

ORIGINAL

Decision No. 46461

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
SOUTHERN CALIFORNIA EDISON COMPANY)
and SAN DIEGO GAS & ELECTRIC COMPANY,)
for an Order of the Public Utilities)
Commission of the State of California)
authorizing them to enter into a cer-)
tain agreement entitled "San Diego-)
Edison 1951 Interchange Agreement")

Application No. 32791

OPINION AND ORDER

Southern California Edison Company and San Diego Gas and Electric Company, corporations, by the above-entitled application filed October 2, 1951, request an order of the Commission authorizing each to enter into an agreement dated August 22, 1951 entitled "San Diego-Edison 1951 Interchange Agreement". Said agreement relates to the interchange between the systems of San Diego and Edison of "Economy Energy" and "Emergency Generating Capacity and Emergency Energy". A copy of said contract marked Exhibit "A", is attached to the application and by reference made a part hereof for all purposes.

The application states that under the terms of said agreement it will be possible for Edison and San Diego to make available to the system of one of the parties temporarily energy and generating capacity on the system of the other in the interest of continuous and dependable electric service in the communities served respectively by each of them. Under the agreement each of the parties shall be the sole judge as to whether it is justified in making delivery of economy energy or as to the availability in its system of capacity for furnishing emergency service. The delivery point for all capacity and energy interchanged under the agreement shall

be the point where the 115 kv transmission lines of the parties meet at San Diego's Capistrano substation.

For all economy energy supplied under the agreement, the receiver shall pay one-half the sum of the supplier's out-of-pocket cost for such energy and the receiver's alternative cost therefor but not less than the supplier's out-of-pocket cost plus 15% thereof. If no practical basis exists for determining the receiver's alternative cost, receiver shall pay supplier's out-of-pocket cost plus 15% thereof. The minimum out-of-pocket cost for economy energy shall not be less than 1 mill (\$.001) per kwhr.

For emergency generating capacity which the supplier agrees to make available during a specified period or periods, the receiver shall pay at the rate of \$0.10 per kw per day or fraction thereof of maximum peak demand, but not more than \$2 per kw per calendar month, but the maximum peak demand for billing purposes shall not be less than 80% of agreed capacity except that where the capacity available during such a period is less than agreed upon, then the amount to be paid to supplier shall be computed on the basis of the rate, the period and the capacity which was made available. The energy charge for emergency energy supplied under the agreement shall be the out-of-pocket cost of electric energy so delivered plus 15% thereof. The minimum out-of-pocket cost for any such energy so delivered shall be deemed to be not less than 1 mill (\$.001) per kwhr.

If emergency generating capacity and emergency energy are required by a receiver at a time when it is receiving economy energy furnished from the spinning reserves of the supplier, and for a period exceeding two hours, the total energy for the entire day in which such emergency commenced and succeeding days until the termination of the emergency service will be billed as emergency capacity

and energy. If the duration of such service is less than two hours it shall be billed as economy energy.

If the supplier has a failure on its system at a time when it is furnishing economy energy to the receiver and the latter furnishes emergency capacity and emergency energy from its spinning reserves the former is deemed to be the receiver. The receiver of such emergency capacity and energy will be billed for economy energy if the emergency capacity is promptly replaced, within a period of two hours or less, otherwise it will be billed for emergency generating capacity and emergency energy.

Edison's Chino substation shall be the metering point for all capacity and energy interchanged. The maximum demand and energy delivered by San Diego to Edison will be increased by dividing the metered amounts by .95 to compensate for transmission line losses. Operating details are to be administered jointly by an operating board consisting of one representative for each party.

The agreement becomes effective upon the date authorized by the Commission. Upon becoming effective, the agreement provides that its term shall be deemed to be from midnight August 21, 1951 to midnight August 21, 1956. The agreement contains the usual release for reasons beyond the reasonable control of either party and provides that at all times it shall be subject to such changes or modifications by the Public Utilities Commission of the State of California as said Commission from time to time may direct in the exercise of its jurisdiction.

The San Diego-Edison 1951 interchange agreement appears to place no undue burden upon either party or their respective customers and makes available potential aid to both. It therefore appears to the Commission that the consummation of the agreement is in the public interest and the Commission so finds. Although applicants'

prayer is for authority to enter into said agreement, or such other order as the Commission may deem proper, the application and the copy of agreement furnished therewith as Exhibit "A" show that the parties executed said agreement as of August 22, 1951. Accordingly the order herein will authorize the parties to carry out the terms and conditions of the agreement as executed.

The Commission having considered the proposed San Diego-Edison 1951 Interchange Agreement and being of the opinion that the agreement should be authorized and that a public hearing is not necessary; therefore,

IT IS HEREBY ORDERED that Southern California Edison Company and San Diego Gas & Electric Company be and they hereby are authorized to carry out the terms and conditions of the written San Diego-Edison 1951 Interchange Agreement, dated August 22, 1951, and to render service therein provided and bill and collect the charges therein specified.

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

Dated at Los Angeles, California, this 27th day of November, 1951.

R. J. [Signature]
 President.

Justus F. Calver

Harold P. [Signature]

[Signature]

[Signature]
 Commissioners.