

ORIGINAL

Decision No. 46157

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 sell and convey to the CITY OF HEALDSBURG certain electric distribution facilities described in this petition.))))))	Application No. 32564
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OPINION AND ORDER

Pacific Gas and Electric Company, in this application, requests an order of this Commission conferring upon it all necessary permission and authority to sell certain electric distribution facilities to the City of Healdsburg, to consummate said transaction in accordance with the terms of a Deed of Conveyance dated May 31, 1951, authorizing it to cease furnishing electric service to customers presently served by means of said facilities, and relieving it of the duties and responsibilities of an electrical corporation within the area involved. A copy of the Deed of Conveyance is attached to the application as Exhibit No. 1.

Under the terms of said Deed of Conveyance, Pacific is to sell and convey to the City certain electric distribution facilities situated in the Matheson Addition, which was recently annexed to and became a part of, the city. Those facilities, comprising about four spans of overhead distribution line, have been in use by Pacific in the furnishing of electric service to approximately nine domestic customers. Under the Deed of Conveyance the City grants to Pacific the right to make free contact on one of the poles sold thereunder. Said deed also provides the respective responsibilities of the parties under the joint use of said pole. The amount to be paid by

the City under the Deed of Conveyance is \$1,391.53, which includes a state sales tax of \$40.53. In its application, Pacific alleges that the historical cost of the properties is approximately \$917 and that the present fair value is not less than \$1,391.53. The Deed of Conveyance provides that it shall not become effective until this Commission shall, by order, authorize Pacific to carry out its terms.

The application states that the City, which now owns an electric distribution system by means whereof it supplies electric service to many of its residents and inhabitants, is desirous of acquiring the electric distribution facilities described in said Deed of Conveyance and incorporating the same into its municipal electric distribution system. The application states further that the City intends, upon acquiring such properties, to continue furnishing and supplying electric energy to customers now being served by means of said properties. In this connection, Pacific alleges that the total gross revenue derived from the sale of electricity to the nine customers during the 12-month period which ended January 18, 1951, amounted to approximately \$493.90. It also alleges that the furnishing of service to said customers at the City's presently effective rates will result in charges slightly in excess of those now paid for service furnished by Pacific. For usage of 100 kwhr per month it estimates the increase in billing will be approximately three-tenths of one per cent.

It appears that the City is ready and willing, upon acquisition of the properties which would be transferred under the Deed of Conveyance, to supply electric service to the customers now served through said properties by Pacific and that the request of Pacific should be granted. The action taken herein shall not be construed to be a finding of the value of the properties herein authorized to be transferred.

The Commission having considered the request of applicant and being of the opinion that the application should be granted and that a public hearing is not necessary, and it appearing to the Commission that the proposed transfer of property will not be adverse to the public interest; therefore,

IT IS HEREBY ORDERED that Pacific Gas and Electric Company be, and it is, authorized to sell and convey to the City of Healdsburg the electric distribution facilities described in the Deed of Conveyance dated May 31, 1951, and Pacific Gas and Electric Company is authorized to consummate said transaction in accordance with the terms of said Deed of Conveyance.

IT IS HEREBY FURTHER ORDERED that Pacific Gas and Electric Company, concurrently with the consummation of the sale and transfer to the City of Healdsburg 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 of the duties and responsibilities of an electrical corporation within the area involved.

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

Dated at San Francisco, California, this 4th day of September, 1951.

R. I. [Signature]
President.
Justin J. [Signature]
Harold P. [Signature]
[Signature]
[Signature]
Commissioners.