

ORIGINAL

64420

Decision No. _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 SOUTHERN CALIFORNIA EDISON COMPANY,)
 a corporation, for a Certificate of)
 Public Convenience and Necessity to)
 operate as a public utility on Santa)
 Catalina Island, to exercise fran-)
 chises granted by the City of Avalon,)
 and for authority to issue its shares)
 of Common Stock, and of AVALON PUBLIC)
 SERVICE COMPANY, a corporation, and)
 SOUTHERN CALIFORNIA EDISON COMPANY)
 to transfer the facilities of the)
 former to the latter.)

Application No. 44684
 (Filed August 2, 1962)

Rollin E. Woodbury, Harry W. Sturges, Jr., and
John R. Bury, for applicant Southern California
 Edison Company.
Knapp, Gill, Hibbert & Stevens, by Wyman C. Knapp,
 for Avalon Public Service Company, applicant,
 and for Santa Catalina Island Company,
 interested party.
Auten F. Bush and Joseph Arno, for City of Avalon,
 interested party.
Richard Entwistle and James F. Ealey, for the
 Commission staff.

O P I N I O N

After due notice, public hearing in this matter was held before Examiner F. Everett Emerson on September 17, 1962 at Los Angeles at which evidence was adduced and the matter was submitted.

Electric, gas and water service on Santa Catalina Island for many years has been supplied by three separate entities.

Santa Catalina Island Company, incorporated in 1894, owns the entire island except for certain areas within the City of Avalon. This corporation has an electric system and a water system used to supply its own needs and the needs of its tenants. Edison

proposes to purchase these systems, including the plants, lines, meters, water rights, dams, reservoirs, wells and easements appurtenant thereto.

The City of Avalon was incorporated in 1913 and is contained in a land area of approximately one mile square. Its present permanent population is approximately 1,600 persons; however, during the tourist season an average of 6,000 transients are on the island and a peak day will show as many as 10,000 transients present. The city supplies electricity, gas, fresh water and salt water (for sanitary purposes), to the public generally within the confines of the city. Edison proposes to acquire the electric, gas and fresh water systems of the city. Pursuant to Public Utilities Code Sections 10051 through 10060, the voters in said city, by an election held February 13, 1962, have authorized the sale of the city's utility properties.

Avalon Public Service Company, a public utility corporation under the jurisdiction of this Commission, supplies electric, gas and fresh water service within certain portions of the City of Avalon and in adjacent territory comprising about four square miles, water service being restricted to those elevations below the 500-foot contour. This company operates under the authority of one certificate of public convenience and necessity covering gas and electric operations and one certificate of public convenience and necessity covering water operations, issued by this Commission on April 10, 1956. (Decision No. 52861 in Application No. 35855.) Edison proposes to acquire these utility properties by issuing 9,166 shares of its common stock in exchange for 200,000 shares of Avalon Public Service Company stock, said

200,000 shares being all of the issued and outstanding shares of the latter company, and thereafter to cause dissolution of Avalon Public Service Company.

The details of acquisition of the various properties, including certain inventories thereof, are set forth in the exhibits in this proceeding and in particular in Exhibits C and D which are agreements entered into on May 1, 1962 between Edison and Santa Catalina Island Company and between Edison and Avalon Public Service Company.

Edison proposes to rehabilitate and integrate the various utility properties on the island and to operate the same, insofar as possible, as a separate division of Edison. It is planned that all personnel presently engaged in utility operations on the island will be retained by Edison. Operation as a division separate from Edison's operations on the mainland has a number of favorable aspects among which are those of accounting and rate-making functions. Edison will be expected so to operate its island properties and to account separately therefor.

The evidence shows that existing electric, water and gas facilities on the island are in many instances in need of either extensive repair or replacement. In addition, certain major plant additions in electric and water facilities are needed to assure adequate service for both existing and anticipated new customers. The practically static situation insofar as island development is concerned, which has prevailed for many years is expected to change rapidly in the next several years. Extensive plans for the development of practically all island facilities and for residential and business growth are now under way and their implementation is

expected to produce a permanent population of 3,000 within five years and to provide for a potential population of 16,000 within twenty years.

Edison seeks certification for the entire island, without restriction, insofar as electric and water operations are concerned. In this respect, the staff of the Commission has recommended that any such certificate cover only those areas presently served. A recitation of the extent of electric and water facilities is set forth in this Commission's Decision No. 52861, of which the Commission takes official notice herein, and the present record contains exhibits, including maps, clearly showing the wide dispersion of such facilities and their extension into most of the habitable portions of the island. In view of the evidence, we find no reason to issue a certificate which would deny any prospective customer the right to obtain either electric or water service in areas not presently served. Edison dedicates itself to render such services at any island location, subject only to the requirement that the prospective customer comply with the provisions of its tariffs.

Edison seeks certification for gas service for a limited portion of the island, such limited area being that in which gas service is now provided or offered. The evidence includes no showing that gas service outside of such area is either demanded or desired by the public. Edison's present intent is to hold itself out to provide gas service to the public in the same area for which its predecessor (Avalon Public Service Company) has dedicated its facilities. Under such circumstances it would appear that the public interest is adequately protected by the issuance of

a certificate for the area sought, such area approximating four square miles and including the City of Avalon.

With respect to service within the City of Avalon, Edison has been granted a franchise by the city for each of the utility services. Since the County of Los Angeles maintains no roads on the island, Edison requires no operating permit or franchise from said County. The actual cost to Edison of the various city franchises are, respectively, \$48.84 for the electric franchise, \$48.83 for the gas franchise, and \$48.83 for the water franchise, such amounts not including the costs of this proceeding.

Edison proposes to continue in effect for customers of the City of Avalon the existing rates for electricity, gas and fresh water now applicable in that City, and to continue in effect for existing customers of Avalon Public Service Company the same rates for electricity, gas and water charged by that company. By so doing, Edison intends that the "status quo" will be maintained until experience may dictate a more appropriate basis for rate-making. Edison estimates that approximately three years will pass before any substantial rate revisions may be undertaken. With respect to new customers, wherever located on the island, Edison proposes to charge the same rates as those now charged by the City of Avalon. With respect to rates generally, the Commission staff has recommended that a single rate be specified for each type of utility service, in effect claiming that any multiplicity of charges, which would result from Edison's proposals, would engender discriminatory situations between users of the same service. Having in mind that the over-all proposal herein is to integrate three separate operations into one, operations in which

service as well as rate disparities have long existed and operations in which on-season as well as off-season rates have long been in effect, and in viewing the evidence respecting such elements, the Commission finds that Edison's rate proposals are reasonable and that no undue discrimination will result therefrom. Review of the rate situations may appropriately follow the rehabilitation and replacement work necessary to place the existing systems in such condition that adequate service to the public may be assured, which work, it is estimated, may substantially be completed by mid-year 1965. Maintaining rates in status quo until such time will result in no undue discrimination.

Upon gaining control of Avalon Public Service Company Edison will assume the public utility obligations of such company. One such obligation, as yet unfulfilled, is that of furnishing gas of a standard heating value of 1,100 Btu per cubic foot with a maximum variation of 25 Btu above or below such standard. (See Decision No. 52261 in Application No. 35355.) In this proceeding Edison's witness testified that it would undertake the adjustment or conversion of customers' appliances for use of gas having such heating value. Under the circumstances and in view of the evidence, it is reasonable to require that such be accomplished by not later than December 31, 1964.

In view of the evidence, the more important elements of which are discussed above, the Commission makes the following findings:

1. Public convenience and necessity require and will require that Edison acquire, construct and operate electric, gas and fresh water public utility systems on Santa Catalina Island to the extent

hereinafter certificated. Further, public convenience and necessity require and will require that Edison be authorized to exercise the rights, privileges and franchises granted to it by the City of Avalon.

The certificates to be issued herein are subject to the provision of law:

That the Commission shall have no power to authorize the capitalization of the franchises involved herein or the certificates of public convenience and necessity, or the right to own, operate or enjoy the same in excess of the respective amounts (exclusive of any tax or annual charge) actually paid to the State or a political subdivision thereof as the consideration for the issuance of such franchises, certificates of public convenience and necessity or rights.

2. Edison should be authorized to carry out the terms and conditions of those certain agreements, each dated May 1, 1962, which are set forth in Exhibits C and D in this proceeding; the terms thereof are not adverse to the public interest. With respect to the issuance of stock as contemplated by said Exhibit C, Edison should be authorized to issue not to exceed 9,166 shares of its common stock therefor; the money, property or labor to be procured or paid for by the issuance of such securities is reasonably required for the purposes set forth in the application herein and such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income.

3. Avalon Public Service Company should be authorized to transfer all of its assets to Edison (after Edison shall have acquired all of its outstanding capital stock) upon its dissolution, and the same is not adverse to the public interest.

4. Edison should be authorized to establish rates, charges and rules for electric, gas and water service substantially as set forth in the application herein. Any increases in any rates or charges or more restrictive provisions of any of said rules which may result from such authorization are justified, and existing rates, charges or rules, insofar as they differ from those authorized herein, are, as of the date when Edison shall have established its services on Santa Catalina Island, unjust and unreasonable.

5. The effective date of any authorizations to be granted herein should be the earliest possible in view of the need for coordinating the work of repair, replacement and enlargement of facilities with the City of Avalon's program and the desirability of accomplishing the same insofar as possible during the nontourist season.

The authorizations herein granted are for the purpose of this proceeding only and are not to be construed as a finding of the value of the properties herein authorized to be transferred or of amounts to be included in future proceedings for the determination of just and reasonable rates.

O R D E R

Based upon the evidence and the findings set forth in the foregoing opinion,

IT IS ORDERED as follows:

1. Southern California Edison Company is hereby granted certificates of public convenience and necessity as follows:

- (a) To acquire, construct and operate a public utility electric system throughout Santa Catalina Island; and
- (b) To acquire, construct and operate a public utility gas system on Santa Catalina Island within that area encompassed by Lots Nos. 1, 2, 3, 7, 8, 9 and 14 of Los Angeles County Assessor's Map 59 and as delineated on the map shown on Sheet 2 of Exhibit I in this proceeding; and

- (c) To acquire, construct and operate a public utility water system (fresh water) throughout Santa Catalina Island.

2. Southern California Edison Company is hereby granted certificates of public convenience and necessity to exercise the rights and privileges conferred by the following franchises of the City of Avalon:

- (a) For electric operations as granted by Ordinance No. 433 of said city; and
- (b) For gas operations as granted by Ordinance No. 434 of said city; and
- (c) For water operations as granted by Ordinance No. 435 of said city.

3. Southern California Edison Company is hereby authorized to issue, sell and deliver not to exceed 9,166 shares of its \$8-1/3 par value common stock in exchange for all of the outstanding shares of the capital stock of Avalon Public Service Company.

4. Southern California Edison Company and Avalon Public Service Company are hereby authorized to carry out the terms and provisions of that certain "Plan and Agreement of Reorganization" dated May 1, 1962 which is set forth in Exhibit C in this proceeding.

5. Avalon Public Service Company is hereby authorized to transfer to Southern California Edison Company, on or after the date when said Edison company shall have acquired all of said Avalon company's outstanding capital stock, all of its assets upon dissolution, and Southern California Edison Company is hereby authorized to acquire the same and to assume all of the liabilities then and theretofore incurred by said Avalon Public Service Company.

6. Southern California Edison Company is hereby authorized to file in quadruplicate with this Commission, on or after the

effective date of this order and in conformity with the provisions of General Order No. 96-A: (a) the tariff schedules for electric service set forth in Appendix A attached to this order; and (b) the tariff schedules for gas service set forth in Appendix B attached to this order, together with title page, table of contents, preliminary statement, service area map, summary list of contracts and deviations, rules and sample forms; and (c) the tariff schedules for water service set forth in Appendix C attached to this order, together with the rules set forth in Exhibit T in this proceeding, printed forms and a tariff service area map; and, after not less than five days' notice to the public and to this Commission, to make said tariffs effective for service as of the date or dates on which Southern California Edison Company commences operations on Santa Catalina Island under the respective electric, gas or water authorizations granted by this order.

7. Within nine months following the filing of tariffs authorized above, Southern California Edison Company shall file with this Commission four copies of a comprehensive map of its Santa Catalina Island water system, drawn to an indicated scale of not more than 400 feet to the inch, delineating by appropriate markings the tracts of land and territory served; the principal water production, storage and distribution facilities; and the location of its various water system properties.

8. The six certificates of public convenience and necessity hereinabove granted shall lapse if consummation of the agreements set forth in Exhibits C and D in this proceeding or the purchase of the facilities of the City of Avalon shall have failed of accomplishment, or if said certificates are not exercised, within one year after the effective date of this order.

9. If Southern California Edison Company acquires the gas properties on Santa Catalina Island, as hereinabove authorized, said company shall, by no later than December 31, 1964, provide such service at a standard heating value of 1,100 Btu per cubic foot, with a maximum allowable variation of not to exceed 25 Btu above or below such standard.

10. Southern California Edison Company shall maintain its records so that revenues, capital costs, and operating expenses for the operation of the public utility systems on Santa Catalina Island herein authorized may be separately and readily determined at any time. Commencing in 1964 and until further notified by this Commission, Southern California Edison Company shall file with this Commission, on or before March 15 of each calendar year, summary of earnings statements, including rates of return, by classes of service, separately for each of its Santa Catalina Island electric, gas and water operations.

11. Upon completion of the transfer authorized by paragraph 5 of this order, Avalon Public Service Company shall stand relieved of all public utility obligations and liabilities in connection with its operation of the public utility electric, gas and water system properties hereinabove authorized to be transferred and

may discontinue service concurrently with the commencement of service by Southern California Edison Company.

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

Dated at San Francisco, California, this 17th day of OCTOBER, 1962.

George H. Hoover
President

[Signature]
[Signature]

Commissioners

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.

Commissioner Frederick B. Koloboff, being necessarily absent, did not participate in the disposition of this proceeding.

APPENDIX A
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REVISIONS OF EFFECTIVE ELECTRIC TARIFF SCHEDULES
OF SOUTHERN CALIFORNIA EDISON COMPANY

1. The Preliminary Statement (C.P.U.C. Sheet No. 3102-E) to be revised to include Santa Catalina Island in Section 1. Territory Served.
2. Map A - Territory Served (C.P.U.C. Sheet No. 3049-E). To be revised to indicate that Santa Catalina Island is served by Southern California Edison Company.
3. Rate schedules which contain the "Territory" statement, "Within the entire territory served" to be revised to state: Within the entire territory served, excluding Santa Catalina Island.

The rate schedules are:

A-7	C.P.U.C. Sheet No. 2826-E
DM	C.P.U.C. Sheet No. 2806-E
IS-1	C.P.U.C. Sheet No. 2942-E
IS-2	C.P.U.C. Sheet No. 2943-E
P-1	C.P.U.C. Sheet No. 2809-E
P-2	C.P.U.C. Sheet No. 2810-E
PA-1	C.P.U.C. Sheet No. 2811-E
PA-2	C.P.U.C. Sheet No. 2812-E
PR	C.P.U.C. Sheet No. 2813-E
R	C.P.U.C. Sheet No. 2814-E
S	C.P.U.C. Sheet No. 2815-E

4. Schedule A-6 (C.P.U.C. Sheet No. 2797-E) which contains the "Territory" statement: "Within the entire territory served by the Company in which General Service Schedules A-1 to A-5, inclusive, are not applicable" to be revised to state: Within the entire territory served, excluding Santa Catalina Island, in which General Service Schedules A-1 to A-5, inclusive, are not applicable.
5. Schedule D-6 (C.P.U.C. Sheet No. 2805-E) which contains the "Territory" statement: "Within the entire territory served by the Company in which Domestic Rate Schedules D-1 to D-5, inclusive, are not applicable" to be revised to state: Within the entire territory served, excluding Santa Catalina Island, in which Domestic Service Schedules D-1 to D-5, inclusive, are not applicable.
6. Rule No. 2 (C.P.U.C. Sheet No. 2827-E), Section A.6., to be amended to state the standard nominal voltages in Santa Catalina Island. These voltages are: 120, 120/240, 480, and 2400 volts.

Schedule No. A-10

Santa Catalina Island Division

GENERAL SERVICE

APPLICABILITY

This schedule is applicable to single- and three-phase general service including lighting and power.

TERRITORY

Within Santa Catalina Island.

RATES

	Per Meter Per Month	
	<u>May-September</u> Inclusive	<u>October-April</u> Inclusive
Energy Charge:		
First 100 kwhr, per kwhr	7.5¢	7.0¢
Next 200 kwhr, per kwhr	7.0¢	6.5¢
Next 500 kwhr, per kwhr	6.5¢	6.0¢
Over 800 kwhr, per kwhr	6.0¢	5.5¢

Minimum Charge:

Single-phase service, 120 volts: \$12.00 per 5 amperes of required meter capacity per year.

Three-phase power service, 240 volts or over: \$6.00 per hp of connected load per year.

In no event will the minimum charge be less than \$12.00 per year.

(Continued)

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Schedule No. A-10

Santa Catalina Island Division

GENERAL SERVICE

SPECIAL CONDITIONS

1. Connected Load: Connected power load is the sum of the rated capacities of all of the customer's equipment, other than equipment for lighting, that it is possible to connect to the utility's lines at the same time, determined to the nearest 1/10 hp. The rated capacity of the customer's equipment will be the rated horsepower output of standard rated motors, the rated horsepower of welders determined in accordance with the section designated Welder Service in Rule No. 2, and the rated kilovolt-ampere input capacity of other equipment, with each kilovolt-ampere of input considered equal to one horsepower. Normally such ratings will be based on the manufacturer's rating as shown on the nameplate or elsewhere but may, at the option of the utility, be based on tests or other reliable information.

2. Seasonal Service: For customers who normally require service for only part of the year, this schedule is applicable only on annual contract.

Schedule No. A-11

Santa Catalina Island Division

GENERAL SERVICE

APPLICABILITY

Applicable to general service for lighting, heating, power, or any combination thereof.

TERRITORY

Certain premises located on Santa Catalina Island.

RATES

	<u>Per Meter</u> <u>Per Month</u>
Energy Charge:	
First 100 kwhr, per kwhr	7.3¢
Next 200 kwhr, per kwhr	6.8¢
Next 500 kwhr, per kwhr	6.3¢
Over 800 kwhr, per kwhr	5.8¢

Minimum Charge: \$1.00 per meter per month for lighting service, plus \$0.50 per horsepower of connected load in excess of 2 horsepower.

SPECIAL CONDITIONS

1. This schedule is applicable only to accounts transferred from Avalon Public Service Company to the utility on _____, 196__, for the period that the account continues in the name of the customer of record as of _____, 196__. This schedule is closed to new customers after _____, 196__.

2. Voltage: Service under this schedule will be supplied at one standard voltage.

(Continued)

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Schedule No. A-11

Santa Catalina Island Division

GENERAL SERVICE

SPECIAL CONDITIONS (Continued)

3. Connected Load: Connected load shall be determined by nameplate ratings. For the purposes of computing minimum charges, one kw of apparatus normally rated in kw shall be considered as equivalent to one horsepower. Connected load shall be taken to the nearest 1/10 horsepower except that heating appliances rated at less than one kw and motors rated at less than 1/2 horsepower will not be included in determining connected load.

4. Seasonal Service: For seasonal customers who regularly take service for only part of a year, this schedule is applicable only on annual contract.

APPENDIX A
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Schedule No. D-10

Santa Catalina Island Division

DOMESTIC SERVICE

APPLICABILITY

This schedule is applicable to single-phase domestic service including lighting, heating, cooking, and power or combination thereof in a single-family accommodation.

TERRITORY

Within Santa Catalina Island.

RATES

Per Meter Per Month	
<u>May-September</u>	<u>October-April</u>
<u>Inclusive</u>	<u>Inclusive</u>

Energy Charge:

First 25 kwhr, per kwhr	7.5¢	7.0¢
Next 75 kwhr, per kwhr	7.0¢	6.5¢
Over 100 kwhr, per kwhr	6.5¢	6.0¢

Minimum Charge: \$12.00 per 5 amperes of required meter capacity per year. In no event will the minimum charge be less than \$12.00 per year.

SPECIAL CONDITION

Seasonal Service: For summer cottage customers and others who normally require service for only part of the year, this schedule is applicable only on annual contract.

Schedule No. D-11

Santa Catalina Island Division

DOMESTIC SERVICE

APPLICABILITY

Applicable to single-phase residential service for lighting, heating, cooking, and water heating, or combination thereof, in single-family dwellings, flats, apartments, and bungalow court units, separately metered by the utility.

TERRITORY

Certain premises located on Santa Catalina Island.

RATES

	<u>Per Meter</u> <u>Per Month</u>
Energy Charge:	
First 25 kwhr, per kwhr	7.3¢
Next 75 kwhr, per kwhr	6.8¢
Over 100 kwhr, per kwhr	6.3¢
Minimum Charge:	
For consumers using lights, refrigerators, and small household appliances	\$1.00 per month
For consumers using an electric range, water heater, or other major appliances of more than 2 kw rating	\$3.00 per month

(Continued)

Schedule No. D-11

Santa Catalina Island Division

DOMESTIC SERVICE

SPECIAL CONDITIONS

1. This schedule is applicable only to accounts transferred from Avalon Public Service Company to the utility on _____, 196__, for the period that the account continues in the name of the customer of record as of _____, 196__. This schedule is closed to new customers after _____, 196__.
2. Voltage: Service under this schedule will be supplied at one standard voltage.
3. Seasonal Service: For seasonal customers who regularly take service for only part of a year, this schedule is applicable only on annual contract.

Schedule No. P-10

Santa Catalina Island Division

OFF-PEAK SERVICE

APPLICABILITY

This schedule is applicable to off-peak power service for water pumping plants owned and operated by Southern California Edison Company.

TERRITORY

Within Santa Catalina Island.

RATE

	<u>Per Meter</u> <u>Per Month</u>
For all energy use per kwhr	3.0¢

SPECIAL CONDITIONS

1. Off-Peak Period: The off-peak period during which this schedule is applicable is between the hours of 10:30 p.m. and 6:30 a.m. of the following day, and on Sundays, holidays, and other days during the year when the off-season requirements for electric service of domestic, commercial, and industrial customers are below their normal on-season requirements.
2. Annual Review: The rate charge hereunder shall be reviewed annually, or more often, as changed conditions may require; and where warranted, the utility shall file appropriately revised tariff sheets.

APPENDIX B
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Schedule No. G-80

Santa Catalina Island DivisionGENERAL SERVICEAPPLICABILITY

Applicable to domestic and commercial service of liquefied petroleum gas-air for cooking, water heating, space heating, refrigeration and other domestic and commercial uses on a seasonal basis.

TERRITORY

The City of Avalon, and vicinity, Santa Catalina Island.

RATES

	Per Meter Per Month	
	Base Rates	Effective Rates
	550 Btu	550 Btu
May-September, inclusive		
First 800 cu.ft. or less	\$1.50	\$1.50
Next 19,200 cu.ft., per 100 cu.ft.	17.5¢	17.5¢
Next 30,000 cu.ft., per 100 cu.ft.	15.0¢	15.0¢
Next 50,000 cu.ft., per 100 cu.ft.	13.5¢	13.5¢
Over 100,000 cu.ft., per 100 cu.ft.	12.0¢	12.0¢
October-April, inclusive		
First 800 cu.ft. or less	\$1.00	\$1.00
Next 19,200 cu.ft., per 100 cu.ft.	12.0¢	12.0¢
Next 30,000 cu.ft., per 100 cu.ft.	11.5¢	11.5¢
Next 50,000 cu.ft., per 100 cu.ft.	10.5¢	10.5¢
Over 100,000 cu.ft., per 100 cu.ft.	10.0¢	10.0¢

The above effective rates are based on a cost of liquefied petroleum of 10.948 cents per gallon and are determined from the base rates set forth under Special Conditions.

(Continued)

Schedule No. G-80

Santa Catalina Island Division

GENERAL SERVICE

SPECIAL CONDITIONS

1. For gas in excess of 800 cubic feet per month, the rates in effect at any time shall vary with the average cost per gallon of liquefied petroleum delivered to all plants generating gas served under this schedule and shall be determined from the above base rate by adding or deducting, respectively, 0.06¢ per 100 cubic feet for each 0.1¢ per gallon that such cost of liquefied petroleum, having a heat content between 96,000 Btu per gallon and 100,000 Btu per gallon, is above or below 10.948 cents per gallon. Changes in rates are to be made to the nearest 0.5 cent.

2. The phrase "cost of liquefied petroleum" as used in this tariff is defined as the cost per gallon of the liquefied petroleum product delivered into the storage tanks of the utility on Santa Catalina Island. It is composed of the price of the liquefied petroleum product at the refinery and the cost per gallon of transportation and delivery.

3. When a change in the cost of the liquefied petroleum as set forth above occurs, the utility shall submit to the Public Utilities Commission within a period of fifteen days an Advice Letter with an appropriate tariff schedule setting forth the new effective rates and accompanied by an affidavit of such change in the cost of liquefied petroleum. The new rate shall be effective on all regular meter readings taken on and after the thirtieth day following such change in the cost of liquefied petroleum.

APPENDIX B
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Schedule No. G-81

Santa Catalina Island Division

GENERAL SERVICE

APPLICABILITY

Applicable to domestic and commercial service of liquefied petroleum gas-air for cooking, water heating, space heating, refrigeration and other domestic and commercial uses.

TERRITORY

Certain premises located on Santa Catalina Island.

RATES

	Per Meter Per Month	
	Base Rates	Effective Rates
	550 Btu	550 Btu
First 500 cu.ft. or less	\$1.00	\$1.00
Next 4,500 cu.ft., per 100 cu.ft.	12.0¢	12.0¢
Next 5,000 cu.ft., per 100 cu.ft.	11.5¢	11.5¢
Over 10,000 cu.ft., per 100 cu.ft.	11.0¢	11.0¢

The above effective rates are based on a cost of liquefied petroleum of 10.948 cents per gallon and are determined from the base rates as set forth under Special Conditions.

Minimum Charge: \$1.00

SPECIAL CONDITIONS

1. For gas used in excess of 500 cubic feet per month, the rates in effect at any time shall vary with the average cost per gallon of liquefied petroleum delivered to all plants generating gas served under this schedule and shall be determined from the above base rate by adding or deducting, respectively, 0.06¢ per 100 cubic feet for each 0.1¢ per gallon that such cost of liquefied petroleum, having a heat content between 96,000 Btu per gallon and 100,000 Btu per gallon, is above or below 10.948 cents per gallon. Changes in rates are to be made to the nearest 0.5 cent.

(Continued)

APPENDIX B
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Schedule No. G-81

Santa Catalina Island Division

GENERAL SERVICE

SPECIAL CONDITIONS (Continued)

2. The phrase "cost of liquefied petroleum" as used in this tariff is defined as the cost per gallon of the liquefied petroleum product delivered into the storage tanks of the utility on Santa Catalina Island. It is composed of the price of the liquefied petroleum product at the refinery and the cost per gallon of transportation and delivery.

3. When a change in the cost of the liquefied petroleum as set forth above occurs, the utility shall submit to the Public Utilities Commission within a period of fifteen days an Advice Letter with an appropriate tariff schedule setting forth the new effective rates and accompanied by an affidavit of such change in the cost of liquefied petroleum. The new rate shall be effective on all regular meter readings taken on and after the thirtieth day following such change in the cost of liquefied petroleum.

4. This schedule is applicable only to accounts transferred from Avalon Public Service Company to the utility on _____, 196__, for the period that the account continues in the name of the customer of record as of _____, 196__. This schedule is closed to new customers after _____, 196__.

APPENDIX C
Page 1 of 2

Schedule No. 1

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Santa Catalina Island, Los Angeles County.

RATES

	Per Meter Per Month	
	Summer Season	Winter Season
	May through September	October through April
Quantity Rates:		
First 1,000 gallons or less	\$ 2.08	\$ 2.08
Over 1,000 gallons, per 1000 gallons	1.75	1.50
Minimum Charge:		
For 5/8 x 3/4-inch meter	\$ 2.08	\$ 2.08
For 3/4-inch meter	2.08	2.08
For 1-inch meter	10.00	8.00
For 1 1/4-inch meter	11.00	9.00
For 1 1/2-inch meter	12.00	10.00
For 2-inch meter	13.00	11.00
For 3-inch meter	14.00	12.00

The Minimum Charge will entitle the customer to the quantity of water which that minimum charge will purchase at the Quantity Rates.

SPECIAL CONDITION

Service to customers with 3/4-inch, or smaller, meters shall be on an annual basis only with an annual minimum charge of \$24.96 payable at the rate of \$2.08 per meter per month.

APPENDIX C
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Schedule No. 11

LIMITED GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service furnished on a limited basis.

TERRITORY

Portion of Santa Catalina Island, Los Angeles County.

RATES

	<u>Per Meter</u> <u>Per Month</u>
Quantity Rates:	
First 1,000 gallons or less	\$ 2.00
Next 2,000 gallons, per 1,000 gallons	1.50
Over 3,000 gallons, per 1,000 gallons	1.25
Minimum Charge:	
For 5/8 x 3/4-inch meter	\$ 2.00
For 1-inch meter	8.00
For 1 1/2-inch meter	9.00
For 1 1/2-inch meter	10.00
For 2-inch meter	15.00
For 3-inch meter	20.00
For 4-inch meter	30.00
For 6-inch meter	50.00
For 8-inch meter	75.00

The Minimum Charge will entitle the customer to the quantity of water which that minimum charge will purchase at the Quantity Rates.

SPECIAL CONDITION

Service under this schedule shall be limited to the premises being served hereunder as of the effective date of this tariff sheet and shall be further limited to the period that service is continuously provided to such premises in the name of the customer of record as of that date.