

Decision 82 01 95

JAN 19 1982

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of PACIFIC GAS AND ELECTRIC COMPANY for authority to revise its gas rates and tariffs effective July 1, 1981, under the Gas Adjustment Clause.

Application 60609
(Filed June 1, 1981)

(Gas)

Application of PACIFIC GAS AND ELECTRIC COMPANY for authority to increase its electric rates and charges effective August 1, energy rate and to make certain other rate changes in accordance with the energy cost adjustment clause as modified by Decision No. 92496.

Application 60616
(Filed June 2, 1981)

(Electric)

ORDER MODIFYING DECISION 93628
AND DENYING REHEARING

Petitions for rehearing of Decision (D.) 93628 have been filed by the Board of Trustees of the Leland Stanford Junior University and by Toward Utility Rate Normalization (TURN). We have carefully reviewed each and every allegation in said petitions and are of the opinion that good cause for granting rehearing has not been shown. However, D.93628 should be modified to provide additional discussion and a revised finding on the reasonableness of recorded energy costs recovered by Pacific Gas and Electric Company (PG&E) during the annual review period. Therefore,

IT IS HEREBY ORDERED that D.93628 is modified as follows:

1. The "Reasonableness Review" discussion on Page 25 is supplemented by the addition of the following:

"We also believe that based on the circumstances existing in the latter part of 1979, PG&E did not act imprudently in not terminating its fuel oil contract with Union Oil at that time.

"Finally, we conclude that PG&E utilized its power plants in a reasonable manner during the 12 months ending March 31, 1981."

2. Finding of Fact No. 5 is deleted and is replaced by the following finding:

"5. PG&E has demonstrated that its recorded energy costs for the review period were reasonable.

"a) Given the circumstances at that time, PG&E did not act unreasonably in not terminating its fuel oil contract with Union Oil in September of 1979.

"b) PG&E utilized its power plants in a reasonable manner during the 12 months ending March 31, 1981."

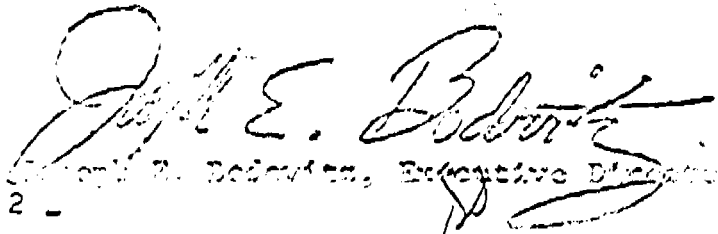
Rehearing of D. 93628, as modified herein, is denied.

This order is effective today.

Dated JAN 19 1982, at San Francisco, California.

JOHN E. BRYSON
President
RICHARD D. GRAVELLE
LEONARD M. GRIMES, JR.
VICTOR CALVO
PRISCILLA C. GREW
Commissioners

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


John E. Bryson, Executive Director
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