

BEFORE THE WASHINGTON PUBLIC SERVICE COMMISSION

In the Matter of the Application of)
PACIFIC NATURAL GAS CO. to)
amend its Certificate of Public)
Convenience and Necessity to Operate)
a Gas Plant for Hire to encompass the)
Town of Kalama, and adjacent area in)
Cowlitz County, Washington.)
.....)

CAUSE NO. U-9264

ORDER GRANTING
APPLICATION TO AMEND
CERTIFICATE

By application filed with the Commission on January 10, 1961, the Pacific Natural Gas Company seeks to amend its present Certificate of Public Convenience and Necessity to Operate a Gas Plant for Hire to include the Town of Kalama and adjacent area in Cowlitz County, Washington. The company presently holds Gas Certificate No. 8 amended, issued in Cause No. U-9238, dated October 4, 1960.

Pacific's application to provide gas service in the Kalama area is primarily based on the plans of a well-known chemical manufacturing concern to construct a plant adjacent to Kalama and the prospect it will be a substantial user of natural gas. There is also a wood veneer plant in the same area as the proposed chemical plant which may be readily served by the company's proposed gas pipeline. Pacific also proposes to extend a line into the main part of Kalama to serve residential and commercial customers.

The company submitted a feasibility study based on a market survey of the Kalama area with operating costs reflecting the company's actual experienced costs. While the prospective residential and commercial gas customers would not justify the necessary investment required to provide gas service in the Kalama area, the substantial industrial load fully justifies the company's proposal. At present Pacific provides gas service in the Woodland area and the Longview-Kelso areas which are contiguous to the requested Kalama area. The company should have no trouble in obtaining an adequate supply of natural gas from the gas pipeline company whose main interstate pipeline is less than four miles from Kalama.

Pacific has been granted a franchise by the Town of Kalama. No other gas company has applied for a gas certificate to encompass any of the area requested by Pacific in this cause. The operation of a gas plant for hire in the Kalama area as requested by Pacific Natural Gas Company is or will be required by public convenience and necessity.

FINDINGS OF FACT

1. Pacific Natural Gas Company, a Washington corporation, operates a gas plant for hire within this state and is subject to the jurisdiction of this Commission.
2. Pacific Natural Gas Company has heretofore been issued Certificate of Public Convenience and Necessity to Operate a Gas Plant for Hire No. 8 amended, in Cause No. U-9238, dated October 4, 1960.
3. Pacific Natural Gas Company seeks to amend its present Certificate of Public Convenience and Necessity to Operate a Gas Plant for Hire to include the

Town of Kalama and adjacent area in Cowlitz County, Washington.

- 4. It is economically feasible for the Pacific Natural Gas Company to provide natural gas service in the Kalama area.
- 5. At present no gas company has been certificated for the area requested by the Pacific Natural Gas Company.
- 6. The operation of a gas plant for hire in the Kalama area is or will be required by public convenience and necessity.

ORDER

1. IT IS HEREBY ORDERED That the application of the Pacific Natural Gas Company for a Certificate of Public Convenience and Necessity to Operate a Gas Plant for Hire in the Town of Kalama and adjacent area in Cowlitz County, Washington is approved and the company's present Certificate of Public Convenience and Necessity to Operate a Gas Plant for Hire be amended to encompass additional area as follows:

All of the incorporated area of the Town of Kalama and additional portions of Cowlitz County adjacent thereto lying within the area described as follows:

Beginning at the northeast corner of Sec. 27, T 7 N, R 1 W. W. M., thence west along the north lines of Secs. 27, 28, 29 and 30 in T 7 N, R 1 W, and Sec. 25 in T 7 N, R 2 W, to the easterly shoreline of the Columbia River in Sec. 25, T 7 N, R 2 W; thence southeasterly following the east shoreline of the Columbia River past the city of Kalama to the south line of Sec. 28, T 6 N, R 1 W; thence east along the south lines of Secs. 28, and 27 in T 6 N, R 1 W to the southeast corner of said Sec. 27; thence north along the east lines of Secs. 27, 22, 15, 10 and 3 in T 6 N, R 1 W, and along the east lines of Sec. 34 and 27 in T 7 N, R 1 W, to the point of beginning.

As further shown on Appendix A-7 attached hereto and by reference made a part hereof.

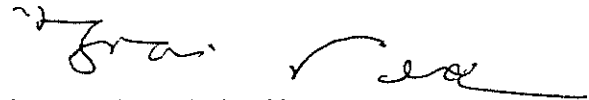
2. IT IS FURTHER ORDERED That the Certificate of Public Convenience and Necessity to Operate a Gas Plant for Hire issued pursuant to Order Paragraph No. 1 above, supersedes and cancels Certificate of Public Convenience and Necessity to Operate a Gas Plant for Hire No. 8, as amended and issued to Pacific Natural Gas Company on October 4, 1960, in Cause No. U-9238. Said Certificate of October 4, 1960, should be forthwith returned to this Commission.

3. IT IS FURTHER ORDERED That the Certificate issued pursuant to Order Paragraph No. 1 above, is subject to the terms, conditions, and provisions of the order in Cause No. U-9238, pursuant to which the Pacific Natural Gas Company was granted its present Certificate.

4. IT IS FURTHER ORDERED That jurisdiction over this cause is retained to effectuate the provisions of this order.

DATED at Olympia, Washington, and effective this 26th day of
January, 1961.

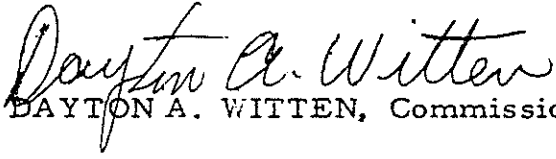
WASHINGTON PUBLIC SERVICE COMMISSION



FRANCIS PEARSON, Chairman



PATRICK D. SUTHERLAND, Commissioner



DAYTON A. WITTEN, Commissioner