

OCT. 9 1996

Decision 96-10-012 October 9, 1996

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Petition for Modification of)
 Resolution E-3062, San Diego Gas &)
 Electric Company, Electric)
 Department, requesting an increase)
 in base rate revenue to offset 1988)
 operational and financial attrition)
 and certain expense adjustments)
 effective January 1, 1988, concurrent)
 with other pending rate adjustments)
 and other previously authorized rate)
 increases: By Advice Letter 719-E,)
 filed October 15, 1987. (U-907-E))

ORIGINAL

Application 88-01-030
(Filed January 27, 1988)

ORDER OF DISMISSAL

By Motion filed June 28, 1996 applicant San Diego Gas & Electric Company (SDG&E) requests leave to withdraw its Petition for Modification of Resolution E-3062 (Petition). SDG&E states that the relief sought by the Petition pertains to a system of rate regulation that has now been replaced by performance-based ratemaking, making the request effectively out-of-date.

The petition originally filed on January 27, 1988, sought a revenue requirement increase of \$1,092,400 to offset certain pre-1988 plant additions to San Onofre Nuclear Generating Station Units (SONGS) 2 and 3, which recovery had been denied in Resolution E-3062, based on the Commission's belief that these expenses had been allowed recovery in an earlier submission. At the request of staff, SDG&E amended the Petition to reflect an offsetting revenue requirement reduction of \$544,000 due to use of an updated cost of capital to certain SONGS investment calculations.

However, staff and SDG&E were unable to reach agreement on the correct net adjustment for these items, and as a result, the matter was never brought before the Commission for disposition.

There is no opposition to the Motion.

At this time, performance-based ratemaking has effectively made this matter moot. For reasons of procedural convenience, we will dismiss SDG&E's petition for modification, rather than authorizing withdrawal of the petition, as SDG&E requested.

Findings of Fact

1. SDG&E requests leave to withdraw its Petition.
2. Performance-based ratemaking has made the request for relief in the Petition moot.

Conclusions of Law

1. The Petition should be dismissed.
2. Except to the extent granted in this decision, the motion of SDG&E for leave to withdraw its petition for modification of Resolution E-3062 is denied.

IT IS ORDERED that:

1. San Diego Gas & Electric Company's Petition for Modification of Resolution E-3062 is dismissed.
2. This proceeding is closed.

This order becomes effective 30 days from today.

Dated October 9, 1996, at San Francisco, California.

P. GREGORY CONLON
President
DANIEL Wm. FESSLER
JESSIE J. KNIGHT, JR.
HENRY M. DUQUE
JOSIAH L. NEEPER
Commissioners