

Residential Rate Reform



A  Sempra Energy utility[®]

November 17, 2015



Residential Bill Impacts—September 1



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Non-CARE

Monthly kWh Range	Customer_Count	AVG_BILL_SCEN_1	AVG_BILL_SCEN_2	AVG_Monthly_DIFF	AVG_PERC_DIFF
Between 0 and 100 kWh	44,473	\$6.59	\$8.93	+\$2.34	+35.61%
Between 101 and 200 kWh	108,333	\$23.92	\$24.86	+\$0.94	+3.93%
Between 201 and 300 kWh	141,522	\$41.66	\$43.05	+\$1.39	+3.33%
Between 301 and 400 kWh	137,691	\$63.32	\$64.85	+\$1.53	+2.42%
Between 401 and 500 kWh	117,974	\$93.98	\$95.07	+\$1.09	+1.16%
Between 501 and 600 kWh	93,521	\$131.27	\$131.38	+\$0.11	+0.09%
Between 601 and 700 kWh	71,715	\$171.15	\$169.61	-\$1.54	-0.90%
Between 701 and 800 kWh	53,486	\$212.03	\$208.34	-\$3.69	-1.74%
Between 801 and 900 kWh	39,430	\$253.64	\$247.52	-\$6.12	-2.41%
Between 901 and 1000 kWh	28,789	\$295.68	\$286.96	-\$8.72	-2.95%

CARE

Monthly kWh Range	Customer_Count	AVG_BILL_SCEN_1	AVG_BILL_SCEN_2	AVG_Monthly_DIFF	AVG_PERC_DIFF
Between 0 and 100 kWh	5,787	\$5.11	\$4.45	-\$0.66	-13.02%
Between 101 and 200 kWh	39,839	\$14.35	\$13.18	-\$1.17	-8.18%
Between 201 and 300 kWh	54,641	\$25.39	\$23.56	-\$1.83	-7.17%
Between 301 and 400 kWh	48,184	\$38.30	\$36.14	-\$2.16	-5.66%
Between 401 and 500 kWh	36,575	\$54.72	\$54.12	-\$0.60	-1.10%
Between 501 and 600 kWh	25,904	\$73.59	\$76.30	+\$2.71	+3.69%
Between 601 and 700 kWh	17,605	\$93.28	\$99.94	+\$6.66	+7.14%
Between 701 and 800 kWh	11,785	\$113.23	\$123.97	+\$10.74	+9.49%
Between 801 and 900 kWh	8,190	\$133.28	\$148.23	+\$14.95	+11.22%
Between 901 and 1000 kWh	5,621	\$153.31	\$172.45	+\$19.14	+12.48%

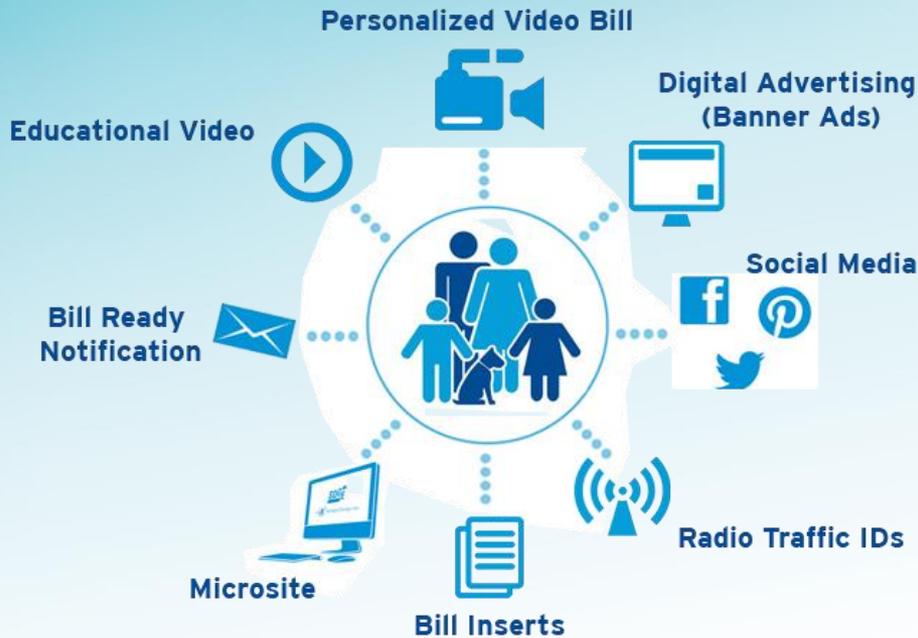
SDG&E filed Advice Letter 2783-E on August 24, 2015 to implement Decision 15-07-001, effective on September 1, 2015.

SDG&E's advice filing is currently pending before Energy Division.

2015 Outreach & Education Tactics

SDG&E is utilizing a multi-channel approach with a heavy solutions focus to educate customers about Rate Reform and ways to manage their energy use

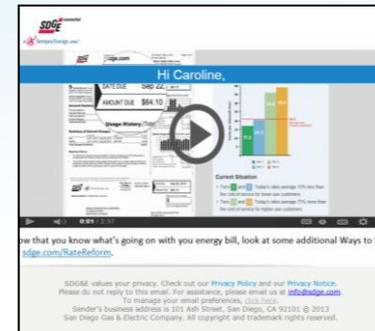
Enhanced Bill Ready Notification



Rate Reform Microsite



Personalized Video Bill



My Account: Bill Ready Notification

Amount Due: \$167.26 | Total Due: Jul 18, 2016

How are your current charges calculated?

Electric User	Electric Delivery	Demand Charges
\$36.77	\$72.89	\$16.40
Gas Usage	Energy Efficiency Programs	Taxes & Fees
\$15.98	\$4.47	\$16.76
Other Charges	SCUD	

Average Electricity Cost (kWh)

Your total usage is 400 kWh

Month	Usage (kWh)
Jul	225
Aug	228
Sep	293
Oct	294
Nov	450
Dec	500
Jan	500
Feb	500
Mar	500
Apr	500
May	500
Jun	500
Jul	500

Your 13 Month Electricity Usage

Current Rate: Business Electric Hour 7000

Your 13 Month Gas Usage

Current Rate: Business Gas

Outreach focused on top 20 zip codes: Dense tier 1 & 2 with focus on low-income, rural, senior and special needs populations

Tier 1 and 2 MEO Campaign



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- Tier 1 and 2 customers have been a key Target Audience throughout the evolution of the Rate Reform Campaign
- They have received general communications about all Rate Reform changes, in addition to customized messaging informing them of specific impacts and solutions for this group
- A multi-channel approach was used to reach these customers to ensure maximum reach, including additional resources at SDG&E's Branch Offices

Pre-Decision Pre-Rate Changes

Ongoing Comm.



Bill Inserts

CARE Program Update

SDG&E
P.O. Box 129637
San Diego, CA 92112-9637

INVEST TO PAID
SAN DIEGO, CA
PERMIT NO. 251

California is making changes to the way utilities bill for electricity. Some of these changes affect the CARE discount you receive.

The CARE discount was originally intended to be a 20% discount. But due to the way electric rates were designed, since 2001 it has grown to an average of 40%. Now the state is making changes to gradually decrease the CARE discount, to a monthly average of 38% to 34% over the next several years.

This proposal is under review by the California Public Utilities Commission. As this moves along, we'll let you know how these changes will affect you, so be on the lookout for more information from us in the next few months.

To learn more, please visit sdge.com/RateReform or you can call us at 1-800-411-7343.

*****AUTO
Sample Name
Any Street
Any Street 2
Any City, State Zip Code

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SDGE
San Diego Gas & Electric Company

NON-CARE Non-Rate (NCR)

Dear [Customer Name],

Recently the California Public Utilities Commission approved a resolution to reform California's electric rate structure. The purpose for this reform was for all customers, regardless of where you live, as well as a rate structure that would encourage energy conservation.

As a result of this decision, you have changes to your electric rates, and this may affect the way you bill for electricity. The first step in this transition is that the current tiered rate structure that has been in place since 2001 will be replaced with a new rate structure that will be implemented in the spring of 2016. We will be able to help better explain the changes in more detail.

Based on the feedback by customers, more than 100,000 in total, San Diego Gas & Electric is looking for ways to help you understand the changes to your electric rates and the best ways to take care of your needs for increased use of air conditioning, for air conditioning, and solutions to help you manage your energy use.

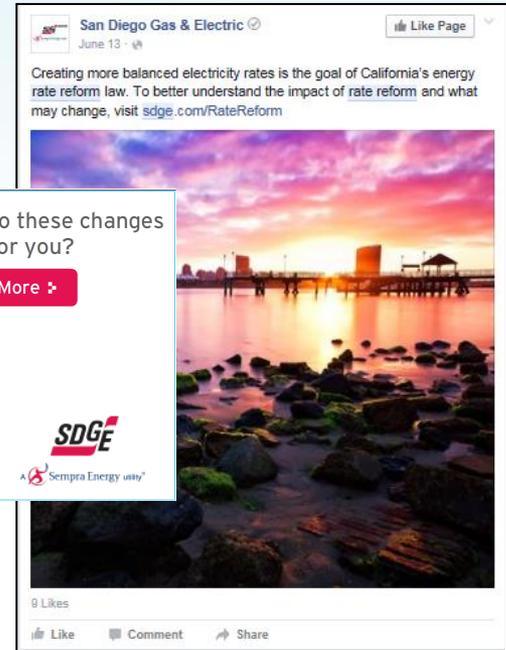
- Keep track of your energy use with spending alerts. Visit sdge.com/MyAccount.
- Analyze how your home uses energy and the ways to save with our EnergyIQ. Call us at sdge.com/energyiq.
- Visit sdge.com/energyiq to see energy-efficient products and energy-saving solutions to help you manage your energy use.

For more information about the changes to electric rates and the best ways to take care of your needs for increased use of air conditioning, for air conditioning, and solutions to help you manage your energy use, visit sdge.com/RateReform or our website at sdge.com.

Sincerely,
Your Utilities
Vice President, Customer Services

What do these changes mean for you?

Learn More



Radio ID: Creating more balanced electricity rates is the goal of California's energy rate reform law. To better understand the impact of rate reform and what may change, visit sdge.com/RateReform.

Minimum Bill ME&O



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Customer Changes

- The minimum bill changed from \$5 to \$10
- The group that was impacted the most heavily were solar customers

Customer Reaction

- SDG&E has received minimal feedback from customers to date

Outreach & Education

- In addition to general education communications, customers who received a minimum bill in the last year were sent a letter including:
- Background information on Rate Reform
- Increase from \$5 to \$10
- Solutions to save money on their energy bill



Coordination With Other Proceedings & Residential RDW Application Requirements

- All ratesetting proceedings to be filed or currently pending before the CPUC and other agencies have the potential to impact rates
 - Examples are General Rate Case (GRC) Phase 1 and Energy Resource Recovery Account
- Proceedings affecting time-of-use (TOU) rate design include:
 - SDG&E's GRC Phase 2 application, to be filed on Dec 1, 2015 (TOU Period Proposal)
 - PG&E's GRC Phase 2 application, to be filed on March 31, 2016 (Fixed Charge-Related Issues)
 - Residential Rate Reform Phase 3
 - SDG&E's Residential Rate Design Window (RDW) application, to be filed no later than January 1, 2018, requirements include:
 - a default TOU proposal
 - a tiered opt-in rate
 - other optional residential rates to be determined
- SDG&E is actively participating in the TOU Working Group and developing TOU pilot rates for implementation in 2016. Findings of the TOU pilot will inform SDG&E's default TOU proposal in the 2018 RDW application
- SDG&E is on track to meet all the requirements for the 2018 RDW application

Rate Comparison Tools & Demonstration



Rate Comparison & Rate Enrollment Demo



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My Pricing Plan [Download Pricing Plan Report \(PDF\)](#)

Account: Home Address Account Number

Electric Meter

You are eligible to enroll in a new plan!

Your Current Pricing Plan

Standard (DR)	\$1,438
View Plan Details	Estimated cost per year

The cost and savings estimates displayed are based on currently approved prices (rates) and your past 12 months of electricity use. If currently approved prices (rates) change, or if your electricity use changes, actual costs will be different. Dollar values are based on individual electric meters. See [additional pricing descriptions](#) for more information.

For the Standard plan, estimates include Reduce Your Use Reward calculations.

Available Pricing Plans [Compare Plans](#)

Time of Use Plus (TOU-DR-P)
Lower prices year-round except on Reduce Your Use days.

	Electricity costs are less year-round except on Reduce Your Use days when a higher price is charged. By lowering your use during these times, you may save even more.	\$1,385	Estimated cost per year
		\$53	Estimated savings per year
View Plan Details		Enroll in This Plan	

Time of Use (TOU-DR)
Price varies and eligible for Reduce your Use Reward credits.

	On this plan, electricity costs less before 11am and after 6pm.	\$1,433	Estimated cost per year
		\$5	Estimated savings per year
View Plan Details		Enroll in This Plan	

Featured Services



Compare Pricing Plans
See if you can save on a new Whenergy™ pricing plan.



Energy Charts and Tools
Get a quick overview of your energy use and analyze your bill to find ways to save.



Bill Alerts
Subscribe to email and text alerts to help you stay on top of your energy use and costs.



Get More Time To Pay Your Bill
Having difficulty paying your bill? Request a payment arrangement online.

[See Demo](#)

Future Rate Related ME&O

Integrating ME&O Going Forward

- SDG&E is engaging in “customer experience mapping” to enhance customers’ Rate Reform experience across the organization
- Objectives:
 - Identify and prioritize focused customer experience improvements during the rollout of the new residential rate structures
 - Facilitate the development of solutions for the CARE customer 2016 summer price increase
 - Lay the framework for broader actions
- Deliverables:
 - Identify opportunities and challenges to creating a high degree of awareness and ensure a positive overall experience with rate reform initiatives
 - Establish the customer segments or personas that need to be addressed throughout the rate reform initiative (CARE customers are one example)
 - Define distinct phases throughout the 5-year rate reform initiative to base customer experience planning (i.e. Winter/Spring 2015/2016 is an example that is already identified)

Super User Energy Surcharge Outreach & Education



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Primary Target Audience



Objectives

- Reduce the count of customers who are highly likely to be impacted by SUE prior to implementation
- Help mitigate bill impacts for customers who are affected by SUE after implementation
- Provide ongoing education to help reduce future affected households and possible bill impacts

Metrics

- Quarterly tracking of SUE customer population (how many customers receive the SUE charge, including recurring customers)
- Results of email marketing campaigns through email metrics such as open and click rates
- Online results of dedicated SUE web page views
- Results of click through rates from SUE web page to SDG&E programs and tools

Tactics and Timing

Timing	Q1/Q2 2016		Q3/4 2016			Q1/2 2017			Q3/4 2017		
Planning/Development											
Dedicated web page on sdge.com											
Social media messaging											
Bill package (onserts and newsletters)											
"Pre" Direct Mail to 350%+											
"Pre" Email to 350%+											
Community Outreach											