RETURN TO ENERGY BRANCH ROOM 3102

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY AND COMPLIANCE DIVISION Energy Branch RESOLUTION E-3141 Date April 26, 1989

RESOLUTION

RESOLUTION E-3141. PACIFIC POWER & LIGHT COMPANY (PP&L) AUTHORIZED TO MODIFY PARAGRAPH 5 OF ITS PRELIMINARY STATEMENT, AND RULES 4, 7 AND 17.

BY ADVICE LETTER 215-E, FILED ON FEBRUARY 8, 1989.

SUMMARY

1. PP&L requests to change its Preliminary Statement and Rules 4, 7 and 17 as follows:

> Preliminary Statement Paragraph 5 - to clarify that PP&L will only pay interest to customers when specifically stated in tariff schedules, ordered by the Commission, or required by Federal Public Law 97-177 (31 USCA 1801 et seq).

Rule 4. Contracts - to insert a new paragraph that PP&L may verify customer installed load and recompute extension line free footage allowance if appropriate.

Rule 7. Deposits - to change the language that for non-domestic accounts the required deposit will be twice the estimated maximum monthly bill, and for re-establishment of credit the deposit will be twice the estimated maximum bill for all accounts.

Rule 17. Meter Tests and Adjustment of Bills for Meter Error - to refine the definition of "Unauthorized Use" by citing examples of unauthorized use, and to set time limits (3 years) for adjustment of bills not involving billing error, meter error or unauthorized use.

2. This Resolution approves PP&L's request.

BACKGROUND

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1. These provisions will simplify customer relations by including a more detailed description of current practices. The requested modifications will make PP&L's tariffs consistent with those of the major regulated electric utilities Pacific Gas & Electric, San Diego Gas & Electric and Southern California Edison.

DISCUSSION

1. The proposed Preliminary Statement, Paragraph 5, provides that PP&L will not pay interest unless specifically stated in tariff schedules, ordered by the Commission, or as otherwise provided by Federal Public Law 97-177 (31 USCA 1801 et.seq.). Historically the utilities have justified the non-payment of interest by citing Section 532 (non-discriminatory rates) of the PUC Code. This provision for non-payment of interest will not apply to customer deposits, as interest on such deposits is specified in Rule 7.B. of PP&L's tariff. The Commission can order payment of interest under Section 734 of the PUC Code where such payment will not result in discrimination against other ratepayers. The Commission has ordered payment of interest on utility overcharges in exceptional cases of gross error by the utility, viz. by Pacific Gas & Electric Company in D. 87-03-056 dated March 25, 1987.

2. Rule 4.B. will permit PP&L to check the installed load to verify that a customer's actual load is equal to the proposed load used in calculating the free footage allowance for a line extension when a line extension has been made to serve a customer.

3. Rule 7.A.1. will permit the utility to require a security deposit to establish or reestablish credit as follows:

To establish credit for a "domestic" account, the deposit is twice the average estimated monthly bill (This is PP&L's current practice.); for "non-domestic" accounts, the deposit will be twice the maximum estimated monthly bill. To reestablish credit the deposit for all accounts will be twice the maximum estimated monthly bill.

4. Rule 17. Paragraph C. will have new subparagraph which will refine the definition of "Unauthorized Use" by citing examples.

5. Rule 17 will have a new paragraph E. "Limitation on Adjustment of Bills for Energy Use" which limits adjustments of bills for anything other than Billing Error, Meter Error or Unauthorized Use (as defined in PP&L's filed tariffs) to a period not to exceed three years.

6. These revised provisions in Rule 17 are substantially identical with those approved by the Commission in Resolution

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E-3138 dated March 22, 1989 for Southern California Edison Company.

7. The changes requested in this advice letter are incorporated into PP&L's Cal. P.U.C. Revised Tariff Sheet Nos. 1687-E through 1694-E.

8. This filing will not increase any rate or charge, conflict with other schedules or rules, nor cause withdrawal of service, except for the increased deposit requirements (which are refundable) for the establishment of credit for non-domestic accounts and for the reestablishment of credit for all accounts.

9. PP&L has requested, in compliance with Section IV.B of General Order 96-A, to make this filing effective 40 days after the date filed.

10. 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 provisions of PP&L's Advice Letter No. 215-E modifying the Preliminary Statement, Paragraph 5, and Rules 4, 7 and 17 are consistent with previously approved tariffs of other regulated utilities.

THEREFORE, IT IS ORDERED that:

- Advice Letter 215-E and accompanying tariff sheets 1687-E through 1694-E shall be marked to show that they were approved by Commission Resolution E-3141.
- 2. This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on April 26, 1989. The following Commissioners approved it:

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

Executive Director

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