

Decision No. 62382**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 PALO ALTO for an order)
 authorizing the former to sell to the)
 latter certain electric facilities.)
(Electric))

Application No. 43540

OPINION AND ORDER

Pacific Gas and Electric Company and the City of Palo Alto by this application filed June 26, 1961, request an order of this Commission (1) granting and conferring 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 June 2, 1961, and (2) relieving Pacific, concurrently with the sale and transfer of the facilities involved, of the duties and responsibilities (including all public utility obligations) of an electrical corporation within the area involved. A copy of the Bill of Sale is attached to the application as Exhibit A.

The Bill of Sale provides that Pacific sell and convey to City certain electric distribution facilities located in the area known as Bayshore-San Antonio Annexation in the City of Palo Alto, for the sum of \$3,158.00 plus sales tax of \$126.32, a total of \$3,284.32. The historical cost new as of October, 1960, of these facilities is estimated to be \$2,376.00. The electric facilities are shown on a map and more particularly described in a statement made a part of the Bill of Sale.

The Bill of Sale contains the provision that it shall not become effective until the Commission shall by its order authorize Pacific to carry out its terms.

Pacific alleges that during the 12-month period ended April 30, 1961, service from the facilities here involved was supplied to eight customers and the gross revenue derived from the sale of electric power to said customers amounted to \$2,163.32.

The furnishing of electric service to said customers by City at its effective rates and charges will not result in the charging or collecting of rates or charges in excess of those now paid by said customers for electric service furnished by Pacific.

There are no line extension deposits, additions and betterments, contributions in aid of construction, or meter deposits involved in this sale.

Applicants allege that this Bill of Sale of June 2, 1961, and all of the terms and provisions are fair, just and reasonable to the parties thereto; that City intends, upon acquiring such property, to furnish and supply electric energy to the customers now being served by means of said facilities; and that Pacific and City are desirous of consummating said Bill of Sale.

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, finds that the transfer will not be adverse to the public interest, that the application should be granted, and that a public hearing is not necessary; therefore,

IT IS ORDERED that:

1. Pacific Gas and Electric Company may sell and transfer to the City of Palo Alto, in accordance with the terms of the Bill of Sale dated June 2, 1961, a copy of which is attached to the application, the electric distribution facilities described therein and shown by the map attached thereto.

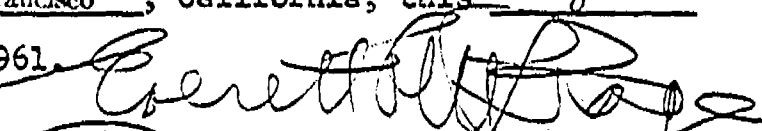
2. Pacific Gas and Electric Company, concurrently with the consummation of the sale and transfer to the City of Palo Alto of the property described above, may cease furnishing and supplying electric service to the customers presently served by it, by means of said properties and is relieved of the duties and responsibilities of an electric corporation within the area known as Bayshore-San Antonio Annexation in the City of Palo Alto.


3. Pacific Gas and Electric Company shall, within thirty days after consummation of such sale and transfer, notify this Commission in writing of the date thereof.

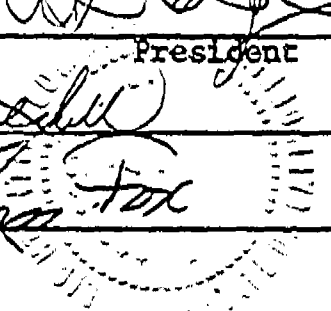
In the event the City of Palo Alto does not consummate the purchase of the property under the terms of the Bill of Sale dated June 2, 1961, within two years after said date, the authority granted herein shall expire.


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

Dated at San Francisco, California, this 8th
day of AUGUST, 1961.



President


E. J. Fox




Commissioners