

Decision No. 60459**ORIGINAL**

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 per-)
 mission and authority to carry out)
 the terms and conditions of a written)
 contract with THE PACIFIC TELEPHONE)
 AND TELEGRAPH COMPANY, dated)
 April 11, 1960.)
 (Electric))

Application No. 42212

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 April 11, 1960, 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 near Branch Mountain, approximately 30 miles east of San Luis Obispo in the County of San Luis Obispo, California. The customer also desires that the applicant provide electric service by means of said extension to three other customers in the vicinity of said microwave station, each as separately metered customers and under separate electric service contracts to which the applicant has agreed.

It will be necessary for applicant to furnish and install approximately 69,664 feet of new 12 kv three-phase electric distribution pole line, three 10 kva, 12,000-120/240 volt transformers, meters, service wires and other miscellaneous components including

connections to the other three afore-mentioned customers. The total estimated cost to applicant is \$49,942.

Applicant states that the line extension to customer's microwave relay station site 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 15.4 to 1, applicant believes it reasonable to invoke Section G, Exceptional Cases, of its Rule No. 15 (Electric Line Extensions) 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, General Service, and P-3, General Power - Maximum Demand Basis, respectively. Customer agrees to pay applicant the sum of \$33,787 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 \$3,231 to be derived thereunder. Customer also agrees to pay an annual fixed charge of 9 percent of the said advance payment, or \$253.40 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.

Applicant states that the Telephone Company has agreed to assume the extension and service connection charges of the other three customers pursuant to an agreement between them under which the Telephone Company obtained certain easements from said customers.

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,

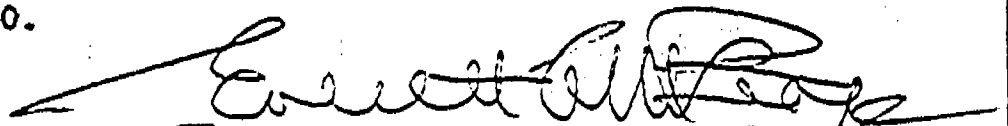
IT IS HEREBY ORDERED as follows:


1. Pacific Gas and Electric Company be and it is authorized to carry out the terms and conditions of the written contract, dated April 11, 1960, 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.

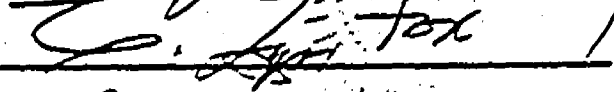
The effective date of this order shall be twenty days after the date hereof.

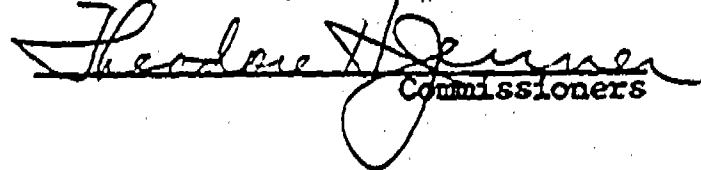
Dated at San Francisco, California, this 2nd day of August, 1960.



President







Commissioners