

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Copy for:

RESOLUTION NO. E-1914

Orig. and Copy
to Executive Director

UTILITIES DIVISION
BRANCH/SECTION: **ELECTRIC**
DATE: February 4, 1981

RESOLUTION

Director

Numerical File

Alphabetical File

Accounting Officer

RETURN TO ELECTRIC BRANCH
TARIFF UNIT

SUBJECT: Order Authorizing Special Agreement between Pacific Gas & Electric Company and Sierra Ski Ranch, Inc. (Applicant) for an Uneconomic Electric Underground Line Extension and Service.

PACIFIC GAS AND ELECTRIC COMPANY (PG&E), by Advice Letter No. 841-E filed December 9, 1980, requests authority pursuant to Section X.A. of General Order No. 96-A to carry out the terms and conditions of a special agreement dated August 28, 1980 with the Applicant covering the construction of an electric underground line extension to supply electric service to Applicant's chair lift, heating and lighting at Nob Hill, Sierra Ski Ranch located in Twin Bridges, Amador County.

This is an uneconomic extension, as defined below, of 5,420 feet. It is in excess of that which PG&E would install at its expense per Extension Rule No. 15. Also, this agreement is of the type on file with the Commission in which the estimated ratio of annual revenue to installed cost of the facilities falls significantly short of that normally realized with the majority of customers. Applicant will pay to PG&E an advance of \$18,130. This amount represents the difference between the estimated installed cost of \$43,831 and \$25,701; the latter amount is five times the estimated annual revenue, and represents the portion of the capital cost that can be supported by the annual revenue. This is based on the fact that the annual costs, including return, taxes and operating and maintenance expenses on a distribution investment are approximately 20% of the capital costs.

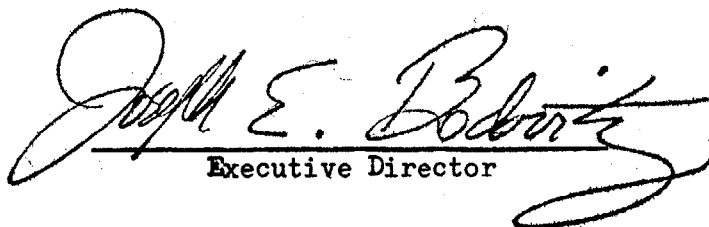
The agreement provides that the advance is partially refundable (\$8,507) and partially nonrefundable (\$9,623) in the event new permanent load is installed. The nonrefundable amount is 75 percent of the cost difference between the underground line and an equivalent overhead line.

It is found that the provisions of this agreement are in accordance with PG&E's established policy, are not discriminatory, do not result in an unreasonable burden on other ratepayers and are hereby found to be just and reasonable; therefore, good cause appearing:

IT IS ORDERED that authority is granted to PG&E under Section 532 of the Public Utilities Code to carry out the terms and conditions of said special agreement effective February 4, 1981. The effective date of this Resolution is the date hereof.

I hereby certify that the foregoing Resolution was duly introduced, passed and adopted at a regular conference of the Public Utilities Commission of the State of California, held on the 4th day of February, 1981, the following Commissioners voting favorable thereon:

JOHN E. BRYSON
President
RICHARD D. GRAVELLE
LEONARD M. GRIMES, JR.
Commissioners


Executive Director