

Decision No. 21175

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of the application of PACIFIC GAS AND ELECTRIC 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 the CITY OF OROVILLE, a municipal corporation, dated May 20, 1929.

ORIGINAL

Application No. 15653.

BY THE COMMISSION:

O P I N I O N

Pacific Gas and Electric Company asks the Commission to make its order and decision approving the terms of an agreement between applicant and the City of Oroville dated May 20, 1929.

Under the terms of this agreement, copy of which is attached to the application, applicant has agreed to sell, furnish and deliver to the City of Oroville and the latter has agreed to purchase, receive and pay for, at rates specified, all the electric energy which shall be required for the purpose of lighting the streets and highways of said City of Oroville for the term of five (5) years and thereafter until termination by thirty (30) days written notice given by the City of Oroville.

The agreement provides for the construction of an ornamental electrolier lighting system and further provides that the City of Oroville shall have the option of purchasing said ornamental electrolier lighting system at a purchase price based

upon the actual cost to the company of said system (not to exceed Sixteen Thousand (16,000) Dollars, plus the cost of additions to said system as may from time to time be ordered installed by the City Council), less depreciation computed in accordance with the following table:

<u>Year</u>	<u>Depreciation End of Year In Percentage</u>
1	4.2963
2	8.8503
3	13.6776
4	18.7946
5	24.2185
6	29.9678
7	36.0622
8	42.5223
9	49.3699
10	56.6283
11	64.3224
12	72.4779
13	81.1229
14	90.2865
15	100.0000

The agreement further provides for the method of payment should the City elect to pay said purchase price in monthly installments.

It is that portion of the agreement relating to the sale and transfer of the properties at some future date which must have the approval of this Commission before the agreement can become effective and be considered binding upon the Company.

The Commission has considered the above mentioned agreement and is of the opinion that it is fair to both parties and that a public hearing is not necessary.

ORDER

Pacific Gas and Electric Company having applied to the

Railroad Commission for the approval of that certain agreement above referred to, the Commission being fully informed and believing that the agreement is in the public interest, and that a public hearing is not necessary;

IT IS HEREBY ORDERED that said agreement be and the same is hereby approved.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 31st day of May, 1929.

Wm. S. Lott

W. S. Lott

Leon Whitell

M. A. Carr
Commissioners.