PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY
AND COMPLIANCE DIVISION

RESOLUTION G-2820 SEPTEMBER 14, 1988

RESOLUTION

RESOLUTION G-2820. SAN DIEGO GAS AND ELECTRIC COMPANY (SDG&E) AUTHORITY TO REVISE THE PRELIMINARY STATEMENT REGARDING THE PAYMENT OF INTEREST. ADVICE LETTER NOS. 647-G AND 745-E, FILED CONCURRENTLY ON AUGUST 8, 1988.

SUMMARY

- 1. San Diego Gas and Electric requests the payment of interest in its gas and electric tariffs' Preliminary Statements.
- 2. This Resolution approves the request.

BACKGROUND

1. SDG&E proposes to include in its Preliminary Statement language that states it will pay no interest unless specifically provided for in the tariffs, ordered by this Commission or required by Public Law 97-177.

DISCUSSION

- 1. The impact of this Decision was discussed by the Energy Tariff Committee¹. The Committee determined that there was a need for defined language regarding interest payments.
- 2. In practice, SDG&E pays interest if provided for in the tariffs (such as for deposits) and not otherwise. Unlike PG&E, Southern California Edison Company (SCEC), and Southwest Gas (SWG), SDG&E has no provisions in its gas and electric tariffs limiting the payment of interest. This Resolution puts SDG&E'S practice in its gas and electric tariffs.
- 3. SDG&E filed Adivice Letters 647-G and 745-E to insert the following new text into the Preliminary Statements: "No interest will be paid by the utility unless it is specifically provided for in the tariff schedules, or ordered by the Public Utilities Commission, except as otherwise provided by Federal Public Law

97-177." (The Prompt Payment Act). This clause is substantially the same as the one approved for SCE by Resolution E-3094.

4. The Commission Advisory and Compliance Division (CACD) has reviewed these advice letter filings and believes that by including the requested clauses in the Preliminary Statements, SDG&E will be able to avoid disputes about interest payments. Also, while preserving for the Commission the ability to order interest payments, these provisions will enable SDG&E to avoid maintaining separate and detailed accounts of each small over or under-collection of customer payments.

1 The Energy Tariff Committee (Committee) was established in 1984, and meets on a monthly basis. The members consist of representatives from the rate departments of the gas and electric utilities and representatives of the Energy Branch, Compliance Section; the Consumer Affairs Branch; and the Service and Safety Branch. The objective of the Committee is to promote uniform tariffs, practices, and filing procedures.

PROTESTS

1. No Protests have been received by CACD.

FINDINGS

- 1. It is reasonable for San Diego Gas & Electric Company to include statements regarding the payment of interest in the preliminary Statement of its gas and electric tariffs because it will clarify when interest is to be paid.
- These filings will not increase any rate or charge, cause withdrawal of service, or conflict with any other rate schedule or rule.
- 3. Public notification of these filings has been made by mailing copies to other utilities, governmental agencies and to all interested parties who requested such notification.

THEREFORE, IT IS ORDERED that:

- 1. San Diego Gas and Electric Company is hereby authorized to revise its Gas and Electric Preliminary Statements, as proposed by Advice Letters 647-G and 745-E.
- 2. Advice Letters 647-G and 745-E and accompanying tariff sheets shall be marked to show that they were approved for filing by Commission Resolution G-2820.

This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on September 14, 1988. The following Commissioners approved it:

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

Executive Director

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