PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Copy for:

Orig. and Copy to Executive Director RESOLUTION NO. G-2242

RESOLUTION BRANCH/SECTION: Gas DATE: August 22, 1978

Director

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

WHEREAS: PACIFIC GAS & ELECTRIC COMPANY, by Advice Letters Nos. 1007-G, 1008-G, 1009-G and 1010-G, all filed August 3, 1978, having requested authorization to carry out the terms and conditions of special contracts with: Tenneco Realty Development Corporation (Tenneco), Industrial Complex Investors (Industrial), Cabot, Cabot and Forbes Alameda Properties, Inc. (Cabot), and Prudential Insurance Company (Prudential), covering gas main extensions and service stubs to provide natural gas service to Applicants' commercial and industrial developments under conditions deviating from filed tariffs, and resulting in the following:

1. The agreements deviate from filed tariffs in that each of the Applicants will pay in advance of construction an estimated total cost of construction and a cost-of-ownership charge as listed below:

	Applicant	Location	Total Cost of Facilities	Less Credit to Applicant	Advance to PG&E	Cost-of- Ownership
	Tenneco	Bakersfield	\$ 7,051	\$1,830	\$ 5,221	\$ 70.51/mo.
	Industrial Cabot	Fresno Hayward	19,837	3,613	16,224 2,870	198.37/mo. 28.70/mo.
	Prudential	Sunnyvale	4,699	568	4,131	46.99/mo.

2. All applicants want gas facilities for industrial parks (developments) in advance of requests for utility service and to aid sale of their properties.

3. None of the applicants (developers) are the ultimate consumers of gas service to be provided and it is not determined at this time as to who the ultimate customers will be.

4. In each case the monthly cost-of-ownership charge is 1% of the total cost of the gas system and will be adjusted annually to reflect any refunds made by the utility.

5. Installing facilities prior to paving will result in lower costs to all parties and the utility and all applicants have agreed to modify the contract agreements consistent with the Commission's findings in Case No. 10260.

6. All agreements are similar in context with the agreement filed by PG&E Advice Letter No. 1000-G, authorized by Commission Resolution No. G-2227 on June 13, 1978, and

WHEREAS: We find that these agreements are compensatory and nondiscriminatory and provide for service to the Applicants in such a manner as to not place a burden on other ratepayers; therefore, good cause appearing,

IT IS ORDERED that:

1. Authority be granted under Sections 454 and 532 of the Public Utilities Code to place these contracts into effect on September 2, 1978.

2. The above advice letters and contracts be marked to show that they were accepted for filing under Resolution No. G-2242 of the Public Utilities Commission of the State of California. 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 <u>22nd</u> day of <u>August</u>, <u>1978</u>, the following Commissioners voting favorably thereon:

Executive Director