

ORIGINAL

Decision No. 77618

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of SAN DIEGO GAS & ELECTRIC COMPANY, a corporation, and MOUNTAIN EMPIRE ELECTRIC COOPERATIVE, INC., a corporation, for an order authorizing the acquisition by San Diego Gas & Electric Company and the sale by Mountain Empire Electric Cooperative, Inc., of the Electric Distribution System and other properties of Mountain Empire Electric Cooperative, Inc., for a certificate of public convenience and necessity to exercise its Electric Franchise in the territory served by Mountain Empire Electric Cooperative, Inc., and for an order pursuant to § 1003 of the Public Utilities Code.

Application No. 52019  
(Filed July 7, 1970)

O P I N I O N

San Diego Gas & Electric Company, hereinafter referred to as San Diego, requests authority to purchase and acquire all of the assets and property of Mountain Empire Electric Cooperative, Inc., hereinafter referred to as Mountain Empire, including a certificate of public convenience and necessity granted by Decision No. 48060 dated December 16, 1952, in Application No. 33404.

Mountain Empire is a nonprofit corporation, organized pursuant to the Federal Rural Electrification Act of 1936 and incorporated under the laws of the State of California. It serves a sparsely populated mountainous area in the southeast corner of San Diego and as of July 2, 1970 had 1122 members.

The book cost of all of Mountain Empire properties as of December 31, 1969, was \$992,030. The original cost of said properties, including construction work in progress, as of said date was \$1,388,126. The cash consideration is \$1,691,000.

It is alleged that the integration of Mountain Empire's territory with that of San Diego would permit greater efficiency in the operation of the two systems by reason of the single management and would be in the best interests of Mountain Empire, its members, its employees, who will be employed by San Diego, and the area that it presently serves.

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

After consideration the Commission finds that the proposed sale and transfer would not be adverse to the public interest. No protest has been received. A public hearing is not necessary.

O R D E R

IT IS ORDERED that:

1. On or before May 1, 1971, Mountain Empire Electric Cooperative, Inc., may sell and transfer, and San Diego Gas & Electric Company may purchase and acquire, the operative rights and property referred to in the application.
2. Within thirty days after the consummation of the transfer herein authorized, purchaser shall notify the Commission, in writing, of that fact and within said period shall file with the Commission a true copy of any bill of sale or other instrument of transfer which may be executed to effect said transfer.
3. Purchaser shall amend or reissue the tariffs on file with the Commission, naming rates and rules governing the electrical operations herein to show that it has adopted or established, as its own, said rates and rules. The tariff filings shall be made effective not earlier than ten days after the effective date of this order on not less than ten days' notice to the Commission and the public, and the effective date of the tariff

filings shall be concurrent with the consummation of the transfer herein authorized. The tariff filings made pursuant to this order shall comply in all respects with the regulations governing the construction and filing of tariffs set forth in the Commission's General Order No. 96-A. Failure to comply with and observe the provisions of General Order No. 96-A may result in a cancellation of the operating authority granted by this decision.

4. Upon completion of the purchase, applicant purchaser shall place in effect in the service area herein considered either the present rate schedule of Mountain Empire Electric Cooperative, Inc. or its present rates as applicable in its rate zone 4 territory, whichever is lower.

5. Purchaser shall, within thirty days after the consummation of the sale and transfer authorized herein, file four copies of a tariff service area detail map in accordance with General Order No. 96-A which shall reflect the boundaries involved by this order.

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

Dated at San Francisco, California, this 18<sup>th</sup> day of AUGUST, 1970.

J. P. ...  
Chairman

Augustus ...

William ...

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...  
Commissioners