

RETURN TO ENERGY BRANCH
ROOM 3102

CA-31

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY
AND COMPLIANCE DIVISION
Energy Branch

RESOLUTION E-3199
November 9, 1990

R E S O L U T I O N

RESOLUTION E-3199. PACIFIC GAS AND ELECTRIC COMPANY
(PG&E). REQUEST FOR AUTHORIZATION OF AN UNECONOMIC
EXTENSION AGREEMENT BETWEEN PG&E AND THE COUNTY OF SONOMA

BY ADVICE LETTER 1315-E, FILED AUGUST 24, 1990.

SUMMARY

1. By Advice Letter 1315-E, filed August 24, 1990, PG&E requests authorization to enter into an Agreement with the County of Sonoma (Sonoma). The Uneconomic Extension Agreement (Agreement) provides for an overhead line extension to serve Sonoma's emergency communications station on Wildcat Mountain near 4499 Stagegulch Road in the City of Sonoma.
2. By this resolution, PG&E is authorized to enter into this Agreement.

BACKGROUND

1. PG&E requests authorization to install this line extension under the "Exceptional Cases" provision of Electric Tariff Rule 15.E.7. based on the determination that installation of the line is uneconomical. The line extension includes approximately 2,700 feet of 12kV overhead distribution line plus poles, transformers, meters and related appurtenance at an estimated cost of \$14,110.
2. Under Rate Schedule A-1, the estimated Base Revenue is \$728. This estimate is based on projected sales of 10,571 kwh/year. This Base Revenue would justify a capital investment of \$3,640. The estimated cost of the installed facilities is \$14,110. Therefore, the unsupported cost is \$10,470. The Contributions-in-Aid of Construction tax on the unsupported contribution (CIAC) charge is \$2,932. The Cost-of-Ownership (CO) charge is \$10,771. The sum of the unsupported cost, CIAC and CO results in a one-time payment for the electric line extension by the applicant of \$24,173.

3. The terms of the Agreement are consistent with PG&E's established policy for such uneconomic line extensions and are the same as those in similar agreements approved by the Commission. Such terms prevent the service addition from becoming a burden on other ratepayers as would occur if CO charges were not made on the excess portion of the line extension facilities.

NOTICE

1. Public notification of these filings has been made by placing it on the Commission calendar for August 29, 1990 and by mailing copies of the filing to other utilities, governmental agencies and to all interested parties who requested such notification.

2. Workpapers supporting this filing were mailed to all of the above parties and were available to other parties upon request.

PROTESTS

1. No party protested Advice Letter 1315-E.

DISCUSSION

1. PG&E's costs to install this line extension and associated facilities is substantially in excess of that which PG&E would be able to recover in rates under the standard provisions of its Electric Tariff Rule 15, "Electric Line Extensions". This is the reason for filing this agreement under the provisions of the Exceptional Case clause of the filed tariff schedules.

2. In the event additional customers may be served from this line, the cost of this service extension shall be subject to refund to Sonoma under the provisions of Electric tariff Rule 15 of PG&E's filed tariff schedules.

3. The Agreement was reached by mutual consent of both parties and will provide service to Sonoma under conditions which will not create a burden on PG&E's other ratepayers.

4. This filing will not increase any rate or charge, cause the withdrawal of service, nor conflict with other rate schedules or rules.

FINDINGS

1. No protests have been received in this matter and this agreement is acceptable to both parties.
2. The Agreement will provide service to Sonoma under terms that will not produce a burden on PG&E's other ratepayers.
3. The rates, charges and conditions of service as proposed by the Agreement between PG&E and Sonoma are just and reasonable and the Agreement should be accepted for filing.

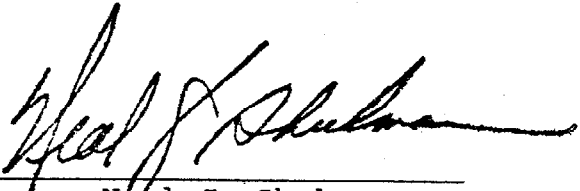
THEREFORE, IT IS ORDERED that:

1. Pacific Gas & Electric Company is authorized to enter into the Agreement with the County of Sonoma as filed by Advice Letter 1315-E.
2. Advice Letter 1315-E and accompanying tariff sheets shall all be marked to show that they were accepted for filing by Resolution E-3199 of the California Public Utilities Commission.
3. Pacific Gas & Electric Company shall revise its List of Contracts and Deviations to include the Agreement listed above and shall file such revised tariff sheets with the Commission within sixty (60) days of the effective date of this resolution.
4. This resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on November 9, 1990. The following Commissioners approved it:

G. MITCHELL WILK
President
FREDERICK R. DUDA
JOHN B. OHANIAN
PATRICIA M. ECKERT
Commissioners

Commissioner Stanley W. Hulett,
being necessarily absent, did
not participate.



Neal J. Shulman
Executive Director

ATTACHMENT A

PAYMENTS BY APPLICANT-UNECONOMIC LINE EXTENSION

Location: County of Sonoma Communications Station
Wildcat Mountain, near 4499 Stagegulch Road
Sonoma, CA

Estimated Cost of Furnishing and Installing Facilities-----	\$ 14,110
Less: 5 times Estimated Annual Net Revenue (5 x \$728)-----	<u>3,640</u>
Unsupported Capital Costs-----	\$ 10,470
Contributions-in-Aid of Construction (0.28 x \$10,470)-----	2,932
Cost-Of-Ownership Fund (Present Worth Factor x Annual CO% x \$10,470) (9.12 x 0.1128 x \$10,470)-----	<u>10,771</u>
TOTAL PAYMENT (Subject to Refund)-----	\$ 24,173