

ORIGINALDecision No. 63791

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application for Approval of Agreement
 Dated February 19, 1962, between
 CALIFORNIA ELECTRIC POWER COMPANY and
 GATEWAY PROPERTIES, INC.

Application No. 44302

O P I N I O NApplicant's Request

California Electric Power Company (applicant) requests an order authorizing it to carry out the terms and conditions of an Electric Extension and Service Agreement, dated February 19, 1962, with Gateway Properties, Inc. (Gateway). Said agreement relates to the request of Gateway for electrical service to its property in the City of Corona, Riverside County, designated as Lot 9 in Block 94 of Auburndale Colony and Townsite. A copy of the agreement is attached to the application as Exhibit A. Gateway proposes to operate an aluminum fabrication plant.

Proposed Agreement

Applicant agrees to extend a 34.5 kilovolt electric line for an approximate distance of 1.12 miles to a 2,500 kilovolt-ampere, 34,500-480Y/277 volt substation to be built by applicant on said property. Gateway has requested these service facilities for an initial load requirement of 3,000 horsepower.

Payment for electric service will be made in accordance with applicant's filed Schedule A-8, General Service. The proposed agreement does not provide for any line extension deposit or special minimum charge. Said agreement does require Gateway to take or pay

for all electric energy and service needed or used during the first three years of operation of the initially installed electrical facilities. This application is filed in accordance with applicant's Rule No. 15, Line Extensions, Section E-7, Exceptional Cases, inasmuch as service to Gateway involves an extension of line to be operated at a voltage higher than the 12 kilovolts set forth in Rule No. 15. Applicant's Rule No. 4 provides that a contract for a period of three years may be required where a line extension or substantial additional facilities are to be built. Applicant alleges that the agreement does not of itself deviate from any of its filed and effective rules.

It is noted that on July 19, 1961, and on March 12, 1962, applicant in Applications Nos. 43617 and 44258 also requested authorization of agreements relating to the extension of 34.5 kilovolt electric lines mainly because the rules of applicant do not prescribe for extensions in excess of 12 kilovolts. Such extensions are becoming sufficiently common that we will require applicant to study and report on a suitable tariff covering these items.

Total estimated costs of \$38,500 include \$13,800 for the line extension and \$24,700 for the substation and metering equipment. An annual revenue of approximately \$90,000 is expected from this service. Applicant alleges that the extension will not be at all burdensome to other customers of applicant.

The agreement states that it shall not become effective until authorized by this Commission and that it shall be subject to the rules of applicant and to such changes or modifications as this Commission may direct in the exercise of its jurisdiction. Applicant

and Gateway are hereby put on notice that in any future rate proceedings this Commission will not be obligated to consider the opposition of either party to any proposed changes in this contract predicated on the existence of a contract between the parties authorized by this Commission.

Findings and Conclusions

The Commission finds that the proposed contract is not adverse to the public interest and concludes that the application should be granted. A public hearing is not necessary.

O R D E R

IT IS HEREBY ORDERED that:

1. California Electric Power Company is authorized to carry out the terms and conditions of the written agreement with Gateway Properties, Inc., dated February 19, 1962, set forth in Exhibit A attached to this application, and is authorized to render the electric service described therein under the terms, charges and conditions stated therein.

2. California Electric Power Company shall file with this Commission, within thirty days after the effective date of this order, two certified copies of said agreement, as executed, together with a statement of the date when said agreement is deemed to have become effective.

3. California Electric Power Company shall file with this Commission a statement showing the date electric service was first supplied under said agreement and shall file a statement promptly after termination of said agreement, showing the date of such termination.

4. California Electric Power Company shall file with this Commission, within ninety days after the effective date of this order, a report on its study of an appropriate tariff, or tariffs, relating to the extension of, and service from, electric lines operated at voltages in excess of 12 kilovolts.

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

Dated at San Francisco, California, this 12th day of June, 1962.

[Signature]
President
[Signature]
[Signature]
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Commissioners