

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Investigation
on the Commission's own motion into
the reasonableness of requiring Coast
Valleys Gas & Electric Company to ex-
tend its electric system to serve
East Monterey and Seaside.

ORIGINAL
Case No. 1802

James F. Pollard, for Coast Valleys Gas
& Electric Company.

F.A. Edwards, for East Monterey Improvement
Association.

J.L.D. Roberts and W.W. Mills, for proposed
Seaside users.

BY THE COMMISSION:

O P I N I O N

This is a proceeding instituted on the Commission's own motion to determine the reasonableness of requiring Coast Valleys Gas and Electric Company to build and construct an extension to its electric distributing system to serve a portion of Monterey County, known as Seaside and East Monterey. A hearing in this matter was held before Examiner Eddy at Monterey on September 26th, 1922, at which time evidence was received and the matter submitted.

In Application No. 8095 Del Monte Light and Power Company requested this Commission to grant it a Certificate of Public Convenience and Necessity in order that it might render electric service to certain consumers in and adjacent to Seaside and East Monterey. In Decision No. 10962 in that application this Commission denied the request of Del Monte Light and Power Company and at the same time recommended that

this proceeding be instituted and suggested that Coast Valleys Gas and Electric Company either acquire the existing property of Del Monte Light and Power Company extending from Hotel Del Monte to Seaside used for the rendering of service to certain consumers now being served in and adjacent to Seaside, or extend its own system to serve these consumers.

Del Monte Light & Power Company was granted a rehearing in this matter and this Commission in its Decision No. 11,099 again denied its request for a Certificate of Public Convenience and Necessity.

Coast Valleys Gas and Electric Company, through Mr. James F. Pollard, introduced evidence to the effect that Coast Valleys Gas and Electric Company should not be required to make this extension for the reasons that it would not have during the coming year sufficient available cash to make this extension, providing other additions to its system now contemplated were to be made; that applicants for service in this territory would not be deprived of service as Del Monte Light and Power Company could render this service; that it is in the interest of economy that Del Monte Light and Power Company make this extension due to the initial saving in the cost of construction in this particular extension by Del Monte Light and Power Company and that if Coast Valleys Gas and Electric Company is required to make this extension it would amount to confiscation of its property under the present rates which it charges for electric service.

Coast Valleys Gas and Electric Company has the right to render service within the territory where service is requested and it is its duty so to do. At present there are applications for

service from some thirty consumers desiring service for lighting, heating and power purposes. This territory is devoted largely to poultry farming and agriculture and is a rapidly growing community and with electric service should grow even at a faster rate than at present. To build and construct the extension to render service to those parties not now served by Del Monte Light and Power Company now applying, if extended from the line of Del Monte Light and Power Company, terminating at Seaside, is estimated to cost approximately \$3,935.00 and if extended from the present lines of Coast Valleys Gas and Electric Company approximately \$4,860.00.

Del Monte Light and Power Company is at present operating an electric line from Hotel Del Monte to Seaside, at which latter point it serves some twenty consumers. This line was extended into this territory by Del Monte Light and Power Company without franchise or certificate. In Decision No. 11,099 in Application No. 8095, this Commission found that Del Monte Light and Power Company had at no time a right to serve in the vicinity of Seaside and it was suggested that Coast Valleys Gas and Electric Company either acquire the facilities and equipment now owned and operated by Del Monte Light and Power Company extending from Hotel Del Monte to Seaside or construct an extension to render service to these consumers.

Under the present effective rules and regulations governing the construction and installation of extensions by Coast Valleys Gas and Electric Company, the applicants now requesting service would be required to advance to the Company a portion of the cost of the extension. These rules also provide that in exceptional cases which may appear to warrant a departure from the regular rules the matter at issue shall be subject to the jurisdiction of this Commission and this particular extension falls in this class for the Commission's consideration.

In view of the peculiar conditions surrounding this case, the recent growth of this community and the prospects for future business this Commission is of the opinion that Coast Valleys Gas and Electric Company should make this extension entirely at its own expense and that the applicants for service should be required to advance no portion of the cost of the extension facilities or equipment necessary to render the service applied for.

ORDER
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The Railroad Commission having instituted a proceeding on its own motion for the determination of the reasonableness of requiring Coast Valleys Gas and Electric Company to render electric service to certain applicants in a portion of Monterey County known as Seaside and East Monterey, a hearing having been held and the matter being submitted and now being ready for decision:

The Railroad Commission hereby finds as a fact that it is reasonable to require Coast Valleys Gas and Electric Company to install and construct, an extension for the purpose of rendering electric service to those applicants requesting the same in and adjacent to Seaside and East Monterey located in Monterey County not now receiving electric service and to take such steps necessary to render service to those consumers in and adjacent to Seaside now being served by Del Monte Light and Power Company.

Basing its Order on the foregoing findings of fact and other findings of fact contained in the Opinion which precedes this Order,

IT IS HEREBY ORDERED that

(1) Coast Valleys Gas and Electric Company at its sole expense build and construct an extension and install all necessary facilities and equipment to render electric service to those applicants now requesting such service located in and adjacent to Seaside and East Monterey and specifically referred to in Informal Complaint 23449 before this Commission.

(2) Coast Valleys Gas and Electric Company commence work on the construction of above extension prior to November 1st, 1922, and complete the same and render service on or before December 1st, 1922.

IT IS HEREBY FURTHER ORDERED that Coast Valleys Gas and Electric Company on or before December 1st, 1922 serve all those consumers now receiving electric service in and adjacent to Seaside either by extension from its own lines or by acquiring lines now operated by Del Monte Light and Power Company used in serving this territory.

The effective date of this Order shall be November 1st, 1922.

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 11th day
October
of ~~November~~, 1922.

Erving Watson

Charles H. ...

J. J. ...

Commissioners