

its system. The trend of load on applicant's California system as recorded and estimated, from 1946 to 1954, follows:

<u>Years</u>	<u>Energy Output Kwhr</u>	<u>Demand Kw</u>
1946	463,600,000	80,000
1947	520,300,000	101,580
1948	619,500,000	112,600
1949	635,000,000	121,250
1950 Estimated	655,000,000	121,000
1951 "	684,500,000	121,000
1952 "	734,400,000	130,000
1953 "	778,700,000	138,000
1954 "	822,400,000	146,000

Applicant has been obtaining sizable blocks of energy from the Southern California Edison Company in accordance with the terms of a power service contract which terminates on May 31, 1954. It also purchases power from the Department of Water and Power of the City of Los Angeles. From the Fluor Corporation report, applicant estimates a total production cost of 5.8 mills per kwhr on the proposed plant at present fuel prices, which is below the price being paid for purchased power. Such suppliers of power to applicant have indicated that they have no objection to the granting of the application.

The proposed construction, according to applicant, does not compete, or increase or diminish competition, with other public utilities, corporations or persons, but merely provides a new source of electric energy to be transmitted and distributed over its system as from time to time existing.

Applicant proposes to finance this construction from funds to be obtained by the issue of bonds, preferred stock, and debentures, applications for the issue of which have been, or will be, filed with this Commission.

A permit has been issued by the County of San Bernardino for the use and occupancy of the property shown in Exhibit B for the business of a steam-electric generating plant, provided that the applicant control smoke, fumes, or any other discharges in a manner that would be acceptable to, and meet the requirements of, the Los Angeles Air Pollution Ordinance. This permit was granted October 2, 1950, by the Board of Supervisors of San Bernardino County.

The facts presented indicate that there is a financial advantage for the utility to install, operate, and maintain the proposed steam plant under present-day fuel prices. We believe the utility will be financially able to install and complete the project as proposed. Under the circumstances, a certificate of public convenience and necessity will be granted.

The certificate of public convenience and necessity hereinafter granted is subject to the following provisions of law:

That the Commission shall have no power to authorize the capitalization of this certificate of public convenience and necessity or the right to own, operate, or enjoy such certificate of public convenience and necessity in excess of the amount (exclusive of any tax or annual charge) actually paid to the State as the consideration for the issuance of such certificate of public convenience and necessity or right.

O R D E R

The above-entitled application having been considered, and it appearing that a public hearing is not necessary herein and that the application should be granted; therefore,

IT IS HEREBY FOUND AS A FACT that public convenience and necessity require, or will require, the construction,

maintenance, and operation of a steam-electric generating plant by California Electric Power Company in San Bernardino County, near Highgrove, in the area set forth in the map marked Exhibit B in this proceeding; therefore,

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is granted California Electric Power Company to construct, operate, and maintain a public utility steam-electric generating plant in San Bernardino County, near Highgrove, for the production and sale of electric energy on the system hereinbefore described.

The effective date of this order shall be twenty (20) days after the date hereof.

Dated at San Francisco, California, this 8<sup>th</sup> day of November, 1950.

R. E. Montgomery  
Justin J. Casner  
Robert L. Lowell  
Harold P. Huls  
Norman H. Potter  
Commissioners.