

an electric distribution system and a system for the distribution of steam for heating purposes. To a large extent the electric distribution lines parallel those of Pacific Gas and Electric Company and Great Western Power Company.

Since its acquisition by Great Western Power Company the property has been operated on a joint account and it is now proposed to divide the electric distribution system in such a manner that the various portions will be of the most use to the two companies. The present application covers the division of the electric distribution system, the disposal of the other properties to be definitely determined upon at a later date. This division is in accordance with the terms of an agreement entered into between Pacific Gas and Electric Company and Great Western Power Company at the time the Universal properties were purchased. It is proposed that Pacific Gas and Electric Company will quitclaim to Great Western Power Company all of its undivided interest in the electric distribution system and will receive in return a conveyance covering approximately one-half of the electric distribution system. It is apparent that the division of the property in question will make possible its absorption into the systems of the two companies now owning it and will make possible the elimination of certain duplicate facilities and the better use of the remaining equipment with consequent improvement in service and operating conditions.

The rates charged on the systems of Pacific Gas and Electric Company and Great Western Power Company and on the system formerly owned by Universal Electric and Gas Company, are identical and there is no reason to believe that the proposed transfer

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can work any hardship upon consumers.

A public hearing was held on the matter in San Francisco and although this hearing had been duly advertised, no protest was made.

I recommend the following form of Order:

O R D E R

Great Western Power Company of California and Pacific Gas and Electric Company having applied to the Railroad Commission for authority to partition the properties formerly owned by Universal Electric and Gas Company, a public hearing having been held, the matter being duly submitted and now ready for decision,

IT IS HEREBY ORDERED THAT,

(1) The agreement dated March 10, 1922, between Great Western Power Company of California and Pacific Gas and Electric Company covering the purchase by the former of the property of Universal Electric and Gas Company for the joint account of Great Western Power Company of California and Pacific Gas and Electric Company, and the ultimate division of said property between these two companies, be, and the same is, hereby approved.

(2) Pacific Gas and Electric Company be, and it is, authorized to release and quitclaim to Great Western Power Company of California all interest in the electric distribution system formerly owned and operated by Universal Electric and Gas Company, such release and quitclaim to be evidenced by a conveyance substantially in the form as shown in Exhibit "B" attached to the application in this proceeding and made a part thereof.

(3) Great Western Power Company of California be, and it is, authorized to transfer and convey to Pacific Gas and Electric Company approximately one-half of the electric distribution

system formerly owned and operated by Universal Electric and Gas Company as more particularly described in Exhibit "C" and the amendment thereto attached to the application in this proceeding and made a part thereof.

(4) The consideration at which such properties are transferred, or authorized to be transferred, shall not be urged before this Commission or other public body as a finding of the value of said properties.

(5) On or before August 31, 1924, the parties to this application shall file with this Commission certified copies of the conveyances by means of which the transfers herein authorized shall be made.

(6) The authority herein granted shall apply only to such transfers as shall be made on or before August 31, 1924.

The foregoing Opinion and Order are hereby approved and ordered filed as the Opinion and Order of the Railroad Commission of the State of California.

Dated at San Francisco, California this 27th day
of May, 1924.

H. P. ...

Irving Martin

Edward Shaw

 Commissioners.