

Decision No. 26300

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 authorizing applicant to enter into a written agreement with ARGONAUT MINING COMPANY, LTD. in words and figures as contained in the form therefor, which is hereunto annexed, marked Exhibit "A", and made a part hereof.

(Electric - Jackson)

ORIGINAL

Application No. 26300

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 Argonaut Mining Company, Ltd., hereinafter referred to as Customer, relating to the sale and delivery of electric energy required in the operation of Argonaut's mine situated near Jackson, Amador 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 35 years has been furnishing and supplying electric energy and service for the mining operations at this location; that under Limitation Order L-208 of the War Production Board the Customer must cease all operations except those permitted by special order of the War Production Board; that for proper preservation of the mine, which is of considerable depth, it is necessary that extensive water pumping be done; that Customer can not afford to continue said essential water pumping operations under Applicant's regularly filed tariff schedules applicable to the power service involved. 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 a great detriment not only to the owners and operators of said mine, but also to the mine employees and to the communities of Jackson, Sutter Creek, and Martell.

Under the foregoing circumstances 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 March 1944 meter reading date until gold mining production is resumed but not later than six months after the termination of World War II.
 - a. For the first 370 KW or less of maximum demand per month and for the first 115,000 KWH or less per month a minimum payment of\$ 715.00.
 - b. For all kilowatts of maximum demand in excess of 370 KW per month in accordance with Schedule P-30, a copy of which is hereunto annexed and made a part hereof. (Revised Sheet CRC 869-E).
 - c. For all KWH in excess of 115,000 KWH per month in accordance with said Schedule P-30.

In no event shall the average over-all rate of a, b, and c be less than five mills per KWH.
2. During the remaining term of said proposed agreement, if any, all payments for service thereunder shall be in accordance with said Schedule P-30.

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 gold mining operations are resumed, except during emergencies.

The Applicant states that during the six-year period 1938 to 1943, inclusive, Customer has paid approximately \$40,300 per year for service used in the gold mining operations and that under the proposed agreement the annual gross revenue will be approximately \$12,660 a year. The service to

be supplied under the agreement is to be furnished at 17,000 volts and for a term of 5 years from and after the date of commencement of service thereunder.

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 Argonaut Mining Company, Ltd., substantially in form and content as that attached to Application No. 26300 and marked Exhibit "A," and to supply electric service to said Argonaut Mining Company, Ltd., 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 5th day of September 1944.

Richard R. Kasse
Justus F. Craver
Francis R. Havens
Frank W. Long
Wesley L. Powell
Commissioners