Decision No. 35704

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of

SOUTHERN CALIFORNIA EDISON CONFANY LTD.,

ARROWHEAD LAKE CORPORATION, LAKE ARROWHEAD

HOTEL COMPANY, ARROWHEAD UTILITY COMPANY

and LAKE ARROWHEAD LUMBER AND SUPPLY

COMPANY, for an Order of the Railroad

Commission of the State of California,

approving a certain Agreement for Electric Service entered into between Applicants.

Application No. 21476

ORIGINAL

BY THE COMMISSION:

SECOND SUPPLEMENTAL OFINION AND ORDER

In Decision No. 30312 of Application No. 21476 this Commission authorized Southern California Edison Company Ltd., (hereinafter referred to as Edison Company,) to enter into an agreement with Arrowhead Lake Corporation, Lake Arrowhead Hotel Company, Arrowhead Utility Company and Lake Arrowhead Lumber and Supply Company, (all of said persons hereinafter referred to as Project Companies) for the sale and delivery of electric energy for use in Project Companies' various enterprises located at Lake Arrowhead in the San Bernardino Mountains.

The above referred to agreement was for a period of five (5) years, commencing June 1, 1937 and expiring May 31, 1942. The terms of that agreement provided lower than regularly filed tariffs and were based on Edison Company's rates for the San Bernardino Mountain zone but modified so as to permit a combination of all meter readings and in the case of power service to compute the billing horse power at sixty (60) per cent of the total connected load and provide for an annual minimum of Five Thousand Dollars (\$5000).

This second supplemental application seeks authority for Edison Company to enter into an extension agreement with Project Companies renewing the terms and conditions of that electric service contract dated June 1, 1937 for one year; such extended period terminating May 31, 1943.

The application states that nursuant to proceeding heretofore instituted under Chapter X of the Bankruptcy Act, Howard J. Schoder has been duly appointed Trustee for the Arrowhead Lake Corporation.

Because of said appointment the proposed extension agreement is made conditional upon:

- 1. The trustee secures the approval and authorization of the Bankruptcy Court to enter into said extension agreement on behalf of the Lake Corporation; and
- 2. That the Southern California Edison Company is authorized by the Railroad Commission to enter into said extension agreement and that such authorization together with the approval of the Bankruptcy Court be obtained within a period of ninety (90) days; and
- 3. In the event of a sale of the Lake Corporation, pursuant to the provision of the Bankruptcy Act, the purchaser thereof shall have the option within thirty (30) days after said sale, to reject said extension agreement provided, however, that in the event of such a rejection the Southern California Edison Company shall have the option of terminating this agreement with respect to the other Project Companies; that is, the Hotel Company, the Utility Company and the Supply Company.

The application states that the reasons for entering into the first contract for electric service dated June 1, 1937 and which were set forth in paragraph VII of the first supplemental application heretofore filed with this Commission are still applicable.

The Commission having considered the request of the applicant and being of the opinion that the application should be granted and that a public hearing in the matter is not necessary, and good cause appearing, therefore,

IT IS HEREBY ORDERED that the Southern California Edison Company Ltd., is hereby authorized to enter into the extension agreement for electric service marked Exhibit "A" attached to application.

The authority herein granted shall become effective under the date hereof.

Dated at San Francisco, California, this

day of (

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Commissioners

18th