

BEFORE THE RAILROAD COMMISSION
OF THE STATE OF CALIFORNIA.

Decision No. 497

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In the matter of the application :
of the ELSINORE ELECTRIC LIGHT :
AND POWER COMPANY to sell and of :
the SOUTHERN SIERRAS POWER COMPANY :
to purchase a certain electrical :
system situated at Elsinore, County :
of Riverside, State of California. :
.....

Application No. 358

Appearances:

- J. A. Crane for the Elsinore Electric Light and Power Company,
- I. B. Potter for the Southern Sierras Power Company,
- J. A. Hoag for the Board of Trustees of the City of Elsinore.

GORDON, Commissioner.

O P I N I O N .

This is a joint application by the Elsinore Electric Light and Power Company and the Southern Sierras Power Company for an order of this Commission permitting the Elsinore Electric Light and Power Company to sell its electrical plant at Elsinore to the Southern Sierras Power Company and permitting the Southern Sierras Power Company to purchase the same.

The Elsinore Electric Light and Power Company was incorporated in this state in 1906, with an authorized capital of \$25,000, consisting of 25,000 shares at one dollar (\$1) per share. At the present time, 8,500 shares are outstanding. No bonds have been issued by this company. The money received from the sale of stock, together with other amounts either borrowed or obtained by assessments on stock, has been put into the construction of the plant at Elsinore, which the company estimates has cost approximately \$12,000.

The Southern Sierras Power Company was incorporated in the State of Wyoming in 1911, with an authorized capital of

\$5,000,000, divided into 50,000 shares of the par value of \$100.00 each, all of which stock has been issued. The Southern Sierras Power Company furnishes electric current for heat, light and power purposes in portions of Inyo, Kern, San Bernardino and Riverside Counties.

In the application, the Elsinore Electric Light and Power Company states that its plant and equipment at Elsinore must now be extended, in order to meet the needs of the citizens in Elsinore and that the company does not feel prepared to finance these needed extensions. The Southern Sierras Power Company states that it is prepared to enter Elsinore and to furnish electric current in that city at rates less than those charged at present by the Elsinore Electric Light and Power Company, and at the same time make a more adequate and satisfactory service than has been possible by the local company.

The two companies parties to this proceeding have entered into an agreement, attached to the application and marked "Exhibit B," in which agreement the Elsinore Electric Light and Power Company agrees to transfer to the Southern Sierras Power Company, for a consideration of \$7,500, all of the plant and equipment now used by the Elsinore Electric Light and Power Company in its business of supplying electric current for light, heat, power and other purposes at and near Elsinore, Riverside County, California.

The Board of Trustees of the City of Elsinore were represented at the hearing and have expressed to the Commission the desire of the city authorities that this contemplated transfer be allowed. I am of the opinion that the needs of the public at Elsinore will be subserved by the granting of this application, and I submit herewith the following form of order:

O R D E R .

The Elsinore Electric Light and Power Company having applied for permission to sell and the Southern Sierras Power Company having applied for permission to purchase, for the sum of

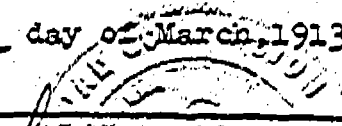
\$7,500, the entire plant and equipment used by the Elsinore Electric Light and Power Company in the business of supplying electric current for light, heat, power and other purposes at and near Elsinore, Riverside County, State of California, as is more particularly set forth in that certain agreement of sale entered into by the parties to this proceeding, and attached to the application in this proceeding and marked "Exhibit B;" and the Board of Trustees of the City of Elsinore having requested that this transfer be allowed; and the Commission being of the opinion that the needs of the public at and in the vicinity of the City of Elsinore will be subserved by the granting of this application,

IT IS HEREBY ORDERED That the Elsinore Electric Light and Power Company be and the same hereby is authorized to sell and that the Southern Sierras Power Company be and the same hereby is authorized to purchase, for the sum of \$7,500, the entire plant and equipment of the Elsinore Electric Light and Power Company, used in its business of supplying electric current for light, heat, power and other purposes at and near Elsinore, Riverside County, California, upon the following condition and not otherwise, to-wit:

The consideration of \$7,500 which the Southern Sierras Power Company is herein authorized to pay for the plant and equipment of the Elsinore Electric Light and Power Company shall not be taken before this Commission, or any other public authority, as representing, for rate fixing or other purposes, the present value of the property of the Elsinore Electric Light and Power Company herein authorized to be transferred.

The foregoing Opinion and Order are hereby approved and ordered filed as the Opinion and Order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 12 day of March, 1913.



H. A. [Signature]

Mar. [Signature]

Commissioners.