

ORIGINAL

Decision No. 73158

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of PACIFIC GAS AND ELECTRIC COMPANY and the CITY OF HEALDSBURG for an order authorizing the former to sell and convey to the latter certain electric metering facilities in accordance with the terms of an agreement dated June 7, 1967.
(Electric)

Application No. 49598
(Filed August 10, 1967)

OPINION AND ORDER

Pacific Gas and Electric Company (Pacific) and the City of Healdsburg (City), request an order granting Pacific authority to sell and convey to City certain electric facilities located in an area annexed to City known as Healdsburg Avenue No. 1, in accordance with an agreement between Pacific and City dated June 7, 1967, a copy of which is attached to the application as Exhibit A.

The application states that City is the owner of an electric distribution system located within the corporate limits of the City of Healdsburg. From this system City furnishes electric service to many of the residents and inhabitants thereof. The properties which Pacific proposes to convey are located in an area which has been annexed to the City. Pacific's lines serving the customers affected by this transaction were previously relocated due to a street widening project. In the process of completing the relocation work, the customers were severed from the PG&E lines and connected to City's distribution system on May 11, 1967. Since that time these customers have been provided service by City. City is desirous of acquiring on a permanent basis the electric metering facilities of Pacific described in the agreement and incorporating them into its municipal electric distribution system, and intends, upon acquiring such permanent ownership, to continue furnishing and supplying the electric service now being supplied.

Pursuant to the agreement executed June 7, 1967, City agrees to pay Pacific the sum of \$1,582.00 as the purchase price for the facilities. The estimated historical cost new of these facilities is stated to be \$1,202 as of February 1967.

The agreement provides that the current ad valorem taxes for the tax year in which the facilities are conveyed shall be prorated as of May 11, 1967, and City agrees to pay to Pacific such part as is attributable to the portion of the tax year from and after delivery of the deed of conveyance.

The application states that for the twelve-month period ending December 31, 1966, Pacific supplied electric service from the facilities involved to 13 domestic customers, 17 commercial customers, and one power account. Pacific derived gross revenue from these customers as follows: domestic, \$870.44; commercial, \$3,838.34; and power, \$416.65, for a total of \$5,125.43.

Applicants allege that 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 paid for electric service furnished by Pacific.

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

There are no line extension deposits, contributions in aid of construction, or meter deposits involved in this transaction.

City agrees to assume, as of May 11, 1967, all public utility obligations of Pacific to provide electric service in the area involved and in particular to provide electric service to the 31 customers that have been supplied from Pacific's facilities.

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

After consideration, the Commission finds that the proposed sale would not be adverse to the public interest. A public hearing is not necessary.

IT IS ORDERED that:

1. Pacific Gas and Electric Company is authorized to sell and convey to the City of Healdsburg the electric distribution facilities described in the agreement dated June 7, 1967, attached to the application as Exhibit A, and to consummate said transaction in accordance with the terms of said agreement.

2. Pacific Gas and Electric Company shall, concurrently with the connection by the City of Healdsburg of the property described above, cease furnishing and supplying electric service to the customers served by it by means of said property and is relieved of the duties and responsibilities (including all public utility obligations) of an electrical corporation within the area involved herein.

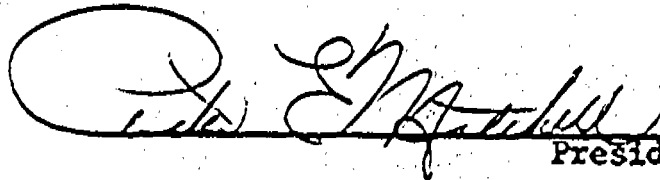
3. Pacific Gas and Electric Company shall, within thirty days thereafter, notify this Commission in writing of the effective date of such sale and transfer.

4. Upon settlement of charges due, Pacific Gas and Electric Company shall refund all customers' deposits and advances which may be subject to refund.

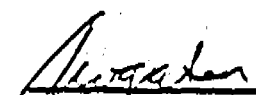

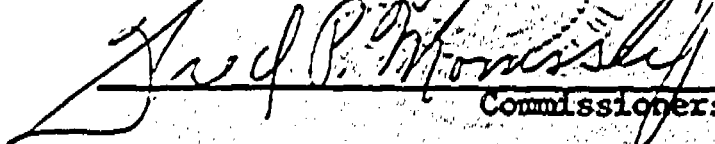
5. The authority granted herein shall expire in the event that the City of Healdsburg does not consummate the purchase of the property under the terms of the agreement within two years from the date hereof.

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

Dated at Los Angeles, California, this 3rd day of OCTOBER, 1967.



President

Commissioners

Commissioner William M. Bennett, being necessarily absent, did not participate in the disposition of this proceeding.