

Decision No. 13746

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of an Investigation
on the Commission's own motion
into the construction and operation
of certain electric utilities and the
distribution and transfer of electri-
city during the present emergency re-
sulting from abnormally low precipita-
tion.

Case No. 2013

J. J. Deuel and L. S. Wing for California Farm
Bureau Federation.

William Guthrie for the California Portland Cement
Company.

F. C. Finkle for Yucaipa Water Company No. 1; South
Mesa Water Company; Western Heights Water
Company.

R. V. Reppy and B. F. Woodard for Southern California
Edison Company.

A. B. Day and Paul Overton for Los Angeles Gas and
Electric Corporation.

Murray Bourne for San Joaquin Light and Power Corpora-
tion.

A. B. West and F. O. Dolson for Southern Sierras Power
Company.

L. M. Klauber for San Diego Consolidated Gas and
Electric Company.

H. C. Gardett, T. A. Panter and T. G. Anderson for the
City of Los Angeles.

R. L. Morrow for the City of Glendale.

Henry B. Goodwin and J. E. Parker for the City of
Azusa.

J. E. Parker for American Trona Corporation.

C. E. McFarland for Riverside Portland Cement Company.

BY THE COMMISSION:

O P I N I O N.

The above entitled proceeding was instituted on the Commission's own motion by an order dated the fifth day of June, 1924, directing an investigation of the construction and operation of certain electric utilities serving consumers in the southern half of the state, and calling a hearing to be held at Los Angeles on June 13, 1924. As indicated in the order instituting the investigation, the proceeding was made necessary by the emergency created by the abnormally low precipitation of the rainy season of 1923-1924.

Pursuant to the order, the hearing was held at Los Angeles on June 13, 1924, and evidence was taken in the shape of oral testimony and statements and exhibits, relative to the respective load demands of the several electric utilities affected, and the resources available to meet such demands. The evidence shows a serious shortage of total power supply for the remainder of the year 1924 on the system of the Southern California Edison Company and those served by it, and the probability of a shortage on the systems of the San Joaquin Light and Power Corporation and Southern Sierras Power Company. Immediate curtailment of the use of electric energy was found necessary on the system of the Southern California Edison Company and those supplied by it, and needful conservation on the other systems for the protection of the consumers of these systems and the relief of consumers of Southern California Edison Company.

It was agreed between the various power companies and the cities involved that a power supervisor should be appointed by this Commission. Pending formal action by this Commission, Mr. A. V. Guillou, Gas and Electric Engineer of the Railroad Commission, was appointed Acting Power Supervisor to supervise the curtailment and direct the conservation of power.

Following the hearing, a conference was held on June 19th, 1924, at which the following resolution was signed by representatives of the various power companies, the City of Los Angeles, and others:

"Los Angeles, California, June 19, 1924.

"WHEREAS, due to deficient rainfall there is a State-wide shortage of electrical energy, which has become particularly acute in the southern part of the State, and

WHEREAS, it is desirable that the Railroad Commission of the State of California use its good offices in bringing about conservation in the use of such energy,

NOW THEREFORE:

We, the undersigned, hereby pledge that we will cooperate to the fullest of our ability, mutually, and with the Railroad Commission, in all matters concerning service and interchange of power between the several companies undersigned.

SOUTHERN CALIFORNIA EDISON COMPANY,

By R. E. Ballard, Vice-President & Manager.

LOS ANGELES GAS AND ELECTRIC COMPANY,

By William Baurhyte, President.

SOUTHERN SIERRAS POWER COMPANY,

By A. B. West, President.

CITY OF LOS ANGELES,

By W. B. Matthews, Special Counsel.

SAN JOAQUIN LIGHT AND POWER CORPORATION,

By A. Emory Wishon.

CALIFORNIA FARM BUREAU FEDERATION,
Law and Utilities Dis.

By J. J. Deuel.

LOS ANGELES CHAMBER OF COMMERCE,

By William Lacey President."

The evidence in this proceeding indicates definitely the need of an immediate curtailment of the use of electric energy by consumers of the Southern California Edison Company, and of private and municipal electric systems supplied by it, and the reduction of the use of electric energy on other systems interconnected with the Southern California Edison Company to the fullest extent possible.

The evidence further shows that a power shortage existed on the Southern Sierras Power System during the early part of this year, and that a probable shortage will occur during the latter part.

The evidence also shows that through the interconnection of the various systems the utilities and municipal systems are interdependent, and that possibilities exist for a shortage on other than the Edison System, similar to those which have occurred in the past. The power situation in the entire territory served by the utilities subject to this proceeding is such that the problem is one of community and territorial interest rather than primarily one of the interest of individual utilities, and it is the conclusion of this Commission that the situation justifies a consideration of the power situation from the standpoint of the entire territory in the interest of the public in general rather than the interest of the individual utilities.

Relative to the immediate situation of the Southern California Edison System, the Commission finds that a serious emergency exists with respect to the power supply, and that resources available to the Southern California Edison Company to meet normal load requirements during 1924 are insufficient to an extent requiring an immediate reduction of use of approximately 25 per cent; that such deficiency is due to the unprecedented drouth conditions of the present season, and the absence of water supply for installed hydroelectric plants.

The Commission further finds as a fact that the institution of a power administration under a Power Supervisor, acting under the direction and supervision of the Commission and having supervision over the power resources and distribution of same of the

San Joaquin Light and Power Corporation,
Midland Counties Public Service Corporation,
Southern California Edison Company,
Los Angeles Gas and Electric Corporation,
Southern Sierras Power Co.,
San Diego Cons. Gas & Electric Co.,
Ontario Power Co.,
Ojai Power Co.

is necessary.

O R D E R.

The Railroad Commission having, on its own motion, instituted an investigation into the matter of construction and operation of the following utilities:

San Joaquin Light and Power Corporation,
Midland Counties Public Service Corporation,
Southern California Edison Company,
Los Angeles Gas and Electric Corporation,
Southern Sierras Power Company,
San Diego Consolidated Gas and Electric Company,
Ontario Power Company,
Ojai Power Company:

hearing having been had; evidence have been presented; the matter having been submitted and being now ready for decision;

IT IS HEREBY ORDERED:

(1) That H. G. Butler be and he is hereby employed to act as Power Supervisor for that portion of California served directly or indirectly by

San Joaquin Light and Power Corporation,
Midland Counties Public Service Corporation,
Southern California Edison Company,
Los Angeles Gas and Electric Corporation,
Southern Sierras Power Company,
San Diego Consolidated Gas and Electric Company,
Ontario Power Company,
Ojai Power Company,

and to supervise the distribution of power during the emergency under the direction and upon the authority of the Railroad Commission of California.

(2) That the utilities above named, during the remainder of the year 1924, and until otherwise ordered, shall operate their plants and service in such a manner as may be directed from time to time by the Power Supervisor.

(3) That the above named utilities shall discontinue the taking on of additional consumers from and after the date of this order, except as authorized by the Power Supervisor.

(4) That the utilities above named, during the remainder of this year, shall operate their plants in such a manner as to proportion the deficiency heretofore mentioned ratably over the

whole of said period, to the end that the best interests of the people as a whole be served by eliminating waste and unnecessary use, thereby conserving so far as possible power for agriculture and productive industry.

(5) That the Commission reserves the right to make such further order or orders in this proceeding as may, from time to time, appear to it just or necessary.

Dated at San Francisco, California, this 28th day of June, 1924.

C. C. Seaver
H. B. ...
Iving Martin
Ererton Shore

Commissioners.