

**ORIGINAL**Decision No. 64327

## 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 LODI, 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 )  
 April 2, 1962. )

Application No. 44656  
 (Filed July 20, 1962)

(Electric)

O P I N I O N

Pacific Gas and Electric Company (Pacific) and the City of Lodi (City) request authorization of Pacific to sell to City certain electric facilities in the City of Lodi; to consummate this sale in accordance with the terms of a contract dated April 2, 1962; and to relieve Pacific, concurrently with the sale and transfer of the facilities, of the public utility duties and responsibilities of an electrical corporation within the area involved. A copy of the contract is attached to the application as Exhibit A.

The contract provides that Pacific shall sell for \$2,046.62, which includes sales tax, those electric distribution facilities installed as of May 15, 1961, in the area annexed to City known as Reynolds Addition. Any additions to and betterments of the facilities made by Pacific subsequent to May 15, 1961, are to be sold for total cost as determined by Pacific's standard accounting practice, plus sales tax. The current ad valorem taxes for the tax year in which the facilities are conveyed are to be prorated between Pacific and City. The electric facilities to be

sold are shown on a map made a part of the contract. The historical cost new is estimated to be \$1,555 as of May 1961.

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

Pacific alleges that during the period commencing May 1, 1961 and ending April 30, 1962, service from the facilities here involved was supplied to five customers and that the gross revenue derived from the sale of electric power to these customers amounted to \$559.

The furnishing of electric service to these 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, contributions in aid of construction or meter deposits involved in this sale.

Applicants allege that the contract and all of its terms and provisions are fair, just and reasonable to the parties thereto; that City intends, upon acquiring such properties, to continue to furnish and supply the electric service now being supplied by means of the facilities to be acquired; and that Pacific and City are desirous of consummating the contract.

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 finds that the proposed sale described in this application will not be adverse to the public interest and

concludes that the application should be granted. A public hearing is not necessary.

O R D E R

IT IS HEREBY ORDERED that:

1. Pacific Gas and Electric Company may sell and convey to the City of Lodi, in accordance with the terms of the contract dated April 2, 1962, 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 Lodi 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 public utility duties and responsibilities of an electric corporation within the area known as Reynolds Addition in the City of Lodi.

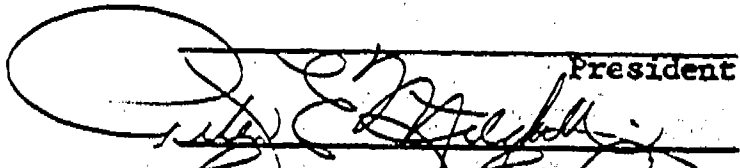
3. Pacific Gas and Electric Company shall, within thirty days after such sale and transfer, notify this Commission in writing of the date thereof.

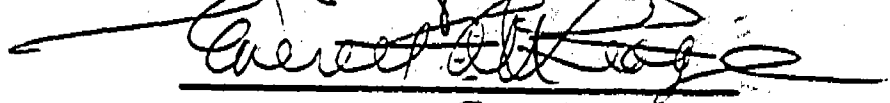
In the event the City of Lodi does not consummate the purchase of the property under the terms of the contract dated

April 2, 1962, within two years after said date, the authority herein granted shall expire.

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

Dated at San Francisco, California, this 2<sup>nd</sup> day of OCTOBER, 1962.

  
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President

  
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Commissioner

\_\_\_\_\_  
Commissioners

Commissioner C. Lyn Fox, being necessarily absent, did not participate in the disposition of this proceeding.