PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Copy for:

RESOLUTION NO. G-2090

Orig. and Copy .to Executive Director

RESOLUTION

UTILITIES DIVISION BRANCH/SECTION: Gas DATE: June 1, 1977

Numerical File
Alphabetical File
Accounting Officer

SUBJECT: Order Authorizing Filing of Lifeline Rate Structure

WHEREAS: McCLOUD GAS COMPANY, INC., by Advice Letter No. 24, filed May 6, 1977, having requested authority under Sections 701 and 739 of the Public Utilities Code to implement lifeline rates schedules, as set forth on Cal. P.U.C. Sheets 111-G to 114-G, inclusive, as follows:

1. Commission Resolution No. G-1876, dated April 27, 1976, established lifeline quantities for McCloud Gas Company at 25 therms per month during the summer months of May through October and 110 therms per month during the winter months of November through April.

2. The utility has conducted a survey of its sales and has determined that average monthly consumption for residential customers is 37 therms during the summer months and 92 therms during the winter months.

3. This survey was verified by an audit of the actual gas sales to over 100 individual residential customers selected at random and representing approximately 30% of the utilities residential customers.

4. In order to avoid placing an undue burden on its commercial customers during rate increases, the utility has proposed to set lifeline quantities at 60% of average recorded sales, thereby setting lifeline quantities at 22 therms per month in the summer and 55 therms per month in the winter.

5. The concept of adopting revised lifeline quantities at 60% of average recorded sales was adopted by the Commission on March 29, 1977 by Resolution No. G-2057.

6. No rate increases are proposed at this time and any revenue impact realized by the restructuring of the rate schedules is negligible.

7. These revised rate structures are found to comply with the will and intent of Section 739 of the Public Utilities Code; therefore, good cause appearing,

IT IS ORDERED that:

1. Authority be granted under Sections 701 and 739 of the Public Utilities Code to place the above tariff sheets into effect for meter readings taken on or after June 5, 1977, which constitutes regular statutory notice.

2. The above tariff sheets be marked to show that they were issued under Resolution of the Public Utilities Commission of State of California No. G-2090. 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 <u>lst</u> day of <u>June</u>, 1977, the following Commissioners voting favorably thereon:

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