

**ORIGINAL**Decision No. 62243

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 PACIFIC GAS AND ELECTRIC COMPANY for )  
 a certificate of public convenience )  
 and necessity to construct, install, )  
 operate, maintain and use Unit No. 2 ) Application No. 43331  
 at The Geysers Power Plant. )  
 (Electric)

OPINION AND ORDER

By this application, filed April 19, 1961, Pacific Gas and Electric Company seeks a certificate, under Section 1001 of the Public Utilities Code, declaring that the present and future public convenience and necessity require and will require the construction, operation, and maintenance of a second unit at its existing geothermal steam-electric generating station in Sonoma County, known as The Geysers Power Plant.

Unit No. 1 at The Geysers Power Plant and its accompanying transmission-line project were certificated by this Commission's Decision No. 58243 in Application No. 40641 issued April 7, 1959. Unit No. 1 was placed in commercial operation on September 25, 1960.

Applicant now proposes to install Unit No. 2, which will consist of one 12,500 KW (nominal) capacity turbo-generator, one barometric condenser with gas ejectors and circulating pumps, and one cooling tower, together with related electrical facilities. The unit is to be supplied with not less than 265,000 pounds of steam per hour pursuant to the terms and conditions of applicant's basic agreement, dated October 30, 1958, with Magma Power Company and Thermal Power Company, as supplemented by an agreement dated March 31, 1961, which

supplemental agreement effects certain modifications respecting the technical aspects of steam delivery and clarifies portions of the basic agreement.

Applicant proposes to have Unit No. 2 in operation by the summer of 1962. The estimated costs of Unit No. 2 total \$2,260,000 and it is anticipated that under normal operations the average delivered energy cost will approximate the \$ .0059 per kilowatt-hour cost expected for Unit No. 1.

On the basis of the information before it, the Commission finds that applicant's proposal is in the public interest, that public convenience and necessity now require and will require the development of The Geysers Power Plant as proposed in this application, that a public hearing is not necessary, and that a certificate should be issued. Such certificate is subject to the following provision of law:

That the Commission shall have no power to authorize the capitalization of this certificate of public convenience and necessity or the right to own, operate or enjoy such certificate of public convenience and necessity in excess of the amount (exclusive of any tax or annual charge) actually paid to the State as the consideration for the issuance of such certificate of public convenience and necessity or right.

Good cause appearing,

IT IS ORDERED that:

1. A certificate of public convenience and necessity is hereby granted to Pacific Gas and Electric Company to construct, own, operate, maintain, and use the geothermal steam-electric generating plant described in this Application No. 43331, as Unit No. 2 of The Geysers Power Plant.

2. Applicant shall file with this Commission a detailed statement of the capital cost of The Geysers Power Plant Units Nos. 1 and 2 and the transmission line related thereto within one year following the date Unit No. 2 is placed in commercial operation.

3. The authorization granted shall expire if not exercised within three years from the effective date hereof.

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

Dated at San Francisco, California, this 11th day of July, 1961.

[Signature]  
President  
[Signature]  
[Signature]  
George J. Grover  
Frederick B. Holcomb  
Commissioners