Decigion No-____

CRIGINAL

BEFORE THE RAILROAD COMMISSION OF THE

STATE OF CALIFORNIA

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Calistoga Electric Company, Complainant v3. Napa Valley Electric Company, Defendant		Case No. 508
Commission's investigation into rates of Napa Valley Electric Company	:	Case No. 538
Calistoga Electric Company, Complainant vz. Napa Valley Electric Company Defendant		Case No. 967

Milton S. U'Ren and D. L. Board for Napa Valley Electric Company.

J. C. Meyerstein for Calistoga Electric Company.

EDGERTON, Commissioner

OPINION ON APPLICATION FOR REHEARING

The material grounds set up in this application for rehearing are that the Commission was influenced in making its Order by a report of its engineers, the contents of which report were never disclosed to the companies interested and therefore no opportunity was given to meet either the statement of facts or the opinions contained in such report.

-1-

Decision No. 4344

Also it is contended that while the Commission has power to fix rates regardless of contracts for a public utility service between the public utility and its consumers, it has no such power to fix rates for electrical service rendered by one company to another, particularly where a contract exists evidencing an agreement as to such rates between such companies.

This matter was set down for a hearing and at such hearing the report of the engineers of this Commission, inspection of which had theretofore been denied the parties herein, was put in evidence and Mr. Arthur F. Bridge, one of the Commission's electrical engineers, who made this report, was placed upon the witness stand and full opportunity was given petitioners to examine and crossexamine Mr. Bridge.

At the suggestion of petitioners the hearing was adjourned to give opportunity for a study of this report. Thereafter at the adjourned hearing petitioners ennounced that they did not desire to contest this report. Petitioners introduced no evidence nor made any argument which was at all convincing that the Order of the Commission heretofore made should be either modified or annulled.

As to the contention of petitioners that a company which furnishes electric energy to another company for compensation is not within the jurisdiction of this Commission as to the rate to be charged for such service, it will be sufficient to call attention to the provisions of a part of Subsection (bb) of Section 2 of the Public Utilities Act as follows:

" * * * * Furthermore, when any person or corporation performs any service or delivers any commodity to any person or persons, private corporation or corporations, municipality or other political

-2-

subdivision of the state, which in turn either directly or indirectly, mediately or immediately, perform such service or deliver such commodity to or for the public or some portion thereof, such person, or persons, private corporation or corporations and each thereof is hereby declared to be a public utility and to be subject to the jurisdiction control and regulation of the commission and to the provisions of this act."

Petitioners sell electric energy to another company which in turn sells this energy to a large number of consumers and the contention that the Commission has no jurisdiction over the rate charged by petitioners for the electric service to this other company is without merit.

I recommend that the petition for rehearing be denied, and submit the following form of Order:

ORDER

Petition having been made to this Commission for an Order granting a rehearing in the above entitled matters and a hearing having been had on such petition and the matter submitted, and the Commission being fully advised in the premises

IT IS HEREBY ORDERED BY THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA that for the reasons set out in the foregoing Opinion, this potition 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.

> Dated at San Francisco, California this <u>74/44</u> day of May, 1917.

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137