Decision No. 29514

## BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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In the Matter of the Application of MARKET STREET RATLWAY COMPANY for an Order of the Railroad Commission instituting a formal investigation upon its own motion as to the rates charged by Pacific Gas and Electric Company for electric energy sold by it to Market Street Railway Company.

Application No. 20,337

ORIGINAL

In the Matter of the Investigation on the Commission's own motion into the reasonableness of the rates, rules, regulatons, charges, contracts, schedules, practices, and operations, or any of them of PACIFIC GAS AND ELECTRIC COMPANY, in supplying electric energy to street railways in the City and County of San Francisco and in the County of San Mateo, State of California.

Case No. 4105

BY THE COMMISSION:

## OPINION ON PETITION FOR REHEARING

The Market Street Railway Company has petitioned for a rehearing of the Commission's Decision 29286 of November 23, 1936, directing a dismissal of the above entitled matters.

The Commission's investigation upon its own motion was in response to the petition of the Market Street Railway Company complaining of the charges made by the Pacific Gas and Electric Company for electric service rendered for railway power uses under its P-9 Schedule. The Commission concluded, after hearing, that the evidence before it did not justify the making of any finding on this issue.

We are of the opinion that no determination of the rates reasonably to be charged for this class of electric service should be made without evidence as to the actual cost of such service. An adequate study of this nature will take some time to prepare, and should cover not only the cost of service to the petitioner herein but also to the other railroad and street railway consumers of electric energy for motive power which may now be receiving service under the same schedule. We believe, however, that this should be done, and trust that with the cooperation of the companies receiving such power service, and of the utility itself, the necessary data may be presented without undue delay.

Accordingly, the order herein will grant the petition for rehearing and will also enlarge the scope of the investigation to permit the presentation of evidence relative to the reasonableness of the charges of Pacific Gas and Electric Company to all consumers of electric energy for motive power.

## ORDER

Good cause appearing, IT IS ORDERED as follows:

- 1. That the petition for a rehearing of Decision No. 29286 filed by Market Street Railway Company is hereby granted.
- 2. That the title of Case No. 4105 is hereby amended to read as follows:

"In the Matter of the Investigation on the Commission's own motion into the reasonableness of the rates, rules, regulations, charges, classifications, contracts, schedules, practices and operations, or any of them, of PACIFIC GAS AND ELECTRIC COMPANY, in supplying electric energy used for motive power to 'street railroad corporations,' 'railroad corporations,' or municipally owned street railway systems in California."

3. That the scope of the Commission's investigation in Case No. 4105 is hereby enlarged to include the reasonableness of the rates, rules, regulations, charges, classifications, contracts,

schedules, practices and operations, or any of them, of PACIFIC GAS
AND ELECTRIC COMPANY, in supplying electric energy used for motive
power to "street railroad corporations," "railroad corporations,"
or municipally owned street railway systems in California, to determine whether such rates, etc., or any of them, are unjust or unreasonable or discriminatory in any particular, and to establish just,
reasonable, and nondiscriminatory rates, etc., for such service.

4. That public hearing in the above matters be had before

on TOESDAYLA.A the 233d day of Fermiory, 1937, at 10 o'clock a.m., in the Courtroom of the Railroad Commission, Fifth

Floor, State Building, San Francisco, California.

5. That the Secretary cause a certified copy of this opinion and order to be served by registered mail upon PACIFIC GAS AND ELECTRIC COMPANY at least ten (10) days prior to said hearing, and cause a certified copy to be mailed to California Street Railroad Company, Central California Traction Company, Key System, Market Street Railway Company, Northwestern Pacific Railroad Company, San Jose Railroads, Petaluma and Santa Rosa Railroad Company, Sacramento Northern Railway, Stockton Electric Railroad Company, Tidewater Southern Railroad Company, San Francisco and Napa Valley Railroad, and Municipal Railways of San Francisco.

Dated at San Francisco, California, this <u>lst</u> day of February, 1937.

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