

Decision No. 38240

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

SAN DIEGO GAS AND ELECTRIC COMPANY,
 a corporation, for the approval of
 a contract with M. P. Barbachano
 and Border Telephone & Light Company,
 a Mexican corporation, covering the
 sale and distribution of electrical
 energy for use at Tia Juana, Mexico.

ORIGINAL

Application No. 26918

BY THE COMMISSION:

ORDER

San Diego Gas and Electric Company, in this application, asks the Railroad Commission to approve a contract between the Company and M. T. Barbachano and Border Telephone & Light Company, of which latter Company, Barbachano is president. The contract contains the rates, terms and conditions whereby the Company undertakes to furnish electric service to this Customer, at a point on the international border between the United States and Mexico, for redistribution by the Customer in and around Tia Juana, Mexico.

Service has heretofore been rendered to this Customer in accordance with the provisions of a contract between these parties dated October 2, 1941, and an amendment thereto dated July 9, 1943, which instruments were submitted for this Commission's approval in the Original and First Supplemental Application No. 24750, and authorized by Decision Nos. 35248 and 36548. The original agreement called for delivery of power at a rate not to exceed 1,000 kw, which limitation was later increased to 2,000 kw.

The new contract is substantially in the same form as the contract heretofore in effect, but provides for an increase in the rate of power delivery to a maximum of 4,000 kw and introduces changes in the rates to be charged for the service, along with other minor modifications. A comparison of the rates contained in the two contracts is shown on the following tabulation.

	Old Contract Dated 10-2-41	New Contract Dated 2-20-45
Demand Charge:		
First 360 kw	\$1.25 per kw	\$4.50.00
Next 640 kw	1.25 per kw	\$1.00 per kw
Excess	1.25 per kw	0.80 per kw
Energy Charge:		
First 50 kw/hr/kw of demand	1.0¢ per kw/hr	1.0¢ per kw/hr
Next 50 kw/hr/kw of demand	0.8¢ per kw/hr	0.8¢ per kw/hr
Next 100 kw/hr/kw of demand	0.7¢ per kw/hr	0.7¢ per kw/hr
Excess	0.6¢ per kw/hr	0.6¢ per kw/hr
Fuel Clause:		
Base Rate as Above:		
For Oil at	\$ 0.75/Bbl	\$ 0.75/Bbl
For Gas at	12.5¢ Mcf	13.0¢ Mcf
Incremental Charge:		
Oil/5¢	\$0.0162¢/kw/hr	\$0.014¢/kw/hr
Gas/1¢	0.0185¢/kw/hr	0.016¢/kw/hr
or for each ½¢		0.008¢/kw/hr

The Application shows that if the new contract rates be applied to the 12 months' consumption from August 1944 to July 1945, the new rates represent approximately a 9% reduction in charges. Annual Reports of the Utility to this Commission contain statistics with respect to past experience with this Customer, the essential features of which are shown in the following tabulation:

San Diego Gas and Electric Company
Sales to
Border Telephone and Light Company
Delivered at San Ysidro, California

Year	Contract : Kw	Average : Monthly Max. : Kw	Peak : Kw	Kw/hr	Revenue : Dollars	Revenue : Per Kw/hr : Cents	Annual : Load : Factor
1941	1,000*			No Delivery			
1942	1,000	935	1,000	2,608,000	27,137.96	1.041	29.8%
1943	2,000#	1,073.3	1,670	4,666,000	52,924.54	1.134	32.0
1944	2,000	1,791	2,090	6,966,000	84,085.09	1.207	38.0

* Effective November 1, 1941

Effective July 9, 1943

The contract acknowledges that the Company's other California customers have first claim on available power resources in the event of shortage of supply. Recognition is likewise given to the jurisdiction of appropriate federal and state authorities.

The term of the contract is for 5 years commencing May 25, 1945, and from year to year thereafter subject to cancellation on 6 months' prior written notice at the end of the initial term or at the end of any subsequent annual period thereafter. The Company calls the attention of this Commission to the approval of the contract by the Federal Power Commission, a copy of whose decision dated July 20, 1945, Docket No. IT-5743, is in the Commission's file.

The application having been considered, the Commission being of the opinion that the contract should be authorized, that a hearing in the matter is unnecessary, and good cause appearing, therefore

IT IS HEREBY ORDERED that San Diego Gas and Electric Company be and it is hereby authorized to carry out the terms of the contract between itself and M. P. Barbachano and Border Telephone & Light Company, dated February 20, 1945, to render the service therein contemplated and to charge and collect the rates therein contained.

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

Dated at San Francisco, California, this 20th day of September 1945.

David Rudman
Justin P. Cooper
Richard L. Lusk
Thomas C. ...
Walter D. ...

Commissioners