PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Copy for:

RESOLUTION NO. G-2103

Orig. and Copyto Executive Director

RESOLUTION

UTILITIES DIVISION BRANCH/SECTION: Gas DATE: June 28, 1977

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Alphabetical File

SUBJECT: Order Authorizing Fuel Cost Rate Increase for LPG Utility Company

WHEREAS: McCLOUD GAS COMPANY, INC., by Advice Letter No. 25, filed June 1, 1977, having requested authority under the fuel escalation clauses of its filed tariff schedules and under Section 454 of the Public Utilities Code to increase its rates by \$24,898, or 9.9% to offset an LPG purchased price increase, as set forth on Cal. P.U.C. Sheets Nos. 115-G to 116-G, under the following conditions:

1. Commission Resolution No. G-2090, dated June 1, 1977, established revised lifeline quantities for McCloud Gas Company at 60% of average recorded sales, thereby setting lifeline at 22 therms per summer month and 55 therms per winter month.

2. The current rate structure, including lifeline, is 1.0 cent below the rates in effect on January 1, 1976, therefore lifeline rates are increased by 1.0 cent per therm to bring them back to the 1-1-76 level and balance is placed on nonlifeline rates resulting in a rate increase of 8.5 cents per therm for nonlifeline.

3. These proposed rate increases will produce an annual revenue increase of \$24,898, which will offset the estimated increase in annual fuel costs of \$25,362 created by fuel cost increases totalling 5.127 cents per gallon.

4. These rate increases will increase the average customer's monthly summer bill of 37 therms by \$1.48 from \$15.86 to \$17.34 and the average monthly winter bill of 92 therms by \$3.71 from \$35.09 to \$38.80.

5. We find this rate increase to be in conformance with the filed tariffs and with the will and intent of Section 739 of the Public Utilities Code concerning lifeline rates; therefore, good cause appearing,

IT IS ORDERED that:

1. Authority be granted under Sections 454 and 739 of the Public Utilities Code to place the above tariff sheets into effect for meter readings taken on or after July 1, 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 the State of California No. G-2103. 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>28th</u> day of <u>June</u>, <u>1977</u>, the following Commissioners voting favorably thereon: