

Decision No. 76228**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of CALIFORNIA-PACIFIC
UTILITIES COMPANY and PACIFIC GAS
AND ELECTRIC COMPANY for an order
authorizing the latter to sell and
convey to the former certain
electric distribution facilities
in accordance with the terms of an
agreement dated July 16, 1969

Application No. 51277
(Filed July 29, 1969)

(Electric)

OPINION AND ORDER

California-Pacific Utilities Company (Cal-Pacific) and Pacific Gas and Electric Company (Pacific) request authorization for Pacific to sell and convey to Cal-Pacific certain electric distribution facilities which are located in an area known as Westwood Wye in Lassen County, California, in accordance with the terms of an agreement dated July 16, 1969, a copy of which is attached to the application as Exhibit A.

The agreed consideration is \$4,933 plus the total cost of any additions to and betterments of the facilities made by Pacific subsequent to October 31, 1967 and prior to September 10, 1969, the agreed date of transfer and conveyance of the facilities to Cal-Pacific. The current ad valorem taxes for the tax year in which the facilities are conveyed are to be prorated as of the date of conveyance. The purchased price of \$4,933 is developed from using a reproduction cost-new appraisal, as of October 31, 1967, less depreciation and is shown in Exhibit B attached to the application. The estimated historical cost of the facilities is stated to be \$4,404 in Exhibit B.

The application states that Cal-Pacific is the owner of an electric distribution system located in the Westwood area, except for the limited area owned and served by Pacific at Westwood Wye.

The properties which Pacific proposes to convey are located in the Westwood Wye area wherein Cal-Pacific's expanding electric distribution system can now efficiently serve the 13 customers presently being served by Pacific. Cal-Pacific is desirous of acquiring said facilities and incorporating them into its electric distribution system.

Cal-Pacific agrees to assume all public utility obligations of Pacific on and after the date of conveyance to provide electric service in the area that has been supplied from Pacific's facilities. The application also states that tariffs applicable to the 13 customers who will be transferred shall be billed at the lower of the two rates (Cal-Pacific's or Pacific's) authorized by the Commission at the time of transfer and thereafter until service to existing customers is terminated or until the Commission authorizes Cal-Pacific to change rates to such customers.

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

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

No protests to granting the authorization requested have been received by the Commission.

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 California-Pacific Utilities Company the electric distribution facilities described in the agreement dated July 16, 1969, attached to the application as Exhibit A, and to consummate said transaction in accordance with the terms of the agreement.

2. Pacific Gas and Electric Company shall, concurrently with the consummation of sale and transfer to California-Pacific Utilities Company of the property described above, cease supplying electric service to its customers served 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.

3. Pacific Gas and Electric Company shall, within thirty days thereafter, notify this Commission in writing of the 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. Pacific Gas and Electric Company shall, within thirty days after the consummation of the sale and transfer, furnish this Commission with the ~~total costs~~ of any additions and betterments of the facilities involved and made by Pacific subsequent to October 31, 1967 and prior to September 10, 1969, the agreed date of transfer and conveyance of the facilities to California-Pacific Utilities.

6. California-Pacific Utilities Company is authorized, upon the date of transfer, to continue billing, on Pacific Gas and Electric Company's applicable tariffs, any customer who would receive an increase if California-Pacific Utilities Company's rates were applied until the customer discontinues service permanently at the location being served on the date of transfer.

7. California-Pacific Utilities Company shall file within thirty days after the date of transfer, in conformity with General Order No. 96-A, a revised List of Contracts and Deviations to reflect service under the applicable tariff schedules of Pacific Gas and Electric Company.

8. California-Pacific Utilities Company shall, within thirty days after the consummation of the sale and transfer authorized herein, file four copies of its tariff service area map in accordance with General Order No. 96-A which shall reflect the boundaries authorized by this order.

9. Pacific Gas and Electric Company shall, after the consummation of the sale and transfer authorized herein, file four copies of its tariff service area map in accordance with General Order No. 96-A which shall reflect the boundaries authorized by this order.

10. The authority granted herein shall expire in the event that California-Pacific Utilities Company does not consummate the purchase of the property under 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 San Francisco, California, this 30th day of SEPTEMBER, 1969.

William Synovis Jr.
President

[Signature]

[Signature]

[Signature]
Commissioners

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Commissioner A. W. Gatev, being necessarily absent, did not participate in the disposition of this proceeding.