

ORIGINALDecision No. 64476

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Joint Application)
of SAN DIEGO GAS & ELECTRIC COMPANY)
and SOUTHERN CALIFORNIA EDISON COMPANY)
for Authorization to Carry Out an)
Interim Power Interchange Agreement)
Dated August 15, 1962.)

Application No. 44718
(Filed August 21, 1962)

OPINION AND ORDERApplicants' Request

San Diego Gas & Electric Company (San Diego) and Southern California Edison Company (Edison) request authorization to carry out the Interim Power Interchange Agreement dated August 15, 1962, attached to this application as Exhibit A. Such agreement replaces the San Diego-Edison 1951 Interchange Agreement which expired at the close of August 21, 1962, and is to be in effect from August 22, 1962, until the California Power Pool Agreement becomes effective.

California Power Pool Agreement

San Diego and Edison, together with Pacific Gas and Electric Company and California Electric Power Company, have entered into an agreement dated December 14, 1961, for the purchase, sale and exchange of electrical capacity and energy among the four parties. This agreement is the subject of Application No. 44404 now pending before this Commission. The California Power Pool Agreement becomes effective when authorized by the regulatory agencies having jurisdiction. Pending such authorization, San Diego and Edison allege that for the benefit of their

respective systems and consumers they have entered into the Interim Power Interchange Agreement dated August 15, 1962.

Interim Power Interchange Agreement

The San Diego-Edison 1951 Interchange Agreement was originally authorized by Decision No. 46461 in Application No. 32791, and extensions thereof were authorized by Decisions Nos. 53734, 56939 and 60819. The Interim Power Interchange Agreement, in essence, provides that each party shall be prepared to provide the other with emergency service up to 70,000 kilowatts. Emergency energy so received will be returned in kind as soon as practicable to the extent that it has been provided for two hours or less. If such emergency service is required for a longer period up to 60 days, or capacity is received in excess of 70,000 kilowatts after the first one-half hour thereof, the receiver will pay at the following rates: (1) a prorated demand charge of \$2 per kilowatt of maximum demand per month and (2) an energy charge equal to 115% of the supplier's incremental energy cost. In addition, the Interim Power Interchange Agreement permits the parties to purchase and sell economy energy whenever there will be a net savings of at least 0.4 mill per kilowatt-hour, at a rate equal to the supplier's incremental energy cost plus 50% of the net savings. The rates for such service are similar to those provided for in the San Diego-Edison 1951 Interchange Agreement.

San Diego and Edison allege that the rates, charges and services provided in said agreement of August 15, 1962 are fair, just and reasonable to each of the parties thereto and in the public interest and for the benefit of improved service to the public.

Findings

The Commission finds that the Interim Power Interchange Agreement dated August 15, 1962, is in the public interest and will make available potential power and energy to assist both San Diego and Edison in the performance of their public utility obligations.

The action taken herein is for authorization to carry out an interim power interchange agreement and is not to be considered as indicative of rates and charges to be included in a future rate proceeding for the purpose of determining just and reasonable rates.

The Commission has considered the request of the applicants and finds that the application should be granted and that a public hearing is not necessary; therefore,

IT IS HEREBY ORDERED as follows:

1. San Diego Gas & Electric Company and Southern California Edison Company are authorized to carry out the terms and conditions of the Interim Power Interchange Agreement between them dated August 15, 1962, a copy of which is attached to the application as Exhibit A.

2. Applicants shall file with this Commission three copies of said agreement of August 15, 1962, as executed by them, within thirty days after the effective date of this order.

3. Applicants shall file with this Commission a statement, within thirty days after termination of said agreement of August 15, 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 H. Grover President
William H. ...
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... Commissioners