

Decision No. _____

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of the Application)	
of PEOPLES WATER COMPANY for)	Application No. 1531.
reorganization.)	

Decision No. 2664

BY THE COMMISSION.

OPINION ON PETITION FOR REHEARING.

Peoples Water Company made its application in the above entitled proceeding for an order authorizing the transfer of its property to a corporation to be hereafter organized and for an order authorizing the new corporation to issue specified amounts of stock and bonds in exchange for the property. On July 10, 1915, this Commission made its order granting the application, subject to certain conditions, to which no objection has been made.

Peoples Water Company and Frank C. Havens have now filed petitions for rehearing. In these petitions no objection is made to the order of July 10, 1915, granting the application, but a claim is made that the sum of \$14,100,000.00 referred to in the opinion, is less than the real value of the property for other purposes, such as the establishment of rates or the sale or condemnation of the property.

The opinion of July 10, 1915, after finding "that the fair value of the property of Peoples Water Company at this time is the sum of \$14,100,000," distinctly states as follows:

"It must be borne clearly in mind that this value is determined on for the purposes of this proceeding only, It may very well be that a proceeding before this Commission to fix the just compensation which the public should pay for this plant upon taking it over would result in a different figure."

The Commission thus clearly stated that the value found was one for the purpose of the present proceeding only. It would

be manifestly improper to make a finding in the present proceeding as to the value of the property for the purpose of some entirely different proceeding which has not been brought before the Commission. In a condemnation proceeding it may be necessary to consider certain elements of value which it was not necessary or proper to consider in the present proceeding, but for rate fixing purposes property not used and useful would not be included.

We do not consider it necessary to comment in detail upon the statements contained in the petitions for rehearing further than to state that the Commission did consider certain elements of value which the petitions state the Commission failed to consider, so that the petitions are incorrect in their allegations on this point.

We find no good reason for granting a rehearing.

ORDER DENYING PETITION FOR REHEARING.

PEOPLES WATER COMPANY and FRANK C. HAVENS having filed petitions for rehearing in the above entitled proceeding, and careful consideration having been given to the same, and no good reason appearing why such petitions should be granted,

IT IS HEREBY ORDERED that said petitions for rehearing be and the same are hereby denied.

Dated at San Francisco, California, this 4th day of August, 1915.

Max Thelen
W. H. Ireland
Alex Gordon
Frank DeWitt
Commissioners.