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Decision No.

## 80182

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of SOUTHERN CALIFORNIA GAS COMPANY for Authority: (a) to Increase Its Gas Rates to Offset Higher Costs Occasioned by an Increase in the Rates of the Suppliers of Out-of-State Gas to the Pacific Lighting Utility System, (b) to Continue the Advice Letter Procedure for Tracking Increases in Purchased Gas Cost Based on Federal Power Commission Dockets Nos. RP70-11 and RP70-19, and (c) for a General Increase in Its Gas Rates.

In the Matter of the Application of SOUTHERN COUNTIES GAS COMPANY OF CALIFORNIA for Authority: (a) to Increase Its Gas Rates to Offset Higher Costs Occasioned by an Increase in the Rates of Suppliers of Out-of-State Gas to the Pacific Lighting Utility System (b) to Continue the Advice Letter Procedure for Tracking Increases in Purchased Gas Cost Based on Federal Power Commission Dockets Nos. RP70-11 and RP70-19, and (c) for a General Increase in Its Gas Rates. Application No. 51567 (Filed December 19, 1969)

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Application No. 51568 (Filed December 19, 1969)

## ORDER MODIFYING ORDER IN DECISION NO. 79515

In its petition filed June 9, 1972, for modification of Decision No. 79515, dated December 21, 1971, in the above-captioned matters, Southern California Gas Company (SoCal) seeks authorization to use the Advice Letter Procedure to file such revised tariff schedule changes in rates, charges and conditions as may be necessary to reflect increases in the cost of purchased gas attributable to tracking rate increases filings made by Transwestern Pipeline Company (Transwestern) in Federal Power Commission Docket No. RP72-125,

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through December 31, 1972 or until such time as this Commission issues and makes effective its decision in petitioner's Application No. 52696, whichever occurs first and that the order become effective on July 1, 1972. It is our understanding that in Docket No. RP72-128 Transwestern proposes to incorporate purchase gas adjustment clauses in its tariffs. It appears appropriate that the authority should also include this docket.

Under the Advice Letter Procedure for tracking changes established in Decisions Nos. 77100 and 77101, and modified by Decisions Nos. 78469 and 79515, SoCal may make effective revised tariff schedules only on or after such tracking changes in its suppliers rates are placed in effect.

The Commission finds that the requested modification is reasonable and concludes that it should be granted, in order to appropriately reflect rate changes under both dockets.

The tracking rate herein authorized will not change petitioner's level of earnings, but will merely offset changes in cost of purchased gas. Such rate changes are, in our opinion, consistent with the purposes of the Economic Stabilization Act of 1970, as amended. Petitioner is expected to comply with the requirements of the Price Commission's regulations relating to the stabilization of prices and rents after November 13, 1971.

IT IS ORDERED that:

1. The order in Decision No. 79515 is modified to extend the time period to the effective date of the pertinent decision and order to be issued in Application No. 52696, or until December 31, 1972, whichever occurs first, for petitioner's using the Advice Letter Procedure to file revised tariff schedules with such changes in rates, charges, and conditions as become necessary to reflect changes in the cost of purchased gas attributable to such filings made by Transwestern in Federal Power Commission Dockets Nos. RP72-125 and RP72-128.

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2. In all other respects, Decision No. 79515 shall remain in full force and effect.

The effective date of this order shall be the date hereof. Dated at <u>San Francisco</u>, California, this <u>20</u><sup>TL</sup> day of <u>HINE</u> 3, 1972.

I dissent: In my opinion an increase of \$3.2 million is too large to grant on the basis of an advise letter filing. Ref: Dissent filed on So. Cal. Ed case dated 3-21-72.

Commissioners

Commissioner J. P. Vukasin, Jr., being necessarily absent, did not participate in the disposition of this proceeding.