

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

FORM 10-K/A
(Amendment No. 1)

FOR ANNUAL AND TRANSITION REPORTS
PURSUANT TO SECTIONS 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

THE REGISTRANT MEETS THE CONDITIONS SET FORTH IN GENERAL INSTRUCTION
I(1)(a) AND (b) OF FORM 10-K AND IS THEREFORE FILING THIS FORM WITH THE
REDUCED DISCLOSURE FORMAT.

(MARK ONE)

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2006.

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934 FOR THE TRANSITION PERIOD FROM
_____ TO _____

COMMISSION FILE NUMBER 333-30761

CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK
SPECIAL PURPOSE TRUST SDG&E-1
(Issuer of the Certificates)

SDG&E FUNDING LLC
(Exact name of registrant as specified in its Certificate of Formation)

| | |
|---|---|
| Delaware | 95-1184800 |
| (State or other jurisdiction of incorporation or organization) | (I.R.S. Employer Identification No.) |

| | |
|---|------------|
| 101 Ash Street, Room 111, San Diego, California | 92101 |
| (Address of principal executive offices) | (Zip code) |

| | |
|---|----------------|
| Registrant's telephone number, including area code: | (619) 696-2328 |
| Securities Registered Pursuant to Section 12(b) of the Act: | None |

Securities Registered Pursuant to Section 12(g) of the Act:

California Infrastructure and Economic Development Bank Special Purpose Trust SDG&E-1
Rate Reduction Certificates, Series 1997-1: Class A-1 5.97% Certificates; Class A-2 6.04%
Certificates; Class A-3 6.07% Certificates; Class A-4 6.15% Certificates; Class A-5 6.19%
Certificates; Class A-6 6.31% Certificates; Class A-7 6.37% Certificates (maturing serially from
1998 to 2007, and underlying SDG&E Funding LLC Notes of the same respective classes)

(Title of Class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes _____ No X

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Yes _____ No X

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No _____

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

X

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer [] Accelerated filer [] Non-accelerated filer [X]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes _____ No X

Aggregate market value of the voting and non-voting common equity held by non-affiliates of the registrant as of June 30, 2006, was \$0.

Registrant's common stock outstanding as of February 28, 2007: None

DOCUMENTS INCORPORATED BY REFERENCE:

Not Applicable

EXPLANATORY NOTE

This Amendment No. 1 to our Annual Report on Form 10-K is being filed solely for the purpose of filing revised Section 302 Sarbanes Oxley certifications pursuant to the February 21, 2003 Revised Statement: Compliance by Asset-Backed Issuers with Exchange Act Rules 13a-14 and 15d-14.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) The following documents are filed as part of this report:

3. Exhibits.

The following exhibits are filed as a part of this report:

| <u>Exhibit</u> | <u>Description</u> |
|----------------|---|
| 31.1 | Statement of Registrant's Chief Executive Officer pursuant to Rules 13a-14 and 15d-14 of the Securities Exchange Act of 1934. |
| 31.2 | Statement of Registrant's Chief Financial Officer pursuant to Rules 13a-14 and 15d-14 of the Securities Exchange Act of 1934. |

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SDG&E Funding LLC,
as Registrant

By: /S/ Charles A. McMonagle
Name: Charles A. McMonagle
Title: President and Chief
Executive Officer

Pursuant to the requirements of the Securities Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated.

| <u>Signature</u> | <u>Title</u> | <u>Date</u> |
|---|---|------------------|
| <u>/S/ Charles A. McMonagle</u> Charles A. McMonagle | President, Chief Executive Officer and Director | November 7, 2007 |
| <u>/S/ Virginia S. Oliver</u> Virginia S. Oliver | Chief Financial Officer, Chief Accounting Officer and Director | November 7, 2007 |
| <u>/S/ Donald J. Puglisi</u> Donald J. Puglisi | Director | November 7, 2007 |