

Decision No. 37175

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of the
GILROY CO-OPERATIVE DRYER for authority
to purchase natural gas from COAST COUNTIES
GAS AND ELECTRIC COMPANY on the latter's
Surplus Gas Schedule No. 11, without
necessity of installing standby facilities.

ORIGINAL

APPLICATION NO. 26197.

BY THE COMMISSION:

OPINION AND ORDER

In this application Gilroy Co-operative Dryer asks the Commission for permission to be served with surplus gas by Coast Counties Gas and Electric Company under its applicable surplus gas tariffs without the necessity of installing and providing standby fuel installation and supply.

Applicant states that it is in the business of growing, purchasing, processing, and marketing fruits and will operate a direct fired dehydrator at Gilroy, Santa Clara County. It further states that this dehydrator will be equipped to burn natural gas only and that no provision will be made for burner equipment or for storage facilities for any other type of fuel.

While Applicant does not so state, it is obvious that the contemplated operations are a direct result of the Federal program of producing an increased volume of dehydrated foodstuffs. The fuel requirements of this plant are estimated to be 456,000 cubic feet of gas per day. As evidenced by copies of its application to the War Production Board, and of that Board's reply,

Applicant 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 burners of its dehydrating plant without the necessity of installing standby fuel equipment.

Applicant states that its operations will occur during the summer and fall months 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 Gilroy Co-operative Dryer at its plant at Gilroy without its providing auxiliary standby equipment and fuels at the rates and under the conditions of appropriate filed tariffs to the extent of 456,000

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 at San Francisco, California, this 17th day of July, 1944.

Richard Lachse
Justus P. Cassman
Francis R. Havens

Wm. H. Powell
Commissioners