

Decision No. 52381**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 REDDING,)
 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 peti-)
 tion, in accordance with the terms)
 of a contract dated October 14, 1955.)
 (Electric)

Application No. 37488

OPINION AND ORDER

By the above-entitled application, filed November 16, 1955, Pacific Gas and Electric Company, a California corporation, and City of Redding, a municipal corporation, request an order of this Commission conferring upon Pacific all necessary permission and authority to sell certain electric facilities to the City of Redding and to consummate said transaction in accordance with the terms of an agreement dated October 14, 1955. 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 distribution facilities situated within the area known as Woodlawn Addition, located in said City of Redding. The electric facilities which are to be conveyed are delineated on the map attached to the agreement as Exhibit A entitled, "Sketch Showing Electric Facilities in Woodlawn Addition Proposed to be Sold to City of Redding".

The amount to be paid by City is stated in the agreement as (a) the sum of \$33,155 plus California State sales tax of \$932.54, and (b) the actual cost of any additions to and betterments of said facilities made by Pacific subsequent to May, 1955, and prior to the conveyance of said facilities to City, plus 15 per cent of said

costs, together with the California State sales tax applicable to the total thereof. It is understood that no customers' advances for construction and contributions in aid of construction are outstanding in this area.

The agreement provides that it shall not become effective until the Commission shall by order authorize Pacific to carry out its terms. City now owns certain electric distribution systems within the corporate limits of the City of Redding and immediately adjacent thereto, by means whereof it furnishes and supplies electric service to many of the residents thereof. Applicants allege that the furnishing of electric service by City to the customers in the Woodlawn Addition at City's presently 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 some 88 customers now served through said properties and that the request of Pacific and City is not adverse to the public interest. The action taken therein shall not be construed to be a finding of the value of the property herein authorized to be transferred.

It appearing that a public hearing is not necessary herein and that the application should be granted, subject to certain conditions,

IT IS HEREBY ORDERED that Pacific Gas and Electric Company may on or after the effective date hereof and on or before October 14, 1957, sell to the City of Redding in accordance with the terms of an agreement dated October 14, 1955, a copy of which is attached to the application, the electric distribution facilities described therein and as shown by the map entitled, "Sketch Showing Electric Facilities

in Woodlawn Addition Proposed to be Sold to City of Redding",
attached to the application subject to the following condition:

Applicant shall, within thirty days thereafter,
notify this Commission in writing of the com-
pletion of the property transfer herein authorized.

IT IS HEREBY FURTHER ORDERED that Pacific Gas and Electric
Company, concurrently with the consummation of the sale and transfer
to the City of Redding of the properties described above, may cease
furnishing and supplying electric service to the 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 the area
known as Woodlawn Addition in the City of Redding.

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

Dated at San Francisco, California, this 20th day
of December, 1955.

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