ds ORIGINAL. 62562 Decision No. BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA In the Matter of the Application of PACIFIC GAS AND ELECTRIC COMPANY for authority to carry out an Application No. 43935 agreement dated October 26, 1961 with AIR REDUCTION PACIFIC COMPANY. (Gas) OPINION AND ORDER By the above-entitled application filed November 20, 1961, Pacific Gas and Electric Company seeks an order of this Commission authorizing it to carry out the terms and conditions of an agreement dated October 26, 1961, with Air Reduction Pacific Company. The agreement relates to the supply of interruptible natural gas to a plant of Air Reduction Pacific Company at Richmond, California. A copy of the agreement is attached to the application as Exhibit A. Proposed Service Applicant proposes to supply Air Reduction Pacific Company, hereinafter sometimes called Customer, with a quantity of interruptible natural gas for use as a raw material for the manufacture of hydrogen and for the operation of gas-fired equipment at 731 Cutting Boulevard, Richmond, California, in accordance with applicant's applicable rates and rules on file with this Commission which presently is applicant's Schedule G-50. Customer agrees that it will use interruptible gas exclusively for the following purposes: (a) Process gas - raw material - 1.8 MCF per hour total; (b) One boiler - 150 MP - 5.3 MCF per hour total. -1A. 43935 ds Applicant is not obligated to deliver interruptible gas at a rate of flow in excess of an hourly maximum of eight thousand cubic feet. Subject to the authorization of the Commission, the agreement becomes effective October 26, 1961, and shall remain in force for an initial term of one year from and after the date of first delivery of interruptible natural gas and shall continue thereafter from year to year subject to termination by either party or discontinuance by applicant of delivery of interruptible gas, as provided in Section 6 of the agreement. The furnishing of interruptible gas by applicant is contingent upon Customer maintaining adequate fuel standby facilities and a supply of fuel therefor, except Customer is not required to provide standby fuels for gas used as a raw material and for the processing equipment related thereto. The agreement is subject to such changes or modifications by the Commission as it may, from time to time, direct in the exercise of its jurisdiction. Applicant estimates that it will receive an annual gross revenue of approximately \$30,000 from the sale of interruptible gas to Customer. Findings and Conclusions Applicant's request to supply interruptible gas service to Air Reduction Pacific Company under the conditions specified in the agreement attached to the application herein as Exhibit A. should be granted. In authorizing interruptible service without standby equipment as a deviation from the regularly filed tariffs, applicant and customer are placed on notice that natural gas service to the firm customers is to be accorded priority and the -2Commission expressly reserves the jurisdiction to order discontinuance of this deviation service at any time. Air Reduction Pacific Company and applicant are placed on notice that Air Reduction Pacific Company must accept, without question, curtailment of interruptible gas service when notified by applicant to do so pursuant to the tariff provisions.

A public hearing hereon is not necessary. We find that the proposed deviation is justified and in the public interest.

IT IS MEREBY ORDERED that:

- 1. Applicant is authorized to carry out the terms of the agreement dated October 26, 1961, with Air Reduction Pacific Company referred to in the application.
- 2. Applicant shall file three certified copies of the agreement as executed within thirty days after the effective date of this order.
- 3. Applicant 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
17 th.	day of		APRIL	>	1962	• 4	

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