

Decision No. 38279

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the Matter of the Application of
 SAN GABRIEL VALLEY WATER COMPANY for
 Authority to Purchase and FRANK GILLELEN
 for Authority to Sell a certain System
 for the Production and Distribution
 of Water operated under the name of
 Home Gardens Water Company.

Application No. 26975.

BY THE COMMISSION:

OPINION AND ORDER

Frank Gillelen owns and operates a public utility water business under the fictitious firm name and style of Home Gardens Water Company in a subdivided area in the vicinity of the Town of Pico, Los Angeles County, California. In this proceeding, he asks authority to sell the water system for \$36,000 to San Gabriel Valley Water Company, a corporation, which joins in the application.

This system, known as the Pico Division, together with a water system in the City of Southgate, called the Southgate Division, were formerly owned by Sidney Smith, doing business as Home Gardens Water Company. These properties were acquired by Frank Gillelen and their transfer and sale were authorized by the Commission by its Decisions No. 37042 and No. 37381, dated May 9, 1944, and October 3, 1944, respectively. By the latter decision, Mr. Gillelen was also authorized to sell and transfer the Southgate system to the City of Southgate.

The historical cost of the Pico system, as set out in said Commission's Decision No. 37381, is \$41,324 as of December 31, 1943, and the historical cost less depreciation on a 5% sinking fund basis is shown as \$30,554. Additions and Betterments installed since the above date total \$354. The operating revenues for the year 1944 are reported to total \$9,669. No segregation of the operating expenses was possible as the system has been operated in connection with the Southgate system. There were 477 consumers receiving water service at the end

of the year, of which 36 were served on a measured basis and the remainder were served at flat rates.

Owing to the underground water supply becoming contaminated, Mr. Gillelen is unable to provide and deliver a potable and satisfactory water to his consumers. San Gabriel Valley Water Company serves an adjoining area, and has available a satisfactory quality of water which can be delivered to the Gillelen property by interconnecting the two systems. The operation of the two properties can be carried on more economically as one system, and the transfer should result in improved service to the Gillelen consumers.

An investigation having been made, and it appearing that this is not a matter in which a public hearing is necessary, and that approval of this transfer is in the public interest, now, therefore,

IT IS HEREBY ORDERED that Frank Gillelen, operating under the fictitious firm name and style of Home Gardens Water Company, be and he is hereby authorized to transfer on or before November 15, 1945, to San Gabriel Valley Water Company, a corporation, that certain public utility water system supplying consumers in the vicinity of the Town of Pico, Los Angeles County, said system being more particularly described and set forth in Exhibit "A" attached to the application herein and hereby made a part of this Order by reference.

IT IS HEREBY FURTHER ORDERED as follows:

1. That Frank Gillelen shall file a certified copy of the final instrument of conveyance with this Commission on or before December 1, 1945;
2. That Frank Gillelen shall file a written statement with this Commission, on or before December 1, 1945, indicating the date on which control and possession of said water system were relinquished;
3. That on or before the date of actual transfer of said system, Frank Gillelen shall refund all deposits which consumers are entitled to have refunded, under the utility's filed rates, rules and regulations, and shall file a written statement, on or before December 1, 1945, showing disposition of any such deposits, or that no deposits existed;
4. That upon compliance with the above Order of the Commission, said Frank Gillelen shall be relieved of all public utility obligations and liabilities in connection with said system;

5. That San Gabriel Valley Water Company, a corporation, is hereby directed to file, on or before December 1, 1945, four copies of rates for water service furnished by this system in the vicinity of the Town of Pico, Los Angeles County, which rates shall not be higher, in any particular, than the applicable rates now on file:
6. That San Gabriel Valley Water Company, a corporation, is hereby directed to file, on or before December 1, 1945, four sets of rules and regulations applicable to water service in the vicinity of the Town of Pico, Los Angeles County, each set of which shall contain a map or sketch, drawn to an indicated scale, upon a sheet approximately 8 1/2 x 11 inches in size, delineating thereupon in distinctive markings the boundaries of the present service area and the location thereof with reference to the surrounding territory; it being understood, however, that the filing of such sketch shall not be considered as a conclusive determination of the area dedicated; and
7. That San Gabriel Valley Water Company, a corporation, is hereby directed to file, on or before December 1, 1945, four copies of a comprehensive map, drawn to an indicated scale of not less than 600 feet to the inch, delineating the area served in the vicinity of the Town of Pico, Los Angeles County, and its location with reference to source of supply and surrounding territory. Such map shall show the source and date thereof, and include data sufficient to determine clearly and definitely the location of the various properties comprising the service area.

The action taken herein shall not be construed to be a finding of value for any purpose other than the proceeding herein involved.

This Order shall become effective upon the date hereof.

Dated at San Francisco, California, this 9th day of October, 1945.

Edward Anderson
Richard L. Baker
Francis J. Davis
John H. Russell
 COMMISSIONERS.