

Decision No. 32231

ORIGINAL

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 granting and conferring upon applicant all necessary permission and authority to publish and establish, effective July 1, 1939, the schedules of electric rates and charges referred to herein, and to withdraw and cancel as of July 1, 1939 the within mentioned schedules of electric rates and charges of Pacific Gas and Electric Company, San Joaquin Light and Power Corporation and Midland Counties Public Service Corporation.

Application No. 22825

BY THE COMMISSION:

FIRST SUPPLEMENTAL OPINION

Under this supplemental application, Pacific Gas and Electric Company asks permission and authority to make the necessary changes in its system filed rates for electric service, in order to carry out its obligations of granting lower rates to certain unincorporated communities and well developed and built-up suburban areas and in accordance with the Commission's Decision No. 32106 in the original application.

In said Decision No. 32106, the opinion proceeding the order stated, in part, as follows:

"In accordance with public announcement heretofore made, following investigations by the staff of the Railroad Commission, and conferences with officers of applicant and of cities and other interested organizations, a general rate reduction in a major number of electric schedules has been agreed upon totaling \$1,925,000 reduction in gross revenue a year to be effective July 1, 1939. Additional studies are being made as to reductions in certain unincorporated territories. The tariffs affected are shown in Exhibit 'A' attached to the application.

"The reduction of \$1,925,000 annually has been allocated as follows:

Domestic	\$723,000
Commercial Lighting and Power.....	904,000
Power.....	101,000
Agricultural Power.....	86,000
Street Lighting.....	<u>111,000</u>
Total	\$1,925,000

"Additional reductions in unincorporated territory having urban characteristics are being studied to become effective August 1, 1939. These reductions, totaling about \$250,000, will accord a somewhat lower rate to the more densely populated unincorporated territory.
* * * *"

In accordance with the authority granted in Decision No. 32106, Applicant filed the revised rate schedules referred to in Exhibit "A" and said schedules became effective as to all meter readings taken on and after July 1, 1939.

The additional studies referred to, in reference to the formulation of reduced electric rates to certain unincorporated and well built-up suburban areas, are now completed. Such studies have been conducted by the technical staffs, both of Applicant and of the Commission. The resultant proposed new and revised rates, including the necessary changes in the Preliminary Statement, are set forth in a separate folder and designated as Exhibit A-1 and made a part of the supplemental application.

Applicant alleges that the filing and making effective of the proposed schedules of electric rates and charges, set forth in Exhibit A-1 hereof, do not and will not result in an increase in any rate or charge now made by Applicant for electric service supplied under and in accordance with its presently filed electric rate schedules and that, to the contrary, the making effective of the rates and charges contained in Exhibit A-1 hereof will result in substantial savings to electric customers of Applicant, situated in the more densely populated unincorporated areas and in an amount approximating \$250,000 per year. Of this amount approximately 72 per cent is accorded the domestic customers and the balance is given to the commercial lighting user.

The Commission is of the opinion that the proposed new and revised rates should be established and that this is not a matter upon which a public hearing is required.

ORDER

IT IS ORDERED as follows:

1. Pacific Gas and Electric Company is hereby authorized to withdraw and cancel, as of August 15, 1939, the schedules of electric rates and charges (including the Preliminary Statement) mentioned and designated in Paragraph III of the supplemental application herein.

2. Pacific Gas and Electric Company is hereby authorized to file and establish the proposed electric rate schedules (including the Preliminary Statement) contained in Exhibit A-1 of the supplemental application herein. Such schedules and the

rates set forth therein shall become effective as to all meter readings taken on and after August 15, 1939.

This order shall become effective immediately.

Dated at San Francisco, California, this 20th day of August, 1939.

Robert C. Quinn
Frank D. Quinn
M. B. Quinn
Justus D. Quinn
COMMISSIONERS