RETURN TO ENERGY BRANCH ROOM 3102

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY AND COMPLIANCE DIVISION Energy Branch RESOLUTION E-3179 March 14, 1990

<u>R E S O L U T I O N</u>

RESOLUTION E-3179. SAN DIEGO GAS & ELECTRIC COMPANY (SDG&E), ELECTRIC DEPARTMENT. ORDER AUTHORIZING REVISION OF EXPERIMENTAL GENERAL AND TIME-OF-USE RATES IN ORDER TO CLARIFY CONDITIONS REQUIRED TO PRE-EMPT TIME-OF-USE SERVICE. ADVICE LETTER 782-E, FILED JANUARY 24, 1990.

<u>SUMMARY</u>

1. By Advice Letter 782-E, filed January 24, 1990, SDG&E requests authorization to revise a special condition of six experimental schedules. The special condition sets forth a level of energy production or "on-system sendout" for SDG&E which triggers rate disincentives. Each customer on these schedules is sent a signal (also called a "contact closure") which indicates when the sendout reaches the demand level to initiate the higher on-peak or super-peak rate.

2. The rate schedule trigger levels are subject to revision each year, based on sales in the preceding year. Sales increased last year by 5.6% over the previous year. SDG&E would increase the trigger levels by the same percentage.

3. This resolution grants the request.

BACKGROUND

1. Experimental Schedules General Service A-E1, A-E2, R-TOU-1, 2, 3, and 4 are designed to reduce system load at the time of annual peak, and other times of capacity shortage. The system load reduction is accomplished by setting the on-peak and super-peak rates very high and notifying customers when these rates go into effect.

2. A contact closure (signal) is sent out by San Diego to indicate the start of either an on-peak or super-peak period, as appropriate. The on-peak and super-peak energy charges will be applied when demand exceeds the contact closure. 3. The rate schedules define off-peak as between 10:00 PM and 6:00 AM on weekdays plus all day on weekends and holidays. semi-peak is defined as 6:00 AM to 10:00 PM weekdays, while onpeak and super-peak are defined as all hours during which the customer receives an electric contact closure from the utility. The super-peak is triggered by a higher demand quantity than the on-peak period.

4. Rate schedules A-E1, R-TOU-1 and R-TOU-2 are all closed to new customers as of January 1, 1989 as ordered by Commission Decision 88-12-085. Rate schedules A-E2, R-TOU-3 and R-TOU-4 became effective January 1, 1989 pursuant to the same decision. The latter schedules will remain in effect through January 1, 1993.

5. All six rate schedules provide that the level of the onsystem sendout used to trigger an on-peak or super-peak period will be revised by advice letter filing before the end of April each year, based on the prior year's system sales. Each such revision will require Commission approval in order to become effective.

6. The last revision to the on-system sendout trigger was filed by Advice Letter 762-E and was approved by Commission Resolution E-3147 on April 26, 1989.

NOTICE

1. Public notification of this filing has been made by placing on the Commission calendar of February 2, 1990. In addition copies of this filing have been mailed to other utilities, governmental agencies and to all interested parties who requested such notification.

PROTESTS

1. No protests have been received.

DISCUSSION

1. As specified in the special conditions of the six rate schedules, the megawatt quantity required to trigger the contact closure in each case shall be revised based on changes in the prior year's on-system sales. 2. SDG&E's recorded on-system sales for 1989 totaled 13,426,782,477 kwh, which is an increase of approximately 5.6% above the 1988 recorded sales of 12,712,804,494 kwh. This 5.6% increase is mirrored in the changes described below.

3. For each of the rate schedules in question the revisions to the on-system sendout (MW) required to trigger contact closure are as follows:

Rate Schedule	On-Peak Point		Super-Peak Point	
	Present	Proposed	Present	Proposed
A-E1	2639	2787		
A-E2	2639 ·	2787		
R-TOU-1	2233	2358	2419	2555
R-TOU-2	2073	2190	2233	2358
R-TOU-3	2233	2358	2419	2555
R-TOU-4	2073	2190	2233	2358

4. In all of the above cases the increase in contact closure points is approximately 5.6%, which represents the percentage increase of recorded sales for 1989 over the preceding year. Derivaion of the new contact closure points is shown in Attachment A to this resolution.

5. The Commission Advisory and Compliance Division (CACD) has reviewed this filing and believes that it is in compliance with the provisions of the Special Conditions of the tariffs, which were initially filed by Advice letter 659-E and approved by Commission Resolution E-2087, effective June 4, 1986. CACD, therefore, recommends approval of this filing.

6. The utility requested that this filing become effective upon regular 40 days notice. CACD review time and the time required to prepare and process this resolution has extended beyond the 40-day period and thus approval of this filing upon the effective date of this resolution is justified.

7. The utility alleges and CACD agrees that this filing will not increase any rate or charge conflict with other schedules or rules, nor cause the withdrawal of service.

FINDINGS

1. This filing complies with the provisions of the Special Conditions set forth in the filed tariffs of Schedules A-E1, A-E2, R-TOU-1, R-TOU-2, R-TOU-E and R-TOU-4, and are, therefore, just and reasonable.

2. This filing should become effective today, which constitutes more than regular 40-day statutory notice.

3. There is no rate change involved with this filing but there is a potential customer bill decrease due to the higher amount of energy usage required to trigger the higher rate blocks.

THEREFORE, IT IS ORDERED that:

- 1. San Diego Gas & Electric Company is authorized under Section 532 of the Public Utilities Code and under the provisions of its own filed tariff schedules to place Advice Letter 782-E and accompanying tariff sheets into effect today.
- 2. Advice Letter 782-E and accompanying tariff sheets shall be marked to show that they were authorized for filing by Commission Resolution E-3179.
- 3. This resolution is effective today.

I hereby certify that this resolution was adopted by the Public Utilities Commission at its regular meeting of March 14, 1990. The following Commissioners approved it.

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

Executive Director

Resolution E-3179 SDG&E A.L. 782-E/mcw

Attachment A

Derivation of New "Trigger" Amounts

Recorded On-System Sales for the 12 months ending December 31, 1989 = <u>13,426,782,477 kwhr</u>.

8,760 Hours per year (Contained in Special Condition 5 of Schedules A-E1, R-TOU-1 and R-TOU-2 and Special Condition 6 of Schedules A-E2, R-TOU-3 and R-TOU-4).

Therefore: A = 13,426,782,477 kwhr. B = 8,760 hours

A-E1 & A-E2 = A/B/0.55/1000 = 2,787 MW R-TOU-1 & R-TOU-3 = Super-Peak = A/B/0.60/1000 = 2,555 MW = On-peak = A/B/0.65/1000 = 2,358 MW R-TOU-2 & R-TOU-4 = Super-peak = A/B/0.65/1000 = 2,358 MW = On-peak = A/B/0.65/1000 = 2,358 MW

These calculations are consistent with those filed with Advice Letter 762-E, dated March 14, 1989 and are based upon the formulae contained in the special conditions of the filed tariff schedules.