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ORIGINAL

Decision No. _____

BEFORE THE RAILROAD COMMISSION
OF THE STATE OF CALIFORNIA.

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In the Matter of the Application of)
IRWIN HEIGHTS WATER COMPANY, a cor-)
poration, for an order authorizing) Application No. 2459.
the sale of its entire property to)
City of Santa Monica.)

C. C. Towner for Irwin Heights Water Company.
Francis J. Heney, City Attorney, and Victor R.
McLucas, Assistant City Attorney, for
City of Santa Monica.

WHELEN, Commissioner.

O P I N I O N .

In this proceeding Irwin Heights Water Company asks for an order, under the provisions of Section 51 of the Public Utilities Act, authorizing the Water Company to sell its entire property to the City of Santa Monica. The City joins in the application.

A public hearing in this application was held in Santa Monica on August 30, 1916, at which time the application was submitted.

Both parties agreed that the sale price of the property shall be \$75,000.00. The Water Company agreed to transfer to the City such additional meters not now in stock as may be necessary so as to bring the total fair value of the entire property to be transferred up to the amount of \$75,000.00. The parties agreed that the sum of \$75,000.00, being the just compensation heretofore fixed and determined by the Railroad Commission in Decision No. 2547 made on June 30, 1915, in Ap-

plication No. 1562, (Vol. 7, Opinions and Orders of the Railroad Commission of California, p. 444), to be paid by the City of Santa Monica for the property of Irwin Heights Water Company described in Exhibit No. 1 attached to said decision, shall be added the cost of the additions and betterments installed by the Water Company subsequent to April 1, 1915, from which amount shall be deducted eight months' depreciation, determined on the lives and by the method used by the Railroad Commission's engineers in determining accrued depreciation in said Decision No. 2547.

The testimony herein shows that subsequent to April 1, 1915, the Water Company made additions and betterments to its property as follows:

Mains	\$ 525.20
70 Meters.	828.65
80 Services.	<u>338.40</u>
Total.	\$1,692.25

Assistant Engineer James Armstrong of this Commission testified that, based on the lives and the method used by the Railroad Commission's engineers in said Application No. 1562, the annual depreciation in the property of Irwin Heights Water Company is the sum of \$2,759.00. On this same method, the depreciation for eight months amounts to \$1,839.33.

By adding to the sum of \$75,000.00 said sum of \$1,692.25 for additions and betterments made subsequent to April 1, 1915, and subtracting the sum of \$1,839.33 for eight months' depreciation, the resulting sum of \$74,852.92 is secured. The Water Company will accordingly transfer to the City additional meters having a value of \$147.08.

The parties have agreed that the City shall pay one-half the taxes for the year 1916 on the property to be transferred.

The entire property of Irwin Heights Water Company and all of its consumers are located within the limits of the City of Santa Monica.

I find that the public interest will be served by the sale of the property of Irwin Heights Water Company to the City of Santa Monica for the consideration hereinbefore set forth, and recommend that the application be granted.

I submit herewith the following form of order:

O R D E R .

IRWIN HEIGHTS WATER COMPANY having applied to the Railroad Commission for an order authorizing the sale of its entire property, except the right to be a corporation, to City of Santa Monica, and City of Santa Monica having joined in the application and a public hearing having been held, and the parties having agreed that the entire property of Irwin Heights Water Company and also meters of the fair value of \$147.08 shall be sold by Irwin Heights Water Company to the City of Santa Monica for the sum of \$75,000.00, and the Railroad Commission finding that the public interest will be served by the granting of this application,

IT IS HEREBY ORDERED that Irwin Heights Water Company be and the same is hereby authorized to sell to the City of Santa Monica for the sum of \$75,000.00 the entire property of Irwin Heights Water Company, except the right to be a corporation, which property consists of the property described in Exhibit No. 1 attached to said De-

cision No. 2547 in said Application No. 1562, together with the additions and betterments installed subsequent to April 1, 1915, as set forth in the opinion which precedes this order, with the further addition of meters of the fair value of \$147.08.

Within thirty (30) days from the execution of deed of conveyance of its said property, Irwin Heights Water Company shall file with the Railroad Commission a certified copy of such deed of conveyance.

The foregoing opinion and order are hereby approved and ordered filed as the opinion and order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 1st day of September 1916.

Max Thelen
W. D. Howard
Alex. Gordon
Edwin A. Edgerton
James R. Decker

Commissioners.