

ORIGINALDecision No. 50396

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 HERCULES POWDER COMPANY, a corpora-)
 tion, for authority to increase its)
 purchases of natural gas from Coast)
 Counties Gas and Electric Company) Application No. 35524
 under said company's interruptible)
 natural gas service tariff (Schedule)
 No. G-51) without the necessity of)
 installing standby facilities.)

OPINION AND ORDER

By the above-entitled application, filed June 18, 1954, Hercules Powder Company, a Delaware corporation engaged in the manufacture and sale of explosives, fertilizers and chemicals, seeks authorization to increase and augment its purchases of natural gas from Coast Counties Gas and Electric Company under the latter's rate schedule for interruptible gas service. Such application is thus one seeking authority to continue an existing deviation from the provisions of Coast Counties Schedule No. G-51, wherein standby fuel and equipment are prerequisites to service under said schedule, and to permit greater quantities of gas deliveries without the necessity of installing standby facilities.

Hercules utilizes a portion of the total gas delivered in its powerhouse for which it has standby fuel and equipment ready for operation in the event of curtailment in accordance with the provisions of Schedule No. G-51. Hercules also utilizes a portion of the gas purchased under this schedule as a raw material in the manufacture of ammonia. It is this process for which applicant has not, and can not utilize, a standby fuel as a raw material. Special Condition 3 of Schedule No. G-51, requiring standby fuel and equipment, becomes inapplicable in this instance.

Heretofore whenever Hercules has received notice to curtail gas usage it has curtailed and suspended operations. It states that it will continue to comply with this provision of Schedule No. G-51.

Coast Counties, as evidenced by Exhibit C attached to the application, has no objection to and concurs in the granting of the authorization sought.

The Commission is of the opinion that the request should be granted to increase and augment gas deliveries not to exceed 198,400 Mcf per month, as sought, without the necessity of complying with the standby fuel and equipment provisions of Schedule No. G-51. However, both Hercules and Coast Counties are placed upon notice that Hercules must accept, without question, curtailment of gas service when notified by Coast Counties to do so pursuant to the tariff provisions. Being of the further opinion that a public hearing hereon is not necessary,

IT IS HEREBY ORDERED that Hercules Powder Company may purchase and Coast Counties Gas and Electric Company may sell thereto, natural gas in amounts not exceeding 198,400 Mcf per month for use in its ammonia plants on an interruptible basis under Schedule No. G-51 of said Coast Counties Gas and Electric Company without the necessity of complying with the standby fuel and equipment provisions of said schedule.

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

Dated at San Francisco, California, this 10th day of August, 1954.

John E. Mitchell President
James J. Callahan
W. H. ...
Gene Higgins
Commissioners