

ORIGINAL

Decision No. 64355

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application for approval of three)
 agreements, each dated May 24, 1962,)
 between CALIFORNIA ELECTRIC POWER)
 COMPANY and THE PACIFIC TELEPHONE)
 AND TELEGRAPH COMPANY for service to)
 The Pacific Telephone and Telegraph)
 Company Microwave Stations located)
 at Lucerne, Bess, and Hector,)
 California.)

Application No. 44527
(Filed June 6, 1962)

O P I N I O N

Applicant's Request

California Electric Power Company requests authorization to carry out the terms and conditions of three similar electrical extension agreements, each dated May 24, 1962, with The Pacific Telephone and Telegraph Company (Pacific). Said agreements relate to the request of Pacific for electrical service to its microwave radio stations located at Lucerne, Bess and Hector in San Bernardino County. A copy of each agreement is attached to the application as Exhibits A, B and C, respectively.

Proposed Agreements

Pacific agrees to pay for its electric energy for each station in accordance with the applicant's filed Schedule A-4.1, General Service. The annual revenue from each station is estimated to be \$1,500.

To comply with Pacific's request, applicant must extend its electrical distribution facilities approximately 1.5 miles for the Lucerne station, approximately 12 miles for the Bess station, and approximately 4.7 miles for the Hector station, at an estimated cost of \$15,300, \$53,500 and \$28,200, respectively.

Prior to construction Pacific will make an advance deposit of \$7,800 for the Lucerne station, \$51,000 for the Bess station and \$20,700 for the Hector station, each amount being the difference between the estimated cost of furnishing and installing the required facilities and five times the estimated annual revenue to be derived therefrom. Upon completion of the extensions the advance deposits will be adjusted to reflect the actual costs of construction.

In addition Pacific has agreed to pay applicant a special monthly charge of $\frac{3}{4}$ of 1 percent of the adjusted advance deposit. The advance deposit and the special monthly charge for each extension are subject to refund and adjustment in the event additional permanent load is subsequently installed by Pacific or separately metered new permanent load served from the installed facilities.

Neither the term of contract nor the maximum amount of refund for each extension is specified in any of the agreements. The agreements provide that should Pacific, within six years after service is first rendered, have no further need for the service, applicant may remove all or a portion of the facilities, and upon removal of any or all of these facilities Pacific will pay applicant the net cost to applicant of installing and removing said facilities with appropriate credit for any balance of advance deposits.

In granting the requested authorization applicant is placed on notice that it may be required to bear any costs incident to the service being authorized herein should it appear, in any future rate proceeding, that the cost of rendering this service is not fully compensatory or is in any way a burden on applicant's other electric customers.

The agreement provides that it shall not become effective until authorized by this Commission and that 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.

Applicant and Pacific are hereby put on notice that in any future rate proceeding this Commission will not be obligated to consider the opposition of either party to any proposed changes in this contract predicated on the basis that a contract between the parties already exists as authorized by this Commission.

Finding

The Commission finds that the requested authority is not adverse to the public interest and the application should be granted.

Public hearing is not necessary.

O R D E R

IT IS HEREBY ORDERED that:

1. California Electric Power Company is authorized to carry out the terms and conditions of the three written agreements with The Pacific Telephone and Telegraph Company, dated May 24, 1962, set forth in Exhibits A, B and C attached to the application, 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 within thirty days after the effective date of this order, two certified copies of each of the three agreements,

dated May 24, 1962, as executed, together with a statement of the date said agreements are deemed to have become effective.

3. California Electric Power Company shall file with this Commission a statement showing the date the electric service was first supplied under each of the three agreements and shall file a statement promptly after termination, showing the date when each said agreement was terminated.

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

Dated at San Francisco, California, this 16th day of OCTOBER, 1962.

George T. Trover
President

[Signature]

[Signature]

[Signature]

Frederick B. Hallock
Commissioners