ORIGINAL

Decision No. <u>60102</u>

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of PACIFIC GAS AND ELECTRIC COMPANY for authorization to carry out a water contract dated March 7, 1950, as modified, entered into with FREY WATER COMPANY, as assigned to GLEN-CO WATER COMPANY by agreement dated January 25, 1960. (Water)

Application No. 41947

OPINION AND ORDER

Pacific Gas and Electric Company, ² a corporation, by the above-entitled application filed February 15, 1960, seeks authorization from this Commission to carry out the terms and conditions of an agreement dated March 7, 1950, with Eenry A. Frey, Isabell Frey and Henrietta Hanks, a partnership, doing business as Frey Water Company, a public utility, as assigned, by agreement dated January 25, 1960, to Arthur Cole, Beatrice E. Cole, Glenn L. Gunter and Bonnic E. Gunter, a partnership, doing business as Glen-Co. Water Co., ³ a public utility. Said agreements relate to the sale of untreated water to Glen-Co. for resale to the latter's customers in the area known as Frey Subdivision near Weimar Sanatorium, Placer County.

By Decision No. 44796, dated September 19, 1950, in Application No. 31370, Pacific was granted authority to carry out the terms and conditions of the agreement with Frey, a copy of which is attached to the application as Exhibit A. Under its terms and conditions, Pacific is to sell and deliver such water as is required for the

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1/,	Sometimes	herein	called	"Pacific".
<u>4</u> / 3/	Sometimes	herein	called	"Pacific". "Frey". "Glen-Co."

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use of Frey's customers, provided, however, that Pacific shall not be required to deliver water in excess of six miner's inches. The agreement contains a schedule of rates and charges for service rendered thereunder, but also contains a provision that higher or lower rates shall apply if fixed by this Commission for like conditions of service during the life of the agreement. The agreement is to remain in effect for a period of one year, and from year to year thereafter until terminated by thirty days' written notice by either party. By Decision No. 50248, dated July 6, 1954, in Application No. 34449, a different schedule of rates than that contained in the agreement was authorized for such service, and, pursuant thereto, Pacific's Schedule No. R-1, Resale Service - Untreated Water, as set forth on Original Cal. P.U.C. Sheet No. 526-W, became effective on January 1, 1955. Additionally, the agreement provides that Frey shall not assign any interest therein to any other party without Pacific's written consent, and it contains provisions that it shall not become effective until authorized by this Commission and that it shall at all times be subject to such changes or modifications by this Commission as the Commission may, from time to time, direct in the exercise of its jurisdiction.

By Decision No. 58935, dated August 25, 1959, in Application No. 41223, Frey was authorized to sell and transfer its public utility water system to Glen-Co., and an agreement between Pacific, Frey and Glen-Co., a copy of which is attached to the application as

^{4/} For the purpose hereof, a miner's inch designates a continuous flow of water equivalent to 1/40 of a cubic foot per second, or 1.5 cubic feet per minute, and a miner's inch-day designates one miner's inch flowing continuously for a period of 24 consecutive hours.

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Exhibit B, was entered into whereby Frey, with consent of Pacific, assigns the existing agreement and all of Frey's rights thereunder to Glen-Co. Said assignment agreement states that it is mutually agreed that, as of September 15, 1959, the existing agreement is deemed to be an agreement between Pacific and Glen-Co., the same as if it had originally been made by and between them.

A copy of Pacific's currently effective Schedule No. R-1, Resale Service - Untreated Water, as set forth on Revised Cal. P.U.C. Sheet No. 818-W, which became effective on January 1, 1960, pursuant to authorization granted by Decision No. 59244, dated November 10, 1959, in Application No. 41527, is attached to the application as a part of Exhibit A. The rates and conditions of this schedule are identical to those set forth on Original Cal. P.U.C. Sheet No. 526-W.

The application states that Pacific estimates that it will derive an annual gross revenue of approximately \$245 from the sale of water under this agreement.

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; therefore,

IT IS HEREEY ORDERED that Pacific Gas and Electric Company, a corporation, be and it hereby is authorized to carry out the terms and conditions of the agreement dated March 7, 1950, with Henry A. Frey, Isabell Frey and Henrietta Hanks, a copy of which is attached to the application as Exhibit A, as assigned to Arthur Cole, Beatrice E. Cole, Glenn L. Gunter and Bonnie E. Gunter by agreement dated January 25, 1960, a copy of which is attached to the application as Exhibit B, which exhibits are made a part of this order by reference.

If the authority herein granted is exercised, IT IS MEREEY FURTHER ORDERED that Pacific Gas and Electric Company shall:

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1. File in quadruplicate with this Commission, within thirty days after the effective date of this order, in conformity with General Order No. 96, its Schedule No. R-1, Resale Service - Untreated Water, revised to reflect the transfer of ownership of the subject water system. Such tariff schedule shall become effective upon five days' notice to the Commission and to the public after filing as hereinabove provided.

2. 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 it is deemed to have become effective.

3. Notify this Commission of the date of termination of said agreement within thirty days from and 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 _//TM May ____, 1960. day of resident

Commissioners