

Decision No. 58323**ORIGINAL**

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 REDDING, for an order)
 authorizing the former to sell and)
 convey to the latter certain electric)
 distribution facilities in accordance)
 with the terms of a contract dated)
 November 12, 1958.)
 (Electric) }

Application No. 40807
 (Amended)

OPINION AND ORDER

Pacific Gas and Electric Company and the City of Redding, by this application filed February 5, 1959, and amendment to application filed February 13, 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 Redding and to consummate said transaction in accordance with the terms of an agreement dated November 12, 1958, and (2) to relieve Pacific, concurrently with the sale and transfer to City of the properties involved, of the duties and responsibilities of an electric corporation within the areas involved. A copy of the agreement is attached to the application as Exhibit A.

Under the terms of this agreement, Pacific is to sell and convey to City certain electric distribution facilities located in areas annexed to City and known as Enterprise and Rancho Park. Location of said facilities are delineated on three sheets attached to the agreement entitled "Electric Facilities in the Rancho Park and Enterprise Areas Proposed to be Sold to the City of Redding".

The agreement provides that City shall pay to Pacific, as the purchase price for said facilities, upon delivery by Pacific to City of proper instruments conveying to City all of its rights, title and interest in and to said facilities: (a) the sum of \$32,638.30, including severance cost and going concern value, plus California State Sales Tax of \$1,305.53, and (b) the total actual cost of any additions to and betterments of said facilities made by Pacific subsequent to June 25, 1958, and prior to the conveyance of said facilities to City, together with 15% of said cost, plus sales tax applicable thereto. The basis for such charges are outlined in the amendment to the application filed February 13, 1959 and marked Exhibit B.

The agreement provides that it shall not become effective until the Commission shall, by its order, authorize Pacific to carry out the terms and conditions contained in the agreement.

Pacific alleges that the furnishing of electric service by City to the customers presently taking service from Pacific 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 29 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 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 Redding, in accordance with the terms of the agreement dated November 12, 1958, a copy of which is attached to the application, the electric distribution facilities described therein and as shown by the map entitled "Electric Facilities in the Rancho Park and Enterprise Areas Proposed to be Sold to the City of Redding", 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 Redding 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 areas known as Enterprise and Rancho Park in the City of Redding.

