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PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Copy for:

RESOLUTION NO. G-2345 .

Orig. and Copy to Executive Director

RESOLUTION

UTILITIES DIVISION BRANCH/SECTION: Gas DATE: April 2, 1980

Director
Numerical File
Alphabetical File
Accounting Officer

SUBJECT: C. P. National. Order Authorizing PGA Rate Increase Resulting in Annual Revenue Increase of \$2,137,184 or 24.8%

WHEREAS: C. P. NATIONAL (CPN), by Advice Letter No. 144-G, filed March 5, 1980, having requested authority under Sections 454 and 491 of the Public Utilities Code and under the PGA provisions of the utility's filed tariff schedules, to file revised tariff sheets applicable to its South Tahoe rate area in order to track rate increases by its supplier, Southwest Gas Corporation (SoWest), as set forth on Cal. P.U.C. Sheets Nos. 726-G to 732-G, inclusive, under the following conditions:

1. The proposed rate increases of 12.030 cents per therm for all lifeline rates and 13.367 cents per therm for non-lifeline rates, will result in: an annual revenu increase of \$1,613,648, which will offset a SoWest rate increase as filed February 2, 1980 in Docket No. TA80-2-41 of the Federal Energy Regulatory Commission (FERC); and an additional revenue increase of \$523,536 to amortize the current Energy Rate Balancing Account balance.

2. A comparison of the present and proposed rates for metered gas service is set below:

	Present	Proposed	Increase	
Residential Service-Schedule GT-211	Rates	Rates	Amount Percent	
Lifeline - <u>Summer - 26th/mo.</u> Winter -166th/mo.				
Customer Charge, per month	\$2.20	\$2.20	disk onto table	
All Lifeline Therms, per therm	0.41712	0.53742	\$0.12030	28.8%
First - (Şummer-100) Non-Lifeline (Winter-166) Therms, per th.	0.46773	0.60140	0.13367	28.6
All Excess Therms, per therm,	0.49868	0.63235	0.13367	26.8
Commercial Service - Schedule GT-221				
Customer Charge, per month All Usage, per therm	\$2.20 0.46773	\$2.20 0.60140	0.13367	28.6%

Multi-Family Service - Schedule GST-223

Note: This schedule is the same as Schedule GT-211 except the increase to lifelin rates is 90% or 0.9 x 0.12030= 0.10827. (Present Lifeline rate = 0.37541, proposed lifeline rate = 0.48368)

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

			Increase	
Monthly Usage (in therms)	Present Rates	Proposed Rates	Amount	Percent
Residential - Summer 26 (Lifeline) 70 (Average) 200	\$ 13.05 33.63 96.72	\$ 16.17 42.63 123.11	\$ 3.12 9.00 26.39	23.9% 26.8 27.3
<u>Residential - Winter</u> 166 (Lifeline) 300 (Average) 500	\$ 71.44 134.12 232.86	\$ 91.41 172.00 297.48	\$ 19.97 37.88 64.62	28.0% 28.2 27.8
<u>Commercial</u> 100 500 1,500	\$ 48.97 236.07 703.80	\$ 62.34 302.90 904.30	\$ 13.37 66.83 200.50	27.3% 28.3 28.5

4. 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, with the exception that the basic price is tied to the price of propane, which is the alternative fuel in the South Tahoe rate area.

5. For large users, the cost of Tier III rates approaches the price of propane of approximately 60 to 70 cents per therm.

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

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7. In the event that the FERC rejects or amends SoWest's filing or requires a different effective date, CPN 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 and 491 of the Public Utilities Code for C. P. National to place the above tariff sheets and/or any subsequent substitute tariff sheets into effect on this date.

2. The above tariff sheets and/or subsequent substitute tariff sheets shall be marked to show that they were issued under Resolution No. G-2345 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 <u>April 2, 1980</u>, the following Commissioners voting favorably thereon:

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

Executive Director

Commissioner Claire T. Defrick, being necessarily above. fil not participate in the disposition of this proceeding.