

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Copy for:

RESOLUTION NO. G-2142

Orig. and Copy

to Executive Director

R E S O L U T I O N

UTILITIES DIVISION

BRANCH/SECTION: Gas

DATE: September 13, 1977

Director

Numerical File

Alphabetical File

Accounting Officer

SUBJECT: Order Authorizing Filing of Lifeline Rate Structure and Fuel Cost Rate Increase for LPG Utility Company

WHEREAS: PETROLANE-SIERRA GAS SERVICE, INC., by Advice Letter No. 9, filed August 25, 1977, having requested authority under Sections 454, 491 and 739 of the Public Utilities Code to increase its annual revenue by \$29,340, or 21.2%, to offset several LPG purchased price increases and to file revised tariff schedules, as set forth on Cal. P.U.C. Sheets Nos. 79-G to 85-G, inclusive, under the following provisions:

1. Commission Resolution No. G-1876, dated April 27, 1976, established lifeline quantities for Petrolane-Sierra at 155 therms per month for the Bridgeport service area and 85 therms per month for the Sierra Highlands service area during the winter months of November through April and at 25 therms per month for both service areas during the summer months of May through October.
2. The utility has conducted a survey of its sales and has determined that the average monthly consumption for residential customers in the Bridgeport area is 41 therms during the summer months and 88 therms during the winter months; and for the Sierra Highlands area, the average monthly residential consumption is 29 therms during the summer months and 94 therms during the winter months.
3. In order to avoid placing an undue burden on its commercial customers and nonlifeline users during rate increases, the utility has proposed to set lifeline quantities at 60% of average recorded sales, thereby setting monthly lifeline quantities in Bridgeport at 25 therms in the summer and 53 therms in the winter, and in Sierra Highlands, at 18 therms in the summer and 57 therms in the winter.
4. The concept of adopting revised lifeline quantities at 60% of average recorded sales has been adopted by the Commission by Resolutions Nos. G-2057 and G-2090 on March 29, 1977 and June 1, 1977, respectively.
5. The revised calculations result in an 11.2 cent per therm increase in Bridgeport and a 16.3 cent per therm increase in Sierra Highlands for all nonlifeline usage and a 1.3 cent per therm increase for lifeline rates in the Bridgeport area, and will result in annual revenue increases of \$24,260 in Bridgeport and \$5,080 in Sierra Highlands.
6. The 1.3 cent per therm increase affects the Bridgeport service area only and was required due to rate design problems incurred when the system average unit cost increase for the Bridgeport area exceeded 25%.
7. The above rate increases will offset cost increases that have accumulated since the utility's last rate increase in November, 1974, and will raise the average residential customer's monthly bill in Bridgeport \$2.01 from \$17.63 to \$19.64 for 41 therms in the summer and by \$4.50 from \$37.85 to \$42.35 for 88 therms in the winter, while the average customer in Sierra Highlands will have his monthly bill raised \$1.79 from \$10.90 to \$12.69 for 29 therms in the summer and \$6.03 from \$36.29 to \$42.32 for 94 therms in the winter

8. The following tabulation shows the present and proposed winter residential rates for both the Bridgeport and Sierra Highlands rate areas as well as the proposed rate increases.

<u>BRIDGEPORT</u>	<u>Present Rates</u>	<u>Increase</u>	<u>Proposed Rates</u>
First 8 therms or less	\$ 2.95	-----	\$ 2.95
Next 32 therms, per therm	0.445	0.013	0.458
Next 13 therms, per therm	0.435	0.112	0.448
Next 27 therms, per therm	0.435	0.112	0.547
Over 80 therms, per therm	0.407	0.112	0.519

SIERRA HIGHLANDS

First 8 therms or less	\$ 2.50	-----	\$ 2.50
Next 32 therms, per therm	0.400	-----	0.400
Next 17 therms, per therm	0.390	-----	0.390
Next 23 therms, per therm	0.390	0.163	0.553
Over 80 therms, per therm	0.385	0.163	0.548

9. These revised rate structures and rate increase 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 454, 491, 701 and 739 of the Public Utilities Code to place the above tariff sheets into effect for meter readings taken on or after this date.
2. The above tariff sheets be marked to show that they were approved for filing under Resolution of the Public Utilities Commission of the State of California No. G-2142. 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 13th day of September, 1977, the following Commissioners voting favorably thereon: