

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the Matter of the Application of  
the GREAT WESTERN POWER COMPANY of  
CALIFORNIA to sell and THE PACIFIC  
GAS AND ELECTRIC COMPANY to buy cer-  
tain electric properties in Seaside  
and Pescadero School Districts in  
the County of San Mateo.

Application No. 12971.

Guy C. Earl and Chaffee E. Hall, by Chaffee E. Hall,  
for Great Western Power Company of California.

C. P. Cutten and R. W. Duval, by R. W. Duval,  
for Pacific Gas and Electric Company.

SEAVEY, COMMISSIONER:

O P I N I O N

In this joint proceeding the Railroad Commission is asked to make its order authorizing Great Western Power Company of California to sell and Pacific Gas and Electric Company to buy certain electric properties located in Seaside and Pescadero School Districts in the County of San Mateo, California.

This proceeding results from a duplication of the facilities of the above mentioned companies in the territory involved, in a competitive endeavor to secure new business. As a result of an investigation made by this Commission, it was agreed that the territory could best be served at this time by Pacific Gas and Electric Company. It was mutually agreed between the companies that Pacific Gas and Electric Company would purchase the facilities (except transformers and meters) of Great Western Power Company south of an east and west line from the Ocean to the mountains, and passing through the 10th pole north of the intersection of La Honda Road and County

Road at San Gregorio. This purchase was to be made at a price fixed by the Engineering Department of the Commission on the basis of actual cost of construction. Pacific Gas and Electric Company agreed to eliminate duplication of lines, and to charge to capital only the reasonable cost of the remaining system. The amount which Pacific Gas and Electric Company is to pay Great Western Power Company/ <sup>of California</sup> is \$54,047.67.

On the completion of the transfer of the property, Great Western Power Company of California will not construct any further lines in the territory to be served by Pacific Gas and Electric Company, as described above, or attempt to secure any further business therein, except by and with the express authority of the Commission.

#### O R D E R

Application having been made to the Railroad Commission for an order authorizing the transfer of certain electric properties located in Seaside and Pescadero School Districts in the County of San Mateo, a public hearing having been held and the Railroad Commission being of the opinion that the proposed transfer of electric properties will be in the public interest,

IT IS HEREBY ORDERED that the transfer of the electric properties, to which reference is made in the foregoing opinion, from Great Western Power Company of California to Pacific Gas and Electric Company be and it is hereby authorized.

The authority herein granted is subject to the following conditions:

(1) The transfer of the properties from Great Western Power Company of California to Pacific Gas and Electric Company shall be in accordance with the terms of the agreement, filed as Exhibit "A" in this proceeding.

(2) The price at which the properties referred to herein are transferred shall not be urged before this Commission or other court or public body as a measure of value of such properties for any purpose other than the transfer herein authorized.

(3) Within sixty (60) days after the transfer of the properties herein authorized, Pacific Gas and Electric Company shall file with the Commission a certified copy of the deed by which such properties are conveyed and shall file also a statement showing the entry or entries by which it records on its books of account the purchase of said properties.

The authority herein granted will become effective upon the date hereof.

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 25<sup>th</sup> day of September, 1926.

H. A. Randall

C. C. Sawyer

Leon Whitell

Thos. R. Routh

Commissioners.