**DATA REQUEST – Response to remaining questions**

3-14. With regard to the second revised filing, please provide an executable version in native format with all formulas and links intact, and other supporting documents, constituting the workpapers showing the derivation of the “distance adjustment” for all such adjustments at proposed rates for AL-TOU and A6-TOU.

**SDG&E Response:**

The Distance Adjustment Fee was first implemented back in the mid-1990s.  It is based on the marginal costs of secondary and primary wire costs to hookup the customer’s facilities to the nearest transmission line.  Below is the Distance Adjustment Rule 1 Definition on SDG&E.com:

**DISTANCE ADJUSTMENT FEE**: The charge for wire cost and line losses associated with the distance calculated from the nearest transmission level line (69kV or higher) to the Customer Service Point for customers who have completed a Request for Service at Secondary/Primary Substation Level Rates, Form 106-3859. The Distance Adjustment Fee for customers taking Secondary Substation or Primary Substation Level Rates shall apply only to the customer’s measured distance in excess of 100 feet. For customers taking service under the provisions of Special Condition 16 of Schedule ALTOU and Special Condition 15 of AL-TOU-DER, the Distance Adjustment Fee shall apply to the customer’s entire measured distance between each of the meters involved using normal utility position to determine that distance.

SDG&E located the Distance Adjustment Fees that were implemented pursuant to the Settlement in SDG&E’s 1999 Rate Design Window. The attached settlement shows the distance adjustments in Section 3(a)(4) of the settlement document, which FEA supported at the time. The attached D.00-12-058 adopted the 1999 RDW Settlement, and Finding of Facts 30, 31, and 32 explains the distance adjustment fees adopted. These distance adjustment fees, adjusted for the annual 2001 distribution revenue change, were implemented on 1/01/01 (Advice Letter 1282-E). The distance adjustments fees then changed on 1/01/02 (Advice Letter 1383-E), 1/01/03 (Advice Letter 1463-E), 1/01/04 (Advice Letter 1550-E), and 1/01/05 (Advice Letter 1649-E) due to annual distribution revenue changes. The distance adjustment fees have not changed since January 1, 2005. Accordingly, because the distance adjustment fees have not changed since January 1, 2005, SDG&E no longer maintains the workpapers related to its derivation.

 