

ORIGINALDecision No. 68415

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 authorizing it to carry out
 a special facilities agreement dated
 August 5, 1964 with CALIFORNIA WATER
 SERVICE COMPANY.
 (Electric)

Application No. 46997
 (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 August 5, 1964 with the CALIFORNIA WATER SERVICE COMPANY (CWSCo) to install special electric facilities for an alternate source of supply to Water Pumping Plant No. 1 of CWSCo in the City of Stockton. A copy of the agreement is attached to the application as Exhibit A.

Applicant is presently furnishing regular electric service under its filed tariff Schedule No. A-13, General Service Demand Metered, to CWSCo from its 60 kv system through a bank of 60 kv/480 volt transformers.

Alternate electric service is also furnished to CWSCo direct from applicant's 12 kv system, if and when available, through a CWSCo-owned bank of 12 kv/480 volt transformers. This service is used by CWSCo as an emergency alternate to assure continuous pumping operations in the supply of water to its customers. Applicant states that it has no appreciable additional investment in the alternate service facilities and reserves no circuit capacity for CWSCo. This arrangement is alleged to have been established by a predecessor company of applicant.

Applicant further states that the 60 kv/480v transformers used to furnish regular service to CWSCo need replacing and proposes to replace them with a 12 kv/480v transformer installation. In addition applicant will, in order to comply with a request of CWSCo for firm alternate service, install certain special facilities to provide and allocate 600 kva of reserved capacity on another of its 12 kv circuits in the vicinity of CWSCo's Pumping Plant which will eliminate the uncertain availability of capacity during outages on the regular service.

Pursuant to the provisions of the agreement of August 5, 1964, applicant agrees to install and allocate for CWSCo's use certain special electric facilities consisting of a 300 kva switched capacitor bank and other miscellaneous equipment to provide 600 kva capacity for an alternate source of supply at an estimated cost of \$2,900 over the cost of single service facilities which it would normally provide or allocate at its own expense. CWSCo agrees to pay applicant said \$2,900 to cover the cost of the additional facilities which is in accordance with applicant's filed Rule 15. In addition to the monthly rates and charges for service, the agreement provides that CWSCo shall pay to applicant a monthly cost of ownership charge of \$21.75 which amount represents three-fourths of one per cent of the above advance sum of \$2,900. Without the cost of ownership charge applicant would receive no revenue from the special facilities investment.

Applicant states that the service to be furnished under the special facilities agreement will not result in a burden on other customers.

The agreement shall be in force for an initial term of three months commencing with the date on which the special facilities are first made available for CWSCo's use, and shall thereafter extend

automatically for successive terms of thirty days each until terminated by either party on thirty days advance written notice.

The agreement provides that upon discontinuance of the use of the special facilities due to termination of service or otherwise, CWSCo shall pay to applicant the estimated net cost of installing and removing the special facilities. If such cost is greater or less than the advance, CWSCo shall pay to applicant or applicant shall refund to CWSCo the difference, as the case may be.

The agreement states that it shall become effective when authorized by the Commission and 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 CWSCo 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 August 5, 1964 with California Water Service Company, a copy of which is attached to the application as Exhibit A.

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 the 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 5th day of JANUARY, 1965.

Frederick B. Hallock
President
George H. Hoover
William L. Bennett
Commissioners