Decision No. 22194

JES:CG:GF

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of COAST COUNTIES GAS & ELECTRIC COMPANY, a corporation, for and order of the Railroad Commission of the State of California, granting a certificate of public convenience and necessity to exercise the right, privilege and franchise granted to Applicant by Ordinance No. 372 of the Board of Supervisors of the County of Monterey, State of California. SKIGINAL

Application No. 15932.

W. F. Williamson, Wallace and Vaughn, by Reginald L. Vaughn for applicant.

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

WHITSELL, COMMISSIONER:

<u>O P I N I O N</u>

In this application Coast Counties Gas and Electric Company asks the Commission to make its decision and order granting and issuing to applicant a certificate declaring that public convenience and necessity require and will require the exercise by it of the franchise rights and privileges granted to it by Ordinance No. 372 of the County of Monterey and to make such other order as is meet and proper in the premises.

A public hearing was held at San Francisco, October 1st, 1929, that all parties interested might appear and be heard.

It appears from the evidence that applicant is rendering and has for many years past rendered a manufactured gas service in the cities of Watsonville and Santa Cruz, in Santa Cruz County,

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and the unincorporated village of Watsonville Junction, and territory south and adjacent to Watsonville in Monterey County. Applicant proposes to construct a pipe line from a point of supply in or near San Juan, San Benito County, across the northeast portion of Monterey County to Watsonville in Santa Cruz County, and to substitute the service of straight natural gas for manufactured gas in the above named localities and to serve natural gas within that portion of Monterey County where it is now supplying electric service. Applicant defines this area as that portion of Monterey County lying north of an east and west line passing approximately one mile north of the salt works at Moss Landing.

It is in connection with the plan to extend this transmission line through Monterey County, and the service referred to above, that applicant wishes to exercise franchise rights granted by the County of Monterey. The service of straight natural gas to consumers now receiving manufactured gas, as well as to consumers not now receiving gas service, is, when feasible, clearly in the public interest.

A copy of the franchise granted by the County of Monterey is attached and made a part of the application. Applicant has filed with this Commission a stipulation to the effect that it will never claim any value for said franchise in excess of the actual cost thereof, which cost is stated to be \$164.50.

I recommend the following form of Order:

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ORDER

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Coast Counties Gas and Electric Company having asked this Commission for a certificate declaring that public convenience and necessity require and will require the exercise by it of

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franchise rights granted to it by the County of Monterey, a public hearing having been held, the matter being submitted and now ready for decision;

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and the same is hereby granted to Coast Counties Gas and Electric Company for the exercise, within its electric service area as above defined, of franchise rights granted to it under Ordinance No. 372 of the County of Monterey, subject to the following conditions:

(1) That all of the natural gas transported or distributed in applicant's Southern Division shall be disposed of, allocated and distributed in accordance with the orders of this Commission.

(2) That this Commission may hereafter, by appropriate proceedings and orders, revoke or limit, as to territory not then; served by Coast Counties Gas and Electric Company, the authority herein granted.

The authority herein granted shall be effective from and after the date of this order.

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 $\frac{12}{2}$ or March , 1930.

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