

Decision No. 31630

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
CALIFORNIA WATER SERVICE COMPANY,  
a corporation, for an order authoriz-  
ing (1) the sale and transfer of  
certain public utility properties;  
(2) the discontinuance by California  
Water Service Company of certain  
public utility obligations within  
certain territory.

Application No. 22474

ORIGINAL

BY THE COMMISSION:

O P I N I O N

The California Water Service Company asks permission to sell and transfer to the Town of Hillsborough for \$82,000.00 all of its water distribution system located within the Town of Hillsborough which is used to serve water to consumers in the Town of Hillsborough for domestic purposes, and is not necessary for the service of applicant's consumers outside the Town of Hillsborough. The property which applicant has agreed to sell to the Town of Hillsborough does not include its irrigation reservoir and irrigation system located in the Town of Hillsborough (except certain pipes which are included) nor does it include the Crystal Springs Reservoir and connecting pipe. The properties which applicant desires to sell and transfer to the Town of Hillsborough are more particularly described in the deed and bill of sale filed in this proceeding as Exhibit No. 3.

Upon the transfer of the said properties to the Town of Hillsborough, California Water Service Company desires to be relieved of its public utility obligations within the territorial limits of the Town of Hillsborough except as to its irrigation service.

The testimony in Application No. 22247 shows that at a special election held on September 27, 1938 the voters of the Town of Hillsborough by a vote of 463 to 24, authorized the issue of \$350,000.00 of bonds for the purpose of acquiring a municipal water works system. The Town of Hillsborough intends to acquire the several domestic water systems within its corporate limits and then unify and improve such systems. At the time of the hearing on Application No. 22247 there were seven different disconnected distributing water systems in the Town of Hillsborough. Two of these are owned by the California Water Service Company. One was owned by the Hillsborough Water Company, two by Oaks Water Company of Hillsborough and one is situated in the Caroland Tract, which system is operated by Oaks Water Company of Hillsborough. The Commission has heretofore authorized Hillsborough Water Company to transfer its properties to the Town of Hillsborough. In Application No. 22463 Oaks Water Company of Hillsborough asks permission to sell and transfer its public utility properties to the Town of Hillsborough.

The Commission is advised that California Water Service Company holds only a nominal amount of meter deposits of consumers residing in the Town of Hillsborough. Any deposits held by the company should, upon the transfer of its properties, be returned to the depositor pursuant to the rules and regulations of the Commission.

#### O R D E R

The Commission having considered applicant's request and it being of the opinion that this is not a matter on which a hearing is necessary and that this application should be granted subject to the provisions of this order, therefore,

IT IS HEREBY ORDERED that California Water Service Company may, on or before April 1, 1939, sell and transfer its properties described

in Exhibit No. 3 filed in this proceeding, to the Town of Hillsborough.

IT IS HEREBY FURTHER ORDERED that concurrently with the sale and transfer of said properties to the Town of Hillsborough, California Water Service Company is hereby relieved from its public utility obligations within the territorial limits of the Town of Hillsborough, except as to the irrigation service which it is not transferring to said Town of Hillsborough.

IT IS HEREBY FURTHER ORDERED that within thirty (30) days after the sale and transfer of said properties, California Water Service Company shall return to its consumers in the Town of Hillsborough any deposits to which they are entitled under the rules and regulations of the Railroad Commission.

IT IS HEREBY FURTHER ORDERED that within thirty (30) days after the sale and transfer of said properties, California Water Service Company shall file with the Railroad Commission a statement showing the exact date of the transfer of said properties, together with a copy of the deed and bill of sale transferring the title to said properties to the Town of Hillsborough.

IT IS HEREBY FURTHER ORDERED that the authority herein granted shall become effective upon the date hereof.

DATED at San Francisco, California, this 9<sup>th</sup> day of January, 1939.

Ray B. Crawford  
Greene R. Smith  
Ray L. Curry  
John J. Kelly  
Justin J. Cullen