

Decision No. 75153

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of PACIFIC GAS AND ELECTRIC COMPANY for an order authorizing it to carry out the terms of a special electric extension and service agreement to serve a microwave relay station of the PACIFIC TELEPHONE AND TELEGRAPH COMPANY at Harlow Mountain.

Application No. 50640
(Filed October 22, 1968)

OPINION AND ORDER

Pacific Gas and Electric Company (Pacific) requests authorization to carry out the terms and conditions of a written agreement with The Pacific Telephone and Telegraph Company (PTandT) dated May 22, 1968, to extend its electric distribution facilities to furnish electric service for the operation of PTandT's microwave radio, relay station at Harlow Mountain, north of Burney in Shasta County. A copy of the agreement is attached to the application as Exhibit A.

Pacific states that to provide this service it will be necessary to furnish and install a line extension approximately 21,564 feet in length together with transformers, meters, service wires and other miscellaneous components, at an estimated cost of \$48,305.

Pacific agrees to extend its electric distribution line and to sell and deliver to PTandT all of the electric energy required by PTandT for the operation of its microwave relay station consisting of 4.5 kw lighting, 45 kw heating, 15 kw cooling and 14 kw telephone equipment load.

PTandT agrees to pay for its energy in accordance with Pacific's filed Schedule No. A-13, General Service-Demand Metered. Pacific estimates that it will receive an annual gross revenue of \$2,220 from the sale of electric energy to PTandT.

PTandT agrees to pay Pacific the sum of \$37,205, which is the difference between the estimated cost (\$48,305) to Pacific of furnishing and installing the facilities and five times the amount of the estimated annual revenue to be derived from the sale of electric energy to PTandT. The sum of \$35,240, which represents PTandT's advance (\$37,205) less the difference between the cost of the underground portion of the extension and an equivalent overhead extension (\$1,965), is subject to refund, without interest, in accordance with provisions of the agreement, upon the addition of new permanent loads to the facilities.

PTandT also agrees to pay Pacific a monthly cost of ownership charge of \$279.04 commencing with the date Pacific is ready to supply service from the facilities, which monthly cost of ownership charge is 3/4 per cent of the \$37,205 advanced. A statement summarizing the development of the monthly cost of ownership is attached to the application marked Exhibit B.

The application states the special agreement will prevent the service to be furnished from becoming a burden on other customers.

The application further states that, subject to the authorization of the Commission, the terms of the agreement shall commence on May 22, 1968 and shall continue for an initial term of five years from and after either (a) the date service is first established thereunder, or (b) six months subsequent to the date Pacific is ready to supply service from the facilities, whichever date is earlier, and thereafter until terminated by either party as provided in the agreement.

The agreement contains the provision that it 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.

Pacific is placed on notice that if it should appear in a future proceeding that the revenue derived from this agreement is not compensatory, such revenue inadequacy is not to be imposed on Pacific's other electric customers.

The Commission finds that the proposed agreement 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 May 22, 1968 with The Pacific Telephone and Telegraph Company, a copy of which is attached to the application as Exhibit A.

2. Pacific 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 shall notify the Commission, in writing, of the date of termination of the agreement within thirty days after date of termination.

4. Pacific shall file with this Commission within thirty days after the effective date of this order and in conformity with General Order No. 96-A, the summary required by that general order, listing

all contracts and deviations, including the agreement herein authorized. Such list shall become effective upon statutory notice (30 days) 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 27th day of DECEMBER, 1968.

William Lyons, Jr.
President
John E. Mitchell
William La Bernard
Paul P. Monsey
Commissioners

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