

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY
AND COMPLIANCE DIVISIONResolution E-3202
October 12, 1990R E S O L U T I O N

RESOLUTION E-3202, ORDER AUTHORIZING PACIFIC GAS AND ELECTRIC COMPANY (PG&E) TO RECORD UP TO \$25,000 IN A MEMORANDUM ACCOUNT FOR EXPENSES ASSOCIATED WITH ADDITIONAL GROUND WATER MONITORING AT PG&E'S MATERIALS DISTRIBUTION FACILITY SITE LOCATED AT 4525 HOLLIS STREET IN EMERYVILLE, CA; BY ADVICE LETTER NO. 1311-E FILED ON AUGUST 1, 1990.

SUMMARY

1. The Pacific Gas and Electric Company (PG&E) filed Advice Letter (AL) 1311-E on August 1, 1990 requesting authority to book up to \$25,000 for expenses associated with additional ground water monitoring for the PG&E site located in Emeryville, CA.
2. This resolution approves the request.

BACKGROUND

1. Advice Letter 1311-E was filed by PG&E under the procedures adopted by the Commission in Decision 88-09-020 (September 4, 1988) to expedite the process of authorizing the booking of hazardous waste expenses. Decision 88-09-020 ordered advice letters to be filed on a project-by project basis and to contain comprehensive and specific information about each site. The Decision also required that expenditures incurred undergo an annual reasonableness review.
2. The Emeryville site is a PG&E Materials Distribution Facility, owned by PG&E since 1926 and operated as a repair and maintenance facility and storage yard.
3. Ground water monitoring was performed at the site, and high levels of polychlorinated biphenyls were detected. In 1986 the California Department of Health Services (DHS) listed the site on the Hazardous Substance Cleanup Bond Act Expenditure Plan and notified PG&E it was identified as the potentially responsible party for the hazardous substances at the site.

4. Contaminated soil from the site was removed in 1987, however more contamination was discovered in other areas of the site. More excavation was performed and additional sampling conducted in 1988. In May 1989, after PG&E conducted remedial actions under DHS supervision, DHS issued a Certificate of Closure of the Emeryville site.

5. In March 1990, the California Regional Water Quality Control Board requested PG&E to perform additional ground water monitoring. PG&E hired Ecology and Environment, Inc. to perform the monitoring. Ecology and Environment, Inc. estimate the work will cost \$25,000.

COMMENTS

1. The Division of Ratepayer Advocates (DRA), in comments filed August 16, 1990, recommended the acceptance of Advice Letter 1311-E, with several conditions that have been previously applied to memorandum accounts for hazardous waste projects. These conditions include: (1) the requirement that costs recorded in the account be subject to a subsequent reasonableness review and should not be placed into rates until ordered by the Commission; (2) the prohibition of booking costs or expenses paid or incurred prior to the date of the order; and (3) an authorization that PG&E should accrue interest on the amounts booked in the memorandum account.

DISCUSSION

1. Commission Advisory and Compliance Division (CACD) reviewed PG&E's Advice Letter filing and DRA's recommendations. CACD determined that separate hearings on this filing are not necessary.

2. PG&E met the information requirements set out in Decision 88-09-020. Included in the filing was the directive to perform the work, a workplan, and a budget.

3. PG&E has stated that the costs are for ground water monitoring.

FINDINGS

1. PG&E should record in a memorandum account up to \$25,000 for expenses incurred conducting ground water monitoring.

2. Authority to implement this account should be effective on the date of this order. No expenses paid or incurred prior to the date of this order shall be included in the account.

3. Expenses recorded in the account should be subject to a subsequent reasonableness review, as required in Decision 88-09-020, and should not be placed into rates until ordered by the Commission after the review.

4. PG&E should be authorized to accrue interest at the three-month commercial paper rate on amounts booked into the memorandum account.

IT IS ORDERED THAT:

1. Pacific Gas and Electric Company is authorized to implement a memorandum account not to exceed \$25,000 for costs associated with conducting ground water monitoring at the Materials Distribution Facility in Emeryville, CA.

2. Expenses recorded in the account shall be consistent with documents submitted in Advice Letter 1311-E filed by Pacific Gas and Electric on August 1, 1990, and supporting documents, included herein by reference.

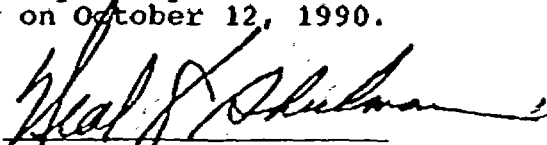
3. These costs shall be subject to a reasonableness review, as ordered in Decision 88-02-090, and shall not be placed into rates until ordered by the Commission after the review.

4. PG&E shall be authorized to accrue interest at the three-month commercial paper rate on amounts booked into memorandum account.

5. This Resolution is effective today.

I certify that this Resolution E-3202, was adopted by the Public Utilities Commission at its regular meeting on October 12, 1990. The following Commissioners approved it.

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


NEAL D. SHULMAN
Executive Director