

**ORIGINAL**

Decision No. 51859

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
PACIFIC GAS AND ELECTRIC COMPANY, a )  
corporation, for an order of the )  
Public Utilities Commission of the )  
State of California, approving an )  
agreement entered into by and )  
between applicant and Tide Water )  
Associated Oil Company dated July 29, )  
1937 and relating, among other )  
things, to the sale by the former )  
to the latter of electric energy )  
and steam. )

Application No. 21396  
(2nd Supplemental)

OPINION AND ORDER ON  
SECOND SUPPLEMENTAL APPLICATION

By this second supplemental application Pacific Gas and Electric Company requests authority to carry out the terms and conditions of a supplemental agreement with Tide Water Associated Oil Company, dated May 16, 1955. A copy of the supplemental agreement is attached to this application as Exhibit B.

This supplemental agreement amends and modifies a contract between said parties, dated August 30, 1937, as amended December 8, 1944. Said supplemental agreement provides, among other things, for furnishing the electrical demand in excess of the 15,000 kilowatts as specified in the existing contract at the Avon plant of Tide Water, and the rate to be paid by Tide Water for such excess electrical energy.

The agreement states that applicant will sell and deliver to Tide Water, and the latter will purchase and take from applicant, all energy which Tide Water shall require for its operations at its refinery in excess of a demand of 15,000 kilowatts at all of applicant's Avon Substations Nos. 1 to 5, combined.

The agreement provides further that the rates and charges to be paid to applicant by Tide Water for any delivery of 15,000 kilowatts or less are those computed under terms and conditions of the existing contract dated August 30, 1937, and any delivery in excess of 15,000 kilowatts shall be computed at the rates set forth in applicant's Schedule A-13, General Service-Demand-Metered, or such other applicable schedule in lieu thereof as may hereafter be authorized by this Commission. The agreement also provides for the determination of excess energy and billing demand to be used in computing charges under Schedule A-13.

Applicant estimates that on the basis of 12 months ended December 31, 1954, it would have received \$460,632.77 for all energy furnished under the agreement dated May 16, 1955, as compared with \$349,696.32 actually billed under the existing contract as supplemented by agreement dated December 8, 1944. Applicant further estimates on the basis of the 4-month period ended April 30, 1955, the annual revenue to be derived from the sale of excess electric energy to Tide Water will approximate \$380,000 per year.

The agreement is to commence on January 1, 1955, and to continue as long as the basic contract shall remain in effect.

The supplemental agreement provides that it shall at all times be subject to such changes or modifications by this Commission as said Commission may, from time to time, direct in the exercise of its jurisdiction.

The Commission having considered the above-entitled application and being of the opinion that the application should be granted and that a public hearing in the matter 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

supplemental agreement, dated May 16, 1955, with Tide Water Associated Oil Company, a copy of which is marked Exhibit B and attached to the application, to render the service therein specified and to charge and collect the rates stated therein.

IT IS HEREBY FURTHER ORDERED that Pacific Gas and Electric Company shall file with this Commission a statement promptly after termination of said agreement showing the date when the agreement was terminated.

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

Dated at San Francisco, California, this 23rd day of August, 1955.

John E. Mitchell  
President

Justin D. Galloway

William J. ...

R. Hardy

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Commissioners