

Decision 99-03-040 March 18, 1999

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company to Identify and Separate Components of Electric Rates, Effective January 1, 1998 (U 39 E)

Application 96-12-009
(Filed December 6, 1996)

Application of San Diego Gas and Electric Company (U 902 M) for Authority to Unbundle Rates and Products

Application 96-12-011
(Filed December 6, 1996)

In the Matter of the Application of Southern California Edison Company (U 388 E) Proposing the Functional Separation of Cost Components for Energy, Transmission and Ancillary Services, Distribution, Public Benefit Programs and Nuclear Decommissioning, To Be Effective January 1, 1998 in Conformance With D.95-12-036 as Modified by D.96-01-009, the June 21, 1996 Ruling of Assigned Commissioner Duque , D.96-10-074, and Assembly Bill 1890.

Application 96-12-019
(Filed December 6, 1996)

OPINION

Summary

This decision grants the petition to modify Decision (D.) 97-08-056 filed by Pacific Gas and Electric Company (PG&E) on December 30, 1998. The petition to modify asks the Commission to recognize \$14.214 million in rates to reflect the Commission's authorized level of funding for low-income energy efficiency programs.

Discussion

D.97-08-056 allocated costs and revenues between various electric utility functions and customer classes. In so doing, the order assumed revenue requirements adopted in other Commission decisions. For energy efficiency programs, the decision used the funding level adopted in D.97-02-014 and pursuant to Public Utilities (Pub. Util.) Code Sections 381 and 382. Those code sections require PG&E to spend \$106 million annually on energy efficiency services. D.97-02-014 directed PG&E to spend about \$14 million on low-income energy efficiency programs. PG&E assumed this funding was included as part of the \$106 million funding required by Sections 381 and 382. D.97-08-056 therefore used this revenue requirement in allocating costs among the various rates and accounts. Subsequently, we issued D.97-12-103 which clarified that the \$14 million authorized in D.97-02-014 for low income programs was not part of the statutory funding level for energy efficiency programs. PG&E subsequently filed Advice Letter 1724-E/2059-G to implement this Commission finding. However, the Commission found in Resolution E-3529 that an advice letter was not the appropriate vehicle to implement the revenue increase and on that basis declined to approve the advice letter proposal. Instead, the resolution directed PG&E to create an Electric Low-Income Direct Assistance Memorandum Account to track the low-income program funding. PG&E sought such authority in Advice 1818-E, filed November 12, 1998. PG&E subsequently filed this petition to modify to implement the findings of D.97-12-103.

This petition to modify is motivated by PG&E's attempt to comply with Commission decisions. No party has protested this petition to modify. We grant PG&E's petition to modify herein.

Waiver of Comment Period

This is an uncontested matter in which the decision grants the relief requested. Accordingly, pursuant to Pub. Util. Code Section 311(g)(2), the otherwise applicable 30-day period for public review and comment is being waived.

Findings of Fact

1. D.97-08-056 assumed in error that a total of \$106 million would be allocated for energy efficiency programs, including the low-income energy efficiency programs. D.97-12-103 found that the \$14 million authorized for low-income energy efficiency programs for PG&E is in addition to the \$106 million allocated to energy efficiency programs by Sections 381 and 382.

2. In accordance with Resolution E-3529, PG&E has sought authority to account for low-income energy efficiency funding in its Electric Low-Income Direct Assistance Memorandum Account.

Conclusion of Law

The Commission should grant PG&E's petition to modify D.97-08-056.

O R D E R

IT IS ORDERED that the petition to modify Decision (D.) 97-08-056 filed by Pacific Gas and Electric Company (PG&E) on December 30, 1998 is granted. Appendix D of D.97-08-056 is hereby modified according to PG&E's revised Appendix D, attached to its petition to modify so as to reflect in PG&E's revenue

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requirements the appropriate funds allocated to PG&E's low-income energy efficiency programs. ~

This order is effective today.

Dated March 18, 1999, at San Francisco, California.

RICHARD A. BILAS
President
HENRY M. DUQUE
JOSIAH L. NEEPER
Commissioners