

Decision No. 37123

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

**ORIGINAL**

In the matter of the application of James L. Rice and Ida M. Rice, his wife, to sell, and of Del Este Water Company, a corporation, to purchase, water production and distribution plant and system.

Application No. 26053

BY THE COMMISSION:

O P I N I O N

James L. Rice and Ida M. Rice, his wife, own a water system in the unincorporated area lying south of the City of Modesto and immediately south of the Tuolumne River, bounded on the east by the state highway running south from Modesto to Turlock, and bounded on the west by the tracks of the Western Pacific Railroad Company and also in an area extending along the easterly side of the state highway and adjacent thereto and on the opposite side thereof from the area just described. The sellers installed the water system for the purpose of encouraging the development of a business area. They then operated a mercantile business but do so no longer. They own certain lots and buildings in the area. They live a considerable distance from the area and find it inconvenient to operate the water system. They have entered into an agreement to sell the water properties to Del Este Water Company for \$4,000, payable when the Railroad Commission authorizes the transfer of the properties.

The petition shows that Del Este Water Company is presently operating the properties as agent for the sellers. It is charging the rates formerly charged by James L. Rice and will continue to charge such rates until the Commission passes on Application No. 26144, in which Del Este Water Company asks permission to place its rates into effect in the Rice area. There are presently some 40 consumers receiving water from the Rice system. The properties to be transferred consist of a lot, one well and pumping equipment, the pumping equipment in a leased well and distribution mains. They are more particularly described in Exhibit "A" on file in this application and in the lease agreement filed on March 29, 1944.

Del Este Water Company is a public utility corporation. It owns five water production and distribution systems in the vicinity of Modesto.

O R D E R

The Commission has considered applicants' request and is of the opinion that this is not a matter on which a hearing is necessary; and that this application should be granted, therefore,

IT IS HEREBY ORDERED that James L. Rice and Ida M. Rice, his wife, be, and they are hereby, authorized to sell on or before October 1, 1944, to Del Este Water Company the properties described in Exhibit "A" on file in this application, and to lease to said Del Este Water Company the well and pump site described in the agreement filed on March 29, 1944.

IT IS HEREBY FURTHER ORDERED that within thirty (30) days after the acquisition of said properties Del Este Water

Company shall file with the Railroad Commission a copy of the deed under which it holds title to the properties acquired from James L. Rice and Ida M. Rice, his wife.

IT IS HEREBY FURTHER ORDERED that the action taken herein shall not be construed to be a finding of value for any purpose other than the proceeding herein involved.

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

Dated at San Francisco, California, this 13<sup>th</sup> day of June, 1944.

Richard L. Ketchum  
Justus F. Craven  
Francis L. Havens  
Francis C. Clark  
Maxwell S. Luce  
Commissioners