

SEMPRA ENERGY
Form 8-K
November 21, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K
CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report
(Date of earliest event reported): November 20, 2014

Commission File Number 1-14201	Exact Name of Registrants as Specified in their Charters, State of Incorporation, Address and Telephone Number SEMPRA ENERGY (A California Corporation) 101 Ash Street San Diego, California 92101 (619) 696-2000	I.R.S. Employer Identification Number 33-0732627
1-03779	SAN DIEGO GAS & ELECTRIC COMPANY (A California Corporation) 8326 Century Park Court San Diego, California 92123 (619) 696-2000	95-1184800

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

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- [] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- [] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- [] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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Item 8.01 Other Events

San Onofre Nuclear Generating Station (SONGS) Settlement Agreement Approval

On November 20, 2014, the California Public Utilities Commission (CPUC) issued a final decision adopting the Amended and Restated Settlement Agreement to the SONGS Order Instituting Investigation (SONGS OII) Agreement as submitted by San Diego Gas & Electric Company (SDG&E), Southern California Edison Company (SoCalEdison), The Utility Reform Network (TURN), the CPUC's Office of Ratepayers' Advocates (ORA), Friends of the Earth and the Coalition of California Utility Employees (collectively, the Settling Parties). This final decision constitutes a complete and final resolution to the SONGS OII and the related CPUC proceedings regarding the Steam Generator Replacement Project (SGRP) at SONGS and the related outage and subsequent shutdown of SONGS.

In accordance with the final decision, SDG&E expects to submit an Advice Letter to establish the revenue requirement for this final decision, requesting that rates be changed effective January 1, 2015.

SDG&E does not expect this final decision to have any material adverse impact to its business, cash flows, results of operations, financial condition or prospects.

We provide additional information regarding the SONGS Amended and Restated Settlement Agreement and the SONGS OII in Note 9 of the Notes to Condensed Consolidated Financial Statements in Sempra Energy's and SDG&E's combined report on Form 10-Q for the quarterly period ended September 30, 2014 and in Note 13 of the Notes to Consolidated Financial Statements in their combined Annual Report on Form 10-K for the period ended December 31, 2013.

INFORMATION REGARDING FORWARD-LOOKING STATEMENTS

We make statements in this report that are not historical fact and constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are necessarily based upon assumptions with respect to the future, involve risks and uncertainties, and are not guarantees of performance. These forward-looking statements represent our estimates and assumptions only as of the filing date of this report. We assume no obligation to update or revise any forward-looking statement as a result of new information, future events or other factors.

In this report, when we use words such as “believes,” “expects,” “anticipates,” “plans,” “estimates,” “projects,” “forecasts,” “contemplates,” “intends,” “depends,” “should,” “could,” “would,” “will,” “confident,” “may,” “potential,” “target,” “pursue,” “maintain,” or similar expressions, or when we discuss our guidance, strategy, plans, goals, opportunities, projections, initiatives, objectives or intentions, we are making forward-looking statements.

Factors, among others, that could cause our actual results and future actions to differ materially from those described in forward-looking statements include:

- § local, regional, national and international economic, competitive, political, legislative and regulatory conditions and developments;
- § actions and the timing of actions, including issuances of permits to construct and licenses for operation, by the California Public Utilities Commission, California State Legislature, U.S. Department of Energy, Federal Energy Regulatory Commission, Nuclear Regulatory Commission, Atomic Safety and Licensing Board, California Energy Commission, U.S. Environmental Protection Agency, California Air Resources Board, and other regulatory, governmental and environmental bodies in the United States and other countries in which we operate;
 - § capital markets conditions, including the availability of credit and the liquidity of our investments;
- § the timing and success of business development efforts and construction, maintenance and capital projects, including risks in obtaining permits, licenses, certificates and other authorizations on a timely basis and risks in obtaining adequate and competitive financing for such projects;
- § delays in the timing of costs incurred and the timing of the regulatory agency authorization to recover such costs in rates from customers;
 - § inflation, interest and exchange rates;
- § the impact of benchmark interest rates, generally Moody’s A-rated utility bond yields, on our California Utilities’ cost of capital;
 - § energy markets, including the timing and extent of changes and volatility in commodity prices;
- § the availability of electric power, natural gas and liquefied natural gas, including disruptions caused by failures in the North American transmission grid, pipeline explosions and equipment failures and the decommissioning of SONGS;
 - § weather conditions, natural disasters, catastrophic accidents, and conservation efforts;
- § cybersecurity threats to the energy grid and the confidentiality of our proprietary information and the personal information of our customers, terrorist attacks that threaten system operations and critical infrastructure, and wars;
- § risks inherent with nuclear power facilities and radioactive materials storage, including the catastrophic release of such materials, the disallowance of the recovery of the investment in, or operating costs of, the nuclear facility due

to an extended outage and facility closure, and increased regulatory oversight;

§ risks that our partners or counterparties will be unable or unwilling to fulfill their contractual commitments;

§ risks posed by decisions and actions of third parties who control the operations of investments in which we do not have a controlling interest;

§ business, regulatory, environmental and legal decisions and requirements;

§ expropriation of assets by foreign governments and title and other property disputes;

§ the impact on reliability of SDG&E's electric transmission and distribution system due to increased amount and variability of power supply from renewable energy sources;

§ the impact on competitive customer rates of the growth in distributed and local power generation and the corresponding decrease in demand for power delivered through SDG&E's electric transmission and distribution system;

§ the inability or determination not to enter into long-term supply and sales agreements or long-term firm capacity agreements due to insufficient market interest, unattractive pricing or other factors;

§ the resolution of litigation; and

§ other uncertainties, all of which are difficult to predict and many of which are beyond our control.

We caution you not to rely unduly on any forward-looking statements. You should review and consider carefully the risks, uncertainties and other factors that affect our business as described in this report and in our most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrants have duly caused this report to be signed on their behalf by the undersigned hereunto duly authorized.

SEMPRA ENERGY
(Registrant)

Date: November 20, 2014

By: /s/ Trevor I. Mihalik
Trevor I. Mihalik
Senior Vice President, Controller and
Chief Accounting Officer

SAN DIEGO GAS & ELECTRIC COMPANY
(Registrant)

Date: November 20, 2014

By: /s/ Robert Schlax
Robert Schlax
Vice President, Controller and
Chief Financial Officer