

Decision No. 29790

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of application of PACIFIC GAS AND ELECTRIC COMPANY, a corporation, and the CITY OF PALO ALTO, a municipal corporation, for an order of the Railroad Commission authorizing the former to sell and convey to the latter the gas distribution facilities referred to in this petition.

Application No. 21186.

**ORIGINAL**

By the Commission:

OPINION AND ORDER

This is an application of Pacific Gas and Electric Company, a corporation, and the City of Palo Alto, a municipal corporation, for an order of the Railroad Commission of the State of California approving an agreement, a copy of which is marked Exhibit "A" and made a part of the application. The aforesaid agreement is dated April 14, 1937 and covers the purchase and sale of certain gas main, services, regulators and meters described in the form of a deed annexed to and made a part of said agreement of April 14, 1937, and marked Exhibit No. 1 thereof. The location of the properties to be sold and conveyed are shown on the blueprint map annexed to said agreement and marked Exhibit No. 2 thereof.

At the present time and for some time in the past the City of Palo Alto has owned and operated a gas distribution system located within the corporate limits of the city, by means whereof it furnishes and supplies natural gas service to many of the residents thereof. The major portion of the

gas so distributed and sold by said City is purchased from Pacific Gas and Electric Company. The properties herein proposed to be transferred by Pacific Gas and Electric Company to the City of Palo Alto are situated in the Embarcadero Annex of said City, which territory recently has been annexed to and made a part of the City of Palo Alto. The City of Palo Alto desires to acquire said gas distribution properties and to incorporate the same into its municipal gas distributing system and thereafter to continue furnishing and supplying gas service to the customers in the newly annexed territory now being served by means of the properties so to be acquired by said City.

Applicants allege that the present value of the properties so to be sold and conveyed as aforesaid is the sum of Four thousand five hundred seventy-one (4,571) Dollars.

The Commission having considered applicant's request, and it being of the opinion that this is not a matter in which a public hearing is necessary and that the application should be granted, as herein provided;

IT IS HEREBY ORDERED that Pacific Gas and Electric Company be, and it is hereby, authorized to sell on or before August 1, 1937, to the City of Palo Alto, for the sum of Four thousand five hundred seventy-one (4,571) Dollars, those certain gas main, services, regulators and meters described in the form of deed annexed to and made a part of that certain agreement of April 14, 1937, marked Exhibit No. 1 thereof and by reference made a part hereof, subject to the following conditions:

- (1) The consideration paid by the City of Palo Alto for the properties of Pacific Gas and Electric Company herein referred to shall not be urged before this Commission as determining the value of said properties for any purpose other than the transfer herein authorized.
- (2) Pacific Gas and Electric shall file with this Commission within sixty (60) days after the sale of the aforesaid properties, a copy of its book entries recording the sale of said properties.
- (3) Within thirty (30) days after the sale of said properties, Pacific Gas and Electric Company shall advise the Railroad Commission of the State of California, in writing, of the date said sale was effective.

IT IS HEREBY FURTHER ORDERED that the authority herein granted shall become effective upon the date hereof.

Dated at San Francisco, California, this 24<sup>th</sup> day of May, 1937.

Leon A. White  
Frank R. Allen  
James W. Whiting  
Ray L. Kelly  
Commissioners: