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Decision No.

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application for Approval of Agreement dated June 20, 1961, between CALIFORNIA ELECTRIC POWER COMPANY and MODERN GIN COMPANY.

Application No. 43617

OPINION AND ORDER

By this verified application filed July 19, 1961, California Electric Power Company requests authority to enter into and carry out the terms and conditions of an agreement dated June 20, 1961, with Modern Gin Company. A copy of the agreement, marked Exhibit A, is attached to the application.

The application states that Modern Gin Company proposes to operate a cotton gin which will require an extension of applicant's 34.5 kv facilities, a distance of approximately 840 feet to a location at the Northeast quarter of the Northwest quarter of Section 8, Township 7 South, Range 22 E, S.B.B. & M. At the terminus of this extension, applicant will construct a substation to step the voltage down to 480 volts to supply the customer's initial load, which is estimated to be 900 horsepower. The line extension is estimated to cost \$7,371 and the substation and metering \$21,975, making a total cost of \$29,346. If transformers and meters are excluded from this total, the estimated cost is \$19,500. The estimated annual revenue is stated to be approximately \$28,425. Service will be billed at the rates of applicant's filed Schedule A-4.1.

It is stated in the application that the prospective customer's operations are judged to be permanent and under the

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agreement the serving facilities will be installed at applicant's expense, there being no provision for any line extension deposit or special minimum charge.

The application states that the filing is made in accordance with Clause E-7, Exceptional Cases, of applicant's filed and effective Rule 15, Line Extensions, and solely because it involves an extension of lines in excess of 12 kv.

The term of the agreement shall be for a period of 3 years following the date of completion of the line extension and substation.

The contract provides further 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, hereby finds that the application should be granted and that a public hearing thereon is not necessary.

IT IS HEREBY ORDERED that:

1. California Electric Power Company is authorized to carry out the terms and conditions of the written agreement dated June 20, 1961, with Modern Gin Company and to render the service described therein under the terms, charges and conditions stated therein.

2. California Electric Power Company shall file with this Commission a statement showing the date electric service is first

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supplied under said agreement 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 <u>San Francisco</u>, California, this 2 AUGUST 4 , 1961. day of _ sident