

ORIGINAL

Decision No. 48042

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 a contract)
with the UNITED STATES OF AMERICA,)
dated June 23, 1952, providing for)
the sale and conveyance by the former) Application No. 33855
to the latter of certain electric and)
gas distribution facilities located)
within the area of the Meadow Park)
Housing Project, Hamilton, Marin)
County, California.)
(Electric - Gas))

OPINION AND ORDER

Pacific Gas and Electric Company, in this application, requests an order of this Commission conferring upon Pacific all necessary authority to sell and convey certain electric and gas distribution facilities to the United States of America, acting by and through the Department of the Air Force, to consummate said transaction in accordance with the terms of a contract dated June 23, 1952, to cease furnishing and supplying electric and gas service to customers presently served by means of said properties, and relieving it of the duties and responsibilities of an electrical and gas corporation within the area involved.

Under the terms of the contract, copy of which is attached to the application as Exhibit A, which terms Pacific alleges are fair, just and reasonable, Pacific is to sell and convey to the United States certain electric and gas distribution facilities located within the area of the Meadow Park Housing Project, Zones Nos. 10 and 11, which project is now under the

jurisdiction of the United States Department of the Air Force and is a part of the Hamilton Air Force Base, Hamilton, Marin County, California. The application states that Pacific in 1941 constructed the said facilities within the area of the project, ever since has been the owner and in possession of said facilities supplying and distributing electric energy and gas to occupants of the housing units and electric energy for street lighting purposes, and that during the 12-month period ended September 23, 1952 it supplied both services to 176 domestic customers and one commercial customer, each account separately metered, and derived annual gross electric revenues of \$11,328.32 and annual gross gas revenues of \$11,528.63. The application further states that the United States is now desirous of owning and operating the said facilities for use in connection with the distribution of electric and gas service in the area, that Pacific will supply electric energy and gas to the Air Force through existing master meters, and that the parties are desirous of consummating the contract according to its provisions.

Pacific alleges that the historical cost new and reproduction cost new less accrued depreciation of the properties which it has agreed to sell and convey to the United States are:

	<u>Historical Cost New</u>	<u>Reproduction Cost New Less Accrued Depreciation</u>
Electric Distribution System	\$4,184	\$ 6,574
Gas Distribution System	<u>5,447</u>	<u>7,874</u>
Total	9,631	14,448

The price to be paid by the United States for the electric distribution system under the contract amounts to \$6,574 plus a severance charge of \$300. The price is exclusive of electric meters. The severance charge covers the costs

relative to the removal of meters and primary leads. The price for the gas distribution system amounts to \$7,874 plus a severance charge of \$590 covering costs incident to the removal of all gas meters not included in the contract price and to terminating service from Pacific's regular facilities. The contract provides that it shall not become effective until this Commission shall have authorized Pacific to carry out the terms and conditions contained therein.

It appears that in view of the circumstances involved ~~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 the 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 is authorized to sell and convey to United States of America, acting by and through the Department of the Air Force, the electric distribution facilities and the gas distribution facilities described in the contract dated June 23, 1952, and Pacific Gas and Electric Company is authorized to consummate such transaction in accordance with the terms of the contract.

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 and gas service to

customers presently served by it by means of said properties and is relieved of the duties and responsibilities of an electrical and gas corporation within the area comprising the Meadow Park Housing Project, Zones Nos. 10 and 11, Hamilton Air Force Base, Hamilton, Marin County, California.

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

Dated at Los Angeles, California, this 16th day of December, 1952

R. E. [Signature]
President.
Justus F. [Signature]
Harold P. [Signature]
[Signature]
[Signature]
Commissioners.