efault to pt out to	ime-of-u i a 2-tier	ise (TO) red rate.	<li>J) pricing TOU is a l</li>	for residential rate that prices
Additionally, SDG&E is proposing ( Begioping in 2015, SDG&E will also	plional no	in-tierec ino a inc	TOU of onthis se	fierings irvice fe	beginning e to replac	n 2015. In the minimum
Beginning in 2015, SDG&E will also bill charge of \$0.17 per day that increase over time until it reaches	currently \$10 per	exists. residen	The me tal cust	onthly s lomer a	ervice fee	will gradually month, Once
\$10 per month has been reached in the Consumer Price Index (CPI otherwise have been collected thro	it will be ). The m	adjuste onthly s	d by no iervice f	more ti lee will i	han the ar recover co	inual increase
otherwise have been collected thro an equivalent amount. Customers	ugh the cl may not n	narge pe ecessar	er kWh i ily see t	which wi heir bills	increase	ing the rate by by the monthly .
an equivalent amount. Customers i service fee, but rather will see it a fee will not increase the revenues approved amount of revenue. This	es a sepa collected	by SD	s nem o G&E th	e utility	still will re-	cover only the
Low-Income Programs Proposal	e : -					
The California Alternate Rates for	Energy (L	ARE) ( AB 327	vrogram specifie	provide es that th	s a month te CARE d	iscount on
be between 30% and 35%. SDG& law SDG&E proposes to gradually	E's current reduce t	he CAR	nt is abc LE disco	we 35% wnt pen	. To comp centage by	y with the new
energy bits for income-quainted in be between 30% and 35%. SDG& law SDG&E proposes to gradually provided in the table above for res SDG&E wit show the CARE disco CARE customers a reduced month	wential C. unt sepan	ately on	custor	ers' bills	s discount 3. SDG&E	will also offer
In addition to residential CARE, th	e care s	rogram	provide	s a mo	nthly disco	unt on energy
In addition to residential CARE, the bills for qualified non-residential cu farm worker housing centers, and p	stomers, sinvately of	such as	non-pri nployee	ofit grou housing	p living fac g. Non-res	silities, migrant sidential CARE
bills for qualified non-residential co farm worker housing centers, and t is also referred to as Expanded above 35%. To comply with the new proposes to gradually reduce the C	CARE. S	to reac	s disco h a 35%	unt for discou	non-reside nt level by	ntial CARE is 2018, SDG&E
proposes to gradually reduce the C 3% per year for small	ARE disc	ount:per at CARF	rcentage custon	ers an	nws: nl	
<ul> <li>4% per year for mediu</li> </ul>	m/large co	mmerc	tal and i	ndustria	I CARE CU	
Similar to the non-CARE proposals, CARE customers, but at a discourt	ited rate.	The set	vice ch:	ance for	CARE as	stomers will be
\$2.50 per month and increase in 2 shown in the chart above. Therea	ter, the m	onthiy s	ervice f	ee will b	er account e adjusted	by the annual
percentage increase in CPI. SDG&E's proposed changes to non	-CARE an	d CARE	Frates w	nill affect	the medic	al baseline and
SDG&E's proposed changes to non Family Electric Rate Assistance (Fit are ted to the current tiered structu SDG&E proposes a transition path	ERA) prog ina. To les	rams, T sen the	hese pro impacts	grams i s on mei	vill be affer fical basel	cted since they ine customers,
					s for non- 018. Non-	CARE medical CARE medical
ILLUSTRATIVE MARACT ON ELE	CTRIC RA	TES AP	in Dasea Uni Ritta	s.	•	1 - E
If the CPUC approves SDG&E's re- inland climate zone and using 500 increase of 9.1%, or \$8.39, from a	quest, a ty kikowatt-h	pical no ours pe	n-CARE	resider	itial custon ee a montf	ner living in the · · hly summer bill
increase of 9.1%, or \$8.39, from a	current mi	onthly b	ill of \$91 dial cus	i.93 to \$ tomer lis	100.32. doct in the	Inland climate
As seen in the table below, a typi zone and using 500 kilowatt-hours 7.3%, or \$4.21, from a current mor	s per mon athiv bill of	th could \$57,92	i see a to \$62.	monthly 13.	summer	bill increase of
MALLER & CO. M. LANDARD CO.		-20040			tornon Ci	ADC moldantial .
The table below inustrates Struck: customers. As shown in the table, Ther 2 levels (Titer 1 rate is the sam 3 rate is the same as the Tier 4 rat	e as the 1	lier 2 ra	te) and	to conse	lidate Tier	s 3 and 4 (Ther
Usage			nt Rate	Propos	sed Chanc	e % Charge
Monthly Fee (\$/month) Tier 1 rate (¢/kWh): Up to 100% of	baseline	15	.396 .778	\$5.0 17.77 17.77 27.55	8 2.38	Z 15.5%
Tier 1 rate (¢/kWh): Lip to 100% of Tier 2 rate (¢/kWh): 101%-130% o Tier 3 rate (¢/kWh): 131%-200%	f Baseline	34	.881 .881	27.5	6 0.000 0 (7.33 0 (9.00	1) -21.0% 1) -24.4%
Tier 4 rate (¢/kWh): Above 200% ( Note: Summer rates presented	A Dascinic	<u> </u>		L_21.00	0 110.00	<u></u>
FOR FURTHER INFORMATION You may request additional inform	ation or o	btain a	copy of	the filin	g and rela	ted exhibits by
FOR FURTHER INFORMATION You may request additional inform writing to: Jamie York, San Diego San Diego, CA 92123. SDG&E'S CPUC office located at 505 Van N the filing and related exhibits may	Gas & Elec filing and	tric Cor	npany, 8 d exhibi	1330 Cei ts may	ntury Park also be in	court, CP32D, spected at the
CPUC office located at 505 Van N the filing and related exhibits may	ess Ave., s be inspect	San Fra ed at th	a follow	ing SDC	2. Additio	naily, a copy of ess offices:
436 H SL 1	04 N. Johr I Cajon, C	nson Av	e.	644	W. Missio ondido, C/	n Ave.
	36 Euclid		, .		4 S. El Ca	
National City, CA 91950 S	an Diego,	ÇA 921	14	Cat	Isbad, CA	92008
440 Beech St. San Diego, CA 92101	·.					
The filing and related exhibits are http://www.sdge.com/proceedings.	also availa	ble elec	dronical	ly on SE	G&E's we	ibsite at
Copies of this bill insert will be ava	itable for v	viewing	and prin	ting on	lhe SÒG&	E website at
http://www.sdgs.com/regulatory-nu CPUC PROCESS	dices.	2				
This filing has been assigned to b						
record upon which to base its decision of record will present their testimor These EHs are open to the public						
These EHs are open to the public After considering all proposals and	, but only all evide	those vince pre-	who are sented o	parties Juring th	of record ( e formal h	can participate. earing process,
These EHs are open to the public After considering all proposals and the assigned judges will issue a pi SDG&E's request, modify it, or de dotting and the large will be deci-	oposed de ny it. The	cision CPUC	tetermir Commis	nng whe	may spon	opt an or part of sor an alternate
STAV INCODINED			<b>a</b> 00ii <i>i</i>	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		
The CPUC offers a free Subscripti couc.ca.gov which allows you to	on Service follow this	which procee	is availa ding. It	ble on ti f you wo	ne CPUC v xuki like to	vebsite at <u>www.</u> learn how you
The CPUC offers a free Subscripti cpuc, ca.gov which allows you to can participate in the proceeding. CPUC process, you may contact noted below. When writing, pleas compression and emails are to	or if you the CPU	have in C's Pub	formal o lic Advis	sor's Of	ts or ques ice (PAO)	at the address
	e reference wovided to	e proce the Co	eaing Pl mmissl	nase 2 c oners a	n rk.12-06- nd the ass	igned judge for
this proceeding to review. Write: CPUC Public Advisor			. •		• •	
505 Van Ness Avenu San Francisco, CA 9	<b>6</b>			-		
Gall Flanuscu, Cho-	102					
Email: <u>public</u> .advisor@cpuc.ca.oc Phone: 866-849-8390 or 415-703	1102					

**California Newspaper Service Bureau**®

Public Notice Advertising Since 1934 Tel 1-800-788-7840 º Fax 1-800-540-1089 Local Offices and Representatives in: Los Angeles, Santa Ana, San Diego, Riverside/San Bernardino, Palmdale, Ventura, San Francisco, Oakland, San Jose, Santa Rosa, Sacramento Special Services Available in Phoenix, Las Vegas and Denver

## DECLARATION

I am a resident of San Diego County, over the age of eighteen years and not a party to any or interested in the matter noticed.

The notice, of which the annexed is a printed copy appeared in the:

## **UT-NORTH COUNTY**

On the following dates:

March 7, 2014

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated at San Diego, California, this

11th	day of	March	2014

"The only Public Notice which is justifiable from the standpoint of true economy and the public interest, is that which reaches those who are affected by it'

YOLANDA CÓRDOVA

Rev. 05/04 Daily Journal Corporation, 915 East First Street, Los Angeles, CA 90012 Cns#2595842

#### Para mas detailes liame al 1-800-311-7343

SAN DIEGO GAS & ELECTRIC COMPANY NOTIFICATION OF FILING FOR RESIDENTIAL RATE CHANGES AND POTENTIAL IMPACT ON ELECTRIC RATES

PHASE 1 OF RULEMAKING 12-06-013

On February 28, 2014, San Diego Gas & Electric Company (SIDG&<sup>CP</sup>) field a request with the California Public Utilities Commission (CPUC) for changes to residential rates starting January 1, 2015 and a roadmap for rates through December 31, 2018. SDG&<sup>CP</sup>S request complies with a nulling from the CPUC inviting electric utilities to file proposals that will better align rates with the actual costs of providing electric service as indicated by Assembly Bill (AB) 327. As a result, some customers will see increases in their monthly Bill and others will see decreases. This proposal will not change the amount of total revenues collected by SDG&C, which is determined in other proceedings.

SDG&E's filing proposes the following default rates for 2015-2018:

Rate Design Element	Current	2015	2016	2017	
Default Rate Structure	4-tiers	2-tiers	2-tiers	2-tiers	Non-tiered TOU with Baseline Credit (1)
Monthly Service Fee - Non-CARE	. N/A	\$5.00	\$7.50	\$10.00	\$10.00 + CPI
Monthly Service Fee - CARE	N/A	\$2.50	\$3.75	\$5.00	\$5.00 + CPI
Residential CARE Discount (2)	39%		36%	34%	34%

SDG& proposes an optional lieted rate with a 20% difference between the upper and lower tier that customers can optinito as an alternative to the default TOU rate.
 CARE discount is provided only to those customers who meet the required CARE program qualifications. This filing is not proposing amendments to the qualifications of the CARE program.

ming is not proposing alternations to the quantizations of the CARE program. Non-CARE Residential Rate Proposals SDG&E is proposing to transition from its current 4-tiered structure to a 2-tiered structure beginning in 2015. A 2-tiered system is simpler and better reflects costs. During the 2015 to 2018 period, SDG&E will be gradually bringing the rates for the 2-tiers closer together. In 2018, SDG&E is proposing to employ default time-of-use (TUI) pricing for residential customers, with the choice for customers to only out to a 2-tiered rate. TOU is a rate that prices electricity based on the time of day and the season in which it is used. TOU rates charge lower rates during a utility's off-peak demand periods and higher rates during peak demand periods. Additionally, SDG&E is proposing optional non-liered TOU offerings beginning in 2015.

For orientings beginning in 2015, SDG&E will also be charging a monthly service fee to replace the minimum bill charge of \$0.17 per day that currently exists. The monthly service fee will gradually increase over time until it reaches \$10 per residential outsimer account per month. None \$10 per month has been reached it will be adjusted by no more than the annual increase in the Consumer Price Index (CPI). The monthly service fee will recover costs that would otherwise have been collected through the charge per kWh which will be reducing the rate by an equivalent amount. Customers may not necessarily service fee will not increase by the monthly service fee, but rather will see it as a separate line item on their bill. The monthly service fee will not increase by the revenue solected by SDG&E; the utility still will recover only the approved amount of revenue. This changes how the revenue amount is collected.

Low-Income Programs Proposals The California Alternate Rates for Energy (CARE) program provides a monthly discount on energy bills for inc qualified households. AB 327 specifies that the CARE discount should be between 30% and 35%. SDG&E's or discount is above 35%. To comply with the new law SDG&E proposes to gradually reduce the CARE disc percentage by the schedule provided in the table above for residential CARE customers until the discount res 34%. SDG&E will show the CARE discount separately on customers' bills. SDG&E will also offer CARE customer reduced monthly service fee further described below. current

In addition to residential CARE, the CARE program provides a monthly discount on energy bills for qualified non-residential customers, such as non-profit group living facilities, migrant farm worker housing conters, and privately owned employee housing. Non-residential CARE is also referred to as Expanded CARE, SDG&E's discount for non-residential CARE is above 35%. To comply with the new law, and to reach a 35% discount level by 2018, SDG&E proposes to gradually reduce the CARE discount percentage as follows:

3% per year for small commercial CARE customers, and 4% per year for medium/large commercial and industrial CARE customers.

Similar to the non-CARE proposals, SDG& will be charging a monthly service fee for residential CARE outcomers, but at a discounted rate. The service charge for CARE customers will be \$2.50 per month and increase in 2017 to \$5 per residential customer account per month as shown in the chart above. Thereafter, the monthly service fee will be adjusted by the annual percentage increase in CPI.

SDG&E's proposed changes to non-CARE and CARE rates will affect the medical baseline and Family Electric Rate Assistance (FERA) programs. These programs will be affected since they are lied to the current tiered structure. To lessen the impacts on medical baseline customers, SDG&E proposes a transition path for the reduction in rate subsidies for non-CARE medical baseline customers so they will pay equivalent non-CARE rates by 2018. Non-CARE medical baseline customers will continue to receive additional baseline.

ILLUSTRATIVE IMPACT ON ELECTRIC RATES AND BILLS If the CPUC approves SDG&E's request, a typical non-CARE residential customer living in the inland climate zone and using 500 kilowati-hours per month could see a monthly summer bill increase of 9.1%, or \$8.39, from a current monthly bill of \$91.93 to \$100.32.

As seen in the table below, a typical CARE residential customer living in the inland climate zone and using 500 kilowatt-hours per month could see a monthly summer bill Increase of 7.3%, or \$4.21, from a current monthly bill of \$57.92 to \$62,13.

The table below illustrates SDG&E's current and 2015 proposed rates for non-CARE residential customers. As shown in the table, SDG&E is proposing in 2015 to move the Tier 1 rate up to Tier 2 levels (Tier 1 rate is the same as the Tier 2 rate) and to consolidate Tiers 3 and 4 (Tier 3 rate is the same as the Tier 4 rate).

Usage	Current Rate	Proposed	Change	% Change
Monthly Fee (\$/month)		\$5,00		
Tier 1 rate (#/kWh): Up to 100% of baseline	15.396	17,778	2.382	15.5%
Tier 2 rate (c/kWh): 101%-130% of Baseline	17.778	17.778	0.000	0.0%
Tier 3 rate (d/kWh): 131%-200% of Baseline	34,881	27,550	(7.331)	-21.0%
Tier 4 rate (¢/kWh): Above 200% of Baseline	36.881	27.550	(9.001)	-24.4%

### Note: Summer rates presented

FOR FURTHER INFORMATION You may request additional information or obtain a copy of the filing and related exhibits by writing to: Jamie York, San Diego Gas & Electric Company, 8330 Century Park Court, CP32D, San Diego, CA 92123. SDG&E's filing and related exhibits may also be inspected at the CPUC office located at 505 Van Ness Ave., San Francisco, CA 94102. Additionally, a copy of the filing and related exhibits may be inspected at the following SOG&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 S. El Camino Real .
National City, CA 91950	San Diego, CA 92114	Carlsbad, CA 92008

440 Beech St. San Diego, CA 92101

The filing and related exhibits are also available electronically on SDG&E's website at http://www.sdge.com/proceedings.

Copies of this bill insert will be available for viewing and printing on the SDG&E website at http://www.sdge.com/regulatory-notices.

CPUC PROCESS This filing has been essigned to two Administrative Law Judges (judges) 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 (EHs) may be held where parties of record will present their testimony and may be subject to cross-evamination by other parties. These EHs are open to the public, but only those who are parties of record can participate. After considering all proposals and all evidence presented during the formal hearing process, the assigned judges will issue a proposed decision determining whother to adopt all or part of SDO&E's request, modify it, or deny it. The CPUC Commissioners may sponsor an alternate decision and the issue will be decided at a scheduled Commission Voling Meeting.

STAY INFORMED

VINFORMED: CPUC offers a free Subscription Service which is available on the CPUC website at <u>www.cpuc.ca.gov</u> which we you to follow this proceeding. If you would like to learn how you can participate in the proceeding, of if you e informat comments or questions about the CPUC process, you may contact the CPUC Public Advisor's Office O) at the address noted below. When writing, please reference proceeding Phase 2 of R.12-06-013. All writtan espondence and emails are provided to the Commissioners and the assigned judge for this proceeding to review. Write:

CPUC Public Advisor's Office 505 Van Ness Avenue San Francisco, CA 94102

Email: <u>public.advisor@cpuc.ca.gov</u> Phone: 866-849-8390 or 415-703-2074 TTY: 866-836-7825 or 415-703-5282

CNS#259584

# ATTACHMENT D

# Notification of Supplemental Filing for Phase 1 Rate Change Proposals and Notice of Potential Impact on Electric Rates

### FOR FURTHER INFORMATION

You may request additional information or obtain a copy of the filing and related exhibits by writing to: Jamie York, San Diego Gas & Electric Company, 8330 Century Park Court, CP32D, San Diego, CA 92123. SDG&E's filing and related exhibits may also be inspected at the CPUC office located at 505 Van Ness Ave., San Francisco, CA 94102. Additionally, a copy of the filing and related exhibits may be inspected 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 S. El Camino Real
National City, CA 91950	San Diego, CA 92114	Carlshad, CA 92008

440 Beech St. San Diego, CA 92101

The filing and related exhibits are also available electronically on SDG&E's website at http://www.sdge.com/proceedings.

Copies of this bill insert will be available for viewing and printing on the SDG&E website at http://www.sdge.com/ regulatory-notices.

### **CPUC PROCESS**

This filing has been assigned to two Administrative Law Judges (judges) 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 (EHs) may be held where parties of record will present their testimony and may be subject to cross-examination by other parties. These EHs are open to the public, but only those who are parties of record can participate. After considering all proposals and all evidence presented during the formal hearing process, the assigned judges will issue a proposed decision determining whether to adopt all or part of SDG&E's request, modify it, or deny it. The CPUC Commissioners may sponsor an alternate decision and the issue will be decided at a scheduled Commission Voting Meeting.

## **STAY INFORMED**

The CPUC offers a free Subscription Service which is available on the CPUC website at www.cpuc.ca.gov which allows you to follow this proceeding. If you would like to learn how you can participate in the proceeding, or if you have informal comments or questions about the CPUC process, you may contact the CPUC's Public Advisor's Office (PAO) at the address noted below. When writing, please reference proceeding Phase 2 of R.12-06-013. All written correspondence and emails are provided to the Commissioners and the assigned judge for this proceeding to review.

Write: CPUC Public Advisor's Office 505 Van Ness Avenue San Francisco, CA 94102

 Email:
 public.advisor@cpuc.ca.gov

 Phone:
 866-849-8390 or 415-703-2074

 TTY:
 866-836-7825 or 415-703-5282



## Para mas detailes liame al 1-800-311-7343 SAN DIEGO GAS & ELECTRIC COMPANY NOTIFICATION OF FILING FOR RESIDENTIAL RATE CHANGES AND POTENTIAL IMPACT ON ELECTRIC RATES PHASE 1 OF RULEMAKING 12-06-013

On February 28, 2014, San Diego Gas & Electric Company (SDG&E®) filed a request with the California Public Utilities Commission (CPUC) for changes to residential rates starting January 1, 2015 and a roadmap for rates through December 31, 2018. SDG&E's request complies with a ruling from the CPUC inviting electric utilities to file proposals that will better align rates with the actual costs of providing electric service as indicated by Assembly Bill (AB) 327. As a result, some customers will see increases in their monthly bill and others will see decreases. This proposal will not change the amount of total revenues collected by SDG&E, which is determined in other proceedings.

SDG&E's filing proposes the following default rates for 2015-2018:

Rate Design Element	Current	2015	2016	2017	2018
Default Rate Structure	4-tiers	2-tiers	2-tiers	2-tiers	Non-tiered TOU with Baseline Credit <sup>(1)</sup>
Monthly Service Fee — Non-CARE	N/A	\$5.00	\$7.50	\$10.00	\$10.00 + CPI
Monthly Service Fee – CARE	N/A	\$2.50	\$3.75	\$5.00	\$5.00 + C <b>P</b> I
Residential CARE Discount <sup>(2)</sup>	39%	38%	36%	34%	34%

(1) SDG&E proposes an optional tiered rate with a 20% difference between the upper and lower tier that customers can opt into as an alternative to the default TOU rate.

(2) CARE discount is provided only to those customers who meet the required CARE program qualifications. This filing is not proposing amendments to the qualifications of the CARE program.

### NON-CARE RESIDENTIAL RATE PROPOSALS

SDG&E is proposing to transition from its current 4-tiered structure to a 2-tiered structure beginning in 2015. A 2-tiered system is simpler and better reflects costs. During the 2015 to 2018 period, SDG&E will be gradually bringing the rates for the 2-tiers closer together. In 2018, SDG&E is proposing to employ default time-of-use (TOU) pricing for residential customers, with the choice for customers to opt out to a 2-tiered rate. TOU is a rate that prices electricity based on the time of day and the season in which it is used. TOU rates charge lower rates during a utility's off-peak demand periods and higher rates during peak demand periods. Additionally, SDG&E is proposing optional nontiered TOU offerings beginning in 2015.

Beginning in 2015, SDG&E will also be charging a monthly service fee to replace the minimum bill charge of \$0.17 per day that currently exists. The monthly service fee will gradually increase over time until it reaches \$10 per residential customer account per month. Once \$10 per month has been reached it will be adjusted by no more than the annual increase in the Consumer Price Index (CPI). The monthly service fee will recover costs that would otherwise have been collected through the charge per kWh which will be reducing the rate by an equivalent amount. Customers may not necessarily see their bills increase by the monthly service fee, but rather will see it as a separate line item on their bill. The monthly service fee will not increase the revenues collected by SDG&E; the utility still will recover only the approved amount of revenue. This changes *how* the revenue amount is collected.

### LOW-INCOME PROGRAMS PROPOSALS

The California Alternate Rates for Energy (CARE) program provides a monthly discount on energy bills for income-qualified households. AB 327 specifies that the CARE discount should be between 30% and 35%. SDG&E's current discount is above 35%. To comply with the new law SDG&E proposes to gradually reduce the CARE discount percentage by the schedule provided in the table above for residential CARE customers until the discount reaches 34%. SDG&E will show the CARE discount separately on customers' bills. SDG&E will also offer CARE customers a reduced monthly service fee further described below.

In addition to residential CARE, the CARE program provides a monthly discount on energy bills for qualified non-residential customers, such as non-profit group living facilities, migrant farm worker housing centers, and privately owned employee housing. Non-residential CARE is also referred to as Expanded CARE. SDG&E's discount for non-residential CARE is above 35%. To comply with the new law, and to reach a 35% discount level by 2018, SDG&E proposes to gradually reduce the CARE discount percentage as follows:

- 3% per year for small commercial CARE customers, and
- 4% per year for medium/large commercial and industrial CARE customers.

Similar to the non-CARE proposals, SDG&E will be charging a monthly service fee for residential CARE customers, but at a discounted rate. The service charge for CARE customers will be \$2.50 per month and increase in 2017 to \$5 per residential customer account per month as shown in the chart above. Thereafter, the monthly service fee will be adjusted by the annual percentage increase in CPI.

SDG&E's proposed changes to non-CARE and CARE rates will affect the medical baseline and Family Electric Rate Assistance (FERA) programs. These programs will be affected since they are tied to the current tiered structure. To lessen the impacts on medical baseline customers, SDG&E proposes a transition path for the reduction in rate subsidies for non-CARE medical baseline customers so they will pay equivalent non-CARE rates by 2018. Non-CARE medical baseline customers will continue to receive additional baseline.

### ILLUSTRATIVE IMPACT ON ELECTRIC RATES AND BILLS

If the CPUC approves SDG&E's request, a typical non-CARE residential customer living in the inland climate zone and using 500 kilowatt-hours per month could see a monthly summer bill increase of 9.1%, or \$8.39, from a current monthly bill of \$91.93 to \$100.32.

As seen in the table below, a typical CARE residential customer living in the inland climate zone and using 500 kilowatt-hours per month could see a monthly summer bill increase of 7.3%, or \$4.21, from a current monthly bill of \$57.92 to \$62.13.

The table below illustrates SDG&E's current and 2015 proposed rates for non-CARE residential customers. As shown in the table, SDG&E is proposing in 2015 to move the Tier 1 rate up to Tier 2 levels (Tier 1 rate is the same as the Tier 2 rate) and to consolidate Tiers 3 and 4 (Tier 3 rate is the same as the Tier 4 rate).

Usage	Current Rate	Proposed	Change	% Change
Monthly Fee (\$∕month)		\$5.00		
Tier 1 rate (¢∕kWh): Up to 100% of Baseline	15.396	17.778	2.382	15.5%
Tier 2 rate (¢∕kWh): 101%−130% of Baseline	17.778	17.778	0.000	0.0%
Tier 3 rate (¢∕kWh): 131%-200% of Baseline	34.881	27.550	(7.331)	-21.0%
Tier 4 rate (¢∕kWh): Above 200% of Baseline	36.881	27.550	(9.001)	-24.4%

Note: Summer rates presented

## **DECLARATION**

I, Mary Ann Tilos Schwartz, am a citizen of the United States residing in San Diego County, California, and am over the age of 18.

I am now, and at all times referred to below, have been employed by the San Diego Gas & Electric Company as Creative Services & Branding Advisor in San Diego, California.

With regard to San Diego Gas & Electric Company's Rulemaking 12-06-013 before the California Public Utilities Commission, I was instructed to, and did supervise, the insertion and mailing of the Notices, attached hereto, to all known customers of the San Diego Gas & Electric Company other than "My Account Paperless" customers and other "Consolidated Accounts."

The insertion and mailing of the Notice to Customers of Proposed Changes commenced on Friday, March 7, 2014 with March Billing Cycle No. 3 and was completed on Friday, April 4, 2014, with April Billing Cycle No. 2.

I declare under penalty of perjury that the foregoing is true and correct.

May And Hot chwat Mary Ann Tilos Schwartz

april 7, 2014

(Date)