

Decision No. 38571

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

**ORIGINAL**

In the matter of the application of )  
 CHARLES L. EAST and DOROTHY F. EAST, )  
 his wife, and of PACIFIC GAS AND )  
 ELECTRIC COMPANY, for an order of )  
 the Railroad Commission of the State )  
 of California authorizing the former )  
 to sell and convey to the latter the )  
 public utility properties and business )  
 herein mentioned, upon the terms and )  
 conditions set forth in the agreement )  
 of sale annexed hereto as Exhibit "B", )  
 etc. )  
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Application  
No. 25746

BY THE COMMISSION:

FIRST SUPPLEMENTAL OPINION

Paragraph 1 of the order in Decision No. 38276,  
dated October 2, 1945, reads as follows:

"Charles L. East and Dorothy F. East may sell and convey, on or before December 31, 1945, and Pacific Gas and Electric Company may purchase and operate, those electric distribution properties and rights described in that agreement attached to Application No. 25746 as Exhibit "B", and in accordance with the terms and conditions of said agreement."

The agreement to which reference is made in said order is dated May 4, 1943. At the time it was entered into it was expected that the transaction would be completed in a short period of time. It provides that Pacific shall pay \$80,000 for the electric distribution properties, including all extensions, additions, betterments and replacements made after the date of agreement. Since the date of the agreement,

East, at and in accordance with the consent and approval of Pacific, has made certain extensions, additions and improvements to his system. Applicants report that they were necessary for the furnishing and supplying of adequate electric service in the territory served by East.

East and Pacific have entered into an agreement dated December 20, 1945, under the terms of which the latter will pay the former the actual cost of said extensions, additions and improvements. This payment is in addition to said \$80,000. A copy of the agreement is attached as Exhibit "C" to the First Supplemental Application filed December 21, 1945. It is contemplated that Pacific will forthwith pay East the sum of \$80,000 and that the latter will execute and deliver a deed to Pacific, conveying to it all the properties described in said agreement of May 4, 1943, including all extensions, additions and improvements made thereto, and that hereafter applicants will determine the cost to East of all extensions, additions and improvements made to his electric system since May 4, 1943. As soon as such cost is known, Pacific will pay East the additional amount due under the agreement of May 4, 1943, as modified by the agreement of December 20, 1945.

Applicants ask the Commission to amend its order in Decision No. 38276, dated October 2, 1945, so that the transaction can be consummated under the terms and conditions indicated.

#### FIRST SUPPLEMENTAL ORDER

The Commission has considered applicants' request and it being of the opinion that such request should be granted,

therefore,

IT IS HEREBY ORDERED that paragraph 1 of the order in Decision No. 38276, dated October 2, 1945, to which reference is made in the foregoing First Supplemental Opinion be, and it is hereby, amended so as to read as follows:

"Charles L. East and Dorothy F. East may sell and convey, on or before March 31, 1946, and Pacific Gas and Electric Company may purchase and operate the electric distribution properties and rights described in the agreement attached to Application No. 25746 as Exhibit "B" and in a further agreement attached to the First Supplemental Application No. 25746 as Exhibit "C", said sale, conveyance and purchase to be made in accordance with the terms and conditions of said agreements."

Dated at San Francisco, California this 28<sup>th</sup> day of December, 1945.

Arthur B. Brown  
Justice J. C. Garrison  
Francis W. Brown  
James L. Sullivan  
Harold D. Hale  
Commissioners