



### Why this matters

The request is a required and transparent process that helps determine how SDG&E funds the work needed to operate and modernize the energy system that serves the region. It includes public review and rigorous oversight before decisions are made. This plan is about delivering safe, reliable energy customers can count on every day.

For more information,  
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## SDG&E® 2028 Rate Request

**A focused, disciplined plan to deliver safe, reliable energy while managing customer costs.**



SDG&E® has filed its 2028-2031 rate request with the California Public Utilities Commission. This proposal outlines the operating budget needed to safely operate and maintain the energy system, strengthen resilience, and support evolving customer and system needs while taking a disciplined approach to managing costs.

### What this means for customers

SDG&E is requesting a 2028 revenue requirement of approximately \$3.8 billion, representing a \$280 million or 8.1% increase over 2027 levels. If approved, a typical residential customer would see an average monthly electric bill increase of approximately \$14.03 and an average monthly natural gas bill increase of approximately \$8.45, for a combined impact of about 8.6%<sup>1</sup>.

### Keeping customers safe and the lights on

SDG&E operates a complex energy system that serves approximately 3.7 million people across the region. Operating and maintaining this system safely requires ongoing investment to manage risk, strengthen energy reliability, and meet evolving customer and system needs.

Key areas of focus include hardening infrastructure in high-risk wildfire areas, maintaining and upgrading aging equipment, enhancing system monitoring and cybersecurity, and continuing required natural gas safety and pipeline programs.

<sup>1</sup>The bill increase compares illustrative 2027 bills with those projected for 2028.

## A disciplined approach to managing costs

SDG&E is committed to controlling costs through a disciplined approach. Before bringing this request forward, the company focused on what it could control—reducing costs, improving efficiency, and limiting the request to essential work. This includes lowering the cost of strategic undergrounding, improving project timelines and field execution, expanding automation and digital tools to reduce manual work, strengthening sourcing and procurement practices, and improving how we communicate with customers—such as more timely outage notifications and clearer billing information.

## What is driving costs

A significant portion of the projected costs included in the proposal reflect operating and maintenance expenses required to safely operate the system, comply with federal and state requirements, and address cost pressures outside of SDG&E's direct control. SDG&E is focused on managing the costs it can and continuing to work with policymakers to help address the broader factors that impact customers' bills.

## The most significant drivers of these operating costs include:

- Rising insurance costs, including required wildfire liability coverage.
- Increasing employee medical benefit costs.
- Compliance-driven safety work, such as inspecting and maintaining natural gas pipelines in high-risk areas.
- Ongoing system maintenance and operational needs required to deliver safe and reliable energy service.

Building a safe, reliable and resilient energy system is essential to protecting the health and well-being of our customers and communities. The electric portion

of the request ensures we can continue investing in the system to keep service reliable during critical and high-demand situations. The natural gas portion reflects the timing of safety- and compliance-driven work, including cost recovery for infrastructure investments already in service and delivering long-term system benefits.

## Preparing for the future

The energy system is evolving, and this proposal supports investments to maintain and modernize the electric and natural gas systems while preparing for future energy needs. These investments are designed to support safety, reliability, and compliance, while also helping meet customer growth, electrification, and energy demand.

Investments in advanced technologies and infrastructure - including predictive tools, automation and strengthened cybersecurity will also improve system performance, reduce outages and enhance reliability in an increasingly complex operating environment.

The application will now undergo a detailed public review process before the CPUC, with updated rates proposed to take effect January 1, 2028 if approved.

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This proposal takes a balanced approach to keeping the energy system safe and reliable while managing costs responsibly. It focuses on essential work needed to operate the system today, while making targeted investments to reduce risk, improve performance, and avoid higher costs over time.

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