## PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

	Copy for:	RESOLUTION NO. G-2034
	Orig. and Copy	- 4-2054
<b>—</b>	to Acting Executive Director RESOLUTION	UTILITIES DIVISION
	***************	BRANCH/SECTION: Gas
	Director	DATE: February 15, 1977
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	Alphabetical File	
	Accounting Officer	

SUBJECT: Order Authorizing Rate Increase for LPG Price Change

WHEREAS: McCLOUD GAS COMPANY, INC., requests to increase its rates by \$12,532, or 5.0% by Advice Letter No. 24, filed January 27, 1977, having requested authority under the fuel escalation clauses of its filed tariff schedules and under Section 454 of the Public Utilities Code to offset an LPG purchased price increase, as set forth on Cal. P.U.C. Sheets Nos. III-G to 112-G, and

WHEREAS: The utility has not yet filed for lifeline rates in accordance with Commission Resolution No. G-1876, but has just completed a survey of average customer use and is of the opinion that the lifeline quantities established are too high, and

WHEREAS: The utility has indicated that it will first seek by advice letter filing to have the lifeline quantities reduced to figures closer to existing average customer use and then file lifeline rates by separate advice letter filing, and

WHEREAS: The above filing applies the fuel cost increase in accordance with the provisions of the existing fuel adjustment clauses without any provisions for lifeline, and

WHEREAS: The proposed estimated annual revenue increase of \$12,532 will offset the estimated increase in annual fuel costs of \$11,888, and

WHEREAS: The rate increase of 2.0 cents per therm will offset a fuel cost increase of 1.7 cents per gallon, effective January 10, 1977, and will increase the average customer's monthly bill (100 therms per month) \$1.96 from \$37.78 to \$39.74, and

WHEREAS: We find this rate increase to be in conformance with filed tariffs except for the late notice filing and the fact that the utility has yet to file lifeline rates; therefore, good cause appearing,

IT IS ORDERED that authority be granted under Section 454 of the Public Utilities Code and under the provisions of the Utilities filed tariff schedules to place the above tariff sheets into effect for meter readings taken on or after this date.

IT IS FURTHER ORDERED that the utility be informed that this is the last rate increase that the Commission will authorize prior to the establishment of an acceptable lifeline rate structure.

IT IS FURTHER ORDERED that the above tariff sheets be marked to show that they were issued under Resolution of the Public Utilities Commission of the State of California No. G-2034. The effective date of this Resolution is the date hereof.

I hereby certify that the foregoing Resolution was duly introduced, passed and adopted at a regular conference of the Public Utilities Commission of the State of California, held on the 15th day of February 19.77, the following Commissioners voting favorably thereon:

Acting Executive Director

FORM U-14-A