

CITY COUNCIL MEETING
JANUARY 5, 1983

89357
CO-567
COMMUNICATIONS
CITY CLERK

PUC APPLICATIONS

City Clerk Reinche presented a letter from Pacific Gas and Electric Company regarding an application being filed to include in its rate base as a Plant held for future use the cost association with its participation in the Alaska and Indonesia liquefied natural gas (LNG) project and to increase its gas rates on an annual basis by \$40.9 million, or 1.1 percent total gas revenues, to reflect the addition of these costs to its rate base.

City Clerk Reinche also presented an application of the Pacific Gas and Electric Company for authority, among other things, to increase its rates and charges for electric and gas service.

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PACIFIC GAS AND ELECTRIC COMPANY

PG&E

77 BEALE STREET, SAN FRANCISCO, CALIFORNIA 94106 TELEPHONE (415) 781-4211
P.O. BOX 7442, SAN FRANCISCO, CALIFORNIA 94120 TELECOPIER (415) 543-7813

DANIEL E. GIBSON
ASSISTANT GENERAL COUNSEL

RECEIVED
1982 DEC -8 AM 10:02
MICE M. REMICHE
CITY CLERK
CITY OF LOS ANGELES

December 7, 1982

TO: THE STATE, COUNTY AND CITY OFFICIALS AND INTERESTED PARTIES IN APPLICATION NO. 82-12-04

PACIFIC GAS AND ELECTRIC COMPANY (PG&E) hereby gives notice that in Application No. 82-12-04, and in accordance with Commission Decision No. 82-10-023, issued October 6, 1982, an application has been filed to include in its rate base as Plant Held for Future Use the costs associated with its participation in the Alaska and Indonesia liquefied natural gas (LNG) project and to increase its gas rates on an annual basis by \$40.9 million, or 1.1 percent total gas revenues, to reflect the addition of these costs to its rate base. The requested relief would enable the LNG project to be preserved as a viable source to satisfy California's long-term natural gas needs.

Alternatively, PG&E is requesting authority to amortize such project costs not allowed into rate base as Plant Held for Future Use, to place the unamortized portion of these costs in an appropriate rate base account, and to increase its gas rates on an annual basis by \$105 million, or

2.8 percent of total gas revenues, to reflect the amortization of these costs and the inclusion into rate base of the unamortized balance. Among other reasons, PGandE does not favor this alternative because it will produce a greater rate impact and is inconsistent with PGandE's objective to preserve the LNG project as a viable energy source.

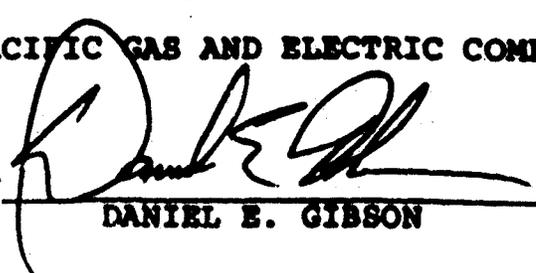
If PGandE's request to include LNG project costs in rate base as Plant Held for Future Use is granted, gas rates would increase for all customer classes by \$0.01463 per therm. Under PGandE's alternative request to amortize the LNG project costs, rates for each priority and class of service would increase \$0.0568 per therm.

The State, the counties, the municipal corporations, and other parties interested in the above-mentioned filing will be furnished a copy of Application No. 82-12-04 with related exhibits, upon written request made to PGandE, 77 Beale Street, Post Office Box 7442, San Francisco, California, 94120, Attention: Daniel E. Gibson, Assistant General Counsel.

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

Very truly yours,

PACIFIC GAS AND ELECTRIC COMPANY

By 

DANIEL E. GIBSON

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

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Application of PACIFIC GAS AND ELECTRIC)
COMPANY for authority, among other)
things, to increase its rates and) APPLICATION
charges for electric and gas service.) NO. 82-12-48
)
(Electric and Gas))
_____)

TO THE STATE, COUNTY AND CITY OFFICIALS
IN APPLICATION NO. 82-12-48

PACIFIC GAS AND ELECTRIC COMPANY hereby gives notice that in Application No. 82-12-48 filed with the California Public Utilities Commission on December 20, 1982, it has requested authorization, among other things, to increase PGandE's electric and gas rates and charges for service.

The proposed rates, requested to become effective on January 1, 1984, will increase PGandE's electric revenues about 20.4% or \$787,578,000 annually, and its gas revenues about 6.1% or \$206,894,000, on a year 1984 basis. PGandE's cost of doing business is expected to continue to rise during 1984. Consequently, in conformance with Commission procedures, PGandE is requesting that electric and gas rates be further increased effective January 1, 1985 to produce revenues of \$306,379,000 and \$102,108,000, respectively.

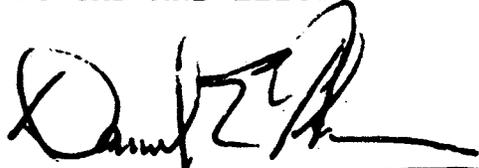
PGandE makes these rate requests to meet the increasing costs of operations and to enable PGandE to maintain the financial health necessary to permit it to attract the capital needed to construct the facilities required to provide electric and gas service to its customers. These proposed increases for 1984 and 1985, are based upon estimates of the costs of doing business in these future years. As 1984 and 1985 approach, and more information becomes available, under established Commission procedures, PGandE will modify its requests to better reflect actual conditions.

The state, the counties, the municipal corporations, and other parties interested in the above-mentioned filing will be furnished a copy of Application No. 82-12-48, with related exhibits, upon written request made to PGandE, P. O. Box 7442, San Francisco, California 94120, Attention: Mr. Daniel E. Gibson, Assistant General Counsel.

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

PACIFIC GAS AND ELECTRIC COMPANY

By 
DANIEL E. GIBSON