

Decision No. 27822.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of
PACIFIC GAS AND ELECTRIC COMPANY for
an order of the Railroad Commission
of the State of California approving
a certain agreement entered into by
and between applicant and THE AMALGA-
MATED SUGAR COMPANY, dated February 5,
1935.

Application No. 19859.

ORIGINAL

BY THE COMMISSION:

OPINION AND ORDER

This is an application of Pacific Gas and Electric Company, a corporation, for an order approving a certain agreement dated February 5, 1935, made and entered into by and between applicant and The Amalgamated Sugar Company. A copy of the agreement marked Exhibit "A" is attached to and made a part of the application.

Under the terms and conditions and during the term specified in the aforesaid agreement applicant has agreed to install at an estimated cost of \$72,000 the necessary mains and other facilities and deliver and sell to The Amalgamated Sugar Company all the surplus natural gas required by said sugar company for fuel purposes in the operation of its high pressure boilers (2420 H.P. rated capacity) used for building heating and other purposes in its plant, approximately one mile north of Clarksburg, in Yolo County, California. The Amalgamated Sugar Company, in turn, has agreed to advance toward the cost of this construction the sum of Fifteen Thousand (15,000) Dollars, sub-

ject to refund at the rate of Three Thousand (3,000) Dollars per annum and to purchase from applicant its above described surplus natural gas requirements.

It is provided in said agreement that its term shall be five (5) years from and after June 1, 1935, subject to extensions under certain conditions, but in no event shall exceed eight (8) years.

The rate therein provided is as follows:

First 3,000 M. cubic feet per month,
irrespective of time of usage - - - - - 17¢ per M.cu.ft.

In excess of 3,000 M. cubic feet per month,

- (a) For an amount not greater than total used during the month between the hours of 8:00 p.m. and 6:00 a.m. - - 12¢ per M.cu.ft.
- (b) For any additional usage - - - - - 15¢ per M.cu.ft.

Minimum charge Sixty Thousand (60,000) Dollars per annum payable at the rate of Five Thousand (5,000) Dollars per month.

The above rates are subject to increase or decrease on the basis of one (1) cent per thousand cubic feet for each six (6) cent increase or decrease, respectively, in the market price of fuel oil above or below eighty-nine (89) cents per barrel, F.O.B. Richmond, California, the maximum allowable decrease to be two (2) cents per thousand cubic feet.

The Commission is of the opinion that this agreement is in the interest of both parties and that a public hearing in the matter is not necessary, and good cause appearing therefor,

IT IS HEREBY ORDERED that the above mentioned agreement between Pacific Gas and Electric Company and The Amalgamated Sugar Company dated February 5, 1935, be and the same is hereby approved.

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

Dated at San Francisco, California, this 10th day of March, 1935.

Frank A. McLaughlin
M. J. Quinn
W. B. Higgins
W. A. Woodhouse
Frank A. McLaughlin
Commissioners.