'EX-3

91477 MAR 18 1980

Decision No.

SAW

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company for authority to revise its gas rates and tariffs under the Gas Cost Adjustment Clause and the Supply Adjustment Mechanism and to change gas rate design.

(Gas)

Application of Pacific Gas and Electric Company for authority to revise its gas rates and tariffs under the Gas Cost Adjustment Clause to reflect the effect of an increase in the border export price of Canadian gas.

(Gas)

Application No. 58892 (Filed May 25, 1979)

Application No. 59045 (Filed August 6, 1979)

## ORDER DENYING REHEARING OF DECISION NO. 91105

Petitions for rehearing of Decision No. 91108 have been filed by California Manufacturers Association, General Motors Corp. and Southwestern Portland Cement Co., We have considered the allegations of error contained in these petitions and are of the opinion that good cause for granting rehearing has not been shown. However finding 8, on page 19, mimeo., should be modified. Therefore.

IT IS HEREBY ORDERED THAT the last sentence of finding 8 on page 19, mimeo. is deleted. That finding shall read in full as follows:

8. Service under Schedule G-2 (nonresidential) is primarily to small businesses. It will be reasonable to maintain Schedule G-2 rates at or near the average system rate in cents per therm

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(less the lifeline sales and revenues). The customers served under this schedule are high priority customers who do not have the capability to use alternate fuel and who are not accorded lifeline rates and allowances.

Rehearing of D.91108 as modified herein is denied. The effective date of this order is the date hereof. Dated on \_\_\_\_\_\_\_\_\_, at San Francisco, California.

AMMAN <u>Prince</u>

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