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ORIGINAL

Decision No. 76800

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 agreement
dated July 29, 1969 with the
SUPER MOLD CORPORATION.
(Electric)

Application No. 51498
(Filed November 20, 1969)

OPINION AND ORDER

Pacific Gas and Electric Company (Pacific) requests an order of the Commission authorizing it to carry out the terms of a special agreement dated July 29, 1969 with the Super Mold Corporation (Super Mold) to install certain electric facilities to provide a second point of delivery to Super Mold at its plant in Stockton. A copy of the agreement is attached to the application marked Exhibit A.

Super Mold has requested the facilities because of the addition of new plant equipment requiring additional electric service, which cannot be served from the existing point of delivery.

Pursuant to the provisions of this agreement, Pacific agrees to install certain electrical facilities to provide 4,160-volt electric service to a second delivery point at Super Mold's metal manufacturing plant in Stockton. Pacific is already furnishing the plant with 480-volt electric service. The new electrical facilities to be installed consist primarily of 682 feet of 60 kv wood pole line, a 1,000 kva, 60/4 kv substation with appropriate switching, fusing equipment and necessary metering facilities. Pacific estimates that the total cost of the installation will be \$20,423.

Super Mold agrees to use only power supplied by Pacific from the second delivery point for the operation of its electric arc furnace, to provide the necessary site for the proposed substation and to furnish and install the transformer foundations, the fence enclosure, the necessary electrical conductors to receive the delivered power and the necessary metering cubicle.

Delivery of electric service shall be at the service location where Super Mold's conductors connect to Pacific's 4,160-volt bus structure. All electricity so delivered shall be three-phase, 60-cycle, alternating current and shall be delivered and metered at approximately 4,160 volts.

The sale and purchase of electric service shall be in accordance with and subject to Pacific's applicable rates and rules relating to the furnishing of electric service on file with the Commission. Electric service to each point of delivery shall be metered and billed separately.

Pacific's Schedule No. A-13, General Service-Demand Metered, shall be the rates presently applicable to electric service at the new location. Schedule A-13 or any other applicable schedule of rates of Pacific which may during the term of the agreement become applicable shall be deemed modified as follows:

If for any month the bill for electric service to the second point of delivery as computed under the then effective schedule of rates and charges would amount to less than the sum of (1) \$255.28 (Monthly Cost of Ownership Charge), which represents 1 $\frac{1}{2}$ % of the installation cost (\$20,423), plus (2) the kilowatt-hours of electricity delivered by Pacific to that service location during the month, if any, times the terminal energy rate of Pacific's Rate Schedule No. A-13, which total sum

is referred to as Contract Minimum for that service location, then Super Mold shall pay Pacific for any such month the Contract Minimum amount at such service location instead of the lesser amount.

The monthly charge of $1\frac{1}{2}\%$ of the investment in the additional facilities is stated to be a system average cost where the customer does not advance the cost of the facilities. This cost would otherwise be borne by Pacific's other ratepayers. Pacific states the service to be furnished under this agreement will not result in a burden on its other customers.

Subject to authorization of the Commission, the term of the agreement shall commence on the date thereof for the initial period of ten years from the date electricity is first supplied to Super Mold and shall continue thereafter from month to month, unless terminated by either party on 30 days' advance written notice. In the event Super Mold terminates the agreement at any time during the initial contract term, Super Mold agrees to pay to Pacific either the installation and removal cost attributable to the facilities, or the Monthly Cost of Ownership Charges for the balance of said initial term, whichever is lower.

The agreement contains the provision that it shall not become effective until authorized by the Commission and shall at all times be subject to such changes or modifications as it may from time to time direct in the exercise of its jurisdiction.

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 July 29, 1969 with Super Mold Corporation, 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 when service is first supplied under the agreement and 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 thirty 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 17th day of FEBRUARY, 1970.

William J. Lyons, Jr.
President
Augusta
P. J. Johnson
John L. ...
Vernon L. Sturgeon
Commissioners