

## PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY  
AND COMPLIANCE DIVISION  
Energy Branch

RESOLUTION E-3173\*  
January 9, 1990

R E S O L U T I O N

RESOLUTION E-3173. SAN DIEGO GAS & ELECTRIC COMPANY  
AUTHORIZED TO REDUCE STEAM RATES BY \$12,252 OR 0.9%  
OF THE ANNUAL STEAM REVENUE.

BY ADVICE LETTERS 164-H AND 164-H-A, FILED NOVEMBER  
22, 1989 AND DECEMBER 29, 1989, RESPECTIVELY.

SUMMARY

1. By Advice Letter 164-H, filed November 22, 1989, San Diego Gas & Electric Company (SDG&E) requests authorization to revise the Steam Energy Cost Adjustment Clause (ECAC) adjustment rates and the Steam Revenue Adjustment Mechanism (SRAM) balancing rates.
2. On December 29, 1989, SDG&E filed Supplemental Advice Letter 164-H-A. This supplement combined a previously approved \$60,000 Financial and Operational Attrition (FOA) revenue increase with the ECAC and SRAM revenue changes requested in Advice Letter 164-H.
3. The combined changes requested in Advice Letter 164-H-A result in an annual net revenue increase of approximately \$47,748 or 3.5% of annual steam revenue.
4. This resolution approves SDG&E's request.

BACKGROUND

1. Advice Letter 163-H filed on September 29, 1989 requested authorization to revise the Preliminary Statement to reflect an increase in the Authorized Base Rate Revenue of \$60,000 which will result from 1990 FOA. This matter was approved by Resolution G-2901 on December 18, 1989 and the approved revenue revisions became effective on January 1, 1990.
2. Advice Letter 164-H, filed on November 22, 1989, requests rates reflecting an annual ECAC increase of \$302,548 and an annual SRAM decrease of \$314,800. The net effect of the two adjustments, a decrease of \$12,252, is based on recorded steam sales, (adjusted), for the twelve month period ending October 31, 1989. Steam sales and the number of customers have both declined since the last authorized rate change.

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NOTICE

1. Public notification of the 164-H filing was made by publishing in the Commission's calendar on December 1, 1989 and by mailing copies of the advice letter to other utilities, governmental agencies and to all interested parties who requested such notification.
2. SDG&E also served notice on each of its steam customers by mailing a copy of these filings to each customer.

PROTESTS

1. No protests to this Advice Letter were received.

DISCUSSION

1. The effective commodity charges are currently \$28.557 and \$28.844 per 1,000 pounds of steam for Schedules 1 and 2, respectively. With the proposed revisions, the rates will be \$29.535 and \$29.830. The development of the rate changes is shown in Appendix A, attached.
2. The revenue change proposed by SDG&E in Advice Letter 164-H is a net decrease of \$12,252. The previously authorized FOA increase (Advice Letter 163-H) of \$60,000 combined with this decrease of \$12,252 results in the rates shown in Appendix A.
3. To reduce rate changes, SDG&E requested that rates reflecting revenue revisions of Advice Letter 164-H be combined with the 1990 FOA (Advice Letter 163-H) revenue change. The revenue changes requested in Advice Letter 163-H are currently in effect, authorized by Commission Resolution G-2901 on December 18, 1989. CACD recommends that combined rate changes be authorized and that the rates become effective on the date of this resolution.
4. CACD has reviewed these filings and believes that they are accurate. CACD therefore recommends acceptance.

FINDINGS

1. SDG&E has filed supplemental tariff sheets in Advice Letter 164-H-A to reflect the combined revenues resulting from both Advice Letters 163-H and 164-H.
2. The steam rate revisions requested by Advice Letter 164-H, supplemented by Advice Letter 164-H-A, are just and reasonable and therefore should be adopted.

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THEREFORE IT IS ORDERED that:

1. San Diego Gas & Electric Company is authorized under the provisions of Sections 454, 490 and 491 of the Public Utilities Code to revise its rates for steam service in accordance with the supplemental tariff sheets filed by Advice Letter 164-H-A.
2. These rate revisions shall become effective on the effective date of this Resolution.
3. Advice Letter 164-H as supplemented by Advice Letter 164-H-A and its accompanying tariff sheets shall be marked to show that they were approved for filing by Commission Resolution E-3173.
4. This resolution is effective today,

I hereby certify that this resolution was adopted by the California Public Utilities Commission at its regular meeting on January 9, 1990. The following Commissioners approved it:

G. MITCHELL WILK  
President  
FREDERICK R. DUDA  
JOHN B. OHANIAN  
PATRICIA M. ECKERT  
Commissioners

  
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Acting Executive Director

Commissioner Stanley W. Hulett,  
being necessarily absent, did  
not participate.

## APPENDIX A

TABLE 1

## Summary of Rate Changes

	<u>Revenues at Present Rates</u>	<u>Revenues at Proposed Rates</u>	<u>Change</u>
<u>SRAM</u>			
<u>SRAM Base</u>			
<u>Customer Charges</u>			
Sched. 1	\$ 8,640	\$ 8,640	
Sched. 2	364	364	
Sub Total	<u>\$ 9,004</u>	<u>\$ 9,004</u>	
<u>Energy Charges including FOA increase</u>			
Sched. 1	\$ 1,234,319	\$ 1,287,398	
Sched. 2	142,399	149,320	
Sub Total	<u>\$ 1,376,718</u>	<u>\$ 1,436,718</u>	\$60,000
<u>SRAM Balancing</u>			
Sched. 1	(\$ 428,357)	(\$ 710,596)	
Sched. 2	( 49,416)	( 81,977)	
Sub Total	<u>(\$ 477,773)</u>	<u>(\$ 792,573)</u>	(\$314,800)
<u>ECAC</u>			
<u>ECAC Offset</u>			
Sched. 1	\$ 382,883	\$ 494,894	
Sched. 2	44,173	57,090	
Sub Total	<u>\$ 427,056</u>	<u>\$ 551,984</u>	
<u>ECAC Balancing</u>			
Sched. 1	\$ 36,251	\$ 195,495	
Sched. 2	4,180	22,555	
Sub Total	<u>\$ 40,430</u>	<u>\$ 218,050</u>	
Sub Total ECAC	<u>\$ 467,486</u>	<u>\$ 770,034</u>	\$302,548
<u>Total Rates</u>			
Sched. 1	\$ 1,233,735	\$ 1,275,832	
Sched. 2	141,699	147,351	
TOTAL	<u>\$ 1,375,435</u>	<u>\$ 1,423,183</u>	\$ 47,748

Rate change without FOA = \$47,748 - (\$60,000) = (\$12,252)

SRAM - Steam Revenue Adjustment Mechanism  
 ECAC - Energy Cost Adjustment Clause  
 FOA - Financial and Operational Attrition

APPENDIX ATABLE 2

## Table of Rate Changes

Schedule	SRAM Rates		ECAC Adjustment Rates		Effective Rates \$
	Base Rate \$	Balancing Rate \$	Offset Rate \$	Balancing Rate \$	
<u>Last Adopted</u>					
Schedule No. 1 All usage, per 1000 lbs.	28.772	(9.985)	8.925	0.845	28.557
Schedule No. 2 All usage, per 1,000 lbs	29.061	(10.085)	9.015	0.853	28.844
<u>Proposed</u>					
Schedule No. 1 All usage, per 1,000 lbs	30.006	(16.564)	11.536	4.577	29.535
Schedule No. 2 All usage, per 1,000 lbs	30.306	(16.730)	11.651	4.603	29.830