

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of the application of
PACIFIC GAS & ELECTRIC COMPANY, a cor-
poration, and WEST SACRAMENTO ELECTRIC,
a corporation, for an order of the
Railroad Commission authorizing the
PACIFIC GAS & ELECTRIC COMPANY to sell,
grant and transfer to the WEST
SACRAMENTO ELECTRIC portions of its
transmission and distribution lines,
and certain of its transformers,
switches and other electrical appli-
ances and other personal property
described in detail in that certain
agreement of sale dated December 27, 1912.)

Application No. 521

GORDON, COMMISSIONER.

OPINION

This is a joint application by Pacific Gas & Electric Company and West Sacramento Electric in which the former asks authority to sell to the latter and the latter asks authority to purchase from the former certain distribution lines in the eastern portion of Yolo County for the sum of Five-thousand (\$5000) dollars.

Pacific Gas & Electric Company is engaged in the business of generating, transmitting and distributing electric energy over a large portion of central California, including certain portions of Yolo County adjacent to territory being at present served by the West Sacramento Electric and is under contract to supply to the West Sacramento Electric for resale all electric energy required by that Company.

West Sacramento Electric, a corporation organized in September 1911, is engaged in the business of distributing the electric energy purchased from Pacific Gas & Electric Company to various consumers, in the eastern portion of Yolo County.

At the hearing in this matter, held at San Francisco on May 6, 1913, it developed that the West Sacramento Electric is closely associated with the

West Sacramento Land Company and that the principal territory served and to be served with electric energy by the former is included in certain large tracts of land in the eastern portion of Yolo County owned or controlled by the latter and it is claimed that by reason of this affiliation between the electric company and the land company that the former is more interested in the development of this particular territory and in a position to better serve the public therein than is the Pacific Gas & Electric Company.

Pacific Gas & Electric Company, being unwilling to construct, maintain and operate the distribution lines which it appears will be necessary to adequately and properly serve electric energy to purchasers of land from the West Sacramento Land Company and to others in territory adjacent to the lands owned and controlled by said land company, desires to withdraw as a retailer of electric energy from the territory involved in the application and requests permission to transfer its business and sell its distribution lines and equipment thereon to West Sacramento Electric for the said sum of Five-thousand (\$5,000) dollars. The property involved in said proposed sale and transfer is more particularly described as follows:

(a) Those three (3) certain electric wires conducting electric energy at an electro-motive force of approximately eleven thousand (11,000) volts which are installed upon the lowest cross-arm located upon each of the poles in that portion of the Pacific Gas & Electric Company's sixty thousand (60,000) volt electric transmission line situate in the County of Yolo, State of California, commonly called the "Sacramento-Davis Tie Line, which extends from its Broderick Sub-station, near the Town of Washington, westerly to its intersection with the eleven thousand (11,000) volt electric transmission line now used to deliver electric energy to Reclamation District No. 785, a distance of approximately four (4) miles, together with the pins and insulators supporting said electric wires, and the right to maintain, repair, replace and use said electric wires for the transmission and distribution of electric energy upon the conditions hereinafter specified.

(b) That certain electric transmission line consisting of poles and wires, crossarms, braces, pins and insulators installed thereon used to deliver to Reclamation District No. 785 electric energy of an electro-motive force of approximately eleven thousand (11,000) volts extending from its intersection with said Sacramento-Davis Tie Line westerly to the

pumping plant of said Reclamation District No. 785, a distance of approximately one (1) mile; in said County of Yolo;

(c) That certain electric transmission line consisting of poles, and wires, crossarms, braces, pins and insulators installed thereon used to conduct electric energy having an electro-motive force of approximately eleven thousand (11,000) volts extending from its intersection with said Sacramento-Davis Tie Line near the point where said last mentioned line crosses the railroad right of way of the Sacramento-Woodland Railroad westerly to and upon the land of F. L. White, a distance of approximately three (3) miles, in said County of Yolo;

(d) All transformers, meters, switches and other electrical appliances installed upon or for use in connection with said electric transmission lines to be sold hereunder.

(e) All of the contracts which the party of the first part now has for the sale of electric energy to consumers who are supplied therewith by means of the electric lines to be sold and purchased pursuant to this agreement.

It appears that West Sacramento Electric desires to purchase the above described property for the purpose of improving its facilities and in order that it may more adequately serve present and future requirements in the territory in which it operates.

Inasmuch as the price agreed upon between applicants appears to be a fair value of the property involved, and because it further appears that better public convenience and necessity will be served by allowing the sale and purchase of said property as set forth in the application and permitting Pacific Gas & Electric Company to withdraw from said territory, I recommend that the application be granted and I submit the following form of order:

ORDER

Pacific Gas & Electric Company and West Sacramento Electric having applied to this Commission for an order authorizing the sale by the former to the latter and the purchase by the latter from the former of certain distribution lines, equipment and apparatus in the eastern portion of Yolo County for the sum of Five-thousand (\$5,000) dollars said property being specifically referred to in the preceding opinion and more particularly described in

Exhibit "A" attached to the petition in this proceeding, and a public hearing having been held on said application and it appearing that public convenience and necessity will be served by granting said application,

IT IS HEREBY ORDERED, that Pacific Gas & Electric Company be and it is hereby authorized to sell said distribution lines, equipment and apparatus to West Sacramento Electric and West Sacramento Electric is hereby authorized to purchase said property from Pacific Gas & Electric Company on the following conditions and not otherwise:

(1) The cash price to be paid for said property, free from all liens and incumbrances, shall not exceed the sum of Five thousand (\$5,000) dollars.

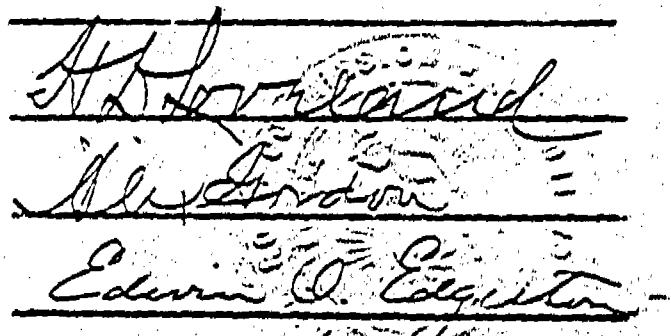
(2) Said sum of Five thousand (\$5,000) dollars shall not hereafter be used before this Commission or any other public authority as a basis for establishing or determining the present value of said property for rate fixing or any other purpose.

(3) The purchase of said property shall not be used by the West Sacramento Electric as a basis for increasing any rate or charge for electric service in the territory involved in the application.

(4) The purchase of the said property of Pacific Gas & Electric Company by West Sacramento Electric shall be taken as a consent by the latter corporation to all the terms and conditions of this order.

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 15th day of May, 1913.



COMMISSIONERS.