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RESOLUTION NO. G-2380

UTILITIES DIVISION
 BRANCH/SECTION: Gas
 DATE: October 22, 1980

R E S O L U T I O N

RETURN TO GAS BRANCH

SUBJECT: Pacific Gas & Electric Company. Order Authorizing Acceptance of Special Contracts Deviating from Filed Tariffs.

WHEREAS: PACIFIC GAS & ELECTRIC COMPANY (PG&E), by Advice Letter No. 1111-G, filed October 1, 1980, has requested authority to carry out the terms and conditions of two special contracts with (1) Danna and Danna, Inc. (Danna) and (2) James Frederick Boccardo (Boccardo), both of Marysville, Yuba County, covering gas main extensions and supply of natural gas for each of the applicant's fruit dehydrator facilities, 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 the estimated total cost of their share of the construction costs less a credit equal to 5 times the estimated annual revenue to be gained from each customer.

2. The agreements further deviate from filed tariffs in that each applicant will also pay to PG&E, a cost-of-ownership fund representing the present worth of 12% of the advance for 10 years at 7% interest per annum.

3. The total cost of the facilities to supply both applicants is \$543,552 with Danna being responsible for 67.45% and Boccardo the remaining 32.55%.

4. The amount of the advance and cost-of-ownership fund in each case is shown below:

<u>Applicant</u>	<u>Share of Facilities</u>	<u>Estimated Annual Rev.</u>	<u>Credit to Applicant (5xRev.)</u>	<u>Advance to PG&E</u>	<u>Cost-of-Ownership Fund</u>
Danna	\$366,626	\$ 53,695	\$268,475	\$ 98,151	\$ 82,683
Boccardo	176,926	25,912	129,560	47,366	39,901
Total	\$543,552	\$ 79,607	\$398,035	\$145,517	\$122,584

5. The advance is subject to refund, without interest, for each new gas load or subsequent extension at a ratio of 5 times the estimated additional revenue in excess of the basic estimated revenue listed above. The total of all refunds shall not exceed the total advance paid.

6. In the event that refunds are made, the cost-of-ownership fund will be adjusted accordingly, and

WHEREAS: We find that these agreements are compensatory and non-discriminatory and will provide service to applicant 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 Section X.A. of General Order No. 96-A and under Sections 454 and 532 of the Public Utilities Code to place the above contract into effect as of October 31, 1980, which constitutes regular statutory notice.

2. The above advice letter and contracts shall be marked to show that they were accepted for filing under Resolution No. G-2380 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 October 22, 1980, the following Commissioners voting favorably thereon:

JOHN E. BRYSON
President
RICHARD D. GRAVELLE
LEONARD M. GRIMES, JR.
Commissioners


Executive Director