

LEM

Decision No. 20387.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
ORANGE COUNTY WATER COMPANY, )  
a corporation, for authority to issue ) Application No. 15029  
stock. )

In the Matter of the Application of )  
ORANGE COUNTY WATER COMPANY, )  
to buy, and Santos Maraga to sell ) Application No. 15030  
certain public utility property. )

**ORIGINAL**

O'Melveny, Tuller and Myers, by Wm. W. Clary and  
Kent Allen, for Orange County Water Company.

C. K. Stahl, for Santos Maraga.

BY THE COMMISSION:

O P I N I O N

In Application No. 15029 Santos Maraga, operating a small public utility water plant at Atwood, Orange County, asks permission to sell such public utility water plant to the Orange County Water Company for the sum of \$4,000.00.

In Application No. 15030 the Orange County Water Company asks permission to issue and sell at par for cash \$4,000.00 of its common capital stock and use the proceeds to pay for the properties which it intends to acquire from Santos Maraga.

At a hearing had before Examiner Fankhauser on October 17th these two matters were consolidated for hearing and decision.

A description of the properties which Santos Maraga asks permission to sell is contained in the agreement attached to the petition in Application No. 15030.

The testimony shows that it is his intention to sell all of his public utility properties, whether described in such agreement or not. The properties specifically described consist of 850 feet of three inch black dipped pipe; 1600 feet of four inch dipped and rivetted pipe; 970 feet of two and one half inch black standard dipped pipe; 5753 feet of two inch black standard dipped pipe; 300 feet of one and one half inch black standard dipped pipe; 25 meters, together with rights of way and franchises through the streets and alleys of the Town of Richfield, now known as the Town of Atwood.

The record shows that there are 85 services connected with the system of which twenty-five have been metered. On June 30, 1928 approximately 75 services were active.

The Orange County Water Company owns other properties in the vicinity of Atwood and while it is not practical to interconnect the Maraga system with other plants operated by the Orange County Water Company, it is believed that the Orange County Water Company can operate the properties to better advantage than Santos Maraga. It appears to us that the transfer of the properties is in the public interest and that these applications should be granted.

#### O R D E R

Santos Maraga having asked permission to sell his public utility water properties to the Orange County Water Company, and the Orange County Water Company having asked permission to acquire the same and to issue \$4,000.00 of its common capital stock, a public hearing having been held, and the Commission being of the opinion that the money, property or labor to be procured or paid for by the issue of \$4,000.00 of stock is reasonably required by the Orange County Water Company and that the expenditures herein authorized are not in whole or in part reasonably chargeable to operating expense or to income,

IT IS HEREBY ORDERED as follows;-

1. Santos Maraga may sell to the Orange County Water Company all of his public utility water properties more particularly described in the agreement attached to the petition in Application No. 15030 and in the report of Haskins and Sells, filed in that proceeding.

2. Orange County Water Company may issue and sell for cash at not less than par, on or before December 15, 1928, \$4,000.00 of its common capital stock and use the proceeds obtained from the sale of such stock to pay for the properties to which reference is herein made.

3. Orange County Water Company shall file with the Commission a copy of the deed or other instrument under which it acquires title to the properties of Santos Maraga.

4. Orange County Water Company shall within thirty days after acquiring the aforesaid properties, advise the Commission of the exact date when it acquired the same and the date when it took possession of the properties and began to operate them.

5. Orange County Water Company shall file a General Order No. 24 report with the Commission, which order insofar as applicable, is made a part of this order.

DATED at San Francisco, California, this 24th day of October, 1928.

Leon Whitell  
Chas. J. [unclear]  
Thos. J. [unclear]  
M. J. [unclear]

Commissioners.