

Decision No. 36914**ORIGINAL**

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the matter of Application of
 MORGAN HILL COOPERATIVE DRYER
 for authority to purchase its entire
 requirement of natural gas from
 COAST COUNTIES GAS AND ELECTRIC COMPANY
 on the latter's Surplus Gas Schedule
 No. 11, without necessity of installing
 standby facilities.

Application No. 26014

BY THE COMMISSION:

OPINION AND ORDER

In this application Morgan Hill Cooperative Dryer petitions the Commission for permission to be served with gas under the applicable surplus gas tariffs of Coast Counties Gas and Electric Company, without the necessity of installing and providing standby fuel installation and supply.

The applicant respectfully shows that it is in the business of dehydrating prunes at its plant in Morgan Hill, Santa Clara County, and that said plant has been and now is being served with natural gas by Coast Counties Gas and Electric Company. It is further represented that in order to meet the demands imposed by the Federal Government to process a larger volume of produce, it is now in the process of enlarging its dehydrator and adding four new gas burners, which will require an estimated additional 144,000 cubic feet of gas daily. In this latter respect, the applicant states and evidences by copies of its application to the War Production Board, and of that Board's reply, that it has been granted permission to deviate from said Board's Utilities' Order U-7, to the extent that it may use the aforesaid daily volume of gas in the new burners of its dehydrating plant, and without the necessity of installing standby fuel equipment.

Applicant further represents that its operations occur in the period between April 1 and November 30 when normally there is a sufficient supply of

gas and, further, that its operations are such that it will suspend and cease using gas whenever ordered to do so by the supplying utility.

The request made by Applicant represents a deviation from the utility's tariffs and this Commission's orders under Case No. 4591, wherein standby facilities are required as a precedent to receiving surplus gas service.

The Commission is aware that Applicant's petition is made in order to make possible an increased production of necessary food products and recognizes the inadvisability of requiring the use at this time of critical materials to provide adequate standby facilities.

The Commission is of the opinion that the requested deviation from said orders is justified under the present circumstances provided Applicant will conform strictly to the surplus tariffs and to the curtailment orders of the supplying utility, but that the deviation should not extend beyond the duration of the present war plus six months. It is of the further opinion that a public hearing in this application is not required and good cause appearing,

IT IS HEREBY ORDERED that Coast Counties Gas and Electric Company may render surplus gas service to Morgan Hill Cooperative Dryer at its plant in Morgan Hill without its providing auxiliary standby equipment and fuels at the rates and under the conditions of appropriate filed tariffs to the extent of 144,000 cubic feet per day, the amount permitted by the War Production Board, provided that the period of such service shall not exceed the period of the present war plus six months unless otherwise authorized by the Commission.

The effective date of this Order shall be the date hereof.

Dated San Francisco, California, this 7th day of

March, 1944.

Richard L. Baker
Justus F. Coenen
Francis D. Havenue
Thomas W. Clary
Earl H. Russell
Commissioners