

Decision No. 85305

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of PACIFIC GAS AND
ELECTRIC COMPANY for authority
to revise its tariff for natural
gas service to offset increases
in expense caused by increases
in the price of natural gas from
the El Paso Natural Gas Company.)
(Gas)

Application No. 52335
Petition for Further Modification
of Order Contained in Decision
No. 78468
(Filed November 18, 1975)

O P I N I O N

By this petition Pacific Gas and Electric Company (PG&E) requests that its existing authorization to offset certain tracking charges in its cost of natural gas purchased from El Paso Natural Gas Company (El Paso) resulting from El Paso's FPC authorized purchased gas cost adjustment procedure (PGA) be extended until December 31, 1976.

In Decision No. 78468, dated March 23, 1971 (Applications Nos. 52335 and 51686), the Commission authorized PG&E to track El Paso's tracking increases through December 31, 1971, to parallel authority granted to El Paso by the FPC in Docket No. RP 71-13. In Decision No. 79383, dated November 23, 1971, the Commission modified Decision No. 78468 to extend the tracking authorization to December 31, 1972. In Decision No. 81332, dated May 1, 1973, the Commission authorized PG&E to extend its tracking authority to December 31, 1973, and to include gas cost revisions resulting from El Paso's PGA procedure which was established in accordance with FPC Orders Nos. 452 and 452-A issued April 14, 1972 and June 13, 1972, respectively, in FPC Docket No. R-406 and July 31, 1972, in FPC Dockets Nos. RP 72-150 and 155, except that El Paso's FPC authorized purchased gas cost adjustment procedure has no termination date. In Decision No. 82477, dated February 13, 1974, the Commission authorized PG&E to extend its tracking authority to December 31, 1974.

In Decision No. 84119, dated February 19, 1975, the Commission authorized PG&E to extend its tracking authority to December 31, 1975, and to include tracking filings resulting from gas cost increases to El Paso authorized by the FPC in Dockets Nos. RP 74-22 and RP 74-57, for overriding royalties. At the same time the Commission amended Decision No. 78468, as modified by Decisions Nos. 79383, 81322, and 82477, to require a 30-day notification period and a Commission resolution before such tracking rate changes could become effective.

PG&E seeks to extend its tracking authority through 1976 in order to adjust its rates for anticipated additional changes in El Paso's gas tariffs which will be filed under the FPC authorized PGA procedure to be effective on or about April 1 and October 1, 1976. However, since El Paso's PGA procedure has no termination date, PG&E's authority to track such rate revisions should be continued until such time as PG&E is authorized a PGA procedure or the FPC modifies the termination provisions for the PGA provisions for El Paso.

Findings

1. PG&E has previously been authorized to offset changes in its cost of gas attributable to tracking gas changes of El Paso.
2. Such tracking authority expires on December 31, 1975.
3. The tracking authority should be extended until such time as PG&E is authorized a PGA procedure or until such time as the FPC modifies the termination date of its PGA provision.
4. The resulting tracking revisions will not affect the level of earnings of PG&E, but will merely offset revisions in the cost of gas purchased from El Paso.
5. A public hearing is not necessary.

Conclusion of Law

Based on the foregoing findings, the Commission concludes that PG&E should be granted the authority sought in its petition for modification of Decision No. 78468 to the extent set forth in the Order which follows.

O R D E R


IT IS ORDERED that:

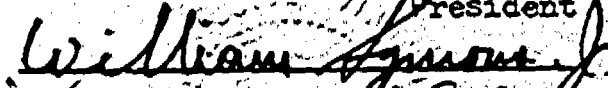

1. Paragraph 3c (a) of Decision No. 78468, as modified by Decisions Nos. 79383, 81322, 82477, and 84119, pertaining to adjustments in Pacific Gas and Electric Company's rates occasioned by rate revisions filed by El Paso Natural Gas Company is modified to provide that the authority be extended until PG&E receives PGA authorization or until such time as the Commission may take further action on this matter.

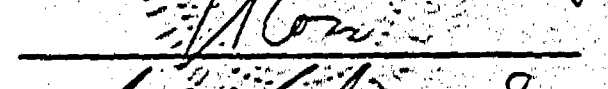
2. In all other respects, Decision No. 78468, as modified by Decisions Nos. 79383, 81322, 82477, and 84119, remains in full force and effect.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 6th
day of JANUARY, 1976.



President



Commissioners


Commissioners