

ORIGINAL

Decision No. 16717.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of the application
of California Telephone and Light
Company, a corporation, for an order
of the Railroad Commission of the
State of California approving a
certain agreement entered into by
and between applicant and Clear Lake
Beach Company, a corporation, dated
April 23, 1926.

Application No. 12,821.

BY THE COMMISSION:

O P I N I O N

California Telephone and Light Company applies for an order of the Railroad Commission approving an agreement covering the sale of power to Clear Lake Beach Company dated April 23, 1926. An examination of the agreement, a copy of which is attached to the application, shows that it provides for the standard rates and conditions with two exceptions. One of these exceptions is that the term of the contract is for five years instead of for three years as provided for in applicant's rules and regulations. The other unusual provision is that the consumer agrees not to sell its electric distribution system until the California Telephone and Light Company shall have had the opportunity of purchasing it for a price and upon terms as favorable as those proposed to any other prospective purchaser.

In view of the fact that California Telephone and Light Company must extend its distribution line approximately five miles in order to supply the service contemplated, it appears that the two provisions mentioned are reasonable. Power is to be sold in

accordance with the published rates of the Power Company and the proposed contract does not appear to be in any way detrimental to the interests of other consumers. This is not a matter in which a public hearing is necessary.

O R D E R

California Telephone and Light Company having applied to the Railroad Commission for an order approving an agreement with Clear Lake Beach Company, and the Railroad Commission being of the opinion that said agreement should be approved and that this is not a matter in which a public hearing is necessary;

IT IS HEREBY ORDERED that the agreement between California Telephone and Light Company and Clear Lake Beach Company, dated April 23, 1926, a copy of which is attached to the application in this matter as Exhibit "A", be, and the same is hereby approved.

The authority herein granted to become effective from and after the date of this order.

Dated at San Francisco, California, this 12th day of May, 1926.

H. B. Brundage

C. Leary

Leon Whitell

Commissioners.