

Decision No. 48967**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 CITY OF HEALDSBURG,)
 a municipal corporation, for an order)
 of the Public Utilities Commission of)
 the State of California authorizing the)
 former to sell and convey to the latter)
 the electric distribution facilities)
 referred to in this petition, in)
 accordance with the terms of a contract)
 dated July 8, 1953.)
 (Electric))

Application No. 34602

OPINION AND ORDER

The Pacific Gas and Electric Company and the City of Healdsburg, in this application, request an order of this Commission conferring upon Pacific all necessary permission and authority to sell certain electric facilities to the City of Healdsburg and to consummate said transaction in accordance with the terms of an agreement dated July 8, 1953. A copy of the agreement is attached to the application as Exhibit No. 1.

Under the terms of this agreement, Pacific is to sell and convey to city certain electric facilities situated within the area known as Fitch Mountain District No. 1, located in said City of Healdsburg. The electric facilities which are to be conveyed are delineated on the map attached to the agreement as Exhibit A, entitled "Sketch Showing Sale of Electric Facilities to City of Healdsburg".

The amount to be paid by city is stated in the agreement as (a) the sum of \$13,095, plus state sales tax of \$384.57 and (b) the sum of \$3,701, being the cost to Pacific for all necessary work performed by it in connection with the severance of said facilities from other properties of Pacific, and (c) the actual cost

of any additions to and betterments of said facilities made by Pacific subsequent to December 2, 1952 and prior to conveyance of said facilities to said city, together with 15 per cent of said costs, and also the state sales tax applicable to the cost of such additions and betterments.

The agreement provides that it shall not become effective until the Commission by order shall authorize Pacific to carry out its terms. City now owns certain electric distribution systems within the corporate limits of the City of Healdsburg and territory immediately adjacent thereto, by means whereof it furnishes and supplies electric service to many of the residents and inhabitants thereof. Applicants allege that the furnishing of electric service by city to the customers in the Fitch Mountain District No. 1 at city's effective rates and charges will not result in the charging or collecting from said customers of rates or charges in excess of those now paid by said customers for electric service furnished by Pacific.

It appears that city, upon acquisition of the properties which would be transferred under the agreement, is ready and willing to supply electric service to customers now served through said properties by Pacific and that the request of Pacific and city 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 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 the Pacific Gas and Electric Company be and it is authorized to sell and convey to the City of Healdsburg the electric facilities described in the agreement dated July 8, 1953 and Pacific Gas and Electric Company is authorized to consummate such transaction in accordance with the terms of said agreement.

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 electric corporation within the area served by means of said properties and lying within Fitch Mountain District No. 1 in the City of Healdsburg.

In the event that the City of Healdsburg does not consummate the purchase of the properties under the agreement of July 8, 1953 within two years after said date, the authority granted herein shall expire.

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

Dated at San Francisco, California, this 18th day of August, 1953:

Justice F. Casper President
Harold Lyle
John E. Mitchell

Commissioners