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PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY
AND COMPLIANCE DIVISION
Energy Branch

RESOLUTION E-3157
JUNE 21, 1989

R E S O L U T I O N

RESOLUTION E-3157, SOUTHERN CALIFORNIA EDISON COMPANY (EDISON) AUTHORIZED TO SET THE CONSERVATION LOAD MANAGEMENT ADJUSTMENT BILLING FACTOR AT ZERO AND REVISE ITS RATE SCHEDULES ACCORDINGLY

BY ADVICE LETTER 835-E, FILED MAY 16, 1989.

SUMMARY

1. By Advice Letter 835-E filed May 16, 1989, Edison requests approval to: (1) set the Conservation Load Management Adjustment Billing Factor (CLMABF) at zero, effective with the next Energy Cost Adjustment Clause (ECAC) decision in Application (A.) 89-03-023; and (2) revise its rate schedules accordingly. These changes will result in an estimated net increase in annualized revenues of \$17.4 million.

2. This Resolution authorizes the request.

BACKGROUND

1. The purpose of the filing is to (1) set the CLMABF in its Preliminary Statement, Section I, at zero, effective with the next ECAC decision; and (2) revise its rate schedules accordingly. The setting of the CLMABF at zero is in accordance with the ratemaking treatment adopted in Decisions (D.) 84-12-068, 87-05-021, and 87-12-066. It is also the purpose of this advice letter to transfer any remaining balance in the Conservation Load Management Adjustment Clause (CLMAC) Balancing Account as of June 30, 1989, into the Energy Cost Adjustment Clause (ECAC) Balancing Account. This is in accordance with D. 84-08-036.

2. The purpose of CLMAC is to reflect in rates, through the CLMABF, the cost of certain Conservation Load Management Programs (Specified Programs). The Specified Programs authorized for inclusion in CLMAC were the Residential Conservation Financing Program (RCFP), the Residential Conservation Service Program (RCS), and the Demonstration Retrofit Solar Water Heater Financing Plan (Solar).

3. Funding for all of the Specified Programs has been transferred to base rates reducing the Specified Program expense rates to zero. In D. 84-12-068, the Commission authorized the transfer of funding for the RCS and Solar programs to base rates. The funding for the RCFP was transferred to base rates on January 1, 1988, pursuant to D. 87-12-066. Additionally, the net overcollected balance in the CLMAC Balancing Account is forecast to be nearly fully amortized by June 30, 1989.

DISCUSSION

1. Edison's currently effective CLMABF of (0.026) cents/kWh includes Specified Program rates of (0.001), (0.021), and (0.004) cents/kWh for the Solar, RCFP, and RCS programs, respectively. The estimated annualized revenue increase resulting from increasing the currently negative rate to zero is \$17.4 million. The result is as follows for the twelve-month period beginning July 1, 1989:

<u>Customer Group</u>	Sales * (GWH)	Revenue Increase *	
		CLMABF (\$M ²)	(%)
Domestic	20,766	5.4	0.3
Lighting-Sm/Med Pwr.	22,312	5.8	0.3
Large Power	21,518	5.6	0.3
Agri. & Pumping	2,029	0.5	0.3
Street/Area Lghtg.	<u>488</u>	<u>0.1</u>	0.1
Total	67,114	17.4	0.3

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

2. Edison estimates that there will be a remaining undercollected balance of \$1,168,000 in the CLMAC Balancing Account as of June 30, 1989. Edison proposes that this amount be transferred to the ECAC Balancing Account effective July 1, 1989, and that the CLMAC Balancing Account and the CLMABF be set at zero. The amount of the transfer will be subject to review in Edison's 1989 ECAC Reasonableness Review.

3. Edison requests that this filing become effective concurrent with rate changes, to be ordered by the Commission in Edison's ECAC A. 89-03-023.
4. The Commission Advisory and Compliance Division (CACD) has reviewed this filing and determined that it is reasonable because D. 84-12-060 and 87-12-066 make the CLMAC unnecessary.
5. 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.
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 by CACD.

FINDINGS

1. Edison's request to set the CLMABF in its Preliminary Statement, Section I, at zero, effective with the next ECAC decision, and revise its rate schedules accordingly, as discussed above, is reasonable.
2. This request will coincide with other rate changes to be ordered by the Commission in Edison's ECAC 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 set the Conservation Load Management Adjustment Billing Factor in its Preliminary Statement, Section I, at zero, and revise its rate schedules accordingly.

June 21, 1989.

2. The authorized increase shall be implemented along with any other rate changes that may be ordered by the Commission in A. 89-03-023.
3. Advice Letter 835-E shall be marked to show that it was approved by Commission Resolution E-3157.
4. This Resolution is effective today.

I certify that Resolution E-3157 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