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November 9, 2012

ADVICE LETTER 2416-E
(U 902-E)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

SUBJECT: ANNUAL NON-FUEL GENERATION BALANCING ACCOUNT UPDATE

PURPOSE

The purpose of this Advice Letter ("AL") is to request California Public Utilities Commission (Commission) approval of SDG&E's 2013 Non-Fuel Generation Balancing Account ("NGBA") revenue requirement. The NGBA revenue requirement reflects updates to the San Onofre Nuclear Generating Station ("SONGS"), SDG&E's Generation Plants and on-going revenue requirement for the utility-owned generation ("UOG") portion of SDG&E's Solar Photovoltaic Program. Additionally, this filing includes the forecasted year end account balances included for amortization in January 1, 2013 rates as authorized by the Commission¹.

DISCUSSION

The NGBA applies to SDG&E's bundled service customers and provides recovery of approved electric generation non-fuel costs not being recovered by another component of SDG&E's electric commodity rates. Currently, SDG&E has ownership interest in SONGS, Miramar Energy Facilities ("MEF") I & II, Palomar Energy Center facility ("Palomar"), Desert Star Energy Center ("Desert Star"), Cuyamaca Peak Energy Plant ("CPEP"), and the UOG portion of SDG&E's Solar Photovoltaic Program of which the non-fuel revenue requirement for each is reflected in the NGBA. The generation non-fuel revenue requirement adjustments presented in this AL have received prior Commission authorization, and are consolidated to produce an NGBA revenue requirement effective January 1, 2013, subject to revision once final decisions are issued in SDG&E's and Southern California Edison's ("SCE") 2012 General Rate Cases ("GRC") filed in Application ("A.") 10-12-005 and A.10-11-015 respectively².

As part of this AL, SDG&E proposes to adjust electric commodity rates to reflect the updated NGBA revenue requirement effective January 1, 2013. The NGBA change will be included in the AL consolidating all Commission-authorized changes in SDG&E's revenue requirements, and related changes to its rates, filed at least three days prior to the January 1, 2013 effective date of such rates. A summary of the NGBA revenue requirement for 2013 and a summary of present and proposed rates are both included herein as Attachments A and B respectively.

The following adjustments to SDG&E's NGBA, resulting in a \$27.7 million (includes FF&U) decrease to the 2012 NGBA revenue requirement, are therefore effective January 1, 2013:

¹ Account balances authorized to be transferred to NGBA at year end per approved tariffs including San Onofre Nuclear Generation Balancing Account ("SONGSBA") and Solar Energy Project Balancing Account ("SEPBA").

² Decision ("D.") 06-11-026 in SONGS Steam Generator Replacement Proceeding A.06-04-018, D.08-07-046 in SDG&E's 2008 General Rate Case Proceeding A.06-12-009, D.09-03-025 in Southern California Edison's 2009 General Rate Case Proceeding A.07-11-011, D.07-11-046 in SDG&E's Option to Purchase the El Dorado Power Plant, SDG&E's AL 2126-E in compliance with D.09-01-008 in Miramar Energy Facility II Project A.08-06-017, D.11-12-002 approving SDG&E's acquisition of Cuyamaca Peak (formally referred to as CalPeak El Cajon Energy Facility), and SDG&E's AL 2204-E in compliance with D.06-11-026.

SAN ONOFRE NUCLEAR GENERATION STATION (“SONGS”)

The 2013 SONGS non-fuel revenue requirement of \$155.1 million consists of operations & maintenance costs, capital-related costs and Steam Generator Replacement Program (“SGRP”). An Order Instituting Investigation (“OII”) regarding SONGS Units 2 and 3 was opened on October 25, 2012. This immediate advice letter filing does not incorporate changes that may or may not occur as a result of that OII. When a determination has been made in that OII, SDG&E will make Commission directed changes accordingly. Details of the revenue requirement are discussed below.

SONGS O&M and Capital-related Costs

The 2013 SONGS revenue requirement continues to include \$100.5 million for O&M costs and \$24.2 million for capital-related costs. The proposed revenue requirement reflects the existing revenue requirements that were previously authorized for 2011 in D.09-03-025 and D.08-07-046. SCE’s 2012 GRC A.10-11-015 was filed on November 23, 2010 and is still pending a decision before the Commission. Because there has not been a final decision issued, this filing continues to reflect the 2011 authorized revenue requirement. Once a decision is reached in SCE’s GRC, a true up to the 2013 authorized revenue requirement will occur. SDG&E will include this adjustment in its rate change to implement GRC revenue requirements and GRC account related amortizations. SCE does not forecast any refueling outages in 2013, which results in a revenue requirement decrease of \$28.7 million.

SONGS Steam Generator Replacement Program (“SGRP”)**Background**

On November 30, 2006, the Commission issued D.06-11-026, approving an unopposed settlement of the ratemaking treatment of SDG&E’s share of costs related to the SGRP at SONGS. The settlement provided for ratemaking treatment of SDG&E’s 20% share of SGRP costs in a manner consistent with the ratemaking treatment the CPUC authorized for SCE’s share of the SGRP costs in D.05-12-040.

Discussion

SDG&E’s share of the SGRP project costs for Unit 2 and 3 are currently projected to be \$142 million (2004\$’s) consisting of \$117 million for replacement steam generator installation and \$25 million for removal and disposal of the original steam generators, including allocated overheads and excluding allowance for funds used during construction (“AFUDC”). There currently is no breakdown of actual cost for fabrication/installation and removal/disposal by Unit available yet from SCE. Costs for SONGS Unit 2 are estimated to be at \$75 million excluding removal/disposal costs and AFUDC charges. Unit 3 installation/fabrication was completed and returned to operations for its load requirements on February 18, 2011. Costs for SONGS Unit 3 are estimated to be \$79 million excluding removal/disposal costs and AFUDC charges. Unit 2 and Unit 3 removal/disposal is expected to be completed in 2013. After the completion date, SDG&E expects a true-up on the break down between units and fabrication/install and removal/disposal. At that time, SDG&E will prepare a true up to reflect the correct revenue requirement. In the interim, SDG&E is not proposing a 2013 revenue requirement for SGRP removal and disposal. Attachments C and D provide SDG&E’s 2012-13 cost projections for SONGS Unit 2 and 3, respectively, and the associated revenue requirement.

SGRP Revenue Requirement

The 2013 SONGS SGRP revenue requirement includes \$16.8 million for SONGS Unit 2 SGRP Installation costs and \$13.6 million for Unit 3 SGRP installation costs as described above.

SONGS 2013 Refueling

At this time, SDG&E is awaiting a decision in SCE's 2012 GRC, which will include refueling O&M for 2012 and beyond. In the prior year Advice Letter (AL 2302-E), we reflected two scheduled refueling outages for 2012. Only one refueling outage took place at SONGS in 2012. The overcollection is reflected in the SONGSBA presented in this advice letter for amortization in January 1, 2013 rates. For 2013, we are not anticipating any refueling outages at SONGS and therefore are not requesting a revenue requirement for 2013 refueling at this time.

MIRAMAR ENERGY FACILITY I ("MEF I") & PALOMAR ENERGY CENTER ("PALOMAR")

The 2013 MEF I and Palomar revenue requirement remains unchanged from 2011 approved levels of \$121.2 million. SDG&E filed a GRC (A.10-12-005) on December 15, 2010. Pursuant to Assigned Commissioner and Administrative Law Judge's Scoping Memo and Ruling ("Commission Ruling") dated March 2, 2011, any shortfall or over-collection that results from the difference between the rates currently in effect and the final rates adopted by the Commission will be recorded in the General Rate Case Memorandum Account ("GRCMA")³. Once a decision is reached in SDG&E's GRC, a true up will occur to the 2013 authorized revenue requirement amount. SDG&E will include this adjustment in its rate change to implement GRC revenue requirements and GRC account related amortizations.

MIRAMAR ENERGY FACILITY II ("MEF II")

The 2013 MEF II revenue requirement of \$7.8 million represents a \$0.3 million decrease from the 2012 revenue requirement approved in AL 2302-E⁴ filed on November 10, 2011. As part of the 2010 NGBA update filing⁵, a revenue requirement for 2009 through 2013 was approved and is being used in this filing. In the SDG&E 2012 GRC filing, revenue requirements for MEF II are included with the proposed generation margin. As mentioned above, since there is not a decision in that case as of this filing, SDG&E is using the authorized 2013 MEF II revenue requirement from AL 2126-E and will track in the GRCMA and true up any difference once an authorized margin for 2012 and 2013 is determined.

DESERT STAR ENERGY CENTER ("DESERT STAR")

In compliance with D.07-11-046, SDG&E filed AL 2292-E⁶ to update the Desert Star revenue requirement for final costs and determination of book value. In Resolution E-4465 approving AL 2292-E, the Commission found that SDG&E's October 1, 2011 net book value stated for Desert Star was consistent with D. 07-11-046 and AL 2204-E, and approved the updated revenue requirements as presented in AL 2292-E. The authorized 2013 revenue requirement is \$77.5 million (excluding FF&U). Attachment E provides details of the projected 2012-2013 revenue requirements as approved in AL 2292-E.

AL 2292-E, as approved, authorized that "should SDG&E be granted an attrition mechanism in its current GRC that would apply to revenues related to other generation equipment (i.e., Palomar Energy Center, Miramar I, Miramar II) then SDG&E would apply that same attrition mechanism to its El Dorado assets accordingly and notify the Commission during the NGBA filing in November each year for the following year." SDG&E is still awaiting a decision in its GRC A.10-12-005 and therefore cannot apply an attrition amount to the Desert Star revenue requirement as authorized. Therefore, the 2013 authorized revenue requirement is presented in the attached revenue requirement tables until such time as the attrition mechanism is decided. Once approved, SDG&E will true-up the difference between the 2013 revenue requirement used in this filing versus the 2012 revenue requirement amount escalated for attrition SDG&E will include this adjustment in its rate change to implement GRC revenue requirements and GRC account related amortizations

³ AL 2242-E-A approved on October 28, 2011; effective January 1, 2012.

⁴ AL 2302-E approved on December 23, 2011; effective December 10, 2011.

⁵ AL 2126-E approved on December 17, 2009; effective December 16, 2009.

⁶ Approved on August 2, 2012 in Resolution E-4465.

CUYAMACA PEAK ENERGY PLANT (“CPEP”) (FORMERLY CALPEAK EL CAJON ENERGY FACILITY)

On January 5, 2011, SDG&E filed A.11-01-004 requesting authority to acquire the CalPeak El Cajon Energy Facility from CalPeak Power-El Cajon LLC. D.11-12-002 dated December 1, 2011 approved the purchase and authorized SDG&E to establish a memorandum account to record the CPEP revenue requirement from the date it is placed in service until the date a final decision adopting SDG&E's revenue requirement is issued in A. 10-12-005. AL 2316-E⁷ was filed to establish the Cuyamaca Peak Energy Plant Memorandum (“CPEPMA”) and notify of the name change from CalPeak El Cajon Energy Facility to Cuyamaca Peak Energy Plant. A Commission decision on A. 10-12-005 is still pending. Therefore, once a decision is reached in A. 10-12-005, SDG&E will file to include the authorized revenue requirement for CPEP in rates. SDG&E will soon file a Petition for Modification in D.11-12-002 to address the timing requirements of when to file its Tier 3 advice letter to transfer the CPEPMA balance to the NGBA and when to place those balances into rates.

SOLAR ENERGY PROJECT BALANCING ACCOUNT (“SEPBA”)

On July 11, 2008, San Diego Gas & Electric Company filed A.08-07-017 seeking approval of solar photovoltaic (“PV”) program (“the Solar Energy Project”) as part of a broader effort to promote renewable generation in California. In AL 2210-E, SDG&E was authorized to create the Solar Energy Project Balancing Account consistent with ratemaking methodology discussed in section 7.10 of D. 10-09-016. The subsequent AL 2210-E authorized SDG&E an annual revenue requirement of \$567K for staffing and SDG&E has included that authorized revenue requirement for 2013 in this NGBA update. Pursuant to the Preliminary Statement approved with AL 2210-E, the balance in the SEPBA shall be transferred annually to the NGBA, and this projected year-end balance in SEPBA is included in the December 31, 2012 balances shown for amortization in Attachment B.

AMORTIZATION OF DECEMBER 31, 2012 BALANCES

The projected December 31, 2012 NGBA balance as of this filing is a \$50.6 million under-collection and will be amortized over the next 12 months beginning January 1, 2013. The projected amount includes the balances of accounts transferred annually to the NGBA such as the SONGS O&M Balancing Account (“SONGSBA”) and the Solar Energy Project Balancing Account. This represents a \$7.7 million reduction in rates.

This filing will not create any deviations from SDG&E's tariffs, cause withdrawal of service from any present customers, or impose any more restrictive conditions.

2012 General Rate Case (“GRC”)

SDG&E's 2012 GRC (A.10-12-005) is pending approval by the Commission and its implementation could impact the revenue requirements and regulatory account balance forecasts included in this filing. Once the 2012 GRC is approved, SDG&E plans to file a separate advice letter to revise the revenue requirements and amortizations of certain regulatory accounts in this filing that are impacted by the 2012 GRC.

The GRC Memorandum Account (GRCMA) was approved in AL 2242-E-A on October 28, 2011. The account balance and its disposition will be included in the advice letter noted upon Commission approval of the 2012 GRC.

PROTEST

Anyone may protest this AL to the California Public Utilities Commission. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be

⁷ Approved on February 24, 2012.

submitted expeditiously. The protest must be made in writing and must be received by November 29, 2012 which is 20 days of the date this AL was filed with the Commission. There is no restriction on who may file a protest. The address for mailing or delivering a protest to the Commission is:

CPUC Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102

Copies of the protest should also be sent via e-mail to the attention of the Energy Division at EDTariffUnit@cpuc.ca.gov. A copy of the protest should also be sent via both e-mail and facsimile to the address shown below on the same date it is mailed or delivered to the Commission.

Attn: Megan Caulson
Regulatory Tariff Manager
8330 Century Park Court, Room 32C
San Diego, CA 92123-1548
Facsimile No. (858) 654-1879
E-mail: mcaulson@semprautilities.com

EFFECTIVE DATE

SDG&E believes this filing is subject to Energy Division disposition and should be classified as Tier 2 (effective after staff approval) pursuant to GO 96-B. SDG&E respectfully requests that this filing be approved effective December 9, 2012, 30 days from the date filed.

NOTICE

A copy of this filing has been served on the utilities and interested parties shown on the attached list by either providing them a copy electronically or by mailing them a copy hereof, properly stamped and addressed.

Address changes should be directed to SDG&E Tariffs by facsimile at (858) 654-1879 or by e-mail at SDG&ETariffs@semprautilities.com.

Sincerely,

CLAY FABER
Director – Regulatory Affairs

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No. **SAN DIEGO GAS & ELECTRIC (U 902)**

Utility type:

ELC

GAS

PLC

HEAT

WATER

Contact Person: Joff Morales

Phone #: (858) 650-4098

E-mail: jmorales@semprautilities.com

EXPLANATION OF UTILITY TYPE

ELC = Electric

GAS = Gas

PLC = Pipeline

HEAT = Heat

WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: 2416-E

Subject of AL: Annual Non-Fuel Generating Balancing Account Update

Keywords (choose from CPUC listing): Balancing Account, Annual

AL filing type: Monthly Quarterly Annual One-Time Other

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: None

Summarize differences between the AL and the prior withdrawn or rejected AL¹: N/A

Does AL request confidential treatment? If so, provide explanation: None

Resolution Required? Yes No

Tier Designation: 1 2 3

Requested effective date: 12/09/2012

No. of tariff sheets: 0

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: _____

Service affected and changes proposed¹: None

Pending advice letters that revise the same tariff sheets: None

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division

Attention: Tariff Unit

505 Van Ness Ave.,

San Francisco, CA 94102

EDTariffUnit@cpuc.ca.gov

San Diego Gas & Electric

Attention: Megan Caulson

8330 Century Park Ct, Room 32C

San Diego, CA 92123

mcaulson@semprautilities.com

¹ Discuss in AL if more space is needed.

General Order No. 96-B
ADVICE LETTER FILING MAILING LIST

cc: (w/enclosures)

Public Utilities Commission

DRA

Y. Schmidt
W. Scott

Energy Division

P. Clanon
S. Gallagher
H. Gatchalian
D. Lafrenz
M. Salinas

CA. Energy Commission

F. DeLeon
R. Tavares

Alcantar & Kahl LLP

K. Harteloo

American Energy Institute

C. King

APS Energy Services

J. Schenk

BP Energy Company

J. Zaiontz

Barkovich & Yap, Inc.

B. Barkovich

Bartle Wells Associates

R. Schmidt

Braun & Blaising, P.C.

S. Blaising

California Energy Markets

S. O'Donnell

C. Sweet

California Farm Bureau Federation

K. Mills

California Wind Energy

N. Rader

CCSE

S. Freedman
J. Porter

Children's Hospital & Health Center

T. Jacoby

City of Chula Vista

M. Meacham
E. Hull

City of Poway

R. Willcox

City of San Diego

J. Cervantes
G. Lonergan
M. Valerio

Commerce Energy Group

V. Gan

Constellation New Energy

W. Chen

CP Kelco

A. Friedl

Davis Wright Tremaine, LLP

E. O'Neill
J. Pau

Dept. of General Services

H. Nanjo

M. Clark

Douglass & Liddell

D. Douglass

D. Liddell

G. Klatt

Duke Energy North America

M. Gillette

Dynegy, Inc.

J. Paul

Ellison Schneider & Harris LLP

E. Janssen

Energy Policy Initiatives Center (USD)

S. Anders

Energy Price Solutions

A. Scott

Energy Strategies, Inc.

K. Campbell

M. Scanlan

Goodin, MacBride, Squeri, Ritchie & Day

B. Cragg

J. Heather Patrick

J. Squeri

Goodrich Aerostructures Group

M. Harrington

Hanna and Morton LLP

N. Pedersen

Itsa-North America

L. Belew

J.B.S. Energy

J. Nahigian

Luce, Forward, Hamilton & Scripps LLP

J. Leslie

Manatt, Phelps & Phillips LLP

D. Huard

R. Keen

Matthew V. Brady & Associates

M. Brady

Modesto Irrigation District

C. Mayer

Morrison & Foerster LLP

P. Hanschen

MRW & Associates

D. Richardson

OnGrid Solar

Andy Black

Pacific Gas & Electric Co.

J. Clark

M. Huffman

S. Lawrie

E. Lucha

Pacific Utility Audit, Inc.

E. Kelly

R. W. Beck, Inc.

C. Elder

School Project for Utility Rate
Reduction

M. Rochman

Shute, Mihaly & Weinberger LLP

O. Armi

Solar Turbines

F. Chiang

Sutherland Asbill & Brennan LLP

K. McCrea

Southern California Edison Co.

M. Alexander

K. Cini

K. Gansecki

H. Romero

TransCanada

R. Hunter

D. White

TURN

M. Florio

M. Hawiger

UCAN

M. Shames

U.S. Dept. of the Navy

K. Davoodi

N. Furuta

L. DeLacruz

Utility Specialists, Southwest, Inc.

D. Koser

Western Manufactured Housing

Communities Association

S. Dey

White & Case LLP

L. Cottle

**ADVICE LETTER 2416-E
ATTACHMENT A
SDG&E 2013 NGBA REVENUE REQUIREMENT
(\$ In Thousands, excluding FF&U)**

| | Proposed 2013 | Authorized 2012 |
|--|--------------------------|----------------------------|
| SONGS | | |
| Non-fuel Operations & Maintenance Revenue Requirement ^{1/} | 100,490 | 100,490 |
| Non-fuel Capital-related Revenue Requirement ^{1/} | 24,199 | 24,199 |
| Refueling - No 2013 Outages Forecasted | - | 28,721 |
| Steam Generation Replacement Program (SGRP) Removal & Disposal Costs ^{2/} | - | - |
| SONGS Unit 2 SGRP Installation Revenue Requirement ^{3/} | 16,802 | 17,772 |
| SONGS Unit 3 SGRP Installation Revenue Requirement ^{4/} | 13,637 | 14,208 |
| SONGS Total | 155,128 | 185,389 |
| SDG&E Generation | | |
| SDG&E Generation - Miramar & Palomar ^{5/} | 121,217 | 121,217 |
| SDG&E Generation - Miramar II ^{6/} | 7,780 | 8,095 |
| Desert Star Energy Center ^{7/} | 77,532 | 66,651 |
| Cuyamaca Peak Energy Plant ^{8/} | - | - |
| SDG&E Generation Total | 206,528 | 195,962 |
| Solar Energy Project Balancing Account (SEPBA) Revenue Requirement | 567 | 567 |
| Authorized NGBA Revenue Requirement | 362,223 | 381,918 |
| December 31, 2012 Balances ^{9/} | | |
| NGBA | 32,976 | 24,660 |
| SONGS MAAC Subaccount | - | 13,346 |
| SONGSBA ^{10/} | 17,942 | 20,068 |
| Solar Energy Project Balancing Account (SEPBA) ^{10/} | (337) | 208 |
| Amortization of 12/31 Balances | 50,580 | 58,282 |
| NGBA Revenue Requirement effective 1/1/13 ^{11/} | 412,803 | 440,200 |

Notes:

^{1/} 2011 revenue requirement (not included in this filing) included a post-test year ratemaking increase of 4.35%, as adopted in D.09-03-025. Absent a decision in A.10-11-015 (SCE's most recent GRC application) and A.10-12-005 (SDG&E's most recent GRC application) the revenue requirement will remain the same for 2012 and 2013. Revenue requirements will be trued-up pending GRC decisions.

^{2/} Removal and Disposal is still underway for SONGS Units 2 & 3. Once completed and final costs determined, SDG&E will file to include the remaining costs in rates pursuant to D.06-11-026, Attachment A.

^{3/} Approved in AL 2204-E on December 7, 2010. Detailed breakdown included in Attachment D of this filing.

^{4/} Approved in AL 2243-E on June 9, 2011. Detailed breakdown included in Attachment E of this filing.

^{5/} Revenue requirements approved in Advice Letter AL 2126-E on December 17, 2009 include fixed attrition for SDG&E Generation approved in A.08-07-046 (SDG&E's prior GRC application). Absent a decision in A.10-12-005 (SDG&E's current GRC application) the revenue requirement will remain the same for 2012 and 2013. Revenue requirements will be trued-up pending the final GRC decision.

^{6/} Revenue requirement in this filing represents that approved in AL 2126-E. Proposed revenue requirement was included in A.10-12-005 (SDG&E's current GRC application). Revenue requirements will be trued-up pending the GRC decision.

^{7/} Revenue requirement approved in Advice Letter 2292-E on October 24, 2012. Sub-section C. of the Discussion Section of AL 2292-E discusses the year-over-year attrition. That growth rate will be aligned with the approval of A.10-12-005.

^{8/} No revenue requirement collection until a final decision in A.10-12-005. SDG&E is authorized to track the revenue requirement in a memo account until the implementation of the GRC. A Tier 3 advice letter will be filed to transfer the balance to the NGBA for collection.

^{9/} Year-end 2012 balances reflect actual data through September 2012 and forecasted amounts for October - December 2012.

^{10/} Under SDG&E's tariffs, the balance is transferred annually to the Non-fuel Generation Balancing Account.

^{11/} 2013 proposed amount including FF&U is \$417,677,051. Franchise fee factor is 1.028% and uncollectible factor is .141% which computes to a 1.012 gross-up factor $1/(1-.01028-.00141)$.

**ADVICE LETTER 2416-E
ATTACHMENT B
SDG&E 2013 NGBA REV REQ.
CLASS AVERAGE RATES**

**Rates Effective 9/1/2012
(AL 2396-E)**

**Proposed Rates
2013 NGBA Rev Req**

| | Current Total UDC Rate (¢/KWhr) | Current Avg. Commodity (¢/KWhr) | Current Total Rate (¢/KWhr) | Proposed Total UDC Rate (¢/KWhr) | Proposed Avg. Commodity (¢/KWhr) | Proposed Total Rate (¢/KWhr) | Total Rate Change (¢/KWhr) | Total Rate Change (%) |
|---------------------------|--|--|--|---|---|---|---|--------------------------------------|
| Residential | 10.821 | 7.503 | 18.324 | 10.821 | 7.353 | 18.174 | (0.150) | -0.82% |
| Small Commercial | 9.916 | 8.085 | 18.001 | 9.916 | 7.923 | 17.839 | (0.162) | -0.90% |
| Med&Lg C&I | 6.143 | 8.162 | 14.305 | 6.143 | 8.002 | 14.145 | (0.160) | -1.12% |
| Agriculture | 9.785 | 7.724 | 17.509 | 9.785 | 7.569 | 17.354 | (0.155) | -0.89% |
| Lighting | 9.309 | 5.559 | 14.868 | 9.309 | 5.447 | 14.756 | (0.112) | -0.75% |
| System Total | 8.309 | 7.845 | 16.154 | 8.309 | 7.689 | 15.998 | (0.156) | -0.97% |

ADVICE LETTER 2416-E
ATTACHMENT C
San Onofre Nuclear Generating Station (SONGS)
Unit 2 SGRP
Reactor Plant Equipment for Nuclear Production Plant
Annual Revenue Requirement

Account-322

| <u>Reactor Plant Equipment</u> | | 2012 | 2013 |
|---------------------------------------|--------|----------------|----------------|
| Franchise Fees & Uncollectibles | 1.73% | 0.3 | 0.3 |
| O&M expenses | | - | - |
| Property Taxes | 1.21% | 0.9 | 0.8 |
| Preferred Equity Interest | 0.42% | 0.3 | 0.3 |
| Interest Expense | 2.54% | 1.9 | 1.7 |
| Depreciation Expense | | 7.2 | 7.2 |
| Federal Tax Expense | | 2.7 | 2.4 |
| State Tax Expense | | 0.7 | 0.7 |
| Return on Equity | 5.44% | 4.1 | 3.7 |
| Revenue Requirement | | 18.1 | 17.1 |
| Return on Ratebase (ROR) | | 6.3 | 5.7 |
| Weighted Average Ratebase | 49.00% | 37.0 | 33.4 |
| ROE Proof | | 11.100% | 11.100% |

ADVICE LETTER 2416-E
ATTACHMENT D
San Onofre Nuclear Generating Station (SONGS)
Unit 3 SGRP
Reactor Plant Equipment for Nuclear Production Plant
Annual Revenue Requirement

Account-322

| <u>Reactor Plant Equipment</u> | | 2012 | 2013 |
|---------------------------------------|--------|----------------|----------------|
| Franchise Fees & Uncollectibles | 1.18% | 0.2 | 0.2 |
| O&M expenses | | - | - |
| Property Taxes | 1.253% | 0.8 | 0.7 |
| Preferred Equity Interest | 0.42% | 0.3 | 0.2 |
| Interest Expense | 2.54% | 1.6 | 1.4 |
| Depreciation Expense | | 5.6 | 5.6 |
| Federal Tax Expense | | 2.0 | 2.0 |
| State Tax Expense | | 0.5 | 0.5 |
| Return on Equity | 5.44% | 3.4 | 3.1 |
| Revenue Requirement | | 14.4 | 13.8 |
| | | | |
| Return on Ratebase (ROR) | | 5.3 | 4.8 |
| | | | |
| Weighted Average Ratebase | 49.00% | 30.7 | 27.9 |
| | | | |
| ROE Proof | | 11.100% | 11.100% |

**ADVICE LETTER 2416-E
ATTACHMENT E**

SDG&E Desert Star Energy Center (El Dorado)
Annual Revenue Requirement (in millions)

| <u>Electric Plant</u> | | <u>2012</u> | <u>2013</u> |
|---------------------------------|--------|-------------|-------------|
| Franchise Fees & Uncollectibles | 1.18% | 0.8 | 0.9 |
| O&M expenses | | 26.5 | 39.7 |
| Property Taxes | 1.29% | 2.6 | 2.4 |
| Preferred Equity Interest | 7.25% | 0.8 | 0.8 |
| Interest Expense | 5.62% | 5.1 | 4.7 |
| Depreciation Expense | | 12.3 | 12.3 |
| Federal Tax Expense | | 7.0 | 5.9 |
| State Tax Expense | | 1.5 | 1.5 |
| Return on Equity | 11.10% | <u>10.9</u> | <u>10.2</u> |
| Revenue Requirement | | <u>67.4</u> | <u>78.4</u> |
| Return on Ratebase (ROR) | | 16.8 | 15.7 |