

Application No: A.11-11-002  
Exhibit No.: \_\_\_\_\_  
Witness: Jason Bonnett

\_\_\_\_\_  
)  
In the Matter of the Application of San Diego Gas & )  
Electric Company (U 902 G) and Southern California )  
Gas Company (U 904 G) for Authority to Revise )  
Their Rates Effective January 1, 2013, in Their )  
Triennial Cost Allocation Proceeding )  
\_\_\_\_\_ )

A.11-11-002  
(Filed November 1, 2011)

**REVISED UPDATED PREPARED DIRECT TESTIMONY**  
**OF JASON BONNETT**  
**SAN DIEGO GAS & ELECTRIC COMPANY**  
**AND**  
**SOUTHERN CALIFORNIA GAS COMPANY**

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

February 22, 2013

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1                                   **REVISED UPDATED PREPARED DIRECT TESTIMONY**  
2                                   **OF JASON BONNETT**

3 **I.       QUALIFICATIONS**

4           My name is Jason Bonnett. My business address is 8330 Century Park Court, San Diego,  
5 California, 92123-1530.

6           I am employed by San Diego Gas & Electric Company (SDG&E) as a Principal  
7 Regulatory Economic Advisor in the Regulatory & Rate Strategy Department of SDG&E and  
8 Southern California Gas Company (SoCalGas). I hold a Bachelor of Science degree in Business  
9 Administration from Mankato State University, a Juris Doctorate from Hamline University  
10 School of Law, and a Master of Arts in Public Administration from Hamline University. I have  
11 been employed by SDG&E since 2007.

12           Prior to joining SDG&E, I was employed by the Minnesota Department of Commerce,  
13 Energy Division, as a Public Utilities Rates Analyst from May 1998 through July 2007. I have  
14 previously testified before the California Public Utilities Commission (Commission).

15 **II.     PURPOSE & OVERVIEW OF RATE DESIGN**

16           The purpose of my testimony is to present SDG&E’s proposed natural gas transportation  
17 rates. These rates rely upon the cost allocation of authorized base margin costs among customer  
18 classes as shown in the testimony of Mr. Mock.

19           **A.     Overview**

20           The SDG&E rate design model takes the allocated base margin provided by Mr. Mock  
21 and incorporates the transmission system with SoCalGas along with unbundling the Backbone  
22 Transmission Service (BTS). Additionally, the SDG&E rate design model allocates the cost  
23 within the noncore market for the Transmission Level Service (TLS) rate, and non-margin costs

1 which (for ratemaking purposes) reflect other costs incurred by the utility to provide basic  
2 transportation services to its customers during the forecasted cost allocation period. These non-  
3 margin costs reflect, but are not limited to, regulatory account balance amortizations and  
4 SoCalGas transportation and storage costs.

5 **B. Non-Margin Cost Allocation and Rate Design Proposals**

6 Except as noted below, the methods employed to develop and allocate non-margin costs  
7 are consistent with the methods employed to develop the SDG&E transportation rates adopted in  
8 Commission Decision (D.) 09-11-006, SDG&E's most recent cost allocation proceeding  
9 decision.

10 The following lists the non-margin cost allocation and rate design proposals incorporated  
11 in my testimony.

- 12 1) Residential and Core Commercial and Industrial (C&I) rates fully de-averaged;
- 13 2) Implement a monthly residential customer charge;
- 14 3) Update the submeter credit;
- 15 4) Implement a submeter credit cap for master-metered customers;
- 16 5) Propose a consistent allocation within the core C&I class; and
- 17 6) Update Natural Gas Vehicle (NGV) compression costs.

18 **C. Illustrative Rates**

19 The non-margin cost allocation results are added to the results of the base margin cost  
20 allocation to complete the transportation rate revenue requirements. The completed  
21 transportation revenue requirements become the starting point for any rate design calculations.

22 The proposed changes in SDG&E's class-average transportation rates are shown below in Table

23 1. The rates in Column B include the transition adjustments proposed in the testimony of Mr.

1 Lenart and correspond with those shown in his Table 16, while column D incorporates the  
 2 forecasted regulatory account balances from the testimony of Mr. Shimansky and correspond  
 3 with the rates shown in Appendix A of this testimony.

| <b>Table 1: Class Average Rates (\$/therm)</b> |                         |  |                     |  |                         |                     |
|--|-------------------------|--|---------------------|--|-------------------------|---------------------|
|  | <b>2012<br/>Current</b> | <b>2013 TCAP<br/>Rates w/<br/>Transition<br/>Adjustments</b> | <b>%<br/>Change</b> | <b>2013 TCAP<br/>Rates w/<br/>Regulatory<br/>Account<br/>Forecasts</b> | <b>\$/th<br/>Change</b> | <b>%<br/>Change</b> |
|  | <b>A</b>                | <b>B</b>   | <b>C</b>            | <b>D</b>   | <b>E</b>                | <b>F</b>            |
| <b><u>SDGE:</u></b>                            |                         |  |                     |  |                         |                     |
| Res \$/th                                      | \$0.592                 | \$0.649  | 10%                 | \$0.670  | \$0.078                 | 13%                 |
| Avg Res Bill (33 th) \$/mo                     | \$35.70                 | \$36.26  | 2%                  | \$36.99  | \$1.29                  | 4%                  |
| CCI CA \$/th                                   | \$0.191                 | \$0.179  | -7%                 | \$0.193  | \$0.001                 | 1%                  |
| NGV Uncompressed post-SW \$/th                 | \$0.058                 | \$0.060  | 4%                  | \$0.058  | \$0.000                 | 1%                  |
| Core Class Average \$/th                       | \$0.449                 | \$0.465  | 4%                  | \$0.483  | \$0.034                 | 8%                  |
| NCCI-D \$/th                                   | \$0.122                 | \$0.091  | -25%                | \$0.173  | \$0.052                 | 42%                 |
| EG-D Tier 1 post-SW \$/th                      | \$0.055                 | \$0.061  | 10%                 | \$0.070  | \$0.015                 | 26%                 |
| EG-D Tier 2 post-SW \$/th                      | \$0.024                 | \$0.027  | 10%                 | \$0.026  | \$0.002                 | 9%                  |
| TLS CA Rate csitma/efba exempt                 | \$0.017                 | \$0.012  | -29%                | \$0.013  | (\$0.005)               | -27%                |
| TLS CA Rate csitma/efba non-exempt             | \$0.019                 | \$0.014  | -27%                | \$0.017  | (\$0.002)               | -10%                |
| SAR \$/th                                      | \$0.200                 | \$0.203  | 2%                  | \$0.213  | \$0.013                 | 7%                  |

4           The proposed rates reflect an increase in the natural gas transportation revenue  
 5 requirement of \$16.214 million (approximately 6.7 percent).

6           Appendix A contains a complete set of rate tables using the proposed cost allocation  
 7 method which represents this proposal.

8 **III. CORE RATE DESIGN**

9           In this section, SDG&E updates its individual core tariff rates. This section describes  
 10 SDG&E’s proposed changes to current rate design methods.

1           **A.     Core De-Averaging**

2           SDG&E is no longer including any core averaging adjustment. Instead, SDG&E is  
3 proposing to make a Transition Cost Adjustment pursuant to Section IX of Mr. Lenart’s  
4 testimony.

5           **B.     Residential Rates**

6           Current residential rates consist of a two-tiered usage structure: baseline (BL) and non-  
7 baseline (NBL) volumetric rates. In a continuing effort to promote cost-based rates, SDG&E  
8 proposes to implement a 16.438 cents per meter per day (approximately \$5 per month) customer  
9 charge applicable to all residential customers. The implementation of the proposed customer  
10 charge will enable SDG&E to recover approximately 23 percent of the fully allocated residential  
11 marginal customer cost.

12                   **1.     Customer Charge**

13           As shown in the cost allocation testimony of Mr. Mock, the fully allocated residential  
14 marginal customer cost for SDG&E is approximately \$263 per year and covers costs that do not  
15 vary with usage. The customer charge would partially recover the fixed costs of the services  
16 SDG&E provides every month, regardless of how much gas a customer uses. These fixed costs  
17 include: maintenance of the gas service lines and regulators; gas meters; meter reading; billing;  
18 maintenance of facilities; and vehicles and equipment- the basic facilities to transport gas to  
19 customer homes and businesses.

20           Since these costs are largely fixed and cannot be avoided by customers, setting a rate to  
21 recover these costs on a fixed basis appropriately reflects cost causation. Additionally, customer  
22 charges are used in all non-residential customer classes. At the moment, since there is no

1 separate charge for this cost for residential customers, it is recovered through the customer's  
2 volumetric rate. As a result, customers with greater usage subsidize customers with lower usage.

3 Although SDG&E will recover more in overall fixed charges from residential customers,  
4 this increase will be offset by a reduction in the volumetric rate. Thus, adding a customer charge  
5 does not increase costs allocated to the overall residential class it merely adjusts how the costs  
6 are recovered within the residential class. If you view the residential class in terms of a pie,  
7 implementing a customer charge only changes how the pie is sliced not the size of the overall  
8 pie. As can be seen in Table 2 below, implementing a 16.438 cents per meter per day customer  
9 charge results in a \$0.20064 per therm decrease in the baseline volumetric charge.

| <b>Table 2: Difference to Baseline Rate<br/>with/without Monthly Customer Charge</b> |   |
|--|---|
| <b>Customer Charge</b>   | <b>Volumetric Charge<br/>(Baseline)</b> |
| \$0  | \$0.62955                               |
| \$0.16438  | \$0.42891                               |

10 **i. Reducing Intra-Class Subsidies**

11 Setting the customer charge closer to costs reduces intra-class subsidies. To the extent  
12 fixed customer charges are set below fixed cost, the volumetric rate is set correspondingly higher  
13 to recover these costs. Under this rate design, customers who use relatively small amounts of  
14 natural gas do not pay for all of the costs they impose on the system. In turn, other customers  
15 within the class must make up the difference. Establishing a customer charge closer to cost  
16 lessens this intra-class subsidy. The proposed approach is consistent with SDG&E's stated goal  
17 of basing costs on cost causality. However, this movement needs to be tempered to avoid large

1 rate changes or rate shock. Thus, at this time SDG&E concludes that implementing a per meter  
 2 per day customer charge at a level the Commission has already found to be reasonable for other  
 3 natural gas utilities (e.g., SoCalGas) is a sufficient move towards cost which avoids large rate  
 4 changes or rate shock. As shown below in Table 4, the \$0.16438 customer charge proposed for  
 5 SDG&E is identical to the customer charge of SoCalGas.

6 **ii. Mitigating Bill Volatility**

7 Setting the residential customer charge closer to costs mitigates bill volatility between  
 8 seasons by recovering some fixed costs during the low-usage summer months. Thus, the typical  
 9 residential customer’s bill will rise slightly in the summer (low-usage) months and will decrease  
 10 slightly in the winter (high-usage months). Table 3 below, illustrates how a typical residential  
 11 customer’s monthly bill based on an annual average of 33 therms would be impacted.

| <b>Table 3: Increase/(Decrease) in typical residential customers monthly bill due to implementation of customer charge</b> |          |          |          |        |        |        |        |        |        |          |          |
|--|----------|----------|----------|--------|--------|--------|--------|--------|--------|----------|----------|
| Jan  | Feb      | Mar      | Apr      | May    | Jun    | Jul    | Aug    | Sep    | Oct    | Nov      | Dec      |
| (\$4.10)   | (\$3.85) | (\$4.10) | (\$4.10) | \$1.47 | \$1.47 | \$1.47 | \$1.47 | \$1.47 | \$1.47 | (\$4.10) | (\$4.10) |

12 **iii. Nationwide Use**

13 Natural gas utility customer charges are an accepted practice found throughout the nation.  
 14 Currently, SDG&E is the only gas utility in the State of California that does not have some sort  
 15 of fixed cost recovery for natural gas use. Table 4 below, shows the amount of fixed cost  
 16 recovery for natural gas utilities in the State of California.

| <b>Table 4: Listing of Fixed Cost Recovery for California Natural Gas Utilities – Residential Customers</b> |                         |                           |                              |                 |
|---|-------------------------|---------------------------|------------------------------|-----------------|
|   | Utility                 | Daily Charge<br>¢ per day | Equivalent<br>Monthly Amount | Type            |
| 1   | Long Beach Oil & Gas    | 16.440¢/day               | \$5.00/month                 | Customer Charge |
| 2   | Southern California Gas | 16.438¢/day               | \$5.00/month                 | Customer Charge |
| 3   | Southwest Gas           |                           | \$5.00/month                 | Customer Charge |
| 4   | PG&E-Gas                | 9.863¢/day                | \$3.00/month                 | Minimum Bill    |



1 As the table above shows, SDG&E's proposed customer charge is in line with  
2 Commission-approved customer charges for other California natural gas utilities.

### 3 **2. Baseline/Non-Baseline Tier Differential**

4 California Public Utilities Code Section 739.7 mandates that the non-baseline (NBL) rate  
5 must be higher than the baseline (BL) rate. The current tier differential between SDG&E's BL  
6 and NBL bundled rates is a factor of 1.14 (i.e., the NBL rate is 14 percent higher than the BL  
7 rate). However, should the Commission approve SDG&E's customer charge proposal, SDG&E  
8 would need to change how it calculates the BL/NBL tier differential since the Commission has  
9 consistently interpreted customer charges to be part of the baseline rate for purposes of  
10 calculating tier differentials.

11 Should the Commission approve SDG&E's customer charge proposal discussed above,  
12 SDG&E proposes to change the current tier differential of 1.14 to a targeted composite tier  
13 differential of 1.15 (the NBL rate would be fifteen percent higher than the composite BL rate).  
14 Additionally, SDG&E proposes that a \$0.26 difference cap similar to SoCalGas' be  
15 implemented. The composite BL rate would equal the sum of the customer charge revenues and  
16 BL volumetric rate revenues divided by the BL volumes. However, if SDG&E's customer  
17 charge request is denied, SDG&E proposes no change to the current Commission approved  
18 BL/NBL tier differential of 1.14.

### 19 **C. Submeter Credits**

20 Submeter credits apply to master-metered customers providing service to submetered  
21 residential tenants (i.e., multi-family dwelling units and mobile home parks).

1                                   **1.       Update to Submeter credit**

2                   D.04-04-043 established a method for calculation of submeter credits. In that decision  
3 certain categories of costs were defined as “Utility Avoided Costs” which are costs for which the  
4 owner of a master meter is reimbursed through the discount provided by the utility (to the extent  
5 these costs do not exceed the average costs the utility would have incurred in providing direct  
6 service). In this proceeding, SDG&E proposes to update the submeter credit in compliance with  
7 the agreed-upon methodology for the calculation of submeter credits set forth in D.04-04-043.  
8 Currently, submeter credits are set at \$0.25493/meter/day for multi-family (GS) customers and  
9 \$0.34064/meter/day for mobilehome (GT) customers. SDG&E proposes to set them at  
10 \$0.29392/meter/day and \$0.36460/meter/day, respectively.

11                                   **2.       Submeter Cap**

12                   SDG&E’s master-metered customers who submeter their tenants receive a daily  
13 submetering credit against their monthly bills in schedule GS for the GS and GT rate. The  
14 purpose of the submetering credit is to reimburse the master-metered customers for costs  
15 associated with owning, operating, and maintaining their own distribution systems which, in  
16 turn, is a cost savings to SDG&E. Tenants of the master-metered facility are billed for their  
17 usage recorded by their submeter according to their applicable residential gas and/or electric rate  
18 schedules and do not receive the benefit of this credit.

19                   An evaluation of SDG&E’s master-metered customer base revealed that because  
20 SDG&E’s current tariffs do not limit the amount of credit adjustments that are applied to master-  
21 metered customers’ monthly bills, the credit in some cases offsets not only all of the gas or  
22 electric non-procurement charges, but also a portion of the gas or electric procurement charges.

1 Consequently, by receiving a credit to the commodity portion of the bill, the master-metered  
2 customer is receiving a discount in excess of what was intended.

3 The master meter discount is not intended to offset the commodity charges on a  
4 customer's bill. D.04-04-043 addressed matters relating to the discount authorized by Public  
5 Utilities Code Section 739.5(a)<sup>1</sup> for master-metered customers who provide electricity and/or  
6 natural gas to their tenants through a submetered distribution system. The decision states that the  
7 discount was intended to reimburse the master-metered customer for the reasonable average cost  
8 of providing submetered service and it also imposes a cap on the discount. The discount is not to  
9 exceed the average cost that the utility would have incurred in providing comparable services to  
10 the tenant directly.

11 SDG&E therefore respectfully requests authorization to modify Schedule GS to include  
12 clarifying language to limit the daily submetering credit in instances where the credit exceeds the  
13 non-procurement portion of a master-metered customer's gas and electric bill. With the  
14 exception of SDG&E, the practice of limiting the submetering credit from exceeding the non-  
15 procurement portion of the customer's master-metered bill is consistent with the other California  
16 natural gas utilities.<sup>2</sup> Therefore, upon Commission approval, the daily submetering credit will be  
17 applied prospectively to SDG&E's master-metered customers who submeter their customers.

18 Also, SDG&E previously filed Advice Letter 2011-E/1788-G which the Commission  
19 denied without prejudice as outside the Advice Letter process. The resolution offered that

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<sup>1</sup> Specifically, CPUC Code 739.5 (a) states: "The commission shall require that, whenever gas or electric service, or both, is provided by a master-meter customer to users who are tenants of a mobilehome park, apartment building, or similar residential complex, the master-meter customer shall charge each user of the service at the same rate that would be applicable if the user were receiving gas or electricity, or both, directly from the gas or electrical corporation. The commission shall require the corporation furnishing service to the master-meter customer to establish uniform rates for master-meter service at a level that will provide a sufficient differential to cover the reasonable average costs to master-meter customers of providing submeter service, except that these costs shall not exceed the average cost that the corporation would have incurred in providing comparable services directly to the users of the service."

<sup>2</sup> See SoCalGas' Schedule GS, Sheet 2, effective May 1, 2012.

1 | SDG&E may request these tariff changes in a rate design proceeding or Application. SDG&E is  
2 | doing so with this proceeding. Appendix B contains SDG&E's proposed red-lined GS tariff with  
3 | the proposed changes.

4 | **D. Core C/I Rates**

5 | SDG&E has a single tariff serving its core commercial customers: Schedule GN-3.  
6 | Presently, the GN-3 rate design consists of a single \$10 monthly customer charge and three-  
7 | tiered declining block volumetric rates.

8 | In D.09-11-006, the Commission approved the current procedure for determining the rate  
9 | structure for the different tiers within SDG&E's G-3 rate design. Currently, non-base margin  
10 | costs, which are all costs associated with other operating costs and revenue as well as regulatory  
11 | balancing accounts and adjustments, are allocated to the tiers on an Equal Cents per Therm  
12 | (ECPT) basis. However, not all of these non-base margin costs are allocated to the class on an  
13 | ECPT allocation. Many are allocated on an Equal Percent Authorized Margin (EPAM) basis,  
14 | such as the Pension Balancing Account, PBOP Balancing Account, Rewards & Penalties  
15 | Balancing Account, etc. Thus, in order to promote a consistent allocation within the core C&I  
16 | class, SDG&E proposes to combine those non-base margin costs not allocated on an ECPT basis  
17 | with base margin costs.

18 | **E. NGV Compression Cost Update**

19 | The NGV Compression Rate Adder has been updated to reflect current costs and  
20 | proposed allocation of those costs. This amount is composed of the return on ratebase plus the  
21 | capital related revenue requirement and any related operations & maintenance expense.

1 The embedded cost compression revenue requirement for SDG&E is \$181,000, as was presented  
2 in my supplemental testimony dated March 16, 2012.<sup>3</sup> The proposed revenue requirement  
3 increases due to increases in customer related O&M expenses.

4 This concludes my revised updated prepared testimony.

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<sup>3</sup> A.11-11-002, Supplemental Direct Testimony of Jason Bonnett, dated March 16, 2012, page 7.

**APPENDIX A**  
**Transportation Rate Tables**

**TABLE 1**  
**Natural Gas Transportation Rate Revenues**  
**San Diego Gas & Electric**  
**2013 TCAP Application**  
2013TCAP SDGE RD Model - 2/20/2013 Update Filing

|    | At Present Rates                           |                  |                  | At Proposed Rates |                  |                  | Changes          |                 |                  |             |
|----|--|------------------|------------------|-------------------|------------------|------------------|------------------|-----------------|------------------|-------------|
|    | Jan-1-12                                   | Average          | Jan-1-12         | Jan-1-13          | Average          | Jan-1-13         | Revenues         | Rates           | Rate             |             |
|    | Volumes                                    | Rate             | Revenues         | Volumes           | Rate             | Revenues         |                  |                 |                  |             |
|    | mtherms                                    | \$/therm         | \$000's          | mtherms           | \$/therm         | \$000's          | \$000's          | \$/therm        | %                |             |
| A  | B  | C                | D                | E                 | F                | G                | H                | I               |                  |             |
| 1  | <b>CORE</b>                                |                  |                  |                   |                  |                  |                  |                 |                  |             |
| 2  | Residential                                | 326,003          | \$0.59205        | \$193,011         | 307,841          | \$0.67036        | \$206,364        | \$13,354        | \$0.07831        | 13.2%       |
| 3  | Commercial & Industrial                    | 158,725          | \$0.19144        | \$30,387          | 182,595          | \$0.19259        | \$35,165         | \$4,779         | \$0.00114        | 0.6%        |
| 4  |  |                  |                  |                   |                  |                  |                  |                 |                  |             |
| 5  | NGV - Pre SempraWide                       | 15,238           | \$0.02704        | \$412             | 11,606           | \$0.07821        | \$908            | \$496           | \$0.05118        | 189.3%      |
| 6  | SempraWide Adjustment                      | 15,238           | \$0.03893        | \$593             | 11,606           | (\$0.00545)      | (\$63)           | (\$656)         | (\$0.04438)      | -114.0%     |
| 7  | NGV Post SempraWide                        | 15,238           | \$0.06597        | \$1,005           | 11,606           | \$0.07276        | \$845            | (\$161)         | \$0.00680        | 10.3%       |
| 8  |  |                  |                  |                   |                  |                  |                  |                 |                  |             |
| 9  | Total CORE                                 | 499,967          | \$0.44883        | \$224,402         | 502,042          | \$0.48278        | \$242,374        | \$17,972        | \$0.03394        | 7.6%        |
| 10 | <b>NONCORE COMMERCIAL &amp; INDUSTRIAL</b> |                  |                  |                   |                  |                  |                  |                 |                  |             |
| 11 |  |                  |                  |                   |                  |                  |                  |                 |                  |             |
| 12 | Distribution Level Service                 | 37,270           | \$0.12163        | \$4,533           | 33,562           | \$0.17325        | \$5,815          | \$1,282         | \$0.05163        | 42.4%       |
| 13 | Transmission Level Service (2)             | 3,193            | \$0.01869        | \$60              | 15,070           | \$0.01671        | \$252            | \$192           | (\$0.00197)      | -10.6%      |
| 14 | Total Noncore C&I                          | 40,463           | \$0.11350        | \$4,593           | 48,633           | \$0.12474        | \$6,067          | \$1,474         | \$0.01124        | 9.9%        |
| 15 | <b>NONCORE ELECTRIC GENERATION</b>         |                  |                  |                   |                  |                  |                  |                 |                  |             |
| 16 |  |                  |                  |                   |                  |                  |                  |                 |                  |             |
| 17 | Distribution Level Service                 |                  |                  |                   |                  |                  |                  |                 |                  |             |
| 18 | Pre Sempra Wide                            | 179,522          | \$0.02857        | \$5,130           | 97,473           | \$0.03150        | \$3,071          | (\$2,059)       | \$0.00293        | 10.3%       |
| 19 | Sempra Wide Adjustment                     | 179,522          | \$0.00050        | \$90              | 97,473           | \$0.00354        | \$345            | \$255           | \$0.00304        | 603.5%      |
| 20 | Distribution Level Post S                  | 179,522          | \$0.02908        | \$5,220           | 97,473           | \$0.03504        | \$3,416          | (\$1,804)       | \$0.00597        | 20.5%       |
| 21 | Transmission Level Service (2)             | 496,393          | \$0.01719        | \$8,532           | 568,347          | \$0.01250        | \$7,105          | (\$1,427)       | (\$0.00469)      | -27.3%      |
| 22 | Total Electric Generation                  | 675,916          | \$0.02035        | \$13,752          | 665,820          | \$0.01580        | \$10,521         | (\$3,232)       | (\$0.00454)      | -22.3%      |
| 23 |  |                  |                  |                   |                  |                  |                  |                 |                  |             |
| 24 | <b>TOTAL NONCORE</b>                       | 716,379          | \$0.02561        | \$18,345          | 714,453          | \$0.02322        | \$16,587         | (\$1,758)       | (\$0.00239)      | -9.3%       |
| 25 |  |                  |                  |                   |                  |                  |                  |                 |                  |             |
| 26 | <b>SYSTEM TOTAL</b>                        | <b>1,216,345</b> | <b>\$0.19957</b> | <b>\$242,747</b>  | <b>1,216,495</b> | <b>\$0.21288</b> | <b>\$258,961</b> | <b>\$16,214</b> | <b>\$0.01330</b> | <b>6.7%</b> |

1) These rates are for Natural Gas Transportation Service from "Citygate to Meter".

2) The BTS rate is for service from Receipt Point to Citygate and is purchased from SoCalGas. See SoCalGas' Table 8 for actual BTS rates.

3) These Transmission Level Service "TLS" amounts represents the average transmission rate. See Table 5 for detail list of TLS rates.

**TABLE 2**  
**Core Gas Transportation Rates**  
**San Diego Gas & Electric**  
**2013 TCAP Application**  
**2013TCAP SDGERD Model - 2/20/2013 Update Filing**

|   | At Present Rates |                  |                  | At Proposed Rates |                  |                  | Changes         |                  |              |
|---|------------------|------------------|------------------|-------------------|------------------|------------------|-----------------|------------------|--------------|
|   | Jan-1-12         | Average          | Jan-1-12         | Jan-1-13          | Average          | Jan-1-13         | Revenues        | Rates            | Rate         |
|   | Volumes          | Rate             | Revenues         | Volumes           | Rate             | Revenues         |                 |                  |              |
| mtherms   | \$/therm         | \$000's          | mtherms          | \$/therm          | \$000's          | \$000's          | \$/therm        | %                |              |
|   | A                | B                | C                | D                 | E                | F                | G               | H                | I            |
| <b>1 RESIDENTIAL RATES Schedule GR,GM</b>   |                  |                  |                  |                   |                  |                  |                 |                  |              |
| 2 Basis for Rates (Excludes Rate Adders for CSITMA & CAT)                                       |                  |                  |                  |                   |                  |                  |                 |                  |              |
| 3 Customer Charge \$/month  | 0                | \$0.00           | \$0              | 850,344           | \$5.00           | \$51,021         | \$51,021        | \$5.00           |              |
| 4   |                  |                  |                  |                   |                  |                  |                 |                  |              |
| 5 Baseline \$/therm   | 220,010          | \$0.55450        | \$121,995        | 207,753           | \$0.42891        | \$89,107         | (\$32,888)      | (\$0.12559)      | -22.6%       |
| 6 Non-Baseline \$/therm   | 105,993          | \$0.69934        | \$74,125         | 100,088           | \$0.68891        | \$68,951         | (\$5,173)       | (\$0.01043)      | -1.5%        |
| 7 Average Rate \$/therm   | 326,003          | \$0.60159        | \$196,120        | 307,841           | \$0.51344        | \$209,079        | \$12,959        | (\$0.08815)      | -14.7%       |
| 8 NBL/BL Ratio  |                  |                  |                  |                   |                  |                  |                 |                  |              |
| 9 Composite Rate \$/th  |                  |                  |                  |                   | \$1.08562        |                  |                 |                  |              |
| 10 NBL/Composite rate ratio   |                  | 1.14             |                  |                   | 1.09             |                  |                 |                  |              |
| 11 NBL- BL rate difference \$/th  |                  |                  |                  |                   | 0.26000          |                  |                 |                  |              |
| 12  |                  |                  |                  |                   |                  |                  |                 |                  |              |
| 13 Rates for CSITMA Non-Exempt, NonCARE Customers (Rate Basis + CSITMA Adder)                   |                  |                  |                  |                   |                  |                  |                 |                  |              |
| 14 CSITMA Adder to Volumetric Rate  | 260,710          | \$0.00150        | \$390            | 242,547           | \$0.00421        | \$1,021          | \$631           | \$0.00271        | 181.2%       |
| 15 Baseline \$/therm  |                  | \$0.55599        |                  |                   | \$0.43312        |                  |                 | (\$0.12288)      | -22.1%       |
| 16 Non-Baseline \$/therm  |                  | \$0.70083        |                  |                   | \$0.69312        |                  |                 | (\$0.00771)      | -1.1%        |
| 17 Average NonCARE Rate \$/therm  |                  | \$0.60309        |                  |                   | \$0.51765        |                  |                 | (\$0.08543)      | -14.2%       |
| 18  |                  |                  |                  |                   |                  |                  |                 |                  |              |
| 19 <b>Sub Meter Credit Schedule GS,GT</b>   |                  |                  |                  |                   |                  |                  |                 |                  |              |
| 20 GS Unit Discount \$/day  | 6,004            | (\$0.25493)      | (\$559)          | 6,004             | (\$0.29392)      | (\$644)          | (\$85)          | (\$0.03899)      | 15.3%        |
| 21 GT Unit Discount \$/day  | 27,745           | (\$0.34064)      | (\$3,450)        | 27,745            | (\$0.36460)      | (\$3,692)        | (\$243)         | (\$0.02396)      | 7.0%         |
| 22  |                  |                  |                  |                   |                  |                  |                 |                  |              |
| 23 <b>Schedule GL-1</b>   |                  |                  |                  |                   |                  |                  |                 |                  |              |
| 24 LNG Facility Charge, domestic use  | 321              | \$14.79          | \$57             | 289               | \$14.79          | \$51             |                 | \$0.00000        | 0.0%         |
| 25 LNG Facility Charge, non-domestic use \$/mth/  |                  | \$0.05480        |                  |                   | \$0.05480        |                  |                 | \$0.00000        | 0.0%         |
| 26 LNG Volumetric Surcharge \$/th   | 110              | \$0.16571        | \$18             | 100               | \$0.16571        | \$16             |                 | \$0.00000        | 0.0%         |
| 27  |                  |                  | \$75             |                   |                  | \$68             |                 |                  |              |
| 28 <b>Core Aggregation CAT Schedule GTC &amp; GTCA (transprt only NonCARE rate + CAT Adder)</b> |                  |                  |                  |                   |                  |                  |                 |                  |              |
| 29 CAT Adder to Volumetric Rate   | 247              | \$0.00000        | \$0              | 247               | \$0.00000        | \$0              | \$0             | \$0.00000        |              |
| 30 Baseline \$/therm  |                  | \$0.55599        |                  |                   | \$0.43312        |                  |                 | (\$0.12288)      | -22.1%       |
| 31 Non-Baseline \$/therm  |                  | \$0.70083        |                  |                   | \$0.69312        |                  |                 | (\$0.00771)      | -1.1%        |
| 32 Average Rate \$/therm  |                  | \$0.60309        |                  |                   | \$0.51765        |                  |                 | (\$0.08543)      | -14.2%       |
| 33  |                  |                  |                  |                   |                  |                  |                 |                  |              |
| 34 <b>Other Adjustments :</b>   |                  |                  |                  |                   |                  |                  |                 |                  |              |
| 35 Employee Discount  |                  |                  | (\$459)          |                   |                  | (\$412)          | \$47            |                  |              |
| 36 SDFFD  |                  |                  | \$893            |                   |                  | \$945            | \$52            |                  |              |
| 37 Credit for CSITMA Exempt Cutomers:   |                  |                  |                  |                   |                  |                  |                 |                  |              |
| 38 NonCARE \$/th  |                  | (\$0.00150)      |                  |                   | (\$0.00421)      |                  |                 | (\$0.00271)      | 181.2%       |
| 39  |                  |                  |                  |                   |                  |                  |                 |                  |              |
| 40  |                  |                  |                  |                   |                  |                  |                 |                  |              |
| 41 <b>Total Residential</b>   | <b>326,003</b>   | <b>\$0.59205</b> | <b>\$193,011</b> | <b>307,841</b>    | <b>\$0.67036</b> | <b>\$206,364</b> | <b>\$13,354</b> | <b>\$0.07831</b> | <b>13.2%</b> |



**TABLE 3**  
**Natural Gas Transportation Rate Revenues**  
**San Diego Gas & Electric**  
**2013 TCAP Application**  
**2013TCAP SDGE RD Model - 2/20/2013 Update Filing**

|    | At Present Rates  |                |                  | At Proposed Rates |                |                  | Changes         |                |                  |             |
|----|---|----------------|------------------|-------------------|----------------|------------------|-----------------|----------------|------------------|-------------|
|    | Jan-1-12  | Average        | Jan-1-12         | Jan-1-13          | Average        | Jan-1-13         | Revenues        | Rates          | Rate             |             |
|    | Volumes   | Rate           | Revenues         | Volumes           | Rate           | Revenues         |                 |                |                  |             |
|    | mtherms   | \$/therm       | \$000's          | mtherms           | \$/therm       | \$000's          | \$000's         | \$/therm       | %                |             |
| A  | B   | C              | D                | E                 | F              | G                | H               | I              |                  |             |
| 1  | <b>Other Core Rates \$/therm</b>  |                |                  |                   |                |                  |                 |                |                  |             |
| 2  | Schedule GPC - Procurement Price  | \$0.45283      |                  | \$0.43200         |                |                  |                 | (\$0.02083)    | -4.6%            |             |
| 3  |   |                |                  |                   |                |                  |                 |                |                  |             |
| 4  | <b>CORE COMMERCIAL &amp; INDUSTRIAL RATES Schedule GN-3</b>                                     |                |                  |                   |                |                  |                 |                |                  |             |
| 5  | Customer Charge \$/month  | 29,831         | \$10.00          | \$3,580           | 30,423         | \$10.00          | \$3,651         | \$71           | \$0.00000        | 0.0%        |
| 6  |   |                |                  |                   |                |                  |                 |                |                  |             |
| 7  | Basis for Volumetric Rates (Excludes Rate Adders for CSITMA & CAT)                              |                |                  |                   |                |                  |                 |                |                  |             |
| 8  | Tier 1 = 0 to 1,000 therms/month  | 69,961         | \$0.24322        | \$17,016          | 81,720         | \$0.24367        | \$19,913        | \$2,897        | \$0.00045        | 0.2%        |
| 9  | Tier 2 = 1,001 to 21,000 therms/m   | 74,938         | \$0.11165        | \$8,367           | 84,648         | \$0.11178        | \$9,462         | \$1,095        | \$0.00013        | 0.1%        |
| 10 | Tier 3 = over 21,000 therms/month   | 13,826         | \$0.07448        | \$1,030           | 16,227         | \$0.07452        | \$1,209         | \$179          | \$0.00004        | 0.1%        |
| 11 |   |                |                  |                   |                |                  |                 |                |                  |             |
| 12 | Volumetric Rates for CSITMA Non-Exempt, NonCARE Customers (Rate Basis + CSITMA Adder)           |                |                  |                   |                |                  |                 |                |                  |             |
| 13 | CSITMA Adder to Volumetric Rate   | 150,500        | \$0.00150        | \$225             | 174,369        | \$0.00421        | \$734           | \$509          | \$0.00271        | 181.2%      |
| 14 | Tier 1 = 0 to 1,000 therms/month  |                | \$0.24472        |                   |                | \$0.24788        |                 | \$0.00316      | 1.3%             |             |
| 15 | Tier 2 = 1,001 to 21,000 therms/month   |                | \$0.11314        |                   |                | \$0.11599        |                 | \$0.00285      | 2.5%             |             |
| 16 | Tier 3 = over 21,000 therms/month   |                | \$0.07598        |                   |                | \$0.07873        |                 | \$0.00276      | 3.6%             |             |
| 17 |   |                |                  |                   |                |                  |                 |                |                  |             |
| 18 | <b>Core Aggregation CAT Schedule GTC &amp; GTCA (transprt only volumetric rate + CAT adder)</b> |                |                  |                   |                |                  |                 |                |                  |             |
| 19 | CAT Adder to Volumetric Rate  | 23,606         | \$0.00000        | \$0               | 23,606         | \$0.00000        | \$0             | \$0            | \$0.00000        |             |
| 20 | Tier 1 = 0 to 1,000 therms/month  |                | \$0.24472        |                   |                | \$0.24788        |                 | \$0.00316      | 1.3%             |             |
| 21 | Tier 2 = 1,001 to 21,000 therms/month   |                | \$0.11314        |                   |                | \$0.11599        |                 | \$0.00285      | 2.5%             |             |
| 22 | Tier 3 = over 21,000 therms/month   |                | \$0.07598        |                   |                | \$0.07873        |                 | \$0.00276      | 3.6%             |             |
| 23 |   |                |                  |                   |                |                  |                 |                |                  |             |
| 24 | <b>Other Adjustments :</b>  |                |                  |                   |                |                  |                 |                |                  |             |
| 25 | Adjustment for SDFFD  |                |                  | \$169             |                |                  | \$196           | \$27           |                  |             |
| 26 | Credit for CSITMA Exempt Cutomers:  |                |                  |                   |                |                  |                 |                |                  |             |
| 27 | NonCARE \$/th   |                | (\$0.00150)      |                   |                | (\$0.00421)      |                 | (\$0.00271)    | 181.2%           |             |
| 28 |   |                |                  |                   |                |                  |                 |                |                  |             |
| 29 |   |                |                  |                   |                |                  |                 |                |                  |             |
| 30 | <b>Total Core C&amp;I</b>   | <b>158,725</b> | <b>\$0.19144</b> | <b>\$30,387</b>   | <b>182,595</b> | <b>\$0.19259</b> | <b>\$35,165</b> | <b>\$4,779</b> | <b>\$0.00114</b> | <b>0.6%</b> |

**TABLE 4**  
**Other Core Gas Transportation Rates**  
**San Diego Gas & Electric**  
**2013 TCAP Application**  
**2013TCAP SDGERD Model - 2/20/2013 Update Filing**

|    | At Present Rates   |                       |                          | At Proposed Rates       |                       |                          | Changes      |                |                    |               |
|----|--|-----------------------|--------------------------|-------------------------|-----------------------|--------------------------|--------------|----------------|--------------------|---------------|
|    | Jan-1-12   | Average               | Jan-1-12                 | Jan-1-13                | Average               | Jan-1-13                 | Revenues     | Rates          | Rate               |               |
|    | Volumes<br>mtherms<br>A  | Rate<br>\$/therm<br>B | Revenues<br>\$000's<br>C | Volumes<br>mtherms<br>D | Rate<br>\$/therm<br>E | Revenues<br>\$000's<br>F | \$000's<br>G | \$/therm<br>H  | change<br>%<br>I   |               |
| 1  | <b>NATURAL GAS VEHICLE RATES</b>   |                       |                          |                         |                       |                          |              |                |                    |               |
| 2  | Sempra-Wide NGV Rates  |                       |                          |                         |                       |                          |              |                |                    |               |
| 3  | Customer Charge  |                       |                          |                         |                       |                          |              |                |                    |               |
| 4  | P1 \$/month  | 30                    | \$13.00                  | \$5                     | 22                    | \$13.00                  | \$3          | (\$1)          | \$0.00             | 0.0%          |
| 5  | P2A \$/month   | 10                    | \$65.00                  | \$8                     | 10                    | \$65.00                  | \$8          | \$0            | \$0.00             | 0.0%          |
| 6  | Uncompressed Rate (excludes Ra   | 15,238                | \$0.05630                | \$858                   | 11,606                | \$0.05402                | \$627        | (\$231)        | (\$0.00229)        | -4.1%         |
| 7  | Compressor Adder \$/therm  | 119                   | \$0.92324                | \$110                   | 163                   | \$0.95858                | \$156        | \$46           | \$0.03534          | 3.8%          |
| 8  |  |                       |                          |                         |                       |                          |              |                |                    |               |
| 9  | Volumetric Rates for CSITMA Non-Exempt Customers (Rate Basis + CSITMA Adder)     |                       |                          |                         |                       |                          |              |                |                    |               |
| 10 | CSITMA Adder to Volumetric Rate  | 15,221                | \$0.00150                | \$23                    | 11,589                | \$0.00421                | \$49         | \$26           | \$0.00271          | 181.2%        |
| 11 | Uncompressed Rate \$/therm   |                       | \$0.05780                |                         |                       | \$0.05823                |              | \$0            | \$0.00043          | 0.7%          |
| 12 |  |                       |                          |                         |                       |                          |              |                |                    |               |
| 13 | Volumetric Rates for CSITMA Non-Exempt CAT Customers (Rate Basis + CSITMA Adder) |                       |                          |                         |                       |                          |              |                |                    |               |
| 14 | CAT Adder to Volumetric Rate   |                       | \$0.00000                |                         |                       | \$0.00000                |              |                |                    |               |
| 15 | Uncompressed Rate \$/therm   |                       | \$0.05780                |                         |                       | \$0.05823                |              | \$0            | \$0.00043          | 0.7%          |
| 16 |  |                       |                          |                         |                       |                          |              |                |                    |               |
| 17 | <b>Other Adjustments :</b>   |                       |                          |                         |                       |                          |              |                |                    |               |
| 18 | Adjustment for SDDFD   |                       |                          | \$2                     |                       | \$2                      | (\$0)        |                |                    |               |
| 19 | Credit for CSITMA Exempt Cutomers \$/th  |                       | (\$0.00150)              |                         |                       | (\$0.00421)              |              |                | (\$0.00271)        | 181.2%        |
| 20 |  |                       |                          |                         |                       |                          |              |                |                    |               |
| 21 | <b>Total NGV</b>   | <b>15,238</b>         | <b>\$0.06597</b>         | <b>\$1,005</b>          | <b>11,606</b>         | <b>\$0.07276</b>         | <b>\$845</b> | <b>(\$161)</b> | <b>\$0.00680</b>   | <b>10.3%</b>  |
| 22 |  |                       |                          |                         |                       |                          |              |                |                    |               |
| 23 | <b>RESIDENTIAL NATURAL GAS VEHICLES (optional rate)</b>                          |                       |                          |                         |                       |                          |              |                |                    |               |
| 24 | Customer Charge  | 832                   | \$5.00                   | \$50                    | 850                   | \$5.00                   | \$51         | \$1            | \$0.00             | 0.0%          |
| 25 | Uncompressed Rate (excludes Ra   | 521                   | \$0.23110                | \$120                   | 932                   | \$0.18535                | \$173        | \$52           | (\$0.04574)        | -19.8%        |
| 26 |  | 521                   | \$0.32693                | \$170                   | 932                   | \$0.24011                | \$224        | \$53           | (\$0.08682)        | -26.6%        |
| 27 |  |                       |                          |                         |                       |                          |              |                |                    |               |
| 28 | Volumetric Rates for CSITMA Non-Exempt Customers (Rate Basis + CSITMA Adder)     |                       |                          |                         |                       |                          |              |                |                    |               |
| 29 | CSITMA Adder to Volumetric Rate  |                       | \$0.00150                |                         |                       | \$0.00421                |              |                | \$0.00271          | 181.2%        |
| 30 | Uncompressed Rate \$/therm   |                       | \$0.23260                |                         |                       | \$0.18956                |              |                | (\$0.04304)        | -18.5%        |
| 31 |  |                       |                          |                         |                       |                          |              |                |                    |               |
| 32 | Core Aggregation Transport (CAT):  |                       |                          |                         |                       |                          |              |                |                    |               |
| 33 | CAT Adder to Volumetric Rate   | 0                     | \$0.00000                | \$0                     | 0                     | \$0.00000                | \$0          | \$0            | \$0.00000          |               |
| 34 | Uncompressed Rate \$/therm   |                       | \$0.23260                |                         |                       | \$0.18956                |              | \$0            | (\$0.04304)        | -18.5%        |
| 35 |  |                       |                          |                         |                       |                          |              |                |                    |               |
| 36 | <b>Other Adjustments :</b>   |                       |                          |                         |                       |                          |              |                |                    |               |
| 37 | Adjustment for SDDFD   | 0                     |                          | \$0                     |                       | \$0                      | \$0          |                |                    |               |
| 38 | Credit for CSITMA Exempt Cutomers \$/th  |                       | (\$0.00150)              |                         |                       | (\$0.00421)              |              |                | (\$0.00271)        | 181.2%        |
| 39 |  |                       |                          |                         |                       |                          |              |                |                    |               |
| 40 |  |                       |                          |                         |                       |                          |              |                |                    |               |
| 41 | <b>Total Res NGV</b>   | <b>521</b>            | <b>\$0.32693</b>         | <b>\$170</b>            | <b>932</b>            | <b>\$0.24011</b>         | <b>\$224</b> | <b>\$53</b>    | <b>(\$0.08682)</b> | <b>-26.6%</b> |

**TABLE 5**  
**NonCore Gas Transportation Rates**  
**San Diego Gas & Electric**  
**2013 TCAP Application**  
**2013TCAP SDGERD Model - 2/20/2013 Update Filing**

|    | At Present Rates  |                |                  | At Proposed Rates |                |                  | Changes         |                  |                    |               |
|----|---|----------------|------------------|-------------------|----------------|------------------|-----------------|------------------|--------------------|---------------|
|    | Jan-1-12  | Average        | Jan-1-12         | Jan-1-13          | Average        | Jan-1-13         | Revenues        | Rates            | Rate               |               |
|    | Volumes   | Rate           | Revenues         | Volumes           | Rate           | Revenues         |                 |                  |                    |               |
|    | mtherms   | \$/therm       | \$000's          | mtherms           | \$/therm       | \$000's          | \$000's         | \$/therm         | %                  |               |
| A  | B   | C              | D                | E                 | F              | G                | H               | I                |                    |               |
| 1  | <b>NonCore Commercial &amp; Industrial Distribution Level</b> |                |                  |                   |                |                  |                 |                  |                    |               |
| 2  | Customer Charges \$/month                                     | 60             | \$350.00         | \$252             | 54             | \$350.00         | \$227           | (\$25)           | \$0.00             | 0.0%          |
| 3  |   |                |                  |                   |                |                  |                 |                  |                    |               |
| 4  | Volumetric Charges\$/therm                                    | 37,270         | \$0.11350        | \$4,230           | 33,562         | \$0.16270        | \$5,461         | \$1,231          | \$0.04920          | 43.4%         |
| 5  | CSITMA Adder to Volumetric Rate                               | 33,927         | \$0.00150        | \$51              | 30,219         | \$0.00421        | \$127           | \$76             | \$0.00271          | 181.2%        |
| 6  | Volumetric Rates for CSITMA Non-Exempt Cust                   | \$0.11500      |                  |                   | \$0.16692      |                  |                 | \$0.05192        | 45.1%              |               |
| 7  |   |                |                  |                   |                |                  |                 |                  |                    |               |
| 8  | <b>Other Adjustments :</b>                                    |                |                  |                   |                |                  |                 |                  |                    |               |
| 9  | SDDFD   |                |                  |                   |                |                  |                 |                  |                    |               |
| 10 | Credit for CSITMA Exempt Cutomers \$/th                       |                | (\$0.00150)      |                   |                | (\$0.00421)      |                 | (\$0.00271)      | 181.2%             |               |
| 11 |   |                |                  |                   |                |                  |                 |                  |                    |               |
| 12 | <b>NCCI-Distribution Total</b>                                | <b>37,270</b>  | <b>\$0.12163</b> | <b>\$4,533</b>    | <b>33,562</b>  | <b>\$0.17325</b> | <b>\$5,815</b>  | <b>\$1,282</b>   | <b>\$0.05163</b>   | <b>42.4%</b>  |
| 13 |   |                |                  |                   |                |                  |                 |                  |                    |               |
| 14 | <b>NCCI-Transmission Total (1)</b>                            | <b>3,193</b>   | <b>\$0.01869</b> | <b>\$60</b>       | <b>15,070</b>  | <b>\$0.01671</b> | <b>\$252</b>    | <b>\$192</b>     | <b>(\$0.00197)</b> | <b>-10.6%</b> |
| 15 |   |                |                  |                   |                |                  |                 |                  |                    |               |
| 16 | <b>Total NonCore C&amp;I</b>                                  | <b>40,463</b>  | <b>\$0.11350</b> | <b>\$4,593</b>    | <b>48,633</b>  | <b>\$0.12474</b> | <b>\$6,067</b>  | <b>\$1,474</b>   | <b>\$0.01124</b>   | <b>9.9%</b>   |
| 17 |   |                |                  |                   |                |                  |                 |                  |                    |               |
| 18 | <b>ELECTRIC GENERATION</b>                                    |                |                  |                   |                |                  |                 |                  |                    |               |
| 19 |   |                |                  |                   |                |                  |                 |                  |                    |               |
| 20 | <b>EFBA Exempt Distribution Rates:</b>                        |                |                  |                   |                |                  |                 |                  |                    |               |
| 21 | <b>Small EG Ditsribution Level Service:</b>                   |                |                  |                   |                |                  |                 |                  |                    |               |
| 22 | Customer Charge, \$/month                                     | 57             | \$50.00          | \$34              | 40             | \$50.00          | \$24            | (\$10)           | \$0.00             | 0.0%          |
| 23 | Volumetric Rate (Incl ITCS) \$/ther                           | 27,097         | \$0.05501        | \$1,491           | 18,823         | \$0.06954        | \$1,309         | (\$182)          | \$0.01             | 26.4%         |
| 24 |   |                |                  |                   |                |                  |                 |                  |                    |               |
| 25 | <b>Large EG Ditsribution Level Service:</b>                   |                |                  |                   |                |                  |                 |                  |                    |               |
| 26 | Customer Charge, \$/month                                     |                |                  |                   |                |                  |                 |                  |                    |               |
| 27 | Volumetric Rate (Incl ITCS) \$/ther                           | 152,425        | \$0.02424        | \$3,695           | 78,650         | \$0.02648        | \$2,083         | (\$1,612)        | \$0.00             | 9.3%          |
| 28 |   |                |                  |                   |                |                  |                 |                  |                    |               |
| 29 | EG Distribution EFBA Exempt Cust                              | 179,522        | \$0.02908        | \$5,220           | 97,473         | \$0.03504        | \$3,416         | (\$1,804)        | \$0.01             | 20.5%         |
| 30 |   |                |                  |                   |                |                  |                 |                  |                    |               |
| 31 | <b>EFBA Non-Exempt Rates:</b>                                 |                |                  |                   |                |                  |                 |                  |                    |               |
| 32 | EFBA Cost Adder   | 172,384        | \$0.00000        | \$0               | 90,335         | \$0.00000        | \$0             | \$0              | \$0.00000          |               |
| 33 | EG-Distribution Tier 1 w/EFBA Adder                           |                | \$0.05501        |                   |                | \$0.06954        |                 |                  | \$0.01452          | 26.4%         |
| 34 | EG-Distribution Tier 2 w/EFBA Adder                           |                | \$0.02424        |                   |                | \$0.02648        |                 |                  | \$0.00224          | 9.3%          |
| 35 | <b>Total - EG Distribution Level</b>                          | <b>179,522</b> | <b>\$0.02908</b> | <b>\$5,220</b>    | <b>97,473</b>  | <b>\$0.03504</b> | <b>\$3,416</b>  | <b>(\$1,804)</b> | <b>\$0.00597</b>   | <b>20.5%</b>  |
| 36 |   |                |                  |                   |                |                  |                 |                  |                    |               |
| 37 | EG Transmission Level Service (1)                             | 496,393        | \$0.02           | \$8,532           | 568,347        | \$0.01250        | \$7,105         | (\$1,427)        | (\$0.00)           | -27.3%        |
| 38 |   |                |                  |                   |                |                  |                 |                  |                    |               |
| 39 | <b>TOTAL ELECTRIC GENERATION</b>                              | <b>675,916</b> | <b>\$0.02035</b> | <b>\$13,752</b>   | <b>665,820</b> | <b>\$0.01580</b> | <b>\$10,521</b> | <b>(\$3,232)</b> | <b>(\$0.00454)</b> | <b>-22.3%</b> |

**TABLE 6**  
**Transmission Level Service Gas Transportation Rates**  
**San Diego Gas & Electric**  
**2013 TCAP Application**  
**2013TCAP SDGERD Model - 2/20/2013 Update Filing**

|    | At Present Rates  |             |          | At Proposed Rates |           |             | Changes   |             |        |
|----|---|-------------|----------|-------------------|-----------|-------------|-----------|-------------|--------|
|    | Jan-1-12  | Average     | Jan-1-12 | Jan-1-13          | Average   | Jan-1-13    | Revenues  | Rates       | Rate   |
|    | Volumes   | Rate        | Revenues | Volumes           | Rate      | Revenues    |           |             |        |
|    | mtherms   | \$/therm    | \$000's  | mtherms           | \$/therm  | \$000's     | \$000's   | \$/therm    | %      |
| A  | B   | C           | D        | E                 | F         | G           | H         | I           |        |
| 1  | <b>Transmission Level Service Rate (excludes CSITMA adder, for EFBA exempt customers):</b>              |             |          |                   |           |             |           |             |        |
| 2  | Reservation Service Option (RS):  |             |          |                   |           |             |           |             |        |
| 3  | Daily Reservation rate \$/th/day  | \$0.00849   |          | \$0.00550         | \$0       | (\$0.00299) | -35.3%    |             |        |
| 4  | Usage Charge for RS \$/th   | \$0.00484   |          | \$0.00533         | \$0       | \$0.00049   | 10.2%     |             |        |
| 5  | Class Average Volumetric Rate (CA)  |             |          |                   |           |             |           |             |        |
| 6  | Volumetric Rate \$/th   | \$0.01225   |          | \$0.00773         | \$0       | (\$0.00452) | -36.9%    |             |        |
| 7  | Usage Charge for CA \$/th   | \$0.00503   |          | \$0.00482         | \$0       | (\$0.00021) | -4.1%     |             |        |
| 8  | Class Average Volumetric Rate CA \$/th  |             |          |                   |           |             |           |             |        |
| 9  |   | \$0.01727   |          | \$0.01255         | \$0       | (\$0.00472) | -27.4%    |             |        |
| 10 | 120% CA (for NonBypass Volumetric NV) \$/tl   | \$0.02073   |          | \$0.01506         | \$0       | (\$0.00567) | -27.4%    |             |        |
| 11 | 135% CA (for Bypass Volumetric BV) \$/th  | \$0.02332   |          | \$0.01694         | \$0       | (\$0.00638) | -27.4%    |             |        |
| 12 | Average Transmission Level Serv   |             |          |                   |           |             |           |             |        |
| 13 | 499,587   | \$0.01719   | \$8,587  | 583,417           | \$0.01250 | \$7,293     | (\$1,294) | (\$0.00469) | -27.3% |
| 14 | <b>Transmission Level Service Rate for CSITMA NonExempt Customers and for EFBA NonExempt Customers:</b> |             |          |                   |           |             |           |             |        |
| 15 | Credit for CSITMA Exempt Cutom  |             |          |                   |           |             |           |             |        |
| 16 | \$3,193   | \$0.00150   | \$5      | 15,070            | \$0.00421 | \$63        | \$59      | \$0.00271   | 181.2% |
| 17 | EFBA Cost Adders for Non-Exem   |             |          |                   |           |             |           |             |        |
| 18 | 28502.954   | \$0.00000   | \$0      | 112,334           | \$0.00000 | \$0         | \$0.00000 |             |        |
| 19 | Reservation Service Option (RS):  |             |          |                   |           |             |           |             |        |
| 20 | Daily Reservation rate \$/th/day  | \$0.00849   |          | \$0.00550         | \$0       | (\$0.00299) | -35.3%    |             |        |
| 21 | Usage Charge for RS \$/th   | \$0.00633   |          | \$0.00954         | \$0       | \$0.00321   | 50.6%     |             |        |
| 22 | Class Average Volumetric Rate (CA)  |             |          |                   |           |             |           |             |        |
| 23 | Volumetric Rate \$/th   | \$0.01225   |          | \$0.00773         | \$0       | (\$0.00452) | -36.9%    |             |        |
| 24 | Usage Charge for CA \$/th   | \$0.00652   |          | \$0.00903         | \$0       | \$0.00251   | 38.4%     |             |        |
| 25 | Class Average Volumetric Rate CA \$/th  |             |          |                   |           |             |           |             |        |
| 26 |   | \$0.01877   |          | \$0.01676         | \$0       | (\$0.00201) | -10.7%    |             |        |
| 27 | 120% CA (for NonBypass Volumetric NV) \$/tl   | \$0.02253   |          | \$0.02011         | \$0       | (\$0.00241) | -10.7%    |             |        |
| 28 | 135% CA (for Bypass Volumetric BV) \$/th  | \$0.02534   |          | \$0.02263         | \$0       | (\$0.00271) | -10.7%    |             |        |
| 29 | <b>Other Adjustments:</b>   |             |          |                   |           |             |           |             |        |
| 30 | Credit for CSITMA Exempt Cutomers \$/th   |             |          |                   |           |             |           |             |        |
| 31 |   | (\$0.00150) |          | (\$0.00421)       |           | (\$0.00271) | 181.2%    |             |        |
| 32 | Average Transmission Level  |             |          |                   |           |             |           |             |        |
| 33 | 499,587   | \$0.01720   | \$8,592  | 583,417           | \$0.01261 | \$7,357     | (\$1,235) | (\$0.00459) | -26.7% |



San Diego Gas & Electric Company  
San Diego, California

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**SCHEDULE GS**

Sheet 1

**SUBMETERED MULTI-FAMILY AND MOBILEHOME PARK NATURAL GAS SERVICE**  
**(Includes Rates for GS/GT, GS/GT-C, and GTC/GTCA)**

**APPENDIX B**

**Schedule GS – Proposed Submeter Credit Language**

(Continued)

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**SCHEDULE GS**

Sheet 1

**SUBMETERED MULTI-FAMILY AND MOBILEHOME PARK NATURAL GAS SERVICE**  
**(Includes Rates for GS/GT, GS/GT-C, and GTC/GTCA)**

**APPLICABILITY**

This schedule is closed as of December 13, 1981 for gas service to new Multi-family Accommodation structures where such multi-unit tenants use gas directly in gas appliances in each occupancy and which requires venting, except where equipped with only vented decorative appliances. This schedule is closed to new Mobilehome Parks or manufactured housing communities for which construction has commenced after January 1, 1997.

The GS rate is applicable to natural gas procurement service for Multi-family Accommodations and the GT rate is applicable to Mobilehome Parks supplied through one meter on a single premises and submetered to all individual units in accordance with the provisions of Rule 19. The GS and GT rates are the same with the exception of the applicable Submetering Credit outlined on Sheet 2 of this Schedule.

The GS-C/GT-C, Cross Over Rate, is a core procurement option for submetered core transportation customers with annual consumption over 50,000 therms as set forth in Special Condition 10.

The GTC/GTCA rate is applicable to intrastate gas transportation-only services to submetered residential customers, as set forth in Special Condition 11.

Customers taking service under this schedule may be eligible for a 20% California Alternate Rates for Energy (CARE) program discount, reflected as a separate line item on the bill, if they qualify to receive service under the terms and conditions of Schedule G-CARE.

**TERRITORY**

Within the entire territory served natural gas by the Utility.

**RATES**

|   | <u>GS/GT</u> | <u>GS-C/GT-C</u> | <u>GTC/GTCA</u> <sup>1/</sup> |
|---|--------------|------------------|-------------------------------|
| <u>Baseline Rate</u> , per therm (baseline usage defined in Special Conditions 4 and 5) |              |                  |                               |
| Procurement Charge <sup>2/</sup> .....  | \$X          | \$X              | N/A                           |
| Transportation Charge .....   | <u>\$X</u>   | <u>\$X</u>       | <u>\$X</u>                    |
| Total Baseline Charge.....  | \$X          | \$X              | \$X                           |
| <br><u>Non-Baseline Rate</u> , per therm (usage in excess of baseline usage)            |              |                  |                               |
| Procurement Charge <sup>2/</sup> .....  | \$X          | \$X              | N/A                           |
| Transportation Charge.....  | <u>\$X</u>   | <u>\$X</u>       | <u>\$X</u>                    |
| Total Non-Baseline Charge.....  | \$X          | \$X              | \$X                           |

<sup>1/</sup> The rates for core transportation-only customers, with the exception of customers taking service under Schedule GT-NGV, include any FERC Settlement Proceeds Memorandum Account (FSPMA) credit adjustments.

<sup>2/</sup> This charge is applicable to Utility procurement customers and includes the GPC and GPC-A Procurement charges shown in Schedule GPC which are subject to change monthly as set forth in Special Condition 7.

(Continued)



**SCHEDULE GS**

**SUBMETERED MULTI-FAMILY AND MOBILEHOME PARK NATURAL GAS SERVICE**  
**(Includes Rates for GS/GT, GS/GT-C, and GTC/GTCA)**

**RATES** (Continued)

**Submetering Credit:**

A daily submetering credit for multi-family service of X cents per day and a submetering credit for multi-family Mobilehome Parks of X cents per day will be applied to each residential dwelling unit utilizing gas service. In the event that the total submetering credit exceeds the amount of the Core Gas Transportation (GTC) portion of the master-metered customer's total gas bill, the applicable Core Gas Procurement charge (GPC), multiplied by the daily number of therms, will be the minimum bill that shall apply.

**Franchise Fee Differential**

A Franchise Fee Differential of 1.03% will be applied to the monthly billings calculated under this schedule for all customers within the corporate limits of the City of San Diego. Such Franchise Fee Differential shall be so indicated and added as a separate item to bills rendered to such customers.

**Additional Charges:**

Rates may be adjusted to reflect any applicable taxes, franchise fees or other fees, regulatory surcharges, and interstate or intrastate pipeline charges that may occur.

**SPECIAL CONDITIONS**

1. **Definitions:** The definitions of principal terms used in this Schedule are found either herein or in Rule 1, Definitions.
2. **Number of Therms:** The number of therms to be billed shall be determined in accordance with Rule 2. The therms in the Baseline Usage, shown in Special Condition 4, shall be multiplied by the number of qualified residential units. It is the responsibility of the customer to advise the Utility within 15 days following any change in the number of dwelling units or mobilehome spaces provided gas service. The number of qualifying units is subject to verification by the Utility.

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**SCHEDULE GS**

**SUBMETERED MULTI-FAMILY AND MOBILEHOME PARK NATURAL GAS SERVICE**  
**(Includes Rates for GS/GT, GS/GT-C, and GTC/GTCA)**

**SPECIAL CONDITIONS** (Continued)

- 3. **Exclusions:** Gas service for non-domestic enterprises such as rooming houses, boarding houses, dormitories, rest homes, military barracks, transient trailer parks, stores, restaurants, service stations, and other similar establishments will be separately metered and billed under the applicable schedules.
- 4. **Baseline Usage:** The following quantities of gas are to be billed at the rates for baseline rate usage. Usage in excess of the applicable baseline allowances will be billed at the non-baseline rate.

| All Customers:                             | <u>Daily Therm Allowance Per Residential Unit</u> |
|--|---|
| Summer (May 1 to October 31, inclusive)    | 0.493   |
| Winter (November 1 to April 30, inclusive) | 1.546   |

- 5. **Medical Baseline:** Upon completion of an application and verification by a state-licensed physician or osteopath (Form 132-150), an additional baseline allowance of 0.822 therms per day will be provided for paraplegic, quadriplegic, or hemiplegic persons, those afflicted with multiple sclerosis, or scleroderma, or persons being treated for a life-threatening illness or who have a compromised immune system.

Where it is established that the energy required for a life-support device (including an air conditioner or space heater) exceeds 0.822 therms per day, the additional allowance will be granted in increments of 0.822 therms per day until the estimated daily usage of the device is covered.

- 6. **Interruption of Service:** Service under this schedule is subject to interruption in whole or in part without notice in case of actual or anticipated shortage of natural gas resulting from an insufficient supply, inadequate transmission or delivery capacity or facilities, or storage requirements. The Utility will not be liable for damages occasioned by interruption of service supplied under this schedule. Such interruption of service shall be made in accordance with Rule 14.
- 7. **Rate Changes:** The Utility will file procurement rate changes on the last business day of each month for rates to become effective on the first calendar day of the following month. The Cross-Over Rate (GS-C/GT-C) will be filed on or before the 9<sup>th</sup> calendar day of each month with the rate becoming effective on the 10<sup>th</sup> calendar day of the month.
- 8. **Utility Service Agreement:** Customers electing service under the Core Aggregation provisions of this Schedule shall be required to complete Form 142-1859, Request for Core Transportation-Only Services. The customer's ESP must submit a Direct Access Service Request (DASR) Form 143-02059.

(Continued)

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**SCHEDULE GS**

**SUBMETERED MULTI-FAMILY AND MOBILEHOME PARK NATURAL GAS SERVICE**  
**(Includes Rates for GS/GT, GS/GT-C, GTC/GTCA, GS/GT-LI and GS/GT-LI-C)**

**SPECIAL CONDITIONS** (Continued)

- 9. **Term of Service:** The minimum term of service for customers receiving service under GS/GT is one month, except for Core Aggregation Transportation (CAT) customers. CAT customers have a minimum term of one-year. Upon expiration of their one-year term, CAT customers shall be on a month-to-month term thereafter. For customers served under GS-C and GT-C rates, see Special Condition 10.
- 10. **Procurement Option for Core Aggregation Transportation Customers:** Core aggregation transportation customers receiving service through an ESP under the GTC/GTCA rate with consumption over 50,000 therms in the last 12 months and who transferred from procuring their gas commodity from an ESP to Utility Procurement Service shall be subject to the terms and conditions applicable to the Cross-Over Rate, as defined in Schedule GPC.
- 11. **Transportation-Only Service Option:** The GTC rate option is applicable to core customers measured through a single gas meter with usage in excess of 120,000 therms annually or an average usage of 10,000 therms per month during the season gas is used; or core usage that is measured through the same gas meter or located on the same premise as noncore usage receiving intrastate transportation-only service for the same customer of record. Core customers who do not meet the above usage may opt to aggregate their loads with other core customers and receive core aggregation service as set forth in Rule 32. The GTCA rate option is available to core customers with usage in excess of 120,000 therms annually, either through an individual meter or from a group of end-use meters, where each end-use meter is classified as core usage and located within the Utility's service territory. Customers electing this service option must make arrangements for the purchase and delivery of gas supplies to the SoCalGas system to be transported by the Utility. This service option must be taken in conjunction with service under Schedule GP-SUR.
- 12. **Gas Transportation Rules:** Transportation service under this schedule is subject to the terms and conditions established in Rule 30, Transportation of Customer-Owed Gas, and Rule 32, Core Aggregation Transportation.
- 13. **Gas Imbalance Service:** Transportation Imbalance Service shall be provided to the customer's ESP under Schedule G-IMB.
- 14. **Customer Responsible for Billing Under Core Aggregation Transportation:** The customer is ultimately responsible for the payment of billing charges assessed to the customer's aggregator for services rendered under this schedule. See Rule 32 for further details.

(Continued)

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**SCHEDULE GS**

Sheet 1

SUBMETERED MULTI-FAMILY AND MOBILEHOME PARK NATURAL GAS SERVICE  
(Includes Rates for GS/GT, GS/GT-C, and GTC/GTCA)

SPECIAL CONDITIONS (Continued)

- 15. Condition for Receiving Submeter Rate Credit: The submetering credit provided herein prohibits further recovery by multi-family or mobilehome park owners for the costs of owning, operating, and maintaining their gas submetered system. This prohibition also includes the cost of the replacement of the submetered gas system. This language was authorized by Ordering Paragraph 4 of Decision 95-02-090, dated February 22, 1995.
- 16. Maximum Rate to Submetered Tenants: Master metered customers who aggregate their gas supplies and purchase gas from a third party may only charge their submetered tenants the maximum rate equal to the Utility's applicable prevailing rates, as if the tenant was purchasing gas directly from the Utility. If the price negotiated with the third party was less than the Utility's rates, the master metered customer may choose to share the profit with the submetered tenants. However, the master metered customer shall not charge more than the Utility's prevailing rates even if the negotiated price is higher than the Utility's rates.
- 17. Itemized Billing to Submetered Tenant: Master metered customer shall provide an itemized billing of charges to each individual submetered tenant. Such billing shall generally conform to the structure and content of the Utility's billings to its customers. Master metered customers shall also post, in a conspicuous place, the rate schedule which would be applicable to the submetered tenant if the tenant were a customer of the Utility.
- 18. Conversion from Non-Residential Purpose to Residential Use: Pursuant to D.05-05-026, dated May 26, 2005, any building constructed for or converted to residential use prior to December 13, 1981 or served on Schedule GM prior to December 13, 1981, or any non-residential building converted to residential use after December 13, 1981 for which the conversion did not require a building permit, shall be eligible to take service under this Schedule if submeters are installed in the building. Any building constructed for residential use or converted to residential use for which a building permit was required on or after July 1, 1982, must be separately metered by the Utility and is not eligible for service under this Schedule.

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