

Copy for:

RESOLUTION NO. E-1935

Orig. and Copy  
to Executive Director

UTILITIES DIVISION  
BRANCH/SECTION: Electric  
DATE: September 1, 1981

## R E S O L U T I O N

Director

Numerical File

Alphabetical File

Accounting Officer

RETURN TO ELECTRIC BRANCH  
TARIFF UNIT

**SUBJECT:** Order Authorizing Special Agreement Between PG&E and  
PT&T for an Uneconomic Electric Underground Line  
Extension and Service

PACIFIC GAS AND ELECTRIC COMPANY (PG&E), by Advice Letter No. 871-E filed July 7, 1981, 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 May 29, 1981 with Pacific Telephone and Telegraph Company (PT&T) covering an underground electric line extension to supply electric service to PT&T's Buck Rock Radio Site north of Big Meadow, County of Tulare.

This is an uneconomic extension, as defined below, of 11,000 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 \$30,142. This amount represents the difference between the estimated installed cost of \$34,642 and \$4,500; 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.

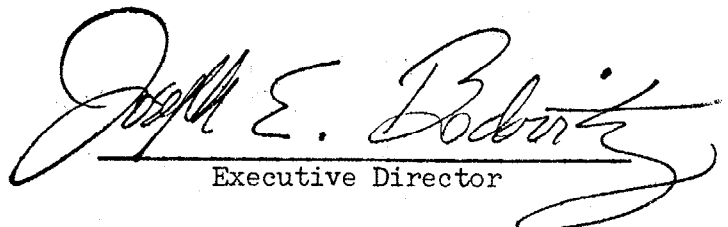
In addition to the advance, PT&T will pay monthly cost of ownership charges of \$301.42 or one percent of the advance. In addition to the advance, PT&T shall also pay \$235.00 for rearrangement work on PG&E's existing facilities. In the event that refunds of the advance are made, the cost of ownership fund will be adjusted accordingly.

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 September 1, 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 1st day of September, 1981, the following Commissioners voting favorably thereon:

JOHN E. BRYSON  
President  
RICHARD D. GRAVELLE  
LEONARD M. GRIMES, JR.  
VICTOR CALVO  
PRISCILLA C. CREW  
Commissioners

  
Executive Director