

ORIGINAL

Decision No. 18561

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
ANDREW SORENSEN,)
doing business under the name of A.)
Sorensen, and Nikoline Sorensen,)
his wife, to sell and Great)
Western Power Company of California)
to purchase a certain electrical)
distributing system.)

Application No. 13858.

P. J. Noerager, for Andrew Sorensen
and Nikoline Sorensen.
Chaffee E. Hall, for Great Western
Power Company of California.

BY THE COMMISSION:

O P I N I O N

In the above entitled matter the Railroad Commission is asked to make an order authorizing Andrew Sorensen and Nikoline Sorensen to sell, and Great Western Power Company of California to purchase, for the sum of \$12,000.00, payable in cash, a certain electrical distributing system.

The application shows that Andrew Sorensen is engaged in the business of purchasing electric energy, from Great Western Power Company of California and distributing it for domestic purposes in the City of Oakland in the district bounded on the east by 26th Avenue, on the north by East 22nd Street, on the west by 23rd Avenue and on the south by Foothill Boulevard and East 16th Street. Approximately 155 consumers are served.

At the hearing held in this matter R. A. Sharon, assistant to the vice-president of the purchasing corporation, testified that the reproduction cost new of the properties was estimated at \$4,576.00, and the reproduction cost new less depreciation at \$3,265.00. It appears to be the intention of the purchaser, upon acquiring the properties, to reconstruct the same. It is estimated that the cost of reconstruction will be about \$4,150.00.

At the conclusion of the reconstruction Great Western Power Company of California will have expended approximately \$16,150.00 in purchasing the system and in reconstructing it. The cash outlay will thus be substantially in excess of the value of the properties, which may be stated at \$5,200.00, consisting of the rehabilitation cost of \$4,150.00 and the depreciated reproduction cost of \$1,050.00, of the meters which will be retained. It appears to us that public convenience and necessity will be served by the acquisition and operation of this system by Great Western Power Company of California. It should, however, submit to the Commission for approval, its proposed book entries to record the final distribution of all expenditures in connection with the transaction.

ORDER

Application having been made to the Railroad Commission for an order authorizing the transfer of the electrical distributing system referred to in the foregoing opinion, a public hearing having been held before Examiner Fankhauser and the Railroad Commission being of the opinion that the application should be granted, as herein provided, therefore,

IT IS HEREBY ORDERED that Andrew Sorensen and Nikoline Sorensen, his wife, be, and they are hereby, authorized to sell and transfer to Great Western Power Company of California the electrical distributing system to which reference is made in the foregoing opinion and in this application, provided that the consideration being paid by Great Western Power Company of California shall not be urged before this Commission as representing the value of said properties for any purpose other than the transfer herein authorized.

IT IS HEREBY FURTHER ORDERED that Great Western Power Company of California shall file with the Commission for approval within ninety (90) days after the date hereof, the book entries by which it proposes to record the transaction.

IT IS HEREBY FURTHER ORDERED that the authority herein granted shall become effective on the date hereof and that within thirty (30) days after the transfer of the properties the purchaser shall file with the Commission a certified copy of the deed or other instrument under which it acquires and holds title to said properties.

DATED at San Francisco, California, this 28th
day of June, 1927.

Charles
Leon Whitell
Thos. Shattuck

Commissioners.