Decision No.

ORIGINAL

Treision No. 1714

BEFORE THE RAILROAD COMMISSION OF

THE STATE OF CALIFORNIA

In the Matter of the Application of the: NAPA VALLEY ELECTRIC COMPANY : Application to discontinue the manufacture and sale: No. 3141 of gas in St. Helens. :

U'Ren & Beard by D. L. Beard for Applicant. Clarence N. Riggins for Town of St. Helena. F. S. Cairns for St. Helena Chamber of Commerce.

EDGERTON, Commissioner

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

This is an application by Napa Valley Electric Company for authorization to discontinue the service of gas in the City of St. Helena, Napa County.

The operation of this plant has not been profitable and applicant bases its request for permission to abandon service on this ground.

Consumers protest against the abandonment of this service and urge that better service be given.

Representatives of the company admit that the service has been very bad but claim that to better the service would involve a further expenditure of money and they can see no hope of such an increase in business as would justify this additional expenditure.

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The evidence at the hearing and investigations made by the engineers of the Commission since the hearing convince me that the prime cause of the comparatively small business done by this company (probably by comparison with other like communities the smallest in the state) is due to the wretched service which has been given. I believe that the company should try the experiment of producing reasonably good service before it surrenders and abandons the service altogether.

It would seem that by the expenditure of a few hundred dollars reasonably good service can be produced and unless we are to assume that the inhabitants of St. Helena are entirely different in their attitude toward the use of gas than in any other community in California, we must assume that better service will produce such additional business as will justify the continuation of the service. Furthermore, the company should consider that an abandonment of service would mean in all probability the complete abandonment of the investment in this plant as it is certain that if it remains idle for a few years it will have practically no value. On the other hand the expenditure of a few hundred dollars will probably result in a situation whereby the plant can be maintained, at least operating expenses and depreciation taken care of, with the prospect that as the people become accustomed to a reasonably good gas service the business of the company will become profitable.

Since the hearing in this application the gas holder has been accidently wrecked, resulting in a total cessation of gas service but applicant has taken steps to restore service. In this proceeding the Commission has

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power only to deny the application and cannot make an affirmative order;

Therefore I recommend that this application be denied and that Napa Valley Electric Company be advised that it is the desire of the Commission that service of gas in St. Helena be resumed at the earliest possible date. Further that the service of gas be improved up to a reasonable standard and that in the event that the company does not voluntarily comply with the above request, appropriate action be taken by this Commission.

Herewith a form of Order:

ORDER

Application having been made by Mapa Valley Electric Company for authority to cease the service of gas to consumers in the City of St. Helena, California, a hearing having been had and the Commission being fully advised in the premises:

For the reasons set out in the foregoing Opinion, the above mentioned application is hereby denied.

The foregoing Opinion and Order are hereby approved and ordered filed as the Opinion and Order of the Railroad Commission.

> Dated at San Francisco, California this 20th day of October, 1917.

Commissioners.