

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY AND
COMPLIANCE DIVISION
Energy Branch

RESOLUTION E-3392
October 26, 1994

R E S O L U T I O N

RESOLUTION E-3392. SOUTHERN CALIFORNIA EDISON COMPANY TRANSMITS FOR FILING THE AGREEMENT CALLED "AMENDMENT TO ADDED FACILITIES AGREEMENTS BETWEEN CHEVRON AND SOUTHERN CALIFORNIA EDISON" AND REQUESTS ITS ADDITION TO THE LIST OF CONTRACTS AND DEVIATIONS.

BY ADVICE LETTER 1048-E, FILED ON APRIL 15, 1994.

SUMMARY

1. Southern California Edison Company [Edison] transmits for filing an agreement with Chevron USA Products Company [Chevron] that was executed on February 21, 1994, entitled "Amendment to Added Facilities Agreements Between Chevron and Southern California Edison" [Amendment].
2. Under the agreement the 66 kV and below portions of the added facilities will be dedicated to provide service only to the Chevron refinery, and both Chevron and Edison shall have the right to terminate the agreement within 30 months from the date of the agreement, if Edison is prevented from completing the installation.
3. Edison also requests to add the Amendment to its "List of Contracts and Deviations".
4. No protests were received by the Commission Advisory and Compliance Division.
5. This Resolution approves the request.

BACKGROUND

1. Added facilities are those that a customer requests the utility to install in addition to the ones the utility would normally install. The costs of added facilities are usually borne by the customer. However, the ownership, maintenance, and control remain with the utility. In this way the utility can use such added facilities to serve other customers.

2. Tariff Rule 2, Section H.2.a provides that Edison, at its own option, may finance the new facilities. This is the case for the project under consideration.
3. So far Edison has provided 66 kV service to the Chevron refinery from its 66 kV electrical system by way of added facilities, in accordance with Rule 2 -- Section H -- which specifies the conditions and requirements governing the added facilities.
4. The Chevron refinery is the only customer that is being served from the 66 kV and below portions of the added facility.
5. To enhance the safe and reliable operation of the refinery, Chevron requested that the refinery's 66 kV service be provided, instead, from Edison's 220 kV electrical system.
6. The Chevron-proposed new 220 kV service will deliver power to its El Segundo oil refinery directly from Edison's 220 kV grid. The voltage will be stepped down from 220 kV to 66 kV by two 220-66 transformers located on Chevron's premises and dedicated to Chevron's sole use.
7. The Amendment provides for deviations from Edison's added facilities agreements with Chevron for service at the Chevron Refinery [Refinery] in El Segundo, California.
8. The deviations are as follows:
 - o The 66 kV and below portions of all the added facilities will be dedicated entirely to provide service to the refinery.
 - o Both Chevron and Edison shall have the right to terminate the added facilities agreements associated with providing the 66 kV service from Edison's 220 kV electrical system within 30 months from the date of the agreements -- rather than 12 months -- if Edison is prevented from completing the installation.
9. On January 28, 1994, Chevron and Edison executed additional added facilities agreements to provide for the refinery to be served from Edison's 220 kV system.

NOTICE

1. Edison served notice on other utilities, government agencies, and all parties that requested such information by mailing copies of AL 1048-E to those entities and by publication on the Commission calendar.

PROTESTS

1. The Commission Advisory and Compliance Division [CACD] has received no protests to AL 1048-E.

DISCUSSION

1. Chevron has demonstrated to Edison's satisfaction that for safety reasons, the 66 kV and below portions of Chevron's added facilities should be dedicated to provide service only to the refinery. The Amendment provides that the 66 kV plant will be used by Edison to serve the refinery exclusively.
2. The Amendment modifies the language in Form 16-308, the Edison-financed added facilities agreement, enabling Edison to retain the right to use the 220 kV portion of the added facilities in any way it chooses.
3. The Amendment also changes the 12-month termination period of Form 16-308 to a 30-month period. Form 16-308, paragraph 9, gives Chevron or Edison the right to terminate the agreements if Edison is prevented from completing the service connection within twelve months following the date of the agreement. According to Edison, the 12-month termination period provides ample time to complete typical added facilities installations. However, the installation of added facilities to make a service connection from 220 kV system for Chevron is not typical because of the size and type of service facilities required to make this connection.
4. The CACD staff has reviewed AL 1048-E and agrees with Edison that the extension from 12 to 30 months for the termination period for Chevron is necessary because of the long installation time associated with these service facilities.
5. CACD recommends approval of AL 1048-E because it will enhance safe and reliable operation of the refinery.

FINDINGS

1. Edison and Chevron USA Products Company executed an agreement on February 21, 1994 entitled "Amendment to Added Facilities Agreements Between Chevron and Southern California Edison".
2. The agreement deviates from Edison's added facilities agreements with Chevron for service at the refinery in El Segundo, California, as follows:
 - a. the entire 66 kV and below portions of all the added facilities will be dedicated to provide service only to the refinery, and
 - b. Chevron or Edison shall have the right to terminate the added facilities agreements associated with providing 66 kV service from Edison's 220 kV electrical system within 30 months from the date of the agreements -- instead of 12 months -- if Edison is prevented from completing the installation.

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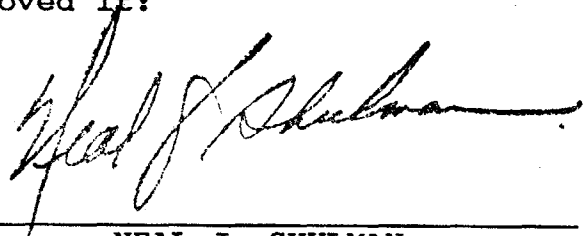
3. The agreement will enhance safe and reliable operation of the refinery.

THEREFORE, IT IS ORDERED that:

1. Southern California Edison Company advice letter 1048-E is approved.

This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on October 26, 1994. The following Commissioners approved it:



NEAL J. SHULMAN
Executive Director

DANIEL Wm. FESSLER
President
PATRICIA M. ECKERT
NORMAN D. SHUMWAY
P. GREGORY CONLON
JESSIE J. KNIGHT, Jr.
Commissioners