

Decision 90 02 036 FEB 23 1990

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the Matter of the Investigation)
on the Commission's own motion into)
Pacific Gas and Electric Company's)
gas gathering operations, including)
the reasonableness of its charges)
and how it shall structure and offer)
the service in the future.)

I.88-11-012
(Filed November 9, 1988)

OPINION MODIFYING DECISION

On January 5, 1990, Pacific Gas and Electric Company (PG&E) filed a petition for modification of Decision (D.) 89-12-016, our decision resolving issues relating to gas gathering. This decision grants PG&E's petition.

PG&E's petition asks the Commission to change its gas gathering order so that PG&E is not required, as D.89-12-016 directs, to file a rate proposal in its pending 1990 Annual Cost Allocation Proceeding (ACAP) allocating some of its gathering costs to interutility rates. PG&E states the requirement would require the development of a modified forecast in its ACAP. Such an adjustment is likely to be controversial, according to PG&E, and hearings have concluded in that case.

We agree with PG&E that it is reasonable to defer allocation of gathering costs to another proceeding. We will modify D.89-12-016 to require that PG&E propose an allocation of gathering costs to interutility rates in its 1991 ACAP application.

Findings of Fact

1. D.89-12-016 directed PG&E to file, in its 1990 ACAP, a proposal to allocate gathering costs to its interutility rates.
2. The record in PG&E's 1990 ACAP is closed.

Conclusion of Law

D.89-12-016 should be modified to direct PG&E to file a proposal to allocate gathering costs to interutility rates in its 1991 ACAP.

O R D E R

IT IS ORDERED that:

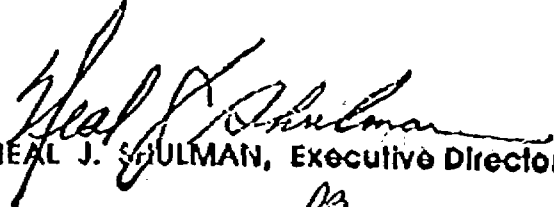
Ordering Paragraph 2 of Decision 89-12-016 is amended to read "PG&E shall file, in its 1991 Annual Cost Allocation Proceeding, a rate proposal allocating an equal share of gas gathering costs, on a cents per therm basis, to interutility rates and transportation rates."

This order is effective today.

Dated FEB 23 1990, at San Francisco, California.

G. MITCHELL WILK
President
FREDERICK H. DUDA
STANLEY W. HURLEY
JOHN D. CHANIAN
PATRICIA M. ECKERT
Commissioners

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


NEAL J. SCHULMAN, Executive Director
JS