

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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RESOLUTION NO. G-2354

RESOLUTION

UTILITIES DIVISION
 BRANCH/SECTION: Gas
 DATE: June 3, 1980

RETURN TO GAS BRANCH

SUBJECT: Pacific Gas & Electric Company. Order Authorizing Temporary Acceptance of a Revised Fuel Cost Adjustment Factor Resulting in a Rate Increase in Steam Tariffs and Producing an Annual Revenue Increase of \$629,000 or 10.6%.

WHEREAS: PACIFIC GAS & ELECTRIC COMPANY (PG&E), by Advice Letter No. 67-S, filed May 7, 1980, requests authority under Section 454 of the Public Utilities Code to adjust its rates, in accordance with the provisions of Decision No. 83117, dated July 9, 1974, in Application No. 54075, as set forth on Cal. P.U.C. Sheets Nos. 256-H and 257-H, under the following conditions:

1. The last PG&E Steam Fuel Cost Rate increase was approved conditionally on April 15, 1980 by Resolution No. G-2347.
2. The above rate increase was approved on an interim basis, subject to possible refund and pending public hearings on matters relating to: frequency of rate increases, efficiency of system and operating procedures. Such hearings were established in response to a protest by the Hotel Employers Association (HEA) of San Francisco, dated February 13, 1980.
3. On April 16, 1980, the matter was assigned Application No. 59597, and hearings will be scheduled at a later date.
4. The HEA filed on May 15, 1980 a protest on this advice letter related to its earlier protest of February 13, 1980.
5. PG&E, by the above filing, requests an additional rate increase to its Steam Sales Department based on increases to the G-50 gas rate paid by the Steam Sales Department by Commission Decisions Nos. 91336 and 91720, dated February 13, 1980 and April 29, 1980, respectively.
6. The fuel cost adjustment factor (FCA) is proposed to be changed from \$5.505 per 1,000 lbs. to \$6.665 per 1,000 lbs. of steam.
7. The total net effect of this request will be an annual revenue increase of \$629,900 or 10.6% for the utility's Steam Department.
8. A comparison of the present and proposed rates for metered steam service is set below:

Schedule S-1 - General Service

	Present Rates	Proposed Rates	Percent Increase
Customer Charge	\$7.00	\$ 7.00	----
All Deliveries, per 1,000 lbs.	9.1297	10.2897	12.7%

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9. The following tables shows typical bills at various usage levels at the present and proposed rates:

Monthly Usage	Present Rates	Proposed Rates	Increase	
			Amount	Percent
1,000 lbs.	\$ 16.13	\$ 17.29	\$ 1.16	7.2%
5,000 lbs.	52.65	58.45	5.80	11.0
100,000 lbs.	919.97	1,035.97	116.00	12.6
500,000 lbs.	4,571.85	5,151.85	580.00	12.7

10. The Commission staff has reviewed this matter and recommends that this fuel cost rate increase be granted subject to refunds and to later hearings, and

WHEREAS: We find that this rate increase is justified due to increased fuel costs; therefore, good cause appearing,

IT IS ORDERED that:

1. Authority is granted under Sections 454 and 701 of the Public Utilities Code to place the above tariff sheets into effect on June 6, 1980,

2. The above advice letter shall be consolidated into the proceedings of Application No. 59597. The rate increase approved herein is subject to refund. The matter will be set for hearing and a showing by the Hotel Employers Association as to its allegations.

3. PG&E shall notify all of its steam customers that this rate increase is being authorized on an interim basis, subject to possible refund, and that all interested parties have a right to participate in the hearings for Application No. 59597.

4. The above tariff sheets shall be marked to show that they were approved for filing by Resolution No. G-2354 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 June 3, 1980, the following Commissioners voting favorably thereon:

JOHN H. BRINSON
DANIEL L. STURGEON
FRANK J. CRANELLE
LARRY W. GUNTER, JR.


Executive Director