

66558

ORIGINAL

Decision No. _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application
of SAN DIEGO GAS & ELECTRIC
COMPANY, a corporation, for a
general increase in gas rates
under Section 454 of the Public
Utilities Code.
(Gas)

Application No. 42887
(First Supplemental
filed December 19, 1963)

OPINION AND ORDER

San Diego Gas & Electric Company by this first supplemental application seeks authority to pass on to its customers rate reductions approximating \$735,700 for the year 1964 flowing to it through Southern Counties Gas Company of California from settlement of the rate proceedings of El Paso Natural Gas Company before the Federal Power Commission in Docket Nos. G-4769, G-12948, G-17929 and RP60-3.

By Decision No. 66508, dated December 20, 1963, in first supplemental Application No. 41859 Southern Counties Gas Company of California was authorized and directed, among other things, to reduce by 1.16 cents per thousand cubic feet the commodity charge of its Schedule G-60 applicable to sales to San Diego Gas & Electric Company effective for meter readings taken on and after December 31, 1963 and to add to its tariffs as part of the Preliminary Statement the following stipulation with respect to contingent refunds and rate reductions in the event El Paso Natural Gas Company receives refunds and rate reductions from its suppliers:

"The Settlement Agreement dated as of November 1, 1963, which disposed of the then pending El Paso Natural Gas Company rate proceedings, provided in Articles IV and V for contingent refunds and rate reductions. The Company will refund to its customers any refund received from

El Paso pursuant to Article IV of the settlement agreement applicable to gas received prior to the first date on which a rate increase sought by El Paso becomes effective on or after November 1, 1965. Likewise, the Company will reduce its rates by an aggregate amount equal to any rate reduction made effective by El Paso pursuant to Article V of the settlement agreement prior to the first date on which a rate increase sought by El Paso becomes effective on or after November 1, 1965."

San Diego Gas & Electric Company estimates that its purchases from Southern Counties Gas Company during the year 1964 will approximate 63,418.6 million cubic feet of gas and that a 1.16 cent per thousand cubic feet reduction in its cost of gas for 1964 would reduce its gas cost by approximately \$735,700.

To pass on this gas cost reduction to its customers, San Diego Gas & Electric Company proposes the following changes in its gas tariffs:

1. Reduce by 1.2 cents per Mcf (0.12c per Ccf), the base and effective rates at 1080 Btu of all rate schedules except Schedule G-54, Interruptible - Steam Plant.
2. Reduce by 1.16 cents per Mcf, the base and effective rates at 1080 Btu of Schedule G-54, Interruptible - Steam Plant.

Applicant's proposed rates and minimum charges of its gas tariff schedules are set forth in Exhibit A of the first supplemental application.

San Diego Gas & Electric Company estimates that its proposed rate reductions in its gas tariffs will result in the following revenue reductions by class of service for 1964:

<u>Class of Service</u>	<u>Revenue Reduction</u>
Domestic	\$ 223,800
Non-Domestic General	74,400
Firm Industrial	7,200
Interruptible, Other Than Schedule G-54	53,700
Subtotal	<u>359,100</u>
Interruptible-Steam Plant Schedule G-54	374,400
	\$ <u>733,500</u>

Concurrently with the filing of this first supplemental application, San Diego Gas & Electric Company filed with this Commission its Advice No. 208-E proposing rate reductions in its domestic electric schedules to pass on to its electric customers the above \$374,400 amount by which its steam electric generating plant costs are reduced.

San Diego Gas & Electric Company also requests authority to remove the contingent offset charge clauses from all rate schedules containing such clauses and to delete Section 6, Refund Plan, of the Preliminary Statement of its gas tariff.

Upon consideration we find that:

1. Applicant's proposed reductions in rates are reasonable.
2. Applicant's request to delete all present contingent offset charge clauses from its rate schedules and to delete Section 6 of the Preliminary Statement is reasonable.

3. Applicant should be required to revise the Preliminary Statement of its gas tariffs to include a statement similar to that directed to be included in the tariffs of Southern Counties Gas Company of California respecting Articles IV and V of the El Paso Settlement Agreement.

IT IS ORDERED that San Diego Gas & Electric Company is authorized and directed to file with this Commission on December 27, 1963 or within twenty days thereafter and in conformity with General Order No. 96-A revised schedules of gas rates to (1) reflect the reductions in base and effective rates set forth in Appendix A attached hereto and made a part hereof, (2) include as part of the Preliminary Statement of its gas tariffs the statement set forth in Appendix B attached hereto and made a part hereof, (3) delete and

cancel all present contingent offset charge provisions from its tariffs, and (4) delete Section 6 of the Preliminary Statement, Refund Plan, in its entirety and renumber succeeding sections as appropriate and, upon not less than five days' notice to this Commission and the public to make such reduced rates and revisions in tariffs effective for meter readings taken on and after December 31, 1963.

The Secretary of the Commission is directed to cause a certified copy of this order to be served forthwith upon San Diego Gas & Electric Company and to cause a copy to be mailed to each appearance of record.

The effective date of this order shall be the date hereof for filing the revised schedules of rates and shall be twenty days after the date hereof in all other respects.

Dated at San Francisco, California, this 27th day of December, 1963.

William L. Brown
 President

Ernest Albright

George T. Hoover

Frederick C. Holloff

Commissioners

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.

APPENDIX A
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San Diego Gas & Electric Company

TARIFF RATES AND CHANGES
BASE AND EFFECTIVE RATES, 1080 BTUGeneral Natural Gas Service:

Schedule No.	Per Meter Per Month			
	G-1	G-2	G-3	G-4
<u>Commodity Charge:</u>				
First 200 cu. ft., or less	\$1.4848	\$1.5348	\$1.6348	\$1.7348
Next 2,800 cu.ft., per 100 cu.ft.	.1204	.1254	.1304	.1354
Next 7,000 cu.ft., per 100 cu.ft.	.0944	.0964	.0984	.1014
Next 10,000 cu.ft., per 100 cu.ft.	.0794	.0794	.0794	.0794
Over 20,000 cu.ft., per 100 cu.ft.	.0734	.0734	.0734	.0734

Minimum Charge Shown in Special Condition:

To be multiplied by 50% of the number of meters	\$1.48	\$1.53	\$1.63	\$1.73
But not less than	4.44	4.59	4.89	5.19

Space Heating Natural Gas Service, Schedule No. G-11:

<u>Commodity Charge:</u>	<u>Per Meter Per Month</u>
First 400 cu. ft. or less	
Winter Months, December - May	\$2.9896
Summer Months, June - November, per 100 cu. ft.	.1424
Next 2,600 cu.ft., per 100 cu.ft.	.1424
Next 7,000 cu.ft., per 100 cu.ft.	.1174
Next 10,000 cu.ft., per 100 cu.ft.	.0944
Over 20,000 cu.ft., per 100 cu.ft.	.0864

Minimum Charge:

Winter Months, December - May	\$2.99
Summer Months, June - November	None

Firm Industrial Natural Gas Service, Schedule No. G-40:

<u>Commodity Charge:</u>	<u>Per Meter Per Month</u>
First 150 Mcf or less	\$118.10
Next 150 Mcf, per Mcf	.664
Next 700 Mcf, per Mcf	.644
Over 1,000 Mcf, per Mcf	.614

Minimum Charge:

118.10

APPENDIX A
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San Diego Gas & Electric Company

TARIFF RATES AND CHANGES
BASE AND EFFECTIVE RATES, 1080 BTU
(Continued)

Interruptible Natural Gas Service, Schedule No. G-50:

	Per Meter
	Per Month
<u>Service Charge:</u>	\$ 21.00
<u>Commodity Charge:</u>	
First 200 Mcf, per Mcf	0.521
Next 500 Mcf, per Mcf	.467
Next 2,300 Mcf, per Mcf	.437
Next 3,000 Mcf, per Mcf	.418
Next 4,000 Mcf, per Mcf	.402
Over 10,000 Mcf, per Mcf	.380
<u>Minimum Charge:</u>	
March through November	\$ 75.00
Nine months' cumulative minimum	675.00

Interruptible Industrial Natural Gas Service, Schedule No. G-51:

	Per Meter
	Per Month
<u>Service Charge:</u>	\$ 28.00
<u>Commodity Charge:</u>	
First 200 Mcf, per Mcf	0.496
Next 500 Mcf, per Mcf	.452
Next 2,300 Mcf, per Mcf	.415
Next 7,000 Mcf, per Mcf	.396
Over 10,000 Mcf, per Mcf	.375
<u>Minimum Charge:</u>	
March through November	\$ 1,750.00
Nine months' cumulative minimum	15,750.00

Interruptible Natural Gas Service to Utility
Steam Electric Generating Stations, Schedule No. G-54:

<u>Commodity Charge:</u>	Base Rate	Effective Rates	
		Winter	Summer
Per Mcf	\$0.3754	\$0.3754	
First 10 Mcf per month, per Mcf of contract volumetric rate			\$0.4014
Next 10 Mcf per month, per Mcf of contract volumetric rate			.3714
Next 10 Mcf per month, per Mcf of contract volumetric rate			.3414
Excess, per Mcf			.3664

APPENDIX B

San Diego Gas & Electric Company
Gas Department

ADDITION TO PRELIMINARY STATEMENT

The Settlement Agreement dated as of November 1, 1963 which disposed of the then pending El Paso Natural Gas Company rate proceedings, provided in Articles IV and V for contingent refunds and rate reductions. The Company will refund to its customers any refund received from Southern Counties Gas Company of California pursuant to Article IV of the settlement agreement applicable to gas received prior to the earlier of (1) ✓ January 1, 1969, or (2) the first date on which a rate increase sought by El Paso becomes effective on or after November 1, 1965. The matter of such rate reductions relating to Article V after January 1, 1969, will be subject to review between the company and the Commission.