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ORIGINAL

Decision No. 84916

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
BAY POINT LIGHT & POWER COMPANY, a
California Corporation, for authority
to amend its previous Application
filed herein on February 20, 1974, and
in addition to the revisions sought
and prior to a decision rendered
therein, to revise its rates by an ex
parte order to offset the increased
cost of purchased electric power used
for resale to consumers.

Application No. 54673
(Filed February 20, 1974;
amended August 8, 1974)

Robert J. Rossi, Attorney at Law, for Bay Point
Light & Power Company, applicant.
Erwin Endres and James D. Pretti, for the
Commission staff.

O P I N I O N

Proceeding

After due notice hearing in this matter was held before Examiner Coffey at Concord, California, on April 7 and 8, 1975. The matter was submitted on June 6, 1975 upon the receipt of a late-filed exhibit and transcripts. Applicant requests \$41,870 of increased revenues.

Operations History

Bay Point Light & Power Company, originally Bay Point Light & Water Company, was started in the year 1918 when Port Chicago in Contra Costa County was called Bay Point. The owner was Coos Bay Lumber Company. Power was purchased from the Great Western Power Company and later from Pacific Gas and Electric Company (PG&E) for resale in the unincorporated areas of Bay Point and Clyde, California.

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In 1923, Mr. W. Van Winkle, an electrical engineer, purchased the electric utility from Coos Bay Lumber Company and managed it until his death in 1952. His widow, Mrs. Eunice Van Winkle, has remained the sole owner until April 1973, at which time the State's Supreme Court appointed Mrs. Cecelia Arnold and Mr. Walter Sherrill, Sr., as conservators of the utility. The utility, in essence, is owned by Bay Point Projects, Inc., an entity which also controls land and other assets.

The utility lost a substantial number of customers in 1968, when the United States Navy condemned all domestic and commercial property in Port Chicago.

Application No. 34959 filed on December 14, 1953 was Bay Point's most recent general rate increase request. Decision No. 50686 dated October 26, 1954 authorized a 6.9 percent rate of return and granted a gross annual revenue increase of \$13,735 based on a depreciated rate base of \$78,340.

Application No. 53930 filed March 28, 1973, as amended June 29, 1973, requested a purchased power offset of \$10,000. Decision No. 82117 dated November 13, 1973 granted an offset of \$9,950.

Application No. 54512 filed December 17, 1973 requested authority to adopt a purchased power adjustment clause. Decision No. 82549 dated March 12, 1974 authorized the purchased power adjustment clause.

Present Operations

Applicant purchases power from PG&E under resale Schedule R-1 (under Federal Power Commission jurisdiction), and distributes this power to its 285 customers. The number of employees presently engaged in the total utility operation is five.

Rates

An increase of 1.34 cents per kilowatt-hour for all energy charge blocks is proposed by applicant for General Service Schedules A-1 and A-2, Domestic Service Schedules D-1 and D-2, Heating and Cooking Schedule H-1, and General Power Schedules P-1 and P-2. For General Service - Demand Metered Schedule A-3, an increase from \$165 to \$225 for the first 6,000 kilowatt-hours or less per month, and thereafter an increase of 1.34 cents per kilowatt-hour for all energy charge blocks, is proposed.

The following tabulation compares applicant's present and proposed rates for domestic service within the unincorporated towns of Port Chicago and Clyde.

| Schedule D-1 | | |
|-------------------------|----------------------------|-----------------------|
| <u>Domestic Service</u> | | |
| | <u>Per Meter Per Month</u> | |
| | <u>Present Rates</u> | <u>Proposed Rates</u> |
| Service Charge | 70¢ | 70¢ |
| Energy Charge | | |
| First 40 kwhr | 4.734¢ per kwhr | 6.074¢ per kwhr |
| Next 60 kwhr | 3.334¢ per kwhr | 4.674¢ per kwhr |
| Next 100 kwhr | 2.734¢ per kwhr | 4.074¢ per kwhr |
| All excess kwhr | 1.534¢ per kwhr | 2.874¢ per kwhr |

A comparison of present and proposed rates for domestic service outside the unincorporated towns of Port Chicago and Clyde follows:

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| | Per Meter Per Month | |
|-----------------|--------------------------|---------------------------|
| | <u>Present Rates</u> | <u>Proposed Rates</u> |
| Service Charge | 80¢ | 80¢ |
| Energy Charge | | |
| First 40 kwhr | 5.734¢ per kwhr | 7.074¢ per kwhr |
| Next 60 kwhr | 4.034¢ per kwhr | 5.374¢ per kwhr |
| Next 100 kwhr | 2.934¢ per kwhr | 4.274¢ per kwhr |
| All excess kwhr | 1.534¢ per kwhr | 2.874¢ per kwhr |

Proposed increases in rates for street and highway lighting are set forth in the application.

Applicant has a purchased power adjustment clause in effect that offsets monthly any increase or decrease in purchased power expense from PG&E's August 24, 1974 R-Schedule rates caused by the fuel adjustment provisions of the R-Schedule. None of the above stated rates or rate increases reflect the accumulated effects of the power adjustment clause.

By the amendment to the application on August 8, 1974, applicant requested an increase of 0.156 cents per kilowatt-hour in addition to the above increases to offset the increase in electric resale rate schedules announced by PG&E in its letter to the Federal Power Commission on July 23, 1973. The need for this relief has been considered and included in the recommendations of the staff set forth in the following section of this opinion.

Results of Operation

The estimated summaries of earnings for the test year 1974, under present and proposed rates, prepared by applicant and by the staff are compared in the following tabulation with the summary of earnings at the staff proposed revenue increase.

| Item | Summary of Earnings | | | | |
|---------------------------|---------------------|-----------|--------------------------|-----------|----------------------|
| | Present Rates | | Applicant Proposed Rates | | Staff Recommendation |
| | Staff | Utility | Staff | Utility | |
| <u>Operating Revenues</u> | \$ 99,640 | \$ 95,480 | \$142,272 | \$137,350 | \$131,226 |
| <u>Operating Expenses</u> | | | | | |
| Purchased Power | 46,766 | 48,370 | 46,766 | 48,370 | 46,766 |
| Other | 49,745 | 46,000 | 49,901 | 46,000 | 49,861 |
| Subtotal | 96,511 | 94,370 | 96,667 | 94,370 | 96,627 |
| Depreciation | 7,004 | 8,420 | 7,004 | 8,420 | 7,004 |
| Taxes Other Than Income | 5,145 | 4,790 | 5,145 | 6,000 | 5,145 |
| State Franchise Tax | 200 | 200 | 3,011 | 1,000 | 2,021 |
| Federal Income Tax | - | - | 8,114 | 5,000 | 4,494 |
| Total Oper. Exp. | 108,860 | 107,780 | 119,941 | 114,790 | 115,291 |
| Net Operating Revenue | (9,220) | (12,300) | 22,331 | 22,560 | 15,935 |
| Depreciated Rate Base | 167,972 | 225,328 | 167,972 | 225,328 | 167,972 |
| Rate of Return | (Loss) | (Loss) | 13.3% | 10.0% | 9.5% |

(Red Figure)

Applicant accepted as reasonable the operating revenue increase proposed by the staff. Explanation of the differences in the estimates are set forth in Exhibit No. 1. Applicant accepted the staff report and did not present a witness on costs of operations.

The staff recommends a rate of return of 9.5 percent as fair and reasonable for this utility to be applied on the rate base adopted by the Commission in this proceeding. Since applicant's capital structure is 100 percent equity the earnings allowance for common stock equity will also be 9.5 percent. The staff stated in support of its rate of return recommendation that "In determining a fair rate of return a number of factors were taken into consideration.

Among the more important factors are (a) capital structure of the utility, (b) recently authorized rates of return, and (c) construction expenditures." We shall adopt the staff estimates of expenses, rate base, rate of return, and recommended revenue increase.

Rate Structure

The staff sets forth in Exhibit No. 1 its recommended rate design that will produce a rate of return of 9.5 percent based on the staff showing.

Applicant's revenues consist of revenues reflecting the base purchased power costs underlying the utility's present base rates, and revenues generated by the purchased power clause adjustment factors reflecting increases of purchased power costs resulting from the utility's wholesale supplier (PG&E) fuel adjustment clause, as applied to the R-1 schedule. The staff's and utility's showing does not include purchased power clause revenues or expenses.

The staff apportioned its revenue increase to the various customer classes on a uniform cents per kilowatt-hour basis (0.987¢/kwhr) to all rate blocks with the exception of the blocks of Schedule A-3. It is the staff's opinion that such a spread will provide the greater increases to large users within the class and, as such, will contribute and emphasize the need to conserve energy and curtail usage.

The staff has analyzed Schedule A-3 (presently used by the United States Navy on a standby basis) and has determined that, under special circumstances, the revenues derived from the Navy did not cover the expenses associated with servicing this schedule. The reason for this is that PG&E charges the applicant \$2.38 per kw demand on its purchased power bill, whereas the applicant, in turn, charges the Navy only \$0.90 per kw demand. The addition of another charge in the energy blocks would have not, by itself,

rectified this condition. Also, should the customer's load factor increase, the significant increase of the schedule's tail block rates would have increased his bill to an exorbitantly high level. Keeping all these factors in mind, the staff redesigned the schedule to make it fair and equitable to both the applicant and the customer. The new design adds an incremental adjustment of approximately 0.987¢/kwhr to the minimum charge to increase it from its present \$165 to \$225. A demand charge was incorporated and set at \$2.50 per kilowatt of demand. The remainder of the blocks were patterned after the staff's rate proposal for Schedule A-12 (General Service - Demand Metered) of PG&E in Application No. 54279. The first block of 6,000 kwhr or less has been eliminated as it is already incorporated in the minimum charge.

The effect of such a redesigned schedule will not flow into the test year revenues (or expenses) because, historically, the present customer has used very little energy each month and, as such, was billed only for the minimum charge.

The staff recommends that Schedule H-1 (Heating and Cooking) be terminated because it is promotional in nature. There will be no customer or revenue impact, because there are no services rendered under this schedule at present.

On April 18, 1972, the applicant submitted a proposal to the Commission to revise Schedule LS - Street and Highway Lighting. The proposal requested authority to include 7,500 lumens, mercury vapor lamps in the schedule. At that time the staff deferred the proposal to this rate proceeding for consideration. The staff has reviewed the proposed inclusion and is of the opinion that the charge proposed by the applicant for the 7,500 lumen lamps is fair and reasonable.

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In addition to the above, the staff recommends that the minimum charges of P-1 and P-2 schedules be put on an equal basis with the Schedule A-3 demand charge of \$2.50 per kw.

The staff's recommended rate design will be adopted.

Rate Adjustment for Purchased Power

Decision No. 82549 dated March 12, 1974 authorized applicant to file revised tariff schedules which permit applicant to change its electric rates monthly to offset the increases and decreases resulting from PG&E's fuel cost adjustment billed to applicant by PG&E in accordance with its Resale Service Schedule R. Appendix A hereto is the appendix which was attached to Decision No. 82549 to effect a purchased power adjustment clause for applicant.

A witness for applicant testified that PG&E advises applicant verbally on the 28th of each month of the fuel cost adjustment for the following month. Applicant then calculates and submits to this Commission the adjustment per kilowatt-hour that it wishes to apply to customers' bills to recover its increased power costs. The tariff provides that the adjustment shall be filed on or before the first day of the month preceding the billing month during which adjustment per kilowatt-hour is intended to become effective. The adjustment per kilowatt-hour is applied to service rendered on and after the effective date and thereafter until the next such adjustment becomes effective. Applicant's billing dates are the 15th and 26th of each month. The witness testified that applicant experiences a lag of as much as 56 days between the time PG&E bills applicant and the time it is allowed to pass the increase to its customers.

The adjustment amount to be added or subtracted from each bill, other than those under Schedule LS, is the product of the total kilowatt-hours of service, the PG&E fuel cost adjustment above and below that in effect on June 1, 1973, and the ratio of applicant's purchased power to power sold in a recorded year. The last factor in this product enables applicant to be compensated for line losses and other unaccounted for power losses. This loss factor is presently specified in applicant's tariffs as 1.0851. In contrast to the tariff requirement, witness testified that an estimate of line losses, usually amounting to about one percent, is added to PG&E's surcharge. Regardless of this confusion in the record, it does appear that losses can and do fluctuate.

The staff investigation disclosed that approximately \$60 excess street lighting revenue was recorded in 1974 because the wrong fuel cost adjustment factor was used.

Applicant's purchased power adjustment clause makes no provision to insure that amounts collected for fuel cost adjustments are equal to the amounts spent. In addition to the problem of lag in recovery of increases due to tariff filing requirements, estimates which may be either above or below those actually incurred are made of power losses. All parties concurred that it is desirable for applicant to be reimbursed for the actual additional offset power costs.

By late-filed Exhibit No. 2, the staff recommended a method of accounting to assure that applicant will be reimbursed for the actual additional offset power fuel costs and that customers will not be charged more than the actual additional offset power fuel costs.

To insure that applicant will maintain adequate records for purchased power adjustment costs and the related revenue billed to its customers, the staff recommends that applicant be required to:

1. Maintain memorandum records in its purchased power account to show the purchased power costs resulting from PG&E's fuel cost adjustment pursuant to PG&E's R-1 Schedule, and to maintain a power adjustment clause revenue account for related revenues billed by applicant.
2. On a quarterly basis, to adjust its monthly purchased power clause billing factor to clear any differences between the purchased power adjustment costs and related revenues billed by applicant.

With minor changes, we shall adopt the staff recommendation and require tariff modifications as appropriate.

Accounting

When the domestic and commercial property in Port Chicago was condemned by the United States Navy in 1968, applicant was not reimbursed for the loss of its customers, and no utility property was condemned. This led to the requirement of Decision No. 82117 dated November 13, 1973 that before applicant requests any general increase in rates it should correct its plant and depreciation accounts to eliminate nonoperating property resulting from the loss of customers in Port Chicago. Because applicant did not comply with this requirement and because of the poor condition of the books of account, the staff audit was virtually impossible for a year after the filing of this application.

Based on its examination, the staff found that:

1. Applicant's books of account are not maintained in conformance with the Uniform System of Accounts for Class D Electric Utilities prescribed by the Federal Power Commission and adopted by this Commission.
2. Applicant has not complied with Decision No. 82117 dated November 13, 1973.
3. Applicant does not have Commission approval to maintain its books of account on a fiscal year ending September 30th.
4. Applicant is incorrectly billing its street light customers.

In 1974, consultants were retained to take a physical inventory of plant and prepare a report which was to be presented in connection with this rate proceeding.

This report was prepared on a replacement cost basis which is not recognized by this Commission for ratemaking purposes.

The staff in Exhibit No. 1 sets forth a reconciliation of electrical plant affected by the condemnation of Port Chicago. The staff made an adjustment of \$12,255 to retire unaccounted items from electrical plant in service.

The following corrective measures have been undertaken by the utility:

1. Hiring of an accountant who has utility experience.
2. Reclassification of Balance Sheet and Income Statement Accounts at December 31, 1974, to conform with the account numbers and titles in the Uniform System of Accounts for Class D Electric Utilities.
3. Implementation of accounting journals and records so that plant additions and retirements can be identified.

Staff Recommendations

In view of the numerous problems associated with the applicant's electric plant, service, and accounting procedures, and in view of the fact that applicant has elected to ignore the staff's recommendations from former rate proceedings, the staff recommends that applicant be ordered to modify and rectify its system in accordance with the following directives:

a. Electric Plant.

1. That the entire electric system be converted to a single primary voltage system within a reasonable period of time. This will eliminate the voltage fluctuation problems and replace the aging plant with a new system which will be more flexible and reliable.
2. That the applicant take forceful measures to reduce the incidents of vandalism through public education and posting of notices.

b. Service.

1. That the applicant require all future customers to enter into written agreements regarding the customers' load, energy requirement and line extensions.

c. Accounting Procedures.

1. That the applicant change its book system from a fiscal year to a calendar year basis.
2. That the applicant adjust its books of accounts to reflect adjusted Electric Plant in Service and Reserve for Depreciation at December 31, 1974, as shown in Table 2-B of the report.
3. That the applicant recalculate the billings of all its street lighting (SL) customers from January 1, 1974, to present date and refund the excess revenue collected.

Findings

1. The adopted estimates, previously discussed herein, of operating revenues, operating expenses, and rate base for the test year 1974 reasonably indicate the results of applicant's operations in the near future.

2. A rate of return of 9.5 percent on the adopted rate base is reasonable.

3. Revenues will be increased \$31,586 by the rates herein authorized.

4. The increases in rates and charges authorized herein are justified, the rates and charges authorized herein are reasonable, and the present rates and charges, insofar as they differ from those prescribed herein, are for the future unjust and unreasonable.

5. The staff recommendations are reasonable.

The Commission concludes that the application should be granted to the extent set forth in the order which follows and that the staff recommendations should be implemented.

O R D E R

IT IS ORDERED that:

1. After the effective date of this order Bay Point Light & Power Company is authorized to file revised tariff schedules modified as set forth in Appendix B. Such filing shall comply with General Order No. 96-A. The effective date of the new and revised schedules shall be four days after the date of filing. These schedules shall apply only to service rendered on and after the effective date thereof.

2. Bay Point Light & Power Company shall maintain memorandum records in its purchased power account to show the purchased power costs resulting from PG&E's fuel cost adjustment pursuant to PG&E's R-1 Schedule, and shall maintain a power adjustment clause revenue account for related revenues billed by Bay Point Light & Power Company.

3. At intervals not exceeding one year, Bay Point Light & Power Company is directed to adjust its monthly purchased power clause billing factor to clear any significant differences between the purchased power adjustment costs and related revenues billed by Bay Point Light & Power Company.

4. Within thirty days after the effective date of this order, Bay Point Light & Power Company shall revise the Preliminary Statement in its tariff schedule to include the following paragraph:

(7) PURCHASED POWER ADJUSTMENT CLAUSE

(b) At intervals not exceeding one year the adjustment per kilowatt-hour computed as prescribed by paragraphs (7)(b) and (7)(e) shall be adjusted to cause the accumulated actual costs of PG&E's fuel cost adjustments to substantially equal the accumulated revenues billed the customers of Bay Point Light & Power Company to offset these for fuel cost adjustments.

5. Within one year after the effective date of this order, applicant shall file with this Commission a plan and schedule of converting the system to a single primary voltage.

6. One year after the effective date of this order, applicant shall in writing file with this Commission a written report setting forth the steps it has taken to reduce vandalism through public education and posting of notices.

7. Within six months after the effective date of this order, applicant shall file revisions of its tariff schedules which will require all future customers to enter into written agreements regarding the customers' load, energy requirement, and line extensions.

8. After the effective date of this order, applicant shall inform all existing and prospective A-3, P-1 and P-2 customers of all the schedules under which service could be rendered; applicant shall provide applicable monthly bill comparisons utilizing load and energy requirements furnished by the customers, and shall allow the customers to select the schedules most relevant to their needs.


9. On or before December 31, 1975 applicant shall complete the following adjustments of its books of account:

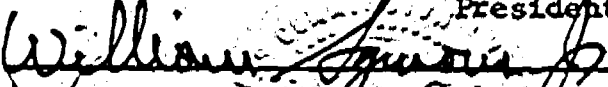
- a. Change its period of its system of accounts from a fiscal year to a calendar year basis.
- b. Submit to this Commission in writing the journal entries by which it proposes to adjust its books of account to reflect to the adjusted Electric Plant in Service and Reserve for Depreciation at December 31, 1974 as set forth in Table 2-B of Exhibit No. 1 in this proceeding.

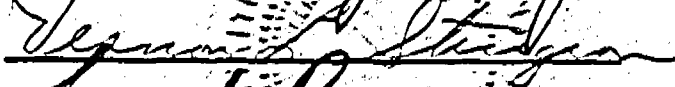
- c. Recalculate the billings of all of its street lighting (SL) customers from January 1, 1974, to the effective date of this order and refund any excess revenue collected.

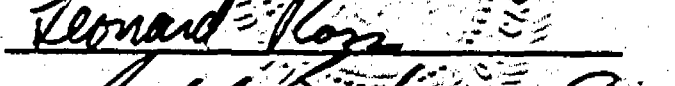
The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 16th day of SEPTEMBER, 1975.



President


Leonard Ross


Robert A. Stinson


Commissioners

APPENDIX A
Page 1 of 3

RATES - BAY POINT LIGHT & POWER COMPANY

Applicant's electric rates, charges, and conditions are changed to the level set forth in this appendix.

PRELIMINARY STATEMENT

The Preliminary Statement shall be modified by adding Paragraph (7) as follows:

(7) PURCHASED POWER ADJUSTMENT CLAUSE:

- (a) The monthly charges for service otherwise applicable under each of the utility's rate schedules shall be increased or decreased by an adjustment amount in accordance with increases or decreases in the cost of purchased power resulting from PG&E's fuel cost adjustment above or below that in effect on June 1, 1973. PG&E's fuel cost adjustment is that billed to the utility by PG&E in accordance with Resale Service Schedule R.
- (b) The adjustment shall be computed by multiplying the change in PG&E's fuel cost adjustment above or below that in effect on June 1, 1973, by a factor of 1.0864.

The product so obtained rounded to the nearest hundredth of a mil (\$1.00001) shall be the adjustment per kilowatt-hour.
- (c) The 1.0864 factor is the ratio of purchased power to power sold in kilowatt-hours for the recorded year 1972.
- (d) Each adjustment per kilowatt-hour shall be filed with the California Commission for approval on or before the first day of the month preceding the billing month during which such adjustment per kilowatt-hour is intended to become effective. The adjustment per kilowatt-hour shall be applied to service rendered on and after the effective date and thereafter until the next such adjustment becomes effective.

APPENDIX A
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RATES - BAY POINT LIGHT & POWER COMPANY

PRELIMINARY STATEMENT (Continued)

- (e) The adjustment amount to be added or subtracted from each bill shall be the product of the total kilowatt-hours for which service is rendered, multiplied by the adjustment per kilowatt-hour of (7) (b) above, except that for purposes of applying the purchased power adjustment to Schedule LS, the monthly consumption per lamp rating contained in Special Condition (g) of Schedule LS will be used.
- (f) Any refund from PG&E shall be promptly refunded, together with any associated interest, to utility's customers. A refund plan shall be filed with the Commission when such portion of the refunds has accumulated to a total of \$400 or more. In the event such monies are not refunded within 30 days after receipt, the utility shall refund such monies with 7 percent interest.
- (g) Effective for service rendered on or after _____, the adjustment per kilowatt-hour is .0240 cents per kilowatt-hour.

SCHEDULES NOS. A-1, A-2, A-3, D-1, D-2, H-1, P-1, and P-2

Add the following statement to Special Conditions of each of the above schedules:

() Purchased Power Adjustment Clause: All service under this schedule, including service rendered under the minimum charge, will be subject to the Purchased Power Adjustment Clause, described in the Preliminary Statement. The adjustment amount shall be the product of the total kilowatt-hours for which the bill is rendered times the adjustment amount per kilowatt-hour.

APPENDIX A
Page 3 of 3SCHEDULE LS

Add to Schedule LS Special Condition (g) as follows:

(g) Purchased Power Adjustment Clause: All service under this schedule, including service rendered under the minimum charge, will be subject to the Purchased Power Adjustment Clause described in the Preliminary Statement. The adjustment amount shall be the product of the total kilowatt-hours for which the bill is rendered times the adjustment amount per kilowatt-hour. For purposes of applying the Purchased Power Adjustment Clause, the following monthly consumptions shall be used:

| <u>Lamp Rating</u> | <u>Consumption per Lamp per Month</u> | |
|----------------------|---------------------------------------|-------------------------|
| | <u>All Night Service</u> | <u>Midnight Service</u> |
| Incandescent Lamps: | | |
| 1,000 lumens | 30 kwhrs | 15 kwhrs |
| 2,500 lumens | 64 kwhrs | 32 kwhrs |
| 4,000 lumens | 100 kwhrs | 50 kwhrs |
| 6,000 lumens | 138 kwhrs | 69 kwhrs |
| 10,000 lumens | 212 kwhrs | 106 kwhrs |
| 15,000 lumens | 294 kwhrs | 147 kwhrs |
| 25,000 lumens | 478 kwhrs | 239 kwhrs |
| Mercury Vapor Lamps: | | |
| 11,000 lumens | 92 kwhrs | 46 kwhrs |
| 15,000 lumens | 102 kwhrs | 51 kwhrs |
| 20,000 lumens | 144 kwhrs | 72 kwhrs |

APPENDIX B
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Rates - Bay Point Light & Power Company

Applicant's electric rates, charges, and conditions are changed to the level or extent set forth in this appendix.

SCHEDULE A-1 Revise the Territory and Rate provisions as follows:

TERRITORY

Within the boundaries of the unincorporated town of Clyde, Contra Costa County, described as Territory "A" in the preliminary statement.

RATE

Single-phase Service

Service Charge: Per Meter Per Month 70¢

Energy Charge: (to be added to service charge)

| | | |
|-------|-------------------------------------|-----------------|
| First | 50 kwhr per meter per month | 5.721¢ per kwhr |
| Next | 150 kwhr per meter per month | 5.421¢ per kwhr |
| Next | 800 kwhr per meter per month | 5.121¢ per kwhr |
| Next | 2,000 kwhr per meter per month | 4.321¢ per kwhr |
| Next | 3,000 kwhr per meter per month | 3.321¢ per kwhr |
| | All excess kwhr per meter per month | 3.221¢ per kwhr |

Polyphase Service:

The single-phase rate plus \$1.00 per meter per month.

Minimum Charge:

65¢ per month per horsepower of polyphase connected load.

SCHEDULE A-2 Revise the Territory and Rate provisions as follows:

TERRITORY

Within all territory outside of the boundaries of the unincorporated town of Clyde, Contra Costa County, described as Territory "B" in the preliminary statement.

APPENDIX B
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Rates - Bay Point Light & Power Company (Continued)

RATE

Single-phase Service:

Service Charge: Per Meter Per Month 80¢

Energy Charge: (to be added to service charge)

| | | |
|------------|--------------------------------|----------------------|
| First | 50 kwhr per meter per month |6.721¢ per kwhr |
| Next | 150 kwhr per meter per month |6.321¢ per kwhr |
| Next | 800 kwhr per meter per month |5.421¢ per kwhr |
| Next | 2,000 kwhr per meter per month |4.321¢ per kwhr |
| Next | 3,000 kwhr per meter per month |3.321¢ per kwhr |
| All excess | kwhr per meter per month |3.221¢ per kwhr |

Polyphase Service:

The single-phase rate plus \$1.00 per meter per month.

Minimum Charge:

65¢ per month per horsepower of polyphase connected motor load.

SCHEDULE A-3 Revise the Rate provisions and Special Condition (b) as follows
and add Special Condition (f) as follows:

RATE

Demand Charge:

All kw of billing demand \$2.50 per kw

Energy Charge:

| | | |
|------------|-----------------------------------|----------------------|
| First | 100 kwhr per kw of billing demand | 2.10¢ per kwhr |
| Next | 200 kwhr per kw of billing demand | 1.50¢ per kwhr |
| All excess | kwhr | 1.10¢ per kwhr |

Minimum Charge:

\$225.00 per month.

APPENDIX B
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Rates - Bay Point Light & Power Company (Continued)

SPECIAL CONDITIONS

(b) Billing Demand: The billing demand to be used in computing charges under the above schedule will be the actual maximum demand for the current month.

(f) Contract Provisions: This schedule is open to customers only on contract basis. The contract shall be for a term of no less than five consecutive years.

SCHEDULE D-1 Revise the Territory and Rate provisions as follows:

TERRITORY

Within the boundaries of the unincorporated town of Clyde, Contra Costa County, described as Territory "A" in the preliminary statement.

RATE

Service Charge: Per Meter Per Month 70¢

Energy Charge: (to be added to service charge)

| | | |
|------------|------------------------------|-----------------|
| First | 40 kwhr per meter per month | 5.721¢ per kwhr |
| Next | 60 kwhr per meter per month | 4.321¢ per kwhr |
| Next | 100 kwhr per meter per month | 3.721¢ per kwhr |
| All excess | kwhr per meter per month | 2.521¢ per kwhr |

SCHEDULE D-2 Revise the Territory and Rate provisions as follows:

TERRITORY

Within all territory outside of the boundaries of the unincorporated town of Clyde, Contra Costa County, described as Territory "B" in the preliminary statement.

RATE

Service Charge: Per Meter Per Month 80¢

Energy Charge: (to be added to service charge)

| | | |
|------------|------------------------------|-----------------|
| First | 40 kwhr per meter per month | 6.721¢ per kwhr |
| Next | 60 kwhr per meter per month | 5.021¢ per kwhr |
| Next | 100 kwhr per meter per month | 3.921¢ per kwhr |
| All excess | kwhr per meter per month | 2.521¢ per kwhr |

APPENDIX B
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Rates - Bay Point Light & Power Company (Continued)

SCHEDULE H-1 Delete Schedule H-1

SCHEDULE IS Revise the Rate provisions and Special Condition (g) as follows:

RATE

| | Rate Per Lamp Per Month | |
|---------------------|--------------------------|-------------------------|
| | <u>All Night Service</u> | <u>Midnight Service</u> |
| Incandescent Lamps | | |
| Lamp Ratings: | | |
| 1,000 lumens | \$ 2.30 | \$ 1.85 |
| 2,500 lumens | 3.80 | 2.95 |
| 4,000 lumens | 4.90 | 3.65 |
| 6,000 lumens | 6.05 | 4.50 |
| 10,000 lumens | 8.60 | 6.15 |
| 15,000 lumens | 11.40 | 7.95 |
| 25,000 lumens | 17.30 | 11.65 |
| Mercury Vapor Lamps | | |
| 7,500 lumens | 6.40 | 5.10 |
| 11,000 lumens | 8.10 | 6.40 |
| 15,000 lumens | 9.15 | 7.30 |
| 25,000 lumens | 10.30 | 7.90 |

SPECIAL CONDITIONS

(g) Add the following Lamp rating

| <u>Lamp Rating</u> | <u>Consumption per Lamp per Month</u> | |
|----------------------|---------------------------------------|-------------------------|
| | <u>All Night Service</u> | <u>Midnight Service</u> |
| Mercury Vapor Lamps: | | |
| 7,500 lumens | 60 kwhrs | 30 kwhrs |

APPENDIX B
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Rates - Bay Point Light & Power Company (Continued)

SCHEDULE P-1 Revise the Applicability and Rate provisions and add Special Condition (e) as follows:

APPLICABILITY

This schedule is applicable to alternating current used in motors, heating and cooking devices, and rectifiers for battery charging; but is not applicable to current used for lighting, either directly or through transforming or converting equipment, except incidental lighting (as defined in Special Conditions (e) below) combined with power on the same meter.

RATE

| Energy Charge: | Rate per kwhr for Monthly Consumption of | | | |
|-------------------------|--|---------|----------|----------|
| | First 50 | Next 50 | Next 150 | All over |
| | Kwhr | Kwhr | Kwhr | 250 Kwhr |
| HP of Connected Load | Per HP | Per HP | Per HP | Per HP |
| 2 - 9.9 hp | 5.921¢ | 3.721¢ | 2.621¢ | 2.421¢ |
| 10 - 24.9 hp | 5.421¢ | 3.521¢ | 2.521¢ | 2.321¢ |
| 25 hp and over | 4.821¢ | 3.421¢ | 2.421¢ | 2.321¢ |

Minimum Charge:

Per HP per Month

All connected load \$2.00

SPECIAL CONDITIONS

(e) Incidental lighting, for the purpose of this schedule, is any lighting on the premises of an industrial (as distinguished from commercial) plant operated by power supplied on this schedule, except lighting in dwellings or in buildings used primarily for trade or for any purpose not essential to the operation of such plant. For billing purposes, incidental lighting load shall be converted to equivalent HP load.

APPENDIX B
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Rates - Bay Point Light & Power Company (Continued)

SCHEDULE P-2 Revise the Rate provision as follows:

RATE

Energy Charges:

| Billing Demand KW | Rate per Kwhr for Monthly Consumption Per Kw of the Billing Demand | | | |
|----------------------|---|------------------|------------------|----------------------|
| | First 100 Kwhr | Next 100 Kwhr | Next 100 Kwhr | All over 300 Kwhr |
| | Per KW | Per KW | Per KW | Per KW |
| 0 - 18 | 4.721¢ | 3.121¢ | 2.621¢ | 2.321¢ |
| 19 - 37 | 4.421¢ | 2.821¢ | 2.421¢ | 2.221¢ |
| 38 - 74 | 4.121¢ | 2.621¢ | 2.421¢ | 2.121¢ |
| 75 - 186 | 3.721¢ | 2.521¢ | 2.321¢ | 2.021¢ |
| 187 - and over | 3.421¢ | 2.421¢ | 2.221¢ | 2.021¢ |

Minimum Charge:

\$100.00 per month for the first 40 kw or less of the billing demand
plus \$2.50 per kw for any excess.