Decision No. <u>24553</u>.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of) SIERRA AND SAN FRANCISCO POWER COM-PANY, PACIFIC GAS AND ELECTRIC COM-PANY and TURLOCK IRRIGATION DISTRICT) for an order of the Railroad Commission of the State of California authorizing the consummation of an agree-) ment of sale dated January 11, 1932) (Exhibit "A" hereof) in accordance) with its terms. ORIGINE

Application No. 17964

C. P. Cutten, for Sierra and San Francisco Power Company and Pacific Gas and Electric Company;

Thos. C. Boone, for Turlock Irrigation District.

BY THE COMMISSION:

OPINION

In this proceeding the Railroad Commission is asked to enter its order approving the agreements filed in this proceeding as Exhibits "A" and "B", and authorizing the Sierra and San Francisco Power Company and the Pacific Gas and Electric Company to sell to the Turlock Irrigation District the following described property:-

> (1) All that certain tract of land situate in the Town of Hickman, County of Stanislaus, State of California, known as fractional Block No. 34(as designated and delineated) on that certain Map entitled "Map of the Town of Hickman, Stanislaus County, California, etc." filed in the office of the County Recorder of said Stanislaus County on February 10, 1913, together with the substation building and other improvements and appurtanances thereon including all electrical equipment installed at said substation building.

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(2) That certain electric transmission line consisting of poles, cross-arms, wires and fixtures extending from the Don Pedro power house of Turlock and Modesto Irrigation District located in the southwest quarter of Section 35, Township 2 South Range 14 East, M. D. B. & M., in a southerly and westerly direction to a point on the southerly bank of the Tuolumne River near the section line between Sections 7 and 8, Township 4 South, Range 9 East, M.D.B.& M., together with the rights of way therefor, the same being a portion of what is known as the "Don Pedro-Modesto transmission line"; excepting therefrom, however, and reserving to Sierra and its said lessee all telephone wires and equipment of Sierra nov installed thereon from the Tuolumne River crossing to Sierra's Hughson Substation together with the right to maintain and operate same thereon so long as said poles shall be maintained by Turlock. Should Turlock hereafter abandon and take down said line of poles it agrees that it will thereupon grant to Sierra and or poles wires and equipment on Turlock's line of poles extending between Tuolumne River and said Hughson Substation.

(3) All electric distribution lines and line equipment of Sierra operated at the date hereof at voltages less than 20,000 volts, consisting of poles, cross-arms, overhead conductors, line transformers, service wires, consumer's meters, street lighting equipment and incidental fixtures, and located within the area bounded on the north by the Tuolumne River, on the west by the San Joaquin River, on the south by the Merced River, and by a line along the range line between Ranges 12 and 13 East from the Merced River north to the Stanislaus-Merced County Line, thence along the Stanislaus County Line east and north to its intersection with the Tuolumne River; and also those certain areas north of the Tuolumne River consisting of the south half (S_2) of Township 3 South, Range 11 East, and Sections 26 and 35, Township 3 South, Range 12 East, M.D. B. & M., excepting therefrom, however, and reserv-ing to Sierra and its said lessee all such lines and line equipment as are located (a) within the westerly portion of the area first hereinabove described to which electric energy is supplied from Sierra's Patterson Substation, (b) within the north-westerly portion of said area to which electric energy is supplied from Sierra's Paradise Substation and (c) on lines of Sierre of more than 20,000 volts other than that portion of said Don Pedro-Modesto transmission line described in subdivision (2) of this paragraph. Sierra also excepts herefrom and reserves to itself and its said lessee all telephone lines and equipment now installed upon poles of the electric distribution line extending from the City

of Turlock to Sierra's Hughson Substation together with the right to maintain and operate same thereon so long as said poles shall be maintained by Turlock. Should Turlock hereafter abandon and take down said line of poles it agrees that it will thereupon grant to Sierra and/or Pacific the right to install and maintain said telephone wires and equipment on Turlock's line of poles extending between said City of Turlock and said Hughson Substation.

(4)

All telephone lines and telephone equipment now installed on that portion of said Don Pedro-Modesto transmission line described in subdivision (2) of this paragraph lying between said Don Pedro power house and said Hughson Substation, and all telephone lines and telephone equipment installed on all electric distribution lines described in subdivision (3) of this paragraph, excepting, however, said telephone line and equipment so installed on the electric distribution line extending from the City of Turlock to Sierra's Hughson Substation.

The properties to which reference has been made are to be transferred pursuant to the terms and conditions set forth in the agreement dated January 11, 1932 and filed as Exhibit "A" in this proceeding. The Turlock Irrigation District has agreed to pay for the properties \$170,000.00 in cash and/or a quantity of electric energy which, when credited to the Turlock Irrigation District in the manner and at the rate set forth in said agreement of January 11, 1932, will equal the sum of \$170,000.00, with interest thereon at the rate of six percent per annum, compounded semi-annually, from the date of the delivery of the deed to said properties until the whole thereof has been liquidated in full. As further consideration for the properties the Turlock Irrigation District has agreed that until such time as it shall have wholly liquidated said property consideration, it will not sell, deliver or otherwise dispose of, any electric energy for sale, use or disposal outside of the territory described in subdivision three of paragraph one, of said agreement, except as specified in said

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agreement and in the performance of its obligations to San Joaquin Light and Power Corporation, and Sierra and San Francisco Power Company and Pacific Gas and Electric Company under certain contracts entered into concurrently with the aforesaid agreement.

Under the terms of the agreement filed as Exhibit "B", Turlock Irrigation District agrees to transmit over its lines to the Merced Falls Substation and/or the Livingston Substation of San Joaquin Light and Power Corporation and there deliver to the Sierra and San Francisco Power Company and Pacific Gas and Electric Company, or their order, the electric energy mentioned in the agreement of May 23, 1921, between said companies, Turlock Irrigation District and Modesto Irrigation District. The reason for executing the agreement filed as Exhibit "B" is that upon the transfer of the aforementioned properties to the Turlock Irrigation District, the vendors are left without facilities for receiving, at the specified point of delivery, or for transmitting from said point of delivery, the electric energy which the Turlock Irrigation District is obligated to supply them.

ORDER

The Commission having been asked to authorize the Sierra and San Francisco Power Company and Pacific Gas and Electric Company to transfer and convey the properties, to which reference is made herein, to the Turlock Irrigation District, the Commission having considered the request of applicants, and being of the opinion that this is not a matter in which a public hearing is necessary, and that this application should be granted, therefore,

IT IS HEREBY ORDERED, that Sierra and San Francisco Power Company and Pacific Gas and Electric Company be, and they are hereby, authorized to transfer and convey on or before June 1, 1932, all of

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their respective rights, titles and interests in and to the properties described in the agreement of January 11, 1932, filed in this proceeding as Exhibit "A", to the Turlock Irrigation District, and that said companies be, and they are hereby, authorized on or before June 1, 1932, to execute an agreement substantially in the same form as the agreement filed in this proceeding as Exhibit "A", and an agreement substantially in the same form as the agreement filed in this proceeding as Exhibit "B".

IT IS HEREBY FURTHER ORDERED, that within thirty(30) days after the transfer of the aforementioned properties, the Sierra and San Francisco Power Company and/or Pacific Gas and Electric Company shall advise the Commission of the date when such properties were transferred, and file with the Commission a certified copy of each of the agreements executed under the authority granted herein.

DATED at San Francisco, California, this <u>7</u> day of March, 1932.

Commissioners.