

ORIGINALDecision No. 68140

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of
 PACIFIC GAS AND ELECTRIC COMPANY to
 carry out the terms and conditions
 of a special facilities agreement
 with AEROJET-GENERAL CORPORATION
 dated July 29, 1964.
 (Electric) *

Application No. 46995
 (Filed September 22, 1964)

OPINION AND ORDER

Pacific Gas and Electric Company (applicant) requests an order granting authority to carry out the terms and conditions of an agreement dated July 29, 1964 with Aerojet-General Corporation (Aerojet) which supersedes certain provisions of an agreement dated October 18, 1961.

Decision No. 63685, dated May 14, 1962, in Application No. 44031, authorized applicant to carry out the terms and conditions of the above-mentioned agreement of October 18, 1961 with Aerojet to furnish and install special electrical facilities to afford increased electric service to Aerojet's rocket fuel testing areas in the vicinity of Nimbus, Sacramento County, and providing for the payment by Aerojet to applicant of a monthly charge for the special facilities, in addition to the rates and charges for electric service under applicant's Schedule No. A-13, General Service-Demand Metered.

Pursuant to said authorization, applicant installed at its expense special facilities consisting of (a) voltage regulators, (b) 550 feet of new 60 kv wood pole electric transmission line, and (c) a new 2,000 kva 60/12 kv substation, and ever since October 29, 1961 applicant has been supplying electric service to Aerojet in accordance with the terms and conditions of the 1961 agreement.

The application states that for the twelve-month period ending December 3, 1963, Aerojet's consumption of electric energy was 30,988,800 kilowatt-hours for which it was billed, under Schedule A-13, the amount of \$293,366.18. Based on the same consumption, Aerojet would have paid \$273,823.60 if billed under Schedule No. A-14. Aerojet therefore requested service under Schedule No. A-14. Applicant and Aerojet on April 13, 1964 executed a standard form agreement for service under Schedule No. A-14 and entered into a separate agreement dated July 29, 1964 to cover the special facilities provided under the 1961 agreement. These two agreements are attached to the application as Exhibits A and B, respectively, and together supersede the 1961 agreement.

Under the new special facilities agreement Aerojet agrees to pay applicant, in addition to the monthly rates and charges for electric service under Schedule No. A-14, a monthly charge for the special facilities of \$575. This monthly charge represents one and one-fourth percent of the difference (\$46,000) between the estimated installed cost to applicant of \$31,000 for the standard electric facilities which applicant would normally install at its expense and the estimated installed cost to applicant of \$77,000 for the special facilities requested by Aerojet. This monthly charge is the same as that under the 1961 agreement.

The application states that, upon discontinuance of the use of the special facilities due to termination of service or otherwise, Aerojet shall pay to applicant installation cost and estimated net removal costs of the special facilities.

The application further states that subject to the authorization of the Commission, the new special facilities agreement shall be effective as of July 29, 1964, and shall be in force for an initial term of three months commencing March 1, 1964 and thereafter until terminated by either party on at least thirty days advance written notice.

The new special facilities agreement contains the provision that it shall be subject to such changes or modifications by the Commission as it may from time to time direct in the exercise of its jurisdiction.

Applicant and Aerojet are hereby placed on notice that in any future proceeding this Commission will not be obligated to consider the opposition of either party to any proposed changes in this agreement predicated on the existence of an agreement which has been authorized by this Commission.

The Commission finds that the proposed special facilities agreement is not adverse to the public interest and concludes that the application should be granted. Applicant is placed on notice that if it should appear in a future proceeding that any losses are being incurred because of deliveries under this agreement such losses are not to be imposed on applicant's other electric customers. A public hearing is not necessary.

IT IS ORDERED that:

1. Pacific Gas and Electric Company is authorized to carry out the terms and conditions of the written agreement dated July 29, 1964 with Aerojet-General Corporation, a copy of which is attached to the application as Exhibit B.

2. Pacific Gas and Electric Company shall file with this Commission, within thirty days after the effective date of this order, four certified copies of the agreement as executed, together with a statement of the date on which said agreement is deemed to have become effective.

3. Pacific Gas and Electric Company shall notify the Commission in writing of the date of termination of the agreement within thirty days after the date of termination.

4. Pacific Gas and Electric Company shall file with this Commission, in conformity with General Order No. 96-A, the summary required by that general order listing all contracts and deviations, including the agreement herein authorized. Such list shall become effective upon five days' notice to the Commission and to the public after filing as hereinabove provided.

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

Dated at San Francisco, California, this 2nd day of NOVEMBER, 1964.

Frederick B. Holdstock
President

George A. Trover
Commissioners

William L. Bernard
Commissioners