

CITY COUNCIL MEETING
MAY 1, 1985

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LETTERS REC'D RE
PUC APPLICATIONS

CL 5/a

The City Clerk presented a letter from PG&E Company giving notice that on April 15, 1985 it filed a motion to reopen Application No. 82-12-48 for the limited purpose of adopting a rate mechanism for 1986 to offset earnings attrition. The attrition mechanism proposed in the motion also constitutes PG&E'S generic proposal for a rate mechanism which will apply in the two intervening years within the three year test year cycle for general rate cases.

City Clerk Reimche presented a letter which had been received from PG&E Company regarding the filing of Application No. 85-04-019 in which it requests authority from the California Public Utilities Commission, effective August 1, 1985, to increase electric rates by approximately \$63.6 million on an annualized basis.

PACIFIC GAS AND ELECTRIC COMPANY

PG&E +

77 BEALE STREET, SAN FRANCISCO, CALIFORNIA 94106
P.O. BOX 7442, SAN FRANCISCO, CALIFORNIA 94120

TELEPHONE (415) 972-4226
TELECOPIER (415) 543-7813

HOWARD V. GOLUB
ATTORNEY AT LAW

RECEIVED

DATE: APR 19 1985

April 15, 1985

ALICE M. REIMCHE
CITY CLERK
CITY OF LODI

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

PACIFIC GAS AND ELECTRIC COMPANY (PGandE) hereby gives notice that on April 15, 1985 it filed a Motion to Reopen Application No. 82-12-48 for the limited purpose of adopting a rate mechanism for 1986 to offset earnings attrition. The attrition mechanism proposed in the Motion also constitutes PGandE's generic proposal for a rate mechanism which will apply in the two intervening years within the three year test year cycle for general rate cases.

California Public Utilities Commission Resolution No. ALJ-151, adopted June 6, 1984, extended PGandE's general rate case test year cycle from two to three years. Under this revised format PGandE's next scheduled general rate case will utilize a 1987 Test Year for ratemaking purposes. As a consequence, the 1986 rate case test year under the previous format has been transformed to the third year in the three year cycle which started with PGandE's 1984 Test Year General Rate Case.

Resolution No. ALJ-151 recognized that the adoption of the three year rate case cycle left a year gap in the rate adjustment mechanism for PGandE. To rectify this problem, the Resolution authorized PGandE to file a motion to reopen Application No. 82-12-48, PGandE's 1984 Test Year General Rate Case, to propose a mechanism to adjust rates for 1986.

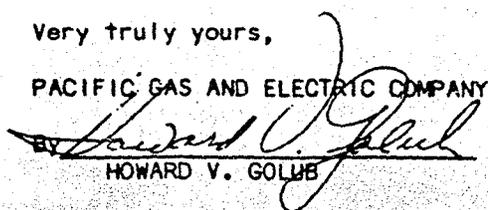
The proposed electric rates will increase PGandE's California jurisdictional Electric Department revenues by 3.7%, or \$198.9 million annually, on a calendar year 1986 basis. The proposed gas rates will increase PGandE's Gas Department revenues by 1.8%, or \$68.5 million annually, on a calendar year 1986 basis. PGandE has filed for these electric and gas increases to offset the effects of inflation and changes in operating and financial costs on PGandE's opportunity to earn in 1986 the rate of return on equity the Commission found reasonable for PGandE's Electric and Gas Departments in Decision No. 83-12-068, PGandE's 1984 Test Year General Rate Case.

The State, the counties, the municipal corporations, and other interested parties in the above mentioned filing will be furnished a copy of PGandE's Motion to Reopen Application No. 82-12-48 and Request for 1986 Attrition Rate Adjustment upon written request made to PGandE, 77 Beale Street, P. O. Box 7442, San Francisco, California 94120, Attention: Mr. Howard V. Golub.

This notice is given in accordance with the requirements of the California Public Utilities Commission.

Very truly yours,

PACIFIC GAS AND ELECTRIC COMPANY


HOWARD V. GOLUB

PACIFIC GAS AND ELECTRIC COMPANY

PG&E +

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TELEPHONE (415) 972-4226
TELECOPIER (415) 543-7813

HOWARD V. GOLUB
ATTORNEY AT LAW

RECEIVED

DATE: APR 12 1985

ALICE M. REIMCHE April 8, 1985
CITY CLERK
CITY OF LODI

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

Pacific Gas and Electric Company (PGandE) has filed Application No. 85-04-019 in which it requests authority from the California Public Utilities Commission, effective August 1, 1985, to increase electric rates by approximately \$63.6 million on an annualized basis.

The proposal requests authority to: (1) increase electric rates under the Energy Cost Adjustment Clause (ECAC) by approximately \$ 171.6 million on an annualized basis; (2) decrease electric rates by approximately \$127.5 million on an annualized basis under the Electric Revenue Adjustment Mechanism (ERAM); (3) increase electric rates under the Annual Energy Rate (AER) by approximately \$17.9 million on an annualized basis; and (4) increase certain electric rates by approximately \$1.6 million on an annualized basis as provided for by the Steel Surcharge Adjustment Clause (SSAC).

For the 12-month period beginning August 1, 1985, the requested rate adjustments will increase PGandE's electric revenues by about 1.13 percent above the level generated by electric rates in effect on April 3, 1985.

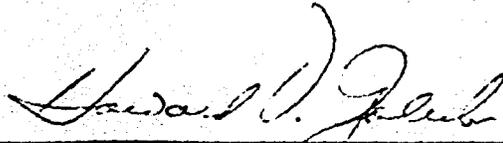
The State, the counties, the municipal corporations and other parties interested in the above-mentioned filing will be furnished a copy of Application No. 85-04-019, with related exhibits, upon written request made to PGandE, 77 Beale Street, Post Office Box 7442, San Francisco, California 94120, Attention: Mr. Howard V. Golub.

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

Very truly yours,

PACIFIC GAS AND ELECTRIC COMPANY

By



HOWARD V. GOLUB