

L/EWO:mbh

Decision 84 01 063 JAN 19 1984

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's )  
 own motion to determine whether )  
 San Onofre Nuclear Generating )  
 Station Unit 1 should be ordered ) OII 83-10-02  
 removed from the rate base of )  
 Southern California Edison )  
 Company and San Diego Gas and )  
 Electric Company. )

ORDER AMENDING OII

On October 5, 1983 the Commission instituted an investigation (OII-83-10-02) to determine whether San Onofre Nuclear Generating Station Unit 1 (SONGS 1) should be removed from the rate base of Southern California Edison Company and San Diego Gas and Electric Company. In order to clarify procedures, and to allow consideration of a related issue regarding the amortization of expenses incurred in resleeving steam generator tubes at SONGS, 1, the OII should be amended.

Although the OII implies that rates may be modified as a consequence of this investigation, we did not explicitly state that rate changes may be ordered in this proceeding. In order to avoid any ambiguity, the OII should be amended to clearly state that rate changes may be ordered herein.

The OII should also be amended to broaden the issues under consideration to include consideration of whether the amortization of resleeving expenses should be suspended pending final resolution of the plant's future economic viability. In Decision No. 82-12-055 the Commission held that \$70.8 million incurred to resleeve degraded steam generator tubes at SONGS 1 should be considered an extraordinary maintenance expense and

amortized over four years. At the time the decision was issued it was not anticipated that the plant would remain out of service throughout 1983 and most of 1984. Neither was it anticipated that serious questions would exist regarding the future economic viability of the plant. The continued amortization of an expense as large as that incurred for resleeving should be reconsidered in light of these new developments. Accordingly,

IT IS ORDERED that OII 83-10-02 is hereby amended consistent with the discussion herein.

This order is effective today.

Dated JAN 19 1984, at San Francisco, California.

LEONARD M. GRIMES, JR.  
President

VICTOR CALVO  
PRISCILLA C. GREW  
DONALD VIAL  
WILLIAM T. BAGLEY  
Commissioners

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

  
Joseph E. Bodovitz, Executive Director