

Decision No. 32437

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of CALIFORNIA ELECTRIC POWER COMPANY, an electrical public utility corporation, for Authorization to execute and carry out the terms of a Special Written Agreement for the Sale and Purchase of Electric Energy and Service Proposed to be executed by and between California Electric Power Company and West End Chemical Company, a corporation, under Section 17, Subdivision (b) and Section 19, of the Public Utilities Act of California.

ORIGINAL

Application No. 26415.

BY THE COMMISSION:

OPINION AND ORDER

California Electric Power Company requests the Railroad Commission of the State of California to issue an order under Section 17, Subdivision (b) and Section 19 of the Public Utilities Act authorizing the Applicant to enter into, execute and carry out the terms of a special agreement for the sale and purchase of electric energy and service by and between the Applicant and West End Chemical Company in and around the locality of West End on Searles Lake, San Bernardino County, California. A copy of the agreement, designated Exhibit "A," is attached to and made a part of the application.

The Chemical Company operates a mill and processing plant at West End, and integrated with and in conjunction thereto operates a water pumping plant which is located in the Southeast Quarter (SE $\frac{1}{4}$) of the Southwest Quarter (SW $\frac{1}{4}$) of Section Thirty-three (33), Township Twenty-six (26) South, Range Forty (40) East, M.D.M. Kern County, California, and likewise a lime quarry located in the center of Section Fifteen (15), Township Twenty-three (23) South, Range Forty-three (43) East, M.D.M. Inyo County, California. The Power Company is now furnishing electric service to the treatment plant and

pumping plant under the terms of a written agreement for electric service (Form 1072-B of Applicant) executed under date of October 4, 1943.

At the present time power for the operation at the lime quarry is produced by gasoline driven generating units owned by the Chemical Company, which are stated to be greatly depreciated and wholly inadequate to meet any increased demands. It is also stated that seventy per cent (70%) of the products are destined for war purposes. The introduction of electric power to the operations at this quarry will, it is anticipated, provide not only sufficient capacity to expand the operations as presently conducted, but will enable the mining operation to be further mechanized and, as a result, provide a means of mitigating the serious labor problems experienced by the Chemical Company.

The proposed agreement contemplates the construction of approximately 11 miles of 33,000 volt, three phase wood pole transmission line and a suitable substation at the Chemical Company's quarry. The Chemical Company will agree to contribute the sum of \$10,000 as a donation in aid of construction and not subject to any refund provisions as their share of the capital costs involved. The rates to be charged for power, as set forth in the proposed agreement, Exhibit "A," are identical with the rates filed by this utility under the "guaranteed annual minimum option" of their Schedule PW. In the agreement the minimum charge is the sum of \$80,000 per year. The agreement further provides that meter reading at the three points of delivery, the plant, the pumps and the quarry, shall be combined for the purpose of computing the periodic bills under the following conditions:

1. Service at each meter shall be used in connection with the same business and enterprise.
2. The total connected load shall be not less than 500 horsepower.
3. All points of delivery shall be located within the same operating district of the Company.
4. All power requirements must be served electrically by energy supplied by the Company.

5. A meter charge of \$6 per meter per month will be made and shall be paid by the Consumer for each meter installation, in excess of one meter installation.

The agreement likewise contains provisions for the change of rates in the event of changes ordered by the Commission, and states that the agreement at all times is subject to such changes and modifications by the Railroad Commission of the State of California 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 the application should be granted, that a public hearing in the matter is not necessary, and sufficient cause appearing therefor

IT IS ORDERED that the California Electric Power Company is hereby authorized to execute the agreement, as set forth in Exhibit "A" of this application, with the West End Chemical Company, to construct the facilities contemplated under the service, and to charge for the electricity in accordance with the rates and conditions as stated therein so long as service is taken at substantially the same locations as presently contemplated at the plant, the pumps and the quarry described in the application.

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

Dated at San Francisco, California, this 31st day October 1944.

Richard L. ...
Justin F. ...
Francis R. ...
Francis ...
... Powell
Commissioners