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## **Notice of San Diego Gas & Electric Company's Mandated Rate Change Due to Pacific Gas and Electric Company's DCPP 2026 Cost Recovery Application (A.25-03-015)**

### **Initialisms you need to know**

**PG&E:** Pacific Gas and Electric Company

**SCE:** Southern California Edison Company

**SDG&E®:** San Diego Gas & Electric Company®

**CPUC:** California Public Utilities Commission

**DCPP:** Diablo Canyon Power Plant

### **Why am I receiving this notice?**

Senate Bill (SB) 846, signed into law in September 2022, provides a path for the owner of DCPP, Pacific Gas and Electric Company (PG&E), to extend DCPP operations beyond the current operating licenses, which were set to expire in 2024 and 2025. Since continued operation of DCPP is necessary to promote statewide grid reliability, the legislation authorizes PG&E to collect DCPP costs from the customers of other electric utilities in California, including customers of SDG&E. Under SB 846, SDG&E must collect the amounts owed by SDG&E customers, with no additional markup, and pass along those amounts to PG&E.

The amount PG&E charges to SDG&E customers for extended DCPP operations must be approved by the CPUC. On March 28, 2025, PG&E filed an application requesting CPUC approval of the forecasted cost of operating DCPP in 2026. PG&E is the only applicant seeking approval from the CPUC. SDG&E is required by law to collect the amount authorized by the CPUC in response to PG&E's request. Therefore, SDG&E provides this notice to its customers of the rate decrease that could result from PG&E's application.

(Continued inside)

The amount SDG&E customers must pay to PG&E for extended DCPD operations will vary from year to year depending on factors such as the forecasted operation costs for that year and the number of electric utility customers served in California. Every year that PG&E continues to operate DCPD, PG&E must file an application with the CPUC to request approval of DCPD costs for the upcoming year. The CPUC conditionally authorized new retirement dates of 2029 and 2030<sup>1</sup>.

Why is this application necessary?

Continued operation of DCPD is necessary to promote statewide grid reliability. Maintaining DCPD’s operation aids in reducing greenhouse gas emissions, which contributes to a cleaner and more sustainable future for Californians. PG&E proposes to collect \$410 million for continued operation of DCPD over a one-year period beginning, January 1, 2026. Under SB 846, SDG&E customers must contribute \$27 million of this amount, which is a \$34 million decrease over current rates. Consequently, SDG&E customer rates will include the amounts owed to PG&E for extended operation of DCPD but will decrease compared to current rates.

How could this impact my electric rates?

The tables below illustrate the impact to SDG&E’s electric delivery rate and SDG&E’s total bundled rates (electric delivery plus electric commodity) as a result of the DCPD non-bypassable charge (DCPD NBC).

Proposed Electric Delivery Rate Decrease

Customer Class	Current Elec. Delivery Class Average Rates Effective 02/01/25 (¢/kWh)	Proposed Elec. Delivery Class Average Rates 1/1/26 DCPD NBC (¢/kWh)	Total Rate Decrease (¢/kWh)	Percentage Average Rate Decrease (%)
Residential	20.1	19.9	(0.2)	-1.0%
Small Comm.	23.3	23.1	(0.2)	-0.7%
Med & Lg C&I	16.4	16.2	(0.2)	-0.9%
Agricultural	14.3	14.2	(0.1)	-0.7%
Lighting	24.7	24.6	(0.2)	-0.6%
System Total	18.5	18.3	(0.2)	-0.9%

Proposed Total Bundled Electric Rate Decrease

Customer Class	Current Total Class Average Rates Effective 02/01/25 (¢/kWh)	Proposed Total Class Average Rates 1/1/26 DCPD NBC (¢/kWh)	Total Rate Decrease (¢/kWh)	Percentage Average Rate Decrease (%)
Residential	35.9	35.7	(0.2)	-0.6%
Small Comm.	36.7	36.6	(0.2)	-0.4%
Med & Lg C&I	32.5	32.4	(0.2)	-0.5%
Agricultural	25.7	25.6	(0.1)	-0.4%
Lighting	35.1	34.9	(0.2)	-0.4%
System Total	34.0	33.9	(0.2)	-0.5%

If you receive your electric generation from an Energy Service Provide (ESP) or Community Choice Aggregator (CCA) rather than from SDG&E, you are considered an “unbundled” customer. If PG&E’s DCPD is approved, it will be collected from unbundled customers through SDG&E’s electric delivery rates, and passed along to PG&E. The annual average residential monthly bill for a typical SDG&E unbundled customer using 400 kWh per month would decrease by approximately \$0.78 or 0.9% per month.<sup>2</sup>

If you receive your electric generation from SDG&E, you are considered a “bundled” customer. If PG&E’s request is approved, it will be collected from bundled customers through SDG&E’s bundled electric rates, and passed along to PG&E. The annual average residential monthly bill for a typical SDG&E bundled customer using 400 kWh per month would decrease by approximately \$0.78 or 0.5% per month.<sup>3</sup>

<sup>1</sup> In Decision (D.) 23-12-036, issued in December 2023.

<sup>2</sup> Unbundled charges include SDG&E’s electric delivery rates plus Power Charge Indifference Adjustment (PCIA) rates. Electric generation rates for unbundled customers are set by a customer’s respective ESP such as a Community Choice Aggregator or Direct Access provider and are not reflected in unbundled bill impacts. Actual unbundled bill impacts will vary based on a number of factors, including usage, pricing plan, and when a customer became an unbundled customer (PCIA vintage).

<sup>3</sup> Actual bundled impact will vary based on a number of factors, including usage and pricing plan.

## How does the rest of this process work?

The CPUC will open a formal regulatory proceeding and assign an Administrative Law Judge to consider PG&E's application. While PG&E, and not SDG&E, is the party requesting the rate decrease to cover DCPD costs, SDG&E may participate in the regulatory proceeding as a separate party in order to protect SDG&E customers' interests. The Administrative Law Judge will issue a proposed decision that may adopt PG&E's application, modify it or deny it. Any CPUC Commissioner may sponsor an alternate decision with a different outcome. The proposed decision, and any alternate decisions, will be discussed and voted upon by the CPUC Commissioners at a public CPUC Voting Meeting. If PG&E's application is approved, the costs of DCPD will be included in SDG&E, PG&E, and customers of other utilities in California.

### CONTACT CPUC

Parties to the proceeding may review PG&E's application, including the Public Advocates Office. The Public Advocates Office is an independent consumer advocate within the CPUC that represents customers to obtain the lowest possible rate for service consistent with reliable and safe service levels. For more information about the Public Advocates Office, please call **1-415-703-1584**, email:

**PublicAdvocatesOffice@cpuc.ca.gov** or visit **PublicAdvocates.cpuc.ca.gov**.

Please visit **[apps.cpuc.ca.gov/c/A2503015](https://apps.cpuc.ca.gov/c/A2503015)** to submit a comment about this proceeding on the CPUC Docket Card. Here you can also view documents and other public comments related to this proceeding.

If you have questions about CPUC processes, you may contact the CPUC's Public Advisor's Office at:

**EMAIL: [Public.Advisor@cpuc.ca.gov](mailto:Public.Advisor@cpuc.ca.gov)**

**MAIL:** CPUC Public Advisor's Office  
505 Van Ness Avenue  
San Francisco, CA 94102

**CALL: 1-866-849-8390** (toll-free) or **1-415-703-2074**

Please reference **DCPD 2026 Cost Recovery Application (A.25-03-015)** in any communications you have with the CPUC regarding this matter.

## Where can I get more information?

**CONTACT SDG&E:** If you have questions about this notice, please contact SDG&E at **1-800-411-7343**. For TTY, call **877-889-7343**.

Or please contact the SDG&E representative below:

**EMAIL:** [tmkirch2@sdge.com](mailto:tmkirch2@sdge.com)

**MAIL:** Tyler Kirchhoff  
Regulatory Case Manager for SDG&E  
8330 Century Park Court  
San Diego, CA 92123

A copy of the application and any related documents may also be reviewed at <http://www.sdge.com/proceedings>

**CONTACT PG&E:** If you would like a copy of the filing and exhibits, please write to the address below:

Pacific Gas and Electric Company  
DCPD 2026 Cost Recovery Application (A.25-03-015)  
P.O. Box 1018  
Oakland, CA 94604-1018

