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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's Own Motion into the Adequacy and Reliability of the Energy and Fuel Requirements and Supply of the Electric Public Utilities in the State of California.

Investigation on the Commission's own motion into the natural gas supply and requirements of gas public utilities in the State of California.

Investigation on the Commission's own motion into the establishing of priorities among the types of categories of customers of every electrical corporation and every gas corporation in the State of California and among the uses of electricity or gas by such customers. Case No. 9581 (Filed July 3, 1973)

Case No. 9642 (Filed December 18, 1973)

Case No. 9884 (Filed March 11, 1975)

SECOND INTERIM ORDER MODIFYING DECISION

The California Public Utilities Commission (CPUC) issued Decisions Nos. 86932 and 87241, dated February 1, 1977 and April 26, 1977, in these proceedings as interim emergency orders in response to both the natural gas shortage caused by extreme cold weather in the eastern United States and the severe hydroelectric curtailment occasioned by an extraordinary drought during the fall and winter of 1976 and the spring, summer and fall of 1977 in the western United States. Pursuant to these decisions, the Commission ordered electric and gas utility respondents to establish temperature limitations of 65°F. for heating and 78°F. for cooling in their tariff rules. These limitations were designed to be used for the duration of extreme emergency conditions with the understanding that the restrictions would be relaxed as changed conditions permitted.

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Decision No.

On July 3, 1978 the University of California (UC) requested a statement of Commission policy on the acceptability of a 68° F. to 78° F. "deadband" for space heating and cooling on the basis that the emergency period was over and the University Community was reluctant to continue to adhere to the extreme 65° F. limit. Subsequent to the UC request, the Commission staff corresponded with the four largest gas and electric public utilities as to current adherence of commercial and industrial customers to the 65° F. heating limitation.

Responses from the four major utilities indicated that:

Very few of their commercial/industrial customers are in full compliance with the temperature settings dictated by Rule 14.1. The 65°F. heating limit is generally considered to be somewhat uncomfortable and unnecessarily low in light of presently available energy supplies. Hospitals and health care facilities, in particular, feel there is no way they can comply with this regulation and conform with their charter of providing comfortable facilities for their patients. The utilities believe that most customers will accept the more severe limitations during emergencies, but will disregard the order once the crisis has passed.

Our staff also solicited comments on this matter from the California Energy Commission (CEC) staff which studied the temperature limitation issues, and provided a memo which contained the following key points.

- (1) The average commercial/industrial facility does not comply with the 65°F. temperature setting since it can cause a decrease in worker productivity due to discomfort. A 68-78°F. temperature deadband would, on the other hand, have no negative impact upon productivity.
- (2) In some situations energy savings may be reversed using a 65°F. thermostat setting since employees working at that temperature will tend to bring in their own portable electric heaters to improve personal working environments.

-2-

(3) The marginal savings realized for a 65°F. thermostat setting versus a 68°F. setting are fairly small in California's mild climate.

Findings

1. Temperature limitations set forth in Decisions Nos. 86932 and 87241 (and implemented in respondent utility tariff rules) were designed specifically to meet the needs of the emergency natural gas shortage caused by the cold weather in the winter of 1976-1977 and drought conditions which existed during the winter of 1976 and the spring, summer and fall of 1977.

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2. The emergency conditions requiring a 65°F. limit for heating are now passed and the public is reacting accordingly by setting temperatures higher, despite said tariff rules, for personal comfort.

3. Modifying the temperature setting from 65° F. to 68° F. as a limit for heating and retaining the 78° F. limit for cooling, thereby adopting a $68-78^{\circ}$ F. temperature deadband, will not significantly affect customer comfort but will continue to provide real energy savings. Furthermore, the softened temperature range may ultimately be more effective if it is seen as a more reasonable goal by both the customer and the utility.

4. A continued coordinated effort involving industry, the utilities, the Commission, and other governmental agencies in energy conservation programs is essential to reducing energy waste in California.

5. All customers of CPUC regulated utilities in California are called upon to continue their conscientious voluntary efforts in energy conservation.

-3-

<u>Conclusion</u>

The temperature limitations set forth in Decisions Nos. 86932 and 87241 (and implemented in respondent utility tariff rules) should be modified from $65^{\circ}F$. to $68^{\circ}F$. as a limit for heating and the $78^{\circ}F$. limit should be retained for cooling.

<u>ORDER</u>

IT IS HEREBY ORDERED that:

1. Within thirty days after the effective date of this order, each respondent electric utility shall file a modification of tariff Rule No. 14.1 consistent with the paragraphs contained in Appendix A attached hereto.

2. Within thirty days after the effective date of this order, each respondent gas utility, except Southern California Gas Company, shall file a modification of tariff Rule No. 14.1 consistent with the paragraphs contained in Appendix B attached hereto.

3. Within thirty days after the effective date of this order, Southern California Gas Company shall file this same modification for its tariff Rule No. 23.1 consistent with the paragraphs contained in Appendix B attached hereto.

Such filing shall be made in accordance with General Order No. 96-A and shall be effective as of the date of filing.

The effective date of this order is the date hereof.

day of _	Dated at OCTOBER	San Francisco	, California,	this <u>31st</u>
		, 1978.		
			Robert Baturink	
			·	President

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APPENDIX A

I. Changes to Rule 14.1 of Electrical Energy

"PROHIBITIONS AND CURTAILMENT PROVISIONS":

Paragraph B. J.a. c.d.

Are changed to read:

3. Comfort Heating and Cooling:

a. During business hours, no customer shall at any time make, cause or permit any use of electrical energy in any commercial or industrial establishment to provide heat to raise the temperature therein above 50° F, nor to provide cooling to reduce the temperature therein below 75° F, except where other temperatures are specifically required by law. Where it is not established that a net energy savings can be achieved by operating space conditioning equipment during non-business hours, such equipment shall be turned off.

c. Electrical energy shall not be used by hotels, motels, similar quest accommodation establishments, or restaurants to heat or cool vacant quest rooms. The $68^{\circ}F$ temperatures in occupied rooms should be reduced to $55^{\circ}F$ during sleeping hours except where other temperatures are required by law. Occupied rooms shall not be cooled below $78^{\circ}F$.

d. No customer shall make, cause or permit any use of electrical energy for the heating of residences, apartments or condominiums above 55°F during the active hours of the day and 55°F during the sleeping hours or for cooling them below 75°F, except for medical reasons or where other temperatures are required by law.

APPENDIX B

I. Changes to Rule No. 14.1^{$\frac{1}{}$} of Natural Gas Energy

"INTERIM EMERGENCY ORDER-PROHIBITIONS, CONSERVATION, AND CURTAILMENT PROVISIONS"

Paragraph B.2.a.b.c.

Are changed to read:

2. Comfort Heating and Cooling:

a. During business hours, natural gas should not, at any time, be caused or permitted to be used in any commercial or industrial establishment to provide heat to raise the temperature therein above 50° F, except where other temperatures are specifically required by law, or for medical reasons.

b. Natural gas used by all hotel, motel, and similar guest accommodation establishments and restaurants should not be used to heat vacant guest rooms. The 56°F temperature in occupied rooms should be reduced to 55°F during sleeping hours, except where other temperatures are required by law.

c. Natural gas should not be caused or permitted to be used for heating by residences, apartments and condominiums above $55^{\circ}F$ during the active hours of the day and not above $55^{\circ}F$ during the sleeping hours, except for medical reasons or where other temperatures are required by law.

1/ Rule No. 23.1 will be changed in a similar manner by Southern California Gas Company.