Decision No. 82/2

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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In the Matter of the Application) of MT. SHASTA POWER CORPORATION) and PACIFIC GAS AND ELECTRIC COM-) PANY for a certificate that pub-) lic convenience and necessity re-) quire the construction of certain power projects and transmission) lines.

Application No. 6044

W. B. Bosley and C. P. Cutten, for Applicants.

DEVLIM, Commissioner:

OPINION

In this proceeding Mt. Shasta Power Corporation and Pacific Gas and Electric Company ask for a certificate from this Commission declaring that public convenience and necessity require the construction of certain hydro-electric plants on the Pit River in Northern California, and the construction of certain transmission lines for the delivery of electricity to be thereby produced.

It is the plan and purpose of Mt. Shasta Power Corporation to construct five or more hydro-electric plants on

the Pit River, utilizing the waters thereof between the confluence of the Fall River and the lower end of the Big Bend, between which points the construction of power plants and appurtenances will develop in excess of 300,000 kilowatte. The waters of the Pit River and its tributaries to be used in the proposed developments possess remarkable uniformity of flow and the topography of the territory is such that power can be efficiently developed by the construction of dams, conduits, tunnels, penstocks and power plants and appurtenances.

Applicant is now actively engaged in the construction of the first unit of this development, known as Fall River Plant No. 1, and contemplates the completion of the same during the year 1921. It is engaged in further engineering surveys and studies upon which will be based the subsequent developments at various lower points on the Pit River. The electricity produced in the plants to be thus constructed will be carried thru high voltage transmission lines from the power plants into the Sacramento Valley and eventually to San Francisco Bay.

Pacific Gas and Electric Company, which controls Mt.

Shasta Power Corporation thru stock ownership, joins in the application. Pacific Gas and Electric Company will recieve the principal part of the electricity generated in the proposed power plants and will distribute the same thru its own system thrucut the territory it now supplies and may hereafter supply with electricity.

Applicants have acquired, and are engaged in acquiring, lands, easements and rights necessary for the developments herein contemplated. Transmission lines to be constructed by Mt. Shasta Power Corporation are covered by a franchise acquired

from the California Power and Manufacturing Company, which runs for a period of 50 years from November 7th, 1913, under an ordinance of the County of Shasta duly passed on that date.

A more detailed description of the several power developments and of the transmission lines to be constructed is set forth in the application. Notice of this application, in accordance with applicants' petition, has been given to the principal electric corporations with which Pacific Gas and Electric Company is in competition, from whom no protest has been received.

The funds to be used in the construction of the facilities for the development and transmission of power herein proposed will for the present be supplied by Pacific Gas and Electric Company. The permanent financing of Mt. Shasta Power Corporation will be subsequently effected.

The construction of the hydro-electric power developments herein proposed and the transmission and utilization of the electricity generated thereby will add substantially to the power resources of northern and central California in supplying the constantly increasing demand for electricity for industrial, agricultural and commercial purposes.

Finding that public convenience and necessity will be subserved by the approval of this application. I recommend that it be granted substantially as set forth in the petition herein, and submit herewith the following form of Order:

<u> 0 R D E R</u>

Electric Company having filed with the Railroad Commission an application for a certificate that public convenience and necessity require the construction of hydro-electric plants with reservoirs, dams, conduits and appurtenances on and near the Pit River, Shasta County, California, and the construction of electrical transmission lines from said plants, notice of hearing of said application having been published as required by this Commission, a public hearing having been held on said application, and the Commission finding as a fact that present and future public convenience and necessity require and will require such construction, substantially as set forth in the petition herein,

IT IS HEREBY ORDERED that a certificate for such construction be, and the same is, hereby granted.

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 6 m day of October, 1920.

Commissioners.