

A.60809 L/JTQ:bw

**ORIGINAL**Decision 83 02 065 FEB 16 1983

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Re Resolution E-1930 authorizing )  
 PACIFIC GAS AND ELECTRIC )  
 COMPANY to establish a 1981 )  
 underground conversion budget )

Application 60809  
 (Filed October 6, 1981)

ORDER MODIFYING AND GRANTING  
LIMITED REHEARING OF D. 82-12-069

A petition for rehearing of Decision (D.) 82-12-069 has been filed by the City and County of San Francisco and a Petition for Modification has been filed by the League of California Cities (League). Responses have been filed by Pacific Gas and Electric Company (PG&E) and by Southern California Edison Company (Edison). We have considered each and every allegation in said petitions and are of the opinion that good cause for granting rehearing has been shown, limited to determining whether a 13% increase accurately represents the extent by which the actual undergrounding costs of PG&E have exceeded its estimated undergrounding costs.

Moreover, we believe that, with respect to PG&E, it is appropriate to modify certain of our determinations in D. 82-12-069 with additional discussion and a finding, as well as an additional conclusion of law and ordering paragraph.

Accordingly, IT IS ORDERED THAT the following changes are made in D. 82-12-069:

1. The decision is modified as follows:

(a) The following is added to the paragraph at the top of Page 7:

"In line with the goal of having undergrounding funds more closely track actual expenditures, we believe that it is appropriate for PG&E to use actual undergrounding expenditures when determining carryover amounts. This change to charging actual expenditures against Rule 20A allocations will result in a more accurate computation of carryover and will make PG&E's Rule 20A accounting more consistent with that used by Edison and San Diego Gas and Electric Company (SDG&E). The change shall operate prospectively from January 1, 1982. The 1981 and 1982 budget amounts, along with carryover amounts and the amounts available through PG&E's advance policy -- whose continuation we order herein -- should allow cities and counties to maintain effective participation in the undergrounding program. Also, these budget amounts best reflect our desire to mitigate as much as possible in these times of economic difficulty, the impact of underground conversion costs on the ratepayers at large -- who ultimately bear such costs."

(b) The following finding is added:

"3a. Charging actual undergrounding conversion expenditures against Rule 20A allocations will result in a more accurate computation of carryover and will make PG&E's Rule 20A accounting more consistent with that used by Edison and SDG&E."

(c) The following conclusion of law is added:

"2a. PG&E's change to charging actual undergrounding expenditures against Rule 20A allocations should operate prospectively from January 1, 1982."

(d) The following ordering paragraph is added:

"3a. PG&E's change to charging actual undergrounding conversion expenditures against Rule 20A allocations shall operate prospectively from January 1, 1982."

2. Rehearing of D. 82-12-069 is granted, limited to determining what cost increase percentage best represents the

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extent by which actual expenditures for the underground conversion of PG&E powerlines have exceeded estimated undergrounding costs.

Such limited rehearing shall be heard at such time and place and before such Commissioner or Administrative Law Judge as shall hereafter be determined.

The Executive Director shall serve notice of such hearing upon the parties in accordance with the Commission's Rules of Practice and Procedure.

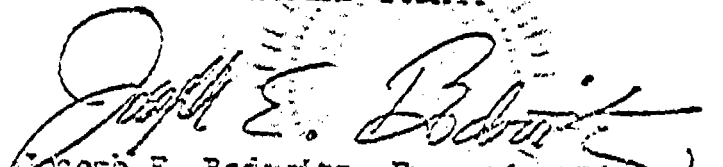
3. Except as granted herein, rehearing and modification of D. 82-12-069 is denied.

This order is effective today.

Dated FEB 16 1983 at San Francisco, California.

LEONARD M. GRIMES, JR.  
President  
VICTOR CALVO  
PRISCILLA C. GREW  
DONALD VIAL  
Commissioners

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

  
Joseph E. Bodovitz, Executive Director