

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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RESOLUTION NO. G- 2270

RESOLUTION

UTILITIES DIVISION
 BRANCH/SECTION: Gas
 DATE: April 10, 1979

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

WHEREAS: PACIFIC GAS & ELECTRIC COMPANY, by Advice Letters Nos. 1027-G to 1034-G, inclusive, all filed March 12, 1979, has requested authorization to carry out the terms and conditions of special contracts with the following applicants: Crocker Land Company (Crocker), Prudential Insurance Company of America (Prudential), Corral de Tierra Properties (Corral), Hi-Tech Industrial Development (Hi-Tech), Beard Land Improvement Company (Beard), City of Auburn (Auburn), Holvick, DeRegt & Koering (Holvick), and Southern Pacific Industrial Development (S.P.), covering gas main extensions and service stubs to provide natural gas services to each of the applicants' commercial and industrial developments under conditions deviating from filed tariffs and resulting in the following:

1. The agreements each deviate from filed tariffs in that each applicant will pay in advance of construction an estimated total cost of construction less specific credits to each applicant and will also pay a cost-of-ownership charge either as a lump sum payment or a monthly charge as listed below:

Applicant	Location	Total Cost of Facilities	Less Credit To Applicant	Advance to PG&E	Cost-of-Ownership
Crocker	Hayward	\$103,849	-----	\$103,849	\$1,038.49/mo.
Prudential	Sunnyvale	48,910	15,564	33,346	489.10/mo.
Corral	Salinas	43,534	-----	43,534	71,711*
Hi-Tech	Oakdale	5,715	896	4,819	2,811.78 *
Beard	Modesto	26,045	9,038	16,737	167.38/mo.
Auburn	Auburn	14,917	12,511	2,406	72.50/mo.
Holvick	Richmond	3,958	-----	3,958	39.58/mo.
S.P.	Fairfield	57,456	-----	57,456	574.56/mo.

*Lump Sum Cost-of-Ownership Payment

2. The computation of credit to applicants and cost-of-ownership charges are as follows:

Applicant	Credit	Cost-of-Ownership	
		Monthly Payment	Lump Sum Charge
Crocker	None	1%/mo. of Total Cost	-----
Prudential	Cost of Trenching	(Same as Above)	-----
Corral	None	-----	P.W. of 12% of Advance for 10 yrs. @ 7% int.
Hi-Tech	Cost of Trenching	-----	P.W. of 12% of Advance for 5 yrs. @ 7% int.
Beard	2½ x Est. Ann. Rev.	1%/mo. of Unref. Adv.	-----
Auburn	Cost of Trenching + 2½ x Est. Ann. Rev.	1%/mo. of (Unrefunded Adv. + Trenching Credit)	-----
Holvick	None	1%/mo. of Unref. Adv.	-----
S.P.	None	(Same as Above)	-----

3. All applicants are constructing industrial parks (developments), and all applicants want gas facilities in advance of requests for utility service in order to aid sales of their properties.

4. None of the applicants are the ultimate consumers of gas service to be provided, and since not all of the ultimate consumers have been determined at this time, exercising the Exceptional Case clause of Rule No. 15 is appropriate in these cases.

5. In all cases, the monthly cost-of-ownership charge or the lump sum cost-of-ownership payment will be adjusted accordingly if refunds are made.

6. 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.

7. All agreements are basically similar in content to the agreements filed by PG&E Advice Letters Nos. 1007-G to 1010-G, inclusive, authorized by Commission Resolution No. G-2242 on August 22, 1978 and by PG&E Advice Letters Nos. 1013-G to 1016-G, inclusive, authorized by Commission Resolution No. G-2253 on November 28, 1978, and

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

IT IS ORDERED that:

1. Authority is granted under Sections XA and XB of General Order No. 96-A and under Sections 454 and 532 of the Public Utilities Code to place all of the above contracts into effect on March 11, 1979, which constitutes regular statutory notice.

2. The above advice letters and contracts be marked to show that they were accepted for filing under Resolution No. G-2270 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 10th day of April, 19 79, the following Commissioners voting favorably thereon:

Executive Director