

Decision No. \_\_\_\_\_

ORIGINAL

Dec No 5539

BEFORE THE RAILROAD COMMISSION OF THE  
STATE OF CALIFORNIA.

\* \* \* \*

In the Matter of the Applica- )  
tion of SOUTHERN COUNTIES GAS )  
COMPANY requesting the Rail- )  
road Commission to establish )  
Reasonable Rates for Natural )  
Gas supplied to its Southern )  
District. )

Application No. 3434

In the Matter of the Applica- )  
tion of SOUTHERN COUNTIES GAS )  
COMPANY requesting the Rail- )  
road Commission to establish )  
Reasonable Rates for Natural )  
Gas supplied to its Eastern )  
District )

Application No. 3445

In the Matter of the Applica- )  
tion of SOUTHERN COUNTIES GAS )  
COMPANY requesting the Rail- )  
road Commission to establish )  
Reasonable Rates for mixed gas )  
supplied to its Western Dis- )  
trict. )

Application No. 3447

Hunsaker & Britt and Leroy M. Edwards, for Ap-  
plicant.

L. M. Whealton, appears of counsel for Appli-  
cant in Application No. 3434.

Albert Lee Stephens, City Attorney, for City  
of Los Angeles.

G. H. Scott, for City of Santa Ana.

S. M. Storer, for Chamber of Commerce of San Pedro.

A. M. Pence and T. B. Reed, Attorneys, for City of Covina.

A. J. Spinner, for City of Seal Beach.

H. G. Ames, City Attorney, for City of Anaheim and temporarily for City of Fullerton.

Albert Launer, for City of Brea.

Thomas A. Berkebile, for City of Monterey Park.

George L. Hoodenpyl, for City of Long Beach.

Victor R. McLucas, for City of Santa Monica.

Frederick Baker, for City of Azusa.

John P. Dunn, for City of Monrovia.

Herbert D. Gale and C. W. Hoag for City of Culver City and Chamber of Commerce of Culver City.

W. R. Garrett, for City of Orange.

Guerin & Guerin, for City of Pomona and City of Chino.

K. M. Ham, Jr., for City of Sierra Madre.

Walter F. Dunn, for Cities of Arcadia and El Monte.

F. G. Wingert, for City of Whittier.

Arthur L. Veitch, for City of Venice.

Thomas H. Lane, for City of Alamitos Beach.

Henry E. Carter, for Wilmington Chamber of Commerce

James E. Barker, for Cities of Pomona, Chino, Glendora, Azusa and Covina.

LOVELAND, COMMISSIONER.

O P I N I O N

These are the applications of Southern Counties Gas Company requesting the Railroad Commission to establish reasonable rates for natural gas supplied to its Eastern and Southern Districts, and for mixed gas supplied

to the Western District, which three districts together comprise the entire territory served by applicant.

The proceedings were consolidated and hearings held in Los Angeles, Santa Monica, Long Beach and Santa Ana before Commissioners Loveland and Thelen. These matters were submitted on May 6, 1918, since which date, Commissioner Thelen has entered the National Service and has resigned from the Railroad Commission.

Applicant's Eastern District consists of the Orange County, Whittier, Pomona and Monrovia Divisions, all of which are supplied with natural gas obtained mainly from wells in Coyote Hills Field, at which point the gas costs applicant 10¢ per thousand cubic feet. The Southern District, consisting of Long Beach, San Pedro, Wilmington and contiguous territory, is supplied with natural gas purchased from the Southern California Gas Company at Willowville at 19¢ per thousand cubic feet. The Western District consists of Santa Monica, Venice, Culver City, Palms, Sawtelle and contiguous territory, all served with mixed gas purchased from the Southern California Gas Company at Sawtelle. The cost of this gas is dependent upon the cost of oil to the latter company, as well as upon the mixture. For the present year, based upon oil at \$1.28 per bbl., and a gas mixture in the proportions of that now being served, the gas is costing \$.289 per thousand cubic

fect purchased. This price may be increased materially during 1919, providing the present market price of oil is maintained.

Applicant's properties are the consolidation of a number of artificial gas systems which have been since connected by transmission lines and served with natural gas. The introduction of the natural gas, by reason of its greater heat content, has materially reduced the volumetric consumption, and, consequently, applicant's revenues have been reduced. This has been counteracted to some extent, however, by the development of industrial gas sales. Applicant alleges that it is not earning a fair return upon its investment, and asks that just and reasonable rates be fixed.

Applicant sets forth the following statement of capital and earnings for the year ending October 31st, 1917, in support of its allegations as to insufficient earnings:

TABLE I

	<u>Present Value Of Properties.</u>	<u>Gross Income.</u>	<u>Operating Expenses</u>	<u>Net Revenue</u>	<u>Ret. For Int. and Depreciation.</u>
Southern Dist.	\$1,198,378.81	\$260,538.60	\$219,271.15	\$ 41,267.45	3.50%
Eastern Dist.	2,196,670.70	446,069.07	288,174.70	157,894.37	7.01%
Western Dist.	778,525.29	202,794.50	152,964.89	49,829.61	6.29%
<b>Total</b>	<b>\$4,173,574.80</b>	<b>\$909,402.17</b>	<b>\$660,410.74</b>	<b>\$248,991.43</b>	<b>5.96%</b>

VALUATION:

Applicant submitted as Exhibits No. 1 and No. 2, valuations compiled by W. A. Baehr, as of February 1st, 1916, and January 25th, 1916, respectively.

Protestants submitted valuations covering the Pomona and Monrovia Divisions of the Eastern District, compiled by James E. Barker and F. D. Howell, respectively, valuations of Long Beach, Santa Monica and Venice, compiled by J. M. Berkley, and a valuation of the San Pedro, Wilmington, Sawtelle, Palms and Culver City properties compiled by F. D. Howell.

At the hearing held on May 6th, W. J. Hammond, Assistant Engineer of the Gas and Electric Department of the Railroad Commission, submitted data which it was stated would be used to compile a valuation of the entire properties. The results of this compilation are as follows:

TABLE II

REPRODUCTION VALUE AS OF JANUARY  
1st, 1918  
(Operative Property Only.)

	<u>Southern District</u>	<u>Eastern District</u>	<u>Western District</u>	<u>General</u>	<u>Total</u>
Landed Cap.	\$ 13,458	\$ 22,048	\$ 8,000	\$	\$ 43,506
Prod'n Cap.	133,598	330,742	163,428		627,658
Trans. Cap.	75,944	469,744	30,408		576,096
Distb. Cap.	744,810	1,062,857	460,658	14,468	2,282,793
Gen'l. Cap.	8,362	19,116	14,165	24,209	65,852
Total Capital	\$977,172	\$1,903,507	\$676,659	\$ 38,677	\$3,596,015

The above does not include certain parcels of land owned by applicant which are clearly non-operative, nor has the San Pedro generating plant been included for the same reason.

Of late, applicant's gas sales have been increased many-fold, due chiefly to the extensive use of natural gas for industrial purposes, at a price with which artificial gas could not compete. This has resulted in business so far in excess of the capacity of the existing artificial gas plants on applicant's system, that these plants are at present of little or no value for stand-by purposes. After giving this matter due weight, I am of the opinion that it would be to the best interests of the rate payer, as well as to applicant, to dispose of these plants. The high prices now obtaining for the material of which these plants are composed, makes this step most desirable. With these facts in mind, the rates established hereinafter include a sufficient amount to amortize, over a period of ten years, the remaining value of these inadequate plants.

The reproduction values of these plants, to be deducted from the rate base, and the net amounts to be amortized in the rates to be fixed are shown below:

TABLE III

	<u>Reproduction Value</u>	<u>Net Amount To Be Amortized</u>
Eastern District	\$ 208,510	\$128,133
Southern District	78,674	47,841
Western District	85,357	55,303
	<hr/>	<hr/>
Total System	\$ 372,541	\$ 231,277

RATE BASE:

In deriving the rate base, careful consideration has been given to the probable additions and betterments during the next fiscal year, to materials and supplies and to working cash capital in connection with the valuations. Aside from the expected growth of the properties during this period, much consideration must be given to the present and probable future cost of materials, and also to the possibility of curtailing the amount invested in materials and supplies without affecting the service to which the rate payer is entitled. Considerable evidence was submitted regarding the allowance for working cash capital. Applicant has asked for two

months' operating expenses, whereas certain of the protestants contended for one month's cost of gas and two months' total of other operating expenses. Allowances have been made herein upon a basis of one and one-half months' total operating expenses. The rate bases finally deduced for the purposes of these proceedings follows:

TABLE IV

Southern District	\$1,185,427
Eastern District	1,965,351
Western District	670,611
	<hr/>
Total System	\$3,821,389

OPERATING EXPENSES:

Operating expenses, as considered herein include, the maintenance of transmission, distribution and general equipment, transmission, distribution, commercial and general expenses, allowances for fire and casualty insurance, uncollectible accounts and State and Federal ~~income~~ taxes, to which is added the cost of gas purchased. Applicant has already been required to increase salaries and wages to employees, and it is evident that further increases will be neces-



sary in the near future.

In determining proper maintenance charges, due consideration was given to the recent abnormally high cost in certain districts occasioned by the change from artificial to natural gas. Expenses such as insurance, uncollectible accounts, etc., were based upon the past experience of the Company. The sales for the year ending July 1st, 1919, were based in the main upon applicant's Exhibit No. 21, which, I believe to be conservative. A comparison of the sales for the year 1917 and the estimate for the year ending July 1st, 1919, follows:

TABLE V

	Sales 1917 M Cu. Ft.	July 1, 1918 to July 1, 1919 M. Cu. Ft.
Southern District	441,113.8	915,000
Eastern District	965,321.1	1,250,000
Western District	<u>206,897.7</u>	<u>219,000</u>
Total System	1,613,332.6	2,384,000

We have used a figure for unaccounted for gas somewhat less than was experienced during the year 1917.

The change from artificial to natural gas is usually followed by a material increase in the loss of gas in a gas distributing system, and attempts to

reduce these losses usually require large maintenance expenditures.

Applicant must either be allowed the cost of the gas lost, or an amount sufficient to reduce the losses to normal. I believe that the allowance provided herein will be sufficient to meet the expense of reducing the losses to normal.

In estimating the revenue which the Company will need during the year ending July 1st, 1919, I have carefully weighed the evidence submitted at the several hearings, and have arrived at an amount which I believe will be sufficient for the company to meet its increased expenses, maintain a high standard of efficiency, and earn an 8% return upon the fair value of its properties in addition to a reasonable allowance for depreciation.

I heartily endorse the views which have been emphatically expressed by the Federal Administration as to the urgent necessity of carefully safeguarding the financial stability of our public utilities. Furthermore, in this particular instance, I believe it to be of the utmost importance that rates be so fixed

as to encourage the use of natural gas wherever its use will result in the conservation of other fuels, particularly oil, all of which are of such vital importance in the present crisis.

In fixing the rates established in the following order, careful consideration has been given to applicant's segregation of districts. Although managed and operated by the same company, each of the three districts is supplied with gas obtained from an individual source, and the physical properties therein are entirely separate and independent. I am of the opinion that each district should be regarded as a separate entity, and that uniform rates should prevail in each district. This is especially true of the Eastern District, where the sources of gas supply may change at any time, due to the developments in other fields.

The minimum charge of the present domestic rates varies from \$.50 to \$1.00 per month. Much testimony and several exhibits were submitted regarding the minimum charge. After analyzing the number of minimum consumers upon applicant's system, and the actual consumer expense, I have decided that too much of the burden is borne by certain other consumers under the existing rates, and that in order that each consumer should bear his just burden, a uniform minimum charge of \$1.00 per meter per month should be made.

The rates set forth in the order hereinafter will provide applicant with a gross revenue of approximately \$1,380,000 for the year ending July 1, 1919, which will be sufficient to meet all operating and maintenance expenses, and will provide also for a reasonable depreciation reserve and the necessary amortization funds to wipe out inadequate plants, and pay a return of approximately 8 per cent on the investment.

I submit the following form of order:

O R D E R

Southern Counties Gas Company having applied for an order establishing gas rates in its entire territory,

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 now charged by Southern Counties Gas Company for gas sold are unjust and unreasonable insofar as they differ from the rates hereinafter established, and the rates hereinafter established are just and reasonable.

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 Southern Counties Gas Company be, and is hereby authorized to charge and collect for gas the rates set forth in the following schedules for the several districts therein indicated, for all regular meter readings taken on and after the 22nd day of July 1918; provided Southern Counties Gas Company shall, within fifteen days of the date of this Order, file with the Railroad Commission the schedules of rates set forth herein.

GAS RATE SCHEDULES

The following schedules are based upon the unit of 1,000 cubic feet of gas at 4 oz. above atmospheric pressure:-

(a) Rates for entire Eastern District, including Orange County, Whittier, Pomona and Monrovia Divisions.

SCHEDULE 1-A, CLASS A - NATURAL GAS:

First 1,000 cu. ft. or less per	meter per month	\$1.00		
Next 4,000 cu. ft. per month		.80	per M. Cu.Ft.	
" 15,000 "	" " " "	.60	" "	" "
" 30,000 "	" " " "	.50	" "	" "
" 50,000 "	" " " "	.40	" "	" "
Over 100,000 "	" " " "	.35	" "	" "

This schedule applies to all domestic consumers using gas for any purpose; also to restaurants, apartment houses, hotels, hospitals, sanitariums, business buildings of all kinds, schools, churches and all other consumers who use gas for cooking meals or for heating buildings.

SCHEDULE 1-A, CLASS A - Natural Gas  
(Continued)

Consumers of this class will have priority in the use of gas over consumers of Class B, C and D at times when there is insufficient gas to supply the demands of all classes.

A consumer of this class may not demand gas at any time at an unreasonably high rate per hour.

SCHEDULE 1-B, CLASS B - NATURAL GAS:

							<u>Per M. Cu-Ft.</u>
First	200,000	cu. ft.	per meter	per Mo.			\$.40
Next	300,000	"	"	"	"	"	.35
Next	500,000	"	"	"	"	"	.30
All Over	1,000,000	"	"	"	"	"	.25

Minimum Bill - \$5.00 per Mo. per meter  
from May to Oct. Incl.  
\$1.00 per Mo. per meter  
from Nov. to April Incl.

This schedule applies only to gas used in internal combustion engines.

Consumers of this class will have priority in the use of gas over consumers of Class C and D at times when there is insufficient gas to supply the demands of all classes

SCHEDULE 1-C, CLASS C - NATURAL GAS:

							<u>Per M. Cu-Ft.</u>
First	50,000	cu. ft.	per meter	per Mo.			\$.45
Next	150,000	"	"	"	"	"	.35
Next	400,000	"	"	"	"	"	.30
All over	600,000	"	"	"	"	"	.25

Minimum Bill - \$15.00 per Mo. per meter  
from May to Oct. Incl.  
\$ 1.00 per Mo. per meter  
from Nov. to April Incl.

SCHEDULE 1-C, CLASS C - NATURAL GAS:  
(Continued)

This schedule applies to gas used by commercial and industrial consumers, whose demand for gas is not dependent upon atmospheric temperature, or upon the preparation of meals, and whose time of maximum demand, if any, does not coincide with the maximum demand hours of Class A consumers. It will not be required that consumers of this class be equipped with facilities for using other fuel. This class will include bakeries, packing houses, metal working plants, preserving and canning establishments, fruit and vegetable dryers and other consumers whose load has the characteristics named above.

Consumers of this class will have priority in the use of gas over consumers of Class D at times when there is insufficient gas to supply the demands of all classes.

SCHEDULE 1-D, CLASS D - NATURAL GAS:

						Per M. Cu. Ft.
First	100,000	Cu. Ft.	per meter	per Mo.		\$.35
Next	200,000	" "	" "	" "	" "	.30
All over	300,000	" "	" "	" "	" "	.25

Minimum Bill - \$50.00 per Mo. per meter  
from May to Oct. Incl.

\$ 5.00 per Mo. per meter  
from Nov. to April Incl.

This schedule applies to gas used by those industrial consumers located on existing high pressure mains having a capacity in excess of the present demands of Class A, B, and C, consumers, for the use of steam boilers, incinerators, kilns or similar appliances which are not used to heat buildings or to prepare meals, and which are equipped to use other fuels and can be changed over to use other fuels on 30 minutes notice. At times of gas shortage consumers of this class will be shut off in favor of Classes A, B and C. No obligation is undertaken to serve consumers of this class for any period of time.

SCHEDULE 1-Ds - SPECIAL OIL FIELD SERVICE:

For Montebello Fields:-

Straight Rate ---- \$20 per M. Cu. Ft.

Minimum Monthly Charge \$50.00 per Meter  
Installation

Minimum Guaranteed Use of Gas at Each  
Meter Installation \$500.00

This schedule applies only to consumers who desire to use gas for pumping or drilling oil wells by steam power. It is for the sale of surplus natural gas, and consumers who are supplied under the same, will be subject to shutoff without notice in the event of a threatened or actual shortage of gas, and the company will not be liable for any damages occasioned by shutting off the gas supply. Such consumers will be expected to keep a supply of other fuels on hand.

(b) For Southern District including Long Beach, Seal Beach, Wilmington, San Pedro and adjacent territory.

SCHEDULE 2-A - CLASS A - NATURAL GAS:

					<u>Per M. Cu. Ft.</u>
First	2,000 Cu. Ft.	Per Meter	Per Mo.	\$	.90
Next	8,000 Cu. Ft.	Per Meter	Per Mo.		.75
Next	10,000 Cu. Ft.	Per Meter	Per Mo.		.65
Next	30,000 Cu. Ft.	Per Meter	Per Mo.		.55
Next	50,000 Cu. Ft.	Per Meter	Per Mo.		.50
All over	100,000 Cu. Ft.	Per Meter	Per Mo.		.40

Minimum Bill -- \$1.00 per Mo. per Meter

This schedule applies to all domestic consumers using gas for any purpose; also to restaurants, apartment houses, hotels, hospitals, sanitaría, business buildings of all kinds, schools, churches, and all other consumers who use gas for cooking meals or for heating buildings.

Consumers of this class will have priority in the use of gas over consumers of Class B, C, and D at all times when there is insufficient gas to supply the demands of all classes.

A consumer of this class may not demand gas at any time at an unreasonably high rate per hour.



SCHEDULE 2-B, CLASS B, NATURAL GAS:

						<u>Per M. Cu. Ft.</u>
First	50,000	Cu. Ft.	per Meter	Per Mo.		\$ .55
Next	150,000	"	"	"	"	.45
All over	200,000	"	"	"	"	.40

Minimum Bill - \$5.00 per Mo. per Meter  
 From May to October Incl.  
 \$1.00 per Mo. per Meter  
 From Nov. to April Incl.

This schedule applies only to gas used in internal combustion engines.

Consumers of this class will have priority in the use of gas over consumers of Class C and D at times when there is insufficient gas to supply the demands of all classes.

SCHEDULE 2-C, CLASS C, NATURAL GAS:

						<u>Per M. Cu. Ft.</u>
First	50,000	Cu. Ft.	Per Meter	Per Mo.		\$ .50
Next	150,000	"	"	"	"	.45
Next	300,000	"	"	"	"	.40
All Over	500,000	"	"	"	"	.35

Minimum Bill - \$15.00 per Mo. per Meter  
 from May to October Incl.  
 \$1.00 per Mo. per Meter  
 from Nov. to April Incl.

This schedule applies to gas used by commercial and industrial consumers, whose demands for gas are not dependent upon atmospheric temperature, or upon the preparation of meals, and whose time of maximum demand, if any, does not coincide with the maximum demand hours of Class A consumers. It will not be required that consumers of this class be equipped with facilities for using other fuel. This class will include bakeries, packing houses, metal working plants, preserving and canning establishments, fruit and vegetable dryers, and other consumers whose load has the characteristics names above.

SCHEDULE 2-C - CLASS C, NATURAL GAS:

(Continued)

Consumers of this class will have priority in the use of gas over consumers of Class D at times when there is insufficient gas to supply the demands of all classes.

This schedule is based upon service at a pressure of 4 oz. above atmospheric; however, providing any consumer requires gas at a greater pressure, and the company is able to furnish same reasonably, the above rate will be increased 1% for each 2 lbs. which the average pressure required and delivered exceeds 3 lbs per sq. inch.

SCHEDULE 2-D, CLASS D - NATURAL GAS:

							<u>Per M. Cu. Ft.</u>
First	500,000	Cu. Ft.	Per Meter	Per Mo.		\$	.40
Next	500,000	Cu. Ft.	"	"	"	"	.35
All Over	1,000,000	Cu. Ft.	"	"	"	"	.30

Minimum Bill - \$50.00 per Mo. per Meter  
from May to October Incl.  
\$ 5.00 per Mo. per Meter  
from Nov. to April Incl.

This schedule applies to gas used by those industrial consumers, located on existing high pressure mains having a capacity in excess of the present demands of Class A, B, and C consumers, for the use of steam boilers, incinerators, kilns or similar appliances which are not used to heat buildings or to prepare meals and which are equipped to use other fuels and can be changed over to use other fuels on 30 minutes notice. At times of gas shortage, consumers of this class will be shut off in favor of classes A, B, and C. No obligation is undertaken to serve consumers of this class for any period of time.

(c) Western district, including Santa Monica, Venice, Ocean Park, Culver City, Palms, Sawtelle and adjacent territory.

SCHEDULE 3-A, CLASS A, MIXED GAS:

						<u>Per M. Cu. Ft.</u>
First	2,000	Cu. Ft.	Per Meter	Per Mo.		\$1.15
Next	8,000	"	"	"	"	.95
Next	15,000	"	"	"	"	.80
Next	25,000	"	"	"	"	.70
All over	50,000	"	"	"	"	.60

Minimum Bill - \$1.00 per Mo. Per meter.

This schedule applies to all domestic consumers using gas for any purpose; also to restaurants, apartment houses, hotels, hospitals, sanitarium, business buildings of all kinds, schools, churches, and all other consumers who use gas for cooking meals or for heating buildings.

Consumers of this class will have priority in the use of gas over Consumers of Class B, C, and D at times when there is insufficient gas to supply the demands of all classes.

A consumer of this class may not demand gas at any time at an unreasonably high rate per hour.

SCHEDULE 3-B, CLASS B - MIXED GAS:

						<u>Per M. Cu. Ft.</u>
First	50,000	Cu. Ft.	Per meter	Per Mo.		\$.60
Next	150,000	"	"	"	"	.55
All Over	200,000	"	"	"	"	.50

Minimum Bill - \$5.00 per Mo. Per Meter,  
From May to October Incl.  
\$1.00 per Mo. Per Meter,  
From Nov. To April Incl.

This schedule applies only to gas used in internal combustion engines.

Consumers of this class will have priority in the use of gas over consumers of Class C and D at times when there is insufficient gas to supply the demands of all classes.

SCHEDULE 3-C, CLASS C, MIXED GAS:

						<u>Per M. Cu. Ft.</u>
First	50,000	Cu. Ft.	Per Meter	Per Mo.		\$ .60
Next	150,000	"	"	"	"	.55
All Over	200,000	"	"	"	"	.50

Minimum Bill - \$15.00 per Mo. per Meter  
From May to October Incl.  
\$ 1.00 per Mo. per Meter  
From Nov. to April Incl.

This schedule applies to gas used by commercial and industrial consumers, whose demand for gas is not dependent upon atmospheric temperature or upon the preparation of meals, and whose time of maximum demand, if any, does not coincide with the maximum demand hours of Class A consumers. It will not be required that consumers of this class be equipped with facilities for using other fuel. This class will include bakeries, packing houses, metal-working plants, preserving and canning establishments, fruit and vegetable dryers and other consumers whose load has the characteristics named above.

Consumers of this class will have priority in the use of gas over consumers of Class D at times when there is insufficient gas to supply the demands of all classes.

SCHEDULE 3-D, CLASS D - MIXED GAS:

						<u>Per M. Cu. Ft.</u>
First	100,000	Cu. Ft.	Per Meter	Per Mo.		\$ .55
Next	200,000	"	"	"	"	.50
All Over	300,000	"	"	"	"	.45

Minimum Bill - \$50.00 per Mo. per  
Meter per Mo. From May to Oct. Incl.  
\$ 5.00 per Mo. per  
Meter per Mo. From Nov. to Apr. Incl.

SCHEDULE 3-D, CLASS D - MIXED GAS:

(Continued)

This schedule applies to gas used by those industrial consumers located on existing high pressure mains having a capacity in excess of the present demands of Class A, B and C consumers for the use of steam boilers, incinerators, kilns or similar appliances which are not used to heat buildings or to prepare meals and which are equipped to use other fuels and can be changed over to use other fuels on 30 minutes notice. At times of gas shortage consumers of this class will be shut off in favor of classes A, B and C. No obligation is undertaken to serve consumers of this class for any period of time.

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 3d day of July, Nineteen Eighteen.

Edwin O. Edgerton

H. D. Stewart

W. H. Smith

Francis R. DeWitt

Commissioners: