

Decision No. 61680**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 condi-)
 tions of an Agreement for Extension)
 of Overhead Electric Line, dated)
 December 6, 1960, with THE UNION OIL)
 COMPANY OF CALIFORNIA.)

Application No. 43058

OPINION AND ORDER

By this application Southern California Edison Company requests authority to carry out the terms and conditions of an agreement, dated December 6, 1960, with The Union Oil Company of California. A copy of the agreement, marked Exhibit A, is attached to the application.

Applicant states that Union Oil requested applicant to furnish electric service to its microwave relay station located in a remote area on Frazier Mountain near Lancaster, California.

For this service it will be necessary for applicant to furnish and install approximately 12,500 feet of line extension at an estimated cost of \$19,000. Because the microwave station is located in a remote area and because of the high cost to revenue ratio of approximately 14 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.

Said agreement provides that Union Oil shall advance the estimated cost of construction of \$19,000, less an allowance

of five times the estimated annual revenue from said line equal to \$7,000, or the net sum of \$12,000. Inasmuch as no free footage allowance is to be made for the equipment installed, the advance payment that would have been required for the line extension of 12,500 feet at 45 cents per foot, or \$5,625, becomes refundable in accordance with applicant's then existing Rule No. 15. The balance of the \$12,000 advanced is \$6,375 and 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 Union Oil 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 25, 1956 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. As the result of discussions with members of the Commission staff, 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 thereon 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 December 6, 1960, with The Union Oil Company of California, 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 21st day of March, 1961.

Carroll W. Day
 President

John P. Mitchell

E. J. Fox

George H. Hoover

Frederick B. Hallock
 Commissioners