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Decision 92-02-077 February 20, 1992

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of California Industrial Group,
California Manufactures Association,
California League of Food Processors
for Rehearing of Resolution G-2960
re the core aggregation program of
Pacific Gas & Electric Co.
re Advice Letter 1637-G-C.

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A.91-11-005
(Filed November 6, 1991)

ORDER DENYING REHEARING OF RESOLUTION G-2960

California Industrial Group, California Manufactures Association, California League of Food Processors (CIG), have filed an application for rehearing of Resolution G-2960, alleging that their due process rights were violated because CIG neither protested nor filed comments to Pacific Gas & Electric Company (PG&E) Advice Letter 1637-G-C. Resolution G-2960, issued without hearing and in response to the advice letter, unfavorably changes gas sequencing practices affecting CIG. CIG further alleges that Resolution G-2960 results in its not receiving a firm level of service as set forth in Decision 90-09-089.

By Resolution G-2960, issued in response to PG&E's Advice Letter 1637-G-C, we found that PG&E was scheduling Service Level 2 Customer Identified Gas (SL-2/CIG) noncore volumes ahead of higher priority Service Level 1 (SL-1) core gas volumes in violation of our order in Decision 90-09-089 and concluded that PG&E should sequence its ordering of gas to allow for SL-1 core and core aggregation customers to receive priority ahead of all SL-2 noncore volumes in accordance with Decision 90-09-089.

Decision 90-09-089 was issued on September 25, 1990 and CIG is a signatory to the settlement adopted in that decision. The issues raised by CIG in its application for rehearing now before us are issues raised during the proceedings leading to the issuance of Decision 90-09-089 and the time for raising them on rehearing has long expired. (Pub. Util. Code §1731.) Moreover, in violation of

our Rules of Practice and Procedure and Public Utilities Code section 1732, CIG failed to allege any legal error with respect to its arguments regarding firm service. In Decision 90-09-089 we noted that "the reliability of firm service adopted...is unclear because noncore customers (such as CIG) must rely on utilities' 'best efforts' to purchase identified gas supplies." (Re Gas Utility Procurement Practices and Refinements to the Regulatory Framework for Gas Utilities (D.90-09-089) (1990) 37 Cal.P.U.C.2d 583, 608.) SL-2 customers are paying a premium for a firm level of service. However, Decision 90-09-089 never authorized SL-2/CIG customers to receive a higher gas service nomination priority than SL-1 core customers. PG&E had erroneously provided the SL-2 noncore with a higher priority service than the SL-1 core and Resolution G-2960 corrects that error. No further discussion is required of complainants' allegations of error. We note that a companion decision is being issued today that clarifies the policy expressed in Resolution G-2960. Accordingly, upon reviewing each and every allegation of error raised by complainants, we conclude that sufficient grounds for rehearing of Resolution G-2960 have not been shown.

THEREFORE, IT IS ORDERED that the application for rehearing of Resolution G-2960 filed by California Industrial Group, California Manufacturers Association, California League of Food Processors is denied.

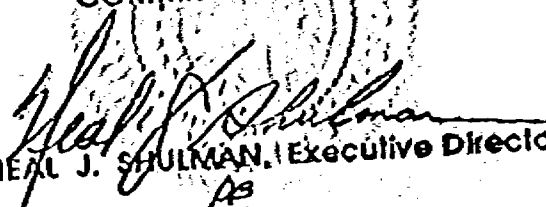
This order is effective today.

Dated February 20, at San Francisco, California.

DANIEL Wm. FESSLER
President
JOHN B. OHANIAN
NORMAN D. SHUMWAY
Commissioners

Commissioner Patricia M. Eckert
being necessarily absent, did not
participate.

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


NEAL J. SHULMAN, Executive Director
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