

Decision No. 43592**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of
 PACIFIC GAS AND ELECTRIC COMPANY for
 an order authorizing it to carry out
 the terms and conditions of an agree-
 ment with the UNITED STATES OF AMERICA,
 dated November 22, 1949, providing for
 the sale and conveyance by the former
 to the latter of certain electrical
 facilities now located at Friant Dam
 and in the Government camp or settle-
 ment known as Friant Camp, in Fresno
 and Madera Counties, California.

Application No. 30854

OPINION AND ORDER

In this application, Pacific Gas and Electric Company seeks authority to sell and convey to the United States of America facilities for the distribution of electricity at Friant Dam and in the Government camp known as Friant Camp, in Fresno and Madera Counties, California; and also seeks authority to cease furnishing and supplying electric service, concurrently with the sale of the properties to the United States, to customers presently served by means of said properties, and relieving Pacific of the duties and responsibilities of an electrical corporation within the area comprising Friant Dam and the Government camp known as Friant Camp. A copy of the contract, dated November 22, 1949, for sale of said facilities is attached as Exhibit No. 1 to the application.

Since 1938, Pacific has been the owner of certain distribu-
 tion facilities consisting of poles, wires, transformers, and other
 equipment, by means whereof Pacific has furnished electric energy to
 the United States and its employees within said area. During the
 12-month period ended September 30, 1949, Pacific supplied approxi-
 mately 56 domestic customers and eight Government accounts through

said distribution facilities. Pacific states that the United States is desirous of owning and operating the properties in connection with the supply of electric service in the area involved. Under the contract for which authorization is requested, Pacific would sell and the United States would purchase the electric distribution facilities for a purchase price of \$15,241. A credit toward said purchase price is to be allowed by Pacific in the amount of \$3,392.84, representing the refundable balance of a deposit of \$3,766.63 made by the United States with Pacific at the time the facilities were installed.

Pacific advises that the original cost of the properties it proposes to sell was approximately \$10,690, and that it has appraised the reproduction cost new of the properties to be \$17,959, and the depreciated reproduction cost to be \$15,241.

The contract for sale of said distribution properties contains a clause that it shall not become effective nor shall Pacific deliver a bill of sale to the United States until the Public Utilities Commission of the State of California shall have granted to Pacific authority to carry out the terms and conditions of the contract.

Concurrently with the sale and transfer of the properties, Pacific will cease to furnish electric service to customers within Friant Camp and within the Government property at Friant Dam. The United States, acting through its contracting officer, has agreed under the terms of the contract to purchase the distribution properties, and it is presumed will distribute electricity to supply its own needs and the needs of its tenants for electric service throughout Friant Camp and the Government property at Friant Dam.

The application having been considered, the Commission being of the opinion that a public hearing is not necessary and that the contract as submitted is not adverse to the public interest and should be authorized, and finding that, concurrently with the sale and transfer of the properties, Pacific should be relieved from the obligation of

furnishing electric service as a public utility within the Government camp known as Friant Camp and within the Government property at Friant Dam; therefore,

IT IS HEREBY ORDERED that the Pacific Gas and Electric Company be and it is hereby granted all necessary authority to sell and convey to the United States the electric properties described in the contract, dated November 22, 1949, a copy of which is attached as Exhibit No. 1 to the application herein, and to consummate said contract substantially in accordance with its terms.

IT IS HEREBY FURTHER ORDERED that Pacific Gas and Electric Company, concurrently with the sale and transfer to the United States of the properties described above, may cease furnishing and supplying electric service to customers presently served by it by means of said properties and is relieved from the duties and responsibilities of an electrical corporation within the area owned by the United States and known as Friant Dam and Friant Camp, in Fresno and Madera Counties, California.

The effective date of this order shall be twenty (20) days after the date hereof.

Dated at San Francisco, California, this 17th day of January, 1950.

R. F. [Signature]
Justice F. [Signature]
Frank [Signature]
Harold [Signature]
[Signature]
Commissioners.