

Decision No. 8470

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application of)
NAPA VALLEY ELECTRIC COMPANY, for an)
order revising its rates and charges) Application No. 6291.
for gas in St. Helena.)

D. L. Beard, for Applicant.

W. F. Bornhorst, for Chamber of
Commerce of St. Helena.

E. M. Murray and Oscar Anderson,
in propria persona.

By the Commission:

O P I N I O N

This is an application by Napa Valley Electric Company for authority to increase its rates and charges for gas supplied in the City of St. Helena. Applicant alleges that its gas revenues have not at any time been sufficient to meet the cost of manufacture and distribution of the gas to its consumers and that it has maintained this portion of its business solely to accommodate its patrons in the City of St. Helena.

A public hearing was held before Examiner Satterwhite in St. Helena on December 2, 1920 and the matter thereupon submitted.

The present price at which gas is sold is \$2.00 per thousand cubic feet, with a monthly minimum charge of \$1.50 per meter. This rate has been in effect since November 1917. In this present application authority is asked to charge in future \$2.50 per thousand cubic feet, with a minimum monthly bill of \$2.00 per meter.

The items necessary to consider in granting this application are the increased cost of oil, labor and supplies. The price of oil has increased from \$1.50 per barrel f.o.b. St. Helena in 1917, to \$2.61 at the present time, and this alone would justify the increased rate proposed by applicant.

It was shown at the hearing that applicant's gas service is deficient as regards low pressure and impurities in the gas. It is the opinion of the Commission's engineers that these conditions can be remedied at small expense to applicant, and it will be expected that these shortcomings will be remedied without delay in order to provide better service to consumers.

Applicant is entitled to increase its rates and charges to at least those proposed in its application.

O R D E R

Napa Valley Electric Company having applied to the Railroad Commission for authority to increase its rates and charges for gas in St. Helena, a public hearing having been held, and the matter submitted and being now ready for decision,

The Railroad Commission of the State of California

hereby finds as a fact that the rates now charged for gas by Napa Valley Electric Company in St. Helena are not just and reasonable rates, in so far as they do not compensate it for the cost of manufacture and distribution, and that the rates herein established are, under present conditions, just and reasonable rates.

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

IT IS HEREBY ORDERED that Napa Valley Electric Company be, and it is hereby, authorized to charge and collect for gas in the City of St. Helena, effective for all regular meter readings taken on and after the 30th day of December, 1920, in accordance with the following schedules of rates, to-wit:

GENERAL GAS SERVICE

ST. HELENA

Rate; ~~\$2.50~~ **\$2.50** PER THOUSAND CUBIC FEET.

Minimum Charge: \$2.00 per meter per month.

IT IS HEREBY FURTHER ORDERED that Napa Valley Electric Company shall within twenty days of the date of this Order file with the Railroad Commission the schedule of gas rates herein established.

Dated at San Francisco, California, this ^{20th} ~~21st~~ day of December, 1920.

Edwin C. Edwards
H. D. Loveland

H. B. Bourdage
Dwight Martin
Commissioners.