

Decision No. 46755

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of )  
PACIFIC GAS AND ELECTRIC COMPANY, a )  
corporation, and the PARADISE IRRIGA- )  
TION DISTRICT, a California Irrigation )  
District, for an order of the Public )  
Utilities Commission of the State of )  
California authorizing the former to )  
sell and convey to the latter certain )  
properties referred to in this peti- )  
tion in accordance with the terms of )  
an agreement dated July 24, 1951. )  
(Exhibit No. 1 hereof) )

Application No. 32956

OPINION AND ORDER

The Pacific Gas and Electric Company and the Paradise Irrigation District, in this application, request an order of this Commission conferring upon Pacific all necessary authority to sell to District an undeveloped reservoir site known as Clear Creek Reservoir site, and the Upper Centerville Canal, located in Butte County, California, and to consummate said transaction in accordance with the terms of an agreement dated July 24, 1951. A copy of the agreement is attached to the application as Exhibit No. 1. Pacific further requests an order authorizing it, concurrently with the sale and transfer to District of the properties involved, to cease furnishing water service to customers that are presently served, or might logically be served, from the Upper Centerville Canal or from the Clear Creek Reservoir site.

Under the terms of the agreement, District has the option to purchase from Pacific approximately 450 acres of land, together with the timber thereon, known as the Clear Creek Reservoir site, and the Upper Centerville Canal. The reservoir site has been held by Pacific for possible power production development, but it now

appears that because of the high cost involved this development is not justified. The Upper Centerville Canal is used primarily for the purpose of making water available to six persons located along the canal for domestic, stock watering, and irrigation purposes. These persons have adjudicated water rights to 1.175 cubic feet per second, which water is released from the forebay of the De Sabla powerhouse. The canal is used also as a supplemental conduit for conveying water during periods of excess flows to the Centerville Power Plant. This canal is approximately 5.3 miles in length, and has an average capacity of 35 cubic feet per second. The agreement provides for the reservation to Pacific of water rights other than the riparian rights appertaining to the reservoir site, including existing diversion rights of the natural flows from Clear Creek. The amount to be paid by the District under the agreement is \$26,200, plus an amount for the timber which shall be computed at the same prices as charged by the United States Forest Service for similar timber in the same general area at the date of exercise of the option by the District. In its application Pacific alleges that the original cost of the properties is unknown; that it carries said properties in its reclassified plant accounts as follows:

Clear Creek Reservoir Site	\$22,768
Upper Centerville Canal and Right of Way	\$28,091,

and that the present value of the properties proposed to be transferred is not less than the consideration which the District has agreed to pay.

The application states that the District is now engaged in furnishing domestic and irrigation water to the general public within the area known as the Paradise Irrigation District in the County of Butte. The District desires to purchase the aforesaid land and merchantable timber of the Clear Creek Reservoir site so

that the District may obtain additional water and develop storage therefor to meet its present and part of its future water needs. The agreement provides that upon the receipt of the deed for the properties, the District shall relieve Pacific of any now existing or future responsibility for the supply of water to any of the present or future residents along Nimshew and Michael Ridges and north to Powellton, and in any other territory on the high ground between Big Butte and Little Butte Creeks that might logically be served from said canal, or from said Clear Creek Reservoir site, provided, however, that except in so far as it may be prevented by causes beyond its control Pacific will release at said De Sabla forebay into said Upper Centerville Canal the adjudicated water rights of 1.175 cubic feet per second of the present water users on said canal, for so long as water so released shall be required and used by said present water users or their heirs or assigns, and further provided that Pacific shall have the right without liability to District therefor, to interrupt such release from De Sabla forebay during such times as it finds it necessary for the purpose of performing maintenance, repair or construction work on said forebay or facilities upon which it is dependent for its water supply.

It appears that the District is ready and willing, upon acquisition of the properties which would be transferred to it under the agreement, to undertake to serve the customers now served through said properties by Pacific, and that the requests of Pacific and District 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 upon the exercise by District of the option to purchase said properties.

The Commission having considered the request of the applicants, 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 Paradise Irrigation District the properties described in the agreement dated July 24, 1951, and Pacific Gas and Electric Company is authorized to consummate said transaction in accordance with the terms of said agreement.

IT IS FURTHER ORDERED that Pacific Gas and Electric Company, concurrently with the consummation of the sale and transfer to the Paradise Irrigation District of the properties described above, may cease furnishing and supplying water service to customers presently served by it by means of said Upper Centerville Canal, and is relieved of the duties and responsibilities of a water corporation in so far as they relate to any existing present or future responsibility for the supply of water to any of the present or future residents along Nimshew and Michael Ridges and north to Powellton, and in any other territory on the high ground between Big Butte and Little Butte Creeks that might logically be served from said canal, or from said Clear Creek Reservoir site, all located in Butte County, California.

In the event that Paradise Irrigation District does not exercise its option and consummate the purchase of the properties,

under the agreement of July 24, 1951, within two (2) years after said date, the authority granted herein shall expire.

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

Dated at San Francisco, California, this 13<sup>th</sup> day of February, 1952.

R. J. [Signature]  
President.  
Justus J. Casper  
Harold P. Huls  
[Signature]  
[Signature]  
Commissioners.