PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Copy for:

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RESOLUTION NO. G-2213

...to Executive Director

RESOLUTION

UTILITIES DIVISION BRANCH/SECTION: Gas DATE: May 2, 1978

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SUBJECT: Gas Exploration and Development Adjustment (GEDA) Project Letter No. 78-H Filed for Approval Pursuant to Procedures Prescribed by Decision No. 88121.

WHEREAS: PACIFIC GAS AND ELECTRIC COMPANY by GEDA Project Letter No. 78-H filed March 22, 1978, has requested approval of gas exploration and development activities in California under the following circumstances:

- 1. Applicant's request is for authority to provide funds for land acquisition in California.
- 2. For this project, Pacific Gas and Electric Co. (PG&E) defines "land acquisition" to mean the obtaining of leasehold rights for oil and gas exploration and development.
- 3. PG&E will obtain a working interest in lands acquired.
- 4. In order to acquire up to 50,000 acres, PG&E requires an expenditure of approximately \$250,000 in 1978 and \$250,000 in 1979.
- 5. Should PG&E wish to obtain additional acreage adjacent to lands acquired under this project or to undertake a drilling program on lands acquired, additional funds will be requested by a future project letter and the cost of the original acreage purchased under this project will be transferred to the superceding project.
- 6. The resulting 1978 cost of service is estimated at \$10,236 or 0.0001¢/therm.
- 7. No tariff increase will result at this time as all revenue requirements will be placed in a balancing account for future rate adjustment.
- 8. This project conforms to Finding No. 16 of D.88121 which requires the gas utilities to consider projects within the State.
- 9. We find that the request to participate in the funding of the above project should be granted and that a public hearing is not necessary, therefore, good cause appearing,
- IT IS ORDERED that:
- 1. Authority be granted pursuant to the provisions of Decision No. 88121 for Pacific Gas and Electric Company to participate in the funding of the above project.
- 2. The 1978 cost of service associated with the funding of the project shall be accumulated and reflected in the next annual adjustment for under or over collections
- 3. The Project Letter be marked to show that it was accepted for filing under Resolution of the Public Utilities Commission of the State of California No. G-2213. The effective date of the 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 <u>2nd</u> day of <u>May</u>, <u>1978</u>, the following Commissioners voting favorably thereon: