

Decision No 40106

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of

COAST COUNTIES GAS AND ELECTRIC
COMPANY, a corporation,for the approval of an agreement for
the sale of electricity to Pacific
Portland Cement Company at or near
the Town of San Juan, County of
San Benito.

Application No. 28267

ORIGINALOPINION AND ORDER

In this application, Coast Counties Gas and Electric Company, hereinafter referred to as Applicant, requests authority to consummate a contract with Pacific Portland Cement Company, hereinafter referred to as Customer, relating to the sale and delivery of electric energy to the latter's cement plant near the town of San Juan, County of San Benito, California. Copy of the contract is marked Exhibit A and is attached to and made a part of the application.

Under the terms of the contract, Applicant is to sell and deliver three-phase 60-cycle electric energy at a nominal voltage of 24,000 volts. This contract differs principally from the regular P-5 rate schedule of the Applicant in that (1) the energy charge is increased 0.68 cents per kilowatt hour; but with a high voltage discount consisting of a 7 $\frac{1}{2}$ % decrease in the demand charge and a 1 $\frac{1}{2}$ % decrease in the energy charge; (2) a fuel clause with a maximum increase or decrease of 0.03 cents per kilowatt hour has been added; (3) provisions are made for reimbursement to the Applicant if service is discontinued prior to the termination of the contract; (4) limitations are made on the maximum demand which can be taken during specific peak periods; and (5) Customer will construct, own, operate, and maintain all facilities necessary to receive electric energy.

The application for authorization to consummate said contract is made pursuant to the provisions of the Public Utilities Act and is likewise subject to the

provision of the Commission's General Order No. 96. It appears that the necessity for this agreement arises by reason of the marginal and temporary nature of the service, and the demand provisions of Applicant's purchased power contract. Applicant alleges that said contract is warranted in the facts and circumstances obtaining; that all of the terms and conditions thereof are just and reasonable to the parties thereto; and that Applicant and Customer are desirous of performing the covenants thereof. The agreement contains a provision that it shall not be binding on either party until approval shall have been granted by the Public Utilities Commission and also a provision that the agreement shall at all times be subject to such changes or modifications by the Public Utilities Commission as said Commission may from time to time direct in the exercise of its jurisdiction.

The Commission having considered the petition and being of the opinion that the application should be granted and that a public hearing in the matter is not necessary, and good cause appearing, therefore

IT IS ORDERED that Coast Counties Gas and Electric Company be and it is hereby authorized to consummate that certain agreement with Pacific Portland Cement Company, dated January 22, 1947, copy of which is marked Exhibit A and attached to the application; to install the facilities and render the service therein specified; and to charge and collect the rates and charges therein set forth.

The effective date of this Order is the date hereof.

Dated at San Francisco, California, this 1st day of April, 1947.

Harold P. Kula
Justus J. Craemer
W. H. Russell
A. J. ...
...
Commissioners.