

Decision No. 23619

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the Matter of the Application of
BIG BEAR LAKE GAS COMPANY, a corpora-
tion, for a Certificate of Public
Convenience and Necessity.

Application No. 23619

Surr & Hellyer, by John P. Surr, for Applicant
A. L. Moreton, for Applicant
C. N. Wells, Interested Party
Frank E. Murphy, Interested Party
Dr. W. P. Gillingham, Interested Party
W. L. McNeill, Interested Party

BY THE COMMISSION:

O P I N I O N

Big Bear Lake Gas Company, a corporation, asks the Railroad Commission to issue its certificate of public convenience and necessity, authorizing the acquiring, installation and operation of a gas plant and distribution system in the territory commonly known as Big Bear Lake, and to exercise the rights and privileges granted it by Ordinance No. 485 by the Board of Supervisors of the County of San Bernardino, California.

Public hearings were held before Commissioner Wakefield on August 29, and Examiner Crenshaw on November 20, 1940, at Big Bear Lake, at which time testimony was introduced and the matter submitted for decision.

According to the record, Big Bear Lake is a mountain resort located approximately twenty-two miles east of Lake Arrowhead, and at the present time there is no other public

utility supplying gas service in that locality.

It is alleged by the Applicant that there are approximately 500 people who occupy cabins in the immediate area around Big Bear Lake throughout the year, and approximately 1500 people during the summer months. At the present time a considerable number of the cabins are equipped for gas service, which is supplied from individually owned butane gas units, It is further alleged by Applicant that there is a public demand for gas service in this area, and from a survey at the present time it is estimated there would be approximately 150 customers.

During the past year Mr. Henry R. Lacey and Mr. Raymond Reynolds have been operating a rather large privately owned butane plant to render service to the Navajo Hotel, owned by Mr. Lacey, and other properties owned by Mr. Reynolds or Mr. Lacey. This is the plant that the Applicant is proposing to acquire and to expand for the purpose of rendering public utility gas service in the immediate vicinity of Big Bear Lake. At the hearing, evidence was presented by the Applicant as to the cost of the privately owned plant and the cost of operation during the past year, as well as the rates charged. In addition, certain estimates were presented as to the cost of additions and betterments necessary to extend the service to other consumers in the immediate vicinity. Applicant proposes to furnish said gas service at a price comparable to the rates charged by other companies having similar systems, and at prices somewhat higher than were charged when the plant was being operated for private purposes.

A copy of Ordinance No. 485 was attached to the application and designated as Exhibit "D," and later during the

hearing was made a part of the proceeding. This franchise is for a period of thirty (30) years and was adopted on June 10, 1940 by the Board of Supervisors of San Bernardino County.

According to the record the total cost of securing the franchise was in the amount of \$202.50, consisting of \$100.00 for legal services and \$102.50 paid to the County of San Bernardino.

Applicant has also filed a stipulation agreeing that its successors and assigns will never claim before the Railroad Commission or any other public body, a value for the franchise above referred to in excess of the actual cost thereof, which cost is \$202.50, exclusive of the filing fee for the present application.

It appears from the record that the Applicant is financially able to pioneer the service proposed at Big Bear Lake, and clearly manifests that public interest will best be served by granting the application.

O R D E R

Big Bear Lake Gas Company having made application to this Commission for an Order granting the Applicant a certificate of public convenience and necessity to supply gas service to the community of Big Bear Lake, San Bernardino County, public hearings having been held, and the matter being submitted and now ready for decision, and

It appearing, and being found as a fact that public convenience and necessity so require,

IT IS ORDERED that a certificate be and it is hereby granted to Big Bear Lake Gas Company to exercise the rights and privileges granted it by the Board of Supervisors of San Bernardino County, under Ordinance No. 485, to the extent

set forth in the franchise, and to construct, operate and maintain the butane gas plant and appurtenances as described and set forth in the application; provided, however, that this certificate shall be subject to the condition that the Railroad Commission may hereafter by appropriate proceeding and order, limit the authority herein granted as to any territory within the aforesaid described area not then being served by Big Bear Lake Gas Company. It is provided further that no claim of value for such franchise or the authority herein granted in excess of the actual cost thereof shall ever be made by grantee, its successors or assigns, before this Commission or before any court or other public body.

IT IS FURTHER ORDERED that Big Bear Lake Gas Company shall charge for the gas service rendered at the rates submitted by it at the November 20 hearing, and that such rates shall be filed with the Railroad Commission within a period of thirty (30) days from the date of this Order.

This Order shall become effective immediately.

Dated at San Francisco, California, this 28th day of January, 1941.

By Walter
Rafanovich
Carl Riey
Justus J. Coarney
Frank R. Havens

COMMISSIONERS.

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