

ORIGINALDecision No. 60789

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 SOUTHERN CALIFORNIA EDISON COMPANY,)
 a corporation, for an Order of the)
 Public Utilities Commission of the)
 State of California, authorizing it)
 to carry out the terms and conditions)
 of an agreement with the METROPOLITAN)
 WATER DISTRICT OF SOUTHERN CALIFORNIA,)
 which agreement is designated)
 "DISTRICT-EDISON 1958 SERVICE AND)
 INTERCHANGE CONTRACT."

Application No. 42215

OPINION AND ORDER

Southern California Edison Company by the above-entitled application filed May 3, 1960, requests an order of the Commission authorizing it to carry out the terms and conditions of an agreement dated May 31, 1958, with the Metropolitan Water District of Southern California.

This agreement, designated "District-Edison 1958 Service and Interchange Contract", provides that applicant will furnish a source of supplemental power supply for the District; for the interchange of energy between Edison and District; for standby capacity for the District to be furnished by applicant; and for the use of District facilities by applicant.

Prior Contracts

Applicant and the Metropolitan Water District of Southern California entered into several contracts designated "District's 1945 Resale Contract", "1945 Collateral Contract", and "District-Edison Transmission Contract", which contracts were filed as Exhibits A, B and C, respectively, to Application No. 27120 and which are

described in the Commission's Decision No. 38628 dated January 22, 1946, in said Application No. 27120.

The United States of America, the City of Los Angeles and its Department of Water and Power, and California Electric Power Company also were parties to one or more of these three contracts.

District's 1958 Resale Contract

Applicant, District, United States of America, the City of Los Angeles and its Department of Water and Power, and California Electric Power Company have executed a contract designated "District's 1958 Resale Contract", a copy of which is attached to this application and marked Exhibit "A". The "District's 1945 Resale Contract", the "1945 Collateral Contract" and "District-Edison Transmission Contract" terminated as of midnight on May 31, 1960, the effective date of said "District's 1958 Resale Contract".

"District's 1958 Resale Contract" covers the same subject matter as "District's 1945 Resale Contract" and the "1945 Collateral Contract" in that it provides for the continued resale and purchase of all firm energy generated at Hoover power plant contracted for by District but unused by it for pumping Colorado River water into and in its aqueduct system and for the use, operation and payment for Boulder generating equipment. Such energy released by District will be delivered to the City of Los Angeles and its Department of Water and Power, Southern California Edison Company, and California Electric Power Company in the ratios of .55, .40 and .05, respectively. In addition to the subject matter which is so carried forward the "District's 1958 Resale Contract" provides that District may interchange firm and secondary energy available to it from Hoover power plant. Said contract is dated as of May 31, 1958, and its term commenced as of that date and continues until May 31, 1987.

The contract, however, was not executed until January 1960 and the conditions precedent to its effectiveness did not occur until April 1960.

District-Edison 1958 Service and Interchange Contract

Applicant has entered into an agreement with District dated as of May 31, 1958, designated "District-Edison 1958 Service and Interchange Contract". This agreement is the subject of this application and is attached to the application and marked as Exhibit "B". It provides that its term, unless terminated by either party on four years' written notice, shall be coextensive with the term of said "District's 1958 Resale Contract", and further provides that it shall not become effective until authorized by this Commission.

Under the terms of said "District-Edison 1958 Service and Interchange Contract" applicant and District have agreed:

1. Applicant shall furnish District with a supplemental power supply at such times during "off-peak" periods when District requires more power for pumping Colorado River water than the District's entitlement from Hoover and Parker power plants. In addition, applicant will, when requested and provided it is available, furnish supplemental power supply during "on-peak" periods. Both the "off-peak" and "on-peak" rates as set forth in the contract are derived from applicant's filed presently effective A-7 tariff schedule and include voltage discount and power factor discount provisions. The agreement provides that these charges will be modified to reflect any Commission approved modifications to said schedule A-7.

2. The electric systems of applicant and District shall be operated in parallel and energy interchanged as necessary

for the purpose of efficiently integrating the generating resources of applicant and District. No charge will be made by either party for such interchange energy and such interchange of energy shall be made in such a manner as not to interfere with the efficient operation of District's aqueduct and pumping system.

3. Applicant will furnish District generating capacity not exceeding the capacity of one of applicant's Hoover generators to replace a District Hoover generator out of service for maintenance. Generally applicant will make no charge for such capacity for periods of time totaling less than 4,380 hours in a contract year.

4. Applicant may utilize the unused capacity of Hoover generators assigned to District and may utilize the unused capacity of "District's joint transmission line" to Hoover Dam without cost to applicant. District will deliver energy over said joint transmission line to applicant at presently established points of connection or at other mutually agreed upon points of connection to be established.

The agreement provides that it shall become effective when authorized by this Commission and shall at all times be subject to such changes or modifications as this Commission may from time to time direct in the exercise of its jurisdiction.

It is provided that service under the contract shall not constitute a dedication of the system of Edison Company or any part thereof to serve District, and that all obligations on the part of Edison Company to render service to District shall cease upon the termination or expiration of the term of the contract.

Applicant alleges that it can carry out the terms and conditions of the contract without impairing service rendered and to be rendered to its other customers and that said contract is beneficial to applicant and its customers.

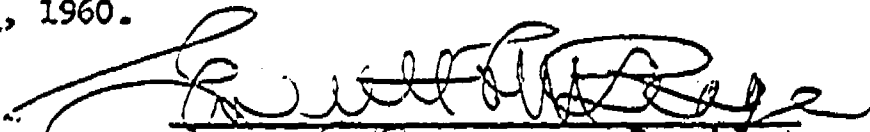
The Commission having considered the request of applicant and being of the opinion that the agreement of May 31, 1958 will not be adverse to the public interest and that the application should be granted and being of the further opinion that a public hearing is not necessary; therefore,


IT IS HEREBY ORDERED that applicant be and it is authorized to carry out the terms and conditions of the written contract dated May 31, 1958, with the Metropolitan Water District of Southern California, designated "District-Edison 1958 Service and Interchange Contract", and to render the service prescribed therein under the terms, charges and conditions stated therein.


IT IS FURTHER ORDERED that Southern California Edison Company shall notify this Commission in writing of the date of termination of said contract within thirty days from and after said date of termination.


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

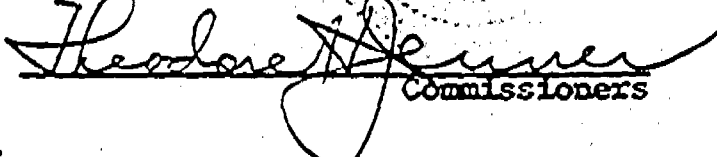
Dated at San Francisco, California, this 27th day of SEPTEMBER, 1960.



President








Commissioners