

Decision No. 38615

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application
of JOHANNA M. GOFF and PACIFIC GAS
AND ELECTRIC COMPANY for an order
of the Railroad Commission author-
izing the former to sell to the latter
the electric system and business
herein described.

ORIGINAL

Application No. 27105

OPINION AND ORDER

Pacific Gas and Electric Company⁽¹⁾ joins Johanna M. Goff⁽¹⁾ in this application, requesting the Railroad Commission to make its order authorizing the consummation of a contract between the parties, submitted as Exhibit "A," covering the sale of the latter's public utility electric properties in Sierra City, California. Further orders are sought authorizing Goff to withdraw from public utility operations and authorizing Pacific to discontinue the rates, rules and regulations of Goff and substitute in lieu thereof Pacific's duly filed rates, rules and regulations and to apply its Zone 6 tariffs to the newly acquired territory.

Goff's 1944 report shows operating revenues of \$1,190.68. Electricity was supplied to 32 residential and 4 commercial customers and 19 street lights. Exhibit "A" contains a general description of the properties which Goff has agreed to sell to Pacific. The properties include a 50 horsepower unattended hydroelectric plant on the south fork of the north fork of the Yuba River, distribution lines, transformers and meters. Goff alleges that the original cost of the properties is about \$6,500 and as of December 31, 1944 reported \$6,060.45 total electric plant in service.

(1) Hereafter referred to as Pacific and Goff, respectively.

Pacific has agreed to pay Goff \$6,500 for the properties and business described in Exhibit "A." It proposes to charge the customers supplied electricity by the Goff properties, its electric rates and charges contained in its filed Zone 6 rural tariffs. It alleges that the substitution of its rate schedules will result in an over-all reduction of revenues, although some individual bills will be increased. A comparison of the rate schedules indicates that domestic bills will be reduced, as well as commercial bills less than about \$14 a month. Street lighting bills will be increased.

If Pacific is authorized to acquire the properties, the present production facilities will be operated as a source of power until such time as a contemplated tie line can be constructed from Downieville and the acquired properties connected to the balance of Pacific's system.

In further support of the application, it is alleged that Goff desires to retire from the electric public utility business, that Pacific is desirous of assuming that responsibility and that because of its large resources, Pacific is in a position to assure present and prospective consumers in the area continued dependable electric service at fair and reasonable rates.

No opposition to the proposed transfer has been made known to the Commission in response to letters addressed to the Board of Supervisors of Sierra County and to the town of Sierra City. The Board of Supervisors of Sierra County favors the proposed transfer, feeling that its consummation will best serve the interest of the people of Sierra City and Sierra County. The District Attorney of Sierra County advised the Commission that in so far as he was able to determine the residents would approve the transaction.

Pacific should account for the transaction in accordance with the uniform system of accounts prescribed for electrical corporations.

The Commission having considered applicants' requests and it being of the opinion that a public hearing is not necessary in this matter, and that the

granting of this application as herein provided is not adverse to the public interest, and hereby finding that the application should be granted and that such rate increases as may result from the application of Pacific's rates, rules and regulations are justified, now therefore,

IT IS HEREBY ORDERED as follows:

1. Johanna M. Goff may sell and transfer to Pacific Gas and Electric Company, and Pacific Gas and Electric Company may acquire the properties of Johanna M. Goff in accordance with the terms and provisions of that certain contract, dated October 23, 1945, attached to the application as Exhibit "A."
2. Pacific Gas and Electric Company shall assume the duties and obligations of electric public utility service in the territory and concurrently therewith Johanna M. Goff is relieved of said duties and obligations.
3. Pacific Gas and Electric Company may withdraw the rates, rules and regulations appertaining to electric service in use by Johanna M. Goff and may make applicable in lieu thereof its duly filed rates, rules and regulations, effective in its Zone 6 rural territory.
4. Pacific Gas and Electric Company shall within sixty (60) days after the purchase of said properties file with the Commission copies of all deeds and instruments by which it acquires and holds title to said properties and rights.
5. The action taken herein shall not be construed to be a finding of value for any purpose other than the proceeding herein involved.

The effective date of this Order shall be the date hereof.

Dated at San Francisco, California, this 15th day

of January, 1946.

Harold Anderson
Justice F. Cassin
Francis J. ...
Robert H. ...
Harold P. ...

Commissioners