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PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY
AND COMPLIANCE DIVISION
Energy Branch

RESOLUTION E-3149
May 26, 1989

R E S O L U T I O N

RESOLUTION NO. E-3149. PACIFIC GAS & ELECTRIC COMPANY (PG&E) AND SAN DIEGO GAS & ELECTRIC COMPANY (SDG&E). ORDER AUTHORIZING REVISION OF ELECTRIC RULE NO. 21, NONUTILITY-OWNED PARALLEL GENERATION, FOR EACH UTILITY IN ORDER TO MAKE THE RESPECTIVE RULES COMPATIBLE WITH UNIFORM STANDARD OFFER (SO) 1 IN ACCORDANCE WITH THE PROVISIONS OF A PRIOR COMMISSION ORDER, PG&E ADVICE LETTER NO. 1244-E, FILED MARCH 24, 1989 AND SDG&E ADVICE LETTER NO. 764-E, FILED MARCH 27, 1989.

SUMMARY

1. PG&E and SDG&E have each requested authorization under the provisions of Decision 89-02-065 to revise their respective Electric Rule No. 21 to make the rule compatible with the Uniform SO 1. SDG&E's revisions also make the rule compatible with its revised SO 2 as approved by Decision 89-02-017.
2. This resolution authorizes the revisions.

BACKGROUND

1. Decision D.89-02-065, dated February 24, 1989, approved Uniform SO 1 and ordered PG&E, SDG&E and Southern California Edison Company (Edison) to file the appropriate amendments to their standard power purchase agreements to consolidate the offers for short-run and long-run power purchases.
2. The changes to Uniform SO1 ordered in D.89-02-065 resulted from directives provided by the Commission in D.88-09-026 and subsequent workshops held among PG&E, SDG&E, Edison, Independent Energy Producers (IEP) and the Division of Ratepayer Advocates (DRA) to create uniform provisions for the California utilities' Uniform SO1 and SO3 agreements.

3. Decision 89-02-065 also instructed the utilities to file revisions to their respective interconnection tariffs (Rule 21) in conformity with Uniform SO1.

4. Uniform SO 1 incorporates a milestone procedure directly into the contract, eliminating the need for Uniform SO 1 QFs to be subject to the revised Fifth Qualifying Facility Milestone Procedure.

5. Uniform SO 1 will become effective on the date that these tariff rule revisions take effect as per Ordering Paragraph 2 of Decision 89-02-065.

DISCUSSION

1. One of the revisions to Rule 21, filed by both PG&E and SDG&E, exempts Uniform SO1 QFs from the Qualifying Facilities Milestone Procedure (QFMP), which establishes an interconnection priority for those QFs seeking access to limited transmission and/or distribution line capacity.

2. Like Final SO 4, the Uniform SO 1 contract contains project development milestones. This eliminates the need for these new QFs to be subject to the QFMP.

3. The revisions to Rule 21 parallels the terms of the revised SOs in specifying requirements for establishing priority for access to available capacity on the transmission/distribution system.

4. For Uniform SO 1 QFs, priority is established as of the date the Producer pays the project fee, and provides information for and pays the cost of the Preliminary Interconnection Study or the Interconnection Study in accordance with the power purchase agreement.

5. The Commission Advisory and Compliance Division (CACD) has reviewed these filings. CACD believe that both filings meet the provisions of Decision 89-02-065 in that the proposed tariff rules are now compatible with Uniform SO 1, and SDG&E's is also compatible with SDG&E's revised SO 2.

6. The utilities each allege and CACD concurs that these filings will not increase any rates or charges, cause the withdrawal of service, or conflict with any other rate or schedule.

7. Public notification of each of these filings has been made by mailing copies of the Advice Letters to other utilities, governmental agencies and to all interested parties who requested such notification.

8. The CACD has received no protests for either of these filings.

FINDINGS

1. PG&E's and SDG&E's requests to file the above revisions to their respective Electric Rules 21 are in accordance with Decisions 89-02-065 and 89-02-017 and are, therefore, just and reasonable.

2. Approval should be granted to each of these filings with the effective date in each case being the date of this resolution, which constitutes more than the regular 40-day notice.

THEREFORE IT IS ORDERED that:

1. Authority is granted under the provisions of Decision 89-02-065 and under Sections 453 and 454 of the Public Utilities Code for Pacific Gas and Electric Company to place Advice Letter 1244-E and accompanying tariff sheets into effect on the date hereof.

3. Authority is also granted under the same provisions for San Diego Gas & Electric Company to place Advice Letter 764-E and accompanying tariff sheets into effect on the date hereof.

3. PG&E Advice Letter 1244-E and SDG&E Advice Letter 764-E, together with their respective accompanying tariff sheets shall each be marked to show that they were authorized for filing by Resolution E-3149.

4. The effective date of this resolution is the date hereof.

I hereby certify that this resolution was adopted by the Public Utilities Commission at its regular meeting on May 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