Decision 83 12 053 DEC 20 1983

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of SOUTHERN CALIFORNIA EDISON COMPANY for authority to increase rates charged by it for electric service.

Application 61138 (Filed December 18, 1981)

ORDER DENYING PETITION FOR MODIFICATION OF DECISION 82-12-055

On October 4, 1983, Toward Utility Rate Normalization (TURN) filed its petition entitled "Emergency Petition for Modification of Decision 82-12-055, and Motion for Further Hearing." The petition, which was filed in Application (A.) 61138, Southern California Edison Company's (SCE) general rate case for test year 1983, requests that the Commission:

- 1. Schedule hearings for the purpose of examining the rate impacts associated with San Onofre Nuclear Generating Station Unit No. 1 (SONGS 1) and the cost-effectiveness of modifications necessary to comply with Nuclear Regulatory Commission (NRC) seismic safety standards;
- 2. Immediately issue an order removing SONGS 1 from Edison's rate base and establish a memorandum account in which all future expenses related to SONGS 1, including allowance for funds used during construction (AFUDC), would be recorded; and
- 3. Cease the accumulation of AFUDC in the memorandum account on January 1, 1984, absent a showing by Edison that NRC approval has been obtained on the specific modifications necessary for compliance with that agency's seismic safety requirements.

On the following day, October 5, 1983, we issued our Order Instituting Investigation (OII) 83-10-02 for the purpose of

determining whether SONGS 1 should be removed from the rate bases of Edison and San Diego Gas & Electric Company (SDG&E). In OII 83-10-02, we stated that: "There is considerable uncertainty with respect to when, if ever, SONGS 1 will resume normal commercial operation." The Commission initiated this investigation "to determine whether present circumstances warrant removing SONGS 1 from rate base pending final resolution of its future."

Our OII also ordered Edison to file a report explaining the current status of SONGS 1 and to provide responses to 14 related questions. On November 14, 1983, Edison complied by submitting a filing entitled "Report of Southern California Edison Company in Response to OII No. 83-10-02." The OII provides for public hearings to be held for consideration of this status report, as well as the recommendations of the Commission staff, interested parties, and the public. TURN will have an opportunity for full participation in this investigation.

On October 31, 1983, Edison filed its Advice Letter 636-E in compliance with Ordering Paragraph 6 of D.82-12-055, which authorized Edison to request by advice letter filing revised rates to recover its additional revenue requirement for the attrition year 1984. Concurrently with this order, we are issuing a resolution which authorizes rates to recover, in part, the additional attrition year revenue requirement requested by Edison in the advice letter. The resolution makes all SONGS 1 costs, including the sleeving costs included in the revenue requirement subject to refund, thereby protecting Edison's ratepayers until the pertinent issues are resolved in OII 83-10-02.

We find that the consumers' interests are adequately protected by OII 83-10-02 and the resolution and that no useful purpose would be served at this time by modifying D.82-12-055 and holding further hearings in A.61138. We conclude that the petition should be denied.

This order is being made effective today to coincide with our issuance of the resolution.

IT IS ORDERED that TURN's petition and motion are denied. This order is effective today.

Dated DEC 20 1983 , at San Francisco, California.

LEONARD M. GRIMES, JR.
Prosident
VICTOR CALVO
PRISCILLA C. GREW
DONALD VIAL
WILLIAM T. BAGLEY
Commissioners

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

Goseph E. Bodovicz,

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