

Decision No. 46927

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 PACIFIC GAS AND ELECTRIC COMPANY for an)
 order of the Public Utilities Commission)
 of the State of California granting and)
 conferring upon applicant all necessary)
 permission and authority to carry out)
 the terms and conditions of a written)
 contract entered into by and between)
 applicant and the CITY OF ALAMEDA, dated)
 June 26, 1951 (Exhibit "A" hereof).)
 (Electric))

Application No. 32733

OPINION AND ORDER

In this application Pacific Gas and Electric Company requests authority to carry out the terms and conditions of an agreement dated June 26, 1951, with the City of Alameda. A copy of said agreement is attached to the application as Exhibit A. The agreement relates to the sale by Pacific and purchase by Alameda of all the electric energy required by Alameda for its own use or for sale to its customers. It would supersede a prior agreement dated August 11, 1949, under which such sale and purchase is presently made and for which authorization was granted by Decision No. 43407 dated October 17, 1949, in Application No. 30637.

The rates and charges provided for in the new agreement are the same as those effective under the prior agreement. The conditions under the new agreement which differ from those established by the agreement of August 11, 1949, are as follows:

- a. Delivery of electric energy is to be at approximately 12,000 volts instead of 11,000 volts as provided under the prior agreement.
- b. Under that agreement deliveries of energy were to be made at Alameda's Central Substation and Webster Street Substation and, for purposes of emergency only, from Pacific's No. 2 Ray Cable at a point near Singleton and Main Streets in the City of Alameda.

Deliveries at the last-named point were to be discontinued when Pacific discontinued maintenance in service of said No. 2 Bay Cable. The new agreement recites that Pacific has decided to discontinue maintenance in service of its No. 2 Bay Cable and is willing to provide additional energy to Alameda by maintaining in service that portion of the circuit formerly fed by said cable, extending from Pacific's Station C in Oakland to a point near the Alameda portal of the Posey Tube. Accordingly, the points of delivery under the new agreement are grouped at four locations in the vicinity of (1) north end of Pearl Street, (2) north end of Broadway, (3) Encinal terminals, and (4) Alameda portal of Posey Tube. The City is to furnish, own, and maintain all electrical conductors and facilities necessary to convey electric energy from those points of delivery to its substations. The energy delivered is to be metered in Alameda's Central and Webster Street substations and the readings of the four sets of meters are to be combined for billing purposes.

- c. The term of the agreement of August 11, 1949, is from its effective date to August 27, 1954, and thereafter for one additional year unless cancelled as of said date by thirty (30) days' prior written notice by either party to the other. The term of the new agreement would be for a period of five (5) years from the date it becomes effective.

The new agreement provides that it shall not become effective until the effective date of an order of this Commission authorizing Pacific to carry out the terms and conditions of said agreement, and also provides that at all times it shall be subject to such changes or modifications as this Commission from time to time may direct in the exercise of its jurisdiction. In granting to Pacific, by Decision No. 43407, authority to carry out the agreement of August 11, 1949, the Commission called attention to its position that if it should appear in a rate proceeding that any losses are being incurred because of deliveries under said agreement, such losses are not to be imposed upon Pacific's other electric customers. The Commission here reaffirms that position.

In its application for authority to carry out the new agreement, Pacific has referred to its Application No. 32589 for authority to increase its present electric rates and charges to the extent necessary to obtain certain added gross annual revenue. Pacific states as follows:

"Among other proposals contained in said application is one which contemplates an increase in rates and charges for resale electric service furnished by Pacific, including such service presently supplied to Alameda. Accordingly, the rates and charges set forth in said new agreement between Pacific and Alameda, dated June 26, 1951, will be subject to such changes or modifications as the Commission may authorize or direct in such orders and/or decisions as it shall issue in said Application No. 32589."

It is apparent that the level of rates presently specifically set forth in the agreement of August 11, 1949, would not be changed by grant of authorization for the new agreement. Accordingly, such consideration of appropriate rates and determination as to appropriate charges for service supplied by Pacific to Alameda as may be reached in the proceedings presently pending under Application No. 32589, can be applied with equal force under either the agreement of August 11, 1949, which presently is effective, or the new agreement of June 26, 1951, for which authorization is requested herein.

The Commission having considered the request of applicant and being of the opinion that the application should be granted under the circumstances aforementioned, and that a public hearing is not necessary, therefore,

IT IS HEREBY ORDERED that Pacific Gas and Electric Company be and it is authorized to carry out the terms and conditions of the written agreement dated June 26, 1951, with the City of Alameda, and to render electric service under the terms and charges stated therein.

The effective date of this order shall be twenty (20) days after the date hereof.

Dated at San Francisco, California, this 1st day of April, 1952.

R. E. [Signature]
President.
Justice J. [Signature]
Harold [Signature]
John E. [Signature]

Commissioners.