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NOTIFICATION OF
SAN DIEGO GAS & ELECTRIC COMPANY'S REQUEST TO
INCREASE ELECTRIC & GAS RATES
NO. A.21-07-017

Why am I receiving this notice?

On July 30, 2021, San Diego Gas & Electric Company (SDG&E®) filed an application with the California Public Utilities Commission (CPUC) for approval to establish an interim mechanism where 50% of the costs SDG&E has incurred for wildfire mitigation would be collected in rates on an annual basis, subject to refund. The result will **increase electric and gas rates**. SDG&E requests that new rates will begin on the first of the month following the effective date of a final decision. The 2021 Revenue Requirement will be amortized over 21 months.

Why is SDG&E requesting this rate increase?

- SDG&E is requesting establishment of an interim rate relief mechanism whereby 50% of wildfire mitigation expenditures incremental to those authorized for recovery in SDG&E's General Rate Case (GRC) may be authorized for recovery each year.
- This request will later be subject to a reasonableness review and refund with interest of any disallowed costs in SDG&E's next GRC or in a separate Application.

How could this affect my monthly electric rates?

If the CPUC approves SDG&E's request for a wildfire interim mechanism in this application, the average bill for a typical bundled non-CARE residential customer¹ living in the inland and coastal climate zone and using 400 kilowatt-hours (kWh) per month would **increase \$1.92 (or 1.4%) in 2022**. Individual customer bills may vary. **If approved, new rates would become effective on the first of the month following the effective date of a final decision.**

Summary of Illustrative Electric Class Average Rates
Wildfire Interim Rate Relief Application

| Line No. | Customer Class | Total Rates ² | | Change | |
|----------|----------------|---|-----------------------------------|---------|--------|
| | | Current 3/1/2021 ³ (¢ / kWh) | Proposed 4/1/2022 (¢ / kWh) | ¢ / kWh | % |
| 1 | Residential | 31.348 | 31.849 | 0.501 | 1.60 % |

¹ A bundled customer is one who takes both Utility Distribution Company (UDC) and commodity service from SDG&E, such as on rate Schedule TOU-DR1.

² Represents customers who take bundled service.

³ Rates effective 3/1/2021 per Advice Letter 3756-E.

| | | | | | | | |
|---|--------------------|--|--------|--------|--|-------|--------|
| 2 | Small Commercial | | 28.052 | 28.531 | | 0.479 | 1.71 % |
| 3 | Medium & Large C&I | | 25.540 | 25.816 | | 0.276 | 1.08 % |
| 4 | Agriculture | | 19.522 | 19.806 | | 0.284 | 1.45 % |
| 5 | Lighting | | 25.430 | 25.994 | | 0.564 | 2.22 % |
| | | | | | | | |
| 6 | SYSTEM TOTAL | | 27.502 | 27.880 | | 0.378 | 1.37% |

Illustrative Electric Residential Monthly Bill

| | Current 3/1/2021 ⁴ | Proposed 4/1/2022 | \$ Change | % Change |
|--|----------------------------------|----------------------|-----------|----------|
| <i>Residential average bill \$/month (400 kWh/month)</i> | \$ 136.06 | \$ 137.98 | \$ 1.92 | 1.4% |

How could this affect my monthly gas rates?

If the CPUC approves SDG&E's request for a wildfire interim mechanism in this application, the average bill for a typical non-CARE residential customer using 23 therms per month would **increase \$0.06 (or 01%) in 2022**. Individual customer bills may vary. **If approved, new rates would become effective on the first of the month following the effective date of a final decision.**

Summary of Illustrative Gas Class Average Bundled Rates Wildfire Interim Rate Relief Application

| Line No. | Customer Class | Total Rates | | Change | |
|----------|------------------------------|-------------------------------------|--------------------------------------|------------|-------|
| | | Current 1/1/2021 (\$ / therm) | Proposed 4/1/2022 (\$ / therm) | \$ | % |
| 1 | Residential | \$ 1.84779 | \$ 1.85042 | \$ 0.00263 | 0.1 % |
| 2 | Core Commercial & Industrial | \$ 0.87993 | \$ 0.88064 | \$ 0.00070 | 0.1 % |
| 3 | NGV | \$ 0.39852 | \$ 0.39855 | \$ 0.00003 | 0.0 % |
| 4 | Core Average | \$ 1.42782 | \$ 1.42962 | \$ 0.00181 | 0.1 % |
| | | | | | |
| 5 | Noncore C&I | \$ 0.15111 | \$ 0.15125 | \$ 0.00013 | 0.1 % |
| 6 | Sempra-Wide EG | \$ 0.04923 | \$ 0.04923 | \$ 0.00001 | 0.0 % |
| 7 | Noncore Average | \$ 0.05752 | \$ 0.05753 | \$ 0.00002 | 0.0 % |
| | | | | | |
| 8 | SYSTEM TOTAL | \$ 0.71485 | \$ 0.71573 | \$ 0.00087 | 0.1 % |

Illustrative Gas Residential Monthly Bill

⁴ Average monthly bill illustrates the average bill for an inland and coastal non-CARE customer on TOU-DR1 using 400kWh. Rates effective 3/1/21 per Advice Letter (AL) 3756-E.

| | Current 1/1/2021 | Proposed 4/1/2022 | \$ Change | % Change |
|--|-----------------------------|------------------------------|------------------|-----------------|
| <i>Residential average bill \$/month (23 th/month)</i> | \$ 43.03 | \$ 43.09 | \$ 0.06 | 0.1 % |

How does the rest of this process work?

This application will be assigned to a CPUC Administrative Law Judge, who will consider proposals and evidence presented during the formal hearing process. The Administrative Law Judge will issue a proposed decision that may adopt SDG&E's application, modify it or deny it. Any CPUC Commissioner may sponsor an alternate decision with a different outcome. The proposed decision, and any alternate decisions, will be discussed and voted upon by the CPUC Commissioners at a public CPUC Voting Meeting.

Parties to the proceeding are currently reviewing SDG&E's application, including the Public Advocates Office, which is an independent consumer advocate within the CPUC that represents customers to obtain the lowest possible rate for service consistent with reliable and safe service levels. For more information about the Public Advocates Office, please call 1-415-703-1584, email PublicAdvocatesOffice@cpuc.ca.gov or visit PublicAdvocates.cpuc.ca.gov.

Where can I get more information?

CONTACT SDG&E

- Email: smurill1@semprautilities.com
- Mail: Siobhan Murillo
Regulatory Case Manager for SDG&E
8330 Century Park Court #CP32E, San Diego, CA 92123
- A copy of the application and any related documents may also be reviewed at <https://www.sdge.com/rates-and-regulations/proceedings>.

Contact CPUC

Please visit apps.cpuc.ca.gov/c/A2107017 to submit a comment about this proceeding on the CPUC Docket Card. Here you can also view documents and other public comments related to this proceeding.

If you have questions about CPUC processes, you may contact the CPUC's Public Advisor's Office at:

Phone: **1-866-849-8390** (toll-free) or **1-415-703-2074**
Email: Public.Advisor@cpuc.ca.gov
Mail: CPUC Public Advisor's Office
505 Van Ness Avenue
San Francisco, CA 94102

Please reference **Application A.21-07-017** in any communications you have with the CPUC regarding this matter.