

ORIGINAL

Decision No. 63792

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
PACIFIC GAS AND ELECTRIC COMPANY and
SOUTHERN CALIFORNIA EDISON COMPANY
for authorization to carry out an
agreement dated April 11, 1962,
amending an existing power agreement
dated December 31, 1947, as amended.
(Electric)

Application No. 44387

O P I N I O N

Applicant's Request

Pacific Gas and Electric Company (Pacific) and Southern California Edison Company (Edison) by application filed on April 25, 1962, request an order authorizing them to carry out the letter agreement, dated April 11, 1962, attached to said application as Exhibit G. Said agreement extends the term of an existing power interchange contract, dated December 31, 1947, as amended, between the parties to and including July 16, 1962.

Power Interchange Contract

The existing power interchange contract is the result of a number of amendments of a power interchange agreement between Pacific and Edison, dated December 31, 1947, which was authorized by this Commission on March 2, 1948 (Decision No. 41276, Application No. 29071). Authority to amend this agreement was subsequently granted on August 14, 1951 (Decision No. 46073, First Supplemental Application No. 29071), on December 8, 1953 (Decision No. 49397, Second Supplemental Application No. 29071), and on January 2, 1962 (Decision No. 62995, Application No. 44032).

Pacific and Edison sold and interchanged electric generating capacity and energy up to and including June 30, 1958,

under the terms and conditions of the 1947 power interchange agreement. From June 30, 1958, to December 15, 1961, the systems of the applicants were not connected. On December 15, 1961, the systems were again connected near Bakersfield, California, via the 220 kilovolt, 250,000 kilovolt-ampere, transmission line between the Magunden Substation of Edison and the Midway Substation of Pacific. Applicants allege that since December 15, 1961, occasions have not arisen under the contract resulting in deliveries of electric energy for reasons of economy, or the furnishing of generating capacity or energy because of an emergency.

By Decision No. 46073, this Commission approved the extension of the term of the 1947 power interchange agreement from December 31, 1952, to April 16, 1962, a period of ten years after the completion of construction of the Midway-Magunden 220 kilovolt transmission line.

The letter of agreement, dated April 11, 1962, in addition to extending the term of the power interchange agreement to July 16, 1962, provides that the existing interconnection between Magunden and Midway Substations shall be continued in operation during the extended term of the agreement, that the applicants shall have the right, at such times as are agreed upon by the parties, to remove the interconnection facilities temporarily from service for maintenance and replacement of all or any part of the said facilities, and that the operation and maintenance of said facilities shall be conducted by the owner thereof at its sole cost and expense.

Pacific and Edison state that the letter agreement of April 11, 1962, is fair, just and reasonable to each of the parties thereto, and that they are desirous of carrying out the agreement in accordance with the terms thereof.

Findings and Conclusions

The Commission finds that the proposed letter agreement, dated April 11, 1962, places no undue burden upon either of the applicants or upon their respective customers and that it makes available potential power and energy to assist both Pacific and Edison in the performance of their public utility obligations. It is concluded that applicants should be authorized to carry out the terms of said agreement. A public hearing is not necessary.

O R D E R

IT IS HEREBY ORDERED that:

1. Pacific Gas and Electric Company and Southern California Edison Company are authorized to carry out the terms of the letter agreement between them, dated April 11, 1962, attached to the application as Exhibit G.

2. Applicants shall file three copies of said letter agreement of April 11, 1962, as executed by them, within thirty days after the effective date of this order.

3. Applicants shall file with this Commission a statement, promptly after termination of said letter agreement of April 11, 1962, showing the date when it was terminated.

The effective date of this order shall be the date hereof.

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

[Signature]
President
[Signature]
[Signature]
George H. Grover
Fredrick B. Holdhoff

Commissioners