

Decision 89 03 043

MAR 22 1989

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of PACIFIC GAS AND)
 ELECTRIC COMPANY for Commission)
 order finding that PG&E's gas and)
 electric operations during the)
 reasonableness review period from)
 February 1, 1987 to January 31,)
 1988, were prudent.)

Application 88-04-020
(Filed April 7, 1988)

Application of PACIFIC GAS AND)
 ELECTRIC COMPANY for authority)
 to adjust its electric rates)
 effective August 1, 1988.)

Application 88-04-057
(Filed April 21, 1988)

(See Decision 88-11-052 for appearances.)

OPINION ON PETITION FOR MODIFICATION
OF DECISION 88-12-040

On January 6, 1989, Santa Fe Geothermal, Inc., Unocal Corporation, and Freeport-McMoran Resource Partners (Santa Fe) filed a Petition for Modification of Decision (D.) 88-12-040.

The petition requests a correction to Table 1, which set forth the results of the parties' final runs of their production simulation models, using the inputs adopted by the Commission in D.88-11-052. The table shows the incremental energy rate (IER), operation and maintenance adder, equivalent IER, and net revenue requirement resulting from each party's final run. Santa Fe did not calculate the revenue requirement that was associated with its run; the Commission Advisory and Compliance Division calculated the revenue requirement based on information provided by Santa Fe.

Santa Fe contends that Pacific Gas and Electric Company (PG&E) made certain late changes to some inputs that Santa Fe was unaware of and unable to reflect in its final run. As a

consequence, the revenue requirement associated with its final run was much higher than it would have been if Santa Fe had been aware of PG&E's changes. Santa Fe's IER figures were also slightly affected by these changes.

Santa Fe requests a modification of Table 1 to show the figures that result when PG&E's changes, which Santa Fe does not dispute, are included in Santa Fe's final run. The most significant difference is a drop in the net revenue requirement associated with Santa Fe's run from \$98,545,000 to \$78,286,000.

PG&E filed a response to the petition on February 2. PG&E opposes Santa Fe's request on three grounds.

First, PG&E argues that the changes Santa Fe requests affect only a comparison table and will not change any of the results of the decision. Thus, the requested modification is unnecessary.

Second, the table accurately illustrates the results of the model runs that the Commission had before it when it made its decision. Changing the table now would give the appearance that the Commission based its decision on a comparison that was not available when it reached its decision.

Third, the changes that Santa Fe suggests PG&E made at the last minute were actually fully disclosed in exhibits and testimony in the hearings that concluded several months before the final runs were performed.

Discussion

PG&E has shown that the information that Santa Fe cites to justify its petition was disclosed on the record of this proceeding and was not made at the last minute. Santa Fe seeks this modification to reflect corrected inputs that it was not aware of until after the decision was issued, although the correct information was available earlier. It appears that the modifications that Santa Fe seeks reflect the figures that would have resulted if it had used the correct inputs, but the figures

that we relied on in coming to our decision were accurately shown in the existing Table 1. Although an accurate comparison of the models' results would have been useful, the modifications Santa Fe seeks would not have altered our decision. Because changing this table would not affect our ultimate decision in any way, we decline to make the modifications requested by Santa Fe, and we will deny the petition.

Findings of Fact

1. Santa Fe filed a Petition for Modification of D.88-12-040 on January 6, 1989.
2. PG&E responded to the petition on February 2, 1989.
3. Santa Fe's requested changes reflect information that was disclosed in the exhibits and at the hearings in this proceeding.
4. Santa Fe's requested changes were not before the Commission when we made the decisions discussed in D.88-12-040.
5. Santa Fe's requested changes would not affect our ultimate decision in any way.

Conclusion of Law

Santa Fe's Petition for Modification should be denied.

ORDER

Therefore, IT IS ORDERED that the Petition for Modification of Decision 88-12-040 filed by Santa Fe Geothermal, Inc., Unocal Corporation, and Freeport-McMoRan Resource Partners is denied.

This order is effective today.

Dated MAR 22 1989, at San Francisco, California.

G. MITCHELL WILK
President
FREDERICK R. DUDA
STANLEY W. HULETT
JOHN B. OHANIAN
Commissioners

Commissioner Patricia Eckert,
present but not participating

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



Victor Weiszer, Executive Director

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