

Decision No. 39458

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
LEONARD P. WIKOFF ELECTRIC LIGHT AND  
POWER to sell and lease electric  
property and system to CALIFORNIA  
ELECTRIC POWER COMPANY and of both  
said parties for the valuation of  
certain of such properties to be sold.

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Application  
No. 26099

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**ORIGINAL**

FIRST SUPPLEMENTAL OPINION AND ORDER

The Commission by Decision No. 37146, dated June 20, 1944, authorized Leonard P. Wikoff and Sarah L. Wikoff, his wife, to sell their electric properties situated at Twenty-nine Palms to California Electric Power Company. The company paid for the properties an amount equal to the original cost of the properties, less accrued depreciation, plus \$25,000. At the hearing had on the application the company agreed to charge to Account 100.5-- Electric Plant Acquisition Adjustments, said \$25,000 and any expenses incurred by it in connection with the purchase of the properties. The expenses were, subsequent to the Commission's decision, reported at \$2,636.13. Up to August 31, 1946, the company amortized through charges to Account 537--Miscellaneous Amortization, the sum of \$10,986.20, leaving \$16,649.93 unamortized.

The company reports that in 1940 it acquired from Metropolitan Water District a transmission line from Colton to a point near Coachella and a distribution line located in the Ferris and San Jacinto Districts. Subsequently it sold part of the transmission line to the Imperial Irrigation District. The

following statement shows the cost of the two lines to the company:

Transmission Line

	<u>As recorded in 1940</u>	<u>Retired in Sale to Imp. Irr. Dist.</u>	<u>Balance</u>
100.1 Electric Plant in Service (Original cost to M.W.D.)	\$179,687.00	\$57,484.97	\$122,202.03
100.5 E.P. Acquisition Adjustment (Credit)	48,000.03	15,356.03	32,644.00
250 Reserve for Depreciation (Credit)	<u>34,875.05</u>	<u>11,157.13</u>	<u>23,717.92</u>
Net Company Cost	96,811.92	30,971.81	65,840.11

Distribution Line

100.1 Electric Plant in Service (Original cost to M.W.D.)	\$ 15,177.00	-	\$15,177.00
100.5 E.P. Acquisition Adjustment (Credit)	3,200.51	-	3,200.51
250 Reserve for Depreciation (Credit)	<u>3,599.36</u>	-	<u>3,599.36</u>
Net Company Cost	8,377.13	-	8,377.13

The statement shows a total credit of \$35,844.51 to Account 100.5--Electric Plant Acquisition Adjustments.

Paragraph C of Account 100.5--Electric Plant Acquisition Adjustments, provides that the amounts recorded in such account with respect to each property acquisition shall be depreciated, amortized or otherwise disposed of as the Commission may approve or direct.

For the purpose of clearing said Account 100.5 the company asks permission to offset the \$16,649.93 against the \$35,844.51 and transfer the remaining credit balance, \$19,194.58,

in said Account 100.5 to Account 250--Reserve for Depreciation of Electric Plant.

The Commission has considered applicant's request and is of the opinion that such request should be granted, therefore,

IT IS HEREBY ORDERED that California Electric Power Company be, and it is hereby, authorized to offset the debit balance of \$16,649.93 in Account 100.5--Electric Plant Acquisition Adjustments, against the credit balance of \$35,844.51 in said account and transfer the remainder of the credit balance, to wit, \$19,194.58, to Account 250--Reserve for Depreciation of Electric Plant.

Dated at Los Angeles, California, this 1st day of October, 1946.

Harold P. Hull  
Justus J. Cassen  
Frederic C. ...  
R. E. ...  
Commissioners