

Decision 93493 SEP 1 1981

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)
under the Consolidated Adjustment)
Mechanism to offset changed gas)
costs resulting from increases in)
the price of natural gas purchased)
from EL PASO NATURAL GAS COMPANY,)
TRANSWESTERN PIPELINE COMPANY and)
PACIFIC INTERSTATE TRANSMISSION)
COMPANY; to adjust revenues to)
reflect greater than anticipated)
collection of revenues due to)
increases in natural gas supplies;)
to adjust revenues to reflect)
undercollection of franchise fees,)
uncollectible expense and)
California taxes on income; to)
adjust revenues to reflect)
increased carrying costs on the)
value of natural gas stored)
underground; and to revise)
Section H of the Preliminary)
Statement of its tariffs.)

Application 60339
(Filed March 9, 1981)

ORDER DENYING REHEARING

A petition for rehearing of D.93190, the interim opinion in this proceeding, has been filed by Toward Utility Rate Normalization (TURN). We have carefully considered each and every allegation of error in that petition and are of the opinion that good cause for granting rehearing has not been shown.

TURN's objections to the manner in which the adopted revenue increase was spread as between the various classes of customers do not adequately consider the fact that, for the reasons stated in D.93190, the adopted rates were set on a six-month sales forecast basis rather than an estimated test year. The sales mix for the six-month forecast is substantially different from that of a test year. Residential sales are comparatively lower and P-5 sales, for example, are higher than on

a test year basis. Since the guidelines in Appendix B to D.93190 are set for a test year, a direct comparison of "guideline rates" with the rates adopted in this proceeding is not determinative of the reasonableness or unreasonableness of those adopted rates. Therefore,

IT IS ORDERED that rehearing of D.93190 is hereby denied.

This order is effective today.

Dated SEP 1 1981, at San Francisco, California.

John E. Conyon
President
Richard D. [unclear]
Thomas W. [unclear]
Antonio Calvo
Priscilla [unclear]
Commissioners