

Decision No. 34804

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of SOUTHERN PACIFIC RAILROAD COMPANY and SOUTHERN PACIFIC COMPANY to sell the water distribution system serving the unincorporated town of Mojave, County of Kern, State of California, to Mojave Public Utility District.

Application No. 23702

BY THE COMMISSION:

O P I N I O N

Southern Pacific Railroad Company is the owner of a certain water system in the unincorporated town of Mojave, Kern County, California. Southern Pacific Company, as lessee of Southern Pacific Railroad Company, is in possession of and operating said water system and is engaged in the distribution and sale of water to the public in said town of Mojave.

Southern Pacific Railroad Company and Southern Pacific Company, hereinafter some times referred to as applicants, desire permission to sell part of said Mojave water system to Mojave Public Utility District under the terms of the contract filed in this proceeding as Exhibit A. The properties, which applicants have agreed to sell to the district, are described in said Exhibit A. In general, they consist of about 22,200 feet of pipe line, varying from one inch to four inches in

diameter; of service connections; miscellaneous fittings; valves, etc. The District has agreed to pay applicants for the properties the sum of \$6,140.63 plus an amount equal to the cost to applicants of any and all extensions that may be made to said water pipe line system during the period from and including April 20, 1940 to and including the date possession of said water pipe line system is tendered to the District. In addition, the District will pay to E. J. Krause a sum equal to the expenditures incurred by him in connection with his proposed purchase of said water pipe line system, amounting to about \$850.

Applicants desire permission to sell said water pipe line system because their principal business is the railroad business and because employees of Southern Pacific Company are not experienced in the business of selling and distributing water as a public utility. Originally, the Southern Pacific Company undertook to furnish water to the residents of the town of Mojave, the majority of whom were railroad employees, as a matter of accommodation, because no other water supply was available. It is of record that it has reluctantly extended the service from time to time to serve the public. It is believed that the service of delivering water to the public at Mojave will be improved by the transfer of the water system to the District.

ORDER

The Commission having considered the request of Southern Pacific Railroad Company and Southern Pacific Company, and it being

of the opinion that this is not a matter on which a public hearing is necessary, and that this application should be granted subject to the provisions of this order, therefore

IT IS HEREBY ORDERED that Southern Pacific Railroad Company and Southern Pacific Company be, and they are hereby, authorized to sell after the effective date hereof and on or before December 31, 1940, to the Mojave Public Utility District, the water pipe line system and properties described in Exhibit A filed in this proceeding, such sale to be made pursuant to the terms and conditions of said Exhibit A.

IT IS HEREBY FURTHER ORDERED that within thirty (30) days after the sale of the properties herein authorized, Southern Pacific Company shall file with the Railroad Commission a complete copy of the agreement under the terms of which said properties were sold to said Mojave Public Utility District.

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective fifteen (15) days after the date hereof.

Dated at San Francisco, California, this 17th day of October, 1940.

Ray L. Riley
Frank Brown
Ray Robinson
H. Baker
Justin J. Casmen
Commissioners.