

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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RESOLUTION: G-2633

EVALUATION & COMPLIANCE DIVISION

BRANCH: Energy

DATE: April 3, 1985

RETURN TO ENERGY BRANCHR E S O L U T I O N

PACIFIC GAS AND ELECTRIC COMPANY (PG&E), GAS AND ELECTRIC DEPARTMENTS. AUTHORIZATION TO REVISE THE CONSERVATION FINANCING ADJUSTMENT (CFA) PROVISIONS IN THE UTILITY'S FILED TARIFFS RESULTING IN A GAS REVENUE INCREASE OF \$888,882 OR 0.1% AND AN ELECTRIC REVENUE DECREASE OF \$153,470 OR 0.01% FOR THE THREE-MONTH PERIOD ENDING JUNE 30, 1985.

By Advice Letters Nos. 1311-G and 1062-E, both filed March 1, 1985, and Advice Letter No. 1062-E (Supplemental)/1311-G (Supplemental), filed March 25, 1985, PG&E has requested authority to file revised CFA rates under the guidelines of Section E of the Preliminary Statement of the Gas Tariffs and Section C, of the Preliminary Statement of the Electric Tariffs, respectively. These revisions as set forth on Cal. P.U.C. Sheets 11739-G to 11749-G, inclusive, and 8987-E to 9029-E, inclusive, respectively, increase gas rates and decrease electric rates systemwide. The facts are as follows:

1. These filings are made in accordance with the provisions of Decisions Nos. 93497 and 93891, dated September 1, 1981 and December 30, 1981, respectively, which authorized a procedure to adjust quarterly the CFA Debt Service Rate for expenses, including over and under-collections, in the Debt Service Balancing Account for borrowings by Pacific Conservation Service Company (PCSC), a wholly-owned subsidiary of PG&E.
2. The resulting rate revisions is an increase of 0.051 cents per therm from \$0.00082/therm to \$0.00133/therm for all gas rates resulting in a revenue increase of \$888,882 or 0.1% and a decrease of 0.001 cents per kwh from \$0.00003/kwh to \$0.00002/kwh for all electric rates resulting in a revenue decrease of \$153,470 or 0.01% for the three-month period ending June 30, 1984. The derivation of the CFA rate revisions and the resulting revenue impacts on gas and electric service are shown as Attachments A and B, respectively, to this resolution.
3. The rate design is a uniform cents per therm increase for all gas rates and a uniform cents per kwh decrease for all electric rates pursuant to the provisions of Paragraph 6 of Sections E and C of the respective Preliminary Statements in the gas and electric tariffs.

4. A comparison of the present and proposed rates for gas service is as follows:

	Present	Proposed	Increase	
	Rates	Rates	Amount	Percent
<u>Residential Service - Schedule G-1</u>				
Tier I (Baseline), per therm	\$0.44385	\$0.44436	\$0.00051	0.114%
Tier II, per therm	0.80620	0.80671	0.00051	0.063
<u>Commercial Service - Schedule G-2</u>				
Tier I (25,000th), per therm	\$0.64709	\$0.64760	\$0.00051	0.078%
Tier II (Excess), per therm	0.51723	0.51774	0.00051	0.098
<u>Industrial Service - Schedule G-50^{1/}</u>				
Tier I (First 100M), per therm	\$0.47492	\$0.47492	--	--
Tier II (Next 1.5 MN ²), per therm	0.42965	0.42965	--	--
Tier III (Excess), per therm	0.41500	0.41500	--	--
<u>Electric Generation - Schedule G-55</u>				
All Usage, per therm	\$0.52394	\$0.52445	\$0.00051	0.097%

^{1/} Industrial rates are indexed. Therefore any increase in CFA Debt Service triggers a like decrease in Base Rates.

5. A comparison of the present and proposed rates for electric service is as follows:

	Present	Proposed	Increase	
	Rates	Rates	Amount	Percent
<u>Residential Service - Schedule D-1</u>				
Tier I (Baseline), per kwh	\$0.06688	\$0.06687	\$0.00001	0.014%
Tier II, per kwh	0.08694	0.08693	0.00001	0.011
Tier III (Excess), per kwh	\$0.11303	0.11302	0.00001	0.008
<u>General Service - Schedule A-1</u>				
Energy Charge, per kwh	\$0.09547	\$0.09546	\$0.00001	0.010
<u>Street Lighting Schedule LS-1</u>				
Energy Charge	\$0.08299	\$0.08298	\$0.00001	0.012

6. The following table shows typical bills at various levels at present and proposed gas rates:

Monthly Usage (In therms)	Present	Proposed	Increase	
	Rates	Rates	Amount	Percent
Residential-Summer (20th BL)				
10	\$ 4.44	\$ 4.44	\$ 0.00	0.00%
20 (Baseline)	8.88	8.89	0.01	0.112
30	16.94	16.95	0.01	0.059
50	33.06	33.09	0.03	0.090
100	73.37	73.42	0.05	0.068
150	113.68	113.76	0.08	0.070
Residential-Winter (96th BL)				
50	\$ 22.19	\$ 22.22	\$ 0.03	0.135%
75	33.29	33.33	0.04	0.120
96 (Baseline)	42.61	42.66	0.05	0.117
150	86.14	86.22	0.08	0.092
200	126.45	126.56	0.11	0.086
300	207.07	207.23	0.16	0.077
Commercial (Schedule G-2)				
100	\$ 64.71	\$ 64.76	\$ 0.05	0.077%
200	129.42	129.52	0.10	0.077
500	323.55	323.80	0.25	0.077
1,000	647.09	647.60	0.51	0.078
2,000	1,294.18	1,295.20	1.02	0.078

7. The following table shows typical bills at various levels at present and proposed electric rates:

Monthly Usage (In kwh)	Present	Proposed	Increase	
	Rates	Rates	Amount	Percent
Residential-Summer (I-310, II-210)				
250	\$ 16.72	\$ 16.72	\$ 0.00	0.000%
310 (Baseline)	20.73	20.73	0.00	0.000
400	28.56	28.55	0.01	0.035
520 (End of Tier II)	38.99	38.98	0.01	0.025
750	64.99	64.98	0.01	0.015
1,000	93.24	93.23	0.01	0.010
Residential-Winter (I-330, II-210)				
250	\$ 16.72	\$ 16.72	\$ 0.00	0.000%
330 (Baseline)	22.07	22.07	0.00	0.000
400	28.16	28.15	0.01	0.035
540 (End of Tier II)	40.33	40.32	0.01	0.024
750	64.06	64.05	0.01	0.015
1,000	92.32	92.31	0.01	0.010
1,500	148.84	148.82	0.02	0.013

8. Public notification of these filings have been made by mailing copies of the advice letters to other utilities, governmental agencies, and to all interested parties who requested them. The Commission has received no protests in this matter.

9. These filings are similar to Advice Letters Nos. 1261-G and 1008-E, filed February 27, 1984 and March 2, 1984, respectively, and approved by Resolution No. G-2583 on April 18, 1984. Since that time, quarterly CFA filings have been rate reductions and thus have not required Commission action.

10. In order to avoid multiple rate revisions in a short period of time, the supplemental filing requests that these filings be made effective on a date coincident with the effective date of the decision in PG&E's pending ECAC/ERAM rate adjustment, Application No. 84-11-054. It is anticipated that this decision will be approved at this meeting with an effective date five days later.

11. The Commission Staff has reviewed these filings and supporting workpapers and approval is recommended, to be effective concurrent with the ECAC/ERAM decision.

12. We find that these rate revisions are just and reasonable and are in conformance with the CFA provisions of the utility's filed tariff schedules.

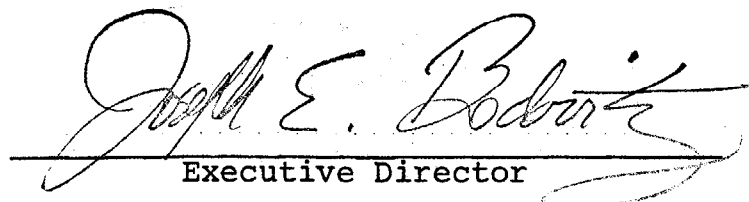
THEREFORE:

1. Pacific Gas and Electric Company is authorized under Public Utilities Code Section 454 and under the provisions of the utility's CFA procedures to place the above advice letters and tariff sheets into effect today or on a date concurrent with the effective date of tariff sheets filed in accordance with a Commission decision issued in Application No. 84-11-054, whichever date is later.

2. The above tariff sheets and advice letters shall be marked to show that they were authorized for filing by Commission Resolution G-2633. This resolution is effective today.

I certify that this resolution was adopted by the Public Utilities Commission at its regular meeting on April 3, 1985.
The following Commissioners approved it:

DONALD VIAL
President
VICTOR CALVO
PRISCILLA C GREW
WILLIAM T BAGLEY
FREDERICK R. DUDA
Commissioners


Executive Director

PACIFIC GAS AND ELECTRIC COMPANY
GAS DEPARTMENT
QUARTERLY REVISION OF CFA DEBT SERVICE RATE

Forecast Period: Second Quarter 1985

Effective Date: April 1, 1985

1.	Estimate of Debt Service Costs	\$	3,239,370
2.	Debt Service Balancing Account (3/31/85 Estimated)	\$	<u>(996,994)</u>
3.	Subtotal (Line 1 + Line 2)	\$	2,242,376
4.	Allowance for Franchise and Uncollectibles (Line 3 x 0.00794)	\$	<u>17,804</u>
5.	Total (Line 3 + Line 4)	\$	2,260,180
6.	Estimated Sales for Forecast Period		1,703,690,000 therms
7.	Proposed CFA Debt Service Rate (Line 5 ÷ Line 6)	\$	0.00133/therm
8.	Present CFA Debt Service Rate	\$	0.00082/therm
9.	Net (Decrease) or Increase in CFA Debt Service Rate (Line 7 - Line 8)	\$	0.00051/therm

PACIFIC GAS AND ELECTRIC COMPANY
GAS DEPARTMENT
QUARTERLY REVISION OF CFA DEBT SERVICE RATE
April 1985

1.	Present Gas CFA Rate (Line 2 + Line 3)	\$	0.00697/therm
2.	Present CFA Debt Service Rate	\$	0.00082/therm
3.	Present CFA Expense Rate	\$	0.00615/therm
4.	Second Quarter Proposed Debt Service Rate*	\$	0.00133/therm
5.	Revised Gas CFA Rate (Line 3 + Line 4)	\$	0.00748/therm
6.	Net (Decrease) or Increase (Line 5 - Line 1)	\$	0.00051/therm
7.	Estimated Second Quarter Sales		1,703,690,000 therms
8.	Revenue (Decrease) Increase for Second Quarter (Line 6 x Line 7)	\$	868,882

*From Attachment A, Sheet 1 of 3, Line 7.

PACIFIC GAS AND ELECTRIC COMPANY
 GAS DEPARTMENT
 ANNUAL REVENUE IMPACT OF CFA DEBT SERVICE RATE
 SECOND QUARTER 1985

SUMMARY OF REVENUES

Customer Class	Sales (Mth) (1)	Effective Revenue as of 2/4/85 (M\$)	Increase in CFA Debt Rate		Proposed Annual Revenue (M\$)	Percent Increase
			Rate (\$/therm)	Annual Amount (M\$)		
Residential	1,975,008	1,048,362	.00051	1,007	1,049,369	.10
Commercial	1,206,710	766,163	.00051	615	766,778	.08
Cogeneration (Schedule G-55A)	82,920	35,532	.00051	42	35,574	.12
Steam Electric (Schedules G-56, G-57)	2,956,940	1,550,307	.00051	1,509	1,551,816	.10
Industrial (Schedule Nos. G-50, G-58, G-59, G-80, G-82, G-84)	1,492,810	636,400	.00051	761	636,400 (2)	.00
TOTAL (3)	7,716,388	4,036,764	.00051	3,935	4,043,874	.10

(1) Sales from Decision No. 84-12-067 effective 1/1/85 in PG&E's Oct. 1984 Gas Adjustment Clause proceeding.

(2) Industrial schedules are either indexed contract, or bid rates. The CFA Debt Service Rate increase affects CFA Debt Revenues by \$761,000, but does not affect the effective rates for these schedules. Therefore, there is no change to annual revenues.

(3) Sales for resale are exempt from the CFA Debt Service Rate.

PACIFIC GAS AND ELECTRIC COMPANY
ELECTRIC DEPARTMENT
QUARTERLY REVISION OF CFA DEBT SERVICE RATE

Forecast Period: Second Quarter 1985

Effective Date: April 1, 1985

1.	Estimate of Debt Service Costs	\$	400,372
2.	Debt Service Balancing Account (3/31/85 Estimated)		(49,353)
3.	Subtotal (Line 1 + Line 2)	\$	351,019
4.	Allowance for Franchise and Uncollectibles (Line 3 x 0.00937)	\$	<u>3,289</u>
5.	Total (Line 3 + Line 4)	\$	354,308
6.	Estimated Sales for Forecast Period		15,347,002,000 kWh
7.	Proposed CFA Debt Service Rate (Line 5 ÷ Line 6)	\$	0.00002/kWh
8.	Present CFA Debt Service Rate	\$	0.00003/kWh
9.	Net (Decrease) or Increase in CFA Debt Service Rate (Line 7 - Line 8)	\$	(0.00001/kWh)

PACIFIC GAS AND ELECTRIC COMPANY
ELECTRIC DEPARTMENT
QUARTERLY REVISION OF CFA DEBT SERVICE RATE
April 1985

1.	Present Electric CFA Rate (Line 2 + Line 3)	\$	0.00009/kWh
2.	Present CFA Debt Service Rate	\$	0.00003/kWh
3.	Present CFA Expense Rate	\$	0.00006/kWh
4.	Second Quarter, Proposed Debt Service Rate	\$	0.00002/kWh
5.	Revised Electric CFA Rate (Line 3 + Line 4)	\$	0.00003/kWh
6.	Net (Decrease) or Increase (Line 5 - Line 1)	\$	(0.00001/kWh)
7.	Estimated Second Quarter, Sales		15,347,002,000 kWh
8.	Revenue (Decrease) or Increase (Line 5 x Line 7) for Second Quarter	\$	(153,470)

* From Attachment B, Sheet 1 of 3, Line 7

PACIFIC GAS AND ELECTRIC COMPANY
ELECTRIC DEPARTMENT

ANNUAL REVENUE FOR SECOND QUARTER CFA DEBT SERVICE RATE (1)

SUMMARY OF REVENUES

Customer Class	GWH Sales (2)	Effective Revenue At 1-1-85	Decrease in		Proposed Annual Revenue	Decrease
			Rate (\$/kWh)	Annual Amount		
Residential	20,359	\$1,535,236	\$.00001	\$204,000	\$1,585,032	.01%
Light and Power						
Small	5,580	\$ 540,143	\$.00001	56,000	\$ 540,087	.01%
Medium	14,636	\$1,273,126	\$.00001	146,000	\$1,272,980	.01%
Large	16,230	\$1,295,882	\$.00001	162,000	\$1,295,720	.01%
Light and Power Subtotal	36,446	\$3,109,151	\$.00001	364,000	\$3,108,787	.01%
Agricultural	3,489	\$ 297,365	\$.00001	35,000	\$ 297,330	.01%
Street Lighting	324	\$ 45,817	\$.00001	3,000	\$ 45,814	.01%
Railway	237	\$ 18,239	\$.00001	2,000	\$ 18,237	.01%
Total (3)	60,855	\$5,055,808	\$.00001	\$608,000	\$5,055,200	.01%

FOOTNOTES:

- (1) Note: These revenues are on an annual basis. However, the CFA Debt Service Rate will be revised again for the quarter beginning July 1, 1985.
- (2) From 1-1-85 Attrition Decision No. 84-12-062.
- (3) CPUC Jurisdictional.