

L/jmc

Decision 92-09-086 September 16, 1992

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
SOUTHERN CALIFORNIA EDISON COMPANY
(U 338-E) for Authority to Increase
its Authorized Level of Base Rate
Revenue Under the Electric Revenue
Adjustment Mechanism for Service
Rendered Beginning January 1, 1992
and to Reflect this Increase in
Rates.

And Related Matters.

ORIGINAL

Application 90-12-018
(Filed December 7, 1990)

I.89-12-025
(Filed December 18, 1989)

I.91-02-079
(Filed February 21, 1991)

ORDER DENYING REHEARING OF DECISION 91-12-076

Decision (D.)91-12-076 (the Decision), denominated the Fourth Interim Opinion, decided Phase 1 issues in the test year 1992 general rate case (GRC) of Southern California Edison Company (SCE). An Application for Rehearing (Application) was filed by SCE on January 23, 1992. A response was filed by the Division of Ratepayer Advocates (DRA) on February 14, 1992.

San Diego Gas & Electric Company (SDG&E) also filed an Application for Rehearing of D.91-12-076 solely on issues related to the San Onofre Nuclear Generating Station, Unit 1 (SONGS 1). SDG&E requested that the resolution of the SONGS 1 issues should be deferred until the disposition of a proposed settlement.

We denied SCE's Application on all issues except those related to SONGS 1 by D.92-07-083, at our meeting on July 22,

1992. D.92-07-083 deferred consideration of the SONGS 1 issues to the Biennial Resource Plan Update (BRPU) proceeding (I.89-07-004), where review of the proposed settlement was pending. In D.92-08-044, we also granted the joint motion of SCE and DRA to suspend the effective date of the portion of D.92-07-083 related to the capitalization of software costs.

This order is addressed solely to the SONGS 1 issues. At our meeting on August 11, 1992, we adopted the proposed settlement in D.92-08-036.

DISCUSSION:

The Application of SCE requests rehearing of the Decision related to SONGS 1 issues unless the settlement is adopted. (SCE, Application for Rehearing, p. 2.) SCE alleges that we erred insofar as the Decision ordered task-by-task reasonableness review for SONGS 1 modifications, contrary to a previous decision, D.85-12-024. SCE maintains that the finding of reasonableness for these capital expenditures in the aggregate should be sustained. SDG&E raises similar arguments.

On February 7, 1992, SCE, SDG&E and DRA submitted a joint settlement proposal regarding SONGS 1 in the BRPU proceeding. The settling parties agreed that the resolution of the portion of SCE's Application related to SONGS 1 and the SDG&E Application for Rehearing should be deferred in favor of disposal of the proposed settlement. SCE indicated it would withdraw its Application regarding this issue, if the settlement was approved. (SCE Application, p. 2, Fn. 2.) SDG&E requested delay of action on its Application until the settlement was resolved. (SDG&E Application, p. 5.) DRA refrained from responding to the SONGS 1 issue until a decision was issued on the settlement. (DRA Response, p. 1.)

The settlement proposal has been adopted. Without reviewing the details of the proposed settlement, or analyzing the merits of either SCE's or SDG&E's arguments in the event of disapproval of the settlement, or reciting the particulars of the

decision adopting the settlement, suffice it to say that all issues have been resolved. The adoption of the proposed settlement renders all the remaining SONGS 1 issues in SCE's Application and SDG&E's Application moot. Since all issues, except those covered by D.92-08-044, have been resolved by D.92-08-036, the Applications for Rehearing will be denied.

THEREFORE, for the reasons stated above,

IT IS ORDERED that:

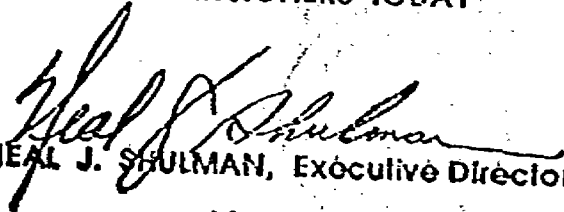
1. The portion of the Application for Rehearing by SCE of D.91-12-076 regarding the SONGS 1 issues, which was deferred pending the resolution of the proposed settlement in the BRPU proceeding, I.89-07-004, is hereby denied.
2. The Application for Rehearing by SDG&E of D.91-12-076 is also denied.

This order is effective today.

Dated September 16, 1992, at San Francisco, California

DANIEL WM. FESSLER
President
JOHN B. OHANIAN
PATRICIA M. ECKERT
NORMAN D. SHUMWAY
Commissioners

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


NEAL J. SHULMAN, Executive Director