

Decision No. 112212.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of
SOUTHERN CALIFORNIA GAS COMPANY for
an order approving contract dated
November 19, 1940, for the sale of
gas to Housing Authority of the
City of Los Angeles, California.

ORIGINAL

Application No. 23827.

BY THE COMMISSION:

OPINION AND ORDER

In this application Southern California Gas Company, hereinafter sometimes referred to as Utility, requests authority to enter into a written agreement with the Housing Authority of the City of Los Angeles, a public body organized under and by virtue of the Housing Authorities Law of the State of California and hereinafter sometimes called Authority, relating to the sale and delivery of firm natural gas as shall, during the term of the agreement, be required for general use of the Authority's tenants in a low-rent housing project, designated and known as the Ramona Gardens Housing Project, located on Indiana Street in the City of Los Angeles. A copy of the proposed agreement, marked Exhibit "A," is attached to and made a part of the application. Accompanying said application and marked Exhibit "B" is a study in support of the rate offered, under the caption "Comparison of Required Revenue with Estimated Revenue under Proposed and Filed Rate Schedules for Large Multiple Dwelling or Housing Projects."

Some of the more important features and conditions of the aforesaid agreement may be here set forth.

The Utility obligates itself to maintain, supply and sell firm natural gas to the Authority's housing project, known as Ramona Gardens, and the Authority agrees to purchase and pay for such gas to be used by tenants in its housing project for cooking, water heating, space heating and other project requirements.

The agreement provides that the Authority shall pay an amount of \$2,570.87 to provide for certain extensions and metering facilities, which facilities become the property of the Utility. The agreement further provides that the Authority shall furnish, construct, own and operate the complete and entire distribution system necessary to distribute the gas to its tenants in the project as may be required from the point at which the Authority receives delivery of the gas from the Utility. The delivery point at which gas is to be supplied to the Authority is defined as the outgoing side of the outlet union of the meters used for billing purposes. In further reference to metering, the agreement provides that the gas shall be metered through two meters at certain locations designated and that in so far as billing is concerned, the consumption of the two meters shall be additive and as if all gas passed through one meter.

The agreement further provides that no portion of the gas supplied shall be resold except that the Authority may distribute the gas so purchased to its tenants in the project as an incident of tenancy and the cost to be included in the tenants' rent.

For the aforesaid service the following rate is provided:

Rate:

The consumer will qualify for service through a single or master meter installation under either Rate "A" or Rate "B" only in accordance with the Special Conditions hereof.

<u>Fixed Charge</u>	<u>Per Project Per Month</u>
First 250 dwelling units, or less	\$37.50
All over 250 dwelling units, per dwelling unit..	0.15

Commodity Charge: (To be Added to Fixed Charge)

Rate "A" - Continuous Use or Combination Service

First 250,000 cu.ft., per 100 cu.ft.	4.00¢
All over 250,000 cu.ft., per 100 cu.ft.	3.65¢
Plus a charge of twenty cents (20¢) per month for each dwelling unit whose space heating requirements only are being supplied by natural gas.	

Rate "B" - Heating Service Only

First 250,000 cu.ft., per 100 cu.ft.	6.00¢
All over 250,000 cu.ft., per 100 cu.ft.	5.65¢

Minimum Charge:

The Monthly Minimum Charge shall be the Fixed Charge as herein set forth.

The term of the contract is for a period of three years, dating from initial gas service and provides that said contract shall continue from year to year after the initial term unless either party shall give the other thirty (30) days' notice, in writing, prior to any anniversary date.

The contract further provides that the Utility shall have no responsibility beyond the point of metering other than to adjust the Authority's and its tenants' appliances in the event the standard B.t.u. content of the gas served be changed.

In addition to the specific conditions set forth, the contract agreement further provides that service shall be rendered in accordance with the Utility's filed rules and regulations and that the contract shall be subject to the jurisdiction

of this Commission, in accordance with General Order No. 53.

The Commission having considered the request of Applicant and it being of the opinion that the application should be granted; that a public hearing in the matter is not necessary and sufficient cause appearing therefor,

IT IS ORDERED that Southern California Gas Company is hereby authorized to enter into that certain agreement with the Housing Authority of the City of Los Angeles, as set forth as Exhibit "A" attached to the application, and to render natural gas service to said Housing Authority of the City of Los Angeles at the rates and under the terms and conditions set forth in said agreement; provided, however, that the authority herein granted shall not be taken as limiting the Commission's authority to modify or set aside such agreement by appropriate order.

The authority herein granted shall become effective on the date hereof.

Dated at San Francisco, California, this 10th day of December, 1940.

Ray L. Rice
Frank D. ...
...
Justice J. ...
Commissioners.