

ORIGINAL

Decision No. 15930

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of the application of
GREAT WESTERN POWER COMPANY OF CALI-
FORNIA for a certificate of public
convenience and necessity for the
construction of a certain electric
transmission line and for the ex-
ercise of a certain franchise granted
by the County of San Mateo.

Application No. 12,189.

Chaffee E. Hall, for applicant.

C. P. Cutten, for Pacific Gas and
Electric Company.

SEAVEY, COMMISSIONER.

O P I N I O N

Great Western Power Company of California, applicant herein, asks this Commission to make its order granting to applicant a certificate that present and future public convenience and necessity require, and will require, the construction and operation of a transmission line in San Mateo County extending from the north county line in a southerly direction generally along the Sky Line Boulevard to a point near the Upper Crystal Springs Dam, then southwesterly to a point near the town of Half Moon Bay, a distance of approximately twenty-two miles, and the exercise of the rights and privileges conferred to it under and by Ordinance No. 341 of the County of San Mateo to the extent necessary to permit it to construct, operate and maintain said transmission line.

Great Western Power Company of California operates a

distribution system in that portion of San Mateo County from the south limits of the City of San Francisco to the town of Lobitos, a distance of approximately 25 miles, generally serving the territory adjacent to the Pacific Ocean, and for a distance of three or four miles inland, the main community served being the town of Half Moon Bay. The present service is supplied through an 11,000 volt line from the San Francisco system of the Great Western Power Company. The system is in general isolated from the rest of the system operated by the Great Western Power Company. The service rendered on this system is very unsatisfactory. The line now serving the territory is inadequate, and the service is subject to many interruptions and fluctuations. It is very apparent that public convenience and necessity require improvement of service be made through the making available of additional power supply to this territory.

The Pacific Gas and Electric Company serves the territory on the east side of San Mateo County adjacent to San Francisco Bay. This section is the better built-up section of San Mateo County and that developing most rapidly. The system of the Pacific Gas and Electric Company is in general from six to ten miles distant from the Half Moon Bay territory served by Great Western Power Company, but parallels it the entire distance of approximately twenty-five miles.

The proposal of the applicant herein is to construct a 44,000 volt transmission line from San Francisco in general along the Sky Line Boulevard on the east side of the valley in which are located the Spring Valley Water Company's reservoirs, and in territory generally in or contiguous to that served by Pacific Gas and

Electric Company. The line is to consist of a steel tower line, except for approximately three miles at the southern end between the summit of the divide between the reservoirs, and the coast, where a pole line the remainder of the way to Half Moon Bay is contemplated.

The estimated cost to the Great Western Power Company of constructing the transmission line from San Francisco to Half Bay is approximately \$156,000. This would make available a transmission line with a capacity when operated at 44,000 volts of 5,000 kilowatts, and ultimately with two circuits 10,000 kilowatts capacity. The present load in the Half Moon Bay territory is approximately 2,000 kilowatts. The evidence presented by the Commission's engineers indicates that a connection could be made from the transmission system of the Pacific Gas and Electric Company to Half Moon Bay for a total cost of approximately \$80,000. as compared with the \$156,000. estimated by the applicant. It is to be noted that to supply this territory, which is in general isolated from the main system of Great Western Power Company of California, that company is required to transmit the power by cable across San Francisco Bay from its Golden Gate sub-station near Richmond, thence by underground cable and overhead 11,000 volts system to the south county line of San Francisco where it is planned to install a step-up sub-station from 11 to 44 K.V. for the transmission twenty-two miles to Half Moon Bay, where a step-down sub-station would be required. The Pacific Gas and Electric Company transmits power northward, or in the opposite direction parallel to the proposed extension for the major portion of the distance.

Applicant urges that the cost of power delivered to this transmission line at the San Francisco end is materially less than that which it would have to pay Pacific Gas and Electric Company for

power, and although some saving in capital would result by connection with purchase from Pacific Company, this would be offset by the lesser power cost. I am not greatly impressed with the contention that the power costs to the Great Western Power Company at the San Francisco end of the transmission line are materially less than the cost thru purchase from Pacific Gas and Electric Company. Taxes on the purchase price would be eliminated and saving would result thru diversity of use of the system of Great Western Power Company, which would be of some benefit.

It would appear from consideration of the service to the public as a whole, that it would be a more economical procedure if the service of this district were co-ordinated with the service now being supplied on the east side of the peninsula, rather than attempt to serve it as an isolated district extending southward from San Francisco. Both companies serving the peninsular district should give this serious consideration before unnecessary expenditures are made. It does appear, however, with the legal division of the territory as it now exists, that a decision of the management of the company to make the expenditures for services should be given special weight provided no serious detriment to the public results. The management must take the responsibility for any unnecessary investment which may be made, and the public should not be called upon to pay a return on unnecessary investment.

In view of the need of immediate relief from the service in the district now served by Great Western Power Company of California generally along the west coast of San Mateo County, I conclude that the company should be granted a limited certificate of public convenience and necessity for the transmission line in

question, with the definite understanding that this authorization does not approve the reasonableness of expenditures which may be made.

O R D E R

Great Western Power Company of California having applied for a certificate of public convenience and necessity to construct a certain transmission line, and for the exercise of a certain franchise, Ordinance No. 341 of the County of San Mateo; a public hearing having been held, and the matter being ready for decision;

The Commission hereby declares and certifies that the present and future public convenience and necessity require, and will require, the construction and operation of that certain transmission line as is generally designated on Exhibit "B" attached to the application, and the exercise of the rights and privileges conferred to Great Western Power Company of California, under Ordinance No. 341, of the County of San Mateo granted to said applicant on the fifth day of October, 1925, to the extent necessary to permit Great Western Power Company of California to construct, operate and maintain said transmission line for the sole purpose of transmitting electric energy to and for the sale and distribution in that territory now served by Great Western Power Company of California, and which it may serve in the general course of its business, located in that portion of San Mateo County which it has heretofore obtained legal authority to serve. The certificate herein granted is subject to the following conditions, precedent to said certificate becoming final.

1. Great Western Power Company of California shall, within thirty (30) days, file a stipulation duly authorized by its board of directors, agreeing that neither it, nor its successors or assigns, will

claim before the Railroad Commission of the State of California, or any court or other public body having jurisdiction, a value for the franchise, Ordinance No. 341 of the County of San Mateo, in excess of the cost to it of said franchise. The cost of the franchise shall be set forth in the stipulation.

2. Great Western Power Company of California shall file a stipulation duly authorized by its board of directors, agreeing that it will at no time, unless after receiving further permit from this Commission granting such right, use the transmission line herein authorized to be constructed for the transmission of electricity for sale or distribution to consumers in any territory not within the territory for which it has heretofore obtained legal right to serve.

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 3rd day of February, 1926.

H. B. ...

C. ...

Leon Whitall

Commissioners.