

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of the application of PACIFIC GAS & ELECTRIC COMPANY, a corporation, 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 appliances and other personal property described in detail in that certain agreement of sale dated December 27, 1912.

ORIGINAL

Application No. 521.

GORDON, Commissioner.

SUPPLEMENTAL OPINION.

In the Order issued on May 15, 1913 in the application herein, Pacific Gas & Electric Company was authorized to sell certain distribution lines, equipment and apparatus to West Sacramento Electric, and West Sacramento Electric was authorized to purchase the same on certain conditions which were enumerated in said Order. The first condition enumerated provided,-

"(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."

It now appears that the agreement of sale between Pacific Gas & Electric Company and West Sacramento Electric contains the following provision in regard to liens and incumbrances upon the said distribution lines, equipment and apparatus:-

"2. All of the property to be sold and purchased hereunder shall be sold and purchased subject to the lien, charge and operation of any and all existing mortgages or deeds of trust executed by the party of the first part or any of its predecessors in interest or estate to secure the payment of bonds authorized to be issued by the party of the first part, or any of its said predecessors. The party of the first part hereby covenants with the party of the second part to perform all and singular its covenants and promises and to

comply with all and singular the terms and conditions set forth and contained in each of the said mortgages or deeds of trust, and to pay at or before maturity all and singular the debts and obligations, payment whereof is secured by any of said mortgages or deeds of trust, and thereupon to cause each of said mortgages or deeds of trust to be promptly discharged and released and the property to be sold and purchased hereunder released from the operation thereof and reconveyed, and, in the event of its failing so to do, to indemnify and save harmless the party of the second part from and against any and all loss, damage and liability which the party of the second part shall or may sustain or incur for or by reason of any default on the part of the party of the first part in performing all or any of its covenants herein contained."

In view of this fact an amendment of the original Order in this case will be necessary in order to enable the parties to carry out the transaction according to the agreement entered into between them.

I, therefore, submit the following Supplemental Order:-

SUPPLEMENTAL ORDER.

IT IS HEREBY ORDERED: That the Order of this Commission, dated May 15, 1913, in Application No. 521, be amended by changing condition (1) which appears in said decision as follows:-

"(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."

to read as follows:-

"(1) Said property may be sold and conveyed under and in accordance with the terms, provisions and covenants contained in the agreement of sale executed by the applicants, dated the 27th day of December, 1912, at a cash price not to exceed the sum of Five thousand (\$5,000.00) dollars."

The foregoing Supplemental Opinion and Order are hereby

approved and ordered filed as the Supplemental Opinion and Order
of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 28th
day of May, 1913.

John W. Exelman

H. D. Loveland

Mr. Gordon

Commissioners.