

ORIGINALDecision No. 45204

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of COVE WATER COMPANY, a corporation, to sell all of its property to applicant CITY OF ORANGE COVE, a municipal corporation, and to permit the Cove Water Company to abandon service upon consummation of said sale

Application No. 31985

O P I N I O N

The Cove Water Company, a corporation, engaged in the business of furnishing water for domestic and commercial purposes to consumers in and in the vicinity of the City of Orange Cove, Fresno County, California, asks the Commission for authority to sell and transfer its water utility system for the sum of \$29,843 to the City of Orange Cove, a municipal corporation, which joins in the application.

The city desires to acquire and operate its own water system and has agreed to purchase the company's properties for the sum of \$29,843. At an election held November 7, 1950, the people of the City of Orange Cove approved a bond issue in the amount of \$100,000 for the acquisition and improvement of The Cove Water Company properties.

The company reports a fixed capital installed, as of November 30, 1950, of \$42,862, but does not report accrued depreciation. Its operating revenues for the 11-month period ending November 30, 1950, are reported at \$10,805 and operating expenses at \$3,547, exclusive of depreciation and income tax, leaving a net revenue of \$7,258. The system supplied water to 506 customers during 1949.

O R D E R

Application having been made as entitled above, the Commission having considered applicant's requests, and it appearing that the requested transfer will not be adverse to the public interest, and is not a matter on which a public hearing is necessary and that the application should be granted; now therefore,

IT IS HEREBY ORDERED as follows:

1. That The Cove Water Company, a corporation, be and it is hereby authorized to sell and transfer, on or before April 1, 1951, its public utility water system to the City of Orange Cove, a municipal corporation, said sale to be made in accordance with the terms and conditions of the proposed deed attached to the application and marked "Exhibit No. IV," said property being more particularly described therein.
2. That within sixty (60) days after the sale and transfer of its water properties to the City of Orange Cove, The Cove Water Company shall file with the Commission a statement showing the exact date upon which it relinquished control and possession of its water system, and an annual report covering its operation of the system during 1950.
3. That on or before the date of actual transfer, The Cove Water Company shall refund all deposits which consumers are entitled to have refunded; and that any unrefunded reports shall be transferred to and become the obligation for refund by the City of Orange Cove, a municipal corporation.
4. That concurrent with the sale and transfer of its public utility property to the City of Orange Cove, The Cove Water Company, a corporation, is relieved of the obligation to operate said property as a public utility.

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

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

Dated at San Francisco, California, this 27th day of December, 1954

Robert J. Casper
Justice J. Casper
Grant Powell
Fernando Pottier
Commissioners.