

Decision No. 41081

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

(Amended Title)

In the Matter of the Application of
 PACIFIC GAS AND ELECTRIC COMPANY, a
 corporation, for an order authoriz-
 ing applicant to refile and continue
 in force and effect until December 31,
 1948, Emergency Gas Rule and Regula-
 tion A-4 (Limitation Upon Surplus
 Natural Gas Service).

ORIGINAL

Application No. 25139
(Second Supplemental)THIRD SUPPLEMENTAL ORDER

In this second supplemental application Pacific Gas and Electric Company requests authorization to refile and make effective during the year 1948 its Emergency Rule and Regulation A-4, Limitation Upon Surplus Natural Gas Service.

The rule limiting the availability of surplus natural gas service was made effective on September 25, 1942 and with some minor modifications has continued to be effective in accordance with authorization granted by decisions⁽¹⁾ of this Commission. A condition in the rule currently filed provides that it will terminate on December 31, 1947. Applicant seeks to refile the rule in its present form, modified to provide:

"This emergency rule and regulation shall remain in full force and effect until December 31, 1948."

In support of such an extension, applicant made reference to evidence presented at hearings held during the Commission's investigation in Case 4591, covering the availability of natural gas in California, gas reserves, customer utilization, and other related matters. Applicant contended that such evidence indicates it would be inadvisable to allow Rule and Regulation A-4 to expire at this time, thereby affording a substantial number of its present customers and

(1) Decision No. 35707, August 18, 1942; First supplemental order Decision No. 37470, November 9, 1944; Second supplemental order Decision No. 40464, June 28, 1947.

prospective customers an opportunity to apply for service under surplus natural gas tariffs. Reference was also made to the fact that while this Commission is advised of (a) applicant's plans to secure additional supplies of natural gas early in 1948 in accordance with an agreement with Southern California gas companies and (b) plans for an agreement with El Paso Natural Gas Company to obtain additional sources of gas in the future, the certainty of these additional supplies in sufficient volumes to meet the requirements of all classes of applicant's customers has not yet been established. Reference was also made to the unknown factor relating to the prospective added costs of such additional supplies of natural gas to applicant to be purchased for sale to interruptible and other customers. Because of these facts applicant feels a reasonable period of time should be allowed to re-examine its regulations and tariffs governing the supply of natural gas on an interruptible basis, thus affording it an opportunity of ascertaining whether revised regulations and/or tariffs should be proposed that would more nearly reflect present conditions, and conditions that may be anticipated in the future.

The Commission is of the opinion that there are many related problems raised with the request in the application to continue in force and effect Rule and Regulation A-4, covering surplus natural gas service during the calendar year 1948. Some of these problems, as applicant stated, relate to the adequacy of the supply of natural gas; others relate to the rates charged for industrial gas service; and still others relate to the price of fuel oil as well as rates charged for other classes of gas service.

The question as to the further extension of the rule has been discussed in another proceeding (Case 4591), as hereinbefore noted, and as a result of a stipulation made in that proceeding the rule was extended to January 1, 1948 under Decision No. 40464 in the present application.

Under the circumstances now obtaining, the Commission is of the opinion that it will be equitable to permit an extension of the rule for such time as appears essential for the making of studies and the presentation of

evidence at a public hearing when all interested parties may have an opportunity to be heard. In respect to the time of the hearing, the Commission will be guided by the desires of the interested parties. However, it is believed that the hearing should take place within a three-month period, and a six-month extension should be sufficient time to carry out this program.

The Commission being of the opinion that applicant's request should be granted temporarily, pending hearing, therefore

IT IS HEREBY ORDERED that Pacific Gas and Electric Company be and hereby is authorized to refile, effective January 1, 1948, its Emergency Rule and Regulation A-4, which rule shall provide that it shall remain in effect until June 30, 1948, unless sooner cancelled. This order is subject to reconsideration and revision at any time prior to such date after notice and hearing upon the application.

The effective date of this order shall be the date hereon.

Dated at San Francisco, California, this 22nd day of December

1947.

Karol P. Auld
Justin J. Gannon
Wm. H. Powell
F. J. [unclear]

Commissioners