BEFORE THE WASHINGTON PUBLIC SERVICE COMMISSION

In the Matter of the Application of WASHINGTON NATURAL GAS COMPANY to Amend Its Certificate of Public Convenience and Necessity to Operate a Gas Plant for Hire in the General Areas of Snohomish, King, Pierce, Thurston and Lewis Counties, to Encompass Additional Area Adjacent to Its Presently Certificated Area in Thurston County, Washington

CAUSE NO. U-8991

ORDER GRANTING APPLICATION IN PART

The Washington Natural Gas Company on October 24, 1957, filed an application to amend its present Certificate of Public Convenience and Necessity to Operate a Gas Plant for Hire to include additional territory adjacent to its presently certificated area in Olympia, Tumwater and Thurston County, Washington.

Washington now holds gas Certificate of Public Convenience and Necessity No. 2, as amended May 3, 1957, in Cause No. U-8923. The company's certificated area includes Everett, Marysville, Edmonds and Mountlake Terrace in Snohomish County; Seattle, Richmond Beach, Bothell, Kenmore, Kirkland, Houghton, Clyde Hill, Bellevue, Issaquah, Algona, Renton, Kent, Auburn, Tukwila and Pacific City in King County; Tacoma, Milton, Sumner, Puyallup, Fircrest, Steilacoom, and Dupont in Pierce County; Olympia and Tumwater in Thurston County and areas adjacent to each of the foregoing. The above areas are more fully described and detailed in the Supplemental Order of May 2,1956, in Cause No. U-8839, Appendices A-1 to A-6 inclusive and the Order in Cause No. U-8923, Appendix A-7. This application requests an enlargement of the presently certificated area as detailed in Appendix A-5, Cause No. U-8839. The additional area requested is south and west of Olympia and Tumwater in Thurston County.

The company states in support of its application, "There are basically two reasons for the request for the expanded certified area. First, our gate station for the Olympia supply line which, contrary to original plans, had to be located quite some distance from our present certificated boundary. Since this is our line, we naturally desire the right to serve customers along any part of it. Second, the railroads and some other interested parties have developed some potential industrial sites which should logically be served from our distribution system in the Olympia area."

The company's request that it be certificated for the area south of its presently certificated area appears to be reasonable since it includes the route of their gas supply line and potential industrial sites along the main railroad line between Tacoma and Portland. It also includes an area directly south of Tumwater including the airport. However, it appears the need for gas service in the area requested west of the company's present certificated area, is rather remote. The requested area is sparsely settled and while there are several industrial sites located in the area their development appears to be extremely conjectural. Therefore, after due consideration we can see no reason for including any of the area west of the company's present certificated area in this present

certification. Certainly, if our conclusions prove to be erroneous in the future, the Washington Natural Gas Company may readily submit another application to have the area included as part of its service area. It is the Commission's belief that gas distributor's service areas should be based primarily on the ability of a company to provide service throughout an area as well as the need for gas service in the foreseeable future.

Washington Natural Gas Company is the only company certified and offering natural gas service in Thurston County and is fully qualified to serve the additional area which is adjacent to their present service area. The company is also financially capable of providing any additional facilities required to serve the area.

While the area encompassed in this certification may not presently merit gas service, as previously noted the company's Olympia supply line passes through the area and the availability of gas service from that line may create a future development program in the area. The requested area south of Tumwater includes the airport as well as desirable building sites. Pacific Northwest Pipeline Corporation's main pipeline is located only a short distance from the requested area and Washington Natural Gas Company should have no problem in obtaining an adequate supply of natural gas.

FINDINGS OF FACT

- 1. Washington Natural Gas Company operates a gas plant for hire in this state subject to the jurisdiction of this Commission.
- 2. Washington Natural Gas Company has heretofore been issued in Cause No. U-8923, Certificate of Public Convenience and Necessity No. 2, as amended May 3, 1957, to operate a gas plant for hire in the general areas of Everett, Marysville and vicinity in Snohomish County; Seattle and vicinity in King and Snohomish Counties; Puyallup, Sumner, Auburn, Kent and vicinity in King and Pierce Counties; Tacoma and vicinity in Pierce County; Olympia, Turnwater and vicinity in Thurston County; Centralia, Chehalis and vicinity in Lewis County. The presently certificated areas are fully delineated in the Supplemental Order in Cause No. U-8839, Appendices A-1 to A-6 inclusive and Appendix A-7 in Cause No. U-8923.
- 3. Washington Natural Gas Company seeks to amend its present Certificate of Public Convenience and Necessity to include additional area adjacent to its presently certificated area in Thurston County, Appendix A-5, Cause No. U-8839.
- 4. The area sought to be incorporated into the present Certificate of Public Convenience and Necessity is contiguous to the applicant's present service area.
- 5. At present there is no gas company operating a gas plant for hire in the area in question.
- 6. The area west of the presently certificated area in Thurston County is sparsely settled and there is no apparent foreseeable need for gas service in that area. Accordingly, that area should not be certified at present.
- 7. Washington Natural Gas Company is capable of installing plant facilities to make natural gas service available to the additional area it seeks to be certified.

- 8. Washington Natural Gas Company has a source of gas available to serve the anticipated demands of the additional area.
- 9. The operation of a gas plant for hire by Washington Natural Gas Company in the requested area as modified in Finding 6 above is or will be required by the public convenience and necessity.
- 10. The Certificate of Public Convenience and Necessity presently held by the Washington Natural Gas Company should be amended to include additional area in Thurston County as noted in Finding 9 above.

ORDER

- 1. IT IS HEREBY ORDERED That the application of Washington Natural Gas Company to amend its present Certificate of Public Convenience and Necessity to Operate a Gas Plant for Hire to encompass additional area in Thurston County is approved in part as follows:
- a. All of the incorporated area comprising the City of Olympia, the Town of Turnwater and additional portions of Thurston County, Washington, adjacent thereto lying within the area described as follows:

Beginning at the midpoint of the common section line between Sec. 4 and Sec. 9, T 18 N, R 2 W, W.M.; thence southerly along the center lines of Secs. 9, 16, and 21 to the midpoint of the common section line between Secs. 21 and 28; thence easterly along this common line to the southeast corner of Sec 21; thence southerly along the west lines of Secs. 27 and 34 in T 18 N, R 2 W, and Secs. 3, 10 and 15 in T 17 N, R 2 W to the southwest corner of Sec. 15; thence easterly along the south lines of Secs. 15, 14 and 13 in T 17 N, R 2 W, and Secs. 18, 17, 16 and 15 in T 17 N, R 1 W, to the southeast corner of Sec. 15; thence northerly along the east lines of Secs, 15, 10 and 3 in T 17 N, R 1 W, and Secs, 34 and 27 in T 18 N, R 1 W, to the northeast corner of Sec. 27; thence easterly along the south lines of Secs. 23 and 24 in T 18 N, R 1 W, and Sec. 19 in T 18 N, R 1 E, to the southeast corner of Sec. 19; thence northerly along the east line of said Sec. 19 to its northeast corner; thence easterly along the south lines of Secs, 17 and 16 to the west bank of the Nisqually River; thence northerly and westerly to the north-south center line of said Sec. 16; thence northerly along this center line and the center lines of Secs. 9 and 4, T 18 N, R 1E, to the south side of old PSH No. 1; thence northeasterly along this south side to the west line of Sec. 35, T 19 N, R 1 E; thence northerly along this line to the north side of old PSH No. 1; thence southwesterly along this northside to its intersection with the north line of Sec. 4, T 18 N, R 1 E; thence west to the west bank of the Nisqually River; thence south to the north line of Sec. 8; thence westerly along the north line of Secs, 8 and 7 in T 18 N, R 1 E, Secs. 12, 11, 10, 9, 8 and 7 in T 18 N, R 1 W, and Sec. 12 in T 18 N, R 2 W, the west half of which is the north city limit of Olympia; thence westerly, northerly, westerly, southerly and westerly along the city limits to Budd Inlet; thence southwesterly across Budd Inlet to the intersection of the north line of Sec. 10 with the west shore of Budd Inlet; thence westerly along the north lines of Secs. 10 and 9 in T 18 N, R 2 W, to the point of beginning.

as further shown on Appendix A-5 (amended) attached hereto and by this reference made a part hereof.

- 2. IT IS FURTHER ORDERED That the Certificate of Public Convenience and Necessity issued pursuant to Order paragraph No. 1 above, supersedes and cancels Certificate of Public Convenience and Necessity No. 2, as amended, and issued to Washington Natural Gas Company on May 3, 1957, in Cause No. U-8923. Said Certificate of May 3, 1957, should be forthwith returned to this Commission.
- 3. IT IS FURTHER ORDERED That jurisdiction over this cause is retained to effectuate the provisions of this order and future consideration to determine alterations, if any, to be made to the Certificate issued to Order paragraph No. 1 above, to conform to the requirements of public convenience and necessity as the same may then be made to appear.

DATED at Olympia, Washington, and effective this 31st day of December, 1957.

WASHINGT ON PUBLIC SERVICE COMMISSION

FRANCIS PEARSON, Chairman

OSEPH STARIN, Commissioner

GEORGE F. PARKS, Commissioner