

Decision No. 13317

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application of Pacific Gas and Electric Company, a corporation, for an order of the Railroad Commission of the State of California authorizing applicant to increase its rates and charges for electric energy.

Application No. 5567

and proceedings consolidated therewith)
(Application 3602, Cases 748, 840, 930,)
934, 996, 1203, 1669).

SEAVEY and BRUNDICE, COMMISSIONERS:

OPINION AND ORDER ON PETITION FOR REHEARING OF
PACIFIC COAST STEEL COMPANY AND JUDSON MANUFACTURING COMPANY.

Application No. 5567 of Pacific Gas and Electric Company, and other applications and cases consolidated therewith for hearing and decision, involved the determination of the value of applicant's property, its operating expenses and revenues, and the determination of reasonable rates to be charged for electricity supplied for various purposes. During the hearings in this matter, Pacific Coast Steel Company and Judson Manufacturing Company entered their appearance and urged that rates charged them for electricity had been increased more from pre-war levels than had the average rates of other classes of consumers and that special consideration should be given to the rates for electricity to be paid by steel mills because of the basic character of the steel industry. In Decision No. 11457, dated December 30, 1922, the Railroad Commission gave

full consideration to property values, operating expenses, revenues, etc., and fixed what were declared to be just and reasonable rates to be charged all classes of consumers.

Pacific Coast Steel Company and Judson Manufacturing Company now petition for a rehearing, alleging that the Commission intended to grant them relief, but that the schedules as actually fixed in the decision did not carry out this intention. The evidence introduced in support of the petition for rehearing shows that as a result of Decision No. 11457, consumers of the size of the steel mills in question received a slight reduction in rates when operating at a low load factor, a considerably larger reduction at higher load factors, and that the increase in the rates now paid, as compared with pre-war rates, is larger than for certain other classes of consumers. The petitioners claim that their industry is basic in character and therefore entitled to special rates, and that the load factor provisions of the regular schedule of rates work an unusual hardship upon steel mills on account of the character of their operations.

These claims have been seriously considered, but we are unable to agree that they warrant the establishment of a special rate for this industry. These petitioners as consumers of Pacific Gas and Electric Company now pay the same rates for electricity as other industrial consumers of like size and character, and we believe that this condition should continue.

We recommend the following form of order:

O R D E R

Pacific Coast Steel Company and Judson Manufacturing Company, having petitioned for a rehearing in Application 5567 of Pacific Gas and Electric Company and consolidated proceedings,

Decision No. 11457, and the Railroad Commission being of the opinion that no change in said decision is necessary,

IT IS HEREBY ORDERED that the petition for rehearing of Pacific Coast Steel Company and Judson Manufacturing Company in the above entitled matter, be and the same is hereby denied.

The foregoing Opinion and Order are hereby approved and ordered filed as the opinion and order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 23rd day of March, 1924.

C. Seaney

H. B. Bunting

Irving Martin

Egerton Shore

J. T. Whitting

Commissioners