

ORIGINAL

Decision No.

BEFORE THE RAILROAD COMMISSION
OF THE STATE OF CALIFORNIA.

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In the Matter of the Application)
of the MERCED STONE COMPANY to)
sell and the SAN JOAQUIN LIGHT &)
POWER CORPORATION to purchase a)
certain electric generating plant)
and distributing system in Mariposa)
and Merced Counties.)

APPLICATION

NO. 3090

Decision No. 4579

BY THE COMMISSION

O P I N I O N

Merced Stone Company and San Joaquin Light & Power Corporation herein request authority to sell and to purchase, respectively, for the sum of \$35,000, a certain hydro-electric plant and distribution system owned and operated by the former.

The property to be transferred consists of certain water rights on the Merced River near the town of Kittridge covering the use of 15,000 miner's inches of the flow of the Merced River, also rights of way for a diversion dam and flume, certain real estate upon which is located the power plant of the Merced Stone Company and other buildings used in connection with the power plant; a 375 K.V.A. installed capacity hydro-electric plant, including buildings and machinery capable of supplying 250 K.W. demand, distribution lines and substation designated as Kittridge and Jasper Substations of 375 K.V.A. and 150 K.V.A. capacity, also a transmission line from Kittridge via Jasper Point to the Merced Falls plant of San

Joaquin Light & Power Corporation, together with the public utility business now served by the electric system. A detailed inventory of the property to be transferred is set forth in Exhibits "A" and "B" filed with the application and also in a report on the reproduction cost of said property by Mr. G. R. Kenny filed under date of August 23, 1917 by San Joaquin Light & Power Corporation.

The Merced Stone Company was incorporated in 1907 and later constructed the existing hydro-electric plant and distribution system and has been serving power for quarrying and mining purposes to two mines in the neighborhood of Jasper Point and Kittridge.

The Merced Stone Company desires to go out of business as a public utility and the San Joaquin Light & Power Corporation desires to increase its business in Mariposa County by the operation of this plant in conjunction with the San Joaquin system and in the extension into territory beyond Kittridge. It will be possible for the latter company to make greater economic use of the plant and facilities than can be done by the two companies operating separately.

The reproduction cost new of the property to be transferred has been estimated by Mr. Kenny to be \$76,267.19. This estimate was based upon average price conditions according to Mr. Kenny who further stated that the depreciated cost of the property is between 70% and 80% of the cost new or at least \$50,000.

The average output of the plant for the past five years has been 601,910 K.W.H. This has been limited by the consumers' requirements. It is estimated that if the plant is connected to the San Joaquin system and operated continu-

ously, the average annual output will be approximately 1,650,000 K.W.H.

San Joaquin Company proposes to operate the plant continuously at full capacity and to extend the distribution system to serve mining customers in this general district. The rates to be charged are the same as now on the San Joaquin system, which rates, according to the San Joaquin Light & Power Corporation, will result in a reduction to present customers of Merced Stone Company.

It appears from a consideration of the information at hand in this matter that the transfer of property requested should be approved.

O R D E R

Merced Stone Company and San Joaquin Light & Power Corporation having applied for authority of the Railroad Commission to the transfer by Merced Stone Company to San Joaquin Light & Power Corporation of a certain hydro-electric plant and transmission and distribution system,

IT IS HEREBY ORDERED that

(1) Merced Stone Company be and hereby is authorized to transfer and sell to San Joaquin Light & Power Corporation for the sum of \$35,000.00 that certain low head turbine hydro-electric plant of 375 K.V.A. installed capacity and distribution system located in and near the town of Kittridge, Mariposa County, and that certain transmission line extending from Kittridge via Jasper Point to Merced Falls including the following described water rights and real property:

WATER RIGHTS

That certain water right on the Merced River in the County of Mariposa, State of California, consisting of the right to take 15,000 miner's inches under a four inch pressure, as the same was located by the Nameless Mining Company in November, 1899, its notice of appropriation of water being recorded in Book No. 11 of Water Rights at page 67, thereof, Mariposa County Records, together with all the water rights, privileges and advantages, which have accrued to said first party under and by virtue of the actual diversion and appropriation of water as hereto diverted and appropriated.

REAL PROPERTY

That portion of Section 26, Township 3 S., Range 16 E., M.D.B. & M., which is described as follows, to-wit:

Beginning at a point on the northeasterly side of the Merced River in Section 26, Township 3 S., Range 16 E., M.D.B. & M., which is N. 30° 30' E. 245 feet from the top of the northwest corner of the concrete foundation of the Kittridge Power House of the Merced Stone Company; thence south 21° 20' E. 450 feet to a point; thence south 69° 15' W. 250 feet to a point in the Merced River up stream from the said Power House; thence down the stream north 21° 20' W. 450 feet to a point in the stream below said Power House; thence north 69° 15' E. 250 feet to point of beginning, together with all structures, buildings, flumes, or improvements now thereon, also the following land, located south of the Merced River and described as follows:

Beginning at a point on the Southwesterly line of the Right of Way of the Yosemite Valley Railroad Company, which is S. 59° 30' W. 335 feet from the top of the northwest corner of the concrete foundation of the Kittridge Power House of the Merced Stone Company; thence S. 61° 0' W. 300 feet to a point; thence N. 29° W. paralleling the southwesterly line of said Railroad Right of Way 200 feet to a point; thence W. 61° 0' E. 300 feet to a point on the Southeasterly line of said Railroad Right of Way; thence S. 29° E. along the Southeasterly line of said Railroad Right of Way 200 feet to point of beginning, together with the house, out-buildings and improvements of every sort now thereon.

Also that certain Right of Way over, through and across the following described property, situ-

ate, lying and being in the County of Mariposa, being a right, privilege and license to erect, build, construct, repair and maintain a dam for the storage of water on the following described land, to-wit:

The N. E. $\frac{1}{4}$ of the S. W. $\frac{1}{4}$, the S. $\frac{1}{2}$ of the N. W. $\frac{1}{4}$ of Section 26; The S. E. $\frac{1}{4}$ of the N. E. $\frac{1}{4}$ of Section 27; Township 3 S., Range 16 E., M. D. B. & M.

Also all rights of way, licenses and easements which Merced Stone Company has in any way acquired in connection with the transmission line from Kittridge via Jasper Point to Merced Falls hydro electric plant of San Joaquin Light & Power Corporation.

This order is conditional upon Merced Stone Company delivering said property to San Joaquin Light & Power Corporation free of all indebtedness and encumbrances.

The consideration paid for the property herein authorized to be transferred shall not be taken before this Commission or any other public body as representing the value of said property for rate fixing or other purposes.

Dated at San Francisco, California, this 25th day of August, 1917.

Max Thelen
W. H. Loveland
W. L. Gordon
Edwin O. Edgerton
Franz R. Decker
Commissioners.