

Decision No. 64475

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Joint Application )  
of CALIFORNIA ELECTRIC POWER COMPANY )  
and SOUTHERN CALIFORNIA EDISON COMPANY )  
for Authorization to carry out an )  
Interim Power Interchange Agreement )  
dated July 24, 1962. )

Application No. 44678  
(Filed August 3, 1962)

INTERIM OPINION

Applicants' Request

California Electric Power Company and Southern California Edison Company request authorization to carry out an Interim Power Interchange Agreement, dated July 24, 1962, attached to this application as Exhibit A. Said agreement was entered into pending authorization of the California Power Pool Agreement presently being sought by Application No. 44404.

Interim Power Interchange Agreement

The Interim Power Interchange Agreement provides that each party will supply the other with emergency service up to 35,000 kilowatts capacity, returnable in kind if it has been provided for two hours or less. For service of a longer period, provision is made for payment by the receiver at specified rates. In addition, the interim agreement permits the parties to arrange for short-term nonemergency service for periods not to exceed 45 days, and to purchase and sell economy energy whenever specified savings occur.

The term of the interim agreement begins when interconnection facilities become available to allow parallel operation of the two systems and ends when the California Power

Pool Agreement becomes effective, unless sooner terminated by either party upon not less than three years' prior written notice given not earlier than December 31, 1964.

The interim agreement does not become effective until authorized by this Commission and provides that it 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.

The applicants allege that the interim agreement and the rates, charges and service provided for therein are fair, just and reasonable to each of the parties, and are in the public interest and for the benefit of improved service to the public. However, no convincing showing was made in the application, other than the foregoing allegation, as to the need for, benefits of, or the costs of rendering the various services or the reasonableness of the rates to be charged therefor.

Applicants have requested an ex parte order of this Commission authorizing them, by December 1, 1962, to carry out the terms and conditions of the interim agreement. The ensuing interim order will grant this request, a showing by applicants as to the public interest and reasonableness of the interim agreement to be made at a later date. This application has been set for hearing on November 7, 1962, at the same time as that for the California Power Pool Agreement.

The action taken herein is for approval of an agreement only and is not to be considered as indicative of amounts to be included in a future rate base for the purpose of determining just and reasonable rates.

Findings

The Commission finds as follows:

1. The proposed Interim Power Interchange Agreement, dated July 24, 1962, places no undue burden upon either of the applicants or upon their respective customers and it makes available potential power and energy to assist both California and Edison in the performance of their public utility obligations. It is concluded that the applicants should be authorized to carry out the terms of said agreement pending further order of this Commission.

2. A public hearing is not necessary prior to the issue of the ensuing interim order herein.

INTERIM ORDER

IT IS HEREBY ORDERED that:

1. Applicants are authorized, subject to further order of this Commission, to carry out the terms and conditions of the Interim Power Interchange Agreement, dated July 24, 1962, attached to the application as Exhibit A, and to render the service described therein under the terms, charges and conditions stated therein.

2. Applicants shall file three copies of said agreement of July 24, 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 agreement of July 24, 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 30th day of OCTOBER, 1962.

George E. Hoover  
President

John A. Mitchell

Edward J. Foy

Everett W. Peay

Frederic B. Goldhoff  
Commissioners