

Decision No. 8210

ORIGINAL

BEFORE THE RAILROAD COMMISSION
OF THE STATE OF CALIFORNIA

In the Matter of the Application
of FRUITVALE MUTUAL WATER COMPANY,
a corporation, to have its proper-
ty released from public service.) Application No. 6600.

Ray W. Bruce, for Applicant.

G. E. Delevan, Jr., for W.C. Anderson.

BY THE COMMISSION:

OPINION

This is an application for abandonment of service as a public utility by a mutual company which has acquired a water system over which the Commission has heretofore asserted its jurisdiction.

Public hearings were held at Los Angeles, California, on March 19, 1921, before Examiner Gordon, and on April 12, 1921, before Examiner Satterwhite. The matter was submitted, and is now ready for decision.

The applicant herein, Fruitvale Mutual Water Company, was organized by the former consumers of the Citizens Water Company of San Jacinto for the purpose of acquiring and operating the system for the benefit only of the stockholders of the company, by the method common to so-called mutual water companies. It was intended that all of the former consumers of the Citizens Water Company should become stockholders of the mutual company.

but at the time the sale was consummated under the approval of this Commission (Application No. 6124, Decision No. 8186), it was found that one of the consumers of the Citizens Water Company had declined to become a stockholder in the mutual company, and asserted the right to receive water as a member of that portion of the public to which the service had been theretofore dedicated. This former consumer appeared as a protestant at the first hearing in this proceeding. At the second hearing, however, this protest was withdrawn, the protestant having purchased stock in the mutual company, and thereby joined in the plan above indicated. There were, therefore, no formal protests to the granting of the application.

The evidence adduced at the hearing indicated that the applicants herein were willing, and had offered, to sell stock to all former consumers of the Citizens Water Company, thus enabling them to participate in the supply of water the same as all other stockholders and former consumers. The terms under which this stock was offered were reasonable, and the offer was a continuing one open to all of the prior consumers or persons otherwise entitled to receive water from the Citizens Water Company by reason of the public utility status of that company. It is apparent, therefore, that to grant the application herein will not deprive any one of the water supply upon which they are dependent, but will, on the other hand, permit the consumers to carry out their desire to manage their own water supply upon a mutual and cooperative plan.

ORDER

Application having been filed herein for the abandonment of public service by the owners of a water distribution system, public hearings having been held thereon, and the Commission finding as a fact that an adequate supply of water is available to all former consumers and persons otherwise entitled to receive service from said distribution system when operated as a public utility, and that the granting of this application will not operate to the injury of the public, or any portion thereof, heretofore dependent upon said service,--

IT IS HEREBY ORDERED, that the application herein be, and the same is, granted, and that from and after the effective date of this order, which is hereby fixed as May 10, 1921, the service of water by applicant herein as a public utility shall be deemed terminated.

Dated at San Francisco, California, this 22
day of ^{May}~~April~~, 1921.

H. D. Loveland
H. B. Brundage
Waring M. Austin
Charles H. Rowell
Commissioners.