Decision No. 17976.

BEFORE THE RAILROAD C

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of HORART ESTATE COMPANY, a corporation, and EMMA ROSE, operating as the UTICA MINING COMPANY, for an order of the Railroad Commission of the State of California approving a certain agreement made and entered into by and between applicants and PACIFIC GAS AND ELECTRIC COMPANY, a corporation, dated December 2, 1926.

Application No. 13410.

BY THE COMMISSION:

## OBINION

This is an application of Hobart Estate Company and Emma Rose, operating as the Utica Mining Company, for an order approving a certain agreement, dated December 2, 1926, made and entered into by and between applicants and Pacific Gas and Electric Company. A copy of this agreement, marked Exhibit "A", is attached to the application.

This agreement has been the subject of extended negotiations between the parties thereto, before the Railroad Commission in an informal proceeding and the Commission is fully advised as to the conditions leading up to the final agreement.

It is provided in the agreement, which is made for a term of nine (9) years from and after the first day of January, 1926, that Pacific Gas and Electric Company shall purchase from applicants, at their Angel's Substation in Calaveras County, surplus electric energy at approximately 17,000 volts in an amount not to exceed one million three hundred and fifty thousand

(1,350,000) kilowatt hours per month nor more than sixteen

million (16,000,000) kilowatt hours per year at a rate of four and one half mills (\$.0045) per kilowatt hour.

It is further provided that in the event the existing Schedule P-6 of Pacific Gas and Electric Company is revised or superseded by other schedules whereby the cost of electric energy furnished by Pacific Gas to Utica Company for resale purposes is changed that the rate of four and one half mills (\$.0045) per kilowatt hour shall be decreased or increased, as the case may be, in the same proportion as the cost of electric energy, under said Schedule P-6, shall have been decreased or increased, provided, that in no event shall such rate be less than four mills (\$.004), nor greater than five mills (\$.005) per kilowatt hour.

The agreement is at all times subject to such changes and modifications as the Railroad Commission of the State of California may direct in the exercise of its jurisdiction. In view of the fact that the agreement covers the sale of surplus electric energy that might otherwise be wasted, the Commission feels that the special conditions involved are reasonable.

The Commission is of the opinion that the agreement is fair to both parties and that a public hearing in this proceeding is not necessary.

## ORDER

The Hobart Estate Company and Emma Rose, operating as the Utica Mining Company, having applied to this Commission for an order approving a certain agreement entered into between applicants and Pacific Gas and Electric Company, duted December 2, 1926, the Commission having considered the matter and being of the opinion that a public hearing is not necessary,

IT IS HEREBY ORDERED that the above mentioned agreement (designated Exhibit "A" in the application) between the Hobart Estate Company and Emma Rose, operating as the Utica Mining Company, and the Pacific Gas and Electric Company be and the same is hereby approved.

The authority herein granted shall become effective on the date hereof.

Dated at San Francisco, California, this of Telemon, 1927.

Leon Olhlerall

Commissioners.