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**NOTICE OF APPLICATION
SAN DIEGO GAS & ELECTRIC COMPANY'S REQUEST TO
INCREASE RATES AND REVENUES FOR THE
2024 GENERAL RATE CASE
APPLICATION FILING A.22-05-016**

Why am I receiving this notice?

On May 16, 2022, San Diego Gas & Electric (SDG&E[®]) filed a General Rate Case (GRC) application with the California Public Utilities Commission (CPUC) requesting authority to increase revenues for 2024-2027. SDG&E is requesting to increase revenues by \$475 million (18.7% increase over 2023 expected revenues) in 2024. This application also includes requested increases of \$363.2 million (12.0%) in 2025, \$338.1 million (10.0%) in 2026, and \$306.9 million (8.2%) in 2027. The cumulative requested revenue increase is \$3,972 million.

Every four years, SDG&E is required to file a GRC application with the CPUC to set annual revenues. Annual revenues are the total amount of money a utility is allowed to collect through rates in a given year. The revenues requested in this application pay for the costs of owning and operating electric distribution and generation facilities and maintaining gas infrastructure. This application does not include the cost to purchase natural gas and electricity for SDG&E customers and does not determine how revenues are assigned to customer groups. Those are evaluated and authorized in separate proceedings.

If the CPUC approves this application, SDG&E will implement new revenues in electric and gas rates beginning on January 1, 2024. This will impact your monthly bill.

Why is SDG&E requesting this rate increase?

- To continue to invest in its gas and electric systems to enhance safety and reliability, and to manage risks that could impact its employees, customers, and/or system;
- To invest in its electricity and gas systems and technologies that advance clean energy for customers and the environment;
- To fund support services and to provide SDG&E's customers with safe, reliable and responsive customer service;
- To meet regulatory and compliance requirements driven by system safety and reliability and environmental compliance; and
- To invest in efforts and programs to maintain a highly-trained, qualified, and diverse workforce.

How could this affect my monthly electric rates?

If SDG&E's rate request is approved by the CPUC, the typical coastal residential monthly summer bill using 400 kWh per month would increase by approximately \$9.11 or 5.6% per month in 2024, compared to estimated 2023. Individual customer bills may vary.

Proposed Electric Rate Increase

		Total Rates			2022 to 2024 Increase		2023 to 2024 Increase	
Line No.	Customer Class	Current	As		Increase		Increase	
		(¢/kWh)	Expected	Proposed				
		1/1/2022 ¹	2023 ²	2024 ³	(¢/kWh)	%	(¢/kWh)	%
1	Residential	34.523	35.772	38.078	3.555	10.3%	2.306	6.5%
2	Small Comm.	32.243	33.433	35.611	3.368	10.4%	2.178	6.5%
3	Core Med & Lg C&I*	29.113	29.811	31.219	2.106	7.2%	1.408	4.7%
4	Agriculture	23.165	23.876	25.228	2.063	8.9%	1.352	5.7%
5	Lighting	29.009	30.408	32.865	3.856	13.3%	2.457	8.1%
6	System Total	31.059	31.996	33.786	2.727	8.8%	1.790	5.6%

¹ Rates effective 1/1/2022 per Advice Letters (AL) 3928-E, AL 3928-E-A, AL 3928-E-B.

² Includes revenues effective 1/1/2022 per AL 3928-E-A adjusted for expected 2023 GRC revenue requirements and other revenues expected to be implemented in 2023.

³ Includes Utility Distribution Company revenues plus Generation/Commodity revenues based on current authorized sales.

* Commercial and Industrial

How could this affect my monthly gas rates?

If SDG&E’s rate request is approved by the CPUC, the typical residential monthly bill using 24 therm per month would increase by approximately \$9.57 or 18.1% per month in 2024, compared to estimated 2023. Individual customer bills may vary.

Proposed Gas Rate Increase

		Total Rates ¹			2022 to 2024 Increase		2023 to 2024 Increase	
Line No.	Customer Class	As			Increase		Increase	
		Current (\$/Therm) 3/1/2022 ²	Expected (\$/Therm) 2023 ³	Proposed (\$/Therm) 2024	(\$/Therm)	%	(\$/Therm)	%
1	Residential	\$2.00804	\$2.19490	\$2.60242	\$0.59437	29.6%	\$0.40751	18.6%
2	Core C&I*	\$1.06667	\$1.13531	\$1.27836	\$0.21168	19.8%	\$0.14304	12.6%
3	Natural Gas Vehicle (NGV)	\$0.58585	\$0.61057	\$0.64710	\$0.06125	10.5%	\$0.03652	6.0%
4	Total Core	\$1.59899	\$1.73523	\$2.02912	\$0.43013	26.9%	\$0.29389	16.9%
5	Noncore C&I*	\$0.20935	\$0.24781	\$0.27889	\$0.06954	33.2%	\$0.03109	12.5%
6	Electric Generation (EG)	\$0.04908	\$0.06856	\$0.07276	\$0.02368	48.2%	\$0.00419	6.1%
7	Noncore Avg.	\$0.06211	\$0.08314	\$0.08952	\$0.02741	44.1%	\$0.00638	7.7%
8	System Total	\$0.79936	\$0.87565	\$1.01995	\$0.22059	27.6%	\$0.14430	16.5%

¹ 2023 and 2024 reflect the Commission-ordered updates to the 2020 TCAP cost allocation studies to reflect more recent costs, and to be implemented on 1/1/2023 rates per AL 3042-G.

² Rates effective 3/1/2022 per AL 3066-G, 3027-G-A, and the commodity price reflected in these tables are a forecast of 2022 gas price per AL 3024-G.

³ Includes revenues effective 3/1/2022 per AL 3066-G and 3027-G-A adjusted for expected 2023 GRC revenue requirements and other revenues expected to be implemented in 2023.

* Commercial and Industrial

How does the rest of this process work?

This application will be assigned to a CPUC Administrative Law Judge who will consider proposals and evidence presented during the formal hearing process. The Administrative Law Judge will issue a proposed decision that may adopt SDG&E’s application, modify it, or deny it. Any CPUC Commissioner may sponsor an alternate decision with a different outcome. The proposed decision, and any alternate decisions, will be discussed and voted upon by the CPUC Commissioners at a public CPUC Voting Meeting.

Parties to the proceeding may review SDG&E 's application, including the Public Advocates Office. The Public Advocates Office is an independent consumer advocate within the CPUC that represents customers to obtain the lowest possible rate for service consistent with reliable and

safe service levels. For more information, please call **1-415-703-1584**, email PublicAdvocatesOffice@cpuc.ca.gov, or visit **PublicAdvocates.cpuc.ca.gov**.

Where can I get more information?

Contact SDG&E

Email: [jyork@semprautilities.com](mailto: jyork@semprautilities.com)

Mail: Jamie York, 8330 Century Park Court, CP31E, San Diego, CA 92123

A copy of the Application and any related documents may also be reviewed at <http://www.sdge.com/proceedings>

Contact CPUC

Please visit apps.cpuc.ca.gov/c/A2205016

to submit a comment about this proceeding on the CPUC Docket Card. Here you can also view documents and other public comments related to this proceeding.

Your participation by providing your thoughts on SDG&E 's request can help the CPUC make an informed decision.

If you have questions about CPUC processes, you may contact the CPUC's Public Advisor's Office at:

Phone: **1-866-849-8390** (toll-free) or **1-415-703-2074**

Email: Public.Advisor@cpuc.ca.gov

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

Please reference **Application A.22-05-016** in any communications you have with the CPUC regarding this matter.