

Decision No. 29488

## BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Joint Application of SOUTHERN CALIFORNIA EDISON COMPANY and CITY OF PASADENA for an Order Authorizing Southern California Edison Company to give to the City of Pasadena an Option to buy certain lands and a Power Plant located upon and along the San Gabriel River in the County of Los Angeles, California, and Authorizing Southern California Edison Company, upon the exercise of said Option by the City of Pasadena, to sell to the City of Pasadena, the said Property.

Application No. 16205

BY THE COMMISSION:

SECOND SUPPLEMENTAL OPINION AND ORDER

In this second supplemental application under the above number, Southern California Edison Company Ltd. and the City of Pasadena, applicants, allege that by its Decision No. 21985, dated January 6, 1930, in Application No. 16205, the Commission authorized Southern California Edison Company Ltd., hereinafter called Edison, to execute and deliver to the City of Pasadena, hereinafter called the City, in the form of Exhibit "A" filed with said application, an option to purchase certain power plant properties of Edison, said properties being located in San Gabriel Canyon, Los Angeles County, and being commonly known and described as the "Azusa Power Plant," and upon the exercise of said option to execute and deliver a deed conveying such property to said City.

That subsequent to the date of said Decision No. 21985, and on March 10, 1933, applicants filed their first supplemental application in this proceeding, requesting a supplemental order

approving the execution by Edison of three supplemental agreements, modifying said option Agreement Exhibit "A" and authorizing Edison upon the full and complete performance of the terms and conditions of said option agreement as modified, to execute and deliver a deed covering the properties by said option agreement, to the City.

That in its Decision No. 25608, dated April 10, 1933, the Commission authorized Edison to execute said supplemental agreements, and upon full and complete performance of the terms and conditions of the option agreement as modified by the above mentioned three supplemental agreements, to execute and deliver a deed conveying the properties covered by said option agreement to the City.

That pursuant to the orders in the above mentioned decision, Edison did, by a corporation grant deed, dated June 20, 1933, convey said properties to the City and on November 10, 1933, Edison filed with the Commission a copy of said deed.

That as a condition subsequent in said deed it was agreed as follows:

"That so long as, and whenever, the said Azusa power plant shall be operated directly or indirectly by the City, all the electrical energy developed by said plant, except such electrical energy as may be consumed by the City on, or in connection with the operation of, the said properties conveyed hereunder, and/or as may be required by the Metropolitan Water District of Southern California for the operation of its pumping plants or other property located in the San Gabriel Canyon, will be delivered to the Company for transmission by said Company to the City, and that said Company will take the entire output of said plant, subject to said exception, measured at the plant on the high voltage side of the transformers, and will deliver to the City, similarly measured at the City's power plant located at Glenarm Street and Raymond Avenue, Pasadena, or at the said Azusa power plant, or such other point or points as may be mutually agreed upon by the parties hereto, at such times, and in such amounts, as best meet the City's

requirements, or, at the City's request, will deliver to the Metropolitan Water District, its successors and assigns, similarly measured at the said Azusa power plant, an equal amount of kilowatt hours of electrical energy; Provided, that all such power shall be used by the City and/or the Metropolitan Water District, its successors and assigns, within twelve (12) months from the time of such production, and the City will pay to the Company therefor a transmission charge of \$.002 per kilowatt hour so delivered to the City and/or the said Metropolitan Water District; Provided, further, however, that all energy delivered by the Company to the said City at the said Azusa power plant shall be used by the City only in connection with the operation of the properties conveyed hereunder.

"A breach of the foregoing condition shall cause the title to all the property conveyed by this deed to revert to the said Company, its successors and assigns; provided, however, that such reversion shall not occur until the City shall have had a period of six months following notice of default in which to correct such default and pay any damages which may have accrued hereunder, thereby avoiding reversion."

In this second supplemental application, applicants further allege that on October 1, 1936, Edison and the City entered into an agreement modifying the above quoted condition in said deed, a copy of which agreement is marked Exhibit "A" and attached to and made a part of this second supplemental application, and pray that the Commission issue its Second Supplemental Order authorizing and approving said agreement in the form set forth in Exhibit "A."

Under the terms and conditions of said agreement of October 1, 1936, it is mutually agreed by and between the parties that, if the electric energy delivered to Edison by the City, from said Azusa Power Plant, Edison will transmit and deliver to the City's Crown City Farm and/or the Disposal Plant located in Los Angeles County, sufficient electric energy to supply the needs of said Farm and/or Disposal Plant, provided that the amount of said energy shall not exceed the amount of electric energy in

kilowatt hours generated at the Azusa Power Plant and delivered to an accumulated in Edison's system by the City; that for all such energy delivered to the Crown City Farm and/or Disposal Plant, the City shall pay to Edison a transmission charge of 4.85 mills per kilowatt hour; that if the total amount of electric energy in kilowatt hours delivered by Edison to the City at said Crown City Farm and/or Disposal Plant and all other points as provided in said original agreement of June 20, 1933, shall total more than the amount generated by the City at said Azusa Power Plant and delivered to and accumulated in Edison's system, the said excess kilowatt hours shall be paid for by the City in accordance with the regular rate schedules of Edison, now or hereafter on file with the Commission, which are applicable to such class of service; that the City shall maintain the electrical equipment at said Crown City Farm and/or Disposal Plant capable of operation at a combined high power factor and shall operate such equipment at a combined high power factor as near unity as practicable; that except as in this agreement modified, all of the terms and conditions of said deed first above referred to shall be and the same are in this agreement ratified, confirmed and approved by the parties; that this agreement covering delivery of energy to said Crown City Farm and/or Disposal Plant shall at all times be subject to such changes or modifications as the Commission may, from time to time, direct in the exercise of its jurisdiction; that the City may terminate this agreement covering the delivery of electric energy to the Crown City Farm and/or Disposal Plant upon thirty days' written notice to Edison.

The Commission is of the opinion that a public hearing is not necessary in this Second Supplemental Application and that the request of the applicants should be granted; therefore

IT IS HEREBY ORDERED that Southern California Edison Company Ltd. be, and it is hereby, authorized to execute an agreement similar in form to the agreement filed in this proceeding as Exhibit "A" and attached to and made a part of the Second Supplemental Application herein.

IT IS HEREBY FURTHER ORDERED that Southern California Edison Company Ltd. shall file with the Commission within thirty (30) days after its execution, an executed copy of said agreement.

The effective date of this Order shall be the date hereof.

Dated at San Francisco, California, this 11<sup>th</sup> day of January, 1937.

William H. ...  
Leon ...  
Frank ...  
Car ...  
Ray ...  
Commissioners