PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY
AND COMPLIANCE DIVISION
Energy Branch

RESOLUTION E-3136
March 22, 1989

R E S O L U T I O N

RESOLUTION E-3136. PACIFIC GAS & ELECTRIC COMPANY (PG&E). ORDER AUTHORIZING REVISION TO ELECTRIC RATE SCHEDULES FOR SMALL AND MEDIUM GENERAL USE IN ORDER TO CLARIFY THEIR TITLES AND APPLICABILITY.

SUMMARY

1. By Advice Letter 1236-E, Filed January 13, 1989, PG&E requests authorization to modify electric rate Schedules A-1, A-6, A-10 and A-11, which provide service to PG&E's small and medium general service customers, in order to clarify the titles and applicability of these schedules.

2. This resolution approves PG&E's request.

BACKGROUND

1. Schedule A-11 was first approved by the Commission in Resolution E-2080, dated April 16, 1986. It was created as a time-of-use (TOU) option to the then-existing Schedules A-1 and A-10. This schedule is designed for service to medium use commercial customers with a maximum monthly demand of less than 500 kw.

2. Both Schedule A-1 and A-10 exclude service to residential customers. Although Schedule A-11 is an alternative option to these two schedules and even though PG&E has never provided

service to any non-commercial customer, the Applicability clause of Schedule A-11 does not currently contain any language specifically excluding residential customers from this schedule.

3. The purpose of this filing is for clarification and organizational consistency. The revision to Schedule A-11 specifies that it includes single-phase alternating current, but it is not applicable to residential customers.

4. Even though this change will, in no way, affect any customer currently on these schedules and the closing of Schedule A-11 to residential customers will not alter the utility's service practice under this schedule, the addition of this statement to the filed tariff schedules creates a more restrictive condition from that presently stated in the tariffs, thereby requiring Commission approval.

DISCUSSION

1. To aid customers in examining the rate options offered by PG&E, all of the above schedules have been renamed to more accurately reflect the type of service they provide. The schedules have been renamed as follows:

Schedule	Old Title	New Title
A-1	General Service	Small General Service
A-6	Small Time Of Use Service	Small General Time Of Use Service
A-10	Alternative Rate For Medium-Use Customers	Medium General Demand-Metered Service
A-11	Medium Time-Of-Use Service	Medium General Demand-Metered Time-Of-Use Service

2. The utility alleges that the revisions of these tariff schedules will in no way alter the substantive content or service application of any schedule nor will it increase any rate or charge, cause the withdrawal of service nor conflict with any other schedule or rule.

3. The Commission Advisory and Compliance Division (CACD) has reviewed this filing and concurs with PG&E's assessment as stated above with the exception of noting that while no schedule has been withdrawn, the revision to Schedule A-11 will in effect withdraw this schedule from any possible future consideration by residential customers.

4. CACD recommends approval of the name changes because they better describe the service offered.

5. Rates under Schedule A-11 and in fact, under all A rate schedules were designed to recover revenues from non-residential customers. Therefore, CACD recommends that the proposed clarification of Schedule A-11 be approved.

6. Public notification of this filing has been made by mailing copies of this filing to other utilities, governmental agencies and to all interested parties who requested such notification.

PROTESTS

1. On February 2, 1989, the Commission received a protest to PG&E Advice Letter 1236-E from the Department of the Navy. The protest was filed on behalf of the military family housing complex at the Concord Naval Weapons Station.

2. On October 7, 1988, the Navy requested that PG&E allow them to change the electric service at the Concord station from Schedule EM to Schedule A-11. The Navy cited a potential cost savings as the reason for the proposed switch.

3. PG&E refused this request on the grounds that even though there has never been any specific language in the tariff schedule barring residential customers from taking service under this schedule, it was PG&E's practice to provide service under commercial rate schedules only to commercial customers. It appears likely that this request by the Navy was instrumental in prompting PG&E to make this filing in order to correct this oversight in the tariffs.

4. The Navy further contends that if PG&E is successful in reclassifying this one account, then all Navy accounts throughout the state are in jeopardy of being reclassified, thereby resulting in a significant increase in the Navy's cost to purchase electricity.

4 PG&E's response to the protest, dated February 14, 1989, clarifies that the Navy account is not being reclassified to a higher rate schedule. It is simply not reclassified to a lower rate schedule that it is not entitled to.

5. PG&E points out that the denial of the Navy's request to receive commercial rates for a residential installation is in keeping with the Commission's direction to make utility rates cost based. The Utility alleges that to allow residential customers, such as Navy personnel to take service under Schedule A-11 would constitute a rate subsidy, which would have to be borne by other ratepayers.

FINDINGS

1. PG&E's request to amend the rate schedules presented in this filing is minor in nature and is just and reasonable.

2. PG&E's proposed revision to the tariff sheets of Schedule A-11, which specifies that this rate schedule is not applicable to residential customers is for the purpose of closing an existing "loophole", rather than closing the rate schedule from potential customers.

3. Allowing residential customers, such as the Navy Department, the opportunity to participate in lower commercial rates to which they are not entitled would defeat the Commission's policy of cost based rates.

4. Denying the Navy access to the A-11 rate schedule will not create undue hardship on the customer due to the fact that it will continue to pay the same rate that it has been paying all along. No increase in rates will be generated to this customer through this action. Therefore, the Navy's protest should be rejected.

THEREFORE, IT IS ORDERED that:

1. Pacific Gas & Electric Company is authorized under the provisions of Section 454 of the Public Utilities Code to place Advice Letter 1236-E and accompanying tariff sheets into effect today, which constitutes more than 40 days regular statutory notice.

2. Advice letter 1236-E and accompanying tariff sheets shall be marked to show that they were accepted for filing by Commission Resolution E-3136. This resolution is effective today.

I hereby certify that this resolution was adopted by the Public Utilities Commission at its regular meeting on March 22, 1989. The following Commissioners approved it:

Victor Weisser
Executive Director

G. MITCHELL WILK
President
FREDERICK R. DUDA
STANLEY W. HULETT
JOHN B. OHANIAN
Commissioners

Commissioner Patricia Eckert,
present but not participating