

Decision S4 05 043

MAY 16 1984

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
 SAN DIEGO GAS & ELECTRIC COMPANY  
 for authority to increase its rates  
 and charges for electric, gas and  
 steam service.

Application 82-12-57  
 (Filed December 24, 1982)

**ORIGINAL**

ORDER CORRECTING COMPUTATIONAL ERRORS  
 AND REVISING EXPENSES

On February 6, 1984 San Diego Gas & Electric Company (SDG&E) filed a Petition for Modification of Decision (D.) 83-12-065 requesting that:

1. Management discretion to shift conservation funds should be increased and clarified to allow SDG&E to shift up to \$1 million between programs, rather than the current \$500,000.
2. The Energy Information Center (EIC) should be funded rather than Customer Information Counseling, and
3. The Commission should correct minor computational errors involving the conservation program by increasing funding or lowering certain goals.

Management Discretion to Shift Funds

SDG&E requests that the management discretion be increased to \$1 million from the current \$500,000 to allow greater flexibility in program funding. SDG&E further requests that the Commission clarify the application of the management discretion amount. Specifically, SDG&E prefers that the management discretion amount be allowed on the aggregate funding levels set forth in Table 11 on page 125 of D.83-12-065, rather than on a program-by-program basis.

Because the overall funding level of SDG&E's conservation and load management programs has been reduced from that established in the last general rate proceeding for years 1982 and 1983, we see no need to increase the level of funds that can be shifted within

management's discretion for 1984 and 1985. However, SDG&E's preferred interpretation of the management discretion to be allowed on the aggregated funding levels set forth on Table 11 on page 125 of D.83-12-065 is reasonable.

Energy Information Center

In its Petition for Modification SDG&E directs our attention to the record in this proceeding regarding the functional differences in the operational activities of its EIC as compared to Southern California Edison Company's centers which had similar names and which we directed be discontinued in D.82-12-055. SDG&E requests that the Commission authorize funding for the EIC by transferring the funds allowed for Customer Information Counseling to the EIC. SDG&E further states that this shift of funds would not cause an overall increase in conservation funding. SDG&E's request is reasonable and will be adopted.

Computational Errors

SDG&E's Petition seeks modification of D.83-12-065 to correct computational errors in the development of the authorized conservation budget. SDG&E asserts these errors, which total \$956,898, were made in the development of the adopted conservation expenses in Table 11 at page 125 of the decision. The petition states that conservation expenses which were adopted by the Commission and shown on Table 11 of the decision are \$18,836,000, but should be corrected to read \$19,792,898. SDG&E claims the difference of \$956,898 is the result of an improper adjustment to reflect the change from the escalation rates used in SDG&E's original showing in Application 82-12-57 to those adopted in D.83-12-065.

After review of the calculations made to adjust for the change in escalation rates, we agree that an error was made. However, the error totals \$767,168, somewhat less than what SDG&E asserts. A new Table 11 corrected for the computational errors is attached as Appendix A.

Because this correction has a minor impact on revenues, less than .1%, we will not authorize a change in rates at this time. However, we will authorize an increase in the gas and electric margins as shown below:

TABLE 1

	<u>Increase In Conservation Expense</u>	<u>Increase In Franchise and Uncollectibles</u>	<u>Total Increase In Margin</u>
Gas	\$289,492	\$ 6,677	\$296,169
Electric	<u>477,676</u>	<u>10,747</u>	<u>488,423</u>
Total	\$767,168	\$17,424	\$784,592

The total Electric CPUC Jurisdictional Revenues shown on Table 12 page 2 of 6 on page 128 of D.83-12-065 should be \$535,496,033 instead of \$536,630,000 (\$488,423 increase in conservation expenses - \$1,622,390 decrease due to the Blythe site, D.84-04-041). The total Gas Revenues shown on Table 12 page 4 of 6 on page 130 of D.83-12-065 should be \$107,939,169 instead of \$107,643,000.

#### Findings of Fact

1. There is no need to increase SDG&E's discretion to shift funds between conservation programs above the present limit of \$500,000.

2. SDG&E's request to shift the funds authorized for its Customer Information Counseling program to operate its Energy Information Center is reasonable.

3. D.83-12-065 contains some computational errors as described in the foregoing opinion.

4. The correct 1984 Electric Department jurisdictional revenue requirement is \$535,496,033.

5. The correct 1984 Gas Department revenue requirement is \$107,939,169.

6. The gas and electric margin increases shown on Table 1 of this decision are reasonable.

7. The total Gas and Electric Conservation Expenses for Test Year 1984 exclusive of the Supplemental Reserve should be \$19,603,168.

8. Because this order involves revisions in SDG&E's revenue requirement it should be effective today.

Conclusion of Law

The computational errors contained in D.83-12-065 should be corrected.

IT IS ORDERED that:

1. San Diego Gas & Electric Company (SDG&E) is authorized to increase its gas and electric margins by the totals shown on Table 1 of this decision for Test Year 1984 to reflect computational errors in conservation expenses adopted in D.83-12-065.

2. SDG&E is authorized to shift the funds authorized in D.83-12-065 for its Customer Information Counseling Program to its Energy Information Center Program.

3. To the extent not granted by this decision, SDG&E's February 6, 1984 Petition for Modification of D.83-12-065 is denied.

This order is effective today.

Dated MAY 16 1984, at San Francisco, California.

LEONARD M. GRIMES, JR.  
President

VICTOR CALVO  
PRISCILLA C. GREW  
DONALD VIAL

Commissioners

Commissioner William T. Bagley, being necessarily absent, did not participate.

I CERTIFY THAT THIS DECISION WAS APPROVED BY THE ABOVE COMMISSIONERS TODAY.

- 4 -  
*Joseph E. Bodovitz*  
Joseph E. Bodovitz, Executive Director

## APPENDIX A

TABLE 11 (Revised)

Adopted Expenses  
Conservation - Cogeneration - Load Management

Conservation

Residential	
Weatherization	\$ 4,115,700
Audits	1,729,400
Education	<u>691,465</u>
Subtotal	\$ 6,536,565
Commercial/Industrial	2,143,383
Solar	3,922,912
Voltage Regulation	55,312
Ancillary	2,167,015
Subtotal	14,825,187
<u>Cogeneration</u>	216,325
<u>Load Management</u>	<u>4,561,656</u>
Subtotal	\$19,603,168
Supplemental Reserve	<u>2,000,000</u>
TOTAL	\$21,603,168