

Decision No. 53758

ORIGINAL

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)
 State of California approving a)
 contract with CIA. ELECTRICA)
 FRONTERIZA, S.A., a Mexican corpo-)
 ration, covering the sale of elec-)
 tric energy for use in Tijuana,)
 Tecate, Ensenada and adjacent)
 territory, located in Baja)
 California, Mexico.)

Application No. 38233

OPINION AND ORDER

By the above-entitled application filed July 10, 1956, San Diego Gas & Electric Company requests authority to carry out the terms and conditions of a contract dated December 13, 1955 with Cia. Electrica Fronteriza, S.A., a Mexican corporation, covering the sale of electric energy to the customer for use in Tijuana, Tecate, Ensenada and adjacent territory in Baja California, Mexico. A copy of the new contract marked Special Contract No. 47 is attached to the application as Exhibit B.

Applicant presently is rendering service to the customer in accordance with the provisions of an agreement dated July 13, 1951, under authorization granted by Decision No. 47731, dated September 24, 1952, and a supplementary agreement dated August 4, 1955.

Applicant states that the new contract will supersede the existing contract and the supplementary agreement of August 4, 1955. Said new contract provides for service metered and delivered on the United States side of the border at a delivery voltage of 69,000 volts and not to exceed a maximum demand of 25,000 kilovolt-amperes nor a total amount of energy in excess of 100,000,000 kilowatt-hours per

year. Service will be supplied in accordance with applicant's filed Schedule R, Resale.

The new agreement provides for higher rates of delivery in order to serve customer's increasing requirements. Under the present agreement provision is made for deliveries up to a maximum demand of 14,000 kilowatts and energy delivery not exceeding 60,000,000 kilowatt-hours per year. However, applicant states that deliveries to customer have reached a maximum demand of 14,280 kilowatts during 1955, and a peak of 15,240 kilowatts so far in 1956. Applicant shows the following demands and energy requirements recorded for the years 1950 to 1955 and estimated for the 1956 to 1958 period.

ANNUAL PEAK DEMAND AND ENERGY REQUIREMENTS
1950 to 1958

<u>Recorded</u>	<u>Tijuana</u>	<u>Ensenada</u>	<u>Total (Diversified)</u>	
	<u>Demand</u>	<u>Demand</u>	<u>Demand</u>	<u>Sales</u>
	<u>(kw)</u>	<u>(kw)</u>	<u>(kw)</u>	<u>(kwhr)</u>
1950	5,760	Not served	5,760	22,616,000
1951	7,120	Not served	7,120	27,822,000
1952	8,040(1)	2,040	8,080(2)	40,416,000
1953	9,120(1)	2,680	10,800(2)	47,124,000
1954	10,320(1)	3,040	12,360(2)	54,332,000
1955	12,480(1)	2,800	14,280(2)	61,816,800
<u>Estimated</u>				
1956	14,300(1)	3,700(1)	17,000(2)	74,000,000
1957	16,500(1)	4,000(1)	19,500(2)	85,000,000
1958	18,900(1)	4,500(1)	22,400(2)	98,000,000

(1) Figure supplied by customer.

(2) Total combined demands for Tijuana and Ensenada are reduced by 1,000 kw, which is the estimated amount of peak load at Ensenada to be carried by diesel plant.

As in the previous contract, customer is permitted to continue to operate not more than 2,000 kilowatts installed capacity in customer's existing generating plant at Ensenada for a period not to exceed 6 hours continuously each and every day during the hours of maximum demand, to supply a portion of the peak demand load in and around Ensenada. Such operation is permitted provided the time of

operation in relation to peak load hours and/or physical isolation of a definite portion of the Ensenada distribution system is maintained in a uniform manner so as not to create variations in the supply requirements of applicant. Provision is made in the event customer should vary the operation of said plant or portion of the load served thereby creating a variation in peak demand on applicant, for the billing demand, as defined in Schedule R, to be based on not less than the highest maximum demand occurring during the 11 preceding months rather than 50 per cent as provided for in said Schedule R. The foregoing provision of billing demand would not be applicable, however, in case it is necessary to operate said plant in an emergency when sufficient capacity is not available from the company or due to temporary failure of the customer's transmission facilities.

The new contract also provides that interconnection shall not be made between the customer's distribution system served at Tijuana and the distribution system separately served at Tecate unless and until prior arrangements have been made and approved for discontinuance of service from applicant at Tecate as covered by an agreement known as Special Contract No. 41, dated July 12, 1948 as modified by supplementary agreement, dated August 4, 1955.

Attached to the application and marked Exhibit C is a copy of the Federal Power Commission's decision pursuant to provisions of the Federal Power Act, in Docket No. IT-5743 authorizing the transmission of electric energy to Mexico over the 69-kv facilities and incorporating therein by reference a Presidential permit signed by the President of the United States on January 31, 1952 in Docket No. E-6374. Said decision limited exportation of electric energy to an amount not to exceed 100,000,000 kilowatt-hours per year at a rate not in excess of 25,000 kilowatt.

The term of the agreement is for a period of 5 years commencing January 1, 1956, and from year to year thereafter, unless and

until terminated by notice given in writing by either party at least 6 months prior to the expiration of the first 5-year term or any subsequent anniversary. The agreement provides that it shall not become effective unless and until it shall have been authorized by this Commission and also that it shall at all times be subject to such changes or modifications as this Commission may direct from time to time in the exercise of its jurisdiction. It also provides that it shall be subject to such applicable rules, regulations or orders issued by the President of the United States of America or the Federal Power Commission.

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

IT IS HEREBY ORDERED that San Diego Gas & Electric Company be and it is authorized to carry out the terms and conditions of the written agreement dated December 13, 1955 with Cia. Electrica Fronteriza, S. A., and to render the service therein contemplated and charge and collect the rates therein stated.

IT IS FURTHER ORDERED that San Diego Gas & Electric Company shall file a statement with this Commission promptly after termination of this agreement showing the date when said agreement was terminated.

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

Dated at San Francisco, California, this 11th day of SEPTEMBER, 1956.

Robert E. Mitchell President
Justus S. Casanova
Raymond J. ...
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...
Commissioners