Decision No. 3763

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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In the matter of the application of the FOOTHILL DITCH COMPANY to sell a portion of its right of way to Lindsay-Strathmore Irrigation District.

Application No. 2493.

D. E. Perkins for applicant.

BY THE COMMISSION.

OPINIOM.

This is an application by Foothill Ditch Company, a corporation furnishing water for irrigation in the vicinity of Merryman, Tulare County, for authority to sell to Lindsay-Strathmore Irrigation District approximately its entire right of way extending from a point on the intersection of the line of said ditch with the east line of Sec. 36, T. 18, S.R. 26 E. M.D.B. & M. and continuing thence along said ditch to the point of its intersection with the west line of Sec. 20, T. 19, S.R. 27 E. M.D.B. & M., reserving to applicant, however, the right to lay, maintain and use a cement pipe, not exceeding 36 inches inside diameter, along the lower side of said right of way together with certain other rights. The said right of way which applicant desires to sell is approximately 33 feet wide and 32,000 feet long.

A public hearing was held at Exeter, October 2, 1916. It appears that under the terms of the proposed contract of sale as set forth in the application herein under the designation of

Exhibit "A", applicant is to receive the sum of \$40,000 as the purchase price for the rights and other property transferred, and applicant is to construct at its own expense a concrete pipe line of sufficient size and length to serve all of applicant's consumers.

It further appears that the said sum of \$40,000 is an extremely liberal price for the rights and other property sold and that this sum is much more than sufficient to pay the entire cost of constructing the concrete pipe line above referred to. Moreover, there appears to be no question but what applicant's consumers will be better served by a concrete pipe line than by the present ditch. In other words, the sale will undoubtedly be advantageous both to applicant's consumers and to applicant's stockholders, and so long as applicant does not allow the construction of its new pipe line to interfere with applicant's service to its consumers, we find that the application should be granted. We do not herein pass upon the reasonableness of the price being paid for the property to be transferred.

ORDER.

FOOTEILL DITCH COMPANY, a corporation, having applied to this Commission for authority to sell to Dindsay-Strathmore Irrigation District for the sum of \$40,000, certain rights and other property hereinafter more particularly referred to, and a public hearing having been held and it appearing to this Commis-

sion for the reasons set forth in the foregoing opinion that the application should be granted,

IT IS HERREY ORDERED that Foothill Ditch Company, a corporation, be, and the same is hereby, authorized to sell to Lindsay-Strathmore Irrigation District for the sum of \$40,000, its right of way extending from a point on the intersection of the line of said ditch with the east line of Sec. 36, T. 18 S., R. 26 E., M.D.B.& M. and continuing thence along said ditch to the point of intersection with the west line of Sec. 20, T. 19, S., R. 27 E., M.D.B.& M. and such other rights and interests as are more particularly set forth in the proposed contract of sale annexed to the above entitled application marked Exhibit "A" and annexed to the application in the above-entitled matter, reserving to applicant, however, the right to lay, maintain and use a cement pipe line not exceeding 36 inches inside diameter, along and upon the lower side of said right of way together with cortain other rights, all of which reservations are size set forth in said Exhibit "A", to which reference is hereby made.

The authority herein granted is granted subject to the following conditions and not otherwise, namely:

- l. Applicant shall construct and maintain a concrete pipe line of sufficient size to serve all its consumers along said right of way.
- 2. Applicant shall not allow the construction of said pipe line or the construction or use of the ditch of Lindsay-Strathmore Irrigation District to

interfere with the service now furnished by applicant to its consumers.

Dated at San Francisco, California, this Little day of October, 1916..

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Commissioners.