

Decision No. 66770**ORIGINAL**

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

WASHINGTON WATER & LIGHT COMPANY, )  
a California Corporation, )

Complainant, )

v. )

PACIFIC GAS AND ELECTRIC COMPANY, )  
a California Corporation, )

Defendant. )

Case No. 7748  
(Filed October 18, 1963)Martin McDonough, for complainant.F. T. Searls, John C. Morrissey and  
Malcolm A. MacKillop, for defendant.Alfred V. Day, for the Commission staff.O P I N I O N

Complainant seeks an order requiring defendant to supply gas for two well pump engines under the terms of defendant's Schedule No. G-50, Interruptible Natural Gas Service.

This complaint was heard before Examiner Catey at San Francisco on December 23, 1963, and was submitted on that date. Copies of the complaint, answer and notice of hearing had been served in accordance with this Commission's rules of procedure.

Washington Water and Light Company

Complainant is a public utility providing residential, business, municipal and industrial water service to an area in Yolo County comprising generally the communities of West Sacramento, Broderick, and Bryte, and surrounding territory, including the facilities of the Sacramento-Yolo Port District.

Complainant's sources of supply consist of twelve wells located at various points throughout its integrated system. Ten of the well pumps are driven by electric motors and two, Wells Nos. 7 and 12, are powered by natural gas. One of the electric motors is provided with a diesel engine standby unit. Complainant's manager testified that Wells Nos. 3 and 6 produce water having total dissolved solids of about 500 ppm, but that these wells could be utilized during peak periods, along with some 325,000 gallons of storage throughout the system.

A representative of the manufacturer of the type of natural gas engines used at complainant's Wells Nos. 7 and 12 testified to the feasibility of using propane gas as standby fuel for those engines. A witness from a local propane supplier testified to the ready availability and unlimited supply of propane in the Sacramento area. Complainant's manager testified that a 500-gallon propane storage tank at each well would provide 11 days of continuous operation of the engines, that such tanks had not yet been installed, but that complainant would be ready, willing and able to install 500 to 1,000 gallons of propane storage at each well if interruptible gas service were available.

Complainant alleges that it has applied for gas service to its Wells Nos. 7 and 12 pursuant to defendant's Schedule No. G-50, that it can comply with every requirement for service specified in that schedule, that the charges for gas service are more favorable to complainant than those under other schedules considered by defendant to be applicable, and that defendant refuses to provide service to the two wells under Schedule No. G-50 and requires the application of a less favorable firm service schedule.

Pacific Gas and Electric Company

Defendant is a public utility providing gas, electric and water service to various areas in the northern part of California. It provides electric and natural gas service to extensive areas in the State, including the area wherein complainant's facilities are located. Gas service is provided under several rate schedules, including the previously mentioned Schedule No. G-50.

Defendant alleges that it would be unjust and unreasonable to require it to provide the service requested by complainant because of the public health and safety aspect of complainant's water operations. Defendant contends that it inevitably would be requested to provide gas service during what would otherwise be a time of normal interruption and would thus, in effect, be providing firm service at interruptible service rates.

Defendant further contends that the potentially adverse effect on the public interest of interruption of gas service to complainant is entirely unlike that involved in interruptible service to any other of defendant's gas customers.

Discussion

The issue to be resolved in this proceeding is whether or not complainant qualifies for interruptible gas service under a reasonable interpretation of defendant's Schedule No. G-50. The applicability, territory and special conditions set forth in that schedule must all be considered. Whether or not complainant will, in fact, realize any financial savings through use of interruptible service is not germane to this proceeding; if complainant's proposed use of propane standby proves to be an imprudent operation, appropriate treatment can be accorded in future water rate proceedings to protect complainant's customers.

Defendant's Schedule No. G-50 states, in part:

"Applicability

Applicable, subject to interruptions in supply as provided in special conditions below, for natural gas service to commercial and industrial establishments for gas used for all purposes at the option of the customer, except directly for the cooking of meals, where such establishments are located along existing mains having a delivery capacity in excess of the then existing requirements of firm customers."

The record shows that:

1. Complainant's operations reasonably can be considered either commercial or industrial for the purposes of this schedule.
2. Complainant's stated option is to receive interruptible rather than firm service.
3. The gas will not be used for the cooking of meals.
4. Defendant does not contend that complainant's facilities are not located along existing mains having a delivery capacity in excess of the existing requirements of firm customers, nor that they are outside of the territory described in detail in Schedule No. G-50.

Special Condition 1 of Schedule No. G-50 states that a contract will be required as a condition precedent to service. Complainant does not refuse to enter into such contract.

Special Condition 3 of the schedule states:

"3. No customer shall be entitled to service hereunder for new or additional equipment unless adequate standby equipment and fuel shall have been first provided therefor, said standby facilities to be ready at all times for immediate operation in the event that the supply of gas hereunder shall be partially or totally curtailed."

Complainant's manager testified that standby equipment and fuel had not yet been provided but that a minimum of 500 gallons of propane storage capacity would be installed at each of the two well sites. Defendant did not offer any testimony or other evidence, so there is nothing in the record to show the probable frequency and

duration of curtailment of gas supply to complainant under the interruptible schedule. It would appear, however, in view of the winter peaks inherent in a gas utility's operations and the summer peaks normally encountered in a water utility's operations, that provision for storage of a minimum of 11 days' supply of propane, as proposed by complainant, amply complies with the requirements of Special Condition 3.

Findings and Conclusions

The Commission finds that:

1. Complainant now meets all of the prerequisites for interruptible gas service to its Wells Nos. 7 and 12 under defendant's Schedule No. G-50 except the requirement for adequate standby equipment and fuel.

2. Complainant's proposed provision for at least 500 gallons of propane storage will be "adequate standby equipment and fuel", as required by Special Condition 3 of defendant's Schedule No. G-50.

The Commission concludes that defendant should be directed to enter into an appropriate contract and to provide interruptible gas service to complainant's Wells Nos. 7 and 12 under the conditions set forth in the following order.

O R D E R

IT IS ORDERED that:

1. After the effective date of this order, Washington Water and Light Company (complainant) may apply for interruptible gas service to its Well No. 7, Well No. 12, or both, under Schedule No. G-50 of Pacific Gas and Electric Company (defendant) provided at least 500 gallons of propane storage is made available by complainant at each such well.

2. Upon application by complainant in accordance with paragraph 1 of this order and the execution of an appropriate contract, defendant shall provide such interruptible gas service.

3. Throughout the period in which complainant receives such service, it shall keep the required standby facilities ready at all times for immediate operation in the event that the supply of gas from defendant shall be partially or totally curtailed, and complainant shall be responsible for operating its facilities so that any such curtailment will not have an adverse effect on water service to its customers.

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

Dated at San Francisco, California, this 11<sup>th</sup> day of FEBRUARY, 1964.

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*Walter J. King*  
 \_\_\_\_\_ President

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*George J. Brewer*  
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*Fredrick B. Hallock*  
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 Commissioners

Commissioner William M. Bennett, being necessarily absent, did not participate in the disposition of this proceeding.

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