## PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Copy for:

Orig. and Copy ....to Executive Director REFURN TO GAS BRAN

RESOLUTION

UTILITIES DIVISION BRANCH/SECTION: Gas DATE: June 22, 1976

Director Numerical File Alphabetical File Accounting Officer

> SUBJECT: Order Authorizing Letter Agreement Modifying Curtailment Procedures on Less Than Statutory Notice

WHEREAS: PACIFIC GAS & ELECTRIC COMPANY, by Advice Letter No. 800-G, filed June 2, 1976, having requested authorization under Section X.A. of General Order No. 96-A and under Sections 453, 454, and 491 of the Public Utilities Code to file a letter agreement between it and Hercules, Inc., covering revised curtailment procedures to the customer's ammonia producing facilities in Hercules, Contra Costa County, and

WHEREAS: The purpose of the agreement is to allow Hercules to produce adequate supplies of ammonia without costly delays in production and excessive waste of energy caused by frequent curtailments, and

WHEREAS: The agreement will allow PG&E to burn fuel oil in its steam electric plants, thus allowing specified amounts of natural gas to be placed in storage, and

WHEREAS: This stored gas will be released to Hercules, Inc., during periods of normal curtailment thus allowing continuous operation without shutdown, and

WHEREAS: Hercules agrees to pay PG&E an amount equal to the difference between the cost of fuel oil burned at Hercules' request and the equivalent quantity of natural gas, and

WHEREAS: This agreement will expire July 1, 1976, after which the priority assigned to ammonia production by Decision No. 85189 is expected to be effective, and

WHEREAS: The utility requests that this filing be made on short notice authorization in order that the utility may commence placing gas in storage for Hercules' later curtailment problems, and

WHEREAS: We find that this filing will not adversely effect any other customer; therefore, good cause appearing,

IT IS ORDERED that authority be granted under Sections 453, 454, and 491 of the Public Utilities Code and under Section X.A. of General Order No. 96-A for PG&E to carry out the terms and conditions of the letter agreement with Hercules, Inc., effective this date.

IT IS FURTHER ORDERED that the above advice letter and letter agreement be marked to show that they were accepted for filing under Resolution of the Public Utilities Commission of the State of California No. G-1905. The effective date of this resolution is the date hereof.

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 22nd day of June 19.76..., the following Commissioners voting favorably thereon:

William Z. Johnson

D. W. HOLMES, President WILLIAM SYMONS, JR., VERNON L. STURGEON LEONARD ROSS, ROBERT BATINOVICH, Commissioners FORMULIAA

Executive Director