

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
COMMISSION ADVISORY AND COMPLIANCE DIVISION
Energy Branch

RESOLUTION E-3185
April 11, 1990

R E S O L U T I O N

RESOLUTION E-3185. PACIFIC POWER & LIGHT COMPANY REQUESTS AUTHORITY TO EXTEND FOR ONE YEAR ITS AGRICULTURAL PUMPING SERVICE EXPERIMENTAL SEASONAL REBATE, SCHEDULE PA-22.

BY ADVICE LETTER 224-E, FILED ON FEBRUARY 14, 1990

SUMMARY

1. By Advice Letter 224-E, Pacific Power & Light Company requests authority to extend its Agricultural Pumping Service Experimental Seasonal Rebate, Schedule PA-22, for the year 1990. PP&L also proposes to reduce the rebate from ten percent of the customer's bill to five percent.
2. This Resolution grants the request.

BACKGROUND

1. By Resolution E-3038, dated June 15, 1987, the Commission authorized PP&L to offer a ten percent rebate to customers served under Agricultural Pumping Service, Schedule PA-20, who had paid their 1987 electric bills on time. The original Schedule PA-22 was scheduled to expire at on January 31, 1988. The Commission authorized its extension on an annual basis for the years 1988 and 1989.
2. PP&L shareholders have absorbed all costs of this rebate payment. A memorandum account has been used to track the costs of the program.

NOTICE

1. Public notice of this filing was made by mailing copies of the advice letter to other utilities, governmental agencies and to all interested parties who requested such notification. Notice of the advice letter filing was published in the Commission calendar on February 21, 1990.

PROTESTS

1. No protests have been received by the Commission Advisory and Compliance Division (CACD).

DISCUSSION

1. The rebate program was started to prevent agricultural customers reducing their plantings, or ceasing to farm their land, and to encourage customers to use electric powered pumps for irrigation.
2. Eligibility requires timely 1990 monthly payments, full payment for annual load size charges due in November, and payment of any outstanding balances. Upon receipt of full payments, PP&L will issue a rebate by January 31, 1991.
3. During the 1989 rebate program, approximately 955 customers qualified for a rebate by paying their electric bills on time. The estimated average rebate amount was \$289.
4. For the 1990 season, PP&L proposes to reduce the rebate from ten percent to five percent. PP&L believes that this amount will still meet the goals of the rebate program.
5. For 1990, PP&L estimates that it will issue \$130,000 in rebates and incur \$2,000 in other program costs. As in previous years, the entire 1990 program costs, including the customer discount, will be absorbed by PP&L shareholders.
6. The proposed program is an extension of the experimental tariff schedule that expired January 31, 1990. CACD recommends that the five percent rebate for 1990 be approved because it provides a benefit to agricultural customers with no additional ratepayer expense.

FINDINGS

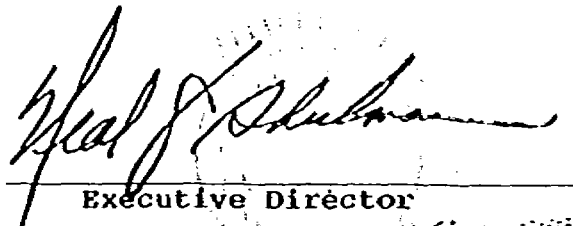
1. PP&L's proposed Agricultural Pumping Service Experimental Five Percent Seasonal Rebate, Schedule PA-22, is a modification and extension of a program that originally offered a ten percent rebate to customers served under Agricultural Pumping Service, Schedule PA-20.
2. The five percent rebate is reasonable to give agricultural pumping customers an incentive to use electric pumps for irrigation in order to further their agricultural pursuits.
3. PP&L shareholders will pay all costs of the program.

THEREFORE, IT IS ORDERED that:

1. Pacific Power & Light Company Advice Letter 224-E and its accompanying tariff sheets shall be marked to show they were approved by Resolution E-3185.
2. Pacific Power & Light Company shall establish a memorandum account to record the revenue loss associated with the five percent rebate under this discounted schedule. Pacific Power & Light Company shall not be allowed to recover from other California customers the effect of the proposed rebates under this experimental schedule.
3. This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on April 11, 1990. The following Commissioners approved it:

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


Executive Director