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PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY
AND COMPLIANCE DIVISION
Energy Branch

RESOLUTION E-3156
JUNE 21, 1989

R E S O L U T I O N

RESOLUTION E-3156, SOUTHERN CALIFORNIA EDISON COMPANY (EDISON) AUTHORIZATION TO INCREASE ITS AVERAGE OWNERSHIP RATE TO RECOVER A PORTION OF ITS INVESTMENT-RELATED COSTS ASSOCIATED WITH THE SYLMAR-PACIFIC HVDC INTERTIE EXPANSION
BY ADVICE LETTER 834-E, FILED MAY 5, 1989.

SUMMARY

1. By Advice Letter 834-E filed May 5, 1989, Edison requests approval to revise its Preliminary Statement, Part K, to reflect an increase in its Average Ownership Rate by 0.017 cents/kWh. This increase will recover a portion of its investment-related costs associated with the Sylmar-Pacific High Voltage Direct Current (HVDC) Intertie Expansion. This increase will result in a Major Additions Adjustment Billing Factor of 0.180 cents/kWh, representing an estimated net annualized revenue change of \$11.4 million.
2. This Resolution authorizes the request pending a decision in Edison's Energy Cost Adjustment Clause Application (A.) 89-03-023.

BACKGROUND

1. Edison's request is to revise its Preliminary Statement, Part K, to increase its Average Ownership Rate (AOR) by 0.017 cents/kWh. This increase will recover a portion of Edison's investment-related costs associated with the Sylmar-Pacific HVDC Intertie Expansion. This increase will result in a Major Additions Adjustment Billing Factor (MAABF) of 0.180 cents/kWh.

2. Decision (D.) 87-12-066 in Edison's General Rate Case (GRC), Appendix A, Part B.2, it states in part:

"An advice letter may be filed which requests implementation of the Major Additions Adjustment Clause (MAAC) rate level change authorized in the Commission's decision rendered in the general rate case proceeding at an appropriate time so as to coincide with other rate changes..."

3. The authorization date for the Sylmar-Pacific HVDC Intertie Expansion as a Major Addition was established as April 3, 1989, by Advice Letter No. 828-E. This compliance filing was accepted by the Energy Branch of the Commission Advisory and Compliance Division (CACD) by letter dated April 13, 1989.

DISCUSSION

1. The estimated net annualized revenue increase for the twelve-month period beginning July 1, 1989, is as follows:

<u>Customer Group</u>	<u>Sales (GWH)</u>	<u>Revenue Increase *</u>	
		<u>(\$M²)</u>	<u>(%)</u>
Domestic	20,766	3.5	0.2
Lighting-Sm/Med Pwr.	22,312	3.8	0.2
Large Power	21,518	3.7	0.2
Agri. & Pumping	2,029	0.3	0.2
Street/Area Lghtg.	<u>488</u>	<u>0.1</u>	0.1
Total	67,113	11.4	0.2

* Based on Edison's Sales Forecast in A. 89-03-023

2. In accordance with D. 87-12-066, Edison requests that this filing become effective concurrent with rate changes authorized by the Commission in its decision in A. 89-03-023 which Edison expects to become effective July 1, 1989.

3. CACD has reviewed this filing and believes it complies with D. 87-12-066. CACD, therefore, recommends its approval.

4. 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.

5. 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 by CACD.

FINDINGS

1. Edison's request to revise its Preliminary Statement, Part K, to reflect an increase in its AOR, as discussed above, is reasonable.

2. This request should be implemented along with any other rate changes ordered by the Commission in A. 89-03-023.

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

THEREFORE, IT IS ORDERED that,

1. Southern California Edison Company is authorized to increase its Average Ownership Rate by 0.017 cents/kWh to recover a portion of its investment-related costs associated with the Sylmar-Pacific HVDC Intertie Expansion; such increase will result in a Major Additions Adjustment Billing Factor of 0.180 cents/kWh.
2. The authorized increase shall be implemented along with any other rate changes ordered by the Commission's decision in A. 89-03-023.

3. Advice Letter 834-E shall be marked to show that it was approved by Commission Resolution E-3156.
4. This Resolution is effective today.

I certify that Resolution E-3156 was adopted by the Public Utilities Commission at its regular meeting of June 21, 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