

Please reference SDG&E Application No. A.17-12-013 in any communications you have with the CPUC regarding this matter. All public comments will become part of the public correspondence file for this proceeding and be made available for review for the assigned Judge, the Commissioners, and appropriate CPUC staff.

Para más detalles llame al 1-800-311-7343
SAN DIEGO GAS & ELECTRIC COMPANY
NOTIFICATION OF ITS
RATE DESIGN WINDOW APPLICATION
NO. A.17-12-013

On December 20, 2017, San Diego Gas & Electric Company (SDG&E[®]) filed its 2018 Rate Design Window (RDW) application with the California Public Utilities Commission (CPUC). This application complies with CPUC's requirement that all three, major gas and electric utilities in California (Pacific Gas & Electric Company, Southern California Edison and SDG&E) propose a plan for transitioning to Time-of-Use rate plans. Additionally, this application will include several residential rate options designed to be more energy efficient and have less impact on the environment.

In 2015, the CPUC launched its residential rate reform efforts to address concerns about customer bill impacts and volatility caused by the five-tiered rate structure that was put into place after the California Energy Crisis. This 2018 RDW proceeding is the next step in the CPUC's process of residential electric rate reform for all of California's major utilities.

The state of California is taking steps to create a cleaner and more reliable energy grid by encouraging energy usage when demand is lower and renewable energy is more plentiful. Based on lessons learned from other customer classes (such as commercial and agricultural) being on Time-of-Use rate plans, the CPUC has determined that more residential customers should be moved to Time-of-Use rate plans. Time-of-Use rate plans can help bring down the overall cost of electricity, make better use of clean renewable energy such as solar, and support the needs of the electric grid. Customers will always have a choice of rate plans, meaning Time-of-Use is not mandatory.¹ The first year will be risk-free, with bill protection, and an individualized rate comparison for all customers.²

This application includes the following:

- Plan to transition many residential customers to a Time-of-Use rate plan, meaning the cost of electricity depends on the time of day it is used.
- Options of three core rate plans for customers to choose from, designed to meet a variety of customer needs.



A  Sempra Energy utility[®]

¹ Cal. Pub. Util. Code Section 745 (b)

² Cal. Pub. Util. Code Section 745 (c)(4)

- Future fixed monthly charge to reduce bill volatility and better align customer bills with cost of service. Implementing a fixed charge will decrease the price per kilowatt hour and helps reduce the impact of customer bill volatility.

The transition to Time-of-Use rate plans is being piloted statewide to gain important lessons before full transition. SDG&E's application proposes to start this transition on January 1, 2019, after all pilots are complete and lessons learned from pilot programs have been reflected in implementation plans.

IMPACT ON RATES

There is no direct request to increase rates in this application. However, the proposed implementation plan will eventually impact rates as rate design changes are implemented. Specific impacts to rates have not been determined at this time. Requests to increase rates will be made in future rate increase applications and information about rate impacts will be provided at that time. This application is intended to give customers more control over their bill amounts. The majority of customers will either see a reduction in their total bill amount or see a small annual increase, depending on how much energy they are able to shift to off-peak hours when prices are lower.

FOR FURTHER INFORMATION

For further information on these proposals you may contact SDG&E's Customer Service line at 1-800-411-SDGE (7343).

You may request additional information or obtain a copy of the application and related exhibits by writing to: Michelle Somerville, California Regulatory Affairs, San Diego Gas & Electric Company, 8330 Century Park Court, CP32D, San Diego, CA 92123. Additionally, a copy of the application and related exhibits may be inspected at the following SDG&E business offices:

436 H St. Chula Vista, CA 91910	440 Beech St. San Diego, CA 92101	336 Euclid Ave. San Diego, CA 92114
2405 E. Plaza Blvd. National City, CA 91950	104 N. Johnson Ave. El Cajon, CA 92020	644 W. Mission Ave. Escondido, CA 92025

The application and related exhibits are also available electronically on SDG&E's website at www.sdge.com/proceedings.

Copies of this bill insert will be available for viewing and printing on the SDG&E website at www.sdge.com/regulatory-notice.

Copies are also available to review at the CPUC's Central Files Office in San Francisco by appointment. For more information, please contact them at aljcentralfilesid@cpuc.ca.gov or (415) 703-2045.

CPUC PROCESS

This application is assigned to an Administrative Law Judge (Judge) who will determine how to receive evidence and other related documents, necessary for the CPUC to establish a record upon which to base its decision. Evidentiary hearings may be held where parties of record will present their testimony and may be subject to cross-examination by other parties. These evidentiary hearings are open to the public, but only those who are parties of record can participate.

After considering all proposals and evidence presented during the formal hearing process, the assigned Judge will issue a proposed decision which may adopt SDG&E's proposal, modify it or deny it. Any CPUC Commissioner may sponsor an alternate decision. The proposed decision, and any alternate decisions, will be discussed and voted upon at a scheduled CPUC Voting Meeting.

As a party of record, the Office of Ratepayer Advocates (ORA) will review this application. ORA is the independent consumer advocate within the CPUC with a legislative mandate to represent investor-owned utility customers to obtain the lowest possible rate for service consistent with reliable and safe service levels. ORA has a multi-disciplinary staff with expertise in economics, finance, accounting and engineering. For more information about ORA, please call (415) 703-1584, email ora@cpuc.ca.gov or visit ORA's website at www.ora.ca.gov.

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Email: public.advisor@cpuc.ca.gov

Mail: CPUC
Public Advisor's Office
505 Van Ness Ave.
San Francisco, CA 94102

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TTY 1-866-836-7825 (toll-free) or 1-415-703-5282