

Decision No. 41621

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of California Electric Power  
Company and San Diego Gas and Electric  
Company for Authority to Sell and Purchase  
Transmission and Interconnection Facilities.

Application No. 29075

OPINION AND ORDER**ORIGINAL**

In this application California Electric Power Company, hereinafter sometimes referred to as California Electric, requests authorization to sell certain transmission and interconnection facilities to San Diego Gas and Electric Company, hereinafter sometimes referred to as San Diego, and likewise California Electric and San Diego request authority to enter into an interchange of energy agreement.

California Electric is a public utility electric corporation engaged, among other things, in the generation, transmission and distribution of electric energy to the public in the Counties of Mono, Inyo, Kern, San Bernardino, Riverside and Imperial, in the State of California. San Diego is a public utility gas and electric corporation engaged in the generation, transmission and distribution of electric energy and the transmission and distribution of gas to the public in the City of San Diego and elsewhere in the County of San Diego, in the State of California.

The interchange facilities under an agreement dated November 20, 1923, as amended, consist of a San Bernardino-Rincon line owned by California Electric and the Rincon-Escondido line, owned by San Diego, the point of interchange being at pole No. 12132 near the Rincon Switching Station.

The agreement known as the Sale and Purchase and Interchange Agreement dated November 20, 1947, a copy of which is attached as Exhibit "A" to the application, provides for the sale by California Electric to San Diego of the Rincon Switching Station and an adjacent portion of the San Bernardino-Rincon transmission line extending approximately 9.6 miles northwesterly from Rincon.

The agreement further provides that California Electric and San Diego will maintain in good operating condition the interchange facilities belonging to them and will supply to each other such emergency standby service as the supplying party may have available over and above its system load and prior standby commitments and subject to use of transmission facilities for its own purposes. An amendment to the agreement filed as Exhibit "D" with San Diego's letter dated April 23, 1948, provides that the charge for energy shall be based upon the cost of energy to the supplying company plus 15%

The application shows that the sale and purchase results in a more equitable division of the capital investments of California Electric and San Diego in the facilities maintained on a mutual basis for the interchange of energy.

The agreement provides that it shall not become effective unless or until approved by this Commission, and contains a clause providing that it shall, at all times, be subject to such changes or modifications by the Public Utilities 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 above application and concluding that it is not incompatible with any public interest, and being of the opinion that a public hearing is unnecessary,

IT IS ORDERED as follows:

California Electric Power Company is hereby authorized to sell and San Diego Gas and Electric Company is hereby authorized to purchase the transmission and interconnection facilities described in Exhibit "A" to the application;

California Electric Power Company and San Diego Gas and Electric Company are authorized to enter into the sale and purchase and interchange agreement in conformity with the copy filed as Exhibit "A" with the application, as amended by Exhibit "D" of San Diego's letter dated April 23, 1948, and said agreement is hereby approved; and

Within thirty (30) days from and after the effective date of this Order, California Electric Power Company or San Diego Gas and Electric Company shall file with this Commission two certified copies of the agreement of November 20, 1947 as amended.

The effective date of this Order is twenty (20) days from and after the date hereof.

Dated at San Francisco California, this 25<sup>th</sup> day of May, 1948.

A. J. Anderson  
Justice F. C. Cresser  
Frank Russell  
Harold T. Kille  
Samuel L. Potter  
Commissioners