

Decision No. 66737**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
SOUTHERN COUNTIES GAS COMPANY for a)
general increase in gas rates under)
Section 454 of the Public Utilities)
Code.)

Application No. 35742

In the Matter of the Application of)
SOUTHERN COUNTIES GAS COMPANY OF)
CALIFORNIA for a general increase)
in gas rates under Section 454 of)
the Public Utilities Code.)

Application No. 38211

In the Matter of the Application of)
SAN DIEGO GAS & ELECTRIC COMPANY,)
a corporation, for authorization to)
increase its present rates for)
natural gas service by an offset)
charge.)

Application No. 39566

In the Matter of the Application of)
SOUTHERN COUNTIES GAS COMPANY OF)
CALIFORNIA for an increase in gas)
rates under Section 454 of the)
Public Utilities Code to offset the)
higher price to be paid to its)
supplier, El Paso Natural Gas)
Company.)

Application No. 40958

In the Matter of the Application of)
SOUTHERN COUNTIES GAS COMPANY OF)
CALIFORNIA for a general increase)
in gas rates under Section 454 of)
the Public Utilities Code.)

Application No. 41859

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

ORDER DIRECTING SAN DIEGO GAS & ELECTRIC COMPANY
TO MAKE REFUNDS TO ITS CUSTOMERS
IN ACCORDANCE WITH REFUND PLAN

Pursuant to Decision No. 66504, dated December 18, 1963, as amended by Decision No. 66632, dated January 14, 1964, San Diego Gas & Electric Company filed with this Commission on January 28, 1964 a refund plan designed to refund to its gas, electric and steam customers \$4,642,854.26 plus interest on that amount from January 23, 1964 to the date refunds begin. The \$4,642,854.26 amount represents the refund received by San Diego Gas & Electric Company on January 23, 1964 from its gas supplier, Southern Counties Gas Company of California, pursuant to Decision No. 66501, dated December 17, 1963, arising out of the settlement of the El Paso Natural Gas Company rate cases.

This is the second refund received by San Diego Gas & Electric Company from Southern Counties Gas Company of California in the last six months arising out of orders in El Paso Natural Gas rate cases. The first refund, amounting to \$1,472,524.44, was received by San Diego Gas & Electric Company on August 22, 1963 and its disposition is before the Commission in Case No. 7721 and related application.

The refund plan submitted by San Diego Gas & Electric Company on January 28, 1964 generally provides for the distribution of the refund to classes of service in the following amounts, exclusive of interest from January 23, 1964 to the date refunds begin:

<u>Class of Service</u>	<u>Amount*</u>
<u>Gas</u>	
General Service and Space Heating	\$1,984,970
Firm Industrial	60,313
Interruptible	<u>358,652</u>
Total Gas	2,403,935
<u>Electric</u>	
Residential	781,383
Commercial	1,341,585
Agricultural Power	65,254
Street Lighting	26,418
Resale (excluding international sales)	<u>5,455</u>
Total Electric	2,220,095
Steam	18,824
Total	4,642,854

*Excludes interest from January 23, 1964 to the date refunds begin.

No finding or order contained in this decision shall be construed as disposing of any of the issues involved in the refund of \$1,472,524.44 received by San Diego Gas & Electric Company from Southern Counties Gas Company of California on August 22, 1963, which matter is before the Commission in Case No. 7721 and related application.

Upon consideration the Commission finds that:

1. The refund plan, attached hereto as Appendix A, filed by San Diego Gas & Electric Company on January 28, 1964 to refund to its gas, electric and steam customers the sum of \$4,642,854.26 plus interest thereon at the rate of four percent per annum from January 23, 1964 to the date refunds begin, is fair, reasonable and in the public interest.

2. San Diego Gas & Electric Company should give notice in newspapers of wide general circulation in its service area of the general provisions of the refund plan in accordance with Item 16 of Appendix A.

3. The Commission should retain continuing jurisdiction in the matter and require appropriate reports to be filed.

4. San Diego Gas & Electric Company should be directed to make refunds to customers in accordance with the refund plan attached hereto as Appendix A.

IT IS ORDERED that:

1. Within ninety days after the effective date of this order, San Diego Gas & Electric Company shall refund to customers, in accordance with the refund plan attached hereto as Appendix A and made a part hereof, the total amount developed in Item 2.g. of Appendix A hereof.

2. San Diego Gas & Electric Company shall give notice in newspapers of wide general circulation to domestic, commercial and other establishments in its service area as detailed in Item 16 of Appendix A hereof.

3. Within thirty days after making initial refunds to customers as directed herein, and every thirty days thereafter for eight additional months, San Diego Gas & Electric Company shall file written reports with this Commission setting forth separately the amount refunded to customers including refunds and refund adjustments made as a result of customer inquiries, the amount of returned checks and, when applicable, the amount of uncashed checks outstanding six months after the month of their issuance. Such reports shall show such amounts separately for the gas, electric and steam heat departments and segregated by principal classes of service.

4. San Diego Gas & Electric Company shall inform each recipient of a refund either by transmittal letter or by notation on the bill or check reflecting the refund that:


"This refund is pursuant to an order of
the California Public Utilities Commission."

5. The Commission retains continuing jurisdiction in the matter.

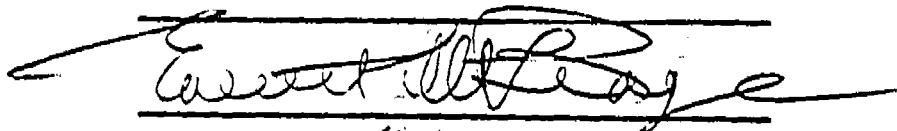
The Secretary of the Commission is directed to cause a certified copy of this order to be served forthwith upon San Diego Gas & Electric Company and to cause a copy to be mailed to each appearance of record.

The effective date of this order shall be twenty days after the date hereof.

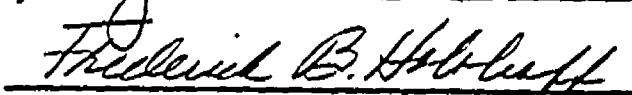
Dated at San Francisco, California, this 4th day of February, 1964.



President







Commissioners

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

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San Diego Gas & Electric Company

PLAN FOR DISPOSITION OF REFUND RECEIVED
PURSUANT TO CAL. P.U.C. DECISION NO. 66501

A - PREAMBLE

1. Purpose of this plan.

The purpose of this plan is to distribute to the California customers of San Diego Gas & Electric Company the entire amount of any refund received, or to be received, by San Diego Gas & Electric Company from Southern Counties Gas Company of California pursuant to the order of the California Public Utilities Commission by Decision No. 66501 dated December 17, 1963.

2. Definitions.

- a. "Commission" is the Public Utilities Commission of the State of California.
- b. "Company" is the San Diego Gas & Electric Company.
- c. "Customer" or "Customers" mean individual accounts as carried on the books of the "Company" for billing purposes regardless of affiliations, associations or ultimate responsibility of persons, firms, agencies or corporations who may have any interest in the property to which utility service was delivered on the account. The amount to be distributed to each such "Customer" will be computed separately but amounts to be distributed to any one person, firm, agency or corporation may be aggregated for credit or payment.
- d. "Southern Counties" is Southern Counties Gas Company of California.

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e. "Refund Period" is the period from January 1, 1958 through October 31, 1963 and is divided into three parts, as follows:

"A" is January 1, 1958 through July 31, 1959;

"B" is August 1, 1959 through August 24, 1960;

"C" is August 25, 1960 through October 31, 1963;

f. "Sales" is the volume of sales to a customer or to a customer group, during billing cycles as follows:

<u>Period</u>	<u>Billing Cycles, Inclusive</u>
"Refund Period" part "A"	Cycle 1 of Jan.1958 to Cycle 22 of July 1959
"Refund Period" part "B"	Cycle 1 of Aug.1959 to Cycle 22 of Aug. 1960
"Refund Period" part "C"	Cycle 1 of Sep.1960 to Cycle 22 of Oct. 1963
"November 1963 Period"	Cycle 1 of Nov.1963 to Cycle 22 of Nov. 1963
"Year 1963"	Cycle 1 of Jan.1963 to Cycle 22 of Dec. 1963

g. "Total to be Distributed" is the amount received by the "Company" from "Southern Counties" pursuant to Decision No. 66501 of the "Commission", namely \$4,642,854.26, plus interest at the rate of four percent per year from the date of receipt of such amount by the "Company" to the date distribution begins.

h. "Amount Distributable to Gas Customers" is the sum of the "Total to be Distributed" for each part of the "Refund Period" multiplied by the ratio of "Gas Volume Purchased for Gas Customer Service" during that part of the "Refund Period" to the total gas volume purchased by the "Company" during that same part of the "Refund Period".

i. "Amount Distributable to Electric Customers" is the sum of the "Total to be Distributed" for each part of the "Refund Period" multiplied by the ratio of the volume of interruptible

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gas delivered to the electric department during that part of the "Refund Period" to the total gas volume purchased by the "Company" during that part of the "Refund Period".

j. "Amount Distributable to Steam Customers" is the sum of the "Total to be Distributed" for each part of the "Refund Period" multiplied by the ratio of the volume of interruptible gas delivered to the steam department during that part of the "Refund Period" to the total gas volume purchased by the "Company" during that part of the "Refund Period".

k. "Gas Volume Purchased for Gas Customer Service" for each part of the "Refund Period" is the total gas volume purchased by the "Company" during that part of the "Refund Period" less the interruptible gas volume delivered to the "Company's" steam and electric plants during that same part of the "Refund Period".

B - DISTRIBUTION TO GAS CUSTOMERS

3. The "Amount Distributable to Gas Customers" for each part of the "Refund Period" will be divided among the following customer groups in proportion to the volume of "Sales" to each group during that part of the "Refund Period":

"a". "General Service and Space Heating Customers", being those served on Schedules Nos. G-1, G-2, G-3, G-4, G-10, G-11, G-15 and G-20,

"b". "Firm Industrial Customers", being those served on Schedule No. G-40, and

"c". "Interruptible Customers", being those served on Schedules Nos. G-50 and G-51.

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4. The amount to be distributed to each "Firm Industrial Customer" or "Interruptible Customer" will be the sum of the amounts computed separately for each of parts "A", "B" and "C" of the "Refund Period" by multiplying the volume of gas "Sales" to such customer in that part of the "Refund Period" by an average rate per unit "Sales" which is the amount distributable to that "Customer's" gas customer group for that part of the "Refund Period" divided by the volume of "Sales" to that customer group in that part of the "Refund Period".
5. The amount to be distributed to each group "a" "Customer" who used more than 300 Mcf in the "November 1963 Period" will be the sum of the amounts computed separately for each of parts "A", "B" and "C" of the "Refund Period" by multiplying the volumes of gas "Sales" to such "Customer" in that part of the "Refund Period" by an average rate per unit "Sales" which is the amount distributable to gas customer group "a" for that part of the "Refund Period" divided by the volume of "Sales" to customer group "a" in that part of the "Refund Period".
6. The amount to be distributed to each group "a" "Customer" who both was an active "Customer" in the "November 1963 Period" and who used 300 Mcf or less in that period will be computed by multiplying the volume of gas "Sales" in the "November 1963 Period" to such "Customer" by an average rate per unit "Sales" which is the quotient of the amount distributable to group "a" gas customers for the entire "Refund Period" less the amount to be distributed to group "a" customers who used more than 300 Mcf in the "November 1963 Period" divided by the aggregate

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"Sales" in the "November 1963 Period" to those group "a" customers who used 300 Mcf or less in the "November 1963 Period".

C - DISTRIBUTION TO ELECTRIC CUSTOMERS

7. The "Amount Distributable to Electric Customers" will be allocated to each of the following groups of electric "Customers" in the proportion the number of kilowatt-hours of "Sales" to each group during the "Year 1963" bears to the sum of such "Sales" to those groups:
- "a". Residential, being "Customers" on Schedules Nos. D-1, D-2, D-3 and D-4,
 - "b". Class 1 Commercial, being those "Customers" other than "Customers" in group "c", Class 2 Commercial, served on Schedules Nos. A-1, A-2, A-3, A-4, H, P and PDC,
 - "c". Class 2 Commercial, being all "Customers" on Schedule A-5 at any time in "Year 1963" and those "Customers" who used 40,000 kilowatt-hours or more during any billing month of "Year 1963" on Schedules Nos. A-1, A-2, A-3, A-4 and P,
 - "d". Agricultural Power, being those "Customers" served on Schedule PA,
 - "e". Street Lighting, being those "Customers" served on Schedules Nos. LS-1, LS-2 and LS-3,
 - "f". Resale, being those "Customers" served on Schedule R, excluding international sales.

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8. The "Amount Distributable to Electric Customers" in electric customer groups "a" and "b", separately, will be allocated to each "Customer" in those groups by multiplying the number of kilowatt-hours of "Sales" in the "November 1963 Period" to such "Customer" by an average rate per unit "Sales" determined for that "Customer's" electric customer group as the quotient of the "Amount Distributable to Electric Customers" allocated to that group divided by the "Sales" to that customer group during the "November 1963 Period".
9. The "Amount Distributable to Electric Customers" in electric customer groups "c", "d", "e" and "f", separately, will be allocated to each "Customer" in those groups by multiplying the number of kilowatt-hours of "Sales" during the "Year 1963" to such "Customer" by an average rate per kilowatt-hour which is the amount distributable to that "Customer's" electric customer group divided by the total kilowatt-hour "Sales" to that customer group during the "Year 1963".

D - DISTRIBUTION TO STEAM CUSTOMERS

10. The "Amount Distributable to Steam Customers" will be allocated to each "Customer" in the proportion that the volume of steam "Sales" to that "Customer" during the "Year 1963" bears to the aggregate volume of all steam "Sales" to such customers during the "Year 1963".

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E - GENERAL CONDITIONS

11. Credits and Payments to Customers.

Distribution of the refund to customers will be made as soon as practicable after approval of this plan by the "Commission". The distribution to "Customers" whose accounts are open at such distribution, except Escondido Mutual Water Company, will be made by credit on the customer's bill or by check. The amount of such credit for each kind of service will be shown separately and identified as "Gas Refund Credit", "Electric Refund Credit" or "Steam Refund Credit" as appropriate. The distribution to "Customers" whose accounts are not open will be by check with due notice mailed to the "Customer's" last known address.

12. Adjustment of Distribution upon Customer Inquiry.

In each case where a former "General Service and Space Heating Customer" who will receive no credit or payment under this plan inquires regarding a payment, and in each case where a present gas, electric or steam "Customer" contends that the credit or payment he received under this plan is not appropriate, the "Company" plans to investigate and make any appropriate payment, or adjust the credit or payment already made, provided both (1) the customer presents his inquiry in writing prior to October 1, 1964, and (2) the person, firm, agency or corporation who would be the beneficial recipient of any such additional payment would not also receive, or be entitled to receive, a credit or refund from some other California utility or agency as a result of transferring to

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that utility's or agency's system if that utility or agency were distributing refunds under a plan similar to this plan because of refunds to it for the period from January 1, 1958 to October 31, 1963.

13. Escondido Mutual Water Company.

The charges by "Company" for energy sold to Escondido Mutual Water Company, and the payments by "Company" to Escondido Mutual Water Company for energy purchased therefrom by "Company", under that agreement dated April 30, 1954, as amended from time to time (Special Contract No. 59), during the period from January 1, 1958 to October 31, 1963, will be recomputed in accordance with the Fuel Clause effective from time to time in said agreement, based upon the price for natural gas used for each month's billing less the average gas price adjustment for that respective part of the "Refund Period" computed by dividing the "Total to be Distributed" for that part of the "Refund Period" by the total volume of gas purchased by the "Company" during that part of the "Refund Period". All differences between the charges and payments so recomputed and the charges and payments previously billed will be entered as credits and debits to that "Customer's" account. All credits and debits to accounts of Escondido Mutual Water Company under this plan will be aggregated. If the net amount is a credit to Escondido Mutual Water Company, the "Company" will make payment by check. If the net amount is a debit, the "Company" will render a special bill therefor and the amount collected will be added to the electric "Suspense Account".

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14. Cost of Making Refund and "Suspense Account".

This plan is designed to keep costs of disposition of the refund as low as possible by using the simplest methods consistent with equitable treatment of all customers. Any difference between the amounts allocated for disposition to electric, gas and steam customers and the respective amounts actually refunded including checks uncashed at the end of six months will be placed in a "Suspense Account" for disposition by supplemental order of the "Commission".

15. Statements Regarding Refund.

Each recipient of a credit or payment under this plan will receive a notice including the statement

"This refund is pursuant to an order of the California Public Utilities Commission."

16. Public Notice.

The "Company" will give notice in newspapers of wide general circulation to domestic, commercial and other establishments in its service area of

- a. The general provisions of this plan within 15 days after its authorization by the "Commission".
- b. The notice below, 5 and 20 days, respectively, after making initial disposition to customers under this plan:

San Diego Gas & Electric Company

Public Notice on Gas* and Electric Refunds

(not less than 3" x 5" in size)

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Gas* and Electric Rate Refund

Pursuant to an order of the California Public Utilities Commission, San Diego Gas & Electric Company is distributing to its customers moneys received from Southern Counties Gas Company of California pursuant to Decision No. 66501 of that Commission. Refunds to large customers are being made by crediting bill or by check for gas* and electricity used during the period of January 1, 1958 to October 31, 1963. Small general service and space heating gas customers (residential and commercial) are receiving credits on bills rendered during (months), 1964 for a pro rata of the refund for the period January 1, 1958 to October 31, 1963, allocated to such customers in proportion to their usage in November 1963*. Residential and small commercial and power electric customers are receiving credits on bills rendered during (months), 1964 for a pro rata of the refund for the period January 1, 1958 to October 31, 1963, allocated to such customers in proportion to their usage in November 1963. In the event that a small general service or space heating gas customer during the period January 1, 1958 to October 31, 1963 is no longer using gas and/or did not

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receive a credit on current bills or* a current customer contends the refund received is not appropriate, inquiry may be made to the Company at its local office. All such inquiries shall be submitted to the Company on or before October 1, 1964.

* All references to gas will be deleted from the notice used in the Orange County portion of the Company's service area.

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San Diego Gas & Electric Company
 DISTRIBUTION TO GROUPS OF CUSTOMERS OF REFUND
 RECEIVED PURSUANT TO CAL. P.U.C. DECISION NO. 66501
 (Exclusive of interest to be added by S.D.G.&E.)

	Period A 1/1/58-7/31/59 \$	Period B 8/1/59-8/24/60 \$	Period C 8/25/60- 10/31/63 \$	Total 1/1/58- 10/31/63 \$
<u>Amount received by periods</u>				
Shown in App. A to Dec. 66501	1,425,175.73	1,066,375.32	2,139,630.09	4,631,181.14
Interest added by So. Cos. Gas Co.	3,592.23	2,687.85	5,393.04	11,673.12
Total received by SDG&E	1,428,767.96	1,069,063.17	2,145,023.13	4,642,854.26
<u>Amount to be distributed</u>				
GAS				
a. Gen'l Serv. & Space Htg.				
1. Used over 300 Mcf in Nov. 1963	9,979.10	9,376.53	30,619.09	49,974.72
2. Used 300 Mcf or less in Nov. 1963				
(a) Residential	454,166.97	364,044.93	680,114.06	1,498,325.96
(b) Other	137,591.16	105,925.53	193,152.91	436,669.60
Subtotal Group a.	601,737.23	479,346.99	903,886.06	1,984,970.28
b. Firm Industrial	20,448.19	16,020.59	23,844.40	60,313.18
c. Interruptible	116,906.79	86,264.47	155,480.84	358,652.10
Total Gas	739,092.21	581,632.05	1,083,211.30	2,403,935.56
ELECTRIC				
a. Residential	240,981.33	170,224.73	370,177.17	781,383.23
b. Class 1 Commercial	158,253.95	111,787.64	243,097.66	513,139.25
c. Class 2 Commercial	255,495.58	180,477.32	392,472.86	828,445.76
d. Agricultural Power	20,124.68	14,215.70	30,914.00	65,254.38
e. Street Lighting	8,147.23	5,755.06	12,515.16	26,417.45
f. Resale (excl. internat'l sales)	1,682.37	1,188.40	2,584.33	5,455.10
Total Electric	684,685.14	483,648.85	1,051,761.18	2,220,095.17
STEAM				
Total Steam	4,990.61	3,782.27	10,050.65	18,823.53
Total Amount to be Distributed	1,428,767.96	1,069,063.17	2,145,023.13	4,642,854.26