Decision No. <u>86118</u>

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of) SOUTHERN CALIFORNIA GAS COMPANY for) A General Increase In Its Gas Rates.)

Application No. 55345 (Filed November 26, 1974)

SECOND INTERIM ORDER ON MOTION FOR PARTIAL GENERAL RATE INCREASE

Southern California Gas Company (SoCal) filed a motion for a "partial general rate increase" pursuant to Application No. 55345. By Decision No. 85354, dated January 30, 1976, we granted a partial general rate increase subject to refund. The amount of the increase was based on the assumption that the previously authorized 8.50 percent rate of return was appropriate and should be maintained pending a final order in this matter. However, this Commission has subsequently issued Decision No. 85627 which reduced SoCal's authorized rate of return at the time of issuance of Decision No. 85354 from 8.50 to 8.25 percent.

By Decision No. <u>86117</u> we held that SoCal's rates should be reduced to reflect said reduction. We will, therefore, order SoCal to file revised rate schedules to reflect this reduction and to make appropriate refunds of amounts previously collected pursuant to Decision No. 85354. <u>Findings</u>:

1. Decision No. 85354 granted SoCal an interim increase subject to refund, based on the assumption that the previously authorized 8.50 percent rate of return was appropriate pending a final disposition of this matter.

2. By Decision No. 85627 this Commission reduced SoCal's authorized rate of return from 8.50 to 8.25 percent.

1.

Conclusion:

SoCal should file new revised rate schedules to reflect the reduced rate of return and should file a refund plan with intereston certain amounts previously collected pursuant to Decision No. 85354.

ORDER

IT IS ORDERED that:

1. SoCal is ordered to file tariffs reducing rates by an amount equivalent to a .25 percent rate of return reduction on the rate base adopted as reasonable in Decision No. 85354.

2. SoCal is further ordered to refund an amount equivalent to the .25 percent rate of return reduction, with interest, from the effective date of the rates authorized in Decision No. 85354 to the effective date of the rates authorized herein. The plan reflecting said refunds should be filed within 30 days from the effective date of this order.

In all other respects, the provisions contained in Decision No. 85354 shall remain in effect until further order.

The effective date of this order shall be the date hereof. Dated at <u>San Francisco</u>, California, this <u>/3</u>^Tday of <u>JULY</u>, 1976.

2.

This is anothy attempt to ligelije an. William A

President Non Nobet Returniel

I dissent Vernon L.S