

Decision No. 20817.

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 Commis-
sion of the State of California
approving a certain agreement entered
into by and between applicant and
HOLLY SUGAR CORPORATION dated
July 31, 1936.

Application No. 20830.

BY THE COMMISSION:

OPINION AND ORDER

In this application Pacific Gas and Electric Company, hereinafter called applicant, asks the Commission to approve an agreement dated July 31, 1936, between applicant and Holly Sugar Corporation, hereinafter called consumer, covering the sale of surplus natural gas from Tracy Gas Field to be used for fuel purposes at consumer's plant located at Tracy, California.

Under date of June 23, 1936, applicant and consumer entered into an earlier agreement, in writing, which was a continuation of an existing agreement whereunder, for a period of three years from and after July 1, 1936, and thereafter until terminated, applicant agreed to furnish surplus natural gas to be used at consumer's Tracy plant at the following rate:

First 30,000 M.C.F. per month.....	15.8¢ per M.C.F.
Gas used between 8 P.M. and 6 A.M....	11.8¢ " "
All other gas used.....	13.8¢ " "
Annual Minimum Charge.....	\$60,000.

Said agreement of June 23, 1936, is referred to and made a part of this application by reference.

Under and pursuant to the terms of said agreement dated July 31, 1936, and during the period of one year from and after said date, if and when applicant has sufficient surplus natural gas available therefor from the Tracy Gas Field, consumer agrees to purchase from applicant its entire requirements at the following rate:

All Tracy Gas Purchased..... 11¢ per M.C.F.

Minimum Annual Charge..... \$60,000.00

(Applicable only during months of available supply and when consumer is conducting its "beet-slicing" operations.)

Fuel Oil Clause:

Base rate of 11¢ subject to increase or decrease of 1¢ per M.C.F. for each 6¢ increase or decrease in price of fuel oil per barrel above or below \$1.00 per barrel f.o.b. Lyoth, California, as regularly quoted by the Standard Oil Company of California.

It is understood and agreed that during the period or periods when applicant is furnishing consumer Tracy Gas under this agreement dated July 31, 1936, the aforementioned agreement dated June 23, 1936, shall be suspended and inoperative.

This agreement dated July 31, 1936, contains a paragraph stating that it shall at all times be subject to whatever changes or modifications the Commission may direct in the exercise of its jurisdiction.

It appears that this agreement is fair to all parties concerned, that it should be approved, and that a public hearing on the matter is not necessary, and good cause appearing therefor

IT IS HEREBY ORDERED that said agreement dated July 31, 1936,

between Pacific Gas and Electric Company and Holly Sugar Corporation be and it is hereby approved.

Dated at San Francisco, California, this 30th day of November, 1936.

M. B. Harris

Leon O'Whelan

W. H. Cline

Matthew Pearce

Frank R. Helm
Commissioners.