

Decision No. 39230

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application of

COAST COUNTIES GAS AND ELECTRIC COMPANY,  
a corporation,

for a certificate that public convenience and necessity requires the extension of its gas system within Contra Costa County and the service of natural gas to the inhabitants thereof, and the exercise by applicant of gas franchise rights granted by Ordinance #130 from the County of Contra Costa.

**ORIGINAL**

Application No. 27359

Pillsbury, Madison and Sutro by Hugh Fullerton and Tinning and DeLap by Robert Eshleman for Applicant; R. W. DuVal for Pacific Gas and Electric Company.

O P I N I O N

Coast Counties Gas and Electric Company asks authority to exercise a gas franchise and to construct and operate extensions of its natural gas system in parts of the unincorporated portion of Contra Costa County not covered by previous decisions lying generally east of a north and south line running approximately midway between the towns of Giant and Pinole and sometimes referred to as the San Pablo Grant line.

The franchise referred to is a general county franchise of 50 years duration which was adopted September 2, 1913 and awarded to S. Waldo Coleman, predecessor in interest to Applicant. With this franchise as a basis, Applicant or its predecessors in interest have, under successive grants of limited authority by Commission decisions, established and extended manufactured or natural gas service in the order of their advent throughout the county exclusive of the limited area lying generally west of the San Pablo Grant line. This area adjacent to the communities of Richmond, El Cerrito and San Pablo is served by Pacific Gas and Electric Company. A copy of this franchise was filed by S. Waldo Coleman December 22, 1913 in connection with his application as an individual to inaugurate manufactured gas service in the area between Martinez, Concord, and Antioch (Application No. 905), and a second copy was by informal request filed by Applicant in connection with this proceeding.

A hearing on this application was held by Examiner Daly on June 24, 1946 during which Applicant introduced evidence on the general development of the county and the marked increase in home building in unincorporated areas not covered by previous authorizations. The rapidly growing "Moraga area" was cited as example of immediate need, and Applicant wishes to extend its system into that area as soon as possible. Other new or growing communities are presenting similar demands for gas service and the needs thus evidenced have prompted this application for a further enlargement of Applicant's authorized service area.<sup>1</sup>

Applicant also pointed out that over a number of years the gradual expansion of its operations and those of Pacific Gas and Electric Company has brought their service areas into closer contact with the result that the San Pablo Grant line is no longer satisfactory as a boundary line and the need has arisen for a clearly described line based upon accessible and recognizable survey points.

Testimony showed that as the result of a joint study a mutually satisfactory line separating the two service areas throughout the entire length of their contact has been worked out which did not require any exchange or transfer of customers from one utility to the other. A map showing this line and a description thereof were filed as exhibits by Applicant, and counsel for Pacific Gas and Electric Company stated that this line evidenced the mutual understanding between his company and Applicant as to their respective service areas.

No utility other than Applicant and Pacific Gas and Electric Company, in their respective service areas, is presently rendering gas service in Contra Costa County.

A review of the evidence before us leads to the conclusion that an enlargement of Applicant's service area is in the public interest and that the requested authority should be given.

The authority herein granted is subject to the following provisions of law:

That the Commission shall have no power to authorize the capitalization of the franchise involved herein or this certificate of public convenience and necessity or the right to own, operate or enjoy such franchise or certificate of public convenience and necessity in excess of the amount (exclusive of any tax or annual charge) actually paid to the state or to a political subdivision thereof as the consideration for the grant of such franchise, certificate of public convenience and necessity or right.

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1 In the vicinity of Lafayette and Orinda, Applicant has already installed facilities and established gas service to a number of applicants.

ORDER

IT IS HEREBY ORDERED that Coast Counties Gas and Electric Company be and it hereby is authorized under Section 50 of the Public Utilities Act to construct and operate extensions of its natural gas system throughout the unincorporated portion of Contra Costa County lying generally east of that certain line delineated on the map filed as Exhibit No. 7 and described in Exhibit No. 8 and to exercise in said area the gas franchise granted by Contra Costa County by its Ordinance No. 130 adopted September 2, 1913.

This Order is in lieu of all previous grants of authority to exercise the franchise referred to in limited portions of the county and is subject to the condition that the Railroad Commission may hereafter, by appropriate proceedings and orders, revoke or limit as to territory not then served by Coast Counties Gas and Electric Company or its successors in interest the authority herein granted.

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

Dated at San Francisco, California this 30th day of July, 1946.

Harold Culver  
Justin F. Calver  
Francis C. ...  
Isaac ...  
Harold ...  
Commissioners.