

## PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY  
AND COMPLIANCE DIVISION  
Energy Branch

RESOLUTION G-2823  
SEPTEMBER 14, 1988

R E S O L U T I O N

RESOLUTION G-2823. SOUTHERN CALIFORNIA EDISON COMPANY AUTHORIZED TO INCREASE RATES FOR LIQUIFIED PETROLEUM GAS SERVICE ON SANTA CATALINA ISLAND FOR AN ANNUAL INCREASE OF \$45,559  
(Advice Letter 83-G, filed June 21, 1988.)

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SUMMARY

1. By letter dated June 20, 1988, Southern California Edison Company (SCE) requests an increase to recover increased costs of Liquefied Petroleum Gas (LPG) service on Santa Catalina Island.
2. The increase in charges is in accordance with the provisions of the Santa Catalina Island Gas Cost Adjustment Clause (GCAC) pursuant to Commission Decisions 82-04-010 and 87-07-019 and Resolution G-2700.
3. The estimated increase in revenues, resulting from this rate increase, will be \$45,559.

BACKGROUND

1. SCE proposes to allocate the over-collection in the GCAC (\$20,485) over a twelve (12) month period starting September 1, 1988. When adjusted to include franchise fees and uncollectibles this results in an annual revenue requirement decrease of \$20,485.
2. SCE also proposes increasing the rates to recover the increased cost of gas delivered to Santa Catalina Island. This results in an annual revenue requirement increase of \$66,305.

3. The total increase in rates for gas service will be \$45,559 (15.1%) resulting in estimated annual GCAC revenues of \$347,178.<sup>1</sup> (See Attachment A, p.2).

#### 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 reasonable.

2. In accordance with Section III-G of General Order 96-A, SCE notified the affected customers of this proposal by advertisement in a local newspaper, the "Santa Catalina Islander".

3. SCE's calculation of the Gas Cost Adjustment Rate are shown in Attachment A (2 pages).

4. SCE's proposed rates for LPG gas service on Santa Catalina Island are shown in Attachment B (2 pages).

5. No protests to this advice letter were received.

#### FINDINGS

1. We find that the proposed rate revisions are just and reasonable.

THEREFORE; IT IS ORDERED that:

1. Southern California Edison Company is authorized to file the tariff sheets attached to Advice Letter No. 83-G.

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<sup>1</sup> The forecast GCAC revenue of \$347,178 is greater than the revenue requirement of \$347,156 derived on Attachment A, p.1. This is because the rates are rounded to the nearest \$0.0001/therm.

2. This Resolution is effective today.

I 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



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Executive Director

TABLE I

SOUTHERN CALIFORNIA EDISON COMPANY

CALCULATION OF SANTA CATALINA ISLAND AVERAGE GAS COST ADJUSTMENT RATE

FOR A SEPTEMBER 1, 1988, REVISION DATE 1/

: Line :	:	: Forecast Period :	: Forecast :	: Forecast :
: No. :	: Item :	: Quantities :	: Price :	: Cost :
:	:	(1)	(2)	(3)

1.	<u>AVERAGE GAS COST RATE</u>			
2.	Liquified Petroleum Gas	776,242 gallons	\$0.468/gallon	\$363,281

: Line :	:	: Forecast :	: Forecast :	: Rate :
: No. :	: Item :	: Cost :	: Sales :	: Rate :
:	:	(\$)	(Therms)	(\$/Therm)
:	:	(1)	(2)	(3)

1.	Forecast Cost	363,281	693,630	-
2.	Plus: 1.256% for Franchise			
3.	Fees and Uncollectible			
4.	Expense	4,621	-	-
5.	Less: DE Rate discount sales		2,060	
6.	Average Gas Cost Rate	<u>367,902</u>	<u>691,570</u>	<u>0.5320</u>
7.	<u>AVERAGE BALANCING RATE</u>			
8.	Forecast Balance in			
9.	GCAC Balancing Account as			
10.	of September 1, 1988	(20,485)	-	-
11.	Plus: 1.256% for Franchise			
12.	Fees and Uncollectible			
13.	Expense	(261)		
14.	Average Balancing Rate	<u>(20,746)</u>	<u>691,570</u>	<u>(0.0300)</u>
15.	AVERAGE GAS COST			
16.	ADJUSTMENT RATE	<u>347,156</u>		<u>0.5020</u>

1/ Based on the Twelve-Month Forecast Period Beginning September 1, 1988, and a Twelve-Month Amortization of the estimated GCAC Balancing Account Balance.

**TABLE II**  
**SOUTHERN CALIFORNIA EDISON COMPANY**  
**SANTA CATALINA ISLAND**  
**CALCULATION OF THE GAS COST ADJUSTMENT BILLING FACTORS**  
**FOR A SEPTEMBER 1, 1988, REVISION DATE 1/**

Line No.	Description	Present			Proposed		Change		
		Sales Therms (1)	GCABF \$/Therm (2)	Revenue \$ (3)	GCABF \$/Therm 1/ (4)	Revenue \$ (5)	GCABF \$/Therm (6)	Revenue \$ (7)	% (8)
1.	Domestic								
2.	Baseline	259,903	0.3478	90,394	0.4016	104,377	0.0538	13,983	15.47
3.	Nonbaseline	<u>135,037</u>	0.4870	<u>65,763</u>	0.5598	<u>75,594</u>	0.0728	<u>9,831</u>	14.95
4.	TOTAL DOMESTIC	394,940	0.3950	156,157	0.4557	179,971	0.0607	23,814	15.25
5.	Commercial	<u>298,690</u>	0.4870	<u>145,462</u>	0.5598	<u>167,207</u>	0.0728	<u>21,745</u>	14.95
6.	TOTAL	<u>693,630</u>	0.4348	<u>301,619</u>	0.5020	<u>347,178</u>	0.0672	<u>45,559</u>	15.10

Proposed Average GCABF = \$0.5020

1/ Method: Baseline Rate = (.80 \* \$0.5020) = \$0.4016

Nonbaseline and Commercial Rate = (Total Revenue Requirements - Baseline Revenue)/Nonbaseline Sales + Commercial Sales)

$$\$0.5598 = (\$347,156 - \$104,377) / (135,037 + 298,690)$$



Schedule No. C-1

Santa Catalina Island

DOMESTIC SERVICE

APPLICABILITY

Applicable to domestic service of liquefied petroleum gas-air to a single-family accommodation or dwelling.

TERRITORY

The City of Avalon, and vicinity, Santa Catalina Island.

RATES

	<u>Per Meter Per Day</u>
<b>Customer Charges:</b>	
For 175 cubic feet per hour meter .....	\$0.099
For 305 cubic feet per hour meter .....	\$0.172
For 400 cubic feet per hour meter .....	\$0.226
For 675 cubic feet per hour meter .....	\$0.381
For 1,000 cubic feet per hour meter .....	\$0.564
<b>Energy Charge (To be added to Customer Charge):</b>	
Baseline Service, per therm .....	\$0.60936
Nonbaseline Service, per therm .....	\$1.05995

The rates above include Base Rates and the applicable Adjustment Rates as shown below:

ENERGY CHARGE COMPONENTS

<b>Base Rates:</b>	
Baseline Service, per therm .....	\$0.20708
Nonbaseline Service, per therm .....	\$0.49947
<b>Adjustment Rates:</b>	
<b>Gas Cost Adjustment Billing Factors:</b>	
Baseline Service, per therm .....	\$0.4016
Nonbaseline Service, per therm .....	\$0.5598
PUC Reimbursement Fee, per therm .....	\$0.00068

The Gas Cost Adjustment Rate is described in Part F of the Preliminary Statement. The PUC Reimbursement Fee is described in Schedule No. RF-G.

(Continued)

(To be inserted by utility)  
Advice Letter No. 83-G  
Decision No.  
880622C01

Issued by  
Michael R. Peavey  
Name  
Executive Vice President  
Title

(To be inserted by Cal PUC)  
Date Filed \_\_\_\_\_  
Effective \_\_\_\_\_  
Resolution No. \_\_\_\_\_



Schedule No. G-2  
Santa Catalina Island  
GENERAL SERVICE

APPLICABILITY

Applicable to general service of liquefied petroleum gas-air.

TERRITORY

The City of Avalon, and vicinity, Santa Catalina Island.

RATES

	<u>Per Meter</u> <u>Per Day</u>
Customer Charges:	
For 175 cubic feet per hour meter .....	\$0.099
For 305 cubic feet per hour meter .....	\$0.172
For 400 cubic feet per hour meter .....	\$0.226
For 675 cubic feet per hour meter .....	\$0.381
For 1,000 cubic feet per hour meter .....	\$0.564

Energy Charge (To be added to Customer Charge):

All therms, per therm ..... \$1.05995

The rates above include Base Rates and the applicable Adjustment Rates as shown below:

ENERGY CHARGE COMPONENTS

Base Rates:

All Therms, per therm ..... \$0.49947

Adjustment Rates:

Gas Cost Adjustment Billing Factor, per therm ..... \$0.5598  
PUC Reimbursement Fee, per therm ..... \$0.00068

The Gas Cost Adjustment Rate is described in Part F of the Preliminary Statement. The PUC Reimbursement Fee is described in Schedule No. RF-G.

SPECIAL CONDITIONS

1. Minimum Customer Charge: Service to customers shall be on an annual basis only with an annual Minimum Customer Charge of 365 times the daily Customer Charge rate payable monthly, or as billed by the Company.
2. Temporary Discontinuance of Service: Where the use of energy is seasonal or intermittent, no adjustments will be made for a temporary discontinuance of service. Any such customer prior to resuming service within twelve months after such service was discontinued will be required to pay all charges which would have been billed if service had not been discontinued.

<p>(To be inserted by utility)</p> <p>Advice Letter No. 83-G Decision No. 880622C02</p>	<p>Issued by</p> <p><u>Michael R. Peavey</u></p> <p>Name</p> <p><u>Executive Vice President</u></p> <p>Title</p>	<p>(To be inserted by Cal. P.U.C.)</p> <p>Date Filed _____ Effective _____ Resolution No. _____</p>
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