

ORIGINALDecision No. 59749

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 granting and conferring
 upon applicant all necessary permis-
 sion and authority to carry out the
 terms and conditions of a written
 contract with THE PACIFIC TELEPHONE
 AND TELEGRAPH COMPANY, dated
 November 23, 1959.

Application No. 41854

(Electric)OPINION AND ORDER

By this application, Pacific Gas and Electric Company requests authority to enter into and carry out the terms and conditions of a written contract, dated November 23, 1959, with The Pacific Telephone and Telegraph Company. A copy of the contract, marked Exhibit A, is attached to the application.

The contract states that the customer has requested applicant to furnish electric service at its microwave radio relay station site located on Taft Mountain, approximately 5 miles southwest of the City of Taft, in the County of San Luis Obispo, California.

It will be necessary for applicant to furnish and install approximately 16,789 feet of 12 kv three-phase electric distribution line, three 10 kva 12,000-120/240 volt transformers, meters, service wires and other miscellaneous components. The total estimated cost to applicant is \$15,900.

Applicant states that the line extension to customer's microwave relay station is located in a sparsely populated area where there is little prospect of new customers being served therefrom. Because of this factor and the high cost-to-revenue ratio of approximately 14.4 to 1, applicant believes it reasonable to invoke Section G, Exceptional Cases, of its Rule No. 15 to protect itself against inequitable expenditures in this instance.

The contract provides that the customer is to take energy for lighting and power purposes in accordance with applicant's Schedules A-6 and P-3, respectively. Customer agrees to pay applicant the sum of \$10,400 toward the construction of said facilities, said sum being the difference between the estimated cost to applicant of furnishing and installing said facilities and five times the estimated annual revenue of \$1,100 to be derived thereunder. Customer also agrees to pay an annual fixed charge of 9 percent of the said advance payment, or \$78 per month, commencing with the date of completion of the installation of said facilities. The advance payment is subject to refund and the annual fixed charge is subject to adjustment should separately metered, new permanent load be served directly from facilities to be installed hereunder. Provision has also been made for the adjustment of the advance payment should the company, during the period when the contract is in force, complete a contemplated 70 kv line along the route here involved.

The contract provides that it shall continue in force for a term of five years from and after the date electric service is first supplied to customer and that it shall continue thereafter

until terminated by either party giving the other thirty days' written notice. The contract further provides that it shall not become effective until authorized by this Commission and that at all times it shall 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 thereon is not necessary; therefore,

IT IS HEREBY ORDERED as follows:

1. Pacific Gas and Electric Company be and it is authorized to carry out the terms and conditions of the written contract, dated November 23, 1959, with The Pacific Telephone and Telegraph Company, and to render the service described therein under the terms, charges and conditions stated therein.

2. Pacific Gas and Electric Company shall file with this Commission a statement showing the date electric service is first supplied under said contract and subsequently shall file a statement promptly after termination showing the date when said contract was terminated.

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

Dated at San Francisco, California, this 8th day of March, 1960.

[Signature]
President
[Signature]
[Signature]
[Signature]
Theodore Deener
Commissioners