PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Copy for:

RESOLUTION E-1972

Orig. and Copy to Executive Director

UTILITIES DIVISION BRANCH: Rate Design and Economics DATE: June 1, 1983 5188

_____Director _____Numerical File _____Alphabetical File _____Accounting Officer

RETURN TO RATE DESIGN AND ECONOMICS BRANCH ROOM

<u>RESOLUTION</u>

SIERRA PACIFIC POWER COMPANY (SPP), AUTHORIZATION TO REVISE TARIFF RULES CONCERNING MAIN AND SERVICE EXTENSIONS IN ACCORDANCE WITH PRIOR COMMISSION ORDER

By Advice Letter 169-E, filed April 15, 1983, SPP requests authorization to revise its filed electric tariff rules 1, 15, and 16, as set forth on Cal. P.U.C. Sheets 997-E through 1032-E, inclusive. The purpose of this filing is to implement the provisions of Ordering Paragraphs 1, 2, and 3 in Commission Decision 82-04-068, dated April 8, 1982, as amended by Decisions 82-09-110, 82-12-039, and 82-12-094, in Case 10260. The facts are as follows:

1. Commission Decisions in Case 10260 ending with Decision 82-12-094, established the allowances, rates, practices and procedures concerning free footage for new connections, and required the respondent gas and/or electric utilities to jointly form a committee for the purpose of preparing draft line and service extension rules to implement the Commission's expressed principles and policies.

2. Pacific Gas and Electric Company (PG&E) has submitted, on behalf of the Joint Utility Committee (Committee) draft rules for electric service, as required by Decision 82-12-094.

3. The draft rules were sent to all parties in Case 10260 for review. The comments of the parties and of the Staff were reviewed by the Committee before submission of the tariff, by the utility.

4. The Utilities Division staff reviewed the Committee draft, settled differences with the Committee with one exception, and was of the opinion that the draft complies, for the most part, with the decisions. The filed advice letter is the result of that review.

5. Protests have been made by parties in Case 10260 over the "Uneconomic Extension" provision and other parts of the electric tariffs. The "Uneconomic Extension" provision, upon review, is unsupported and should not be permitted to go into effect. The other portions of the rule that are objected to may go into effect at the present time, but may benefit from further evaluation if any party funds cause to file an application to consider a specific issue. Resolution E-1972 Conference of June 1, 1983

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6. The maximum free footage allowance for electric line extension has been set by the Committee at 1200 ft. and is based on 2/3 of the existing 1800 ft. maximum free footage allowance.

7. Page 4 of Decision 82-09-110 states: "Decision 82-04-068 establishes maximum allowances of 2500 feet for electric extensions and 177 feet for gas extensions and requires all new customers to pay 1/3 of their actual extension within these limits". Therefore, the maximum free footage allowance should be $2/3 \times 2500$ ft. = 1667 feet.

8. The staff has reviewed Advice Letter 169-E and is of the opinion that the filing, in part, does not comply with the decisions, and that the utility should be instructed to file a revised tariff sheet to reflect the intent of Decision 82-04-068. In order to comply with the decisions, Cal. P.U.C. Sheet 1008-E should be revised in that Paragraph D.1. a.(1). be changed to show 1667 feet per applicant instead of 1200 feet, and that the "Uneconomic Extension" provision on Sheet 1015-E should be deleted.

9. Notification of this advice letter filing has been made by mailing copies of the filing to other utilities, local government agencies, and interested parties who have requested copies. Notification to all of the above is also required for the Commission-orderd revisions.

10. We find that the intent of Decision 82-04-068 establishes maximum allowances of 2500 feet for electric extensions, and that Sheet 1008-E should be rejected because the 1200 ft. in Paragraph D.l.a.(1) in electric Rule 15 should be 1667 ft. We further find that Sheet 1015-E should be rejected because it contains unauthorized "Uneconomic Extension" provisions. In all other respects we find the proposed revision to the electric tariffs to be just and reasonable.

THEREFORE:

1. Cal. P.U.C. Sheet 1008-E and 1015-E are hereby rejected, as are Cal. P.U.C. Sheets 1031-E and 1032-E, the Table of Contents (T/C) pages that refer to them and SPP is instructed to file new tariff sheets setting the maximum free footage allowance at 1667 feet, and deleting the "Uneconomic Extension" provision.

2. The balance of Advice Letter 169-E and accompanying tariff sheets shall be held in abeyance until receipt of replacement tariff sheets for Sheet 1008-E and 1015-E and T/C pages to replace Sheets 1031-E and 1032-E, as ordered above, and upon receipt of said replacement sheets. They will go into effect on June 15, 1983. Resolution E-1972 Conference of June 1, 1983

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3. With the exception of Cal. P.U.C. Sheets 1008-E, 1015-E, 1031-E and 1032-E, the above filing and accompanying tariff sheets, plus subsequent replacement tariff sheets shall be marked to show that they were authorized for filing by Commission Resolution E-1972. This resolution is effective today.

I certify that this resolution was adopted by the Public Utilities Commission at its regular conference on <u>June 1, 1983</u>. The following Commissioners approved it:

Executive Director

LEONARD M. GRIMES, JR. President VICTOR CALVO PRISCILLA C. GREW DONALD VIAL Commissioners