

**ORIGINAL**

Decision No. 47731

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
SAN DIEGO GAS & ELECTRIC COMPANY, a )  
corporation, for the approval of a )  
contract with M. P. BARBACHANO and )  
CIA. ELECTRICA FRONTERIZA, S. A., a ) Application No. 33586  
Mexican corporation, covering the )  
sale of electric energy for use in )  
Tijuana, Mexico, and adjacent )  
territory. )

OPINION AND ORDER

In this application San Diego Gas and Electric Company asks this Commission to approve a new contract, dated July 13, 1951, with M. P. Barbachano and Cia. Electrica Fronteriza, S. A., a Mexican corporation, hereinafter sometimes referred to as customer, covering the sale of electric energy to customer for distribution purposes in and around the towns of Tijuana, Tecate and Ensenada, Baja California, Mexico. A copy of the new contract, marked Special Contract No. 47, is attached as Exhibit B to the application.

Applicant presently is rendering service to customer in accordance with the provisions of a contract dated July 12, 1948, under authorization granted February 23, 1949, by Decision No. 42538 of this Commission, in Application No. 29776. Applicant states that the revised contract provides for greater deliveries and increased voltage in order to serve the increasing requirements of said customer and that there is no rate increase involved in this application. The rate applicable to deliveries at 12,000 volts under the new contract is identical with that under the contract dated July 12, 1948. The new contract establishes a rate for 69-kv delivery, heretofore not available to said customer. The monthly

demand charge for 69-kv delivery is somewhat below that established for 12-kv delivery and the energy charge for delivery at either voltage is identical with that under the contract of July 12, 1948. The basic rates and minimum-charge provisions of the new contract are as follows:

(a) Rates:

Monthly Demand Charge for Delivery at:	<u>12,000 volts</u>	<u>69,000 volts</u>
First 50 kw or less of billing demand	\$90.00 per month	\$88.00 per month
Next 200 kw of billing demand . . . . .	1.25 per kw per mo.	1.21 per kw per mo.
Next 750 kw of billing demand . . . . .	1.00 per kw per mo.	.96 per kw per mo.
All excess kw of billing demand . . . . .	.80 per kw per mo.	.76 per kw per mo.

PLUS Energy Charge:

First 50 kwhr per kw of billing demand per month at . . .	0.9¢ per kwhr
Next 100 kwhr per kw of billing demand per month at . . .	0.8¢ per kwhr
Next 150 kwhr per kw of billing demand per month at . . .	0.7¢ per kwhr
All excess kwhr at . . . . .	0.6¢ per kwhr

The total charge per month shall be the sum of the Demand Charge and Energy Charge.

(b) Minimum Charge:

The total charges for any one month shall not be less than \$8,290.00 per month for 12,000 volt service nor \$10,930.00 per month for 69,000 volt service.

Under the present agreement the electricity to be delivered is not to exceed a maximum demand of 7,000 kilowatts nor a total amount of energy in excess of 40,000,000 kilowatt-hours per year. The new contract provides for deliveries up to a maximum demand of 10,000 kilowatts and energy of 45,000,000 kilowatt-hours per year, at 12,000 volts, or a maximum demand of 14,000 kilowatts and energy delivery not exceeding 60,000,000 kilowatt-hours per year, if customer elects to take service at 69,000 volts. The application states that the increasing requirements of customer provided for in the new contract include the interconnection of Tijuana and Ensenada with a 69,000-volt line which was placed in operation January 1, 1952. The new contract provides that interconnection shall not be made between the customer's distribution system served at Tijuana and a

distribution system separately served at Tecate unless and until prior arrangements have been made and approved for discontinuance of service from the company at Tecate presently covered by an agreement known as Special Contract No. 41 dated July 12, 1948.

Under the new contract, customer is permitted to continue to operate not more than 2,000 kilowatts of installed capacity in customer's existing plant at Ensenada, for a period of not to exceed six hours continuously each and every day during the hours of maximum demand, to supply a portion of the peak demand load in and around Ensenada. The application shows that deliveries to customer have reached a maximum demand of 5,760 kilowatts in 1950, 7,120 kilowatts in 1951, and 8,400 kilowatts in the first five months of 1952, with energy deliveries of 22,616,000 kilowatt-hours in 1950, and 27,822,000 kilowatt-hours in 1951. Applicant estimates the following demands and energy requirements for the years 1952 to 1955, inclusive:

	<u>DEMAND</u>			
	<u>1952</u>	<u>1953</u>	<u>1954</u>	<u>1955</u>
Tijuana	7,200	7,900	8,600	9,300
Ensenada	2,800	3,300	3,900	4,600
Total	<u>9,000</u>	<u>10,200</u>	<u>11,500</u>	<u>12,900</u>
(Net)*				

	<u>KWHR (YEAR)</u>			
Tijuana	31,000,000	34,500,000	38,000,000	41,500,000
Ensenada	10,500,000	12,500,000	15,000,000	18,500,000
Total	<u>41,500,000</u>	<u>47,000,000</u>	<u>53,000,000</u>	<u>60,000,000</u>
(Net)*				

Estimated Maximum without peak shaving 13,900 kw

Contract Limitation 14,000 kw      60,000,000 kwhr

\* Total combined demands for Tijuana and Ensenada are reduced by 1,000 kw which is the amount of peak load at Ensenada to be carried by Diesel plant.

The term of the new contract is for a period of five years commencing August 31, 1951, and from year to year thereafter, unless and until terminated by notice given in writing by either party at

least six months prior to the expiration of the first five-year term or any subsequent anniversary. The new agreement provides that it shall not become effective unless and until it shall have been authorized by this Commission and also that it shall at all times be subject to such changes or modifications as this Commission may direct from time to time in the exercise of its jurisdiction. It also provides that it shall be subject to such applicable rules, regulations or orders issued by the President of the United States of America or the Federal Power Commission. Applicant states that the Federal Power Commission, on March 21, 1952, rendered its decision in Docket No. IT-5743, authorizing the transmission of electric energy to Mexico and incorporating therein by reference a presidential permit signed by the President of the United States on April 23, 1942. Applicant further states that the Federal Power Commission limited the kilowatt-hour consumption to an amount not to exceed 50,000,000 kilowatt-hours at a rate not in excess of 10,500 kilowatts and it is applicant's intention to request authorization to remove this limitation as and when required.

The Commission having considered the request of applicant and being of the opinion that the application should be granted and that a public hearing is not necessary, therefore,

IT IS HEREBY ORDERED that San Diego Gas and Electric Company be and it is authorized to carry out the terms of said agreement, dated July 13, 1951, with M. P. Barbachano and

Cia. Electrica Fronteriza, S. A., and to render the service therein contemplated and charge and collect the rates therein stated.

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

Dated at San Francisco, California, this 24<sup>th</sup> day of September, 1952.

R. T. [Signature]  
President.  
Justin J. [Signature]  
Hubert P. [Signature]

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Commissioners.