ALJ/bw



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Decision 93637 CCT 20 1981

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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In the Matter of the Application of SAN DIEGO GAS & ELECTRIC COMPANY for Modification of Paragraph 1 in D.86501.

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. Application 60969 (Filed October 5, 1981)

Case 9581 (Filed July 3, 1973)

Case 9642 (Filed December 18, 1973)

Case 9884 (Filed March 11, 1975)

ORDER MODIFYING DECISION 86501

Ordering Paragraph 1 of Decision (D.) 86501 reads as follows:

"1. Pacific Gas and Electric Company, San Diego Gas & Electric Company, Southern California Edison Company, and Southern California Gas Company shall annually file by not later than December 1, a comprehensive plan for energy conservation for the subsequent year." A.60969 et al. ALJ/bw

By Application (A.) 60969 filed October 5, 1981, San Diego Gas & Electric Company (SDG&E) seeks modification of Ordering Paragraph 1 of D.86501 to read as follows:

> "1. Pacific Gas and Electric Company, San Diego Gas & Electric Company, Southern California Edison Company, and Southern California Gas Company shall annually file a comprehensive plan for energy conservation. For years not subject to General Rate Application, subject plan shall be filed not later than December 1 of the previous year. For years subject to General Rate Application, such plan shall be filed not later than 90 days after a final Decision is rendered in the General Rate Application."

In support of this request, SDG&E states as follows:

The utilities affected by Ordering Paragraph 1 of D.86501 normally file for general rate increases on a biannual basis. As part of such filing, the utilities request certain funds to implement conservation activities and submit reports on proposed conservation activities. Other parties and the Commission's staff submit reports regarding proposed conservation activities. All proposals are subject to testing as part of the public hearing process in the general rate application.

Until a decision is rendered by the Commission in the general rate application, the utility's proposed conservation activities represent the utility's conservation plan for the test year. Once a decision is rendered by the Commission, that plan can be modified to reflect actual authorized levels of activity and expenditure. Until such a decision is reached, preparation of a separate conservation plan from that already submitted in the general rate application represents an unjustified duplication of effort.

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Under Ordering Paragraph 1, SDG&E filed Conservation plans for the years 1977 through 1980. At the December 1, 1980 due date for the 1981 plan, SDG&E had pending a general rate A.59788 with a 1981 test year. SDG&E, by letter dated December 11, 1980, submitted copies of its report on conservation from its Amended Notice of Intent filing for test year 1982 in place of the plan required by Ordering Paragraph 1 of D.86501. SDG&E subsequently submitted, by letter dated April 14, 1981, a revised 1981 conservation plan reflecting the conservation level authorized by D.92557 in SDG&E's A.59788 and certain requested program funding level modifications. This revised plan was accepted with modifications by letter from Executive Director Bodovitz dated May 20, 1981.

SDG&E currently has pending a general rate A.59788 based upon test year 1982. As part of that filing, SDG&E submitted a Comprehensive Report on Energy Conservation (Exhibit 79) which contained SDG&E's proposed Conservation Plan for 1982. Until a decision is rendered in this application, a final determination as to conservation activities cannot be made by SDG&E.

Therefore, SDG&E proposes that D.86501 be modified to accept the Conservation Report submitted with a general rate application as an interim Conservation plan and to require that a final conservation plan to be submitted within 90 days of a final decision in the utility's general rate application. During years not subject to a general rate application, SDG&E proposes no change to the filing schedule.

Pacific Gas and Electric Company (PG&E), by letter dated September 3, 1981, requested an extension of the deadline in Ordering Paragraph 1 of D.86501 until 45 days after the effective date of the decision to be rendered in its 1982 test year general rate proceeding in A.60153, expected in mid-December.

A.60969 et al. ALJ/bw *

The staff of the Energy Conservation Branch (ECB) believes that the requested delay is warranted. An extension of time will minimize the expense incurred by electric utilities in preparing and printing their 1982 conservation plans. If the utilities are required to file by the existing deadline of December 1, 1981, much of their work might have to be revised in order to conform to the Commission's subsequent rate case decisions. However, ECB recommends that the extension of time be limited to 60 days so that this report filing will not conflict with another conservation report which is due annually from these utilities March 31.

ECB recommends that SDG&E's request be granted on an ex parte basis. We believe that no useful purpose would be served by a public hearing in the matter. This order should be effective today since it affects a date for compliance that would, absent this order, be December 1, 1981.

Findings of Fact

1. The requested extension of the reporting date for utilities' energy conservation plan from December 1 of each year until 90 days after the effective date of the decision rendered by the Commission in the utilities' general rate application is excessive and could coincide with another major conservation report due date (March 31 of each year). However, a 60-day extension would be reasonable.

2. This time extension will help to minimize the expense incurred by the utilities in preparing and printing their 1982 conservation plans, and avoid any duplication of effort that might otherwise result from any necessity to revise their 1982 plans to conform with decisions in forthcoming general rate applications. <u>Conclusion of Law</u>

The requested modification of Ordering Paragraph 1 of D.86501 is reasonable and should be adopted.

IT IS ORDERED that Ordering Paragraph 1 of D.86501 is amended to read as follows:

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1. Pacific Gas and Electric Company, San Diego Gas & Electric Company, Southern California Edison Company, and Southern California Gas Company shall annually file a comprehensive plan for energy conservation. For years not subject to a general rate application, the plan shall be filed not later than December 1 of the previous year. For years subject to a general rate application, the plan shall be filed not later than 60 days after a final decision is issued in the general rate application.

This order is effective today.

Dated October 20, 1981, at San Francisco, California.

JOHN E. BRYSON President RICHARD D. GRAVELLE LEONARD M. GRIMES, JR. VICTOR CALVO PRISCILLA C. GREW Commissioners