

LBM

Decision No. 21215.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
C. W. Kellogg
and
CALIFORNIA WATER SERVICE COMPANY,
a corporation, for an order authoriz-
ing the sale and conveyance of the
water plant of C. W. Kellogg as a
whole by said C. W. Kellogg to said
California Water Service Company.

ORIGINAL

Application No. 15680

McCutchen, Olney, Mannon and Greene,
for applicants.

BY THE COMMISSION:

O P I N I O N

In this proceeding the Railroad Commission is asked to authorize applicant, C. W. Kellogg, to sell and convey his public utility water system to applicant California Water Service Company, and upon said sale authorize C. W. Kellogg to discontinue the public utility service heretofore rendered by him.

It appears that C. W. Kellogg is the sole owner of that certain water works and water supply system situated in that certain tract of land known as Kellogg Orange Acres, located in the

east one half of Section twenty-eight (28), Township twenty-nine (29) South, Range Twenty-eight (28) East, Mt. Diablo base and meridian, in Kern County, near Bakersfield, California.

This water system has been operated as a public utility and furnishes water for domestic and other purposes to the inhabi-

tants of Kellogg Orange Acres.

Under date of January 21, 1929, C. W. Kellogg and Catharine E. Kellogg, husband and wife, granted to California Water Service Company a ninety day option from January 1, 1929, to purchase the aforementioned water system, at a cost of \$25,000.00. This option was extended under date of April 16, 1929, to and including May 21, 1929. It is of record that California Water Service Company has agreed to exercise the option and to pay C. W. Kellogg \$25,000.00 for his public utility water system. The water system is described in detail in Exhibit "C", filed in this proceeding.

An examination made of the properties by a representative of the Commission leads us to believe that there is no need for a public hearing in this matter, and that the application should be granted. It should, however, be understood that the granting of this application does not obligate the Commission to recognize the purchase price either, for the purpose of fixing rates, or as a basis for the issue of securities; and furthermore, that the transfer of the properties does not authorize the California Water Service Company to charge any rates different from those now charged by C. W. Kellogg.

ORDER

C. W. Kellogg, having asked permission to sell his public utility water system described in this application to California Water Service Company, and discontinue public utility service, and said California Water Service Company having asked permission to purchase said properties, and the Commission having considered this application and being of the opinion that this is not a matter in which a public hearing is necessary and that the application should be granted as herein provided,

THEREFORE, IT IS HEREBY ORDERED as follows;-

(1) C. W. Kellogg may sell on or before August 31, 1929, the public utility water system described in Exhibits "A", "B" and "C", filed in this proceeding, to California Water Service Company, which company is hereby permitted to acquire said system and to operate the same.

(2) Upon the sale and transfer of the properties herein referred to, and their operation by California Water Service Company, C. W. Kellogg may discontinue the public utility service rendered by him prior to the date of the sale and transfer of the aforesaid properties.

(3) Within thirty days after the transfer herein authorized, California Water Service Company shall file with the Railroad Commission a statement showing the date on which it acquired the aforesaid properties, the date on which it took possession of the properties, and a copy of the instrument by which it acquires and holds title to said properties.

(4) The sale and transfer of the aforesaid properties is authorized, subject to the condition that the consideration being paid for such properties, shall not be urged before this Commission as a measure of the value of said properties for the purpose of fixing rates or as a basis for the issue of securities by California Water Service Company, or for any other purpose except the transfer herein authorized.

(5) The authority herein granted shall become effective within ten days after the date hereof.

DATED at San Francisco, California, this 17th day of June, 1929.

Thomas D. Loring

C. L. Deane

Leon A. Whipple

W. A. Coe

Commissioners.