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Decision No.

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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of SAN DIEGO GAS & ELECTRIC COMPANY for authority, among other things, to increase its rates and charges for electric service.

In the Matter of the Application of SAN DIEGO GAS & ELECTRIC COMPANY for authority, among other things, to increase its rates and charges for gas service.

In the Matter of the Application of SAN DIEGO GAS & ELECTRIC COMPANY for authority, among other things, to increase its rates and charges for steam service. Application No. 55627 (Filed April 16, 1975)

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Application No. 55628 (Filed April 16, 1975)

Application No. 55629 (Filed April 16, 1975)

ORDER GRANTING LIMITED REHEARING, MODIFYING, AND DENYING STAY OF DECISION NO. 88697.

On April 11, 1978, the Commission issued Decision No.88697, authorizing the San Diego Gas and Electric Company (SDG&E) to increase its gas and electric rates. It has subsequently come to the Commission's attention that the calculation of federal income taxes for the purposes of said Decision may be incorrect. The Decision expressed the Commission's intention to reconsider federal income taxes in the course of proceedings on SDG&E's next general rate application (NOI 3, accepted for filing March 8, 1978). In order to make clear that federal income taxes will be the subject of further consideration, we will grant rehearing on this issue and consolidate it with hearings on NOI 3. Another petition for rehearing and stay of Decision No. 88697 was filed by the City of San Diego. The Commission, after considering the allegations raised in said petition, finds that no good cause for rehearing or stay has been shown.

IT IS ORDERED THAT:

A rehearing is granted limited to the issue of federal income taxes, said rehearing to be consolidated with hearings on NOI 3.

The Executive Director is directed to cause appropriate notice of limited rehearing to be mailed to all parties at least ten (10) days before such limited rehearing.

Except as provided herein, rehearing and stay of Decision No. 88697 is hereby denied.

The effective date of this order is the date hereof. Dated at <u>San Francisco</u>, California, this <u>27</u> The day of <u>JUNE</u>, 1978.

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Me concur: A should be noted confully that all potential means of scoreing a considering concellation costs of Somboart are open & consideration in NOI3 now being heard. George And 1 m Tonna

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Commissioner Robert Batinovich, being necessarily absent, did not participate in the disposition of this proceeding.