

91415

MAR 4 1980

Decision No. _____

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 SOUTHERN CALIFORNIA GAS COMPANY to)
 Increase Revenues to Offset Changed Gas)
 Costs Under Its Approved Purchased Gas)
 Adjustments in the Price of Natural Gas)
 Purchased from TRANSWESTERN PIPELINE)
 COMPANY, EL PASO NATURAL GAS COMPANY)
 and PACIFIC INTERSTATE TRANSMISSION)
 COMPANY; and to Adjust Revenues Under)
 the Supply Adjustment Mechanism to)
 Reflect Greater Than Anticipated)
 Collection of Revenues Due to Increases)
 in Natural Gas Supplies.)

Application No. 59146
 Filed September 17, 1979

ORDER DENYING REHEARING AND
RECONSIDERATION OF DECISION NO. 91077

Petitions for rehearing and reconsideration of Decision No. 91077 have been filed by California Manufacturers Association and General Motors Corporation. Also, a document entitled "Petition of Rockwool Industries, Inc. for Rehearing and Reconsideration of Decision No. 91077 has been filed on behalf of Rockwool Industries, Inc. (Rockwool). Southern California Gas Co (So Cal) filed a response to all three petitions on January 22, 1980 asking that they be denied.

We note preliminarily that Rockwool is not a party to these proceedings and does not allege a pecuniary interest in So Cal. It follows that it is not an entity which may file a petition for rehearing pursuant to Section 1731 of the Public Utilities Code.

Our consideration of the allegations of error in these petitions causes us to conclude that good cause for granting rehearing has not been shown. However a further discussion on the issue of setting rates for GN-1 and GN-2 customers and for the 2nd tier of residential rate blocks is in order. As we stated on pages

18 and 19, mimeo. of Decision No. 91077, we found merit in the recommendation of So Cal that these rates be set at an equal level. So Cal's rate witness explained his rationale for this position in his prepared testimony and in response to questions from other parties. We are also aware that none of these customers are required to have alternate fuel capability. For all these reasons we concluded that So Cal's recommendation, in this instance, should be adopted.

As to why we set these rates at the level recommended by the staff for GN-1 customers, that reflects our desire to maintain a significant rate differential between the lifeline and the non-lifeline residential rate block. We discussed this in the first full paragraph on page 19, and mention it again merely to make it clear how that discussion relates to the adopted rate levels. No other issues need be discussed. Therefore,

IT IS HEREBY ORDERED that rehearing and reconsideration of Decision No. 91077 is denied.

The effective date of this order is the date hereof.

Dated on MAR 4 1980, 1980 at San Francisco, California.

John E. Byrne
President

William L. Stegman

Richard D. Howell

[Signature]
Commissioners

Commissioner Claire T. Dedrick, being necessarily absent, did not participate in the disposition of this proceeding.