

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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RESOLUTION NO. G-2335

R E S O L U T I O N

UTILITIES DIVISION
 BRANCH/SECTION: Gas
 DATE: December 18, 1979

RETURN TO GAS BRANCH

SUBJECT: Southwest Gas Corporation. Order Authorizing PGA Rate Increase Resulting in Annual Revenue Increase of \$3,925,140, or 32.3%

WHEREAS: SOUTHWEST GAS CORPORATION (SoWest), by Advice Letter No. 220, filed November 14, 1979, has requested authority to file revised tariff schedules, applicable to its San Bernardino County Rate Area, in order to track increased cost of gas from its supplier, Pacific Gas & Electric Company (PG&E), as set forth on Cal. P.U.C. Sheets Nos. 1814-G to 1819-G, inclusive, under the following conditions:

1. The proposed rate increases of 7.51 cents per therm for Tier I rates (Lifeline), 8.34 cents per therm for Tier II rates and 15.99 cents per therm for Tier III rates, are to offset the cost of gas from PG&E as filed by Application No. 59249, on October 31, 1979 with a proposed effective date of January 1, 1980.
2. The results of these rate revisions will be an annual revenue increase of \$3,925,140, or an average of 8.34 cents per therm of all sales.
3. SoWest is proposing no balancing account adjustment factor nor an adjustment to the SAM account at this time but will do so by a separate advice letter filing.
4. A comparison of the present and proposed rates for metered gas service is set below:

	Present Rates	Proposed Rates	Percent Increase
<u>Residential Service - Schedule No. G-1</u>			
<u>Summer (Lifeline - 26th)</u>			
Customer Charge, per month	\$3.50	\$3.50	----
First 26 therms, per therm	0.3046	0.3797	24.7
Next 100 therms, per therm	0.4153	0.4987	20.1
Over 126 therms, per therm	0.4481	0.6080	35.7
<u>Winter (Lifeline - 81, 106 & 141th)</u>			
Customer Charge, per month	\$3.50	\$3.50	----
	<u>Barstow</u>	<u>Victorville</u>	<u>Big Bear</u>
First 81	106	141th, per th.	0.3046
Next 81	106	141th, per th.	0.4153
Over 162	212	282th, per th.	0.4481
			0.3797
			0.4987
			0.6080
			24.7
			20.1
			35.7
<u>General Service - Schedule No. G-3</u>			
Customer Charge, per month	\$3.50	\$3.50	----
All Usage, per therm	0.4153	0.4987	20.1

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5. This proposed rate structure keeps the Tier II rates slightly less than the equivalent price of propane in the area which is at 51.4 cents per therm. Tier I rate increase was then set at 90% of the Tier II increase with the balance of the revenue requirements spread across the Tier III rates.

6. The following table shows typical bills at various levels of present and proposed rates:

Monthly Usage (in therms)	Present Rates			Proposed Rates			Percent Increase		
<u>Residential Summer</u>									
10	\$ 6.55			\$ 7.30			11.4		
26 (Lifeline)	11.42			13.37			17.1		
30	13.08			15.37			17.5		
40 (Average)	17.23			20.35			18.1		
50	21.39			25.34			18.5		
100	42.15			50.28			19.3		
150	63.70			77.83			22.2		
200	86.11			108.23			25.7		
<u>Residential Winter</u>									
1/ Barstow (Lifeline 81)									
2/ Victorville (Lifeline 106)									
3/ Big Bear (Lifeline 141)									
	1/	2/	3/	1/	2/	3/	1/	2/	3/
25	\$11.11	\$11.11	\$11.11	\$12.99	\$12.99	\$12.99	16.9	16.9	16.9
50	18.73	18.73	18.73	22.49	22.49	22.49	20.1	20.1	20.1
70	24.82	24.82	24.82	30.08	30.08	30.08	21.2	21.2	21.2
81 (Lifeline 1/)	28.17	28.17	28.17	34.26	34.26	34.26	21.6	21.6	21.6
100	36.06	33.96	33.96	43.73	41.47	41.47	21.3	22.1	22.1
106 (Lifeline 2/)	38.56	35.79	35.79	46.72	43.75	43.75	21.2	22.2	22.2
141 (lifeline 3/)	53.09	50.32	46.45	64.18	61.20	57.04	20.9	21.6	22.8
150 (Average 1/ & 2/)	56.83	54.06	50.19	68.67	65.69	61.53	20.8	21.5	22.6
200 (Average 3/)	78.84	74.83	70.95	97.75	90.63	86.46	24.0	21.1	21.9
300	123.65	119.24	113.07	158.55	142.46	138.30	28.2	19.5	22.3
500	213.27	208.86	202.69	280.15	264.06	259.90	31.4	26.4	28.2
<u>Commercial Service</u>									
25	\$13.88			\$15.97			15.1		
50	24.26			28.43			17.2		
100	45.03			53.37			18.5		
150	65.79			78.30			19.0		
200	86.56			103.24			19.3		
300	128.09			153.11			19.5		
500	211.15			252.85			19.7		
1,000	418.80			502.20			19.9		

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

8. In the event that the Commission rejects or amends PG&E's filing or requires a different effective date, SoWest will file appropriate substitute tariff sheets to reflect approved rate levels, and

WHEREAS: This rate increase is found to be reasonable and necessary for the utility to track the rate increase of its supplier; therefore, good cause appearing,

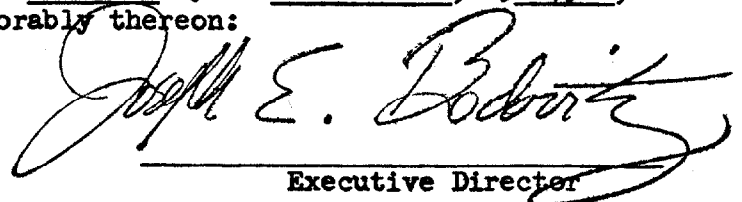
IT IS ORDERED that:

1. Authority is granted under Sections 454, 491 and 701 of the Public Utilities Code, and under the provisions of the utility's PGA procedure in its filed tariff Schedules for Southwest Gas Corporation to place the above tariff sheets and/or subsequent substitute tariff sheets into effect on January 1, 1980, or on any other date that the Commission orders PG&E's filing under Application 59249 for rates applicable to Southwest Gas Corporation to become effective, whichever date is later.

2. The above advice letter and tariff sheets and/or any subsequent substitute tariff sheets shall be marked to show that they were issued under Resolution No. G-2335 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 18th day of December, 19 79, the following Commissioners voting favorably thereon:

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


Executive Director