

Decision No. 45248**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
SOUTHERN COUNTIES GAS COMPANY OF
CALIFORNIA for a general increase in
retail and wholesale gas rates under
Section 63(a) of the Public Utilities
Act.

Application No. 31161

In the matter of the investigation on the
Commission's own motion to determine the
reasonableness, adequacy, sufficiency and
lawfulness of the rates, tolls, charges
and certain other subjects and matters,
as reflected by the order of investiga-
tion herein, of SOUTHERN COUNTIES GAS
COMPANY OF CALIFORNIA.

Case No. 5260

LeRoy M. Edwards, Milford Springer and
Oscar Sattinger, for applicant; Roger Arnebergh,
for City of Los Angeles; K. Charles Bean,
T. M. Chubb and Robert W. Russell, for
Board of Public Utilities and Transportation,
City of Los Angeles; J. J. Deuel and Edson Abel
for California Farm Bureau Federation;
Roval M. Sorensen, for City of Santa Monica;
Brobeck, Phleger and Harrison, by George D. Rives
and George Kinsman, for California Manufacturers
Association; Chickering and Gregory, by
Sherman Chickering, for San Diego Gas & Electric
Company; W. D. MacKay, for E. C. Fogal;
George Parker, for Public Housing Administration
and Housing Authorities of the cities of
Los Angeles, Upland, Oxnard, Paso Robles, and
San Luis Obispo; A. B. Starr, for Eleventh Naval
District; Major John W. Rood and E. M. Hope, for
Department of the Army; Jean L. Vincenz, for
San Diego County; Charles B. Kraugh, for
International Chemicals Workers Union.

INTERIM OPINION AND ORDER MODIFYING
FUEL OIL CLAUSE IN TARIFF

O P I N I O N

During the progress of the above-entitled proceedings
Southern Counties Gas Company of California, applicant herein, under

date of December 19, 1950, filed with this Commission Advice No. 276 certain of its natural gas tariff sheets seeking to increase gas rates because of an increase in the posted price of fuel oil from \$1.55 to \$1.75 per barrel. This filing was made pursuant to the fuel oil clause in such tariffs and increased rates became effective as of January 13, 1951. On an annual basis such increase amounts to approximately \$340,000.

Applicant, in its proposed rates submitted in this proceeding, requests the Commission to place a ceiling of \$1.55 on the operation of the fuel oil clause in its tariffs as applied to interruptible sales. Also, we must keep in mind that a similar ceiling was prescribed by the Commission in the tariffs of the Southern California Gas Company, an affiliate of applicant. The parties to the above proceeding, including applicant, have stipulated that applicant's present tariffs be modified by placing a ceiling of \$1.55 in the price of fuel oil on the operation of the fuel oil clause. Equity requires that such modification be made, and, accordingly, we shall so modify said tariffs.

O R D E R

Based upon the facts stated in the foregoing opinion and good cause appearing,

IT IS ORDERED that the fuel oil clause contained in Schedule No. S-D, Optional Rate for Surplus Industrial Service; Schedule No. S-E, Oil Field Service; Schedule No. S-1, Standby or Intermittent Service; and Schedules Nos. 1-D, 2-D, 3-D, 4-D, and 5-D for Surplus Industrial Service, be and the same are herein modified to provide that the maximum rates for service under said schedules be predicated upon a price of fuel oil of \$1.55 per barrel.

A-31161
C-5260
NB

IT IS HEREBY FURTHER ORDERED that Southern Counties Gas Company of California is directed to file in quadruplicate with this Commission on January 17, 1951, in conformity with General Order No. 96 revisions of the above enumerated schedules as modified herein and to make said rates effective on January 18, 1951.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 16th
day of January, 1951.

R. E. Zimmerman
Justus J. Crocker
Harold P. Kulis
Herbert H. Potter

Commissioners.