

Decision No. 27350.

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 agree-
ment entered into by and between ap-
plicant and SWIFT AND COMPANY, dated
April 2, 1935.

ORIGINAL

Application No. 19917.

BY THE COMMISSION:

OPINION AND ORDER

In this application Pacific Gas and Electric Company, a corporation, asks the Commission to approve an agreement, dated April 2, 1935, under which it proposes to supply Swift and Company with surplus natural gas for industrial boiler fuel purposes and limited incidental building heating. A copy of the agreement is attached to the application and marked Exhibit "A".

The following special rate is provided therein:

First	7,500 Mcf. per month	-----	14¢ per Mcf.
Next	7,500 Mcf. per month	-----	12¢ per Mcf.
All Excess	per month	-----	11¢ per Mcf.

Minimum Charge: \$12,000 per year payable at the rate of \$1,000 per month.

The above rates are subject to an increase or decrease of one cent per thousand cubic feet for each six cent increase or decrease, respectively, in the price of fuel oil above or below eighty-nine (89) cents per barrel f.o.b. Richmond, California, as regularly quoted by the Standard Oil Company of California, provided that no

increase shall become effective prior to April 1, 1936.

The initial term of this agreement is one (1) year from and after March 24, 1935, with a provision that it shall continue thereafter from year to year unless terminated by thirty (30) days' written notice given by either party to the other of a desire for such termination.

The rates provided in this agreement are lower than those of the company's present filed schedules, but are identical with those of a former contract under which Swift and Company has operated for the last three years and their continuation is necessary to prevent the loss of this business to competitive fuels.

An analysis of the proposed charges indicates that no burden upon other general consumers will result from the approval of this agreement and we believe that the company's request should be granted.

This is a matter in which a public hearing does not appear necessary and, good cause appearing therefor,

IT IS HEREBY ORDERED that the above mentioned agreement between Pacific Gas and Electric Company and Swift and Company dated April 2, 1935, be and it is hereby approved.

The effective date of this Order shall be the date hereof.

Dated at San Francisco, California, this 13th day of May, 1935.

Leon O'Connell

W. J. Cunn

M. B. Harris

Donald W. ...
Frank R. ...