

## PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

EVALUATION AND COMPLIANCE DIVISION  
ENERGY BRANCHRESOLUTION G-2750  
November 13, 1987R E S O L U T I O N

PACIFIC GAS AND ELECTRIC COMPANY (PG&E). ORDER AUTHORIZING A THIRD EXTENSION OF THE EXPIRATION DATES OF RATE SCHEDULES G-85 AND G-88 FOR CONTRACT SERVICE AND EXPERIMENTAL CONTRACT SERVICE.

(Advice Letters 1427-G-A, Filed September 24, 1987 and Advice Letter 1434-G, Filed October 16, 1987.

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SUMMARY

1. By Advice Letter 1427-G-A, filed September 24, 1987 and Advice Letter 1434-G, filed October 16, 1987, PG&E requests Commission authorization to extend the effective date of Rate Schedules G-85, Contract Service, and G-88, Experimental Contract Service for Coal and Crude Oil Customers, to April 30, 1988. Extension of these schedules will ensure an orderly transition of customers to the new restructured rates expected in the Order Instituting Investigation (OII) 86-06-005 and Order Instituting Rulemaking (OIR) 86-06-006 implementation decisions.
2. By this resolution, we are authorizing PG&E to extend the expiration date of Schedules G-85 and G-88 as requested.

BACKGROUND

3. Schedules G-85 and G-88 are designed to retain certain large non-residential customers who would otherwise leave the system.
4. Schedule G-85 is applicable to nonresidential customers who use 20,000 therms or more of natural gas per month, and who have an alternative energy capability which costs less than PG&E's otherwise applicable retail schedule. Schedule G-85 has a minimum charge for gas purchases from PG&E equal to the sum of PG&E's weighted average cost of spot gas plus \$0.04500/therm. For G-85 customers who elect to have PG&E transport their own gas, the minimum transportation rate is

\$0.045/therm.

5. Schedule G-88 is applicable to retail sale and/or transportation of natural gas to customers who contract to use a minimum of 1,000,000 therms per month, and who are currently using an alternative energy source of coal or crude oil, or were capable of using oil or coal on a continuous basis as of July 1, 1986.

6. The Commission is currently considering major revisions and restructuring to gas rate design in OII 86-06-005 and OIR 86-06-006. At this time, a final implementation decision in the combined proceedings OII 86-06-005 and OIR 86-06-006 (herein referred to as the "implementation decision") is expected in early 1988.

7. In Decision 86-12-092 in Application 86-09-055 (Gas Adjustment Clause (GAC)), dated December 22, 1986, the Commission found (Finding of Fact Nos. 16 and 17) that PG&E's Schedules G-85 and G-88 should remain in effect until May 31, 1987, at which time the new gas rates resulting from OII 86-06-006 and OIR 86-06-006 were expected.

8. Since the implementation decision was not complete by May 1987, PG&E filed Advice Letter 1400-G for authority to extend said rate schedules until December 31, 1987. That authority was granted by Resolution G-2723, dated April 22, 1987.

9. By these filings, PG&E requests a third effective date extension to April 30, 1988 for the G-85 contract service and the G-88 experimental contract service schedules. PG&E believes Commission authorization of the requested changes will provide a smooth transition from the existing schedules to the new schedules following the final implementation decision.

#### PROTESTS

10. No protests were received regarding Advice Letters 1427-G-A or 1434-G.

#### DISCUSSION

11. PG&E believes continuation of these schedules will assure its customers of a smooth transition from the existing contracts and schedules to any new schedules authorized by the pending implementation decisions. Without the time extensions, service on these schedules could be interrupted, and as a result, there could be a significant loss of sales to alternative fuel sources.

12. The Evaluation and Compliance (E&C) Division has reviewed these advice letter filings and does not object to granting the

requested time extension through April 30, 1988, subject to any modifications of the rate schedules due to future decisions in the Commission's proceedings in OII 86-06-005 and/or OIR 86-06-006 that may occur prior to April 30, 1988.

13. The E&C Division recommends that all other terms and conditions as set forth by Resolution G-2725 remain in full force and effect.

14. This filing will not cause the withdrawal of service nor conflict with any rule or schedule.

15. Public notification of this filing has been made by supplying copies of the filing to other utilities, governmental agencies, and to all interested parties who requested notification.

#### FINDINGS

1. We find that extension of Schedules G-85 and G-88 is just and reasonable; therefore,

#### IT IS ORDERED that:

1. Pacific Gas and Electric Company is authorized to extend contract service under tariff Schedule Nos. G-85 and G-88 to expire at 11:59 p.m. on the day before the effective date of the implementation decision in OII 86-006-005 and/or OIR 86-06-006 or April 30, 1988, whichever occurs earlier, subject to all other conditions as set forth in Ordering Paragraphs 2 through 6 in Resolution G-2725, dated April 22, 1987.
2. These Advice Letters and accompanying tariff sheets shall be marked to show that they were accepted for filing by Commission Resolution G-2750.
3. This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on November 13, 1987. The following Commissioners approved it:

STANLEY W. RULETT  
President

FREDERICK R. DUDA  
C. MITCHELL WILK  
JOHN B. OHANIAN  
Commissioners



Executive Director

Commissioner Donald Vial, being  
necessarily absent, did not  
participate.