

## PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY AND  
COMPLIANCE DIVISIONRESOLUTION G-3084  
October 6, 1993R E S O L U T I O N

RESOLUTION G-3084. SOUTHERN CALIFORNIA GAS COMPANY, REQUEST APPROVAL OF TWO NEW NONRESIDENTIAL CORE TARIFF RATE SCHEDULES TO PROVIDE GAS AIR CONDITIONING SERVICE TO ITS COMMERCIAL AND INDUSTRIAL CUSTOMERS, A MASTER SERVICE CONTRACT, AND ITS GAS AIR CONDITIONING SERVICES FORM.

BY ADVICE LETTER 2191-G, FILED ON JULY 2, 1993 AND  
ADVICE LETTER 2191-G-A, FILED ON JULY 9, 1993.

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SUMMARY

1. Southern California Gas Company (SoCal) requests Commission approval of two new nonresidential tariff rate schedules (Schedule Nos. G-AC--Core Air Conditioning Service for Commercial and Industrial, and GT-AC--Core Transportation-Only Air Conditioning Service for Commercial and Industrial), and SoCal's pro forma "Master Service Contract" and Addendum I--SoCal's "Gas Air Conditioning Service" form. These rates will apply to all gas used by small and large nonresidential core (commercial and industrial) customers, and the core gas-cooling load of noncore customers, to fuel high-efficiency gas cooling absorption chiller units with two-stage generators, designed and built by the original equipment manufacturers, and rated as dual-effect, double-effect or triple-effect units. The cooling output of the absorption chiller units must equal at least 90% of the Btu input at the higher heating value of gas. To encourage efficient use of natural gas for cooling, single-effect absorption chillers will not qualify for the proposed rates.

2. Under the proposed rate schedules and pro forma contract, SoCal would provide its nonresidential core customers with a gas air conditioning rate that reflects the long-run marginal cost of this service. Approval of the new rate schedules would encourage customers to consider the cost-effectiveness of gas cooling when evaluating their space-cooling equipment options. In addition, adoption of SoCal's new rate schedules would: (1) promote a natural-gas alternative to environmentally harmful CFC technologies; (2) encourage economic efficiency; (3) foster retention of business customers; (4) reduce operating costs of electric utilities and the need for expensive peaking facilities;

and, (5) generate incremental revenue which would reduce gas rates for SoCal's ratepayers.

3. The rates would be revised periodically, subject to a rate-escalation cap which would be in effect for a period of five years. The rates would apply to all gas used by nonresidential core customers to cool very large air conditioned spaces, and specifically, to fuel double-effect absorption chillers (i.e., units with a two- or three-stage generators). SoCal proposes to discontinue the rate cap after five years.

4. Two parties filed protests--Southern California Edison Company (Edison) and Towards Utility Rate Normalization (TURN).

5. This resolution grants SoCal's request.

#### BACKGROUND

1. Many of SoCal's customers are faced with the challenge of complying with the Clean Air Act of 1990, that limits the production and use of chlorofluorocarbon ("CFC") refrigerants used in most chiller equipment. CFCs are linked to the depletion of the earth's stratospheric ozone. Production of some CFCs (commonly referred to as CFC-11 and CFC-12 refrigerants) will be phased out by the end of 1999 and possibly sooner.

2. Federal regulations mandate that standard CFC-refrigerant production cease by the end of 1999 (42 U.S.C. 7671c). In addition, the Environmental Protection Agency has filed a Notice of Proposed Rulemaking that proposes to eliminate the production of CFC-11 and CFC-12 by the end of 1995 (58 Fed. Reg. 15022). Over the next several of years, customers in Southern California will be replacing approximately 84,000 tons of air conditioning capacity annually in buildings where core gas cooling is technically feasible and environmentally superior to many other options. Given the typical lead time of 12 to 18 months to buy and install large tonnage-cooling equipment, customers must decide now how they will comply by choosing from among the different technologies available.

3. Although new, less-environmentally harmful substitutes to CFCs are being developed, some have been found to be toxic, result in decreased equipment performance and efficiency, or are transitional substitutes providing only temporary solutions. SoCal's customers are seeking acceptable alternatives to CFCs. Double-effect absorption cooling, which uses water as a refrigerant instead of CFCs, is an environmentally-acceptable, economically-efficient option for customers with central chilling units.

4. At the request of the California Energy Commission, SoCal, together with other interested parties, retained Xenergy, Inc. to survey its commercial market and develop a data base. Using Xenergy's data, SoCal evaluated the market potential for gas cooling. Preliminary results indicated that about 84,000 tons of cooling is replaced annually in buildings where gas cooling is technically feasible. This includes customers installing new

equipment, replacing existing units, or retrofitting equipment near the end of its useful life.

5. Selecting a cooling system is a major operating decision for these customers. The cost to buy and install a typical 400-ton chiller, serving 150,000 square feet of air conditioned space, ranges from \$150,000 to \$250,000 or more, and, once purchased, has a useful life of over 20 years.

6. In many cases, double-effect absorption cooling represents the best alternative. Notwithstanding this, gas cooling is currently overlooked because of its perceived economic disadvantage. Compared to electric options, gas absorption units require a higher initial investment. The savings to the customer occur in the form of lower operating costs. On a life-cycle basis, the gas units' operating-cost savings offset the difference in initial investment. With existing nonresidential core rates, the typical 400-ton gas absorption unit has a simple payback of almost nine years. According to SoCal, customers need to recover the cost of their initial investment, through reduced operating savings, within a few years.

7. SoCal claims that the present gas rate structure discourages customers from considering natural gas as a suitable alternative for cooling because core cost averaging produces marginal costs based on a composite load profile of all end-uses within the core class, and the rates do not reflect the lower costs associated with the off-peak load profile of gas cooling.

8. Developing a specific long-run marginal, cost-based transmission rate for gas cooling results in a rate design for this market that provides customers with a three to four-year payback period. SoCal's market analysis, shows a shorter payback period can mean gas is selected in 20% of new construction and replacement/turnover cases, where double-effect absorption cooling is feasible.

9. SoCal developed the proposed gas-cooling transmission rate using the marginal cost principles established by the Commission in the Long Run Marginal Cost proceeding (Order Instituting Investigation (I.) 86-06-005, Decision (D.) 93-05-066), and the specific long-run marginal costs filed in the Joint Settlement and Agreement between the Division of Ratepayer Advocates, TURN, Edison, and others adopted by the Commission in D. 93-05-066, dated May 19, 1993 (page 10, Ordering Paragraph 2). The proposed gas-cooling transmission rate is restricted to this specific end use. The rate includes all functional costs as well as a full class-allocation of the scaling component, balancing accounts, transition costs, and other (non-marginal) costs.

#### NOTICE

1. Public notice of advice letters 2191-G and 2191-G-A were made by publication in the Commission's calendar, and by mailing copies of the filing to adjacent utilities and interested parties.

PROTESTS

1. The Commission Advisory and Compliance Division (CACD) received two protests on advice letters 2191-G and 2191-G-A.
2. On July 22, 1993, both Edison and TURN filed protests.
3. Edison protests the substantive basis of SoCal's request. According to Edison:

SoCal's request is essentially a fuel switching program. SoCal attempts to encourage its commercial and industrial customers to install gas rather than electric air conditioning units. SoCal, however, has provided no cost effectiveness analysis other than that performed from the perspective of the potential gas air conditioning rate customers. Before a gas air conditioning rate is authorized, SoCal should be required to satisfy the three-prong cost effectiveness test for fuel switching programs established in D. 92-10-020 and D. 92-12-050 (D. 92-12-050, Ordering Paragraph 2).

- \* The program must not increase source-Btu consumption;
- \* The program must have a Total Resource Cost benefit-cost ratio of 1.0 or greater; and,
- \* The program must not adversely impact the environment.

The three-prong test requires that the program be socially and environmentally beneficial. Although SoCal points out the benefits that this program will provide to its non-participating gas customers, it does not take into account the effects that the program will have on society and on electric customers.

Edison is concerned that SoCal's proposed fuel switching program would disadvantage Edison's customers without providing a commensurate advantage to SoCal's customers and thus fail to benefit society as a whole. Edison views SoCal's request as predominantly load building, which the Commission has repeatedly discouraged.

Moreover, Edison contends SoCal is oblivious of the air emissions associated with the gas air conditioning equipment, and does not demonstrate that the reduced CFC benefits outweigh those air emissions.

SoCal reiterates the benefits associated with the reduction of CFC by double-effect absorption chillers. However, electric chiller technology, that does not rely on CFCs, is available.

4. While TURN does not necessarily object to the concept of a special rate for gas air conditioning, TURN believes the advice letter process simply does not allow adequate time for parties to analyze the numerous issues raised by SoCal's proposal. It is

TURN's position that a new service offering such as this should either be submitted in a separate application or included in SoCal's September 1, 1993, Biennial Cost Allocation Proceeding (BCAP) filing. According to TURN either of these proceedings would provide a more reasonable opportunity for parties to review SoCal's proposal and offer reasoned comments and criticisms.

5. SoCal responded to Edison's and TURN's protests on July 30, 1993. It stated:

Edison's primary objection is that the gas cooling service program should be required to satisfy the three-prong cost effectiveness test for fuel switching programs established in D. 92-10-020 and D. 92-12-050. According to SoCal the cost-effectiveness test referred to by Edison only applies to requests for approval of ratepayer-funded demand-side management (DSM) programs. In contrast, the purpose of SoCal's advice letter is to establish a rate for nonresidential core gas cooling service consistent with the long-run marginal cost method adopted by the Commission in D. 93-05-066 (D. 93-05-066, Ordering Paragraph 2).

Edison's contention that the gas cooling service is essentially a fuel switching program also is irrelevant. The Commission's position on fuel substitution programs relates to DSM programs that are ratepayer-supported and does not, therefore, apply to this rate filing. Moreover, SoCal is not encouraging customers to switch fuel. SoCal anticipates that customers will consider and select gas only after the customer's equipment has reached the end of its useful life and customers are evaluating their equipment replacement options before making a major operating investment. Customers may consider hybrid air conditioning systems where both gas and electric power are used. Therefore, Edison's expressed concern that SoCal's proposed fuel switching program will disadvantage Edison's customers without providing a sufficient corresponding advantage to SoCal's customers is misplaced.

Edison's contention that the Commission has repeatedly discouraged load building programs also is irrelevant to the cost-based rate filing at issue here. The Commission has not yet established specific guidelines for load building programs. In any case, advice letters 2191-G and 2191-G-A are a legitimate attempt to provide correct price signals to customers in evaluating their equipment options and provide them with more options. Customers will now have at least three feasible fuel-source options (e.g., gas, electric, or hybrid) to choose from. SoCal's low demand periods occur at different times than those of Edison and often suit better customers with large air conditioning loads. Edison currently provides customers with up to five rate options depending on their load pattern and reliability requirements. In advice letters 2191-G and 2191-G-A, SoCal is simply requesting that the Commission allow it to compete in the air conditioning market.

Edison ignores the fact that both gas and electric air conditioning generate air emissions. For electric power, one must consider emissions at the generating stations. Currently, SoCal has no means for evaluating the trade-offs between CFCs and other emissions. The fact remains, however, that the Environmental Protection Agency (EPA) has mandated the phase out of the production of some CFCs in common use today. While many customers will be seeking CFC-free technologies, such as double-effect absorption chilling, gas absorption chillers are expected to operate with no such environmental restrictions. SoCal's Research, Development and Demonstration Department has also helped develop several low nitrogen oxide burners that are used in these technologies and help make burning in this equipment even more clean.

Finally, Edison contends that SoCal has not provided sufficient information to support advice letters 2191-G and 2191-G-A. Edison believes that SoCal's request would be more appropriately addressed through a formal application or in SoCal's forthcoming BCAP.

Actually, SoCal has provided ample documentation in support of advice letters 2191-G and 2191-G-A, including a 10 page letter of explanation with detailed attachments. To make this rate filing request through a formal application or in the forthcoming BCAP would needlessly complicate and delay a rate filing that at present only affects 18 customers with an annual revenue effect of less than \$150,000. The California energy utilities routinely address rate issues through the advice letter process. A protracted evidentiary hearing would cause unnecessary delays and considerable hardship on customers who are trying to comply with EPA regulations on the reduction of CFCs.

TURN opposes advice letters 2191-G and 2191-G-A by claiming that the advice letter process does not allow adequate time for parties "to analyze the myriad of complex issues raised by SoCalGas' proposal." As stated above in response to Edison's similarly-framed protest, relegating this issue to a formal application or the BCAP would result in unnecessary delay and hardship on customers. In addition, SoCal has already provided a significant amount of documentation to support this rate filing. Furthermore, TURN even stated in its protest that it does not necessarily object to the concept of a special rate for gas air conditioning.

#### DISCUSSION

1. SoCal requests authorization of new rates that would apply to all gas used by small and large nonresidential core (commercial and industrial) customers, and the core gas-cooling load of noncore customers, to fuel high-efficiency gas cooling absorption chiller units with two-stage generators, designed and built by the original equipment manufacturers, and rated as dual-effect, double-effect or triple-effect units. The cooling output

of the absorption chiller units must equal at least 90% of the Btu input at the higher heating value of gas.

2. Edison's primary complaint is that SoCal failed to perform the three-prong test required in D. 92-10-020 and D. 92-12-050. These decisions require that a utility's fuel substitution program pass the three-prong test in order to be considered for funding (D. 92-12-050, page 12, Ordering Paragraph 2). SoCal is not seeking funding in this advice letter, therefore SoCal is not required to pass the required three-prong test.

3. In SoCal's Test Year 1994 General Rate Case proceeding (A. 92-11-017), SoCal requested funding for its Natural Gas Air Conditioning Program as part of its Alternative Energy Efficiency Program (AEEP). AEEP is a DSM fuel substitution program that is seeking funding for nine different fuel substitution measures. In SoCal's Test Year 1994 General Rate Case proceeding, SoCal submitted the results of its three-prong test for AEEP. The funding of these measures will be determined in SoCal's Test Year 1994 General Rate Case, and are not relevant in determining whether to approve a new nonresidential gas air conditioning tariff.

4. The outcome of this advice letter will not affect the outcome in SoCal's General Rate Case proceeding. The funding of each of SoCal's AEEP measures will be based on the results of each measure's three-prong test results, as required by D. 92-10-020 and D. 92-12-050 (D. 92-12-050, page 12, Ordering Paragraph 2).

5. The standards that Edison contends should apply to SoCal's new tariff service are those required for the funding of DSM programs. SoCal's new tariff service should not be held to that standard, only DSM programs that request funding should be held to the DSM standards set by the Commission. The rates that SoCal is seeking approval for are fully loaded marginal cost based rates.

6. Edison states that it is concerned that SoCal's proposed fuel switching program would disadvantage Edison's customers without providing a commensurate advantage to SoCal's customers and thus the program would not benefit society as a whole.

7. SoCal's program is a gas fuel substitution program<sup>1</sup>. SoCal's proposal would have the following benefits:

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<sup>1</sup> A gas fuel substitution program is defined by the Commission as any program which promotes the customer's choice of natural gas service for an appliance, group of appliances, or building rather than the choice of service from a different energy source. These programs increase customer usage of natural gas and decrease usage of an alternative fuel. (D. 91-10-020, Attachment 3, page 23)

- \* It would allow SoCal's customers the option to purchase natural gas for double-effect gas air conditioners at the cost associated with its customers' counter-cyclical load profile;
- \* It would encourage SoCal's customers to use environmentally-acceptable, economically-efficient central chilling units; and,
- \* It would use SoCal's non-peak period excess capacity, while decreasing Edison's peak period demand (which would allow Edison to decrease its costs).

8. Edison's contention that SoCal's gas air conditioning program will not benefit society as a whole is incorrect.

9. Edison also states that SoCal's request can be viewed as predominantly load building, which the Commission discourages. SoCal's request is not load building. Load building programs are defined as programs which have the effect of increasing the annual sales/consumption of one or both utility-supplied fuels without decreasing the consumption of either fuel. While SoCal's proposal will increase the use of gas, it will also decrease the use of electricity. It is a gas fuel substitution program, not a load building program.

10. Both Edison and TURN contend that SoCal's proposal should be reviewed in an application but point to no authority for this. General Order 96-A, Section V, authorizes SoCal to request approval of new service tariff sheets by advice letter.

11. SoCal developed the proposed gas-cooling transmission rate using the marginal cost principles established by the Commission in the Long Run Marginal Cost proceeding (I. 86-06-005, D. 93-05-066), and the specific long-run marginal costs filed in the Joint Settlement and Agreement (the Settlement was agreed to by the Division of Ratepayer Advocates, TURN, Edison, et. al.) that were adopted by the Commission in D. 93-05-066 (page 10, Ordering Paragraph 2). The proposed gas-cooling transmission rate is restricted to this specific end-use. The rate includes all functional costs as well as a full class-allocation of the scaling component, balancing accounts, transition costs, and other non-marginal costs.

12. CACD has reviewed the calculation of SoCal's proposed rates and finds that SoCal's calculations comply with the method authorized in D. 93-05-066 (page 12, Ordering Paragraph 12).

13. SoCal's gas-cooling rate is appropriate for the following reasons:

- \* The counter-cyclical load profile for gas cooling customers can be serviced by SoCal at incremental costs substantially below the cost of serving class-average core load. The reason for this is because SoCal would use excess capacity that is not used in the summer months to provide these services.



- \* By increasing the summer month load with new customers, switching from electric air conditioners, SoCal will be able to allocate its embedded (fixed) costs over a larger group and lower its rates to its other customers.
- \* The new rates will provide future SoCal air conditioning customers with correct price signals in determining whether to purchase gas or electric air conditioners.
- \* The new rates will eliminate the cross-subsidization, by SoCal's current gas air conditioning customers, by billing them rates that reflect the cost of their counter-cyclical load usage.

14. Therefore, SoCal should be allowed to provide its gas air conditioning customers with a rate that reflects the long run marginal cost of their counter-cyclical load usage.

15. SoCal currently has 18 customers who can receive gas and transmission service under these new tariff rates. By switching from their current rate schedules to the new tariffed rates, these customers will save an aggregate of approximately \$150,000. At the same time, SoCal will lose the same amount in revenue from these customers.

16. SoCal estimates that new customers will make up this shortfall in less than two years. In addition, SoCal believes that in the future, incremental revenue from new gas air conditioning customers' associated load will range between \$7 and \$13 million. This incremental revenue will then be used to lower SoCal's overall utility costs to ratepayers.

17. Because of the short-term shortfall that these new rates will generate, CACD recommends that SoCal be required to track the effect SoCal's new rates will have on its operation.

18. CACD recommends that SoCal submit an annual report that:

- \* Describes gas air conditioning volumes for new customers, existing customers that switched to SoCal's new tariff rate, and total customers;
- \* Itemizes costs separated between variable costs and embedded costs; and,
- \* Itemizes the amount of incremental revenue lost from current SoCal customers switching to SoCal's new rate schedules and the amount of incremental revenue gained because of new customers.

19. The report will be based on a calendar year basis. The first report shall be due on March 1, 1994, for partial year 1993, and due on the first work day of March thereafter with the last report due on March 1, 1999.

20. CACD would use this report to track SoCal's revenue shortfall and will file it in Advice Letters' 2191-G's and 2191-G-A's file. If at the end of five years SoCal's gas air conditioning service does not generate additional incremental income above the shortfall SoCal's gas air conditioning rates will be reviewed by DRA. This review will take place in SoCal's next rate setting proceeding (e.g. General Rate Case or BCAP) so that the Commission may determine whether these rates will remain in effect.

21. SoCal also requested that the Commission adopt a five-year rate cap provision when it approves this rate. In determining future rates, the overall rate of change in the gas cooling transmission rate will not exceed the change in the Consumer Price Index (CPI).

22. SoCal believes that it is important for SoCal's potential gas air-conditioning customers to be provided with rate certainty. SoCal also believes that including a rate cap will greatly enhance rate stability for its customers.

23. SoCal believes that adopting a rate cap will give its gas air conditioning customers the following benefits:

- \* Gas air conditioning customers will have assurance that their rates will change in a predictable manner in the near future; and,
- \* The rate escalation cap will improve the customer's ability to secure financing for gas cooling investment.

24. Because the new rates are primarily from incremental (new) customers, that will produce incremental revenue that will be used to decrease SoCal's customers overall utility costs, CACD recommends that the Commission adopts SoCal's rate cap.

25. It is the Commission's policy that all rates be separately metered. SoCal's new tariff sheets require its gas air conditioning customers to either have a separate meter or use a subtraction meter to determine actual usage. This is consistent with the Commission's policy.

#### FINDINGS

1. SoCal requests authorization of new rates that will apply to all gas used by small and large nonresidential core (commercial and industrial) customers, and the core gas-cooling load of noncore customers, to fuel high-efficiency gas cooling absorption chiller units with two-stage generators, designed and built by the original equipment manufacturers, and rated as dual-effect, double-effect or triple-effect units. The cooling output of the absorption chiller units must equal at least 90% of the Btu input at the higher heating value of gas.

2. General Order 96-A, Section V, authorized utilities to file tariff sheets covering a new service or commodity in an advice letter.

3. The proposed gas-cooling transmission rate uses the marginal cost principles established by the Commission in the Long Run Marginal Cost proceeding, and includes all functional costs as well as a full class-allocation of the scaling component, balancing accounts, transition costs, and other non-marginal costs.

4. SoCal should be allowed to provide its gas air conditioning customers with a rate that reflects the long run marginal cost of the customers' counter-cyclical load usage.

5. It is advisable that, because of the short-term shortfall that these new rates will generate, SoCal should file an annual report with CACD that:

- \* Describes gas air conditioning volumes for new customers, existing customers that switched to SoCal's new tariff rate, and total customers;
- \* Itemizes costs separated between variable costs and embedded costs; and,
- \* Itemizes the amount of incremental revenue that was lost because SoCal customers switched to SoCal's new rate schedules and the amount of incremental revenue that was gained because of new customers.

6. The report will be on a calendar year basis. The first report shall be due on March 1, 1994, for partial year 1993, and due on the first work day of March thereafter with the last report due on March 1, 1999.

7. CACD would use this report to track SoCal's revenue shortfall and will file it in Advice Letters 2191-G's and 2191-G-A's file. If at the end of five years SoCal's gas air conditioning service does not generate additional incremental income above the shortfall SoCal's gas air conditioning rates will be reviewed by DRA. This review will take place in SoCal's next rate setting proceeding (e.g. General Rate Case or BCAP) so that the Commission may determine whether these rates will remain in effect.

8. SoCal's request for a rate cap on its gas air conditioning rate is reasonable.

9. It is the Commission's policy that all rates be separately metered. SoCal's new tariff sheets require its gas air conditioning customers to either have a separate meter or use a subtraction meter to determine actual usage. This is consistent with the Commission's policy.

**THEREFORE, IT IS ORDERED that:**

1. Southern California Gas Company is authorized to establish new rates for gas used by small and large nonresidential core (commercial and industrial) customers, and the core gas-cooling load of noncore customers, to fuel high-efficiency gas cooling

absorption chiller units with two-stage generators, designed and built by the original equipment manufacturers, and rated as dual-effect, double-effect or triple-effect units. The cooling output of the absorption chiller units must equal at least 90% of the Btu input at the higher heating value of gas.

2. The effective date of these rates shall be October 6, 1993.

3. Southern California Gas Company shall file an annual report with the Commission Advisory and Compliance Division that:

- \* Describes gas air conditioning volumes for new customers, existing customers that switched to Southern California Gas Company's new tariff rate, and total customers;
- \* Itemizes costs separated between variable costs and embedded costs; and,
- \* Itemized the amount of incremental revenue that was lost because Southern California Gas Company customers switched to Southern California Gas Company's new rate schedules and the amount of incremental revenue that was gained because of new customers.

4. The report will be on a calendar year basis. The first report shall be due on March 1, 1994, for partial year 1993, and due on the first work day of March thereafter with the last report due on March 1, 1999.

5. The Commission Advisory and Compliance Division shall use this report to track Southern California Gas Company's revenue shortfall and will file it in Advice Letters' 2191-G's and 2191-G-A's file. If at the end of five years Southern California Gas Company's gas air conditioning service does not generate additional incremental income above the shortfall Southern California Gas Company's gas air conditioning rates will be reviewed by the Division of Ratepayer Advocates. This review will take place in Southern California Gas Company's next rate setting proceeding (e.g. General Rate Case or Biennial Cost Allocation Proceeding) so that the Commission may determine whether these rates will remain in effect.

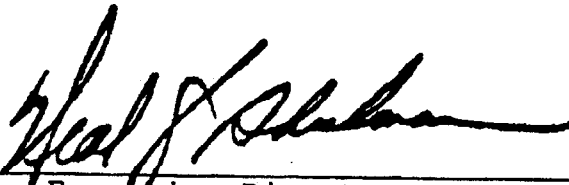
6. Southern California Gas Company's request for a rate cap on its gas air conditioning rates is adopted. This rate cap will terminate on October 31, 1998.

7. Advice Letters 2191-G and 2191-G-A shall be marked to show that they were approved by Commission Resolution G-3084.

8. This resolution is effective today.

October 6, 1993

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on October 6, 1993. The following Commissioners approved it:

  
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Executive Director

DANIEL Wm. FESSLER  
President  
PATRICIA M. ECKERT  
NORMAN D. SHUMWAY  
P. GREGORY CONLON  
Commissioners

Commissioner Jessie J. Knight, Jr.  
present but not participating.

# The Gas Company



*Please file*

*make  
Mark*

Nancy I. Day  
Vice President  
Regulatory Affairs  
**RECEIVED**  
FEB 25 1994  
Energy Branch

February 23, 1994

Mr. Neal J. Shulman  
Executive Director  
Public Utilities Commission  
of the State of California  
505 Van Ness Avenue  
San Francisco, CA 94102

**RE: RESOLUTION G-3084 -- APPROVING TWO NEW  
NONRESIDENTIAL CORE RATE SCHEDULES TO  
PROVIDE GAS AIR CONDITIONING SERVICE**

Dear Mr. Shulman:

Pursuant to Rule 43 of the Commission's Rules of Practice and Procedure, Southern California Gas Company ("SoCalGas") hereby requests that you grant SoCalGas an extension of time -- by 15 days -- to file its "Annual Nonresidential Gas Air Conditioning Service Report", required to be filed by March 1, 1994, in accordance with Ordering Paragraph No. 3 of Resolution G-3084, dated October 6, 1993. If this extension is granted, SoCalGas will file its report no later than March 15, 1994.

This extension of time is requested in order to allow SoCalGas to complete the data compilation and management review required for the report. Key analysts were involved in earthquake-related restorations and the data compilation cannot be completed until after the March 1st deadline. However, the requested 15-day delay in submitting this report will in no way affect the availability of gas air conditioning services provided to SoCalGas' ratepayers.

SoCalGas would appreciate your earliest possible attention to this request. Thank you in advance for your prompt consideration.

Sincerely,

*Nancy I. Day*

cc: Paul Clanon, CACD  
Kevin P. Coughlan, CACD  
Mark Bumgardner, CACD  
Marc Pocta, DRA  
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