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Room 2011

E-3*

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

EVALUATION & COMPLIANCE DIVISION
Energy Branch

RESOLUTION E-2079
April 16, 1986

RESOLUTION

ORDER AUTHORIZING PACIFIC GAS AND ELECTRIC COMPANY (PG&E)
TO AMEND ITS PRELIMINARY STATEMENT TO ESTABLISH A PROVISION
IN THE ELECTRIC RATE ADJUSTMENT MECHANISM FOR REIMBURSEMENT
OF MONEY PAID TO THE COMMISSION PURSUANT TO PUBLIC UTILITIES
CODE SECTION 631 FOR CONSULTANT EXPENSES.

By Advice Letter No. 1109-E, filed March 17, 1986, Pacific Gas and Electric Company (PG&E) requests authorization to amend the Electric Rate Adjustment Mechanism (ERAM) portion of its Preliminary Statement, Electric Department. The facts are as follows:

1. The purpose of this filing is to amend the Preliminary Statement, Part E, Electric Rate Adjustment Mechanism (ERAM) to include a provision which would allow PG&E to recover in rates payments which PG&E makes to the Commission pursuant to Public Utilities Code Section 631.
2. Public Utilities Code Section 631 provides:

In addition to the requirements of Article 1 (commencing with Section 1001) of Chapter 5 and any other provisions of law, the Commission shall require every electrical corporation and every gas corporation proposing to construct or modify any electric plant or gas plant at a cost in excess of one hundred million dollars (\$100,000,000) to reimburse the Commission for expenses of such consultants or advisory services as the Commission deems necessary for either or both the following.

- (a) The processing of an application for certification of the plant.

- (b) The processing of an application for approval of any rate increase reflecting the inclusion of the cost of the plant in the rates of the corporation. This subdivision applies to any plant for modification are approved for inclusion on the corporation's rates on or after January 1, 1983.

2. PG&E has reimbursed the Commission for its consultant expenses in conjunction with two projects. In Application No. 82-04-012 PG&E requested authorization to reflect its Helms Pumped Storage Plant in rates. In conjunction with its review, the Commission invoiced and PG&E paid \$119,450 for Commission consultant expenses.

3. By Application Nos. 84-06-014 and 85-08-025 PG&E requested authorization to include the costs of owning, operating and eventually decommissioning its Diablo Canyon Nuclear Power Plant in rates. To review and evaluate this request, PG&E was informed that the Commission authorized a budget of \$6,914,000 for consultant expenses. To date, PG&E has reimbursed the Commission \$2,614,627.44 for consultant expenses in conjunction with its Diablo Canyon review. A list of the invoices paid to date are shown on Attachment A to this resolution.

4. PG&E has paid \$2,734,077.44 to the Commission pursuant to Public Utilities Code Section 631. It is anticipated that in the future PG&E will receive and pay additional invoices to reimburse the Commission for its consultant and advisory expenses.

5. The amendment to Part E of the Preliminary Statement allows PG&E to include in its electric rates expenses the money it reimburses to the Commission pursuant to Section 631 of the Public Utilities Code. Revisions will be made as necessary at each ERAM revision date.

6. 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.

7. Public notification of this filing has been made by mailing copies to other utilities, governmental agencies and to all interested parties who requested such notification. The Commission staff has received no protests in this matter.

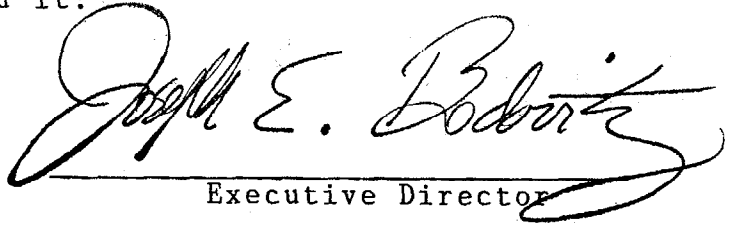
8. The staff of the Energy and Advisory, Evaluation and Research Branches of the Evaluation and Compliance Division have reviewed this filing and recommends its approval.

THEREFORE;

1. Pacific Gas and Electric Company is authorized by Section of the Public Utilities Code and Section X. A. of General Order 96-A to place the above advice letter into effect today.

2. The above Advice Letter 1109-E and accompanying tariff sheets shall be marked to show that they were authorized for filing by Commission Resolution E-2079. This resolution is effective today.

I certify that this resolution was adopted by the Public Utilities Commission at its regular meeting on April 16, 1986. The following Commissioners approved it:


Executive Director

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