

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
COMMISSION ADVISORY AND COMPLIANCE DIVISION

RESOLUTION G-2881
Date June 21, 1989

R E S O L U T I O N

RESOLUTION G-2881. San Diego Gas & Electric Company (SDG&E) authorized to revise its rates for steam service, resulting in a decrease in rates.

BY ADVICE LETTER 162-H, FILED ON JUNE 2, 1989

SUMMARY

1. SDG&E submitted this Advice Letter to make adjustments in its steam Energy Cost Adjustment Clause (ECAC) adjustment rates and Steam Revenue Adjustment Mechanism (SRAM) balancing account rates, resulting in decreased rates for steam service.
2. This Resolution grants the request.

BACKGROUND

1. SDG&E was authorized to implement the SRAM commencing January 1, 1984. The details for entries into the SRAM are set forth in Section 8.c. of the Preliminary Statement of SDG&E's filed steam tariffs.
2. In Decision (D.) 88-12-085, in its last general rate case, SDG&E was authorized Base Rate Revenues (steam) of \$1,454,000. Base rate revenues are the revenues to cover operating expenses exclusive of the cost of fuel; natural gas in this instance.
3. The current SRAM and ECAC rates, established in D.88-12-085, are set forth in the Preliminary Statement, Section 8, Sheet 639-H of the filed tariffs.
4. On June 2, 1989 SDG&E filed this Advice Letter to revise its rates for steam service to reflect an increase of \$72,024 in its ECAC and a decrease of \$436,877 in the SRAM balancing rate. Both amounts are recorded in balancing accounts and are subject to audit.
5. The result is a net revenue requirement decrease, for steam service, of \$364,853.

6. SDG&E requests that the decrease become effective on less than forty (40) days notice.

PROTESTS

1. No protests to this Advice Letter have been received.

DISCUSSION

1. The Commission Advisory and Compliance Division (CACD) has reviewed this filing and believes it is correctly calculated. Therefore CACD recommends its acceptance as reasonable.

2. CACD, for purposes of rate stability, avoiding large amounts being recorded into balancing accounts, recommends approval of this Advice Letter on less than the statutory time period.

3. SDG&E provided notice of the filing of this Advice Letter by mailing copies to adjacent utilities, interested parties, and the affected customers.

FINDINGS

1. SDG&E's filing to reduce its rates for providing steam service because of reduced revenue requirements is reasonable.


2. The request to implement the rate reductions on less than 40 days notice, to permit the affected customers to receive the benefits of the rate reduction and to create minimum amounts in the balancing account for improved rate stability, is reasonable.

THEREFORE, IT IS ORDERED that:

1. San Diego Gas & Electric Company is authorized to reduce its rates for steam service as requested in Advice Letter 162-H.
2. The rate reductions shall become effective July 1, 1989.
3. Advice Letter 162-H shall be marked to show that it was approved by Commission Resolution G-2881.
4. This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on June 21, 1989. The following Commissioners approved it:

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



Executive Director