

SDG&E Advice Letter – SDG&E annually submits its Annual Electric Regulatory Account Update Advice Letter implementing its new electric rates and associated tariffs from previously authorized decisions, resolutions, and advice letters. On October 29, 2021, SDG&E submitted Advice Letter 3881-E with these consolidated electric rate changes. Collectively, these changes will result in rate and bill impacts beginning on January 1, 2022.

Estimated Bill Impacts of All Requested Electric Rate Changes Effective January 1, 2022:

Estimated Electric Bill Impacts ¹	SDG&E as of January 1, 2022
➤ Average Residential Non-CARE electric bill	\$156.07
➤ Average Residential Non-CARE electric bill increase	\$16.02 (11.4%)
➤ Average Residential CARE electric bill	\$100.81
➤ Average Residential CARE electric bill increase	\$10.35 (11.4%)

1. SDG&E Annual Electric Regulatory Account Update (Advice Letter 3881-E) Highlights:

- ✚ The primary driver of SDG&E's January 1, 2022, electric rate increase is attributable to a \$273.5 million increase in revenue the company needs for 2022 fuel and purchased power costs as authorized in SDG&E's Energy Resource Recovery Account Forecast decision, D.21-12-040. Of this \$273.5 million, the vast majority is attributable to rising wholesale gas prices impacting the cost of electric generation. Other revenue increases and decreases are described below:
 - \$38.5 million increase in revenue for transmission costs as authorized by FERC.
 - \$34.5 million increase for the Liability Insurance Premiums and \$30.6 million increase for Electric Distribution costs as authorized in D.19-09-051
 - \$16.4 million increase due to Emergency Load Reduction costs for extreme weather events and summer reliability, as authorized in D.21-03-056.
 - \$3.5 million increase due to residential uncollectible costs from nonpayment of bills as authorized in D.20-06-003.
 - \$18.9 million decrease from the delay in issuance of SDG&E's 2019 General Rate Case decision from January 1, 2019 until September 26, 2019.

- ✚ **Bundled Residential Electric rates will increase, on average, by 11.4% for both CARE and non-CARE customers.**

¹ Based on a "typical" residential bundled customer using, on average, 400 kilowatt-hours per month.