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Decision 95-09-011 September 7, 1995

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of San Diego Gas & Electric Company (U 902-M) for an Ex Parte Order Authorizing SDG&E to Discontinue Its Research, Development and Demonstration Clean Air Vehicle Program and to Shift RD&D Funds to Other RD&D Programs. )

) Application 93-12-023  
) (Filed December 16, 1993)

**ORIGINAL**

(See Decision 95-04-069 for appearances.)

OPINION ON PETITION TO MODIFY DECISION 95-04-069

In this application, San Diego Gas & Electric Company (SDG&E) sought permission to shift \$498,000 of annual clean air vehicle research, development, and demonstration (RD&D) funds into other RD&D activities. In Decision (D.)95-04-069, the Commission approved SDG&E's request. However, in a settlement that preceded the decision, SDG&E and the Division of Ratepayer Advocates (DRA) agreed that the company would no longer rely on ratepayer funds to conduct research relating to new central station electricity generation. Specifically, SDG&E and DRA agreed to the elimination of an advanced gas turbine project, for which \$200,000 would have been allocated. In Footnote 1 to D.95-04-069, the Commission directed SDG&E to return the unallocated \$200,000 to ratepayers.

In its Petition for Modification dated June 9, 1995, SDG&E argues that under the language of D.95-04-069, it would not be allowed to redirect the \$200,000 to other RD&D projects. SDG&E asks for a modification to more clearly allow for a redirection of the funds. No one objects to this request.

It is not our intent to preclude the reasonable use of those funds for other RD&D projects so long as the redirection of funds is consistent with applicable guidelines and decisions. Otherwise, the funds must be returned to ratepayers. We will modify one sentence in D.95-04-069 in an effort to clarify our intent.

Finding of Fact

It is not our intent to preclude SDG&E from redirecting \$200,000, previously allocated to advanced gas turbine research, to other appropriate RD&D activities, so long as such a redirection is consistent with applicable guidelines and decisions.

Conclusion of Law

D.95-04-069 should be modified to more clearly state that the \$200,000 can be redirected.

O R D E R

IT IS ORDERED that Footnote 1 of D.95-04-069 is modified to read as follows:

Nonetheless, SDG&E and DRA do agree that the Advance Gas Turbine represents a new central station technology and that, for the time-being, the Fuel Cells, Energy Storage, Alternative Energy System and Distributed Generation Study projects would be classified as relating to distribution generation. Thus, the \$200,000 for Advanced Gas Turbine RD&D shown in 1994 are unallocated funds to be returned to ratepayers for 1995 and beyond, unless they are reasonably

spent on other RD&D activities in a manner consistent with applicable guidelines and decisions.

This order is effective today.

Dated September 7, 1995, at Los Angeles, California.

DANIEL Wm. FESSLER  
Président  
P. GREGORY CONLON  
JESSIE J. KNIGHT, JR.  
HENRY M. DUQUE  
Commissioners

I CERTIFY THAT THIS DECISION  
WAS APPROVED BY THE ABOVE  
COMMISSIONERS TODAY

*Wesley Franklin*  
Acting Executive Director