Decision No. BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application

of

SAN DIEGO CONSOLIDATED GAS & ELECTRIC COMPANY, a corporation, for authority to enter into a contract with M. P. BARBACHANO and BORDER TELEPHONE & LICET COM-PANY, a Mexican corporation, to furnish and sell electrical energy for distribution purposes at Tecate, B.C., and surrounding territory.



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Application No. 22748

BY THE COMMISSION:

## OPINION AND ORDER

In this application San Diego Consolidated Gas and Electric Company seeks authority to enter into an agreement with M. P. Barbachano and Border Telephone and Light Company, a Mexican corporation, to furnish and sell electric energy for distribution purposes in Tecate, B.C., and surrounding territory. A copy of the agreement is attached to the file and marked Exhibit "A."

Applicant has for many years sold energy to these customers at regularly filed rates, but the establishing of a vogetable oil processing plant adjacent to an existing malt plant served by said customers makes necessary the moving of the delivery point 2,000 feet west of its present location on the American side of the international boundary line and the delivery of energy at two different voltages. Deliveries were formorly made at 2300 volts. Under the proposed arrangement deliveries for power and incidental industrial lighting purposes at the existing malt plant and the newly established vegetable oil processing plant will be made at 12,000 volts and deliveries for general distribution to lighting and power users in and about the town of Tecate will be made at 2400 volts,

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the latter voltage being to all practical purposes the same as formerly supplied.

For energy delivered at 12,000 volts applicant's general power Schedule P-1, with certain modifications, will apply. This schedule applies normally to energy supplied at useable voltages, the seller furnishing the necessary stepdown transformers, and does not permit the inclusion of incidental lighting service. As the furnishing of transformers and other equipment in Mexican territory is not practicable, it is necessary to make deliveries at primary voltages, in which case the buyer furnishes the transformers. Because of this necessity and of the limited amount of incidental industrial lighting involved, the agreement permits its inclusion with the power load under this schedule provided that the connected load of such incidental industrial lighting does not exceed 10 per cent of the connected power load. The limited capacity of the line supplying this area makes protection against a poor power factor necessary and a suitable provision is included in the agreement for this purpose. The maximum load to be supplied at 12,000 volts is limited to 600 H.P.

For deliveries at 2400 volts applicant's general lighting schedule L-2 is being used.

To compensate for the cost of relocation of delivery point and of delivery at different voltages, applicant and customer have agreed to a minimum charge not in accord with the minimum charges of the two schedules. The amount of this minimum charge is \$8,400 per year, payable in monthly installments of \$700 each on an accumulative basis.

The term of this agreement is three (3) years, beginning June 1, 1939, or as soon thereafter as possible, and ending May 31, 1942.

2.

The agreement contains the usual provision that it shall at all times be subject to such changes or modifications as the Railroad Commission of the State of California may in the exercise of its jurisdiction direct.

The Commission has considered the request of applicant and is of the opinion that the fulfillment of the agreement will not adversely affect its customers in California, that the application should be granted, and that a public hearing is not necessary; therefore

IT IS HEREBY ORDERED that San Diego Consolidated Gas and Electric Company is authorized to furnish and sell electric energy to M. P. Barbachano and Border Telephone and Light Company, a Mexican corporation, at rates and charges and under the conditions set forth in the agreement attached to this application and marked Exhibit "A."

The effective date is the date hereof.

Dated at San Francisco, California, this  $19^{2}$  day of May, 1939.

Commissioners