

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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to Executive Director

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RESOLUTION: E-2069

JAN 27 1986

EVALUATION & COMPLIANCE DIVISION

Director

Energy Branch

BRANCH: Energy

Numerical File

DATE: January 23, 1986

Alphabetical File

Return to: Energy Branch
Room 2011

Accounting Officer

RESOLUTION

ORDER AUTHORIZING PACIFIC POWER AND LIGHT COMPANY
(PP&L) TO INCREASE THE COST PER FOOT OF OVERHEAD
AND UNDERGROUND ELECTRIC EXTENSIONS UNDER RULES
15 and 15.1

By Advice Letter 188-E, filed November 18, 1985, Pacific Power and Light Company (PP&L) requests authorization to revise its unit cost per foot in Rules 15 and 15.1. The facts are as follows:

1. The purpose of this filing is to revise the cost per foot set forth in Section B.3.a. of PP&L's Rule 15, Overhead Extensions to Individual Applicants for Service, in addition to revising the cost per foot set forth in Section C.1 of Rule 15.1, Underground Extensions Within New Residential Subdivisions.
2. The above revisions are in accordance with Paragraph E.2., Periodic Review of Rules 15 and 15.1, since footage costs have changed by more than 10% since the last revision of the costs according to the rule.
3. PP&L has reviewed costs for each line extension completed during calendar year ending December 31, 1983. PP&L has not experienced any major subdivision developments in its territory since 1983, therefore, 1984 and 1985 data is not available from which to develop more current costs. The completed line extension jobs represent overhead extensions to individual applicants and underground extensions to residential subdivisions in PP&L's California service territory.
4. Individual overhead extension costs have increased from the system average of \$2.25 per foot authorized by Resolution E-1954 dated August 31, 1976 to \$5.68 per foot. Therefore, PP&L requests that the charge per foot currently shown in Section B.3.a., Extensions Beyond the Free Length in Rule 15 be revised from \$2.25 per foot to \$5.50 per foot. Cost support information for calendar year 1983 is provided as Attachment A to this Resolution; 1984 and 1985 data was not developed, therefore, more current costs are not available at this time.

5. Additionally, PP&L reviewed costs for each underground line extension within new residential subdivisions during calendar year ending December 31, 1983. The system average cost of \$3.15 per front footage authorized by Decision No. 76394, dated January 7, 1970 has increased to \$4.72 per front foot. Therefore, PP&L requests that the charge per front footage currently shown in Section C.1, Advances by Developer, in Rule 15.1 be revised from \$3.15 per front footage to \$4.50 per front foot.

6. PP&L is aware of the Staff's recommendation that subdivisions be distinguished from developments with a resulting two-part rate for line extensions. PP&L's study reviewed these types of extensions, and there were no residential developments constructed during its test period. The Company, therefore, has no basis for establishing a more current unit cost for residential developments.

7. The staff of the Service and Safety and Energy Branches of the Evaluation and Compliance Division has reviewed PP&L's filing and has determined that it conforms to the requirement of the Periodic Review paragraph of PP&L's Rules 15 and 15.1.

8. Public notification of this filing has been made by mailing copies of the advice letter to other utilities, interested parties, and to governmental agencies. The Commission has received no protests in this matter.

9. Except as noted above, this filing will not increase or decrease any rate or charge, cause the withdrawal of service, nor conflict with other schedules or rules.

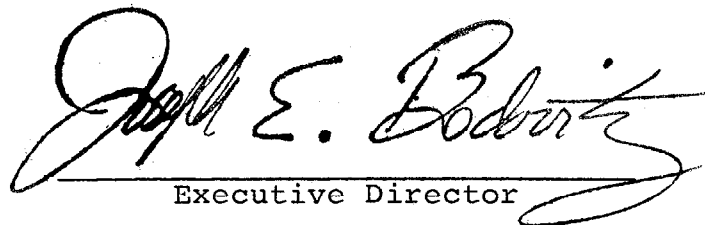
10. We find that these revisions as requested in Advice Letter 188-E are just and reasonable and in conformance with the applicable portion of PP&L's Rules 15 and 15.1.

THEREFORE:

1. Pacific Power and Light Company is authorized under Section 454 of the Public Utilities Code and by Section X.A. of General Order 96-A to place the above-mentioned tariff sheets into effect today.

2. Advice Letter 188-E and accompanying tariff sheets shall be marked to show that they were authorized for filing by Commission Resolution E-2069. This Resolution is effective today.

I Certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on January 23, 1986. The following Commissioners approved it:


Executive Director

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

Attachment 'A'
Year Ending December 31, 1983
Rule 15 and 15.1

	<u>Recorded</u> <u>Cost</u> (1)	<u>Footage</u> (2)	<u>Cost Per</u> <u>Foot</u> (3) (1) (2)
Overhead Individual Applicants - Rule 15	\$857,258	151,028	\$5.68
U.G. Subdivisions Rule - 15.1	\$ 46,520	9,864	\$4.72

For comparison the current Pacific Gas and Electric Company and Southern California Edison Company extension charges are as follows:

	<u>Cost per Foot</u>
<u>Pacific Gas and Electric Company</u>	
Overhead Individual Applicants	\$ 5.00
Underground Subdivisions	\$ 7.63 *
	\$14.45 **
<u>Southern California Edison Company</u>	
Overhead Individual Applicants	\$ 6.90
Underground Subdivisions	\$10.62

- * For subdivisions, the product of \$7.63 per foot times the total footage of property fronting on streets within the subdivisions.
- ** For developments, the product of \$14.45 per foot times the total footage of distribution lines within the development.