

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

ORIGINAL

In the Matter of the investigation  
by the Railroad Commission on its  
own motion into the reasonableness  
of the rates for electric service  
of Southern California Edison Com-  
pany.

Case No. 1710.

- ✓ Roy V. Reppy and B. F. Woodard, for Southern California Edison Company.
- ✓ W. J. Carr, for the Cities of Alhambra, Anaheim, Arcadia, Chino, Colton, Covina, Fillmore, Fullerton, Huntington Beach, La Verne, Lindsay, Long Beach, Los Angeles, Monrovia, Newport Beach, Pasadena, Pomona, Porterville, San Buenaventura, Santa Monica, South Pasadena, Venice, Sierra Madre, and the County of Los Angeles.
- ✓ F. S. Brittain, for California Farm Bureau Federation, F. E. Saunby of Orange County, and C. A. Melcher of Kern County.
- ✓ L. L. Dennett and Irving H. Althouse, for the Terra Bella Irrigation District.
- ✓ J. H. Howard, City Attorney, for the City of Pasadena.
- ✓ William Hazlett, City Attorney, for the City of South Pasadena.
- ✓ Jess E. Stephens and Milton Bryan, and H. Z. Osborne, Jr., for the City of Los Angeles and the Board of Public Utilities of the City of Los Angeles.
- ✓ George A. French, for the City of Riverside.
- ✓ E. H. Scott, for the City of Santa Ana.
- John Bruns, for certain agricultural and industrial interests of Orange County.
- ✓ George L. Hoodenpyl and Bruce Mason, for the City of Long Beach.
- ✓ F. C. Finkle, for the Redlands and Yucaipa Land Company, South Mesa Water Company, Yucaipa Water Company No. 1, and the Western Heights Water Company of San Bernardino County.

- ✓ J. J. Deuel, for the Kern County Farm Bureau.
- ✓ Walter F. Dunn, for the City of Arcadia.
- ✓ John P. Dunn, for the City of Monrovia.
- ✓ Homer Games, for the City of Anaheim.
- ✓ S. M. Haskins, for Los Angeles Railway Corporation.
- ✓ Frank Karr, for Pacific Electric Railway Company.
- ✓ William Guthrie, for City of San Bernardino, Marcus Katz Company, Domestic Water Company, California Portland-Cement Company, San Bernardino Lumber & Box Company and Hanford Iron Works Company.
- ✓ C. L. McFarland, for Riverside Portland Cement Company.
- ✓ Joseph Allard, for City of Pomona, City of Claremont, City of La Verne and the La Verne Water Association.
- ✓ J. E. Barker, for the Cities of Azusa and San Marino.
- ✓ N. B. Bachtell, for Antelope Valley.
- ✓ W. A. Johnstone, for San Dimas Water Company and San Dimas vicinity.
- ✓ H. C. Warren, for Glendale Consolidated Irrigating District.
- ✓ T. C. Gould, for the City of Alhambra.
- ✓ H. L. Lincoln, for California Association of Ice Industries.
- ✓ Albert Launer, for the City of Fullerton.
- ✓ Power & McFadzean, by M. E. Power, for Visalia Electric Railroad Company.
- ✓ W. G. Van Pelt, for Globe Grain & Milling Company and Globe Cotton Oil Mills.
- D. A. Eckert, for the Lindsay-Strathmore Irrigation District.

BENEDICT, Commissioner:

#### O P I N I O N

This proceeding was instituted by the Commission on its own motion on January 21, 1922, for the purpose of inquir-

ing into the reasonableness of the net return actually received by Southern California Edison Company from existing rates which were established by Commission's Decision No. 8815, effective April 20, 1921.

Recent indications pointed to the possibility of a reduction in the cost to consumers and it was the intention of the Commission to make this an emergency proceeding with a view to securing for consumers at the earliest possible date such reduction in rates as seemed reasonable. In order to accomplish this it was not contemplated that a new set of rates would be established but that the saving to the consumers would be made by flat percentage reductions except that where it was clearly shown in the investigation any rate had proven specially burdensome on certain classes of consumers, then in such cases certain modifications of rates would also be made.

During the course of the hearings the Commission limited the proceeding to the consideration of what general modifications should be made in existing schedules of rates to eliminate unnecessary or unreasonable burdens where the same might exist, and what reduction should be made at this time to the benefit of the public in general based on the findings in Decision No. 8815, (C.R.C. Volume 19, Page 595). Consideration of the fundamental issues such as rate base, rate of return, depreciation allowance and allowance for taxes were excluded in this proceeding. The Commission announced that it would institute on its own motion another proceeding in the nature of a regular rate hearing in which all of these fundamental issues would be fully considered.

Hearings in this matter were held in Los Angeles on February 27, 28, March 1, 21, 22, 23, 24 and 25, 1922, at which testimony was taken. The matter was submitted on March 25th with the provision that briefs might be filed on or before April 5, 1922. Briefs have been filed by Attorneys for Southern California Edison Company; W. J. Carr, Attorney for certain cities; F. S. Brittain, for California Farm Bureau Federation, et al.; L. L. Dennett, for Terra Bella Irrigation District; F. C. Finkle, for Yucaipa Water Company, et al; and W. G. Van Pelt, for Globe Grain and Milling Company and Globe Cotton Oil Mills. Southern California Edison Company has filed reply briefs to the briefs of Terra Bella Irrigation District and Globe Grain and Milling Company. Documentary statements in general in the form of briefs have been filed by California Association of Ice Industries, Visalia Electric Railway Company, City of Fullerton, California Portland Cement Company, Riverside Portland Cement Company and Ontario Power Company.

This proceeding requires determination of the following:

- (1) The rate base for the year 1922 according to the methods used in Decision No. 8815.
- (2) The probable sales and revenue for the year 1922.
- (3) The reasonable operating expenses for the year 1922.
- (4) What excess of earnings above the reasonable return as determined on the basis of Decision No. 8815 may be expected.
- (5) Any modifications of existing schedules of rates that may appear necessary in order to eliminate any special burdens that may have resulted from the application of existing schedules.

Upon the determination of the above mentioned matters the Commission can then establish what general reduction in rates should be made.

The rates fixed by Decision No. 8815, in Application No. 5394, became effective for service applicable to meter readings taken on and after April 20, 1921, with the exception of the rates for the service in the San Joaquin Valley which became effective April 1, 1921. These rates have continued in effect to date with the exception of the general lighting schedules which have been modified by the Company by a reduction of the charge for the first block of the schedules from 9 cents to 8 cents per kilowatt hour, effective January 2, 1922, and also certain modifications of the cooking and heating schedule were made.

#### Rate Base

The rate base established in Decision No. 8815 was the average estimated operative investment plus an allowance for working cash capital and materials and supplies. Operating expenses were allowed which included all taxes except bond coupon tax. The fair annual rate of return on the rate base was fixed at 8.3 per cent. In that proceeding no segregation was made of the capital invested in the system leased by the Edison Company to the City of Los Angeles, nor were the net earnings therefrom segregated from the total net earnings of the Edison Company. In this proceeding this same course will be followed although the sale and transfer of this property to the City is now almost complete. This matter will be fully considered in the subsequent general rate proceeding affecting the Edison Company.

Two estimates of rate base for 1922 were submitted in evidence in the present proceeding, one by A. R. Kelley of

the Southern California Edison Company, totalling \$105,827,699.50, and the other by L. S. Ready, Assistant Chief Engineer of the Commission, totalling \$102,908,118.00.

Mr. Ready excluded from the rate base \$1,270,000.00 claimed as operative investment by the Company but not closed to the books. The exclusion of this amount appears correct under the limitation of this proceeding. Mr. Ready also made a deduction of \$800,000.00 from the Company's estimate of investment in production properties for 1922, which amount represented a part of the cost of the Shaver Lake reservoir and diversion rights. It is urged by the Edison Company that under the limitations of this proceeding the deduction of this \$800,000.00 should not be made at this time but should be left for consideration in the general rate proceeding which is to follow. I believe, however, that the scope of this proceeding does not eliminate consideration of the additions and betterments actually made. As a matter of fact the investment at Shaver Lake covers two purposes, that of storage and of diversion. The present use, however, is primarily for diversion only as the storage reservoir has not been constructed.

It is urged by attorneys for the Farm Bureau and the Cities that deductions should be made in the cost of Big Creek No. 8 development because that development has been constructed for future enlargements, the tunnel being of sufficient capacity to carry four times as much water as the present generator capacity requires. Under the limitations of the present proceeding, consideration of this item would seem to be eliminated because any deduction made from this plant would necessarily affect the fundamental principle as to the rate base established in Decision No. 8815, which subject is postponed for consideration in the larger proceeding that is to follow.

In view of the contract for 20,000 kilowatts from San Joaquin Light and Power Corporation, it would not seem proper to include the property of the Visalia steam plant as being in operation during the year 1922. Therefore, this property is not included.

Edison Company included for general additions and betterments for half the year 1922, \$930,000 more than Mr. Ready allows. Edison Company's brief indicated that \$500,000 of this may be accounted for by special improvement work on the leased system in Los Angeles. In view of the probable transfer of these properties in the near future this extra expenditure by the Company may not be expected to occur. It appears that under the general rule followed by this Commission the allowance for working cash capital for 1922 should be \$820,000, or two months' average operating expenses exclusive of taxes.

I find the following to represent the reasonable rate base for 1922 conditions in connection with this proceeding:

TABLE NO. I

SOUTHERN CALIFORNIA EDISON COMPANY

REASONABLE RATE BASE

1922

Based on Decis. No. 8815 and Operative Additions and Betterments.

Edison System exclusive of Mt. Whitney	
System - 12/31/21 .....	\$ 70,210,073
Mt. Whitney System as of 6/30/20 .....	6,138,440
San Joaquin & Eastern Ry. - C.R.C. Allowance and Additions and Betterments reported .....	1,061,389
Large Hydro Developments as of 1/1/22	
Third Unit Big Creek No. 2 .....	\$1,173,706
Big Creek No. 8 .....	4,300,315
Shaver Development .....	1,763,973
Kern River No. 3 .....	10,614,446
Vestal Substation .....	1,136,189
Eagle Rock Substation .....	541,582
Total .....	19,530,216
Est. Added Capital During 1922 - Aver. for Year .....	3,000,000
Total .....	\$99,940,118
Working Cash Capital .....	820,000
Materials & Supplies .....	1,800,000
TOTAL .....	\$102,560,118

Depreciation:

Mr. Ready has included \$1,450,000 for depreciation annuity. A recomputation of the allowance based on the rates of annuity used in Decision No. 8815 would require that this be increased to \$1,500,000.00.

Revenue:

Estimates of sales and revenue for the year 1922 were submitted by the Company through its Executive Engineer, Mr. H. A. Barre, Mr. L. S. Ready of the Commission and Mr. George Eberle for the Cities represented by Mr. W. J. Carr. With slight corrections and revisions made by the witnesses the total operative revenues submitted were as follows:

By H. A. Barre.....	\$16,479,000
By L. S. Ready.....	16,762,000
By Geo. Eberle.....	16,900,000

It would appear reasonable to accept the estimate submitted by Mr. Ready with the following change. The allowance by Mr. Ready of \$15,000 for rental of leased plant will be excluded owing to the modification of Schedules P-2, P-3 and P-5 made herein.

Operating Expenses:

The following table is a comparison of the estimates of operating expenses submitted by Mr. Barre, Mr. Ready and Mr. Eberle with revisions as made at the hearing:

TABLE NO. 11

## SOUTHERN CALIFORNIA EDISON COMPANY

## COMPARISONS OF ESTIMATED OPERATING EXPENSES

1922

	<u>H. A. Barre</u>	<u>Geo. Eberle</u>	<u>L.S. Ready</u>
Production Exp.			
Hydro	\$ 445,000	\$ 488,400	\$ 440,000
Steam Operations and other than Oil	805,000	473,490	610,000
Fuel Oil	1,388,000 (@ \$2.00)	928,013 (@ \$1.50)	1,051,500 (@ \$1.50)
Purchased Power	<u>58,000</u>	<u>58,000</u>	<u>163,000</u>
Total Production	\$2,696,000	\$1,947,903	\$2,264,500
Credit Energy used other Depts.	134,000	135,000	135,000
Credit Oil Res.	<u>119,000</u>	<u>119,000</u>	<u>119,000</u>
Total Production	\$2,443,000	\$1,812,903	\$2,010,500
Transmission Expense	325,000	277,545	290,000
Distribution Expense	1,130,000	1,070,000	1,100,000
Commercial Expense	835,000	680,000	700,000
General Expense	580,000	510,000	500,000
Uncollectible Bills	30,000	--	20,000
Rental	40,000	50,000	50,000
S.J. & E. Ry. Co. Deficit	<u>35,000</u>	<u>--</u>	<u>--</u>
TOTAL . . . . .	\$5,418,000	\$4,400,448	\$4,670,500

One of the main items of difference in the various estimates is that of cost of fuel oil. Mr. Barre has set up the cost at \$2.00 per barrel as provided in the present contingency reserve agreement. The Company, however, testified by its General Manager and stated through its Attorneys in their brief that estimated operating expenses could be proportionately reduced provided the requirements as to contingency reserve are also modified. Mr. Barre's figures on this

basis would be the same as Mr. Ready's estimate, thus reducing the Company's total estimate to \$5,081,500, or approximately \$400,000 in excess of Mr. Ready's estimate.

Estimates of operation and maintenance of production properties by Mr. Ready and by Mr. Barre are similar with the exception that the Edison Company has included \$195,000 of special items of maintenance for 1922. It is apparently urged that these items represent largely contingencies or special maintenance in excess of the normal. The allowance made by Mr. Ready includes a relatively large amount of maintenance work when compared with preceding years' work. I am not convinced that such a contingency allowance should be made in 1922 estimates. Allowance was made in 1920 for maintenance which was deferred. Although such an allowance was not made in 1921 it appears that all of the deferred maintenance from 1920 was not made up. With the tendency to declining labor markets and from consideration of the fact that the estimates submitted were largely based upon conditions during a more expensive period I do not find that such an amount as estimated by the Company should be herein included. Edison Company figures call for approximately \$154,000 deferred maintenance in 1921. Much of the addition referred to by Edison Company appears to be of that nature. The allowance by Mr. Ready will be increased by \$45,000.00.

The transmission-operation estimates vary considerably, which the Company declares is due to omission by Mr. Ready and Mr. Eberle of certain extraordinary transmission maintenance, one item being \$31,000 for clearing the right of way of the tower-lines - a requirement which occurs once in about five years. In view of past earnings and the further fact that

this charge occurs but once in several years it should not be chargeable entirely to the year 1922. For this proceeding \$300,000 would appear a reasonable amount for operating expenses. The allowance of \$1,100,000 appears reasonable for distribution operations.

A relatively wide variation exists between the estimates of commercial and general expense submitted by the Edison Company and those submitted by Mr. Eberle and Mr. Ready, the latter estimates being closely in agreement. Southern California Edison Company's estimate of operating expenses for 1922 is approximately 40 per cent. in excess of its estimate for 1921, which was allowed in the previous rate Decision No. 8815, although its 1922 business thus far shows less than 20 per cent. increase over 1921.

The peak of salaries and prices occurred about the early part of 1921 and it would hardly seem reasonable to conclude that the service of the Company justifies such a marked increase in the overhead and commercial expense. Surely the installation of additional offices should not necessitate increasing the cost of commercial expense per consumer over its entire system. If it is necessary to increase the number of offices, as proposed, it should be done, but with a system as large as Edison Company this should not increase the commercial expenses at a greater rate than the increase in number of consumers served. It would appear that a reasonable allowance for commercial and general expense for the year 1922 would be \$1,250,000. This is slightly over 1 per cent. in excess of the 1921 actual expenses and is \$165,000 less than the amount asked for by the Company.

The following table sets forth the rate base, revenue, expense, net return and earnings from the City of Los Angeles system, depreciation and balance for return upon investment which would appear reasonable from the evidence in this proceeding. Upon the basis of an 8.3 percent return upon the rate base it appears that a total reduction applicable to the electric business of the Edison Company on the basis of the year 1922 would be \$1,609,520.

TABLE NO. III  
SOUTHERN CALIFORNIA EDISON COMPANY  
ESTIMATED REVENUE AND EXPENSE

1922

Rate Base .....	\$102,560,000
<u>Operating Revenue</u>	
Light and Power .....	16,697,000
Miscellaneous Revenue .....	<u>50,000</u>
Total .....	16,747,000
<u>Operating Expenses</u>	
Production .....	2,190,000
Transmission .....	300,000
Distribution .....	1,100,000
Commercial .....	750,000
General .....	500,000
Taxes .....	1,630,000
Rent of Plant .....	50,000
Uncollectible Bills .....	20,000
Deficit S.J. & E.Ry. ....	—
Energy used other Depts. ....	<u>135,000*</u>
Total .....	\$6,405,000
Net Return for Operations .....	\$10,342,000
Net from City of Los Angeles .....	<u>1,280,000</u>
Total Net Revenue .....	\$11,622,000
Depreciation .....	<u>1,500,000</u>
8.3% Return on Rate Base .....	\$10,122,000
Excess over Fair Return .....	<u>8,512,480</u>
Excess over Fair Return .....	\$ 1,609,520

\* Deduct.

It is urged by certain of counsel for consumers, that in fixing rates in this proceeding consideration should be given to the Company's earnings of 1921 in excess of an amount equal to 8.3% upon the 1921 rate base. The increase in the Company's net revenue over the Commission's estimate for 1921 was due largely to a much greater purchase of electric energy by the City of Los Angeles, that City purchasing almost double what was estimated by the Company's and City's engineers in the previous proceeding, and to the fact that the higher surcharge rates were in effect up to April 20th, 1921. Edison Company has transferred \$487,000 of the excess to depreciation reserve. In view of these facts it does not appear that additional reduction should be made in future rates on account of the 1921 earnings.

This proceeding is similar in many respects to the emergency proceedings had during the war period. Consideration should be given to certain modifications in the rates of the Edison Company, where the evidence indicates changes should be made to eliminate special burdens or to place the schedules in correct relation, before applying a more or less general discount similar to the general increases applied heretofore. Modification will be made in the agricultural schedule in the southern district. The lighting schedules will be changed to conform with those as fixed in Decision No. 8815. The requirement in Schedules P-2, P-3 and P-5 that service will be delivered at standard distribution or transmission voltage of 2200 volts or over will be changed so that consumers under these schedules may receive service at 2200 volts or over at their option. This will eliminate the purchase or ownership of transformers by consumers under these schedules. The minimum maximum demand limitation under Schedules P-3 and P-5 will be modified.

In Decision No. 8815 no definite schedule of street lighting rates was fixed. The Company was ordered to file within

a given time proposed schedules of rates for this service. Extensions of time to comply with this order have been granted up to March 31st, 1922. The Commission's Engineering Department has made an analysis of the proposed schedules and Southern California Edison Company has been directed to file and make effective revised schedules to apply to street lighting service. Complaint is made in this proceeding by the City of Fullerton of discrimination that exists. The schedules of rates which are established as reasonable by this Commission will reduce the charges considerably to a number of the street lighting consumers; however, there exists at the present time a number of cities and municipalities receiving service under rates materially below these schedules. Although it is not required that these consumers be placed on schedule at this time it does not appear that consumers on existing contracts should have their rates reduced except as a reduction follows the application of the new schedules. In this proceeding it will be provided that a percentage reduction shall apply to the regular schedule for street lighting service, but that no reduction will be made in the special rates. Such cities as can benefit by so doing will have the right to change over to the new schedules.

In general, the minimum bills for power and lighting service have not been increased above reasonable pre-war charges. It does not appear, therefore, that at this time any general reduction should be applied to the minimum bills. Reduction will be applied to the demand and, or, energy parts of the schedules. The reductions will be made in the form of percentage discounts as follows:

8% for street railway service; 10% for street lighting, power and resale, and 12% for general lighting.

I recommend the following form of Order:

O R D E R

The Railroad Commission having instituted a proceeding on its own motion to determine what modifications and reductions should be made at this time in the rates charged by Southern California Edison Company for electric service, the matter being submitted and ready for decision,

The Railroad Commission hereby finds as a fact that the rates charged by Southern California Edison Company for electric service now in effect are unjust and unreasonable in so far as they differ from the rates as modified herein, which modified rates are found to be just and reasonable for the service rendered based upon regular meter readings taken on and after May 1st, 1922.

Basing its order on the foregoing finding of fact and the findings of fact set forth in the Opinion preceding this Order,

IT IS HEREBY ORDERED:

1. That Southern California Edison Company reinstate its lighting schedules Nos. L-1 and L-4 as heretofore specified in Decision No. 8815, effective based upon all regular meter readings taken on and after May 1st, 1922.

2. That Southern California Edison Company modify its Schedules Nos. C-1 and C-2 to the extent that the rate of the first energy block under subdivisions (b) and (c) in Schedule C-1 and subdivision (b) in Schedule C-2 to read "9¢ per kilowatt hour".

3. That Southern California Edison Company modify the "Special Conditions" under Schedule P-2 to read as follows:

"(a) Service under this schedule will be supplied by the Company at the standard voltage of 2200 volts or over as requested by the consumer. Transforming equipment, if required, will be owned and installed by the Company and maintained at its expense."

4. That Southern California Edison Company modify its "Special Conditions" under Schedules P-3 and P-5 to read as follows:

"(a) Service under this schedule will be supplied by the Company at the standard voltage of 2200 volts or over as requested by the consumer. Transforming equipment, if required, will be owned and installed by the Company and maintained at its expense.

(b) The maximum demand in any month will be the average kilowatt delivery in the 30 minute interval in which the consumption of electric energy is greater than in any other 30 minute interval in the month. The maximum demand on which the readiness-to-serve charge will be based will be not less than 70 per cent of the maximum demand occurring during the 11 months preceding.

In determining the above, demands occurring between the hours of 11:00 P.M. to 6:00 A.M. of the following day will not be considered in computing the demand charge under this schedule.

(c) In case of seasonal service, the consumer may at his option have the readiness-to-serve charge based on the average of the three monthly highest demands created during the 12 months' period, in which case the total seasonal readiness-to-serve charge will be nine times the monthly charge above listed."

5. That Southern California Edison Company file on or before May 1st, 1922 and make effective for all service based upon meter readings taken on and after May 1st, 1922, the following <sup>optional</sup> schedule for agricultural service:

SCHEDULE P-15

AGRICULTURAL POWER SERVICE (Optional with Schedule P-6 and P-7)

Applicable to General Agricultural Power Service.

TERRITORY:

Southern California District.

RATE:

Consumption per H.P. per Year	Rate per K.W.H. for Connected Loads of				
	1 H.P. to 4 H.P.	5 H.P. to 14 H.P.	15 H.P. to 49 H.P.	50 H.P. to 99 H.P.	100 H.P. and over
First 400 k.w.h.	4.0¢	3.3¢	3.1¢	2.9¢	2.8¢
Next 600 "	2.2¢	2.0¢	1.8¢	1.6¢	1.5¢
All over 1000 "	1.5¢	1.4¢	1.3¢	1.2¢	1.1¢

MINIMUM CHARGE:

First 5 H.P. .... \$9.00 per H.P. year, but not less than \$15.00  
All over 5 H.P. .... \$7.50 per H.P. year.

SPECIAL CONDITIONS:

- 110.
- (a) This rate applies to service rendered at 220 or 440 volts at the option of the consumer. All necessary transformers to obtain such voltage to be installed, owned and maintained by the Company.
  - (b) The annual period upon which this rate is based shall begin on April 1st of any year and end on March 31st of the succeeding year.
  - (c) In the case of a new consumer whose service under this rate begins at a later date than April 1st of any year, then for the remainder of the first year of service the blocks of this rate will be reduced in proportion to the whole number of months between the date of beginning of service and the following April 1st. A similar proportional reduction will be made in the minimum charge.
  - (d) The minimum charge is payable in six monthly installments during the months of May to October, inclusive.
  - (e) Any consumer may obtain the rates for a larger installation by guaranteeing the rates and minimum applicable to the larger installation.

SCHEDULE P-15 (Cont'd)

SPECIAL CONDITIONS: (Cont'd)

- (f) Consumers desiring, may elect to pay the following respective amounts in six equal monthly installments during the months of May to October, inclusive, plus the energy rates set forth in the last block above for all energy consumed:

1- 4 H.P.	.....	\$14.20	per H.P.
5-14 "	.....	11.20	" "
15-49 "	.....	10.20	" "
50-99 "	.....	9.20	" "
100 and over	.....	9.20	" "

6. That Southern California Edison Company modify its Schedule P-8 by reducing the minimum charge to read as follows:

"MINIMUM CHARGE:

First 10 h.p. ... \$15.00 per h.p. of connected load per annum but not less than \$30.00  
All over 10 h.p. ... \$12.00 per h.p. of connected load per annum."

IT IS HEREBY FURTHER ORDERED that Southern California Edison Company make effective on bills for service rendered based on regular meter readings taken on and after May 1st, 1922 the following discounts:

- (a) 12% on bills for lighting service rendered based on Schedules L-1, L-2, L-4, and L-5.
- (b) 10% on bills for street and outdoor lighting service based on Schedules L-3, L-6, L-7 and L-8 and L-9 which are to be filed and made effective May 1st, 1922.
- (c) 10% on bills for general heating and cooking and combination service based on Schedules C-1 and C-2.
- (d) 10% on bills for power service based on Schedules P-1, P-2, P-3, P-4, P-5, P-6, P-7, P-8, P-9, P-10, P-11, P-12, P-14 and P-15.
- (e) 8% on bills for railway service based on Schedule P-13.

The above discounts will not apply:

(a) to reduce the "minimum charge" as provided in the various filed schedules.

(b) to bills for street lighting service under special contracts or rates.

IT IS HEREBY FURTHER ORDERED that until otherwise directed by this Commission, Southern California Edison Company set forth on bills rendered to consumers the discount herein ordered with the following notation:

"DISCOUNT ORDERED BY RAILROAD COMMISSION \$ \_\_\_\_\_"

The foregoing Opinion and Order are hereby approved and ordered filed as the Opinion and Order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 24<sup>th</sup> day of April, 1922.

H. B. Boudie

Spring Martin  
Clara H. Hume  
J. F. Pennington  
Commissioners.