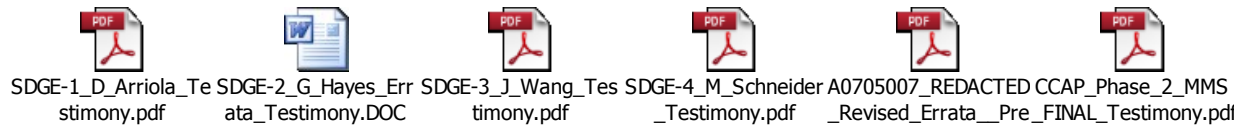


**TURN SDGE DATA REQUEST
TURN-SDG&E-DR-002
SDG&E 2012 COST OF CAPITAL – A.12-04-016
SDG&E RESPONSE
DATE RECEIVED: JUNE 22, 2012
DATE RESPONDED: JULY 2, 2012**

1. Please provide the utility's testimonies from the 2008 Cost of Capital Proceeding.

SDG&E Response:

Please see the attachments below.



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2. Please provide all testimonies submitted by witness Morin in a cost of capital proceeding for any utility during the past five years (2007-2011).

SDG&E Response:

Dr. Morin has testified in every state except Connecticut, Rhode Island, Wisconsin and Idaho, and does not archive past testimonies. Dr. Morin's past testimonies are publicly available to TURN on the commission websites where he has testified.

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3. A copy of the current projected capital expenditures forecast of the next 3-5 years along with the projected /budgeted financing of the expenditures;

SDG&E Response:

The most recent five-year financial forecast was presented at the March 29, 2012 Analyst Conference. SDG&E-specific slides covering projected capital expenditures are provided below.



2012 Analyst
Conference Presenta

SDG&E's most recent debt issuance of \$250 million first mortgage bonds took place in March 2012. As stated in Sandra Hrna's direct testimony, SDG&E anticipates issuing at least \$250 million of new long term debt and approximately \$80 million of preferred stock in 2013. In practice, new financings are refined during the year of issuance in order to take into consideration changes in cash flows that occur over the forecast period; consequently, these forecasts are subject to change depending upon cash flow dynamics. In the outer years, SDG&E will continue to assess the Company's actual cash needs and will raise additional capital through a combination of debt and preferred stock issuances as deemed appropriate. The decision to issue preferred stock versus long-term debt will be based on market conditions at the time of issuance.

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4. Projected debt financing of debt maturities over the next 3-5 years;

SDG&E Response:

SDG&E's upcoming debt maturities are summarized below.

| Debt Maturities | 2012 | 2013 | 2014 | 2015 | 2016 |
|------------------|------|------|--------|--------|------|
| (\$ in millions) | \$ - | \$ - | \$ 130 | \$ 264 | \$ - |

As discussed in response to Question #3, SDG&E anticipates issuing at least \$250 million of new long term debt and approximately \$80 million of preferred stock in 2013, and will raise additional capital in the outer years as cash needs dictate. Proceeds from these issuances will be used for general working capital purposes, the repayment of upcoming debt maturities, and to fund SDG&E's on-going capital expenditures.

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5. Current projections of the next equity issuance and projected amount;

SDG&E Response:

As stated in response to Question #3, SDG&E anticipates issuing approximately \$80 million of preferred stock in 2013. However, the decision to issue preferred stock versus long-term debt will be based on market conditions at the time of issuance. The exact terms and timing of new preferred stock issuance are still undefined and will depend on company's actual cash needs.

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6. A copy of the most recent Standard & Poor's, Moody's and Fitch credit and/or ratings analysis for the Company;

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 will make available for visual examination at its San Francisco office the confidential versions of its credit reports from the major credit rating agencies published since January 1, 2010.

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7. A copy of the Company's most recent bond and/or equity prospectus;

SDG&E Response:

SDG&E's most recent debt issuance of \$250 million (4.3% first mortgage bonds maturing in 2042) took place in March 2012. Attached is the prospectus for this issuance.



Prospectus - Series
MMM.pdf

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8. A copy of the Company's proposed retail cost of service for electric and gas service showing rate base investment, O&M, depreciation, taxes and other costs;

After a request for clarification, the question was changed to the following:

We would like:

- *the proposed summary of earnings from the GRC (forecast for 2012 under current and proposed rates), and*
- *the recorded summary of earnings for 2011*

SDG&E Response:

Attached is the proposed summary of earnings from the 2012 GRC Update Filing on February 17, 2012. SDG&E does not have a recorded summary of earnings table for 2011 that would be comparable to the 2012 GRC presentation. However, a pro forma 2011 recorded income statement was created to respond to a DRA data request and that is attached below. SDG&E stresses that the two tables presented here are not directly comparable because the historical 2011 pro forma income statement was developed for the purpose of calculating GRC related return and excludes certain items such as revenues recovered in regulatory accounts.



SDGE TURN DR02, Q8

-- 2012 SOE.xls



SDGE TURN DR02, Q8

-- Recorded 2011.xls

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9. Regarding rate base and depreciation and amortization expense:
- a. Please provide separately for electric and gas operations the Company's current authorized rate base included in CPUC jurisdictional base rates (divided into gross plant, depreciation reserve, accumulated deferred income taxes, and other non-rate base components separately identified (e.g., fuel and non-fuel inventories, cash working capital, customer advances for construction, and other items added to or subtracted from rate base) and annual authorized depreciation and amortization expense.
 - b. Provide similar data for FERC jurisdiction for electric utilities.
 - c. Also for each individual balancing account containing capital costs (including but not limited to Advanced Meter Infrastructure), identify the recorded rate base for electric and gas operations as of the end of the latest available year (divided into gross plant, depreciation reserve, accumulated deferred income taxes, and the sum of all other non-rate base components separately identified)

SDG&E Response:

- a. Attached please find SDG&E's CPUC authorized TY2008 GRC rate base and authorized depreciation and amortization expense tables, showing electric and gas separately. SDG&E is currently awaiting a final decision in its TY2012 GRC (A.10-12-005), which would establish 2012 authorized rate base.



TURN_DR_002_SDG
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- b. Attached please find the FERC requested information for the last authorized FERC Transmission Filing, Docket No. ER10-2235-001.



FERC Decision -
Cycle 4.doc



20120626145130.pdf

- c. Attached please find the unaudited supporting detail related to the requested SDG&E balancing accounts as of December 2011.



TURN_DR_002_SDG
E_Q.9c_Yee.xls