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Decision No. 87018

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of PACIFIC GAS AND ELECTRIC COMPANY for authority, among other things, to increase its rates and charges for electric service.

(Electric)

Application No. 55509  
(Filed February 25, 1975;  
amended October 16, 1975)

Application of PACIFIC GAS AND ELECTRIC COMPANY for authority, among other things, to increase its rates and charges for gas service.

(Gas)

Application No. 55510  
(Filed February 25, 1975;  
amended October 16, 1975)

(Appearances are listed in Appendix A.)

ORDER ON PETITION TO LIMIT ISSUES IN PROCEEDING

On January 5, 1977, Pacific Gas and Electric Company (PG&E) requested that the issues to be considered in Phase II of these proceedings be limited to conservation and income taxes and that further consideration of the rate structure be deferred to the electric and gas general rate increase applications which will be filed about April 30, 1977, if this petition is granted.

The Western Mobilhome Association urges that the implementation of Section 739.5 of the Public Utilities Code (Senate Bill 1747) be undertaken as an additional issue.

The California Manufacturers Association, Kerr-McGee Chemicals Corporation, Owens-Corning Fiberglass Corporation, General Motors Corporation, and Arco, Inc. have no objection to PG&E's request, provided no changes in rate design will be made prior to full hearings and a final decision in PG&E's forthcoming general rate proceeding.

The city of Oakland and the city of Palo Alto request that the petition be denied.

A.55509, A.55510 kd\*

Stuart W. Morse and growers represented by the law firm of Vaughan, Paul & Lyons have not supported or opposed the petition, but have noted that the present rate structure is causing severe hardship to these growers.

The California Farm Bureau Federation, the California Retailers Association, and the Energy Resources Conservation and Development Commission support the petition.

No other answers to the petition have been received timely.

IT IS ORDERED that the issues in Phase II of Applications Nos. 55509 and 55510 shall be limited to the consideration of the reasonableness of the allowance for income taxes and the evaluation of Pacific Gas and Electric Company's (PG&E) conservation efforts, including voltage reduction. However, this ruling does not preclude the assigned Commissioner and the presiding examiner from taking evidence on such other issues, which in their opinion, should be considered by the Commission in this proceeding.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 15<sup>th</sup> day of MARCH 1977.

Robert Bateman  
President

William J. Lyons

Vernon L. Sturgeon

Richard D. Howell  
Commissioners

APPENDIX A  
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LIST OF APPEARANCES

Applicant: Malcolm H. Furbush, Robert Ohlbach, and Kermit R. Kubitz, Attorneys at Law, for Pacific Gas and Electric Company.

Protestants: George R. Gilmour, Attorney at Law, and Sylvia M. Siegel, for Toward Utility Rate Normalization; N. S. Waltenspiel, for Windsorland Mobile Park and Russian River Gas Company; Jeffrey M. Haney, Deputy City Attorney, for the City of Oakland; Leroy L. Vukad, for Contra Costa County; and G. Sarkar, for the City of San Jose.

Interested Parties: Frank J. Dorsey and Robert L. Leslie, Attorneys at Law, for Consumer Interests of the Executive Agencies of the United States; Thomas J. Graff and David B. Roe, Attorneys at Law, for Environmental Defense Fund; Norman Elliot and John W. McClure, Attorneys at Law, for Committee to Protect California Economy; Brobeck, Phleger & Harrison, by Gordon E. Davis and William H. Booth, Attorneys at Law, for California Manufacturers Association; William H. Edwards and Ralph O. Hubbard, Attorneys at Law, for California Farm Bureau Federation; Thomas M. O'Connor, City Attorney and Robert R. Laughead, for the City and County of San Francisco; Morrison & Foerster, by Charles R. Farrar, Jr., Thomas R. Cochran, and James P. Bennett, Attorneys at Law, for Kerr-McGee Chemical Corporation; Alan Bruce, for the Town of San Anselmo; H. W. Carmack, for the City of Oakland; Vaughan, Paul & Lyons, by John G. Lyons, Attorney at Law, for Stuart Morshead; James F. Sorensen, for Friant Water Users Association, North San Joaquin Water Conservation District; Silver, Rosen, Fischer & Stecher, by John Paul Fischer, Attorney at Law, Edward Mrizek, Edward Aghjayan, George Thacher, and Robert T. Kyle, for the City of Palo Alto; Vernon Bown, Attorney at Law, for May 1st Workers Organization; Athearn, Chandler & Hoffman, by Donald H. Maffly, Attorney at Law, for Judson Steel Corporation; Gail Hamaker, for Santa Clara Valley Coalition;

APPENDIX A  
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LIST OF APPEARANCES

A. A. Zavala, Attorney at Law, for Department of Consumers Affairs; Edward V. Sherry, for Air Products & Chemicals, Inc.; Daniel J. Reed, for Department of Defense; David N. Valkenaar, for the City of Campbell; Kenneth J. Hedstrom, for State of California Department of Water Resources; Agnew, Miller & Carlson, by William J. Bogaard, Attorney at Law, for California Retailers Association; John D. Chandley and Bob Enholm, Attorneys at Law, for the State Energy Resources Development Commission; Thomas S. Knox, for California Retailers Association; Graham & James, by Boris H. Lakusta and David J. Marchant, Attorneys at Law, for Western Mobilehome Association and California Hotel and Motel Association; Rodney L. Larson, for Southern California Edison Company; Henry R. Mac Nicholas, Attorney at Law, for Airco, Inc.; John K. Mc Nally, for IBEW Local Union 1245; Sylvia M. Siegel and Robert Spertus, Attorney at Law, for TURN, Consumers' Co-op of Berkeley, San Francisco Consumer Action, Consumer Federation of California, Consumers of the City of San Anselmo, County of Marin, etc.; Vernon H. Waight, for the California Department of Transportation; Earl R. Sample, for Southern California Edison Company; Melvin E. Mezek, for Utility Research; Pettit, Evers & Martin, by Joseph Martin, Jr., Attorney at Law, for Owens, Corning Fiberglass; Kenneth M. Robinson, Attorney at Law, for Kaiser Steel Corporation, Kaiser Cement and Gypsum Corporation, and Kaiser Industries Corporation; Downey, Brand, Seymour & Rohwer, by Jeffery H. Speich and Philip A. Stohr, Attorneys at Law, for General Motors Corporation, Frazer E. Hilder, General Counsel, and Julius J. Hollis; and Tim Brackett, Albert Lewis Gielegem, and Carl H. Mandler, for themselves.

Commission Staff: Elinore C. Morgan, Attorney at Law, K. K. Chew, Donald Houck, and George A. Amaroli, for the Commission staff.