

Decision No. 6342

ORIGINAL

BEFORE THE RAILROAD COMMISSION
OF THE STATE OF CALIFORNIA

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NEEDLES GAS & ELECTRIC COMPANY,
Complainant,
- vs -
NEEDLES ICE COMPANY,
Defendant.

Case No. 1289

R. S. Masson for Complainant,
Gibson, Dunne & Crutcher by S.M.
Haskins for Defendant.

BRUNDICE, Commissioner.

O P I N I O N

Complainant, Needles Gas & Electric Company,
hereafter designated as The Electric Company, requests
that The Needles Ice Company be enjoined from maintain-
ing poles and wires in the town of Needles for the distri-
bution and sale of electricity; from distributing and
selling electric energy to the Murphy Water, Ice &

Light Company or any inhabitants in the town of Needles, and for such other relief in the premises as may be just and equitable.

Complainant alleges in effect that it operates electric and gas production and distribution systems in the City of Needles; that it is the only company engaged in the distribution of electricity for light, heat and power in Needles; that The Needles Ice Company, hereafter designated as Needles Ice Company, has installed in its plant machinery for generating electric energy, has installed a line of poles and wires extending across several streets in the City of Needles a distance of approximately 3600 feet to the plant of the Murphy Water, Ice & Light Company, hereafter designated as The Water Company, and is contemplating selling electricity to said water company without obtaining a certificate of public convenience and necessity for such acts. It further alleges that unless defendant is restrained by order of the Commission it will immediately engage in the business of selling such electricity, thus resulting in duplication and competition. Complainant further alleges that it has been at all times ready and willing to supply power to The Water Company to meet all its requirements; that public convenience and necessity do not justify defendant engaging in the business of distributing and selling electric energy in Needles.

Defendant, The Needles Ice Company, in its answer, denies all the material allegations of the complaint and alleges that the electric generating plant and

transmission line referred to by complainant were constructed and paid for, and are now owned by, the Murphy Water, Ice & Light Company, which water utility furnishes water in the town of Needles.

At the hearing in this matter it was stipulated that Murphy Water, Ice & Light Company be considered a co-defendant with Needles Ice Company in the proceeding.

Needles Gas & Electric Company operates an electric generating plant and distribution system in the City of Needles and supplies electricity for light, heat and power in said City for general public use. It also operates a gas generating plant and distributing system and a telephone system serving the City of Needles and its inhabitants. The electric plant has generator capacity of approximately 300 kilowatts in three units. The load carried is mostly lighting and small power. The maximum demand requires two of the Company's units operating on peak load during winter.

Needles Ice Company owns and operates an ice plant in the City of Needles for the supplying of ice for refrigeration of cars and for sale in the City of Needles. It has installed in its ice plant a 500 horsepower Deisel engine for operating its ice making machinery, and a 120 horsepower Deisel engine electric unit for the operation of electric equipment in the ice plant and to pump water for said plant.

Murphy Water, Ice & Light Company is a water utility operating a water distributing system serving the town of Needles and its inhabitants. Needles Ice Company and Murphy Water, Ice & Light Company are owned and

controlled by the same interests.

Up to the early part of 1919 The Water Company pumped water for its distribution system from wells located in the northeast section of Needles by use of steam engine pumps. Testimony ~~XXXXXXXXXXXX~~ for the Water and Ice Companies is to the effect that, due to the continued increased cost of pumping by steam, The Water Company installed in the plant of the Needles Ice Company a 365 horsepower Deisel engine and a 320 kilowatt electric generator together with the necessary switchboard and transformer equipment, and a transmission line extending from the Ice Works along private right of way some three quarters of a mile to the pumping plant of The Water Company; that the steam pumping units at the pumping plant were replaced by electric motors and new pumps and that at the present time water supply for the town of Needles is pumped by electricity obtained from the plant in the Needles Ice Company's ice plant. The installation at the pumping plant consists of three 35 horsepower motors directly connected to centrifugal pumps, one pump being operated continuously with a possible second one on peak loads and for fire protection.

The installation, which cost in total approximately \$50,000, is estimated by defendants' witness to result in improved water service and economy. The equipment was installed in the Ice Company's plant to make available economies by joint operation with the ice plant machinery, thus giving mutual standby service and cheaper labor costs. The line connecting the two plants is, in general, across private rights of way

owned by the interests which control and own both The Water Company and the Needles Ice Company. The line crosses the end of certain streets. The evidence does not show whether these streets still continue to be public thoroughfares or have been abandoned and transferred to the Santa Fe Railroad as result of placing an embankment across them.

There is no evidence to show other than that the plant and transmission line were installed by Murphy Water, Ice & Light Company, a water utility, for the operation of its own pumping plant and joint service with the Ice Company. Neither The Water Company nor Needles Ice Company at this time apply to serve electricity to the public nor have they held themselves out so to do in the past, and, therefore, in the construction and operation of this plant and line neither Murphy Water, Ice & Light Company nor Needles Ice Company become electric utilities subject to the requirements of the Public Utilities Act, requiring authority of the Railroad Commission to construct and operate said plant and line.

I recommend that the complaint be dismissed.

O R D E R

Needles Gas & Electric Company having filed a complaint against The Needles Ice Company, as set forth

in the opinion preceding, a hearing having been held, the matter submitted and ready for decision,

IT IS HEREBY ORDERED that the above entitled complaint of Needles Gas & Electric Company be and the same is hereby dismissed.

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 19th day of May, 1919.

Edwin O. Edgerton
H. S. ...
James R. ...
H. W. ...

Commissioners.