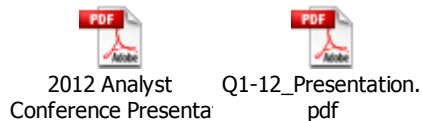


DRA DATA REQUEST
DRA-SDG&E-DR-001
SDG&E 2012 COST OF CAPITAL – A.12-04-016
SDG&E PARTIAL RESPONSE
DATE RECEIVED: MAY 7, 2012
DATE RESPONDED: MAY 21, 2012

1. Please provide copies of all presentations made to rating agencies and/or investment firms by Sempra Energy and/or San Diego Gas & Electric Company between January 1, 2011 and the present.

SDG&E Response:

Recent presentations made to rating agencies and/or investment firms covering SDG&E took place on March 29, 2012 and May 3, 2012. Investment analysts attended the March 29, 2012 Analyst Conference or were able to access the attached presentation materials through www.sempra.com. SDG&E specific slides from the 1st quarter earnings call presentation on May 3, 2012 were presented via a webcast and are attached. The complete Analyst Conference and 1st quarter earnings call presentations can be found at www.sempra.com.



Prior presentations covering SDG&E and dating back to January 1, 2011 are attached below for your reference. As described above, SDG&E specific slides are included. The full presentation can be found at www.sempra.com.



SDG&E objects to the request to provide Sempra-related information. Sempra Energy is not a party to SDG&E's Cost of Capital proceeding and thus such information is not relevant and outside the scope of this proceeding.

Response sponsor: Sandra Hrna

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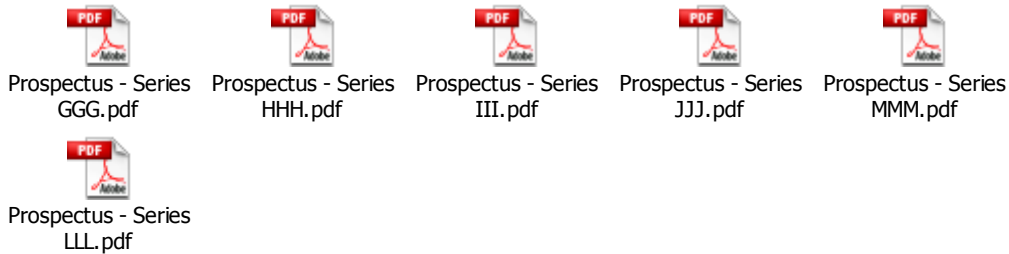
2. Please provide copies of all prospectuses for any security issuances by Sempra Energy and/or San Diego Gas & Electric Company between January 1, 2008 and the present.

SDG&E Response:

Since January 1, 2008, SDG&E has issued six series of first mortgage bonds.

Series GGG – Issued in May 14, 2009 for \$300 million, maturing in 2039;
Series HHH – Issued in May 13, 2010 for \$250 million, maturing in 2040;
Series III – Issued in August 26, 2010 for \$500 million, maturing in 2040;
Series JJJ – Issued in August 18, 2011 for \$350 million, maturing in 2021;
Series LLL – Issued in November 17, 2011 for \$250 million, maturing in 2041;
Series MMM – Issued in March 22, 2012 for \$250 million, maturing in 2042.

The attached are the documents associated with the issuances.



SDG&E objects to the request to provide Sempra-related. Sempra Energy is not a party to SDG&E's Cost of Capital proceeding and thus such information is not relevant and outside the scope of this proceeding.

Response sponsor: Sandra Hrna

**DRA DATA REQUEST
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DATE RECEIVED: MAY 7, 2012
DATE RESPONDED: MAY 21, 2012**

3. Please provide copies of credit reports for Sempra Energy and/or San Diego Gas & Electric Company between January 1, 2010 and the present from the major credit rating agencies (Moody's, S&P, and Fitch).

SDG&E Response:

Credit rating agency reports are copyrighted materials available to paid subscribers and copies therefore cannot be provided to third parties, except in some instances by permission. SDG&E is willing to make its credit reports from the major credit rating agencies published since January 1, 2010 available at SDG&E's offices for visual examination by requesting third parties to this proceeding.

SDG&E objects to the request to provide credit rating agency reports about Sempra Energy. Sempra Energy is not a party to SDG&E's Cost of Capital proceeding and thus such reports are not relevant and outside the scope of this proceeding.

Response sponsor: Sandra Hrna

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DATE RECEIVED: MAY 7, 2012
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4. Please provide the corporate credit and bond ratings assigned to Sempra Energy and San Diego Gas & Electric Company since the year 2005 by S&P, Moody's, and Fitch). For any change in the credit and/or bond rating, please provide a copy of the associated report.

SDG&E Response:

Attached is a summary of SDG&E's historical bond and credit ratings by the three rating agencies from 2005 to present.



DRA DR 001 Q4.xlsx

Credit rating agency reports are copyrighted materials available to paid subscribers and copies therefore cannot be provided to third parties, except in some instances by permission. SDG&E is willing to make its credit reports from the major credit rating agencies published since 2005 available at SDG&E's offices for visual examination by requesting third parties to this proceeding.

SDG&E objects to the request to provide credit rating agency reports about Sempra Energy. Sempra Energy is not a party to SDG&E's Cost of Capital proceeding and thus such reports are not relevant and outside the scope of this proceeding.

Response sponsor: Sandra Hrna

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5. Please provide the breakdown in the expected return on pension plan assets for San Diego Gas & Electric Company. Specifically, please provide the expected return on different assets classes (bonds, US stocks, international stocks, etc) used in determining the expected return on plan assets. Please provide all associated source documents and work papers.

SDG&E Response:

SDG&E objects to this question as the information requested was not referenced in SDG&E's direct testimony or relied upon when developing SDG&E's Cost of Capital proposal, and is therefore not relevant and is out of scope for SDG&E's Cost of Capital proceeding.

Response sponsor: N/A

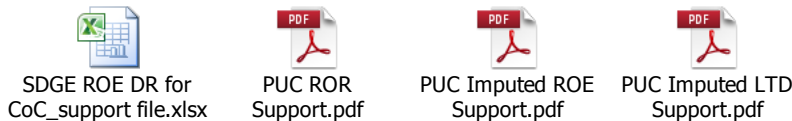
DRA DATA REQUEST
DRA-SDG&E-DR-001
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SDG&E RESPONSE
DATE RECEIVED: MAY 7, 2012
DATE RESPONDED: JUN 1, 2012

6. Please provide the Company’s authorized and earned return on common equity for the past five years. Please provide copies of all associated work papers and source documents. Please provide copies of the source documents, work papers, and data in both hard copy and electronic (Microsoft Excel) formats, with all data and formulas intact.

SDG&E Response:

Attached is SDG&E’s authorized and earned return on common equity for the past five years, along with associated work papers and source documents. Please note the ROEs were calculated in a manner that is consistent with our traditional PBR sharing calculations for CPUC base business (and exclude FERC Transmission for SDG&E). The ROEs in this table do NOT represent total company financial ROEs but rather are imputed CPUC specific calculations based on achieved RORs.

Auth and earned ROE			
SDG&E			
		CPUC Only	
Year Effective	Decision / Advice Letter	Earned ROE %	Authorized ROE %
2011	D. 07-12-049	12.74	11.10
2010	D. 07-12-049	12.43	11.10
2009	D. 07-12-049	12.81	11.10
2008	D. 07-12-049	13.05	11.10
2007	D. 05-12-043	11.01	10.70



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SDG&E PARTIAL RESPONSE
DATE RECEIVED: MAY 7, 2012
DATE RESPONDED: MAY 21, 2012

7. Please provide copies of the quarterly and annual financial statements (balance sheet, income statement, and statement of cash flows) for 2010 and 2011 for Sempra Energy and San Diego Gas & Electric Company. Please provide copies of the financial statements in both hard copy and electronic (Microsoft Excel) formats, with all data and formulas intact.

SDG&E Response:

Attached are the quarterly and annual financial statements (balance sheet, income statement, and statement of cash flows) for 2010 and 2011 for San Diego Gas & Electric Company (SDG&E).

SDG&E objects to the request to provide Sempra-related information on both relevance and out of scope bases. Sempra Energy is not a party to SDG&E's Cost of Capital proceeding and is not referenced in SDG&E's direct testimony and thus such information is not relevant and outside the scope of this proceeding.


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2010.xls


C:\2010 SDGE Q1
Cash Flow.pdf


C:\SDGE_Mar
2011.xls


2011 SDGE Q1
Cash Flow.pdf


C:\SDGE_Jun
2010.xls


C:\2010 SDGE Q2
Cash Flow.pdf


C:\SDGE_Jun
2011.xls


2011 SDGE Q2
Cash Flow.pdf


C:\SDGE_Sep
2010.xls


C:\2010 SDGE Q3
Cash Flow.pdf


C:\SDGE_Sep
2011.xls


2011 SDGE Q3
Cash Flow.pdf


C:\SDGE_Dec
2010.xls


C:\2010 SDGE
Annual Cash Flow


C:\SDGE_Dec
2011.xls


2011 SDGE
Annual Cash Flow

Response Sponsor: Ping Ng

DRA DATA REQUEST
DRA-SDG&E-DR-001
SDG&E 2012 COST OF CAPITAL – A.12-04-016
SDG&E PARTIAL RESPONSE
DATE RECEIVED: MAY 7, 2012
DATE RESPONDED: MAY 21, 2012

8. Please provide the following data with respect to the Company's proposed capital structure: (1) the data, work papers, and source documents, and calculations used in developing the Company's amounts of short-term debt, long-term debt, preferred stock, and common equity used in the Company's proposed capital structure; (2) provide projected monthly amounts of short-term debt, long-term debt, preferred stock, and common equity used in developing the proposed capital structure; (3) indicate why short-term debt should not be included in the Company's proposed capital structure, along with copies of all studies used to justify not using short-term debt in the proposed capital structure; (4) provide copies of all loan documents and lending agreements associated with either inter-company and/or financial institution short-term debt; (5) provide the current as well as projected cost of short-term debt, including the data, work papers, calculations, assumptions, and methodologies used in the calculations; and (6) provide the data and work papers in (1)-(5) in both hard copy and electronic (Microsoft Excel) formats, with all data and formulas intact.

SDG&E Response:

Response to (1) - (3): The rationale for SDG&E's ratemaking capital structure proposal is contained within the prepared direct testimony of witness Sandra K. Hrna. Please refer to direct testimony pages 5-19 for the full discussion. SDG&E did not use projected monthly amounts of short-term debt, long-term debt, preferred stock, and common equity to develop the proposed capital structure.

SDG&E has no short-term debt in its authorized capital structure, and SDG&E is not proposing that short-term debt be added to its authorized capital structure. As noted in the testimony of Ms. Hrna, SDG&E has developed its proposed capital structure with the appropriate long-term financing sources of long-term debt, preferred stock and common equity consistent with its current (and historical) authorized capital structure, and is proposing that only the preferred stock and common equity allocations be adjusted by 3% to help mitigate the various financial risks outlined by Ms. Hrna. The goal of the 3% adjustment to SDG&E's authorized capital percentages is to reduce financial risk (refer to pg. 20 of the testimony). The introduction of short-term debt financing into long-term financing horizons needlessly mismatches asset financing time spans with the assets' useful lives, increases financial risk, reduces financial flexibility, complicates cash management, and raises the risk of negative reactions by both credit rating agencies and investors. Consequently, consistent with SDG&E's past Cost of Capital applications/decisions, SDG&E purposely and prudently excluded short-term financing from its long-term cost of capital proposal.

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Response to Question 8 (Continued)

Response to (4-5): SDG&E objects to this request on the basis that it is out of scope – as noted above, SDG&E's short-term debt is not part of the currently authorized or the proposed capital structure and is not appropriate to use as a long-term financing source, and is therefore not relevant to determine SDG&E's cost of capital. Furthermore, the lending agreement associated with financial institution short-term debt is confidential and contains negotiated terms and conditions between multiple banks.

Response to (6): SDG&E submitted to DRA its workpapers supporting the testimony of witness Sandra Hrna via overnight Federal Express on April 20, 2012. SDG&E also submitted electronic formats via CD on April 20, 2012. The workpapers are responsive to this request. Please refer to page 25 for calculations related to capital structure proposals.

Response sponsor: Sandra Hrna

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9. With respect to the Company's capital structure, please provide the quarterly financial amounts of capital (short-term debt, long-term debt, preferred stock, and equity) for Sempra Energy and San Diego Gas & Electric Company for the past three years. Please provide the data in both hard copy and electronic (Microsoft Excel) formats, with all data and formulas intact.

SDG&E Response:

The attached Excel file contains the actual ratemaking capitalization amount and ratios for years 2009-2011, on a quarterly basis. As described in Question 8, short-term debt is not a component of SDG&E's authorized CPUC ratemaking capital structure ratio. Short-term debt is therefore excluded from the ratemaking capital structure ratio.



SDG&E
Capitalization.xls

Response sponsor: Sandra Hrna

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10. Please provide the following data with respect to the Company's proposed long-term debt cost rate: (1) all data, work papers, and source documents, and calculations used in computing the long-term cost rate; (2) all details, including calculations, amortization tables, and work sheets, related to the amounts for unamortized debt issuance balance and unamortized premium/discount and issuance expenses; and (3) all source documents, including issue amounts and dates, and copies of all issuance documents, interest rate projections, associated with projected long-term issuances used in computing the long-term debt cost rate, including (a) issuance date, (b) debt amounts, (c) copies of lending agreements and provisions, (d) copies of all documentation that indicate the pricing and interest rate on all debt placements, and (e) all information available on underwriter, underwriting spread, SEC filings, loan placement documents, presentations from investment bankers, and/or other information and source documents associated with debt offerings; and (4) provide the data and work papers in (1) – (3), in both hard copy and electronic (Microsoft Excel) formats, with all data and formulas intact.

SDG&E Response:

SDG&E submitted to DRA its workpapers supporting the testimony of witness Sandra Hrna via overnight Federal Express on April 20, 2012. SDG&E also submitted electronic formats via CD on April 20, 2012. The workpapers are responsive to this request.

Please refer to workpaper pages 1-6 for the calculation of the proposed long-term debt cost rate. The pertinent assumptions for projected long term debt issuances are outlined in the workpapers, however, issuance agreements and documentation will not be available until those actual debt issuances take place.

Response sponsor: Sandra Hrna

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SDG&E PARTIAL RESPONSE
DATE RECEIVED: MAY 7, 2012
DATE RESPONDED: MAY 21, 2012

11. Please provide the following data with respect to the Company's proposed preferred stock cost rate: (1) all data, work papers, and source documents, and calculations used in computing the preferred stock cost rate; (2) all source documents, including issue amounts and dates, and copies of all issuance documents, associated with preferred stock issues including (a) issuance date, (b) amounts, (c) copies of all documentation that indicate the pricing and yield on all issues, and (d) all information available on underwriter, underwriting spread, SEC filings, loan placement documents, presentations from investment bankers, and/or other information and source documents associated with debt offerings; and (3) provide the data and work papers in (1) – (2), in both hard copy and electronic (Microsoft Excel) formats, with all data and formulas intact.

SDG&E Response:

SDG&E submitted to DRA its workpapers supporting the testimony of witness Sandra Hrna via overnight Federal Express on April 20, 2012. SDG&E also submitted electronic formats via CD on April 20, 2012. The workpapers are responsive to this request.

Please refer to workpaper pages 7-9 for the calculation of the proposed preferred stock rate. The pertinent assumptions for projected preferred stock issuances are outlined in the workpapers, however, issuance agreements and documentation will not be available until those actual preferred stock issuances take place.

Response sponsor: Sandra Hrna