Decision No. <u>21179</u>

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 of the State of California approving a certain agreement entered into by and between Western States Gas and Electric Company and Bayside Redwood Company, under date of April 1, 1926, and authorizing applicant to perform said agreement in accordance with its terms.



BY THE COMMISSION:

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Pacific Gas and Electric Company asks the Railroad Commission for an order approving a certain agreement, entered into by and between Western States Gas and Electric Company and Bayside Redwood Company, under date of April 1, 1926, and authorizing applicant, successor in interest to Western States Gas and Electric Company, to perform said agreement in accordance with its terms.

The agreement is for a term of ten (10) years but may be terminated by either perty upon twelve (12) months' written notice.

Among other things covered by the agreement Bayside Redwood Company agrees to deliver hogged fuel or sawdust, a byproduct incident to its mill operations in Eureka, to applicants

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steam electric plant located on adjacent premises in exchange for electric energy for said mill operations to be supplied by the power company.

The agreement provides that the permanent basis of exchange shall be that ratio established by thirty days operation at normal full capacity after the mill has been completely electrified. Owing to operating conditions this ratio was not established and the mill is not now operating. We will provide that this ratio, when established, be submitted for the approval of this Commission.

In all other respects the agreement appears to be in the interest of both parties and should be approved.

## ORDER

Pacific Gas and Electric Company having made application for an order of the Railroad Commission approving a certain agreement, entered into by and between Western States Gas and Electric Company and Bayside Redwood Company, dated April 1, 1926, and the Commission being of the opinion that this agreement is in the public interest and that a public hearing is not necessary,

IT IS HEREBY ORDERED that that certain agreement entered into by and between Western States Gas and Electric Company and Bayside Redwood Company, under date of April 1, 1926, be and the same is hereby approved and applicant is authorized to perform said agreement in accordance with its terms, subject to the following condition:

1. Hereafter, when the ratio of exchange between kilowatt-hours and hogged fuel is established in accordance with the terms of the above mentioned agreement, Sold Patio Will be

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submitted to this Commission for its approval.

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

Dated at San Francisco, California, this <u>part</u>day of <u>func</u>, 1929.

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