



Notice Of Application

San Diego Gas & Electric Company's Request to Increase Rates for the 2026 Energy Resource Recovery Account Forecast and 2026 Sales Forecast Application Filing A.25-05-012

Why am I receiving this notice?

On May 15, 2025, San Diego Gas and Electric Company (SDG&E®) filed its 2026 Energy Resource Recovery Account (ERRA) Forecast and 2026 Electric Sales Forecast application with the California Public Utilities Commission (CPUC) for approval. This annual application outlines SDG&E's forecasted costs of purchasing electricity, expenses related to ensuring reliable electric service and anticipated electric sales in 2026. The application is requesting a total increase in revenue of \$147,902,623.

SDG&E does not profit from the cost of purchasing electricity on behalf of customers. If the actual costs are different than forecasted, SDG&E will return or collect the difference from customers.

SDG&E will update this application later in the year to include the latest information, market conditions, and decisions from the CPUC. Because market prices can change, the rate and bill impacts might be different from what is shown here and at the time this application was filed. If approved, SDG&E will adjust its sales forecast and recover forecasted costs through electric rates beginning January 1, 2026. This adjustment will impact monthly electricity bills.

Why is SDG&E requesting this rate change?

Each year, SDG&E is required to forecast how much electricity SDG&E customers are expected to use for the upcoming year as well as forecast the cost of purchasing electricity. Forecasting these amounts helps guide the accuracy of SDG&E's electric rates. Key drivers of the 2026 application include:

- SDG&E's 2026 electric sales are forecasted to decrease in 2026 relative to current sales.
- While there are several components to this application, SDG&E's overall forecasted costs of purchasing electricity and providing reliable services to all of SDG&E customers is expected to increase in 2026.

How could this affect my unbundled electric rates?

If you receive your electric generation from a Community Choice Aggregator (CCA) or Energy Service Provider (ESP) that is not SDG&E, you are considered an "unbundled"

customer. If SDG&E's rate request is approved by the CPUC, a typical unbundled residential customer using 400 kWh per month could see an average monthly electricity bill increase of \$10, or 12%, per month in 2026. Actual unbundled electricity bill impacts will vary based on a number of factors, including usage, pricing plan, and when a customer became an unbundled customer (Power Charge Indifference Adjustment (PCIA) vintage). Unbundled electric rates and bills exclude the cost of electricity procured on your behalf by your CCA or ESP. Please contact your CCA or ESP for additional information.

Proposed Unbundled Electric Rate Increase²

| Customer Class (Unbundled Service) | Current Unbundled Class Average Rates Effective 02/01/25 ³ (¢/kWh) | Proposed Unbundled Class Average Rates (¢/kWh) | Average Rate Increase (¢/kWh) | Percentage Average Rate Increase (%) |
|------------------------------------|---|--|-------------------------------|--------------------------------------|
| Residential | 18.5 | 20.3 | 1.7 | 9% |
| Small Commercial | 22.2 | 24.0 | 1.9 | 8% |
| Medium and Large C&I ⁴ | 15.5 | 16.6 | 1.1 | 7% |
| Agricultural | 13.2 | 14.3 | 1.1 | 9% |
| Lighting | 23.7 | 25.5 | 1.8 | 8% |
| System Total | 17.3 | 18.7 | 1.4 | 8% |

How could this affect my monthly bundled electric rates?⁵

If you receive your electric generation from SDG&E, you are considered a "bundled" customer. If SDG&E's rate request is approved by the CPUC, the average residential monthly electricity bill for a typical bundled customer using 400 kWh per month would increase by approximately \$23, or 15% per month, in 2026. The actual impact will vary based on a number of factors, including usage and pricing plan.

¹ Unbundled charges include SDG&E's electric delivery rates along with Power Charge Indifference Adjustment 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 rates and bill impacts.

² Includes class average electric delivery and PCIA rates; excludes electric generation costs which are provided by an unbundled customer's respective ESP.

³ Rates Effective February 1, 2025, per Advice Letter (AL) 4588-E.

⁴ C&I stands for Commercial and Industrial

⁵ Bundled charges include SDG&E's electric delivery and electric generation rates. Bundled PCIA rates are embedded within SDG&E's electric generation rates.

Proposed Bundled Electric Rate Increase⁶

| Customer Class (Unbundled Service) | Current Bundled Class Average Rates Effective 02/01/25 ⁷ (¢/kWh) | Proposed Bundled Class Average Rates (¢/kWh) | Total Average Rate Increase (¢/kWh) | Percentage Average Rate Increase (%) |
|---------------------------------------|---|--|-------------------------------------|--------------------------------------|
| Residential | 35.9 | 40.3 | 4.4 | 12% |
| Small Commercial | 36.7 | 40.4 | 3.6 | 10% |
| Medium and Large C&I ⁸ | 32.5 | 36.1 | 3.5 | 11% |
| Agricultural | 25.7 | 28.3 | 2.6 | 10% |
| Lighting | 35.1 | 38.0 | 2.9 | 8% |
| System Total | 34.0 | 37.6 | 3.6 | 11% |

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, please call **1-415-703-1584**, email PublicAdvocatesOffice@cpuc.ca.gov, or visit **PublicAdvocates.cpuc.ca.gov**.

Contact CPUC

Please visit **apps.cpuc.ca.gov/c/A2505012** 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. Your participation by providing your thoughts on SDG&E’s request can help the CPUC make an informed decision.

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

PHONE: **1-866-849-8390** (toll-free) or **1-415-703-2074**
EMAIL: Public.Advisor@cpuc.ca.gov
MAIL: CPUC Public Advisor’s Office
505 Van Ness Avenue
San Francisco, CA 94102

Please reference **SDG&E’s ERRR Application A.25-05-012** in any communications you have with the CPUC regarding this matter.

Contact SDG&E

For questions regarding SDG&E’s request, contact:
EMAIL: GBucsit@sdge.com
MAIL: Geneveve Bucsit
A.25-05-012 SDG&E 2026 ERRR Forecast
8326 Century Park Ct
San Diego, CA 92123
PHONE: **1-619-676-8991**
A copy of the Application and any related documents may also be reviewed at <http://www.sdge.com/proceedings>

How does the rest of this process work?

This application will be assigned to a CPUC Administrative Law Judge who will consider proposals and evidence presented during the formal hearing process. The Administrative Law Judge will issue a proposed decision that may adopt SDG&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. Parties to the proceeding may review SDG&E’s application, including the Public Advocates Office which is an

⁶Includes SDG&E electric delivery and electric generation rates.
⁷Rates Effective February 1, 2025, per Advice Letter (AL) 4588-E.
⁸C&I stands for Commercial and Industrial.

