

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY AND
COMPLIANCE DIVISION
Energy Branch

RESOLUTION E-3415
November 8, 1995

R E S O L U T I O N

RESOLUTION E-3415. SOUTHERN CALIFORNIA EDISON COMPANY SEEKS APPROVAL OF THE AGREEMENT WITH MAMMOTH MOUNTAIN SKI AREA TO USE THE SKI AREA'S 12 KV DISTRIBUTION SYSTEM TO SERVE EDISON'S COMMUNICATIONS PLANT AT JUNE MOUNTAIN, CALIFORNIA.

BY ADVICE LETTER 1091-E, FILED ON MARCH 10, 1995.

SUMMARY

1. Southern California Edison Company (Edison) requests approval of an agreement (Agreement) with Mammoth Mountain Ski Area (MMSA) allowing Edison to use MMSA's 12 kv electric distribution system to provide service to the Edison communications plant at June Mountain, California.
2. The Agreement establishes a flat percentage rate (1%) to compensate MMSA for estimated transformer and line losses associated with the provision of service to the communications plant. This is a deviation from Edison's Rule 9, Rendering and Payment of Bills, which requires that customers' energy bills be based solely on meter registration.
3. Edison proposes to add the Agreement to its List of Contracts and Deviations.
4. No protests have been received for Advice Letter 1091-E. This Resolution grants Edison's request because the Agreement will make it less costly for Edison to service its communications plant and the 1% adjustment to MMSA's bills is reasonable.

BACKGROUND

1. Edison has obtained permission from the United States Department of Agricultural Forest Service to construct and operate a communications plant on forestry service land at June Mountain, California.
2. The optimal building site is 3.5 miles away from Edison's nearest distribution line that will serve the site.
3. MMSA is an Edison customer receiving energy service under Tariff Schedule I-6 (Interruptible, TOU). MMSA has its own 12

kV distribution system that serves electricity to different points of the ski area.

4. If Edison skirts MMSA and extends its distribution line to the new communications site, it would largely duplicate part of the MMSA-owned distribution system. Edison has estimated that by using MMSA's electrical system to serve its communications plant, it would save approximately \$600,000. MMSA and Edison, therefore, negotiated the Agreement to allow Edison to use MMSA's 12 kV distribution system. Edison will make adjustments to MMSA's monthly recorded electric consumption and demand to arrive at an estimated usage by MMSA.

Main Points of the Agreement

5. Edison will pay MMSA to provide and install a three-phase, 12 kV underground electric conductor and switch within MMSA's geographic area as specified in the Agreement. MMSA shall be the titleholder of all installations between the initial point of service to MMSA and the point of attachment to the communications plant at the completion of the construction, namely, wire and conduits, 12kV conductor, splice boxes, and 12 kV switch.

6. Edison will provide service at the communications site where it will install and own the transformer and meter. The point of attachment shall be at the line side of the switchgear.

7. MMSA is not a public utility. It has requested Edison to meter the electric energy drawn by the communications site from MMSA's distribution lines.

8. To compensate MMSA for transformer and line losses, Edison will reduce the kW demand and kWh energy consumption recorded on its meter, at the initial MMSA delivery point, by the amount of demand and energy recorded by Edison's meter located at its communications site and [plus] 1% of the energy use registered on its meter at the site.

9. The 1% transformer and line loss adjustment is an estimate by Edison based on loss data associated with distribution lines and equipment installed elsewhere on Edison's distribution system. The Agreement stipulates that the 1% figure shall be subject to adjustment if for any reason it appears inequitable to either party.

NOTICE

1. Edison served notice of AL 1091-E by mailing copies to other utilities, government agencies, and all parties that requested such information. The Commission Calendar of March 28, 1995 provided notice that AL 1091-E has been filed.

PROTESTS

1. Commission Advisory and Compliance Division (CACD) has received no protests for Advice Letter 1091-E.

DISCUSSION

1. The Agreement deviates from Edison's Rule 9, Rendering and Payment of Bills, by establishing a flat percentage rate to compensate MMSA for transformer and line losses associated with provision of service to the communications facility. Rule 9, Section A.1, entitled "Metered Service" [Cal PUC Sheet 11770-E dated January 27, 1990] provides that bills for metered service will be based on meter registration.

2. General Order 96-A, Section X, requires utilities to file a formal application with the Commission if they want to enter into a contract or deviate from current conditions of furnishing service. Said Section X, however, provides that for minor services the Commission may accept an advice letter instead of an application.

3. The Commission has traditionally considered requests similar to the present one as minor services and accepted advice letters and used resolutions as the medium to approve those requests [see, for instance, Resolution E-3386 for AL 1064-E where Edison was allowed to connect to a military base electric distribution system to provide service to applicants and tenants located on base].

4. The estimated 1% line loss is based on evaluations for similar plants consistent with comparable Edison contracts. It is a reasonable line loss percentage and comports with the tariffed value in Pacific Gas and Electric Company (PG&E) Tariff Rule 2.B.4 [Cal PUC #11611-E].

5. The Agreement does not cause a rate increase to Edison's ratepayers, nor does it withdraw service or create more restrictive conditions.

6. If Edison does not connect its communications system to MMSA's distribution system, it has to extend its distribution line by 3.5 miles from where it is now (on the periphery of MMSA-owned distribution line) to the new communications site. CACD, after reviewing the proposal, concurs with Edison that a separate line by-passing the MMSA system is uneconomic for Edison and its ratepayers.

7. CACD has reviewed AL 1091-E and recommends its approval.

FINDINGS

1. Southern California Edison Company (Edison) filed Advice Letter 1091-E on March 10, 1995, seeking approval of the Agreement with Mammoth Mountain Ski Area (MMSA) to use the MMSA's 12 kV distribution system to provide service to Edison's communications plant at June Mountain, California.

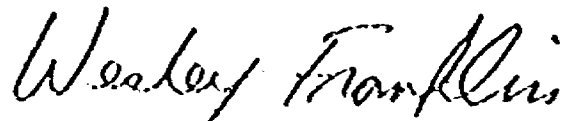
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2. Edison proposes to add the Agreement to its List of Contracts and Deviations.
3. The Agreement deviates from Edison's Rule 9 which requires that energy bills be based on consumption registered on revenue meters.
4. The one percent adjustment reducing MMSA bills as compensation for transformer and line losses associated with Edison's proposed installation is reasonable.
5. In the instant case, approval of a deviation from Rule 9 will not adversely affect the ratepayers.
6. The Agreement to connect to MMSA's distribution system will enable Edison to lower its costs by using the MMSA distribution system instead of building a separate line.
7. AL 1091-E was not protested.

THEREFORE, IT IS ORDERED that:

1. Southern California Edison Company Advice Letter 1091-E is approved.
2. This Resolution is effective today

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on November 8, 1995. The following Commissioners approved it:



WESLEY M. FRANKLIN
Acting Executive Director

DANIEL Wm. FESSLER
President
P. GREGORY CONLON
JESSIE J. KNIGHT, JR.
HENRY M. DUQUE
JOSIAH L. NEPPER
Commissioners