

ORIGINAL

Decision No. 47954

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
COAST COUNTIES GAS AND ELECTRIC COMPANY,)
a corporation, for authorization to)
carry out the terms of certain agreements) Application No. 33796
for the sale of natural gas to certain)
oil refineries located in Contra Costa)
County, pursuant to Section 489 of the)
Public Utilities Code of California.)

OPINION AND ORDER

Coast Counties Gas and Electric Company, by the above-entitled application filed October 14, 1952, requests an order of the Commission authorizing it to carry out the terms of certain agreements covering the sale of natural gas to (A) Tidewater Associated Oil Company Refinery at Avon; (B) Union Oil Company of California Refinery at Oleum; and (C) Shell Oil Company Refinery at Martinez. Copies of said agreements are attached to the application and marked Exhibits "A", "B", and "C", respectively.

The proposed agreements provide that the customers will accept delivery of natural gas at the rates set forth in the applicant's filed Schedule G-51, interruptible natural gas service and that the fuel oil clause provisions in the schedule will apply. In other respects the Special Conditions of Schedule G-51 are superseded by the terms of the proposed agreements.

By the terms of the agreements the customer will be curtailed ahead of other interruptible gas customers served by the company and the customer agrees to curtail gas used to the extent requested by the company. In addition the minimum payment requirement of the filed schedule (\$.20 per month) has been eliminated and

the customers have not been asked to sign one-year minimum contracts. The limitation provision in the interruptible schedule G-51 providing that the commodity charge shall not be greater than the commodity charge under the firm industrial or general service schedules has been omitted from the terms of the agreements.

Applicant states in its application that the use of natural gas by the refineries is variable and intermittent, depending upon the magnitude of the plant's operations and the availability of other types of fuel within the plants. The gas company further states that curtailment of natural gas service to the refineries is possible in a minimum period of time and with the least amount of inconvenience to the customer. Service in accordance with the agreements will thus allow the customers greater flexibility in meeting their fuel requirements. Thus, under the terms of the proposed agreements, the oil companies will be provided an additional part-time supply to supplement their other sources of fuel.

The agreements provide that the effective date will be the first day of the month following that in which the Public Utilities Commission of the State of California issues an order authorizing the company to carry out the terms of the agreements. The agreements will continue in effect until terminated by thirty (30) days' written notice from the company or twenty-four (24) hours notice from the customer.

The agreements at all times are subject to the company's rules and regulations on file with the Public Utilities Commission of the State of California and to such changes or modifications in said rules, regulations, or the agreement as the Commission may, from time to time, direct in the exercise of its jurisdiction.

The Commission having considered the request of applicant and being of the opinion that the application should be granted and that a public hearing is not necessary; therefore,

IT IS HEREBY ORDERED that applicant be and it is hereby authorized to carry out the terms and conditions of the written agreements with (A) Tidewater Associated Oil Company, (B) Union Oil Company of California, and (C) Shell Oil Company as set forth in Exhibits "A", "B", and "C", respectively, attached to the within application, and to render the service described therein under the terms of said agreements, subject to the following conditions:

1. Applicant shall file with the Commission within thirty (30) days after the effective date of this order two certified copies of the contract as executed together with a statement of the date on which the contract is deemed to have become effective and when service was first rendered under the agreement;
2. Applicant shall notify this Commission of the date of termination of said contract within thirty (30) days from and after the date of said termination.

The effective date of this order shall be twenty (20) days after the effective date hereof.

Dated at San Francisco California, this 25th day of November, 1952.

A. J. Indurain
President.
Justus J. Casper
Harold Huls
Samuel Patten
W. E. Mitchell
Commissioners.