



# CITY OF LODI

## COUNCIL COMMUNICATION

AGENDA TITLE: Communications (May 13, 1993 through May 26, 1993)

MEETING DATE: June 2, 1993

PREPARED BY: City Clerk

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**RECOMMENDED ACTION:**

AGENDA ITEM

RECOMMENDATION

Information only.

**BACKGROUND INFORMATION:**

The following communication was received between the dates of May 13, 1993 and May 26, 1993:

The attached notice was received from Pacific Gas and Electric Company (PG&E) regarding its application filed with California Public Utilities Commission (CPUC) requesting a lower return on equity for 1994 for ratemaking purposes. The request would decrease the return on equity from 11.9 to 11.5 percent and decrease the overall cost of capital from 10.13 to 9.82 percent, effective January 1, 1994.

**FUNDING:** None required.

Jennifer M. Perrin  
City Clerk

COUNCOM8/TXTA.02J/COUNCOM

APPROVED. \_\_\_\_\_

THOMAS A. PETERSON  
City Manager



recycled paper

Pacific Gas and Electric Company

May 14, 1993

RECEIVED

MAY 18 PM 12:31



TO: THE STATE, COUNTY AND CITY OFFICIALS  
AND INTERESTED PARTIES

Pacific Gas and Electric Company (PG&E) has filed Application No. 93-05-009 with the California Public Utilities Commission (CPUC or Commission) in which it requests a lower return on equity for 1994 for ratemaking purposes. The request would decrease the return on equity from 11.9 to 11.5 percent and decrease the overall cost of capital from 10.13 to 9.82 percent, effective January 1, 1994. The lower authorized rate of return request would result in an overall reduction of \$43,612,000 consisting of \$33,513,000 in lower electric revenues and \$10,099,000 in lower gas revenues.

Any revenue decreases which may result from this application will be consolidated with anticipated revenue changes resulting from PG&E's other 1993 CPUC proceedings. As a result, the net electric and gas revenue changes for 1994 may not be a decrease. However, PG&E has announced that it intends to have a zero net change in electric rates in 1994 consistent with PG&E's announced commitment to freeze retail electric rates through the end of 1994. PG&E has adopted this objective to enhance the potential for advancing the recovery of the California economy. PG&E has not made a similar rate freeze announcement with respect to gas rates.

The Commission will hold hearings on the proposed changes in authorized return. Parties at those hearings may offer proposals to the CPUC which differ substantially from those requested by PG&E. After considering all proposals presented during the formal hearing process, the Commission will issue a decision. The actual return adopted by the Commission may differ significantly from PG&E'S original request and may result in an increase or decrease in rates.

If you wish to participate in the hearings or need advice, please write to the Public Advisor, California Public Utilities Commission at 505 Van Ness Avenue, Room 5303, San Francisco, CA 94102. Inquiries about the date, time, and place of hearing on the Application may be directed to the Public Advisor.

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A copy of the Application and related exhibits may also be examined at the Commission, as well as the offices of Pacific Gas and Electric Company, 77 Beale Street, Room 3127, San Francisco, CA 94106; or at PG&E's Regional Offices in Fresno, Oakland, Sacramento, or San Jose.

This notice is given in accordance with Rule 24 of the Rules of Practice and Procedure of the California Public Utilities Commission.

PACIFIC GAS AND ELECTRIC COMPANY

By Kermit R. Kubatz  
Kermit R. Kubatz