

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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RESOLUTION NO. G-2342
 UTILITIES DIVISION
 BRANCH/SECTION: Gas
 DATE: March 18, 1980

R E S O L U T I O N

SUBJECT: Southwest Gas Corporation. Order Authorizing PGA Rate Increase Resulting in Annual Revenue Increase of \$2,731,769, or 12.8%

WHEREAS: SOUTHWEST GAS CORPORATION (SoWest), by Advice Letter No. 225, filed February 14, 1980, 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. 1846-G to 1852-G, inclusive, under the following conditions:

1. The proposed rate increases of 5.23 cents per therm for Tier I rates (Lifeline), 5.81 cents per therm for Tier II rates and 11.02 cents per therm for Tier III rates, are to offset the cost of gas from PG&E as filed by Application No. 59406, on January 28, 1980.
2. The results of these rate revisions will be an annual revenue increase of \$2,731,769, or an average of 5.81 cents per therm of all sales.
3. The rate design generally follows the basic criteria set forth in Commission Decision No. 91107, dated December 19, 1979, in PG&E Application No. 58546. The Tier I rate is 78% of the system average rate (SAR), the Tier II rate approximates the SAR and the Tier III rate is the highest rate on the system.
4. On February 13, 1980, the Commission issued Decision No. 91336 to PG&E, granting an interim rate increase for combined Applications Nos. 59249 and 59406.
5. SoWest filed Advice Letter No. 220- Supplement to track the PG&E rate increase, effective February 18, 1980, pursuant to prior authorization granted by Commission Resolution No. G-2335, dated December 18, 1979.
6. A comparison of the present rates (filed by Advice Letter No. 220- Supplement) and the revised proposed rates for metered gas service is set below:

Residential Service - Schedule No. G-1	Present Rates	Proposed Rates	Increase	
			Amount	Percent
<u>Summer (Lifeline - 26th)</u>				
Customer Charge, per month	\$3.50	\$3.50	----	----
First 26 therms, per therm	0.3461	0.3984	0.0523	15.1%
Next 100 therms, per therm	0.4614	0.5195	0.0581	12.6
Over 126 therms, per therm	0.5355	0.6457	0.1102	20.6

Residential Service - Schedule No. G-1	Present Rates	Proposed Rates	Increase	
			Amount	Percent
<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.	0.3461 0.3984 0.0523 15.1%
Next	81	106	141th, per th.	0.4614 0.5195 0.0581 12.6
Over	162	212	282th, per th.	0.5355 0.6457 0.1102 20.6

General Service - Schedule No. G-3

Customer Charge, per month	\$3.50	\$3.50	----	----
All Usage, per therm	0.4614	0.5195	0.0581	12.6

7. 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	\$ 6.96			\$ 7.18			3.2%		
26 (Lifeline)	12.50			13.56			8.5		
30	14.34			15.64			9.1		
40 (Average)	18.96			20.83			9.9		
50	23.57			26.03			10.4		
100	46.64			52.00			11.5		
150	71.49			81.01			13.3		
200	98.27			113.29			15.3		
<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	\$12.15	\$12.15	\$12.15	\$13.46	\$13.46	\$13.46	10.8%	10.8%	10.8%
50	20.81	20.81	20.81	23.42	23.42	23.42	12.5	12.5	12.5
70	27.73	27.73	27.73	31.39	31.39	31.39	13.2	13.2	13.2
81 (Lifeline 1/)	31.53	31.53	31.53	35.77	35.77	35.77	13.4	13.4	13.4
100	40.30	38.11	38.11	45.64	43.34	43.34	13.3	13.7	13.7
106 (Lifeline 2/)	43.07	40.19	40.19	48.76	45.73	45.73	13.2	13.8	13.8
141 (Lifeline 3/)	59.22	56.34	52.30	66.94	63.91	59.67	13.0	13.4	14.1
150 (Average 1/ & 2/)	63.37	60.49	56.45	71.62	68.59	64.35	13.0	13.4	14.0
200 (Average 3/)	89.26	83.56	79.52	102.39	94.56	90.32	14.7	13.2	13.6
300	142.81	136.22	127.00	166.96	157.62	144.55	16.9	15.7	13.8
500	249.91	243.32	234.10	296.07	286.76	273.69	18.5	17.9	16.9

Monthly Usage (in therms)	Present Rates	Proposed Rates	Percent Increase
<u>Commercial Service</u>			
25	\$ 15.04	\$ 16.49	9.6%
50	26.57	29.48	10.9
100	49.64	55.45	11.7
150	72.71	81.43	12.0
200	95.78	107.40	12.1
300	141.92	159.35	12.3
500	234.20	263.25	12.4
1,000	464.90	523.00	12.5

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

9. In the event that the Commission rejects or amends the balance of PG&E's filing in Application No. 59406, 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 a date concurrent with any rate increase granted to PG&E by a final Commission Decision in Application No. 59406.

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-2342 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 March, 19 80, the following Commissioners voting favorably thereon:

JOHN E. BRYSON
President

VERNON L. STURGEON
RICHARD D. GRAVELLE
LEONARD M. GRIMES, JR.

Commissioner Claire T. Dedrick, necessarily absent, did not participate in the disposition of this proceeding.


Executive Director