

ORIGINALDecision No. 63430

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 PACIFIC GAS AND ELECTRIC COMPANY for)
 an order granting and conferring upon)
 applicant all necessary permission)
 and authority to perform and carry)
 out the contract dated July 24, 1961)
 with HYDRAULIC DREDGING COMPANY, LTD.)

Application No. 43701
 (Amended)

(Electric)

OPINION AND ORDER

By the above-entitled application filed August 25, 1961, and amended November 3, 1961, Pacific Gas and Electric Company, hereinafter sometimes called Pacific, seeks an order of this Commission authorizing it to carry out the terms and conditions of a written contract dated July 24, 1961, with Hydraulic Dredging Company, Ltd., hereinafter sometimes called Hydraulic, as amended by amendatory agreement dated October 17, 1961. The contract relates to the furnishing and installing by Pacific of certain facilities to provide temporary electric service to Hydraulic at nine separate locations for dredging purposes along the Sacramento Deep Water Channel in the counties of Yolo and Solano, California. A copy of the contract is attached to the application as Exhibit A, and a copy of the amendatory agreement is attached to the amendment hereto as Exhibit B.

Proposed Service

Hydraulic has been awarded a contract by the United States of America, acting by and through the Army Corps of Engineers, for dredging a section of the Sacramento Deep Water Channel between Mile 18.2 and Mile 26.8 in the vicinity of Little Holland Tract and

Prospect Island in the Counties of Yolo and Solano, California, and for the removal of earth plugs at Mile 36 and Mile 41 in and adjacent to the unincorporated area known as West Sacramento in said County of Yolo.

Pacific has agreed to furnish temporary electric service to Hydraulic's electric apparatus and equipment, up to an aggregate maximum demand of 5500 kw. To supply this service it will be necessary for Pacific to furnish and install the following transmission and substation facilities at an estimated cost of \$184,599:

- (a) Remove approximately 2575 feet of Pacific's existing Clarksburg 60 kv Tap Line No. 65 to facilitate dredging operations by Hydraulic in the vicinity of Mile 41 and replace it with approximately 3230 feet of new 60 kv temporary wood pole and wire electric transmission shunt line;
- (b) Furnish and install approximately five miles of 60 kv circuit as an overbuild on Pacific's existing 12 kv wood pole line extending southerly from Pacific's Clarksburg Substation;
- (c) Furnish and install approximately seven miles of new 60 kv wood pole line and nine 60 kv service switches and tap lines of variable lengths at right angles to said seven miles of new 60 kv wood pole line and spaced at intervals of approximately 4000 feet, and
- (d) Furnish and install on Hydraulic's barge a 60/12 kv substation, consisting of three 1667 kva, 60/12 kv transformers, regulator, oil circuit breaker, service tap and bus structure and metering and other associated equipment.

Pacific estimates that the annual gross revenue to be received from the sale of electricity to Hydraulic for the operation of its dredging equipment will be approximately \$240,000.

Contract Provisions

The contract, as amended, provides that electricity will be furnished in accordance with Pacific's presently effective Schedule A-13, General Service - Demand Metered.

Hydraulic agrees to pay Pacific \$123,000 concurrently with the execution of the contract. This sum is the estimated cost of installing and later removing the electric facilities less the estimated salvage. In accordance with Pacific's Electric Rule No. 13, Temporary Service, no refunds of this sum will be made to Hydraulic.

Hydraulic agrees to pay to Pacific, in addition to all other costs and charges provided in the contract, an annual cost of ownership charge of \$1,568.16, payable in equal monthly installments of \$130.68 each, for eight of the nine 60 kv service switches and tap lines which Pacific is to install.

The term of the contract, as amended, commences on the date of first delivery of electric service from Pacific's facilities installed pursuant to the contract and continues thereafter from month to month for a maximum term of thirty months unless sooner terminated by Hydraulic on thirty days advance written notice to Pacific.

The contract, as amended, does not become effective until authorized by this Commission, and is subject to such changes or modifications as the Commission may, from time to time direct in the exercise of its jurisdiction.

Justification for Authorization

The annual fixed charge of \$1,568.16 to be paid by Hydraulic is in addition to that provided in Pacific's rate schedules. Pacific states that this annual fixed charge is a negotiated figure agreed to in view of the fact that Pacific is to furnish and install nine 60 kv service switches and tap lines, when Pacific's rules relating to service lines specify that only one service for each voltage classification will be installed.

The facilities to be provided under the contract are for temporary construction power, as Hydraulic's construction contract

with the United States Army Corps of Engineers provides that the dredging work must be completed within 860 days and all utility facilities must be removed.

Pacific alleges that it has given careful consideration to all of the facts and circumstances bearing upon the matters involved and that the contract of July 24, 1961, as amended, and its terms and conditions are fair, just and reasonable to Pacific and Hydraulic.

Findings and Conclusions

The Commission having considered the above-entitled application finds and concludes that the application should be granted and that a public hearing is not necessary; therefore,

IT IS HEREBY ORDERED as follows:

1. Pacific Gas and Electric Company is hereby authorized to carry out the terms and conditions of the written contract, dated July 24, 1961, with Hydraulic Dredging Company, Ltd., as amended by the agreement, dated October 17, 1961, between said parties, and to render the service described therein under the terms, charges and conditions stated therein.
2. Pacific Gas and Electric Company shall file with the Commission within thirty days after the effective date of this order, two certified copies of the contract, dated July 24, 1961, and the amendatory agreement, dated October 17, 1961, as executed, together with a statement of the date on which said contract and agreement are deemed to have become effective.
3. Pacific Gas and Electric Company shall file with this Commission a statement showing the date electric service is first

supplied under said contract and subsequently shall file a statement promptly after termination, showing the date when said contract, as amended, was terminated.

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

Dated at San Francisco, California,
this 20th day of MARCH, 1962.

Everett C. McKeage
President
Peter E. Mitchell
George G. Grover
Frederick B. Holoboff
Commissioners

EVERETT C. McKEAGE
President
PETER E. MITCHELL
GEORGE G. GROVER
FREDERICK B. HOLOBOFF
Commissioners

Commissioner C. Lyn Fox, being necessarily absent, did not participate in the disposition of this proceeding.