

Decision No. 43149**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
SOUTHERN CALIFORNIA WATER COMPANY
for an order or orders (a) authorizing
Southern California Water Company to
sell to the City of Arcadia, a Muni-
cipal Corporation, all of the water
properties of Southern California
water Company located in said City,
(b) authorizing Southern California
Water Company, upon consummation of
such sale, to discontinue rendering
service in said City, and (c) approv-
ing an agreement for the sale of
water by Southern California Water
Company to said City.

Application No. 30456

O R D E R

In this application, Southern California Water Company, a corporation, asks the Commission for authority to sell all of its water properties located in the City of Arcadia to the City of Arcadia; upon consummation of such sale, to authorize Southern California Water Company to discontinue public utility water service in said area; and for approval of an agreement for the sale of water to the City of Arcadia.

The properties to be transferred include a certain parcel of land comprising a reservoir site, a 1,000,000-gallon reinforced concrete reservoir, concrete and steel transmission and distribution pipe lines and valves, all easements and rights of way on public or private property, and all properties and appurtenances located within the present boundaries of the City of Arcadia. A price of \$6,000 has been agreed upon as the amount to be paid to applicant by the City of Arcadia for the sale of these properties.

This system supplied agricultural irrigation service only, the demand for which has declined from 19 customers during 1945 to three at the beginning of 1948, and the last of these three customers discontinued service on November 27, 1948. Revenue from this irrigation service varied from \$653.20 during 1946 to none in 1949. The discontinuance of irrigation service in this area has been caused by subdivision for home sites of the lands heretofore irrigated.

The agreement for the sale of water to the City of Arcadia for a term of five years, is set forth in detail in Exhibit C of this application and provides, among other things, for a minimum monthly delivery of 20 million gallons and a maximum daily delivery of one million gallons at a rate of 2½ cents per 100 cubic feet. The agreement also provides that Southern California Water Company shall have the right to use the reservoir and necessary pipe lines included in the properties being sold during the term of the agreement. The City of Arcadia has requested early action on this transfer as a matter of extreme urgency by reason of critical water supply conditions existing within the municipality.

The Commission having considered this matter and being of the opinion that a public hearing is not necessary and that the application should be granted, effective as of the date of this order, now therefore,

IT IS HEREBY ORDERED as follows:

1. That Southern California Water Company, after the effective date of this order and on or before September 30, 1949, may sell to the City of Arcadia the properties described in the application and as more particularly described in the agreement for the sale of said land and the water facilities, marked Exhibit B of the application and made a part of this order by reference;
2. That Southern California Water Company may sell water to the City of Arcadia substantially in

accordance with the terms of the agreement set forth as Exhibit C of this application and made a part of this order by reference;

3. That within thirty (30) days after the sale of these properties to the City of Arcadia, Southern California Water Company shall file certified copies of both of said agreements, together with a statement showing the date upon which the company relinquished control and possession of these properties;
4. That upon compliance with the terms of the above agreements, said Southern California Water Company shall thereupon stand relieved of all further public utility obligations and liabilities in connection with the water system herein authorized to be transferred.

The action taken herein shall not be construed to be a finding of the value of the properties herein authorized to be transferred.

The authority herein granted will become effective on the date hereof.

Dated at San Francisco, California, this 26th
day of July, 1949.

A. F. Johnson
Justin J. Cooney
August H. Kucell
Harold P. Kule
Herbert Lott
Commissioners.