

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY AND
COMPLIANCE DIVISION
Energy Branch

RESOLUTION G-3005
July 1, 1992

R E S O L U T I O N

RESOLUTION G-3005. SAN DIEGO GAS AND ELECTRIC COMPANY REQUEST FOR AUTHORIZATION TO REVISE RATES FOR STEAM SERVICE RESULTING FROM THE STEAM REVENUE ADJUSTMENT MECHANISM BALANCING ACCOUNT AND BASE RATES REVISIONS.

BY ADVICE LETTER 173-H, FILED ON MAY 22, 1992.

SUMMARY

1. San Diego Gas and Electric Company (SDG&E) requests authority to increase its rates for steam service by of \$749,536. This results from an increase in the Steam Revenue Adjustment Mechanism (SRAM) of \$788,035 and a decrease in the steam Energy Cost Adjustment Clause (ECAC) of \$38,499.
2. This Resolution grants the requested authority.

BACKGROUND

1. Commission Decision (D.) 91-12-074 authorized an increase in steam base rate revenue for SDG&E of 13.5% (Finding of Fact 7) or \$0.2 million (Finding of Fact 5), in addition to the fuel cost adjustments. SDG&E's Advice Letter filing would increase rates by 69% or \$749,536.
2. SDG&E filed Advice Letters 172-H and 172-H-A dated April 3, 1992 and May 15, 1992, respectively. In these advice letters, SDG&E requested an increase of \$1,136,692 or 102%. CACD rejected these filings because the rate increase exceeded the \$750,000 revenue limitation established by General Order 96-A, Section 6.

NOTICE:

1. Public notice of these filings has been made by publication in the Commission's calendar on May 22, 1992, and by mailing copies of the filing to adjacent utilities, government entities and other interested parties.

PROTESTS

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

DISCUSSION

1. Interim decision D.91-12-074, authorized SDG&E to increase its base rates for steam service by \$0.2 million or 13.5%. In addition, SDG&E is incorporating a rate adjustment in the Steam Energy Cost Adjustment Clause to be effective on July 1, 1992.
2. At present, SDG&E provides steam service to eleven accounts. Nine customers have left the steam service system in the last eighteen months. In addition, five more customers are committed to leave the system before August 31, 1992. SDG&E revenues can accordingly be expected to be lower than requested in Advice Letter 172-H.
3. Even with the proposed rate increases of AL 173-H, SDG&E expects to continue to undercollect its steam service balancing accounts due to rapidly declining steam sales and customers. SDG&E is eager to implement this rate increase to collect from customers who are still on the system.

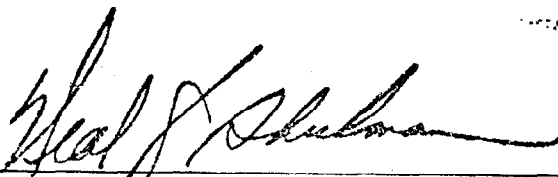
FINDINGS

1. The rate increases contained in this filing are reasonable and should be adopted.

THEREFORE, IT IS ORDERED that:

1. San Diego Gas and Electric Company is authorized to increase its rates for steam service in conformance with the rates proposed in Advice Letter 173-H.
2. This Resolution is effective today.

I hereby certify that Resolution G-3005 was adopted by the Public Utilities Commission at its regular meeting on July 1, 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