

Decision No. 17485.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
PACIFIC GAS AND ELECTRIC COMPANY,)
a corporation, for an order of the)
Railroad Commission approving a cer-)
tain agreement entered into by and)
between applicant and ROSEVILLE WA-)
TER COMPANY, a corporation, dated)
June 16, 1926.)

ORIGINAL

Application No. 13026.

R. W. DuVal, for Pacific Gas and Electric Company.

W. Hemphill, for Roseville Water Company.

LOUTTIT, Commissioner:

O P I N I O N

In this proceeding the Commission is asked to approve an agreement entered into by and between the Pacific Gas and Electric Company, a corporation, and Roseville Water Company, a corporation, providing for the sale and delivery of water to the Roseville Water Company for a term of thirty (30) years from June 16, 1926, at the rate of sixteen (16) cents per miner's inch day, with a monthly minimum payment equal to the value of sixty (60) miner's inches per day at sixteen (16) cents per miner's inch during such month.

A public hearing was held in this matter in which the testimony shows that this agreement replaces a former contract dated March 14, 1912, between the above mentioned parties, and that the present agreement is being made for the purpose of protecting the bondholders of the Roseville Water Company in that it assures that company an adequate and sufficient water

supply during the life of the bonds it proposes to issue.

The old contract provided for a minimum daily delivery of twenty (20) miner's inches at sixteen (16) cents per miner's inch per day and a maximum of 100 miner's inches, while the present contract provides for a daily demand of 60 miner's inches at sixteen (16) cents, with a maximum of 300 miner's inches, or three times the daily minimum and maximum quantities specified in the original contract. The increased minimum quantity and payment was provided to cover the expenditures being made by the Pacific Gas and Electric Company in enlarging its facilities to make the increased deliveries, which are estimated to cost about \$10,300. The Roseville Water Company has taken at least the minimum quantity specified in the agreement at all seasons of the year for a number of years, and owing to the limited capacity of the Pacific Gas and Electric Company's facilities for delivering water it has been necessary for the Roseville Water Company to pump about one half of its water supply from wells to meet the demands during the summer months. The ability of the Roseville Water Company to obtain its entire water supply by gravity will eliminate the necessity of pumping and materially decrease the operating expenses. However, it is proposed to retain the pumping facilities for standby service.

It appears from the evidence submitted in this proceeding that the agreement is reasonably fair to both parties and the public and therefore it should have the approval of this Commission, with the understanding that the rates therein are at all times subject to the jurisdiction of this Commission.

The following order is recommended:

O R D E R

Application having been made by the Pacific Gas and Electric Company, a corporation, for the approval by this Com-

mission of an agreement entered into by and between it and the Roseville Water Company, a corporation, a public hearing having been held thereon, the matter having been submitted, and the Commission being fully informed,

IT IS HEREBY ORDERED that the agreement entered into by and between the Pacific Gas and Electric Company, a corporation, and the Roseville Water Company, a corporation, dated June 16, 1926, as set out particularly in Exhibit "A" attached to the application herein, be and the same is hereby approved and the parties thereto are authorized to consummate said agreement in accordance with the terms thereof.

The effective date of this order shall be twenty (20) days from the date hereof.

The foregoing opinion and order are hereby approved and ordered filed as the opinion and order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 16th day of October, 1926.

H. H. Anderson

C. C. Sawyer

Ernest W. Reed

Thomas S. Rowley
Commissioners.