

Decision No. 93216.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of the application of SAN JOAQUIN LIGHT AND POWER CORPORATION, a corporation, GREAT WESTERN POWER COMPANY OF CALIFORNIA, a corporation, and PACIFIC GAS AND ELECTRIC COMPANY, a corporation, for an order of the Railroad Commission declaring that public convenience and necessity require and will require the construction of the gas and electric projects described in this petition and the exercise in connection therewith of all necessary rights, easements, permits and franchises obtained or to be obtained, etc.

ORIGINAL

Application No. 16993.

C. P. Cutten for San Joaquin Light and Power Corporation, Great Western Power Company of California and Pacific Gas and Electric Company.

DECOTO, COMMISSIONER:

O P I N I O N

In this application, San Joaquin Light and Power Corporation, Great Western Power Company of California and Pacific Gas and Electric Company ask that:

The Railroad Commission duly give and make its order and decision declaring that public convenience and necessity now require and will require the construction, completion, operation and maintenance by applicant, Great Western Power Company of California, of the electric transmission circuit and facilities described in the body of this application, and the use by it of all lands and rights-of-way, and the exercise by said applicant of all permits, easements and franchises which may be used or useful in connection with the construction, completion, operation and maintenance of said circuit and facilities; and that said Railroad Commission duly issue its certificate that public convenience and necessity require that such work be done and that such construction be made by said Great Western Power Company of California; and,

The Railroad Commission duly give and make its order and decision declaring that public convenience and necessity now require and will require the construction, completion, operation and maintenance by applicant, San Joaquin Light and Power Corporation, of the gas and electric project mentioned and described in the body of this application, and the use by it of all lands and rights-of-way, and the exercise by said applicant of all permits, easements and franchises which may be used or useful in connection with the construction, completion, operation and maintenance of said project and the furnishing and supplying, by said applicant, of the natural gas service hereinbefore mentioned; and that said Railroad Commission duly issue its certificate that public convenience and necessity require that such work be done, that such construction be made, and that such natural gas service be furnished and supplied by said San Joaquin Light and Power Corporation.

This application, in which Pacific Gas and Electric Company joins, for the reason that the contemplated additions and betterments of Great Western Power Company of California and San Joaquin Light and Power Corporation involve its interests in the properties of said utilities and its other operative properties, sets forth the contemplated construction projects as follows:

1. Fresno-Merced Natural Gas Transmission Line by San Joaquin Light and Power Corporation.

Construction of a high pressure natural gas transmission main consisting of 53 miles of 8-inch and 8 miles of 12-inch main, traversing the counties of Fresno, Madera and Merced from the terminus of Southern California Gas Company's 8-inch high pressure main in Fresno to applicant's gas manufacturing plant in the City of Merced at an estimated cost of \$670,058.00, including lands, mains, meters, regulators and station structures. On or about October 18, 1930, applicant alleges that it filed applications for franchises with the counties of Fresno, Madera and Merced. This line would furnish natural gas to the inhabitants of Merced and other communities and for the operation of a steam electric generating plant which applicant contemplates constructing at Herndon.

2. Kettleman Hills - Herndon Natural Gas Transmission Line by San Joaquin Light and Power Corporation.

Construction of a high pressure natural gas transmission line, consisting of approximately 50 miles of 12-inch main traversing Kings and Fresno Counties from the Kettleman Hills compressor station of Pacific Gas and Electric Company in Kings County to Grant Avenue and Belmont Street, adjacent to the City of Fresno, where said main will connect with the above described 12-inch high pressure main to Herndon, at an estimated cost of \$593,600.00, including lands, mains, meters, regulators and station structures. Applicant proposes to obtain all necessary lands, rights-of-way, permits, easements and franchises for the construction, operation and maintenance of said line. This line would be used for the purpose of furnishing natural gas fuel for the Herndon steam electric generating plant and would serve as a standby to the Southern California Gas Company's Kettleman-Fresno line.

3. Herndon Steam Electric Generating Plant by San Joaquin Light and Power Corporation.

Construction of a steam electric generating plant on the San Joaquin River near Herndon, Fresno County, to be initially equipped in 1932 with one 50,000 K.W. turbo generator and one 1,400 pound boiler equipped to burn natural gas as fuel and other appurtenances necessary thereto, at a total estimated cost of \$4,610,000.00. This plant is part of applicant's program for meeting the growth of its electric load.

4. Herndon Substation and additions to Ashlan Avenue, Sanger, Concoran and Kern Oil Substation by San Joaquin Light and Power Corporation.

(a) Construction of a new 75,000 K.V.A. substation and appurtenances necessary thereto, adjacent to the aforementioned Herndon steam electric generating plant, at a total estimated cost of \$540,000.00. This substation besides handling the power from said steam plant would tie in the 220 KV electric transmission line from Wilson Substation with the 110 KV line to Ashlan Avenue Substation.

(b) Installation of four 115 KV oil circuit breakers and appurtenances necessary thereto at the existing Ashlan Avenue Substation, at a total estimated cost of \$60,000.00.

(c) Installation of two 115 KV oil circuit breakers and appurtenances necessary thereto at the existing Sanger Substation, at a total estimated cost of \$33,200.00.

(d) Installation of four 115 KV and two 70 KV oil circuit breakers and appurtenances necessary thereto at the existing Corcoran Substation, at a total estimated cost of \$47,000.00.

(e) Installation of one 20,000 K.V.A. synchronous condenser and appurtenances necessary thereto at the existing Kern Oil Substation, at the total estimated cost of \$160,000.00.

5. Wilson-Ashlan, Herndon-Ashlan, Ashlan-Sanger and Sanger-Corcoran Changes and Additions by San Joaquin Light and Power Corporation.

Re-insulation from Wilson Substation to Herndon, a distance of 42 miles, of the existing 110 KV line for 220 KV operation; the installation on existing tower line from Herndon to Ashlan Avenue Substation, a distance of six miles, a new 110 KV three phase circuit; installation on existing tower line between Ashlan Avenue and Sanger Substations, a distance of approximately 13 miles, a second 110 KV three phase circuit; installation on existing tower line between Sanger Substation and Corcoran, a distance of approximately 42 miles, a third 110 KV three phase circuit. The total estimated cost of these is \$206,960.00.

6. Second Circuit - Bellota to Wilson Substation by Great Western Power Company of California.

Installation of a second 220 KV three phase circuit on existing tower line between Brighton and Wilson Substations from a point near Bellota to Wilson Substation, a distance of approximately 60.5 miles, at a total estimated cost of \$469,000.00. This new circuit would effect a 220 KV interconnection between the electric systems of Pacific Gas and Electric Company and San Joaquin Light and Power Corporation and would serve as a standby for the existing single circuit Great Western-San Joaquin tie line from Brighton to Wilson and for the proposed Herndon steam plant.

7. Financing of Projects.

Applicants, Great Western Power Company of California and San Joaquin Light and Power Corporation, propose to finance these projects by means of funds obtained from the issue and sale of such of their stocks, bonds, notes, etc., as shall hereafter be authorized by this Commission and/or by means of moneys to be borrowed by them from applicant, Pacific Gas and Electric Company. In this connection, Pacific Gas and Electric Company alleges that any advances and loans made to said Great Western Power Company and/or San Joaquin Light and Power Corporation for the purposes aforesaid will be made from said Pacific Gas and Electric Company's income and cash on hand not obtained from the issue of any of its stock, bonds, notes, etc., and/or from the proceeds to be received from the issue and sale of such of said Pacific Gas and Electric Company's stock, bonds, notes, etc., as shall be authorized by this Commission for said purpose.

Applicants further allege that the construction of the natural gas transmission lines outlined above will enable applicants to furnish and supply natural gas service to inhabitants and industries situated in territory not now being furnished and supplied with such natural gas service, all to the advantage of such inhabitants and industries and the quickening of the development of the territory involved; that the construction of the electric transmission circuits, steam generating plant, substations and facilities will, among other things, make available additional electric energy to meet the growing demand therefor and will effect a further and more complete interconnection and use of the electric transmission facilities and systems involved, including the ready utilization of the hydroelectric and steam electric resources of each system, the possible interchange of energy between systems and will afford additional insurance against possible interruptions of electric service, all for the best interests of the public furnished and supplied with public utility service by said applicants.

A public hearing was held in connection with this application at San Francisco, California, on December 9, 1930, at which time and place testimony and evidence were introduced relative thereto. At said hearing no one appeared to oppose the granting of the application.

From a study of the testimony and evidence introduced in this proceeding, I am of the opinion that the application should be granted.

I recommend the following form of order:

O R D E R

San Joaquin Light and Power Corporation, Great Western Power Company of California and Pacific Gas and Electric Company

having asked that the Railroad Commission of the State of California duly give and make its order and decision declaring that public convenience and necessity now require and will require the construction, completion, operation and maintenance by applicants of the natural gas and electric projects set forth in the above Opinion and the exercise by applicants of all permits, easements and franchises necessary thereto, and the authorization of the same, public hearing having been held, the matter being submitted and now ready for decision,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY ORDERS AND DECLARES that public convenience and necessity now require and will require the construction, completion, operation and maintenance of the projects all as set forth in the above opinion and the exercise of all permits, easements and franchises necessary thereto by applicants, San Joaquin Light and Power Corporation and Great Western Power Company of California, in so far as such permits, easements and franchises are necessary for the specific projects enumerated in this decision.

The authorization and certification herein granted is subject to the following conditions and not otherwise:

- (1) That all of the natural gas transported by means of said pipe lines shall be disposed of, allocated and distributed in accordance with the orders of this Commission.
- (2) That applicant shall, when transmission line and compressor capacities permit, transport natural gas for other utilities, the volume of gas thus transported and the transportation charges made therefor being subject to the approval of this Commission.
- (3) That no natural gas transported through said pipe lines shall be delivered or sold for re-sale except under such conditions as may be specifically approved by this Commission.

- (4) That applicants, Great Western Power Company of California and San Joaquin Light and Power Corporation, shall file with this Commission certified copies of all franchises used in connection with the electric and natural gas projects authorized herein.
- (5) That applicants, Great Western Power Company of California and San Joaquin Light and Power Corporation, shall file with this Commission stipulations duly executed on authority of their Boards of Directors agreeing that they will never claim before the Railroad Commission, or any other court or body, for any of the permits, easements and franchises used in connection with these projects, values in excess of the actual costs thereof, which costs shall be set forth in the stipulations.
- (6) Upon the filing in satisfactory form of the franchises and stipulations referred to in paragraphs (4) and (5), the Commission will issue its supplemental order authorizing the exercise of the rights conferred by said franchises.

The effective date of this order shall be from and after the date hereof.

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, California, this 24th day of December, 1930.

C. C. Sewer
John H. ...
Leon ...
Thos. ...
M. J. ...
 Commissioners.