

ORIGINALDecision No. 59579

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
California Electric Power Company,
a corporation, for an Order authoriz-
ing it to Sell, Transfer and Convey
Certain Electric Distribution Lines,
Facilities, Properties and Rights of
Way to the City of Banning, a Municipal
Corporation.

Application No. 41614

OPINION AND ORDER

California Electric Power Company in this application filed October 27, 1959, and joined in by the City of Banning, requests an order of this Commission to:

1. Approve an agreement for sale and purchase of electric lines, facilities and properties dated September 22, 1959;
2. Authorize applicant to sell, transfer and convey to the City of Banning electric lines, facilities and properties in accordance with the conditions set forth in said agreement;
3. Approve proposed bill of sale and instrument of conveyance between applicant and City of Banning; and
4. Authorize applicant to abandon, discontinue and terminate the furnishing and supplying of electricity and electric service to the consumers of electricity within the area described in the agreement for sale and purchase of electric lines and bill of sale and instrument of conveyance.

A copy of the agreement for sale and purchase of electric lines, facilities and properties is attached to the application as Exhibit C. A copy of the proposed bill of sale and instrument of

conveyance is attached to the application as Exhibit D. A map delineating the area involved is attached to the application as Exhibit B.

In 1958 the City of Banning by Ordinance No. 442 annexed an area referred to as Banning Annexation No. 1, consisting of a portion of Sections 6 and 7, Township 3 South, Range 1 East, S.B.B.&M.

The City desires to purchase from applicant, and the latter is willing to sell to the former, applicant's electric facilities located within Banning Annexation No. 1 and also the electric facilities presently serving a customer in an area immediately adjoining the north line of said annexed area and territory.

The agreement provides that City shall pay to applicant as the purchase price for such facilities, \$15,026.79, plus sales tax of \$601.07, a total of \$15,627.86.

The agreement provides that it shall not become effective unless or until approved by order of the Public Utilities Commission.

Applicant alleges that the furnishing of electric service by City at City's presently effective rates and charges to those customers affected by the transfer will not result in charging said customers rates or charges in excess of those now paid by said customers.

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 20 customers now served through said properties and that the request of applicant 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 applicant and being of the opinion that the application should be granted and that a public hearing is not necessary, therefore,

IT IS HEREBY ORDERED:

1. That California Electric Power Company may, on or after the effective date hereof, sell and transfer to the City of Banning in accordance with the terms of the agreement dated September 22, 1959, a copy of which is attached to the application, electric distribution facilities described therein.

2. That California Electric Power Company shall, within thirty days thereafter, notify this Commission in writing of the date of such completion of the property transfer herein authorized.

3. That California Electric Power Company, concurrently with the consummation of the sale and transfer to the City of Banning 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 it is relieved of the duties and responsibilities of an electrical corporation within the area described in the agreement of September 22, 1959.

4. That California Electric Power Company shall apply all deposits which customers are entitled to have refunded to the closing bills and promptly refund to such customers any excess of the amount of the closing bills.

5. That California Electric Power Company shall notify this Commission of the compliance with this order within sixty days after the transfer of property.

In the event the City of Banning does not consummate the purchase of the properties under the terms of the agreement of September 22, 1959 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 1st day of February, 1960.

[Signature]
President
[Signature]
[Signature]
[Signature]
Theodore H. Jensen
Commissioners