Decision No. 8043

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BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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In the Matter of the Application of PACIFIC GAS AND ELECTRIC COMPANY, a corporation, for an order of the Railroad Commission authorizing certain changes in its electric rates for reclamation service.

Application No. 4360

Chas. P. Cutten, for Applicant. Wm. H. Devlin and Earry L. Houston, for Reclamation District 1500. Chas. W. Slack, for Natomas Consolidated and Reclamation District 1001. Hiram W. Johnson, Jr., for Reclamation District 108.

LOVELAND, Commissioner:

# <u>O P I N I O N</u>

This is an application of Pacific Gas and Electric Company to modify its rates for electricity supplied for reclamation service and for authority to file a new schedule for such service known as Schedule No. 198.

Hearing in this matter were held on April 11th, May 9th and June 10th, 1919. It was then agreed and stipulated that a further investigation would be made by the Commission's engineers into the conditions and cost of service to, and the operations of, reclamation pumping plants, the results of such investigation to be considered in evidence, and that thereafter the Commission would pass upon the rate to be charged by applicant for reclamation service.

Although delay has occurred due to the many important emergency rate proceedings before the Commission, in the interim this investigation has been carried out by the Commission's engineers and a recommendation made as to the form of rate to be charged for this service, all of which is considered herein.

The power requirements of reclamation plants occur in general during the months of January to May inclusive, being greater during years of heavier rainfall than years of drought - in fact, in some instances the consumers' use of electricity will vary from practically nothing to several million kilowatt hours per annum, depending upon the rainfall. These power requirements are greatest during years of greatest hydro-electric power supply and do not occur during the irrigation period with the exception of certain instances where the plants are operated during the summer and late fall to remove seepage water, or, as in some instances, for irrigation purposes.

Service of this character should be rendered either on a basis of an annual minimum sufficient to cover approximately the average cost of maintaining equipment for this service, or upon a readiness-to-serve charge based upon such costs. Reclamation service is primarily an insurance service as the average consumption per horsepower per year is relatively very . low. Plants which operate during the summer or late fall for other purposes than regular reclamation service produce a greater burden upon the utility than those that operate only

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during the monthe of January to May, because the irrigation use by reclamation plants occurs at the same time as the heavy irrigation load on the utility's system. The rate recommended by the Commission's engineers, and which is herein established for reclamation service, is so designed as to provide for these variable conditions of use by reclamation consumers.

The rate herein set forth for reclamation service was ordered in effect as the reclamation service rate of Pacific Gas and Electric Company in this Commission's Decision No. 7823 in Application No. 5567, dated June 30th, 1920, being set forth therein as Schedule No. P-8. Following the rendering of said decision the Commission issued its Decision No. 7867 dismissing the present Application No. 4360, it appearing that the decision in Application No. 5567 covered the issues before us in the proceeding herein. I find, however, that in Decision No. 7823 in Application 5567, Schedule No. P-8, for reclamation service, was not ordered effective in the case of special contracts whose continuance had heretofore been authorized. Our Order of Dismissal in Decision No. 7867 in this proceeding should accordingly be revoked.

The schedule herein is determined and fixed as the schedule to be charged in all instances for reclamation service by Pacific Gas and Electric Company and is to supersede all special contract rates for such service heretofore in effect.

I recommend the following form of Order:

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Pacific Gas and Electric Company having applied to

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the Railroad Commission for authority to make certain changes in its electric rates for reclamation service and to file a schedule for such service to be designated as Schedule No. 198, hearings having been held and the matter being submitted and now ready for decision,

The Railroad Commission hereby finds that the rates heretofore in effect for reclamation service, and the proposed rate listed as Schedule No. 198, are not just and reasonable rates for reclamation service insofar as they differ from the rate herein established, and that the rate herein established, when increased by the temporary surcharge authorized Pacific Gas and Electric Company by this Commission's Decision No. 7823, dated June 30th, 1920, is a just and reasonable rate for reclamation service.

Basing its order on the foregoing finding of fact and on the findings of fact set forth in the opinion preceding this order.

IT IS HEREBY ORDERED that the order of dismissal in this proceeding, dated July 12th, 1920, heretofore entered as Decision No. 7867, be, and the same is, hereby revoked.

IT IS HERREY FURTHER ORDERED that Pacific Gas and Electric Company be, and it is hereby, ordered to file and make effective the following schedule of rates for reclamation service, and to charge in accordance therewith for all such service formerly supplied on regular schedules, as set forth in Decision No. 7823, and to charge in accordance therewith, based upon meter readings taken on and after September let, 1920, for reclamation service supplied under those special contract rates heretofore authorized and in effect on July lst,

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## 1920 for such service:

#### SCHEDULE P-8

### RECLAMATION SERVICE

TERRITORY:

Applicable to entire former Pacific Gas and Electric Company's system.

RATE:

Demand Charge:

For the months of January to May inclusive.
a. For service delivered at Secondary Voltage.

\$350.00 per season for the first 50 h.p. or less of connected load.
6.00 per h.p. per season for the next 100 h.p. of connected load.
5.00 per h.p. per season for the next 350 h.p. of connected load.
4.50 per h.p. per season for the next 500 h.p. of connected load.
4.00 per h.p. per season for all over 1000 h.p. of connected load.

b. For service delivered at Primary Voltage.
\$250.00 per season for the first 50 h.p. or less of connected load.
4.50 per h.p. per season for the next 100 h.p. of connected load.
4.00 per h.p. per season for the next 350 h.p. of connected load.
3.50 per h.p. per season for the next 500 h.p. of connected load.
3.00 per h.p. per season for all over 1000 h.p. of connected load.

 For the months of June to December inclusive.
 \$1.00 per month per kilowatt of measured maximum demand created during each month.

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Energy Charge: (In addition to Demand Charges under (1) and (2)

1.00 per k.w.h. for the first 200,000 k.w.h. per year 0.90 " " all over 200,000 " " "

### SPECIAL CONDITIONS:

(a) "Secondary Voltage" as used in this schedule includes all voltages less than 15,000 volts at the option of the consumer.

(b) "Primary Voltage" as used in this schedule inoludes voltages of 15,000 volts or more at the option of the company.

(c) "Connected Load" as used in this schedule means the lesser of

Kilovolt ampere capacity of transformers installed. Total horsepower of all motors that may be connected to the line at any one time, excluding auxiliary motors operating gates, primary pumps, etc., which are intermittently operated.

(d) Measured Maximum Demand. The maximum demand in any month shall be the average kilowatt input indicated or recorded by instruments to be furnished and installed by the Company upon the consumers premises, adjacent to watt-hour meter or meters, in the 15-minute interval in which the consumption of electricity is greater than in any other 15 minute interval in the month, or at the option of the Company, the maximum demand may be determined by test.

(e) The seasonal demand charge (Demand Charge 1(a) or (b) is payable yearly, in advance. Monthly demand charges (Demand Charge 2) and Energy Charges are payable monthly.

(f) Contract. This rate will only be given when the consumer will sign a contract for at least three years in the original instance.

(g) Reclamation plants of 50 h.p. or less may have the option of selecting Schedule P-2 instead of this schedule.

IT IS HEREBY FURTHER ORDERED that the temporary surcharge authorized in Decision No. 7823, dated June 30th,

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1920, shall apply to reclamation service in addition to the charges under rates herein established, to the extent set forth in said Decision No. 7823.

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 <u>Je</u> day of <u>Conquit</u>, 1920.

Commissioners.

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