

Decision 82 07 116 JUL 21 1982**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Power & Light Company Under Section 454 of the Public Utilities Code of the State of California for authority to increase rates for electric service.	)	Application 60560 (Filed May 18, 1981; amended September 17, 1981)
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ORDER MODIFYING DECISION 82-05-042  
AND DENYING REHEARING

A Petition for Rehearing of Decision 82-05-042 has been filed by Pacific Power and Light Company. We have thoroughly reviewed all of the allegations raised in the petition and are of the opinion that good cause for granting rehearing has not been shown. We are further of the opinion that the clarification sought with respect to the attrition allowance is directly inconsistent with the intent of the Commission as expressed on page 30 of Decision 82-05-042, as follows:

"This attrition allowance should be based on the results of operations for the 1982 test year adopted in this decision and should take into account any modifications of the 1982 results that arise from the final cost allocation decision discussed above."

However, upon review, it is concluded that Decision 82-05-042 should be modified in several respects. Therefore, IT IS ORDERED that D.82-05-042 is modified as follows:

1. Finding of Fact 5a is added to state:
  - "5a. The existing cost allocation methodology is in need of change."

2. Finding of Fact 5b is added to state:

"5b. The growth share 1968 base year allocation, adjusted to reflect our other decisions on expenses, rate base, rate of return and ERTA, is reasonable for purposes of this interim decision."

IT IS FURTHER ORDERED that rehearing of Decision 82-05-042, as modified herein, is denied.

The effective date of this order is today.

Dated JUL 21 1982, at San Francisco, California.

RICHARD D. GRAVELLE  
VICTOR CALVO  
PRISCILLA C. GREW  
Commissioners

I dissent.

JOHN E. BRYSON, Commissioner.

Commissioner Leonard M. Grimes, Jr.,  
being necessarily absent, did not  
participate.

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

  
Joseph E. Bodovitz, Executive Director