

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE

SAN FRANCISCO, CA 94102-3298



September 28, 2010

Advice Letter 2192-E

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

**Subject: One-Time Bill Credit to Refund the Overcollection in the
Energy Resource Recovery Account (ERRA) in Compliance
with D.10-08-020**

Dear Mr. Faber:

Advice Letter 2192-E is effective August 24, 2010.

Sincerely,

A handwritten signature in blue ink, appearing to read "Julie A. Fitch".

Julie A. Fitch, Director
Energy Division



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

Tel: 858.654.3563
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CFaber@semprautilities.com

August 24, 2010

ADVICE LETTER 2192-E

(U 902-E)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

SUBJECT: ONE-TIME BILL CREDIT TO REFUND THE OVERCOLLECTION IN THE ENERGY RESOURCE RECOVERY ACCOUNT (ERRA) IN COMPLIANCE WITH DECISION (D.)10-08-020

PURPOSE

Ordering Paragraph (OP) 1 of D.10-08-020, dated August 12, 2010, requires San Diego Gas and Electric (SDG&E) to file a Tier 1 advice letter to show the final amount of overcollection to be refunded to ratepayers, based on final numbers through July 31, 2010, and consistent with the one-time credit methodology approved in D.09-09-042. The credit rates for the one-time bill credit associated with the recorded July 31, 2010 ERRA balance is presented in Attachment A.

BACKGROUND

In compliance with D.04-01-050, SDG&E filed AL 2147-E dated February 16, 2010, to establish 2010's ERRA trigger amount¹. SDG&E's currently approved 4% trigger point is \$44.4 million and the 5% threshold is \$55.4 million. The current overcollection through July 31, 2010 is \$115 million and is above these new trigger and threshold amounts.

D.10-08-020 requires that SDG&E return the ERRA overcollection of \$115 million that was recorded through July 31, 2010 as a one-time bill credit beginning September 1, 2010, consistent with the methodology approved in D.09-09-042. Consistent with D.09-09-042, this credit rate will be applied to a customer's aggregated 12 months of historic usage of bundled service (August 2009-July 2010) with the residential customer rate class having two credit rates: (1) one rate for tiered residential rate schedules which will be applied to usage not capped by AB1X (i.e. usage in Tier 3 and Tier 4); and (2) another rate for non-tiered residential schedules which will be applied to all usage. Usage in Tier 1 and Tier 2 will receive an effective credit rate of zero due to the AB1X rate cap applicable to usage in these Tiers.

¹ Approved by the Commission on April 13, 2010.

EFFECTIVE DATE

SDG&E believes that 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 August 24, 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 September 13, 2010, which is 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 (inj@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 to service list A.10-04-033, 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.

CLAY FABER
Director – Regulatory Affairs

(cc list enclosed)

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) #: 2192-E

Subject of AL: One-Time Bill Credit to Refund the Overcollection in the Energy Resource Recovery Account (ERRA) in Compliance with Decision (D.)10-08-020

Keywords (choose from CPUC listing): Compliance, ERRA

AL filing type: Monthly Quarterly Annual One-Time Other

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

D.10-08-020

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: 8/24/2010

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: 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

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

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
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

Godin, 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

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

A.10-04-033

SDG&E's ADVICE LETTER 2192-E

ATTACHMENT A

SDG&E ERRa Trigger Credit Rate (cents/kWh)* (Applied to 12 Months Historic Usage)

	<u>Outside City of SD</u>	<u>Inside City of SD</u>
Residential		
T3 and T4 Usage under Tiered Schedules	(1.974)	(2.088)
Non-Tiered Schedules	(0.640)	(0.677)
Small Commercial	(0.685)	(0.725)
Medium & Large C&I	(0.686)	(0.726)
Agricultural	(0.673)	(0.712)
Street Lighting	(0.473)	(0.500)

*Not applied to DA customers.

Residential Tiered UDC Schedules include CARE, FERA, and Non-CARE and are defined as:
DR (including DR-LI), DR-TOU, DM, DS, DT, and DT-RV.

Residential Non-Tiered UDC Schedules include CARE, and Non-CARE and are defined as:
DR-SES, EV-TOU, EV-TOU2, and EV-TOU3.

Small Commercial UDC Schedules are defined as:
A, A-TC, and A-TOU.

Medium & Large C&I are defined as:
AD, AY-TOU, AL-TOU, A6-TOU, PA-T-1, OL-TOU and DG-R.

Agricultural UDC Schedule is defined as:
PA.

Street Lighting UDC Schedules are defined as:
LS-1, LS-2, LS-3, OL-1, OL-2 and DWL.