PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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RESOLUTION NO. G-2294

Orig. and Copy to Executive Director

RESOLUTION

UTILITIES DIVISION BRANCH/SECTION: Gas DATE: July 31, 1979

Director

_____Numerical File

Alphabetical File

SUBJECT: McCloud Gas Company, Inc. Order Authorizing Fuel Cost Rate Increase for LPG Utility Company.

WHEREAS: McCLOUD GAS COMPANY, INC. (McCloud), by Advice Letter No. 40, filed July 9, 1979, 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 to offset an LPG purchased price increase as set forth on Cal. P.U.C. Sheets Nos. 160-G to 162-G, inclusive, under the following conditions:

1. The proposed rate increase of 2.5 cents per therm for all non-lifeline rates and 2.0 cents per therm for lifeline rates will produce an annual revenue increase of \$9,536, which will offset the estimated increase in annual fuel costs of \$9,466 caused by a raise of 2.0 cents per gallon from 31.413ϕ to 33.413ϕ per gallon.

2. Part of the rate increase is applied to lifeline rates because the differential between lifeline and non-lifeline rates has exceeded 25%.

3. This rate increase will increase the average residential customer's monthly summer bill of 37 therms by \$0.82 from \$19.70 to \$20.52 and the average monthly winter bill of 92 therms by \$2.02 from \$44.59 to \$46.61.

4. For the average non-residential customer using 140 therms per month in the summer and 310 therms per month in the winter, the monthly summer bill will increase \$3.08 from \$71.98 to \$75.06 and the monthly winter bill will increase \$7.75 from \$155.54 to \$163.29, and

WHEREAS: We find this rate increase to be reasonable and in accordance with the fuel escalation clause formulae of the utility's filed tariff schedules, and with Section 739 of the Public Utilities Code; therefore, good cause appearing,

IT IS ORDERED that:

1. Authority be granted under Sections 454 and 739 of the Public Utilities Code for McCloud Gas Company, 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-2294 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 <u>31st</u> day of <u>July</u>, 19.79, the following Commissioners voting favorably thereon:

Executive Director