

Decision 82 02 080 FEB 17 1982

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of PACIFIC GAS AND ELECTRIC COMPANY and the CITY OF UKIAH for an order authorizing the former to sell and convey to the latter certain electric distribution facilities, in accordance with the terms of an agreement dated January 15, 1981.

Application 60999
(Filed October 22, 1981)

O P I N I O N

The City of Ukiah (Ukiah) and Pacific Gas and Electric Company (PG&E) have joined in an application under Public Utilities Code § 851 to seek authorization for PG&E to sell a small part of its electrical plant to Ukiah. Ukiah owns and operates a utility system which provides electrical service within its city boundaries.

The facilities to be sold serve six customers located in an area which has recently been annexed to Ukiah. Ukiah desires to acquire these distribution facilities and incorporate them into its own system.

The purchase price is \$8,307 plus 115% of the net value of any additions to, or betterments of, the facilities prior to the date of conveyance; if any property is retired while the sale is pending, 115% of its net value will be subtracted from the purchase price. The \$8,307 represents the estimated historical cost, less depreciation, of the facilities.

Ukiah will, upon completion of the transfer, assume all of PG&E's public utility obligations to provide service to the six existing customers and any others added by PG&E prior to the transfer of title. At the PG&E rates in effect at the beginning of 1981, it would expect to receive approximately \$2,500 per year of gross revenue from these customers. At Ukiah's current rates, the change from PG&E

to municipal service will not increase these customers' rates for comparable service. PG&E holds no credit or line extension deposits on behalf of the customers involved in this transaction.

Ukiah sent a letter to each of the affected customers, describing the proposed transfer and its effect on consumers. The letter suggested that any comments or queries be directed to the Commission. We have received no communications or protests.

Findings of Fact

1. A public hearing is not necessary.
2. The proposed transfer is not adverse to the public interest.

Conclusion of Law

The proposed transfer should be authorized.

O R D E R

IT IS ORDERED that:

1. On or before July 1, 1982 Pacific Gas and Electric Company (PG&E) may transfer the electric utility distribution plant referred to in the application to the City of Ukiah in accordance with the terms stated in the application.
2. Within 10 days after the transfer PG&E shall write the Commission stating the date of the transfer and the date when the purchaser began providing electrical service to the customers affected. A copy of any bill of sale executed shall be attached.
3. PG&E shall amend its tariffs and service area maps to indicate that it no longer holds itself out to provide electrical service in the territory served by the transferred plant.

4. Upon compliance with this order PG&E shall be relieved of its public utility obligations to existing or potential customers receiving electrical service in the territory now served by the transferred plant.

This order becomes effective 30 days from today.

Dated FEB 17 1982, at San Francisco, California.

JOHN E. BRYSON

President

RICHARD D. GRAVELLE

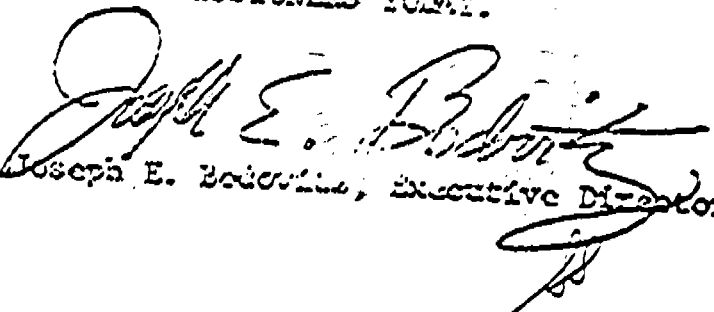
LEONARD M. GRIMES, JR.

VICTOR CALVO

FRISCILLA C. CREW

Commissioners

I CERTIFY THAT THIS DECISION
WAS APPROVED BY THE ABOVE
COMMISSIONERS TODAY.


Joseph E. Bodoville, Executive Director