

LEM

Decision No. 15835.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
THE MIDDLE YUBA HYDRO-ELECTRIC POWER
COMPANY, a corporation, and PACIFIC
GAS AND ELECTRIC COMPANY, a corpora-
tion, for an order of the Railroad
Commission of the State of California
authorizing the former to sell and
convey and the latter to purchase and
acquire the properties referred to in
this petition.

ORIGINAL

Application No. 12027.

C. P. Catten, for Pacific Gas and Electric Company,
Frank M. Nilon, for The Middle Yuba Hydro-Electric
Power Company.

BY THE COMMISSION:

OPINION

The Railroad Commission is asked to make an order:

1. Authorizing The Middle Yuba Hydro-Electric Power Company to sell and convey to the Pacific Gas and Electric Company all of the properties which the former has agreed to sell and convey to the latter under and in accordance with the provisions of the agreement of sale (Exhibit A) dated October 15, 1925; and
2. Authorizing The Middle Yuba Hydro-Electric Power Company to cease furnishing and supplying electric energy in the territory in which it now furnishes electric service.

The Middle Yuba Hydro-Electric Power Company has agreed to sell its properties referred to in this application to the Pacific Gas and Electric Company for the sum of \$65,000.00. Applicants, in their Exhibit No. 1, prepared by and under the direction of J. T. Ryan, estimate the cost to reproduce new the properties, using 1925 average costs, at \$105,247.00. The estimated cost to

reproduce properties new, using 5-year average costs, (1915-1919) is reported at \$86,580.00, and the depreciated reproduction cost ^{costs} on the basis of the 1925, /at \$76,474.00.

The Middle Yuba Hydro-Electric Power Company is engaged in the business of distributing and selling electric energy for light, heat and power and other lawful purposes in Nevada County, and particularly in the Alleghany Mining District. In general, its properties consist of eleven miles of high tension transmission lines, substations, about ten miles of overhead distribution lines, transformers, meters, appliances, materials and supplies.

The agreement entered into between applicants provides that The Middle Yuba Hydro-Electric Power Company shall be entitled to collect and retain for its own use and benefit all sums of money due it from its consumers of electricity for electric energy sold and delivered by it up to the date of the delivery of the deed transferring the title to the properties to the Pacific Gas and Electric Company and shall pay and discharge all obligations, liability and indebtedness of every kind and character incurred by it. The agreement further provides that The Middle Yuba Hydro-Electric Power Company shall at the time of the delivery of the deed pay to the Pacific Gas and Electric Company all sums of money which the vendor shall then have on hand and which it shall have collected from its consumers as deposits for electric service or for the construction of electric lines or the installation of electric equipment and that the Pacific Gas and Electric Company shall assume the vendor's obligations to its consumers to repay the sums so collected, and paid by the vendor to the purchasing company.

It is of record that the Pacific Gas and Electric Company intends to continue in effect for the time being the rates now charged by The Middle Yuba Hydro-Electric Power Company.

O R D E R

The Middle Yuba Hydro-Electric Power Company having applied to the Railroad Commission for permission to sell its electric properties to the Pacific Gas and Electric Company and discontinue its electric service, and Pacific Gas and Electric Company, having asked permission to purchase said properties, a public hearing having been held before Examiner Fankhauser and the Commission having considered applicants' request and being of the opinion that the transfer of the properties referred to in this application should be granted, as herein provided.

IT IS HEREBY ORDERED as follows;-

1. The Middle Yuba Hydro-Electric Power Company may sell, and Pacific Gas and Electric Company may purchase on or before July 1, 1926, all of the properties which the former has agreed to sell to the latter under the terms of the agreement (Exhibit A) filed in this proceeding, said sale to be made in accordance with the provisions of said agreement.
2. The Middle Yuba Hydro-Electric Power Company may cease to furnish and supply electric energy in the territory in which it now furnishes electric service, provided that the Pacific Gas and Electric Company undertake, on the acquisition of the properties referred to in this order, the furnishing of electric service to consumers now supplied by The Middle Yuba Hydro-Electric Power Company.
3. The Pacific Gas and Electric Company shall within thirty days after the acquisition of the properties herein authorized to be sold by The Middle Yuba Hydro-Electric Power Company, file with the Railroad Commission a certified copy of the deed or bill of sale, or other instrument of conveyance under which it acquires title to said properties.
4. The consideration being paid for said properties shall not be urged as a measure of the value of said properties for any

purpose other than the transfer herein authorized.

DATED at San Francisco, California, this 13th day
of January, 1926.

H. B. Brundage

A. L. Seaver

George D. Thomas

Leon Whitcomb

Commissioners.