PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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Orig. and Copy to Secretary

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RESOLUTION NO. G-1661

RESOLUTION

UTILITIES DIVISION BRANCH/SECTION: Gas DATE: August 20, 1974

| Director | |
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SUBJECT: Order Authorizing Rate Increase Under Special Contract on Less than Statutory Notice

WHEREAS: PACIFIC GAS AND ELECTRIC COMPANY by Advice Letter No. 669-G, filed August 13, 1974. having requested short notice authorization under Section X.A. of General Order No. 96-A and Sections 454, 491 and 532 of the Public Utilities Code to carry out the terms of a contract with Mercy Hospital of Redding, Inc. covering a gas main reinforcement and supply of interruptible service to customer's hospital in Redding under conditions that deviate from filed tariffs, and WHEREAS: The agreement for said gas main reinforcement deviates from filed tariffs in that the cost of construction will be borne by the customer without allowing one year's estimated revenue to be deducted from the advance as provided under Rule No. 15, and

WHEREAS: The agreement further deviates from filed tariffs by requiring the customer to pay a monthly cost-of-ownership charge equal to 1% of any non-refunded advance for a period of sixty months, and

WHEREAS: The reason for such deviation is because sale of interruptible gas to this customer will result in no additional revenue to the utility under this class of service, and

WHEREAS: Approval on less than statutory notice is requested in order that construction of facilities may proceed promptly to provide an early service date, and

WHEREAS: We find this increase is justified; therefore, good cause appearing,

IT IS ORDERED that authority be granted under Sections 454, 491 and 532 of the Public Utilities Code to carry out the terms and conditions of the above agreement, effective August 20, 1974.

IT IS FURTHER ORDERED that the contract be marked to show that it was authorized under Resolution of the Public Utilities Commission of the State of California No. G-1661.

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 <u>20th</u> day of <u>August</u>, <u>19 74</u>, the following Commissioners voting favorably thereon:

FORM U-14-A

Secretary