PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY AND COMPLIANCE DIVISION RESOLUTION E-3134 March 22, 1989

Energy Branch

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<u>RESOLUTION</u>

RESOLUTION E-3134. SOUTHERN CALIFORNIA EDISON COMPANY (EDISON) AUTHORIZATION TO REVISE RATE SCHEDULE NO. GS-TP, GENERAL SERVICE-THREE PHASE, NON-DEMAND, TO MITIGATE AN ADVERSE RATE IMPACT ON CUSTOMERS PROVIDED THREE-PHASE SERVICE BY EDISON WHO HAVE LITTLE OR NO THREE-PHASE LOAD.

BY ADVICE LETTER 822-E, FILED ON FEBRUARY 16, 1989.

SUMMARY

1. By Advice Letter 822-E, filed February 16, 1989, Southern California Edison Company (Edison) requests Commission approval to revise rate Schedule No. GS-TP, General Service - Three Phase, Non-Demand, to broaden the applicability to existing or new customers taking three-phase service when the customer's recorded maximum demand has not exceeded 10 kW. Rates are to become effective on and after March 31, 1989.

2. This Resolution approves Edison's request.

BACKGROUND

1. Edison's Applicability Section of Schedule No. GS-TP is revised to provide that effective on and after March 31, 1989, this schedule is also applicable to existing or new customers taking three-phase service when the customer's recorded maximum demand has not exceeded 10 kW or when, in the opinion of Edison, the customer's load and use characteristics indicate that the maximum demand will not exceed 10 kW. This change is needed to mitigate an unanticipated adverse rate impact on customers provided three-phase service by Edison who have little or no three-phase load.

2. In Edison's 1988 General Rate Case Decision (D.) 87-12-066, the Commission determined that all three-phase service should be subject to a Demand Charge. It authorized the elimination of rate Schedule No. GS-1 with the placement of any existing threephase service GS-1 customers on Schedule No. GS-TP. Since

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Schedule No. GS-TP was made applicable only to existing customers on Schedule No. GS-1 as of December 31, 1987, any new three-phase service installations or new customers taking over an existing three-phase installation are required to take service on Schedule No. GS-2, General Service - Demand. The newly authorized GS-2 rate implemented seasonal demand charges with a higher Summer than Winter Demand Charge, and a larger Customer Charge than was established for Schedule No. GS-TP. In the rate proceedings and at the time of the Decision, it was not considered that some three-phase service customers have only single-phase load, and lower demands than the average Schedule No. GS-2 customer. Such customers when placed on Schedule No. GS-2 experienced substantially higher bills.

DISCUSSION

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1. Edison and the Commission have received numerous inquiries regarding this situation from small three-phase service customers who either have no three-phase load or who have small and/or intermittent demands. While Edison intends to file for cost-based customer and demand charges for this type of customer in its next General Rate Case, it feels that more immediate relief is required. This Advice filing provides these small three-phase service customers with such relief.

2. The requested revision will result in a rate reduction for three-phase customers who have a demand of 10 kW or less. No significant revenue impact is expected to occur as a result of this change. As a result, cost information has not been developed for this Advice filing.

3. The utility proposes to revise the Applicability Section to provide that customers who commence service on Schedule No. GS-TP on and after March 31, 1989, and who, after commencement of such service, have a maximum demand above 10 kW in three billing periods out of the last twelve months, are ineligible for service under Schedule No. GS-TP. Also, Special Condition No. 5, Removal From Schedule, is added, which provides that customers who become ineligible for service be changed to an applicable general service rate schedule effective with the next regularly scheduled monthly billing period.

4. Except as noted above, this filing will not increase or decrease any rate or charge, cause the withdrawal of service, nor conflict with any schedules or rules. Since Schedule No. GS-2 demand charges are higher in summer than in winter, it is important to provide this change prior to the summer billing season. Therefore, the effective date of March 31, 1989, is requested.

5. The Commission Advisory and Compliance Division has reviewed Advice Letter 822-E and recommends its approval.

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6. Public notification has been made by supplying copies of this filing to other utilities and parties requesting notification of advice filings.

PROTESTS

1. No protests to this advice letter have been received.

FINDINGS

1. The Applicability Section of Schedule GS-TP should be revised to provide that effective on and after March 31, 1989, this Schedule is also applicable to new customers taking threephase service when the customer's recorded maximum demand has not exceeded 10 kW or when, in the opinion of Edison, the customer's load and use characteristics indicate that the maximum demand will not exceed 10 kW.

2. In Edison's General Rate Case D. 87-12-066, the Commission determined that all three-phase service should be subject to a Demand Charge and authorized the elimination of rate Schedule No. GS-1 with the placement of any existing three-phase service GS-1 customers on Schedule No. GS-TP.

3. The requested revision in rate application will result in a rate reduction for three-phase customers who have a demand of 10 kW or less.

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

5. The Commission Advisory and Compliance Division finds Edison's request to be just and reasonable.

THEREFORE, IT IS ORDERED that:

- 1. Southern California Edison Company is authorized under General Order 96-A to revise its rate Schedule No. GS-TP, General Service - Three Phase, Non-Demand as requested by Advice Letter 822-E.
- 2. Advice Letter 822-E, and accompanying tariff sheets, shall be marked to show that they were authorized by Commission Resolution E-3134 to became effective on and after March 31, 1989.

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3. This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on March 22, 1989. The following Commissioners approved it:

G. MITCHELL WILK President FREDERICK R. DUDA STANLEY W. HULETT JOHN B. OHANIAN Commissioners

Executive Director

Commissioner Patricia Eckert, present but not participating