

Copy for:

RESOLUTION NO. G-2036

Orig. and Copy

to Acting Executive Director

R E S O L U T I O N

UTILITIES DIVISION

BRANCH/SECTION: Gas

DATE: March 1, 1977

.....Director

.....Numerical File

.....Alphabetical File

.....Accounting Officer

SUBJECT: Order Authorizing Conditional Acceptance of Special Contract Under Conditions Deviating From Filed Tariffs

WHEREAS: PACIFIC GAS & ELECTRIC COMPANY, by Advice Letter No. 867-G, filed January 24, 1977, having requested authorization under Sections 454 and 532 of the Public Utilities Code to carry out the terms and conditions of a special contract with Southern Pacific Industrial Development Co., Inc., (Applicant) covering a gas main extension to Applicants' facilities in Fairfield, Solano County, under conditions that deviate from filed tariffs, and resulting in the following:

1. The contract deviates from filed tariffs in that the cost of construction will be borne by Applicant in the amount of \$16,954 without allowing one year's estimated revenue to be deducted from the advance as provided by Rule No. 15.
2. The reason for this deviation is that the agreement is restricted to the installation of facilities only and does not guarantee availability of gas supply.
3. The facilities are sized in excess of Applicant's present requirements to allow for future development.
4. The agreement further deviates from filed tariffs in that the Applicant agrees to pay a monthly cost-of-ownership charge equal to \$169.54, or 1%, of any nonrefunded advance.
5. The Commission has approved similar contracts in the past with the exception that the monthly cost-of-ownership charge has been limited to a term of sixty months.
6. This agreement is found to be is compensatory and nondiscriminatory and provides for service to the applicant under conditions acceptable to both parties and fair to potential customers without placing a burden on other ratepayers, except that the monthly cost-of-ownership charge should be limited to a term not to exceed sixty months; therefore, good cause appearing,

IT IS ORDERED that: ^{1.} PG&E be instructed to renegotiate the contract with Southern Pacific Industrial Development Co. in order to limit the monthly cost-of-ownership charge to a term not to exceed 60 months.

^{2.} Upon submission of the revised contract by supplemental advice letter, authority will be granted under Sections 454, 491 and 532 of the Public Utilities Code to place such revised contract into effect on date of filing,

^{3.} The above advice letter and subsequent revised contract will be marked to show that they were accepted for filing under Resolution of the Public Utilities Commission of the State of California No. G-2036. 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 1st day of March, 1977, the following Commissioners voting favorably thereon: