

Decision No. 32248

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the matter of the application of PACIFIC GAS AND ELECTRIC COMPANY, a corporation, for an order of the Railroad Commission of the State of California authorizing applicant to file and make effective a revised gas Rule and Regulation No. 2 and certain proposed amended and new gas rate schedules referred to herein and applicable to the service of natural gas obtained from the Rio Vista gas field, etc.

APPLICATION NO. 22383

BY THE COMMISSION:

THIRD SUPPLEMENTAL OPINION AND ORDER

In Decision No. 32212, the Second Supplemental Opinion and Order on Application 22383, this Commission granted Pacific Gas and Electric Company, hereafter referred to as Applicant, authority to revert, in its so-called Vallejo-Benicia area, to the service of natural gas of a heating value of approximately 1000 to 1100 B.t.u. obtained from the Rio Vista gas field, in lieu of the 1100 to 1200 B.t.u. gas from Kettleman Hills being served in the area at that time. Applicant was also authorized to make certain revision in its filed Rule and Regulation No. 2. The right of Applicant to change from one kind of gas to another in the Vallejo-Benicia area, along with certain accompanying conditions, was authorized in this Commission's Decision No. 31571,

the original opinion and order on Application No. 22383.

In its Second Supplemental Application on Application No. 22383, Applicant, in addition to the above, requested authority to withdraw and cancel its following filed gas rate schedules, namely:

<u>Schedule</u>	<u>Revised Sheets C.R.C. No.</u>
G-5	725-G
G-7	727-G
G-8	728-G
G-41	701-G
GH-7	702-G
GS-6	703-G

and to file and make effective in lieu thereof the schedules of rates and charges set forth in Exhibit "B" attached thereto.

In Decision No. 32212, while authority was granted to change to the service of Ric Vista gas and also to withdraw and refile Applicant's Rule and Regulation No. 2, it was stated that additional time would be required to give adequate consideration to the question of the modified rate schedules. The consideration of this matter is the purpose of this Third Supplemental Opinion and Order.

The rate schedules set forth in the aforementioned Exhibit "B" are designated the same as those presently in effect, but they each contain revisions that will be discussed herein.

In proposed Schedule G-5 the standard blockings have been employed, but the block rates have been adjusted to produce as near as possible the same billing for a given number of heat units as under the presently effective G-5 Schedule. This change is necessary to reflect the difference in heating value between the

Rio Vista gas and the Kettleman Hills gas. The revised G-7 Schedule has the North Bay Division territory deleted therefrom because it calls for the delivery of a 1100 to 1200 B.t.u. gas. The North Bay territory deleted from the G-7 Schedule has been included under the proposed G-8 Schedule, the same being the reason for the withdrawal of the present G-8. A new schedule, worked out on the same basis as that employed in arriving at the proposed G-5, could be put into effect in place of the present G-7 to apply in the Benicia Area. However, the rates set forth in Applicant's G-8 Schedule are so nearly equal to those which such a new schedule would include that, in the interest of maintaining the total number of schedules at a minimum, it is believed that proposed Schedule G-8 affords a more practical solution of the problem. Under the proposed Schedule G-8, while it is true that equivalent usages of heat units will not in all cases produce exactly the same billings, there will be no increases of an appreciable amount and the Applicant will experience a slight overall reduction in revenue from billings for equivalent usages under this Schedule.

Proposed Schedule G-41 has been altered only to include the Vallejo-Benicia area.

Proposed Schedules GH-7 and GS-6 have had their blockings increased and their block rates decreased by the ratio of 1000 to 1100 to account for the lower heating value of the Rio Vista gas. Because of the fact that these adjusted blockings result in conformity with the blockings of similar schedules in other areas

being served by Applicant with Rio Vista gas exclusively, these modifications appear warranted. For a given quantity of heat units used the proposed rates would bring about no change in billing to any consumers.

No changes have been made in the minimum charges in any of the proposed schedules as it is not believed practical nor necessary to make such changes.

The Commission having considered Applicant's request and being of the opinion that the application should be granted, and that a public hearing in the matter is not necessary, and other good cause appearing

IT IS HEREBY ORDERED that Pacific Gas and Electric Company be granted the following authority:

- (1) To withdraw and cancel the following listed filed schedules of natural gas rates and charges, namely:

<u>Schedule</u>	<u>Revised Sheets C.R.C. No.</u>
G-5	725-G
G-7	727-G
G-8	728-G
G-41	701-G
GH-7	702-G
GS-6	703-G

and to file and make effective in lieu thereof the revised and modified rates G-5, G-7, G-8, G-41, GH-7, and GS-6 set forth in Exhibit "B" attached to the Application.

The authorization herein granted is subject to the following conditions and not otherwise:

- (1) That Pacific Gas and Electric Company shall apply the new rates set forth above to all monthly meter readings taken in the Vallejo-Benicia area fifteen (15) days after the actual date of changeover to the service of Rio Vista gas and to all subsequent meter readings.

(2) That Pacific Gas and Electric Company shall not revert to the service of Kettleman Hills gas nor the application of the presently effective rates therefor in the Vallejo-Benicia area without proper authorization from the Commission.

In all other respects Decision No. 31571 shall remain in full force and effect.

Except as otherwise provided herein the effective date of this Supplemental Opinion and Order is the date hereof.

Dated at San Francisco, California this 15th day of August, 1939.

Raymond J. ...
Frank ...
H. ...
Justice J. ...