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The Honorable Debbie-Ann Reese
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Re: **San Diego Gas & Electric Company Informational Filing in Docket No.
ER25-270-000**

Dear Secretary Reese:

San Diego Gas and Electric Company (SDG&E) provides this Informational Filing to identify its revised Base Transmission Revenue Requirements (BTRR) for its Sixth Transmission Owner formula rate (TO6), Cycle 1 (to be effective June 1, 2025-December 31, 2025), resulting from SDG&E setting the input for the “CAISO Participation ROE Adder” line in SDG&E’s formula rate spreadsheet to zero, consistent with the Commission’s Order in *San Diego Gas and Electric Company*, 189 FERC ¶ 61,248 (2024) (TO6 Order).

I. BACKGROUND AND DESCRIPTION OF THE FILING

On October 30, 2024, SDG&E submitted to the Commission its TO6 filing, which included Appendix VIII and Attachments 1 and 2 to that Appendix—Protocols and the Formula Rate Spreadsheet, respectively. SDG&E’s TO6 Formula Rate Spreadsheet includes an input labeled “CAISO Participation ROE Adder,” where SDG&E reflected a fifty-basis point adder (RTO Adder) to SDG&E’s return on equity (ROE) for SDG&E’s continued participation in the California Independent System Operator (CAISO).

On December 31, 2024, the Commission issued its TO6 Order regarding SDG&E’s TO6 filing. The Order:

- (A) Rejected SDG&E’s proposed inclusion in SDG&E’s TO6 Formula of the RTO Adder; and

- (B) Accepted the remainder of SDG&E's proposed TO6 Formula and TO6 Cycle 1 BTRR subject to a five-month suspension, making it effective June 1, 2025, subject to refund.¹

SDG&E is submitting this informational filing to provide its revised TO6 Cycle 1 BTRR that reflects the exclusion of the RTO Adder, consistent with the TO6 Order. This results in a revised Wholesale BTRR of \$1,237,526,049 and a revised Retail BTRR of \$1,241,611,526—a decrease in the full year Wholesale BTRR of \$20,338,680 and Retail BTRR of \$20,379,953, respectively. These BTRRs will be in effect June 1, 2025 through December 31, 2025, as TO6 Cycle 2 will commence January 1, 2026.

SDG&E is also providing revised PDF and Excel versions of the populated TO6 Cycle 1 Formula Rate Spreadsheet to reflect exclusion of the RTO Adder from the calculation of the Base Transmission Revenue Requirements and transmission rates for both wholesale and retail customers. In full, this informational filing consists of the following Volumes:

- Transmittal Letter
- Revised Populated Model (PDF Format)
- Revised Populated Model (Excel Format)
- Revised Statement BG – Revenues Data to Reflect Changed Rates
- Revised Statement BL – Cost Allocation and Rate Design (Retail)
- Revised Statement BL – Wholesale

Those fully populated formula rate spreadsheets reflect a zero for the input in the CAISO Participation ROE Adder line and provide support for the revised BTRR calculation. Because the line to reflect the RTO Adder is an input to SDG&E's TO6 formula itself—and can be set to zero, as SDG&E has done here—no tariff changes or further Commission action is necessary.

SDG&E notes that it has sought judicial review of the TO6 Order in the Ninth Circuit Court of Appeals. If SDG&E prevails and the Commission and/or court issues an order authorizing SDG&E to include the RTO Adder in its TO6 Formula Rate, SDG&E will submit a subsequent informational filing changing the input for the CAISO Participation ROE Adder line in the TO6 formula rate spreadsheet consistent with that order.

¹ TO6 Order at Order Paras (A)-(B).

II. SERVICE

Copies of this filing have been served on all parties to Docket No. ER25-270, as well as the CAISO.

III. COMMUNICATIONS

Correspondence and other communications concerning this Informational Filing should be addressed to:

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Respectfully submitted,

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