

Decision No. 50484**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
SOUTHERN CALIFORNIA GAS COMPANY, a
corporation, for an order of the
Commission approving an arrangement
between Applicant and C. F. BRAUN
& CO. for the furnishing of public
utility service by the former to the
latter.

Application No. 35641

OPINION AND ORDER

In this application Southern California Gas Company requests authority to enter into an arrangement with C. F. Braun & Co., hereinafter called customer, for the furnishing of gas service for a boiler under applicant's Rate Schedule No. G-50, Interruptible Natural Gas Service, without the standby fuel and equipment normally required by the said rate schedule.

Since the gas service to this boiler, which is of a temporary nature, would be for testing purposes continuing for approximately two years and could be curtailed during peak periods, applicant entered into a letter agreement with the customer dated July 8, 1954, waiving the requirement of installation of standby fuel facilities as required by applicant's Schedule No. G-50, Interruptible Natural Gas Service.

According to the information before us, C. F. Braun & Co. is presently planning a research project for a client which is expected to continue for approximately two years. In connection with this project it intends to install a package boiler for the purpose of furnishing steam to a fractionation test unit being built for its client. This boiler will not be used for space heating or other human comfort. It is stated that at the conclusion of these tests the

fractionation test unit will be dismantled and there will be no further need for the boiler referred to.

The present boiler facilities of C. F. Braun & Co., which have standby fuel equipment, are adequate for customer's normal needs but are not sufficient for the peak needs of the particular test work. The new boiler installation will require approximately 19,000 cubic feet per hour, with a total monthly requirement of approximately 3,500,000 cubic feet. It is anticipated that the equipment will be operated for several days at a time and then will be shut down for a review of accumulated test data.

The customer estimates that the added cost of standby fuel facilities for this temporary installation would amount to at least \$3,000 and alleges that the added expense is not justified due to the temporary nature of the installation and the conditions under which the boiler will be used. It is for this reason that C. F. Braun & Co. is requesting that it be relieved of the necessity of installing standby fuel and equipment as required by Interruptible Schedule No. G-50 and has agreed as follows:

- (1) That, upon notification from Southern California Gas Company to interrupt service, it "will shut down the said package boiler within fifteen (15) minutes after such notification";
- (2) "That an interruption in service will cause no damage to the equipment described above and, since the fractionation unit being tested is not perishable, there will be no loss of any kind from such an interruption in service"; and
- (3) "That neither the period of time during which service might be interrupted nor the number of such interruptions will affect the testing operations" which the customer proposed to conduct.

The above conditions are incorporated in the agreement dated July 8, 1954, as attached to and made a part of the application as Exhibit "B", and it is further provided that said letter agreement shall not become effective until approved by this Commission and shall

at all times be subject to such changes and modifications as said Commission may from time to time direct in the exercise of its jurisdiction.

The Company alleges that it has made a thorough investigation and is of the opinion that the request is reasonable.

It appears from the information before us that the arrangement proposed in this application would not be adverse to the public interest since the facilities to be served will be of a temporary nature, requiring only interruptible gas service for a period of not to exceed two years.

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 Southern California Gas Company be authorized to carry out the terms and conditions of the written contract dated July 8, 1954, with C. F. Braun & Co., and to render the service described therein under the terms, charges and conditions stated therein for a period of not to exceed two years from the effective date of this order.

IT IS HEREBY FURTHER ORDERED that applicant shall:

1. File with the Commission within thirty days after the effective date of this order, two certified copies of the agreement as executed, together with a statement of the date on which the contract is deemed to have become effective.

2. Notify this Commission of the date of termination of said agreement within thirty days after said date of termination.

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

Dated at San Francisco, California, this 31st day of August, 1954.

Robert E. Wood
President

Samuel Pottel

Gene Higgins

Commissioners