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ORIGINAL

Decision No. \_\_\_\_\_

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

JOINT SUPPLEMENTAL APPLICATION of)  
ALTO SALES COMPANY, and PACIFIC }  
GAS AND ELECTRIC COMPANY pursuant }  
to Section No. 80017 for author- }  
ization approving the terms and }  
conditions of an agreement for }  
overhead distribution facilities. }  
(electric)

Application No. 53251  
(Filed April 5, 1972;  
Amended September 11, 1972)

OPINION AND ORDER

On April 5, 1972, Alto Sales Company (Alto) filed this application for, among other things, an extension of time within which to enter into an overhead line extension agreement with Pacific Gas and Electric Company (PG&E) covering Alta Sierra Subdivision in Nevada County. Such an agreement, if timely made, would have complied with Decision No. 77187, dated May 5, 1970, in Case No. 8993, which provided, among other things, that where a master plan, preliminary map, or tentative map had been filed for a subdivision with the appropriate local authorities, pursuant to the Subdivision Map Act, on or prior to May 5, 1970, and where an agreement had been entered into with the utility for electric service prior to May 5, 1972, the mandatory underground requirement would not apply.

Alto and PG&E had not entered into such an agreement prior to May 5, 1972, although final maps for all units of Alta Sierra Subdivision involved in this proceeding were filed prior to May 5, 1970. In Decision No. 80017, dated May 2, 1972, the Commission granted a reasonable extension of time for Alto and PG&E to negotiate a mutually agreeable line extension contract for electric service to Alta Sierra Subdivision. That decision ordered that if a mutually agreeable line extension contract was reached between Alto and PG&E by June 30, 1972, the parties should file the

proposed agreement in this proceeding for Commission authorization. By inadvertence, because PG&E was not a party of record to the proceeding, the company was not sent a copy of Decision No. 80017 until July 20, 1972. In the meantime, the parties had successfully negotiated a mutually acceptable line extension contract before the date specified in Decision No. 80017. A true copy of that agreement, which was executed on June 28, 1972, is attached to and made a part of the amendment to the application as Exhibit 1.

Both Alto and PG&E believe that the agreement is fair, just, and equitable. The agreement is generally consistent with standard provisions of Rule No. 15 and with PG&E's standard form extension agreement on file with the Commission. Because of the special circumstances involved in this land project subdivision, certain provisions have been added to the agreement that provide, among other things:

- a. PG&E initially will construct only those portions of the distribution system necessary to provide electric service to permanent and bona fide customers who are ready (or will be ready within six months from the date construction starts) to receive electric service. Additional extensions of the distribution system within the units of the tract covered by the agreement will be constructed as necessary to provide service to future customers.
- b. Alto will furnish PG&E with a performance bond covering the preliminarily estimated total cost of the distribution system.
- c. Alto will pay PG&E the then estimated cost of construction of any portion of the distribution system prior to commencement of construction of such portion.
- d. PG&E will charge Alto an annual ownership charge of 9 percent on the amount expended for the distribution system, including transformers, meters and services, in excess of the applicable free allowance credits for loads actually served. This charge will begin at the end of the second service year and continue until the end of the tenth service year, except that it will not be made during any service year in which the gross electric revenue actually

received exceeds 20 percent of PG&E's total installed cost of the distribution system then constructed.

- e. At Alto's request, Section 8 has been added which provides that, at the end of the tenth service year, all extensions then built and available for service shall continue subject to cost-of-ownership charges, and advances made for such extensions shall continue subject to refund, for an additional period of ten years from the date on which the last such extension became available for service. The subdivider shall at that time advance cash, or provide a bond, sufficient to cover the estimated cost of completing the distribution system.
- f. The agreement provides that it shall not become effective until authorization of the Commission is first obtained and shall, at all times, be subject to such changes or modifications as the Commission may, from time to time, direct in the exercise of its jurisdiction.

The Commission finds that:

1. Alto and PG&E entered into an overhead line agreement within the time limit established by Decision No. 80017.
2. The terms of the subject agreement and the resulting deviations from PG&E's filed tariffs are not adverse to the public interest.

The Commission concludes that the amended application should be granted.

IT IS ORDERED that Pacific Gas and Electric Company is authorized to carry out the terms and conditions of the electric

line extension agreement dated June 28, 1972 with Alto Sales Company, a copy of which agreement is attached as Exhibit 1 to the amendment to this application.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 31<sup>st</sup>  
day of OCTOBER, 1972.

Vernon L. Stevens  
President  
William J. [illegible]  
[illegible]  
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Commissioners