

## PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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ENERGY BRANCH  
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RESOLUTION: E-2051

EVALUATION &amp; COMPLIANCE DIVISION

BRANCH: Energy

DATE: July 24, 1985

RESOLUTION

ORDER AUTHORIZING SOUTHERN CALIFORNIA EDISON COMPANY (SCE) TO IMPLEMENT AN AGREEMENT FOR THE EXTENSION OF ELECTRIC SERVICE TO A LOT SALE SUBDIVISION UNDER CONDITIONS WHICH DEVIATE FROM FILED TARIFFS

By Advice Letter 689-E, filed June 21, 1985, Southern California Edison Company (SCE) requests authorization to implement an Agreement, dated May 31, 1985, with Jurgen Gramckow, Applicant, providing for the extension of electric service to a lot sale subdivision located at 7100 Shephard Mesa Drive, Carpenteria, California, located in the County of Santa Barbara. The facts are as follows:

1. The Agreement, as listed below, deviates from SCE's filed tariffs by the advance payment of the total cost of the facilities by the provisions for refunds based on five times estimated base revenues from load to be connected to the facilities and by the payment of a lump sum amount to create a fund covering SCE's cost-of-ownership.

<u>Total Cost of Extension</u>	<u>Lump Sum Payment to Cover Cost-of-Ownership</u>	<u>Total Payment by Applicant</u>
\$9,430.00	\$5,752.49	\$15,182.49

2. The amount collected by SCE is refundable based on the base rate revenue for up to a period of 10 years. The cost-of-ownership is based on the present worth value of the monthly cost-of-ownership charge for a period of ten years using a rate of 12.70 percent which was SCE's authorized rate of return when the Agreement was negotiated. The ownership fund is based on 0.9 percent per month for ten years times the estimated installed cost of the facilities to be owned by SCE of \$9,430.00 minus five times the estimated annual base rate revenue.

3. SCE believes the cost-of-ownership provision to be reasonable. This will enable the line extension to be installed under conditions acceptable to the Applicant and prevent the installation from being a burden on SCE's other ratepayers.

4. This request by SCE is similar to that of previous advice letter filings that have been approved by this Commission.

5. This filing has been reviewed by the staffs of the Service and Safety and the Energy Branches. The staff recommends authorization, and the filing is herewith presented to the Commission for its approval.

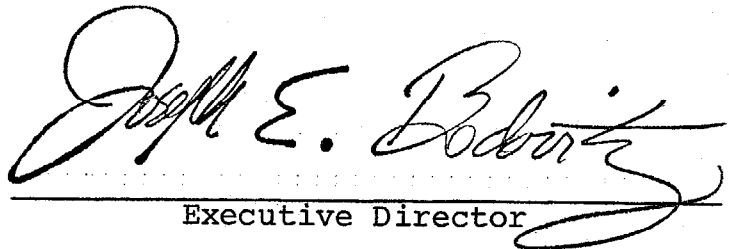
6. We find that this Agreement is just and reasonable, has been reached by mutual consent of both parties, is consistent with established criteria, and enables Applicant to obtain needed service under conditions which are acceptable and which prevent the cost of such service from becoming a burden on other ratepayers.

THEREFORE:

1. Southern California Edison Company is authorized by Sections 454 and 532 of the Public Utilities Code and by Section X.A. of General Order 96-A to place the above Agreement into effect today.
2. Advice Letter No. 689-E and the accompanying Agreement shall be marked to show that they were approved for filing by Commission Resolution E-2051. This resolution is effective today.

I certify that this resolution was adopted by the Public Utilities Commission at its regular meeting on July 24, 1985. The following Commissioners approved it:

DONALD VIAL  
President  
VICTOR CALVO  
PRISCILLA C. GREW  
WILLIAM T. BAGLEY  
FREDERICK R. DUDA  
Commissioners

  
Executive Director