

ORIGINAL

Decision No. 48176

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 an agreement with the UNITED STATES)
OF AMERICA, dated April 2, 1951, copy)
whereof is attached hereto, marked)
Exhibit "A".)

Application No. 32333
(First Supplemental)

OPINION ON FIRST SUPPLEMENTAL APPLICATION
RE CONTRACT SUPPLEMENT NO. 2

The above-entitled first supplemental application filed November 10, 1952 by Pacific Gas and Electric Company, requests a supplemental order of the Commission granting authority to carry out the terms of an agreement with the United States of America, dated October 15, 1952, amending and modifying the transmission and exchange service contract dated April 2, 1951. A copy of the agreement dated October 15, 1952, numbered Supplement No. 2 to I75r-2650, is attached to the first supplemental application as Exhibit No. 2 and by reference made a part hereof.

Existing Contract

The existing contract, No. I75r-2650, relates to the transmission and exchange of electric power and energy between applicant's system and that of the Central Valley Project of the United States of America. The contracting agency is the Department of the Interior, Bureau of Reclamation. The existing contract is commonly known as the exchange contract. Under its terms the applicant accepts delivery of power and energy from the United States

into its electric transmission system at certain points of inter-connection and, in return, delivers power and energy to, and for the account of the United States. Authorization to enter into the present contract was granted by Decision No. 46058 of this Commission dated August 7, 1951 (51 Cal. P.U.C. 36).

Supplement No. 1

Under date of August 27, 1951 applicant and the United States entered into Supplement No. 1 to said Contract No. I75r-2650 of April 2, 1951 so as to provide that the applicant temporarily furnish and maintain metering equipment in lieu of the furnishing and maintaining of such equipment by the United States as contemplated by the exchange contract. Copies of said Supplement No. 1 dated August 27, 1951 were forwarded to the Commission under date of May 8, 1952 for filing with the papers in Application No. 32333. Such copies were received on May 9, 1952 and are incorporated herein by reference.

Supplement No. 2

Supplement No. 2 amends the transmission and exchange contract of April 2, 1951 to provide for identical operation as provided for by Amendment No. 1 to Contract No. I75r-3428 relating to the sale and interchange of electric power and energy between the applicant and the United States. Thereby Supplement No. 2 adds under Article 9(a) (ii) of the exchange contract the Shasta Substation of applicant as a point of interconnection between the systems in addition to the Tracy Switchyard. Also under Article 12(b) of the exchange contract Supplement No. 2 defines the obligations of the United States with regard to reactive support and voltage control. Under Article 13(a) of Supplement No. 2 the requirement of the exchange contract that the United States provide and maintain

metering equipment of a recording type at points of interconnection is suspended. A similar requirement with respect to metering equipment is retained in the sale contract No. I75r-3428.

Applicant's Position

In support of the authorization sought, applicant states that it has given careful consideration to all of the facts and circumstances bearing upon the matters involved. It alleges that said Supplement No. 2 to Contract No. I75r-2650, dated October 15, 1952, and its terms and conditions are fair, just and reasonable and that the parties thereto are desirous of consummating the same in accordance with the provisions thereof. Exhibit No. 2 provides that in all other respects the transmission and exchange contract shall remain in full force and effect.

Conclusion

After reviewing the statements and allegations contained in the first supplemental application, it is concluded that applicant's request is reasonable and that an order should be issued authorizing applicant to carry out the terms of the modification of the original contract as proposed. While Supplement No. 2 to the original contract does not contain a clause that the contract at all times shall be subject to such change or modification as the Commission may direct in the exercise of its jurisdiction, the fact that such clause is not included does not in any way exempt the company or the contract as supplemented from the Commission's continuing jurisdiction in this matter.

O R D E R

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

IT IS HEREBY ORDERED that applicant be and it is authorized to carry out the terms of the contract supplement dated October 15, 1952 amending and modifying the contract dated April 2, 1951 with the United States of America, Department of Interior, Bureau of Reclamation, Central Valley Project, California.

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

Dated at San Francisco, California, this 19th day of January, 1953.

A. F. [Signature]
President.
Justice J. [Signature]
Harold P. [Signature]
[Signature]
[Signature]
Commissioners.