

Decision No. 61156**ORIGINAL**

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 the terms)
 and conditions of a written contract)
 dated July 12, 1960 with THE WESTERN)
 UNION TELEGRAPH COMPANY.)
 (Electric))

Application No. 42514

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 July 12, 1960, with The Western Union 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 station site located on Plow Share Peak in the County of Santa Barbara, California.

It will be necessary for applicant to furnish and install approximately 4½ miles of new 12 kv three-phase electric distribution pole line, three 15 kva, 12,000-120/240-volt transformers, service wires, meter and other miscellaneous components, herein referred to as facilities, at an estimated cost to applicant of approximately \$36,923.

Applicant states that the line extension to customer's microwave 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 8.7 to 1, applicant believes it reasonable to invoke Section E-7, Exceptional Cases, of its Rule No. 15; Line Extension, 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 Schedule A-13, General Service - Demand Metered. Customer agrees to pay applicant the sum of \$15,623 towards 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 \$4,260 to be derived thereunder. Customer also agrees to pay an annual fixed charge of 9% of the said advance payment, or \$117.17 per month, commencing with the date of completion of the installation of said facilities, and continuing costs, if any, for right of way fees. 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 the facilities to be installed hereunder.

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 that:

1. Pacific Gas and Electric Company be and it is authorized to carry out the terms and conditions of the written contract, dated July 12, 1960, with the Western Union 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 13th day of December, 1960.

[Signature]
President
[Signature]
[Signature]
[Signature]
Theodore H. Jensen
Commissioners