

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY
AND COMPLIANCE DIVISION
Energy Branch

RESOLUTION E-3272
April 22, 1992

R E S O L U T I O N

**RESOLUTION E-3272. SIERRA PACIFIC POWER COMPANY
REQUEST TO DEFER IMPLEMENTATION DATE OF BASELINE
ALLOWANCE CHANGES TO MAY 1, 1992.**

BY ADVICE LETTER 219-E, FILED OCTOBER 31, 1991.

SUMMARY

1. By Advice Letter 219-E, filed October 31, 1991, Sierra Pacific Power Company (SPP) would modify baseline allowances to certain residential rate schedules in compliance with a Commission decision. Because the rate adjustment is very small, SPP would defer implementation to May 1, 1992, to coincide with the seasonal change from winter to summer baseline allowances.
2. This Resolution authorizes SPP's request.

BACKGROUND

1. Commission Decision 90-07-060 (D.90-07-060) established target baseline allowances for SPP's residential electric service. SPP's baseline allowances are to be adjusted annually, moving from existing levels to established target levels, subject to a 5% limit on rate increases to any group. Overall revenue neutrality is also to be preserved.
2. The point of revenue neutrality occurs before the 5% revenue increase can be applied to two customer groups, domestic customers without electric space heat and multi-unit domestic service without electric space heat.
3. To drive the impact on these two groups up to 5% would require a rate reduction of \$.00002/kWh to all residential customers. Otherwise, SPP would experience a \$4,277 annual rate increase, or approximately 2 cents per customer per month. SPP therefore calculated baseline reductions for these two classes that will move toward the target allowances by as little as 10% to as much as 66%. All of these changes are in compliance with Commission orders.
4. The proposed rate adjustments would have gone into effect on November 1, 1991, in compliance with D.90-07-060. SPP has requested with the advice letter filing that the changes be made effective on May 1, 1992, to coincide with the seasonal change from winter to summer baseline allowances.

NOTICE

1. Public notification of this filing has been made by placing it on the Commission calendar of November 4, 1991.

PROTESTS

1. No one has protested this Advice Letter filing.

DISCUSSION

1. SPP contends that the expense and potential ratepayer confusion associated with this minimal change is not justified. It therefore requests that the change be made effective with the seasonal change in baseline allowances, May 1, 1992.

2. Commission Advisory and Compliance Division (CACD) has reviewed the advice letter filing and concurs with SPP's proposal.

FINDINGS

1. SPP has filed Advice Letter 219-E in compliance with D.90-07-060, adjusting baseline allowances toward established target levels while limiting revenue increases to no more than 5% and maintaining overall revenue neutrality.

2. SPP's request that the baseline allowance changes coincide with the seasonal baseline allowance change is reasonable.

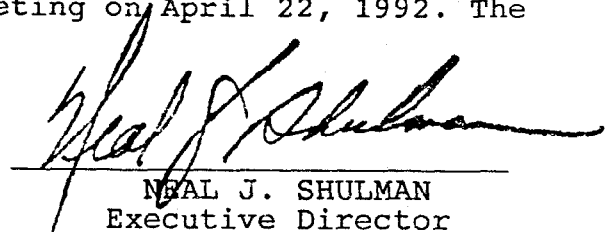
THEREFORE, IT IS ORDERED that:

1. Sierra Pacific Power Company's Advice Letter 219-E and accompanying tariff sheets shall be marked to show that they were accepted for filing by Resolution E-3272 of the California Public Utilities Commission.

3. The tariff sheets submitted with Advice Letter 219-E shall become effective on May 1, 1992, and shall be so marked.

4. This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on April 22, 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