

ORIGINALDecision No. 51687

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 an order of the)
 Public Utilities Commission of the) Application No. 36579
 State of California authorizing it)
 to increase the rates charged by it)
 for electric energy.)

(Appearances and List of Witnesses
 are set forth in Appendix B)

O P I N I O N

San Diego Gas & Electric Company, a California corporation, filed the above-entitled application on December 22, 1954 seeking an increase in electric revenues of \$4,826,600 or 18 per cent for the estimated year 1955. This application is San Diego's first general electric rate increase request in over 34 years, the last increase being granted in 1921.

Public Hearing

After due notice a total of 14 days of public hearing were held on this application before Commissioner Justus F. Craemer and Examiner M. W. Edwards in San Diego during the period February 2, 1955 to June 17, 1955. The matter was submitted for decision on the latter date on the basis of a 2-zone plan for domestic and general service rates subject to further study of the zoning problem. The record is sufficiently complete at this time to warrant the Commission rendering an opinion and order in this matter with the zoning problem to be disposed of by a supplemental order.

Nature of Business

Applicant is engaged in the public utility business of serving electric energy, natural gas and steam heat. During the year

ended October 31, 1954 applicant states it derived approximately 65.43 per cent of its gross revenue from electric department operations, 34.30 per cent from gas operations and 0.27 per cent from steam heat. Its electric operations include the business of manufacturing, transmitting, distributing and selling electric energy for light, heat, power and other uses to domestic, commercial, industrial, agricultural, governmental and other customers in San Diego County and in a portion of Orange County. As of December 31, 1954 applicant served 238,265 electric customers by means of some 4,442 miles of distribution line, 563 circuit miles of transmission line and three steam-electric generating plants with approximate capabilities as follows:

<u>Name</u>	<u>Location</u>	<u>Capability</u>
Station "B"	San Diego	112,000 kw
Silver Gate Station	San Diego	242,000
Encina	Carlsbad	<u>106,000</u>
	Total	460,000 kw

The bulk of applicant's energy requirements are produced in the above enumerated steam-electric plants by means of fuel oil or natural gas. On an emergency and reciprocal basis limited amounts of power are available from interconnecting utility systems.

Applicant's Position

Applicant alleges that under the existing electric rates and charges it will not receive a fair or compensatory return upon its investment, or a return sufficient to induce the investment of additional capital which is essential for its construction program, as well as to provide the cost of additions and betterments which will become necessary from time to time in the future, in order to provide adequate service to its customers. Moreover, it alleges that each present rate and charge is unjustly and unreasonably low

and confiscatory of its plants, properties and equipment devoted to the public use in the service of electricity to its customers.

Applicant points out that since March 1, 1935 reductions in rates have been made from time to time resulting from improved economy through development of more efficient plant and expansion of the business. During this time it states there has been a great increase in the cost of labor per man-hour, the cost of operating and maintenance materials and the unit cost of plant additions and betterments. Up to 1954, applicant contends its earnings were somewhat below what might be considered a fair return but not so low in its opinion that a rate increase was a necessity. The greatest capital expenditure in the applicant's history in 1954 and a sizeable increase in fuel cost for 1955, as well as the other cost increases, are added conditions which applicant estimates will lower its electric department rate of return to below 4.0 per cent. The increased revenue sought by applicant is designed to increase its electric rate of return to 5.9 per cent.

Nature of Evidence

Evidence was offered by nine witnesses for applicant through 17 exhibits in support of its request. Applicant's Exhibit No. 1 showed the following trend of net earnings, after expenses, for its combined electric, gas and steam departments, expressed as a rate of return upon its plant in service:

<u>Period</u>	<u>Rate of Return</u>
Year 1953 Recorded	5.84%
Year 1953 Pro Forma	5.41
Year 1954 Recorded	5.61
Year 1954 Pro Forma	5.46
Year 1955 Estimated (at Present Rates)	4.32
Year 1955 Estimated (with Electric at Proposed Rates)	5.80

The Commission staff made a study of the electric department operations of applicant and through seven witnesses presented earnings for the years 1953 recorded, 1954 recorded and adjusted and 1955 estimated. In addition the staff presented a witness who made a preliminary study of the problem of rate zoning.

Practically all of the incorporated cities in San Diego County, as well as the County itself, took an active part in the proceedings and introduced evidence. Other agencies, such as the Navy and Marine Corps, Mountain Empire Electric Cooperative, Vista Irrigation District, California Farm Bureau Federation, and the California Manufacturers Association introduced evidence. In addition, the Commission received many resolutions, letters and statements from various individuals, groups or organizations throughout San Diego County regarding the proposed rate changes. In reaching a conclusion in this matter all evidence, testimony, protests and statements have been fully considered.

Results of Operations

A summary of the estimated results of operations of the electric department for the year 1955 as presented by the applicant and the staff is shown in the following tabulation:

San Diego Gas & Electric Company - Electric Department Estimated Year 1955

	<u>Applicant</u>	<u>Staff</u>
<u>Operating Revenues</u>		
Sales of Electric Energy	\$ 27,021,200	\$ 26,862,900
Miscellaneous Revenue	50,000	53,600
Total Operating Revenues	<u>27,071,200</u>	<u>26,916,500</u>
<u>Operating Expenses</u>		
Production	7,058,700	7,048,000
Transmission	262,300	260,800
Distribution	2,193,000	2,168,600
Customer Accounting and Collecting	1,014,200	1,012,000
Sales Promotion	482,600	473,600
Administrative and General	1,820,100	1,766,200
Subtotal	<u>12,830,900</u>	<u>12,729,200</u>
Taxes	6,399,100	6,277,300
Depreciation and Amortization	3,450,000	3,438,400
Total Operating Expenses	<u>22,680,000</u>	<u>22,444,900</u>
Net Revenue	4,391,200	4,471,600
Rate Base, Depreciated	110,150,300	110,085,000
Rate of Return	3.99%	4.06%

As may be seen from the above tabulation, the differences between the applicant's and the staff's revenues, expenses and rate base are comparatively minor and within the range of accuracy inherent in independent estimates. The cities' primary concern regarding revenues was that for the first four months of 1955 the actual revenues were running slightly ahead of the estimates. This can in part be accounted for by the fact that the estimates are predicated on average temperature and precipitation conditions, current fuel oil and gas prices for rate escalator clauses and average year customer dredging operation revenues. After elimination of \$43,446 of dredging revenues applicant stated that the four months actual revenue is less than 1 per cent greater than its estimate. For rate-making purposes applicant's revenue estimate of \$27,071,200 will be adopted for the year 1955.

Production Expenses

The production expenses are predicated on fuel oil prices of \$1.768 per barrel at Station B and Silver Gate Station and \$1.6892 per barrel at Encina Station and on natural gas prices of 23.65 cents per Mcf at all three stations. Wages have been adjusted to the March 1, 1955 level. The difference between the staff's production expense estimate and the applicant's is less than 0.2 per cent, but inasmuch as the production expense estimate is coordinated with the level of sales, it appears reasonable to adopt the applicant's estimate of \$7,058,700.

Transmission and Distribution Expenses

Applicant took no exception to the staff's estimate of transmission expenses but contended that the distribution expense estimate was low by \$11,000. The staff witness had assumed an increase between 1954 recorded and 1955 estimated of approximately \$6,000 in Account No. 761.1, Operation of Overhead Lines, whereas

there was an increase of approximately \$40,000 in this account the previous year. Applicant's contention is that this item would tend to increase proportionately with the pole line miles. In view of the sharp rate of growth, applicant's contention appears reasonable and we will adopt for rate-making purposes, a transmission expense of \$260,800 and a distribution expense of \$2,179,600.

Customers' Accounting and Collecting Expenses

Applicant contended that the staff's estimate of customer accounting expenses is low because the staff allowed only \$2,800 as an annual expense for redistricting the meter books compared to the applicant's estimate of \$8,500. The staff estimated that it would cost \$70,000 to redistrict all of the 244,186 electric accounts and that it need be done only once in 25 years.

In view of the rapid growth we find some merit in applicant's contention regarding the redistricting and assuming a 12-year cycle will adopt an annual expense of \$5,800 for this item. An additional allowance of \$5,000 will be made for zoning studies.

We will adopt a figure of \$1,020,000 for customers' accounting and collecting expenses.

Sales Promotion Expenses

Applicant took no exception to the staff's estimate of \$473,600 for sales promotion expenses and it will be adopted.

Administrative and General Expenses

The applicant included in administration and general expense for rate-fixing purposes all dues and contributions whether charged to expense or to income. The staff, following precedents established by former decisions of the Commission, excluded such items as service club dues and miscellaneous donations, but included one half of contributions paid Red Cross, Community Chest, and Chambers of Commerce. With regard to regulatory commission expenses the applicant spread

the estimated cost of the present proceeding over three years whereas the staff spread the estimated cost over five years. After considering this matter we will adopt the staff's estimate of \$1,766,200 for administrative and general expenses.

Taxes

In Exhibit No. 3 applicant estimated its 1955 ad valorem taxes at \$3,484,683 by applying a \$6.24 rate per hundred dollars to an estimated valuation of \$55,783,380 and adding \$3,800 of solvent credits tax. The \$6.24 rate represents the average tax rate of the last five years. During the course of the hearing the applicant learned that the ad valorem tax valuation on its properties adopted by the State Board of Equalization, when allocated to the electric department, results in a valuation of \$52,375,500. Applicant revised the \$6.24 rate upward to \$6.55 when it learned of the estimates for certain city, county and school district budgets from the San Diego Taxpayers Association. The revised ad valorem tax estimate of the applicant is \$3,434,396 for 1955 or approximately \$50,000 below its earlier estimate.

The staff's original estimate of ad valorem taxes for 1955 was \$3,295,600 which was subsequently lowered to \$3,200,600 when the actual assessed valuation became known. In making this determination the staff used the latest actual average tax rate from the 1954-1955 year of \$6.1137.

Applicant disagreed with the staff's method of computing estimated ad valorem tax and took the position that it should have estimated and used a tax rate higher than the 1954-1955 actual rate. The staff's position in this regard is that in recent history the tax rate has fluctuated so widely that it is quite impossible to make any fair determination of the tax rate upon the basis of averaging the tax rate over a number of years, and that the best

available tax rate to apply for purposes of estimating is that which applied to the most recent periods. Staff counsel mentioned newspaper comments to the effect that there is an effort on the part of the communities in the San Diego area to hold the line on the tax rate. The Commission is aware of the difficulty of accurately predicting ad valorem tax rates in advance due to the many variable factors involved. The staff's estimate of \$3,200,600 for ad valorem taxes will be adopted.

There was no particular controversy over the staff's estimate of social security taxes. The income taxes vary with the level of net revenue based on a 4 per cent State Corporation Franchise tax and 52 per cent rate for Federal Normal Income Tax and Surtax. The tax figures being adopted for rate-making purposes are:

Ad Valorem Tax	\$3,200,600
Taxes on Income, State and Federal	3,047,000
Social Security Taxes	97,600
Miscellaneous Taxes	200
Total Operating Taxes	<u>6,345,400</u>

Depreciation and Amortization

Both applicant and the staff computed the estimated year 1955 depreciation allowance on the basis of the straight-line remaining life method. The staff figure for depreciation and amortization was \$11,600 lower than applicant's because it excluded amortization of acquisition adjustment consequent upon the purchase of the electric properties of Escondido Mutual Water Company.

Heretofore, applicant has been using the sinking fund remaining life method in determining depreciation accruals, but, effective July 1, 1955, changed to the straight-line remaining life method. Along with such a change in method it will use longer lives which were developed jointly with the staff and reviewed by the Commission and which will result in an annual depreciation allowance less than the amount determined by the use of the previous lives

with the sinking fund method. Inasmuch as the Commission desires to reflect normal, average, or foreseeable near future conditions in its rate-making computations, it appears proper to use the straight-line remaining life method for the entire 1955 test year computations. Upon full consideration of the record now before us, we will, for rate-making purposes, adopt a figure of \$3,438,400 for depreciation and amortization.

Rate Base

Applicant's estimated rate base is \$110,150,300 or \$65,300 greater than the staff's. This difference is less than 0.06 per cent. Applicant states this difference is due almost entirely to difference in allowance for weighted net additions in 1955 because of a lower staff estimate of number of customers. For the first four months the actual additions exceeded the staff's estimate by \$383,700. In reality the rate bases are so close that it makes little difference which one we adopt, but in view of the fact that the actual construction is running ahead of the staff's estimate we will adopt the applicant's figure of \$110,150,300.

The 1955 rate base is some \$25,000,000 greater than the 1954 rate base in contrast to an increase of only some \$9,000,000 between 1954 and 1953. The larger increase in 1955 is primarily due to the addition of approximately \$18,000,000 in connection with the Encina steam-electric plant. The first unit in this plant is rated 106,000 kw. There was some question as to the need for this large a unit on the San Diego System where the peak load is slightly less than 400,000 kw and is growing at the rate of about 33,000 kw per year. Based upon the cross-examination by counsel for the U. S. Government it appears that the Government would have preferred that the applicant install two 66,000 kw units in order to improve applicant's reserve power situation.

Chart 30 of Exhibit No. 3 indicates that applicant's peaks have been nearly as great as its steam capacity and that applicant has depended on interconnections with adjacent utility systems to the north and the east for its reserve capacity in case one of its units breaks down. In other words, applicant has been counting on using the reserves of other utility systems which may not be available when applicant needs them in view of the concurrent rapid load growth on these systems. This is not a desirable arrangement from a power reliability standpoint. While the proposal of the Government currently would have brought the steam reserve up to some 15 per cent over the load expected this coming winter, applicant forecast greater operating economies from the 106,000 kw unit and applicant plans to add another 106,000 kw unit in 1956, at which time the steam reserve should be about 25 per cent over the winter load.

A representative of a number of interested parties introduced Exhibit No. 45 which compared station capacity and annual peak load. He pointed out that the growth curve of capacity has a steeper characteristic than the applicant's demand curve but he included the interconnection capacity with the other utility systems as part of the station capacity. He took the position that the greater efficiency and lower operating fuel cost of the larger units will, in time, be an advantage and that only temporarily should the larger size of units exert an adverse effect upon earnings. After considering the matter the Commission concludes that the addition of the first 106,000 kw unit at Encina is justified and should be allowed in the rate base in full for determining rates in 1955.

Adopted Operating Results

A summary of the adjusted operating results for the year 1955, constructed in accordance with the foregoing review, as set forth below, are hereby found reasonable and are adopted for the purposes of this decision.

<u>Operating Revenues</u>	\$ 27,071,200
<u>Operating Expenses</u>	
Production	7,058,700
Transmission	260,800
Distribution	2,179,600
Customer Accting. and Collecting	1,020,000
Sales Promotion	473,600
Administrative and General	1,766,200
Subtotal	<u>12,758,900</u>
Taxes	6,345,400
Depreciation and Amortization	<u>3,438,400</u>
Total Operating Expenses	<u>22,542,700</u>
Net Revenue	4,528,500
Rate Base, Depreciated	110,150,300
Rate of Return	4.11%

Rate of Return

The record shows that applicant has financed its investment in properties and other assets through the issue of bonds, shares of its preferred and common stock, and through the reinvestment of retained earnings. Exhibit No. 1 shows that applicant's capital structure as of December 31, 1954, consisted of the following:

Bonds	\$ 55,000,000	41.02%
Preferred Stock	20,000,000	14.91
Equity Capital	<u>59,093,433</u>	<u>44.07</u>
Total	<u>134,093,433</u>	<u>100.00</u>

Exhibit No. 1 also shows that the effective interest rates on the bonds outstanding on December 31, 1954 was 3.16 per cent and on the preferred stock 4.59 per cent. Furthermore, this exhibit shows that during the 10 years ended December 31, 1954, applicant paid an annual dividend of 80 cents a share on its outstanding common stock, that its earnings on common stock varied from a low of 81 cents a share in 1947 to a high of \$1.52 in 1952, and that its earnings expressed as a percentage of equity capital varied from a low of 6.31 per cent in 1947 to a high of 10.32 per cent in 1952.

In this proceeding applicant, in support of its request for a 5.9 per cent return, introduced Exhibit No. 38 showing that the earnings realized on equity capital by 33 electric and gas utilities in 1954 were 11.39 per cent on the average. The two utilities with higher equity ratios than applicant showed earnings of 8.0 per cent and 9.88 per cent respectively on equity capital.

A representative for the Cities of San Diego, Carlsbad, Chula Vista, Coronado, El Cajon, Escondido, La Mesa, National City and Oceanside, the County of San Diego and the Vista Irrigation District opposed the proposed increase on the basis that the current lower level of earnings is temporary pending growth of load and full utilization of the present investment in the new generating facilities.

Pending development of full earning power on the new large capital additions, he suggested that any deficiency in earnings for common stock dividend be taken from earned surplus but admitted under cross-examination that common stock that could not earn its regular dividend would not attract the investment of new capital on a favorable basis. On the current capital structure he computed that a 4.29 per cent rate of return would cover bond interest and preferred and common stock dividends. On further cross-examination he stated he considered the rate of return requested by applicant reasonable but suggested that the Commission give weight to the fact that revenues currently are running ahead of the applicant's estimate. Up to the end of April, however, the actual revenues were only 1 per cent ahead of the estimate.

Applicant may find it necessary in the near future to enter the market to obtain additional capital funds to take care of the increasing number of customers coming on to its lines. Its investment in electric fixed capital increased from \$38,543,000 at the end

of 1945 to \$126,400,000 at the end of 1954. The rate of return should be at a level that will permit applicant to perform its public duty, maintain its credit, attract capital and finance the expansion of facilities reasonably necessary to render adequate service to present and prospective customers. Upon a careful consideration of the evidence before us we are of the opinion and find that a rate of return of 5.9 per cent is fair and reasonable for applicant's electric department. Should the earnings materially exceed the estimates, appropriate adjustments can readily be considered at the time of further hearings herein.

Cost of Service

Applicant retained a consulting engineer to prepare cost of service analyses. The results of the cost analyses as set forth in Exhibits Nos. 6 and 7; are expressed as rates of return by classes of service for the pro forma year 1955 under present and proposed rates in the tabulation following:

<u>Class of Service</u>	<u>Rates of Return with</u>	
	<u>Present Rates</u>	<u>Proposed Rates</u>
Residential	3.56%	5.63%
Commercial	7.26	9.34
General Power	4.74	6.36
Agricultural Power	0.84	2.84
Street Lighting	0.43	2.87
Municipal Power	(0.35)	1.56
Resale	6.15	7.96
Large Industrial	2.12	2.84
Electric Department	4.05	5.90

(Red Figure)

Applicant's Exhibit No. 27 shows a breakdown of unit costs by classes from which the following figures were derived based on each class yielding a uniform 5.9 per cent rate of return:

	<u>Demand (Excess) Per KW-Year at Trans. Input</u>	<u>Commodity, Per Kwhr Sold</u>	<u>Customer, Annual Avg. Per Cust.</u>
Residential	\$36.43	0.92¢	\$ 23.58
Commercial	36.43	0.89	46.82
General Power	36.43	0.89	62.36
Agricultural Power	36.43	0.93	119.93
Large Industrial	35.21	0.85	3,927.78
Street Lighting	36.43	0.95	2,108.97
Municipal Power	36.43	0.89	15,900.00
Other Corp. Resale	25.02	0.65	19,866.67
System Average	35.92	0.88	31.93

The California Manufacturers Association was interested in the cost analysis and would prefer to use a method whereby the fixed charges are considered as demand costs and the variable charges are considered as commodity costs after deducting the customer costs. The method used by the consulting engineer is known as the load-factor method in which, after deducting the customer component and after directly assigning certain expenses such as fuel, the remaining fixed charges and operating expenses are segregated on the basis of the average demand and excess demand. The average demand portion is considered as a commodity cost. This is predicated on the theory that it takes one kilowatt of machinery operating one hour to produce one kwhr of energy. However, since systems operate at lower load factors than 100 per cent, the utility must install excess capacity to handle the peak loads above the system average load.

The Association introduced Exhibit No. 36 to show that there were certain so-called errors as between classes due to "overlapping" under the method used by the consultant. However, the maximum class difference shown was 3.38 per cent in the excess demand column. This amount is not viewed as serious and would not materially change the general conclusions to be drawn from the cost study. The other exhibit presented by the Association (Exhibit No. 37) was a hypothetical example to illustrate the effect of using a load factor based on a coincident demand rather than on the noncoincident demand in the computations:

Rate Zoning

Applicant proposed to increase the number of zones for domestic and commercial service from 2 to 4 to match the zoning system now in effect for the gas customers. Objection was made to this proposed change and the applicant amended its request to stay with the present 2-zone system in order to expedite completion of

this rate case. On June 17, 1955, applicant submitted this case for decision by the Commission and, after requesting a 5.9 per cent rate of return, stated: "Applicant further agrees to promptly undertake a thorough zoning study if the Commission shall so direct upon the understanding that any adjustments as a result of such zoning study will not deprive it of the 5.9 per cent return sought in this case."

In the meantime the Commission staff had studied the zoning problem and submitted Exhibit No. 16 in which it recommended the establishment of three zones. Also the staff recommended further study of the territory to determine if there were any unincorporated areas becoming sufficiently built up to warrant special rate treatment. The staff's study, Exhibit No. 16, showed that the cities of Carlsbad and San Clemente have a density of less than 50 customers per mile of pole line. It also showed that three unincorporated areas studied have customer densities greater than 50 and it could be that other unincorporated areas have as good or better density qualifications as these cities and deserve equally as favorable rate treatment. Under the present zoning scheme if such areas were to incorporate as cities, lower rates would be applied. In other parts of the state the fact of incorporation or unincorporation is no longer used as the basis for determining electric rate zone boundaries. In the Commission's opinion San Diego County is growing so fast that further zoning study is warranted.

A customer's representative recommended the establishment of four zones with the City of San Diego and other cities over 100 density in Zone No. 1. Other cities and built-up unincorporated territory would be in Zones 2 and 3 and all other territory in Zone 4.

These recommendations appear to have merit and warrant further consideration. However, temporarily, the 2-zone system will be continued pending completion of further zoning study.

Spread of Rate Increase

Applicant requested an increase of \$4,826,600 in its application, but only proposed specific rate changes that would result in increases estimated at \$4,460,600 in Exhibit No. 8. Later applicant filed Exhibit No. 23 which indicates its proposed rates will result in an increase of \$4,444,300. Based upon our previously adopted operating results we now find that a rate increase of \$4,315,000 is necessary to bring applicant's rate of return up to 5.9 per cent after allowing for the effect of income taxes (using a multiplier of 2.19). The amount of increase being authorized is so close to that produced by applicant's proposed rates that it will be necessary to increase some schedules a little more and other schedules a little less than applicant's proposal to accomplish the changes that appear reasonable.

Domestic Service

Applicant proposed changing the arrangement of its domestic rate from an initial charge form of 12 kwhr for \$0.90 to a customer charge form of \$0.55 in the cities and \$0.80 in the unincorporated territory. It proposed that the energy charge (to be added to the customer charge) start at 3.7 cents per kwhr in the cities and 4.6 cents in the unincorporated territory. Also it proposed eliminating Schedule DW, the combination residential water heating rate of 1.0 cents per kwhr for all usage beyond 200 kwhr per month, and transferring this business to the regular domestic rates with a 1.2-cent rate for the 201-500 kwhr block and a 1.6-cent terminal rate. This proposal would result in increases of nearly 60 per cent for the larger users with the special water heaters. Many customers in Vista and other outlying areas where natural gas is not available wrote to the Commission complaining about this proposed increase. In addition, a representative of the Perfectaire Manufacturing Company, which company makes electric heaters, introduced testimony on this subject.

After considering this subject applicant's proposed initial rate will be increased by 1 mill per kwhr and the proposed terminal rate reduced by 2 mills. The following rates will be authorized:

	<u>Schedule No. D-1</u>	<u>Schedule No. D-2</u>
Customer charge per month	\$0.55	\$0.80
First 40 kwhr, per kwhr	3.8¢	4.7¢
Next 60 kwhr, per kwhr	2.5	3.0
Next 100 kwhr, per kwhr	2.2	2.3
Over 200 kwhr, per kwhr	1.4	1.4

Where the customer has an approved type of water heater the rate for usage between 200 and 500 kwhr per month will be set at 1.2 cents per kwhr.

General Service

Applicant proposed general service schedules with an "A" designation to replace the present commercial lighting schedules having an "L" designation. It also proposed to change to the customer charge form from the initial charge form as in the domestic rates. Applicant's proposed rate levels appear reasonable except that the first energy block of 100 kwhr will be increased by 1 mill per kwhr. The general service rate levels being authorized are:

	<u>Schedule No. A-1</u>	<u>Schedule No. A-2</u>
Customer charge per month	\$0.55	\$0.80
First 100 kwhr, per kwhr	3.8¢	4.7¢
Next 400 kwhr, per kwhr	3.0	3.8
Next 1,000 kwhr, per kwhr	2.6	3.0
Next 1,500 kwhr, per kwhr	2.1	2.3
Next 2,000 kwhr, per kwhr	1.6	1.6
Next 100 kwhr per kw, per kwhr	1.6	1.6
Next 100 kwhr per kw, per kwhr	1.3	1.3
Next 100 kwhr per kw, per kwhr	1.0	1.0
Excess kwhr, per kwhr	0.8	0.8

The load factor terminal blocks beyond 5,000 kwhr per month enable the large customer with a high load factor to enjoy rates for general service use practically as favorable as the general power rates.

General Service for Former
Escondido Mutual Water Company Customers

Applicant proposes a temporary general service schedule, A-4-T, applicable only to general service customers formerly served by the Escondido Mutual Water Company at the respective location of each such customer as of the date that system was taken over by the applicant. The schedule is lower than applicant's proposed regular general service schedule, representing an annual revenue reduction of approximately \$6,500. The reason for this special schedule is to provide a transition period from the level of the former Escondido rate to that of the applicant's rate. While this matter is involved in the purchase of the Escondido system, we will not permit this service to burden applicant's other customers. Therefore, for rate-making purposes we will compute the revenue as though the full general service revenue is being obtained.

Multiple Family Housing Service

Applicant proposes a special schedule, DMH, to be applicable to general service for lighting, heating, power or any combination thereof, to a multiple family accommodation having in excess of 150 individual apartments or more than 40 separate buildings located on a single premise and served through a single meter. This schedule is supposed to replace former Schedule L-9.

The U. S. Government presented testimony and Exhibit No. 24 to show the effect of applicant's proposed rate and contended that it was discriminatory to allow projects of up to 150 apartments on the general service schedule and require that a higher rate apply to those projects with over 150 apartments. The Government's position appears reasonable and will be adopted. The general service rate will be opened to any size of housing project and this special schedule DMH will not be authorized.

Heating Service

Applicant proposes to close Schedule H to new customers. This closed schedule is to be applicable to commercial service for cooking, baking, water heating and limited power service. The proposed schedule represents an increase of 34 per cent on the average for this class of service compared to former Schedule H-1. The representative of the Perfectaire Manufacturing Company pointed out that the applicability clause of the proposed new heating schedule does not include the space heating customers presently on Schedule H-1 and that the applicant desires that space heating in the future be served under the "A" schedules. He contends the applicant's proposal would result in increases of as much as 104 per cent for the space heating load. He suggested that the Commission reject the applicant's proposed H schedule and instead effect increases of 10 to 30 per cent in the present H-1 schedule.

The representative contends that the H-1 type of load is a desirable type of load as it is largely a daytime load. Applicant is concerned over the cost of serving space heating load because it may add to the winter system peak load.

In considering this matter it is the Commission's opinion that the applicant is more cautious than is necessary regarding the space heating load. Such load comes on the system only during cold weather when transformers and generators have reserve capacity resulting from ambient temperatures below the base design temperatures. We will not authorize a closed heating schedule but will set the heating schedule rate at the level suggested by applicant and open it to the space heating load.

Lighting - Street and Highway

Applicant's original proposal was to have a lower street and highway lighting rate within the incorporated limits of the City.

of San Diego than in the other cities in the service area. This proposal brought sharp protest from the cities of El Cajon, La Mesa and National City. After much testimony and discussion the applicant agreed to a uniform system-wide schedule for all of the territory in so far as the service being rendered from company-owned installations is concerned. Where service is rendered to customer-owned installations, applicant did not change from its proposed rates LS-3 and LS-4. The smaller cities appeared to be satisfied with applicant's proposal to consolidate Schedules LS-1 and LS-2 and a single schedule will be authorized. Also applicant's proposed LS-3 and LS-4 will be authorized.

Power - General

Applicant proposes to change Schedule P-1 from a minimum charge form of blocked power rate to a service charge plus energy charge form of rate. It estimates the increase at 14.0 per cent on the average. Applicant plans to eliminate present Schedule P-8, Service to X-ray Apparatus, by making provision for such service under the general service schedules under certain conditions, or otherwise under this proposed general power schedule. Applicant has on its books some power schedules which are not now used, that is, Schedules P-2, P-6 and P-7, which it desires to eliminate. After considering this matter applicant's request will be authorized.

Power - General (Temporary)

Applicant proposes a temporary closed Schedule P-1-T to handle the Escondido situation in a manner similar to that discussed under the general service rates. Applicant shows only \$2,900 revenue under this schedule and does not estimate any increase. In accordance with our method of handling the general service rate for the Escondido area, we will assume an increase of 14 per cent or \$400 for rate computation purposes.

Power - Direct Current

Applicant proposes Schedule PDC to replace existing Schedule P-4 at an estimated increase of 11.1 per cent. Applicant states there are only 28 customers served under this schedule and the service has not been extended to new customers for several years. It desires that the new schedule be restricted to existing customers. Applicant's proposal appears reasonable and will be adopted.

Power - Agricultural

Applicant proposes Schedule PA to replace existing Schedule P-3 at an estimated average increase of 27.02 per cent. In general the minimum charges and special conditions have been retained but a new provision has been added, requiring that thermostatically controlled wind machines be equipped with time-delay devices in order to provide selective delay in the reconnection of this type of load. In general applicant's proposal appears reasonable and will be adopted except for a change in the applicability clause.

The California Farm Bureau Federation requested amendment of the proposed applicability clause to include lighting for the production of flowers and for poultry houses, feed choppers, milking machines, heaters for incubators, and brooders. This change will be authorized.

A problem which should be studied is the question of opening the domestic schedules to domestic farm service where such service may be combined on the farmers' domestic meter. The matter can be considered at the time of further hearings herein.

Power - Municipal

Applicant proposes Schedule FM for all power service used directly for municipal purposes by the City of San Diego. Such service is now handled on a special rate, with all meter readings combined, which is not presently a part of the filed tariff schedules.

The proposed schedule is estimated to increase the billing to the City of San Diego by 32.81 per cent. While the proposed increase is substantial, yet the proposed rate appears relatively low.

On request applicant computed the revenue effect if each meter were separately billed on proposed Schedule P-1. The result would be to increase the billing from \$131,742 under the proposed Schedule PM to \$185,047. This represents an additional increase of 40 per cent.

It is the Commission's opinion that eventually this service should be rendered on the regular schedules without conjunctive billing, but the city will need time to adjust its budget. On other utility systems we have provided a two-year period for this change-over and will authorize proposed Schedule PM as a temporary schedule only until August 1, 1957.

Power - Industrial

Applicant proposes Schedule P-2, Industrial Power Service, to replace present Schedule P-9, Large Industrial and Military Service. The proposed schedule is a demand and energy type of schedule, with generally the same form as the present schedule, but with a minor change in energy blocking. The proposed schedule represents an average increase of 7.84 per cent. The rate has two parts A and B, the difference in levels being equivalent to a voltage discount of about 3 per cent.

The U. S. Government introduced Exhibit No. 41 for the purpose of showing that the difference in rates was not sufficient to warrant the customer taking service at supply line voltage and providing his own step-down transformers. Also the government submitted Exhibit No. 40 to show that the premise rule being applied by applicant is more restrictive than the rule provided by Commission Decision No. 24229, Case No. 3046, dated November 16, 1931. It

showed that the more restrictive rule increases the annual billing on five groups of naval and military installations by \$39,060.

These two problems are too complex to be decided at this time and more investigation is essential. Applicant should be permitted to show its costs of providing step-down substations prior to our prescribing a voltage discount in the rate. Also we should know how much of applicant's plant would be displaced if its premise rule is changed. These appear to be additional subjects that appropriately may be considered at the time of further hearings herein. Also at that time the question converting Schedule P-2 to a general service type schedule and the need for a fuel clause can be further discussed. Pending further hearing we will authorize applicant to establish Schedule P-2 as proposed.

Resale Service

Applicant sells energy for resale purposes under special contracts to three customers: (1) Mountain Empire Electric Cooperative, Inc., (2) Cia. Electrica Fronteriza, S. A.-Tecate, and (3) Cia. Electrica Fronteriza, S. A.-Tijuana. The first two customers are served at 12 kv and the third at 69 kv. Applicant proposes that the rates applied to all three contracts be on a uniform basis, except that a difference is provided between 12-kv and 69-kv deliveries.

The Mountain Empire Electric Cooperative introduced Exhibit No. 18 for the purpose of showing that the proposed rates are higher than for an equal size of load served under proposed Schedules P-2, P-1 or PA. The Cooperative points out that the proposed increase to it of 31.83 per cent is greater than the 21.23 per cent for Tecate and 10.51 per cent for Tijuana. This difference is in part accounted for by the fact that service was originally established at a time of low-cost fuel and that no fuel oil clause was included in the rate.

After fully considering this matter it is the Commission's opinion that the applicant's proposed rate to Tijuana is reasonable but that the rate to the Cooperative and to Tecate should be set at a level where it is approximately 3 per cent in excess of the 69-kv rate proposed for Tijuana.

Applicant will be required to file a resale service schedule, Schedule R, embodying its proposed rate for 69-kv service to Tijuana and the aforementioned rate for 12-kv service to Tecate and Mountain Empire Electric Cooperative.

Special Conditions

Applicant's proposed domestic and general service schedules contain many special conditions and minimum charges that tend to complicate the schedules. The trend in rate making is to simplify the individual schedules as much as possible. When questioned about this matter, applicant's witness could not give any estimate as to the probable revenue reductions that would result from elimination of certain special conditions. This is a matter that should be further studied by the applicant for discussion later at the time of further hearings.

Conclusion

While counsel for the City of San Diego and other cities urged that any increase be denied on the grounds that earnings are only temporarily depressed, we do not find that revenues are increasing so much faster than the applicant's or staff's estimate that such action appears to be justified. Applicant originally requested an increase of \$4,826,600 and we have found an increase of \$4,315,000; or 89 per cent of the original request, to be fair and reasonable:

The following table shows the revenue increases authorized by the order herein based on the estimated 1955 sales adopted herein:

Item	Sales : Thousand : Kwhr	Revenue : at Present : Rates	Revenue : Increase	Ratio	Revenue : per Kwhr : after : Increase
Domestic Service	509,260	\$11,319,400	\$2,037,200	18.0	2.62¢
General Service	373,460	7,653,800	1,133,900	14.8	2.35
Housing, Multi-family	7,780	127,100	(21,000)	(16.5)	1.36
Heating	11,600	165,100	56,300	34.1	1.91
Street Lighting	16,270	469,100	139,600	29.8	3.74
General Power	116,110	1,926,100	269,500	14.0	1.89
Agricultural Power	102,310	1,324,700	358,000	27.0	1.64
Municipal Power	10,000	101,800	33,400	32.8	1.35
Industrial and Military	340,430	3,174,500	233,000	7.3	1.00
Resale	73,540	759,600	86,100	11.3	1.15
Subtotal	1,560,760	27,021,200	4,326,000	16.0	2.01
Misc. Revenue	-	50,000	-	-	-
Total	1,560,760	27,071,200	4,326,000	16.0	2.01

(Decrease)

The above increase, while slightly more than the amount we have found to be justified, is within the range of accuracy of the rate spread data on which the computations are predicated. It is our conclusion that an order should be issued at this time increasing the rates of applicant in the manner provided by Appendix A herein which rates we find to be fair and reasonable for the future.

O R D E R

The San Diego Gas & Electric Company having applied to this Commission for an order authorizing increases in rates and charges for electric service, public hearings having been held, the matter having been submitted and being ready for decision,

IT IS HEREBY FOUND AS A FACT that the increases in rates and charges authorized herein are justified and that present rates and

charges in so far as they differ from those herein prescribed, for the future are unjust and unreasonable; therefore,

IT IS HEREBY ORDERED as follows:

1. Applicant is authorized to file in quadruplicate with this Commission after the effective date of this order, in conformity with the Commission's General Order No. 96, revised tariff schedules with rates, charges and conditions as set forth in Appendix A attached hereto and after not less than five days' notice to this Commission and to the public, to make said tariff schedules effective for service furnished on and after August 12, 1955:

2. At the time of making effective the rates authorized by Section (1) hereof, applicant may cancel the existing schedules as set forth in Appendix C hereof and transfer the customers to the appropriate new schedules generally applicable for the type of service involved.

3. Applicant shall, at the time of making the new rates effective, amend or cancel rules and regulations in conflict with the new schedules or provisions thereof or those not needed after canceling the existing schedules listed in Appendix C hereto.

4. On the day of making new rates effective applicant is authorized to increase the rate level of all special contracts, except those exempted herein, to the level of the most nearly applicable filed tariff schedule or to the rate level specified in Appendix A hereto.

5. Applicant shall study the subject of rate zoning for the purpose of determining the location, size and density of built-up unincorporated areas in applicant's service area, together with possible rate zoning methods and criteria and, within 120 days after the effective date hereof, shall file a report with the Commission and the appearances thereon. It is the intent of the Commission

thereafter to schedule a public hearing on the subject after notifying all appearances herein.

6. By the date of the public hearing mentioned in Section (5) hereof applicant shall have studied the following and be prepared to present evidence thereon:

- a. The premise rule and the capital displaced and effect on applicant's revenue if the government's suggestions are adopted.
- b. Appropriate voltage discounts and the revenue effect thereof if applied to Schedules A-1, A-2, and P-2.
- c. Fuel clauses, methods to simplify and possible effect of deletion of the fuel clauses.
- d. Possibility of converting Schedule P-2 to a general service type of schedule.
- e. Effect of elimination of minimum charges in the domestic and general service schedules on single-phase service.
- f. The revenue effect of opening the general service schedule to 3-phase low voltage service.
- g. Inclusion of incidental farm use in the applicability clause of domestic service.
- h. Comparison of 1955 recorded monthly revenues and expenses with applicant's estimates in evidence herein.

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

Dated at Los Angeles, California, this 18th day of July, 1955.

Justus J. Casner
 President
Paulo Witzgamer
William J. Fisher
B. H. King

Commissioners

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.

APPENDIX A
Page 1 of 42

SCHEDULE A-1

GENERAL SERVICE

APPLICABILITY

Applicable to general service for lighting, heating, power, or any combination thereof.

TERRITORY

Within the incorporated limits of the cities of Carlsbad, Chula Vista, Coronado, El Cajon, Escondido, La Mesa, National City, Oceanside, San Clemente, and San Diego.

RATE

Customer Charge: per meter per month 55¢

Energy Charge (to be added to customer charge):

First 100 kwhr per meter per month	3.8¢ per kwhr
Next 100 kwhr per meter per month	3.0¢ per kwhr
Next 1,000 kwhr per meter per month	2.6¢ per kwhr
Next 1,500 kwhr per meter per month	2.1¢ per kwhr
Next 2,000 kwhr per meter per month	1.6¢ per kwhr
Next 100 kwhr per month per kw of billing demand	1.6¢ per kwhr
Next 100 kwhr per month per kw of billing demand	1.3¢ per kwhr
Next 100 kwhr per month per kw of billing demand	1.0¢ per kwhr
All excess kwhr per meter per month	.8¢ per kwhr

Minimum Charge:

The minimum charge shall be the customer charge, except where loads listed below are served, in which case the following amounts will be added:

- (1) For air heating load, 50¢ per month per kilowatt of aggregate capacity in excess of 3 kilowatts of connected load.
- (2) For power load, \$1.00 per month per horsepower of aggregate capacity in excess of 3 horsepower of connected load.
- (3) For seasonal or intermittent loads, as provided in Special Condition (g).

RULES AND REGULATIONS

This schedule is subject to the Rules and Regulations.

SPECIAL CONDITIONS

- (a) Voltage. Service under this schedule will be supplied at one standard voltage.

(Continued)

APPENDIX A
Page 2 of 42

SCHEDULE A-1 (Continued)

SPECIAL CONDITIONS (Continued)

- (b) Phase. Three phase service is available under this schedule only where service is metered and delivered at primary voltage.
- (c) Connected Load. Connected load shall be determined by nameplate ratings. Aggregate capacity shall be the total load of all individual appliances and motors taken to the nearest 1/10 kilowatt or 1/10 horsepower, except that air heating appliances rated at less than one kilowatt and motors of less than one-half horsepower will not be included.

The aggregate capacity of the load used for determining the minimum charge shall not be less than the amount indicated (1) on the customer's application or contract, or (2) on the Company's records as a result of a subsequent load check.

- (d) Billing Demand. The billing demand will be based on kilowatts of maximum demand as measured each month, provided that the billing demand shall in no case be less than 50 kw nor less than 50 per cent of the highest maximum demand registered during the preceding eleven months.
- (e) Maximum Demand.
- (1) The maximum demand in any month shall be the average kilowatt input during that fifteen-minute interval in which the consumption of electric energy is greater than in any other fifteen-minute interval in the month, as indicated or recorded by instruments installed, owned, and maintained by the Company.
 - (2) In the case of hoists, elevators, furnaces, or other loads where the energy demand is intermittent or subject to violent fluctuations, the Company may base the maximum demand upon a five-minute interval instead of a fifteen-minute interval.
 - (3) In case the maximum demand has not been measured, the billing demand shall be 50 kilowatts, or as determined by test at the option of the Company.
- (f) Multi-Family Accommodations. A group of single family dwelling units, such as an apartment house, bungalow court, or similar residential development located on a single premise, may be served under this schedule, through a single meter for such load alone, or in combination with other general service.
- (g) Intermittent Service to Sport and Recreational Activities. For intermittent service served separately or in combination with general lighting under this schedule, to such as athletic fields or recreational parks, having recurring seasonal lighting loads exceeding 40 kilowatts, the minimum charge shall be 50 cents per month per kilowatt of connected load in excess of 40 kilowatts, or 50 cents per month per kilowatt of demand in excess of 40 kilowatts based on the highest maximum demand registered during the current or preceding eleven months.

(Continued)

APPENDIX A
Page 3 of 42SCHEDULE A-1 (Continued)SPECIAL CONDITIONS (Continued)

- (h) Service to X-ray and Electronic Equipment. Service under this schedule will be supplied to X-ray or electronic equipment, provided the apparatus is served from transformer capacity required to serve other general service load. In case the customer requests the Company to install excess transformer capacity, the X-ray or electronic load will be served under the General Power schedule.
- (i) Standby Service. This schedule is not applicable to standby, auxiliary service, or service operated in parallel with a customer's generating plant.

APPENDIX A
Page 4 of 42

SCHEDULE A-2

GENERAL SERVICE

APPLICABILITY

Applicable to general service for lighting, heating, power, or any combination thereof.

TERRITORY

Within the entire territory served by the Company outside the limits of incorporated cities.

RATE

Customer Charge: per meter per month 80¢

Energy Charge (to be added to customer charge):

First 100 kwhr per meter per month	4.7¢ per kwhr
Next 400 kwhr per meter per month	3.8¢ per kwhr
Next 1,000 kwhr per meter per month	3.0¢ per kwhr
Next 1,500 kwhr per meter per month	2.3¢ per kwhr
Next 2,000 kwhr per meter per month	1.6¢ per kwhr
Next 100 kwhr per month per kw of billing demand	1.6¢ per kwhr
Next 100 kwhr per month per kw of billing demand	1.3¢ per kwhr
Next 100 kwhr per month per kw of billing demand	1.0¢ per kwhr
All excess kwhr per meter per month	.8¢ per kwhr

Minimum Charge:

The minimum charge shall be the customer charge, except where loads listed below are served, in which case the following amounts will be added:

- (1) For air heating load, 50¢ per month per kilowatt of aggregate capacity in excess of 3 kilowatts of connected load.
- (2) For power load, \$1.00 per month per horsepower of aggregate capacity in excess of 3 horsepower of connected load.
- (3) For seasonal or intermittent loads, as provided in Special Condition (g).

RULES AND REGULATIONS

This schedule is subject to the Rules and Regulations.

SPECIAL CONDITIONS

- (a) Voltage. Service under this schedule will be supplied at one standard voltage.

(Continued)

APPENDIX A
Page 5 of 42SCHEDULE A-2 (Continued)SPECIAL CONDITIONS (Continued)

- (b) Phase. Three phase service is available under this schedule only where service is metered and delivered at primary voltage.
- (c) Connected Load. Connected load shall be determined by nameplate ratings. Aggregate capacity shall be the total load of all individual appliances and motors taken to the nearest 1/10 kilowatt or 1/10 horsepower, except that air heating appliances rated at less than one kilowatt and motors of less than one-half horsepower will not be included.

The aggregate capacity of the load used for determining the minimum charge shall not be less than the amount indicated (1) on the customer's application or contract, or (2) on the Company's records as a result of a subsequent load check.

- (d) Billing Demand. The billing demand will be based on kilowatts of maximum demand as measured each month, provided that the billing demand shall in no case be less than 50 kw nor less than 50 per cent of the highest maximum demand registered during the preceding eleven months.
- (e) Maximum Demand.
- (1) The maximum demand in any month shall be the average kilowatt input during that fifteen-minute interval in which the consumption of electric energy is greater than in any other fifteen-minute interval in the month, as indicated or recorded by instruments installed, owned, and maintained by the Company.
 - (2) In the case of hoists, elevators, furnaces, or other loads where the energy demand is intermittent or subject to violent fluctuations, the Company may base the maximum demand upon a five-minute interval instead of a fifteen-minute interval.
 - (3) In case the maximum demand has not been measured, the billing demand shall be 50 kilowatts, or as determined by test at the option of the Company.
- (f) Multi-Family Accommodations. A group of single family dwelling units such as an apartment house, bungalow court, or similar residential development located on a single premise, may be served under this schedule, through a single meter for such load alone, or in combination with other general service.
- (g) Intermittent Service to Sport and Recreational Activities. For intermittent service served separately or in combination with general lighting under this schedule, to such as athletic fields or recreational parks, having recurring seasonal lighting loads exceeding 40 kilowatts, the minimum charge shall be 50 cents per month per kilowatt of connected load in excess of 40 kilowatts, or 50 cents per month per kilowatt of demand in excess of 40 kilowatts based on the highest maximum demand registered during the current or preceding eleven months.

(Continued)

APPENDIX A
Page 6 of 42SCHEDULE A-2 (Continued)SPECIAL CONDITIONS (Continued)

- (h) Service to X-ray and Electronic Equipment. Service under this schedule will be supplied to X-ray or electronic equipment, provided the apparatus is served from transformer capacity required to serve other general service load. In case the customer requests the Company to install excess transformer capacity, the X-ray or electronic load will be served under the General Power schedule.
- (i) Standby Service. This schedule is not applicable to standby, auxiliary service, or service operated in parallel with a customer's generating plant.

APPENDIX A
Page 7 of 42

SCHEDULE A-2-T

GENERAL SERVICE

(Closed Temporary Schedule)

APPLICABILITY

Applicable to general service for lighting, heating, power, or any combination thereof. This schedule is special and temporary and is applicable only to general service customers served by the Escondido Mutual Water Company at the respective location of each such customer as of the date that system was taken over by the San Diego Gas & Electric Company. This schedule will expire on April 30, 1957.

TERRITORY

Within the territory formerly served by the Escondido Mutual Water Company outside the incorporated limits of the City of Escondido.

RATE

Customer Charge: per meter per month

80¢

Energy Charge (to be added to customer charge):

First 100 kwhr per meter per month	4.0¢ per kwhr
Next 400 kwhr per meter per month	3.0¢ per kwhr
Next 1,000 kwhr per meter per month	2.5¢ per kwhr
Next 1,500 kwhr per meter per month	2.0¢ per kwhr
All excess kwhr per meter per month	1.5¢ per kwhr

Minimum Charge:

The minimum charge shall be the customer charge, except where loads listed below are served, in which case the following amounts will be added:

- (1) For air heating load, 50¢ per month per kilowatt of aggregate capacity in excess of 3 kilowatts of connected load.
- (2) For power load, \$1.00 per month per horsepower of aggregate capacity in excess of 3 horsepower of connected load.
- (3) For seasonal or intermittent loads, as provided in Special Condition (d).

RULES AND REGULATIONS

This schedule is subject to the Rules and Regulations.

SPECIAL CONDITIONS

- (a) Voltage. Service under this schedule will be supplied at one standard voltage.

(Continued)

APPENDIX A
Page 8 of 12SCHEDULE A-2-T (Continued)SPECIAL CONDITIONS (Continued)

- (b) Connected Load. Connected load shall be determined by nameplate ratings. Aggregate capacity shall be the total load of all individual appliances and motors taken to the nearest 1/10 kilowatt or 1/10 horsepower, except that air heating appliances rated at less than one kilowatt and motors of less than one-half horsepower will not be included.
- (c) Multi-Family Accommodations. A group of single family dwelling units, such as an apartment house, bungalow court, or similar residential development located on a single premise, may be served under this schedule, through a single meter for such load alone, or in combination with other general service.
- (d) Intermittent Service to Sport and Recreational Activities. For intermittent service served separately or in combination with general lighting under this schedule, to such as athletic fields or recreational parks, having recurring seasonal lighting loads exceeding 40 kilowatts, the minimum charge shall be 50 cents per month per kilowatt of connected load in excess of 40 kilowatts.
- (e) Service to X-ray and Electronic Equipment. Service under this schedule will be supplied to X-ray or electronic equipment, provided the apparatus is served from transformer capacity required to serve other general service load. In case the customer requests the Company to install excess transformer capacity, the X-ray or electronic load will be served under the General Power schedule.
- (f) Standby Service. This schedule is not applicable to standby, auxiliary service, or service operated in parallel with a customer's generating plant.

APPENDIX A
Page 9 of 42

SCHEDULE D-1

DOMESTIC SERVICE

APPLICABILITY

Applicable to single phase residential service for lighting, heating, cooking, water heating, and power service, or combination thereof, in single family dwellings, flats, apartments, and bungalow court units, separately metered by the Company.

TERRITORY

Within the incorporated limits of the cities of Carlsbad, Chula Vista, Coronado, El Cajon, Escondido, La Mesa, National City, Oceanside, San Clemente, and San Diego.

RATE

Customer Charge: per meter per month

55¢

Energy Charge (to be added to customer charge):

First	40 kwhr per meter per month	3.8¢ per kwhr
Next	60 kwhr per meter per month	2.5¢ per kwhr
Next	100 kwhr per meter per month	2.2¢ per kwhr
All excess	kwhr per meter per month	1.4¢ per kwhr*

* Where the customer has an electric water heating installation conforming to Special Condition (c), the rate for monthly usage between 200 kwhr and 500 kwhr is 1.2¢ per kwhr.

Minimum Charge:

The minimum charge shall be the customer charge, except where loads listed below are served, in which case the following amounts will be added:

- (1) For air heating load, 50¢ per month per kilowatt of aggregate capacity in excess of 3 kilowatts.
- (2) For power load, \$1.00 per month per horsepower of aggregate capacity in excess of 3 horsepower.
- (3) For brooders, incubators, and other similar seasonal load, 50¢ per month per kilowatt.
- (4) For cooking and/or water heating load, where credit is given for such load either as an extension allowance or a refund on an extension deposit, 50¢ per month per kilowatt but not in excess of \$3.00 per month for the first three years from date load is initially served.

RULES AND REGULATIONS

This schedule is subject to the Rules and Regulations.

(Continued)

APPENDIX A
Page 10 of 42SCHEDULE D-1 (Continued)SPECIAL CONDITIONS

- (a) Voltage. Service under this schedule will be supplied at the standard lighting voltage.
- (b) Connected Load. Connected load shall be determined by nameplate ratings. Aggregate capacity shall be the total load of all individual appliances and motors taken to the nearest 1/10 kilowatt or 1/10 horsepower, except that air heating appliances rated at less than one kilowatt and motors of less than one-half horsepower will not be included.

The aggregate capacity of the load used for determining the minimum charge shall not be less than the amount indicated (1) on the customer's application or contract, or (2) on the Company's records as a result of a subsequent load check.

- (c) Application of Water Heating Rate. The water heating rate of 1.2¢ per kwhr for monthly usage between 200 kwhr and 500 kwhr is available only to residential customers using approved electric water heating equipment installed and used in conjunction with an electric range of not less than 4 kw, having a cooking surface and temperature controlled insulated oven, regularly used for all household cooking.

Approved water heating equipment shall be automatically controlled storage type water heaters not subject to manual control, used for the entire household water heating requirements, and not used in conjunction with auxiliary equipment of any kind. The tank shall be efficiently insulated and have a capacity of not less than 24 gallons. The heating elements shall be thermostatically controlled and aggregating not to exceed 50 watts per gallon of tank capacity.

The Company may, at its election and expense, regulate the hours of use of any such approved water heating load served under this schedule.

- (d) Multi-Family Accommodations. At the option of the owner or operator, an apartment house, group of apartments, or a bungalow court, on a single premise, may be served under this schedule through a single meter, in which case the kilowatt-hours for all blocks of the energy charge portion of the rate shall be increased by applying a multiplier thereto equivalent to the number of single family accommodations on the meter.

In case one or more of the single family units should qualify for the water heating rate, as specified in Special Condition (c), the block of 300 kwhr shall be multiplied by the number of single family units so qualifying.

APPENDIX A
Page 11 of 42

SCHEDULE D-2

DOMESTIC SERVICE

APPLICABILITY

Applicable to single phase residential service for lighting, heating, cooking, water heating, and power service, or combination thereof, in single family dwellings, flats, apartments, and bungalow court units, separately metered by the Company.

TERRITORY

Within the entire territory served by the Company outside the limits of incorporated cities.

RATE

Customer Charge: per meter per month

80¢

Energy Charge (to be added to customer charge):

First	40 kwhr per meter per month	4.7¢ per kwhr
Next	60 kwhr per meter per month	3.0¢ per kwhr
Next	100 kwhr per meter per month	2.3¢ per kwhr
All excess	kwhr per meter per month	1.4¢ per kwhr*

* Where the customer has an electric water heating installation conforming to Special Condition (c), the rate for monthly usage between 200 kwhr and 500 kwhr is 1.2¢ per kwhr.

Minimum Charge:

The minimum charge shall be the customer charge, except where loads listed below are served, in which case the following amounts will be added:

- (1) For air heating load, 50¢ per month per kilowatt of aggregate capacity in excess of 3 kilowatts.
- (2) For power load, \$1.00 per month per horsepower of aggregate capacity in excess of 3 horsepower.
- (3) For brooders, incubators, and other similar seasonal load, 50¢ per month per kilowatt.
- (4) For cooking and/or water heating load, where credit is given for such load either as an extension allowance or a refund on an extension deposit, 50¢ per month per kilowatt but not in excess of \$3.00 per month for the first three years from date load is initially served.

RULES AND REGULATIONS

This schedule is subject to the Rules and Regulations.

(Continued)

SCHEDULE D-2 (Continued)SPECIAL CONDITIONS

- (a) Voltage. Service under this schedule will be supplied at the standard lighting voltage.
- (b) Connected Load. Connected load shall be determined by nameplate ratings. Aggregate capacity shall be the total load of all individual appliances and motors taken to the nearest 1/10 kilowatt or 1/10 horsepower, except that air heating appliances rated at less than one kilowatt and motors of less than one-half horsepower will not be included.

The aggregate capacity of the load used for determining the minimum charge shall not be less than the amount indicated (1) on the customer's application or contract, or (2) on the Company's records as a result of a subsequent load check.

- (c) Application of Water Heating Rate. The water heating rate of 1.2¢ per kwhr for monthly usage between 200 kwhr and 500 kwhr is available only to residential customers using approved electric water heating equipment installed and used in conjunction with an electric range of not less than 4 kw, having a cooking surface and temperature controlled insulated oven, regularly used for all household cooking.

Approved water heating equipment shall be automatically controlled storage type water heaters not subject to manual control, used for the entire household water heating requirements, and not used in conjunction with auxiliary equipment of any kind. The tank shall be efficiently insulated and have a capacity of not less than 24 gallons. The heating elements shall be thermostatically controlled and aggregating not to exceed 50 watts per gallon of tank capacity.

The Company may, at its election and expense, regulate the hours of use of any such approved water heating load served under this schedule.

- (d) Multi-Family Accommodations. At the option of the owner or operator, an apartment house, group of apartments, or a bungalow court, on a single premise, may be served under this schedule through a single meter, in which case the kilowatt-hours for all blocks of the energy charge portion of the rate shall be increased by applying a multiplier thereto equivalent to the number of single family accommodations on the meter.

In case one or more of the single family units should qualify for the water heating rate, as specified in Special Condition (c), the block of 300 kwhr shall be multiplied by the number of single family units so qualifying.

APPENDIX A
Page 13 of 42SCHEDULE DEDOMESTIC SERVICE TO COMPANY EMPLOYEESAPPLICABILITY

Applicable to single phase residential service to Company employees for lighting, heating, cooking, water heating, and power service, or combination thereof, in single family dwellings, flats, and bungalow court units, separately metered by the Company.

TERRITORY

Within the entire territory served directly by the Company.

RATE

The bill as determined under a regularly filed schedule for domestic service which would otherwise be applicable, less 25% discount.

RULES AND REGULATIONS

This schedule is subject to the Rules and Regulations.

SPECIAL CONDITIONS

- (a) All special conditions, except (d), contained in the applicable domestic schedule are applicable to service under this schedule.
- (b) This schedule shall be available only to regular employees who have been continuously employed by the Company for more than twelve (12) months, and to retired employees who were employed by the Company for more than ten (10) years and were retired under the Company's pension plan. This schedule is not applicable to provisional, special, casual, or temporary employees, nor to regular employees on leave of absence in excess of thirty (30) days.
- (c) This schedule will apply only to a single dwelling unit which is the place of residence of the employee or annuitant, where such eligible person is head of the household served (or that person's spouse), or where he or she lives with and constitutes the support of a mother and/or father or other immediate family.
- (d) Service under this schedule is available only upon written application made by the employee or annuitant, and the discount will be discontinued upon termination of eligibility of such person or upon cessation of payment of bills directly by the employee or annuitant.

APPENDIX A
Page 14 of 42

SCHEDULE E

EXTENSION SERVICE - AGUA CALIENTE-CANEBRAKE

APPLICABILITY

Applicable during the contract period, in conjunction with any other applicable schedule, to all service supplied in the following described territory either by or through the Agua Caliente-Canebrake line extension described in Application No. 35078.

TERRITORY

Within the entire territory served by the Company in Townships 13, 14 and 15 South, Ranges 5, 6, 7 and 8 East, San Bernardino Base and Meridian, excluding the Cuyamaca Rancho.

RATES

The charges as determined under a regularly filed schedule applicable to the service rendered.

MINIMUM CHARGE

The minimum charge designated in the applicable schedule, but not less than \$20.00 per year per meter payable at the rate of \$2.50 per month and cumulative annually.

RULES AND REGULATIONS:

This schedule is subject to the Rules and Regulations except that the provisions of Rule and Regulation No. 20, Section B, shall not apply, and deposits will not be taken for the excess of the Agua Caliente-Canebrake extension (the "main line" substantially as shown in Exhibit B and the "branch lines" as listed under "Branch Line Required" in Exhibit C attached to Application No. 35078) beyond the free length allowed for the original customers and loads on said extension.

SPECIAL CONDITIONS

- (a) Contracts. A contract will be required for each separately metered service, guaranteeing the payment of the minimum charges for the initial period of three years. For all original applicants on the Agua Caliente-Canebrake extension the initial three-year period shall commence when service is first supplied, or 90 days following completion of the Company's lines, whichever is the earlier. For service supplied to subsequent applicants at other locations served either by or through the Agua Caliente-Canebrake extension, the initial three-year period shall commence when service is first supplied, or 90 days following completion of the Company's facilities to supply such service, whichever is the earlier.

(Continued)

SCHEDULE E (Continued)SPECIAL CONDITION (Continued)

- (b) Termination of Service. If a customer desires to vacate the premises and terminate service under this schedule prior to the expiration of the three-year term of his contract, the unpaid balance of minimum charges for the remainder of the contract period shall become due and payable and will be billed with the closing bill for service unless the customer has arranged with the Company for the transfer of his contract to, or the execution of a superceding contract for the remainder of the period by, the subsequent customer with the same or greater load at the same location.

In the event that a customer terminates service under this provision prior to the end of the contract period and pays to the Company the minimum charges for the remainder of the contract period, the Company will refund amounts, not exceeding such advance minimum payments, equal to the amounts collected from subsequent customers at the same location during the remainder of the original customer's contract period. Such refunds will be made once each year.

- (c) Other Special Conditions. The special conditions of the other applicable schedule used in conjunction with this schedule shall also apply.

APPENDIX A
Page 16 of 42

SCHEDULE H

HEATING

APPLICABILITY

Applicable to commercial service for heating, cooking, baking, water heating, and limited power service. This schedule is not applicable to domestic service or lighting for general illumination.

TERRITORY

Within the entire territory served by the Company.

RATE

Energy Charge:

First 100 kwhr or less per meter per month	\$3.60
Next 400 kwhr per meter per month	3.0¢ per kwhr
Next 500 kwhr per meter per month	2.0¢ per kwhr
All excess kwhr per meter per month	1.5¢ per kwhr

Minimum Charge:

	<u>Per Month</u>
Per kw of connected heating load	\$0.50
Per hp of connected other power load	1.00
The total minimum charge shall not be less than	3.60

RULES AND REGULATIONS

This schedule is subject to the Rules and Regulations.

SPECIAL CONDITIONS

- (a) Voltage. Service under this schedule will be supplied at one standard voltage.
- (b) Phase. Service under this schedule will normally be single phase. Heating loads aggregating in excess of 50 kilowatts may, at the option of the Company, be served at three phase.
- (c) Connected Load. Loads shall be permanently connected, and shall be determined by nameplate ratings. Aggregate capacity shall be the total load of all individual appliances and motors taken to the nearest 1/10 kilowatt or 1/10 horsepower.

The aggregate capacity of the load used for determining the minimum charge shall not be less than the amount indicated (1) on the customer's

(Continued)

APPENDIX A
Page 17 of 42

SCHEDULE H (Continued)

SPECIAL CONDITIONS (Continued)

application or contract, or (2) on the Company's records as a result of a subsequent load check.

- (d) Limited Power Service. Single phase motors of three horsepower or less may be served under this schedule. Three phase motors will not be served under this schedule.

APPENDIX A
Page 16 of 42

SCHEDULE LS-1

LIGHTING - STREET AND HIGHWAY
COMPANY-OWNED INSTALLATIONS

APPLICABILITY

Applicable to local, state, or other governmental agencies, or to regularly established lighting districts for service to street or highway lighting installations supplied from overhead lines, where Company owns and maintains entire installation.

TERRITORY

Within the entire territory served by the Company.

RATE

Size of Lamp (Lumens)	Type	RATE PER LAMP PER MONTH ALL NIGHT SERVICE			
		1-25 Lamps	26-100 Lamps	101-1,000 Lamps	Over 1,000 Lamps
1,000	Incandescent	\$2.30	\$2.25	\$2.20	\$2.00
2,500	Incandescent	3.50	3.35	3.25	2.60
4,000	Incandescent	4.15	4.00	3.90	3.20
6,000	Incandescent	4.80	4.50	4.50	4.00
10,000	Incandescent	6.45	6.20	6.10	5.50
10,000	Sodium Vapor	7.00	6.50	6.25	6.25
20,000	Mercury Vapor	9.00	8.00	7.80	7.80

RULES AND REGULATIONS

This schedule is subject to the Rules and Regulations.

SPECIAL CONDITIONS

- (a) Type of Service. Service will normally be supplied from primary series circuits. In case the Company is requested to serve isolated lamps or small groups of lamps, the Company reserves the right to use multiple lamps supplied from secondary circuits.
- (b) Size of Installation. The size of an installation is determined by the total number of lamps connected to a circuit or circuits having a single control for switching all such lamps, provided that the rates for installations of over 1,000 lamps shall apply only where all lamps in such installation are served under a single contract. The Company may, at its option, install multiple lamps in lieu of extending the series circuit, in which case the size of installation shall be determined as though the series circuit had been extended, provided such extension is within the limits prescribed by Rule and Regulation No. 20.

(Continued)

APPENDIX A
Page 17 of 42

SCHEDULE LS-1 (Continued)

SPECIAL CONDITIONS (Continued)

- (c) Standard Equipment. The above rates are applicable to street lighting equipment mounted on wood poles in standard positions. Mast arms will be furnished for lamps of 4,000 lumens and over. Lamps of 2,500 lumens or less will be installed on bracket arms. Enclosed luminaires will be furnished for lamps of 4,000 lumens and over.
- (d) Nonstandard Equipment. When other than standard equipment or method of construction is requested, such as center suspension lamps, wood poles in nonstandard positions, or metal poles, the Company will comply with such request subject to approval by the Company of any special equipment or construction method, in which case the following additional charges will be made:

	PER LAMP PER MONTH	
	Existing Installations*	New Installation
<u>Center Suspension</u>		
Mercury Vapor Lamps	\$2.00	\$2.00
All Other Lamps	0.25	2.00
<u>Wood Pole in Nonstandard Position</u>		
Mercury Vapor Lamps	1.00	1.00
All Other Lamps	-	1.00
<u>Metal Pole</u>	-	4.00

* Existing installations as of the effective date of this schedule.

- (e) Location of Lamps. Service will not be furnished under this schedule, where, in the opinion of the Company, an undue hazard or expense would result because of location, mounting height in excess of 30 feet, or other reasons.

The installation of street lights hereunder is contingent upon the Company's obtaining satisfactory rights of way and highway permits necessary for the required poles, anchors, cables, and overhead circuits.

- (f) Hours of Burning. All night burning will normally be from dusk to daylight, which, in accordance with the Company's switching schedule, results in approximately 4,033 burning hours per year. The Company reserves the right, in the case of isolated all night installations not controlled by an established series circuit, to install a standard or astronomical time switch, or switch controlled by a photo-electric cell, either of which, under normal conditions, will result in approximately 4,033 burning hours per year during the hours of darkness.
- (g) Contract. A contract for a period of not less than one year and not more than five years may be required for service under this schedule and will remain in effect from year to year thereafter until cancelled.

APPENDIX A
Page 20 of 42

SCHEDULE LS-2

LIGHTING - STREET AND HIGHWAY
CUSTOMER-OWNED INSTALLATIONS

APPLICABILITY

Applicable to local, state, or other governmental agencies, or to regularly established lighting districts for service to street, highway, or other public thoroughfare lighting installations, where customer owns entire installation, including underground lines from a central point of connection with Company facilities.

TERRITORY

Within the incorporated limits of the City of San Diego

RATE

(A) Charge for Energy and Switching only:

		RATE PER LAMP PER MONTH PACIFIC STANDARD TIME					
		All Night		Midnight		1:00 A.M.	
		Standard or Regular Lamps	Group Replace- ment Lamps	Standard or Regular Lamps	Group Replace- ment Lamps	Standard or Regular Lamps	Group Replace- ment Lamps
Size of Lamp (Lumens)	Type						
1,000	Incandescent	\$0.40	\$0.45	\$0.35	\$0.40	\$0.36	\$0.41
2,500	Incandescent	0.95	1.05	0.80	0.85	0.83	0.89
4,000	Incandescent	1.45	1.55	1.15	1.20	1.21	1.27
6,000	Incandescent	2.00	2.15	1.60	1.70	1.68	1.79
10,000	Incandescent	3.10	3.35	2.60	2.70	2.70	2.83
10,000	Mercury Vapor	2.00	-	-	-	-	-
15,000	Mercury Vapor	3.10	-	-	-	-	-
20,000	Mercury Vapor	3.10	-	-	-	-	-

(B) Charge for Energy, Switching, and Limited Maintenance (optional and subject to special conditions):

		RATE PER LAMP PER MONTH PACIFIC STANDARD TIME		
		All Night	Midnight	1:00 A.M.
Size of Lamp (Lumens)	Type			
1,000	Incandescent	\$0.90	\$0.70	\$0.74
2,500	Incandescent	1.55	1.15	1.23
4,000	Incandescent	2.00	1.50	1.60
6,000	Incandescent	2.80	2.10	2.24
10,000	Incandescent	4.15	3.10	3.21
10,000	Mercury Vapor	3.60	-	-
15,000	Mercury Vapor	4.50	-	-
20,000	Mercury Vapor	5.00	-	-

(Continued)

APPENDIX A
Page 21 of 42

SCHEDULE LS-2 (Continued)

RULES AND REGULATIONS

This schedule is subject to the Rules and Regulations.

SPECIAL CONDITIONS

- (a) Type of Service. Service will normally be supplied from primary series circuits. In case the Company is requested to serve isolated lamps or small groups of lamps, the Company reserves the right to use multiple lamps supplied from secondary circuits.
- (b) Group Replacement Lamps. Under Rate A the charges for group replacement lamps will apply when the customer uses lamps so designated by the lamp manufacturer as distinguished from standard or regular lamps which have relatively lower wattage and shorter life.
- (c) Limited Maintenance Service. Limited maintenance shall include the following:
1. Renewal of lamps after original installation by customer.
 2. Replacement of glassware and equipment on standards from stock furnished by customer.
 3. Cleaning of glassware at the time of lamp replacement.
 4. Periodic painting or cleaning of standards.

Incandescent lamps furnished under this provision will be group replacement lamps.

Maintenance service will not be furnished where, in the opinion of the Company, an undue hazard or expense would result because of location, mounting height in excess of 30 feet, or other reasons.

The customer will furnish and maintain all utilization equipment beyond the point of delivery except for such limited maintenance as provided above.

- (d) Change in Rate. Where systems are taken over for service under this schedule, or changed from Rate A to Rate B hereunder, they must meet the approval of the Company as to construction and condition, and the Company may decline to grant these rates if the system is not up to the standard set for other systems operating under this schedule.
- (e) Hours of Burning. All night burning will normally be from dusk to daylight, which, in accordance with the Company's switching schedule, results in approximately 4,033 burning hours per year. Midnight Service Pacific Standard Time results in approximately 2,125 burning hours per year, and 1:00 A.M. Pacific Standard Time, approximately 2,490 burning hours per year.

The Company reserves the right, in the case of isolated all night installations not controlled by an established series circuit, to install a standard or astronomical time switch, or switch controlled by a photo-electric cell, either of which, under normal conditions, will result in approximately 4,033 burning hours per year during the hours of darkness.

(Continued)

APPENDIX A
Page 22 of 42

SCHEDULE LS-2 (Continued)

SPECIAL CONDITIONS (Continued)

(f) Contracts. A contract for a period of not less than one year and not more than five years may be required for service under this schedule and will remain in effect from year to year thereafter until cancelled.

APPENDIX A
Page 23 of 42

SCHEDULE LS-3

LIGHTING - STREET AND HIGHWAY
CUSTOMER-OWNED INSTALLATIONS

APPLICABILITY

Applicable to local, state, or other governmental agencies, or to regularly established lighting districts for service to street, highway, or other public thoroughfare lighting installations, where customer owns entire installation, including underground lines from a central point of connection with Company facilities.

TERRITORY

Within the entire territory served by the Company, outside the incorporated limits of the City of San Diego.

RATE

(A) Charge for Energy and Switching only:

		RATE PER LAMP PER MONTH					
		PACIFIC STANDARD TIME					
		All Night		Midnight		1:00 A.M.	
Size of Lamp (Lumens)	Type	Standard	Group	Standard	Group	Standard	Group
		or Regular Lamps	Replace- ment Lamps	or Regular Lamps	Replace- ment Lamps	or Regular Lamps	Replace- ment Lamps
2,500	Incandescent	\$1.10	\$1.20	\$0.85	\$0.95	\$0.90	\$1.00
4,000	Incandescent	1.60	1.70	1.25	1.35	1.32	1.42
6,000	Incandescent	2.20	2.40	1.75	1.85	1.85	1.95
10,000	Incandescent	3.45	3.70	2.65	2.80	2.81	2.98
10,000	Mercury Vapor	2.60	-	-	-	-	-
20,000	Mercury Vapor	3.70	-	-	-	-	-

(B) Charge for Energy, Switching, and Limited Maintenance (optional and subject to special conditions):

		RATE PER LAMP PER MONTH		
		PACIFIC STANDARD TIME		
		All Night	Midnight	1:00 A.M.
Size of Lamp (Lumens)	Type			
2,500	Incandescent	\$1.90	\$1.45	\$1.54
4,000	Incandescent	2.35	1.85	1.94
6,000	Incandescent	3.10	2.45	2.58
10,000	Incandescent	4.75	3.70	3.91
10,000	Mercury Vapor	4.30	-	-
20,000	Mercury Vapor	5.60	-	-

RULES AND REGULATIONS

This schedule is subject to the Rules and Regulations.

(Continued)

SCHEDULE LS-3 (Continued)SPECIAL CONDITIONS

(a) Type of Service. Service will normally be supplied from primary series circuits. In case the Company is requested to serve isolated lamps or small groups of lamps, the Company reserves the right to use multiple lamps supplied from secondary circuits.

(b) Group Replacement Lamps. Under Rate A the charges for group replacement lamps will apply when the customer uses lamps so designated by the lamp manufacturer as distinguished from standard or regular lamps which have relatively lower wattage and shorter life.

(c) Limited Maintenance Service. Limited maintenance shall include the following:

1. Renewal of lamps after original installation by customer.
2. Replacement of glassware and equipment on standards from stock furnished by customer.
3. Cleaning of glassware at the time of lamp replacement.
4. Periodic painting or cleaning of standards.

Incandescent lamps furnished under this provision will be group replacement lamps.

Maintenance service will not be furnished where, in the opinion of the Company, an undue hazard or expense would result because of location, mounting height in excess of 30 feet, or other reasons.

The customer will furnish and maintain all utilization equipment beyond the point of delivery except for such limited maintenance as provided above.

(d) Change in Rate. Where systems are taken over for service under this schedule, or changed from Rate A to Rate B hereunder, they must meet the approval of the Company as to construction and condition, and the Company may decline to grant these rates if the system is not up to the standard set for other systems operating under this schedule.

(e) Hours of Burning. All night burning will normally be from dusk to daylight, which, in accordance with the Company's switching schedule, results in approximately 4,033 burning hours per year. Midnight Service Pacific Standard Time results in approximately 2,125 burning hours per year, and 1:00 A.M. Pacific Standard Time, approximately 2,490 burning hours per year.

The Company reserves the right, in the case of isolated all night installations not controlled by an established series circuit, to install a standard or astronomical time switch, or switch controlled by a photo-electric cell, either of which, under normal conditions, will result in approximately 4,033 burning hours per year during the hours of darkness.

(f) Contracts. A contract for a period of not less than one year and not more than five years may be required for service under this schedule and will remain in effect from year to year thereafter until cancelled.

APPENDIX A
Page 25 of 42

SCHEDULE P-1POWER - GENERALAPPLICABILITY

Applicable to general power and heating service, excluding lighting service for general illumination.

TERRITORY

Within the entire territory served by the Company.

RATE SCHEDULE

Horsepower of Connected Load or Billing Demand*	SERVICE CHARGE \$ per hp Per Mo.	ENERGY CHARGE (¢ per kwhr)		
		TO BE ADDED TO SERVICE CHARGE		
		First 100 kwhr Per hp per Mo.	Next 100 kwhr Per hp per Mo.	All excess Kwhr Per hp per Mo.
2 to 4.9	.80	2.4	1.4	1.0
5 to 14.9	.70	2.2	1.3	.9
15 to 49.9	.55	2.0	1.2	.8
50 to 99.9	.55	1.7	1.1	.8
100 to 249.9	.50	1.5	1.0	.8
250 to 499.9	.50	1.3	1.0	.8
500 & Over	.50	1.2	.9	.8

* See Special Condition (h).

Minimum Charge:

The monthly minimum charge shall be the service charge, except that:

- (1) the minimum charge shall not be less than \$5.00 per month for three phase service, or
- (2) the minimum charge shall not be less than \$50.00 per month where charges are based on maximum demand as provided in Special Condition (h).

RULES AND REGULATIONS

This schedule is subject to the Rules and Regulations.

SPECIAL CONDITIONS

- (a) Voltage. Service under this schedule will be supplied at one standard voltage.
- (b) Phase. Loads of five horsepower or over will normally be served at three phase. Loads of less than three horsepower shall be served at single phase.

(Continued)

SCHEDULE P-1 (Continued)SPECIAL CONDITIONS (Continued)

- (c) Connected Load. Connected load shall be determined by nameplate ratings. Aggregate capacity shall be the total load of all individual motors and appliances taken to the nearest 1/10 horsepower or 1/10 kilowatt. One kilowatt of rated capacity shall be considered equivalent to one horsepower.
- The aggregate capacity of the load used for determining the service charge shall not be less than the amount indicated (1) on the customer's application or contract, or (2) on the Company's records as a result of a subsequent load check.
- (d) Guarantee of Larger Connected Load. Any customer may obtain the rate for a larger installation by guaranteeing the rates and minimum charges applicable to the larger installation.
- (e) Temporary Reduction in Connected Load. When the use of energy is seasonal or intermittent, no adjustment will be made for a temporary reduction of connected load. If service is resumed for such load within twelve months after being disconnected, the customer will be required to pay all charges which would have been billed if the temporary reduction of connected load had not been made.
- (f) Load Limiting Devices. When the installation consists of two or more motors, the customer may contract for a certain predetermined maximum demand between the limits of 15 and 50 horsepower, but not less than the rated capacity of the largest motor installed. The customer shall install a suitable load limiting device, which will be tested and sealed by the Company, to prevent the use of connected capacity in excess of the predetermined amount.
- (g) Overloaded Motors. Whenever any motor is found to be delivering more than 125 per cent of its capacity as indicated by the nameplate rating, the Company may disregard the nameplate rating and base its charges upon the output as determined by test.
- (h) Billing Demand. The rates and minimum charges may be based on horsepower of billing demand, determined to the nearest 1/10 horsepower, providing the installation consists of at least two motors and has a total connected capacity of at least 50 horsepower. The billing demand will be the maximum demand as measured each month but not less than 40 per cent of the connected load or, at the customer's option, 70% of the highest maximum demand occurring in the preceding eleven months. The customer's exercise of this option shall be for a period of not less than one year.
- (i) Maximum Demand. The maximum demand in any month shall be the average horsepower input (746 watts equivalent) during any fifteen-minute interval in which the consumption of electric energy is greater than in any other fifteen-minute interval in the month, as indicated or recorded by instruments installed, owned, and maintained by the Company.

In the case of hoists, elevators, furnaces, or other loads where the energy demand is intermittent or subject to violent fluctuations, the

(Continued)

SCHEDULE P-1 (Continued)

SPECIAL CONDITIONS (Continued)

Company may base the maximum demand upon a five-minute interval instead of a fifteen-minute interval.

- (j) Standby Service. This schedule is not applicable to standby, auxiliary service, or service operated in parallel with a customer's generating plant.

APPENDIX A
Page 28 of 42

SCHEDULE P-1-T

POWER - GENERAL

(Closed Temporary Schedule)

APPLICABILITY

Applicable to general power and heating service, excluding lighting service for general illumination.

This schedule is special and temporary and is applicable only to customers served by the Escondido Mutual Water Company at the respective location of each such customer as of the date that system was taken over by the San Diego Gas & Electric Company.

This schedule will expire on April 30, 1957.

TERRITORY

Within the territory formerly served by the Escondido Mutual Water Company.

RATE

Horsepower of Connected Load	SERVICE CHARGE \$ per hp Per Month	ENERGY CHARGE (ϵ per kwhr) TO BE ADDED TO SERVICE CHARGE			
		First	Next	Next	All excess
		20 kwhr per Hp per Mo.	80 kwhr per Hp per Mo.	100 kwhr per Hp per Mo.	Kwhr per Hp per Mo.
2 to 4.9	.50	3.9	2.4	1.4	1.0
5 to 14.9	.40	3.7	2.2	1.3	.9
15 to 50.0	.35	3.0	2.0	1.2	.8

Minimum Charge:

The monthly minimum charge shall be the service charge, except that the minimum charge shall not be less than \$3.50 per month for three phase service.

RULES AND REGULATIONS

This schedule is subject to the Rules and Regulations.

SPECIAL CONDITIONS

- (a) Voltage. Service under this schedule will be supplied at one standard voltage.
- (b) Phase. Loads of five horsepower or over will normally be served at three phase. Loads of less than three horsepower shall be served at single phase.

(Continued)

SCHEDULE P-1-T (Continued)

Page 29 of 40

SPECIAL CONDITIONS (Continued)

- (c) Connected Load. Connected load shall be determined by nameplate ratings. Aggregate capacity shall be the total load of all individual motors and appliances taken to the nearest 1/10 horsepower or 1/10 kilowatt. One kilowatt of rated capacity shall be considered equivalent to one horsepower.

The aggregate capacity of the load used for determining the service charge shall not be less than the amount indicated (1) on the customer's application or contract, or (2) on the Company's records as a result of a subsequent load check.

- (d) Guarantee of Larger Connected Load. Any customer may obtain the rate for a larger installation by guaranteeing the rates and minimum charges applicable to the larger installation.
- (e) Temporary Reduction in Connected Load. When the use of energy is seasonal or intermittent, no adjustment will be made for a temporary reduction of connected load. If service is resumed for such load within twelve months after being disconnected, the customers will be required to pay all charges which would have been billed if the temporary reduction of connected load had not been made.
- (f) Load Limiting Devices. When the installation consists of two or more motors, the customer may contract for a certain predetermined maximum demand between the limits of 15 and 50 horsepower, but not less than the rated capacity of the largest motor installed. The customer shall install a suitable load limiting device, which will be tested and sealed by the Company, to prevent the use of connected capacity in excess of the predetermined amount.
- (g) Overloaded Motors. Whenever any motor is found to be delivering more than 125 per cent of its capacity as indicated by the nameplate rating, the Company may disregard the nameplate rating and base its charges upon the output as determined by test.
- (h) Standby Service. This schedule is not applicable to standby, auxiliary service, or service operated in parallel with a customer's generating plant.

APPENDIX A
Page 30 of 42

SCHEDULE P-2

POWER -- INDUSTRIAL

APPLICABILITY

Applicable to three phase service to industrial plants and military establishments for power and incidental lighting where all electrical energy is purchased from the Company at a single location.

TERRITORY

Within the entire territory served by the Company.

RATE

Demand Charge:

		<u>PER MONTH</u>	
		<u>RATE A*</u>	<u>RATE B*</u>
First	100 kw or less of billing demand	\$150.00 per meter	\$155.00 per meter
Next	100 kw of billing demand	1.50 per kw	1.55 per kw
Next	300 kw of billing demand	1.00 per kw	1.05 per kw
Next	500 kw of billing demand	.80 per kw	.85 per kw
All excess	kw of billing demand	.70 per kw	.75 per kw

Basic Energy Charge (to be added to demand charge):

First	100 kwhr per kw of billing demand	1.05¢ per kwhr	1.07¢ per kwhr
Next	100 kwhr per kw of billing demand	.95¢ per kwhr	.97¢ per kwhr
Next	100 kwhr per kw of billing demand	.85¢ per kwhr	.87¢ per kwhr
All excess	kwhr per kw of billing demand	.75¢ per kwhr	.77¢ per kwhr

* For application of Rate A or B, see Special Condition (c).

Minimum Charges:

The monthly minimum charge shall be the monthly demand charge.

Fuel Clause:

A supplemental rate sheet shall be filed whenever there is a basic change in the price of fuel.

The basic energy charge is related to an average cost of 33.00 cents per million Btu for fuel used in the Company's steam-electric generating plants. The effective energy charge for each monthly billing period shall be the basic energy charge, computed at the above rates, decreased by 0.013 cents per kilowatt-hour for each one cent that the actual cost of fuel used in the Company's steam-electric generating plants during such monthly period is below 33.00 cents per million Btu.

The Company will keep on file with the California Public Utilities Commission complete information showing the effective energy charge under this schedule for each monthly billing period and the derivation thereof.

(Continued)

APPENDIX A
Page 31 of 42

SCHEDULE P-2 (Continued)

RATE (Continued)

The actual average cost of fuel for the billing period shall be shown on each bill and shall be computed to the nearest hundredth of a cent.

No adjustment will be made for purchased or interchange energy taken into the system of the Company from other producers.

RULES AND REGULATIONS

This schedule is subject to the Rules and Regulations.

SPECIAL CONDITIONS

(a) Voltage. Service under this schedule will be supplied at a single nominal voltage of 12,000, 4,160, or 2,400 volts.

(b) Incidental Lighting. Incidental lighting under this schedule shall include:

(1) Energy for lighting interior areas of rooms or buildings used for processing, assembling, and/or manufacturing.

(2) Energy for lighting of offices, drafting rooms, storerooms, toolrooms, lighting of outside working spaces, and for protective flood lighting, provided the total connected load of such incidental lighting allowed under this paragraph does not exceed the total connected load in motors.

(3) All lighting for Government military reservations.

(c) Application of Rates. Rate (A) is applicable where all energy is delivered to the customer's premises and is metered directly at the nominal supply line voltage designated by the Company for the particular load to be served. Under this rate the Company will not furnish transformers.

Rate (B) is applicable where energy is metered at a lower primary voltage than the supply line voltage designated by the Company. Under this rate, the Company will furnish, install, own, and maintain a single bank of transformers, stepping from supply line voltage to such single standard primary voltage established for power service as may be selected by the customer.

Upon request of the customer, the Company will furnish a single bank of transformers, stepping from supply line voltage to such single standard secondary voltage established for power service as may be selected, in which case, the energy will be metered at the nominal supply line voltage, and Rate (B) will apply.

(d) Voltage Regulators. Voltage regulators, if required by the customer, shall be furnished, installed and maintained by the customer.

(e) Billing Demand. The billing demand will be based on kilowatts of maximum demand as measured each month, provided that the billing demand shall in no case be less than the highest of (1) 100 kw, (2) 50 per cent of the

(Continued)

APPENDIX A
Page 32 of 42SCHEDULE P-2 (Continued)SPECIAL CONDITIONS (Continued)

highest maximum demand registered during the preceding eleven months, or
(3) 75 per cent of the transformer capacity furnished by the Company.
One kilovolt ampere of transformer capacity shall be considered equivalent to one kilowatt.

For maximum demands occurring between the hours of 11:00 p.m. to 6:00 a.m. of the following day, Pacific Standard Time, only 60 per cent of such maximum demand shall be considered.

- (f) Maximum Demand. The maximum demand in any month shall be the average kilowatt input during that fifteen-minute interval in which the consumption of electric energy is greater than in any other fifteen-minute interval in the month as indicated or recorded by instruments installed, owned, and maintained by the Company.

In the case of hoists, elevators, furnaces, and other loads where the energy demand is intermittent or subject to violent fluctuations, the Company may base the maximum demand upon a five-minute interval instead of a fifteen-minute interval.

- (g) Power Factor Adjustment. This schedule is based on service to loads having a maximum reactive kilovolt ampere demand not greater than 75 per cent of the maximum kilowatt demand. In the event that the reactive demand exceeds 75 per cent of the kilowatt demand, the customer shall, upon receiving written notice from the Company, install and operate such compensating equipment as may be necessary to reduce the reactive demand to 75 per cent or less of the kilowatt demand. Unless such correction of reactive demand is made within ninety days, there will be added to each monthly bill following the ninety day period a charge of ten cents per kilovar of maximum reactive demand in excess of 75 per cent of the maximum kilowatt demand (whether on peak or off peak) for the month.
- (h) Contract. A contract for a period of not less than one year and not to exceed three years will be required for service under this schedule, and will remain in effect from month to month thereafter until cancelled.
- (i) Standby Service. This schedule is not applicable to standby, auxiliary service, or service operated in parallel with a customer's generating plant. Submetering or resale of energy will not be permitted.

APPENDIX A
Page 33 of 42

SCHEDULE PAPOWER - AGRICULTURALAPPLICABILITY

Applicable to general agricultural power service utilized in the production of agricultural products, including pumping of water for irrigation and domestic use, feed choppers, milking machines, heaters for incubators, brooders, poultry house and flower production lighting, but excluding power service used for the processing of agricultural products, general or protective lighting, or domestic household uses.

TERRITORY

Within the entire territory served by the Company.

RATE

Horsepower of Connected Load	SERVICE CHARGE \$ per hp Per Year	ENERGY CHARGE (¢ per kwhr) IN ADDITION TO SERVICE CHARGE		
		First 1,000 kwhr per Hp per Year	Next 1,000 kwhr per Hp per Year	All Excess kwhr per Hp per Year
2 to 4.9	6.50	2.1	1.3	1.0
5 to 14.9	6.00	1.9	1.2	1.0
15 to 49.9	5.80	1.6	1.2	1.0
50 to 99.9	5.60	1.5	1.1	1.0
100 to 249.9	5.40	1.4	1.0	.8
250 to 499.9	5.20	1.3	1.0	.8
500 and Over	5.00	1.2	.9	.8

Minimum Charge:

The minimum charge shall be the annual service charge, but not less than \$19.50 for three phase service.

RULES AND REGULATIONS

This schedule is subject to the Rules and Regulations.

SPECIAL CONDITIONS

- (a) Voltage. Service under this schedule will be supplied at one standard voltage.
- (b) Connected Load. Connected load shall be determined by nameplate ratings. Aggregate capacity shall be the total load of all individual motors and appliances taken to the nearest 1/10 horsepower or 1/10 kilowatt. One kilowatt of rated capacity shall be considered equivalent to one horsepower.

(Continued)

SCHEDULE PA (Continued)SPECIAL CONDITIONS (Continued)

The aggregate capacity of the load used for determining the service charge shall not be less than the amount indicated (1) on the customer's application or contract, or (2) on the Company's records as a result of a subsequent load check.

- (c) Guarantee of Larger Connected Load. Any customer may obtain the rate for a larger installation by guaranteeing the rates and annual service charges applicable to the larger installations.
- (d) Temporary Reduction in Connected Load. When the use of energy is seasonal or intermittent, no adjustment will be made for a temporary reduction of connected load. If service is resumed for such load within twelve months after being disconnected, the customer will be required to pay all charges which would have been billed if the temporary reduction of connected load had not been made.
- (e) Increase or Decrease in Load. Customers permanently increasing or decreasing their connected loads will have the remaining service charge payments for the balance of the contract year, from the date of the change, based upon the revised connected load, without proration; provided, however, that no reduction in service charge will be made during the initial term of a one or three-year contract. The size of the energy blocks will be prorated for the balance of the current contract year.
- (f) Overloaded Motors. Whenever any motor is found to be delivering more than 125 per cent of its capacity as indicated by the nameplate rating, the Company may disregard the nameplate rating and base its charges upon the output as determined by test.
- (g) Payment of Annual Service Charge. The annual service charge will be payable in six equal monthly installments each year, beginning with the first month of each contract year.
- (h) Contracts. A contract for a period of not less than one year and not to exceed three years shall be required for service under this schedule and will remain in effect from month to month thereafter until cancelled. When service is first rendered under this schedule, the contract year and billing basis shall commence with the first regular meter reading date after the date service is begun.
- (i) Change in Contract Year. At the option of the customer and by written notice to the Company, a contract may be amended to change the beginning of the service charge year to the next regular meter reading date in April. The annual service charge and energy charge for the partial year's service will be prorated and any excess payments will be credited to the customer's account.
- (j) Change of Customer. Any customer taking over service on a premise which has previously been served under this schedule, shall have the option of (1) assuming the benefits and liabilities of the former customer's contract by paying all charges which would have accrued for continuous service, in which case the beginning date of the contract year and billing basis shall

(Continued)

APPENDIX A
Page 35 of 42SCHEDULE PA (Continued)SPECIAL CONDITIONS (Continued)

remain the same as that established in the former customer's contract, or (2) electing to have the contract year and billing basis commence with the first regular meter reading date after the date service is changed to his account.

- (k) Wind Machine Installations. Thermostatically controlled wind machines with automatic reclosing switches must be equipped at the customer's expense with suitable time-delay devices, as hereinafter specified, to permit the required adjustment of the time of reclosure after interruption of service.

A time-delay device is a relay or other type of equipment that can be preset to delay with various time intervals the reclosing of the automatic switches in order to stagger the reconnection of the load on the Company's system. Such device must be constructed so as to effectively permit a variable over-all time interval of not less than five minutes with adjustable time increments of not greater than ten seconds. The particular setting to be utilized for each separate installation is to be determined by the Company from time to time in accordance with its operating requirements.

- (l) Standby Service. This schedule is not applicable to standby, auxiliary service, or service operated in parallel with a customer's generating plant.

APPENDIX A
Page 36 of 42

SCHEDULE FDC

POWER - DIRECT CURRENT

(Closed Schedule)

APPLICABILITY

Applicable to direct current power service to customers using service as of the effective date of this schedule. The schedule is closed to new customers.

TERRITORY

Within the Central Business District of the City of San Diego.

RATE

Energy Charge:

First 100 kwhr per meter per month	7.0¢ per kwhr
Next 400 kwhr per meter per month	6.0¢ per kwhr
Next 500 kwhr per meter per month	4.0¢ per kwhr
All excess kwhr per meter per month	3.0¢ per kwhr

Minimum Charge:

The monthly minimum charge shall be \$1.00 per horsepower per month.

RULES AND REGULATIONS

This schedule is subject to the Rules and Regulations.

SPECIAL CONDITIONS

- (a) Voltage. Service under this schedule will be supplied at a nominal voltage of 500 volts.
- (b) Connected Load. Connected load shall be determined by nameplate ratings. Aggregate capacity shall be the total load of all individual motors and appliances taken to the nearest 1/10 horsepower.

The aggregate capacity of the load used for determining the minimum charge shall not be less than the amount indicated (1) on the customer's application or contract, or (2) on the Company's records as a result of a subsequent load check.

APPENDIX A
Page 37 of 42

SCHEDULE FM

POWER - MUNICIPAL
CITY OF SAN DIEGO
(Closed Schedule)

APPLICABILITY

Applicable to the City of San Diego for all power service used directly for municipal purposes, except temporary power, and excluding lighting service. This schedule is closed to new installations and will expire on August 1, 1957.

TERRITORY

Within the entire territory served by the Company.

RATE

Service Charge: per horsepower of connected load per month 40.0¢
Energy Charge (to be added to service charge): 0.8¢ per kwhr

Minimum Charge:

The monthly minimum charge shall be the service charge, provided the aggregate billing to the City of San Diego for all installations served hereunder shall not be less than \$2,000.00 in any month.

RULES AND REGULATIONS

This schedule is subject to the Rules and Regulations.

SPECIAL CONDITIONS

- (a) Voltage. Service under this schedule will be supplied at one standard voltage.
- (b) Phase. Loads of 5 horsepower or over will normally be served at three phase. Loads of less than 3 horsepower shall be served at single phase.
- (c) Connected Load. Connected load shall be determined by nameplate ratings. Aggregate capacity shall be the total load of all individual motors and appliances taken to the nearest 1/10 horsepower or 1/10 kilowatt. One kilowatt of rated capacity shall be considered equivalent to one horsepower.

The aggregate capacity of the load used for determining the service charge shall not be less than the amount indicated (1) on the customer's application, or (2) on the Company's records as a result of a subsequent load check.

(Continued)

APPENDIX A
Page 38 of 42

SCHEDULE PM (Continued)

SPECIAL CONDITIONS (Continued)

- (d) Temporary Reduction in Connected Load. When the use of energy is seasonal or intermittent, no adjustment will be made for a temporary reduction of connected load. If service is resumed for such load within twelve months after being disconnected, the customer will be required to pay all charges which would have been billed if the temporary reduction of connected load had not been made.
- (e) Overloaded Motors. Whenever any motor is found to be delivering more than 125 per cent of its capacity as indicated by the nameplate rating, the Company may disregard the nameplate rating and base its charges upon the output as determined by test.
- (f) Standby Service. This schedule is not applicable to standby, auxiliary service, or service operated in parallel with a customer's generating plant.

APPENDIX A
Page 39 of 42

SCHEDULE R

RETAIL SERVICE

APPLICABILITY

Applicable to electric energy supplied to other electric utilities, and electric cooperatives, for resale.

TERRITORY

Within the entire territory served by the Company.

RATE

<u>Demand Charge</u>	<u>Per Month</u>	
	<u>For 12 kv</u>	<u>For 69 kv</u>
First 100 kw or less of billing demand	\$150.00 per meter	\$115.00 per meter
Next 100 kw of billing demand	1.50 per kw	1.45 per kw
Next 300 kw of billing demand	1.00 per kw	.95 per kw
Next 500 kw of billing demand	.80 per kw	.75 per kw
All excess kw of billing demand	.70 per kw	.65 per kw
<u>Basic Energy Charge (to be added to demand charge)</u>		
First 100 kwhr per kw of billing demand	1.28¢ per kwhr	1.25¢ per kwhr
Next 100 kwhr per kw of billing demand	1.18¢ per kwhr	1.15¢ per kwhr
Next 100 kwhr per kw of billing demand	1.08¢ per kwhr	1.05¢ per kwhr
All excess kwhr per kw of billing demand	.98¢ per kwhr	.95¢ per kwhr

Minimum Charge:

The monthly minimum charge shall be the monthly demand charge.

Fuel Clause:

A supplemental rate sheet shall be filed whenever there is a basic change in the price of fuel.

The basic energy charge is related to an average cost of 33.00 cents per million Btu for fuel used in the Company's steam-electric generating plants. The effective energy charge for each monthly billing period shall be the basic energy charge, computed at the above rates, decreased by 0.013 cents per kilowatt-hour for each one cent that the actual cost of fuel used in the Company's steam-electric generating plants during such monthly period is below 33.00 cents per million Btu.

The Company will keep on file with the California Public Utilities Commission complete information showing the effective energy charge under this schedule for each monthly billing period and the derivation thereof.

(Continued)

APPENDIX A
Page 40 of 42

SCHEDULE R (Continued)

RATE (Continued)Fuel Clause (Continued)

The actual average cost of fuel for the billing period shall be shown on each customer's bill and shall be computed to the nearest hundredth of a cent.

RULES AND REGULATIONS

This schedule is subject to the Rules and Regulations.

SPECIAL CONDITIONS

- (a) Voltage. Service will be supplied at one standard power voltage.
- (b) Billing Demand. The billing demand will be based on kilowatts of maximum demand as measured each month; provided that the billing demand shall in no case be less than 50 per cent of the highest maximum demand registered during the preceding eleven months.
- (c) Maximum Demand. The maximum demand in any month shall be the average kilowatt input during that fifteen-minute interval in which the consumption of electric energy is greater than in any other fifteen-minute interval in the month, as indicated or recorded by instruments installed, owned, and maintained by the Company.
- (d) Power Factor. If the lagging reactive kilovolt ampere demand exceeds 75% of the kilowatt demand, there will be added to the monthly bill a charge of ten cents per kilovar of reactive demand in excess of 75% of the maximum kilowatt demand for the month.
- (e) Contract. A contract for a period of not less than one year will be required for service under this schedule.
- (f) Standby Service. This schedule is not applicable to standby service, auxiliary service, or service operated in parallel with a customer's generating plant, except under conditions mutually agreed upon between the Company and the customer.

APPENDIX A
Page 41 of 42

SCHEDULE S

STANDBY SERVICE

APPLICABILITY

Applicable to standby or breakdown service where the entire electric requirements on the customer's premises are not regularly supplied by the Company.

TERRITORY

Within the entire territory served by the Company.

RATE

Standby Charge:

	<u>Per Month</u>
First 20 kw or less of contracted demand	\$50.00 per meter
All excess kw of contracted demand	2.00 per kw

Regular Schedule Charges (to be added to standby charge):

The charges as determined under regularly filed schedules applicable to the service rendered.

Minimum Charge:

The monthly minimum charge shall be the standby charge.

RULES AND REGULATIONS

This schedule is subject to the Rules and Regulations.

SPECIAL CONDITIONS

(a) Contracted Maximum Demand.

- (1) Unrestricted Operation of Customer's Plant. Where the customer desires the Company to stand ready to supply the entire connected load or established maximum demand of the customer's plant, the contracted demand shall be equal to such entire connected load or established maximum demand.
- (2) Partial Operation of Customer's Plant. In case the customer contracts for a predetermined maximum demand to supply a portion of the load normally served by the customer's plant, the customer shall, at his expense, furnish and install a suitable circuit breaker, enclosed in a steel lock box, all to be approved by and under the sole control of the Company, which will be set to break the connection with the Company's service when the demand exceeds the contract demand.

(Continued)

SCHEDULE S (Continued)SPECIAL CONDITIONS (Continued)

In the event the circuit is broken, the Company will renew the connection upon due notice provided the customer will reduce his load or contract for an additional increment of demand.

- (b) Maximum Load. The Company reserves the right to establish the maximum load served under this schedule.
- (c) Maximum Demand. The maximum demand in any month shall be the average kilowatt input during that fifteen-minute interval in which the consumption of electric energy is greater than in any other fifteen-minute interval in the month, as indicated or recorded by instruments installed, owned, and maintained by the Company.

In the case of hoists, elevators, furnaces, and other loads where the energy demand is intermittent or subject to violent fluctuations, the Company may base the maximum demand upon a five-minute interval instead of a fifteen-minute interval.

- (d) Parallel Operation. This schedule is not applicable to service operated in parallel with a customer's generating plant.
- (e) Contract. A contract for a period of not less than one year and not to exceed three years will be required for service under this schedule and will remain in effect from month to month thereafter until cancelled.

APPENDIX B

LIST OF APPEARANCES

For Applicant: Chickering & Gregory, by Sherman Chickering.

Interested Parties: Department of Defense and other Executive Agencies of the United States Government, by Charles Goodwin, Reuben Lozner and C. L. Alliman; California Manufacturers Association, by Brobeck, Phleger & Harrison, by Robert N. Lowry; California Farm Bureau Federation, by J. J. Deuel; City of San Diego, by J. F. DuPaul, John S. Rhodes, Aaron W. Reese and Clarence A. Winder; County of San Diego, by James Don Keller, Manuel E. Kugler and Jean L. Vincenz; Southern California Edison Company, by Rollin E. Woodbury; City of Oceanside, by Franklin W. Lilley; City of El Cajon, by Donald A. Stewart; City of Chula Vista, by Merideth L. Campbell; City of Escondido, by Russell G. Taliaferro; Perfectaire Manufacturing Co., by Henry E. Walker; Challenge Cream and Butter Association, W. D. MacKay of Commercial Utility Service; California Electric Power Company, by G. C. Delvalle; City of La Mesa, by Leo R. B. Henrikson and L. H. Halcomb; City of Coronado, by M. W. Slankard; Cities of Carlsbad, Chula Vista, Coronado, El Cajon, Escondido, National City, La Mesa and Oceanside, Vista Irrigation District and County of San Diego, by Clarence A. Winder; Lumber and Builders Supply Company, Solana Beach, by H. G. Larrick and W. D. MacKay; San Diego County Liquid Gas Dealers Association, by Paul D. Engstrand; W. G. Keister, in propria persona.

Protestants: City of National City, by Robert O. Curran and James A. Bird; Mountain Empire Electric Cooperative, Inc., by O. M. Spear and John Coker; Vista Chamber of Commerce, by Robert H. Davison and Howard S. Parker; Fallbrook Chamber of Commerce, by John D. Tamer.

For the Commission Staff: Boris H. Lakusta, Charles W. Mors and Theodore Stein.

LIST OF WITNESSES

Evidence was presented on behalf of the applicant by: E. D. Sherwin (Introduction, History and Operations, Summary of Earnings), J. M. Bourus (Accounting, Administrative and General Expenses, Common Utility Plant, Taxes), G. R. Gray (Depreciation Reserve and Expense, Fixed Capital), H. G. Dillin (History of Electric Department, Proposed Rates), H. A. Noble (Present Operations, Production, Transmission and Distribution Expenses), R. J. Phillips (Operating Revenues, Sales Promotion Expenses, Customer Distribution and Usage), A. R. Cox (Rate Base), J. F. Sinnott (Service Quality), R. A. Wehe (Cost Analysis).

Evidence was presented on behalf of the interested parties and protestants by: John Coker, Robert R. Hall, Florence Gahr, Joseph P. Galloway, Robert H. Davison, Henry E. Walker, Wm. W. Ketchum, Paul M. Sapp, Carlyle Reed, Richard C. Adams, Charles M. Shartle, B. J. Noden, Edwin Fleischman, Robert G. Rogo, James Reading, Clarence A. Winder.

Evidence was presented on behalf of the Commission staff by: Donald B. Steger (Introduction, Administrative and General Expenses, Taxes, Summary of Earnings, Trend of Operating Results), Richard T. Perry (Fixed Capital, Rate Base), James F. Haley (Depreciation Reserve and Expense), Richard R. Entwistle (Accounting, Interest Rates), Norman R. Johnson (Operating Revenues), Leonard S. Patterson (Production, Customers Accounting and Sales Promotion Expenses), Harold W. Heidrick (Transmission and Distribution Expenses), Robert W. Beardslee (Zoning).

APPENDIX C

Rate Schedules to be Canceled - San Diego Gas & Electric Company

<u>Schedule No.</u>	<u>Title</u>	<u>Cal. P.U.C. Sheet No.</u>
D-1	General Residence Service	981-E & 982-E
D-2	General Residence Service	983-E & 984-E
D-W	Combination Residential Water Heating	691-E & 692-E
D-9	Service to Company Employees	951-E
D-9-T	Service to Company Employees	971-E
E-1	Commercial Heating, Cooking and Battery Charging	693-E
L-1	Commercial Lighting	780-E & 902-E
L-2	Commercial Lighting	781-E & 903-E
L-2-T	Commercial Lighting	957-E
L-3	Street and Highway Lighting - Bracket Arms	727-E & 728-E
L-4	Municipal Street Lighting - Ornamental Post	960-E & 730-E
L-5	Signs, Displays and Outline Lighting	731-E
L-7	Street and Highway Lighting - Sodium Vapor Lamps	733-E
L-8	Municipal Street Lighting - Ornamental Post	961-E & 735-E
L-9	Multiple Family Housing Service	754-E & 755-E
L-10	Street and Highway Lighting - Mercury Vapor Lamps	860-E
L-11	Street and Highway Lighting - Mercury Vapor Lamps	917-E
E-1	Extension Service - Agua Caliente-Canebrake	967-E
P-1	General Power Service	703-E & 704-E
P-1-T	General Power Service	958-E
P-2	Wholesale Power Service	705-E, 706-E & 994-E
P-3	Agricultural Power Service	708-E & 709-E
P-4	Direct Current Power Service	416-E
P-5	Standby Auxiliary Service	497-E & 498-E
P-6	Wireless Telegraph Service	419-E
P-7	Resale Power and Lighting Service	531-E, 532-E & 995-E
P-8	Service to X-ray Apparatus	492-E
P-9	Large Industrial and Military Service	782-E, 765-E & 996-E