## Decision No. 54116

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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of SAN DIEGO GAS & ELECTRIC COMPANY, a corporation, for the approval of a contract between it and Mountain Empire Electric Cooperative, Incorporated, a corporation.

Application No. 38480

## OPINION AND ORDER

By the above-entitled application, filed October 5, 1956, and amendment to application making correction, filed October 15, 1956, San Diego Gas & Electric Company requests authority to carry out the terms and conditions of Special Contract No. 43, dated July 30, 1956, with Mountain Empire Electric Cooperative, Incorporated, for the sale of electric energy and power to customer. A copy of the contract, marked Exhibit A, is attached to the application.

Applicant presently is rendering service to Mountain Empire in accordance with the provisions of an agreement dated April 12, 1945, under authorization granted by Decision No. 38089 dated July 27, 1945, through a connection established January 30, 1948 at Laguna Junction.

The present contract referred to above provides for a maximum allowable demand of 1,000 kva, and applicant states that it is now desirable to increase the demand under the contract to 2,000 kva inasmuch as the present contract limitation has been exceeded several times. It is estimated that the demand will increase to 1,680 kva by 1960.

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Applicant further states that in order to meet expected loads under the contract, it will be necessary for applicant to install a 12 kv, 150 ampere regulator at Guatay at an approximate cost of \$16,000 installed, and when the new contract load limitation is reached, to install about 1,200 kvar in shunt capacitors near the Glenclift Substation, costing about \$11,000.

The new contract provides that service will be billed under applicant's Schedule R, resale rate, the same schedule under which Mountain Empire is now being billed. Said new contract will supersede in all its terms and conditions the present contract dated April 12, 1945.

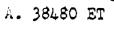
The contract provides that it shall continue in full force and effect for the term of five years from and after the date electric service is first supplied thereunder, and shall continue from year to year thereafter, unless and until terminated by either party thereto giving the other six months' prior written notice. The contract further provides that it shall not become effective until authorized by this Commission, and that at all times the contract shall be subject to such changes or modifications as this Commission may from time to time direct in the exercise of its jurisdiction.

The Commission having considered the above-entitled application and being of the opinion that the application should be granted, and that a public hearing thereon is not necessary; therefore,

IT IS HEREBY ORDERED as follows:

1. That San Diego Gas & Electric Company be and it is authorized to carry out the terms and conditions of the written contract, dated July 30, 1956, with Mountian Empire Electric Cooperative, Incorporated, and to render the service therein contemplated and charge and collect the rates therein stated.

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2. That San Diego Gas & Electric Company shall file a statement with this Commission promptly after termination of this contract, showing the date when said contract was terminated.

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

, California, this 1900 day Dated at \_\_\_\_\_ San Francisco of // <u>/11/</u>, 1956. m 0 Commissioners