

Decision No. _____

ORIGINAL

Decision No. 5439

BEFORE THE RAILROAD COMMISSION
OF THE STATE OF CALIFORNIA

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Chamber of Commerce of the City)
of San Leandro,)
Complainant)

vs)

Case No. 785

Pacific Gas and Electric Company,)
Defendant.)

City of Richmond, a municipal)
corporation,)
Complainant)

vs)

Case No. 990

Pacific Gas and Electric Company,)
Defendant.)

In the matter of the Application of)
Pacific Gas and Electric Company for)
an Order increasing Gas Rates in)
Hayward and vicinity.)

Application No. 3092

In the Matter of the Application of)
Pacific Gas and Electric Company, a)
corporation, for an Order of the)
Railroad Commission of the State of)
California authorizing applicant to)
increase its Rates and Charges for)
Gas furnished to its Consumers in)
certain districts.)

Application No. 3248

- Charles P. Cutten, for Pacific Gas and Electric Company.
- B. D. Marx Greene, as General Counsel for City of Alameda, city of Albany, City of Berkeley, Town of Colusa, City of Daly City, City of Fresno, City of Grass Valley, Town of Hayward, Town of Los Gatos, City of Marysville, City of Napa, Town of Nevada City, City of Oroville, City of Richmond, City of Sacramento, Town of San Bruno, City of San Jose, City of San Leandro, City of San Mateo, City of San Rafael, City of Santa Rosa, Town of Sebastopol, City of South San Francisco, City of Woodland.
- A. F. St. Sure, City Attorney, for City of Alameda.
- A. A. Rodgers, Deputy District Attorney, for County of Alameda.

Leon Clark, City Attorney, for City of Albany.
 Frank D. Stringham, City Attorney, for City of Berkeley.
 John F. Davis, City Attorney, for City of Burlingame.
 Thomas Rutledge, Town Attorney, for Town of Colusa.
 George Appell, City Attorney, for City of Daly City.
 E. J. Wildgrube, City Attorney, for City of El
 Corrito.
 E. H. Armstrong, City Attorney, for City of Grass
 valley.
 C. William White, Town Attorney, for Town of Hayward.
 D. J. Jenkins, Town Attorney, for Town of Los Gatos.
 W. P. Rich, City Attorney, for City of Marysville.
 Wallace Rutherford, City Attorney, for City of Napa.
 J. C. Lindley, Town Attorney, for Town of Nevada
 City.
 John J. Earle, and R. R. Waterbury, Deputy City
 Attorneys for City of Oakland.
 J. A. McGregor, City Attorney, for the City of Oro-
 ville.
 Albert Mansfield, City Attorney, for Redwood City.
 D. J. Hall, City Attorney, for City of Richmond.
 Archibald Yell, City Attorney, for City of Sacramento.
 Mason and Locke, Town Attorneys, for Town of San
 Bruno.
 Earl Lamb, City Attorney, for City of San Jose.
 Harris P. Jones, City Attorney, for City of San Le-
 andro.
 J. W. Dignan, for Chamber of Commerce of the City of
 San Leandro.
 Chas. W. Kirkbride, City Attorney, for City of San
 Mateo.
 Henry Greer, City Attorney, for City of San Rafael.
 Joseph P. Berry, City Attorney, for City of Santa
 Rosa.
 J. W. Colebred, City Attorney, for City of South San
 Francisco.
 J. E. O'Leary, City Attorney, for City of Vallejo.
 Neal Chambers, City Attorney, for City of Woodland.
 E. J. Boko and P. Peterson, for certain tax payers
 and members of the Commutation Association
 of the City of Napa.

EDGERTON and DEVLIN, Commissioners.

O P I N I O N

These proceedings together involve the fixing
 of just and reasonable gas rates for all the terri-
 tory served by the Pacific Gas and Electric Company
 outside of the City and County of San Francisco, other
 than for wholesale service of gas to the City of Palo
 Alto.

There is here presented an emergency in the financial condition of the company. The marked and sudden increases in the costs of producing and distributing gas have resulted in such a diminution of the net income of the company as to seriously embarrass it unless relief is had through an increase of rates. These increases in costs have been wholly beyond the control of the company.

The principal item is oil used in the manufacture of gas. The price of this commodity is unregulated and apparently advances in price are made at the option of the large oil producers. These large producers will make no contracts at fixed prices for oil; hence gas companies such as applicant are unable to avoid paying whatever price is demanded.

This oil is absolutely essential to the manufacture of gas and as the producers of the oil increase their price, gas companies must either suffer the loss caused thereby or rates paid by consumers of gas must be increased.

The gas companies cannot absorb this extra cost and remain sound financial institutions capable of properly serving the public. Therefore this Commission has no choice other than to place this additional burden upon consumers.

We suggest that while it is now possible to increase rates to take care of the mounting costs of producing gas and still fix rates which are possible

for consumers to pay and continue the use of gas, nevertheless it is easily possible that unless steps be taken to regulate the price of oil we may be confronted with a condition where gas rates can no longer be substantially increased and the companies will be left in a condition of serious financial jeopardy.

Wages of employees have been increased and may be increased still further. This is to be expected because the cost of living has increased to such a marked extent that the managements of utility companies cannot and should not refuse reasonable increases of wages to meet living conditions, as well as to meet competitive labor conditions.

The cost of practically all materials used in the manufacture and distribution of gas have increased and there is no assurance that still further increases will not be made.

The above considerations clearly establish this application as an emergency proceeding. The war has produced abnormal business conditions which affect the business of producing and distributing gas as it has affected all other business and where the utility service is under regulation and the prices at which the service is sold to the public is dictated by public authority the companies are helpless, unless public authority will extend prompt relief.

Entirely aside from the question of justice and fairness to the owners of these utility properties, it is seriously to be considered that, unless the public utility companies are maintained in a reasonably sound financial condition, they will no longer be able to serve the public efficiently, as it is a demonstrated fact that a weak and staggering company is incapable of producing good service.

Furthermore, it is not only sound public policy for regulatory bodies, but is the emphatically declared policy of the Federal Administration that as far as possible business institutions be not allowed to go into bankruptcy, thus seriously disturbing the financial fabric of the country.

The President of the United States, the Secretary of the Treasury, and the Comptroller of the Currency has each spoken clearly and definitely on this subject, and we believe that this Commission, having ample information, should without hesitation place utility rates on such a basis as to properly safeguard the financial stability of public utility companies that they may not fail in their service to the public and become a menace to the finances of the country, having in mind, of course, the reasonable capitalization of companies.

Having in mind these considerations, we have in this proceeding established what may be called for this purpose the normal rates and have imposed thereon a distinct and separate surcharge. This surcharge, represents as nearly as may be the ab-

normally increased costs of operation. This will permit from time to time, as it may become necessary, either the decrease or increase of this surcharge to meet conditions as they arise. If costs increase this may be reflected in a larger surcharge. If, on the other hand, costs decrease this likewise may be reflected in a decrease of the surcharge. By this method we believe there is established a flexible scheme for promptly meeting changing conditions of cost without the necessity of constantly changing all of the rates.

The surcharge herein fixed has also been applied to the gas rates in San Francisco as provided in an order this day made in application No. 3742. We recommend that the surcharge statement be printed separately and distinctly on each consumer's gas bill in the following language:

"Authorized added charge to meet war conditions"

This will enable the consumer to readily distinguish between what may be termed the normal rate and the additional charge caused by the war emergency.

The extent of the company's gas business in the several districts is shown in Table I herewith. This gives statistics of the number of consumers served with gas on Dec. 31st, 1917, the sales of gas for the year 1917 in thousands of cubic feet, the amount of oil used in gas manufacture in barrels, and the gross revenue for the year 1917, for each district.

The existing rates of the company for the localities affected are set forth in the schedules now on file with this Commission.

Since September 1916, conditions existing in the company's gas business have been materially modified, resulting in a reduction in its net income following substantial increases in the cost of all materials used in the construction and operation of its gas properties, in wages paid to employees in both the construction and operating departments, in the cost of oil used in gas manufacture, and in taxes. Prior to October 1st, 1916, the company purchased its oil under terms of a contract which provided it with oil at a cost of 68.5 cents delivered in Oakland and San Francisco, with differentials increasing with the

TABLE I.
PACIFIC GAS AND ELECTRIC COMPANY
STATISTICS OF GAS OPERATIONS, YEAR 1917

<u>District</u>	<u>Consumers End of Year</u>	<u>Sales of Gas for Year in M.-Cu.-Ft.</u>	<u>Barrels of Oil Used in Gas Manufacture</u>	<u>Gross Rev- enue</u>
Alameda County	73 697	2 530 670	557 682	\$ 2 285 109
Chico	1 571	27 254	6 697	38 708
Colusa	459	11 684	3 731	16 135
Fresno	8 266	254 686	60 357	282 679
Marin	2 656	69 705	18 106	95 704
Marysville	1 540	35 447	9 149	48 713
Oroville	858	11 223	3 328	16 495
Napa	1 417	25 499	7 585	35 804
Nevada	1 126	18 114	6 064	26 819
Redwood *	5 440	183 119	**	201 389
Sacramento	12 070	307 431	73 064	302 396
San Jose	10 148	275 793	63 880	269 572
Los Gatos	460	8 729	2 991	13 548
Santa Rosa-Petaluma	3 751	77 991	21 739	106 864
Vallejo	3 239	71 115	18 895	99 626
Yolo	1 006	22 569	6 768	31 922
TOTAL	127 704	3 931 029	860 036	\$3 871 503

Note: * Exclusive of wholesale service to City of Palo Alto.

** Gas Manufactured at San Francisco Plant.

freight charges between San Francisco and other points at which its gas manufacturing plants are located. These prices held up to and including September 30, 1916. From this date, the Company paid and now is required to pay under the terms of said contract a varying price for oil, depending upon the cost of oil in the fields, plus a commission to the gathering company, and a pipe line transportation charge to tide-water, and in addition freight charges to other points. As a result, the Company was paying during the early part of the year 1918 approximately \$1.35 for oil at San Francisco and Oakland, and prices in excess of this at other points on its system. Effective during the month of May 1918, the price of oil has been further advanced, and the Pacific Gas and Electric Company has filed, in evidence, notice of this increase. This brings the base price of oil up to \$1.62 per barrel at tide-water with corresponding increases to other points.

Table II herewith shows the prices of oil per barrel at the Company's manufacturing plants for the period 1911-1916, and the present price at these same points. The cost of oil used by the Company for gas manufacture in the districts herein considered has increased approximately 130% in less than two years.

The oil situation in California is well known to this Commission and to the public, and the conditions

TABLE II.
PACIFIC GAS AND ELECTRIC CO.
COMPARISON OF COST OF OIL USED IN GAS
MANUFACTURE

<u>Plant</u>	<u>Cost per Barrel</u>	
	<u>Period</u> <u>1911-1916</u>	<u>After</u> <u>May 1918</u>
Oakland	\$.685	\$1.620
Chico	.955	1.860
Colusa	1.225	1.970
Fresno	.755	1.550
San Rafael	.745	1.680
Marysville	.875	1.770
Oroville	1.110	1.970
Napa	.745	1.680
Nevada	1.410	2.270
Sacramento	.835	1.770
San Francisco *	.685	1.620
San Jose	.795	1.762
Los Gatos	.910	1.890
Santa Rosa	.865	1.790
Vallejo	.745	1.680
Woodland	.875	1.770

NOTE: * Gas sold in Redwood District
manufactured at San Francisco
Plant.

incidental thereto have resulted in a radical increase in the cost of the operation of all public utilities using oil, either for gas manufacture or for electric generating purposes. For every thousand cubic feet of gas sold, from nine to fifteen gallons of oil are used, depending upon the size and efficiency of operation of the plant, and in general, the cost of oil is by far the largest single item in the cost of gas manufacture.

The evidence also clearly established the fact that the Company has been compelled to meet a very large increase in operating expenses, entirely beyond its control, which in all the territory herein considered has materially reduced the net income of the Company. There is no doubt that, under such conditions, a part of the added burden of the cost of operation of the Company's plants and system should be borne by the consumers in the form of increased rates.

In several of the districts included in this proceeding, the Commission has heretofore passed upon the question of gas rates and has, in several instances, made findings of the value of the properties used and useful in the service of gas in these districts.

The value of the properties used in the service of gas in the Vallejo District, as of January 1st, 1915, is set forth in Decision No. 2444, Case No. 638, decided June 4th, 1915. The value of the properties in

the Marin District, as of June 30, 1914, is set forth in Decision No. 2460, Case No. 544, decided June 7, 1915. In Decision No. 2530, Case No. 665, decided June 26, 1915, no finding of the value of the properties of the Company used in the service of gas in Los Gatos was made, but there is in evidence in this proceeding valuations by both the Company's and the Commission's engineers, as of December 31, 1914. In Decision No. 2572, Case No. 478, decided July 8, 1915, the Commission made its findings of the value of the property of the Company used in the service of gas in the City of San Jose and suburbs, as of December 31, 1913. In Decision No. 4039, Cases No. 734 and No. 935 and Application No. 2419, decided January 20, 1917, the Commission reviewed the gas rates in the Petaluma and Santa Rosa Districts of the Company, and the evidence in these proceedings includes the valuations made both by the Company and by the Commission's Engineering Department.

It was agreed in the hearings herein that the evidence submitted in these earlier proceedings be considered as part of the record of the matter now before us.

There is also before the Commission in this proceeding a valuation of the Sacramento gas properties of the Company, made by Mr. E. C. Jones, which has been reviewed by the Commission's engineering staff.

In Cases No. 785 and No. 990 and Application No. 3092, a joint valuation of the generating and transmission properties of the Company in the Alameda County District was made by Mr. E. C. Jones, representing the Company and Mr. G. S. Jacobs, representing the Commission's Gas and Electric Department, which also included the distribution properties in San Leandro, Hayward and contiguous territory and in the City of Richmond and suburbs.

For all properties located in the other cities and towns included in these proceedings, the Company has submitted the valuations made by J. C. White Engineering Corporation, as of December 31, 1911, and has filed in evidence statements showing the net additions and betterments according to its books in all these districts, from the dates of former valuations up to, and including, the net additions and betterments for the year ending December 31, 1917.

In addition to the above, the Company has submitted evidence as to the value of its lands used in gas operations, of the general capital of the Company pro-rated to the Gas Department, and estimates of working capital and materials and supplies for the year ending August 31, 1918.

There is before us, therefore, sufficient evidence to fix the valuations of the properties for the purposes of these proceedings. This data has been

TABLE III.

PACIFIC GAS AND ELECTRIC COMPANYGAS DEPARTMENTRATE BASES FOR THE YEAR 1918

<u>District</u>	<u>Rate Base</u>
Alameda County	\$ 7 416 218
Chico	192 789
Colusa	72 599
Fresno	1 111 169
Marin	385 149
Marysville	189 478
Oroville	109 310
Napa	151 651
Nevada	115 125
Redwood *	742 140*
Sacramento	1 686 600
San Jose	1 012 271
Los Gatos	59 810
Santa Rosa-Petaluma	510 807
Vallejo	316 501
Yolo	114 901
TOTAL	\$ 14 186 518

NOTE: * Excludes prorata of Capital used in Service of gas at wholesale to City of Palo Alto. The total rate base for Redwood District is \$847,367.

on file with the Commission for a considerable period, during which time many checks have been made by the Engineering Department, and comparisons made with other costs of similar properties elsewhere in the State of California, and we feel satisfied that for the purposes of this proceeding alone, findings of valuation can be made as a basis for comparing the return to the Company in its several districts under existing rates, and under the rates hereinafter fixed.

From a review of the evidence submitted, covering the value of the properties, we find as a fact that the value of the properties used and useful in the service of gas in the several districts of the Company, which represent equitable rate bases for the year 1918, and which represent further reasonable valuations for the purposes of comparing earnings under the existing rates, with earnings under the rates hereinafter fixed are the amounts set forth in Table III herein. These include the value of lands, generating capital, transmission capital, distribution capital and a pro-rata of general capital to the Gas Department, material and supplies and working cash capital. It should be understood that in using these rate bases we do not pass finally upon the fair value of the gas properties of the Com-

pany in its several districts.

It will not be necessary for the purpose of these proceedings to specify with exactness the allowances for depreciation annuity upon the properties of the Company in its several districts. We shall make no separate findings as to the proper depreciation allowances upon the several properties herein considered, but for the purpose of showing the comparable returns under existing rates and under the rates hereinafter fixed, we shall consider the net income of the Company from its operations in the several districts, inclusive of depreciation, and in the fixing of rates we shall endeavor to provide the Company a compensatory net income that will cover both return on its investment and depreciation. We desire to point out, however, at this time that the annual depreciation allowances claimed by the Company for its several gas properties herein are in excess of proper and reasonable annual depreciation allowances when compared with the depreciation allowances heretofore found by this Commission for similar properties.

The Company, in its original application, asked that the Commission authorize it to manufacture and distribute gas of an average quality of 550 B.t.u. per cubic foot, and stated in support of this claim that a gas of this heating value was most economical

from the standpoint of the cost of production, and most efficient from the standpoint of the consumer's use. The Company did not submit evidence to show the existing quality of gas served in its several districts, and we are consequently unable to determine what, if any, changes should be made in service standards.

The rates hereinafter fixed are, therefore, based upon the existing quality of gas, both as to heating contents and pressure that may have been provided for in the several districts by local legislation, or by the standards of the Company as set forth in its rules and regulations for gas service now on file with this Commission.

The Commission's Gas and Electric Department has made a complete analysis of the sales of gas, the revenue to be obtained therefrom, and the costs of operation of the Company's properties in its several districts, and has deduced therefrom the net revenue that would accrue to the Company, (1) under existing rates (2) under the rates hereinafter fixed. These estimates take cognizance of the growth of the business in the year 1918 over the business of the year 1917, with the corresponding increases in operating costs to take care of such increased business. Further allowances have been made for the increased cost of materials and labor entering into the maintenance and operation of the Company's properties, for the increased cost of oil used in gas manufacture including the latest raise of May 1918, ^{and for the} higher tax rates now in effect.

TABLE IV.
 PACIFIC GAS AND ELECTRIC CO.
 GAS DEPARTMENT...GROSS & NET REVENUE.

	<u>UNDER EXISTING RATES</u>			<u>UNDER RATES HEREINAFTER FIXED</u>		
	<u>Gross Revenue</u>	<u>Operating Expenses</u>	<u>Net Revenue</u>	<u>Gross Revenue</u>	<u>Operating Expenses</u>	<u>Net Revenue</u>
Alameda County	\$2 356 252	\$1 769 666	\$586 586	\$2 623 026	\$1 787 274	\$835 752
Chico	40 540	32 076	8 464	48 543	32 605	15 938
Colusa	16 705	15 195	1 510	19 702	15 393	4 309
Fresno	309 662	219 303	90 359	338 400	221 199	117 201
Marin	107 918	78 508	29 410	121 041	79 374	41 667
Marysville	49 194	36 826	12 368	58 449	37 437	21 012
Oroville	29 073	23 522	5 551	33 182	23 793	9 389
Napa	37 240	32 508	4 732	46 042	33 089	12 953
Nevada	27 604	27 918	314 **	33 124	28 282	4 842
Redwood *	228 140	197 781	30 359	257 898	199 745	58 153
Sacramento	314 752	268 776	45 976	399 183	274 348	124 835
San Jose	281 804	226 877	54 927	341 747	230 833	110 914
Los Gatos	14 667	13 270	1 397	17 515	13 458	4 057
Santa Rosa - Petaluma	109 198	91 507	17 691	129 990	92 879	37 111
Vallejo	116 019	91 251	24 768	125 705	91 891	33 814
Yolo	31 541	28 573	2 968	37 369	28 957	8 412
TOTAL	\$4 070 309	\$3 153 557	\$916 752	\$4 630 916	\$3 190 557	\$1 440 359

** deficit

*exclusive of wholesale service to city of Palo Alto.

The revenues for the estimated business of the year 1918, under existing rates and under the rates hereinafter fixed, have been computed upon the basis of the probable sales of gas and the probable number of consumers taking service in this period.

Operating expenses, as considered herein, include the maintenance of generating, transmission and distribution expenses; electrical energy used in gas plant operation; a pro-rata of the general administrative expenses of the Company based upon the gross revenue of the several districts; and an allowance for fire and casualty insurance and uncollectible accounts and taxes, to which has been added the cost of oil used in gas manufacture based upon the average efficiency of the gas manufacturing plants in the several districts.

The gross revenues, operating expenses, and net revenues available for depreciation and return for the several districts of the Company, both under existing rates and under the rates hereinafter fixed are shown in Table IV.

We find that the revenue that the Company will derive from existing rates for gas in all territory outside of the City and County of San Francisco, excepting wholesale service in the City of Palo Alto will not provide the Company an adequate return after the deduction of all proper operating expenses, and to this extent and in so far as they differ from the rates hereinafter fixed, the existing rates

are not just, fair and reasonable rates, and we are further of the opinion that the rates applicable to the territory served should be modified to the extent that they will provide the company with greater net income to offset the increased costs of operation under present conditions.

From a complete analysis of the cost and conditions of service in the several districts of the company we recommend the rates set forth in Table V herein, known as rates "A" and "H" inclusive. We find as a fact that the rates set forth herein as rates "A" to "H" inclusive are fair, just and reasonable rates for gas service in the localities specified in the respective rate schedules of Table V. As will be noted, each of these rate schedules is divided into a base rate and a surcharge; the first represents the normal reasonable rate under the conditions that existed at the time these proceedings were closed, while the surcharge represents the addition necessary to meet the emergency conditions that have subsequently arisen.

The rates set forth in the order herein as rates "A" to "H" inclusive will increase the gross revenue of the Company in all of its gas districts outside of San Francisco, excluding wholesale service to the City of Palo Alto; by the sum of \$560,607 and will increase the net revenue by the sum of \$523,607.00 over and above that which the company would obtain under existing rates, and will further provide the Company with a total net income available

for depreciation and return in all of its gas districts outside of San Francisco and excluding wholesale service to the City of Palo Alto, of the sum of \$1,440,359.00 which we estimate will provide a net return exclusive of depreciation of approximately 8%. As far as gas revenue in the territory affected this will enable the company to pay its fixed interest and other necessary charges.

We submit the following form of Order:

O R D E R

Public hearings having been held in the above-entitled proceedings, these matters having been submitted and being now ready for decision, the Railroad Commission hereby finds as a fact that the rates charged by Pacific Gas and Electric Company for gas sold in all of its territory outside of the City and County of San Francisco, exclusive of wholesale service to the City of Palo Alto, are unjust and unreasonable in so far as they differ from the rates herein established, and that the rates herein established are just and reasonable rates.

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

IT IS HEREBY ORDERED that the Pacific Gas and Electric Company be and is hereby authorized to charge and collect for gas the rates set forth in the following schedules for the territories therein indicated for all meter readings taken on and after the 10th day of June, 1918; provided the Pacific Gas and Electric Company shall, within ten days of the date of this order, file with the Railroad Commission the rates set forth herein as rates "A" to "H" inclusive;

TABLE V.

RATE "A"

On the basis of monthly consumption per meter.

Base Rate

90¢	per 1000 cu.ft.	for the first 10,000 cu. ft.
80¢	" " " " " "	Next 20,000 " "
75¢	" " " " " "	" 40,000 " "
70¢	" " " " " "	" 80,000 " "
65¢	" " " " " "	" 150,000 " "
60¢	" " " " " "	all over 300,000 " "

Minimum charge per meter per month - 50¢

Surcharge:

In addition to the above, a surcharge of 10¢ per 1000 cu. ft. for all gas consumed.

TERRITORY

This rate applies to the following localities within the Alameda County District:

Alameda
 Albany
 Berkeley
 Emeryville
 Oakland
 Piedmont
 and contiguous
 suburban territory.

TABLE V. (Continued)

RATE "B"

On the basis of monthly consumption per meter.

Base Rate:

75¢	for the first 500 cubic feet or less
1.20	per 1000 cu. ft. for the next 4,500 cu. ft.
1.00	" " " " " " " " 5,000 " "
.90	" " " " " " " " 10,000 " "
.80	" " " " " " " " 20,000 " "
.70	" " " " " all over 40,000 " "

Surcharge:

In addition to the above, a surcharge 10¢ per 1000 cu.-ft. for all gas consumed.

TERRITORY

This rate applies to the following localities

(1) within the Alameda County District:

Hayward
 San Leandro
 Richmond
 and contiguous sub-urban territory.

(2) within the Redwood District:

Daly City
 Burlingame
 Hillsborough
 Redwood City
 San Mateo
 South San Francisco
 and contiguous sub-urban territory.

This rate does not apply to gas served to the City of Palo Alto for redistribution.

TABLE V. (Continued)

RATE "C"

On the basis of the monthly consumption per meter.

Base Rate:

.75	for the first 600 cubic feet or less
\$1.20	per 1000 cu. ft. for the next 2,400 cu.ft.
1.00	" " " " " " " " 7,000 " "
.90	" " " " " " " " 10,000 " "
.70	" " " " " " " " All over 20,000 cu.ft.

Surcharge:

In addition to the above, a surcharge of 10¢ per 1000 cu.ft. for all gas consumed.

TERRITORY

This rate applies to the following localities:

The City of Sacramento and suburbs.

Prepayment Meters:

Gas sold through prepayment meters shall be paid for in accordance with this rate. When the amount collected by a prepayment meter is different from the amount chargeable in accordance with this rate, the difference shall be adjusted between the consumer and the company.

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TABLE V. (Continued)

RATE "D"

On the basis of monthly consumption per meter.

Base Rate

.75 for the first 600 cubic feet or less.
 \$1.10 per 1000 cu. ft. for the next 2 400 cu. ft.
 .90 " " " " " " " 7 000 " "
 .80 " " " " " " " 10 000 " "
 .70 " " " " " all over 20 000 " "

Surcharge

In addition to the above a surcharge of 10¢ per 1000 cu. ft. for all gas consumed.

TERRITORY

This rate applies to the following localities:

City of Fresno, and
 suburbs
 City of San Jose and
 suburbs

TABLE V. (Continued)

RATE "E"

On the basis of monthly consumption per meter.

Base Rate

.75	for the first 400 cu. ft. or less								
\$1.50	per 1000 cu. ft.	for the next 4 600 cu. ft.							
1.00	"	"	"	"	"	"	"	5 000	"
.80	"	"	"	"	"	"	"	10 000	"
.70	"	"	"	"	"	"	"	all over 20 000	"

Surcharge:

In addition to the above, a surcharge of 10¢ per 1000 cu. ft. for all gas consumed.

TERRITORY

This rate applies to the following localities:

- Within the Marin District.
- San Anselmo
- San Rafael
- Fairfax
- Ross
- Kentfield
- Larkspur
- San Quentin
- and contiguous suburban territory

TABLE V (Continued)

RATE "F"

On the basis of monthly consumption per meter.

Base Rate

.75 for the first 400 cu. ft. or less
 1.60 per 1000 cu. ft. for the next 4,600 cu. ft.
 1.20 " " " " " " " 5,000 " "
 .80 " " " " " all over 10,000 " "

Surcharge

In addition to the above, a surcharge of 10¢ per 1000 cu.ft.
 for all gas consumed.

TERRITORY

This rate applies in the following localities:

- Chico District:
 City of Chico and suburbs.
- Colusa District:
 City of Colusa and suburbs.
- Marysville District:
 Marysville, Yuba City and suburbs.
 Oroville, Orovista and suburbs.
- Napa District:
 City of Napa and suburbs.
- Nevada District:
 Nevada City, Grass Valley and suburbs.
- Petaluma District:
 City of Petaluma and suburbs.
- Santa Rosa District:
 Santa Rosa, Sebastopol and
 contiguous suburban territory.
- Yolo District:
 City of Woodland and suburbs.

TABLE V (Continued)

RATE "G"

On the basis of monthly consumption per meter.

Base Rate

\$1.00 for the first 500 cubic feet or less.
1.50 per 1000 cu.-ft. for the next 4,500 cu.-ft.
1.40 " " " " " " " " 5,000 " "
1.20 " " " " " all over 10,000 " "

Surcharge

In addition to the above, a surcharge of 10¢ per 1000 cu. ft. for all gas consumed.

TERRITORY

This rate applies in the following localities:

City of Los Gatos and suburbs.

TABLE V. (Continued)

RATE: "E"

On the basis of monthly consumption per meter.

Base Rate

.75	for	the	first	400	cubic	feet	or	less.	
\$1.40	per	1000	cu.	ft.	for	the	next	4,600	cu.-ft.
1.00	"	"	"	"	"	"	"	5,000	"
.80	"	"	"	"	"	"	"	10,000	"
.70	"	"	"	"	"	"	"	all over 20,000	"

Surcharge

In addition to the above a surcharge of 10¢ per 1000 cu. ft. for all gas consumed.

TERRITORY

This rate applies to the following localities:

City of Vallejo and suburbs.

254
255

AND FURTHER PROVIDED Pacific Gas and Electric Company shall show separately on bills for gas rendered its consumers the amounts due it under the base rates and under the surcharges, respectively.

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
28th day of May, 1918.

Max Thelen

H. S. Loveland

W. G. Foster

Edwin O. Edgerton

Frank R. Hobbs

Commissioners.