

LEM

Decision No. 18101

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
PACIFIC GAS AND ELECTRIC COMPANY,)
a corporation, and C.B. JACKSON, for)
an order of the Railroad Commission)
of the State of California authoriz-)
ing applicants to consummate in ac-)
cordance with its terms, a certain)
agreement of sale and purchase exe-)
cuted by applicants under date of)
December 7, 1926.)

Application No. 13429

BY THE COMMISSION:

FIRST SUPPLEMENTAL ORDER

The Commission by Decision No. 18037 dated March 2, 1927, authorized Pacific Gas and Electric Company to sell, grant, convey, transfer and assign on or before July 1, 1927 the public utility properties referred to in this application, to C.B. Jackson, subject, among others, to the condition that the authority so granted will become effective upon the approval of the Commission of the rates which the Pacific Gas and Electric Company shall pay for water furnished by C.B. Jackson, and of the consideration which the Pacific Gas and Electric Company shall pay for the use of any property which may be transferred under the terms of the order.

Under date of March 12th applicants filed with the Commission a supplemental agreement amending the agreement of December 7th 1926, in the following respects, to wit:-

1. All water which shall be furnished by Jackson to the Company from any of the aforesaid systems to be purchased by him from the Company pursuant to the authority granted by said Decision No. 18037 shall be paid for by the Company in accordance with the standard schedules of rates from time to time legally established and in force covering the sale of water by Jackson from the aforesaid water systems, respectively.

2. For the right reserved by the Company to take water for its substation requirements from the intake of the pumping plant at Redding, as provided in paragraph fourteenth of the aforesaid agreement, the Company shall pay Jackson the sum of one dollar (\$1.00) for each year during which it shall exercise such right; provided, however, that Jackson shall not be obligated to maintain said intake for the sole use of the Company and that if he shall abandon such intake then the right of the Company to take water from such intake shall thereupon cease and determine.

3. For the right reserved by the Company to operate the pumping equipment and piping constituting part of the water system in the City of Willows, as provided in paragraph seventeenth of said agreement, the Company shall pay Jackson one dollar (\$1.00) for each year during which it shall exercise such right and shall in addition thereto pay its proportion of the cost of operating such equipment during the time when it shall use the same based upon the respective amounts of water taken during such time by the parties hereto for their respective uses. "

The Commission is further asked to authorize specifically the execution of an agreement substantially in the same form as the agreement marked "Exhibit F" attached to the agreement filed in this proceeding as "Exhibit A". Exhibit "F", sometimes referred to as the "Oroville Water Contract", among other things, outlines the procedure for determining the quantity of water which the Pacific Gas and Electric Company shall deliver to C.B. Jackson, his successors and assigns, in order to enable said C.B. Jackson, his successors and assigns, to serve the City of Oroville and vicinity. In general, the quantity is to be based on the 1927 consumption in the territory referred to in the agreement. Evidently the amount which the Pacific Gas and Electric Company must deliver to C.B. Jackson, his successors and assigns, will not be determined until 1928. The Commission, however, is now asked to authorize the execution of a contract which outlines definitely how that quantity shall be determined and which makes no provision for the approval of the quantity so determined by the Commission. This Commission is interested in the quantity determined upon by the parties to the contract and will authorize the execution of the contract only upon the condition that the parties thereto will submit to this Commission for its approval the quantity of water

