

Decision No. 68522**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Joint Application )  
of GAS UNLIMITED, INC., a California )  
corporation, and SOUTH TAHOE GAS CO., )  
a California corporation, for an order )  
authorizing the merger of SOUTH TAHOE )  
GAS CO. and AL-TAHOE GAS CO., INC. )  
into GAS UNLIMITED, INC. )

Application No. 45884  
(Filed October 21, 1963)

O P I N I O N

Applicants, alleging that it has become desirable more completely to separate their utility and nonutility operations and to provide a basis for a more normal utility type of financing of future capital expenditures, request an order, under Section 351 of the California Public Utilities Code, authorizing

- (a) The merger of South Tahoe Gas Co., a California public utility corporation and Al-Tahoe Gas Co., Inc., a Nevada public utility, into Gas Unlimited, Inc., a California corporation.
- (b) Gas Unlimited, Inc., to own and operate, as a public utility, all of the properties of South Tahoe and to adopt the existing rates, charges, rules and regulations of South Tahoe on file with the Commission.

Details of the merger plan and financial data relating to the parties are set forth in the application and exhibits submitted in connection therewith. It is contemplated that Gas Unlimited, Inc. after divesting itself of its nonpublic-utility subsidiaries, Tahoe Tank Lines Company and Placer Gas Co. of Tahoe, will adopt the corporate name of South Tahoe Gas Co.

Applicants allege that while Al-Tahoe presently furnishes liquefied petroleum gas service on the Nevada side of the California-Nevada state line in the south Tahoe area, it neither owns, controls, operates nor manages any gas plant for compensation within the State of California, is thus not a "public utility" within the meaning of

the California Public Utilities Code and consequently requires no authorization under Section 851 for its merger into Gas Unlimited, Inc. Applicants, however, are requesting such authorization because of the Commission's decision in California Oregon Power Company, 30 C.R.C.2.

At the present time, South Tahoe is an operating public utility engaged in the business of furnishing LP gas service through mains, transmission lines and a distribution system in certain portions of Placer County under certificates of public convenience and necessity granted by this Commission (Decision No. 56626, May 6, 1958, Application No. 39556; Decision No. 59789, March 15, 1960, Application No. 41593).

Gas Unlimited is not presently engaged in any public utility operation in California or any other state. It holds all of the outstanding shares of South Tahoe and Al-Tahoe, as well as all of the outstanding shares of Placer Gas Co. of Tahoe, a California corporation organized as a nonutility retailer of LP gas in the Lake Tahoe area, and Tahoe Tank Lines Company, a Nevada corporation, a nonutility proprietary carrier of LP gas in the Lake Tahoe area.

Applicants allege that no change in operating procedures or management would result from the merger, since South Tahoe and Al-Tahoe have been under common management for some time and the Board of Directors of Gas Unlimited, Inc. has exercised over-all supervision of their operations.

We find that the merger herein proposed is not adverse to the public interest. It will be authorized in accordance with the ensuing order. A public hearing is not necessary.

O R D E R

IT IS ORDERED that:

1. South Tahoe Gas Co. and Al-Tahoe Gas Co., Inc. may merge into Gas Unlimited, Inc. as of January 1, 1964.

2. Upon completion of the merger herein authorized, Gas Unlimited, Inc. shall own and operate, as a public utility, all of the properties of South Tahoe Gas Co. and shall adopt, in accordance with applicable provisions of General Order No. 96-A, the existing rates, charges, rules and regulations of South Tahoe Gas Co. on file with this Commission.

3. Within thirty days after consummation of the merger herein authorized, Gas Unlimited, Inc. shall file with the Commission a copy of each journal entry used to record the merger on its books of account.

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

Dated at San Francisco, California, this 27<sup>th</sup> day of DECEMBER, 1965.

William L. Arnold  
President  
George T. Trover  
Frederic B. Halblaff

Commissioners

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.