

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE

SAN FRANCISCO, CA 94102-3298



February 9, 2011

Advice Letter 2175-E

Clay Faber, Director
Regulatory Affairs
San Diego Gas and Electric
8330 Century Park Court, CP32C
San Diego, CA 92123-1548

Subject: Establishment of the Temporary Treatment for Local Resource Adequacy Obligations During Direct Access Reopening in Compliance with D.10-03-022

Dear Mr. Faber:

Advice Letter 2175-E is effective June 1, 2010.

Sincerely,

A handwritten signature in blue ink that reads "Julie A. Fitch".

Julie A. Fitch, Director
Energy Division



Clay Faber - Director
Regulatory Affairs
8330 Century Park Court
San Diego, CA 92123-1548

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June 1, 2010

ADVICE LETTER 2175-E
(U902-E)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

SUBJECT: ESTABLISHMENT OF THE TEMPORARY TREATMENT FOR LOCAL RESOURCE ADEQUACY OBLIGATIONS DURING DIRECT ACCESS RE-OPENING IN COMPLIANCE WITH DECISION 10-03-022

San Diego Gas & Electric Company (SDG&E) hereby submits for approval the following revisions to its electric tariffs as shown in the enclosed Attachment A.

PURPOSE

In accordance with Ordering Paragraph (OP) 7 of California Public Utilities Commission (Commission) Decision (D.) 10-03-022, this filing establishes the temporary treatment for Local Resource Adequacy (RA) Obligations during the Direct Access (DA) re-opening for the remainder of 2010 only.

BACKGROUND

On October 11, 2009, a new law took effect that provides for a limited re-opening of Direct Access, Senate Bill (SB) 695. On March 11, 2010, the Commission issued D.10-03-022 establishing the processes for implementing the limited re-opening of DA. Among other things, SB695 requires the Commission to ensure that other providers of electricity in California are subject to the same RA requirements that apply to the investor-owned utilities

A methodology for establishing a value associated with a customer's local RA obligation was adopted by the Commission in D.10-03-022. This temporary solution, in effect only for the remainder of 2010, provides an option to obtain an allocation of RA "credits" from the LSE losing load without the need for an actual sale of physical capacity to occur between the two LSEs. The LSE gaining the load would make a payment to the LSE losing the load equal to the customer's Local RA Obligation multiplied by a default transfer price of \$24 per kW-year. This payment would be deemed to satisfy the acquiring LSE's Local RA Obligation for the remainder of the 2010 compliance year.

Further, this is a temporary solution and shall explicitly apply only for calendar year 2010, and shall either continue or be replaced as a result of whatever solution (if any) is adopted in Rulemaking (R.) 09-01-032 for the 2011 RA compliance year.

TARIFF REVISIONS IN COMPLIANCE WITH D.10-03-022

SDG&E has revised its Schedule DA to include a line item charge for the Local RA capacity credit transfer payment option available for the remainder of the 2010 RA compliance year to LSE's acquiring new load resulting from the limited re-opening of DA pursuant to SB695 and D.10-03-022.

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. SDG&E respectfully requests that this filing become effective on June 1, 2010, which is the date filed.

PROTEST

Anyone may protest this Advice Letter to the California Public Utilities 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 must be received no later than June 21, 2010, which is 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: Megan Caulson
Regulatory Tariff Manager
8330 Century Park Court, Room 32C
San Diego, CA 92123-1548
Facsimile No. (858) 654-1788
E-mail: MCaulson@semprautilities.com

NOTICE

A copy of this filing has been served on the utilities and interested parties shown on the attached list, including interested parties in R.07-05-025, by providing them a copy hereof either electronically or via the U.S. mail, properly stamped and addressed.

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

CLAY FABER
Director – Regulatory Affairs

Attachments

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: Christina Sondrini

Phone #: (858) 636-5736

E-mail: csondrini@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) #: 2175-E

Subject of AL: Establishment of the Temporary Treatment for Local Resource Adequacy Obligations
During Direct Access Reopening in Compliance with Decision 10-03-022

Keywords (choose from CPUC listing): Compliance, Direct Access

AL filing type: Monthly Quarterly Annual One-Time Other

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

D.10-03-022

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: N/A

Resolution Required? Yes No

Tier Designation: 1 2 3

Requested effective date: 6/1/2010

No. of tariff sheets: 4

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: Schedule DA & TOC

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: Megan Caulson

8330 Century Park Ct, Room 32C

San Diego, CA 92123

mcaulson@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
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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

Children's Hospital & Health Center

T. Jacoby

City of Chula Vista

M. Meacham

City of Poway

R. Willcox

City of San Diego

J. Cervantes
G. Lonergan
M. Valerio

Commerce Energy Group

V. Gan

CP Kelco

A. Friedl

Davis Wright Tremaine, LLP

E. O'Neill
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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

Godin, MacBride, Squeri, Ritchie & Day

B. Cragg
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Goodrich Aerostructures Group

M. Harrington

Hanna and Morton LLP

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J.B.S. Energy

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Luce, Forward, Hamilton & Scripps LLP

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R. Keen

Matthew V. Brady & Associates

M. Brady

Modesto Irrigation District

C. Mayer

Morrison & Foerster LLP

P. Hanschen

MRW & Associates

D. Richardson

Pacific Gas & Electric Co.

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

Pacific Utility Audit, Inc.

E. Kelly

San Diego Regional Energy Office

S. Freedman
J. Porter

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

Interested Parties

R.07-05-025

ATTACHMENT A
ADVICE LETTER 2175-E

Cal. P.U.C. Sheet No.	Title of Sheet	Canceling Cal. P.U.C. Sheet No.
Revised 21894-E	SCHEDULE DA, TRANSPORTATION OF ELECTRIC POWER, FOR DIRECT ACCESS CUSTOMERS, Sheet 4	Revised 14955-E
Original 21895-E	SCHEDULE DA, TRANSPORTATION OF ELECTRIC POWER, FOR DIRECT ACCESS CUSTOMERS, Sheet 8	
Revised 21896-E	TABLE OF CONTENTS, Sheet 1	Revised 21881-E
Revised 21897-E	TABLE OF CONTENTS, Sheet 5	Revised 21833-E



SCHEDULE DA

Sheet 4

**TRANSPORTATION OF ELECTRIC POWER
FOR DIRECT ACCESS CUSTOMERS**

RATES (continued)

Other Service Fees (applicability designated below)

All customers who receive service under this schedule will be subject to the following costs related to the processing of requests for Direct Access. These fees are in addition to the customer's otherwise applicable default UDC service charges, less an amount for Schedule EECC and bill credits, if applicable.

<u>Existing Fees</u>		<u>Units</u>	<u>Apply to</u>	<u>Amount</u>	<u>Notes</u>
1	Select a UDC Meter Read Date Fee No.1	One-time fee	Customer	\$15	a/
2	Fee No.2	+\$ per month	Customer	\$15	a/
3	Select a Billing Due Date Fee No.1	Annual Charge	Customer	\$15	a/
4	Fee No.2	+\$ per month	Customer	1% of bill	a/
5	Late Payment Charge	% of balance	Customer	0.8%	a/
6	Return Payment Charge	\$ per event	Customer	\$8	a/
7	Collections for 1st field call	\$ per event	Customer	\$9	a/
8	Collections for field calls after the 1st	\$ per event	Customer	\$15	a/
9	Fee for Reconnection of Service	\$ per event	Customer	\$15	b/
<u>Competitive Fees</u>					
10	Consolidated UDC Billing (2-page limit per bill):	cents per page	ESP	25¢	
11	Re-Read a Meter	\$ per event	Both	\$28	
<u>Customer Request Fees</u>					
12	Request Duplicate Bill	\$ per event	Customer	\$1	
13	Customer Information Data Base	\$ per event	Customer	n/a	
<u>12-month Customer Specific Usage Data:</u>					
14	Load Profile (2X free; thereafter)	\$ per event	Customer	\$5	
15	IDR Meter (2X free; thereafter)	\$ per event	Customer	\$25	
<u>Exception Fees</u>					
16	Re-Bill UDC Charges	\$ per event	ESP	\$15	
17	Late Payments	% of balance	ESP	1.5%	
18	Return Payment Charge	\$ per event	ESP	\$20	
19	ESP Credit Worthiness Check	\$ per event	ESP	\$500	c/
20	Retrieval of Account Information	\$ per account	ESP	\$5	d/
21	Routine Account Analysis	\$ per account	ESP	\$10	d/
22	Complex Account Analysis	\$ per hour	ESP	\$45	d/
23	Resend File/Report	\$ per report	ESP	\$15	d/
24	Investigate EDI Duplicate Payments	\$ per event	ESP	\$85	d/
25	Refund Account Credits due to Overpayments	\$ per account	ESP	\$5	d/
26	Involuntary Billing Account Switches	\$ per account	ESP	\$8	d/
<u>Additional Fees for Consolidated ESP Billing:</u>					
27	Partial: Monthly Fee No.1	\$ per ESP	ESP	\$113.78	e/
28	Monthly Fee No.2	\$ per account	ESP	\$0.20	e/
29	Full: Set-up & Support Fees – Labor	\$ per hour	ESP	\$90.00	f/
30	Set-up & Support Fees – Non-Labor	at cost	ESP	at cost	f/
<u>Other Charges</u>					
31	Charge for Transfer of Local Resource Adequacy Capacity Credit		ESP	\$24/kW-yr	g/

- a/ Rule 9 charges used as proxies to apply to ESPs.
- b/ Schedule SE charges used as a proxy for ESPs.
- c/ This fee will apply only if an ESP does not either obtain a credit rating from an established agency, or establish a security deposit with the UDC pursuant to Rule 25.
- d/ Applicable only to Consolidated ESP Billing Services.
- e/ These fees are mandatory for ESPs providing partial consolidated ESP billing services.
- f/ These fees are applicable only upon request for assistance from the UDC.
- g/ Please see Special Condition 14

(Continued)

N
N
N
N



SCHEDULE DA

**TRANSPORTATION OF ELECTRIC POWER
FOR DIRECT ACCESS CUSTOMERS**

SPECIAL CONDITIONS (Continued)

14. Transfer of Local Resource Adequacy (RA) Capacity Credit. This temporary optional service shall be provided, upon request, by SDG&E to a Load Serving Entity (LSE) acquiring new load resulting from the implementation of increased limits for DA transactions in accordance with the provisions of Senate Bill (SB) 695 and D.10-03-022. This service shall be available only during the 2010 calendar year. Pursuant to D.10-03-022, the LSE's transfer payment obligation to SDG&E shall be determined as follows:

Customer Local RA Obligation (CLO) x Administrative Price for Local RA Monthly Capacity

Where:

The Administrative Price for Local RA Monthly Capacity = The Charge for Transfer of Local Resource Adequacy Capacity Credit, as set forth in the rates section above, multiplied by the applicable Cumulative Shaping Factor

CLO = Local to Peak Ratio (LPR) x DA customer's actual recorded 2009 Coincident Peak Demand (MW), as determined by SDG&E

LPR = Total 2010 Service Area LCR in MW (less Local MW from DR, CAM, and RMR1 & 2)/ Forecasted Service Area 2010 CPD. The LPR for 2010 is 61.90%.

	Monthly Shaping Factors	Months remaining	Cumulative Shaping Factors
January	6.7%	12.00	1.00
February	5.0%	11.00	0.933
March	5.0%	10.00	0.883
April	5.8%	9.00	0.833
May	6.3%	8.00	0.775
June	8.3%	7.00	0.712
July	15.8%	6.00	0.629
August	17.5%	5.00	0.471
September	11.7%	4.00	0.296
October	5.8%	3.00	0.179
November	6.3%	2.00	0.121
December	5.8%	1.00	0.058



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Sheet 1

The following sheets contain all the effective rates and rules affecting rates, service and information relating thereto, in effect on the date indicated herein.

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