

Decision No. 25871

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Investigation,
on the Commission's own motion, into
the reasonableness of the rates, rules,
regulations, charges, classifications,
contracts, practices, service and opera-
tion, or any of them, applicable to
natural gas service on the system of
PACIFIC GAS AND ELECTRIC COMPANY.

Case No. 3424.

ORIGINAL

C. P. Cutten and Chaffee E. Hall, for Pacific
Gas and Electric Company.
John J. O'Toole and Dion R. Holm, for the City
and County of San Francisco.
Archer Bowden, City Attorney, for the City of
San Jose.
J. J. Deuel and L. S. Wing, for California Farm
Bureau Federation, and for Poultry Pro-
ducers of Central California.
C. W. Burbrow and C. O. Anonette, for Southern
Pacific Company.
C. Stanley Wood, City Attorney, and John W. Collier,
Deputy City Attorney, for the City of Oakland.
Arnold Rumwell, City Attorney, Stanley Morrison,
Advisory Counsel, and E. C. Thomas, Mayor,
for the City of Palo Alto.
Hugh B. Bradford, City Attorney, and James S. Dean,
City Manager, for the City of Sacramento.
J. LeRoy Johnson, City Attorney, for the City of
Stockton.
Herman Koppelow, for California Housekeeping
Association.
R. L. Mills, for San Francisco Retail Coal Dealers
Association.
J. C. Ewing, for the City Coal Company.
J. J. Schlaepfer, for Bureau of Hotels and Restaurants.
W. D. Tillotson, City Attorney, for the City of Redding.
Chester C. Fisk, Assistant City Engineer, for the
City of Berkeley.
Dewey E. Huggard and G. E. Troxell, for Kensington
Park.
Chas. Clifford, for the City of Santa Rosa, City of
Sebastopol, California Bakers Association,
Western Can Company, Wellman-Peck Company.
Miss M. M. Tarpey, in propria persona.

SEAVEY, Commissioner:

INTERLOCUTORY OPINION AND ORDER

During the progress of the above case there developed a
situation regarding the service and rates of this Company involving

the territory in the districts of Stockton and Sacramento. Complaint was made that the B.T.U. content of the gas furnished was below the basis upon which the existing rates were predicated, to-wit: a range of content from 1135 to 1150 B.T.U.; and also that the districts in question were discriminated against in that they received a lower B.T.U. content than other districts on the system.

The lower heating content of the gas furnished in these cities has resulted from the use of some gas from local wells having a lower heating value than that received from the San Joaquin Valley fields and which is served generally by the Company throughout its northern California territory.

This matter was taken up on May 17 and 19, 1933 for immediate and separate consideration from the main case and submitted for action by the Commission.

Claude C. Brown, the Commission's Gas and Electric Engineer, testified regarding his investigation of the matters. This showed that immediately upon complaint being made he dispatched Commission's Engineer J. E. Spelce to Sacramento and Stockton where he examined the automatic calorimeters of the Gas Company, finding them to consist of equipment recommended by the United States Bureau of Standards and in accordance with the requirement of the General Order of this Commission. Check of these pieces of equipment by the Commission's calorimeter showed them to be working properly. Samples of mixed gas and local well or marsh gas were obtained upon which tests were run. These special tests, together with data supplied the Commission monthly from the automatic calorimeters, indicated that in Sacramento the mixed gas supplied consumers was at all times well above the range assumed for rate fixing purposes. In Stockton there

was proportionately more well gas used, and at times the heat content got below 1125 B.T.U. but on the average was well above the maximum requirement of 1150 B.T.U.

Mr. Brown recommended that the Company be required to stop mixing the well gas and use such gas under Company boilers and sell it to industries.

On behalf of the Gas Company, Willis S. Yard, Vice-President in Charge of Gas Construction and Operation, testified as to heat content of the gas in substantial conformity with the Commission's engineer. He outlined the practices of the Company in the mixing of the gas. He indicated the physical difficulties of shutting off the wells and still retaining them for gas purposes when wanted, and also the difficulty from a financial standpoint of attempting to divert the well gas for specific purposes. He also testified that water from certain of the wells was used for municipal and school purposes and there would be a wastage of gas if it were not sold by the Company.

Counsel for the Company stated that the recommendation of the Commission's engineer would be acceptable if it could be accomplished from the practicable standpoint and without violating the law prohibiting the wastage of gas.

The record before the Commission does not show violation of the Commission's rate order, nor unlawful discrimination. An order will be issued, however, which will correct existing conditions for the future.

IT IS HEREBY ORDERED that Pacific Gas and Electric Company immediately upon the effective date hereof either cease to mix marsh and other natural gases in its deliveries to general consumers in the Sacramento and Stockton districts, or, until new

rates are fixed under the above numbered proceeding, discount the bills of consumers in each such district using such mixed gas on the basis of the percent such mixed gas is less on the average for the month preceding the billing than the gas coming through the main lines of the Standard-Pacific Gas Lines, Incorporated.

A supplemental order will be issued if necessary upon selection by the Company of its procedure.

The foregoing Interlocutory Opinion and Order are hereby approved and ordered filed as the Interlocutory Opinion and Order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 29th day of May, 1953.

C. L. Seaver
W. J. Ann
M. B. Harris
Arthur H. Moore
Commissioners.