

ORIGINALDecision No. 68400

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 gas service agreement dated)
 September 14, 1964 with the City of)
 Palo Alto.)
 (Gas))

Application No. 47102
 Filed November 10, 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 September 14, 1964, with the City of Palo Alto (City), which supersedes certain provisions of an agreement dated March 27, 1946, as modified by supplemental agreements dated November 1, 1949, February 8, 1950 and September 8, 1958, relating to the furnishing of natural gas service to City for its own municipal purposes and for resale to its customers.

Applicant is presently furnishing gas to City under its filed tariff Schedule No. G-60, Resale Natural Gas Service, at two delivery points, i. e., Station No. 1, located on the northwest side of Embarcadero Road, northeast of Bayshore Highway, and Station No. 2, located on the east side of Alma Avenue, south of Oregon Avenue, in accordance with the terms and conditions of the existing agreement.

Applicant states that it is willing and able to supply all of the gas requirements of City through the existing two points of delivery, but City has requested a third point of delivery (Station No. 3) to be installed on the west side of Page Mill Road, south of Junipero Serra Boulevard, which is approximately 1½ miles from the

existing points of delivery in order to improve the City's gas distribution pressures within the existing system and to provide for expansion into a new area known as Foothills annexation.

The new agreement provides that City shall pay the estimated installed cost of \$29,002 for providing the new delivery point and for any additional facilities that may be necessary and shall reimburse applicant at the rate of \$290 per month for its annual expenses of ownership and operation occasioned by the establishment of Station No. 3. The agreement further provides that the reimbursements shall be subject to upward or downward adjustment at the end of each 5-year period subsequent to the effective date of the agreement to reflect any changes that occur in supplement costs and expenses.

Applicant agrees to make available to City at the three points of delivery certain gas pressures and rates of flow for an initial period of 10 years and thereafter from year to year until terminated.

The agreement provides that service supplied pursuant to the agreement shall be subject to all applicable rules established by Pacific Gas and Electric Company and on file with the Commission insofar as same are not inconsistent with specific provisions hereof. The agreement cancels and supersedes the existing contract and states that it shall not become effective until authorized by the Commission and shall, at all times, be subject to such changes or modifications by the Commission as it may direct, from time to time, in the exercise of its jurisdiction. The agreement further provides that it shall continue in force for the contract term until terminated at the end of the initial period or any subsequent year by either party giving the other 12 months' prior written notice to that effect.

Findings and Conclusions

The Commission has considered the request of the applicant and finds that the granting of the application will not be adverse to the public interest and concludes that the application should be granted and that a public hearing is not necessary; therefore,

IT IS ORDERED that:

1. Applicant be and is authorized to carry out the terms and conditions of the written contract dated September 14, 1964 with the City of Palo Alto and to render the service described under the terms, charges and conditions stated therein, a copy of which is attached to the application as Exhibit A.
2. Applicant shall file with the Commission within thirty days after the effective date of this order, four certified copies of the contract as executed together with a statement of the date on which the contract is deemed to become effective.
3. Applicant shall notify this Commission of the date of termination of said contract within thirty days from and after said date of termination.
4. Applicant shall file with this Commission, in conformity with General Order No. 96-A, the summary required by the general order, listing all contracts and deviations, including the contract herein authorized. Such list shall become effective upon five days'

notice to the Commission and to the public after filing as herein-
above provided.

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

Dated at San Francisco, California, this 30th day
of DECEMBER, 1964.

Friedrich B. Holhoff
President
[Signature]
[Signature]
George F. Hoover
William W. Brand
Commissioners