

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY AND
COMPLIANCE DIVISION
Energy Branch

RESOLUTION G-2980
MARCH 11, 1992

R E S O L U T I O N

RESOLUTION G-2980. SAN DIEGO GAS AND ELECTRIC COMPANY REQUEST FOR AUTHORIZATION TO REVISE RATES FOR STEAM SERVICE RESULTING FROM STEAM ENERGY COST ADJUSTMENT CLAUSE REVISION, AND THE STEAM REVENUE ADJUSTMENT MECHANISM BALANCING ACCOUNT REVISION, ALSO REQUESTED IS AUTHORITY TO REVISE THE STEAM REVENUE ADJUSTMENT MECHANISM BASE RATE BY THE ADVICE LETTER PROCEDURE.

BY ADVICE LETTER 169-H-A, FILED ON JANUARY 9, 1992.

SUMMARY

1. San Diego Gas and Electric Company (SDG&E) requests authority to increase its rates for steam service by of \$407,236. This results from an increase in the steam Energy Cost Adjustment Clause (ECAC) of \$61,719 and the Steam Revenue Adjustment Mechanism (SRAM) of \$308,531. SDG&E is also requesting authority to insert language that the SRAM Base Rates can be adjusted by the Advice Letter procedure as the SRAM Balancing Account Rate currently is.
2. This Resolution grants the requested authority.

BACKGROUND

1. Commission Decision (D.) 91-10-046 authorized an increase in revenue for SDG&E of 4.1% (Finding of Fact 14) or \$0.2 million (Finding of Fact 15), in addition to the fuel cost adjustments. SDG&E's Advice Letter filing would increase rates by 37.7% or \$407,236.
2. SDG&E also proposes a prospective language change in its Preliminary Statement to the effect that the SRAM Base Rate may be adjusted prospectively by the advice letter as is the case with Electric Electric Adjustment Mechanism (ERAM) base rates and SRAM Balancing Account Rate.

NOTICE:

1. Public notice of these filings has been made by publication in the Commission's calendar on November 20, 1991, and by mailing copies of the filing to adjacent utilities and government entities.

PROTESTS

1. No protests to these Advice Letter were received by the Commission Advisory and Compliance Division.

DISCUSSION

1. Interim decision D.91-10-046, authorized SDG&E to increase its base rates for steam service by \$0.2 million or 4.1%. In addition, SDG&E is incorporating its annual rate adjustment in the Steam Energy Cost Adjustment Clause to be effective on or after January 1, 1992.

2. SDG&E proposes to include in the Preliminary Statement of its tariffs language that would allow the utility to file both revised SRAM Balancing Account Rates and SRAM Base Revenue Rates prior to the revision date. SDG&E proposes to include the following language into its tariffs:

["PRELIMINARY STATEMENT", Paragraph 8 "STEAM REVENUE ADJUSTMENT MECHANISM (SRAM), B. Definitions, (6) Time and Manner of filing The utility may file both revised SRAM Balancing Account Rates and SRAM Base Rates under this procedure with the Commission prior to the Revision Date.

3. This would allow adjustment of the SRAM Base Rates prospectively using the advice letter procedure. At present the Steam Revenue Adjustment Rate Mechanism Balancing Account Rate is adjusted by the advice letter procedure but the Steam Revenue Adjustment Mechanism Base Rate is not. On the other hand ERAM base rates consisting of operating expense components, except fuel, can be adjusted through the advice letter procedure. The Steam Revenue Adjustment Mechanism base rate is the only part of SDG&E's steam rates which does not at present have language clearly permitting its adjustment by the advice letter procedure.

4. The proposed language change for the SRAM base rates would make the procedure for steam service consistent with the procedure for SDG&E's electric service and would make the tariff administration more uniform.

5. At present SDG&E provides steam service to 14 accounts. Six customers have left the steam service system in the last year.

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FINDINGS

1. The rate increases contained in this filing are reasonable and should be adopted.
2. The proposed language change, to achieve consistency in the steam and electric tariffs, is reasonable and should be adopted.

THEREFORE, IT IS ORDERED that:

1. San Diego Gas and Electric Company is authorized to increase its rates for steam service in conformance with the rates proposed in Advice Letter 169-H-A.
2. San Diego Gas and Electric Company is authorized to change the language in its Preliminary Statement as proposed.
3. This Resolution is effective today.

I hereby certify that Resolution G-2980 was adopted by the Public Utilities Commission at its regular meeting on March 11, 1992. The following Commissioners approved it:


NEAL J. SHULMAN
Executive Director

DANIEL Wm. FESSLER
President
JOHN B. CHANIAN
PATRICIA M. ECKERT
NORMAN D. SHUMWAY
Commissioners