

Decision No. 36785

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 Rail-
road Commission of the State of
California authorizing applicant
to enter into a written agreement
with IDAHO MARYLAND MINES CORPORA-
TION in words and figures as con-
tained in the form therefor, which
is hereunto annexed, marked
Exhibit "A" and made a part here-
of.

(Electric - Grass Valley)

ORIGINAL

Application No. 25911

BY THE COMMISSION:

OPINION AND ORDER

In this application Pacific Gas and Electric Company, hereinafter referred to as Applicant, requests authority to enter into a written agreement with Idaho Maryland Mines Corporation, hereinafter referred to as Customer, relating to the sale and delivery of electric energy required in the operation of the latter's mine at Grass Valley, Nevada County, California. Copy of the proposed agreement marked Exhibit "A" is attached to and made a part of the application.

Applicant alleges that it is now and for more than 25 years has been furnishing and supplying electric energy and service for the mining operations at said Idaho Maryland Mine; that under Limitation Order L-208 of the War Production Board the Customer must cease all operations except those permitted by special order of that board; that in order to preserve the mine in satisfactory condition to permit normal operations in the future, it is necessary that extensive water pumping be continued; and that Customer cannot afford to continue said essential water pumping operations under Applicant's regularly filed tariff schedules applicable to the power service required primarily for

the pumping operations. It is further recited that unless these pumping operations are continued, the mine may be damaged to the extent that it might not be reopened when the above mentioned limitation order is terminated, which would be of great detriment not only to the owners and operators of said mine, but also to the communities of Grass Valley and Nevada City.

Under the foregoing conditions Applicant has agreed to furnish service under the following rates and conditions more specifically set forth in Exhibit "A" of the application, provided authorization therefor is granted by order of this Commission:

1. During the period commencing from and after the November 1943 meter reading date until gold mining operations are resumed, but not later than 6 months after the termination of World War II:
 - a. First 1500 kw or less of maximum demand per month and for the first 500,000 kwh or less per month\$3,000.00
 - b. Schedule P-30, now on file with this Commission, for all kw of maximum demand in excess of 1500 kw per month and for all kwhr in excess of 500,000 kwhr per month
 - c. In no event shall the average over-all rate be less than 5 mills per kwh.

2. For the remaining period of the term of five years of the proposed contract the rates and charges of filed Schedule P-30 are to apply to all energy and service supplied to Customer.

The proposed agreement further provides that the Customer will not operate its water pumping facilities between the hours of 8:30 a.m. and 11:30 a.m. of each day during the period beginning on the effective date of the agreement and ending on the date that gold mining operations are resumed, except during emergencies.

The Applicant states that during the six-year period 1937-1942, inclusive, Customer has paid approximately \$135,000 per year for service used in gold mining operations and that under the proposed agreement the gross revenue will be approximately \$44,000 per year during continuance of the present emergency conditions. The service to be supplied under the agreement is to be furnished at 4,000 volts.

The agreement also 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, having considered the request of Applicant and it being of the opinion that the application should be granted, that a public hearing in the matter is not necessary and sufficient cause appearing, therefore

IT IS ORDERED that Pacific Gas and Electric Company is hereby authorized to enter into that certain proposed agreement with Idaho Maryland Mines Corporation, substantially in form and content as that attached to Application No. 25911 and marked Exhibit "A", and to supply electric service to said Idaho Maryland Mines Corporation at the rates and under the terms and conditions set forth in said agreement.

Applicant shall file three copies of the agreement within thirty days after it has been executed.

The authority herein granted shall become effective as of the date hereof.

Dated at San Francisco, California, this 28th day of December, 1943.

Francis L. Havenner

Justus D. Wallace
Richard H. Harkins
James W. Clark

Commissioners