

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

U-14

Copy for:

RESOLUTION NO. G-2323

Orig. and Copy

to Executive Director

R E S O L U T I O N

UTILITIES DIVISION

BRANCH/SECTION: Gas

DATE: November 6, 1979

Director

Numerical File

Alphabetical File

Accounting Officer

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SUBJECT: Rolling Green Utilities, Inc. Order Authorizing Revision of
Tariff Structures for a Fuel Cost Rate Increase for LPG Utility
Company Resulting in Annual Revenue Increase of \$5,000 or 10.1%

WHEREAS: ROLLING GREEN UTILITIES, INC. (Rolling Green), by Advice Letter No. 22, filed October 9, 1979, has requested authority under the fuel escalation clauses of the utility's filed tariff schedules to increase its LPG tariff rates to offset a fuel cost increase as set forth on Cal. P.U.C. Sheets Nos. 94-G and 95-G, under the following conditions:

1. Lifeline rates for residential usage was established at 25 therms in the summer and 85 therms in the winter by Resolution No. G-1893 on June 9, 1976.
2. With no commercial and industrial customers and with current customer usage patterns such that the major portion of all sales fall within lifeline usage, there is no place left in which to spread this last rate increase.
3. In order to evenly spread the rate increase to all customers and to strike an even balance between revenue requirements and customer usage, the Commission staff has submitted a revised rate design which lowers lifeline quantities to 16 therms in the summer and 48 therms in the winter months.
4. The proposed revised rates will produce an annual revenue increase of \$4,900, or 9.9%, which will offset the estimated increase in annual fuel costs of \$4,900 effective September 5, 1979, produced by an increase of 4.93 cents per gallon from 37.85 cents to 42.78 cents per gallon.
5. The effect of this rate redesign will increase the average customer's monthly summer bill of 32.1 therms by 2.27 from \$18.41 to \$20.68 and the average monthly winter bill of 96.4 therms by \$5.89 from \$51.07 to \$56.56.
6. For large-usage customers, this new rate design will actually result in a minor rate reduction, and

WHEREAS: We find this rate revision to be reasonable and the only practical solution to the existing problem caused by large lifeline allowances and small customer usages; therefore, good cause appearing,

IT IS ORDERED that:

1. Authority is granted under Sections 454, 491 and 739 of the Public Utilities Code to instruct Rolling Green Utilities, Inc. to file substitute tariff sheets to reflect the revised rate design submitted by the Commission staff, and such revised substitute sheets shall become effective upon receipt.

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2. Rolling Green is further instructed to notify all customers of the new revised rates by means of a bill stuffer.

3. The above advice letter and revised substitute tariff sheets shall be marked to show that they were accepted for filing by Resolution No. G-2323 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 November, 1979, the following Commissioners voting favorably thereon:

Executive Director