

ORIGINAL

Decision No. 55258

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Suspension
and Investigation on the Commission's
own motion of Proposed Schedule PA-8,
Agricultural Power (Temporary Sched-
ule), filed by Pacific Gas and
Electric Company.)

Case No. 5640

OPINION AND ORDER ON PETITION
FOR EXTENSION OF TIME

Several customers^{1/}, now receiving temporary service on Schedule PA-8, on June 20, 1957, filed a petition requesting extension of temporary Schedule PA-8 until April 1959, which schedule is due to expire July 11, 1957. This petition states that all of the reasons which led the Commission to allow the Pacific Gas and Electric Company to extend the conjunctive billing feature applied to Schedule PA-1 for a two-year period to the former customers on Schedule P-12-S, who made use of such feature in their past operations, still exist.

The petitioners recite that:

- (a) Lowered water tables have increased the cost for power per acre foot;
- (b) Acreage limitation on cotton production is now more restrictive than in 1955;
- (c) Taxes, farm labor and repair parts have increased in cost materially during the past two years;

1/ Calflax Company, Giffen, Inc., O'Neill Farms, Inc., J. E. O'Neill, Inc., Sumner Peck Ranch, Inc., South Lake Farms, Employees Enterprises, Incorporated, Price Giffen Ranch, and Tres Picos Farms.

- (d) The price of agricultural products has not commensurately increased with increased costs of production;
- (e) The goal of obtaining a supplemental supply of water through the proposed San Luis Project will take some time before it becomes an accomplished fact;
- (f) The area continues to be a distressed area from the standpoint of water supply;
- (g) The increased cost of power resulting from the termination of Schedule PA-8 will vitally affect the economy of the area and can easily result in a loss to petitioners and other persons farming in the area.

In our original order authorizing this schedule we pointed out that conjunctive billing as a permanent rate feature is discriminatory and stated that we did not look with favor upon it. However, after considering many points for and against the special rate we, at that time, concluded and found that it was reasonable to allow Pacific to extend, if it so desired, the conjunctive billing feature applied to Schedule PA-1 for a two-year period to the former customers on Schedule P-12-S who made use of such feature in their past operations. It was the Commission's full intent at that time that the schedule should expire at the end of two years.

Apparently, neither the customers nor Pacific clearly understood the Commission's intent as Pacific on July 10, 1957 also filed a petition for a similar extension of time.

We are of the opinion and so find that conjunctive billing is unreasonably discriminatory and burdensome on the utility's other customers and we will not permit repeated renewals of temporary Schedule PA-8, ~~except for a limited period of time.~~ REU

The customers should have taken advantage of the two-year period to rearrange their wiring or to adapt their operations to the regular agricultural power rates. Since we are well along in

the agricultural pumping season, comparatively little reduction in revenue would occur if we allow this special rate to continue for a few months longer. However, this special rate will not be continued after the effective date of the decision in Pacific's pending electric rate case. This should give ample time for the customers to rearrange their wiring or change their operations to conform to the regular agricultural rates; therefore,

IT IS ORDERED that the expiration date of "July 11, 1957" on Schedule PA-8 be revised to read: "the effective date of the Commission's decision to be issued on Application No. 38811 or if new tariffs are authorized the effective date of the new tariffs."

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 11th day of JULY, 1957.

President
Paul Wintermeyer

W. H. Dealey

E. L. Fox

Commissioners