PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Copy for:

Orig. and Copy to Executive Director **RESOLUTION:** E-2050

EVALUATION & COMPLIANCE DIVISION BRANCH: Energy DATE: July 24, 1985

_____Director _____Numerical File _____Alphabetical File _____Accounting Officer RETURN TO: ENERGY BRANCH ROOM 2011

<u>RESOLUTION</u>

ORDER AUTHORIZING PACIFIC GAS AND ELECTRIC COMPANY (PG&E) TO AMEND AN EXISTING AGREEMENT FORM FOR UNDERGROUND LINE EXTENSIONS FOR NEW RESIDENTIAL SUBDIVISIONS OR OTHER RESIDENTIAL DEVELOPMENTS

By Advice Letter 1071-E, filed April 10, 1985, Pacific Gas and Electric Company (PG&E) submitted for filing a revised, rewritten version of Form No. 62-3088--Agreement for Underground Line Extensions for New Residential Subdivisions or Other Residential Developments. The facts are as follows:

1. Form No. 62-3088--Agreement for Underground Line Extensions for New Residential Subdivisions Or Other Residential Developments was previously authorized by this Commission in Advice Letter No. 367-E, dated July 5, 1970. The purpose of this advice letter filing is to submit for Commission approval a revised, rewritten version of said Agreement. A copy of this Form Agreement is shown as Attachment A to this resolution.

2. The first revisions are in Paragraphs 2, 3, and 9 and are modified to provide for automatic transfer of the electrical facilities financed and installed by the developer to PG&E upon PG&E's acceptance of the installation. This will eliminate the need for a deed of conveyance.

3. The second revision is in Paragraph 4 which simply corrects a paragraphical error in Rule No. 15.1.

4. The third revisions are in Paragraphs 5 and 15 and emphasize that actions of the CPUC may affect service under this Agreement. Specific reference to possible changes in the cost-of-ownership is made in both paragraphs. Additionally, Paragraph 15 cites other examples of changes that might be ordered by the CPUC not previously mentioned in the existing Agreement.

5. The fourth revision in Paragraph 8 (b), (c) provides a method to terminate Agreement if the developer fails to perform his obligations. In the past, developers have run out of financing, have gone bankrupt or abandoned projects after trenching was partially completed. The existing Agreement has no provision for termination in such circumstances. The changes to Paragraph 8 will correct this deficiency.

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6. The final revision is the addition of Paragraph 14 which provides an effective date and term for the Agreement. At this time there is no such provision in the existing Agreement. The positions added or changed from the present form are designated by a vertical line in the right-hand column of Attachment A.

7. These Amendments to the existing Form No. 62-3088--Agreement for Underground Line Extensions for New Residential Subdivisions or Other Residential Developments will not increase any rate or charge, cause the withdrawal of service nor conflict with any rule or schedule, and will not be a burden on ratepayers.

8. Public notification of this filing has been made by mailing copies of the advice letter to other utilities and to governmental agencies. The Commission staff has received no protests in this matter.

9. The staffs of the Service and Safety Branch and the Energy Branch of the Evaluation and Compliance Division and the staff of the Legal Division have reviewed this filing and recommends its approval.

10. We find that the Amendments contained herein are just and reasonable.

THEREFORE:

1. Pacific Gas and Electric Company is authorized by Section 491 of the Public Utilities Code and Section X.A. of General Order 96-A to place the amended Agreement into effect today.

2. The above advice letter and amended Agreement shall be marked to show that they were acceptable for filing by Commission Resolution E-2050. This resolution is effective today.

I certify that this resolution was adopted by the Public Utilities Commission at its regular meeting on <u>July 24, 1985</u>. The following Commissioners approved it:

DONALD VIAL President VICTOR CALVO PRISCILLA C GREW WILLIAM T BAGLEY FREDERICK R. DUDA Commissioners

Executive Directo

Proposed new agreement - with notes

Attachment A Resolution E-2050

DISK 008

REFERENCE

COPIES / / REGION / / DEVELOPER / / CONTROL BUREAU / / DISTRICT

1.

PACIFIC GAS AND ELECTRIC COMPANY AGREEMENT FOR UNDERGROUND LINE EXTENSION NEW RESIDENTIAL SUBDIVISION OR OTHER RESIDENTIAL DEVELOPMENT

(Developer) has requested PACIFIC GAS AND ELECTRIC COMPANY (PGandE), in accordance with PGandE's Rule No. 15.1 (Underground Extension Rule) on file with the Public Utilities Commission of the State of California (Commission), a copy of which Underground Extension Rule is attached and made a part hereof, to make electric service available within that certain tract or parcel of land situated in the

_____, County of ______, State of

California, known as

Such electric service shall be made available within the tract or parcel of land by means of an underground electric distribution system and related facilities, including any required extension up to but not exceeding 200 feet in length outside the boundaries of the tract or parcel of land (Distribution System), as delineated on PGandE's sketch attached and made a part hereof.

2. Subject to the terms and conditions of this agreement and in accordance with Section B.2 of the Underground Extension Rule, PGandE is willing to comply with Developer's request and will, at its expense, install the Distribution System provided Developer (a) satisfies its obligation under

62-3088 Rev. 1-85

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Section 3 hereof, (b) pays to PGandE any monies due under Section 4 hereof, and (c) conveys to PGandE any required facilities installed hereunder by Developer free and clear of all liens and encumbrances. A Delet reference to deek

3. Developer shall, as provided in Section B.1 of the Underground Extension Rule, perform (or arrange for the performance of) all necessary trenching, excavating, backfilling, including furnishing of any imported backfill material required, and furnish, install (or arrange for the delete reference to deed installation of) any necessary distribution and feeder conduit required, all in accordance with PGandE's plans and specifications. Developer hereby grants and conveys to PGandE, its successors and assigns, all rights, title and interest in and to all such distribution and feeder conduit, together with all necessary rights of way and easements therefore, free and clear of all liens and encumbrances, upon acceptance of the installation by PGandE, in accordance with the terms and conditions of this agreement.

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4. As provided in Section C of the Underground Extension Rule and as tabulated on the Appendix hereof, Developer shall pay to PGandE on demand and in advance of any construction by PGandE (a) a nonrefundable amount of <u>and</u> (b) a refundable advance of <u>which</u> is the estimated cost of the Distribution System, as determined under Section C.1 of the Underground Extension Rule, less that portion which PGandE estimates will be refundable to Developer as provided in the Underground Extension Rule within six (6) months following the date PGandE commences construction on the Distribution System and less the nonrefundable amount. Developer agrees, however, to pay PGandE, on demand, at the end of the six (6) month period, so

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much of the uncollected refundable advance as would not in fact then be refundable. If any street lighting facilities are to be installed, the Developer shall also pay to PGandE on demand and in advance of any construction by PGandE the nonrefundable amount of \$______, which amount is determined in accordance with PGandE's applicable Street and Highway Lighting Schedule ______, a copy of which is attached and made a part hereof.

5. Any portion of the refundable advance paid to PGandE under Section 4 hereof shall be subject to refund to Developer without interest, in accordance with Sections D.2 and D.3 of the Underground Extension Rule, for a period of ten (10) years from the date PGandE is ready to supply service from the Distribution System. As provided in Section D.5 of the Underground Extension Rule, in the event any portion of the refundable advance has not been refunded or is not qualified for refund at the end of twelve (12) months after completion of the underground extension, the Developer will pay to PGandE a monthly cost of ownership charge on those portions of the refundable advance for which no refunds have been made or are then eligible for refund. hew Such cost of ownership charges shall initially be equal to % per month times the difference between the total refundable advance and amounts previously refunded or then eligible for refund. Payment of such cost of ownership charges will normally be made by deduction from the refundable advance, but such deduction will not thereafter reduce the amount on which the cost of ownership charges are determined. Cost of ownership charges shall continue to be applicable until the entire amount of the refundable advance shall have become eligible for refund or until the end of the ten (10) year period during which the refundable advance is subject to refund, whichever occurs first.

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The cost of ownership percentage shall be the applicable percentage rate established in the Special Facilities section of PGandE's applicable electric Rule 2. The monthly cost of ownership charges herein shall automatically increase or decrease without formal amendment to this agreement if the Commission should subsequently authorize a higher or lower percentage rate for monthly costs of ownership, effective with the date of such authorization.

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6. As provided in Section B.3 of the Underground Extension Rule, in the event that an extension in excess of 200 feet outside of the boundaries of the tract or parcel of land is required, Developer shall execute concurrently with its acceptance of this agreement, PGandE's applicable agreement, in form on file with Commission, relating to underground extensions under PGandE's Rule No. 15.

7. Developer hereby grants to PGandE all necessary rights of way and easements to install, operate, maintain, replace and remove the Distribution System on property of Developer along the routes shown upon the attached plans and specifications and Developer agrees to 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 of the Distribution System is to be installed on property owned by other than Developer, Developer shall, if PGandE is unable to do so without cost to it, first procure from the owners thereof in the name of PGandE, all necessary permanent rights of way and easements for the construction, operation, maintenance and replacement for the Distribution System upon such property in a form satisfactory to PGandE and without cost to it.

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8. (a) PGandE shall not be responsible for any delay in either the performance of Developer's obligations under this agreement or completion of the Distribution System by PGandE resulting from shortage of labor or materials, strike, labor disturbance, war, riot, weather conditions, governmental rule, regulation or order, including orders or 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, material 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, and delay in construction hereunder resulting from such allocation shall be deemed a cause beyond PGandE's control.

(b) In the event that Developer has not completed its obligations under this agreement within twelve (12) months following the date of this agreement, and PGandE is unable to proceed hereunder, PGandE shall have the right to terminate and/or supersede this agreement upon thirty (30) days' written notice to Developer and calculate any refundable or nonrefundable amounts that may be due based on that portion of the Distribution System then completed, utilizing the estimated costs developed by PGandE for this agreement. The superseding agreement, if any, shall be in the same form as this agreement, shall be executed by both parties hereto and shall provide that costs be allocated to the portion of the Distribution System then completed, if any, consistent with those costs estimated by PGandE for this agreement.

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(c) If this agreement is terminated as set forth above, Developer further agrees to reimburse PGandE for any engineering, surveying, right of way acquisition and other associated expenses incurred by PGandE. If such reimbursable expenses are greater or less than the excess of the refundable and/or nonrefundable payments, Developer shall pay to PGandE or PGandE shall refund, without interest, to Developer, as the case may be. for the property of PGandE.

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10. Developer shall indemnify PGandE, its agents, officers and employees against any claim or loss for damage to property or injury to persons arising out of or in connection with Developer's performance of this agreement.

11. This agreement does not provide for the installation of any underground conduits and/or conductors by PGandE other than as provided in the attached plans and specifications. The obligations of both Developer and PGandE under PGandE's Rule No. 16 on file with the Commission, relating to service installations, are not included in this agreement.

12. PGandE will furnish electric service to individual applicants therefor in said tract or parcel of land and the general public in accordance with PGandE's applicable electric rates and rules on file with Commission.

13. Developer may, with PGandE's written consent, assign this agreement, in whole or in part, if the assignee thereof agrees, in writing, to perform Developer's obligations hereunder. Such assignment, unless otherwise provided therein, shall be deemed to include Developer's right to any refunds then unpaid or which may thereafter become payable.

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14. 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 8.

15. This contract shall at all time be subject to such changes or modifications by the Commission as said 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; modifications in the calculation of refunds; changes or modifications in rate schedules.

E	xecuted this	day of	, 19	
	(Developer)	PACIFIC GA	S AND ELECTRIC COMPANY	
BY:	(Signature)	BY:	(Signature)	
(type or print name)		(t	(type or print name)	
TITLE:		Manager,	Region	
AND BY:	(Signature)		Attachments:	
TITLE:	(type or print name)		Appendix Sketch Rule 15.1 Rule 2	
	ADDRESS:			

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