

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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RESOLUTION NO. G-2303

UTILITIES DIVISION
BRANCH/SECTION: Gas
DATE: September 25, 1979

R E S O L U T I O N

RETURN TO GAS BRANCH

SUBJECT: Southwest Gas Corporation. Order Authorizing PGA Rate Increase, and Amortization of Unrecovered Gas Cost Balancing Account and Supply Adjustment Mechanism of \$188,979 or 4.0%

WHEREAS: SOUTHWEST GAS CORPORATION (SoWest), by Advice Letter No. 216, filed August 31, 1979, having requested authority to file revised tariff schedules, applicable to its Placer County Rate Area, in order to track increased cost of gas as set forth on Cal. P.U.C. Sheets Nos. 1768-G to 1773-G, inclusive, under the following conditions:

1. The proposed rate revisions include a 5.66 cents per therm rate increase for all rates, which will result in an annual revenue increase of \$399,097, which will offset the increased cost of gas from the utility's supplier, Northwest Pipeline Corporation (NoWest) in its semi annual PGAC filings in Dockets Nos. RP72-154, RP74-22 and RP79-57 with the Federal Energy Regulatory Commission (FERC).

2. The rate revisions also include an increase of 0.95 cents per therm for all rates for the purpose of amortizing the balance in the Unrecovered Purchased Gas Cost account, which will produce an additional annual revenue increase of \$53,668, and a rate decrease of 3.12 cents per therm for all rates for the purpose of amortizing the balance in the Supply Adjustment Mechanism (SAM) account, which will produce an annual revenue reduction of \$263,786.

3. The net result of these revenue revisions is an increase of 3.49 cents per therm for all rates which will result in a net annual revenue increase of \$188,979 or 4.0%.

4. Public Notification of this rate increase has been made by the utility through the local news media.

5. For a typical residential customer under lifeline rate schedules, using 70 therms in the summer months and 200 therms in the winter months, the bill will increase \$2.44 from \$40.00 to \$42.44 in the summer and by \$6.98 from \$101.99 to \$108.97 in the winter.

6. For a commercial customer, under non-lifeline rate schedules, using the same volumes, the bill will increase \$2.45 from \$41.25 to \$43.70 in the summer and by \$6.98 from \$109.97 to \$116.95 in the winter.

7. The utility requests an effective date of October 1, 1979 in order to coincide with the effective date of NoWest's filings, and in the event that FERC rejects or amends any part of NoWest's filings, SoWest will file substitute tariff sheets to reflect approved rate levels, and

G-2303

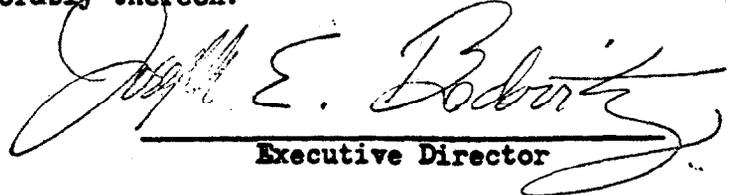
WHEREAS: These requested rate revisions are found to be reasonable; therefore, good cause appearing,

IT IS ORDERED that:

1. Authority is granted under Sections 454, 491 and 701 of the Public Utilities Code, and under the provisions of the utility's filed PGA procedure to place the above tariff sheets or subsequent substitute tariff sheets into effect on October 1, 1979 or on any subsequent date that the FERC might require NoWest's filing to become effective, whichever date is later.
2. The above tariff sheets and/or any subsequent substitute tariff sheets be marked to show that they were issued under Resolution No. G-2303 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 25th day of September, 1979, the following Commissioners voting favorably thereon:

JOHN E. BRYSON
President
VERNON L. STURGEON
RICHARD D. CRAVELLE
CLAIRE T. DEDRICK
LEONARD M. GRIMES, JR.
Commissioners


Executive Director