

Decision 98-02-030 February 4, 1998

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Commission's Proposed Policies Governing Restructuring California's Electric Services Industry and Reforming Regulation.

Rulemaking 94-04-031
(Filed April 20, 1994)

Order Instituting Investigation on the Commission's Proposed Policies Governing Restructuring California's Electric Services Industry and Reforming Regulation.

Investigation 94-04-032
(Filed April 20, 1994)

ORDER MODIFYING DECISION 97-10-087

Summary

Southern California Edison Company (Edison) and San Diego Gas & Electric Company (SDG&E) filed a joint petition on December 2, 1997 to modify section P.(1)(b) of Appendix A of Decision (D.) 97-10-087. This decision adopts the modification to this section as proposed by Edison and SDG&E.

Petition to Modify

D.97-10-087 adopted the tariff provisions for direct access. Edison and SDG&E seek to modify section P.(1)(b) of Appendix A of that decision. That tariff provision addresses the situation when there is a partial payment under consolidated billing by the utility distribution company (UDC). Section P.(1)(b) states:

"Partial payments by customers will be allocated first to the TTA [trust transfer amount], then to other UDC charges for which delinquency may result in disconnection, and then the balance will be prorated between the ESP and UDC charges."

Edison and SDG&E seek to modify that tariff provision to the following:

"Partial payments by customers will be allocated on a pro rata basis to the TTA and to UDC charges for which delinquency may result in disconnection, and then any balance will be prorated between the ESP and other UDC charges."

Edison and SDG&E propose the change in order to make D.97-10-087 consistent with the Commission's prior determinations in D.97-09-054, D.97-09-055, D.97-09-056, and D.97-09-057. Those four decisions address the rate reduction bonds authorized by Assembly Bill 1890 (1996 Stats. Ch. 854). The TTA is referred to in those four decisions as the fixed transition amount (FTA) charges.¹ Similar ordering paragraphs 11 of D.97-09-055, D.97-09-056, and D.97-09-057 require the utilities to allocate partial payments on a pro rata basis between the FTA charges and other utility charges. (See D.97-09-054, p. 27.) According to the petition for modification, this allocation plan formed part of the factual basis upon which an opinion was rendered in order to obtain a AAA rating for the rate reduction bonds. To ensure that the rate reduction bonds retain the highest bond rating, Edison and SDG&E request that D.97-10-087 be modified to make it consistent with the four decisions addressing the issuance of the rate reduction bonds.

No one has filed any response to the petition to modify D.97-10-087.

In order to promote consistency between our decisions, and to ensure that the bond ratings for the rate reduction bonds are not affected, we will adopt the modification proposed by Edison and SDG&E. Section P.(1)(b) of Appendix A of D.97-10-087 should be modified to reflect the language proposed above. Our discussion of this tariff provision at pages 51 and 52 of D.97-10-087 remains unchanged.

Findings of Fact

1. Edison and SDG&E filed a joint petition to modify D.97-10-087 on December 2, 1997.
2. Section P.(1)(b) of Appendix A of D.97-10-087 addresses the allocation of a partial payment when the UDC issues a consolidated billing statement.

¹ The reason why the TTA reference was used in D.97-10-087 instead of the FTA is explained at page 18 of D.97-10-087.

3. In D.97-09-054, D.97-09-055, D.97-09-056, and D.97-09-057, the Commission stated that partial payments should be allocated on a pro rata basis between the FTA charges and other utility charges.

4. According to the petition, the allocation plan contained in those four decisions formed part of the factual basis upon which an opinion was rendered in order to obtain a AAA rating for the rate reduction bonds.

5. No responses to the petition to modify were filed.

Conclusion of Law

To promote consistency between Commission decisions, and to ensure that the bond ratings for the rate reduction bonds are not affected, the modification proposed by Edison and SDG&E should be adopted.

IT IS ORDERED that:

1. The joint petition to modify Decision (D.) 97-10-087, filed by Southern California Edison Company and San Diego Gas & Electric Company on December 2, 1997, is granted.

2. Section P.(1)(b) of Appendix A of D.97-10-087 shall be modified and replaced with the following:

R.94-04-031, I.94-04-032 ALJ/JSW/mrj

"Partial payments by customers will be allocated on a pro rata basis to the TTA and to UDC charges for which delinquency may result in disconnection, and then any balance will be prorated between the ESP and other UDC charges."

This order is effective today.

Dated February 4, 1998, at San Francisco, California.

RICHARD A. BILAS
President
P. GREGORY CONLON
JESSIE J. KNIGHT, JR.
HENRY M. DUQUE
JOSIAH L. NEEPER
Commissioners