

## California Department of Water Resources



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August 8, 2001

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### DEPARTMENT OF WATER RESOURCES FILES ADJUSTED ENERGY REVENUE REQUIREMENT

Sacramento - The California Department of Water Resources filed an adjusted revenue requirement with the Public Utilities Commission August 7, 2001, for the projected cost of the Department's purchase of the net short energy requirements for customers of the three investor owned utilities in California. The revenue requirement filing covers the total estimated cost of energy purchases and administrative costs for the Department from January 17, 2001 through December 31, 2002. The Department had updated its revenue requirement projection with the PUC on July 23 and has subsequently taken comments from the three utilities and various electric customer group representatives in a public workshop and exchange of written comments over the past two weeks. (See the bottom of this page for a copy of the documents.)

Based on comments received and additional data from the three utilities, DWR has made adjustments to its revenue requirement to reflect minor modifications to the quantity of net short energy it expects to purchase. "The changes varied among the three utilities and the combined effect is a slight increase in the total DWR revenue required, but this does not affect rates in any way", noted Ray Hart, Deputy Director of DWR. "The opportunity for additional review and comparison of assumptions and estimates has confirmed our numbers, with only minor revisions", Hart noted.

The adjusted numbers support a universal rate per kilowatt hour for energy supplied by DWR to the customers of the electric utilities. The DWR cost, as allocated, will fall well within the three cent per kWh rate adjustment passed by the PUC for Southern California Edison and Pacific Gas & Electric Co. and within the proposed 2.99 cent per kWh rate adjustment for San Diego Gas & Electric Co. which is presently pending before the Commission. "The

allocation of the revenue requirement among the customers of the three utilities will ultimately be determined by the PUC”, Hart indicated.

The matter of the costs of utility generation which was retained by each of the three utilities, and the amount of rates allocated for those costs will be decided separately by the PUC. A decision on those costs will be made by the PUC in October.

Updated Revenue Requirement Projection:

[August 7 Response to Comments](#) (.doc 60K)

[August 7 Cover Letter to Revenue Requirement](#) (.doc. 27K)

[August 7 Exhibit A](#) (.doc 272K)

[August 7 Exhibit B](#) (.doc 146K)

[August 7 Exhibit C](#) (.doc 36K)

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