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Decision	No.	

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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Joint Application ) of PACIFIC GAS AND ELECTRIC COMPANY ) and SOUTHERN COUNTIES GAS COMPANY OF CALIFORNIA for an order authorizing applicants to extend the term of an agreement dated the 8th day of August, ) 1958, covering the temporary exchange ) of gas along Pacific Gas and Electric ) Company's KETTLEMAN HILLS - MORRO BAY ) pipeline.

Application No. 43799

## OPINION AND ORDER

In this application Pacific Gas and Electric Company (Pacific) and Southern Counties Gas Company of California (Counties) request authority to extend the term of an agreement dated August 8, 1958, covering temporary exchange gas service. The agreement was authorized by the Commission in its Decision No. 57493, dated October 21, 1958, and expired on September 30, 1961. The agreement provides for Pacific to supply gas to Counties at Atascadero and Morro Bay to meet abnormal firm peak loads and Counties will return an equal volume to Pacific at its Kettleman Hills compressor station.

At the present time, Pacific is contemplating the construction of a new, larger diameter pipeline to serve its Morro Bay steam electric plant. Upon completion of this line Pacific plans to sell the existing smaller diameter line to Pacific Lighting Gas Supply Company (Supply Company).

Applicants have entered into an agreement dated August 8, 1961, which extends the term of said agreement, dated August 8, 1958, to the effective date of sale of the pipeline by Pacific to Supply Company or on November 1, 1962, whichever shall occur first. It is

further provided that Counties shall continue to pay Pacific \$3,560 per month during the extended term.

The Commission having considered said application finds and concludes that applicants' request should be granted. A public hearing hereon is not necessary; therefore,

IT IS HEREBY ORDERED that:

- 1. Applicants are authorized to carry out the terms of an agreement dated August 8, 1961.
- 2. Applicants shall file three certified copies of the agreement as executed within thirty days after the effective date of this order.
- 3. Applicants shall notify this Commission of the date of termination of said agreement within thirty days after said date of termination.

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

Dated at	San Francisco	, California,	this 2/st
day of Morentee	, 1961.	0	600
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		222	President
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