

CONFIDENTIAL

Decision 90 03 083 MAR 28 1990

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Investigation)
on the Commission's motion into)
implementing a rate design for)
unbundled gas utility services)
consistent with policies adopted)
in Decision 86-03-057.)

I.86-06-005
(Filed June 5, 1986)
And Consolidated Cases
R.86-06-006
A.87-01-033
A.87-01-037
A.87-04-040

And related matters.)

ORDER MODIFYING DECISION (D.) 90-01-021
AND DENYING REHEARING
AND PETITIONS FOR MODIFICATION

Southern California Gas (SoCalGas) and the City of Palo Alto have filed applications, once erroneously thought to have been untimely filed, for rehearing of Decision (D.) 90-01-021. We have carefully considered each and every allegation contained in the applications, and are of the opinion that rehearing should be denied.

In addition, several parties have filed petitions for modification and responses to the rehearing applications. A joint petition for modification and response to applications for rehearing were filed by the California Industrial Group, California League of Food Processors, and California Manufacturers Association (collectively referred to as CIG). Southern California Edison Company (SoCalEd) also filed a modification petition and response to the applications for rehearing of D.90-01-021. Southern California Utility Power Pool



CIG's modification petition and to SoCalGas' rehearing application. The modification petitions contained basically the same arguments and proposals suggested in the rehearing applications. We disapprove of using petitions for modification to discuss issues that should be addressed in a rehearing application but were not timely filed as such. Nonetheless, we have examined each and every allegation and proposal, and have determined that modifications in the schedule are not warranted at this time. The Commission reserves the right to modify the schedule as the proceedings progress, as indicated in D.90-01-021 at page 5.

However, we have determined that D.90-01-021 should be modified as indicated below.

Therefore,

IT IS ORDERED that:

Decision 90-01-021 is modified as follows:

1. The following sentence will be inserted on page 5, line 9, immediately preceding the sentence beginning, "Thus, the ACAPs to be heard....":

We believe that it would be inefficient and wasteful of the resources of the Commission and the parties to consider rate design issues prior to reallocation of costs based on long-run marginal cost methodology, as that reallocation will fundamentally alter the rates all parties are currently charged.

IT IS FURTHER ORDERED that:

1. Rehearing of D.90-01-021, as modified herein, is denied.

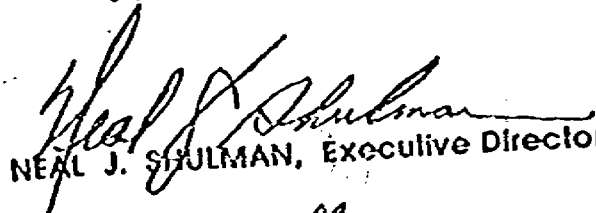
2. The petitions for modification are hereby denied.

This order is effective today.

Dated MAR 28 1990, at San Francisco, California.

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

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


NEAL J. SHULMAN, Executive Director
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