

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Copy for:

RESOLUTION NO. E-1941

Orig. and Copy

UTILITIES DIVISION

BRANCH/SECTION: Electric

DATE: October 20, 1981

to Executive Director

R E S O L U T I O N

Director

Numerical File

Alphabetical File

Accounting Officer

RETURN TO ELECTRIC BRANCH

TARIFF UNIT

SUBJECT: CP National Order Authorizing Energy Rate Adjustments
to Increase Annual Revenues for All Electric Districts

CP NATIONAL (CPN), by Advice Letters Nos. 221-E (Lassen), 220-E (Weaverville), both filed September 14, 1981 and as supplemented October 13, 1981, and 219-E (Needles) filed September 14, 1981, requests authority to increase its Energy Rates. These increases are composed of two components: one is to offset periodic increases in rates charged to CPN for purchased power, and the other is to amortize the under-collections which have accumulated in CPN's Purchased Power Cost Balancing Account. There are no changes in Base Rates. The proposed annual revenue increases are shown in the following table:

	<u>Lassen</u>	<u>Weaverville</u>	<u>Needles</u>
Resulting Change in Annual Revenue	\$2,037,690	\$293,167	\$774,050
Percentage Change in Annual Revenue	18.81	15.93	26.38

The next table presents the increases as proposed by CPN for Lassen and Weaverville, but for Needles the rates are based on the eighteen month amortization time as recommended by the staff of the Electric Branch.

	<u>Lassen</u>	<u>Weaverville</u>	<u>Needles</u>
Resulting Change in Annual Revenue	\$2,037,690	\$293,167	\$520,383
Percentage Change in Annual Revenue	18.81	15.93	17.74
Proposed Energy Rates:			
Lifeline	4.309	4.705	2.746 ¢/kWh
Non-Lifeline	10.772	10.112	8.513 ¢/kWh
Change in Energy Rates:			
Lifeline	1.281	1.097	1.043 ¢/kWh
Non-Lifeline	1.729	1.428	1.449 ¢/kWh
Present Base plus Energy Rates:			
Lifeline	6.146	5.927	4.650 ¢/kWh
Non-Lifeline	9.043	8.634	7.064 ¢/kWh
Proposed Base plus Energy Rates:			
Lifeline	7.427	7.024	5.693 ¢/kWh
Non-Lifeline	10.772	10.112	8.513 ¢/kWh
Increase %:			
Lifeline	20.8	18.5	22.4
Non-Lifeline	19.1	17.1	20.5

The present and proposed domestic rates, and the effect of these rates on winter and summer bills are shown in the following table:

EFFECT ON SUMMER AND WINTER AVERAGE BILLS

Lifeline Category	Customers	Quantity		Present Bill		Proposed Bill		% Increase (Decrease)
		(A)	(B)	(C)	(D)	(E)	(F)	

LASSEN DISTRICT

Effect on Estimated Summer Average Bill

Basic	2,388	240	367	\$ 28.74	\$ 34.01	\$ 5.27	18.3
Basic & Water Heating	2,130	490	683	50.07	59.68	9.61	19.2
Basic, Water & Space Heating	2,593	490	843	64.54	76.92	12.38	19.2

Effect on Estimated Winter Average Bill

Basic	2,388	240	405	32.17	38.10	5.93	18.4
Basic & Water Heating	2,130	490	780	58.84	76.13	11.29	19.2
Basic & Space Heating	76	1,360	793	51.24	61.40	10.16	19.8
Basic, Water & Space Heating	2,593	1,610	1,271	80.62	96.90	16.28	20.2

WEAVERVILLE DISTRICT

Effect on Estimated Summer Average Bill

Basic	310	240	502	\$ 39.35	\$ 45.85	\$ 6.50	16.5
Basic & Water Heating	228	490	828	60.73	71.10	10.37	17.1
Basic, Water & Space Heating	579	490	856	63.14	73.93	10.79	17.1

Effect on Winter Average Bill

Basic	310	240	601	47.89	55.86	7.97	16.6
Basic & Water Heating	228	490	1,015	76.87	90.01	13.14	17.1
Basic & Space Heating	13	1,360	1,009	62.30	73.37	11.07	17.8
Basic, Water & Space Heating	579	1,610	1,367	83.52	98.52	15.00	18.0

NEEDLES DISTRICT

Effect on Summer Average Bill (June through September)

Basic	1,001	890	1,106	\$ 59.14	\$ 71.56	\$ 12.42	21.0
Basic & Water Heating	164	1,140	1,363	71.26	86.38	15.12	21.3
Basic, Water & Space Heating	372	1,140	1,594	87.58	106.05	18.47	21.1

Effect on Winter Average Bill (November through April)

Basic	1,001	240	517	33.23	39.74	6.51	19.6
Basic & Water Heating	164	490	732	42.38	51.00	8.62	20.3
Basic & Space Heating	101	790	719	35.93	43.43	7.50	20.9
Basic, Water & Space Heating	372	1,040	1,112	55.95	67.84	11.89	21.3

These filings comply with procedures contained in Parts D and F of CPN's Preliminary Statement.

The increases are being distributed on a uniform ¢/kWh basis to each class of customer (1.448 ¢/kWh for Lassen, 1.238 ¢/kWh for Weaverville, and 1.187 ¢/kWh for Needles). However, within the residential class this average increase is being allocated so that the ratio of the non-lifeline to lifeline total rate remains at the present differential.

The last increase for all three Electric Districts was approved by the Commission on June 16, 1981, by Resolution No. E-1925. CPN claims that the rate increase is necessary because of an increase in rates charged by Pacific Gas and Electric Company and approved by F.E.R.C. for the Lassen and Weaverville Districts. The increases in rates for the Needles District is based on fuel cost adjustment charges paid to Nevada Power Company.

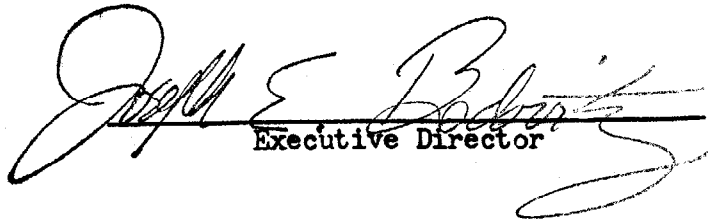
In order to have approximately the same increases for all CPN customers, the staff of the Electric Branch recommends an eighteen month amortization period to be used for Needles and CPN's request for twelve months amortization time for same District be denied.

The proposed charges by CPN for Lassen and Weaverville and recommended charges by the staff of the Electric Branch for Needles are hereby found to be just and reasonable; therefore, good cause appearing:

IT IS ORDERED that CPN National shall file with the Commission revised tariff schedules for electric rates as set forth above on or after the effective date of this order. The revised tariff schedules shall become effective on the date of filing and shall apply only to service rendered on or after the effective date. The effective date of this Resolution is the date hereof.

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 October 20, 1981. The following Commissioners voted favorably:

JOHN E. BRYSON
President
RICHARD D. GRAVELLE
LEONARD M. GRIMES, JR.
VICTOR CALVO
PRISCILLA C. CREW
Commissioners


Executive Director