

ORIGINAL

Decision No. 69181

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)	
of PACIFIC GAS AND ELECTRIC COMPANY)	Application No. 47534
for an order authorizing it to carry)	Filed April 30, 1965
out a special facilities agreement)	
dated January 20, 1965 with OWENS-)	
ILLINOIS GLASS COMPANY.)	
(Electric))	

OPINION AND ORDER

Pacific Gas and Electric Company (applicant) requests an order granting authority to carry out the terms and conditions of an agreement with the Owens-Illinois Glass Company (Owens-Illinois) to install special electric facilities for an alternate source of supply to the Owens-Illinois Plant in the vicinity of Tracy.

Applicant is presently furnishing Owens-Illinois regular electric service under its filed tariff Schedule No. A-13, General Service Demand Metered. To comply with a request of Owens-Illinois for an alternate source of supply to its plant, applicant and Owens-Illinois entered into a special facilities agreement dated January 20, 1965 which provides for payment of cost of ownership charges on special facilities installed for Owens-Illinois. A copy of said agreement is attached to the application as Exhibit A.

Pursuant to the provisions of the agreement, applicant agrees to install certain special electric facilities consisting of 8,358 feet of 12-kv line extension for an alternate source of supply at an estimated cost of \$11,628 over the cost of single service facilities which it would normally provide at its own expense. Owens-Illinois agrees to pay applicant said \$11,628 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 Owens-Illinois shall pay to applicant a monthly cost of ownership charge of \$87.21, which amount represents three-fourths of one per cent of the above advance sum of \$11,628. 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 Owens-Illinois use, and shall thereafter extend automatically for successive terms of one month 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, Owens-Illinois 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, Owens-Illinois shall pay the difference to applicant or applicant shall refund the difference to Owens-Illinois, 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 Owens-Illinois 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 January 20, 1965 with Owens-Illinois Glass 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 8th day of June, 1965.

Fredrick G. Hallock
President

John J. Hill

George H. Brown

Augusta

William L. Bennett
Commissioners