Decision No. 28937

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 FRANK B. VENOS and ALFRED JOSEPH (HOME BAKERY) dated February 1, 1936.

Application No. 20586.

BY THE COMMISSION:

CPINION AND ORDER

This is an application of the Pacific Gas and Electric Company for an order approving a certain agreement dated February 1, 1936, made and entered into by and between applicant and Frank B. Venos and Alfred Joseph (Home Bakery). 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 period specified in the agreement, applicant has agreed to sell and deliver to Frank E. Venos and Alfred Joseph, co-partners, and the latter have agreed to purchase from the former, all of the gas which shall be required by said Frank E. Venos and Alfred Joseph for use upon their premises known as the Home Bakery, situated in the City of Red Bluff, County of Tehama, State of California, all in accordance with the rules and regulations duly and regularly established from time to time and on file with the Railroad Commission of the State of California.

The term of the agreement is three (3) years from and after the 1st day of February, 1936, and thereafter from year to

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year, provided, however, that either party hereto shall have the right to terminate this agreement at the expiration of either the three (3) year initial period or any subsequent contractual year by giving the other party thirty (30) days: written notice prior to such intended expiration date.

The rates and charges set forth in the agreement are as follows:

The above rate for gas is subject to increase on the basis of one (1) cent for each four (4) cents increase in the price of fuel oil above \$1.5334 per barrel delivered to company's Red Bluff gas plant, the change to become effective on all regular meter readings taken on and after the 30th day following such change in the price of oil.

The rates and charges set forth in the agreement and as above given are lower than those heretofore available under applicant's regularly published schedules. Applicant, in support of the authorization sought, alleges, in part, that justification therefor is the impending loss of the load resulting from the consumer's preparedness to install and use oil burning equipment.

The agreement contains a provision that it shall at all times be subject to such changes or modifications by the Railroad Commission of the State of California as said Commission may from time to time direct in the exercise of its jurisdiction.

The Commission has investigated this matter and is of the opinion that the agreement dated February 1, 1936 is in the interest of all parties and should be approved, that a consummation of this agreement will not constitute a burden on the rest of the consumers but, to the contrary, will tend to benefit all and, further, that a public hearing in the matter is

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not necessary and good cause appearing therefor,

It is hereby ordered that the above mentioned agreement between the Pacific Gas and Electric Company and Frank B. Venos and Alfred Joseph (Home Bakery) dated February 1, 1936, be and the same is hereby approved.

Dated at San Francisco, California, this <u>2944</u>day of June, 1936.

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