

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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RESOLUTION NO. G-2243

R E S O L U T I O N

UTILITIES DIVISION
BRANCH/SECTION: Gas
DATE: September 6, 1978

SUBJECT: Order Authorizing General Rate Increase for LPG Utility Company

WHEREAS: McCLOUD GAS COMPANY, INC., by Advice Letter No. 31, filed June 22, 1978, has requested Commission approval under Section VI of General Order No. 96-A to increase its rates applicable to its total service area in McCloud, Siskiyou County, as set forth on Cal. P.U.C. Sheets Nos. 133-G to 135-G, inclusive, and resulting in the following:

1. On August 8, 1978, by Resolution No. M-4701, the Commission revised Section VI of General Order No. 96-A to increase from \$150,000 per year to \$750,000 per year the projected annual operating revenue of a utility which may file for a general rate increase by the advice letter procedure.
2. The estimated annual operating revenue of McCloud is \$166,000 thus qualifying the utility to file for a general rate increase by advice letter under the revised section of General Order No. 96-A.
3. The utility's last general rate increase was granted by Decision No. 81014, dated February 6, 1973, in Application No. 53305. Since that time, the utility has been able to offset fuel increases through its fuel escalation clauses but has incurred increases in all other categories of expenses.
4. The rate revisions requested consist of a \$0.047 per therm increase for residential use, including lifeline (except for the first 2 therms), and a \$0.007 per therm increase for commercial use (except for the first 2 therms), which will produce an annual revenue increase of \$12,947 or 7.8%.
5. The rate revisions will increase the average residential customers' monthly summer bill of 37 therms by \$1.65 from \$17.05 to \$18.70 and the average monthly winter bill of 92 therms by \$4.23 from \$38.21 to \$42.44.
6. For the average non-residential customer using 140 therms per month in the summer and 310 per month in the winter, the monthly summer bill will increase \$0.96 from \$62.18 to \$63.14 and the monthly winter bill will increase \$2.15 from \$135.28 to \$137.43.
7. The utility, pursuant to Commission OII No. 19, has incorporated the reduction in ad valorem taxes of \$834 into their rate revisions.
8. The utility has sent notices to their customers informing them of the requested rate increase. No significant complaints have been received by the Commission or the utility.
9. The staff has made an inspection of the utility operation in McCloud, and

WHEREAS: We find that: (1) The increase rates hereby authorized are justified and that the present rates are, for the future, unjust and unreasonable; (2) The increase in rates ordered herein incorporate a rate reduction based upon the estimated reduction in ad valorem taxes on utility property as of July 1, 1978 and the utility shall immediately file appropriate tariffs in compliance with General Order No. 96-A; therefore, good cause appearing,

IT IS ORDERED that:

1. Authority be granted under Section 454 of the Public Utilities Code and under Section VI of General Order No. 96-A for McCloud Gas Corporation, Inc. 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 accepted for filing by Resolution No. G-2243 of the Public Utilities Commission of the State of California. 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 6th day of September, 1978, the following Commissions voting favorably thereon:

Executive Director