

ORIGINAL

Decision No. 42507

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of CLYDE W. HENRY)
 and PACIFIC GAS AND ELECTRIC COMPANY for an order :
 of the Public Utilities Commission granting upon)
 applicants all necessary permission and authority : Application
 to consummate in accordance with its terms, an) No. 27896
 agreement of sale and purchase dated the 24th day :
 of September, 1946 (Covelo Electric System).)
 -----:

FIRST SUPPLEMENTAL OPINION AND ORDER

Under the authority granted by Decision No. 39609, dated November 4, 1946, Pacific Gas and Electric Company acquired from Clyde Henry an electric generating and distribution system at Covelo and a line constructed between Covelo and Longvale. The opinion in said decision states, in part, that ". . . Pacific will be expected to submit for approval the book entries it proposes to make for the purpose of recording the entire transaction, and at that time a further hearing, if required, can be had upon that issue".

On December 16, 1947, Pacific Gas and Electric Company filed its journal entries to record the purchase of the properties which entries show that it paid, in the aggregate, for such properties, the sum of \$110,311.52. A summary distribution of the purchase price is reported as follows:

| | | |
|-------------------------------|------------------|---------------------|
| Electric plant in service | \$130,901.80 | |
| Less-Reserve for depreciation | <u>21,003.48</u> | |
| Balance | | \$109,898.32 |
| Materials and supplies | | <u>413.20</u> |
| Total | | <u>\$110,311.52</u> |

The Commission has considered this matter and is of the opinion that a further hearing is not necessary and that the entries should be approved; therefore,

IT IS HEREBY ORDERED that the Public Utilities Commission hereby approves the journal entries filed by Pacific Gas and Electric Company on December 16, 1947, to record the purchase from Clyde Henry of the Covelo properties referred to herein, and the distribution of the purchase price. The approval herein given is for accounting purposes only and shall not be construed to be a finding of the value of said properties.

Dated at San Francisco, California, this 15th day of February, 1949.

R. B. Anderson
Justus J. Casper
Irving L. Brown
Arnold K. Huls
Samuel P. Potter
Commissioners