

ORIGINAL

50028

Decision No. _____

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 appli-) Application No. 35339
 cant all necessary permission and)
 authority to carry out the terms and)
 conditions of a written agreement)
 with OWENS-ILLINOIS GLASS COMPANY,)
 dated March 4, 1954.)
 (Water))

OPINION AND ORDER

(1)
 Pacific Gas and Electric Company, a corporation, by the
 above-numbered application filed April 12, 1954, asks the Commission
 for authority to carry out the terms of an agreement, dated March 4,
 1954, with Owens-Illinois Glass Company, a corporation. A copy of
 (2)
 the subject agreement is attached to the application as Exhibit A.
 The agreement provides, among other things, that Pacific will
 increase the capacity of its Ione Canal to enable it to sell and
 deliver untreated water therefrom to Owens-Illinois for the latter's
 proposed processing plant to be located near the City of
 Ione, Amador County.

Under the provisions of the agreement, Pacific will
 increase the capacity of its Ione Canal from 2½ to 6 cubic feet per
 second, and will deliver untreated water to Owens-Illinois at or
 near Station 820 on Pacific's Ione Canal at a rate of flow up to
 200 gallons per minute on a year-round basis. More water may be
 purchased, however, by Owens-Illinois if, in the opinion of Pacific,
 such water is available in addition to the requirements of other
 customers.

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- (1) Sometimes hereinafter called Pacific.
 (2) Sometimes hereinafter called Owens-Illinois.

Payment for water delivered under this agreement will be in accordance with Pacific's Schedule No. 11, "General Metered Service-Untreated Water," on file for its Jackson Water System, except that the monthly minimum will be \$125 for the first 24 months, and thereafter, either 1/24th of the aggregate of monthly bills during the second 12 months of service, or the charge for a uniform flow of 100 gallons per minute, whichever is greater. The annual revenue from this service is estimated to be \$2,400.

The total estimated cost of the enlargement of the Ione Canal is stated to be \$67,760, of which Owens-Illinois has advanced \$46,673. The latter amount is estimated to be the cost of increasing the canal capacity sufficiently to meet the requirements of Owens-Illinois. Of the amount advanced by Owens-Illinois, an estimated amount of \$7,200 is subject to refund.

The agreement is to remain in effect for an initial period of five years, and will continue in effect for successive additional five-year periods until such time as either party gives written notice of its desire to terminate the agreement twelve months in advance of the end of any such five-year period. Said agreement contains a provision that it shall, at all times, be subject to such changes or modifications by the Commission as it may from time to time direct in the exercise of its jurisdiction.

The Commission having considered the request of the 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 Pacific Gas and Electric Company be and it is authorized to carry out the terms and conditions of the written agreement, dated March 4, 1954, with Owens-Illinois Glass Company, and to render the water service described therein under the terms, charges and conditions stated therein.

IT IS HEREBY FURTHER ORDERED that applicant shall;

1. File with this Commission within thirty days after the effective date of this order, two certified copies of the agreement as executed, together with a statement of the date on which the contract is deemed to have become effective.
2. Notify this Commission of the date of termination of said agreement within thirty days after said date of termination.

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

Dated at Los Angeles, California, this 11th day of May, 1954.

John E. Mitchell
President

James J. Cassese

Samuel Lottel

Gene Duggins

Commissioners