

ORIGINAL

Decision No. 68758

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
PACIFIC GAS AND ELECTRIC COMPANY for)
an order of the Commission authorizing)
applicant to increase its present)
rates and charges for natural gas)
service in the manner and to the)
extent herein set forth.)

Application No. 36635

In the Matter of the Application of)
PACIFIC GAS AND ELECTRIC COMPANY for)
authority, among other things, to)
remove the \$2.00 ceiling from the fuel)
oil escalator clause in certain of its)
interruptible gas rate tariff schedules.)

Application No. 38668

In the Matter of the Application of)
PACIFIC GAS AND ELECTRIC COMPANY, a)
corporation, for an order granting,)
among other things, authority to)
increase certain of its rates and)
charges for natural gas to offset an)
increase in the cost of gas purchased)
from the El Paso Natural Gas Company.)
(Gas)

Application No. 40926

In the Matter of the Application of)
PACIFIC GAS AND ELECTRIC COMPANY for)
authority, among other things, to)
increase its rates and charges for)
gas service.)
(Gas)

Application No. 42225

ORDER DIRECTING REFUNDS

Pacific Gas and Electric Company (Pacific) has filed a plan to distribute to its gas customers the balances of the three refunds received on May 20, 1963, December 10, 1963, and April 17, 1964 from El Paso Natural Gas Company and any additional refund received from El Paso prior to April 20, 1965. The balances of the three refunds

not distributed to gas customers as of February 1, 1965 amounted in total to \$986,802. Under the plan as submitted by Pacific the \$986,802 amount would be distributed to classes of service as follows:

<u>Class of Service</u>	<u>Amount of Refund</u>
Small General Service	\$460,291
Large General Service	96,833
Total General Service	<u>557,124</u>
Firm Industrial	43,010
Gas Engine	49
Resale	13,632
Interruptible	372,432
Interdepartmental - Other	555
Total	<u>986,802</u>

The proposed classification of "small" and "large" general service customers is in accordance with prior refund plans of this utility.

Pacific proposes that the refund to "small" general service customers be shown as a credit on the customer's bill during May 1965. Refunds to all other classes of customers are proposed to be made either by credit to the customer's account or by check.

Upon consideration, the Commission finds:

(1) The refund plan as proposed by Pacific is reasonable and in the public interest.

(2) The special records and reports requirements of Decisions Nos. 65611, 66559, 66694, and Resolution No. G-1239 have accomplished their intended purposes, and are not required for the future and should be discontinued.

The Commission concludes that an order should be issued directing refunds as hereinafter provided.

IT IS ORDERED as follows:

1. Within ninety days after the effective date of this order, Pacific Gas and Electric Company shall refund not less than \$986,802 to its gas customers in accordance with the refund plan proposed by Pacific and attached hereto as Appendix A.

2. Within twenty days after completing refunds as provided in 1. above, Pacific Gas and Electric Company shall file a written report with the Commission setting forth the total amount refunded to its gas customers pursuant to this order segregated by major classes of service, including as a separate classification its own steam heat and electric departments.

3. Pacific Gas and Electric Company is relieved henceforth from the special records and reporting requirements of Decisions Nos. 65611, 66559, and 66694, and Resolution No. G-1239.

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

Dated at San Francisco, California, this 23rd day of MARCH, 1965.

Friedrich B. Holdehoff
President.

John S. Mitchell

George T. Hoover

Augusta

William W. Bennett
Commissioners.

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Pacific Gas and Electric Company
Plan for Distribution to Gas Department
Customers of the Balances of the Refunds
Received from El Paso Natural Gas Company on
May 20, 1963, December 10, 1963, and April 17, 1964

1. Purpose

The purpose of this plan is to distribute to Pacific Gas and Electric Company's gas customers the balances of the three refunds received on May 20, 1963, December 10, 1963, and April 17, 1964 from El Paso Natural Gas Company and any additional refund to be received from El Paso prior to April 20, 1965.

2. Definitions

Refund Month

May 1965, in which month the refunds will be generally credited to customers' bills.

Large General Service Customer

Any general service customer who was classed as a large general service customer pursuant to the refund plan authorized by Decision No. 66559.

Small General Service Customer

Any general service customer of record as of his regular billing date during the May 1965 billing period other than a Large General Service Customer.

Prior Refund Plan

The refund plan authorized by Decision No. 66559.

3. Total Amount to be Refunded

The total amount to be refunded to Pacific Gas and Electric Company's gas customers consists of:

- a. The amounts refundable by Pacific Gas and Electric Company pursuant to the refund plans authorized by Decision No. 65611 (Gas Refund No. 1), Decision No. 66559 (Gas Refund No. 2), Resolution No. G-1239 (Gas Refund No. 3), and Decision No. 66694 (Electric Refund No. 1 and Steam Heat Refund No. 1).
- b. Less the sum of all amounts refunded by the Company pursuant to the five Refund Plans listed above up to and including February 28, 1965.

In the event that any additional refund is received from El Paso Natural Gas Company prior to April 20, 1965, the refund will be added to the amounts set forth above in accordance with the method used in the refund plan authorized by Resolution No. G-1239, dated August 11, 1964.

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4. Allocation of Refund to Classes of Service

The total amount of the refund as determined in Section 3 shall be divided by 2,060,046,164 Mcf (the volume of gas sales to customers, excluding Company's steam electric plants and Steam Heat Department, to which the then current offset charges applied from January 1, 1958 to December 29, 1963) and multiplied by 777,489,618 Mcf (the volume of interruptible gas sales to which offset charges applied from January 1, 1958 to December 29, 1963). The amount so determined shall be the amount of the refund allocated to interruptible service. The remainder of the total amount to be refunded shall then be allocated to the other classes of service in proportion to the refunds allocated to each class in the prior refund plan, except that no refund shall be allocated to the Company's steam electric plants or Steam Heat Department.

5. Allocation of Refunds to Customers

- a. For each firm industrial, gas engine, resale customers, and to each "large general service customer" the refund will be in proportion to the amount of the refund allocated each such customer in accordance with the prior refund plan.
- b. For each interruptible customer the refund will be equal to the Mcf subject to the then current offset charge and used by that customer in the offset period times the average refund rate per Mcf (adjusted for Btu) for interruptible service. The Mcf "subject to the then current offset charges" are as follows:

Period	Mcf
1-1-58 to 7-31-59	All rate blocks
8-1-59 to 8-24-60	1st 10,000 Mcf/month
8-25-60 to 12-20-63	All rate blocks

- c. For each small general service customer the refund will be equal to the amount of the refund allocated to small general service customers divided by the estimated number of small general service customers during the refund month.

6. Credit and Payment of Refunds

Refunds to "small general service customers" will be shown as a credit on the customer's bill and designated "Gas Refund Credit" in line with the amount of refund shown on the bill. Refunds to firm industrial, gas engine, resale, interruptible and "large general service customers" will be made by credit to the customer's account or by check. A statement advising the customer regarding the refund will be printed on or enclosed in the envelope containing the bill or check.

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7. Uncashed Checks

Any uncashed checks from gas, electric and steam heat refund plans will remain a liability of the Company. The claim of any person legally entitled to one of the uncashed refund checks (whether returned to the Company or at large) will be honored.

Where a check has been returned, the Company takes every reasonable effort to locate the payee.

The Company will publish in PG&E Progress a general statement notifying customers that the Company is holding uncashed checks and in cases of significant amounts lists of payees of uncashed checks will be published.

8. Statements Regarding Refund

Each recipient of a refund will receive a notice including the statement:

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

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Pacific Gas and Electric Company
Gas Refund No. 4
Calculation of Refund Rates
By Class of Service

			<u>Allocation of Refund</u>	<u>Refund Rate</u>
Amount to be Refunded			\$986,802	
Interruptible Service				
	$\frac{\$986,802 \times 777,489,618 \text{ Mcf}}{2,060,046,164 \text{ Mcf}}$		372,432	\$0.000479 per Mcf x Mcf (at 1100 Btu) of prior refund plan to which the "then cur- rent offset charges applied".
Balance			\$614,370	
		<u>Allocation of Refund In Prior Refund Plan*</u>		
		<u>Amount</u> <u>Fraction</u>		
Small General Service	\$18,059,449	.749208	\$460,291	\$0.24 per customer in May 1965 billing period**
Large General Service	3,799,236	.157614	96,833	.025488 x refund of prior refund plan
Total General Service	21,858,685	.906822	557,124	
Firm Industrial	1,687,467	.070006	43,010	.025488 x refund of prior refund plan
Gas Engine	1,936	.000080	49	.025488 x refund of prior refund plan
Resale	534,834	.022188	13,632	.025488 x refund of prior refund plan
Interdepartmental, Other	21,791	.000904	555	.025488 x refund of prior refund plan
Total, Balance	\$24,104,713	1.000000	\$614,370	\$614,370 + \$24,104,713 = 0.025488

* As reported to CPUC by letter dated 3-11-64

** Based on 1,944,000 small general service customers

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Pacific Gas and Electric Company
Gas Refund No. 4
Calculation of Amount Refundable

Plan:	Item	Gas Refund No. 1 :Dec. 65611	Gas Refund No. 2 :Dec. 66559	Gas Refund No. 3 :Res.G-1239	Electric Refund No. 1 :Dec. 66694	Steam Heat Refund No. 1 :Dec. 66694	Total
3a	Total Refundable	\$15,220,942	\$44,425,237	\$2,259,944	\$9,268,000	\$133,068	\$71,307,191
3b	Refunded to 2-28-65	14,672,552	44,158,666	2,234,103	9,122,468	132,600	70,320,389
	Refund	\$ 548,390	\$ 266,571	\$ 25,841	\$ 145,532	\$ 468	\$ 986,802

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Pacific Gas and Electric Company
Gas Refund No. 4
Calculation of Amount Refundable

Plan:	Item	Gas Refund No. 1 :Dec. 65611	Gas Refund No. 2 :Dec. 66559	Gas Refund No. 3 :Res.G-1239	Electric Refund No. 1 :Dec. 66694	Steam Heat Refund No. 1 :Dec. 66694	Total
3a	Total Refundable	\$15,220,942	\$44,425,237	\$2,259,944	\$9,268,000	\$133,068	\$71,307,191
3b	Refunded to 2-28-65	14,672,552	44,158,666	2,234,103	9,122,468	132,600	70,320,389
	Refund	\$ 548,390	\$ 266,571	\$ 25,841	\$ 145,532	\$ 468	\$ 986,802