

Application No.: A.09-05-
Exhibit No.: _____
Witness: Michelle Somerville
Date: May 20, 2009

SAN DIEGO GAS & ELECTRIC COMPANY
PREPARED DIRECT TESTIMONY OF
MICHELLE SOMERVILLE

PUBLIC VERSION

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

MAY 20, 2009



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1 Department of Water Resources (CDWR) revenues for energy provided by CDWR to SDG&E
2 customers and non-fuel generation revenues allocated to the Non-fuel Generation Balancing
3 Account (NGBA). SDG&E's share of revenues from the sale of surplus energy is also reflected
4 in the ERRA.

5 On a monthly basis, the ERRA compares the energy procurement costs described above
6 with the revenue from Schedule EECC (excluding CDWR and NGBA revenue). Interest is
7 applied to any over or under collection balance at the three-month Commercial Paper rate.
8 SDG&E's adopted ERRA tariff describes the entries that are made to the account on a monthly
9 basis.

10 The ERRA balance as of December 31, 2008 was an \$18.9 million undercollection.

11 Attachment A summarizes the monthly entries to the ERRA used to calculate the ending balance.

12 The 2008 activity in the SDG&E ERRA as detailed in Attachment A is summarized in Table 1

13 below – under/(over) collection:

1

Table 1

December 31, 2007 ERRA Balance ¹	\$(22,365,542)
Revenue	\$(751,110,460)
Expenses	\$811,175,640
Other - net ²	\$(19,672,941)
Interest	\$898,131
December 31, 2008 ERRA Balance	\$18,924,828

2

3 Ordering Paragraph 19 of D.02-12-074 directed PG&E, SCE and SDG&E to file a
4 monthly report with the Commission’s Energy Division to include a summary of activity in the
5 ERRA balancing account, and to also submit original source documents pertaining to such
6 activities. D.07-04-020 modified this requirement to allow SDG&E to provide only a
7 breakdown of costs recorded to the ERRA in the monthly filings and make the supporting
8 documentation available to Commission staff and interested parties upon request. The modified
9 reporting requirement was effective with the April 2007 report. SDG&E submitted the monthly
10 report to the Energy Division and interested parties for the months January 1, 2008 through
11 December 31, 2008. The Energy Division responds by letter to SDG&E confirming for each
12 month reviewed that SDG&E has met the reporting requirement.³

¹ December 31, 2007 balance was approved in A.08-05-036/D.09-01-026.

² Includes FERC refunds.

³ As of the filing of this testimony, the Department of Water and Audits has completed this verification process through August 2008.

1 **III. TRANSITION COST BALANCING ACCOUNT**

2 In SDG&E's 2005 ERRA reasonableness review proceeding, the Commission authorized
3 the review of SDG&E's TCBA in future ERRA review proceedings.⁴ The annual ERRA review
4 is the appropriate forum to review the TCBA, since the costs that are recovered in the TCBA
5 generally relate to the above-market portion of certain Qualifying Facilities (QF) and purchase
6 power costs eligible for recovery under AB 1890.

7 The TCBA records the eligible above-market power costs and the revenues received from
8 SDG&E's Competition Transition Charge (CTC) rate. For 2008, the market benchmark of
9 \$73.99/MWh⁵ was used to calculate the above-market portion of AB 1890-eligible transition
10 costs. On a monthly basis, the TCBA compares the above-market power costs with the revenue
11 from the CTC rate component. Interest is applied to any over or under collection balance at the
12 three-month Commercial Paper rate.

13 The balance in the TCBA as of December 31, 2008 was a \$1.2 million undercollection.
14 Attachment B provides a monthly summary of the entries to the TCBA. The 2008 activity in the
15 SDG&E TCBA as detailed in Attachment B to my testimony is summarized in Table 2 below –
16 under/(over) collection:

⁴ See D.06-12-019, Ordering Paragraph 3.

⁵ Approved in SDG&E's 2008 ERRA Revenue Requirement Forecast proceeding, A.07-10-008/D.08-02-030.

1

Table 2

December 31, 2007 TCBA Balance ⁶	\$(31,145,911)
Revenue	\$(36,660,957)
Expenses	\$72,413,416
Other - net ⁷	\$(3,046,581)
Interest	\$(378,234)
December 31, 2008 TCBA Balance	\$(1,181,733)

2

IV. RATE REDUCTION BOND MEMORANDUM ACCOUNT (RRBMA)

3 To facilitate the restructuring of California’s electric industry, Assembly Bill (AB) 1890
4 was signed into law on September 23, 1996. To implement the provisions of AB 1890, the
5 Commission issued various decisions that, among other things, created the TCBA and provided
6 for a 10% rate reduction for residential and small commercial customers as mandated by AB
7 1890. To finance this rate reduction, SDG&E issued the Rate Reduction Bonds (RRBs) in the
8 principal amount of \$658 million. In D.97-09-057, the Commission authorized SDG&E to
9 establish the Fixed Transition Amount (FTA) charge to repay these bonds and establish the
10 RRBMA to record the difference between the Rate Reduction Bond Savings and the 10% rate
11 reduction, and related costs and credits. During the energy crisis in the early 2000’s, the
12 Commission implemented an Interim Bill Stabilization Plan⁸ which created a revenue shortfall
13 that was recorded to the subaccount of the TCBA. Accordingly, in an attempt to reduce the
14 undercollection accumulated as a result of the shortfall, SDG&E obtained authorization from the
15

⁶ December 31, 2007 balance was approved in A.08-05-036/D.09-01-026.

⁷ Includes transfers from the ABX1 subaccount and RRBMA and other accounting adjustments.

⁸ See CPUC D.00-08-037, modified by D.00-09-040 as prescribed by AB 265.

1 Commission to transfer overcollections in the RRBMA to the TCBA subaccount.⁹ The RRBMA
2 transfers to the TCBA have previously been reviewed by the Commission in SDG&E's 2006
3 ERRA Compliance Review.¹⁰

4 In September 2007, SDG&E retired its Rate Reduction Bonds¹¹ and in October 2008,
5 filed Advice Letter 2037-E requesting the Commission's authorization to transfer the residual
6 balance in the RRBMA to the TCBA and to eliminate the RRBMA.¹² On December 31, 2008,
7 the balance of \$2,732,395 in the RRBMA was transferred to the TCBA as authorized. As a
8 result of the pay-off of the RRB's and the termination of entries to the RRBMA, SDG&E
9 believes it is appropriate to have the RRBMA subject to a final review in this proceeding.

10 Attachment C of my testimony summarizes the monthly entries to the RRBMA used to calculate
11 the balance, including details of the monthly transactions from December 1997 through
12 December 2008. However, as noted above, since the residual balance in the RRBMA was
13 transferred to the TCBA, the current balance in the RRBMA is zero.

14 **V. CONCLUSION**

15 As directed in D.02-10-062 and D.02-12-074, SDG&E seeks approval of the entries and
16 calculations in its ERRA for the period January 2008 through December 2008 and requests that
17 the Commission find these entries and calculations reasonable. Furthermore, as directed in D.06-
18 12-019, SDG&E seeks approval of the entries recorded to the TCBA, also for the period January
19 2008 through December 2008. In addition, SDG&E requests that the Commission find the
20 entries recorded in the RRBMA, as presented in this proceeding, reasonable. SDG&E has made

⁹ Examples include Resolution E-3750 authorizing Advice Letter 1270-E (2000), Advice Letter 1439-E (2002) and Advice Letter 1624-E (2004).

¹⁰ Approved in A.07-06-005/D.08-01-027.

¹¹ Advice Letter 1911-E was approved on August 2, 2007.

¹² Advice Letter 2037-E was approved on December 1, 2008.

1 the entries to the aforementioned regulatory accounts in accordance with its adopted tariffs and
2 in compliance with relevant Commission decisions.

3 This concludes my prepared direct testimony.

1 **VI. QUALIFICATIONS OF MICHELLE SOMERVILLE**

2 My name is Michelle A. Somerville. I am employed by SDG&E as a Regulatory
3 Accounts Manager in the Tariffs and Regulatory Accounts Department. My business address is
4 8330 Century Park Court, San Diego, California 92123. My current responsibilities include
5 managing the process for the development, implementation, and analysis of regulatory balancing
6 and memorandum accounts. I assumed my current position in June 2007.

7 I received a Bachelors in Business Administration degree with an emphasis in accounting
8 as well as a Masters in Professional Accounting from the University of Texas at Austin in 1992.
9 I have been a Certified Public Accountant (CPA), licensed in the State of Texas, since 1994.

10 I have been employed with SDG&E and Sempra Energy since 2000. In addition to my
11 current position in Regulatory Affairs, I served as the Capital Asset Management Supervisor
12 from March 2005 to May 2007 where I supervised the process of recording and accounting for
13 capital costs throughout the life of the asset, including construction in process, asset
14 identification, depreciation, and removal/retirement. I have also held senior analyst positions in
15 the Business Planning Department at SDG&E (November 2002 – February 2004) and Internal
16 Audit Department at Sempra Energy's corporate offices (April 2000 – November 2002).

17 I have previously testified before this Commission.

Attachment A

San Diego Gas & Electric Company
Energy Resource Recovery Account
For the period January 1, 2008 - December 31, 2008

Line #	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Year Total
REVENUES													
1	(45,805,149)	(46,101,535)	(47,571,765)	(41,996,972)	(66,994,528)	(99,563,764)	(110,776,871)	(113,026,759)	(121,524,404)	(108,430,532)	(100,980,083)	(80,574,771)	
2	1,957	(47)	(47)	(15,457)	15,457					(12,810)	12,810		
3	(45,803,192)	(46,101,582)	(47,571,765)	(41,912,429)	(66,979,071)	(99,563,764)	(110,776,871)	(113,026,759)	(121,524,404)	(108,443,342)	(100,967,273)	(80,574,771)	
4	(45,803,192)	(46,101,582)	(47,571,765)	(41,912,429)	(66,979,071)	(99,563,764)	(110,776,871)	(113,026,759)	(121,524,404)	(108,443,342)	(100,967,273)	(80,574,771)	
5	121,836	122,630	126,541	111,487	183,484	282,180	294,666	300,651	291,668	280,264	242,321	193,379	
6	503,835	507,117	523,289	481,037	758,770	1,084,201	1,218,546	1,243,294	1,318,540	1,176,610	1,095,495	874,236	
7	(45,177,821)	(45,471,835)	(46,921,935)	(41,339,905)	(68,036,817)	(97,217,363)	(109,663,659)	(111,462,814)	(119,914,205)	(107,006,468)	(99,629,457)	(79,507,156)	
8	15,405,922	20,521,060	17,076,719	15,910,355	16,647,264	17,299,317	18,660,562	19,188,819	21,771,308	19,535,013	19,513,700	18,363,805	
9	(1,947)	(2,177)	(2,804)	(2,424)	(2,098)	(2,461)	(2,559)	(2,383)	(2,787)	(3,349)	(4,138)	(3,006)	
10	(29,773,545)	(24,952,952)	(29,848,020)	(25,431,974)	(51,391,649)	(79,920,547)	(90,605,656)	(92,299,378)	(99,145,684)	(87,474,804)	(80,119,895)	(61,146,359)	(751,110,480)
EXPENSES													
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	\$ 66,323,603	\$ 41,879,402	\$ 33,592,032	\$ 60,640,850	\$ 63,788,427	\$ 67,376,894	\$ 98,941,179	\$ 96,517,326	\$ 77,119,542	\$ 74,377,499	\$ 66,620,343	\$ 64,195,741	\$ 811,175,640
	(300)	(74,597)		(1,236,431)		(16,149,245)	(726,366)			(1,286,146)	(199,854)		(19,672,941)
	\$ 36,549,757	\$ 16,851,853	\$ 3,744,013	\$ 33,972,245	\$ 12,396,777	\$ 28,692,897	\$ 7,609,156	\$ 4,217,949	\$ (21,026,141)	\$ (14,393,453)	\$ (13,899,405)	\$ 3,052,385	\$ 40,392,239
	4.23%	3.25%	2.72%	2.35%	1.99%	2.00%	2.21%	2.18%	2.08%	2.13%	2.07%	1.45%	
	\$ (14,420)	\$ 61,197	\$ 74,688	\$ 101,613	\$ 124,663	\$ 111,917	\$ 104,460	\$ 113,975	\$ 94,377	\$ 65,387	\$ 39,264	\$ 20,998	\$ 898,130
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 36,535,338	\$ 16,913,050	\$ 3,818,710	\$ 34,073,858	\$ 12,521,440	\$ (28,580,980)	\$ 7,713,616	\$ 4,331,924	\$ (20,931,764)	\$ (14,318,055)	\$ (13,860,141)	\$ 3,073,383	\$ 14,169,796
	\$ 14,169,796	\$ 31,082,846	\$ 34,901,556	\$ 88,975,414	\$ 81,496,855	\$ 52,915,875	\$ 60,629,491	\$ 64,951,415	\$ 44,029,651	\$ 29,711,586	\$ 15,851,445	\$ 18,924,828	\$ 18,924,828

Notes:
Line 28: Refunds from FERC Refund Proceeding resolving issues related to the 2000-2001 California Energy Crisis - January 2008 - Dynegy; February 2008 - Connect Energy, Enron/PGE; April 2008 - Connect Energy, Enron/PGE; June 2008 - Enron/PGE; Grant County and Midway Sunset; July 2008 - Azusa, Anaheim; Enron/PGE; Midway Sunset, Riverside and Strategic Energy; October 2008 - Enron/PGE; November 2008 - City of Ventura.

Attachment B

San Diego Gas & Electric Company
Transition Cost Balancing Account

y 1, 200

Line #	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	2008
1	Beginning Balance	\$ (31,145,911)	\$ (31,717,120)	\$ (32,634,291)	\$ (31,898,719)	\$ (29,185,673)	\$ (20,883,372)	\$ (14,034,770)	\$ (4,019,259)	\$ 5,050,227	\$ 6,183,194	\$ 4,864,532	\$ (36,660,957)
2	CTC Revenue	\$ (3,924,126)	\$ (3,214,278)	\$ (3,124,529)	\$ (2,897,909)	\$ (4,068,464)	\$ (3,724,124)	\$ (2,858,415)	\$ (3,148,865)	\$ (2,640,789)	\$ (2,599,263)	\$ (2,500,019)	\$ (2,500,019)
3	CTC Costs	\$ 3,463,518	\$ 2,384,132	\$ 3,933,156	\$ 5,670,707	\$ 13,288,677	\$ 9,601,799	\$ 12,890,535	\$ 12,028,126	\$ 6,127,205	\$ 771,470	\$ 1,271,082	\$ 982,409
4	(Over)/Under collection	\$ (460,608)	\$ (830,146)	\$ 808,628	\$ 2,772,799	\$ 9,220,213	\$ 6,877,676	\$ 10,032,120	\$ 9,068,550	\$ 2,978,340	\$ (1,869,320)	\$ (1,328,182)	\$ (1,517,610)
5	Adjustments	\$ -	\$ -	\$ -	\$ -	\$ (876,431)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (876,431)
6	Current Month (over)/under collection	\$ (460,608)	\$ (830,146)	\$ 808,628	\$ 2,772,799	\$ 8,343,782	\$ 6,877,676	\$ 10,032,120	\$ 9,068,550	\$ 2,978,340	\$ (1,869,320)	\$ (1,328,182)	\$ (1,517,610)
7	Interest Rate	4.23%	3.25%	2.72%	2.35%	1.99%	2.00%	2.21%	2.18%	2.08%	2.13%	2.07%	1.45%
8	Interest (Current Month)	\$ (110,801)	\$ (87,025)	\$ (73,055)	\$ (59,753)	\$ (41,481)	\$ (29,074)	\$ (16,609)	\$ 936	\$ 11,335	\$ 12,612	\$ 9,520	\$ 4,961
9	Current Month Balance With Interest	\$ (571,209)	\$ (917,171)	\$ 735,573	\$ 2,713,046	\$ 8,302,301	\$ 6,848,602	\$ 10,015,511	\$ 9,069,486	\$ 2,989,675	\$ (1,856,708)	\$ (1,318,662)	\$ (1,512,649)
10	Transfers/Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,170,150)
11	Ending Balance - Cum. Bal. With Interest	\$ (31,717,120)	\$ (32,634,291)	\$ (31,898,719)	\$ (29,185,673)	\$ (20,883,372)	\$ (14,034,770)	\$ (4,019,259)	\$ 5,050,227	\$ 6,183,194	\$ 4,864,532	\$ 1,181,733	\$ (2,170,150)

Notes:

Line 5: Adjustment to correct the amount of revenue credit recorded to ABX1 43 subaccount. For the period January - April 2008, the credit was determined as a percentage of revenue. Starting in May 2008, the credit is determined by multiplying sales times the credit rate. Using the sales times rate method ensures the amount calculated is not impacted by unrelated adjustments to revenue.
Line 10: ABX1 Subaccount balance (\$562,245 undercollected) and RRBMA balance (\$2,732,395 overcollected) transferred to Ongoing TCBA account per AL 2007-E.

Attachment C

San Diego Gas & Electric Company
Rate Reduction Bond Memorandum Account
For the period December 1, 1997 through December 31, 1997

Dec-97

1	Interest Rate		5.60%
2	Commercial Paper (3-month)		
3	SDG&E Authorized Pre-Tax Rate of Return		
4			
5	Ten Percent Rate Reduction Amount	\$	
6			
7	LESS:		
8	Revenue Requirement Savings		
9	Avoided Revenue Requirements		
10	Rev. Rqmt. Financed Tax and Other		
11	Rev. Rqmt. Bond Payment		
12			
13	Timing Difference (Line 5 minus Line 12)		
14			
15			
16			
17			
18	A. RRB Proceeds Adjustment		
19	1. Timing Difference Interest Earned		
20	2. Unlevered Rate Reduction Bond-Financed Savings (UBFS)		
21	3. Lump-sum TTA Credit Incremental Costs		
22	4. Adjustments		
23	5. UBFS Interest Earned per interest rate on line 3		
24	RRB Proceeds Adjustment Total		
25	Cumulative RRB Proceeds Adjustment Total		
26	B. Servicing Fees		
27	1. Administration Fee (\$100,000 annually)		
28	2. Servicer Compensation (0.25%)		
29	Servicing Fees Total		
30			
31	C. Carrying Costs [Trust Transfer Amount (TTA) Collections]		60
32	D. Investment Earnings		
33	E. Overcollateralization		
34	F. Financed Tax Credit		
35			
36	Subtotal (Line 23 +28 +30 +32 +34 +36)		
37			
38			
39			
40	For Month		60
41	Cumulative		60
42	RRB Savings Amount (Line 12 -38)		60
43	RRBMA Amortization		
44	Current Month Activity [without interest] (Line 5 minus Line 41)		(60)
45	PLUS:		
46	Adjustments		
47			
48	Interest ** Also see line 22 **		
49	For "current month" (Impacted by Lines 2, 23, 38, 39, 46)		(0)
50	For Adjustments		
51			(0)
52	Current Month Activity [with interest] (Line 43 +46 +51)		(60)
53	Interest Total		
54	PLUS:		
55	Previous Month Cumulative Balance		
56	Adjustment after interest		
57	CUMULATIVE BALANCE (Line 52 +55)		\$ (60)

San Diego Gas & Electric Company
Rate Reduction Bond Memorandum Account
For the period January 1, 1998 through December 31, 1998

	Jan-98	Feb-98	Mar-98	Apr-98	May-98	Jun-98	Jul-98	Aug-98	Sep-98	Oct-98	Nov-98	Dec-98
1 Interest Rate	5.67%	5.42%	5.42%	5.46%	5.46%	5.48%	5.48%	5.48%	5.48%	5.31%	5.04%	5.06%
2 Commercial Paper (3-month)												
3 SDG&E Authorized Pre-Tax Rate of Return												
4 Ten Percent Rate Reduction Amount	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5 LESS:												
6 Revenue Requirement Savings												
7 Avoided Revenue Requirements												
8 Rev. Rqmt. Financed Tax and Other												
9 Rev. Rqmt. Bond Payment												
10 Timing Difference (Line 5 minus Line 12)												
11 Rev. Rqmt. Savings Total												
12 For Month												
13 Cumulative												
14												
15												
16												
17												
18 A. RRB Proceeds Adjustment												
19 1. Timing Difference Interest Earned												
20 2. Unrealized Rate Reduction Bond-Financed Savings (UBFS)												
21 3. Lump-sum TTA Credit Incremental Costs												
22 4. Adjustments												
23 5. UBFS Interest Earned per interest rate on line 3.												
24 RRB Proceeds Adjustment Total												
25 Cumulative RRB Proceeds Adjustment Total												
26 B. Servicing Fees												
27 1. Administration Fee (\$100,000 annually)												
28 2. Servicer Compensation (0.25%)												
29 Servicing Fees Total												
30 C. Carrying Costs [Trust Transfer Amount (TTA) Collections]												
31 1,074	35,358	52,670	54,533	55,328	51,127	53,486	57,987	63,934	62,983	56,308	54,249	
32 D. Investment Earnings	83	10,181	28,310	-	182,630	-	-	199,248	-	-	179,370	
33 E. Overcollateralization	-	-	-	-	684	-	-	1,964	-	-	3,250	
34 F. Financed Tax Credit	-	-	-	-	-	-	-	-	-	-	-	
35 Subtotal (Line 23 +28 +30 +32 +34 +36)	1,157	55,956	89,313	100,582	84,364	299,893	112,135	106,850	288,099	71,502	66,757	224,777
36 For Month	1,157	55,956	89,313	100,582	84,364	299,893	112,135	106,850	288,099	71,502	66,757	224,777
37 Cumulative	1,217	57,173	146,486	247,068	331,432	631,325	743,460	850,310	1,138,409	1,209,911	1,276,668	1,501,445
38 RRB Savings Amount (Line 12 -38)	\$ 1,157	\$ 55,956	\$ 89,313	\$ 100,582	\$ 84,364	\$ 299,893	\$ 112,135	\$ 106,850	\$ 288,099	\$ 71,502	\$ 66,757	\$ 224,777
39 RRBMA Amortization	\$ (1,157)	\$ (55,956)	\$ (89,313)	\$ (100,582)	\$ (84,364)	\$ (299,893)	\$ (112,135)	\$ (106,850)	\$ (288,099)	\$ (71,502)	\$ (66,757)	\$ (224,777)
40 Current Month Activity [without interest] (Line 5 minus Line 41)												
41 PLUS:												
42 Adjustments(1)												
43 Interest ** Also see line 22 **												
44 For current month* (Impacted by Lines 2, 23, 38, 39, 46)												
45 For Adjustments												
46 Current Month Activity [with interest] (Line 43 +46 +51)												
47 PLUS:												
48 Previous Month Cumulative Balance												
49 Adjustment after interest												
50 CUMULATIVE BALANCE (Line 52 +55)												

(1) Includes accounting adjustments for servicing fees, carrying costs, investment earnings and other accounting related items.

San Diego Gas & Electric Company
Rate Reduction Bond Memorandum Account
For the period January 1, 1999 through December 31, 1999

	Jan-99	Feb-99	Mar-99	Apr-99	May-99	Jun-99	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99
1 Interest Rate	5.00%	4.77%	4.79%	4.81%	4.79%	4.81%	4.98%	5.11%	5.25%	5.32%	5.68%	5.81%
2 Commercial Paper (3-month)												
3 SDG&E Authorized Pre-Tax Rate of Return												
5 Ten Percent Rate Reduction Amount	\$ -	\$ 8,177,492	\$ 7,753,148	\$ 7,800,224	\$ 7,104,852	\$ 7,412,653	\$ 3,758,567	\$ -	\$ -	\$ -	\$ -	\$ -
6 LESS:												
7 Revenue Requirement Savings												
8 Investment Earnings												
9 Rev. Rqmt. Bond Payment												
10 Rev. Rqmt. Bond Payment		15,144,156	16,078,890	16,013,203	15,947,726	15,882,250						
11 Timing Differences (Line 6 minus Line 12)		(7,847,353)	(7,556,721)	(7,556,191)	(6,972,421)	(7,323,713)	(6,600,869)					
12 Rev. Rqmt. Savings Total		10,226,869	10,533,309	10,392,117	11,035,507	10,711,277						
13 For Month												
14 Cumulative		(2,052,197)	(2,780,361)	(2,591,893)	(3,930,655)	(3,298,624)	7,359,436					
15 A. RRB Proceeds Adjustments												
16 1. Timing Difference Interest Earned												
17 2. Unrealized Rate Reduction Bond-Financed Savings (UBFS)												
18 3. Lump-sum TIA Credit Incremental Costs												
19 4. Adjustments												
20 5. UBFS Interest Earned per Interest rate on Line 3												
21 RRB Proceeds Adjustment Total												
22 Cumulative RRB Proceeds Adjustment Total												
23 B. San Diego Fees												
24 1. Administration Fee (\$100,000 annually)												
25 2. Servicer Compensation (0.25%)												
26 Servicing Fees Total												
27 C. Call/Line Costs (Transf. Amount) (Total Call/Line)												
28 D. Investment Earnings												
29 E. Overcollateralization												
30 F. Elongated Tax Credit												
31 Subtotal (Line 23 +28 +30 +32 +34 +38)												
32 RRB Savings Amount (Line 12 +38)												
33 RRBMA Amortization												
34 Current Month Activity (with Interest) (Line 5 minus Line 41)												
35 PLUS:												
36 Adjustments (1)												
37 Interest ** Also see line 22 **												
38 For "current month" (Imposed by Lines 2, 23, 38, 39, 46)												
39 For Adjustments												
40 Current Month Activity (with Interest) (Line 43 +46 +51)												
41 PLUS:												
42 Previous Month Cumulative Balance												
43 Adjustment after Interest												
44 CUMULATIVE BALANCE (Line 52 +53)												

(1) Includes accounting adjustments for servicing fees, carrying costs, investment earnings and other accounting related items.

San Diego Gas & Electric Company
Rate Reduction Bond Memorandum Account
For the period January 1, 2000 through December 31, 2000

	Jan-00	Feb-00	Mar-00	Apr-00	May-00	Jun-00	Jul-00	Aug-00	Sep-00	Oct-00	Nov-00	Dec-00
Interest Rate												
1 Commercial Paper (3-month)	5.97%	5.74%	5.87%	6.00%	6.11%	6.54%	6.57%	6.52%	6.48%	6.47%	6.51%	6.50%
2 SDG&E Authorized Pre-Tax Rate of Return								12.63%	12.63%	12.63%	12.63%	12.63%
3 Ten Percent Rate Reduction Amount	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4 LESS:												
5 Revenue Equalization Savings												
6 Avoided Revenue Requirements												
7 Rev. Right Bond Payment												
8 Rev. Right Savings Total												
9 Timing Difference (Line 5 minus Line 12)												
10 For Month												
11 Cumulative												
12 A. RRB Proceeds Adjustment												
13 1. Unrealized Rate Reduction	39,024	40,168	41,368	41,986	44,647	45,554	382,709,103	(379,438,676)	(2,628,141)	(197,192)	(7,609)	11,176
14 2. Unrealized Rate Reduction Bonds-Financed Savings (UBFS)								(61,509)	(822,367)			
15 3. Lump-sum TTA Credit Incremental Costs												
16 4. Adjustments												
17 5. UBFS Interest Earned												
18 6. UBFS Earned per interest rate on line 3.												
19 7. Cumulative RRB Proceeds Adjustment Total												
20 B. Subsidizing Costs	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333
21 1. Servicer Compensation (0.25%)												
22 2. Servicer Compensation (0.25%)												
23 3. Servicing Fees Total												
24 C. Coupon Costs (Final Transfer Amount (LTA) Collections)												
25 D. Investment Earnings	43,473	46,431	46,985	45,485	46,168	48,137	48,095	51,398	52,642	51,026	48,235	47,254
26 E. Other Collections			276,652			194,221			220,076			144,695
27 F. Enhanced Tax Credit						10,892			13,094			14,227
28 Subtotal (Line 23 +28 +30 +32 +34 +36)	90,830	94,832	382,376	382,376	382,376	382,376	382,376	382,376	382,376	382,376	382,376	382,376
29 RRB Savings Amount (Line 12 +38)	3,282,570	3,377,802	3,759,878	3,855,692	3,954,840	4,259,847	387,025,388	9,372,584	6,552,009	6,432,945	6,500,366	7,043,424
30 RRBMA Amortization	80,830	84,832	382,376	382,376	382,376	382,376	382,376	382,376	382,376	382,376	382,376	382,376
31 Current Month Activity (without interest) (Line 6 minus Line 41)	\$ (80,830)	\$ (84,832)	\$ (382,376)	\$ (382,376)	\$ (382,376)	\$ (382,376)	\$ (382,376)	\$ (382,376)	\$ (382,376)	\$ (382,376)	\$ (382,376)	\$ (382,376)
32 PLUS:												
33 Adjustments (2)												
34 Interest - Also see /line 22 **												
35 For amount month (impaired by Lines 2, 23, 38, 39, 46)												
36 For Adjustments												
37 Current Month Activity (with interest) (Line 43 +46 +51)	\$ (11,878,218)	\$ (12,084,883)	\$ (12,185,744)	\$ (12,595,577)	\$ (12,710,420)	\$ (12,829,462)	\$ (13,156,954)	\$ (13,484,318)	\$ (13,811,682)	\$ (14,139,046)	\$ (14,466,410)	\$ (14,793,774)
38 Previous Month Cumulative Balance												
39 Adjustment after Interest												
40 CUMULATIVE BALANCE (Line 52 +55)	\$ (12,064,883)	\$ (12,195,744)	\$ (12,585,577)	\$ (12,710,420)	\$ (12,829,462)	\$ (13,156,954)	\$ (13,484,318)	\$ (13,811,682)	\$ (14,139,046)	\$ (14,466,410)	\$ (14,793,774)	\$ (15,121,138)
41 (2) Adjustments related to Servicer Compensation and other accounting related item												

San Diego Gas & Electric Company
Rate Reduction Bond Memorandum Account
For the period January 1, 2001 through December 31, 2001

	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Oct-01	Nov-01	Dec-01
1 Interest Rate												
2 Commercial Paper (3-month)	6.34%	5.49%	5.14%	4.78%	4.44%	3.93%	3.67%	3.59%	3.42%	2.81%	2.28%	1.97%
3 SDG&E Authorized Pre-Tax Rate of Return	12.63%	12.63%	12.63%	12.63%	12.63%	12.63%	12.63%	12.63%	12.63%	12.63%	12.63%	12.63%
4 Ten Percent Rate Reduction Amount	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5 LESS:												
6 Revenue Requirement Savings												
7 Avoided Revenue Requirements	-	-	-	-	-	-	-	-	-	-	-	-
8 Rev. Rqmt. Financial Tax and Other	-	-	-	-	-	-	-	-	-	-	-	-
9 Rev. Rqmt. Bond Payment	-	-	-	-	-	-	-	-	-	-	-	-
10 Timing Difference (Line 5 minus Line 12)	-	-	-	-	-	-	-	-	-	-	-	-
11 Rev. Rqmt. Savings Total	-	-	-	-	-	-	-	-	-	-	-	-
12 For Month	-	-	-	-	-	-	-	-	-	-	-	-
13 Cumulative	-	-	-	-	-	-	-	-	-	-	-	-
14	-	-	-	-	-	-	-	-	-	-	-	-
15	-	-	-	-	-	-	-	-	-	-	-	-
16	-	-	-	-	-	-	-	-	-	-	-	-
17 A. RRB Proceeds Adjustment												
18 1. Timing Difference Interest Earned	-	-	-	-	-	-	-	-	-	-	-	-
19 2. Unrealized Rate Reduction Bond-Financed Savings (UBFS)	-	-	-	-	-	-	-	-	-	-	-	-
20 3. Lump-sum TTA Credit Incremental Costs	(4,572)	(104)	-	(2,930)	-	-	(319)	-	(134,193)	(723)	(34)	(35)
21 4. Adjustments	-	-	-	-	-	-	-	-	-	-	-	-
22 5. UBFS Interest Earned per interest rate on line 3	18,327	18,485	18,690	18,871	19,054	19,255	19,456	19,659	(706)	(723)	(34)	(35)
23 RRB Proceeds Adjustment Total	13,755	18,391	18,690	18,941	19,054	19,255	19,137	19,659	(134,899)	131,643	(34)	(35)
24 Cumulative RRB Proceeds Adjustment Total	1,757,342	1,775,733	1,794,423	1,810,364	1,829,418	1,848,672	1,867,909	1,887,468	(134,899)	(3,256)	(3,200)	(3,325)
25 B. Servicing Fees												
26 1. Administration Fee (\$100,000 annually)	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333
27 2. Servicer Compensation (0.25%)	-	287,875	-	-	277,081	-	-	267,835	-	-	257,976	-
28 Servicing Fees Total	8,333	296,208	-	8,333	285,414	-	8,333	276,168	-	8,333	266,309	-
29 C. Carrying Costs (Trust Transfer Amount/TTA Collections)												
30 1. Investment/Examining	41,849	42,818	39,034	34,584	27,635	24,571	23,999	23,689	20,572	16,163	15,106	14,318
31 2. Overcollateralization	-	-	205,408	-	-	122,596	-	-	84,269	-	-	22,473
32 3. Financial Tax Credit	-	-	14,735	-	-	13,076	-	-	11,081	-	-	-
33 Subtotal (Line 23 +28 +30 +32 +34 +38)	63,937	69,542	574,075	58,858	55,022	464,912	51,469	51,681	257,191	156,139	23,405	303,065
34 RRB Savings Amount (Line 12 +38)	7,107,361	7,176,903	7,750,978	7,809,836	7,864,858	8,329,770	8,381,239	8,432,920	257,191	413,330	436,735	739,800
35 RRBMA Amortization												
36 Current Month Activity (without interest) (Line 43 +46 +51)	\$ (63,937)	\$ (69,542)	\$ (574,075)	\$ (58,858)	\$ (55,022)	\$ (464,912)	\$ (51,469)	\$ (51,681)	\$ (257,191)	\$ (156,139)	\$ (23,405)	\$ (303,065)
37 PLUS:												
38 Adjustments (3)	(1,906)						10,444,017				(1,239)	
39 Interest ** Also see line 22 **	(28,133)	(24,802)	(24,324)	(23,812)	(22,265)	(20,496)	(19,871)	(19,594)	(599)	(947)	(816)	(971)
40 For "current month" (Impacted by Lines 2, 23, 38, 39, 46)	(28,133)	(24,802)	(24,324)	(23,812)	(22,265)	(20,496)	(19,871)	(19,594)	(599)	(947)	(816)	(971)
41 For Adjustments	(92,070)	(96,055)	(598,399)	(82,671)	(77,287)	(485,408)	(71,340)	(10,372,802)	(257,750)	(157,086)	(25,456)	(304,036)
42 Current Month Activity (with interest) (Line 43 +46 +51)	(8,869,574)	(9,361,644)	(9,057,699)	(9,656,098)	(9,738,768)	(9,816,055)	(10,301,463)	(10,372,802)	0	(257,750)	(414,835)	(440,291)
43 PLUS:												
44 Previous Month Cumulative Balance	(8,961,644)	(9,057,699)	(9,656,098)	(9,738,768)	(9,816,055)	(10,301,463)	(10,372,802)	0	(257,750)	(414,835)	(440,291)	(744,327)
45 Adjustment after interest												
46 CUMULATIVE BALANCE (Line 52 +55)												

(3) Adjustments include authorized account transfers and other accounting related items.

San Diego Gas & Electric Company
Rate Reduction Bond Memorandum Account
For the period January 1, 2002 through December 31, 2002

	Jan-02	Feb-02	Mar-02	Apr-02	May-02	Jun-02	Jul-02	Aug-02	Sep-02	Oct-02	Nov-02	Dec-02
1 Interest Rate												
2 Commercial Paper (3-month)	1.78%	1.70%	1.79%	1.88%	1.81%	1.78%	1.76%	1.75%	1.70%	1.72%	1.70%	1.36%
3 SDG&E Authorized Pre-Tax Rate of Return	12.63%	12.63%	12.63%	12.63%	12.63%	12.63%	12.63%	12.63%	12.63%	12.63%	12.63%	12.63%
4 Ten Percent Rate Reduction Amount	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5 LESS:												
6 Revenue Requirement Savings												
7 Avoided Revenue Requirements												
8 Rev. Rqmt. Financial Tax and Other												
9 Rev. Rqmt. Bond Payment												
10 Timing Difference (Line 5 minus Line 12)												
11 Rev. Rqmt. Savings Total												
12 For Month												
13 Cumulative												
14												
15												
16												
17 A. RRB Proceeds Adjustment												
18 1. Timing Difference Interest Earned												
19 2. Unrealized Rate Reduction Bond-Financed Savings (UBFS)												
20 3. Lump-sum TTA Credit Incremental Costs												
21 4. Adjustments												
22 5. UBFS Interest Earned per interest rate on line 3.												
23 RRB Proceeds Adjustment Total												
24 Cumulative RRB Proceeds Adjustment Total												
25 1. Administration Fee (\$100,000 annually)												
26 2. Servicer Compensation (0.25%)												
27 Servicing Fees Total												
28 For Month												
29 Cumulative												
30 C. Carrying Costs (Transf. Amount (TTA) Collections)												
31 1. Administration Fee (\$100,000 annually)												
32 2. Servicer Compensation (0.25%)												
33 Investment Earnings												
34 Overcollateralization												
35 Financed Tax Credit												
36 Subtotal (Line 23 +28 +30 +32 +34 +36)												
37 RRB Savings Amount (Line 12 -38)												
38 RRBMA Amortization												
39 Current Month Activity [without interest] (Line 43 +46 +51)												
40 PLUS:												
41 Adjustments												
42 Interest ** Also see line 22 **												
43 For "current month" (Imputed by Lines 2, 23, 38, 39, 46)												
44 For Adjustments												
45 Interest Total												
46 Current Month Activity [with interest] (Line 43 +46 +51)												
47 PLUS:												
48 Previous Month Cumulative Balance												
49 Adjustment after Interest												
50 CUMULATIVE BALANCE (Line 52 +55)												

San Diego Gas & Electric Company
Rate Reduction Bond Memorandum Account
For the period January 1, 2003 through December 31, 2003

	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03	Oct-03	Nov-03	Dec-03
1 Interest Rate												
2 Commercial Paper (3-month)	1.31%	1.26%	1.26%	1.19%	1.20%	1.19%	1.01%	1.01%	1.04%	1.04%	1.05%	1.06%
3 SDG&E Authorized Pre-Tax Rate of Return	12.75%	12.75%	12.75%	12.75%	12.75%	12.75%	12.75%	12.75%	12.75%	12.75%	12.75%	12.75%
4 Ten Percent Rate Reduction Amount	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5 LESS:												
6 Revenue Requirement Savings												
7 Avoided Revenue Requirements												
8 Rev. Rqmt. Financed Tax and Other												
9 Rev. Rqmt. Bond Payment												
10 Timing Difference (Line 5 minus Line 12)												
11 Rev. Rqmt. Savings Total												
12 For Month												
13 Cumulative												
14												
15												
16												
17 A. RRB Proceeds Adjustment												
18 1. Timing Difference Interest Earned												
19 2. Unrealized Rate Reduction Bond-Financed Savings (UBFS)												
20 3. Lump-sum TTA Credit Incremental Costs												
21 4. Adjustments												
22 5. UBFS Interest Earned per interest rate on line 3.												
23 RRB Proceeds Adjustment Total												
24 Cumulative												
25 For Month												
26 Cumulative												
27												
28 B. Servicing Fees												
29 1. Administration Fee (\$100,000 annually)	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333
30 2. Servicer Compensation (0.25%)	205,625	213,958	213,958	203,250	203,250	203,250	203,250	193,947	185,614	185,614	175,700	175,700
31 Servicing Fees Total	213,958	222,291	222,291	211,583	211,583	211,583	211,583	202,280	193,947	193,947	184,033	184,033
32 C. Carrying Costs (Trust Transfer Amount / TTA Collections)												
33 1. Investment Earnings	10,576	9,995	8,647	7,976	7,556	6,398	6,415	7,054	7,466	7,510	7,078	7,191
34 2. Overcollateralization			58,967			47,985			49,359			47,985
35 3. Financed Tax Credit			4,932			4,798			4,211			4,798
36 4. Other			3,770,093			3,770,093			3,770,093			3,770,093
37 Carrying Costs Total	10,576	9,995	14,376	7,976	7,556	11,191	6,415	7,054	12,446	7,510	7,078	12,766
38 D. Investment Earnings												
39 1. Subtotal (Line 23 +28 +30 +32 +34 +36)	18,909	18,328	4,056,597	16,309	15,889	4,031,924	14,748	15,387	4,025,076	15,843	15,411	4,013,500
40 2. RRB Savings Amount (Line 12 +38)	18,909	37,237	4,099,834	4,110,143	4,126,032	8,157,956	8,172,704	8,188,091	12,213,167	12,229,010	12,244,421	16,257,921
41 RRB Savings Amount (Line 12 +38)	18,909	18,328	4,056,597	16,309	15,889	4,031,924	14,748	15,387	4,025,076	15,843	15,411	4,013,500
42 RRBMA Amortization												
43 Current Month Activity [without Interest] (Line 5 minus Line 41)	\$ (18,909)	\$ (18,328)	\$ (4,056,597)	\$ (16,309)	\$ (15,889)	\$ (4,031,924)	\$ (14,748)	\$ (15,387)	\$ (4,025,076)	\$ (15,843)	\$ (15,411)	\$ (4,013,500)
44 PLUS:												
45 Adjustments (3)	15,750,247						(45)					16,322,529
46 Interest ** Also see line 22 **	(10)	(21)	(2,160)	(4,052)	(4,116)	(6,093)	(6,879)	(6,898)	(8,859)	(10,618)	(10,743)	(12,634)
47 For "current month" (Impacted by Lines 2, 23, 38, 39, 46)	8,529											
48 For Adjustments	(8,519)	(21)	(2,160)	(4,052)	(4,116)	(6,093)	(6,879)	(6,898)	(8,859)	(10,618)	(10,743)	(12,634)
49 Current Month Activity (with Interest) (Line 43 +46 +51)	\$ 15,739,857	\$ (18,349)	\$ (4,058,757)	\$ (20,371)	\$ (20,005)	\$ (4,038,017)	\$ (21,872)	\$ (22,285)	\$ (4,033,935)	\$ (26,461)	\$ (26,154)	\$ 12,296,395
50 PLUS:												
51 Previous Month Cumulative Balance	(15,750,247)	(10,389)	(28,738)	(4,087,494)	(4,107,866)	(4,127,871)	(8,165,888)	(8,187,560)	(8,209,845)	(12,243,780)	(12,270,241)	(12,296,395)
52 Adjustment after Interest												
53 CUMULATIVE BALANCE (Line 52 +55)	\$ (10,389)	\$ (28,738)	\$ (4,087,494)	\$ (4,107,866)	\$ (4,127,871)	\$ (8,165,888)	\$ (8,187,560)	\$ (8,209,845)	\$ (12,243,780)	\$ (12,270,241)	\$ (12,296,395)	\$ -

(3) Adjustments include authorized account transfers and other accounting related items.

San Diego Gas & Electric Company
Rate Reduction Bond Memorandum Account
For the period January 1, 2004 through December 31, 2004

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04
1 Interest Rate	1.05%	1.01%	1.01%	1.00%	1.05%	1.07%	1.34%	1.50%	1.62%	1.75%	1.95%	2.18%
2 Commercial Paper (3-month)												
3 SDG&E Authorized Pre-Tax Rate of Return												
4 Ten Percent Rate Reduction Amount	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5 LESS:												
6 Revenue Requirement Savings												
7 Avoided Revenue Requirements												
8 Rev. Rqmt. Financed Tax and Other												
9 Rev. Rqmt. Bond Payment												
10 Timing Difference (Line 5 minus Line 12)												
11 Rev. Rqmt. Savings Total												
12 For Month												
13 Cumulative												
14												
15												
16												
17 A. RRB Proceeds Adjustment												
18 1. Timing Difference Interest Earned												
19 2. Unrealized Rate Reduction Bond-Financed Savings (UBFS)												
20 3. Lump-sum TTA Credit Incremental Costs												
21 4. Adjustments												
22 5. UBFS Interest Earned per interest rate on line 3.												
23 RRB Proceeds Adjustment Total												
24 Cumulative RRB Proceeds Adjustment Total												
25												
26 B. Servicing Fees												
27 1. Administration Fee (\$100,000 annually)	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333
28 2. Servicer Compensation (0.25%)		164,500			153,810			144,467				134,534
29 Servicing Fees Total	8,333	172,833	8,333	8,333	162,143	8,333	8,333	162,800	8,333	8,333	8,333	142,867
30 C. Carrying Costs (Trust Transfer Amount (TTA) Collections)	7,296	7,385	7,159	6,803	6,525	7,421	8,665	10,254	12,353	13,822	14,964	15,921
31 D. Investment Earnings			48,753			50,996			64,164			87,761
32 E. Overcollateralization			4,457			4,619			5,757			8,558
33 F. Financed Tax Credit			2,932,316			2,932,316			2,932,316			2,932,316
34 Subtotal (Line 23 +28 +30 +32 +34 +36)	15,629	15,718	3,165,518	15,136	14,858	3,157,495	16,998	18,587	3,167,390	22,155	23,287	3,187,423
35 RRB Savings Amount (Line 12 -38)	15,629	31,347	3,196,865	3,212,001	3,226,859	6,384,354	6,401,352	6,419,639	9,587,329	9,609,484	9,632,781	12,820,204
36 RRBMA Amortization												
37 Current Month Activity [without interest] (Line 5 minus Line 41)	\$ (15,629)	\$ 15,718	\$ (3,165,518)	\$ 15,136	\$ 14,858	\$ 3,157,495	\$ 16,998	\$ 18,587	\$ 3,167,390	\$ 22,155	\$ 23,287	\$ 3,187,423
38 PLUS:												
39 Adjustments												
40 Interest ** Also see line 22 **	(7)	(20)	(1,359)	(2,672)	(2,821)	(4,291)	(7,151)	(8,036)	(10,840)	(14,052)	(15,718)	(20,516)
41 For "current month" (Impacted by Lines 2, 23, 38, 39, 46)												
42 For Adjustments	(7)	(20)	(1,359)	(2,672)	(2,821)	(4,291)	(7,151)	(8,036)	(10,840)	(14,052)	(15,718)	(20,516)
43 Current Month Activity [with interest] (Line 43 +46 +51)	\$ (15,636)	\$ (15,738)	\$ (3,166,877)	\$ (17,806)	\$ (17,679)	\$ (3,161,786)	\$ (24,149)	\$ (26,823)	\$ (3,178,230)	\$ (36,207)	\$ (39,015)	\$ (3,207,939)
44 PLUS:												
45 Previous Month Cumulative Balance												
46 Adjustment after interest												
47 CUMULATIVE BALANCE (Line 52 +55)	\$ (15,636)	\$ (31,374)	\$ (3,198,251)	\$ (3,216,059)	\$ (3,233,738)	\$ (6,395,524)	\$ (6,419,673)	\$ (6,446,296)	\$ (9,624,526)	\$ (9,660,733)	\$ (9,699,748)	\$ (12,907,687)

San Diego Gas & Electric Company
Rate Reduction Bond Memorandum Account
For the period January 1, 2005 through December 31, 2005

	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05
1 Interest Rate												
2 Commercial Paper (3-month)	2.34%											
3 SDG&E Authorized Pre-Tax Rate of Return		2.53%	2.75%	2.82%	2.97%	3.09%	3.27%	3.47%	3.64%	3.72%	4.01%	4.23%
4 Ten Percent Rate Reduction Amount	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5 LESS:												
6 Revenue Requirement Savings												
7 Avoided Revenue Requirements												
8 Rev. Rqmt. Financed Tax and Other												
9 Rev. Rqmt. Bond Payment												
10 Timing Difference (Line 5 minus Line 12)												
11 Rev. Rqmt. Savings Total												
12 For Month												
13 Cumulative												
14												
15												
16												
17 A. RRB Proceeds Adjustment												
18 1. Timing Difference Interest Earned												
19 2. Unrealized Rate Reduction Bond-Financed Savings (UBFS)												
20 3. Lump-sum TTA Credit Incremental Costs												
21 4. Adjustments												
22 5. UBFS Interest Earned per interest rate on line 3.												
23 RRB Proceeds Adjustment Total												
24 Cumulative RRB Proceeds Adjustment Total												
25												
26 B. Servicing Fees												
27 1. Administration Fee (\$100,000 annually)	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333
28 2. Servicer Compensation (0.25%)	-	123,375	-	112,713	-	103,330	-	103,330	-	93,376	-	93,376
29 Servicing Fees Total	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333
30 C. Carrying Costs (Trust Transfer Amount (TTA) Collections)												
31 17,040	17,844	17,564	17,244	17,110	17,645	19,276	21,740	24,018	25,514	25,993	25,993	25,812
32 -	-	143,535	-	-	195,114	-	-	235,376	-	-	-	270,881
33 -	-	11,844	-	-	15,853	-	-	19,304	-	-	-	22,992
34 -	-	2,094,539	-	-	2,094,539	-	-	2,094,539	-	-	-	2,094,539
35 Subtotal (Line 23 +28 +30 +32 +34 +36)	25,373	26,177	2,999,190	25,577	25,443	2,444,197	27,609	30,073	2,494,901	33,847	33,726	2,515,933
36 RRB Savings Amount (Line 12 -38)	25,373	26,177	2,999,190	25,577	25,443	2,444,197	27,609	30,073	2,494,901	33,847	33,726	2,515,933
37 RRBMA Amortization												
38 Current Month Activity (without interest) (Line 5 minus Line 41)	(25,373)	(26,177)	(2,999,190)	(25,577)	(25,443)	(2,444,197)	(27,609)	(30,073)	(2,494,901)	(33,847)	(33,726)	(2,515,933)
39 PLUS:												
40 Adjustments												
41 Interest ** Also see line 22 **	(25,195)	(27,348)	(32,568)	(36,322)	(38,407)	(43,238)	(49,242)	(52,480)	(59,024)	(64,409)	(69,756)	(78,325)
42 For "current month" (impacted by Lines 2, 23, 38, 39, 46)	(25,195)	(27,348)	(32,568)	(36,322)	(38,407)	(43,238)	(49,242)	(52,480)	(59,024)	(64,409)	(69,756)	(78,325)
43 For Adjustments	(50,566)	(53,525)	(2,431,766)	(61,899)	(63,850)	(2,487,435)	(76,851)	(82,553)	(2,543,925)	(98,256)	(103,484)	(2,584,256)
44 Current Month Activity (with interest) (Line 43 +46 +51)	(12,907,687)	(12,956,255)	(13,011,780)	(15,443,538)	(15,569,287)	(18,056,722)	(18,133,573)	(18,216,126)	(20,760,051)	(20,858,307)	(20,961,791)	(23,556,049)
45 PLUS:												
46 Previous Month Cumulative Balance												
47 Adjustment after interest												
48 CUMULATIVE BALANCE (Line 52 +55)	(12,958,256)	(13,011,780)	(15,443,538)	(15,569,287)	(18,056,722)	(18,133,573)	(18,216,126)	(20,760,051)	(20,858,307)	(20,961,791)	(23,556,049)	

San Diego Gas & Electric Company
Rate Reduction Bond Memorandum Account
For the period January 1, 2006 through December 31, 2006

	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06
1 Interest Rate	4.37%	4.48%	4.55%	4.76%	4.87%	5.01%	5.29%	5.37%	5.21%	5.21%	5.19%	5.17%
2 Commercial Paper (3-month)												
3 SDG&E Authorized Pre-Tax Rate of Return												
4												
5 Ten Percent Rate Reduction Amount	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6 LESS:												
7 Revenue Requirement Savings												
8 Avoided Revenue Requirements												
9 Rev. Rqmt. Financed Tax and Other												
10 Rev. Rqmt. Bond Payment												
11												
12 Timing Difference (Line 5 minus Line 12)												
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San Diego Gas & Electric Company
Rate Reduction Bond Memorandum Account
For the period January 1, 2007 through December 31, 2007

	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07
1 Interest Rate	5.19%	5.17%	5.18%	5.20%	5.20%	5.19%	5.23%	5.22%	5.25%	4.92%	4.63%	4.42%
2 Commercial Paper (3-month)												
3 SDG&E Authorized Pre-Tax Rate of Return												
4												
5 Ten Percent Rate Reduction Amount	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6 LESS:												
7 Revenue Requirement Savings												
8 Avoided Revenue Requirements												
9 Rev. Rqmt. Financed Tax and Other												
10 Rev. Rqmt. Bond Payment												
11												
12 Rev. Rqmt. Savings Total												
13 Timing Difference (Line 5 minus Line 12)												
14 For Month												
15 Cumulative												
16												
17												
18 A. RRB Proceeds Adjustment												
19 1. Timing Difference Interest Earned												
20 2. Unrealized Rate Reduction Bond-Financed Savings (UBFS)												
21 3. Lump-sum TTA Credit Incremental Costs												
22 4. Adjustments												
23 5. UBFS Interest Earned per interest rate on line 3												
24 RRB Proceeds Adjustment Total												
25 Cumulative RRB Proceeds Adjustment Total												
26												
27 B. Servicing Fees												
28 1. Administration Fee (\$100,000 annually)												
29 2. Servicer Compensation (0.25%)												
30 Servicing Fees Total												
31												
32 C. Carrying Costs (Trust Transfer Amount (TTA) Collections)												
33												
34 D. Investment Expenses												
35 E. Overcollateralization												
36 F. Financed Tax Credit (5)												
37 Subtotal (Line 23 +28 +30 +32 +34 +36)												
38 For Month												
39 Cumulative												
40												
41 RRB Savings Amount (Line 12 +38)												
42 RRBMA Amortization												
43 Current Month Activity [without interest] (Line 5 minus Line 41)												
44 PLUS:												
45 Adjustments (4)												
46												
47 Interest ** Also see line 22 **												
48 For Current month* (Impacted by Lines 2, 23, 38, 39, 46)												
49 For Adjustments												
50												
51 Current Month Activity [with interest] (Line 43 +46 +51)												
52												
53 PLUS:												
54 Previous Month Cumulative Balance												
55 Adjustment after Interest												
56 CUMULATIVE BALANCE (Line 52 +55)												
57												

(4) September 2007 - reflects the early redemption of RRB's by funds from the RRBMA overcolllection. See Advice Letter 19111-E.

San Diego Gas & Electric Company
Rate Reduction Bond Memorandum Account
For the period January 1, 2008 through December 31, 2008

	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08
1 Interest Rate	4.23%	3.25%	2.72%	2.35%	1.99%	2.00%	2.21%	2.18%	2.08%	2.13%	2.07%	1.45%
2 Commercial Paper (3-month)												
3 SDG&E Authorized Pre-Tax Rate of Return												
4												
5 Ten Percent Rate Reduction Amount	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6												
7 LESS:												
8 Revenue Requirement Savings												
9 Avoided Revenue Requirements												
10 Rev. Rqmt. Financial Tax and Other												
11 Rev. Rqmt. Bond Payment												
12 Timing Difference (Line 5 minus Line 12)												
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(5) Reflects beginning of amortization of the RRBMA overcollection as authorized in AL 1945-E.
(6) Adjustments to record TTA bond payment revenues and other accounting items.
(7) Pursuant to Advice Letter 2037-E, balance transferred to the Ongoing TCBA and account eliminated.

**BEFORE THE PUBLIC UTILITIES
COMMISSION OF THE STATE OF CALIFORNIA**

**DECLARATION
OF MICHELLE SOMERVILLE**

A.09-05-___

Application of San Diego Gas & Electric Company (U 902 E)
For Approval of its Contract Administration, Least Cost Dispatch and Power Procurement
Activities, and Costs Related to Those Activities, Incurred Between January 1, 2008 and
December 31, 2008

I, Michelle Somerville, do declare as follows:

1. I am a Regulatory Accounts Manager for San Diego Gas and Electric Company (SDG&E). I have included my Direct Testimony (Testimony) in support of SDG&E's Application for Approval of Contract Administration, Least Cost Dispatch and Power Procurement Activities, and Costs Related to Those Activities, Incurred Between January 1, 2008 and December 31, 2008. Additionally, as a Regulatory Accounts Manager, I am thoroughly familiar with the facts and representations in this declaration and if called upon to testify I could and would testify to the following based upon personal knowledge.

2. I am providing this Declaration to demonstrate that the confidential information (Protected Information) in support of the referenced Application falls within the scope of data provided confidential treatment in the IOU Matrix (Matrix) attached to the Commission's Decision (D) 06-06-066 (the Phase I Confidentiality decision). Pursuant to the procedure set forth in the August 22, 2006 Ruling of ALJ Thomas, I am addressing each of the following five features of Ordering Paragraph 2 of D.06-06-066:

- that the material constitutes a particular type of data listed in the Matrix;
- the category or categories in the Matrix the data correspond to;
- that SDG&E is complying with the limitations on confidentiality specified in the Matrix for that type of data;
- that the information is not already public; and

- that the data cannot be aggregated, redacted, summarized, masked or otherwise protected in a way that allows partial disclosure.

3. The confidential information contained in my Testimony constitutes material, market sensitive, electric procurement-related information that is within the scope of Section 454.5(g) of the Public Utilities Code.¹ As such, the Protected Information provided by SDG&E is allowed confidential treatment in accordance with Appendix I – IOU Matrix in D.06-06-066.

4. Monthly expenses recorded to the Energy Resource Recovery Account (ERRA) included in Attachment A to my testimony are protected under Matrix category XI “Monthly Procurement Costs” and is “confidential for three years”.

5. I am not aware of any instances where the Protected Information has been disclosed to the public. To my knowledge, no party, including SDG&E, has publicly revealed any of the Protected Information.

6. I will comply with the limitations on confidentiality specified in the Matrix for the type of data that is provided herewith.

7. The Protected Information cannot be provided in a form that is aggregated, partially redacted, or summarized and continue to provide the level of support to the Application as intended; however SDG&E is certainly willing to work with the Commission regarding possible aggregations if the Commission seeks to make any of the confidential information provided in the Testimony public.

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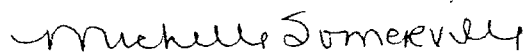
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¹ In addition to the details addressed herein, SDG&E believes that the information being furnished in my Testimony is governed by Public Utilities Code Section 583 and General Order 66-C. Accordingly, SDG&E seeks confidential treatment of this data under those provisions, as applicable.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 15 day of May, 2009, at San Diego, California.



Michelle Somerville
Michelle Somerville
Regulatory Accounts Manager
San Diego Gas & Electric Company