L/ddb

## NOV 2 1 1984

Decision 84 11 123

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's ) own motion into the transmission ) system operations of certain ) California electric corporations ) regarding transmission constraints ) on cogeneration and small power ) production development. )

) I. 84-04-077 ) (Filed April 18, 1984)

EX-3:

## ORDER MODIFYING D.84-08-037 AND GRANTING A LIMITED REHEARING

A petition for rehearing of D.84-08-037 has been filed by Mac Hydro Power Company, Inc. and Enviro Hydro, Inc. A petition for modification of D.84-08-037 has been filed jointly by Pacific Gas and Electric Company and Independent Energy Producers. We have carefully considered the allegations raised in the petitions and are of the opinion that a limited rehearing should be granted and that the decision should be modified, as discussed below. Therefore,

IT IS ORDERED that:

1. A rehearing of Decision 84-08-037 is granted, limited to consideration of the issue whether the interim solution adopted in D.84-08-037 should apply to QFs located outside of PG&E's service territory whose output would flow on the Pacific Northwest-Pacific Southwest 500 kV Intertie north of Round Mountain Substation and to a further examination of the question of access to PG&E's Drum Division transmission facilities.

2. D.84-08-037 is modified, as follows, to reflect the fact that the total MW of QF development that may be interconnected is 1150:

a.

The number "990" in Finding of Fact No. 9 is modified to read "1150";

ľ

1. 84-04-077 ddb\*

b. The number "990" in Ordering Paragraph 1(b) is modified to read "1150"; and

c. The second and third sentences on page 9 of the decision are modified to state:

"We will choose as the maximum level the total of the area capacity limitations agreed to by the negotiating parties in the stipulation, while reflecting the capacity added by the bulk upgrades. With this ceiling, the total MW of QF development that may be interconnected pursuant to the interim solution cannot exceed 1150 MW."

IT IS FURTHER ORDERED that, except as granted and provided herein, rehearing of D.84-08-037 is denied.

This order is effective today.

Dated November 21, 1984, at San Francisco, California.

2

Commissioner VICTOR CALVO, being necessarily absent, did not participate. DONALD VIAL WILLIAM T. BAGLEY Commissioners

I abstain because of financial interest in potential small power producers.

FRISCILLA C. GREW

I CERTIFY THAT THIS DECISION WAS APPROVED BY THE ABOVE COMMISSIONERS FORT Sept E. Bod

- b. The number "990" in Ordering Paragraph 1(b) is modified to read "1150"; and
- c. The second and third sentences on page 9 of the decision are modified to state:

"We will choose as the maximum level the total of the area capacity limitations agreed to by the negotiating parties in the stipulation, while reflecting the capacity added by the bulk upgrades. With this ceiling, the total MW of QF development that may be interconnected pursuant to the interim solution cannot exceed 1150 MW."

It is further ordered that, except as granted and provided herein, rehearing of D.84-08-037 is denied.

2

This order/is effective today.

Dated November 21, 1984, at San Francisco, California.

Commissioner VICTOR CALVO, being necessarily absent, did not participate.

DONALD VIAL WILLIAM T. BAGLEY Commissioners

I abstain because of financial interest in/potential small power producers.

> PRISCILLA C. GREW Commissioner