

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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ORIGINAL

In the matter of the application of the Pacific Light & Power Corporation for permission to purchase the electric distributing system of the Eagle Rock Water Company in the Cities of Los Angeles and Eagle Rock and territory adjacent thereto in Los Angeles County and for certificate of public convenience and necessity; and the application of the Eagle Rock Water Company to sell its electric distributing system to the Pacific Light & Power Corporation.

Application No. 265.

OPINION and ORDER.

LOVEDAID, Commissioner.

In this application permission is asked by the Pacific Light and Power Corporation to purchase and by the Eagle Rock Water Company, a corporation, to sell the electric distributing system of the Eagle Rock Water Company in the Cities of Los Angeles and Eagle Rock and territory adjacent thereto in the County of Los Angeles, California, the application of the Pacific Light & Power Corporation also asking for a certificate under Section 50 (2) of the Public Utilities Act that public convenience and necessity require or will require the extension of the electric system of the Pacific Light and Power Corporation in said City of Eagle Rock.

The financial condition of the Pacific Light & Power Corporation and of the Eagle Rock Water Company are set forth in the pleadings.

The application further shows that the Pacific Light & Power Corporation has applied to the Board of Trustees of the City of Eagle Rock and has received a franchise to construct, maintain and operate an electric distributing system within said City; that the bids for such franchise were duly advertised and that said

franchise was granted on the 21st day of October, 1912; that a certified copy of the notice of sale of said franchise is filed with this petition and that a certified copy of the Ordinance granting said franchise will be filed as soon as such Ordinance is adopted and approved.

The Pacific Light & Power Corporation promises that if permitted to purchase the electric distributing system of the Eagle Rock Water Company it will immediately reduce the price of electricity to the inhabitants of the territory served by said system and that it will also make all service connections free of charge within said territory. It alleges that if permitted to purchase said system it will be enabled to furnish electric energy to such of the inhabitants of the City of Eagle Rock as cannot now obtain that utility. The Eagle Rock Water Company joins in the application for the transfer of its electric distributing system to the Pacific Light & Power Corporation and alleges that the financial condition of the Pacific Light & Power Corporation is such as to enable it to give a better service to the residents of the territory comprehended in the application than the Eagle Rock Water Company can give.

An analysis of the financial statements of the applicants shows that the Pacific Light & Power Corporation is in a better condition and position, or will be if this application is granted, to serve the public than the Eagle Rock Water Company is.

The Commission communicated with the Board of Trustees of the City of Eagle Rock and received assurances from said Board that neither the Board of Trustees or any resident of the City of Eagle Rock objected to the transfer but that all were in favor of it. Under these circumstances, the Commission decided that a hearing was unnecessary and that the application could be passed upon

ex parte. We find that public convenience and necessity require and will require that the application be granted and the following Order will be issued:

O R D E R.

WHEREAS, the Pacific Light & Power Corporation has applied for permission to purchase the electric distributing system of the Eagle Rock Water Company in the Cities of Los Angeles and Eagle Rock and territory adjacent thereto in the County of Los Angeles and the Eagle Rock Water Company has applied for permission to sell said system to the Pacific Light & Power Corporation, which corporation has promised, if the application is granted:

- 1st. To reduce the price of electricity to present users.
- 2d. To extend the system in Eagle Rock for which it has received a franchise from the City of Eagle Rock.
- 3d. To make all service connections free of charge; and it appearing that neither the Board of Trustees of the City of Eagle Rock or any resident thereof or of the territory included in the application objected to the transfer but that all were in favor of it, and the Commission finding that public convenience and necessity require or will require the granting of permission to the Pacific Light & Power Corporation to purchase the electric distributing system of the Eagle Rock Water Company and to extend said system as per franchise granted by the said City of Eagle Rock, and to exercise the rights granted by said franchise.

NOW, THEREFORE, BE IT ORDERED, that upon conditions named in the application and above set forth in this opinion and order, namely, that the Pacific Light & Power Corporation will reduce the price of electricity to present users, extend the system as per franchise granted by the Board of Trustees of Eagle Rock, install all service connections free of charge, the Pacific Light & Power Corporation be and it is hereby granted permission to purchase from

the Eagle Rock Water Company the electric distributing system of said company in the Cities of Eagle Rock, Los Angeles, and territory adjacent thereto in Los Angeles County, California, for the sum of Twenty-two Thousand, Five Hundred (22,500) Dollars, and the Eagle Rock Water Company be and it is hereby granted permission to sell said electric distributing system to the Pacific Light & Power Corporation for said sum of Twenty-two Thousand, Five Hundred (22,500) Dollars, it being a further condition of this order that the Railroad Commission of the State of California or any rate fixing body shall not be required to accept this price of Twenty-two Thousand, Five Hundred (22,500) Dollars as the reasonable price of the property for rate fixing purposes.

Be it further ordered that applicant be and it is hereby granted permission to exercise rights conferred by the franchise granted by the City of Eagle Rock as herein set forth. This order not to become effective until applicant shall have filed with this Commission a certified copy of the Ordinance granting said franchise showing that it has been adopted and approved by the Board of Trustees of the City of Eagle Rock.

The above opinion and order are hereby approved and ordered filed as the ex parte order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 29 day of November, 1912.

J. H. Loveland

W. Gordon

Edwin O. Edgerton

Commissioners.