Decision No. 23956 .

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of SIERRA PACIFIC POWER COMPANY, a corporation, for an order approving a certain agreement entered into by and between applicant and CLOVER VALLEY LUMBER COMPANY, a corporation, under date of July 31, 1931.

Application No. 17585.



BY THE COMMISSION:

## <u>opinion</u>

This is an application by Sierra Pacific Power Company, a corporation, for an order approving a certain agreement dated July 31, 1931, made and entered into by and between applicant and Clover Valley Lumber Company, a corporation. A copy of said agreement, marked "Exhibit A," is attached to and made a part of the application.

Upon the terms and conditions, and during the term of said agreement, applicant has agreed to sell and deliver to Clover Valley Lumber Company, and the latter has agreed to purchase and accept from applicant, electric power up to but not exceeding seven hundred (700) kilowatts, three (3) phase, sixty (60) cycle, four hundred forty (440) volts, at the following rate:

Discount of 10% when payment is made within ten (10) days after bill is rendered.

Under said agreement Sierra Pacific Power Company agrees to construct a suitable substation on property of Clover Valley Lumber Company, near the latter's power plant at Loyalton, Sierra

County, California, from which delivery of power will be made, and the latter grants to applicant all necessary license and easement for said substation and lines connected thereto. It is further understood and agreed that the electric power furnished under said agreement shall be used for the operation of Clover Valley Lumber Company's Lumber mill at Loyalton and for serving the latter's electric consumers in said town; that when requested by applicant, Clower Valley Lumber Company will furnish and deliver to applicant from its steam generating plant at Loyalton, all available surplus electric power at the rate above quoted, excluding the minimum monthly payment. The term of said agreement is five (5) years from and after the date of completion of the substation, provided that upon thirty (30) days'written notice to applicant, Clover Valley Lumber Company may terminate same at the end of any twelve (12) month period during said term. The Commission is of the opinion that said agreement is fair to all parties and that a public hearing in the matter is not necessary. ORDER Sierra Pacific Power Company having applied to the Commission for an order approving that certain agreement described above, and good cause appearing therefor, THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY APPROVES that certain agreement dated July 31, 1931, as -2