

SEP. 8 1995

Decision 95-09-020 September 7, 1995

SDG&E proposes to combine the notices to avoid the customer BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to (a) by only a notice separated by SDG&E
revise the time schedules for the } R.87-11-012
Rate Case Plan and fuel offset } (Filed November 13, 1987)
proceedings (b) SDG&E seeks further adjustments to the rate schedule

ECAC proceedings schedule to be held on the same date as the proceedings for the rate case plan and fuel offset. The ECAC proceedings schedule to be held on the same date as the proceedings for the rate case plan and fuel offset.

OPINION

ORIGINAL

Summary

unchanged. SDG&E notes that a similar adjustment was authorized for facilities gas and electric company in D. 89-01-040. The Commission adopts minor changes to the schedules adopted in Decision (D.) 89-01-040 for processing San Diego Gas & Electric Company's (SDG&E) Energy Cost Adjustment Clause (ECAC) proceedings and Rate Design Window (RDW) proceedings.

SDG&E's Petition

On June 22, 1995 SDG&E petitioned to modify D.89-01-040 and D.93-06-092. These decisions were issued in Rulemaking (R) 87-11-012 and Application (A.) 92-10-017, respectively. As the proceedings have not been consolidated, we will address the petitions to modify the two decisions by issuing separate orders in the respective dockets. This decision resolves SDG&E's petition to modify D.89-01-040.

SDG&E finds there is a need for better coordination of filings necessary under existing ratemaking mechanisms (such as ECAC proceedings) with those necessary under performance-based ratemaking (PBR) mechanisms. SDG&E requests that the schedule for processing ECAC proceedings that was adopted in D.89-01-040 be adjusted to require SDG&E to file its annual applications on October 15 rather than September 29. Under the base rate PBR mechanism adopted in D.94-08-023, SDG&E is required to file an advice letter each year on October 15 to set its base revenue requirement for the upcoming calendar year. Both the ECAC application and the advice letter filing are publicly noticed.

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SDG&E proposes to combine the notices to avoid the customer confusion and the additional costs that can arise from having two notices separated by only a few weeks. This can be accomplished by delaying the ECAC application by approximately two weeks.

SDG&E seeks further adjustments to the remainder of the ECAC processing schedule to accommodate the proposed change of filing date. The effective date of ECAC rate changes would be moved from May 1 to June 1 to preserve adequate time in the overall schedule for all parties. The ECAC forecast period would remain unchanged. SDG&E notes that a similar adjustment was authorized for Pacific Gas and Electric Company in D.92-02-051. Recognizing that the current schedule has always been in conflict with the December holiday season, SDG&E proposes adjustments that would reduce such conflicts. SDG&E believes that adding approximately two weeks to the overall ECAC schedule will be helpful to all parties, including the administrative law judge, who is often under severe time pressure to complete the proposed decision and incorporate Section 311 comments.

In addition, SDG&E requests that the schedule for filing its RDW proceedings be adjusted by scheduling the filing on November 1 instead of November 20-25. SDG&E explains that the base rate PBR mechanism adopted in D.94-08-023 modified the schedule for its RDW filings, and that it seeks to align the rate case plan with its PBR mechanism. RDW rate changes would be effective June 1 rather than May 1 to be concurrent with the ECAC rate changes.

Response to the Petition

There are no protests to SDG&E's petition. The Division of Ratepayer Advocates (DRA) filed a response to the petition. DRA requests that SDG&E's petition be granted. DRA believes the proposed changes will assist all parties, and concurs with SDG&E's reasoning as set forth in the petition. DRA states that while it could justify more time in the ECAC schedule for its analysis of

filings made under the new Generation and Dispatch ratemaking mechanism, it accepts the proposed schedule on its own.

Discussion

Among other things, D.89-01-040 adopted schedules for the orderly processing of ECAC proceedings and RDW proceedings of the major electric utilities. We have found that it is necessary to revise those schedules from time to time so that all parties can benefit from improvements suggested by experience with the prosecution of such filings. In this petition, SDG&E proposes minor changes to the ECAC and RDW schedules. The base rate PBR mechanism adopted for SDG&E in D.94-08-023 created filing requirements that are either in conflict with or could be better coordinated with the schedules in D.89-01-040. SDG&E's proposed schedule changes will resolve the conflicts and provide better coordination of ECAC and base rate filings, and should also help ease the burden the current ECAC schedule places on all parties and the Commission. SDG&E's base rate PBR mechanism is experimental in nature and subject to change or cancellation after 1998 and we might be inclined to change only the PBR mechanisms, leaving the D.89-01-040 schedules unchanged. However, we adopted the base rates mechanism with the intention of maintaining program stability for the duration of the experiment (D.94-08-023, page 38). We therefore adopt SDG&E's proposals.

With respect to RDW proceedings, we note that SDG&E proposes changing only the initial filing date and the effective date of rate changes. These are the first and last steps in the schedule. The intervening ten events in the RDW schedule would remain unchanged. It would seem reasonable to adjust the other elements of SDG&E's RDW proceedings as well, but we decline to do so on this record. We recognize that it may be appropriate for the administrative law judge to do so in individual proceedings.

Findings of Fact

1. There are no protests to SDG&E's petitions and DRA requests that the petition be granted.

2. Better coordination of filings will result by delaying the ECAC filing to coincide with the PBR advice letter which SDG&E is required to file each year on October 15.

3. Moving the ECAC rate change effective date from May 1 to June 1 allows additional time for parties to prepare and submit testimony and allows other changes to reduce conflicts with the December holiday season.

4. Moving the schedule for filing of SDG&E's RDW proceedings to November 15 instead of November 20-25 is necessary to align their rate case plan with the PBR mechanism.

5. Moving the effective date of RDW rate changes to June rather than May 1 allows those changes to take place concurrently with the ECAC rate changes.

Conclusions of Law

SDG&E's petition to modify D.89-01-040 should be granted as provided in the following order.

This order should be made effective on the date signed so that SDG&E and interested parties may begin preparations for the orderly processing of SDG&E's upcoming ECAC and RDW filings.

ORDER With respect to RDW proceedings, we note that SDG&E proposes changing only the initial filing date and the effective date of rate changes. **IT IS ORDERED** that:

Appendix B of Decision (D) 89-01-040, as modified by D.91-07-057 and D.93-07-030, is further modified by replacing pages B 5, B 6, and B 18 with the respective page revisions which are set forth in the appendix to this decision.

2. Appendix D of D.89-01-040, as modified by D.92-02-051 and D.92-08-033, is further modified by replacing pages D 2, D 7, D 8, and D 9 with the respective page revisions which are set forth in the appendix to this decision.

This order is effective today.

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

DANIEL Wm. FESSLER
President
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

APPENDIX TO DECISION 95-09-020

- I. REVISIONS TO APPENDIX B OF DECISION 89-01-040,
AS MODIFIED BY D.91-07-057 and D.93-07-030

Revised Pages

B 5
B 6
B 18

- II. REVISIONS TO APPENDIX D OF DECISION 89-01-040,
AS MODIFIED BY D.92-02-051 and D.92-08-033

Revised Pages

D 2
D 7
D 8
D 9

SUMMARY OF ELECTRIC
RATE DESIGN WINDOWS

Day Schedule¹

RCP

Parties may file proposed electric rate design revisions from July 20th to 25th², November 1³ November 20th to 25th⁴ or December 20th to 26th⁵ prior to an attrition year with copies served on all other parties

0	July, November or December 26th (see footnote) of Test Year and first Attrition year
30	Comments on proposed rate design revisions to be submitted and served on all parties
44	Replies to comments to be submitted and served
58	ALJ ruling on the necessity to reopen the GRC for consideration of any or all electric rate design proposals
72	Hearings begin
76	Last day of hearings
83	Concurrent briefs submitted and served.
107	ALJ Draft decision filed and served on all parties
127	Initial comments on ALJ Draft filed and served
132	Reply comments on ALJ Draft filed and served
142	Final decision expected by this date

1 If Day falls on Saturday, Sunday or holiday, the next working day should be observed.

2 PP&L and SPPC

3 SDG&E

4 PG&E

5 SCE

TABLE 1

SUMMARY OF ELECTRIC RATE DESIGN WINDOW SCHEDULES

Day Schedule	Event	PG&E Date	SPPC Date	SCE Date	SOG&E Date	PP&L Date
0	Proposed electric rate design revisions filed.	25-Nov	25-Jul	25-Dec	01 Nov	25-Jul
30	Comments on proposed revisions due.	25-Dec	24-Aug	24-Jan	25-Dec	24-Aug
44	Reply to comments due.	08-Jan	07-Sep	07-Feb	08-Jan	07-Sep
58	ALJ rules on reopening GRC.	22-Jan	21-Sep	21-Feb	22-Jan	21-Sep
72	Hearings begin.	05-Feb	05-Oct	07-Mar	05-Feb	05-Oct
76	Last day of hearings.	09-Feb	09-Oct	11-Mar	09-Feb	09-Oct
83	Concurrent briefs submitted.	16-Feb	16-Oct	18-Mar	16-Feb	16-Oct
107	ALJ draft decision due.	12-Mar	09-Nov	11-Apr	12-Mar	09-Nov
127	Initial comments on draft due.	01-Apr	29-Nov	01-May	01-Apr	29-Nov
132	Reply to comments on ALJ draft due.	06-Apr	04-Dec	06-May	06-Apr	04-Dec
142	Final decision due.	16-Apr	14-Dec	16-May	16-Apr	14-Dec
	Date rates become effective.	01-May	01-Jan	a/	01 JUN	01-Jan

a/ Rates are effective the first Sunday in June

Note:

If the above dates fall on Saturday, Sunday, or holiday, the next working day should be observed.

ELECTRIC RATE DESIGN WINDOWS⁷

Day 0

Any party to the last general rate case may propose revisions to the adopted rate designs from July 20th to 25th⁸, November 1⁹, November 20th to 25th¹⁰, or December 20th to 26th¹¹ prior to an attrition year. All proposals must be complete and include:

All proposals must be complete and include:

1. The proposed revisions
2. Full justification for the revisions
3. An explanation why the revision should be considered prior to the next general rate case
4. A reconciliation with the latest adopted revenue requirement and class allocations

An original and 12 copies shall be filed with the docket office and copies served on all parties to the rate case. Workpapers shall be delivered by Day 0 to the DRA and utility project managers and any other party requesting them (see pages B 21 through B 25).

Day 30

Any party served may comment on the proposals within 30 days. The comments shall be limited to responding to the filings and shall not raise new proposals. Such comments shall be submitted and served on all parties.

7 If Day falls on Saturday, Sunday or holiday, the next working day should be observed.

8 P&L and SPPC

9 SDG&E

10 PG&E

11 SCE

TABLE 2
SUMMARY OF ECAC SCHEDULE

Day Schedule	Event	PG&E Date	SPPCo Date	SCE Date	SOG&E Date
-60	Record period ends.	e/ 31-Dec	30-Jun	31-Mar	31-Jul
-60	Informal meetings to discuss draft data request begin.	31-Jan	30-Jun	31-Mar	31-Jul
-45	Informal meetings end.	15-Feb	15-Jul	15-Apr	15-Aug
-45	Informal (Master) data request to utilities due.	15-Feb	15-Jul	15-Apr	15-Aug
-21	a/ Staff audit begins.	11-Mar	08-Aug	09-May	08-Sep
-7	a/ Staff audit completed.	25-Mar	22-Aug	23-May	22-Sep
0	Application filed with workpapers.	01-Apr	29-Aug	30-May g/	15 Oct
10	First Prehearing Conference (PAC).	11-Apr	08-Sep	09-Jun	25 Oct
14	Formal staff data requests to utility due.	15-Apr	12-Sep	13-Jun	29 Oct
b/	b/ IER Workshops.	b/	b/	b/	
28	Utility responses to formal data requests due.	29-Apr	26-Sep	27-Jun	12 Nov
60	Staff report mailed w/ workpapers.	31-May	28-Oct	29-Jul g/	13 Jan
70	Intervenor's testimony due.	10-Jun	07-Nov	08-Aug g/	28 Jan
78	c/ Second Prehearing Conference.	18-Jun	15-Nov	16-Aug	2 Feb
88	Hearings begin.	28-Jun	25-Nov	26-Aug	7 Feb
106	Hearings end.	16-Jul	13-Dec	13-Sep	21 Feb
120	Briefs due.	30-Jul	27-Dec	27-Sep	6 Mar
127	Reply briefs due (Optional).	06-Aug	03-Jan	04-Oct	13 Mar
134	ALJ ruling on resource mix issued.	13-Aug	10-Jan	11-Oct	18 Mar
141	IER exhibits filed by all parties.	20-Aug	17-Jan	18-Oct	23 Mar
146	IER hearings begin.	25-Aug	22-Jan	23-Oct	28 Mar
147	IER hearings end.	26-Aug	23-Jan	24-Oct	29 Mar
164	Draft ALJ decision issued.	12-Sep	09-Feb	10-Nov	15 Apr
184	Comments on ALJ draft due.	02-Oct	01-Mar	30-Nov	5 May
189	Reply to comments on ALJ draft due.	07-Oct	06-Mar	05-Dec	10 May
194-209	Decision signed.	27-Oct f/	26-Mar	25-Dec	30 May
	Rates effective/forecast period begins.	01-Jan	01-Apr	01-Jan	01-May h/
293	d/ Trigger filing.	19-Jan	18-Jun	19-Mar	19-Jul
323	Trigger DRA report.	18-Feb	18-Jul	18-Apr	18-Aug
328	Trigger PAC	23-Feb	23-Jul	23-Apr	23-Aug
333	Trigger hearings begin.	28-Feb	28-Jul	28-Apr	28-Aug
337	Trigger hearings end.	04-Mar	01-Aug	02-May	01-Sep
351	Draft ALJ Trigger decision issued.	18-Mar	15-Aug	16-May	15-Sep
371	Comments on ALJ Trigger decision due.	07-Apr	04-Sep	05-Jun	05-Oct
376	Reply to comments on ALJ Trigger dec. due.	12-Apr	09-Sep	10-Jun	10-Oct
390	Trigger decision signed.	26-Apr	23-Sep	24-Jun	24-Oct
	Trigger filing rates take effect.	01-May	01-Oct	01-Jul	01-Nov

a/ The staff audit for the forecast and the record periods will be combined whenever possible.

b/ To be decided by CACB Arbitrator.

c/ Additional PAC to identify issues, positions of parties, areas for stipulation, schedules of witnesses, etc.

d/ Trigger filings based on the conditions in D.83-02-076 are mandatory.

e/ Does not reflect Day -60.

f/ Revenue allocation and adopted rates may be considered in a subsequent decision.

g/ See detailed "Annual ECAC Review Schedule" for exception.

h/ SDG&E's rates become effective June 1.

Note: If the above dates fall on Saturday, Sunday, or holiday, the next working day will be observed.

3. Staff engineer's field investigation begins. The utility shall make available to the staff all records pertaining to power plant operations and maintenance, purchased power transactions, power pooling, gas gathering facilities, dispatch center and other information applicable to the ECAC review as requested.

Day 10

First prehearing conference.

Day 14

Formal data requests to utility due.

Day to be determined by CACD arbitrator

IER workshops held. Workshops should occur early in the proceeding to allow the parties sufficient time to investigate modelling issues and develop a base case set of assumptions. Any party using a production simulation model shall run a base case set of assumptions on its preferred model and make the result available to all parties. The arbitrator as a result of the workshops shall provide in a timely fashion a final report to the presiding ALJ that describes: (1) base case resource plan assumptions, (2) base case modelling conventions, and (3) the parties' explanation of differences in model results.

Day 28

Formal data responses from utility due.

Day 60 (Day 90 for SDG&E)

Staff report with workpapers mailed to all parties.

Updated data restricted to changes in fuel mix, fuel prices and the balance in the balancing account provided by the utility to all participants. In years when the Commission's final decision on electric rate design in Edison's GRCs is implemented, the service date for staff's prepared testimony on rate design in Edison's ECAC proceeding will be determined by the ALJ at the first prehearing conference which, for Edison, is scheduled for June 9.

Day 70 (Day 105 for SDG&E)

Intervenors' testimony with supporting workpapers filed. In years when the Commission's final decision on electric rate design in Edison's GRCs is implemented, the service date for intervenors' prepared testimony on rate design in Edison's ECAC proceeding will be determined by the ALJ at the first prehearing conference which, for Edison, is scheduled for June 9.

Day 78 (Day 110 for SDG&E)

Second prehearing conference held to identify issues, establish position of parties, identify areas for stipulation, set schedule of witnesses and other related matters.

Day 88 to 106 (Day 115 to 129 for SDG&E)

Public hearings held. Unless directed otherwise by the assigned ALJ no bulk or major updating amendments or recorded data to amend the final exhibits, prepared testimony, or other evidence shall be allowed other than the recorded changes in fuel mix, fuel prices and the balance in the balancing accounts. If time permits, the last two days of hearings will be set aside for limited rebuttal testimony.

Day 120 (Day 143 for SDG&E)

Briefs due.

Day 127 (Day 150 for SDG&E)

Reply briefs due. (Optional)

Day 134 (Day 155 for SDG&E)

ALJ ruling on resource mix issued.

Day 141 (Day 160 for SDG&E)

Incremental Energy Rate (IER) exhibits filed by all parties. These exhibits are to address only the changes in IER calculations and revenue requirements resulting from the ALJ's resource mix ruling. No other changes in input assumptions or model

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conventions are permitted from those presented in the earlier exhibits and hearings (Days 88-106; or days 115-129 for SDG&E).

Day 146 to 147 (Day 165 to 166 for SDG&E)

IER hearings held. These hearings are limited to consideration of the final IER numbers advocated by each party and the impact of the resource mix adopted by the ALJ in the ruling of day 134 (Day 155 for SDG&E).

Day 164 (Day 183 for SDG&E)

ALJ draft decision issued.

Day 184 (Day 203 for SDG&E)

Comments due on ALJ draft decision.

Day 189 (Day 208 for SDG&E)

Reply comments due.

Day 194-209 (Day 213 to 228 for SDG&E)

Decision signed by Commission. For PG&E, revenue allocation and adopted rates may be considered in a subsequent decision.

Day 209-216 (Day 230 for SDG&E)

Rates become effective. For PG&E, rates become effective January 1. For SDG&E, rates become effective June 1.

Day 293

If the conditions set forth in D.83-02-076 are met, a trigger filing shall be made. Such filing is mandatory unless a timely petition for relief from this requirement, specifying the reasons for requesting exemption, has been made and granted by the Commission.

Day 323

Staff report with workpapers on trigger filing mailed to all.