



December 10, 2016

PUG 100
C.8209

David K. Lee, Energy Division
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102-3398

Subject: 2017 WORK CREDIT ALLOCATIONS FOR UNDERGROUND CONVERSIONS

Dear Mr. Lee:

In accordance with Ordering Paragraph 6 of Decision 73078, in Case 8209, San Diego Gas and Electric Company submits this letter to advise the Commission of the 2017 electric underground conversion work credit allocations associated with electric Rule 20.

Pursuant to Section "A" of SDG&E's electric Rule 20, SDG&E is allocating a total of \$26,294,562 in work credits for the purpose of undergrounding existing overhead electric facilities within its service territory for calendar year 2015.

SDG&E has distributed its 2017 allocation budget for all cities in compliance with D.90-05-032 in Case 8209 and the methodology specified in Rule 20A.2.d. Based on the statewide per customer average for 2016 SDG&E's has distributed its 2017 allocations in the same ratio that the number of overhead meters in the city or unincorporated area of any county bears to the total system overhead meters, with the exception of the cities of San Diego and Chula Vista. SDG&E has determined that any customer served from an overhead source is considered an overhead-metered customer.

Allocations for The City of San Diego have been calculated in accordance with Section 9 (b) of the franchise agreement as amended in Ordinance 19030 and our Advice Letter 1407-E filed with the CPUC on May 14, 2002 and result in \$7,598,898 work credits. Allocations for the City of Chula Vista have been calculated in accordance with the 2004 Franchise Agreement. The work credits allocated to the City of Chula Vista in 2016 are \$2,000,000.

A complete listing of work credits allocated by each city or county is included in Attachment A of this letter.

If there are any questions regarding this filing, please contact Megan Caulson, Regulatory Tariff Manager, at (858) 654-1748.

Sincerely,

Clay Faber, Director – Regulatory Affairs
Attachments (1)

cc: A. O'Donnell, Energy Division CPUC
M. Caulson, SDG&E
S. Peterson, SDG&E
K. Valdivia, SDG&E
M. E. Allen, PG&E
A. Mathis, SCE

Attachment A

City/County	50/50 Baseline Calculation
Aliso Viejo	\$0
Carlsbad	\$85,657
Chula Vista	\$2,000,000
Coronado	\$198,097
Dana Point	\$164,491
Del Mar	\$72,568
El Cajon	\$613,736
Encinitas	\$342,694
Escondido	\$412,084
Imperial Beach	\$303,313
Laguna Beach	\$48,738
Laguna Hills	\$1,693
Laguna Niguel	\$0
La Mesa	\$580,503
Lemon Grove	\$276,704
Mission Viejo	\$0
National City	\$452,291
Oceanside	\$347,327
Orange County	\$0
Poway	\$105,099
San Clemente	\$264,071
City of San Diego	\$16,979,013
San Diego County	\$2,518,691
San Juan Capistrano	\$0
San Marcos	\$9,604
Santee	\$141,687
Solana Beach	\$63,641
Vista	\$312,860
TOTALS:	\$26,294,562

* Note: Virtually all SDG&E customers in Aliso Viejo, Laguna Hills, and Mission Viejo are served via an underground electric system. Consequently, calculations performed in accordance with Rule 10A.2.d result in these areas receiving no allocations for the year of 2017.

** Note: The City of Chula Vista and The City of San Diego allocations determined per respective franchise agreements as authorized in CPUC Decision 82-12-069.