

UNITED STATES OF AMERICA
BEFORE THE
ATOMIC ENERGY COMMISSION

In the Matter of)

Southern California Edison Company)
and San Diego Gas and Electric)
Company)

Docket Nos. 50-361
50-362

(San Onofre Nuclear Generating)
Station Units 2 and 3))

PETITION TO INTERVENE, REQUEST FOR HEARING,
AND REQUEST FOR SUBMISSION OF VIEWS TO THE
ATTORNEY GENERAL FOR ANTITRUST REVIEW

The Cities of Anaheim, Riverside and Banning,
California (collectively referred to herein as "the Cities"),
hereby petition to intervene as full parties in interest
and request a hearing, in accordance with Section 189 of
the Atomic Energy Act of 1954, as amended ("the Act") and
Section 2.714 of the Commission's Rules of Practice, and
request that their views be presented to the Attorney General
for his consideration in the antitrust review of the applica-
tion, pursuant to Sections 105 and 182 of the Act, as amended
by Public Law 91-560, and Section 2.101(b) of the Commission's
Rules of Practice.

B105090 254

The Cities are the operators of municipal electric utilities. Each is presently an all requirements customer of Southern California Edison Company (sometimes hereinafter "SCE"), one of the applicants herein. In 1970, Anaheim had a maximum demand of 171,400 kw, and purchased from SCE 990,000,000 kwh of energy for \$7.4 million to serve its 40,300 customers. In the same period, Riverside had a maximum demand of 183,600 kw and purchased from Edison 808,512,000 kwh of energy for \$6.3 million to serve its 46,900 customers. Banning had a maximum demand of 9,520 kw and purchased 43,128,000 kwh for \$368,000 to serve its citizen-customers during that period.^{*/} Anaheim and Riverside are presently interconnected with SCE at 69 and 66 kv, respectively, while Banning is interconnected at 33 kv. As customers, the Cities have a broad and direct interest in this proceeding, will be affected by the costs and reliability of these generators, desire to see a full and complete evidentiary record made, and based on such record reserve the right to support or oppose the license.

^{*/} All data as to sales figures are taken from SCE's FPC Form 1 for 1970.

11

The Cities have been forced by SCE to remain all-requirements customers by the apparently unlawful use of SCE's monopoly powers. The Cities have sought to obtain the right to participate with SCE in building new generation on a joint basis and to be able to utilize SCE transmission capacity excess to SCE's needs, on payment of a reasonable fee therefor, to transmit bulk power which the Cities could purchase from sources other than SCE, more economically. SCE has refused to allow the Cities these rights, and has insisted on long-term, all-requirements contracts, thus monopolizing the power supplies to the Cities by the use of its monopoly on transmission in the area. In this proceeding, the Cities, which have been injured by SCE's apparently unlawful activities which have prevented them from obtaining lower cost bulk power supplies for the benefit of their citizen-customers, oppose the grant of any license unless and until SCE makes available to them, on a nondiscriminatory basis 1) the right to participate in the project and 2) transmission rights for power purchases over the SCE transmission system, together with the necessary partial requirements rates and back-up and pooling arrangements. Absent these

rights to the Cities, it is clear that the grant of the license to the Cities, if it is to be in the public interest, must be on the basis of the position of the Cities as to the project, and not on the basis of the position of the Applicants. The grant of the license to the Applicants, without the grant of the license to the Cities, would create or maintain a situation inconsistent with antitrust law and policy, as shown in more detail below.

III

The Cities are parties whose interests may be affected by the proceeding. They seek the right to purchase a portion of the project, or the power therefrom, on a non-discriminatory basis. They contend that the Commission cannot lawfully grant the requested license without requiring that SCE make available power from the project, together with the necessary transmission, to the Cities on a non-discriminatory basis, and that SCE cease its discriminatory and unlawful refusal to transmit power over its monopoly transmission lines for the Cities. These contentions are plainly related to matters within the jurisdiction of the Commission. See P. L. 91-560.

IV

The Cities request the submission to the Attorney General of their views contained herein and in the Accompanying

Statement in connection with the antitrust review now in

progress. The Commission's notice of the hearing is being served on the Cities. This regular hearing is being held in the form of the Commission's notice of the hearing. The Commission's Rules of Practice.

V

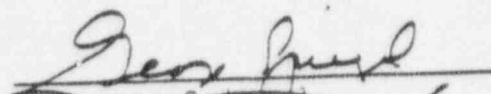
While the Cities have enough information on practices of SCE which appear to be unlawful exertions of monopoly power over transmission intended to tie the Cities to the supply of power generated by SCE to submit the accompanying Statement of Facts, we do not purport to have available to us the full story of SCE's monopolization tactics. The story remains, so far, in SCE's hands, and will not be told in its entirety unless and until this proceeding is set for hearing. Since the facts as to the monopolization to date by SCE are plainly relevant to the anticipated course which SCE will follow in the future, if strengthened by an unrestricted license from this Commission, the matter will obviously have to be set for a hearing on the antitrust issues, and the Cities hereby so request.

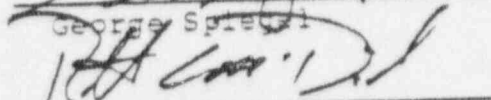
CONCLUSION

For the above stated reasons, the Cities pray that the Commission admit them as parties to this proceeding, with

that these cities, in the absence of any other
 authority, have been advised by the Attorney General
 the receipt of the report of the cities, and that
 the views of the cities contained in the attached statement
 the attached statement be submitted to the Attorney General
 for his consideration in the antitrust review required by
 the Act.

Respectfully submitted,

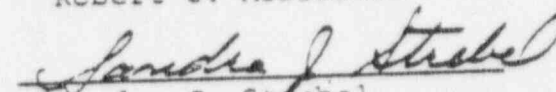

 George Spiegel


 Robert C. McDiarmid

Of Counsel:

City of Anaheim:
 Joseph Geisler, Esq.
 Alan R. Watts, Esq.

City of Riverside:
 John E. Woodhead, Esq.


 Sandra J. Stuebel

Attorneys for the Cities of
 Anaheim, Riverside and Banning,
 California

April 21, 1971

Law Office:

George Spiegel
 2600 Virginia Avenue, N. W.
 Washington, D. C. 20037