

**ORIGINAL**

Decision No. 58049

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of )  
 PACIFIC GAS AND ELECTRIC COMPANY )  
 and the CITY OF PALO ALTO, for an )  
 order 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 Bill of Sale dated )  
 October 23, 1958. )  
 (Electric)

Application No. 40726

OPINION AND ORDER

Pacific Gas and Electric Company and the City of Palo Alto in this application filed January 7, 1959, request an order of this Commission to: (1) confer upon Pacific all necessary permission and authority to sell and convey to City certain electric facilities located in the City of Palo Alto and to consummate said transaction in accordance with the terms of a Bill of Sale dated October 23, 1958, and (2) to relieve Pacific, concurrently with the sale, grant and conveyance of the properties involved, of the duties and responsibilities of an electric corporation within the area involved. A copy of the Bill of Sale is attached to the application as Exhibit A.

Under date of November 23, 1953 City, by Ordinance No. 1497, annexed a certain unincorporated area adjacent to the City of Palo Alto wherein are located the Stanford Convalescent Home and Children's Health Council. The City desires to purchase from Pacific, and the latter is willing to sell to the former, Pacific's electric facilities supplying service to Stanford Convalescent Home and Children's Health Council. No other services are supplied from these facilities.

The Bill of Sale provides that City shall pay to Pacific as the purchase price for said facilities the sum of \$5,146 plus sales tax of \$193.84, or a total of \$5,339.84.

The Bill of Sale provides that it shall not become effective until the Public Utilities Commission of the State of California shall, by its order, authorize Pacific to carry out its terms and conditions.

Pacific alleges that the furnishing of electric service to the aforesaid customers by City 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 Bill of Sale, is ready and willing to supply electric service to the customers now served through said properties and that the request of Pacific and City is not adverse to the public interest.

The action taken herein shall not be construed to be a finding of the value of the property herein authorized to be transferred.

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, therefore,

IT IS HEREBY ORDERED as follows:

(1) Pacific Gas and Electric Company may, on or after the effective date hereof, sell and transfer to the City of Palo Alto, in accordance with the terms of the Bill of Sale dated October 23, 1958, a copy of which is attached to the application, the electric distribution facilities described therein and as shown by the map entitled "Electric Distribution Facilities in the Vicinity of Stanford Convalescent Home Proposed to be Sold to the City of Palo Alto", attached to the application.

(2) Pacific Gas and Electric Company shall, within thirty days thereafter, notify this Commission in writing of the date of such completion of the property transfer herein authorized.

(3) Pacific Gas and Electric Company, concurrently with the consummation of the sale and transfer to the City of Palo Alto of the property 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 wherein the Stanford Convalescent Home and the Children's Health Council are located.

In the event the City of Palo Alto does not consummate the purchase of the properties under the terms of the Bill of Sale of October 23, 1958 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 21<sup>st</sup> day of FEBRUARY, 1959.

[Signature]  
President

[Signature]

[Signature]

Theodore H. Hume

[Signature]  
Commissioners