

**ORIGINAL**

Decision No. 45627

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of California Electric Power Company relative to Exportation of Electric Energy to Mexico ) Application No. 32304

OPINION AND ORDER

In this application California Electric Power Company requests an appropriate order authorizing the continued sale by it of electric energy for use in Mexico during the five-year period from 1951 to 1955, inclusive. For the years 1951, 1952, and 1953 the quantities would be greater than those authorized by Decision No. 43183, dated August 9, 1949, in Application No. 30504. Applicant's customer for energy delivered into Mexico is Industrial Electrica Mexicana S. A., a direct subsidiary wholly owned by applicant. At the time in 1949 when applicant presented its Application No. 30504, it estimated that deliveries during 1951 for use in Mexico would amount to 41,300,000 kwhr with a demand of about 9,650 kw from its California Division, and 600,000 kwhr with a demand of 140 kw from its Arizona Division. Applicant's counsel in a statement attached to the application as Exhibit B recites that recent load growth in northern Baja California, Mexico, has greatly exceeded the estimates made in 1949. Applicant now estimates that its deliveries will be as follows:

: Year :	California Division				: Arizona Division :	
	Near Calexico		Near Andrade		Near Gadsden	
	Kwhr	Kw	Kwhr	Kw	Kwhr	Kw
1951	56,800,000	12,300	2,100,000	1,300	5,780,000	2,100
1952	60,300,000	14,100	2,200,000	1,500	6,140,000	2,400
1953	62,400,000	15,550	2,300,000	1,650	6,580,000	2,600
1954	65,300,000	15,800	2,400,000	1,700	6,600,000	2,700
1955	68,200,000	16,550	2,500,000	1,750	6,800,000	2,800

For the year 1950 applicant reported the delivery of 48,030,000 kwhr from its California Division to its Mexican customer, and revenue therefrom amounting to \$483,710. The energy applicant sells from its California Division for use in Mexico is purchased by applicant from the Imperial Irrigation District near the points of exportation under a contract dated October 15, 1943, which this Commission authorized by Decision No. 36622 in Application No. 25761. Applicant's right to make such purchases under that contract extends to October 31, 1968. Applicant states that the estimated generating capacities and system load demands on the system of the Imperial Irrigation District are as follows:

	<u>1951</u>	<u>1952</u>	<u>1953</u>	<u>1954</u>	<u>1955</u>
System Generating Capacity, Kw	86,400	116,400	126,400	126,400	126,400
Peak Demand, Kw	70,000	72,000	76,000	77,000	79,000

The generating capacities shown do not include capacity through interconnection and standby arrangements between the District and San Diego Gas and Electric Company, or between the District and applicant's main system.

Applicant states that the continued sale by it of energy for use in Mexico will not interfere with its ability to furnish adequate service to its present and future customers within the State of California, and that the rates at which energy is sold are such as not to throw any burden of cost of rendering such service upon said customers within the State of California. The sales to Industrial Electrica Mexicana are made under a contract which provides for the rates, minimum and other charges set forth in California Electric's Schedule P-3 on file with the Public Utilities Commission of California or in any duly and lawfully filed amendment or supplement thereto. Information in the application and in applicant's annual report indicates that the average rate to be received

by applicant for such sales from its California Division is sufficiently greater than the price applicant will pay to the Imperial Irrigation District for the energy needed to supply its export business as to provide for the operating costs of the limited facilities and other indirect costs associated with the delivery. It is apparent that the continued sale by applicant, through its California Division, of electric energy for use in Mexico in the larger quantities, approximating those estimated for the years 1951 to 1955, will not interfere with applicant's ability to furnish adequate service to its present customers in California, and will not impose a cost burden upon applicant's California customers.

The Commission having considered the request of applicant, and being of the opinion that the requested authorization should be granted for the period ending December 31, 1955, and that a public hearing in the matter is not necessary, therefore

IT IS HEREBY ORDERED that California Electric Power Company be and is authorized during the five-year period from 1951 to 1955, inclusive, to continue the sale of electric energy by its California Division for use in Mexico in substantially the quantities described above and under the terms and conditions set forth in its power

service agreement under date of March 1, 1950 with Industrial  
Electrica Mexicana S. A.

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

Dated at San Francisco, California, this 1<sup>st</sup> day  
of May, 1951.

A. J. [Signature]  
Justice S. Casner  
Harold P. Kula  
[Signature]  
[Signature]  
Commissioners.