

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY AND
COMPLIANCE DIVISION
Energy Branch

RESOLUTION E-3255
MARCH 11, 1992

R E S O L U T I O N

RESOLUTION E-3255. SAN DIEGO GAS AND ELECTRIC COMPANY
REQUESTS COMMISSION APPROVAL TO DEVIATE FROM THE
REQUIREMENTS OF ITS TARIFFS.

BY ADVICE LETTER 833-E, FILED ON DECEMBER 13, 1991.

SUMMARY

1. San Diego Gas and Electric Company (SDG&E) requests approval to deviate from its tariffs to permit Kaiser Foundation Hospitals of San Diego (Kaiser) to operate customer owned generation equipment in parallel with SDG&E's distribution system.
2. This Resolution grants the requested authority.

BACKGROUND

1. Tariff Schedule AL-TOU, Special Condition 8, states;

Miscellaneous. This Schedule is not applicable to standby, auxiliary service or service operated in parallel with a customer's generating plant unless service is taken in combination with other schedules specifically waiving these provisions.

Tariff Schedule I-2, Special Condition 3, states:

Determination of Interrupted Load. The difference in kilowatts of (a) minus (b) shall be designated as interrupted load, where (a) is the average maximum demand during the last full demand interval prior to each notice of interruption (when no period of interruption was in effect), and (b) is the average maximum demand registered during the period of interruption. The average maximum demand in any period is the sum of maximum demands in each full demand interval divided by the number of such full intervals within the periods.

Tariff Schedule I-2, Special condition 5, states:

Period of Interruption. Any period of interruption under this schedule will occur during the on-peak and semi-peak periods, as specified by the appropriate rate schedule, when, in the utility's sole judgement, the forced outage of a generating unit could require the interruption of customers load.

2. Deviation from Special Condition 8 requested by Kaiser would permit it to operate its generating plant during all periods of interruption announced by SDG&E and up to an additional twelve (12) hours per month of operation to conduct tests.
3. Deviation from Special Condition 3 would permit determination of the interrupted load from meter readings at the generating unit instead of using the utility's demand meter method.
4. Deviation from Special Condition 5 allows interruptions to occur only during the on-peak periods of Schedules AL-TOU, AND AE2 "Experimental General Service", and not during the off-peak periods of Schedules AL-TOU OR I-2.

NOTICE:

1. Public notice of this filing has been made by publication in the Commission's calendar on December 18, 1991, and by mailing copies of the filing to adjacent utilities and California Energy Commission, City of San Diego, Department of General Services, Grossmont District Hospital, Naval Facilities Engineering Command, Poway Unified School District, and University of California - Berkeley.

PROTESTS

1. No protests to this Advice Letter were received by the Commission Advisory and Compliance Division.

DISCUSSION

1. Kaiser is served under Tariff Schedule AL-TOU. Special Condition 8 prohibits customers from operating self-generation equipment in parallel with SDG&E's system. The customer must be either isolated from SDG&E's system, or operate no standby generation equipment. The isolation is achieved by having appropriate switching and synchronization equipment installed in the customer's internal electric distribution system.

2. To meet service interruptions Kaiser has installed auxiliary emergency generation equipment. The installed equipment is adequate for Kaiser to continue essential operations, but not sufficient to meet its full energy demand.

3. The proposed contract would allow Kaiser to operate, during system interruptions, its generation equipment in parallel with SDG&E's system. In addition, Kaiser could operate its generation equipment for a maximum of 12 hours during each billing cycle.

4. Tariff Schedule I-2, Special Condition 3 "Determination of Interrupted Load", would be modified to allow the interrupted load to be determined by generator output meter readings instead of by using successive demand meter readings as required by the tariff.

5. Tariff Schedule I-2, Special Condition 5 "Period of Interruption", provides that interruptions may occur during both the on-peak and semi-peak periods defined in the tariffs. The proposed contract is for the use during on-peak time periods, as set forth in Tariff Schedule AE-2 "Experimental General Service" (AD-2) although Kaiser is served under Tariff Schedule AL-TOU. The On-Peak time periods of Tariff Schedule AE-2 are set by system demand and are not fixed. At present Schedule AE-2 On-Peak period sets in when the system demand exceeds 2,975 megawatt.

6. Hospitals need power for life support and other essential equipment. Similar contract deviations were approved for Community Hospital of Chula Vista by Resolution E-3247 on November 6, 1991, Advice Letter 826-E.

FINDINGS

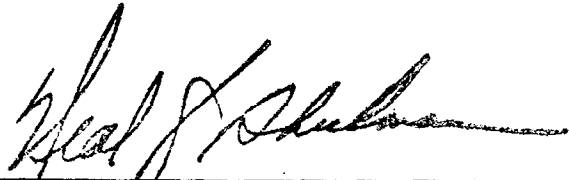
1. It is reasonable for Kaiser, who as a hospital is required to provide service at all times regardless of electrical outage, to have its own auxiliary generation equipment.

2. It is reasonable for Kaiser to contract to operate its generating equipment, in parallel with the utility, during the time when the utility requests Kaiser to shed load in order to reduce the energy demands upon the utility's resources.

THEREFORE, IT IS ORDERED that:

1. San Diego Gas And Electric Company is authorized to enter into the contract with Kaiser Foundation Hospitals of San Diego.
2. Advice Letter 833-E shall be marked to show that it was approved by Commission Resolution E-3255.
3. This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on March 11, 1992. The following Commissioners approved it:



NEAL J. SHULMAN
Executive Director

DANIEL Wm. FESSLER
President
JOHN B. OHANIAN
PATRICIA M. ECKERT
NORMAN D. SHUMWAY
Commissioners