Decision NO. 24245

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of COAST COUNTIES GAS & ELECTRIC COMPANY, a corporation, for an order of the Railroad Commission of the State of California granting to applicant a certificate of public convenience and necessity to exercise the rights, privileges and franchise granted to applicant by Ordinance No.81-A, of the Town Board of the Town of San Juan, County of San Benito, State of California.

Application No.15665.

Reginald L. Vaughan for applicant. Thelen & Marrin for Western Natural Gas Company.

WHITSELL, Commissioner.

OPINION

In this application Coast Counties Gas & Electric Company asks the Railroad Commission of the State of California for an order granting to applicant a certificate of public convenience and necessity authorizing it to exercise the franchise rights under the franchise granted to it by Ordinance No.81-A of the Town Board of the Town of San Juan, County of San Benito, State of California.

The application sets forth that Coast Counties Gas & Electric Company, a California corporation, is and has been for years past engaged in the business of producing, generating, transmitting, delivering, furnishing and selling electricity and gas for light, heat and power purposes in various counties, cities and towns in central California.

And, further, that pursuant to the rights and privileges of the above mentioned franchise, applicant proposes to construct an extension from the natural gas transmission line now being installed by the Pacific Gas & Electric Company through the County of San Benito or to the nearest branch thereof and to construct a complete gas distribution system within the incorporated town limits of the Town of

San Juan, for the distribution of gas to the inhabitants thereof.

Applicant states that it is now serving this community with electrical energy and that the purpose of this application for certificate of public convenience and necessity is not for the purpose of engaging in the public utility business in competition with any other public utility.

It appears from evidence presented at public hearing held at San Francisco, California, June 13, 1929, that applicant, at the request of the residents of the Town of San Juan, made an investigation into the necessity and feasibility of serving natural gas to the residents of that town. Witnesses for applicant stated that the result of such investigation disclosed the fact that some one hundred and fifty potential consumers in the Town of San Juan desired such service, and it was deemed feasible to serve them natural gas to be purchased from the Pacific Gas & Electric Company, through the transmission line now being constructed by the latter utility, which line will pass through San Benito County. Witnesses further stated that as yet no contract had been entered into with the Pacific Gas & Electric Company covering the purchase and sale of natural gas for this contemplated service, but that such contract would be negotiated and submitted to the Commission for approval.

I submit the following form of order:

ORDER

COAST COUNTIES GAS AND ELECTRIC COMPANY having applied to the Railroad Commission of the State of California for an order and decision certifying that present and future public convenience and necessity require and will require the exercise by applicant of the rights and privileges and franchise granted to it by Ordinance

No.81-A of the Town Board of the Town of San Juan, County of San Benito, State of California,

Public Hearings having been held and the matter being now ready for decision,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY CERTIFIES AND DECLARES that public convenience and necessity require and will require the exercise by Coast Counties Gas and Electric Company of the rights and privileges and franchise granted to it by Ordinance Bo.81-A adopted by the Town Board of the Town of San Juan, County of San Benito, State of California, on April 9,1939.

The above certification is subject to the following conditions and not otherwise:

- l. That on or before September 30, 1929, Coast Counties Gas & Electric Company shall file with this Commission a stipulation duly executed on authority of its Board of Directors, agreeing that applicant, its successors or assigns, will never claim before the Railroad Commission, or any court, or any other public body, a value for this franchise in excess of the original cost thereof.
- 2. That four copies of the natural gas purchase and sale contract between applicant and Pacific Gas and Electric Company shall be submitted to this Commission for its approval immediately after such contract has been entered into and signed.

For all other purposes the effective date of this order shall be twenty (20) days from and after the date hereof.

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 this Jh day of July, 1929.

Leon Owhile

Commissioners.