ORIGINAL

Decision No. <u>4621</u>2

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of) NATOMAS WATER COMPANY for an order ) authorizing applicant to execute a ) contract with the United States ) providing for the transfer and ) exchange of utility property. )

Application No. 32739

## OPINION AND ORDER

Natomas Water Company, a corporation, engaged in the business of diverting, distributing, and selling water for irrigation and domestic purposes in El Dorado and Sacramento Counties, asks the Commission for authority to execute a contract with the United States providing for the transfer of certain of its utility lands and certain diversion facilities, canals, ditches and appurtenances to the government, and for the construction of substitute facilities in exchange therefor.

The United States Government has undertaken the construction of Folsom Dam and Reservoir on the American River for flood control, irrigation, and other purposes, which when completed, will inundate the company's diversion works and a substantial portion of its main canal. In order that the project may be completed, it is necessary that these facilities be removed or altered to accommodate the project.

The contract with the company provides, among other things, that the United States proposes (a) to by-pass temporarily a portion of the company's Natoma Canal and Folsom Ditch, (b) construct a new gravity conduit together with certain gates, turnouts, and appurtement structures to replace a portion of the present main

-1-

Natoma Canal as well as a turnout to serve the Folsom Ditch, (c) obtain all interests in realty necessary for construction and subsequent operation and maintenance of all facilities to be constructed, and to make suitable provisions for relocation of facilities of the company which will be affected by the construction of the dam and make possible the continued operation of all said facilities throughout the construction period.

The contract further provides for the conveyance by the United States to the company of certain casements necessary for the maintenance and operation of facilities to be constructed, and for the delivery of the 60 cubic feet of water to which the company is entitled to divert from the South Fork of the American River.

It appearing that the proposed transfer of property and rearrangement of the company's water facilities will not adversely affect its operations and that they are in the public interest, and it further appearing that this is not a matter in which a public hearing is necessary and that the application should be granted, now, therefore,

IT IS HEREBY ORDERED as follows:

- 1. That Natomas Water Company, a corporation, be and it is hereby authorized to execute a contract with the United States of America, providing for the relocation and rearrangement of facilities, and transfer of lands, substantially in accordance with its terms and conditions set forth in Exhibit B attached to the application herein, said exhibit being hereby made a part of this order by reference.
- 2. That Natomas Water Company, a corporation, shall file With this COMMISSION two certified Copies Of this contract as finally consummated within thirty (30) days thereafter.

-2-

3. That Natomas Water Company, a corporation, shall notify this Commission of the date said relocated and rearranged facilities have been placed in satisfactory operation within thirty (30) days thereafter.

In view of the fact that the relocation and rearrangement of the company's facilities hereinabove referred to must be completed before construction can be started by the United States, and it being in the public interest to commence construction on the Folsom Dam project as soon as possible, the authority granted herein will be effective on the date hereof.

Dated at San Francisco, California, this 244 day of tren

President. C.L.

Commissioners.