

Decision No. <u>28057</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 applicant and RUSS BUILDING COMPANY, a corporation, dated April 1, 1935.

Application No. 19980.

BY THE COMMISSION:

## OPINION AND ORDER

In this application Pacific Gas and Electric Company, a corporation, asks the Commission to approve an agreement dated the first day of April, 1935, under which it proposes to supply Russ Building Company, a corporation, with electric energy for its various needs.

The major portion of the electric energy to be supplied and purchased thereunder will be what is commonly designated as sixty (60) cycle, alternating current. For lighting and heating purposes this shall be a single phase current, to be delivered and metered at an electromotive force of approximately one hundred and twenty (120) and two hundred and forty (240) volts; for power purposes this shall be a three phase current, to be delivered at an electromotive force of approximately four hundred and eighty (480) volts. The following special rate shall

-1-

apply for the combination demands and energy consumptions for the aforementioned deliveries:

Demand Charge:

All energy at six mills (\$.006) per kilowatt hour.

## Fuel Oil Clause:

The above energy rate is subject to increase on the basis of 1/10 mill per kilowatt hour for each 3.5 cents increase in the market price of fuel oil as regularly quoted by the Standard Oil Company of California, from 89 cents per barrel, f.o.b. Richmond, California, such increase to be computed to the nearest one-tenth mill per kilowatt hour.

## Maximum Demand:

The maximum demand in any month will be the average kilowatt delivery of the 15-minute interval in which such delivery is greater than in any other 15-minute interval in the month.

The initial term of this agreement is five (5) years from and after the first day of April, 1935, and thereafter until terminated by thirty (30) days' written notice given by either party to the other of a desire for such termination.

The rates to be accorded Russ Building Company under this agreement are lower than those heretofore available under the Company's regularly published schedules. The only justification for the approval of the agreement is the impending loss of the load, since the consumer is prepared to install his own generating facilities if a special rate is not accorded.

An analysis of the proposed charges indicate that no burden upon other general consumers will result from the approval

-2-

of this special rate agreement. 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 Russ Building Company, dated April 1, 1935, be and it is hereby approved.

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

Dated at San Francisco, California, this <u>24</u> day of June, 1935.

All 12 Cur

Commissioners.