

**ORIGINAL**Decision No. 49877

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of )  
 PACIFIC GAS AND ELECTRIC COMPANY and )  
 CITY AND COUNTY OF SAN FRANCISCO, )  
 acting through its Public Utilities )  
 Commission, for an order approving ) Application No. 26728  
 certain written agreements hereunto ) (Fourth Supplemental)  
 annexed, marked Exhibits "A", "B", )  
 "C", "D", and "E", respectively. )  
 (Electric) )

FOURTH SUPPLEMENTAL OPINION AND ORDER

In this fourth supplemental application, Pacific Gas and Electric Company seeks authorization to carry out the terms and conditions of a letter agreement with the City and County of San Francisco acting through its Public Utilities Commission. Said letter agreement, dated January 15, 1954, modifies the Hetch-Hetchy Power Contract dated March 14, 1945, as amended.

Pacific now is, and for a number of years last past has been, receiving electric power and energy from the City and County of San Francisco (hereinafter called City) at Pacific's Newark Substation and delivering electric power and energy to the City for its own municipal purposes under the provisions of an agreement dated March 14, 1945, as amended, (sometimes called Hetch-Hetchy Power Contract). Said agreement, as now in effect, was authorized by the Commission in Decisions Nos. 37954 and 48963 issued in Application No. 26728, which are incorporated herein by reference.

In said letter agreement the provisions of Paragraphs 4(a) and 8(a) of said Hetch-Hetchy Power Contract are modified so as to add a new classification under "Class of Service" to be designated

"San Francisco International Airport" and to provide that the delivery of kilowatt-hours at Newark Substation by City for said new classification "San Francisco International Airport" under said Section 4(a) will be 1.1700 kilowatt-hours and the charge for said new classification by Pacific under said Section 8(a) will be .6671 cents per kilowatt-hour.

During 1953 Pacific delivered 20,120,400 kilowatt-hours of electric energy to the City's airport. The 1953 billings at the current contract rate of .8345 cents per kilowatt-hour aggregated \$167,904.74. Under the rate provided for in said letter agreement of January 15, 1954 (.6671 cents per kilowatt-hour) the 1953 billings for electric energy delivered to said airport would have aggregated \$134,223.19.

In support of its requests for such authorization Pacific recites the extraordinary enlargement and development of the City's said airport in recent years and the increase in the annual usage of electrical energy at said airport. In view of this recent enlargement and development, Pacific believes that the aforementioned modifications of said agreement are justified and proper.

The said letter agreement contains the statement that it will be understood that the agreement shall be subject to the granting of authorization to the applicant by the Public Utilities Commission of the State of California to carry out its terms and that it will also be understood that this agreement shall be subject to such modification by said Commission as it may from time to time direct in the exercise of its jurisdiction.

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,

IT IS HEREBY ORDERED that applicant be and it is authorized to carry out the terms and conditions of the letter agreement entered into between the Pacific Gas and Electric Company and the City and County of San Francisco, dated January 15, 1954.

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

Dated at San Francisco, California, this 6<sup>th</sup> day of April, 1954.

A. F. [Signature]  
President

[Signature]

[Signature]

[Signature]

Commissioners