PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Copy for:

Orig. and Copy to Secretary **RESOLUTION NO.** G-1769

RESOLUTION

UTILITIES DIVISION BRANCH/SECRETSION: Gas DATE: July 8, 1975

......DirectorNumerical FileAlphabetical FileAccounting Officer

> SUBJECT: Order Authorizing Acceptance of Special Contract Under Conditions Deviating from Filed Tariffs

WHEREAS: PACIFIC GAS AND ELECTRIC COMPANY by Advice Letter No. 718-G, filed June 11, 1975, having requested authorization under Section X.B. of General Order No. 96-A and Sections 454 and 532 of the Public Utilities Code to carry out the terms and conditions of a special agreement with the City of Merced, covering a gas main extension and the construction of a gas distributing system to and within Western Industrial Improvement District No. 19, in Merced, and

WHEREAS: The agreement deviates from filed tariffs in that all costs of the project, including excess capacity as requested by customer, will be borne by the City 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 in that the City will pay a monthly cost-of-ownership charge equal to one percent of any nonrefunded advance, and

WHEREAS: That portion of the monthly cost-of-ownership charge attributable to the extension advance for the normal system will be payable for 60 months, while that portion attributable to the excess capacity will be payable until the unrefunded balance of the payment for excess capacity is reduced to \$500 or less, and

WHEREAS: We find that this agreement is compensatory and nondiscriminatory and will not place a burden on other ratepayers; therefore, good cause appearing,

IT IS ORDERED that authority be granted under Sections 454 and 532 of the Public Utilities Code to accept the contract with an effective date of July 11, 1975, without construing either approval or disapproval by this Commission.

IT IS FURTHER ORDERED that the contract be marked to show that it was accepted for filing under Resolution of the Public Utilities Commission of the State of California No. G-1769.

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>8th</u> day of <u>July</u>, <u>1975</u>, the following Commissioners voting favorably thereon:

Secretary