

ORIGINAL

Decision 82 02 033 FEB 17 1982

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of PACIFIC GAS AND ELECTRIC COMPANY for authority effective April 1, 1982 to implement an electric rate stabilization plan, to decrease its ECAC rates in accordance therewith, or in the alternative to decrease rates in accordance with the ECAC tariff, to establish an Electric Revenue Adjustment Mechanism rate pursuant to Decision No. 93887 and to make other rate adjustments.

(Electric)

Application 82-02-09  
(Filed February 4, 1982)

#### INTERIM OPINION

By this application Pacific Gas and Electric Company (PG&E) requests authority to decrease rates by \$114 million under the Energy Cost Adjustment Clause (ECAC) annually in accordance with a rate stabilization plan. PG&E also requests authority to establish a new rate under provisions of its Electric Revenue Adjustment Mechanism (ERAM) and a new balancing-type account to capture costs associated with excess fuel due to the favorable rainy weather. PG&E claims that its ERAM rate would generate \$14 million in annual revenue for a net decrease of \$100 million in annual revenue.

There are several aspects to this application which will require full public hearings; however, our analysis of the bare application shows that any rate decrease flowing from this application will amount to at least \$100 million annually. Under these circumstances, it is clearly most appropriate to allow the \$100 million reduction to be put into effect immediately with hearings on the remainder of the application to follow.

In order to avoid prejudging issues related to the ERAM rate, the decrease should be confined to ECAC rates.

PG&E proposes that the rate decrease be spread to all customer classes on an equal cents per kilowatt-hour (kWh) basis. This is a reasonable way to decrease rates as the last ECAC increase was made on an equal cents basis. The estimated decrease in California jurisdictional gross revenues proposed for each class of service is shown below.

<u>Class</u>	<u>Percent Decrease</u>
<u>Residential</u>	
Lifeline	2.1
Nonlifeline	2.1
Total	2.1
Small Light and Power	1.8
Medium Light and Power	2.0
Large Light and Power	2.1
Public Authority	2.1
Agricultural	2.0
Streetlighting	1.1
Railway	2.2
Interdepartmental	2.0

#### Findings of Fact

1. By Application 82-02-09, PG&E requests authority to reduce its electric rates and charges under the ECAC included in PG&E's electric tariff.

2. The proposed rates will decrease PG&E's electric revenues by about \$100 million.

3. The rate reduction should be spread among customer classes on a uniform cents-per-kWh basis.

4. The reduction in rates and charges authorized by this decision is justified and reasonable; the present rates and charges, insofar as they differ from those prescribed by this decision, are for the future unjust and unreasonable.

Conclusions of Law

1. PG&E should be authorized to establish the revised ECAC billing factors set forth in the following order; these rates are just and reasonable.

2. In order to provide for timely implementation of the rate reduction, the order should be effective the date of signature.

INTERIM ORDER

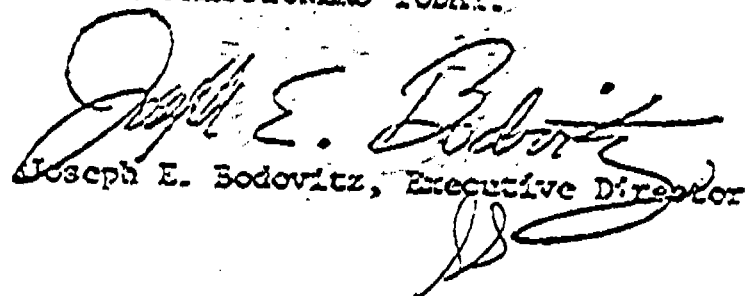
IT IS ORDERED that Pacific Gas and Electric Company shall establish and file with this Commission, in conformity with the provisions of General Order 96-A, revised tariff schedules of ECAC billing factors as shown in Appendix A, and to revise its street-lighting rates accordingly. The revised tariff schedules shall become effective the date of filing but not earlier than February 18, 1982. The revised schedules shall apply only to service rendered on or after the effective date of this order.

This order is effective today.

Dated FEB 17 1982, at San Francisco, California.

JOHN E. DRYSON  
President  
RICHARD D. GRAVELLE  
LEONARD M. GRIMES JR.  
VICTOR CALVO  
PRISCILLA C. CREW  
Commissioners

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

  
Joseph E. Bodovitz, Executive Director

## APPENDIX A

Adopted Rates (\$/KWh)

Class	Present <sup>1/</sup> Base Rates	Present ECAC Rates	Adopted ECAC Rates	Present Effective Rates	Adopted Effective Rate
<u>Residential</u>					
Tier 1	.03964	.03207	.02961	.07071	.06925
Tier 2	.03964	.05582	.05385	.09546	.09349
Tier 3	.03964	.08923	.08656	.12887	.12620
Non-residential		.05406	.05227		

Time-of-Use ECAC Billing Factors

<u>Schedule A-21</u>	<u>Period A</u>	<u>Period B</u>
On-Peak	.08157	.06770
Partial-Peak	.04829	.05175
Off-Peak	.04114	.04372
<u>Schedules A-22 and A-23</u>	<u>Period A</u>	<u>Period B</u>
On-Peak	.05953	.05799
Partial-Peak	.05304	.05279
Off-Peak	.04896	.05044

<sup>1/</sup> Includes AER = \$.00276/KWh  
 SFA = \$.00002/KWh  
 CFA = \$.00018/KWh

(END OF APPENDIX A)