

Decision No. 73121

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of }
PACIFIC GAS AND ELECTRIC COMPANY for }
authorization to carry out an }
agreement with the CITY AND COUNTY }
OF SAN FRANCISCO, designated herein }
as Exhibit O. }
(Electric) }

Application No. 49583
(Filed August 1, 1967)

OPINION AND ORDER

Pacific Gas and Electric Company (Pacific), requests an order of the Commission authorizing it to carry out an agreement between Pacific, the City and County of San Francisco (City) and California Ammonia Company (Calamco) dated April 1, 1967, effecting assignment to City by Pacific of part of its interest in an electric service contract of July 14, 1964, between Pacific and Calamco.

By Decision Nos. 61902 and 63565 in Application No. 43200, the Commission authorized Pacific to carry out the terms and conditions of four agreements by which Pacific is providing a temporary accommodation to the City so as to permit City to fully utilize the power and energy output of its Hetch Hetchy hydroelectric generating plants until such time as the entire output of City's plants will be required by the City for its own municipal purposes and for the requirements of the City's customers. By those agreements Pacific's electric service contracts with the Dow Chemical Company, Hercules Powder Company, and Shell Chemical Company were assigned to City. Pacific, by letter agreement of August 1, 1960, agreed to deliver City's power and energy and supplementary power and energy purchased from Pacific by City, to said companies.

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As a temporary accommodation to assist City to utilize fully the power and energy output of its existing hydroelectric generating plants and its new Robert C. Kirkwood power house between April 1, 1967, the date on which said power house was placed in commercial operation, and the time when City's load requirements for its own municipal uses and the presently assigned customers fully utilize City's output from its hydroelectric system, an additional customer has been assigned to City.

On April 1, 1967, Pacific, City and Calamco entered into an assignment agreement, a copy of which is attached to the application marked Exhibit O. Under the terms and conditions of this agreement, Pacific assigns to City a portion of its interest in a contract dated July 14, 1964, wherein Pacific agreed, among other things, to sell and deliver to Calamco electric power and energy at the rates, and on the conditions specified therein. Pacific's Schedule No. A-18, Interruptible Primary Industrial Power, is the schedule applicable thereto. The assignment agreement becomes effective as of the date Pacific receives written demand from City, which shall be delivered by City concurrently to Calamco, provided that City's output of electric power and energy from its Hetch Hetchy hydroelectric generating plants must then exceed the amount of electric power and energy required by City for its own municipal purposes and for its customers not including Calamco.

The application states that since City's new Kirkwood hydroelectric power plant went into commercial operation, City has operated its plants so as to deliver to Pacific sufficient power and energy to meet the requirements of all of City's customers including Calamco.

The assignment shall terminate at midnight April 30, 1972, unless otherwise terminated as provided in the assignment agreement.

Pacific and City, on April 13, 1967, entered into a new letter agreement, a copy of which is attached to the application marked Exhibit P, which amends the letter agreement dated August 1, 1960, between Pacific and City by adding Calamco under the same terms and conditions of service as for Dow Chemical Company, Hercules Powder Company and Shell Chemical Company.

The agreement states that this assignment shall be subject to authorization by this Commission and shall be subject to modification by the Commission as it may, from time to time direct in the exercise of its jurisdiction.

The Commission finds that the assignment of the Calamco contract by Pacific to City as proposed herein is not adverse to the public interest and concludes that the application should be granted. 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 April 1, 1967, with the City and County of San Francisco and California Ammonia Company, a copy of which is attached to the application as Exhibit O.

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 thereafter.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 26th day of SEPTEMBER, 1967.

[Signature]
President
[Signature]
[Signature]
Commissioners

Commissioner A. W. Gatov, being necessarily absent, did not participate in the disposition of this proceeding.