

ORIGINAL

Decision No. 75785

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of

SOUTHWEST GAS CORPORATION

for Authority to Increase
Natural Gas Rates in San
Bernardino County, California.

Application No. 50861

(Filed February 6, 1969)
(Amended March 28, 1969)

OPINION AND ORDER

Southwest Gas Corporation, by the amended filing in this matter (Phase I) seeks authority to offset the recently increased cost of gas amounting to \$32,576 authorized by Decision No. 75460, dated March 18, 1969, in Application No. 50779 of Pacific Gas and Electric Company. Rate increases are requested for Southwest's Barstow, Victorville and Big Bear Lake Southern California Districts. ✓

By its original filing Southwest also seeks rate increases to offset the additional anticipated increased costs of gas, which may result from a decision on Phase II in Application No. 50779, supra.

An engineering report, dated May 1, 1969, on a Commission staff investigation of the application has been filed. It is received as Exhibit No. 1. Said exhibit shows that the rates of return for the Southern California Districts, which would result if the application were granted, of 6.15 percent for the fiscal year ending September 30, 1968, and of 5.9 percent, as

shown in the company's monthly earnings statements for the calendar year 1968, are and would be well below the 7 percent authorized for this company in 1959, the most recent general rate proceeding. Further, Exhibit No. 1 states that any possible adjustment to the fiscal year ended September 30, 1968, that might result from an independent staff estimate, to reflect average conditions, would not affect the rate of return materially. Finally, Exhibit No. 1 states that the staff is satisfied that the earnings statement shown on page 1 of Chapter I of Exhibit D, attached to the application, is a reasonable summary of operating results for the fiscal year ended September 30, 1968, and that the increase requested will provide earnings in this range for the future.

The staff recommended that the application be granted, and that the order be made effective immediately.

The Commission finds that the increases in rates requested in the amended application herein are just and reasonable and that present rates, insofar as they differ from the rates authorized hereinafter, are unjust and unreasonable, and that public hearing is not necessary.

The Commission concludes that the amended application (Phase I) in this matter should be granted and that the effective date of the order which follows should be its date.

IT IS ORDERED that:

1. Southwest Gas Corporation is authorized to file with this Commission, on or after the effective date of this order, revised tariff schedules, with changes in rates, charges and conditions, as set forth in Appendix A attached hereto. Such

filing shall comply with General Order No. 96-A. The effective date of the revised schedules shall be four days after the date of filing. The revised schedules shall apply only to service rendered on or after the effective date hereof.

2.a. In the event applicant places the authorized rate increases in effect, applicant's plan for determining refunds shall be consistent with the pertinent tariff provisions authorized herein; shall be submitted to the Commission prior to making any refunds; and specific Commission approval shall be obtained of the plan at that time.

b. If rates of Pacific Gas and Electric Company to applicant are ordered reduced, applicant shall promptly file its proposed plan for rate reductions consistent with the pertinent tariff provisions authorized herein, for final determination and authorization by this Commission.

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

Dated at San Francisco, California, this 10th day of JUNE, 1969.

William J. ...
President

Richard P. ...

...
Commissioners

Commissioner A. W. Gatov, being necessarily absent, did not participate in the disposition of this proceeding.

APPENDIX A
Page 1 of 2

		Per Meter Per Month			
		Schedule No. G-1		Schedule No. G-2	
		Rate A	Rate H	Rate A	Rate H
First	2 therms or less				
	October-May, Inclusive	\$2.752	\$3.702	\$3.002	\$4.052
	June-September, Inclusive	2.752	.452	3.002	.502
Next	30 therms, per therm	.10141	.12201	.11471	.13801
Next	72 therms, per therm	.09191	.10261	.10391	.11601
Next	414 therms, per therm	.08421	.08991	.09521	.10161
Next	518 therms, per therm	.08041	.08221	.09091	.09301
Next	2,073 therms, per therm	.07441	.07721	.08411	.08731
Next	7,256 therms, per therm	.06741	.07291	.07621	.08241
Next	41,464 therms, per therm	.06041	.06291	.06831	.07111
Over	51,829 therms, per therm				
	November-April, Inclusive	.05571	.05801	.06301	.06561
	May-October, Inclusive	.04671	.04861	.05251	.05461

		Schedule No. G-45	Schedule No. G-46
First	1,037 therms, per therm	\$0.06731	\$0.07661
Next	3,110 therms, per therm	.06251	.07111
Over	4,147 therms, per therm	.05771	.06571

		Schedule No. G-50	Schedule No. G-51
First	10,930 therms, per therm	\$0.05041	\$0.05711
Next	98,370 therms, per therm	.04861	.05511
Next	109,300 therms, per therm	.04681	.05301
Next	327,900 therms, per therm	.04401	.04981
Over	546,500 therms, per therm	.04261	.04821

		Per Lamp Per Month
		Schedule No. G-15
	1.99 cu. ft./hr. or less	\$1.16
	2.00-2.49 cu. ft./hr.	1.42
	2.50-2.99 cu. ft./hr.	1.52
	3.00-3.99 cu. ft./hr.	1.78
	4.00-4.99 cu. ft./hr.	1.93
	5.00-7.49 cu. ft./hr.	2.55

APPENDIX A
Page 2 of 2

The Preliminary Statements in the Tariff Schedules shall include the following provision:

OFFSET CHARGE AND RELATED REFUNDS
AND REDUCTIONS IN SAN BERNARDINO COUNTY

The initial two blocks of Schedules Nos. G-1 and G-2 include an offset charge of 0.2¢. The six blocks of Schedule No. G-15 include offset charges, respectively, of 1¢, 2¢, 2¢, 3¢, 3¢, and 5¢. In addition, the remaining blocks of Schedules Nos. G-1 and G-2, and all blocks of Schedules Nos. G-45, G-46, G-50 and G-51 include an offset charge of 0.091¢ per therm.

The company will refund to its customers any refund (relating to the period during which the offset charges are in effect) received from Pacific pursuant to an order of the Commission.

If the cost of gas from Pacific is reduced, the company will reduce its offset charges by an amount equal to any such rate reduction.