

ORIGINALDecision No. 82139

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's
Own Motion into the Adequacy and
Reliability of the Energy and Fuel
Requirements and Supply of the
Electric Public Utilities in the
State of California.

Case No. 9581

INTERIM ORDER

In Decision No. 81931 dated September 25, 1973 we issued an interim opinion herein ordering that further hearings be held, starting November 29, with respect to conservation, curtailment and energy sharing plans to be implemented by California electric utility companies. Respondent electric utilities have now filed the reports required in Decision No. 81931 ordering paragraph (1), relative to fuel supplies and ordering paragraph (2), relative to (a) energy conservation plans, (b) mandatory curtailment plans and (c) agreements for mutual assistance.

Since Decision No. 81931 was issued there have been further developments with respect to fuel supply that are of increasing gravity. Specifically, war in the Mideast has resulted in a ban on oil shipments to the United States by some Arab nations as well as shipments to other countries which are normally suppliers of refined products to the United States. Concurrently, Canada has increased its tax on crude oil exports from \$.40 a barrel to \$1.90 a barrel. Additionally, a nationwide program for the allocation of middle-distillate refined products is now in effect. On November 7 the President addressed the nation with respect to the need for emergency legislation to deal, on a coordinated and comprehensive basis, with shortages of fuel and energy of all types and the dislocations that foreseeably will result therefrom.

Actual dislocations have already been reported. California farmers have been unable to obtain diesel fuel to complete the abundant Fall harvest. There are reports that some refuse hauling firms in the Los Angeles basin do not have enough fuel to operate on regularly scheduled routes and consequently refuse may begin to accumulate at points of pickup. Airline schedules have been curtailed to achieve maximum utilization of fuel and seating capacities. Highway speed limits are being reduced at both the state and national levels in order to achieve more efficient gasoline mileage. Newspaper reports indicate the imminent possibility of the curtailing of school hours and school bus transportation.

The foregoing indicates the necessity for prompt implementation of comprehensive energy conservation measures without further delay. Throughout the proceedings herein and as discussed in Decision No. 81931 this Commission has made evident its view of the seriousness of the approaching energy shortage, its dedication to do all within its power to minimize the social and economic impact which may be experienced therefrom and to protect the public health and safety. Therefore, although hearings on the conservation, curtailment and mutual assistance plans submitted by the respondent electric utilities are scheduled to start on November 29, it is concluded that the present situation requires immediate implementation of the voluntary portions of the proposed conservation and curtailment plans.

All who live within the State of California are called upon to participate individually and voluntarily in the implementation of these plans and to practice conservation of fuel and energy to the fullest extent possible. It is only through such broad-based public support of energy conservation efforts that the impact of dislocations in normal patterns of the use of fuel and energy can be optimally minimized. Moreover, the degree of success of voluntary participation will be indicative of whether more restrictive, mandatory curtailment procedures will be required.

The following order will be statewide in character and will require all electric utilities subject to our jurisdiction to proceed forthwith on all voluntary programs presently filed with the Commission, to achieve reductions in electric usage both within their internal operations and by their customers. The individual goal for voluntary reductions is to reduce present electrical consumption to a level of 10 percent below the kilowatt-hours consumed in the corresponding month of the prior year. This means all consumers of electrical energy should attempt to reduce their electrical consumption for the month of November to a level of 10 percent below the kilowatt-hours consumed in November of 1972. Consumption next month should be reduced to a level of 10 percent below the quantity consumed in December 1972. Consumption in January 1974 should not exceed a level of 10 percent below the quantity consumed in January 1973. It is recognized that in a few individual cases adjustment for changes in consumption patterns during the intervening twelve-month period may be appropriate. However, because of the necessity to achieve prompt implementation of a voluntary program, simplicity in the initial approach to reducing consumption is paramount. Therefore, it is concluded that an initial goal of 90 percent of the amount consumed in the corresponding month of the prior year is reasonable. In order to be prepared to respond to any further adverse developments in the fuel and energy shortage, more detailed and necessarily more complex conservation and curtailment plans for various classes of electric utility customers will be considered, together with proposed mandatory curtailment orders, in the proceedings scheduled to commence on November 29.

Publicly owned electric utilities are urged to proceed in support of this order and to submit parallel reports to the Commission.

IT IS ORDERED that:

1. All respondent electric utilities are to proceed forthwith to put into operation those phases of the conservation and curtailment plans filed with the Commission dealing with voluntary conservation and curtailment of the use of electricity. The objective to be achieved is a reduction in the use of electric energy by not less than 10 percent of usage in the corresponding month of the prior year.

2. All respondent electric utilities are to provide progress reports within 15 days of the effective date of this order and every 15 days thereafter with respect to the effectiveness of their usage reduction programs. Data shall include, but not be limited to, comparison with (a) prior actual requirements, (b) estimated normal requirements and (c) load on (1) a system basis and (2) sample load data with respect to individual customers and customer groups.

3. The Secretary is hereby directed to cause certified copies of this order to be served on each respondent to this investigation and also upon the various governmental agencies, publicly owned electric utilities, major fuel suppliers and other informed parties listed in Appendix C to the Order Instituting Investigation herein, to members of the California Legislature, and to those parties entering appearances in the proceedings herein, not otherwise included in Appendix A or C to the Order Instituting Investigation.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 13th day
of NOVEMBER, 1973.

Vernon L. Sperry
President
William J. Lyons
James L. ...
...
Commissioners