PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY AND COMPLIANCE DIVISION Energy Branch RESOLUTION G-3183 March 13, 1996

RESOLUTION

RESOLUTION G-3183. SOUTHERN CALIFORNIA EDISON COMPANY. REVISES EDISON'S TARIFFS TO REFLECT AN INCREASE IN THE SANTA CATALINA ISLAND GAS COST ADJUSTMENT BILLING FACTORS (GCABFS). THE REVISED GCABFS ARE CALCULATED IN ACCORDANCE WITH THE PROCEDURES SET FORTH IN THE PRELIMINARY STATEMENT, PART F, SANTA CATALINA ISLAND GAS COST ADJUSTMENT CLAUSE, OF EDISON'S TARIFFS AS AUTHORIZED IN COMMISSION DECISION NO. 82-04-010.

BY ADVICE LETTER 103-G, FILED ON January 19, 1996.

SUMMARY

- 1. Southern California Edison Company (Edison) seeks an increase in the Santa Catalina Island Gas Cost Adjustment Billing Factors (GCABFs). This Advice Letter (AL) is filed in conformance with D.82-04-010. The GCABFs are calculated in accordance with the Gas Cost Adjustment Clause (GCAC) of Edison's tariffs.
- 2. The GCAC revenue requirement reflects forecasted gas expenses for the period March 1, 1996 through February 28, 1997 and amortization of the estimated March 1, 1996 balance in the Gas Cost Adjustment Account. The GCAC revenue requirement calculated is \$396,176, an increase of \$81,775. Recovery of this revenue increase would require a 11.1% rate increase.
- 3. Edison proposes to defer a portion of this recovery in order to provide rate stability to Santa Catalina Island customers. Edison requests deferral of \$37,383 until the next scheduled revision on September 1, 1996. The current revenue increase of \$44,392 results in a 6% annual system average rate increase.
- 4. There are no protests to advice letter 103-G.
- 5. This Resolution approves Edison's AL 103-G.

BACKGROUND

- 1. Edison provides natural gas service to 1,290 metered customers on Santa Catalina Island. Edison purchases Liquified Petroleum Gas (LPG) to serve these customers.
- 2. D.82-04-010 authorized Edison to submit GCAC filings by Advice Letter on a six-month basis with March 1 and September 1 as the regularly scheduled revision dates.
- 3. Edison requests limiting the rate increase at this time to 6% in order to provide rate stability. The GCABFs were last revised on March 1, 1995 as filed in AL 101-G. AL 102-G, effective September 1, 1995, maintained the GCABFs at the current level.

NOTICE

1. Public notice of this advice letter was made by publication in the Commission calendar, and by Edison's mailing copies to other utilities, governmental agencies, and all interested parties who requested notification.

PROTESTS

1. No protests to Advice Letter 103-G have been filed.

DISCUSSION

- 1. The AL is a routine filing and requests an increase to recover forecasted gas cost increases and the amortization of the Gas Cost Adjustment Account balance. Edison has requested limiting the GCABF increase to 6% and deferring the remaining \$37,383 until the next AL filing to be effective September 1, 1996.
- 2. We find Edison's request to promote rate stability by deferring a portion of the increase reasonable. The amount of the deferral will be recovered in the September 1, 1996 GCABF AL filing.
- 3. We find Edison's request reasonable and will approve the new rates as contained in AL 103-G.

FINDINGS

- 1. Edison filed AL 103-G on January 19, 1996, requesting an increase in Santa Catalina Island GCABFs.
- 2. Edison's request to defer a portion of the increase and provide rate stability is reasonable.
- 3. No protests were filed.

THEREFORE, IT IS ORDERED that:

- 1. Edison's AL 103-G is approved and the rates contained therein are effective today.
- 2. This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on March 13, 1996. The following Commissioners approved it:

WESLEY M. FRANKLIN Executive Director

DANIEL Wm. FESSLER
President
P. GREGORY CONLON
JESSIE J. KNIGHT, Jr.
HENRY M. DUQUE
JOSIAH L. NEEPER
Commissioners