

CITY COUNCIL MEETING  
MARCH 6, 1985

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PUC APPLICATION

City Clerk Reimche apprised the Council that the City has been notified of PG&E filing Application No. 85-02-036 requesting under its gas adjustment clause to decrease its gas rates, effective April 1, 1985 by about 0.7%.

PACIFIC GAS AND ELECTRIC COMPANY

PG&E +

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ATTORNEY

February 15, 1985

TO: THE STATE, COUNTY AND CITY OFFICIALS  
AND INTERESTED PARTIES

Pacific Gas and Electric Company (PGandE) has filed Application No. 85-02-036 in which it requests authority from the California Public Utilities Commission (Commission) under its Gas Adjustment Clause (GAC) to decrease its gas rates, effective April 1, 1985, by about 0.7 percent or by approximately \$27.2 million on an annualized basis.

The GAC decrease PGandE currently proposes to place into effect on April 1, 1985, is primarily based upon assumed lower natural gas prices from California and Rocky Mountain sources.

The prices charged to PGandE for both El Paso Natural Gas Company and Pacific Gas Transmission Company gas remain unchanged from the levels reflected in the last GAC proceeding. However, due to a change in the forecasted levels of purchase, the weighted-average costs reflected in this filing are somewhat reduced from the last GAC proceeding. There are possible April 1, 1985, adjustments to the price charged by each of these suppliers which may require revision to this application.

The proposal also reflects the effect of amortizing the undercollection in the Gas Cost Balancing Account (GCBA), estimated as of March 31, 1985.

Authorization of PGandE's proposal only will enable PGandE to recover its gas costs under its GAC. It will not enable PGandE to earn a rate of return above the level which the Commission last found to be just and reasonable for PGandE's Gas Department.

A copy of the Application and related exhibits may be examined at the office of the California Public Utilities Commission, State Building, 350 McAllister Street, San Francisco, California 94102; at Pacific Gas and Electric Company, 77 Beale Street, Room 3107, or c/o Regional Managers in PGandE's Regional headquarters in Fresno, Oakland, Sacramento, San Francisco, San Jose and San Rafael.

This Notice is given in accordance with Rule 24 of the revised Rules of Practice and Procedure of the California Public Utilities Commission.

Very truly yours,

PACIFIC GAS AND ELECTRIC COMPANY

By Peter W. Hanschen

PETER W. HANSCHEN