

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY AND
COMPLIANCE DIVISION
Energy Branch

RESOLUTION G-2944
April 24, 1991

R E S O L U T I O N

RESOLUTION G-2944. SOUTHERN CALIFORNIA GAS COMPANY'S
REQUEST FOR COMMISSION APPROVAL OF A PLAN TO REFUND TO
ITS CUSTOMERS REFUNDS RECEIVED FROM ITS SUPPLIERS.

BY LETTER, FILED ON MARCH 25, 1991.

SUMMARY

1. By Letter dated March 22, 1991 Southern California Gas Company (SoCalGas) submitted a proposed refund plan, applicable systemwide, to refund to its customers refunds received from El Paso Natural Gas Company (El Paso), Northwest Pipeline Company (NWP), Pacific Gas Transmission Company (PGT), and Pacific Interstate Transmission Company (PITCO).
2. This Resolution grants the request.

BACKGROUND

1. SoCalGas has received refunds from its suppliers. SoCal originally paid the money to its suppliers and the cost became a part of the rates paid by the customers of SoCalGas.
2. The refunds received by SoCal are:

El Paso Gas Company	\$ 8,743,809
PITCO (from NWP)	19,423,851
PITCO (from PGT)	20,379,998
	Total	\$48,547,658

NOTICE:

1. Copies of this refund proposal were mailed to the utility electric generation and resale customers of SoCalGas, and to the California Manufacturer's Association.

PROTESTS

1. None.

DISCUSSION

1. This refund plan is similar to the refund plan authorized by the Commission in Resolution G-2752 dated November 25, 1987 for SoCalGas. The difference is the allocation of demand charges. Demand charges were not uniformly distributed across all customer classes, so SoCalGas will base the refund of demand charges using the rate design allocation of demand charges for the appropriate time periods.
2. All amounts to be refunded will reflect interest at the variable rate, compounded monthly, as provided in Decision No. 91269 and SoCalGas Rule No. 8 "Return of Deposit - Interest on Deposit", up to the date refunds are made.
3. SoCalGas reports that there is a balance of approximately \$2 million remaining undistributed from six previous refund plans. SoCalGas is not including this money as a part of this refund plan.
4. Refunds to residential and other priority 1 customers will be based on their sales during the twelve month period ending March 1991. SoCalGas will initially set aside a reserve of 0.3% for former residential customers who are expected to apply for their refund. SoCalGas states that the refund will average \$3.72 for each residential customer.
5. Refunds to all other customers of SoCalGas will be based upon their actual billing as recorded during the time period applicable to the refunds.

NOTICE OF REFUND

1. Before and after the refunds, SoCalGas will publish notices in newspapers throughout its service territory that a refund is to be, or has been, made and that persons who believe they are entitled to a refund but who did not receive one may contact the nearest SoCalGas office and have the matter reviewed. SoCalGas will carefully review each claim and make a refund where appropriate to do so. Active customers who receive a refund and former customers who receive a refund check will be notified that the refund is being made pursuant to an Order of the Commission.

FINDINGS

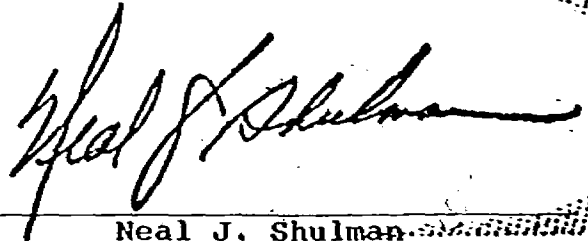
1. SoCalGas has received refunds of charges paid which have been passed on to its customers through rates and charges for service rendered. Any refunds should be to the ratepayers who paid the original charges as a part of their rates.
2. SoCalGas's refund plan has been reviewed by the Commission Advisory and Compliance Division (CACD) and approval is recommended.
3. This refund plan is just and reasonable and in the best interest of the customers and should be implemented in an expeditious manner. The proposal to locate former customers is reasonable and should be adopted.

THEREFORE, IT IS ORDERED that:

1. Southern California Gas Company is authorized under Public Utilities Code Section 453.5 to implement the above refund plan, as submitted, starting with the May 1991 billing cycle.
2. Southern California Gas Company shall make reasonable efforts to locate former customers, as detailed in the proposal, and provide these customers with the appropriate refund.
3. Southern California Gas Company shall keep records of the refunds paid and shall submit a report to the Chief of the Energy Branch, Commission Advisory and Compliance Division, of any amounts not refunded by October 1, 1991. The report shall include the amount of unclaimed refunds and the methods and results of the efforts made to locate former customers.
4. The above refund plan shall show that it was approved for filing and implementation by Commission Resolution G-2944. This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on April 24, 1991. The following Commissioners approved it:

PATRICIA M. ECKERT
President
G. MITCHELL WILK
JOHN B. OHANIAN
DANIEL Wm. FESSLER
NORMAN D. SHUMWAY
Commissioners



Neal J. Shulman
Executive Director