PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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...... to Executive Director

RESOLUTION: E-2056

EVALUATION & COMPLIANCE DIVISION BRANCH: Energy DATE: September 5, 1985

\_\_\_\_\_Director \_\_\_\_\_Numerical File \_\_\_\_\_Alphabetical File \_\_\_\_\_Accounting Officer

RETURN TO: ENERGY BRANCH ROOM 2011

## RESOLUTION

ORDER AUTHORIZING SAN DIEGO GAS AND ELECTRIC COMPANY (SDG&E) TO REFLECT AN AMOUNT OF COGENERATION RELATED OPERATION AND MAINTENANCE (O&M) CHARGE REVENUE INCLUDED IN THE AUTHORIZED BASE RATE REVENUE

By Advice Letter 640-E, filed May 10, 1985, San Diego Gas and Electric Company (SDG&E) requests authorization to revise a portion of its Preliminary Statement to reflect an amount of cogeneration related Operation and Maintenance (O&M) charge revenue included in the Authorized Base Rate Revenue as set forth on Cal. P.U.C. Sheets 5395-E through 5396-E, inclusive. The facts are as follows:

1. This filing is for the purpose of revising SDG&E's Preliminary Statement, Section 14. Electrical Revenue Adjustment Mechanism (ERAM) Balancing Account.

2. Specifically, SDG&E proposes to include an amount of \$4,580.00 in Section 14.(c)(3) of the Preliminary Statement as the amount of interconnection facility charge and O&M charge revenue from qualified cogeneration or small power production facilities that is a portion of SDG&E's adopted Miscellaneous Revenue and is included in the Authorized Base Rate Revenue, effective January 1, 1984.

3. The \$4,580.00 amount was inadvertently omitted from the original Advice Letter 604-E made pursuant to SDG&E's 1984 General Rate Case in Decision 83-12-065 dated December 20, 1983 in Application 82-12-057.

4. Since 1982, the date Section 14.(c)(3) was added to the Preliminary Statement, and the first month SDG&E recorded any cogeneration and O&M charge revenue, the debit entry authorized by Section 14.(c)(3) for such revenue had not been reflected in the ERAM Balancing Account. Therefore, SDG&E included an adjustment to the ERAM Balancing Account in the January 1985 data to reflect the appropriate ERAM treatment of all such recorded cogeneration O&M charge revenue, including interest effect.

5. The total effect of the adjustment was a reduction in the ERAM Balancing Account Overcollection.

6. This filing will not increase any rate or charge other than noted above, conflict with other rate schedules or rules, nor cause the withdrawal of service.

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7. Public notification of this filing has been made by mailing copies of the advice letter to other utilities and to governmental agencies. The Commission Staff received one letter of protest filed by the City of San Diego; however, the protest was subsequently resolved through discussions with the Staff.

8. The Staff of the Legal Division have reviewed this filing and find that the adjustment does not constitute retroactive ratemaking and recommends its approval. Additionally, the Staff of the Energy Branch of the Evaluation and Compliance Division has reviewed this filing and recommends its approval.

THEREFORE:

1. San Diego Gas and Electric Company is authorized under Section 491 of the Public Utilities Code and Section X.A. of General Order 96-A to place the Advice Letter 640-E and accompanying tariff sheets into effect today.

2. The above advice letter shall be marked to show that it is acceptable for filing by Commission Resolution No. E-2056. This resolution is effective today.

I hereby certify that this resolution was adopted by the Public Utilities Commission at its regular meeting on September 5, 1985. The following Commissioners approved it:

Executive Director

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