

**ORIGINAL**Decision No. 48869

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 The California Oregon Power Company )  
 for Authority to Sell Certain )  
 Electric Properties. )

Application No. 34470

OPINION AND ORDER

The California Oregon Power Company, a California corporation operating electric properties in both Oregon and California, by this application seeks an order of this Commission authorizing applicant to sell and convey to The United States of America, Department of the Interior, that portion of its electric transmission line No. 20 extending from McKinley to Coos Bay in Coos County, Oregon, including the telephone circuit and apparatus thereon, and authorizing the performance of an agreement between applicant and the Government dated May 25, 1953, in so far as such authorization may be within the lawful jurisdiction of this Commission. A copy of said agreement is attached as Exhibit C to the application, and by reference made a part hereof.

The agreement shows that the portion of the transmission line, rated at 120 kv, which would be sold by applicant, is approximately 20 miles in length and the Government is to pay for said property \$223,500. The agreement provides for transfer of rights of way, easements, permits, franchise and licenses which applicant now has, and which are pertinent to the property to be transferred.

Under the agreement, possession of the property is to be delivered by applicant to the Government on July 1, 1953. The agreement provides for operation and maintenance of said line by the

Government from said date until the delivery of the deed and bill of sale.

Applicant states that the original cost of the aforesaid line, as carried on applicant's books, is \$275,750.05, related depreciation reserves amount to \$58,133.74, and related contributions in aid of construction are \$5,800 as of April 30, 1953. Applicant further states that since the termination, as of September 30, 1952, of applicant's agreement with Mountain States Power Company, covering the delivery of power by applicant to Mountain States for the Coos Bay area, and since the sale to Mountain States of a tap line to the North Bend Steam Plant, all of which were authorized by this Commission in Decision No. 47985, Application No. 33874, that portion of Line 20 which applicant proposes to sell to the Government has been useful to applicant only as an interconnection at the Government's Coos Bay switching station. Under the agreement the Government is to amend its existing Exchange Agreement No. IBP-7103 to provide for an interconnection of the facilities of applicant and the Government at McKinley instead of at Coos Bay. Applicant states that such amendment will eliminate need for ownership by applicant of the aforesaid portion of Line 20. Applicant estimates that the effect of the sale would be an annual reduction of approximately \$12,000 in applicant's expenses after federal income taxes, with no reduction in revenues.

It appears that the sale of property as proposed herein by applicant will not be adverse to the public interest and that the request of applicant 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. It further appears that a public hearing in this application is not necessary; therefore,

IT IS HEREBY ORDERED that The California Oregon Power Company be and it is hereby authorized to sell and convey to The United States of America, Department of the Interior, acting by and through the Bonneville Power Administrator, the properties described in the agreement of May 25, 1953, a copy of which is attached as Exhibit C to its application, in accordance with terms and conditions substantially as set forth in said agreement.

IT IS HEREBY FURTHER ORDERED, in such other respects as may be necessary, that The California Oregon Power Company be and it is hereby authorized to carry out the terms and conditions of said agreement of May 25, 1953, with The United States of America.

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

Dated at San Francisco, California, this 28<sup>th</sup> day of July, 1953.

[Signature]  
President  
[Signature]  
[Signature]  
[Signature]  
Commissioners