

Decision No. 35669

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the investigation upon the Commission's own motion into the operations, practices, etc., of COAST NATURAL GAS COMPANY, a corporation, and COAST INDUSTRIAL GAS COMPANY, a corporation, for the purposes of determining utility status, as well as the lawfulness, reasonableness and propriety of the rates, contracts, etc., of each of said respondents.

Case No. 4609

Felix T. Smith and Sigvald Nielson for
Coast Industrial Gas Company and
Coast Counties Gas and Electric Company

W. D. MacKay for Commercial Utilities Service and
Western California Cannery

Don Wilson for Fibreboard Products Corporation

SACHESE, COMMISSIONER:

INTERIM OPINION

On October 7, 1941, the Commission, acting on its own motion, instituted an investigation into the operations and practices of Coast Natural Gas Company and Coast Industrial Gas Company, for the purpose of determining, among other things, the public utility status of each of said respondent companies.

A public hearing was held in the Commission's courtroom in San Francisco on August 3, 1942, at which time and place evidence was received relative to the operations of Coast Industrial Gas Company.

Mr. Felix T. Smith, counsel for Coast Industrial Gas Company, declared in a statement at the hearing that it was the intention of that company to cease supplying gas service in Contra Costa County as of September 1, 1942, and that Coast Industrial Gas Company has served cancellation notices on each of

the 12 industrial customers of the company, terminating all gas sale contracts as of September 1, 1942, except the gas sale contract with California Hawaiian Sugar Refining Corp. Ltd. This particular contract provided for a two-year cancellation notice and cannot under its terms be terminated until May, 1943.

Mr. Charles Grunsky, Chief Engineer for Coast Counties Gas and Electric Company, a public utility supplying natural gas service in the area where Coast Industrial Gas Company operated, testified that Coast Counties Gas and Electric Company would furnish industrial gas service on the regular filed gas rates to all former customers of Coast Industrial Gas Company desiring service from Coast Counties Gas and Electric Company and further, his company would assume the obligation to continue the industrial gas contract with the California Hawaiian Sugar Refining Corp. Ltd. until May, 1943.

Respondent, Coast Industrial Gas Company, having declared to the Commission its intention to cease supplying gas service under special contracts and to discontinue business as of September 1, 1942, and Coast Counties Gas and Electric Company having declared its willingness to furnish industrial gas service on the regular filed gas rates of that utility, it is recommended that the proceedings against Coast Industrial Gas Company be dismissed and that the Commission's investigation in this case be continued in all other respects.

INTERIM ORDER

IT IS HEREBY ORDERED that this proceeding as to the respondent, Coast Industrial Gas Company, be and the same is hereby dismissed and that the Commission's investigation in this case be continued in all other respects.

Dated at San Francisco, California, this 11th day of August, 1942.

Justice D. Chace
W. H. D. D.
Francis K. Hovey
Richard L. ...

Commissioners