

ORIGINAL

Decision No. 17115

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of
 MIO M. MARSE, VIOLA V. YOCCO, IDA
 D. MILLER, EUGENE W. BELL, and
 HELEN S. BELL, and Helen S. Bell
 as guardian of the Estate of
 Calista Jane Bell, a minor, doing
 business under the name of "BELL
 ELECTRIC COMPANY", and PACIFIC GAS
 AND ELECTRIC COMPANY, a corporation,
 for an order of the Railroad Com-
 mission of the State of California,
 authorizing the former to sell and
 convey, and the latter to purchase
 and acquire the properties referred
 to in the petition.

Application No. 12601.

Charles P. Cutten, for Pacific Gas and
Electric Company.

T. A. Miller, for Bell Electric Company.

DECOTO, COMMISSIONER:

O P I N I O N

The applicants in this proceeding pray for an order
of the Railroad Commission authorizing Mio M. Marsh, Viola V.
Yocco, Ida D. Miller, Eugene W. Bell, Helen S. Bell, and Helen S.
Bell as guardian of the Estate of Calista Jane Bell, a minor,
to sell and convey, and Pacific Gas and Electric Company to acquire,
for One Hundred Twenty Thousand Dollars (\$120,000.) the public
utility property and business in and adjacent to the City of Auburn,
conducted under the name of Bell Electric Company, and further

authorizing the present owners to cease supplying electricity in the territory now served.

For several years the Bell Electric Company has been purchasing electricity wholesale from Pacific Gas and Electric Company, distributing electricity to retail consumers in the City of Auburn and adjacent unincorporated territory and conducting an electrical merchandizing and wiring business. It is now proposed that Pacific Gas and Electric Company shall purchase the property used in the transmission and distribution of electricity but not in the merchandizing business.

Pacific Gas and Electric Company operates a number of power houses and an extensive transmission and distribution system covering a large part of the state including territory entirely surrounding that now served by the Bell Electric Company. At the public hearing on this application it was shown that Pacific Gas and Electric Company could handle the electrical distribution business more economically and efficiently than the present owners because of its larger organization and greater resources.

An inventory and appraisal of the property of the Bell Electric Company, balance sheets, financial statements, etc., were introduced in evidence at the hearing. The inventory and appraisal has not been checked in detail by the Commission's staff and the price which has been mutually agreed upon appears to be a fair one for the purpose of this transaction.

In general, the rates now charged by Pacific Gas and Electric Company in adjoining towns and surrounding territory are lower than those of the Bell Electric Company. The general substitution of Pacific Gas and Electric Company rates for those now in effect in Auburn would, however, result in increases in the bills of

certain individual consumers and it was generally agreed at the hearing on this application that the present rates of the Bell Electric Company should be continued until further study had been given to the changes that might be made. The order accompanying this opinion will, therefore, not provide for any change in the rates now effective on the system of the Bell Electric Company.

With these limitations it appears that the proposed transfer will be in the interest of the public and that it should be authorized.

I recommend the following form of order:

O R D E R

Mio M. Marsh, Viola V. Yocco, Ida D. Miller, Eugene W. Bell, Helen S. Bell, and Helen S. Bell as guardian of the Estate of Calista Jane Bell, a minor, doing business under the name of "Bell Electric Company", and Pacific Gas and Electric Company, having applied to the Railroad Commission for an order authorizing the former to sell and convey and the latter to purchase and acquire certain property, a public hearing having been held, the matter being submitted and now ready for decision,

IT IS HEREBY ORDERED, that

(1) Mio M. Marsh, Viola V. Yocco, Ida D. Miller, Eugene W. Bell, Helen S. Bell, and Helen S. Bell as guardian of the Estate of Calista Jane Bell, a minor, are authorized to sell and Pacific Gas and Electric Company to acquire the property used in the distribution of electricity in the City of Auburn and vicinity, which property is more particularly described in the Agreement of Sale, dated February 9, 1926, a copy of which is attached to the application in this proceeding and marked Exhibit "A", such transfer to be in accordance with the terms and conditions set forth in said copy

