

Decision No. 61472**ORIGINAL**

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
SOUTHERN CALIFORNIA EDISON COMPANY,  
a corporation, for an Order of the  
Public Utilities Commission of the  
State of California, authorizing it  
to carry out the terms and conditions  
of an Agreement for Extension of  
Overhead Electric Line, dated  
October 2, 1957, with SHELL OIL  
COMPANY for service at Hall Canyon,  
Ventura County.

Application No. 42973

OPINION AND ORDER

By this application, Southern California Edison Company requests authority to carry out the terms and conditions of an agreement, dated October 2, 1957, with Shell Oil Company. A copy of the agreement, marked Exhibit A, is attached to the application.

The applicant states that the Shell Oil Company requested applicant to furnish electric service to its pumping station located in a remote area in Hall Canyon near Ventura, California. For this service it will be necessary for applicant to furnish and install approximately 6,172 feet of line extension at an estimated cost of \$5,568.

Because the pumping station is located in a remote area and the high cost to revenue ratio is approximately 15 to 1, applicant believes it reasonable to invoke Section F, Exceptional Cases, of Rule No. 15, Line Extensions, in effect at the time said agreement was negotiated.

Customer agrees to pay applicant the net sum of \$3,693, which sum is the difference between the estimated cost of said

facilities and five times the estimated annual revenue, or \$1,875, to be derived thereunder.

A free footage allowance of 1,850 feet was made for the equipment installed and the advance payment which would have been required to construct the 4,322 feet of excess line at 45 cents per foot, a sum of \$1,945, becomes refundable pursuant to the terms of the agreement and to Rule No. 15 in effect at date of the agreement. In order to maintain a reasonable relationship between revenue and cost, the remainder of the advance, \$1,748, is to be treated as a nonrefundable contribution in aid of construction.

Applicant alleges that the agreement provides an allowance against the cost of said extension which is just and reasonable under the circumstances obtaining and that it will make essential electric service to the Shell Oil Company economically feasible, provide electric facilities for electric service which would otherwise not be available, and that said allowance is in conformance with other similar special arrangements for electric line extensions. Applicant further states that it can carry out the terms and conditions of said agreement for extension of overhead electric line without impairing service rendered and to be rendered by it to its other customers and said contract is beneficial to the applicant and to its customers.

Applicant has informed this Commission that it has been serving this customer at this location since October 11, 1957, in accordance with its filed Schedules A-6, General Service, and P-1, Power - General, but under conditions departing from its filed rules, without previous authorization of this Commission. Applicant is now seeking authority to carry out the terms and conditions of the agreement. The agreement states that it shall at all times be subject to such changes or modifications by the Public Utilities Commission of

the State of California 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 is not necessary; therefore,

IT IS HEREBY ORDERED that Southern California Edison Company be and it is authorized to carry out the terms and conditions of the written agreement, dated October 2, 1957, with Shell Oil Company, and to render the service described therein under the terms, charges and conditions stated therein.

IT IS FURTHER ORDERED that Southern California Edison Company shall file a statement promptly after termination showing the date when said agreement was terminated.

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

Dated at San Francisco, California, this 14<sup>th</sup> day of FEBRUARY, 1961.

*Walter R. Brown*  
 President

*W. L. ...*

*C. Lynn Fox*

*George T. Grover*

*Fredrick B. Holshoff*  
 Commissioners