

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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RESOLUTION NO. G-2308

UTILITIES DIVISION
BRANCH/SECTION: Gas
DATE: October 10, 1979

RESOLUTION

RETURN TO GAS BRANCH

SUBJECT: McCloud Gas Company, Inc. Order Authorizing Fuel Cost Rate Increases for LPG Utility Company Resulting in Total Annual Revenue Increase of \$16,585 or 9.9%.

WHEREAS: McCLOUD GAS COMPANY, INC, (McCloud), by Advice Letters No. 42, filed September 11, 1979, and 43, filed September 20, 1979, having requested authority under the fuel escalation clauses of the utility's filed tariff schedules and under Sections 491 and 454 of the Public Utilities Code to increase its LPG tariff rates to offset two LPG purchased price increases as set forth on Cal. P.U.C. Sheets Nos. 166-G to 168-G, inclusive and Nos. 169-G to 171-G, inclusive, respectively, under the following conditions:

1. The proposed total rate increase of 4.4 cents per therm for all non-lifeline rates and 3.4 cents per therm for all lifeline rates will produce an annual revenue increase of \$16,585, which will offset the estimated increase in annual fuel costs of \$7,099 effective September 1, 1979, produced by an increase of 1.5 cents per gallon from 35.413¢ to 36.913¢ per gallon and an increase of \$9,466, effective September 15, 1979, produced by an additional increase of 2.0 cents per gallon to 38.913¢ per gallon.

2. Parts of these rate increases are applied to lifeline rates because the differential between lifeline and non-lifeline rates has exceeded 25% and this procedure has previously been approved by Commission Resolution Nos. G-2294 and G-2302.

3. The combined effect of these two rate increases will increase the average residential customer's monthly summer bill of 37 therms by \$1.40 from \$21.33 to \$22.74 and the average monthly winter bill of 92 therms by \$3.49 from \$48.64 to \$52.13.

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 \$6.16 from \$78.56 to \$84.72 and the monthly winter bill will increase \$13.74 from \$171.04 to \$184.78.

5. Public notification of these rate increases have been made to the utility's customers through the local news media, and

WHEREAS: We find that these rate increases are reasonable and in accordance with the fuel escalation clause formula of the utility's filed tariff schedules and with Section 739 of the Public Utilities Code; therefore, good cause appearing,

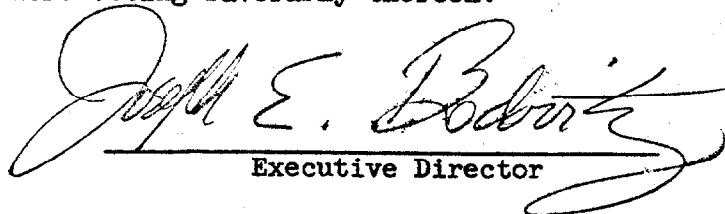
IT IS ORDERED that:

1. Authority is granted under Sections 454, 491 and 739 of the Public Utilities Code for McCloud Gas Company, Inc. to place the above tariff sheets into effect in accordance with the applicable provisions of the utility's filed tariff schedules.

2. The above tariff sheets shall be marked to show that they were accepted for filing by Resolution No. G-2308 of the Public Utility 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 10th day of October, 19 79, the following Commissioners voting favorably thereon:

JOHN E. BRYSON
President
VERNON L. STURGEON
RICHARD D. GRAVELLE
LEONARD M. GRIMES, JR.


Executive Director