Decision No. <u>25756</u>

5207

BEFORE THE RAILROAD COMPISSION OF THE STATE OF CALIFORNIA

In the Latter of the Application of) SOUTHERN CALIFORNIA EDISON COMPANY) LTD., a corporation, for an Order) of the Railroad Commission of the) State of California authorizing) Applicant to enter into a special) Electric Service Agreement with) KAISER COMPANY INC., a corporation.) Application No. 25207

BY THE COMPLESSION:

OPINION AND ORDER

Southern California Edison Company Ltd. requests that the Commission authorize the applicant to enter into a written agreement with the Kaiser Company Inc., relating to the furnishing of electric service to an iron and steel mill now being constructed and located in the town of Fontana, San Bernardino County, California. A copy of said proposed agreement marked "Exhibit A" is attached to and made a part of the application.

Under the terms and conditions set forth in the proposed agreement, Southern California Edison Company Ltd. has agreed to supply electric energy in accordance with the terms and conditions of Schedule PC-1, Zone B, subject to an annual refund of 50.40 per km per year inasmuch as the customer is furnishing the step-down substation facilities.

The application shows it will be necessary for the utility to extend electric lines to the steel mill and make certain changes in the utility's Declez Substation and the customer agrees to pay 36,000, representing the estimated unsalvageable cost to Edison of installing and removing the necessary equipment. The period over which the steel mill is to be operated is uncertain and in the event that the customer receives electric service in the amount and under the conditions set forth in the agreement, for a period of three years from the date service is

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first rendered, and thereafter continues to take electric service in substantially the same amount as originally used and, at that time, the service in the opinion of Edison is no longer of a temporary character, the \$6,000 payment will be refunded without interest to the customer.

Electric energy will be delivered at 66,000 volts over a line of sufficient capacity to supply a maximum demand of 30,000 kva, 3-phase, 50-cycle, to the step-down substation owned by Kaiser Company Inc. Electric energy will be metered at 6,600 volts on the secondary side of customer's substation transformers by means of meters and instruments to be supplied, installed, owned and maintained by the utility on the customer's panel board. The customer agrees not to use the utility service as stand-by to any of its prime movers; however, the customer may install generating equipment for the purpose of stand-by to the utility's electric supply if deemed desirable.

The term of the proposed agreement is for an indefinite period, subject to termination upon 60 days written notice by the customer.

The proposed agreement also contains a statement that it shall not take effect until authorized by the Kailroad Commission of the State of California, and shall at all times be subject to such changes or modifications by the Railroad Commission as said Commission may from time to time direct in the exercise of its jurisdiction.

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

IT IS ONDERED that Southern California Edison Company Ltd. is hereby authorized to execute an agreement in terms substantially as set forth in "Exhibit A" attached to the application covering the installation of serving facilities and sale of electric energy at the amounts and rates and under the conditions therein provided.

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Authority herein granted shall become effective on the date

hereof.

Transformia, this 15th day Dated at

of September, 1942.

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