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RESOLUTION NO. E-1910

Orig. and Copy
to Executive DirectorUTILITIES DIVISION
BRANCH/SECTION:

R E S O L U T I O N

DATE: January 6, 1981

Director

Numerical File

RETURN TO ELECTRIC BRANCH

Alphabetical File

TARIFF UNIT

Accounting Officer

SUBJECT: Order Authorizing Pacific Gas & Electric Company, Electric Department to (a) Revise its Preliminary Statement, and (b) Delete Reference to TCAC from Rate Schedules.

Pacific Gas & Electric Company (PG&E), by Advice Letter No. 838-E, filed December 2, 1980, requests authority to revise its Preliminary Statement, to terminate use of the Tax Change Adjustment Clause (TCAC), and to terminate OII-19.

Decision No. 91107, dated December 19, 1979, in Application Nos. 58545 and 58546, is stated that: " Since the adopted expenses and revenues reflect the new State Ad Valorem Tax, there will not be any tax rate adjustment in the adopted rates." Consequently, the decision indicated that the Tax Change Adjustment Clause (TCAC) described in Part C of the Preliminary Statement, and the balance in the Tax Change Adjustment Account should be disposed of during the next Energy Cost Adjustment filing.

But Decision No. 91335 (Application No. 59248, an ECAC filing) dated February 13, 1980, was silent on this subject. Similarly, no provision for a transfer of TCAC funds has been made in Application No. 59463, an ECAC filing made February 20, 1980. Since no further revenue reduction or tax increase entries will be made to the TCAC account after December 1979, and the provisions for interest are the same in TCAC and ECAC, PG&E proposes the two accounts be merged.

As of October 31, 1980, the TCAC account showed a credit balance of \$3,276,500. Rather than attempting to amortize this balance over a period of months by continuing a negative TCAC adjustment amount, PG&E proposes to transfer this balance to the ECAC account set forth in Part B of the Preliminary Statement at the end of business on December 31, 1980, together with appropriate interest as set forth on Cal. P.U.C. Sheet No. 7208-E, filed by Advice No. 788-E and made effective January 31, 1980 pursuant to Decision No. 91269 (OII No. 56).

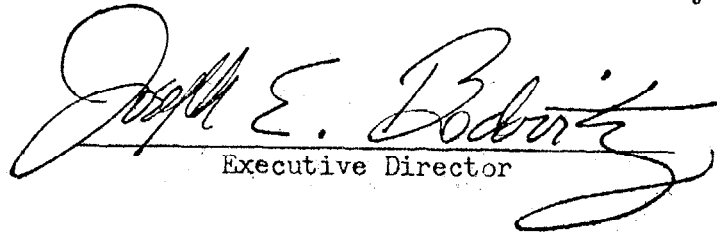
Consistent with the termination of the TCAC, and in view of the new State Ad Valorem Tax Estimate adopted in Decision No. 91107, PG&E requests that OII No. 19 be terminated for its Electric Department. This request should be made by PG&E through a formal petition in OII No. 19 and not through this advice filing.

It is found that this filing will not increase any rate or charge, cause a withdrawal of service, or conflict with other tariffs; therefore, good cause appearing,

IT IS ORDERED that Pacific Gas & Electric Company is authorized under the provisions of Decision No. 91107 and under Sections 701 and 792.5 of the Public Utilities Code to (a) revise its Preliminary Statement, and (b) delete reference to TCAC from rate schedules.]

I certify that this Resolution was introduced, approved and adopted at a regular conference of the Public Utilities Commission of the State of California on January 6, 1981. The following Commissioners voted favorably:

JOHN E. BRYSON
President
RICHARD D. GRAVELLE
LEONARD M. GRIMES, JR.
Commissioners


Executive Director