

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

U-8

Copy for:

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to Executive Director

Director

Numerical File

Alphabetical File

Accounting Officer

RESOLUTION E-2004

UTILITIES DIVISION

BRANCH: Rate Design and Economics

DATE: June 6, 1984

RETURN TO RATE DESIGN AND
ECONOMICS BRANCH, ROOM 5188

R E S O L U T I O N

AUTHORIZATION FOR PACIFIC GAS AND ELECTRIC COMPANY
(PG&E) TO IMPLEMENT A STANDARD FORM AGREEMENT FOR
OVERHEAD ELECTRIC LINE EXTENSION TO SERVE A RESIDENTIAL
LAND PROJECT SUBDIVISION

By Advice Letter 1000-E filed January 24, 1984, Pacific Gas and Electric Company (PG&E) requests authorization to implement a Standard Form Agreement, entitled "Agreement for Overhead Electric Line Extension to Serve a Residential Land Project Subdivision". The facts as filed by the advice letter are as follows:

1. The purpose of Advice Letter 1000-E is to submit for Commission approval, Standard Form Agreement No. 79-700. A copy of this agreement form is shown as Attachment A to this resolution.
2. The purpose of this Agreement will eliminate the need for filing special contracts for most residential land project subdivisions that qualify for overhead construction.
3. PG&E has received numerous requests from developers of residential land project subdivisions to install overhead electric distribution systems consisting of poles, conductors and related facilities (Electric Distribution Systems), extending from PG&E's existing electric distribution lines to and within a residential land project subdivision before actual users of electric service or loads that they might place on the system are known.
4. The Standard Form Agreement is standardized with the developer paying the estimated installation costs of the facilities subject to the terms and conditions of Sections C and E.7 of PG&E's Rule No. 15, Line Extensions.
5. The cost-of-ownership charge may be paid on either a monthly or an annual basis or by means of a one-time payment which represents the present worth of the annual costs for a specified period of time at an interest rate equal to PG&E's authorized rate of return.
6. All such future agreements will be entered on Standard Form Agreement No. 79-700, if approved, and will therefore not require further Commission Authorization.
7. Public notification of this filing has been made by mailing copies of this advice letter to other utilities, to governmental agencies, and to interested parties who requested such notification. No protests have been received on this matter.

Resolution E-2004

Meeting of June 6, 1984

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8. The staff of the Energy Service and Safety Branch has reviewed this filing and approval is recommended.

9. This filing will not increase any rate or charge, cause a withdrawal of service or conflict with other schedules or rules.

10. We find this filing to be just and reasonable.

THEREFORE:

1. Authority is granted under Sections 451, 490 and 532 of the Public Utilities Code and under Section X.A. of General Order 96-A, for Pacific Gas and Electric Company to place this Standard Form Agreement into effect today.

2. This advice letter filing and Agreement shall be marked to show that it was approved for filing by Commission Resolution E-2004. This resolution is effective today.

I certify that this resolution was adopted by the Public Utilities Commission at its regular meeting on June 6, 1984. The following Commissioners approved it:

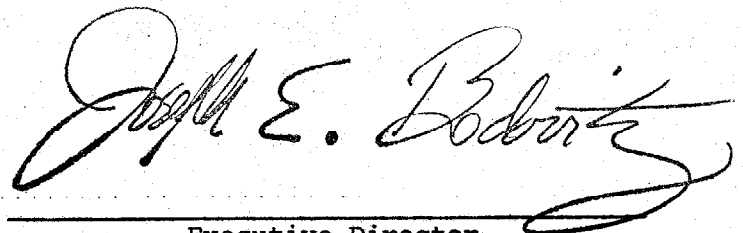
LEONARD H. CRIMES, JR.
President

VICTOR CRIVO

DONALD VIAL

WILLIAM T. BAGLEY

Commissioners



Executive Director

Form No. 79-700
(Advice No. 1000-E)
DISTRIBUTION

REFERENCE

____ Subdivider
____ Division
____ District
____ Accounting Operations
____ Construction Accounting
____ Commercial Department

Estimate No. _____

PACIFIC GAS AND ELECTRIC COMPANY
AGREEMENT FOR OVERHEAD ELECTRIC LINE EXTENSION TO SERVE
A RESIDENTIAL LAND PROJECT SUBDIVISION

1. _____ (Subdivider) has requested PACIFIC GAS AND ELECTRIC COMPANY (PGandE), to furnish and construct an overhead electric distribution system consisting of poles, conductors and related facilities (Electric Distribution System), extending from PGandE's existing electric distribution lines to and within a residential land project subdivision, known as _____ (Subdivision), in the vicinity of _____, County of _____, State of California, all as shown and delineated on the sketch marked Exhibit "A" attached and made a part hereof.

2. PGandE is willing to comply with Subdivider's request and will install the entire Electric Distribution System subject to the terms and conditions of this agreement and in accordance with Sections C and E.7 of PGandE's attached Rule No. 15 (Extension Rule).

3. Subdivider shall pay PGandE on demand and in advance of any construction by PGandE \$ _____ (Electric Advance), which is the total estimated installed cost of the Electric Distribution System, including transformers, meters and services, less the amount PGandE estimates will be refundable to Subdivider, as provided for in the Extension Rule, within six months following the date PGandE commences construction of the Electric Distribution System. Subdivider shall pay PGandE, upon demand, at the end of the six-month period, so much of the balance of the estimated total cost as would not then be refundable.

4. (a) Subject to the provisions of subparagraphs (b) and (c) hereof, the Electric Advance described in Section 3, which has been expended by PGandE for construction of the Electric Distribution System, shall be eligible for refund to Subdivider, as determined under Section C.3 of the Extension Rule, for connections of separately-metered permanent load. Total refunds shall not exceed the Electric Advance paid by the Subdivider. The "unit cost per foot" for refunds mentioned in Section C.3.b. of the Extension Rule is the amount shown in Section B.3.a.(1) of the Extension Rule and is currently \$ _____ per foot.

(b) Amounts eligible for refund to Subdivider will be accumulated to the end of each service year.

(c) At the end of each service year, the amount eligible for refund will be refunded to Subdivider, without interest, within ninety days after the end of the service year.

5. Subdivider shall also pay to PGandE, in addition to the payments under Section 3 and in addition to the monthly rates and charges for service, at the option of PGandE, either:

(a) A monthly charge of \$ _____ (Monthly Cost of Ownership Charge) representing the continuing ownership costs of the Electric Distribution System (_____ % per month times its total estimated installed cost) as determined in accordance with the applicable percentage rate established in the Special Facilities section of PGandE's applicable Electric Rule 2, copy attached. The Monthly Cost of Ownership Charges herein shall automatically increase or decrease without formal amendment to this agreement if the California Public Utilities Commission (Commission) should subsequently authorize a higher or lower percentage rate for monthly costs of ownership, effective with the date of such authorization or, alternatively,

(b) \$ _____ (Equivalent One-Time Cost of Ownership Payment) which is the present worth of the monthly costs to PGandE to own, operate and maintain the Electric Distribution System for a period of ten years. This payment is calculated as follows: Total cost of the Electric Distribution System (\$ _____) times the annual cost of ownership rate (_____ %) times the present worth factor (_____) based on _____ % interest for a period of ten years. Such interest rate shall be equal to PGandE's authorized rate of return on the date of this agreement. In the calculation of refunds and adjustments, interest at the rate of _____ % annually will be added to the unamortized balance of the Equivalent One-Time Cost of Ownership Payment before the cost of ownership charges have been deducted.

(c) Cost of ownership charges shall continue to be applicable until the entire amount of the Electric Advance shall have become eligible for refund or until the end of the ten (10) year period during which the Electric Advance is subject to refund following the date service is first made available for use within the subdivision. PGandE will notify Subdivider in writing of the date PGandE is first ready to provide service.

6. In the event that PGandE shall make refunds or adjustments of the Electric Advance as provided in Section 4 hereof, PGandE shall also adjust the Monthly Cost of Ownership Charge. Refunds and adjustments of the Electric Advance and the ownership charge will be made annually within 90 days of the anniversary of the date that PGandE is ready to supply electric service from any portion of the Electric Distribution System as shown on Exhibit "A". Any unused balance of the Equivalent One-Time Cost of Ownership Payment will be refunded to Subdivider upon complete refund of the Electric Advance or at the end of the ten-year period; provided, however, that no refunds shall be due Subdivider after any termination of this agreement.

7. After the Electric Distribution System as shown on Exhibit "A" has been installed, PGandE will furnish electric service to any applicant in the subdivision and to the general public from the Distribution System in accordance with PGandE's applicable electric tariffs on file with the Commission.

8. Subdivider hereby grants PGandE all necessary rights of way and easements to install, operate, maintain, replace and, if necessary, remove the Electric Distribution System along the routes shown upon the attached map. Subdivider shall execute such other grants, deeds or documents as PGandE may require to enable it to record such rights of way and easements. If any part or all of the Electric Distribution System is to be constructed on property owned by other than Subdivider, Subdivider shall, if PGandE is unable to do so without cost to it, first obtain from the owners thereof, in the name of PGandE all necessary permanent rights of way and easements for the construction, operation, maintenance and replacement of the Electric Distribution System upon such other property. Such rights of way and easements shall be in a form satisfactory to PGandE and without cost to it.

9. PGandE shall not be responsible for any delay in construction of the Electric Distribution System resulting from shortage of labor or materials, strikes, labor disturbance, war, riot, weather conditions, governmental regulation or order, including orders of judgments of

any court or commission, delay in obtaining necessary rights of way, act of God or any cause or condition beyond the control of PGandE. PGandE shall have the right, in the event it is unable to obtain supplies, materials or labor for all of its construction requirements, to allocate materials and labor to construction projects which it deems, in its sole discretion, most important to serve the needs of its customers. Delay in construction hereunder resulting from such allocation shall be deemed a cause beyond PGandE's control.

10. (a) In the event that the Electric Distribution System is not adequate to provide electric service to future applicants within the Subdivision, or if PGandE is precluded from completing the Electric Distribution System for reasons beyond its control within twelve (12) months following the date of this agreement, PGandE shall have the right to terminate and/or supersede this agreement upon thirty (30) days written notice to Subdivider and adjust any amounts paid or required to be paid by Subdivider hereunder that may be due based on that portion of the Electric Distribution System then completed, if any, utilizing the estimated costs developed by PGandE for this agreement. Such a superseding agreement, if any, shall be in substantially the same form as this agreement, be executed by both parties hereto, and shall provide that costs be allocated to the portion of the Electric Distribution System then completed, if any, consistent with those costs estimated by PGandE for this agreement.

(b) If this agreement is terminated as set forth in Section 10(a), Subdivider further agrees to reimburse PGandE for construction, if any, or any engineering, surveying, right of way acquisition and other associated expenses incurred by PGandE for that portion of the Electric Distribution System not installed or, in PGandE's judgment, not useful in supplying service to customers.

11. All facilities constructed by PGandE hereunder shall, at all times, be the sole property of PGandE.

12. Subdivider hereby grants to PGandE permission to trim trees within the subdivision for the purpose of installing, operating and maintaining the Electric Distribution System.

13. This agreement does not provide for the installation by PGandE of any services within this subdivision. The obligations of both the individual property owners and PGandE under PGandE's Electric Rule No. 16 on file with the Commission, relating to service installations, are not included in this agreement.

14. Subdivider may not assign this agreement, in whole or in part, unless PGandE, in writing, consents in advance thereto and the assignee agrees, in writing, with PGandE to perform the obligations of Subdivider hereunder. Unless otherwise specified in writing, such assignment will be deemed to include Subdivider's right to any refund unpaid as of the date thereof or which may thereafter become due.

15. Subdivider shall indemnify PGandE, its officers, agents and employees, against all loss, damage, expense and liability resulting from injury to or death of person, including, but not limited to, employees of PGandE or Subdivider, or injury to property, including, but not limited to, property of PGandE or Subdivider, arising out of or in any way connected with the performance of this agreement, excepting only such loss, damage, expense or liability as may be caused by the sole negligence or willful misconduct of PGandE.

16. Subdivider agrees to reimburse PGandE for any engineering or right of way acquisition expense incurred by PGandE as the result of the cancellation or material change by Subdivider of the subdivision plan as shown and delineated on the attached map.

17. This agreement shall become effective on the date hereof and shall remain in force for an initial term of ten (10) years commencing on the date that PGandE is first ready to provide electric service from the Electric Distribution System, subject, however, to the termination provision of Section 10.

18. This agreement shall at all times be subject to such changes or modifications by the Commission as the Commission may, from time to time, direct in the exercise of its jurisdiction. Such changes or modifications may include, but are not limited to the following: authorization of a higher or lower percentage rate for monthly cost of ownership (as described in paragraph 5 herein); changes in extension rules, modification in the calculation of refunds; changes or modifications in rate schedules.

Executed this _____ day of _____, 19__.

PACIFIC GAS AND ELECTRIC COMPANY

(Subdivider)

BY: _____

BY: _____

(Type or Print Name)
Manager, Commercial Department

(Type or Print Name)

TITLE: _____

BY: _____

(Type or Print Name)

TITLE: _____

Mailing Address:

Attachments:

Appendix "A"
Exhibit "A", Electric Distribution System sketch
Electric Rule 15

APPENDIX

A. Refundable Electric Expense

Total estimated installed cost including transformers, meters and services of Electric Distribution System \$ _____

Less amount PGandE estimates will be refundable within six months after PGandE commences construction, based on free footage allowance of _____ feet at \$ _____ per foot \$ _____

Amount of Electric Advance \$ _____

B. Monthly Cost of Ownership Charge

\$ _____ X _____
 Where: \$ _____ = Electric Advance (from A above) \$ _____ /mo.
 _____ = Monthly Ownership Cost Factor

C. Equivalent One-Time Cost of Ownership Payment

\$ _____ x _____ x _____ \$ _____
 Where: \$ _____ = Electric Advance (from A above)
 _____ = Annual Ownership Cost Factor
 _____ = Present Worth Factor Based on _____ % interest for a period of ten years.