

Decision No. 22134.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

ORIGINAL

In the Matter of the Application of the PALM SPRINGS WATER COMPANY for certificate of public convenience and necessity to begin the construction of a gas plant and for a permit to manufacture, distribute and sell gas for domestic and industrial purposes.

Application No. 16181.

A. F. Hicks, for Applicant.

L. T. Rice, for Southern California Gas Company, Protestant.

LOUTTIT, COMMISSIONER:

O P I N I O N

In the above entitled matter, filed with this Commission on December 23, 1929, the Railroad Commission is asked to make its order granting authority to the applicant to construct and operate a gas plant for the purpose of furnishing domestic and commercial gas service to the residents of Palm Springs and vicinity, Riverside County, California.

A public hearing on this application was held at Palm Springs on January 22, 1930, before Commissioner Louttit.

The applicant, through its witnesses, stated that Palm Springs is an unincorporated town and that the Board of Supervisors of Riverside County had advised that a permit would be issued for the construction and operation of a gas plant, provided this

Commission would grant such authority to the Palm Springs Water Company.

The applicant proposes to serve Butane Gas of a quality of 550 B. t. u. per cubic foot. The testimony introduced by the applicant is vague as to number of prospective consumers and their fuel requirements, cost of production and distribution plant, and cost of operation. The applicant was unable to state what rates, or charges, would be placed in effect for the proposed service. I am unable to determine from the applicant's showing whether an adequate service would be available to all prospective consumers, or whether the charges for such service would have to be prohibitive in meeting the cost of operation. The applicant made no showing of any facts that would justify the granting of authority sought in this application.

The Southern California Gas Company filed an appearance in this matter as a protestant. It appears that the Board of Supervisors of Riverside County passed and approved ordinance No. 139, on March 5, 1919, granting franchise rights to the Southern California Gas Company for gas service and that the Railroad Commission granted, by its Decision No. 6270, dated April 16, 1919, permission to the Southern California Gas Company to exercise such franchise rights. The protestant, through its witnesses, showed that preliminary surveys were started during August 1929 with a view of either establishing local Butane Gas service in Palm Springs, or furnishing natural gas service by means of a transmission line from Banning; that during November 1929 company determined to establish natural gas service, advising the Commission by letter under date of December 13,

1929, that it had decided to lay a line from Banning to Palm Springs; that on January 22, 1930, approximately two-thirds of this transmission line was completed and that the entire line would be completed within a period of three weeks and that domestic, commercial, industrial and gas engine service would be made available to the inhabitants of Palm Springs and vicinity at identical rates presently in effect in Banning, Beaumont and its present Rate District No. 26.

It appears from evidence before us that the Southern California Gas Company would render a more satisfactory service than that proposed by the applicant and at lower rates and, further, that same would be available to all classes of consumers.

I, therefore, recommend the following form of order,

O R D E R

Application having been made to the Railroad Commission for an order authorizing the construction of a gas plant and permission to manufacture, distribute and sell gas for domestic and industrial purposes in the unincorporated town of Palm Springs and vicinity, a public hearing having been held, the matter having been duly submitted, the Commission being fully advised, and basing its order on the conclusions appearing in the opinion preceding this order;

IT IS HEREBY ORDERED that the application of the Palm Springs Water Company for a certificate of public convenience

and necessity be and it 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.

The effective date of this order shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this 18th day of February, 1930.

Cl. Seaver
Edmunds

Thos. B. Curtis

M. J. Linn
Commissioners.