**SDG&E Advice Letter –** SDG&E submitted advice letter 3696-E-A/B to implement electric rate changes previously authorized in (1) its annual Energy Resource Recovery Account (ERRA) forecast (D.21-01-017) for fuel and purchased power costs and PCIA rate changes, and (2) its ERRA Trigger (D.21-02-014) for 2020 revenue undercollections. The changes implemented through this advice letter will result in rate and bill impacts beginning on March 1, 2021.

**Estimated Bill Impacts of All Requested Electric Rate Changes Effective March 1, 2021:**

|  |  |
| --- | --- |
| Estimated Electric Bill Impacts[[1]](#footnote-1) | SDG&E as of March 1, 2021 |
| * Average Residential Non-CARE electric bill | $132.50 |
| * Average Residential Non-CARE electric bill increase | $3.50 (2.71%) |
| * Average Residential CARE electric bill | $86.13 |
| * Average Residential CARE electric bill increase | $2.28 (2.71%) |

* SDG&E’s March 1st rate change consists of:
  + 2021 ERRA Forecast (D.21-01-017)
    - ERRA revenue adjustment due to changes in the cost to SDG&E for fuel and purchased power costs and PCIA rate changes. SDG&E anticipates that costs to procure electricity will decrease in 2021, in addition to reductions in other rate components approved in the 2021 ERRA Forecast Application.
    - SDG&E continues to see departure in load due to two new CCAs scheduled to launch in 2021. The resulting rate impacts are spread evenly over customer classes, resulting in a slight increase for residential customers.
    - Customers will receive a $34.60 climate credit on their bills in August and September.
  + 2020 ERRA Trigger (D.21-02-014 )
    - Resolves a large undercollection through December 2020; this amount is the difference between 2020 forecasted and actual load cost, customer revenues, and electric prices.
    - August-October heat waves in southern California caused the market price of electricity to increase well above forecast, increasing load expense in ERRA. During that period customer revenues also increased, but not enough to offset the significant spike in load costs.

1. Based on a “typical” residential bundled customer using, on average, 400 kilowatt-hours per month. [↑](#footnote-ref-1)