

Decision No. 62475**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 CALIFORNIA ELECTRIC POWER COMPANY )  
 for Approval of a Letter Agreement )  
 with the CITY OF RIVERSIDE, dated )  
 May 22, 1961. )

Application No. 43592

OPINION AND ORDER

California Electric Power Company, by this application, filed July 10, 1961, requests an order of this Commission authorizing applicant to carry out the terms of a letter agreement, dated May 22, 1961, with the City of Riverside, California, relating to the sale of electric energy by each to the other for the purpose of serving certain isolated customers, known as fringe customers. A copy of the letter agreement is attached to the application as Exhibit A.

Terms and Conditions

The letter agreement relates, among other things, that City, by a previous contract with Southern California Edison Company, will take all of its required electric power and energy from Edison and will sell, distribute and use such electric power and energy only within the city limits of City. Since the new agreement provides that City will receive some of its energy requirements from applicant as well as deliver some energy to applicant for use outside the city limits, it further provides that electric energy will not be delivered until applicant, City and Edison agree upon the points of delivery and areas to be served. It further provides that either party, by 12 months' written notice to the other, may terminate

deliveries with respect to any such isolated area or may completely terminate the arrangements.

The agreement provides that it shall at all times be subject to such changes or modifications as the Commission may, from time to time, direct in the exercise of its jurisdiction.

#### Rates

The agreement provides that applicant and City are willing to deliver electric energy to each other at a rate of 1.75 cents per kilowatt-hour for use in serving said isolated customers.

#### Supplementary Information

The agreement, wherein applicant and City will each serve customers isolated from the other's system, would avoid the necessity of duplication of distribution service facilities. Applicant's letter of July 14, 1961 to the Commission states that, at present, 48 customers under various classes of service would be served by applicant and two customers would be served by City under terms of the agreement. No data were furnished as to revenues obtained from said customers.

#### Findings and Conclusions

The Commission has considered the request of applicant and finds and concludes that the application should be granted and that a public hearing is not necessary.

IT IS HEREBY ORDERED that:

1. California Electric Power Company is authorized to carry out the terms and conditions of the letter agreement, dated May 22, 1961, with City of Riverside, and to render the service described therein.

2. California Electric Power Company shall file with this Commission a statement showing the date electric service is first supplied under this agreement, and subsequently shall file a statement promptly after termination showing the date when said agreement is terminated.

3. California Electric Power Company shall file an annual report to this Commission showing the number of customers affected by said agreement and the kilowatt-hours and revenue involved.

4. California Electric Power Company shall file as promptly as possible a copy of the agreement with Southern California Edison Company and the City of Riverside's Board of Public Utilities showing the areas and the points of delivery which have been determined by the parties.

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

Dated at San Francisco, California, this 29th day of August, 1961.

*Robert Rago*  
 President

*John H. ...*

*George E. ...*

*Fredrick B. Holdhoff*  
 Commissioners