

ORIGINALDecision No. 55943

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 SOUTHWEST GAS CORPORATION for author-)
 ity to increase its present rates and) Application No. 39621
 charges for natural gas service by)
 such amounts as may be necessary to)
 offset proposed increases in the cost)
 of gas.)

INTERIM OPINION AND ORDER

By the above-entitled application the Southwest Gas Corporation seeks a rate increase to offset increased rates sought by applicant's supplier, Pacific Gas and Electric Company, as a result of increased rates sought by El Paso Natural Gas Company.¹

The Commission expects to hold a hearing on this application at an early date and under normal conditions would proceed promptly to issue a decision thereunder. However, on November 21, 1957 the United States Court of Appeals for the District of Columbia Circuit issued a decision in the case of Memphis Light, Gas and Water Division, et al., Petitioners, v. Federal Power Commission, Respondent, and United Gas Pipe Line Company, et al., Intervenors, Case No. 13,666, reversing and remanding the case to the Federal Power Commission for further proceedings, and with directions to reject certain schedules filed by United Gas Pipe Line Company, and to initiate such proceedings as may be necessary to secure refunds to the customers of United Gas Pipe Line Company of certain amounts paid to that company following the time that those schedules were allowed to become effective. It appears that

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the applicant herein is in substantially the same position with respect to El Paso Natural Gas Company as that of one of the petitioners in the case referred to with respect to its gas supplier, and that this applicant has substantially the same legal rights against El Paso Natural Gas Company as one of those petitioners had against its supplier. It is our opinion that this applicant should be required to forthwith urge and to diligently pursue its rights before obtaining authority from this Commission to increase its rates for natural gas on account of increases sought by El Paso Natural Gas Company of applicant's supplier.

We are therefore now issuing an interim order in this proceeding with the intention of issuing a final decision at a later date.

IT IS HEREBY ORDERED that applicant in the above-entitled proceeding refrain from consenting, or manifesting any consent whatever, to the increases proposed by El Paso Natural Gas Company in its rate schedules G and G-X for gas sold and delivered to the applicant's supplier on and after January 1, 1958.

IT IS FURTHER ORDERED that applicant shall forthwith file with the Federal Power Commission a motion requesting that the Federal Power Commission prohibit the rates proposed by El Paso Natural Gas Company in its rate schedules G and G-X from becoming effective on January 1, 1958.

IT IS FURTHER ORDERED that applicant prosecute diligently, vigorously and in good faith before the Federal Power Commission and the courts whatever legal rights it may have as a result of the precedent established in the case above cited.

IT IS FURTHER ORDERED that applicant promptly file with this Commission a verified report describing the steps taken in pursuance of the foregoing orders, and to state whether or not it is the intention of the applicant to prosecute diligently, vigorously, and in good faith before the Federal Power Commission and the courts whatever legal rights it may have as a result of the precedent established in the case above cited.

Upon receipt from the applicant in the above-entitled proceeding of the verified reports above described, and after hearing and consideration thereof, the Commission will promptly issue an appropriate decision in this proceeding in light of the circumstances then obtaining.

The Secretary is directed to forthwith serve a certified copy of this interim opinion and order upon the applicant.

The effective date of this decision shall be the date hereof.

Dated at San Francisco, California, this 13th day of December, 1957.

[Signature]
President

[Signature]

[Signature]

[Signature]

[Signature]
Commissioners