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Decision 99-07-030 July 22, 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 & 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 ON PETITION FOR MODIFICATION
OF DECISION 98-06-026 FILED ON
BEHALF OF THE FOUNDATION FOR
TAXPAYER AND CONSUMER RIGHTS
AND PUBLIC MEDIA CENTER**

Summary

This decision denies the petition to modify Decision (D.) 98-06-026 filed on August 27, 1998 by the Foundation for Taxpayer and Consumer Rights and Public Media Center (Petitioners). The petition to modify asked the Commission

to change the language the electric utilities include in their bills to describe the Trust Transfer Amount (TTA).

The Petition to Modify

Petitioners allege that D.98-06-026 replaced a simple description of the TTA with a description that will mislead electric customers. Petitioners also allege that "(t)ime and again it has been demonstrated that the 10 percent reduction is simply a 'fig leaf' designed to keep consumers quiet in the face of the largest piece of corporate welfare ever enacted. It is undisputed that consumers are actually paying for their own rate reduction." Petitioners characterize as "fraud" the failure to make clear to consumers that "consumers are not receiving any substantial reduction in their electricity costs as a result of deregulation, and they will continue paying the TTA charge over the next 10 years, long after the 10 percent reduction is gone." Petitioners suggest that the Commission's decision was designed to "defuse growing anger" on the part of consumers by obfuscating the truth.

Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), and San Diego Gas & Electric Company (SDG&E) oppose the petition to modify. All three argue that petitioners failed to support their many factual allegations with evidence or reference to the record.

Discussion

Petitioners offer their common view that we erred when we changed the description of the TTA in D.98-06-026.

The petition to modify argues that the description of the TTA ordered by D.98-06-026 is confusing. We agree that it is. The ratemaking and financing mechanisms enacted by AB 1890 are complex. Our decision to change the way those mechanisms are described on customer bills required us to trade some degree of simplicity for increased precision. We would not expect the results to

satisfy everyone and we have no evidence to determine whether the new language satisfies the needs of customers for better information. Nevertheless, we applied our best judgment to the task and believe that, at this point, we would not serve customer interests by requiring yet another change to their bills.

We deny the petition to modify D.98-06-026.

Comments on Draft Decision

The draft decision of Administrative Law Judge Malcolm in this matter was mailed to the parties in accordance with Pub. Util. Code Section 311(g) and Rule 77.1 of the Rules of Practice and Procedure. Southern California Edison Company filed comments on June 30, 1999 in support of the proposed decision.

Findings of Fact

1. The Commission issued D.98-06-026 following inquiries from electric customers and on the basis of the record in Application 96-12-009 et al.
2. Petitioners present no compelling evidence to support changing the description of the TTA included in customer bills and ordered by D.98-06-026.

Conclusion of Law

The Commission should deny the petition to modify D.98-06-026 filed on August 27, 1998 by the Foundation for Taxpayer and Consumer Rights and the Public Media Center.

O R D E R

IT IS ORDERED that the petition to modify Decision 98-06-026 filed on August 27, 1998 by the Foundation for Taxpayer and Consumer Rights and Public Media Center is denied.

This order is effective today.

Dated July 22, 1999, at San Francisco, California.

RICHARD A. BILAS
President
HENRY M. DUQUE
JOSIAH L. NEEPER
JOEL Z. HYATT
CARL W. WOOD
Commissioners