

Decision 00-05-050 May 18, 2000

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

In the Matter of the Application of Southern California Gas Company for Authority to Revise its Rates Effective August 1, 1999, in its Biennial Cost Allocation Proceeding. (U 904- G)

Application 98-10-012  
(Filed October 1, 1998)  
(Motion for Stay filed  
May 11, 2000)

In the Matter of the Application of San Diego Gas & Electric Company for Authority to Revise its Rates Effective August 1, 1999, in its Biennial Cost Allocation Proceeding. (U 902 G)

Application 98-10-031  
(Filed October 15, 1998)

**ORDER GRANTING MOTION OF  
SOUTHERN CALIFORNIA GAS COMPANY (904 G)  
FOR PARTIAL STAY OF DECISION 00-04-060**

Southern California Gas Company (SoCalGas) moves for a partial stay of the decision recently issued in SoCalGas' biennial cost allocation proceeding, Decision (D.) 00-04-060. Specifically, SoCalGas requests that the rate changes associated with lowering the threshold of the residential master-meter rate (referred to as the GMB rate) from 250 Mth of annual usage to 100 Mth of annual usage as discussed on pages 108 through 110, and in Finding of Fact 102 on page 152, of D.00-04-060 be stayed until the Commission has an opportunity to act upon the emergency petition for modification filed by SoCalGas concurrently herewith addressing the unanticipated and undesirable rate increases caused by a technical error in the implementation of the rate design for the GMB rates. This motion is necessary because a filing of an emergency petition for modification does not stay the effectiveness of the decision (Rule 47(a)).

As more fully described in the petition for modification, there was a technical error in the implementation of the rate design for the GMB rate because of the use of an unscaled marginal customer cost instead of a scaled marginal customer cost in certain calculations used for Tables 1,2,3,18 (pp. 1 and 2), and 19 in Appendix D to D.00-04-060. As a result, the decision, as currently written, will cause SoCalGas' existing large master-metered GMB customers to incur an average bill increase of 19%. These 13 master-metered accounts represent more than 13,000 household units in the Los Angeles area, some of them low income households. The petition for modification filed by SoCalGas concurrently herewith identifies the necessary changes to implement the required rate design for GMB rates. However, the new rates are currently scheduled to be implemented and made effective as of June 1, 2000.

In order that all other rate changes required by D.00-04-060 can go into effect as scheduled presently on June 1, 2000, except for the GMB rates, SoCalGas requests a stay of D.00-04-060 insofar as that decision: (1) lowers the threshold for taking service at the residential master-metered rate from 250 Mth of annual usage to 100 Mth of annual usage as set forth on pages 108 through 110, and in Finding of Fact 102 on page 152; and (2) requires implementation of the new GMB rate reflected in Appendix D. SoCalGas requests that the stay with regard to the rate design and rate change remain in effect until such time as the Commission has an opportunity to act upon the emergency petition for modification.<sup>1</sup> Once the emergency petition for modification is resolved, the stay can be lifted.

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<sup>1</sup> Any revenue variance resulting from adoption of the Partial Motion for Stay of the GMB rates would be recorded in the Core Fixed Cost Account (CFCA) and amortized in accordance with the CFCA Preliminary Statement, Part V.C.

### **Comments on Draft Decision**

There is a need to act on this matter before June 1, 2000 to prevent an unreasonable rate increase from taking effect. This constitutes an unforeseen emergency situation for purposes of Section 311(g)(2) of the Public Utilities Code. (See Rules 77.7(f)(9) and 81(f) and (h) of the Commission's Rules of Practice and Procedure.) Accordingly, pursuant to Section 311(g)(2) of the Public Utilities Code, the otherwise applicable 30-day period for public review and comment is being waived.

### **Findings of Fact**

1. A stay will prevent the implementation of GMB rates that cause an average rate increase of about 19% for over 13,000 household units, an increase that was not anticipated.
2. All other rate changes required by D.00-04-060 are unaffected by the stay.

### **Conclusions of Law**

1. After the issuance of the agenda for this meeting, SoCalGas formally notified the Commission that there was a technical problem in the implementation of the rate design for GMB rates. There is a need for immediate action prior to June 1, 2000 to prevent these GMB rates from going into effect. That need was not definite until SoCalGas formally notified the Commission by Motion for Partial Stay of D.00-04-060 and Emergency Petition for Modification, both filed on May 11, 2000. Accordingly, the Commission added this item to the agenda under Government Code Section 11125.3(a)(2) so that it could consider the draft decision in this matter.
2. Good cause appearing, the stay will be granted and this matter decided as an unforeseen emergency situation as set forth in Rule 81(f) and (h) of the Commission's Rules of Practice and Procedure.

**O R D E R**

**IT IS ORDERED** that the stay requested by Southern California Gas Company, as described in this decision, is granted, to remain in effect until further order of the Commission.

This order is effective today.

Dated May 18, 2000, at San Francisco, California.

LORETTA M. LYNCH  
President

HENRY M. DUQUE

JOSIAH L. NEEPER

RICHARD A. BILAS

CARL W. WOOD

Commissioners