

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY AND  
COMPLIANCE DIVISION  
Energy Branch

RESOLUTION E-3448  
April 10, 1996

R E S O L U T I O N

RESOLUTION E-3448. SOUTHERN CALIFORNIA EDISON COMPANY REQUESTS AUTHORIZATION TO MODIFY SCHEDULE RTP-2 GENERAL SERVICE - LARGE, REAL TIME PRICING; SCHEDULE RTP-2-I GENERAL SERVICE - LARGE, REAL TIME PRICING, INTERRUPTIBLE; AND SCHEDULE PA-RTP AGRICULTURAL AND PUMPING - LARGE, REAL TIME PRICING TO PROVIDE FOR THE CONSISTENT APPLICATION OF TARIFF PROVISIONS APPLICABLE TO LARGE, DEMAND METERED CUSTOMERS.

BY ADVICE LETTER 1136-E, FILED ON DECEMBER 18, 1995.

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SUMMARY

1. By Advice Letter 1136-E, Southern California Edison Company (Edison) requests authorization to modify Schedule RTP-2 General Service - Large, Real Time Pricing; Schedule RTP-2-I General Service - Large, Real Time Pricing, Interruptible; and Schedule PA-RTP Agricultural and Pumping - Large, Real Time Pricing to provide for the consistent application of tariff provisions applicable to large, demand metered customers. In particular, Edison requests authorization to (1) revise all three RTP Schedules to include the PFA special condition that exists on Schedule TOU-8, (2) revise Schedules RTP-2 and PA-RTP to include the Customer-Owned Electrical Generation Equipment special condition found on Schedule RTP-2-I, (3) revise all three RTP Schedules to include a Billing Demand special condition, (4) revise Schedule RTP-2-I to include a provision found on the other RTP schedules related to customers' Non-Time Related Demand Charge, and (5) revise the Applicability Section of Schedule PA-RTP to provide that with the exception of large agricultural water pumping accounts, the schedule is not applicable to customers with loads that create maximum demands that exceed 500 kilowatts (kW).
2. No protests have been filed.
3. This Resolution approves Advice Letter 1136-E as filed.

BACKGROUND

1. Schedule TOU-8 is a time-of-use rate schedule applicable to large commercial and industrial customers.

2. In Decision (D.) 87-12-066, the Commission adopted an experimental real time pricing program (Experimental Schedule No. RTP-2) applicable to Edison's commercial and industrial customers eligible for service under TOU-8. The program was designed to provide more specific price signals than those available under time-of-use rate schedules.

3. Edison's experimental program provided continuously varying energy prices to customers to reflect simulated hourly variations in the marginal costs of generating, transmitting, and distributing electricity. Using this price information, customers could adjust their operations to times when electricity costs less to produce.

4. The Power Factor Adjustment (PFA) special condition found on Schedule TOU-8, the otherwise applicable rate schedule, was not included in Experimental Schedule RTP-2.

5. In D.92-06-020, the Commission continued Edison's experimental real time pricing program with no specific termination date.

6. Pursuant to that decision, Edison filed an advice letter revising, among other things, Experimental Schedule RTP-2 to Schedule RTP-2 to reflect the change from an experimental schedule to a standard schedule.

7. In D.94-05-038, the Commission authorized the establishment of two new standard real time pricing schedules: an interruptible option for large commercial and industrial customers (Schedule RTP-2-I), and an option for large agricultural and pumping customers (Schedule PA-RTP).

8. By Advice Letter 1136-E, Edison requests authorization to modify Schedules RTP-2, RTP-2-I and PA-RTP to provide for the consistent application of tariff provisions applicable to large, demand metered customers. In particular, Edison requests authorization to (1) revise all three RTP Schedules to include the PFA special condition that exists on Schedule TOU-8, (2) revise Schedules RTP-2 and PA-RTP to include the Customer-Owned Electrical Generation Equipment special condition found on Schedule RTP-2-I, (3) revise all three RTP Schedules to include a Billing Demand special condition, (4) revise Schedule RTP-2-I to include a provision found on the other RTP schedules related to customers' Non-Time Related Demand Charge, and (5) revise the Applicability Section of Schedule PA-RTP to provide that with the exception of large agricultural water pumping accounts, the schedule is not applicable to customers with loads that create maximum demands that exceed 500 kW.

#### **NOTICE**

1. Advice Letter 1136-E was served on other utilities, government agencies, and to all interested parties who requested such notification, in accordance with the requirements of General Order 96-A.

**PROTESTS**

1. No protests were received by the Commission Advisory and Compliance Division (CACD).

**DISCUSSION**

1. Edison states that when adding Schedules RTP-2-I and PA-RTP, it became aware that the PFA special condition had been inadvertently omitted from Schedule RTP-2 during the transition from an experimental to a standard rate schedule. Edison believes that this omission might cause customers with poor power factors to transfer from a schedule with a PFA special condition (such as Schedule TOU-8) to an RTP schedule, which could result in an unintended rate decrease. Thus, Edison requests that all three RTP schedules be revised to include a PFA special condition.

2. Edison reviewed the impact of this revision on 45 existing RTP customers and estimates that an average annual bill increase of approximately one percent may be experienced by these customers. However, Edison points out that RTP customers previously served under Schedule TOU-8 could have experienced a comparable power factor related billing decrease when they transferred from Schedule TOU-8 to an RTP schedule that did not include the PFA special condition.

3. Edison's real time pricing program under Schedule RTP-2 is applicable to Edison's commercial and industrial customers eligible for service under Schedule TOU-8. Since Schedule TOU-8 contains the PFA special condition, CACD believes it is appropriate for Schedule RTP-2 to contain the same special condition. Since Schedules RTP-2-I and PA-RTP were modeled after Schedule RTP-2, CACD believes it is also appropriate for Edison to revise those schedules to include a PFA special condition.

4. CACD believes that Edison's proposal to revise Schedules RTP-2 and PA-RTP to include the Customer-Owned Electrical Generation Equipment special condition found on Schedule RTP-2-I is reasonable. This special condition addresses how such equipment may be operated in conjunction with receiving service from Edison, and is found on other large power rate schedules.

5. In addition, CACD believes that Edison's other proposed revisions are reasonable and will provide for the consistent application of tariff provisions applicable to large, demand metered rate schedules. Those proposals are to:

- (1) revise Schedules RTP-2, RTP-2-I and PA-RTP to include a Billing Demand special condition found on other demand metered rate schedules,
- (2) revise Schedule RTP-2-I to include a provision found on the other RTP schedules related to customers' Non-Time Related Demand Charge, and

- (3) revise the Applicability Section of Schedule PA-RTP to provide that with the exception of large agricultural water pumping accounts the schedule is not applicable to customers with loads that create maximum demands that exceed 500 kws.

### FINDINGS

1. By Advice Letter 1136-E, Edison requests authorization to modify Schedules RTP-2, RTP-2-I and PA-RTP to provide for the consistent application of tariff provisions applicable to large, demand metered customers.
2. No protests to Advice Letter 1136-E were received.
3. Edison's proposed revisions to Schedules RTP-2, RTP-2-I and PA-RTP are reasonable.
4. Schedules RTP-2, RTP-2-I and PA-RTP should be revised to include Edison's proposed PFA special condition.
5. Schedules RTP-2 and PA-RTP should be revised to include the Customer-Owned Electrical Generation Equipment special condition found on Schedule RTP-2-I.
6. Schedules RTP-2, RTP-2-I and PA-RTP should be revised to include Edison's proposed Billing Demand special condition.
7. Schedule RTP-2-I should be revised to include a provision found on the other RTP schedules related to customers' Non-Time Related Demand Charge.
8. The Applicability Section of Schedule PA-RTP should be revised to provide that with the exception of large agricultural water pumping accounts the schedule is not applicable to customers with loads that create maximum demands that exceed 500 kws.

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1 Customers with loads greater than 500 kW who are not eligible for service under Schedule PA-RTP will be transferred to Schedule TOU-8 which makes them eligible for service under Schedule RTP-2 or RTP-2-I.

April 10, 1996

**THEREFORE, IT IS ORDERED that:**

1. Southern California Edison Company is granted authorization to modify Schedules RTP-2, RTP-2-I, and PA-RTP as requested in Advice Letter 1136-E.
2. Advice Letter 1136-E shall be marked to show that it was approved by Commission Resolution E-3448.
3. This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on April 10, 1996. The following Commissioners approved it:



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WESLEY FRANKLIN  
Executive Director

DANIEL Wm. FESSLER  
President  
P. GREGORY CONLON  
JESSIE J. KNIGHT, Jr.  
HENRY M. DUQUE  
JOSIAH L. NEEPER  
Commissioners