

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY & COMPLIANCE DIVISION
ENERGY BRANCHRESOLUTION NO. G-2805
AUGUST 10, 1988R E S O L U T I O N

RESOLUTION G-2805 SAN DIEGO GAS & ELECTRIC AUTHORIZED TO DELAY IMPLEMENTATION OF REVISED STEAM ENERGY COST ADJUSTMENT CLAUSE RATES, AND STEAM REVENUE ADJUSTMENT MECHANISM RATES FOR AN ANNUAL DECREASE OF \$91,601.

(Advice Letter 157-H, filed June 14, 1988.)

SUMMARY

1. By letter, dated June 14, 1988, San Diego Gas & Electric (SDG&E) requests a deviation from its Steam Energy Cost Adjustment Clause (ECAC) and the Steam Revenue Adjustment Mechanism (SRAM) as set forth in Section 9. of SDG&E's Preliminary Statement.
2. The ECAC/SRAM procedures state that the revision dates are to be January 1 and July 1 of each year.
3. The rate adjustment due January 1, 1988; an increase in the amount of \$1,979,000; was deferred at SDG&E's request by Resolution G-2771.
4. This Resolution grants SDG&E's request to defer a minimal rate decrease of \$91,601 until the the general rate case adjustments which will become effective on January 1, 1989.
5. SDG&E has requested a rate increase of thirty-four per cent (34%) for steam service in the general rate case proceeding.

BACKGROUND

1. SDG&E's proposed steam ECAC adjustment rates for Rate Schedules 1 and 2, which are shown in Attachment B, reflect a \$111,917 increase in revenues, which was calculated in accordance with the provisions of the steam ECAC set forth in Section 7. of SDG&E's Preliminary Statement.
2. SDG&E's proposed SRAM balancing rates for Rate schedules 1 and 2, which were also to be made effective with this filing, are shown in Attachment B and reflect a \$203,518 decrease in revenues. The revised SRAM balancing rates were calculated in accordance with the provisions of Section 8.(d) of the Preliminary Statement.

Resolution G-2805
August 10, 1988
Page 2.

3. The revision of the SRAM balancing rates and the revision of the steam ECAC adjustment rates would result in a net decrease in the annual amount collected from steam customers, of approximately \$91,601 (4.6%) based on recorded steam sales for the twelve month period ending April 30, 1988. The changes in proposed revenues are summarized in Attachment A to this Resolution.

4. In A.87-12-003, SDG&E's general rate case, SDG&E requested a thirty-four percent (34%) increase in revenues from steam service.

DISCUSSION

1. The Commission Advisory and Compliance Division (CACD) has reviewed this filing and finds that the derivation of the revenue requirement is correct, and recommends, for purposes of rate stability, that the resultant rate change be postponed for consideration with the rate increase requested in SDG&E's general rate case.

2. In accordance with Section III-G of General Order 96-A, SDG&E notified the affected customers of this proposal by mail on June 14, 1988.

3. One protest to this Advice Letter was received. The protest was not relevant to the Advice Letter. Instead it was objecting to other actions of San Diego Gas & Electric.

FINDINGS

1. We find that these rate revisions are just and reasonable and are in conformance with the Steam Energy Cost Adjustment Clause (ECAC) and Steam Revenue Adjustment Mechanism (SRAM) provisions of San Diego Gas & Electric's filed tariff schedules.

2. San Diego Gas & Electric's request to forego immediate implementation of the rate change, in the interests of rate stability, is reasonable and should be granted.

Resolution G-2805
August 10, 1988
Page 3.

THEREFORE IT IS ORDERED that:

1. San Diego Gas & Electric is authorized under Public Utilities Code Section 490 to forego implementation of a Steam Department rate change at this time.
2. San Diego Gas & Electric's Tariff Sheets 622-H through 625-H shall be marked cancelled as of the date of this Resolution, and shall not be placed into effect. These sheet numbers shall not be used again.
3. The Advice Letter and Tariff Sheets shall be marked to show that they were considered by Commission Resolution G-2805.
4. This Resolution shall be effective today.

I certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on August 10, 1988. The following Commissioners approved it:

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



Executive Director

APPENDIX A

SUMMARY OF REVENUE CHANGES

Line No.		Revenues at Present Rates (a)	Revenues at Proposed Rates (b)	Change	
				Amount (c)	% (d)
1.	<u>SRAM Base</u>				
2.	Customer Charges				
3.	Schedule 1	\$ 6,660	\$ 6,660	---	---
4.	Schedule 2	182	182	---	---
5.	Energy Charges				
6.	Schedule 1	\$1,637,806	\$1,637,806		
7.	Schedule 2	165,631	165,631		
8.	Sub Total	\$1,803,437	\$1,803,437	---	---
9.	<u>SRAM Balancing</u>				
10.	Schedule 1	(\$ 221,504)	(\$406,331)		
11.	Schedule 2	(22,398)	(41,089)		
12.	Sub Total	(\$ 243,902)	(\$447,420)	(\$203,518)	(83.4)
13.	<u>ECAC Offset</u>				
14.	Schedule 1	\$ 732,857	\$ 692,529		
15.	Schedule 2	74,095	70,032		
16.	Sub Total	\$ 806,952	\$ 762,561	\$(44,391)	(5.5)
17.	<u>ECAC Balancing</u>				
18.	Schedule 1	(\$ 329,921)	(\$ 187,969)		
19.	Schedule 2	(33,371)	(19,015)		
20.	Sub Total	(\$ 363,292)	(\$ 206,984)	\$156,308	43.0
21.	<u>Total Rates</u>				
22.	Schedule 1	\$1,825,898	\$1,742,695		
23.	Schedule 2	184,139	175,741		
24.	Sub Total	\$2,010,037	\$1,918,436	(\$ 91,601)	(4.6)

APPENDIX B
SUMMARY OF RATE CHANGES

Line No.		Present Rates	Proposed Rates	Change	
		(a)	(b)	(c)	(d)
1.	<u>Base Rates</u>	(\$)	(\$)	(\$)	(%)
2.	<u>Customer Charges</u>				
3.	Schedule 1	15.00	15.00	--	--
4.	Schedule 2	15.15	15.15	--	--
5.	<u>Energy Charges</u>				
6.	Schedule 1 (per Mlb)	19.291	19.291	--	--
7.	Schedule 2 (per Mlb)	19.486	19.486	--	--
8.	<u>SRAM Balancing Rates</u>				
9.	<u>Energy Charges</u>				
10.	Schedule 1 (per Mlb)	(2.609)	(4.786)	(2.177)	(83.4)
11.	Schedule 2 (per Mlb)	(2.635)	(4.834)	(2.199)	(83.5)
12.	<u>ECAC Offset Rates</u>				
13.	<u>Energy Charges</u>				
14.	Schedule 1 (per Mlb)	8.632	8.157	(0.475)	(5.5)
15.	Schedule 2 (per Mlb)	8.717	8.239	(0.478)	(5.5)
16.	<u>ECAC Balancing Rates</u>				
17.	<u>Energy Charges</u>				
18.	Schedule 1 (per Mlb)	(3.886)	(2.214)	1.672	43.0
19.	Schedule 2 (per Mlb)	(3.926)	(2.237)	1.689	43.0
20.	<u>Total Rates</u>				
21.	<u>Customer Charges</u>				
22.	Schedule 1	15.00	15.00	--	--
23.	Schedule 2	15.15	15.15	--	--
24.	<u>Energy Charges</u>				
25.	Schedule 1 (per Mlb)	21.428	20.448	(0.980)	(4.6)
26.	Schedule 2 (per Mlb)	21.642	20.654	(0.988)	(4.6)

Note: ECAC Offset Rates on Lines 14 and 15 and ECAC Balancing Rates on Lines 18 and 19 were developed in Appendix C. SRAM Balancing Rates on Lines 10 and 11 were developed in Appendix E. SRAM Base Rates, which were filed by Advice Letter 149-H and became effective 1/1/87, were authorized by Res. G-2707, dtd. 12/17/86.