

**ORIGINAL**

Decision No. 71112

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 }  
May 6, 1966 with PITTSBURG PLATE }  
GLASS COMPANY }  
(Electric) }

Application No. 48587  
(Filed June 28, 1966)

OPINION AND ORDER

Pacific Gas and Electric Company (Pacific) requests an order authorizing it to carry out the terms and conditions of an agreement dated May 6, 1966 with the Pittsburg Plate Glass Company (Pittsburg) to provide special electric facilities for an alternate supply of electric service to Pittsburg's new sheet glass plant near Malaga, Fresno County. A copy of the agreement is attached to the application marked Exhibit A.

The application states that Pittsburg requested the special electric facilities to make available two sources of supply, thereby providing a higher degree of continuity of service which is of vital importance in the manufacture of glass.

Pacific agrees to furnish and install certain special electric facilities consisting of a 115 kv oil circuit breaker and a 5 MVA transformer and associated facilities at its Malaga substation, approximately 175 feet of 12 kv underground and 3800 feet of 12 kv wood pole electric distribution line extending from the substation to Pittsburg's plant, 12 kv metering equipment and totalizing metering equipment at an estimated cost of \$153,849 over and above the cost of the facilities which Pacific would normally provide at its own expense.

Pittsburg agrees to pay Pacific, in addition to the monthly rates and charges for electric service, a monthly charge of \$1,923.11 commencing with the date on which the above-mentioned facilities are first available for Pittsburg's use. This monthly charge represents one and one-fourth per cent (1 $\frac{1}{4}$ %) of the aforementioned \$153,849. Pacific claims the monthly charge of one and one-fourth per cent (1 $\frac{1}{4}$ %) of the investment in the special facilities is a system average figure where the customer does not advance the cost of the special facilities as provided in its Rule 15 and is necessary to protect its additional capital investment.

The agreement provides that in the event any of the special facilities are replaced or removed because of termination of service, increase or decrease in Pittsburg's requirements or otherwise, Pittsburg shall pay Pacific the depreciated capital costs plus the estimated cost of removal, less the salvage value of any special facilities removed or replaced as a result thereof.

The agreement also provides that it shall, subject to the Commission's authorization, be in force for an initial term of three months, commencing with the date on which the special facilities are first made available for Pittsburg's use, and thereafter until terminated by either party on at least 30 days' advance written notice and shall at all times be subject to such changes or modifications by the Commission as it may from time to time direct in the exercise of its jurisdiction.

The application states that the service to be furnished under this agreement will not result in a burden on Pacific's other customers.

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

The Commission finds that the proposed agreement is not adverse to the public interest and concludes that the application should be granted. Pacific 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 Pacific'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 May 6, 1966 with Pittsburg Plate 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 and in conformity with General Order No. 96-A, four certified copies of the agreement as executed, together with a statement of the date on which said agreement is deemed to have been 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 16<sup>th</sup> day of AUGUST, 1966.

[Signature]  
President

[Signature]

[Signature]

[Signature]  
Commissioners

Commissioner Frederick B. Holoboff, being necessarily absent, did not participate in the disposition of this proceeding.