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October 9, 2008

ADVICE LETTER 2031-E / 1806-G
(U 902-M)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

**SUBJECT: NOTIFICATION OF THE CREATION OF NEW AFFILIATES AND AFFILIATE
NAME CHANGES**

PURPOSE

San Diego Gas & Electric Company (SDG&E) hereby notifies the California Public Utilities Commission (Commission) of the creation of new affiliates as defined in the Commission's Affiliate Transaction Rules (Rules).

BACKGROUND

In accordance with Commission Decision No. (D.) 97-12-088, in OIR 97-04-011/OII 97-04-012, Appendix A, Rule VI.B, as modified by D.98-08-035, SDG&E is required to notify the Commission of the creation of any affiliate addressed by these Rules. Accordingly, SDG&E is hereby notifying the Commission of the formation of new affiliates and affiliate name changes as shown on the enclosed Attachment.

No unusual or unique circumstances exist that would require affiliate transaction rule implementation measures for the new affiliates beyond those already identified by SDG&E. Therefore, SDG&E will apply the provisions of its 2008 Compliance Plan Advice Letter 2002-E/1779-G to all transactions with the new affiliates included herein. If the Commission modifies or requires the modification of Advice Letter 2002-E/1779-G, SDG&E will apply all such changes, or the provisions of such amended plans, to the newly formed affiliates included herein.

This filing will not create any deviations from SDG&E's tariffs or cause withdrawal of service from any present customers.

EFFECTIVE DATE

SDG&E believes this filing is subject to Energy Division disposition and should be classified as Tier 1 (effective pending disposition) pursuant to GO 96-B. Since this filing is being made in compliance with D.97-12-088, SDG&E therefore respectfully requests that it become effective on October 9, 2008, which is the date filed.

PROTEST

Anyone may protest this advice letter to the Commission. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. The protest must be made in writing and received within 20 days of the date this advice letter was filed with the Commission. There is no restriction on who may file a protest. The address for mailing or delivering a protest to the Commission is:

CPUC Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102

Copies of the protest should also be sent via e-mail to the attention of both Honesto Gatchalian (jni@cpuc.ca.gov) and Maria Salinas (mas@cpuc.ca.gov) of the Energy Division. A copy of the protest should also be sent via both e-mail and facsimile to the address shown below on the same date it is mailed or delivered to the Commission.

Attn: Todd Cahill
Regulatory Tariff Manager
8330 Century Park Court, Room 32C
San Diego, CA 92123-1548
Facsimile No. (858) 654-1788
E-Mail: tcahill@SempraUtilities.com

NOTICE

A copy of this filing has been served on the utilities and interested parties shown on the attached list, by either providing them a copy electronically or by mailing them a copy hereof, properly stamped and addressed.

Address changes should be directed to SDG&E Tariffs by facsimile at (858) 654-1788 or by e-mail at SDG&ETariffs@semprautilities.com.

KEN DEREMER
Director — Tariffs & Regulatory Accounts

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No. **SAN DIEGO GAS & ELECTRIC (U 902)**

Utility type:

ELC

GAS

PLC

HEAT

WATER

Contact Person: Megan Caulson

Phone #: (858) 654-1748

E-mail: MCaulson@semprautilities.com

EXPLANATION OF UTILITY TYPE

ELC = Electric

GAS = Gas

PLC = Pipeline

HEAT = Heat

WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: 2031-E/1806-G

Subject of AL: Notification of the Creation of New Affiliates

Keywords (choose from CPUC listing): Compliance, New Affiliates

AL filing type: Monthly Quarterly Annual One-Time Other Periodic

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:

D.97-12-088 as modified by D.08-08-035

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL N/A

Summarize differences between the AL and the prior withdrawn or rejected AL¹: N/A

Does AL request confidential treatment? If so, provide explanation: _____

Resolution Required? Yes No

Tier Designation: 1 2 3

Requested effective date: 10/09/08

No. of tariff sheets: 0

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: N/A

Service affected and changes proposed¹: N/A

Pending advice letters that revise the same tariff sheets: N/A

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division

Attention: Tariff Unit

505 Van Ness Ave.,

San Francisco, CA 94102

mas@cpuc.ca.gov and jnj@cpuc.ca.gov

San Diego Gas & Electric

Attention: Todd Cahill

8330 Century Park Ct, Room 32C

San Diego, CA 92123

tcahill@semprautilities.com

¹ Discuss in AL if more space is needed.

General Order No. 96-B
ADVICE LETTER FILING MAILING LIST

cc: (w/enclosures)

Public Utilities Commission

DRA

D. Appling
S. Cauchois
J. Greig
R. Pocta
W. Scott

Energy Division

P. Clanon
S. Gallagher
H. Gatchalian
D. Lafrenz
M. Salinas

CA. Energy Commission

F. DeLeon
R. Tavares

Alcantar & Kahl LLP

K. Harteloo

American Energy Institute

C. King

APS Energy Services

J. Schenk

BP Energy Company

J. Zaiontz

Barkovich & Yap, Inc.

B. Barkovich

Bartle Wells Associates

R. Schmidt

Braun & Blaising, P.C.

S. Blaising

California Energy Markets

S. O'Donnell
C. Sweet

California Farm Bureau Federation

K. Mills

California Wind Energy

N. Rader

CCSE

S. Freedman
J. Porter

Children's Hospital & Health Center

T. Jacoby

City of Chula Vista

M. Meacham
E. Hull

City of Poway

R. Willcox

City of San Diego

J. Cervantes
G. Lonergan
M. Valerio

Commerce Energy Group

V. Gan

Constellation New Energy

W. Chen

CP Kelco

A. Friedl

Davis Wright Tremaine, LLP

E. O'Neill
J. Pau

Dept. of General Services

H. Nanjo
M. Clark

Douglass & Liddell

D. Douglass
D. Liddell
G. Klatt

Duke Energy North America

M. Gillette

Dynegy, Inc.

J. Paul

Ellison Schneider & Harris LLP

E. Janssen

Energy Policy Initiatives Center (USD)

S. Anders

Energy Price Solutions

A. Scott

Energy Strategies, Inc.

K. Campbell
M. Scanlan

Goodin, MacBride, Squeri, Ritchie & Day

B. Cragg
J. Heather Patrick
J. Squeri

Goodrich Aerostructures Group

M. Harrington

Hanna and Morton LLP

N. Pedersen

Itsa-North America

L. Belew

J.B.S. Energy

J. Nahigian

Luce, Forward, Hamilton & Scripps LLP

J. Leslie

Manatt, Phelps & Phillips LLP

D. Huard
R. Keen

Matthew V. Brady & Associates

M. Brady

Modesto Irrigation District

C. Mayer

Morrison & Foerster LLP

P. Hanschen

MRW & Associates

D. Richardson

OnGrid Solar

Andy Black

Pacific Gas & Electric Co.

J. Clark
M. Huffman
S. Lawrie
E. Lucha

Pacific Utility Audit, Inc.

E. Kelly

R. W. Beck, Inc.

C. Elder

School Project for Utility Rate
Reduction

M. Rochman
Shute, Mihaly & Weinberger LLP

O. Armi

Solar Turbines

F. Chiang

Sutherland Asbill & Brennan LLP

K. McCrea

Southern California Edison Co.

M. Alexander
K. Cini
K. Gansecki
H. Romero

TransCanada

R. Hunter

D. White

TURN

M. Florio
M. Hawiger

UCAN

M. Shames

U.S. Dept. of the Navy

K. Davoodi

N. Furuta

L. DeLacruz

Utility Specialists, Southwest, Inc.

D. Koser

Western Manufactured Housing

Communities Association

S. Dey

White & Case LLP

L. Cottle

San Diego Gas & Electric - Advice Letter 2031-E/1806-G
Attachment A
Notification of Creation of New Affiliates and Affiliate Name Changes

Affiliate Name	Address of Headquarters	Primary Officers	Contact Person	Business Activity Description	Effective Date	Covered Affiliate?
Navajo Solar I, LLC	101 Ash Street San Diego, CA 92101	Michael W. Allman - President Charles A. McMonagle - SVP, CFO and Treasurer	Cathy St. Marie Affiliate Compliance Manager Affiliate Compliance Dept. 8330 Century Park Court San Diego, CA 92123	Solar Power development	8/12/2008	Yes
Navajo Solar II, LLC	101 Ash Street San Diego, CA 92101	Michael W. Allman - President Charles A. McMonagle - SVP, CFO and Treasurer	Cathy St. Marie Affiliate Compliance Manager Affiliate Compliance Dept. 8330 Century Park Court San Diego, CA 92123	Solar Power development	8/12/2008	Yes
Inversiones Energeticas S.A.	General Cruz N 222 Casilla 12V Valparaiso, Chile 2370139	Cristian Arnolds Reyes - Director Christian Larrondo Naudon - Director Sergio De Paoli Botto - Director	Cathy St. Marie Affiliate Compliance Manager Affiliate Compliance Dept. 8330 Century Park Court San Diego, CA 92123	Holding Company	9/12/2008	No
Mobile Gas Service Corporation	2828 Dauphin St. Mobile, AL 36606	George S. Liparidis – Chairman of the Board and CEO Charles A. McMonagle – SVP and CFO	Cathy St. Marie Affiliate Compliance Manager Affiliate Compliance Dept. 8330 Century Park Court San Diego, CA 92123	Acquisition, accumulation, storage and distribution of natural gas and/or artificial gas and/or by products thereof	10/1/2008	Yes
Southern Gas Transmission Company	2828 Dauphin St. Mobile, AL. 36606	George S. Liparidis – Chairman of the Board and CEO Charles A. McMonagle – SVP and CFO	Cathy St. Marie Affiliate Compliance Manager Affiliate Compliance Dept. 8330 Century Park Court San Diego, CA 92123	Operation of intrastate natural gas pipeline	10/1/2008	Yes
Mississippi Hub, LLC	2828 Dauphin St. Mobile, AL. 36606	George S. Liparidis – Chairman of the Board and CEO Charles A. McMonagle – SVP and CFO	Cathy St. Marie Affiliate Compliance Manager Affiliate Compliance Dept. 8330 Century Park Court San Diego, CA 92123	7 (c) storage facility and related pipelines	10/1/2008	Yes
Mississippi Hub Acquisition Company, LLC	2828 Dauphin St. Mobile, AL. 36606	Ben J. Reese - EnergySouth Midstream Designee Constantine M. Dakolias - DB PEV Gas Designee	Cathy St. Marie Affiliate Compliance Manager Affiliate Compliance Dept. 8330 Century Park Court	Acquisition and development of gas storage facility and related pipelines.	10/1/2008	Yes

San Diego Gas & Electric - Advice Letter 2031-E/1806-G
Attachment A
Notification of Creation of New Affiliates and Affiliate Name Changes

Affiliate Name	Address of Headquarters	Primary Officers	Contact Person	Business Activity Description	Effective Date	Covered Affiliate?
			San Diego, CA 92123			
Bay Gas Storage Co. LTD.	2828 Dauphin St. Mobile, AL 36606	George S. Liparidis – Chairman of the Board and CEO Charles A. McMonagle – SVP and CFO EnergySouth Midstream, Inc. - General Partner Olin Corporation - Limited Partner	Cathy St. Marie Affiliate Compliance Manager Affiliate Compliance Dept. 8330 Century Park Court San Diego, CA 92123	311 metrogas storage facility and related pipelines	10/1/2008	Yes
MGS Marketing Services, Inc.	2828 Dauphin St. Mobile, AL 36606	George S. Liparidis – Chairman of the Board and CEO Charles A. McMonagle – SVP and CFO	Cathy St. Marie Affiliate Compliance Manager Affiliate Compliance Dept. 8330 Century Park Court San Diego, CA 92123	Inactive - Natural Gas marketing services.	10/1/2008	No
EnergySouth Services Inc.	2828 Dauphin St. Mobile, AL 36606	George S. Liparidis – Chairman of the Board and CEO Charles A. McMonagle – SVP and CFO	Cathy St. Marie Affiliate Compliance Manager Affiliate Compliance Dept. 8330 Century Park Court San Diego, CA 92123	Natural gas transmission and related services	10/1/2008	Yes
EnergySouth Midstream, Inc.	2828 Dauphin St. Mobile, AL 36606	George S. Liparidis – Chairman of the Board and CEO Charles A. McMonagle – SVP and CFO	Cathy St. Marie Affiliate Compliance Manager Affiliate Compliance Dept. 8330 Century Park Court San Diego, CA 92123	Natural gas storage and related pipeline and services	10/1/2008	Yes
Affiliate Name Changes						
EMS Holding Corp. changed its name to: Energy South, Inc.	2828 Dauphin St. Mobile, AL 36606	George S. Liparidis – Chairman of the Board and CEO Charles A. McMonagle – SVP and CFO	Cathy St. Marie Affiliate Compliance Manager Affiliate Compliance Dept. 8330 Century Park Court San Diego, CA 92123	Holding Company for companies engaged in energy-related businesses	10/1/2008	No