

RETURN TO ENERGY BRANCH
ROOM 3102

E-4

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY
AND COMPLIANCE DIVISION
ENERGY BRANCH

RESOLUTION E-3099
July 8, 1988

R E S O L U T I O N

RESOLUTION E-3099. PACIFIC GAS AND ELECTRIC COMPANY (PG&E). ORDER AUTHORIZING AGREEMENT BETWEEN PG&E AND THE STATE OF CALIFORNIA DEPARTMENT OF PARKS AND RECREATION FOR AN UNECONOMIC LINE EXTENSION, BY ADVICE LETTER 1209-E, FILED MAY 31, 1988.

SUMMARY

1. By Advice Letter 1209-E, filed May 31, 1988, PG&E requests authorization to enter into an Agreement with the State of California Department of Parks and Recreation (AGENCY). The Agreement, entitled "Pacific Gas and Electric Company Special Electric Extension and Service Agreement" is to provide an uneconomic line extension to serve the AGENCY's needs within Mendocino Woodlands State Park, Mendocino County, California.
2. PG&E is authorized by this Resolution to enter into the Agreement.

DISCUSSION

1. PG&E requests authorization to install this line extension under the "Exceptional Cases" provision of Electric Rule 15.E.7 since it is uneconomical. The line extension includes approximately 27,000 feet of 6.9kV distribution facilities (12kV distribution system, 6.9kV line to ground).
2. The cost of the extension is estimated to be \$114,137. The total advance payment required from AGENCY is \$134,153 which includes AGENCY's portion of the line extension costs plus the tax on the Contribution-in-Aid-of-Construction. In addition, AGENCY will pay an equivalent one-time ownership charge of \$72,473 (Equivalent One-Time Cost of Ownership Payment) and a Rule 16 charge of \$667 for excess service charges. Attachment 1 lists a break-down of the costs associated with this line extension.
3. PG&E's cost to install this line extension and associated facilities (facilities) is substantially in excess of that which PG&E would install at its own expense under the standard provisions of its Electric Rule 15, Electric Line Extensions.

4. The terms of the Agreement are consistent with the Company's established policy for such economic line extensions. Such terms enable the line extension to be installed under conditions acceptable to AGENCY and prevents the service from becoming a burden to other ratepayers, as would occur if the cost of ownership charges were not made on the excess portion of the line extension facilities.

5. The conditions of this agreement are consistent with other uneconomic line extensions made by PG&E and other utilities, and approved by the Commission.

6. This filing will not increase any rate or charge, cause withdrawal of service, or conflict with any rate schedule or rule.

7. In accordance with Section III, Paragraph G, of General Order 96-A, PG&E has mailed copies of this filing to AGENCY and to all utilities and parties requesting notification of advice filings.

PROTESTS

1. No protests were received regarding Advice Letter 1209-E.

FINDINGS

1. We find that the rates, charges and conditions of service as proposed by this Agreement are just and reasonable; therefore,

IT IS ORDERED that:

1. Pacific Gas and Electric Company is authorized by Section X.A of General Order 96-A to enter into said Agreement with the State of California Department of Parks and Recreation.

2. Advice Letter 1209-E and accompanying Agreement shall be marked to show that they were approved for filing by Commission Resolution E-3099.


3. This Resolution is effective today.

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I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on July 8, 1988. The following Commissioners approved it:

STANLEY W. HULETT
President

DONALD VIAL
G. MITCHELL WILK
JOHN B. OHANIAN
Commissioners



Executive Director

Attachment

Commissioner Frederick R. Duda
being necessarily absent, did not
participate.

Estimated Cost of Furnishing and Installing Facilities.....	\$ 114,137
Less: 5 Times Estimated Annual Net Revenue (5 x \$1,866).....	\$ 9,330
Advance.....	\$ <u>104,807</u>
Plus: Contributions-In-Aid of Construction Tax (0.28 x \$104,807).....	\$ 29,346
Total Payment Due Prior to Start of Construction.....	\$ <u>134,153</u>
Plus: Equivalent One-time Cost of Ownership Payment.	\$ 72,473
Plus: Rule 16 Service Charges.....	\$ 667
Total Payment by AGENCY.....	\$ <u>207,293</u>