

## PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

EVALUATION AND COMPLIANCE DIVISION Energy Branch RESOLUTION E-3026 March 25, 1987

## <u>R E S O L U T I O N</u>

ORDER AUTHORIZING PACIFIC GAS AND ELECTRIC COMPANY (PG&E) TO REDUCE THE OPERATION PERIOD OF SCHEDULE EC - DIRECT CONTROL OF RESIDENTIAL CUSTOMERS' AIR CONDITIONERS (EXPERIMENTAL).

By Advice Letter 1141-E, filed February 23, 1987, Pacific Gas and Electric Company (PG&E) requests authorization to reduce the operation period of Schedule EC - Direct Control of Residential Customers' Air Conditioners (Experimental), to allow for direct control of residential customers' air conditioners. The facts are as follows:

1. The advice letter filing changes the operating period of Schedule EC from five months to four months by elminiating May as an operation month.

2. The impetus behind this change is that PG&E has had few project operations and relatively little load relief available from this project in the month of May.

3. Removing May from the operating period will enhance the project's cost-effectiveness by ensuring that the incentive payment levels more closely reflect the 1987 value of capacity adopted by the Commission in Decision 86-12-091, on PG&E's Energy Cost Adjustment Clause filing.

4. This filing also reduces the maximum number of days of operation of the shedding option from 15 days to 10 days; this change accomodates customer preference for a lower limit to the maximum number of days of program operation. The benefits of operating its project tend to be concentrated during a small number of days when the hourly loss-of-load probabilities (LOLP's) are high. Therefore, eliminating operations on the less critical days (i.e., on the llth through 15th day when forecasted LOLP's are small) will have little impact on the projected benefits.

5. Minor changes to the wording of the tariff schedule have also been made to enhance readability and clarity.

6. PG&E requests that this filing be made effective under Section 491 of the Public Utilities Code, less than regular notice, because of notification of project participants must be completed by April 30, 1987.

7. The Commission has received no protests in this matter.

8. Except as noted above, this filing will not increase any rate or charge, cause the withdrawal of service, or conflict with other schedules or rules.

9. The Staff of the Evaluation and Compliance Division has reviewed this advice letter filing and recommends its approval.

THEREFORE:

1. Pacific Gas and Electric Company is authorized under Section 491 of the Public Utilities Code and Section A of General Order 96-A, to place Advice Letter 1141-E and accompanying tariff sheets into effect today on less than the 40-day regular notice in order to allow sufficient time to notify project participants by April 30, 1987 of the changes in Schedule EC.

2. This Resolution is effective today.

I certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on March 25, 1987. The following Commissioners approved it:

Executive Director

Commissioner John B. Ohanian, present but not participating.

STANLEY W. HULETT President DONALD VIAL FREDERICK R. DUDA G. MITCHELL WILK Commissioners - 2 -