Decision No. <u>90769</u> AUG 28 1979 ORIGINAL BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA Investigation on the Commission's ) own motion into the establishing ) by regulation or order necessary )

or desirable requirements to implement the HOME INSULATION ASSISTANCE & FINANCING PROVISIONS of newly enacted Public Utilities Code Sections 2781 through 2788, inclusive, as they apply to electrical corporations and gas corporations under the jurisdiction of the Commission.

Case No. 10032 (Filed January 13, 1976; amended February 15, 1977)

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## ORDER MODIFYING DECISION NO. 88551 AND DECISION NO. 88928 AND TERMINATING STAY

On or about June 30, 1978, Southern California Gas Company (SoCal), San Diego Gas and Electric Company (SDG&E) and Southwest Gas Company (Southwest) instituted judicial review of portions of Decision No. 88551 and Decision No. 88928 in this proceeding by seeking writs of review in the California Supreme Court (Court) . (S.F. No. 23869, S.F. No. 23871 and S.F. No. 23870, respectively).

In recognition of that review we stayed those decisions until further order of this Commission by Decision No. 89093, issued on July 11, 1978. However, the limited rehearing of Decision No. 88551, granted by Decision No. 88928, was actually held and an interim opinion after that rehearing was issued on May 22, 1979, as Decision No. 90308.

The aforementioned writs of review were granted by the Court. Oral argument was heard on May 1, 1979, and, on July 18, 1979, the Court filed an order which concluded that, "... the commission lacks the authority to require the implementation of an insulation financing assistance program ...," (p. 9, slip), and that "... [t]he commission also lacks the authority to disregard the specific financing provisions set forth in the Home Insulation Assistance and

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Financing Act ... " (Section 2781, et seq. of the Public Utilities Code) (p. 10, slip). The Court ordered that, "... [t]hose portions of Decision No. 88551, as modified by Decision No. 88928, which purport to require the implementation of a home insulation financing program are annulled ... " (p. 11, slip), therefore,

- IT IS ORDERED that Decision No. 88551, as modified by Decision No. 88928, is hereby further modified as follows:

1. Ordering Paragraph 1 shall read in full as follows:

All utilities are authorized to implement the home insulation assistance and financing provisions of Public Utilities Code Sections 2781 through 2788. Unless otherwise authorized, a program implemented under those provisions shall provide a maximum loan of \$500 per single family residence or \$2,500 per multiple unit residential dwelling, with a \$400 limit per multiple family unit. Any utility which decides to institute such a program is directed to inform its customers thereof by a utility bill insert.

2. Ordering paragraph 3 is rescinded in view of the subsequent rehearing and the ordering paragraphs of Decision No. 90308 dealing with the same subject matter.

3. Ordering paragraph 5 shall read in full as follows:

The utilities shall file with this Commission a report within ninety days after the end of each calendar year on the progress and status of any financial assistance or other retrofit insulation programs implemented or continued during the preceeding year. This report may be incorporated as a part of each major energy utility's regular report on conservation for those utilities now required to file such reports by Decision No. 86501. In that report, the utilities shall include any suggested or contemplated changes in their insulation programs for the ensuing year.

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IT IS FURTHER ORDERED that the stay of Decision No. 88551 and Decision 88928 as modified herein is hereby terminated.

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The effective date of this order is the date hereof. Dated at <u>Sen Francisco</u>, California, this <u>26</u> day of AUGUST , 1979. issioners

Commissionor Claire T. Dodrick. being necessarily absent. did not participate in the disposition of this proceeding.

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