

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY AND
COMPLIANCE DIVISION
Energy Branch

RESOLUTION G-3003
JULY 1, 1992

R E S O L U T I O N

RESOLUTION G-3003. SAN DIEGO GAS AND ELECTRIC COMPANY'S REQUEST FOR AUTHORIZATION TO REFUND TO ITS NONCORE CUSTOMERS AMOUNTS RECEIVED FROM EL PASO NATURAL GAS COMPANY.

BY ADVICE LETTER 799-G, APRIL 13, 1992.

SUMMARY

1. San Diego Gas and Electric Company (SDG&E) requests authority to refund to its customers refunds (an estimated \$7,829,440 including interest) which it has received from El Paso Natural Gas Company (El Paso).
2. SDG&E has detailed a refund plan to refund money received from El Paso. This refund plan is attached as Attachment A.
3. This resolution approves the request.
5. SDG&E estimates that a portion of the refund is attributable to Utility Electric Generation (UEG). Out of this \$7,829,440, \$5,137,847 can be credited to an Energy Cost Adjustment Clause (ECAC) balancing account.

BACKGROUND

1. Resolution G-2977, approved by the California Public Utilities Commission on February 20, 1992, authorized SDG&E to refund monies received from two of SDG&E's natural gas suppliers; Southern California Gas Company and El Paso Natural Gas Company. SoCalGas and El Paso refunded the money in accordance with the settlement of pipeline general rate cases, (Federal Energy Regulatory Commission Docket No. RP88-44), refunds from pipelines and Federal tax relief. SDG&E received refunds from El Paso and SoCalGas that totaled \$13,604,030 and \$4,551,374, respectively. Resolution G-2977 authorized only a partial refund of the monies received from El Paso. Advice letter 799-G is SDG&E's response to Order 5 of Resolution G-2977 to complete the refund of the monies received from El Paso.

DISCUSSION

1. SDG&E intends to apply the refund to its noncore customers' bills as a bill credit beginning in July 1992 unless the customer prefers a check. SDG&E states that it will ask each customer what is that customer's preference.
2. SDG&E proposes to place refunds attributable to Utility Electric Generation (UEG) use into an Energy Cost Adjustment Clause (ECAC) balancing account. The amount of this refund to be credited to the ECAC Balancing Account is estimated to be \$5,137,847 including interest calculated through July 1992.
3. The Commission Advisory and Compliance Division (CACD) recommends approval of the crediting of the ECAC balancing account. The amount intended for the ECAC Balancing Account is appropriate.

NOTICE:

1. Public notice of this filing has been made by publication in the Commission's calendar on April 13, 1992, and by mailing copies of the filing to adjacent utilities and government entities.

PROTESTS

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

FINDINGS

1. SDG&E has received refunds from its suppliers of natural gas which should be returned to its natural gas customers.
2. SDG&E's proposed refund plan as described in Attachment A of Advice letter 799 is just and reasonable.
3. The refunds to customer accounts should be made in July 1992.
4. It is appropriate for SDG&E to apply a portion of the refunds to its UEG ECAC balancing account.

THEREFORE,

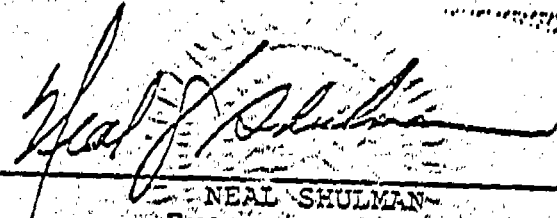
IT IS ORDERED that:

1. San Diego Gas and Electric Company is authorized to distribute refunds to customers as proposed in this Advice Letter. However, the refunds shall be distributed in July 1992.

July 1, 1992

2. San Diego Gas and Electric Company is authorized to place refunds attributable to Utility Electric Generation (UEG) use into an ECAC balancing account.
3. San Diego Gas and Electric Company shall keep records of the refunds and shall submit a report to the Chief of the Energy Branch of the Commission Advisory and Compliance Division of any amounts not refunded by March 31, 1993. The report shall include the amount of unclaimed refunds and the methods and the results of the efforts made to locate former customers.
4. Advice Letter 799-G as submitted by San Diego Gas and Electric Company shall be marked to show that it was approved for filing and for implementation, as modified, by Commission Resolution G-3003.
5. This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on July 1, 1992. The following Commissioners approved it:


NEAL SHULMAN
Executive Director

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

July 1, 1992

ATTACHMENT A

SAN DIEGO GAS AND ELECTRIC COMPANY
PROPOSED PLAN FOR JULY 1992 NONCORE CUSTOMER GAS REFUND
RESULTING FROM REFUND TO SDG&E BY EL PASO NATURAL GAS COMPANY
APRIL 13, 1992

(GASREF)

July 1, 1992

San Diego Gas and Electric Company
PROPOSED PLAN FOR CUSTOMER REFUND

This plan provides for a method of returning to eligible noncore customers of San Diego Gas and Electric (SDG&E) remaining refund amounts SDG&E has received from El Paso Natural Gas Company (El Paso). This proposed plan is very similar to the refund plan authorized by the Commission in Resolution No. G-2977, dated February 20, 1992 regarding refunds made by SDG&E in March, 1992 and reflects the remainder of the funds to be refunded by SDG&E that were not included in the refund plan authorized by Resolution G-2977.

All amounts to be refunded will reflect interest at the variable rate provided for in Decision No. 91269. The total refundable amount, including estimated interest, through June 30, 1992 is \$7,829,440. This is the non-core portion of the \$13,604,030 received from El Paso on October 18, 1991.

Under this plan, SDG&E proposes to make refunds to its customers on July 1, 1992.

Refundable Amounts

Each refund component as of June 30, 1992 is set forth in Table A.

Summary of Refund Amount

Received and Payable

(as of June 30, 1992)

This plan has been developed following the allocation to classes of service according to the same period used by El Paso to compute their refund to SDG&E. This period is 7/1/88 - 8/31/91.

(GASREF)

TABLE A

7/1/88 - 8/31/91

<u>Refund Group</u>	<u>Therms Used</u>	<u>Refund Amount</u>
INTERDEPARTMENTAL	1,206,180,718	\$5,137,847
OTHER	<u>631,888,546</u>	<u>\$2,691,593</u>
TOTAL NON-CORE	1,838,069,264	\$7,829,440

Determination of Amount Refundable to Individual Customers

Refund factors to be applied to individual customer's deliveries will be developed separately for Large Industrial Service (Priority 2, 3 and 4), and Interdepartmental Service categories.

Large Industrial Service

Refunds to Large Industrial Service customers will be made to all customers of record during the refund period. The amount refundable to each customer for the refund period will be calculated based upon a refund factor per therm times the recorded therm sales to that customer during the refund period. The refund factor for the refund period will be developed by dividing the total refundable amount by the total therms delivered for the refund period. Current Priority 2, 3, and 4 customers who were also customers during the refund period will receive their refunds as a credit to their July 1992 bill, unless issuance of a check is requested. Former Priority 2, 3, and 4 non-residential customers will receive refunds by check sent to the customer's last address of record or applied to any unpaid billings.

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Interdepartmental Service

The refund allocated to this class will be credited to the Energy Cost Adjustment Clause (ECAC) for the month of July 1992.

Refund Procedure

Refunds to eligible active customers will be made in the form of a check or a credit to their July bill. SDG&E will consider and evaluate all inquiries from customers or former customers, through December 1992, who either did not receive a refund or who contend that the refund should have been greater, and will make a refund or refund adjustment where deemed appropriate. Appropriate refunds may be applied to uncollectible amounts related to closing bills.

SDG&E will publish, before the refund, notices in newspapers throughout its service territory stating that a refund is to be made, and that persons believing they are entitled to a refund, but who have not received one, may contact the nearest company office and have their situation reviewed.

Each recipient of a credit or payment under this refund plan receive a notice that includes this statement:

"This refund was ordered by the California
Public Utilities Commission"

SDG&E will keep records of all refunds made and submit a report of the disposition of such monies to the CPUC for a final disposition of any amounts unrefunded by December 31, 1991.

(End of Attachment A)

(GASREF)