




A  Sempra Energy utility™

Amendment No. 1

This AMENDMENT No. 1 dated August 16, 2005 is entered into by and between San Diego Gas & Electric Company ("SDG&E") and The City of Escondido ("Seller").

WHEREAS, the Parties entered into a "Restated Power Purchase Agreement Between San Diego Gas & Electric Company and The City of Escondido (Bear Valley)," effective April 13, 1994 Project ID 5005 ("Agreement");

WHEREAS, SDG&E is unable to calculate and Buyer is unable to get paid an Available Peaking Capacity payment under the current Agreement;

WHEREAS, the parties desire to purchase As-Available Capacity in lieu of Available Peaking Capacity;

WHEREAS, the Parties desire to amend the Agreement under the terms and conditions set forth in this Amendment No. 1; and

NOW, THEREFORE, for mutual and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to the following changes as of July 1, 2005 as follows:

- 1.0 Subsection 3.2 shall be amended to read "**The capacity delivered to SDG&E from the Generating Facility that SDG&E shall purchase at its published As-Available Capacity prices as approved by the CPUC and as updated from time to time.**"
- 2.0 Subsection 3.3 shall be deleted in its entirety and replaced with the phrase "Intentionally Omitted."
- 3.0 Subsection 11.1 shall be amended to read "**Seller shall sell and deliver and SDG&E shall purchase and accept, at the Point of Delivery, As-Available Capacity produced by the Generating Facility at SDG&E's published As-Available Capacity prices as approved by the CPUC and as updated from time to time.**"
- 4.0 Subsection 11.2 shall be deleted in its entirety and replaced with the phrase "Intentionally Omitted."

5.0 Section 12. "Monthly Contact Closure Fee" shall be deleted in its entirety and replaced with the phrase "Intentionally Omitted."

6.0 Section 13. "Notices" The address applicable to SDG&E shall be deleted and replaced with the following:

**San Diego Gas & Electric Company
c/o Electric & Gas Procurement
8315 Century Park Court CP21D
San Diego, CA 92123-1548**

7.0 Subsection 15.1 (b) shall be deleted and replaced with the following: "**the As-Available Capacity delivered to SDG&E;**"

8.0 Section 13. "Notices" The address applicable to SDG&E shall be deleted and replaced with the following:

**San Diego Gas & Electric Company
c/o Electric & Gas Procurement
8315 Century Park Court
San Diego, CA 92123-1548**

9.0 **No Other Modification.** Except as modified and amended herein, all other terms and conditions of the Agreement shall remain unchanged and in full force and effect.

AGREED:

CITY OF ESCONDIDO

SAN DIEGO GAS & ELECTRIC COMPANY

By: 

By: 

Name: Lori Holt Pfeiler

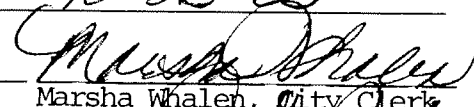
Name: Terry C. Farrelly

Title: Mayor


Title: VP - Electric & Gas Procurement

Date: 10-25-05

Date: 11-10-05

Attest: 
Marsha Whalen, City Clerk

Approved as to form: _____
A. Snyder

Approved as to form: 





SCHEDULE A-V3
GENERAL SERVICE - VARIABLE TIME-OF-USE 3

APPLICABILITY

Applicable to all metered non-residential customers who request service on this schedule and comply with Special Condition 13.

TERRITORY

Within the entire territory served by the utility.

RATES

Description	Transm	Distr	PPP	ND	FTA	TTA Credit	Restruc	CTC	RMR	UDC Total
Signaling Equipment Charge (\$/new cust)		\$4,600.00								\$4,600.00
Basic Service Fees										
(\$/month)										
<u><=500 kW</u>										
Secondary		43.50								43.50
Primary		43.50								43.50
Primary Substation		20,715.80								20,715.80
Transmission		652.55								652.55
<u>> 500 kW</u>										
Secondary		174.01								174.01
Primary		174.01								174.01
Primary Substation		20,715.80								20,715.80
Transmission		652.55								652.55
<u>> 10 MW</u>										
Primary Substation		31,073.70								31,073.70
Distance Adj Fee OH		2.80								2.80
Distance Adj Fee UG		2.80								2.80
Contact Closure		77.68								77.68
<u>Demand Charges</u>										
(\$/kW)										
<u>Non-Coincident</u>										
Secondary	0.28	4.84					0.44	0.14		5.70
Primary	0.27	4.76					0.40	0.13		5.56
Primary Substation	0.26						0.04	0.13		0.43
Transmission	0.26						0.04	0.13		0.43

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SCHEDULE A-V3
GENERAL SERVICE - VARIABLE TIME-OF-USE 3

RATES (Continued)

Description	Transm	Distr	PPP	ND	FTA	TTA Credit	Restruc	CTC	RMR	UDC Total
<u>Demand Charges</u>										
<u>Contract Minimum</u>										
<u>Demand</u>										
Secondary	10.41	2.60						1.20	4.98	19.19
Primary	9.98	2.48						1.18	4.78	18.42
Primary Substation	9.78							0.95	4.68	15.41
Transmission	9.72							0.94	4.65	15.31
<u>Power Factor</u>										
(\$/kvar)										
Secondary		0.22								0.22
Primary		0.22								0.22
Primary Substation		0.22								0.22
Transmission		0.22								0.22
<u>Energy Charges</u>										
(kWh)										
<u>Signaled Period 1G</u>										
Secondary	.28702	0.81284	.00302	.00059			.00039	.43032	.13760	1.67178
Primary	.27519	0.80004	.00302	.00059			.00039	.36506	.13194	1.57623
Primary Substation	.26974		.00302	.00059			.00039	.29126	.12933	.69433
Transmission	.26797		.00302	.00059			.00039	.28935	.12848	.68980
<u>Signaled Period 2G</u>										
Secondary	.03164	0.09113	.00302	.00059			.00039	.05436	.01534	.19647
Primary	.03032	0.08970	.00302	.00059			.00039	.04659	.01471	.18532
Primary Substation	.02972		.00302	.00059			.00039	.03755	.01441	.08568
Transmission	.02952		.00302	.00059			.00039	.03731	.01432	.08515
<u>Signaled Period 3G</u>										
Secondary	.00361	0.00915	.00302	.00059			.00039	.00970	.00192	.02838
Primary	.00345	0.00901	.00302	.00059			.00039	.00876	.00184	.02706
Primary Substation	.00337		.00302	.00059			.00039	.00741	.00180	.01658
Transmission	.00335		.00302	.00059			.00039	.00737	.00179	.01651
<u>Semi-Peak</u>										
Secondary	.00048		.00302	.00059			.00039	.00450	.00042	.00940
Primary	.00045		.00302	.00059			.00039	.00433	.00040	.00918
Primary Substation	.00044		.00302	.00059			.00039	.00389	.00039	.00872
Transmission	.00043		.00302	.00059			.00039	.00387	.00039	.00869
<u>Off-Peak</u>										
Secondary	.00048		.00302	.00059			.00039	.00366	.00041	.00855
Primary	.00045		.00302	.00059			.00039	.00353	.00040	.00838
Primary Substation	.00044		.00302	.00059			.00039	.00319	.00039	.00802
Transmission	.00043		.00302	.00059			.00039	.00317	.00039	.00799

Notes: Transmission Energy charges include the Transmission Revenue Balancing Account Adjustment (TRBAA) of (\$.00037) per kWh. Restructuring Implementation Rate is comprised of rates for internally Managed Costs (IMC) and Externally Managed Costs (EMC). Total Rate shown above excludes applicable PX charges.

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Advice Ltr. No. 1184-E

Issued by
William L. Reed

Date Filed August 10, 1999

Effective August 10, 1999

Decision No. 99-08-019

Vice President
Chief Regulatory Officer

Resolution No.



SCHEDULE A-V3
GENERAL SERVICE - VARIABLE TIME-OF-USE 3

RATES (Continued)

Time Periods

All time periods listed are applicable to local time.

On-Peak	All hours during which the customer receives an electric contact closure from the utility. A separate closure will be provided to indicate the Signaled Period 1G, Signaled Period 2G, and Signaled Period 3G on-peak periods.
Semi-Peak	6:00 a.m - 10 p.m. Weekdays
Off-Peak	10:00 p.m. - 6:00 a.m. Weekdays Plus Weekends & Holidays

Rate Cap Mechanism

A Fuel Price Index Adjustment equal to the percentage as set forth on Schedule RCM shall be applied to the billings calculated under this schedule for all customers.

1999 Summer Price Ceiling (SPC)

For customers classified as Small Commercial, and subject to FTA charges, charges under this schedule are capped for the months of July 1999 through September 1999. During this period total unit charges, including charges associated with Schedule PX, will not exceed 112.5% of total frozen electric rates in effect on January 1, 1998, including the mandated 10% reduction for residential and small commercial customers. Any revenue shortfall as a result of the SPC will be recovered from customers, whose rates were subject to this cap, over a nine-month amortization period after September 30, 1999. This charge shall be nonbypassable. Should a customer elect direct access during this period, that customer will be billed monthly for this charge along with other UDC charges, and shall not be assessed an exit fee.

Rate Reduction Bond and Fixed Transition Amount Adjustment

For residential and small commercial customers as defined in Rule 1 – Definitions, and as described in Public Utilities Code Section 331(h), the rates shown above will be adjusted in accordance with the rates set forth in Schedule RRB and Schedule FTA.

Rate Components

The Utility Distribution Company Total Rates (UDC Total) shown above are comprised of the following components (if applicable): (1) Transmission (Trans) Charges, (2) Distribution (Distr) Charges, (3) Public Purpose Program (PPP) Charges, (4) Nuclear Decommissioning (ND) Charge, (5) Trust Transfer Amount (TTA), sometimes referred to as Fixed Transition Amount (FTA), (6) Trust Transfer Amount Credit (TTA Credit), (7) Restructuring Implementation Rate (Restruc) which is the sum of the rates for Internally Managed Costs of and Externally Managed Costs, (8) Ongoing Competition Transition Charges (CTC), and (9) Reliability Must Run Generation Rates (RMR).

Energy charges associated with Schedule PX (Power Exchange Energy Cost) are in addition to the Utility Distribution Company Total Rates shown above.

Franchise Fee Differential

Franchise fee differential of 1.9% will be applied to the monthly billings calculated under this schedule for all customers within the corporate limits of the City of San Diego. Such franchise fee differential shall be so indicated and added as a separate item to bills rendered to such customers.

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