

**ORIGINAL**

Decision No. 75505

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 facilities  
agreement dated November 19, 1968  
with GENERAL ELECTRIC COMPANY  
(Electric)

Application No. 50882  
(Filed February 13, 1969)

OPINION AND ORDER

Pacific Gas and Electric Company (Pacific) requests an order authorizing it to carry out the terms of a special facilities agreement dated November 19, 1968 with the General Electric Company (General Electric) to provide an alternate source of electric service to General Electric's Nuclear Research Center, Vallecitos. A copy of the agreement is attached to the application marked Exhibit A.

General Electric has requested special electric facilities because of its determination that it is of vital importance to minimize the probability of interruption of service to its nuclear research plant as any interruption in service would cause a shutdown of the nuclear reactor at great expense to General Electric.

Pursuant to the provisions of the agreement, Pacific agrees to operate and maintain special electric facilities to provide an alternate source of electric power supply to General Electric's Nuclear Research Plant at Vallecitos, thereby assuring a higher degree of continuity of electric service than only one source.

The application states the special facilities involved herein were installed in 1956 as part of the transmission facilities from Pacific's Vallecitos Power Plant and consist of the following: two 69 KV, 1200 amp, 1500 MVA, oil circuit breakers; two 69 KV,

600 amp, disconnect switches; and associated control equipment. This additional equipment, together with Pacific's normal substation equipment, will increase the electric service reliability to General Electric's Vallecitos Plant. The total installed cost of the special facilities is estimated to be \$53,832.

General Electric agrees to pay Pacific in addition to the normal charges for electric service, a monthly special facility charge of \$672.90 commencing on the date the facilities are first made available for General Electric's use. This charge represents Pacific's continuing ownership costs for the special facilities calculated at the rate of one and one-fourth percent (1-1/4%) per month of the installed cost of the special facilities.

The monthly charge of one and one-fourth percent (1-1/4%) of the investment in the special facilities is stated to be a system average figure where the customer does not advance the cost of the special facilities. This cost would otherwise be borne by Pacific's other ratepayers.

The application states that General Electric has no responsibility to pay installation or removal costs under this agreement, as Pacific had installed the facilities for its own use in 1956 and would have removed them at its own expense but for this agreement.

The agreement provides that it shall, subject to the Commission's authorization, be in force for an initial term of three months, commencing on the date of execution and thereafter from month to month until terminated by either party on at least thirty 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 General Electric 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 November 19, 1968 with General Electric 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 service is first supplied and 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 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 1st day of APRIL, 1969.

William Lyman Jr.  
President

Augustine

Frank R. Morssey  
W. H. Baird

Alan Blum  
Commissioners