

Decision No. 38674

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of SOUTHERN CALIFORNIA EDISON COMPANY LTD., a corporation, for an order of the Railroad Commission of the State of California authorizing it to carry out the terms of a special contract with the CITY OF AZUSA, a municipal corporation, for the furnishing of electric service to said City for resale purposes.

ORIGINAL

Application No. 27218

BY THE COMMISSION:

OPINION AND ORDER

Southern California Edison Company Ltd. in this application requests the Railroad Commission to make an order authorizing the utility to carry out the terms of a special contract with the City of Azusa, which contract contains the terms and conditions under which the utility will supply electric service to the City. A copy of the contract dated December 10, 1945, is attached to and made a part of the application as Exhibit "A."

Applicant asserts that electric service has heretofore been rendered to the City in accordance with a contract dated October 1, 1941, which contract is terminated and superseded by the terms and conditions of the contract submitted herewith.

In support of its petition Applicant represents that the load characteristics of the City of Azusa have changed materially since the 1st day of October 1941, in that the demand for and use of energy has increased and that the load factor has improved, and that the proposed rates are designed to more adequately compensate for such improvement. The 1945 contract, like the 1941 contract, specifies a term of ten years from the date thereof and provides for continuance from month to month thereafter until terminated by either party on

prior written notice. The changes in the rate provisions of the contract are readily shown in the following tabulation:

	<u>Contract</u> <u>October 1, 1941</u>	<u>Contract</u> <u>December 10, 1945</u>
Demand Charge:		
First 200 kw, per kw, per month (But not less than \$250 per month)	\$1.25	\$1.25
Next 300 kw, per kw, per month	1.05	1.05
Next 2500 kw, per kw, per month	-	.85
Next 3000 kw, per kw, per month	-	.80
All over 500 kw, per kw, per month	.85	-
All over 6000 kw, per kw, per month	-	.75
Energy Charge:		
First 200,000 kwh per month, per kwh	.75¢	.75¢
Next 300,000 kwh per month, per kwh	.66	.66
All over 500,000 kwh per month, per kwh	.62	.62
Except that all kwh use in excess of 400 kwh per kw of demand	-	.55

It will be noted from the above table that more favorable rates apply where the demands exceed 3,000 kw per month and where the load factor equals or exceeds 55%.

The contract further establishes a minimum charge equal to the demand charge; a 30-minute maximum demand interval; a minimum monthly maximum demand of 70% of the maximum of the preceding eleven months. Demands occurring between 11 p.m. and 6 a.m. of the following day are to be ignored in establishing the billing demand. A power factor adjustment clause provides for a maximum penalty or discount of 10%. Service will be rendered at any standard nominal voltage of 2400 volts or more.

The contract further provides that the City will purchase all of its electrical requirements from the company for the initial 10-year period of the contract. In addition, it carries forward the provisions of the 1941 contract delineating the territory within which the respective parties will confine their operations, and outlines orderly procedures for acquisition by the City of Edison's distribution facilities in the event the incorporated limits of the City are expanded.

The Commission being of the opinion that the application should be granted and that a hearing in the matter is not necessary, therefore,

IT IS HEREBY ORDERED that Southern California Edison Company Ltd. be and it is hereby authorized to carry out the provisions, to render the service, and to charge and collect the rates specified in that certain agreement dated December 10, 1945, between said utility and the City of Azusa, covering the sale and purchase of electric energy and service, and

IT IS HEREBY FURTHER ORDERED that Southern California Edison Company Ltd. be and it is hereby authorized to cancel that special agreement dated October 1, 1941, between said utility and the City of Azusa, covering the sale and purchase of electric energy and service.

The authority herein granted shall become effective as of the date hereof.

Dated at San Francisco California, this 13th day of February 1946.

[Signature]
[Signature]
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Commissioners