

ORIGINAL

Decision 82 06 003 JUN 2 1982

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

|                                       |                           |
|---------------------------------------|---------------------------|
| In the Matter of the Application )    |                           |
| of SOUTHERN CALIFORNIA GAS COMPANY )  | Application 59316         |
| for Authority to Increase its Rates ) | (Filed December 10, 1979) |
| and Charges for Gas Service. )        |                           |

ORDER DENYING PETITION FOR MODIFICATION  
OF DECISION 82-02-076

On February 17, 1982 the Commission issued Decision (D.) 82-02-076 which retained the \$3.10 charge for Southern California Gas Company's (SoCal) residential ratepayers. On March 18, 1982, the California Energy Commission (CEC) filed a document titled "Petition of the California Energy Commission for Rehearing and/or Modification of Decision 82-02-076", which was docketed as a Petition for Modification. SoCal filed its response on March 30, 1982.

CEC alleges that the decision is contrary to earlier Commission decisions to eliminate the residential customer charge in the Pacific Gas and Electric Company (PG&E) service area (D.39887) and Southern California Edison Company (Edison) service area (D.92549), that it is contrary to the evidence presented in Application 59316 by CEC, and that it is contrary to the proposed decision of the administrative law judge who heard the evidence in the case.

CEC alleges several other shortcomings in the decision, notably the failure to explain why the PG&E and SoCal gas service territories are so disparate that eliminating the PG&E customer charge will reduce confusion and promote conservation, but

eliminating the SoCal gas customer charge will not, the over-reliance on SoCal's argument that a typical customer would have to reduce usage by nearly 40% in winter in order to obtain monetary savings on their bill and the misdirected reluctance to approve a rate design that would result in slightly higher bills for SoCal's larger users.

SoCal's response urges that the petition for modification be denied since it alleges only that the CEC disagrees with the Conclusions of the Commission and would merely substitute its judgment for that of the Commission, and would rely on its own evidence in deciding the matter. SoCal points out that the legal discretion to decide which evidence was most persuasive in this matter lies with the Commission and that CEC has advanced no reason to indicate that the Commission did not properly exercise its discretion.

We have given careful consideration to each of CEC's arguments in support of its petition to modify and conclude that good cause has not been shown for modifying D.82-02-076. We will therefore deny the petition. In doing so, we wish to emphasize that our decision regarding SoCal's customer charge was based on an entirely different evidentiary record than was before us in either the Edison or PG&E proceedings. We remain convinced that we must balance the potential benefit from a change in rate design against the confusion and dislocation which naturally

result from such changes. We found that any benefits to the residential ratepayer in the SoCal service territory from eliminating the customer charge were outweighed by the disadvantages and concluded that it should be retained. We have seen nothing which persuades us to the contrary.

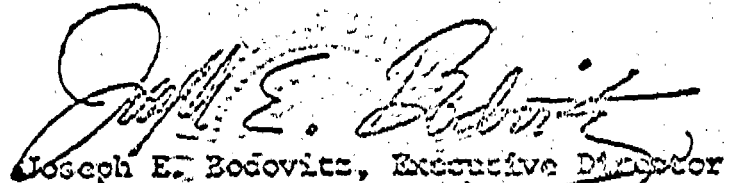
Therefore, IT IS ORDERED that the petition of the California Energy Commission to modify D.82-02-076 is denied.

This order becomes effective 30 days from today.

Dated JUN 2 1982, at San Francisco, California.

JOHN E. BRYSON  
President  
RICHARD D. GRAVELLE  
LEONARD M. GRIMES, JR.  
VICTOR CALVO  
PRISCILLA C. CREW  
Commissioners

I CERTIFY THAT THIS DECISION  
WAS APPROVED BY THE ABOVE  
COMMISSIONERS TODAY.

  
Joseph E. Bodovitz, Executive Director