

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

U-6

Copy for:

RESOLUTION NO. G-2328

Orig. and Copy  
to Executive Director

RESOLUTION

UTILITIES DIVISION

BRANCH/SECTION: Gas

DATE: November 30, 1979

Director  
Numerical File  
Alphabetical File  
Accounting Officer

**SUBJECT:** Gas Exploration and Development Adjustment (GEDA) Project Letter 79-C Filed for Approval pursuant to Procedures prescribed by Decision No. 88121.

**WHEREAS:** PACIFIC GAS AND ELECTRIC COMPANY AND NATURAL GAS CORPORATION OF CALIFORNIA (NGC) by GEDA Project Letter No. 79-C filed October 29, 1979, have requested approval of gas exploration and development activities in certain Sacramento Valley Prospects as part of a California Gas exploration and development program under the following circumstances:

1. Applicant's request is for authority to participate in the funding of exploration and development activities of Western Continental Operating Company (Western) in (A) the East Brentwood Prospect, (B) the South Dutch Slough Prospect and (C) the Yolo By-Pass Prospect in the southern portion of the Sacramento Valley.
2. Under the agreement with Western, NGC is committed to provide an estimated maximum of \$1,751,000 for the drilling of 3 to 4 wells, and will acquire working interests of 33 1/3%, 55% and 50% in Prospects A, B and C respectively.
3. NGC will retain a 66 2/3 percent working interest in the producing wells of Prospect A and similarly a 100 percent working interest in Prospects B and C until such time as its investment is recovered from net revenues and will also have a call of Western's share of the gas.
4. The resulting 1979 cost of service is estimated at \$40,000 or .0005¢/therm.
5. By letter filed November 8, 1979, Toward Utility Rate Normalization (TURN) objects to the GEDA procedures in general, and to the specific project herein. TURN proposes that the Commission deny PG&E's request for NGC participation in the project.
6. The issues raised by TURN were addressed and resolved in establishing the GEDA procedures in Decision No. 88121.
7. 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 to the provisions of Decision No. 88121 for Natural Gas Corporation of California and Pacific Gas and Electric Company to participate in the funding of the above project.
2. The 1979 cost of service associated with the funding 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-2328. 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 30th day of November, 1979, the following Commissioners voting favorably thereon:

VERNON L. STURGEON  
RICHARD D. GRAVELLE  
CLAIRE T. DEDRICK  
LEONARD M. GRIMES, JR.  
Commissioners

*Joseph E. Dobson*  
Executive Director